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## Making Socially Responsible Public Procurement Work: 71 Good Practice Cases

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May 2020



# National Public Procurement Act for labour inclusion of people with disabilities in Bulgaria

Bulgarian National Government, Bulgaria

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**Name of procuring authority, Country:** Bulgarian National Government, Bulgaria

**Product or service sector:** Various

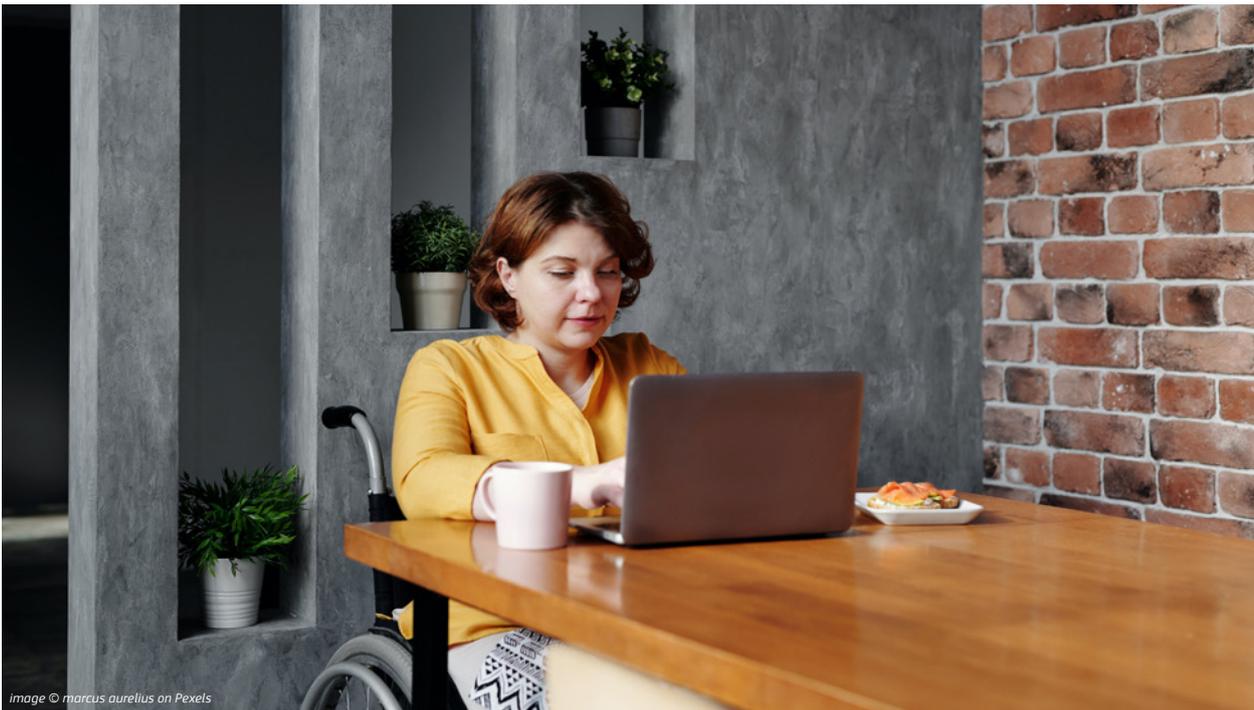


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## Introduction/procurement objective

Bulgaria adopted a national policy promoting and supporting social economy enterprises for people with disabilities. In 2016, as part of this policy, the national government adopted legislation supporting enterprises working with disabled persons in public procurement. The provision, enshrined in Art. 12 of the Bulgarian Public Procurement Act, was developed in line with the EU Directive 2014/24/EC, with particular reference to Art. 20 on reserved contracts. The procurement legislation defines a list of more than 100 goods and services to be awarded to specialised enterprises, cooperatives or economic entities whose main objective is the social and professional integration of persons with disabilities or disadvantaged people. The list may be updated if necessary and a National Register for specialised enterprises and cooperatives has been established. The reservation also applies to

enterprises meeting equivalent terms under the law of another EU Member State.

## Stage of procurement phase and criteria

The list of goods and services has been developed using a participatory approach by an interdepartmental working group including experts from the Bulgarian Government and national representative organisations of people with disabilities. The final list encompasses 103 products and 14 service sectors in the following categories:

- Product categories: apparel and workwear; polyethylene products; garbage bags; shutters, brochures and paper products; reflective vests; kitchen utensils; cleaners; air and gas filters; containers
- Service categories: printing and digital services; laundry services

Since the law went into effect, several public procurements in Bulgaria have applied the new provision. For example, the City of Gabrovo published a tender on 13 August 2019 for the purchase of brochures and paper products with a total contract value of €20,250. Of the four enterprises that submitted a tender, three of them were listed in the national register for specialised enterprises and cooperatives of and for people with disabilities, and thus had preference for awarding the contract.

Another example is the tender for the production and delivery of workwear and specialised clothing, issued by the STOLICHEN AVTOTRANSPORT LTD, the public transport company of Sofia, in 2018. The total value of the contract was €205,128. In this case, all bidders were registered specialised enterprises in line with the national provision

### Social policy objective and/or reference standard

The objective of the list of products and services is to foster a favourable and inclusive environment for specialised enterprises at the national level. This initiative stems from the idea that the public sector, through public procurement, can act as a lever for increased business opportunities for social economy enterprises across the country and thus promote more opportunities for employment for persons with disabilities.

The list was developed under the national law for people with disabilities, which requires the State and Local Authorities to support the employment of people with disabilities by creating the appropriate economic incentives and financial relief, including opportunities for implementation of social initiatives. Those measures should foster productivity and competitiveness, increase the employability of people with disabilities in specialised work environments and improve their vocational training and employment, overcoming financial and economic constraints.

According to the new Bulgarian procurement legislation, economic operators may have preference in the awarding of reserved public contracts, provided that at least 30% of their staff

is disabled. Competent authorities need to check compliance with Art. 20 of Directive 2014/14/EU for tenders valued above the threshold.

### Verification

Compliance is verified through regular checks in the Public Register of specialised enterprises and cooperatives of and for persons with disabilities. In each specific procurement, a responsible officer from the national government checks the conformity of the product delivered and the performance of the contract in accordance with the social and technical provisions set in the procurement documents.

### Instrument

- Art. 20 on reserved contracts of Directive 2014/14/EU.
- Art. 12 of the Bulgarian Public Procurement Act.

### Actors

- Contracting authority: the Bulgarian national government
- Policy maker: Bulgarian Agency of Persons with Disabilities
- Central Purchasing Bodies and related regional agencies
- Bulgarian Ministry of Labour and Social Policies, involved in the realisation of the list of products and service sectors eligible for reserved contracts for social economy enterprises
- Bulgarian Municipalities, committed to unlocking the employment opportunities for persons with disabilities made available by the national policy. To this end, they ensure that products and services included in the list are procured as reserved contracts.

### Social impacts

- The policy of social inclusion for people with disabilities has provided for consistent results in Bulgaria. As of February 2020, related procurements have contracted 233 enterprises or cooperatives with persons with disabilities, accounting for more than 2,500 employees and

workers, of which at least 30% are disabled (as per the statutory requirement for being listed in the national register).

- As a result of the national policy, enterprises and cooperatives working with people with disabilities have increased in quantity, and the quality of the products and services they deliver has improved. By improving conditions for social enterprises, more disabled people are also able to find employment.

### Lessons learned and future challenges

- The social policy implemented in Bulgaria relies heavily on public verification concerning the validity of enterprises listed in the specialised register. Regular updates of the list of goods and services are vital.
- Concerning the first point, a major challenge was to develop a sound verification mechanism for the enterprises before registering them as well as their ongoing monitoring. These checks will continue in the future, and the vigour and methods of verification will be strengthened.
- Moreover, due to the novelty of the process, specialised enterprises are still in a learning phase. As a result, sometimes the quality of the final product is not as expected. This could also be due to the fact that the specific products or services listed must reflect the capacities and abilities of the corresponding registered specialised enterprises.

### Contact

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*Todor Popov,  
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