

## Application form for a project under Recovery and Resilience Plan

<b>1. Project name</b>
Ongoing support for the deinstitutionalisation of care for the elderly and people with disabilities and the increase of the energy efficiency of social infrastructure for the provision of social services delegated by the state
<b>2. Description of the project (objectives, main activities)</b>
<p>The aim of the project is to support the continuation of the reform of the social services system, incl. for long-term care, by financing the construction and equipment of new social and integrated health and social services for residential care (SSRC) and supportive specialized and consultative social services for people with disabilities (SSCSPD) and the reform of existing homes for the elderly. On the other hand, by financing activities for energy efficiency, reconstruction and renovation of equipment and furniture in existing social services in the community, delegated by the state activities, as well as implementation of anti-epidemic measures aims to improve the quality of social services provided to consumers.</p> <p>The implementation of the reform in the system of social services for long-term care with a main focus on deinstitutionalization of care is guaranteed by law through the Social Services Act (SSA). One of the main goals of the law is to guarantee the right of every person to support life at home and in the community, and among its principles is explicitly stated prevention of institutionalization. For the first time, a legal definition of "institutionalization" is given, as a condition in which a person finds it difficult to lead an independent life due to dependence on care from others, due to living in an environment that restricts the right to choose, privacy and independence; creates conditions for violation of human dignity. The advantage of support in the home environment and in the community is regulated as the use of social services for residential care is allowed only in case the possibilities for support of the persons through social services in home environment and in the community are exhausted, as the care is organized in a way, which does not allow the isolation of individuals from the community. Social services are defined not as places and buildings, but as activities to support the prevention and / or overcoming of social exclusion, realization of rights and improvement of the quality of life. In order to implement the process of deinstitutionalization of care for the elderly and people with disabilities in SSA, it is envisaged that all specialized institutions for people with disabilities will be closed by January 1<sup>st</sup>, 2035, and the existing homes for the elderly will be reformed by January 1<sup>st</sup>, 2025 to meet quality standards. For the first time, SSA regulates assistance support, substitute care, complementary standards for financing social services for additional financing of some of the activities in specific support services, flexible approaches to service delivery, the integrated approach and integrated health and social services, etc. For the first time, SSA is introducing a completely free service for support and training of family members who provide informal care at home for people with permanent disabilities and for people over working age who are unable to self-care. For the persons placed under guardianship, the law provides additional guarantees for non-admission of permanent institutionalization and taking into account their wishes when providing a service. Special emphasis in SSA is placed on the quality of social services, providing standards for organization and management, qualification and professional development of employees and standards for service efficiency in view of the results achieved for those who use it in response to their needs.</p> <p>The process of deinstitutionalization of care for people with disabilities and the elderly is implemented through the adopted strategic documents - National Strategy for</p>

Long-Term Care and Action Plan for the period 2018-2021 for its implementation. The cited strategic documents are in line with the Common European Guidelines for the Transition from Institutional to Community Care, as well as with the UN Convention on the Rights of Persons with Disabilities. The focus of these documents is definitely not the construction of residential services for persons accommodated in specialized institutions, but on the contrary. The basic rule is community living, and residential care is the exception only for those with severe disabilities and dependence on care, who due to long years of institutionalization, absence or lack of interest of relatives and lack of own housing, need a transition and a place to live.

The reform in the system of social services for long-term care practically started with the adoption of the National Strategy for long-term care in 2014. The first stage of the reform is supported by funding from the state budget and two operational programmes – “Human Resources Development” 2014-2020 (OPHRD) and “Regional Development” 2014-2020 (OPRD) through the implementation of various activities and measures set out in the Action Plan for the period 2018-2021 for implementation of the National Strategy for Long-Term Care (adopted by Decision No. 28 of the Council of Ministers of 19.01.2018). The plan is in line with the vision, goals and principles set out in the National Strategy for Long-Term Care. With its implementation the launched process of deinstitutionalization of care for the elderly and people with disabilities is realized, which according to the Strategy should be completed in 2034. Emphasis in the Plan is placed on the urgent provision of quality living conditions for people with mental health problems and intellectual disabilities, who are currently accommodated in specialized institutions with poor conditions and poor quality of care. In view of this, the activities under the Plan are mainly aimed at the creation and provision of social and integrated health and social services.

The plan includes not only mainly measures for residential services infrastructure, but also four large groups of measures - the first of which is to provide support at home and in the community to people with disabilities and elderly people dependent on care. The second group is for providing quality social services in the community for persons accommodated in specialized institutions with poor living conditions and quality of care and gradual closure of institutions. The third is to increase the efficiency of the long-term care system and the fourth is related to the construction of the necessary infrastructure for the provision of social services in the community and integrated health and social services for people with disabilities and elderly people dependent on care. These four main groups of measures, only in their totality and coherence, can provide long-term care and deinstitutionalisation of care for people with disabilities and elderly people dependent on care. As part of the community support measures, a number of activities are planned for supported employment of people with mental problems and intellectual disabilities and development of social enterprises, for personal development, for day and hourly care and support, including support for people with various types of dementia and their families, to improve the capacity of those working in the sector. As a good example of providing support in the home environment under the Action Plan for the period 2018-2021 can be pointed out the successful provision of home care. The service aims to improve access to integrated services for the elderly, people with disabilities, including those with chronic illnesses and permanent disabilities. According to the Plan, it should cover approximately 17,000 people, but given the important role of home care services, especially in the context of the crisis caused by COVID-19, the access to them has been expanded and the number of users has increased significantly. The funds provided by the European Structural Funds are not only for the construction of residential services. Within the Programme period 2014-2020 with funds from the Operational Programmes “Regional Development” and “Human Resources

Development” as a result of the implementation of the measures under the Plan is planned and is expected as a result the construction of 100 new social services for 2 140 users, including 32 new community counseling services for a minimum of 1,120 users in 22 municipalities and 68 residential care services for 1,020 users in 29 municipalities.

The Plan also stipulates that the existing 79 specialized institutions for adults with disabilities to close 9 homes for adults with mental disorders and mental retardation, and to reduce the capacity of one home.

The implementation of the process of deinstitutionalization of people with disabilities and the elderly leads to a predominance of support and care at home and in the community. The number of social services in the community for support of persons is significant (as of the end of October 2020 there are 237 day centers and centers for social rehabilitation and integration for adults, delegated by the state activities, with a total capacity of 6,367 places). Support for people with disabilities is provided under the Law on People with Disabilities and the Law on Personal Assistance. More than 738,000 people with permanent disabilities receive financial support under the Law on People with Disabilities. More than 32,000 people with permanent disabilities use the personal assistance mechanism under the Law on Personal Assistance. For comparison, currently less than 5,000 people live in specialized institutions for adults with permanent disabilities. In addition to financial support, people with disabilities are provided with funding for personal assistance, employment measures and many other incentives for their full inclusion. In 2021, the “assistant support” social service under the Social Services Act is planned to be financed as a delegated activity by the state, for which an additional BGN 79.7 million is estimated to provide support to almost 20,000 elderly people, incapable of self-care, children and adults with disabilities, according to their individual needs in the home environment. Assistance support will be provided to the elderly, as well as to persons with disabilities who do not receive this type of support on other regulatory grounds. This significantly expands the scope of support in the home environment, which will cover more than 50,000 people. The financial resource provided by the state budget for financing the social services delegated by the state is also significant, as it tends to increase annually. The State Budget Act for 2021 provides for funds in the amount of BGN 421.9 million for social services delegated by the state activities, which are increased by BGN 131.0 million or 45% compared to those for 2020.

**It is important to note that all new social services, incl. for the provision of residential care, which are created with funds from the European Structural and Investment Funds, fully comply with the adopted normative and strategic documents in the field of social services and the Common European Guidelines for the Transition from Institutional to Community Care.** Special attention is paid to two aspects. The first is the nature of the care provided in the service. The second aspect is the created material conditions, incl. the spatial planning decision of the building itself and the choice of its location. In both respects, the SSA sets high standards and ensures equal access to social services that meet the individual needs of persons, guarantees the quality and efficiency of social services, guarantees the right of every person to a life support at home and in the community, and not lastly, it promotes an integrated approach to providing support to individuals.

This is ensured by the functional requirements and guidelines for the construction of the infrastructure of the new social services prepared by the Ministry of Labor and Social Policy (MLSP), which are an integral part of the Guidelines for applying under the respective OPRD and OPHRD schemes, through which the new social infrastructure related to the deinstitutionalization of care for the elderly and people with disabilities is still being built. Also, a mechanism of coordination by the MLSP of the technical documentation is applied, with which each municipality applies for the construction of the respective social service. The MLSP's commitment is specific in terms of establishing compliance with the functional requirements and guidelines for infrastructure construction. **A similar procedure will be applied to the projects for construction of new social infrastructure and / or for renovation of existing social services and to the current project under the Recovery and Resilience Plan.**

In this way, the financing of institutional care in any form, incl. and so called scaled down institutions, will continue to be avoided. The objective assessment of the eligibility of each building is based on the fact whether after the relevant construction and / or construction and repair activities and delivery of equipment / furniture will create the necessary material conditions for community care, i.e., cumulative fulfillment of the conditions for: (1) the provision of a high quality social service, (2) for the possibility of social inclusion in the community of the accommodated persons (including the physical proximity of the building to the community and to supporting and accompanying services) and last but not least (3) to create conditions for independent life of the accommodated persons.

The new social infrastructure that will be built includes not only the construction and equipment of new social and integrated health and social services for residential care, but also supportive specialized and counseling social services for people with disabilities to provide opportunities for adequate day care, consultation, therapy, rehabilitation, acquisition of skills for leading an independent life and for acquiring work skills by persons with disabilities. It should be borne in mind that it is not possible not to build any residential services, as some of the persons who are removed from the specialized institutions as a result of their closure are not able to reintegrate into their biological families (some of them have spent most of their lives in a specialized institution) and a suitable living environment must be provided for them. At the same time, the number of people who are currently waiting for accommodation in residential services for people with disabilities is large. Adequate residential care must also be provided for some of them. Some of them, for example, are currently being cared for in medical institutions (psychiatric hospitals) and cannot be actually discharged because they have nowhere to go and no one to take adequate care of them.

**In the next program period 2021-2027, the reform is expected to enter its main phase and approximately 60% of the existing specialized institutions for people with disabilities to be closed, and to reform in accordance with the new quality criteria all existing homes for the elderly people. This is practically the most important stage of the planned reform of the system of social services for long-term care. In this regard, the implementation of this project “Continuing support for the deinstitutionalisation of care for the elderly and people with disabilities and increasing the energy efficiency of social infrastructure for the provision of social services delegated by the state” is extremely important, as it plans to realize the main construction activities and investments in equipment and furniture, necessary for the conditionally called “second stage” of the reform of the system of social services for long-term care. These major**

**investments will be complemented in parallel by activities under the Regional Development Program 2021-2027, and the “soft measures” will be financed by the Human Resources Development Program 2021-2027. According to SSA, it is envisaged to create a National Map of Social Services, which will include services financed from the state budget. This Map should be adopted by the Council of Ministers by January 1<sup>st</sup>, 2022. In this regard, it should be borne in mind that the project under the Recovery and Resilience Plan will create / reform only services that are included in the National Map of Social Services.**

With the SSA, which entered into force on 01.07.2020, for the first time planning at the national level of social services financed from the state budget was introduced by developing a National Map of Social Services. In this way, the state is committed to create a full network of social services throughout the country in the long run. National planning is especially important, as it will be the basis for determining the package of social services at the municipal and district level, for which funding from the state budget should be provided. The map will also determine the maximum number of users of all social services for which full or partial funding is provided from the state budget. The criteria for determining the services and the maximum number of users in the National Map of Social Services will be determined according to the number and demographic profile of the population. The National Map of Social Services will be developed on the basis of an analysis of the municipalities regarding the needs for social services at municipal and district level. In the new planning process, in which the municipal administrations will play a leading role, the commitments of the regional administrations have been identified. Also, the SSA envisages municipalities to adopt annual plans for social services, which will include the planning of social services financed from the state budget according to the National Map of Social Services and the planning of social services financed from the municipal budget. According to the SSA, the Ordinance on the planning of social services will determine: the criteria for determining in the National Map of Social Services for each of the social services, the criteria for determining the maximum number of users for all social services for which full or partial funding is provided from the state budget, as well as social services, which are planned at the municipal level, at the district level to meet the needs of the population from the whole district and at the district level to meet the needs of people from all over the country. The development of the draft Ordinance on the planning of social services has been completed. The document was published on 14.12.2020 on the Government portal for public consultations with a deadline for discussion until 13.01.2021. On 16.12.2020 the draft Ordinance on the planning of social services was sent for interdepartmental coordination under Art. 32 of the Rules of Procedure of the Council of Ministers and its administration. After the completion of the public discussion and the interdepartmental coordination, the project will be submitted for adoption by the Council of Ministers. The Ordinance on the quality of social services, which is also part of the regulations of the SSA, is also under development. Its adoption is expected in 2021. The Ordinance on the quality of social services is key for the implementation of the reform in the field of social services and the achievement of the objectives of the law. It will define the standards for organization and management of the service; qualification and professional development of the employees who carry out the activity of providing the service; the effectiveness of the service in terms of the results achieved for the persons using it, in response to their needs, including the integrated cross-sectoral services and the relevant criteria to them. The procedure for control, monitoring and evaluation of the quality and efficiency of social services by municipalities, social service providers and the Agency for Quality of Social Services will also be covered. The minimum requirements for the modernization of the system, the minimum requirements

for the number and qualification of the employees who carry out the activity of providing the different types of social services and other will be determined.

On the other hand, the building stock of the existing social services is highly depreciated, the used equipment and furniture is also obsolete and depreciated, which together leads to high energy consumption and respectively low energy efficiency. The implementation of the project will improve the sanitary and living conditions and the environment in the services and will significantly reduce the energy costs, respectively the costs for the maintenance of the services. This in the long run will allow for more efficient allocation of funds for financing the existing social services, which are delegated by the state activity, and the same will be spent on activities related to improving the quality of service, incl. investing in strengthening the capacity of services, not in increasing overheads.

Conditionally, the project is divided into two components - Component 1 "Ongoing support for deinstitutionalization of care for the elderly and people with disabilities" and Component 2 "Increasing the energy efficiency of social infrastructure for the provision of social services, delegated by the state activity".

Within Component 1, 2 subcomponents will be implemented: - Subcomponent 1.1 - **Construction and equipment of new social and integrated health and social services for residential care and supportive specialized and consultative social services for people with disabilities** and Subcomponent 1.2 - **Carrying out construction activities and supply of equipment and furniture with a view to reforming the existing homes for the elderly.**

- Subcomponent 1.1 - **Construction and equipment of new social and integrated health and social services for residential care and supportive specialized and consultative social services for people with disabilities.** The activity is in connection with the deadlines set in the Social Services Act until 01.01.2035 for the closure of all specialized institutions for persons with disabilities and in accordance with the National Strategy for Long-Term Care. Under this activity, **174 new social services for residential care will be built** (*"Residential care" under Article 15, item 8 of the SSA is an activity for providing accommodation for children, young people up to 25 years of age, persons with permanent disabilities and persons over working age and depending on individual needs - for providing 24-hour care to meet the daily and developmental needs of individuals or to provide support for leading an independent life*) **for 5,220 users and 174 new supportive specialized and consultative social services for people with disabilities** (*similar to the currently functioning day care centers and centers for social rehabilitation and integration*) **for 5 220 users.** As mentioned above, in the period 2021-2027, approximately 60% (41) of the remaining specialized institutions for adults with disabilities will be closed. According to the Action Plan for the period 2018-2021 for the implementation of the National Strategy for Long-Term Care, it is set that from the existing 79 specialized institutions for adults with disabilities 9 homes for adults with mental disorders and mental retardation to be closed, and for one home to reduce its capacity. That is, of the 70 institutions remaining after 2021, it is planned to close 41 and only 29 institutions will remain to be closed by 2035. In the process of preparation of this project, the Social Assistance Agency has prepared a preliminary report for 41 institutions for closure, which accommodate 2760 people. On the other hand, as of October 2020, 4,120 people are waiting for accommodation in a specialized institution (residential care for adults with disabilities), of which 1,305 are waiting for accommodation in a home for the elderly, and 2,815 people are waiting for accommodation in a specialized institution for adults with disabilities. As the new

residential services that will be created under the project have a total capacity of 5,220 users, they will accommodate 2,760 people from specialized institutions, which will be closed, and it will be possible to accommodate another 2,460 people from the community (waiting for accommodation in residential care for people with disabilities). In this way, approximately 90% of those waiting for accommodation in a specialized institution will currently be provided with high-quality residential care. Similarly, the issue is with the users of the new 174 supportive specialized and consultative social services for people with disabilities, which will be built under the project. The principle that is applied according to the tested model of the current programme period is that in the municipalities where a new social service for residential care is being built, a corresponding accompanying specialized and consultative social service for people with disabilities is also being built, in an accessible place and if possible, in pedestrian proximity to the resident service.

- **Subcomponent 1.2 - Carrying out construction activities and supply of equipment and furniture with a view to reforming the existing homes for the elderly.** According to the Social Services Act, all homes for the elderly should be reformed in accordance with the quality standards of residential care for elderly people over working age, defined in the Ordinance on the quality of social services, by 01.01.2025. **82 existing social services with a capacity for 5,598 users will be reformed.**

For the implementation of the activities under Component 1 design will be carried out, investment projects will be prepared for each site of intervention, which will be in full compliance with the requirements of the Ordinance on the quality of social services, construction activities will be implemented according to Spatial Development Act and equipment and furniture will be purchased and delivered, adequate to the needs of the target groups and the specifics of the social services provided. The investment projects will also include implementation of anti-epidemic measures, incl. adaptation of the physical environment in order to create an opportunity for physical distance of service users in case of an epidemic situation, measures to separate / limit the flow of passengers in the services, delivery and installation of bactericidal lamps of closed type with the ability to work in the presence of people and etc.

Under Component 2 of the project, activities will be implemented in approximately 1,200 existing social services for about 25,000 users. The total built-up area of the services that will be subject to intervention is approximately 400 thousand square meters.

For the implementation of the activities under Component 2, design will be carried out, investment projects will be prepared for each site of intervention, which will be in full compliance with the requirements of Ordinance No. 7 of 2004 on energy efficiency of buildings and the Ordinance on the quality of social services, construction activities will be carried out according to Spatial Development Act and equipment and furniture will be purchased and delivered, meeting the modern requirements for energy efficiency and adequate to the needs of the target groups and the specifics of the social services provided. The investment projects will also include implementation of anti-epidemic measures, incl. adaptation of the physical environment in order to create an opportunity for physical distance of service users in case of an epidemic situation, measures to separate / limit the flow of passengers in the services, delivery and installation of bactericidal lamps of closed type with the ability to work in the presence of people and etc.

The eligible costs for both components of the project are:

- Costs related to spatial planning, technical and working projects and author's supervision, obtaining the necessary permits required by national law, including the related fees due to the relevant competent authorities;
- Costs for construction and installation works;
- Costs for construction supervision according to Art. 168, para 2 of the Spatial Development Act;
- Costs for assessment of the conformity of the projects, according to Art. 142, para 4 and art. 169 of the Spatial Development Act;
- Costs related to the commissioning of the site;
- Costs for performing energy efficiency inspections and energy performance certificates for buildings in operation, inspections for establishing the technical characteristics of buildings, technical passport (in case of interventions on the whole building);
- Costs for delivery of equipment / furniture;
- Indirect costs (costs for remuneration of project administration staff, including social security contributions due)

The existing capacity of the Beautiful Bulgaria project management unit will be upgraded for project management and this unit will also have regional structures. The project management costs will amount up to 3% (BGN 22 million). These management costs are included in the total value of the project of BGN 753 million. BGN 731 million remain for financing the direct costs of the project, respectively under Component 1 - BGN 498 million and under Component 2 - BGN 233 million.

### **3. Beneficiary**

#### **Beneficiaries of the project will be the municipalities in the Republic of Bulgaria.**

Under Component 1, these will be municipalities on whose territory new social services for residential care (SSRC) and accompanying specialized and consultative social services (day care, therapy and rehabilitation, training for skills acquisition, etc.) will be built for persons with disabilities (SSCSPD) and / or municipalities on the territory of which there is a functioning home for the elderly, which will be reformed in accordance with the quality standards of residential care for elderly people over working age, defined in the Ordinance on the quality of social services. In the cases when new SSRC and SSCSPD will be built on the territory of a given municipality, and at the same time an existing home for elderly will be reformed, a joint project will be applied for.

Under Component 2, the beneficiaries will be municipalities on whose territory social services, delegated from the state activity operate. In cases where on the territory of a municipality there is more than one functioning social service, delegated by the state activity, will apply with one joint project under Component 2.

In case a municipality is an eligible beneficiary for both components of the project, it will have the opportunity to choose whether to apply with one joint project proposal or with two separate ones for each of the project components.

### **4. Time schedule for project implementation, incl. activities, stages<sup>1</sup>**

<sup>1</sup> The timetable will be relevant for setting intermediate targets under the Recovery and Sustainability Plan and is directly related to the release of tranches of financial support from the Recovery and Sustainability Fund.



The project implementation period is 54 months.

No . in lin e	Activity name	Project implementation period																	
		2021		2022				2023				2024				2025			
		Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
1	Start of implementation of the projects under the Recovery and Resilience Plan	x																	
2	Preparation of Application Guidelines for beneficiaries	x																	
3	Announcing the call for project proposals and conducting an Awareness campaign for the beneficiaries		x																
4	Development of project proposals and application by the beneficiaries under Component 1		x	x	x														
5	Development of project proposals and application by the beneficiaries under Component 2		x	x															
6	Evaluation of the submitted project proposals and conclusion of financing agreements under Component 1				x	x	x												
7	Evaluation of the submitted project proposals and conclusion of financing agreements under Component 2				x	x													
8	Implementation of the projects by the beneficiaries under Component 1						x	x	x	x	x	x	x	x	x	x	x		
9	Implementation of the projects by the beneficiaries under Component 2					x	x	x	x	x	x	x	x						
10	Reporting of the implementation by the beneficiaries						x	x	x	x	x	x	x	x	x	x	x	x	

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supervision, investor control, project management, etc. BGN 583.33 / m<sup>2</sup> (EUR 298.25) remain for construction and installation works and equipment / furniture. The buildings are handed over at the turnkey stage, fully furnished and equipped, incl. and with specialized equipment, and suitable for immediate use.

In these hypotheses, the total value of the subcomponent is calculated as:

5598\*25 m<sup>2</sup> built-up area/user\*BGN 700 /m<sup>2</sup>=BGN 97 965 000, approximately BGN 100 million

#### Component 2

1,200 existing social services for about 25,000 users. The total built-up area of the services that will be the subject of intervention is approximately 400 thousand m<sup>2</sup>. Indicative price / m<sup>2</sup> for repair of 600 m<sup>2</sup>.

In these hypotheses, the total value of the subcomponent is calculated as:

400 000 m<sup>2</sup> built-up area\*BGN 600/m<sup>2</sup>=BGN 240 000 000

### **5.1. Indicative allocation of the financial resource, depending on the type of expense:**

#### **Under Component 1:**

- Construction / rehabilitation of infrastructure (construction and installation work) - **79.03%** (BGN 405.4 million)
- Physical capital (purchase of machinery and equipment) - **11.36%** (BGN 58.3 million)
- Human capital (skills development, retraining...) - 0%
- Labor (wage costs, consulting services...) - **9.61%** (BGN 49.3 million.)
- Technology (costs for acquisition of intangible fixed assets - patents, software ...) - 0%

#### **Under Component 2:**

- Construction / rehabilitation of infrastructure (construction and installation work) - **68%** (BGN 163,2 million)
- Physical capital (purchase of machinery and equipment) - **20%** (BGN 48 million)
- Human capital (skills development, retraining ...) - ...%
- Labor (wage costs, consulting services ...) - **12%** (BGN 28,8 million)
- Technology (costs for acquisition of intangible fixed assets - patents, software ...) - ...%

## **6. Indicators**

### **6.1. Result indicator (s)**

**Under Component 1** - Number of supported social infrastructure sites in the process of deinstitutionalization of long-term care services for the elderly and people with disabilities - number of sites.

- Initial value - 97 [2021]
- Intermediate value – 200 [2023]
- Final value – 527 [2025]

**Under Component 2** - Number of supported social services in the community, delegated by the state activity - number of sites.

- Initial value - 0 [2021]
- Intermediate value - 360 [2023]
- Final value - 1 200 [2024]

## **6.2. Contracting indicator (s)**

**Under Component 1** - Number of beneficiary municipalities that have concluded a contract for project implementation - number of municipalities / agreed funds.

- Initial value (30.06.2021) - 0 [0%]/BGN 0
- Intermediate value (31.12.2021) - 0 [0%]/BGN 0
- Intermediate value (30.06.2022) - 25 [20%]/BGN 100 million
- Intermediate value (31.12.2022) - 65 [70%]/BGN 350 million
- Intermediate value (30.06.2023) - 85 [95%]/BGN 475 million
- Final value (31.12.2023) - 90 [100%]/BGN 498 million

**Under Component 2** - Number of beneficiary municipalities that have concluded a contract for project implementation - number of municipalities / agreed funds.

- Initial value (30.06.2021) - 0 [0%]/BGN 0
- Intermediate value (31.12.2021) - 0 [0%]/BGN 0
- Intermediate value (30.06.2022) - **90** [50%]/BGN 116 million
- Intermediate value (31.12.2022) - 180 [100%]/BGN 233 million
- Intermediate value (30.06.2023) - 180 [100%]/BGN 233 million
- Final value (31.12.2023) - 180 [100%]/BGN 233 million

## **7. Does the project require the opening of a procedure pursuant to the Public Procurement Act (PPA)?**

Yes, it is required.

All project activities related to the assignment of energy efficiency audits, design, construction supervision, construction and supply of equipment and furniture will be assigned under the Public Procurement Act.

### **7.1. If a procedure under the Public Procurement Act is required, what part of the activities and financial resources will be subject of the public procurement?**

All project activities with the exception of the hiring of the project administration staff (provided that the project allows indirect costs related to the organization and management of the project) will be subject to public procurement under the Public Procurement Act.

### **7.2. If a procedure under the Public Procurement Act is required, what is the indicative schedule for its implementation?**

All award procedures for design, construction and delivery of equipment and furniture under the Public Procurement Act will have a term of implementation not longer than 24 months from the date of start of project implementation from municipality.

## **8. Demarcation and complementarity**

### **8.1. If similar projects have been implemented (regardless of their source of funding), describe how this project builds on/complements what has been achieved with previous projects.**

The project complements and builds on operation BG16RFOP001-5.002 “Support for deinstitutionalization of social services for adults and people with disabilities”, funded by the Operational Programme “Regional Development” 2014 - 2020 and operation BG05M9OP001-2.090 “New long-term care for the elderly and people with disabilities - Stage 2 - provision of new services”, under the Operational Programme “Human Resources Development” 2014-2020. Operation BG16RFOP001-5.002 finances the construction, repair, furnishing and equipment necessary for the creation of the following new social services:

- 6 day care centers for people with various forms of dementia and their families;
- 68 care centers for people with disabilities and the elderly (for people with mental disorders, people with mental retardation, people with various forms of dementia and the elderly unable to self-care).

Operation BG05M9OP001-2.090 “New long-term care for the elderly and people with disabilities - Stage 2 - provision of new services” finances the selection, hiring, training and remuneration of staff, as well as the purchase of furniture for the newly built 74 services.

The project also complements and builds on operations BG05M9OP001-2.008 “Support for Persons with Disabilities”, BG05M9OP001-2.061 “Support for Persons with Disabilities - Component 2” and BG05M9OP001-2.062 “Social Inclusion of Persons with Mental Disorders and Intellectual Disabilities”, under Human Resources Development Programme 2014-2020, which finances repairs, furniture and equipment, as well as “soft measures” needed to establish 16 Day Care Centers for people with disabilities and their families, incl. with severe multiple disabilities and 10 Centers for Social Rehabilitation and Integration for people with mental disorders and for people with mental retardation.

The project complements and builds on measures that are part of the overall process of deinstitutionalization of care for the elderly and people with disabilities.

### **8.2. If similar projects are envisaged to be implemented under the Partnership Agreement programs, the centrally managed facilities of EU or the Just Transition Fund, outline the demarcation with this project.**

This project will finance social services for long-term care, as well as existing social services delegated by the state activities that will not be supported under other programmes of the Partnership Agreement, centrally managed EU instruments or the Fund for fair transition.

With regard to the demarcation with the ESF + and the ERDF, it should be borne in mind that the draft Recovery and Sustainability Plan proposes to finance only the so-called „Hard” measures related to:

- construction and equipment of new social and integrated health and social services for residential care and accompanying specialized and consultative social services for people with disabilities. The activity is in connection with the deadlines set in the Social Services Act until 01.01.2035 for the closure of all specialized institutions for persons with disabilities and in accordance with the National Strategy for Long-Term Care. Under this activity, 174 new social services for residential care for people with disabilities will be built for 5,220 users and 174 new supportive specialized and consultative social services for people with disabilities for 5,220 users;
- carrying out construction activities and supply of equipment and furniture with a view to reforming the existing homes for the elderly. According to the Social Services Act, all existing homes for the elderly should be reformed in accordance with the quality standards of residential care for elderly people over working age, defined in the Ordinance on the quality of social services, by January 1<sup>st</sup>, 2025. 82 existing social services with a capacity for 5,598 users will be reformed;
- carrying out construction activities and purchasing equipment and furniture that meets modern requirements for energy efficiency and adequate to the needs of target groups and the specifics of social services provided in approximately 1,200 existing social services for about 25,000 users. The activities will also include the implementation of anti-epidemic measures, incl. adaptation of the physical environment in order to create the possibility for physical distancing of service users in case of an epidemic situation, measures to separate / limit the flow of passengers in the services, supply and installation of bactericidal lamps of closed type with the ability to work in the presence of people.

In view of the approach adopted under the Regional Development Programme (financed by the ERDF) for the period 2021-2027 for the implementation of integrated territorial investment plans, there is no separate axis for social infrastructure, as in the current programme period. In this regard, it is set only indicatively that 5% of the funds will be directed to social infrastructure. This includes the performance of construction activities and the purchase of equipment and furniture for the construction of new residential care services for the elderly to meet the needs of 1,300 people waiting for accommodation in residential care for the elderly (approximately BGN 70 million), as this will allow the planned reform of residential care for the elderly (without disabilities) to be completed. It is also envisaged to carry out construction activities and purchase equipment and furniture to create other types of services (for emergency accommodation, consulting services, etc.) and to improve the environment in existing services, including integrated services.

ESF + funds under the Human Resources Development Programme for the period 2020-2027 will mainly finance the “soft” measures related to the provision of social services and staff training in the newly created under the Recovery and Sustainability Plan and the Programme for development of the regions new social and integrated health and social services for residential care and accompanying specialized and consultative social services for people with disabilities, as well as in the reformed homes for the elderly and newly established services for residential care for the elderly.

It should be borne in mind that the “soft” measures set in the Human Resources Development Programme for the period 2020-2027 cannot be fully implemented if the “hard” measures envisaged in the framework of the Recovery and Sustainability Plan related to the implementation of construction activities and delivery of equipment and furniture are not implemented.

According to official information from the Ministry of Regional Development and Public

Works, as of 09.12.2020, under procedure BG16RFOP001-5.002 “Support for deinstitutionalization of social services for adults and people with disabilities” under OPRD 2014-2020, which builds new services for adults with disabilities, included in the Map of Services to the Action Plan for the period 2018-2021 for implementation of the National Strategy for Long-Term Care, out of a total of 74 new services set in the Map, implementation contracts have been concluded for 71 services. Of these, 20 services are fully completed and the remaining 51 are in varying degrees of implementation.

Presented in tabular form, the distribution between the financial instruments for the period 2021-2027 is very clear.

		Required financial resource 2021-2027, (BGN)			
		TOTAL	Recovery and Resilience Plan	OPRD	OPHRD
<b>TOTAL</b>		<b>1 618 000 000</b>	<b>753 000 000</b>	<b>165 000 000</b>	<b>700 000 000</b>
<b>Long-term care</b>		<b>1 378 000 000</b>	<b>513 000 000</b>	<b>165 000 000</b>	<b>700 000 000</b>
1	Older people's care reform	<b>370 000 000</b>	100 000 000	70 000 000	200 000 000
2	Construction and equipment of new social and integrated health and social services for residential care and supportive specialized and consultative social services for people with disabilities	<b>828 000 000</b>	413 000 000	45 000 000	370 000 000
3	Creation of another type of services (for emergency accommodation, consulting services, etc.) and improvement of the environment in existing services, including integrated services	<b>120 000 000</b>		50 000 000	70 000 000
4	Introduction of digitalization of services, including teleassistance, various forms of electronic tools and resources	<b>50 000 000</b>			50 000 000
5	Strengthening the capacity of municipalities to manage and provide social services	<b>10 000 000</b>			10 000 000
<b>Increasing the energy efficiency of the social infrastructure for the provision of social services, delegated by the state activity</b>		<b>240 000 000</b>	<b>240 000 000</b>	<b>0</b>	<b>0</b>

**9. Does the project directly contribute to the implementation of any of the Council's Specific Recommendations addressed to Bulgaria in the framework of the European Semester in the period 2017-2020? Please describe how.**

The project will contribute to the implementation of the fourth recommendation of the Council Specific Recommendations on the National Reform Programme of Bulgaria for 2019 in the part “To take measures for social inclusion by improving access to integrated social and employment services and more effectively support for minimum incomes”. Recital 21 also states that: “The provision of social services is hampered by their low quality and lack of an integrated approach to active inclusion. There are still differences in access to social services, healthcare and long-term care”. Through the development, construction and

equipment of new, flexible and target group needs-oriented and meeting modern requirements, social and integrated health and social services will directly contribute to supporting and promoting the social inclusion of people with disabilities and elderly people dependent on care. Apart from the direct effects related to the improvement of the physical environment, the new equipment and furniture is also related to the increase of the quality of the services and their efficiency in view of the achieved results for the persons using them, in response to their needs.

The project will also contribute to the implementation of the second recommendation of the Council Specific Recommendations on the National Reform Programme of Bulgaria for 2020 in the part “To provide adequate social protection and basic services for everyone...”. Its implementation will have a direct effect on the noted in recital 22 need to provide “appropriate social services” and support the implementation of social services reform, which will “help stabilize the system and enhanced cooperation between health and social services will make it possible to reach people who are unable to take care of themselves more effectively and people with disabilities”.

**10. Does the project contribute to the implementation of a reform in a given sector?  
Please describe how.**

The project will have a direct effect on the implementation of the reform in the field of social services, which is supported by the adoption of the Social Services Act, in force from 01.07.2020. SSA is a special law that regulates all issues relevant only to the social services sector in the Republic of Bulgaria - the provision, use, financing, quality, control and monitoring of social services. The Social Services Act stipulates that until its entry into force, homes for mentally retarded adults, homes for adults with mental disorders, homes for adults with physical disabilities, homes for adults with sensory impairments and homes for adults with dementia be closed until January 1<sup>st</sup>, 2035. At the same time, all old people's homes should be reformed in accordance with the quality standards of residential care for the elderly over working age, set out in the Ordinance on the quality of social services, by January 1<sup>st</sup>, 2025. The implementation of the project will also contribute to the implementation of the objectives of the National Strategy for Long-Term Care, by supporting and supplementing the already started activities envisaged in the Action Plan for the period 2018-2021 for the implementation of the National Strategy for Long-Term Care.

**11. Does the project contribute to the development of any aspect of sustainable economic development? Please describe how.**

The project contributes to sustainable economic development in view of the growing role of social services as a sector with significant potential and high added value, creating a wide field for employment. Its implementation will create opportunities for job creation in social services, and hence for the achievement of higher levels of employment, the promotion of social inclusion and sustainable economic development. The project also contributes to the response to the demographic challenges facing the population, incl. and ensuring a dignified life for the elderly.

As the social services sector is strongly influenced by the ongoing processes of digitalization, the implementation of the project will promote the use of digital technologies, which will



significantly contribute to the application of innovative approaches and improve the organization of work in services. Investing in these technologies will have a significant impact on the daily work of staff working in the sector, potentially improving working conditions and the service itself. Assistive technologies can also enable people to become more independent and avoid the use of residential care.

**12. Does the project contribute to the implementation of the objectives of the National Development Program BULGARIA 2030? Please describe how.**

The project will contribute to the implementation of the objective “Reduction of inequalities”, axis “Fair and responsive Bulgaria” of the National Development Programme BULGARIA 2030, as well as priority 11 “Social Inclusion”. The main objective of the priority is related to the reduction of social inequalities and the active social inclusion of vulnerable groups, including by improving their access to quality social services. The implementation of the project is expected to have an effect on one of the leading areas of impact to Priority 11, namely – “Long-term care”. The planned measures in this area are aimed at continuing and finalizing the process of deinstitutionalization of child care, implementation of measures to prevent institutional models of care and increase the quality and efficiency of the network of social services to support children and their families, continuing of the process of deinstitutionalization of long-term care services for the elderly and people with disabilities and development of quality, accessible and sustainable long-term care services. Emphasis is also placed on the integrated approach to providing support and integrated services. The implementation of measures in this area of impact will contribute to the promotion of independent and self-sufficient life of the elderly and people with disabilities through the provision of services in the home environment and in a specialized environment, mobile services and others.

**13. Does the project contribute to the implementation of the objectives and priorities set out in the National Integrated Energy and Climate Plan? If yes, please describe how.**

The project will contribute to the implementation of the leading objectives and priorities in the field of energy and climate and in particular to the provision of modern, economically and energy efficient social infrastructure. Given the insufficient and / or depreciated building stock of social services and obsolete equipment and furniture, the project activities aim at building and equipping new social services in accordance with the requirements for energy efficiency, as well as improving sanitation and the environment in existing ones and a significant reduction in energy costs, respectively the cost of maintaining the services. This will in the long run contribute to improving the energy efficiency of social service buildings, which will allow them to sustainably continue their management and maintenance. The expected results of the project implementation, related to the construction and equipment of new social services and the implementation of repairs / reconstruction, providing new material and technical base and implementation of energy efficiency measures, will have a direct effect on users of social services and will contribute to the efficient use of energy resources, improving the quality of life through energy efficiency and limiting the negative impact on the environment.

**The ‘Do-No-Significant-Harm’ Principle has been implemented in relation to the project proposal.**

