

A.W.A.R.D. Adults and Work – an Aid to Reduce the Distance

Call: 2014, Erasmus+, Ka2- Cooperation and Innovation for Good Practices - Adults
Code: 2014-1-IT02-KA204-003416

Good practices to facilitate work reallocation for unemployed adults

Country: Bulgaria

1



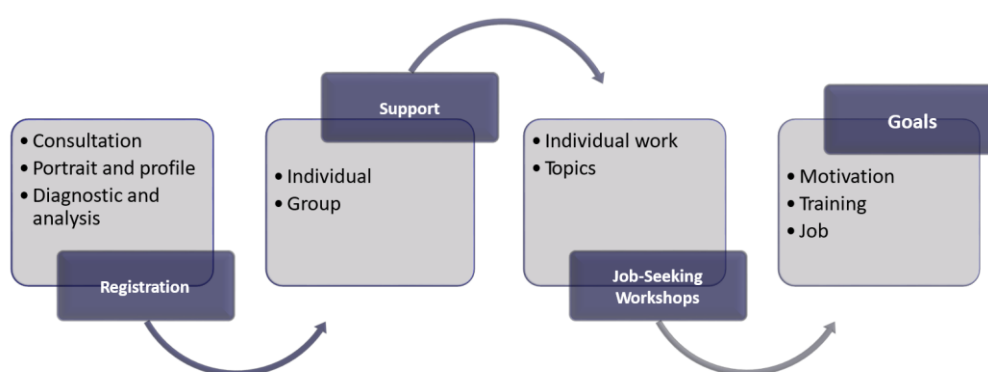
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BG Good Practices

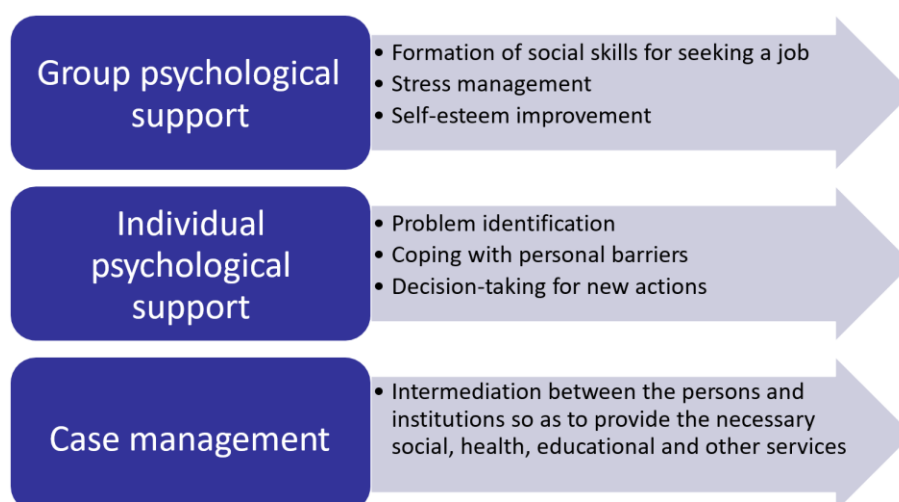
1. **Introduction of a flexible organisation of working time** (through amendments to the Labour Code);
2. **Introduction of a new type of employment contract** – for short-term, seasonal work in agriculture The aim of this type of agreement is to pull short-term agricultural employment out of the black economy. **The duration of such agreement is one working day** and is applicable only for unqualified work in the agricultural sector. An employee cannot work for more than 90 days per calendar year under such type of agreement.
3. **National programmes/schemes/measures**, financed by national budget, ESF, OP are described and part of country analysis, including requirements for benefits, payment duration, beneficiaries involved, implementing modalities.
4. **Employment services offered by the employment agency to unemployed:**
 - a/ Basic tools for implementation of the employment policy:
 - Employment Promotion Act /EPA/;
 - Rules for implementation the EPA

Intermediation of Individual approach

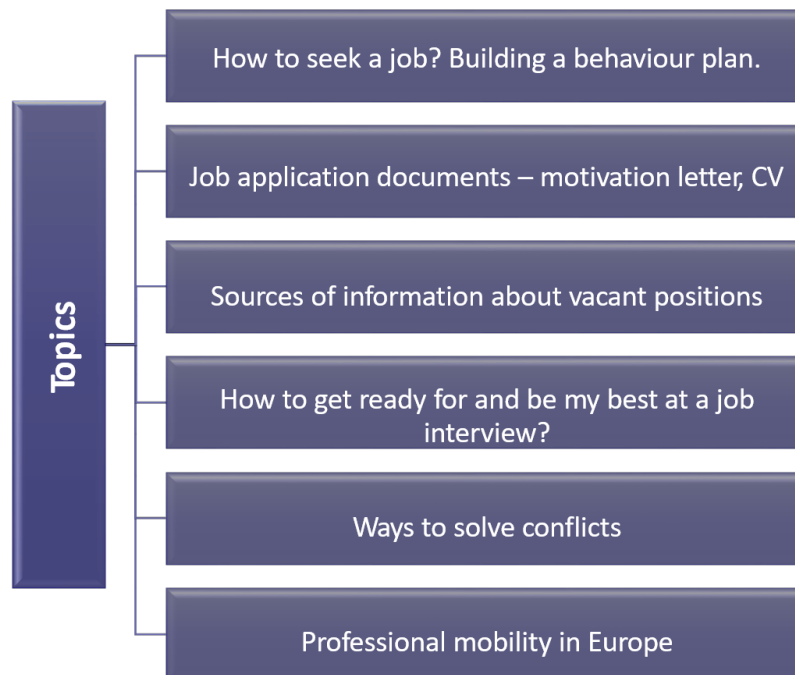


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Specialized support



Job-seeking workshops



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SERVICES OFFERED BY THE EMPLOYMENT AGENCY

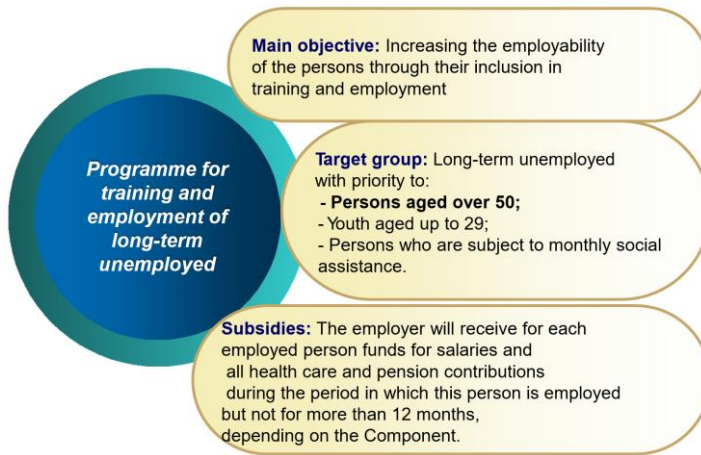


b/ National programmes, projects and measures to promote employment aimed at the unemployed

- Incentive for employers aimed at the unemployed;
- Programme for training and employment of long-term unemployed;

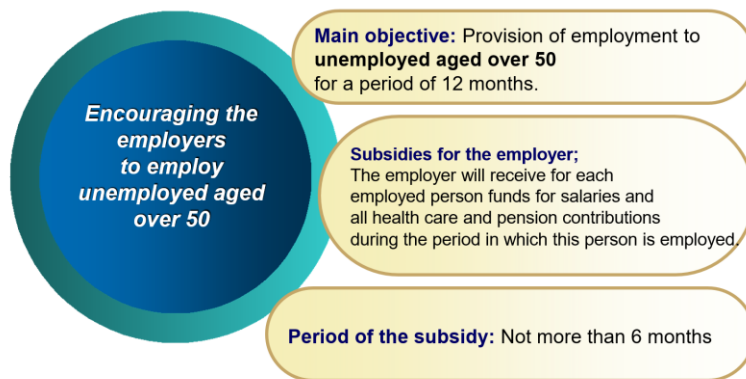


National Employment Promotion Programme:



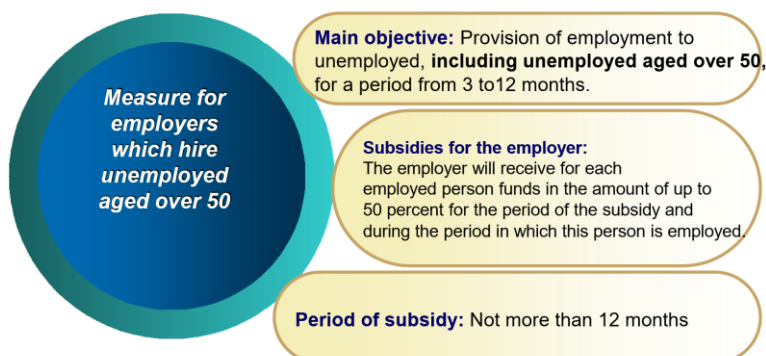
- Programme for training and employment of long-term unemployed over 50;

INCENTIVE FOR EMPLOYERS AIMED AT THE UNEMPLOYED AGED OVER 50



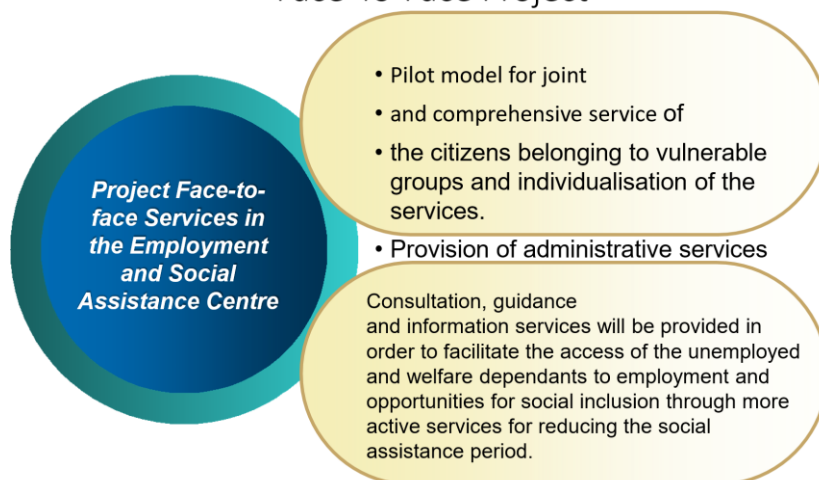
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UPCOMING INCENTIVE FOR PERSONS AGED OVER 50



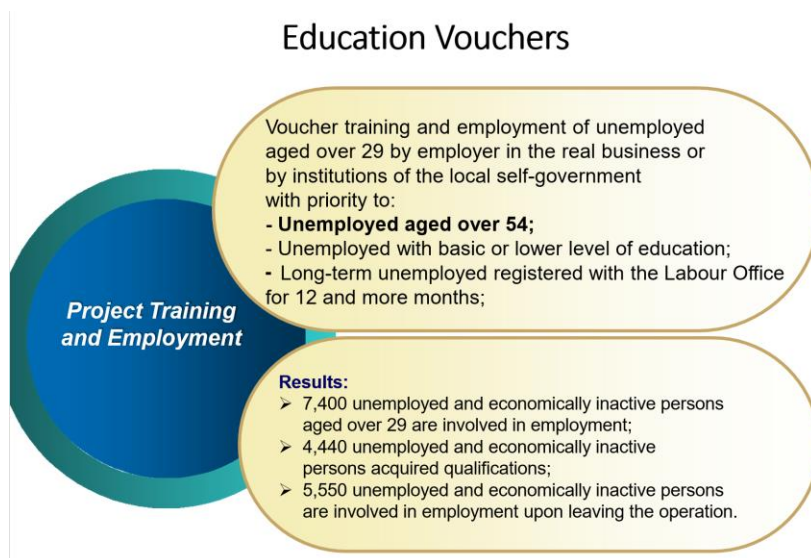
c/ Project implementation

Face-To-Face Project



5. Education vouchers – detailed are described below:

Education Vouchers



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Education vouchers are offered to a broad public in Bulgaria, both people in and out of employment.

To encourage participation of the population in lifelong learning activities, the active employment policy in Bulgaria has undertaken several actions to provide diverse learning opportunities, including through use of innovative funding mechanisms. At the end of 2009, training vouchers were introduced in Bulgaria as a new mechanism for funding of adult training. Their introduction was motivated by the need to seek new mechanisms for encouraging the active participation of people. The Bulgarian model for implementation of the training vouchers builds upon experiences and practices of other EU Member States in the use of instruments that directly encourage people to participate in trainings, such as vouchers, cheques, individual training accounts, bonuses, etc.

The training vouchers are recognized in the European practice as modern financial instruments to encourage individuals for learning through partial or full state funding of all training costs. Unlike



the known mechanism for direct funding of the training institutions, the training vouchers are registered and are directly granted to individuals who have the right to choose the type of training and the training institution themselves. This way, the funding follows the demand of the service which provides a greater consistency between the offered trainings and the training needs.

In Bulgaria, **training vouchers are used for training of employed and unemployed people**. Both, employees who have employment contract or are self-employed and the unemployed who are registered at the Labour Offices have the right to receive training vouchers. Bulgaria is among the countries in the EU (Great Britain, Austria, Italy) in which the models of funding through such instruments are targeted to a wide range of people. On the other hand, there are countries such as the Netherlands, where training accounts are provided within the frameworks of pilot projects and are targeted to a significantly lower number of people.

The training vouchers used in Bulgaria are registered securities with a fixed nominal value in BGN that entitle their holders to participate in trainings. As securities, the vouchers have serial numbers and assured protection. Only the Employment Agency has the right to distribute training vouchers.

By using training vouchers it is possible to fund trainings for acquiring of vocational qualification and of key competences. The training for vocational qualification can be for acquiring of first, second or third level of qualification or training in a part of profession. The choice of professions is available in a List of Professions for Vocational Education and Training, approved by the Minister of Education, Youth and Science. The only vocational trainings that are not funded through vouchers are in the vocational fields of Crop and Livestock, Forestry and Fisheries, in order to avoid overlap with other funding sources.

The trainings in key competencies are defined according to the European Qualifications Framework and comprise trainings in communication in mother tongue, communication in foreign languages, mathematical competence and basic competences in science and technologies, digital competence, “learning to learn” skills, social and civic competencies, taking initiative and entrepreneurship. The only training that is not funded is for the key competency of “cultural awareness and artistic exhibition”.

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In Bulgaria the funding of the training vouchers is co-funded by the European Social Fund within the frameworks of the Operational Programme “Human Resource Development” (OP “HRD”). Unlike the practice in most of the European countries where the state funding covers to a certain extent the training costs, in Bulgaria all voucher trainings are fully financed by the OP “HRD”, **there is no requirement for personal contributions by the individuals or employers**. The nominal value of the vouchers depends on the type and duration of the chosen training. Regarding the trainings for acquiring of vocational qualification the value of the vouchers ranges between EUR 200 for training in a part of profession with qualification Level 1 (with a duration of at least 200 training hours) and EUR 900 for training for acquiring of vocational qualification Level 3 (with a duration of at least 960 training hours). For the trainings in key competencies the value of the vouchers is between EUR 35 for the trainings in key competence “Communication in mother tongue” (with a duration of at least 16 training hours) and EUR 350 for training in another language (with a duration of at least 300 training hours and three levels of training).

In comparison, the funding amount for training through vouchers differs in different EU Member States, but mostly it is below EUR 300 a year.

In Flanders, Belgium, the funding provided through the training cheques is for 50 % of the costs, with a maximum of EUR 250 per person per year. Those with education below secondary level receive funding of up to EUR 250 annually without making a contribution.

In Austria, the vouchers distributed by „Länder” have a higher value but in most of the cases these vouchers are granted over several years. Only in Tyrol the value of the vouchers is up to EUR 500,



as the government co-finance 25 % of costs. In the region of Vorarlberg the funding amounts are higher – about EUR 250 per month or EUR 2.500 per year, but these are paid for full-time training and are designed to replace income. The vouchers distributed by the chamber of labour are worth between EUR 100 and 200 annually, with certain regional differences.

In the canton of Geneva, Switzerland, the average amount of the training vouchers is about EUR 370.

Great Britain has a model of initial individual learning accounts with government funding of EUR 225 and a participation payment of at least EUR 37. A similar model is used in Scotland and Wales.

In the Netherlands, the provided funding from the government through training vouchers is a pilot project and amounts to around EUR 450. Personal contributions are required either as a deposit of EUR 22 to EUR 200 or through participation in further training in the participant's free time.

In Italy, in contrast to the abovementioned countries, the vouchers have a value of between EUR 500 and 5.000 and cover around 80 % of the costs. The remaining 20 % of the training costs have to be paid by the participants. (Panorama „Individual Learning Accounts”, CEDEFOP, 2009).

A person, regardless whether he/she is employed or unemployed, has the right to receive only one voucher for vocational training and only one voucher for training in key competencies within the duration of the OP “HRD”. The Employment Agency publishes a public register of provided vouchers as well as broken or lost vouchers on its website (www.az.government.bg).

Trainings through vouchers can be provided by training institutions that meet certain conditions:

- established in accordance with the current legislation in Bulgaria;
- no terminated contracts related to spending funds from the state budget or the Community budget due to performance failure during the past two years;
- no amounts due to the state budget;
- they are not in bankruptcy or in liquidation;
- are represented by individuals who have not been convicted of a crime of general nature, unless they have been rehabilitated;
- are equipped with appropriate training facilities, owned or rented within the boundaries of the inhabited place where the training is going to take place;
- have a developed curricula for relevant training;
- regarding training for vocational qualification have the right to deliver training in accordance with the Vocational Education and Training Act and have a license for training in the respective profession/specialty (if required).

The training institutions that meet these conditions are included in a list that is published on the Employment Agency website and are publicly announced in the Labour Offices and their branches. The list is updated on a monthly basis by including newly approved training institutions or excluding disapproved training institutions. The individuals can choose a training institution from the list and receive information about the professions/specialty or key competencies in which the training institutions provide trainings as well as training locations and contact details.

The vouchers contain the name of the holder of the voucher, exact training type, name of the training institution chosen by the holder, the nominal value, expiration date depending on the type of the training, date and stamp. The individuals are included in trainings by presenting the vouchers to the training institutions. The training vouchers cannot be transferred to other individuals or used for participation in other trainings, exchanged for cash, exchanged for other services except for the training that is explicitly stated in the voucher, used for participation in a training provided by institutions that are not included in the list of the Employment Agency.



First, the actual use of the training vouchers was launched through implementation of the schemes under OP “HRD”: “I Can” – training for vocational qualification and/or key competencies of employed people, “Development” – training for acquiring or upgrading of vocational qualification of individuals dismissed from work due to restructuring or closing down of part of the production, and “Adaptability” – vocational training of the employees who have passed to part-time employment.

Considering the characteristics of the training vouchers several conclusions can be made. Firstly, **there is a great interest towards the training vouchers**. Although this is a new instrument in the Bulgarian practice, the direct access to opportunities to freely choose the type of training and the training institution, as well as the easy procedure to obtain vouchers, provoked the interest of individuals.

According to the data from the Employment Agency the number of individuals who had applied for training through vouchers was 114.038 for 2013, which in comparison with other EU countries is a very good result.

Secondly, in 2010 at the beginning, the use of training vouchers in Bulgaria is directed mostly to activation of employed people to participate in trainings. After that, from 2012, out of a total of 52.171 granted training vouchers the majority of the vouchers (43.597) had been granted to employed persons and only 8.574 to unemployed. In this way, in times of economic crisis, the aim is to increase the employability and adaptability of the employed people in order to preserve their employment or to find a new employment in a timely manner and prevent unemployment. At the same time the unemployed participate mostly in the traditional measures and programmes for training funded from the state budget as well as from OP “HRD”.

There is a clear trend showing that people prefer trainings in key competencies, mostly training in computer literacy and foreign languages. Out of the granted vouchers 30.828 (or 59 %) are granted for training in key competencies and 21.343 (or 41 %) for trainings for vocational qualification. Partly, this tendency could be explained by the increased demand in recent years from employers for labour force with key competencies. On the other hand, the possession of computer and foreign language skills facilitates the access and use of foreign and digital information sources which contributes to the increasing mobility of people to study and work.

Regarding the representation of the different target groups, it can be noted that women are more active than men when using training vouchers. Out of the total 48.417 participants in trainings through vouchers 28.474 or 59 % are women. With regards to the disadvantaged group, there is a low use of training vouchers. Out of all the participants in trainings through vouchers the young people up to 29 years of age represent 11.218 (23 %), people over 50 years of age – 9.268 (19 %), people with disabilities – 159 (0,3 %). Based on this trend, Bulgaria does not differ from the other EU Member States that use similar instruments to fund trainings.

Within one year after the introduction of the training vouchers in Bulgaria some risks and difficulties can be noticed when using this type of funding mechanism for trainings. The insufficiently developed system for career development in the country hinders the guidance and choice of professions and trainings that are demanded on the labour market by the individuals. The lack of initial funding and the explicit condition to make payouts only after a successful completion of the training burden the training providers with the entire funding of all training costs and all risks and negative consequences in case the training is discontinued because of participants’ fault. Additionally, employers do not have motivation or interest to encourage their employees to participate in the trainings because of the risk that the employees will leave their jobs afterwards.

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Signature:

