

# Bulgaria CityLinks Program

**Bulgaria partner communities:**

more than 50 municipalities, throughout Bulgaria, working with CityLinks on local economic development, infrastructure management, and/or waste management.

**Population of Bulgaria and of the participating municipalities:**

for Bulgaria overall, 7,322,858 (July 2007 estimate); the Bulgarian CityLinks municipalities range in population from 10,000 to 350,000.

**U.S. partners:** village of Johnstown, Ohio; San Bernardino County (California) Economic Development Agency; and six U.S. cities: Charlottesville, Virginia; Auburn, Alabama; Winchester, Virginia; Kettering, Ohio; Golden, Colorado; and West Bend, Wisconsin.

**Bulgarian local partner organization:** Foundation for Local Government Reform (FLGR).

**Program dates:** August 2004 to February 2008.

**Key program issues in Bulgaria:**

local economic development, infrastructure management, and waste management and composting.

- ▶ **Local Economic Development**
- ▶ **Infrastructure Management**
- ▶ **Waste Management**

Recognizing the challenges facing local governments in Bulgaria, in 1997 the United States Agency for International Development (USAID) charged ICMA with helping Bulgaria to find sustainable local solutions to the country's unsteady march towards democracy and decentralization. In partnership with the Bulgarian Foundation for Local Government Reform (FLGR), ICMA's Bulgarian Technical Twinning Program was created. Through ICMA and FLGR, USAID initiated a pilot partnership program in 1997 between U.S. cities and Bulgarian municipalities.

Going through several phases, the CityLinks program in Bulgaria celebrated its 10th anniversary in 2007. In that year, the program had significant achievements in its three program areas: local economic development, waste management, and public infrastructure management. Also in 2007, USAID granted a seven-month extension for the program, for September 2007 through February 2008, to bridge the period of local elections and to help FLGR establish or reestablish relationships with newly elected local governments.

## **Consortium for Local Economic Development**

Local economic development (LED) was a major priority for the CityLinks program in Bulgaria during the program's 2002–2004 phase. Over that period, substantial resources were used to enhance and strengthen the LED capacities of Bulgarian municipalities, by establishing a consortium with U.S. cities and by implementing a large-scale economic development and marketing program. Uniting the joint efforts of Bulgarian and U.S. cities resulted in the creation of the Bulgarian Local Economic Development Partnership (BLEDP), a

broad network of leading Bulgarian municipalities and economic development specialists. BLEDP provided its Bulgarian participants with strengthened capacities to offer professional services to businesses and to lead proactive economic development programs.

To build on the successes of the 2002–2004 phase, the next phase, from August 2004 through August 2007, involved expansion and further development of the consortium, through the institutionalization of LED technical assistance, marketing, training, and certification of Bulgarian municipalities as “ready

for business.” Those activities would allow the municipalities to continue to be successful in their LED efforts following USAID “graduation,” that is, when FLGR has become self-sustaining and is not receiving funds from USAID.

In Bulgaria the CityLinks program sought to assist the BLEDP network to become more effective in bringing economic development to its municipalities; increase the awareness of the importance of local economic development among municipalities; implement the certification program in more municipalities; prepare the advanced municipalities for certification “with excellence”; develop the BLEDP network into a strong platform to attract private investment to Bulgarian municipalities, thus creating new job opportunities; and institutionalize technical assistance and LED efforts to allow sustainability after USAID graduation.

## Accomplishments in 2007

### Certification Program

In 2007 the FLGR economic development team took over the full implementation of the certification program in partnership with the InvestBulgaria Agency, a government agency that is part of the Ministry of Economy and Energy and that is authorized to market Bulgaria and to implement the country’s national policy for attracting investment. Ten new municipalities that joined the program in late 2005 were certified as a “municipality ready for business.” One municipality was certified “with excellence” after meeting an extended

set of certification criteria. Seventeen economic development officers working for the certified municipalities were approved for individual certification as LED specialists.

### Program Support to Bulgarian Cities Certified with Excellence

The CityLinks program provided financial support to the municipality of Strazhitsa (Veliko Turnovo province) to undertake preliminary research and preparation for the development of an industrial zone. (The provinces of Bulgaria are sometimes called “regions” or “oblasts.”) The funding was utilized for grading the selected industrial zone site. A U.S. pro-bono consultant and a FLGR staff member assisted with the industrial zone site selection and development, and the municipality was encouraged to share its experience with the municipality of Ruse (Ruse province), which was implementing a similar project.

*“The involvement of the municipality of Svishtov in the replication component of the CityLinks program gave us the opportunity, with assistance by the municipality of Plovdiv, to study and apply the Golden, Colorado, expertise in the implementation of an effective street management and maintenance model.”*

**Stanislav Blagov, mayor of Svishtov, Veliko Turnovo province**

**Participation in the SIMA07 real estate fair, held in Madrid, Spain, in May 2007, helped generate interest in opportunities in industrial parks in Bulgaria.**



*“From the infrastructure management project, Svishtov now has a clear picture of the condition of its streets, including precise calculations of needed investment and maintenance priorities. This has allowed us to plan the necessary funding to conduct some of the urgent repairs of Svishtov’s streets. In this way, we will minimize the long-term maintenance costs.”*

**Stanislav Blagov, mayor of Svishtov, Veliko Turnovo province**

### **Training Activities and Internships**

Training and internships have been integral components of the CityLinks program in Bulgaria. LED training, first delivered by U.S. consultants and then passed on to Bulgarian partners, builds the capacity of municipal LED specialists and of community leaders so that they can work together to develop strong LED projects and attract investment to their cities. Through internships in the United States, Bulgarian LED professionals have been exposed to common U.S. economic development practices, the organizational structure of the economic development offices in U.S. cities, and the best examples of business retention and expansion activities and industrial park development and redevelopment.

In 2007, eight Bulgarian LED professionals enhanced their knowledge and expertise through participating in internships in seven U.S. cities. Working in partnership with the American University in Bulgaria (AUBG), FLGR delivered a basic LED course to 19 individuals, from municipalities, nongovernmental organizations (NGOs), and private companies. In addition, several shorter basic LED training courses were delivered to 180 municipal officials, covering current professional LED concepts and practices. The training was imparted with funding provided by the Ministry of Economy and Energy of Bulgaria.

A July 2007 study tour took 12 Bulgarian municipal officials, LED practitioners, and business representatives to the Czech Republic to see industrial park development and management there.

### **Technical Assistance Provided by U.S. Experts and FLGR**

U.S. partners and FLGR provided technical assistance to a number of Bulgarian municipalities in 2007, helping the communities to build their skills in business retention and expansion, industrial park development, and economic development strategic planning. The technical assistance also assisted the municipalities in preparing for certification as “ready for business.” In addition, FLGR helped the municipalities to get ready to participate in trade shows.

**At the SIMA07 real estate fair, held in Madrid, Spain, in May 2007, participants from Bulgaria gave a presentation on the overall business climate in Bulgaria and the opportunities with industrial parks.**



## **Business Inquiries and Marketing**

In order to bring investment to Bulgaria and its municipalities, the FLGR team has been organized to handle business inquiries and coordinate visits with potential investors via BLEDP's marketing Web site ([www.invest.bg](http://www.invest.bg)). In 2007, FLGR processed eight inquiries on behalf of foreign firms and potential business partners, from Canada, Germany, Italy, Portugal, Turkey, and the United States.

Marketing Bulgarian municipalities and publicizing the FLGR services have been core components of the program for several years. In 2007, promotional brochures were developed, and the FLGR activities and services were highlighted in daily newspapers, a radio forum held by the national radio station, and other local and national media. The FLGR also participated in a series of trade shows during the year, including the SIMA07 real estate show held in Madrid, Spain, generating 20 new contacts. The participation in the Madrid event was a joint initiative with the Bulgarian government's Small and Medium Enterprises Promotion Agency. Together with representatives of industrial parks from the municipalities of Rakovski (Plovdiv province) and Ruse (Ruse province), the FLGR team promoted general business opportunities in Bulgaria, including with industrial parks. In September, the FLGR also participated in the International Fair—Plovdiv, which was held in the Bulgarian city of Plovdiv (Plovdiv province), and identified several pros-

pects that were referred to the cities participating in BLEDP.

In order to promote the BLEDP network, meetings with representatives from the commercial offices of the foreign embassies in Bulgaria were organized. In addition, the FLGR applied and was accepted for membership in the American Chamber of Commerce in Bulgaria.

The program's "Get Ready for Business" best practices symposium was held in June 2007 in the Bulgarian city of Varna (Varna province), drawing participants from more than 50 municipalities, NGOs, and private businesses. The CityLinks program achievements were highlighted, and participating municipalities were honored for their successes in economic development, waste management, and infrastructure management.

*"In March 2007 we were awarded a 'municipality ready for business' certificate, which opens doors to new opportunities and makes us feel confident about continuing to create an environment attractive to business."*

**Ivan Asparuhov, mayor of Mezdra, Vratsa province**

**Evgeni Zhelev (second from right), who is the mayor of Stara Zagora, Bulgaria, and local economic development specialists from the city receive recognition certificates from Zdravko Sechkov (second from the left), of the Bulgarian Foundation for Local Government Reform (FLGR), in September 2007.**



*"Participation in BLEDP's marketing Web site provides comprehensive information to prospective investors and once again brings us a step ahead of the competition, not only with municipalities but also at the regional and national level."*

**Ivan Asparuhov, mayor of Mezdra, Vratsa province**



## **Infrastructure Management Best Practices**

Many Bulgarian municipalities have been facing the challenges of both maintaining old urban infrastructure and developing new systems. In November 2000, an infrastructure management partnership that focused on developing asset and financial management plans for the public infrastructure was established between the municipality of Veliko Turnovo (Veliko Turnovo province), and the city of Golden, Colorado. The partnership was later successfully replicated in the six districts of the city of Plovdiv. These projects increased the capacity of both Veliko Turnovo and Plovdiv to prepare for and manage long-term infrastructure needs.

Based on the improved Veliko Turnovo and Plovdiv capacity, the replication of infrastructure management best practices activities was expanded to 10 other Bulgarian municipalities between 2004 and 2007. The three-year effort built on and utilized the expertise of Veliko Turnovo and Plovdiv to help ensure sustainability of these best practices in the future.

In addition, Veliko Turnovo and Plovdiv developed a new project in the field of infrastructure management related to bridge maintenance. The new activities included a com-

**The city government of Veliko Turnovo (Veliko Turnovo province) put in this new pavement as part of the community's plan for the management and maintenance of the street infrastructure.**

prehensive assessment of 10 bridges in the two cities and the development of a financial plan for their maintenance and replacement. These efforts built on best practices in the United States, as applied to the Bulgarian environment. In this way, there was an expansion in the exchange of infrastructure management expertise, which, in previous rounds of program implementation, had been identified as a key area for needed cooperation.

## **Accomplishments in 2007**

In 2007, the replication activities were successfully expanded to the municipalities of Gorna Oryahovitsa (Veliko Turnovo province), Berkovitsa (Montana province), Svilengrad (Haskovo province), Sevlievo (Gabrovo province), and Straldja (Yambol province). All five municipalities completed an inventory of streets and sidewalks and also developed financial management plans for effective street operation and maintenance. Also in 2007 the municipalities of Veliko Turnovo, Svishtov (Veliko Turnovo province), Plovdiv, and Gorna Oryahovitsa continued implementing their asset and infrastructure management financial plans, by securing funding for and carrying out planned street repairs.

Both Plovdiv and Veliko Turnovo completed the inventory of their bridges as planned under the project by assessing their current technical condition, expected lifespan, and traffic safety. Financial plans for bridge management, maintenance, and replacement were also developed. Veliko Turnovo began carry-

ing out integration and visualization of the inventory information using geographic information system (GIS) computer software. Reconstruction designs were developed for two bridges in Plovdiv, and the municipality planned for and began construction of a third, new bridge.

Further possible replication in Bulgaria of the infrastructure management project for street and sidewalk maintenance was promoted through various mechanisms. These activities included marketing of FLGR's consultancy services as well as dissemination of information on the best practices developed under the project using the Local Government Information Network database system (<http://www.logincee.org>), the FLGR newsletter, the FLGR Web site, and a special plenary session at the best practices symposium.

### **Replication of Waste Management Best Practices**

There was a successful implementation of a pilot composting program in three municipalities in the CityLinks program's 2002–2004 phase. That increased interest among other, mostly rural Bulgarian municipalities facing similar challenges in solid waste management.

The municipalities of Boliarovo (Yambol province) and Tundja (Yambol province), two of the original participating cities during the 2002–2004 phase, increased their capacity in solid waste management. The two are also committed to improving their waste management

efforts through further expansion of the composting program and to sharing their knowledge and experience with other Bulgarian municipalities interested in replicating the composting activities. The 2004–2007 CityLinks program has involved 15 additional Bulgarian municipalities that have built on and utilized the expertise of Boliarovo and Tundja, with the aim of ensuring sustainability beyond the end of the CityLinks program.

### **Accomplishments in 2007**

In 2007, the Bulgarian Association of Municipal Environmental Experts (BAMEE) built on earlier, successful replications of the composting program in Bulgarian municipalities that BAMEE had carried out in partnership with ICMA and FLGR. In 2007, BAMEE continued to provide technical assistance and project development coordination, and it helped replicate the composting activities in nine additional municipalities. The municipalities prepared composting sites and organized educational campaign among citizens in rural areas. To bolster those efforts, with support from the CityLinks program, 5,000 educational brochures were printed and then disseminated to the public.

Lessons learned regarding the development and introduction of composting programs in rural areas were shared at a meeting of participating municipalities and potential participants in Radnevo (Stara Zagora province) in January 2007 and also at the best practices symposium, in June 2007 in Varna.

In August 2007, BAMEE took over responsibilities for ongoing composting program replication and implementation, thus ensuring sustainability after USAID funding is no longer available.

### **Looking Forward**

With the completion of the best practices symposium, the FLGR established the beginning of new joint activities with the municipalities, based on building capacity, knowledge, and expertise as well as further development of the BLEDP network. The network will focus on improving the investment climate and on new job generation in alternative economic fields. The FLGR will continue to act as an international resource center, offering its services through individual contracts with municipalities.

In consultation with its U.S. partners on LED activities, FLGR prepared and began implementing strategic steps to phase out the USAID financial support and to ensure sustainability of FLGR beyond the CityLinks program. The FLGR activities (mainly in the LED field) and the expertise of FLGR staff and of the expanded LED team gained throughout the implementation of the CityLinks program will provide a solid base for further sustainable development of the organization.

Prior to completion of the CityLinks Program, the FLGR announced its desire to continue operating as a coordinator of the BLEDP network. The FLGR will offer a package of

*“One of the important aspects of this CityLinks program is that useful and lasting contacts were established with other municipal administrations. These contacts will help our future cooperation, and not only at the administration level. In the end, they will have a positive effect on the population of the municipality as a whole: better services, resources, activity management, and involvement of the residents in making decisions on the implementation of specific projects.”*

**Mitko Andonov, mayor of Straldja, Yambol province**

**Workers from the municipality of Gorna Oryahovitsa (Veliko Turnovo province) measure the dimensions of a local road as part of an inventory for a financial and asset infrastructure management plan.**



services to network participants, including managing BLEDP’s marketing Web site; providing information about upcoming financing mechanisms for LED projects; sharing information on future economics-related events in Bulgaria and abroad; disseminating investors’ inquiries to BLEDP participants; providing services related to organizational development of city administrations and training of LED professionals; organizing meetings for the LED team; maintaining contacts with institutions related to economic development; and organizing informational meetings on legislative changes concerning economic development and the investment climate at the local level.

The package of services will be offered for a fee that is based on a participating municipality’s population and that is consistent with the principles of equality and the capacity of the public sector.

The FLGR declared its readiness to continue operating as an international resource center as well. In that role, FLGR will provide consultations on the implementation of specific LED projects and work with municipi-

palities and private sector enterprises seeking to implement projects. As a result of the aggressive marketing campaign in 2007, the FLGR helped establish a new BLEDP network by signing contracts to provide services on an annual basis to 18 of the 39 municipalities that have been involved in LED activities in the most recent CityLinks phase. Some of the 21 other municipalities postponed their decision about becoming a member of the network, pending the results of local elections scheduled for the fall of 2007.

The FLGR LED team developed an annual plan for service delivery to member municipalities and introduced a new concept for BLEDP’s marketing Web site. FLGR also began disseminating an electronic LED newsletter to the BLEDP members, providing them information and analysis about business opportunities, economic surveys, funding opportunities, upcoming events, and economic best practices at the local level. The goal of the newsletter is to motivate the cities to exchange LED information, which will allow them to improve the business climate for their communities and for the rest of the country.