

Final report for implementation of the project "Establishment of a national database of social enterprises in Bulgaria" under contract with the European Commission, DG "Enterprise and Industry" grant activity with several beneficiaries SI2.650082

I. Background and the beginning of the project.

Agreement SI2.650082 between the European Commission, DG „Enterprise and Industry“ and the Ministry of Labour and Social Policy, Bulgaria was signed on 28.05.2013.

The implementation of the project started at 29th of Mai 2013, has 14 months duration and was completed on 28th of July 2014.

In the process of signing the contract, in Bulgaria three governments changed, including three Ministers of labor and social policy, in their capacity as authorized contracting party under the contract. As a result of these changes it was necessary to carry out some of the administrative steps/procedures for approval and signing of the contract by the Bulgarian side three times. This led to a delay of subsequent legal actions, including the agreements with the partner organizations and with the experts - direct executers.

Because of this delay on 05th of August 2013, an official notification was sent to the European Commission regarding:

- Actualization of the contract in the part of the person representing the beneficiary - Mr. Ademov;
- actualization in the name of the project coordinator - Mrs Theodora Demireva in Ms. Teodora Todorova (change in the family circumstances)

Until obtaining approval of the amendment from the Commission on 30th of August 2013 it was not possible to conclude additional agreements with partners and experts in the project since they had to be signed by the Minister - Mr. Ademov.

In this context, the agreements with the project partners were concluded as follows:

- with the National Statistical Institute - on 11th of September 2013;
- with the Agency for Social Assistance - on 11th of September 2013;

- with the Central Cooperative Union - on 09th of September 2013

Evidence 1 – copy of agreements

The contracts with the experts involved in the project were concluded as follows:

Ministry of labor and social policy:

Veselin Indjev	08.08.2013
Teodora Demireva	08.08.2013
Iliya Garaliev	08.08.2013
Valeria Panayotova	08.08.2013
Plamena Petrova	08.08.2013
Temenujka Zlatanova	08.08.2013
Ralica Sokolova	08.08.2013
Sabina Stoeva	08.08.2013
Rosiza Koleva	08.08.2013
Iskren Angelov	08.08.2013.

National Statistical Institute (NSI)

Svetoslava Filipovich	15.10.2013r.
Ginka Krachunova	15.10.2013r.
Daniela Petrova	15.10.2013r.
Emilia Altanova	15.10.2013r.
Teodor Tsanev	15.10.2013r.

Agency for Social Assistance (ASA)

Ekaterina Dimitrova	01.11.2013r.
Stanislava Jalamova	01.11.2013r.

Central Cooperative Union (CCU)

Vanja Bojuklieva	30.09.2013r.
Ljubka Gerasimova	30.09.2013 r.

Evidence 2 – contracts, one per institution, copies

We have made efforts despite some obstacles of administrative nature to keep the composition of experts literally and by name the same as stated in the grant application.

In accordance with the agreement with the European Commission, on 05th of August 2013 was sent an official request for pre-financing. Stipulated under Art.I.5.1 amount, representing 50% of total funding for the project was received on 26th of August 2013 - 55 729.62 BGN (lev) According to the agreement, the co-beneficiaries received their corresponding part of the amount as follows:

- NSI - on 21th of October 2013;
- ASA - on 21th of October 2013;
- CCU - on 21th of October 2013

Evidence 3 - document

After signing the contract with the European Commission, a meeting with all the experts involved in the project was held, on which they got acquainted with their upcoming commitments. Issues related to the upcoming administrative and work commitments, deadlines for implementation of activities and opportunities for support from the management team were discussed.

On 31th of October 2013 was held the second joint meeting with all experts involved in the project. The following issues were discussed:

1. Administrative issues: dates of contracts for the implementation of project activities; received pre-financing and distribution by areas (organizations and individuals);
2. Status of the implementation of the project activities to date (small delays). Discussion on the optimal type of products provided by experts;
3. Discussion of the interim report of the project – for presenting;
4. Planning of the next stage of the project.

Evidence 4- presentation for the meeting

II. Organizational and technical work on the project

1. The Coordinator was authorized by co-beneficiaries to sign the Contract with the European Commission , DG "Enterprise and Industry " grant for activity with several beneficiaries SI2.650082;
2. During the implementation of the project was carried out constant communication and correspondence by the coordinator of the project with the involved participants from NSI, ASA and CCU (by phone and e-mail);
3. The coordinator realized activity regarding signing of agreements with partners;
4. An activity was implemented in regard to coordination and technical support for preparation of civil contracts between the project experts and the management of the institutions involved in the project;
5. Constant communication and coordination between the executer of the public procurement - Strategma Agency Ltd. and contracting authority - MLSP in connection with the ongoing implementation of the terms of reference and clarification of the details of the information database was carried out;
6. Constant communication and coordination between the executer of the public procurement - Strategma Agency Ltd and the partners regarding the development and improvement of statistical unit for social enterprises in Bulgaria was carried out. The details of the design and content of the statistical module were discussed and specified.

III. Implementation of the project activities.

Stage 1: Analyzing the experience of an EU Member State in developing an information system for social enterprises. Collecting information relating to indicators currently observed for social enterprises in Bulgaria.

Action 1 Stage 1: Analyzing of other countries' experience of developing information systems for social enterprises

The study of foreign experience and best practices was conducted mainly by the experts of ASA and MLSP. Experts from the CCU and NSI also acquainted with informational materials related to social entrepreneurship and social enterprises given to them by the coordinator.

Materials regarding social entrepreneurship, issued by the European Commission, research and analysis of Bulgarian and foreign sources were investigated; legal forms and the state of social enterprise in 2013 in the United Kingdom were studied; on the basis of the experience of ASA an investigation of the legal forms in Bulgaria was carried out. Explored and defined were the main activities which identify social enterprises. Defined were the persons who can be hired as employees (personnel requirements) and the target groups, which can be served by social enterprises. Some of the problems faced by social enterprises in carrying out their activities were highlighted.

The following documents were examined more substantially:

1. Communication from the commission to the European Parliament, the Council, the European economic and social committee and the Committee of the regions, Social business initiative. Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation, {SEC(2011) 1278 final};
2. REGULATION (EU) No 346/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, of 17 April 2013 on European social entrepreneurship funds;
3. The social economy in the European union. N°. CESE/COMM/05/2005 The European Economic and Social Committee, CIRIEC;
4. Analysis of social entrepreneurship in Bulgaria - prepared under the project "Initiative for innovation in social economy" co-financed by the European Social Fund and the Republic of Bulgaria through Operational Program "Human Resources Development" scheme "Without Borders - Component 1" and implemented by Association "knowledge "- Lovech;
5. National concept of social economy, adopted by the Council of Ministers, 2012;
6. Operational Program "Human Resources Development" 2007-2013; Draft of Operational Program "Human Resources Development" 2014-2020
7. Communication from the Commission to the European Parliament, the European Economic and Social Committee and the Committee of the Regions - Social Investment for growth and cohesion, including the implementation of the European Social Fund for the period 2014-2020;
8. Information material for the social enterprises in the European Union - Britain, Greece, Sweden, Italy and Finland;
9. FUTURA-THIRD SECTOR, Franco Passuello;
10. Prof. Radev, "Innovations and social entrepreneurship", report;

11. Manual for drawing up the satellite accounts of companies in the social economy: co-operatives and mutual societies

Evidence 5 – reference list – investigated documents

As a result of the research and study were presented data, which were necessary for the preparation doing of the analysis.

Essential for the proper methodological orientation of follow-up activities are the proposals for definition of social entrepreneurship in socialpolitical terms, made by the ASA experts:

1. Complex of social services provided to disadvantaged groups and aimed at providing employment through inclusion in comprehensive programs for professional development, psychological counseling, participation in vocational training and assistance for finding work, in order to create conditions for meeting daily and educational needs, organizing social and work skills for transition to independent living;
2. Set of business activities from which no profit is distributed, with a strong social impact to persons from vulnerable groups in order to be improved their standard of living, ensuring secure employment and / or providing services in order to provide direct support to overcome social exclusion;
3. Complex of social activities generating support for work habits recovery, skills for independence and social inclusion of people at risk, including the production of specific goods and services, as well as exploring the possibilities and the search for their marketing.

Research was done on the legislative framework in some EU countries as well.

Part of the project provides for a working visit to an EU country that has experience in data collection for social enterprises and has an information system. We sought the assistance of the Italian Chamber of Commerce in Bulgaria. Several times we met and talked with Mr. Anselmo Caporossi, President Observatory on Structural funds and EU Programms. We sent an official letter asking for assistance.

Evidence 6 – Letter

The working visit was held in Venice from 12-14 December 2013. In the visit the following representatives took part:

- From MLSP: Teodora Todorova, Project Coordinator; Ilija Garaliev, assistant project; Ralitsa Sokolova, expert project

- from NSI: Svetoslava Filipovic, an expert on the project; Ginka Krachunova expert project
- From the Italian Chamber of Commerce in Bulgaria - Tanya Trajan, an expert on European affairs. Ms. Trajanova helped for the organization of the planned meetings and was interpreter as well (without).

During the visit were held meetings with the Venice Chamber of Commerce and the Municipality of Venice. At these meetings the experience of both organizations for creation and maintenance of the database was presented. Venice Chamber of Commerce presented the constructed register of the Chamber of Commerce for Italy, operating principles, methods of data collection and others.

The municipality of Venice presented a register of social enterprises, created under a project, the way the register is operating, methods for data collection and others.

Discussed were issues related to the need to gather data on social enterprises, monitoring indicators, methods for registration of social enterprises, usefulness of the information system, positive and negative aspects of statistical systems and other questions.

Evidence 7 – report and photos

The costs for the representative of the Italian Chamber of Commerce in Bulgaria were at the expense of the project - within 7 per cent indirect costs in the budget of the Project.

Action 2 Stage 1: Research and collection of information by partner organizations relating to indicators observed by them among social enterprises in Bulgaria. Drawing on the experience of the Central Cooperative Union in developing and implementing an information system for Bulgarian cooperatives

CCU experts provided a written report on the accumulated experience of the organization in the creation of statistical information system of the Central Cooperative Union.

The experience of CCU in the implementation of the activities under the project "Development of an information system CCU as a basis for the creation of satellite accounts for cooperatives in Bulgaria", financed by the European Commission was shared. The experience of CCU regarding the collaboration with the National Statistical Institute in relation to employment and income

indicators was shared as well. The experts of CCU did a report on the operation of their statistical information system describing:

- The modules, which contains;
- Indicators which are monitored;
- References, which the system performs;
- Information about database.

Between the experts, the coordinator and the assistant of MLSP, the experts of ASA and Mrs. Lyubka Gerasimova from CCU several meetings were held, on which Ms. Gerasimova shared her experience of the project, implemented by the CCU, in its capacity as manager of this project on:

- Preparation of Terms of Reference for the development of the information system;
- Comparison of data from the statistical system of CCU with the database of Cooperatives in the National Statistical Institute for the indicators "employed in cooperative organizations" and "salaries";
- Entering information in the statistical system];
- Levels of access to the information in the system.

The statistical information system of CCU accumulates in central database information on the basic organizational and financial ratios of all members of a union cooperative organizations:

- Cooperatives - 777 units;
- Cooperative unions - 34 units;
- Commercial companies of cooperative organizations - 54 pieces.

Evidence 8 – interim report

On the part of ASA the experts:

- presented current and retrospective, detailed statistics on financed under Operational Programme "Human Resources Development" social enterprises, areas of activities, employed staff in social enterprises, target groups and other information;(with funding from the European Social Fund):
 - ✓ Scheme - **"Social entrepreneurship - promoting and supporting social enterprises"** pilot phase are created and supported a total of 46 social enterprises, including 36 start-ups in the social economy, in which 335 persons at risk received sheltered employment. As a result of integrated social services

provided by the social economy sector to the real labor market passed 179 persons. Created social enterprises have developed the following activities: services in the home and garden; Art - workshops; workshops and studios - Patchwork, Applied Arts; support centers for disadvantaged people; offices for social services; public dining room; social enterprises - beekeeping, tailor shop, laundry; nurseries; car washes; information centers; labor offices; hairdressers etc.;

- ✓ **"New Opportunities"** - opened and functioning are 34 social enterprises, divided into the following types: landscaping and public works; Catering, incl. soup kitchens; canteen; domiciliary care/services; performing technical activities in support of the municipal administration; laundry and traditional crafts. The total number of persons employed in enterprises, which means started work in the social economy sector (vulnerable groups and disadvantaged specialized staff) is 731;
- ✓ **"A chance for all"** - the focus is on training courses or further training and / or acquisition of key competencies of people with disabilities and ensuring their subsequent employment for a period of one year. The measures were directed to newly appointed and to the staff of these organizations, by this means ensuring increased competitiveness and stabilize the position of the market. As a result of the implementation of the projects 109 persons have undergone training. The number of those who started work in the social economy sector is 29, and for all of them is provided subsequent employment;
- ✓ **"Empathy"** – Under the call 8 projects were implemented, which have developed 18 centers for support of people with disabilities. The total number of persons who benefit from the services of the centers for support of people with disabilities is approximately 6020 people, 430 people are undergone training and at least 1600 people have the opportunity to e-Inclusion. Within the frame of the projects 34 public information campaigns are implemented in order to inform the public about the needs of people with disabilities and for the prevention of disability, the messages of the events reached approximately 942,410 people;
- ✓ **"Help at Home"** - 150 units and 15 service centers are created. Persons who are employed as staff and provide services are unemployed – they are not entitled to pensions for retirement age and insurance period - total 5403 persons, including staff

management - 203 persons and 5,200 persons - personal to perform hourly combined use of various social services - support and assistance for social inclusion of users, implementation of tasks for personal assistance and conducting communal - domestic activities. After completion of projects under this operation, 974 people will move from the social economy sector to the real market. The activities for personal assistance, social support, social inclusion and household activities are provided to 11,567 persons - users of services.

The total budget of implemented projects is 51 323 318.40 lev (26 241 201.91 EUR).

- did proposals for regulatory determination of the organizations operating in the social economy sector, based on the experience of the ASA in the implementation of schemes under OP "HRD", aimed at supporting social enterprises:
 - ✓ Specialized companies registered under the Commerce Act and Cooperatives registered under the Cooperatives Act;
 - ✓ Legal entities, registered under the Commerce Act, with the sole shareholder NGOs;
 - ✓ Legal persons, registered under the Commerce Act and registered as providers of social services in the register of the Social Assistance Agency;
 - ✓ Municipal undertakings, established under Art. 52 of the Law on Municipal Property;
 - ✓ Legal entities with municipal participation of the capital, established under Art. 51 of the Law on Municipal Property;
 - ✓ Legal persons under Art. 10, item 3, item. 4 and. 5 of the Hospitals Act;
 - ✓ Libraries, established under the Law on Community Centers.
- defined basic activities that identify social enterprises
 - Activities related to the production of goods, provided that
 - ✓ goods are produced by individuals from socially excluded or vulnerable groups;
 - ✓ goods are targeted for use by the socially excluded and vulnerable groups;
 - Activities related to the provision of services, provided that
 - ✓ services are provided by people from socially excluded, vulnerable or;

- ✓ Services are aimed at socially excluded and vulnerable groups.
- defined the persons who can be hired as employees / personnel requirements / and what the target groups that can be served by social enterprises are

Individuals from socially excluded, vulnerable groups, such as:

- ✓ Persons who receive social assistance
 - ✓ Long-term unemployed
 - ✓ Disability
 - ✓ Single parents
 - ✓ mothers of many children
 - ✓ Persons who have served a custodial sentence
 - ✓ Persons serving probation
 - ✓ Persons suffering from various addictions / alcohol, drugs /
 - ✓ Homeless
 - ✓ Members of minority ethnic groups, such as Roma
 - ✓ Refugees, migrants
- Defined some of the problems faced by social enterprises in carrying out their activities:
 - ✓ Problems encountered in the course of activities of social enterprises: facilities, administration, personnel, equipment;
 - ✓ lack of legislated legal framework relating to the definition of social enterprises
 - ✓ lack of sufficient incentives related to the marketing of products of social enterprises in the market
 - ✓ Interaction with other companies, organizations, administrations;
 - ✓ The need for training and motivation of the people working in social enterprises and those who wish to do work in them;
- Identified the specific characteristics of the organizations operating as social enterprises in Bulgaria:
 - ✓ Social enterprises produce goods and / or sell services;
 - ✓ Social enterprises generate revenue from business but do not distribute profit and invest it in social activities;
 - ✓ Social enterprises are not typically associated with advocacy;
 - ✓ Social enterprises are facing high economic risk - unlike most public organizations whose financial stability is largely guaranteed, the success of social enterprises depends on the skills to identify and exploit markets and at the same time their ability to combine different sources of funding.

On the part of NSI, the experts presented an administrative official statistics on the number of social enterprises identified as such according to question covered in the annual reports on the activities of non-financial enterprises and non-profit organizations - required under the Law on State Statistics.

On working meeting between experts from MLSP and experts from NSI on 22.01.2014, the experts of NSI received working materials for acquaintance with the nature and characteristics of social enterprises in order to facilitate their identification:

1. Communication from the commission to the European Parliament, the Council, the European economic and social committee and the Committee of the regions, Social business initiative. Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation, {SEC(2011) 1278 final};
2. REGULATION (EU) No 346/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, of 17 April 2013 on European social entrepreneurship funds;
3. "Social economy and social entrepreneurship in Bulgaria" in Information bulletin of the Ministry of labour and social policy, 07.2013;
4. "Handbook of Social Entrepreneurship" created by "Social initiatives for Personal Alternative" with the financial support of Operational Programme "Human Resources Development", co-financed by the European Union through the European Social Fund;
5. Social enterprise UK The people's business state of social enterprise survey 2013;
6. Contacts of social enterprises with a view to making calls and interviews to clarify the nature of social enterprises were given to the experts of NSI

During 2013 NSI collected for the first time information about social enterprises using Annual Activity Reports (AAR) for non-financial enterprises and non-profit organizations for the accounting 2012. The question for "social orientation" was included in AAR after MLSP applied for this grant and expected the activities of the project were expected to begin in November 2012. *The initial analysis of the number of respondents who identified themselves as having a social dimension showed that the given definition is inadequate and businesses which are not social, also identified themselves as such.*

On the basis of the documents provided to the NSI experts and after discussion with the experts from MLSP, the NSI project team prepared and proposed a new more detailed definition of "social enterprise". *By mutual agreement of the experts was accepted working definition on the term "social enterprise", based on the European understanding of the concept and Bulgarian specifics:*

Definition: "social enterprise" is defined as an operator in the social economy, whose main purpose is to achieve positive measurable social impact rather than generate profit in favor of the owners or shareholders. It operates in the market by providing social services or goods to disadvantaged or uses a method of production of goods or services, which reflects its social purpose. Your undertaking is "social" when:

1. Over 50% of profits regularly is invested for achieving social objectives:

- Support for socially vulnerable groups and / or individuals in isolation;*
- Environmental protection with impact on society;*
- Social innovation;*
- Implementation of other activities, provision and / or production of goods and services with a social purpose;*

and / or

2 Over 30% of employed staff is from vulnerable groups.

This definition was included in the annual reports on the activities of non-financial organizations and non-profit organizations in 2013. The results are still to be processed.

Stage 2: Analysis of the results from investigations, benchmarking and development of methodology and methods for identification of social enterprise and establishment of indicators that will be monitored and analysed in order to build an information system for social enterprises. Development of indicators and monitoring tables of employment, labor income, revenue, value added, etc.. socio-economic indicators.

Action 3 Step 2: Preparation of analysis related to the results of studies made during the previous stage.

The preparation of the analysis started only after the conclusion of contracts with all the experts involved in the process (including and especially experts from ASA). At this stage, all efforts were made, despite initial delays in project implementation, the same to be offset and not to have a negative impact on activities by the end of the project. The analysis is based on the main results / products of stage I, as:

- Generalized analytical materials / parts of the research of the foreign and national experience;
- Specific features of the organizations operating as social enterprises in Bulgaria;
- Concept of normative definition of the organizations operating in the social economy;
- Definition of the main activities that identify social enterprises;
- Defining some of the problems encountered by social enterprises when carrying out their activities;
- Proposals for definitions of social entrepreneurship.

All information and materials submitted by the project partners were collected and summarized. On this basis, an analysis was prepared and had been agreed with the project partners.

The analysis includes:

- Legal framework regulating social entrepreneurship in the European Union countries;
- Legal framework regulating social entrepreneurship in Bulgaria;
- Social Enterprise in Bulgaria:
 - ✓ Definition of social enterprise in Bulgaria (since there is missing such definition in a legislative act, we describe various sources in which definitions are adopted);
 - ✓ Which forms of social enterprises are recognized and visible in Bulgaria;
 - ✓ What kind of forms of social enterprises actually exist;
 - ✓ How they are financed, tax and other incentives.
- Indicators according to which social enterprises are monitored in Bulgaria;
- Conclusions

Evidence 9 – Analyse

For proper implementation of planned project activities with all the experts was held a contact and prior to contracting with them as well. There have been

individual meetings and talks about upcoming activities, deadlines, difficulties and opportunities for cooperation from the management team.

Identified were problems, caused by external for the beneficiary risks that the beneficiary was not able to control:

- Difficulties with changes at the political level (including changing to a caretaker government with limited powers and discretion), accompanied by changes in the management of the Ministry of Labour and Social Policy (project coordinator);

- Administrative and technical difficulties in connection with the above circumstances and institutional character of the partners (NSI, ASA and CCU).

Public procurement was prepared for the purchase of server and laptops. The procurement was announced as appropriate. The deadline for receipt of tenders expired on 30/01/2014 at 17:00. No offers were received. For this reason, the procedure was terminated. Consequently, it was declared a negotiated procedure without notice for procurement. Contract was signed on 05.12.2014, and the equipment was delivered.

Evidence 10 –photos of computers

Activity 4 Stage 2: Development of methodology and methods for identifying social enterprise including indicators for monitoring and analysis of building information system for social enterprises.

The methodology for identification of social enterprises was developed mainly by the experts of MLSP and ASA. Experts from NSI and CCU participated as consultants and observers. In the process of developing the methodology multiple meetings between the experts were conducted and experiences and ideas about the content, scope and nature of the methodology were exchanged. It includes key indicators by which to monitor and analyze social enterprises and the goal of this methodology is be the basis for building an information system for social enterprises. The NSI experts presented the methodology of the statistical survey of social enterprises in Bulgaria, developed for the purpose of the project.

Evidence 11 – methodology of statistical survey; Evidence 12 – Methods for collecting information

Activity 5 Stage 2: Development of indicators and monitoring tables for employment, labor income, revenue, value added, etc.. socio-economic indicators.

The development of indicators and tables to monitor social enterprises based on economic fundamentals, such as social enterprises by regions, economic activities, employed staff, legal form and others was realized mainly by the experts of MLSP and ASA. NSI and CCU experts participated in the realization of this work together with other partners mainly as consultants and observers.

Especially valuable was the contribution of the experts from NSI, who continued the work on analyzing the totality of social enterprises in 2012 by doing comparison with data from other administrative sources (provided by MLSP lists with social enterprises, received funding under the Operational Programme "Human resources development") and analyzing the aggregated data of the study.

As a result of these analyzes and after clarifying with the experts of MLSP and ASA certain criteria to be met by social enterprises (eg. having at least one employee and to fall within the scope of certain economic sectors in which social enterprises are developed) was finally fixed the sum of surveyed enterprises.

The NSI team prepared a proposal for major economic indicators according to which social enterprises in Bulgaria can be monitored. The proposal was adopted by the MLSP and other project partners. Prepared and submitted to the coordinator were indicative data about social enterprises in Bulgaria.

The preparation of the data for 2012 available in NSI for social enterprises in Bulgaria finishes at the end of February 2014, and the coordinator was given the following information:

- (1) List of non-financial enterprises and non-profit organizations (name, main economic activity and contact details), which in 2012 defined themselves as "social enterprises."

This list is intended to serve as a framework for MLSP study to obtain more detailed information about social enterprises to be included in the national database of MLSP in this area.

- (2) Aggregated data (main economic indicators) for enterprises falling within the above-mentioned list, broken down by economic sectors, regions and size according to the number of employees.

With the developed by NSI indicators and monitoring tables will be refined statistical data base (statistical module) for social enterprises which is part of the MLSP social economy website.

See: Terms of Reference and Report of Strategma Agency Ltd. for implementation of the terms of reference.

Stage 3: Development of TOR and web based information system for social enterprises in Bulgaria.

Activity in 6 of Stage 3: Development of Terms of Reference

TOR was developed within the MLSP experts with advice and practical advice and support from experts of NSIs, ASA and CCU.

The technical specification applies to all factual, technical, organizational and other activities necessary for the development of design, technical design and structuring of the advanced module in Bulgarian and English.

The goal of the terms of reference Draft is the possibility accurately to be determined the functions of the statistical information system and on this basis to be defined very clear the requirements for the developed product.

The technical specification covers the following tasks:

- Realization of functionality of the existing website - new section "Main Economic Indicators" in the tab "Social enterprises";
- Creation of administrative functionality for adding and updating of social enterprises and expanding the scope and functionality of the existing website;
- Reflecting the changes in regulations.

In the technical specification are given general and basic system requirements. The basic system requirements are:

- ✓ to provide timely and effective access to reliable and most detailed information about social enterprises according indicators;
- ✓ to support the analysis, evaluation and interpretation of the data obtained;
- ✓ to have a single graphical user interface and a single logical structure of the product and workflows;
- ✓ to enables the import and export of data from MS Excel and SPSS;
- ✓ to ensure protection of the data provided.
- ✓ to allow for the addition of new indicators and new functionalities

Evidence 13 - Technical specification

Activity in 7 of Stage 3: Improving the developed for the purpose of awareness on the social economy and social enterprise software.

For the purpose of raising awareness on social economy and social enterprises in the country was developed a website, which contains statistics module for social enterprises in Bulgaria. The capabilities of this module had to be improved to achieve better information database for social enterprises. Currently the access of individual users to it is limited, but it was intended to provide better access based on predefined administrative and user rights by adding also registration options / rights.

With this organization of data collection and data processing is intended to:

- the communication between users and site administrators to take place on-line and to depends only on the availability of internet connectivity and on midrange computer configuration;
- the maintenance of the software system to be reduced in such a way - to service the central database and not to be dependent on the software locally;
- to increase the level of efficiency of information flows,
- the data received in the statistical information system to be processed immediately and this way to be possible to extract information in real time;
- To increase the security and protection of the database.

The following additional requirements are placed regarding the improved module:

- to provide ongoing preservation of the underlying transactions;
- at the end of a document and it's record in the system to start a procedure for checking for logical inconsistencies and errors, both in terms of the information in the document itself and the information already recorded in documents from the past or from information that is logically related to checked one;
- to include additional indicators and indications that will lead to the improvement of this software.

The implementation of this activity is delayed in time. Reasons for delay: To perform this project activity it was necessary to prepare and implement the procurement.

- It was necessary to change the title of the procurement plan in the schedule for procurement of the Ministry for the year to avoid duplication of the type of contract with another similar. The aim was to avoid a aggravated procurement procedure which would continue after the deadline of the project;
- public procurement procedure has certain technological time that must be respected;
- The contract with Agency Strategma Ltd was signed on 28.5.2014.

Evidence 14 – report of Strategma Agency Ltd

Activity 8 of Stage 3: Development of outgoing references (information, reports).

In order to meet the expectations of the main target groups, the developed software enables automatically to be displayed different types of aggregated reports:

1. General inquires (reports)

- Reports on the number of enterprises which identified themselves as “social” and meet selected criteria:
 - ✓ Number of social enterprises placed in the districts;
 - ✓ Shares of social enterprises in municipalities in selected districts;
 - ✓ Number of social enterprises in municipalities in selected districts;
 - ✓ Shares of social enterprises by economic activities;
 - ✓ Number of social enterprises by economic activities;
 - ✓ Shares of social enterprises regarding organizational form;
 - ✓ Number of social enterprises regarding organizational form;
- Non-financial companies identified themselves as social regarding the number of employees
 - ✓ bars chart
 - ✓ Pie chart
- Non-financial companies identified themselves as social according economic sector
 - ✓ bars chart
 - ✓ Pie chart
- Non-financial companies identified themselves as social according to districts
 - ✓ bars chart
 - ✓ Pie chart

- ✓ map
- Not-for-profit enterprises identified themselves as social according the number of employees
 - ✓ Bar chart
 - ✓ Pie chart
- Not-for-profit enterprises identified themselves as social according to districts
 - ✓ bars chart
 - ✓ Pie chart
 - ✓ Map

Main economic indicators for enterprises identified themselves as social

- Social enterprises
 - ✓ In districts: map
 - ✓ a major economic activity (NACE 2008): Table
 - ✓ a major economic activity (NACE 2008): Bar chart
 - ✓ a legal form: Table
 - ✓ a legal form: Bar chart
- Indicators for social enterprises
 - ✓ number of employees
 - ✓ number of employees by sex and age
 - ✓ financial result and reinvested profits
 - ✓ average salary
 - ✓ social innovation

The implementation of the action delayed in time, but this does not affected the overall implementation of the project and it completed on time.

Activity 9 Stage 3: Testing of the system.

The experts from the ASA provided data and lists of organizations - beneficiaries of projects related to creation of social enterprises, financed under Priority Axis 5 of the OP "Human Resources Development" for the programming period 2007-2013 in order to test the system.

The testing of the system was carried out by the team of "Strategma Agency Ltd" in several social enterprises, whose contact details were provided by experts from the ASA.

Reasons for the delay: For the realization of this activity it was necessary to have a real working system of database. Due to the late signing of the contract with "Strategma Agency Ltd" the implementation of this activity delayed in time.

Activity 10 of Stage 3: Training to work with the system

The representatives of "Strategma Agency Ltd" did training. It was a pilot and the participants were from social enterprises, in which the testing of the system was conducted, but also from other social enterprises and representatives of stakeholders - experts from NSI, CCU, MLSP and ASA, representatives of the three municipalities in the country with proven experience in social entrepreneurship - Veliko Tarnovo, Razgrad and Liaskovets and others. The aim of the training was stakeholders to learn about and acquire the skills to work with the system. For a period of one year year the experts from Strategma Agency Ltd. will be available for further details and questions about the work with the system. This requirement is part of the contract between the contracting authority and Strategma Agency Ltd

Evidence 15 – photos

Stage 4: Discussion of the results of the implemented project and conducting a closing conference.

Activity 11 Stage 4: Discuss the results of the implemented project and conduct a closing conference.

The discussion of the results of the implemented project and the final conference were held in the last month of the project. Various stakeholders were invited - representatives of the project partners, social enterprises, representatives of municipalities, "Strategma Agency Ltd." and others. The participants were familiarized with the implementation of project activities and the results of each activity. The focus of the discussion was on topics related to the need of information database for social enterprises, the work on the concept and definition of social enterprises in the Bulgarian legislation, the development of tools for measurement and analysis of the social and economic impact of social enterprises.

The participants expressed their view that the missing definition in legislation causes problems related to visibility of the entities. The information system gives very good opportunities to enhance the visibility of social enterprises and networking in the field. The project was evaluated as successful and useful,

but also as timely and showing the political will to create favorable climate for social enterprises in Bulgaria.

Evidence 15 – photos, presentations

IV. Other activities

1. For the realization of the project activities was necessary to be purchased:
 - Server; Laptops; Consumables

They were purchased from funds provided under the project budget. There were also translations of materials.

2. The Experts from the ASA, CCU and NSI participated in seminars with international participation: "Economic impact of social enterprises: "Statistics and social innovation. International experience and best practices (25-26.04.2014)" and "Financial and other mechanisms to support the development of the social economy in Bulgaria. Markets and investments, social dialogue "(29-30.05.2014), organized by the MLSP with the support of the International Labour Organisation. Very wide range of stakeholders were invited and they attended the events - representatives of state and non-state bodies and organizations, social partners, Economic and social council of Bulgaria, social enterprises, academics, students, NGOs, the Italian Chamber of Commerce in Bulgaria and others. The participants had the opportunity to get acquainted with the views of the ILO and the EU about the development of the social economy and social entrepreneurship, the work of NGOs and other representatives of the social economy sector. Very helpful was the discussion, shared international experience and best practices. The project was presented and its effect was discussed, as well as the created opportunities for targeted policy towards social economy in the country. During the seminars was carried out a study visit in social enterprises - "Artist Foundation", which aims to support the integration of socially excluded children and young people through art; laundry "Green", which aim is the integration of people with disabilities through employment; PIA Mater - provides employment for persons 50 + years, who give care of older persons. Disadvantaged children, representatives of the "Artist Foundation" were invited and participated in the initiative of the Central Cooperative Union "At school with COOP" and were awarded in the competition of the initiative. This was a way to establish a connection between CCU and a social enterprise.

3. In November 2013 was conducted training on "Social entrepreneurship as an engine of economic growth-oriented employment and social cohesion", in the Centre for Human Resource Development and Regional Initiatives to MLSP. During the seminar the project was again presented and discussed its necessity and usefulness, as well as the methodology for data collection for social enterprises. A view was expressed of the need to assess the economic and social impact of social enterprises and their better knowledge and recognition as a entity of social economy.
4. Several activities were done in order to make the project popular. Every partner had on the own websites information about the project, about the closing conference and about the link to the website, on which is the data base. In the newspaper of CCU was presented a report about the project and the closing conference. The coordinator of the project wrote a report for the Bulletin of the Ministry of labor and social policy.

The national data base of the Ministry of labor and social policy can be found at the following internet site - <http://seconomy.mlsp.government.bg/> The English version will soon be available.

Evidence 17 – popularization materials

V. Potential future benefits from the operation of an information system containing national database of social enterprises in Bulgaria.

1. On the basis of the developed information system of the Ministry of labour and social policy about social enterprises there is a need for legislative initiative for adopting a Law on social enterprises;
- 2 Creation of public register of social enterprises based on the information entered into the system;
3. Legislative initiative related to tax incentives for investments in social enterprises;
- 4 Comparative analysis by regions based on the information systems of CCU and MLSP for the existing cooperative organizations in a given region and social enterprises in the same region in order to assess the opportunities for cooperation between them.

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Teodora Todorova, coordinator of the project