STRATEGY FOR
HUMAN RESOURCE DEVELOPMENT
2007-2011
MINISTRY OF FINANCE, BULGARIA

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## Glossary

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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>CFCU</td>
<td>Central Financing and Contracting Unit</td>
</tr>
<tr>
<td>DIS</td>
<td>Decentralised Implementation System</td>
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<tr>
<td>EDIS</td>
<td>Extended Decentralised Implementation System</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FPM</td>
<td>Finance and Property Management</td>
</tr>
<tr>
<td>GDFM</td>
<td>Government Debt and Financial Management</td>
</tr>
<tr>
<td>HR</td>
<td>Human resources</td>
</tr>
<tr>
<td>HRD</td>
<td>Human Resource Directorate</td>
</tr>
<tr>
<td>HRM</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>ITFC</td>
<td>Investment, Tenders and Financial Control</td>
</tr>
<tr>
<td>MoF/MF</td>
<td>Ministry of Finance</td>
</tr>
<tr>
<td>NAO</td>
<td>National Authorising Officer</td>
</tr>
<tr>
<td>OLAF</td>
<td>European Anti-Fraud Office</td>
</tr>
<tr>
<td>PCM</td>
<td>Project Cycle Management</td>
</tr>
</tbody>
</table>
1. Preface

The Ministry of Finance is facing new challenges and new assignments as member of the European Union. Ministries need to put more focus on policy formulation within both a national and a European context rather than policy implementation of already existing EU legislation. They need to cope with political momentum and risk of lack of political consensus after the clear set of goals for EU Accession is gone.

EU negotiations and cooperation are with the full circle of Member States and therefore civil servants need to understand how to build alliances and networking with other Member States. All line ministries need to establish very close contact with their permanent representations in Brussels.

An enormous increase in meetings in Brussels under the auspices of the Council of Ministers many of which are very specialised and requires the presence of specialist (not only the top level). Wider circle of civil servants will be involved in meetings in Brussels and they must learn the procedures and code of conduct of the committees.

In accordance to the Lisbon strategy the EU is shifting to globalisation and the challenge of a new knowledge-driven economy, and in accordance thereto people will have to update their competencies and qualifications increasingly and continuously.

The MoF wants to be prepared for the EU membership and therefore create a learning and developing culture that can attract, maintain and develop motivated and qualified employees, who can implement the daily tasks effectively, professional and by high quality. Skills and qualification, not only general and specific, but also social needs to be optimal - not least the ability to use them in our daily work, plus combining them across the organisation and in cooperation with our surrounding.

The Ministry of Finance is a dynamic organisation, which wants to be in front within its core areas and prepare for future tasks as member of the European Union. The Human Resource Development strategy reflects and supports this.

The MoF shall be an attractive and total oriented workplace by setting the HR development strategy in relation to the MoFs overall goals, goals of the Directorates and the demands by the ever-changing surroundings, via focusing on competence development at all levels.

HR development is an important investment in the future of the organisation. It’s therefore important that each employee in the MoF can see which goals have been priorities in the HR Development strategy.

The strategy expresses a systematic and strategic approach to development of the employees who are all unique but also have common development needs.
The present 4 years Human Resource Development Strategy 2007-2011 has the mission to:

Develop, retain and motivate the employees of the MoF to facilitation and achievement of the strategic goals.

The vision is to:
- Develop the employees competences and improve the professional skill level in compliance with the needs for an overall modernisation of the working processes in the conditions of EU membership.


The goals for the HR Development strategy in MoF is that each employees:
- are dressed to support fulfillment of the goals within the areas she/he are working
- has identified development needs that by advantage can be covered across the directorates,
- get an environment to use and develop their competencies, so their potential can be used in best possible way.

Goals for the whole organisation are:
- to secure that the ministry as a whole can fulfil the strategic goals
- to have a process of strategic competence development that is synchronised across the Ministry
- to continue to build upon and develop the strengths that are present in the organisation
- to create a learning, engaged and motivated work culture with focus on continuous improvement of skills
- that all staffs see the Ministry as one organisation

The goals of the Strategy will be achieved via:
- organising training courses according to the needs
- organising specialised training courses, coaching etc.
- development of professional expertise
- creating opportunities for development and self-improvement
- creating possibilities for exchange of professional ideas and experience with other countries
- long-term succession planning
- development of a retention programme
- establishing measures for achievement of greater job satisfaction

In other words the development of a Human Resource Framework is based on the following key areas:

1: Effective HR planning to ensure we have the HR information we need to plan and manage in a targeted and cost effective way our staffing resources and retention issues.

2: Effective training and development, including management development, to ensure
   (a) we continually improve our knowledge, skills and understanding in order to raise our service standards to customers, and to adapt more successfully to the demands of change
   (b) we improve and maintain staff motivation through improved support for effective career development.
2.1. Communication

Employees and managers in MoF wish that openness and communication are key words in the daily cooperation. Communication about the HR development strategy and how it’s converted into concrete activities in an action plan should therefore be happening in an apparent and productive dialog.

This is happening via:
- Parallel with the yearly revision of the HR action plan there will be a broad discussion in each Directorate and a common discussion between all directorates and the HR Directorate.
- At the MoFs Intranet all information’s and activities including experiences in relation to MoFs HR development appears.

2.2. Follow-up and evaluation

The HR Development strategy and the action plan are evaluated at a common meeting between line-managers, heads of Directorates and responsible from the HR Directorate. Each manager and line-managers are involved in the evaluation, so the connection between the HR developments in each directorate is secured.

Before the evaluation meeting the line-managers discuss the results of the HR competence development in the respective directorates. The evaluation is made on the results of the activities, and it should be discussed whether the new qualifications can be used better and/or shall be further developed, as well as how the new competencies can be used in the organisation.

Evaluation

Evaluation is an assessment, as systematic and objective as possible, of the ongoing or completed activities. The evaluation examines implementation and results of the ongoing or completed activities in the action plan. The aim is to determine the relevance and fulfilment of objectives, impact and sustainability.

An evaluation can be done during implementation (“mid-term”), at its end (“final evaluation”) or afterwards (“ex-post evaluation”), either to help direct the plan or to draw lessons for future activities. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process for future HR development initiatives.

The HR Directorate will monitor and review progress towards adhering to the HR Development Strategy at the common meeting for the evaluation of the HR Development action plan. A report detailing the progress against each objective/target within the time period in question will be produced and circulated to the line-managers within no later than 2 weeks upon completion of the meeting.

This every-year evaluation in November month will be made in the course of the following indicators:

**Strategy:** are the right things being done/does it work?
- Employees competences increased in compliance with the need for working processes under the conditions as member of the European Union
- The professional skills level in the MoF improved
- The HR Development activities has supported achievement of strategic goals
- The motivation level is increased and the staff turnover decreased
- The cooperation and communication between the HR Directorate and the rest of MoFs directorates is functioning satisfying to all directorates
- The whole MoF feel responsible for and involved in HR development
Target areas for development: are things being done right?
• Effectiveness in achieving expected outcomes/success criteria's.
• Efficiency in optimising resources.
• Target group’s satisfaction.

Learning and development culture: are there better ways?
• Lessons learned.
• Alternatives.
• Best practices.
3. Yearly cycle and communication plan

The yearly cycle for strategic HR development in the MoF:

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Target group/responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>November</td>
<td>Evaluation of the HR development of the year and targeting next years HR Development needs. The targeted needs are forwarded to the HR Directorate</td>
<td>HR Directorate x Line-managers x Staffs of the Directorates</td>
</tr>
<tr>
<td>Primo December</td>
<td>Elaboration of common HR Development plan</td>
<td>x</td>
</tr>
<tr>
<td>Medium December</td>
<td>The HR Development plan distributed to line-managers</td>
<td>x</td>
</tr>
<tr>
<td>End December</td>
<td>Discussion of the plan in the Directorates</td>
<td>x x</td>
</tr>
<tr>
<td>End December</td>
<td>Kick-off meeting – feedback to the HR directorate and discussion of the final content of HR Development Plan</td>
<td>x x</td>
</tr>
<tr>
<td>January</td>
<td>Final of action plan distributed to line-managers</td>
<td>x</td>
</tr>
</tbody>
</table>
4. Funding
The sources for covering the HR Development activities are provided from the MoF budget and partly by the state budget of the Republic of Bulgaria. In addition hereto, whenever possible, sponsorships, international projects etc. will cover the costs of development activities.

Precise distribution to activities is made yearly when revising the plans.

5. Action plans for HR Development activities
Based upon the assessment of the development plans submitted by each Directorate, the HR Directorate has drafted a common action plan for HR development initiatives.

In Annex I attached the 4 years action plan for common strategic competence development areas.
In annex II attached strategic goals and supplementary Human Resource Development needs elaborated by each Directorate.
<table>
<thead>
<tr>
<th>Activities</th>
<th>Results</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic goals and HR development needs made by all directorates</td>
<td>Elaboration of a HR Development strategy (inclusive action plan 2007-2011) with a systematic and strategic approach to competence development in the MoF</td>
<td>All directorates</td>
<td>All directorates have submitted a fulfilled plan of strategic goals and target areas for development to the HR Directorate. The HR Development strategy is finalised.</td>
<td>End of December 2007</td>
<td>All directorates and the Danish Twinning partner</td>
</tr>
<tr>
<td>Training on implementation of succession planning</td>
<td>Recruitment and maintenance of high-qualified employees via targeted career and competence development</td>
<td>All HR responsible</td>
<td>Recruitment and selection expenses are reduced with xx % by the end of 2008 compared to 2007. Staff turnover reduced to xx % in 2008.</td>
<td>End of December 2007</td>
<td>HR Directorate and the Danish Twinning Partner</td>
</tr>
<tr>
<td>Workshop on alternative training methods</td>
<td>Improvement of employee’s skills and competencies and to ensure use of most valuable and cost-effective training in the MoF.</td>
<td>HR responsible and HR Directorate</td>
<td>Identification of most suitable methods for fulfilment of the HR development objectives.</td>
<td>End of December 2007</td>
<td>HR Directorate and the Danish Twinning Partner</td>
</tr>
<tr>
<td>Presentation and Communication skills</td>
<td>Creation of an attractive work place and good working climate. Enlarged ability to communicate smoothly with costumers.</td>
<td>All in MoF</td>
<td>Maintenance and improvement of horizontal dialogue – within the ministry and with other bodies</td>
<td>End of December 2007</td>
<td>HR Directorate and the Danish Twinning Partner</td>
</tr>
<tr>
<td>Team building</td>
<td>Efficient and effective work processes via improvement of the communication and cooperation across directorates</td>
<td>All Directorates</td>
<td>The participants have obtained a mutual understanding of work and common goals. Staff motivation and efficiency improved.</td>
<td>End of December 2007</td>
<td>HR Directorate and HR appointed from each Directorate</td>
</tr>
<tr>
<td>Evaluation of the development activities of the first year and discussion of action plan for coming years</td>
<td>Secure relevance and fulfilment of the strategic objectives of the HR Development strategy</td>
<td>Line managers/HR appointed in each directorates and HR Directorate</td>
<td>At least 75% of the Directorates are present at the discussion, take ownership to the HR Development and value the initiatives in the strategy as useful and relevant.</td>
<td>End of December 2007</td>
<td>HR Directorate</td>
</tr>
</tbody>
</table>
## Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Overall strategic Goal</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>English professional language – reading and writing</td>
<td>Improvement of the services, daily work, cooperation with European colleagues and European Integration.</td>
<td>All in MoF</td>
<td>Increased effectiveness and results in the daily work. Time spend for services reduced.</td>
<td>End of December 2008</td>
<td>HR Directorate and HR appointed from each Directorate</td>
</tr>
<tr>
<td>Management &amp; leadership</td>
<td>Strengthen the organisational capacity and increased ability to attract, maintain staff and develop staff</td>
<td>Directors &amp; Line managers</td>
<td>Training implemented and staff turnover in 2008 reduced by ( xx % ) percentages compared to 2007.</td>
<td>End of December 2008</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>European influence- policies and institutions</td>
<td>Increase Bulgarian influence on new European policies and legislation</td>
<td>Managers &amp; experts working on EU issues</td>
<td>Improved coordination, positions papers and preparation for meetings</td>
<td>End of December 2008</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>Acquis Communautaire – implementation and enforcement of the relevant legislations of the respective Directorates</td>
<td>Building the capacity for fulfilment of the responsibilities as member of EU and development of legal and administrative capacity to conduct accurate services to costumers</td>
<td>Managers and expert implementing the Acquis</td>
<td>Decrease in average time for implementation of daily work, and increased services towards costumers. From the Government Debt and Financial market Directorate monthly and annual newsletters on the development of financial markets will be issued from 2008.</td>
<td>End of December 2008</td>
<td>HR Directorate &amp; Directors/ Heads of Departments</td>
</tr>
<tr>
<td>Evaluation of the development activities of the second year and discussion of action plan for coming years</td>
<td>Secure relevance and fulfilment of the strategic objectives of the HR Development strategy</td>
<td>Those persons included as responsible in the actions plans</td>
<td>More applicants to vacant positions compared to 2007 and reduced staff turnover compared to 2007.</td>
<td>End of December 2008</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>Activities</td>
<td>Results</td>
<td>Target Group</td>
<td>Indicators/objective success criteria</td>
<td>Deadline</td>
<td>Responsible</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
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<td>---------------------------------------</td>
</tr>
<tr>
<td>Tailor-made IT training (for each Directorates)</td>
<td>Optimise and improve working tools and services towards customers</td>
<td>All in MoF</td>
<td>Average time used for current assignments and services are reduced by xx % compared to 2008.</td>
<td>End of December 2009</td>
<td>HR Directorate and HR appointed from each Directorate</td>
</tr>
<tr>
<td>Strategic planning</td>
<td>Creation of a dynamic organisation with enhanced ability to plan and organise so the ministry see future internal and external challenge and meet these via short- and long-term development</td>
<td>All Managers</td>
<td>Goals of the Directorates are meet in the most effective and less expensive way. Managers focus on strengths and can define were the Directorates are going and how they will get there, they are able to make SMART strategic goals and the latter are known to all employees</td>
<td>End of December 2009</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>Evaluation of the development activities of the third year and discussion of action plan for coming years</td>
<td>Secure relevance and fulfilment of the strategic objectives of the HR Development strategy</td>
<td>Line managers/HR appointed in each directorates and HR Directorate</td>
<td>More applicants to vacant positions compared to 2008 and reduced staff turnover compared to 2008.</td>
<td>End of December 2009</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>Project management training</td>
<td>Improved capacity to manage major projects across the ministry</td>
<td>All directorates</td>
<td>Successful implementation of projects, contracts and programmes. Objectives of the projects meet.</td>
<td>End of December 2010</td>
<td>HR Directorate and HR appointed from each Directorate</td>
</tr>
<tr>
<td>Policy analysis and formulation</td>
<td>Strengthen the capacity to formulate, prepare and assess policies.</td>
<td>All Managers</td>
<td>Policies programme and plans drafted.</td>
<td>End of December 2010</td>
<td>HR Directorate</td>
</tr>
<tr>
<td>One-day workshop on evaluation of the development activities of the period 2007-2011 and discussion of new action plan for the period of 2011-2015</td>
<td>Continued systematic and strategic approach to HR development and maintenance of an attractive workplace with high-qualified employees</td>
<td>Line managers/HR appointed in each directorates and HR Directorate</td>
<td>HR development strategy for the period 2011-2015 elaborated no later than end of January 2011.</td>
<td>End of December 2010</td>
<td>HR Directorate</td>
</tr>
</tbody>
</table>

### Administrative Service

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Strategic goal outputs</th>
<th>Competences needed to reach the strategic goals</th>
<th>Target group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person in the Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Improve the provision of administrative services</td>
<td>Making it easier for physical and legal entities with regards to quicker response time</td>
<td>Communication skills, foreign languages</td>
<td>“Control over Securities Printing” Department back-office staff</td>
<td>Reduced average service time by 25 % per quarter</td>
<td>Second half of 2007</td>
<td>“Control over Securities Printing” Department back-office staff – Antoaneta Savcheva, Zina Tashkova</td>
</tr>
<tr>
<td>2. Integrate the electronic signature system</td>
<td>Speeding up the process of permit issuing and ensuring that the permit reaches quickly the citizens in an electronic way</td>
<td>Computer skills, availability of a electronic signature certificate</td>
<td>“Control over Securities Printing” Department back-office staff</td>
<td>Reduced average service time by 25 % per quarter</td>
<td>Second half of 2010</td>
<td>“Control over Securities Printing” Department back-office staff – Antoaneta Savcheva, Zina Tashkova</td>
</tr>
<tr>
<td>3. Improve the provision of administrative services to the public and to legal entities</td>
<td>Making it easier for clients in respect of the time needed for submitting and receiving documents. Preparing a questionnaire that studies and measures user satisfaction regarding the administrative services provided by the Ministry of Finance /online, via the Ministry’s web site/</td>
<td>Communication skills, foreign languages</td>
<td>The Ministry front-office staff</td>
<td>Online questionnaire that studies and measures user satisfaction. Analysis of the questionnaire returns with a view to reducing the number of dissatisfied users and improving the work of the Ministry’s front-office</td>
<td>Second half of 2007  Second half of 2008</td>
<td>Chancellery Department staff – Vanya Todorova, Head of Department; Karmen Sarbinska, Chief Expert; Gabriela Tihova, Chief Specialist</td>
</tr>
<tr>
<td>4. Introduce an electronic documentation archiving system</td>
<td>Preservation of the paper copy of the documents in the Ministry’s archive, as well as keeping an electronic system</td>
<td>Computer skills</td>
<td>Chancellery Department staff</td>
<td>Number of documents in the Ministry’s archive and documents electronically kept in the system</td>
<td>Second half of 2008</td>
<td>Chancellery Department staff – Kalina Alexandrova, Head of Administrative Services Section; Maria Ivanova, Chief Expert</td>
</tr>
<tr>
<td>5. Develop the interaction processes between the electronic documentation archiving system and the “Document Flow” Automated Information System (AIS)</td>
<td>Speeding up the process of making electronic enquiries in the Ministry’s archive</td>
<td>Computer skills</td>
<td>Chancellery Department staff</td>
<td>Number of electronic enquiries about documents (kept in the archive) made by the Ministry’s administrative units</td>
<td>Second half of 2010</td>
<td>Chancellery Department staff – Kalina Alexandrova, Head of Administrative Services Section; Maria Ivanova, Chief Expert</td>
</tr>
</tbody>
</table>
### Audit of EU Funds

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Results from strategic goals</th>
<th>Competencies needed for achievement of strategic goals</th>
<th>Target group</th>
<th>Criteria for success</th>
<th>Deadline</th>
<th>Responsible person</th>
</tr>
</thead>
</table>
| 1. Improvement of competencies and quality of work of the directorate – strengthening the capacity | Quality audit services  
Effective implementation of current tasks and objectives included in annual work plans  
Employee demonstrates flexibility and confidence by coping with changes in the work  
Increased image of the institution                                                                                           | Knowledge of and implementation of the legislation  
Knowledge of and implementation of the audit methodology  
Foreign languages  
Communication skills  
Software skills  
Team work skills                                                                                                         | All staff in the directorate | Decrease in the average time for implementation of audit activity  
Increase in the number of conducted audit activities in comparison with previous quarters | Currently for the period | Director  
The two heads of departments |
| 2. Professional satisfaction and motivation of personnel | To strengthen the motivation of human resources as a factor for increase of audit effectiveness  
Increased image of the institution  
Minimizing turnover  
Employee will think of and will suggest new ideas for work improvements                                                                 | Innovativeness  
Foreign languages  
Communication skills  
Knowledge of and implementation of the audit methodology  
Software skills  
Team work skills                                                                                                         | All staff in the directorate | Decrease in turnover of the staff  
Decrease of resources and time for induction training of new employees | Currently for the period | Director  
The two heads of departments |
| 3. Achieve clear understanding of the role of individual civil servant and close cooperation between the employees and departments in the directorate in order to have efficient and effective work process | Effective implementation of tasks and duties  
Maximal coordination in actions in the directorate  
Exchange of useful information in due time  
Improvement of working climate in the directorate  
Approval of some of the employees as team leaders                                                                         | Knowledge of and implementation of the audit methodology  
Communication skills  
Team work skills  
Leadership  
Skills how to organize work                                                                                                   | All staff in the directorate | Greater number of conducted audits in comparison with previous quarters  
Decrease in turnover of the staff in the directorate  
Increase in number of employees having skills for team management | Currently for the period | Director  
The two heads of departments |
## AUDIT OF EU FUNDS - CONTINUED

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Results from strategic goals</th>
<th>Competencies needed for achievement of strategic goals</th>
<th>Target group</th>
<th>Criteria for success</th>
<th>Deadline</th>
<th>Responsible person</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Development of culture for permanent learning and constant improvement of professional competencies</td>
<td>Employee will be familiar with the new developments in the area of his/her responsibilities and audit activities as a whole</td>
<td>Knowledge of and implementation of the legislation Knowledge of and implementation of the audit methodology Foreign languages skills Communication skills Software skills</td>
<td>All staff in the directorate</td>
<td>Decrease of resources and time for induction training of new employees Increase the number of trainings in which the employees take part</td>
<td>Currently for the period</td>
<td>Director The two heads of departments</td>
</tr>
<tr>
<td>5. Strengthening the contacts with the main structures in Bulgaria responsible for the management of EU funds</td>
<td>Optimizing the work of the audit teams Good coordination of work and exchange of information in due time Increased image of the institution</td>
<td>Knowledge of and implementation of the legislation Knowledge of and implementation of the audit methodology Foreign languages Communication skills Software skills</td>
<td>All staff in the directorate</td>
<td>Decrease in time for exchange of information and documents Increase in the joint initiatives concerning management of EU funds</td>
<td>Currently for the period</td>
<td>Director The two heads of departments</td>
</tr>
<tr>
<td>6. Exchange of experience with auditors from the European Commission, European Audit Court, audit bodies of member states</td>
<td>Development and jointly implementation of projects Agreed methodology harmonization Increased image of the institution</td>
<td>Knowledge of and implementation of the legislation Knowledge of and implementation of the audit methodology Foreign languages Communication skills Software skills Innovative thinking Team work</td>
<td>All staff in the directorate</td>
<td>Decrease in time for exchange of information and documents Increase in the joint initiatives concerning management of EU funds</td>
<td>Currently for the period</td>
<td>Director The two heads of departments</td>
</tr>
<tr>
<td>7. Improvement in working conditions</td>
<td>Improvement of working conditions Improvement of work climate</td>
<td>Organisational skills Software skills Innovativeness</td>
<td>All staff in the directorate</td>
<td>Decrease in average time for implementation of current duties and tasks Decrease in turnover of the staff</td>
<td>Currently for the period</td>
<td>Director The two heads of departments</td>
</tr>
</tbody>
</table>
**CENTRAL FINANCING AND CONTRACTING UNIT**

<table>
<thead>
<tr>
<th>Strategic Goals</th>
<th>Strategic Goal Outputs</th>
<th>Competences needed to reach the strategic goals</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Manage Phare funds in a decentralised way</td>
<td>Repealed requirement for preliminary control by the European Commission and assumption of full responsibility on the part of the National (Authorising) Officer.</td>
<td>Knowledge about tendering, contracting and payments in the extended decentralisation context under strict rules and split of responsibilities.</td>
<td>All staff in the Directorate</td>
<td>Obtained accreditation Extended Decentralisation</td>
<td>June 2007</td>
<td>Director of CFCU Directorate</td>
</tr>
<tr>
<td>2. Strengthen the administrative capacity of the directorate</td>
<td>2.1. Attracted and retained good-quality and experienced staff.</td>
<td>Personnel Management knowledge and skills</td>
<td>Director of DFCU and Heads of Department</td>
<td>Reduced staff turnover in the directorate. Total number of training courses completed by staff from the Directorate Percentage ratio of outputs against inputs</td>
<td>Dec 2007</td>
<td>Director of CFCU Directorate and HR assistant</td>
</tr>
<tr>
<td></td>
<td>2.2. Enhancing the efficiency in our work.</td>
<td></td>
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</tr>
<tr>
<td>3. Improve the quality of project and programme management</td>
<td>Maximum possible law-compliant contracts signed.</td>
<td>Knowledge of and skills to apply the EU and national legal requirements in the area of managing projects under EU programmes.</td>
<td>All staff in the Directorate</td>
<td>Percentage ratio between the value of signed contracts and the value of the projects assigned for management (as per Financial Memorandum). No annexes to signed contracts. Percentage ratio between the number of not-approved tendering documents and the total number of evaluated documents Reduced number of incorrect payments made.</td>
<td>On-going</td>
<td>Director of CFCU Directorate &amp; Heads of Department</td>
</tr>
</tbody>
</table>

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### CENTRAL FINANCING AND CONTRACTING UNIT - CONTINUED

<table>
<thead>
<tr>
<th></th>
<th>Successful implementation of contracts signed and achievement of the objectives set out in the project fiche.</th>
<th></th>
<th>Comparison between the objectives set out in the project fiche and the results achieved.</th>
</tr>
</thead>
</table>

Approved: Lyubomir Tushanov  
CFCU Director  
12th January 2007  
Agreed with: Antonia Gineva  
Head of Preliminary Control Department  
Prepared by: Nadezhda Boteva, Chief Expert Preliminary Control Department  
Yanita Ilieva, Chief Expert Preliminary Control Department
<table>
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<tr>
<th>Strategic Goals</th>
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<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Monitor and coordinate state aid on the national, district and municipal levels and develop a national state aid policy in line with the Action Plan of the European Commission in respect of state aid for the 2005 – 2009 period.</td>
<td>- delivering on the commitments made in respect of notification of each planned aid; - making an impact on state aid administrators to ensure they observe national and European legal requirements in the state aid area; - ensuring transparency of state aid through development of annual reports and registries.</td>
<td>Building specialised knowledge and practical skills with a view to performing one’s functions regarding the monitoring and coordination of state aid and ensuring the transparency of state aid following Bulgaria’s accession to the EU. Increasing the staffing level of the State Aid Department.</td>
<td>All staff in the State Aid Department</td>
<td></td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
<tr>
<td>2. Grant fewer and better-targeted state aid, adopt a subtle economic approach and effective and transparent procedures in the monitoring and notification of state aid in order to ensure fair competition within the EU.</td>
<td>Developing new practical skills to work with the Services of the European Commission in the area of state aid with a view to successful defence of state aid before the European Commission. Setting up specialised units within administrations responsible for state aid issues (preparation of notifications, annual reporting, developing schemes and individual aid to be treated under the group exemption schemes, etc. minimal aid)</td>
<td></td>
<td>The administration on the central, district and municipal levels</td>
<td>Reduced budget expenditure under the state aid heading, more efficient use of funds. Enhanced competitiveness of Bulgarian companies.</td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
</tbody>
</table>
### External Finance Directorate - Continued

<table>
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<tr>
<td>3. Deliver on Bulgaria’s commitments related to the country’s membership in the European Investment Bank and secure external funding for implementation of investment projects with Cohesion funds and Structural funds money.</td>
<td>Ensuring the efficient participation by representatives of the Republic of Bulgaria in the work of the EIB bodies. Implementing the procedures for paying in Bulgaria’s contribution to the capital, reserves and provisions of the EIB. Achieving efficient external funding for priority investment projects in the country.</td>
<td>Developing one’s experience and skills along the following lines: - prepare the positions of the Bulgarian representatives in the management bodies of the bank; - planning, paying out and accounting for funds needed to cover the contribution of the Republic of Bulgaria to the capital, reserves and provisions of the EIB; - implementing investment projects and programmes with money from the EU Structural Funds and the Cohesion Fund.</td>
<td>European Financial Institutions Department</td>
<td></td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
<tr>
<td>4. Implement the state policy of the Republic of Bulgaria, as a member of the EU, for granting development aid to third countries within the common European policy for official development assistance.</td>
<td>Implementing the national policy for effective use of budget funds earmarked for official development assistance.</td>
<td>Strengthening the administrative capacity and setting up a unit for financial provision of the official development assistance.</td>
<td>European Financial Institutions Department</td>
<td></td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
<tr>
<td>5. Implement the common EU policy for control over the trading with rough diamonds under the Kimberley certification scheme.</td>
<td>Implementing the EU Regulation on control over trading with rough diamonds.</td>
<td>Legal provisions as regards the body responsible for the application of the Kimberley system, strengthening of its administrative capacity and achieving the criteria for a body of the Community.</td>
<td>Foreign Currency Finance Department</td>
<td>Implemented EU Regulation 2368</td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
<tr>
<td>6. Develop a set of financial tools for implementing the policy on bilateral development aid as part of the State Policy.</td>
<td>Making relevant provisions for the implementation of the OPR through a traditional and non-traditional set of financial tools.</td>
<td>Capacity strengthening and staff training with regard to new competencies.</td>
<td>Foreign Currency Finance Department</td>
<td>Rationalised budget expenditure and effect multiplication</td>
<td>By end of period</td>
<td>Lachezar Stefanov</td>
</tr>
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</tr>
<tr>
<td>I. Improve the management of MF property</td>
<td>Maintenance, proper use, keeping and managing the MF property; timely and effective implementation of tasks assigned.</td>
<td>Thorough knowledge of the work required from the Economic Activities Department; enhancing the professional qualifications, communication skills; team work and crisis management skills; change management and people management skills</td>
<td>Staff in the “Finance and Property Management” Directorate</td>
<td>Protected and properly used MF property</td>
<td>2011</td>
<td>Director of FPM Directorate</td>
</tr>
<tr>
<td>II. Improve the management of financial resources and effectively operate the accounting system in the MF</td>
<td>Expedient use and accounting of funds; timely and effective implementation of tasks assigned.</td>
<td>Thorough Knowledge of the work required from the Finance and Accounting Department; enhancing the professional qualifications, communication skills; team work skills</td>
<td>Staff in the “Finance and Accounting” Department</td>
<td>Expediently used and correctly accounted for financial resources</td>
<td>2011</td>
<td>Director of FPM Directorate</td>
</tr>
<tr>
<td>III. Effectively operate and maintain the recreation facilities of the MF and upgrade these facilities</td>
<td>Attractiveness of the recreation facilities for rest and recuperation.</td>
<td>Teamwork skills; change and people management skills.</td>
<td>Staff in the “Economic Activities” Department</td>
<td>Repaired facilities, upgraded furnishings; increased number of people using the recreational facilities of the MF</td>
<td>2010</td>
<td>Director of FPM Directorate</td>
</tr>
<tr>
<td>IV. Modernise and upgrade the facilities, inventory and furnishings in possession of the MF; improve the labour conditions for staff in the MF</td>
<td>Creating attractive workspace and good work environment for MF staff; improvement of the image of MF among staff.</td>
<td>Communication and teamwork skills, working in high-pressure situations, change management and people management skills.</td>
<td>Staff in the “Economic Activities” Department</td>
<td>Well-maintained facilities in good condition; replaced furnishings.</td>
<td>End of each year</td>
<td>Director of FPM Directorate</td>
</tr>
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### Government Debt and Financial Markets Directorate

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<tr>
<td>Ensure the implementation of the debt management policy, control the status of the government debt and provide stable sources for debt financing;</td>
<td>1. Exerting control over the amount, dynamics and servicing of all financial obligations undertaken on behalf and at the expense of the State which represent an obligation of the State and constitute the internal and external government debts;</td>
<td>Improving the knowledge in the area of the government debt and the state-guaranteed debt</td>
<td>All the staff in the Directorate</td>
<td>1. The objectives set out in the Government Debt Management Strategy for the 2006-2008 period achieved;</td>
<td>2007-2008</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
</tr>
<tr>
<td></td>
<td>2. Planning, organizing and controlling the activities related to the implementation of the debt management policy whose essence is targeted at securing uneventful financing of the budget and refinancing of the debt at the minimum possible expense in the mid- to long run and at an optimal risk level</td>
<td></td>
<td></td>
<td>2. The Government Debt Management Strategy annually updated;</td>
<td>annually</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Developing and monitoring the implementation of the emission policy, the control over the deals with government securities and taking action securing the development of an effective, transparent and liquid government debt market;</td>
<td></td>
<td></td>
<td>3. Developed Government Debt Management Strategy for the 2009-2011 period;</td>
<td>2009-2011</td>
<td></td>
</tr>
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<td></td>
<td>4. Monitor the fulfillment of all financial obligations for which a guarantee is issued on behalf of and at the expense of the State;</td>
<td></td>
<td></td>
<td>4. Achieved targets set in the State Budget Act and annual reports on the status of the government debt prepared; debt;</td>
<td>annually</td>
<td></td>
</tr>
</tbody>
</table>
## Government Debt and Financial Markets Directorate - continued

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<tr>
<td>Ensure the implementation of the debt management policy, control the status of the government debt and provide stable sources for debt financing</td>
<td>5. Provision of official information on the consolidated government debt comprised of the central government debt, the municipal debts and the debts of the Social Insurance Funds</td>
<td>Improving the knowledge in the area of the government debt and the state-guaranteed debt</td>
<td>All the staff in the Directorate</td>
<td>5. The official Government and State-Guaranteed Debt Register maintained and official information provided in respect of the consolidated government debt; 6. Monthly edition called Government Debt developed and published, as well as an annual overview of the status of the state-guaranteed debt</td>
<td>annually</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
</tr>
<tr>
<td>Carry out activities related to the selection of primary dealers of government securities and the on-going control over meeting the criteria for assessment and selection of primary dealers</td>
<td>1. Carry out activities related to the selection of primary dealers of government securities; 2. On-going monitoring of the efficiency of the primary market and, if required, updating the criteria for primary security dealers; 3. On-going control over the application of the assessment and selection criteria for primary dealers; 4. Coordination of the work with the Bulgarian National Bank with a view to efficient delivery at auctions of government securities;</td>
<td>Thorough knowledge and application of the European practices related to primary dealers</td>
<td>Staff in the Emissions Department</td>
<td>1. Prepared quarterly reports on the status, evaluation and tendencies in the development of the government securities market; 2. On-the-spot inspections of primary dealers undertaken in line with the requirements of Regulations No.15 issued by the Ministry of Finance and the Bulgarian National Bank on control over the deals with dematerialised government securities.</td>
<td>2007-2011 annually</td>
<td>Director of the GDFM Directorate, together with the head of Emissions Department</td>
</tr>
<tr>
<td><strong>STATIC GOALS</strong></td>
<td><strong>STATIC GOAL OUTPUTS</strong></td>
<td><strong>COMPETENCES NEEDED TO REACH THE STRATEGIC GOALS</strong></td>
<td><strong>TARGET GROUP</strong></td>
<td><strong>INDICATORS/OBJECTIVE SUCCESS CRITERIA</strong></td>
<td><strong>DEADLINE</strong></td>
<td><strong>RESPONSIBLE PERSON IN RELEVANT DIRECTORATE</strong></td>
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<tr>
<td>Coordinate the activities related to the regulation of government securities markets (primary and secondary markets)</td>
<td>1. Participation in drafting legislation concerning the debt; 2. Preparation and submission of position papers on cases related to the overall activity of the GDFM Directorate</td>
<td>Improving the knowledge in the area of government and state-guaranteed debt, as well as undergoing training on drafting relevant legislation</td>
<td>All the staff in the Directorate</td>
<td>Plan and report on the achievement of the priorities, objectives and action of the GDFM Directorate as included in the Programme of the Government of EU Integration, Economic Growth and Social Responsibility</td>
<td>2007-2011 annually</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
</tr>
<tr>
<td>Take action about and assume responsibility of the relations with the government fiscal agent and the credit rating agencies</td>
<td>1. Achieving close cooperation and sharing information between the MF and the BNB /in its capacity of agent for the government and state-guaranteed debt/; - undertaking action related to the primary supply, registration, trading, monitoring and servicing the debt with dematerialized government securities; 2. Achieving close cooperation and sharing information between the MF and the CB Bulbank Plc /in its capacity of agent for payments under the external debt/; 3. Submitting and updating the debt information during the visits of credit rating agencies representatives required in order to arrive at the credit rating of the country;</td>
<td>Improving the knowledge in the area of government and state-guaranteed debt</td>
<td>All the staff in the Directorate</td>
<td>1. Applied provisions of Art. 34, Para. 1 of the Government Debt Act, Contract No. 35, dated 29.12.2002, between the MF and BNB and Annex No. 1, dated 18.07.2003, and annex No. 2, dated 15.07.2004; 2. Methodological assistance provided for building and modernizing the electronic systems for registration and trading with dematerialized government securities (Electronic System for Registration and Servicing Trading with Government Securities, Government Securities Auctions, Automated Information System and Automated System for Registration and Servicing of the External Debt 3. Presentations prepared.</td>
<td>2007-2011 annually</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
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</table>
**GOVERNMENT DEBT AND FINANCIAL MARKETS DIRECTORATE - CONTINUED**

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<tr>
<td>Build capacity for fulfilling the responsibilities related to the surveillance, analysis of the domestic and international financial markets development, as well as for the legislative regulation of these relations</td>
<td>1. Drafting strategies, concept papers, programmes, etc. as regards the institutional development of the national financial markets; 2. Participation in drafting legislation in this area in conjunction with other institutions interested in financial markets; 3. Work on on-going monitoring and analysis of the local and international cash and capital markets;</td>
<td>Improved knowledge of the EU legislation providing for local and international financial markets.</td>
<td>Staff in the Emissions Department</td>
<td>Monthly and annual news-letters on the development of financial markets issued.</td>
<td>2007-2011 annually</td>
<td>Director of the GDFM Directorate, together with the head of Emissions Department</td>
</tr>
<tr>
<td>Install s software package, including applications from Reuters 3000Xtra for Professional Investment Manager and Bloomberg</td>
<td>These products include more applications and give wide opportunity to search for information of different coverage</td>
<td>Training to be conducted on the use of the new product</td>
<td>70% of staff in the Directorate</td>
<td>Facilitated technological process for collection/provision and analysis of the relevant information</td>
<td>2007</td>
<td>G. Kosturska</td>
</tr>
<tr>
<td>Participate in the twinning project BG/2004/IB/FI/09 for developing an Integrated State Treasury in the MF – funded under Phare and implemented by the Bulgarian Ministry of Finance and the Italian Ministry of Economy and Finance</td>
<td>1. Developing of the optimized model of an Integrated State Treasury in Bulgaria (including preparation of internal standard operational rules and procedures for the operation and accountability of the State Treasury). 2. Introduction of the optimized model of an Integrated State Treasury in line with best practice in EU member states and in compliance with the approved mid-term strategy. 3. Proposing draft amendments to the regulatory system, the amendments being triggered by the new responsibilities (or the institutional structure of the State Treasury).</td>
<td>Training delivery in correspondence with the programme for enhancing one’s professional knowledge and skills prepared for State Treasury staff. Organizing a workshop on issues concerning the proposed amendments of the regulatory system related to all the functions of the Integrated State Treasury.</td>
<td>All the staff in the Directorate</td>
<td>Legislation drafted.</td>
<td>2007</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
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### Government Debt and Financial Markets Directorate - Continued

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<tr>
<td>Improve and build further on the Information System for Analysis, Projections and Management of the Government Debt and the State-Guaranteed Debt</td>
<td>1. Updating the information system for analysis, projections and management of the Government Debt and the State-Guaranteed Debt with regards to the provision of differently scoped information about the Government Debt and the State-Guaranteed Debt in the context of the commitments to the European Institutions (Eurostat and the European Central Bank) with Bulgaria's accession to the EU as from 01.01.2007; 2. Building the analytical part of the Information System for Analysis, Projections and Management of the Government Debt and the State-Guaranteed Debt which provides maximal opportunity for automated generation of various analytical scenarios when the system is fed with a random number of classification indicators and indicative debt parameters; 3. Developing and setting up a system of accounting for the debt operations.</td>
<td>Thorough training in accounting standards.</td>
<td>All the staff in the Directorate</td>
<td>More detailed registration and receipt of information about the Government Debt and the State-Guaranteed Debt enabled</td>
<td>2007</td>
<td>Director of the GDFM Directorate, together with the heads of departments and sections within the Directorates</td>
</tr>
<tr>
<td>Carry out activities related to the municipal debt</td>
<td>Provisions for the activities related to developing and introducing the Municipal Information System, including the Central Municipal Debt Register in accordance with Art. 51 of the Municipal Debt Act.</td>
<td>Improving the knowledge of the municipal-debt-related EU legislation</td>
<td>30% of staff in the Directorate</td>
<td>1. Central Municipal Debt Register; 2. Official information about the state of play with municipal debt collected, processed and published; 3. Participated in drafting municipal debt rules and regulations</td>
<td>2007-2011 annually</td>
<td>Director of the GDFM Directorate, together with the heads of Publications and Statistics Sections</td>
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<tr>
<td>1. Set up and maintain a uniform information architecture in the Ministry of Finance which is fully oriented towards the provision of services both between different units and institutions taking part in different business processes and aimed at the management level</td>
<td>1. Information integrity and consistency 2. Shortening the cycle of collecting and processing information 3. Uniform and clear data provided classified by various horizontal and vertical aspects 4. Consolidated information for analysis purposes at all management levels 5. Optimized resources for storage and dynamic modification of data</td>
<td>Project management in the field of information and communication networks Outsourced IT activities management Information systems and technologies audit European Union regulations, directives and standards in the field of information and communication technologies</td>
<td>Information Systems Department staff</td>
<td>1. Reduced information technologies maintenance expenses (for example by 20%) through reduction of the number of existing data bases and servers 2. Reduced time needed for preparation of consolidated information reports and progress reports (for example by 30%) 3. Reduced documentation flow (for example by 30%) 4. Shortened cycle of collecting and processing information (for example by about 30 days)</td>
<td>2007 – 2011</td>
<td>Maria Gramadova</td>
</tr>
<tr>
<td>2. Information security</td>
<td>1. Information security policy and procedures applied to minimize the risk when granting access to critical data, applications and systems 2. Applied information security standards and procedures resulting in both monitoring and timely reaction to arising incidents 3. Ensured compliance with legislation and regulation requirements regarding information security</td>
<td>Information systems and communication networks security management Information systems and networks risk management Classified information management</td>
<td>Information Systems Department staff</td>
<td>1. Reduced unauthorized access opportunities (to 0% practically) 2. Periodical system and security measures assessment</td>
<td>2007 – 2011</td>
<td>Ognyan Kalapishev</td>
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### INFORMATION SYSTEM DIRECTORATE - CONTINUED

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### INSPECTORATE

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<td><strong>2007 – 2009</strong></td>
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<tr>
<td>Carry out inspections on the organisation and efficiency of the administrative work of the Ministry, including inspections in the context of the competencies and obligations arising with Bulgaria’s EU membership</td>
<td>Preventive and subsequent control in respect of the achievement of the goals of the Ministry of Finance. Proposals about the way the work is organized and consequent assessment of their value and the outcomes from putting them into practice.</td>
<td>- training in: management by objectives; strategic goals and annual plans; effectiveness and efficiency in the public sector; performance appraisal objectives and indicators; monitoring and feedback; quality management systems, models and instruments; - getting acquainted with best practice in similar units/ inspectorates in EU member-states, primarily in respect of evaluating efficiency, performance appraisal and feedback; - additional foreign languages training; - deeper knowledge of the EU policies and institutions and the Acquis Communautaire.</td>
<td>The whole team of the Inspectorate</td>
<td>Improved organisation of the administrative work through getting confirmation from the respective controlling and managing bodies.</td>
<td>Second half of 2008</td>
<td>The Head of the Inspectorate</td>
</tr>
<tr>
<td>Take action to discover and prevent cases of corruption in the Ministry</td>
<td>No tolerance to corruption practices</td>
<td>- continuous anticorruption training; - getting acquainted with anticorruption practices of the Inspectorates (structures for internal control) in financial institutions of EU member-states, as well as the OLAF (European Anti-Fraud Office) practices.</td>
<td>The whole team of the Inspectorate</td>
<td>No anticorruption practices; in case this undesirable and intolerable phenomenon persists – it’s being timely curbed and penalised</td>
<td>First half of 2008</td>
<td>The Head of the Inspectorate</td>
</tr>
<tr>
<td>Exert control over the conformity with the Law in the activity of the Ministry and control on observing the internal rules of the Ministry.</td>
<td>Maximum compliance with the law in the work of the Ministry.</td>
<td>- closer cooperation with other MF directorates through getting to know their work better; - participation in legal conferences and seminars, as well as closer interaction with other inspectorates in the Executive.</td>
<td>The whole team of the Inspectorate</td>
<td>Achieved high level of organisation of the administrative work in the Ministry through getting confirmation from the respective controlling and managing bodies</td>
<td>Second half of 2008</td>
<td>The Head of the Inspectorate</td>
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<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perform inspections on the organisation and efficiency in the administrative work of the Ministry in view of the high requirements towards an already functioning European administration</strong></td>
<td>Effective application of good European practices for preventive and subsequent control.</td>
<td>- methodological assistance for analysing best practice in similar inspectorates in EU member-states, the achieved administrative capacity of these structures, as well as the application of these practices on the basis of an Open method of coordination on the institutional level; - training in: risk assessment, new control and audit techniques; cost benefit analysis Alternative methods of dispute solving; change management, etc.;</td>
<td>The whole team of the Inspectorate</td>
<td>Achieved high level of organisation of the administrative work of the Ministry through getting confirmation from the respective controlling and managing bodies</td>
<td>Second half of 2010</td>
<td>The Head of the Inspectorate</td>
</tr>
<tr>
<td><strong>Perform the work on discovering and preventing cases of corruption and maladministration in the Ministry and the secondary spenders of budget appropriations under the Minister;</strong></td>
<td>No tolerance towards corruption practices and cases of maladministration.</td>
<td>- continuous anticorruption training; - methodological guidance on adapting the anticorruption practices of inspectorates structures for internal control) of financial institutions of EU member-states, as well as the OLAF (European Anti-Fraud Office) practices - thorough knowledge of the work of the European and national Ombudsmen.</td>
<td>The whole team of the Inspectorate</td>
<td>Created conditions for eradicating corruption practices.</td>
<td>First half of 2010</td>
<td>The Head of the Inspectorate</td>
</tr>
<tr>
<td><strong>Exert control over the conformity with the Law in the activity of the Ministry and make preliminary evaluation of individual administrative acts prepared; control over the correspondence of the general and normative administrative acts with the interests of the European Union and observe internal rules of the Ministry.</strong></td>
<td>Introduction of a system for preliminary evaluation of the law compliance of administrative acts.</td>
<td>- thorough knowledge of the court practice in relation to the application of the national administrative legislation, as well as leading decisions of the European Communities Court of Justice n Luxembourg; - technical assistance for the preliminary evaluation of the administrative acts prepared in the Ministry.</td>
<td>The whole team of the Inspectorate</td>
<td>Achieved extremely high level of law compliance confirmed by the decisions of the court bodies and other controlling bodies.</td>
<td>Second half of 2011</td>
<td>The Head of the Inspectorate</td>
</tr>
</tbody>
</table>
### INTERNAL AUDIT DIRECTORATE

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Strategic goal outputs</th>
<th>Competences needed to reach the strategic goals</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Take adequate actions aiming at improving work of the Ministry of Finance (and the work of its Secondary Level Spending Units) through: Risks identification and assessment. Providing the management with an independent and objective assessment of the financial management and control systems adequacy and effectiveness including processes concerning spending money from the Pre-Accession Funds, EU Structural Funds and the Cohesion Fund. Consult and provide recommendations.</td>
<td>Meeting the Ministry’s strategic goals and annual objectives. Improving the operational functions of the Ministry of Finance. Improving the effective and adequate absorption of EU funds.</td>
<td>The knowledge and skills that need long-term development with a view to meeting the strategic goals cover the following fields: The nature of the budgeting process. Risk assessment. Developing language skills /communication and professional/ Improving the skills related to applying auditing samples and preparing audit reports. Presentation and communication skills. Enhancing the knowledge of and skills for internal audit and control. Enhancing the knowledge about EU Structural Funds and Cohesion Funds /the same competencies are relevant for Goals 2 and 3/.</td>
<td>Staff in the Directorate</td>
<td>Average number of auditing assignments per year. Number of Internal Auditor in the Public Sector certificates obtained – all staff in the Directorate.</td>
<td>End of 2011</td>
<td>Director of Directorate</td>
</tr>
<tr>
<td>2. Promote the work of Internal Audit amongst the structures of the Ministry of Finance (including among Secondary Level Spending Units)</td>
<td>Same as objective 1</td>
<td></td>
<td>Staff in the Directorate</td>
<td>Better understanding of the internal auditing work achieved seeking better coordination and cooperation.</td>
<td>End of 2008</td>
<td>Director of Directorate</td>
</tr>
</tbody>
</table>

1 In accordance with Art. 19, Para. 2, Sub-Para. 4 and § 6, Item 1 of the Internal Audit in the Public Sector Act, the heads of internal audit units and internal auditors need to have completed no later than in 2 years’ time the internal auditor in the Public Sector course under Art. 53 of the same law and have obtained an Internal Auditor in the Public Sector certificate issued by the Minister of Finance.
<table>
<thead>
<tr>
<th>Strategic goals</th>
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<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Improve the quality of the internal audit work in the Ministry of Finance</td>
<td>Same as objective 1</td>
<td></td>
<td>Staff in the Directorate</td>
<td>Observed internal audit standards&lt;br&gt;Data from the reports on completed audit assignments submitted to the Minister of Finance</td>
<td>End of 2011</td>
<td>Director of Directorate</td>
</tr>
</tbody>
</table>
## INTERNAL CONTROL DIRECTORATE

<table>
<thead>
<tr>
<th>Strategic goals</th>
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<th>Deadline</th>
<th>Responsible person in the Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Develop and promote a standard financial management and control and internal audit in the public sector methodology in line with the new legislation</td>
<td>Published methodology in the field of financial management and control and internal audit in the public sector</td>
<td>Knowledge in the field of financial management and control and internal audit in the public sector English language skills.</td>
<td>All staff in the Directorate</td>
<td>Introduced financial management and control systems in the public sector organizations; Results from the work on internal audit in public sector organizations.</td>
<td>End of 2008</td>
<td></td>
</tr>
<tr>
<td>2. Train key players in financial management and control and internal audit in the public sector.</td>
<td>Trained organization managers, financial controllers and internal auditors; Improving the way the internal audit methodology developed by the Internal Audit Central Harmonization Unit is applied</td>
<td>Communication skills; Teaching skills; Analytical skills.</td>
<td>Management and expert staff</td>
<td>Number of trained organization managers, financial controllers and internal auditors; Number of certified public sector internal auditors.</td>
<td>End of 2011</td>
<td></td>
</tr>
<tr>
<td>3. Disseminate information about the state of play with internal control in the public sector (financial management and control and internal audit) through submitting the required Consolidated Annual Report on Internal Audit in the Public Sector to the National Assembly and the National Audit Office</td>
<td>Publicity, transparency and discussions on state of play with financial management and control and internal audit in the public sector</td>
<td>Thorough knowledge in the field of financial management control and internal audit; Communication skills; Skills to work with information systems.</td>
<td>Management and expert staff</td>
<td>Good coordination and communication with managers of the organizations and the Internal Audit Units Financial Management and Control and Internal Audit Information System introduced and functioning.</td>
<td>End of 2007 - 2011</td>
<td></td>
</tr>
<tr>
<td>Strategic goals</td>
<td>Strategic goal outputs</td>
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</tr>
<tr>
<td>4. Prepare a development strategy for financial management and control and internal audit in the public sector</td>
<td>Development strategy for financial management and control and internal audit in the public sector</td>
<td>Strategy development and policy formulation skills.</td>
<td>Management and expert staff</td>
<td>Development strategy for financial management and control and internal audit in the public sector approved by the Minister of Finance; Elaborated implementation plan for the development strategy for financial management and control and internal audit in the public sector</td>
<td>End of 2007</td>
<td></td>
</tr>
</tbody>
</table>
## INVESTMENT, TENDERS AND FINANCIAL CONTROL DIRECTORATE

<table>
<thead>
<tr>
<th>Strategic Goals</th>
<th>Strategic Goal Outputs</th>
<th>Competences needed to reach the strategic goals</th>
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<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Improve the link between the Directorate and the MF notifiers/applicants when planning public procurement exercises</td>
<td>Enhancing the quality of the public procurement planning and implementation process on the part of the ITFC Directorate and absorbing the funds earmarked.</td>
<td>Studying the established practices in other ministries and Second Level Spending Units. Development and approval of useful practices as regards the interaction between Directorate staff and MF staff from other Directorates who are in charge of formulating the respective public procurement needs.</td>
<td>Staff from the ITFC Directorate and other MF staff who have a bearing on public procurement planning and implementation</td>
<td>Information on the implementation of public procurement in the MF timely collected and processed. Reduced unspent MF allocations for public procurement.</td>
<td>Last quarter of 2008</td>
<td></td>
</tr>
<tr>
<td>II. Improve the methods for applying for and summarizing the notifications/requests for public procurement issued by Directorates and Second Level Spending Units in MF as needed by these in order to perform their obligations</td>
<td>Fuller and better quality satisfaction of the needs of MF staff in the process of their perform their obligations</td>
<td>ITFC staff developing their skills and acquiring knowledge to enable them to plan public procurement and analyse and evaluate the efficiency of their public procurement planning</td>
<td>All staff in the ITFC Directorates</td>
<td>Deadlines for planning public procurement shortened and timely satisfaction of public procurement needs in MF</td>
<td>2009</td>
<td></td>
</tr>
<tr>
<td>III. Develop efficient practices for applying the internal rules and regulations in the MF concerning planning and implementing public procurement exercises. Familiarize oneself with the EU legislation providing for the public procurement planning and implementation process and the related established practices.</td>
<td>Enhancing the work efficiency in the Directorate, as well as the transparency in public procurement implementation.</td>
<td>Organizing workshops and seminars to explain and train in practical terms in the application of the existing public procurement and financial control legislation. Organizing training courses to enhance the administrative capacity of ITFC staff.</td>
<td>Staff in the Public Procurement Organisation and Implementation Department of the ITCF Directorate</td>
<td>Reduced time for preparing the tender documentation and for launching a public procurement procedure. Increased competition with increasingly satisfied MF needs.</td>
<td>2009 – 2010</td>
<td></td>
</tr>
</tbody>
</table>
### STATE LEGAL DIRECTORATE

<table>
<thead>
<tr>
<th>Strategic Goals</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1. Create conditions for specialization of staff in the Contracts and Regulations Department and the State Property Department in the different fields of Bulgarian and EU legislation such as budgeting legislation, state debt legislation, international public law, law of property by means of changing and optimizing the responsibilities and staffing levels.</td>
<td>Efficient performance of the Directorate’s responsibilities in the context of EU membership.</td>
<td>1. Acquiring knowledge and skills for application of the EU legislation in the respective areas; 2. Communication skills and foreign language skills in the EU languages; 3. Exchange of experience with legal advisers from the state administration of member states and from EU structures.</td>
<td>Staff in both departments</td>
<td>Retained current short deadlines for producing statements on legal issues and quick interaction with the following Directorates: State Expenditure, State Treasury, Local Government Financing, Real Sector Finance, Government Debt and Financial Markets, External Finance, etc irrespective of the very much increased volume of legal issues to deal with in the post-accession period.</td>
<td>Mid-2009</td>
<td>The Director of the State Legal Directorate and the heads of the two Departments</td>
</tr>
<tr>
<td>2. Create conditions for enhancing the qualifications and specialization of staff from the Judicial Protection Department as regards the Acquis Communautaire and the European court proceedings (state courts of justice and state arbitration courts), international public and private law.</td>
<td>Efficient performance of the Directorate’s responsibilities in the context of EU membership.</td>
<td>1. Theoretical training in the form of lectures, courses, etc. with increased number of learning hours to study the EU legislation and its application – procedural rules and regulations, the structure of the legal system and the powers of the main EU bodies of the Judiciary; 2. Internships in order to familiarises oneself with the work and practices of the main bodies in the EU, the European Court of Justice and the International Arbitration Court.</td>
<td>Staff in the Judicial Protection Department</td>
<td>Timely completed tasks, from an organization and technical point of view – within deadlines as in the law</td>
<td>Mid-2009</td>
<td>The Director of the State Legal Directorate and the Head of the respective Department</td>
</tr>
</tbody>
</table>
### STATE LEGAL DIRECTORATE - CONTINUED

<table>
<thead>
<tr>
<th>Strategic Goals</th>
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<th>Competences needed to reach the strategic goals</th>
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<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Exchange of experience with legal advisers from member states working in EU courts and arbitration institutions and legal advisers from the EU administrative structures. 4. Purchasing of specialized legal literature and practically oriented journals. 5. Foreign language skills in the EU languages.</td>
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</tbody>
</table>
### LOCAL GOVERNMENT FINANCING DIRECTORATE

<table>
<thead>
<tr>
<th>Strategic Goals</th>
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<th>Competences needed to reach the strategic goals</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Improve the local government financing mechanisms</td>
<td>1. Improved mechanisms for allocation and granting subsidies and transfers to municipalities; 2. Improved standards for government mandates; 3. Secured sufficient means for local government financing of activities through the municipal budgets.</td>
<td>- Acquiring knowledge on relevant practices in the EU member-states; - Developing analytical skills to be used for assessment of the applicability of the experience of other European countries; - Language skills.</td>
<td>All staff in the Local Government Financing Directorate</td>
<td>- liquidated overdue payments by municipalities in respect of government mandates - Reduced overdue payments by municipalities in respect of municipal mandates in comparison with the same period of the previous year.</td>
<td>By end of 2011</td>
<td>Director of the Local Government Financing Directorate; Heads of Department</td>
</tr>
<tr>
<td>II. Improve the methodology for evaluation and analysis of the compliance rate as regards local taxes and charges revenues</td>
<td>1. Developed measures for increased municipal revenues sufficient to cover the expenditure that needs to be incurred by municipalities; 2. Realistic analysis and improved planning of local taxes and charges revenues as part of the consolidated fiscal framework.</td>
<td>Acquiring analytical skills and knowledge about how to plan and carry out efficiency analysis and evaluation in respect of collecting local taxes and charges.</td>
<td>Staff in the Local Government Financing Directorate involved in the planning and analysis of local taxes and charges</td>
<td>- Increased revenues of municipalities compared to the previous year. - Generated sufficient own revenues to meet the required expenditure (reduced overdue payments by municipalities in respect of municipal mandates in comparison with the same period of the previous year).</td>
<td>Gradually, by end of 2011</td>
<td>Director of the Local Government Financing Directorate; Head of the Local Activities Department</td>
</tr>
</tbody>
</table>
**LOCAL GOVERNMENT FINANCING DIRECTORATE**

<table>
<thead>
<tr>
<th>Strategic Goals</th>
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<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>III. Successfully perform the new function of the Directorate related to managing and maintaining the Central Local Government Debt Register and improve the data contained in it.</td>
<td>1. Ensured transparency and publicity through good management and maintenance of the Central Local Government Debt Register in compliance with the Municipal Debt Act; 2. Facilitated access to information on how municipal debt arose, how it is serviced and what its current status is in order to guarantee security for and increase trust on the part of investors.</td>
<td>Acquiring analytical skills and knowledge about financial markets and the cash performance and accounting of operations related to recognizing and servicing municipal debts in the context of the new function of the Directorate to manage and maintain the Central Local Government Debt Register.</td>
<td>Staff in the Local Financing Government Directorate involved in keeping and maintaining the register</td>
<td>- reduced information collection and processing time in respect of the origination and servicing of the debt of the 264 municipalities compared to the previous reporting period.  - Reduced time for the production of analyses and information reports in relation to the Central Local Government Debt Register.</td>
<td>End of 2011</td>
<td>Director of the Local Government Financing Directorate; Head of the Budget Relations and Information Provision Department</td>
</tr>
<tr>
<td>IV. Optimize the process of changed budgetary relations of municipalities with the Central Budget</td>
<td>Ensured transparency in budgetary relations through their approval as part of the State Budget Act and reduced volume of the technical work completed by staff through the preparation of fewer amendment letters throughout the year.</td>
<td>Ability to maintain a dialogue with the other ministries whose funds can be allocated to municipalities in accordance with the annual State Budget Act.</td>
<td>Staff in the Local Financing Government Directorate involved in preparing and agreeing amendment letters related to changes in budgetary relations</td>
<td>Reduced number of amendment letters prepared compared to the previous year.</td>
<td>Gradually, by end of 2011r.</td>
<td>Director of the Local Government Financing Directorate; Heads of Department</td>
</tr>
</tbody>
</table>

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## Management of EU Funds

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Results from strategic goals</th>
<th>Competencies needed for achievement of strategic goals</th>
<th>Target group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement of strategic and operative management of Structural and Cohesion Funds through quality and effective process of monitoring and accountancy/assessment</td>
<td>Effective strategic decision making process on behalf of public administration bodies which will lead to high degree of absorptions of funds from Structural and Cohesion Funds</td>
<td>Good knowledge of the strategic, program, institutional and legal framework for management of EU Structural and Cohesion fund</td>
<td>All employees in unit &quot;Monitoring and assessment&quot;</td>
<td>70% of S&amp;K funds absorbed</td>
<td>Second half of 2009</td>
<td>Head of unit &quot;Monitoring and assessment&quot; Head of Department &quot;Strategy and Policy&quot;</td>
</tr>
<tr>
<td>Assuring a smooth transition from management of pre-accession instruments to management of structural funds until 2009 through preservation and enhancement of the existing administrative capacity for assurance of high percentage of absorption of the Structural funds</td>
<td>Keeping the sustainable tendency for increase in percentage of negotiated funds from pre-accession programs and keeping the capacity built for management of public-private partnership and its effective in order to utilize Str&amp;C funds</td>
<td>The whole cycle of program management, communication skills, negotiation skills, comitology</td>
<td>“Coordination of Projects and Programs” unit civil servants</td>
<td>Decrease in turnover by 50% at least 70% of S&amp;K funds absorbed</td>
<td>The end of 2009</td>
<td>Head of department &quot;Coordination of Projects and Programs&quot;</td>
</tr>
<tr>
<td>Increase the effectiveness of system for management of PHARE and Transition Facility in the environment of increased decentralization of implementation in order to increase the percentage of agreed and absorbed funds for the period 2007-2010 until 95 %/the average percentage for the period 2004-2006 was 90%/</td>
<td>Keeping the tendency for increase in percentage of negotiated and absorbed funds form pre-accession programs</td>
<td>Implementation of public procurement regime and changes in the system for management of PHARE and Transition Facility in conditions of increased decentralization</td>
<td>“Coordination of Projects and Programs” unit civil servants</td>
<td>Average percentage 95 % for negotiated funds from PHARE 2005 and 2006 program and Transition Facility</td>
<td>End of 2010</td>
<td>Head of department &quot;Coordination of Projects and Programs&quot;</td>
</tr>
</tbody>
</table>
### Management of EU Funds - Continued

<table>
<thead>
<tr>
<th>Strategic goals</th>
<th>Results from strategic goals</th>
<th>Competencies needed for achievement of strategic goals</th>
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<tbody>
<tr>
<td>Coordination of the process for:</td>
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</tr>
<tr>
<td>- elaboration and implementation until the end of 2009 of a new information</td>
<td>New information system for management of public investment funds; developed instruments for</td>
<td>Profound knowledge of legislation, budget procedure,</td>
<td>Civil savants in “National investments”</td>
<td>Working Information system; clear budget procedure</td>
<td>End of 2009</td>
<td>Head of unit</td>
</tr>
<tr>
<td>system for management of public investment funds;</td>
<td>optimization of the planning and distribution of public investment funds</td>
<td>applicable program software</td>
<td></td>
<td></td>
<td></td>
<td>“National investments”</td>
</tr>
<tr>
<td>- improvement of the existing legislation and budget procedure;</td>
<td></td>
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<tr>
<td>- elaboration of methodology and instruments for optimization of planning</td>
<td></td>
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<tr>
<td>system and increase in efficacy, efficiency and cheapness of funds utilization.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Attainment of quicker and less expensive implementation of investment projects</td>
<td>Developed and presented instruments for public-private partnership</td>
<td>Good knowledge of Concession Law, Public Procurement</td>
<td>Public-Private Partnerships civil</td>
<td>Number of prepared and implemented projects, produced documents and</td>
<td>End of 2010</td>
<td>Head of Department</td>
</tr>
<tr>
<td>through public-private partnership when compared with traditional methods of</td>
<td></td>
<td>Law and best practices in the priority sectors</td>
<td>servants</td>
<td>brochures with information</td>
<td></td>
<td>“Strategic Investment”</td>
</tr>
<tr>
<td>financing and implementation</td>
<td></td>
<td></td>
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</table>

Support for the elaboration of Strategy for Human Resources development of the Ministry of Finance for the period 2007-11 and for strengthening Human Resources Directorate's capacity BG05/IB-FI-05 UE TWL
<table>
<thead>
<tr>
<th>National Fund Directorate</th>
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</thead>
<tbody>
<tr>
<td><strong>Strategic Goals</strong></td>
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</tbody>
</table>
| I. Develop and upgrade the administrative capacity of the Directorate in relation to its responsibilities as the Certifying Authority for the EU Structural Funds and the Cohesion Fund and as Treasury Authority in respect of the EU funds and the corresponding national co-financing | Good knowledge and application of the rules and procedures approved in the Directorate concerning its functions as a Certifying Authority for the EU Structural Funds and Cohesion Fund | - Experience in financial management of EU funds  
- Skills related to the certification of EU funds  
- Computer skills and the use of specialized software and databases | The whole team of the Directorate | Positive auditing outcomes and/or feedback from independent auditors/ assessors received. | | By late 2009 – early 2010 | Director |
| II. Increase the efficiency of the Directorate in relation to the financial management of EU funds and the corresponding national co-financing | Further developing the knowledge and skills of Directorate staff as regards the financial management of EU funds and the corresponding national co-financing | - Very good knowledge and application of the legislation and legal documents concerning the management of EU funds.  
- Knowledge about financial management of EU funds  
- Auditing skills  
- Accounting competency  
- Computer skills and the use of specialized software and databases | The whole team of the Directorate | Rate of the registered financial irregularities – under 25% of the total allocation of Structural funds | | By end of 2010 | Director |
**REAL SECTOR FINANCE DIRECTORATE**

<table>
<thead>
<tr>
<th>Strategic Goals</th>
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<th>Competences needed to reach the strategic goals</th>
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<th>Responsible person in relevant Directorate</th>
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</thead>
<tbody>
<tr>
<td>Increase concessions revenues and provide financially for the process of concession granting and privatisation of state-owned enterprises</td>
<td>Securing the increase of concession revenues in the budget and the efficient management of concessions expenditure</td>
<td>Good knowledge of the applicable relevant legislation and the respective European regulations in this area. Familiarization with relevant European practices for exchange of experience and closer cooperation with European organizations.</td>
<td>Directorate staff working in the concessions area.</td>
<td>Secured increase of concessions revenues in the budget by over 30% by the end of the period compared to 2006</td>
<td>on-going</td>
<td>Roumen Porozhanov, Director of the RSF Directorate Vessela Daneva, Head of Department</td>
</tr>
<tr>
<td>Plan the funds needed for the implementation of the Common Agricultural Policy of the European Union; develop and implement monitoring and control systems in respect of the cash flows of the Paying Agency</td>
<td>Efficient planning and targeted use of money from the EU funds earmarked for agriculture.</td>
<td>Good knowledge of legislation, EU regulations, the rules and practices in this area. Knowledge of foreign languages. Familiarity with the relevant European practices through exchange of experience and closer cooperation with European organizations.</td>
<td>Directorate staff working in the area of agriculture.</td>
<td>Optimised budget expenditure for CAP implementation.</td>
<td>on-going</td>
<td>Roumen Porozhanov, Director of the RSF Directorate Vessela Daneva, Head of Department</td>
</tr>
<tr>
<td>Provide financially the provision of services in the interest of the public in the area of transport and postal services.</td>
<td>Achieving coverage and quality of services in the area of communications in line with actual needs.</td>
<td>Good knowledge of legislation, EU regulations and the rules in the area of state aid. Familiarity with the relevant European practices through exchange of experience and closer cooperation with European organizations. Ability to develop an adequate financial management mechanism in respect of the funds used.</td>
<td>Staff from the Financial Regulation Department working in the area of transport and communication.</td>
<td>Optimal allocation of the budget resource (maximum coverage of expenditure) and 100% coverage of competent authorities.</td>
<td>on-going</td>
<td>Roumen Porozhanov, Director of the RSF Directorate Dimitar Stamov, Head of Department</td>
</tr>
</tbody>
</table>
### Real Sector Finance Directorate - continued

<table>
<thead>
<tr>
<th>Strategic Goals</th>
<th>Strategic Goal Outputs</th>
<th>Competences needed to reach the strategic goals</th>
<th>Target Group</th>
<th>Indicators/objective success criteria</th>
<th>Deadline</th>
<th>Responsible person in relevant Directorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide financially and control the funds earmarked for structural reforms in the economy</td>
<td>Efficient use of budgetary funds.</td>
<td>Familiarity with the relevant European practices through exchange of experience and closer cooperation with European organizations. Good knowledge of the applicable relevant legislation</td>
<td>Staff from the Liquidation in the Mining Industry and Ecological Programmes Department</td>
<td>Approved optimal project expenditure and strictly monitored costs during project implementation</td>
<td>on-going</td>
<td>Roumen Poroazhanov, Director of the RSF Directorate</td>
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<td>Roumen Tushev, Head of Department</td>
</tr>
<tr>
<td>5. Improve the level of administrative services provided by the Directorate</td>
<td>Enhancing the customer care culture and promoting the image of the Ministry of Finance.</td>
<td>Good knowledge of legislation, good communications, computer skills, use of foreign languages. Familiarity with the relevant European practices through exchange of experience and closer cooperation with European organizations.</td>
<td>Directorate staff whose job descriptions include such responsibilities.</td>
<td>Reduced service time in relation to our clients and increased quality of the services provided.</td>
<td>on-going</td>
<td>Roumen Poroazhanov, Director of the RSF Directorate Vessela Daneva, Head of Department</td>
</tr>
</tbody>
</table>
# State Expenditure Directorate

<table>
<thead>
<tr>
<th>Strategic goals</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Government expenses less than the ones forecasted in the Macroeconomic Framework in relation to GDP for the respective year</td>
<td>Improving the economic environment and the competitiveness of the economy</td>
<td>Analytical thinking in order to examine the effectiveness and efficacy of state expenses. Examine the best practices of EU member states about the transfer of functions from public to private service sector and for clear responsibility definition of the enterprises which supply services</td>
<td>“State Expenditure” Directorate experts</td>
<td>Transferred functions from the public to the private sector related to services, with a clear delineation of the responsibilities of the relevant service provision companies.</td>
<td>2011</td>
<td>Vladimir Petrov</td>
</tr>
</tbody>
</table>
### State Treasury

<table>
<thead>
<tr>
<th>Strategic goals</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Take part in the development and introduction of the new functionality and capacity of the Electronic Budgetary Payments System</td>
<td>Provision of timely and harmonized statistical and accounting information</td>
<td>Familiarity with the EU rules and regulations providing for the requirements towards public finance statistics. Familiarity with the terms and procedures for the operation of the Electronic Budgetary Payments System</td>
<td>Experts in the Directorate</td>
<td>Reduced data processing time, reduced information reports generation time and improved quality of the databases.</td>
<td>End of 2011</td>
<td></td>
</tr>
<tr>
<td>Take part in the development and introduction of budget modules in the ministries and other institutions and central budget cash management modules as part of the information system for automated processes for consolidation and processing of data concerning the implementation of the Consolidated State Budget</td>
<td>Development of a unified database and removal of errors in the process of data consolidation. Upgrading the capacity of the system to produce all sorts of information reports for accounting and analysis purposes.</td>
<td>Ability to work with office applications and the respective software product used for the modules. Ability to work with a team of representatives of various public administration institutions, communication skills</td>
<td>Staff in the Directorate</td>
<td>Reduced information report generation time. Improved data quality in respect of the relevant indicators for Republican Budget implementation.</td>
<td>End of 2008</td>
<td></td>
</tr>
<tr>
<td>Strengthen the administrative capacity with a view to effective participation in regular meetings, working groups meetings, workshops, conferences, etc organized by the European Commission on topics within the remit of the Directorate, as well as with a view to using the English language to understand EU legal documents, methodological guidance documents, etc.</td>
<td>Ensuring that European Commission’s requirements are met as part of implementing the Acquis Communaute in this field.</td>
<td>Knowledge of business English and the relevant terminology. Developing communication skills in English. Skills related to the production of correspondence in English</td>
<td>All staff in the Directorate</td>
<td>Developed relevant guidance, procedures, letters to Second Level Spending Units on accounting on a cash and accrued basis, if required Number of staff that have completed foreign language courses.</td>
<td>End of 2011</td>
<td></td>
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</tbody>
</table>
## State Treasury - continued

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<tr>
<td>Develop methodological guidance, procedures and other documents in line with the EU standards and requirements for accounting practices in budget-financed organisations and state financed statistics.</td>
<td>Ensuring that European Commission’s requirements are met as part of implementing the Acquis Communitaire in this field.</td>
<td>Familiarity with the legislative documents as part of the Acquis Communitaire for Public Sector Finance Ability to work with a team of representatives of various public administration institutions, communication skills</td>
<td>All staff in the Directorate</td>
<td>Developed third-level rules and regulations in the fields of competence of the Directorate.</td>
<td>End of 2011</td>
<td></td>
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</tbody>
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