

Data Sheet

USAID Mission:	Bulgaria
Program Title:	Local Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	183-0230
Proposed FY 2004 Obligation:	\$4,850,000 AEEB
Prior Year Unobligated:	\$150,000 AEEB
Proposed FY 2005 Obligation:	\$4,525,000 AEEB
Year of Initial Obligation:	1995
Year of Final Obligation:	FY 2007

Summary: USAID's program to promote effective and accountable local governance includes technical assistance and training to: facilitate fiscal and administrative decentralization; increase local government capacity; strengthen indigenous local government support organizations; foster partnerships between U.S. and Bulgarian cities; provide grants to community funds and social enterprises; and provide grants for community projects to improve economic, educational, and social opportunities for ethnic minority groups.

Inputs, Outputs, Activities:

FY 2004 Program:

Fiscal and Administrative Decentralization (\$1,600,000 AEEB, \$150,000 AEEB carryover). The Local Government Initiative, to provide technical assistance for the decentralization reform in Bulgaria, will be extended. Activities under this final phase of the program will directly support on-going government reform efforts and will consolidate achievements to date. USAID will continue working with national and local government stakeholders to improve inter-governmental fiscal relations and introduce legislative amendments and implementing regulations that grant increased revenue authority to local governments. FY 2003 carryover funds will be used to support initial capacity building efforts of newly elected local government officials. Principal contractor: Research Triangle Institute (prime)

Local Government Capacity Building (\$1,000,000 AEEB). USAID support will focus on: strengthening local government associations' advocacy skills to facilitate the implementation of GOB's fiscal decentralization program; promoting best local government management practices; and building local government practitioner capacity to apply newly devolved management and fiscal authorities. Principal grantees: National Association of Municipalities and Foundation for Local Government Reform.

U.S.-Bulgaria Municipal Twinning (\$500,000 AEEB). This initiative will continue to bring U.S. city expertise to Bulgarian counterparts. Specific activities will increase local economic development capacities and support collaborative marketing efforts by 14 Bulgarian municipalities through: training of municipal economic development professionals; developing a municipal economic development professionals' network; and certifying Bulgarian municipalities as being "Ready for Business." Principal contractors: International City/County Management Association (prime), Foundation for Local Government Reform (sub).

Conflict Prevention/Ethnic Integration (\$900,000 AEEB). The Ethnic Integration program will expand to four new cities with Roma and Turkish populations. Three cross-sectoral working groups will develop projects to assist their communities in the fields of economic development, education, and social services. Four new conciliation commissions (CC) will be created. The GOB will receive assistance to finalize its ethnic integration program and start implementation. A network of young Roma leaders, trained under the program, will be supported to form a representative organization. Principal grantee: Bulgaria Foundation.

Community Funds and Social Enterprises (\$600,000 AEEB). The newly-founded community funds will receive training to successfully mobilize local resources. The program will be replicated in additional communities. Fifty social service NGOs will acquire training and technical assistance to develop their social enterprises. Principal grantee: Counterpart International.

Small Project Activities (\$250,000 AEEB). The program will support small-scale community initiatives developed with Peace Corps volunteers. Principal contractor: Peace Corps.

FY 2005 Program:

Fiscal and Administrative Decentralization (\$1,600,000 AEEB). Primary areas of intervention will be sectoral decentralization, infrastructure finance, and municipal council capacity building. Same implementers as above.

Local Government Capacity Building (\$760,000 AEEB). USAID will continue to assist indigenous local government support organizations to serve as the primary capacity-building mechanism to assist local governments in implementing greater fiscal autonomy. Same implementers as above.

Municipal Twinning (\$500,000 AEEB). This program will be expanded to cover an increased number of Bulgarian municipalities through targeted capacity-building activities in local economic development. This program will replicate successfully-implemented management practices from the earlier program phases. Same implementers as above.

Conflict Prevention/Ethnic Integration (\$715,000 AEEB). The Ethnic Integration program will continue funding projects in towns with significant minority populations to address economic, education, and social issues of the Roma and Bulgarian Turks. Same implementer as above.

Community Funds and Social Enterprises (\$700,000 AEEB). The Community Funds program will continue and may be expanded to more municipalities. USAID will work to attract other donors to support the community funds and social enterprises. Same implementer as above.

Small Project Activities (\$250,000 AEEB). This program will continue to support small-scale community initiatives. Same implementer as above.

Performance and Results: USAID local government assistance efforts have been successful at both the national and municipal level. The National Assembly passed several key laws for more effective and accountable governance at the local level. The Municipal Budgets Act adds significant transparency and predictability to intergovernmental fiscal relations; differentiates between centrally mandated and local services; requires consultations with citizens in the budget process; and makes provisions for municipal borrowing. Amendments allow the establishment of a municipal ombudsman; prohibit councilors from serving on municipal company management boards; and provides for greater citizen access to council meetings. At the local level, new management practices were successfully demonstrated in local economic development, citizen participation, financial planning and analysis, and public asset management. At the community level, USAID's program addressed NGO donor dependency by establishing three community funds that engage the private sector, local government, and citizens. Twenty-three social services NGOs received assistance to develop successful businesses to advance their missions. Under the Ethnic Integration Program, 42 projects were implemented to address social, educational, and economic problems of the Roma communities in three pilot locations with large Roma populations. Work with the GOB continued on the development of a governmental social program for ethnic integration.

By the end of assistance, USAID expects to establish clear and predictable intergovernmental fiscal relations; improve local government capacity to provide quality services; increase community generated resources to address local problems; and foster greater societal integration of ethnic groups.