



Industrial relations and social dialogue
**Bulgaria: Developments in
working life 2022**

Authors: Vassil Kirov, Mina Kostova and Desislava Yaneva (IPS-BAS)

Research manager: Christine Aumayr-Pintar

Eurofound reference number: WPEF23005

© European Foundation for the Improvement of Living and Working Conditions (Eurofound), 2023
Reproduction is authorised provided the source is acknowledged.

For any use or reproduction of photos or other material that is not under the Eurofound copyright, permission must be sought directly from the copyright holders.

Any queries on copyright must be addressed in writing to: copyright@eurofound.europa.eu

Research carried out prior to the UK's withdrawal from the European Union on 31 January 2020, and published subsequently, may include data relating to the 28 EU Member States. Following this date, research only takes into account the 27 EU Member States (EU28 minus the UK), unless specified otherwise.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

European Foundation for the Improvement of Living and Working Conditions

Telephone: (+353 1) 204 31 00

Email: information@eurofound.europa.eu

Web: www.eurofound.europa.eu

Contents

Introduction	1
Political context	2
Actors, institutions and processes	3
Social partners.....	3
Social dialogue bodies or frameworks	3
Other working life related institutions.....	3
Governmental responses to inflation.....	4
Collective bargaining and inflation	5
How inflation features in wage negotiations	5
Examples of recent responses.....	5
Developments in working time.....	7
Changes to legislation	7
Bargaining outcomes	7
Debates on duration and organisation	7
Labour market shortages and social partners.....	8
Other important policy developments	9
Labour market shortages	9
Employment status and contracts	9
Self-employed	9
Wage setting	9
Gender pay gap	9
Health and safety	10
Work-life balance	10
Life-long learning and skills development.....	10
Working life of Ukrainian refugees	11
Employment and working conditions	11
Social partner initiatives to support Ukrainian refugees	11
Commentary and outlook	13
References.....	14

Introduction

In 2022, Bulgarian Gross Domestic Product (GDP) continued to record growth after the big drop in 2020 caused by the COVID-19 pandemic. The 4.5% GDP expansion was slow compared to the revised figure from 2021, 5.2%. The National Statistical Institute reported that general exports of goods and services increased by 11.8% and imports grew by 13.6% in 2022 (Stoyanova and Popova, 2022). An overall fluctuating rise of employment and a steady decrease of unemployment reaching 1.5% were also observed (MoLaSP, 2022c).

According to forecasts by the European Central Bank (ECB), supply chain difficulties showed some signs of decline and the labour market continued to improve (ECB, 2022). The growth of external demand from Bulgaria's main trading partners and the performance of Bulgarian exports in the first half of 2022 were stronger than expected. Despite these positive outcomes, the country experienced the negative effects stemming from the war in Ukraine throughout the year, such as high prices of raw materials and energy, increased interest rates and concerns about the shortage of natural gas. Indications of a downturn in the external economic environment were present in late 2022 and are still increasing in early 2023 (BNB, 2022).

According to data from the summer of 2022, Bulgaria ranks third in the EU in terms of the number of refugees accepted from Ukraine (Hristova, 2022). Not being strongly dependent on natural gas imports, the country has developed some alternatives, especially since the start of operation of the gas interconnector with Greece (Reuters, 2022). Russia continues to play an important role in people's political attitudes, despite the fact that the number of Bulgarians who trust Putin has decreased from one third to one fourth since the beginning of the war, as a public opinion poll showed (BNR, 2022).

Political context

After the anticorruption protests in 2020 that took down the government of the right-wing political party GERB (Citizens for European Development of Bulgaria), with Prime Minister Boyko Borisov in power for almost a decade (from 2009 with small interruptions), Bulgaria replaced its government with a caretaker one led by Stefan Yanev in 2021.

After the elections on 14 November 2021, a coalition was made between PP (We Continue the Change), BSP (Bulgarian Socialist Party), ITN (There Is Such a People), and DB (Democratic Bulgaria) to create a multiparty minority government led by Prime Minister Kiril Petkov. Despite the fact that this government gained popularity for its anti-corruption policy and pro-Ukraine position, the four-party coalition collapsed after attacks from oligarchic circles (Oliver, 2022). The second caretaker government of Galab Donev was appointed by President Radev on 2 August 2022.

New elections took place on 2 October 2022 with 39.41% electoral turnout, reaching 51.03% in the capital Sofia (CIK, 2022a). The new parliament did not seem too different from the previous one, with minor shifts between GERB in first place with 67 mandates, PP in second place with 53 mandates, "Bulgarian Rise" replacing ITN with 12 mandates, and "Revival" strengthening its positions with 27 mandates (CIK, 2022b). BSP entered with 25 mandates; DB with 20; and DPS (Movement for Rights and Freedoms) with 36. Despite attempts to form a coalition, the parliamentary political parties were not able to agree on a configuration that would lead to a regular government. In addition, until the end of 2022, the parliament still had not updated the state budget; therefore, structural reforms have been stalled, including legislation related to the implementation of the Recovery and Resilience Plan that has not yet been adopted (Vodenov, 2023).

In consequence, on 8 December 2022, Bulgaria was rejected together with Romania from entering the Schengen area because of negative votes cast by the Netherlands and Austria. The country will hold elections for local governments, as well as preliminary parliamentary elections, on 2 April 2023.

Despite the political crisis, the country's institutional apparatus throughout 2022 did not undergo any structural changes. Political pressure for the termination of the mandate of the Prosecutor General and his early removal from office — related to criticism of the activities of the Prosecutor's Office and the "police violence" exercised during the protests — was not perceived as legally binding by the Supreme Judicial Council (Velikova, 2022).

Actors, institutions and processes

Social partners

During 2022, there were no significant changes related to Bulgaria's social partners. The institutional structure of the tripartite social partnership remains unchanged, as do the participants in each of the three representative parties in the social dialogue. Following the national representation verification procedure carried out in 2021, two confederations (Confederation of Independent Trade Unions in Bulgaria (CITUB) and Confederation of Labour Podkrepa (Podkrepa CL) remain as the legitimate representatives of employees. The employers' organisations also remain unchanged: Bulgarian Industrial Association (BIA), Bulgarian Industrial Association (CEIBG), Bulgarian Industrial Capital Association (BICA), Bulgarian Chamber of Commerce and Industry (BCCI) and Union for Private Economic Enterprise (UPEE). Thus, via a decision of the Council of Ministers, the participants in the social dialogue at national level (the National Council for Tripartite Cooperation - NCTC) received a new four-year mandate until the beginning of 2025.

At its Ninth Congress in May 2022, the CITUB re-elected Plamen Dimitrov as president for a new 5-year term (Kostova, 2022). The newly elected vice presidents of the CITUB are Daniela Alexieva, Ognyan Atanasov, and Todor Kapitanov. They replaced Plamen Nankov, Dr. Ivan Kokalov, and Chavdar Hristov. The CL Podkrepa will hold its eleventh congress to elect new leadership in February 2023.

Social dialogue bodies or frameworks

There were no significant changes related to the social dialogue bodies or frameworks in 2022. Although its composition remains unchanged, political instability in the country has had an impact on the activities of the NCTC (CoM, undated), the main tripartite body at national level dealing with labour-related issues, social security and quality of life. This is evident from the need to hold four extraordinary meetings and only two regular meetings. The structure of the social dialogue in territorial and professional terms remains underdeveloped and poorly functioning, as is evident from the existing collective agreements following a steady downward trend, according to the National Institute for Conciliation and Arbitration (MoLaSP, 2022b).

The work programme of the NCTC in 2022 included the adoption of national budgets, changes in labour and social security legislation, anti-crisis measures, setting a minimum wage and the poverty line, and other issues of national importance concerning the welfare of the population, such as pandemics, military conflicts, and the energy crisis.

The three-pillar pension system has been maintained. Minimum insurable earnings by economic activity were retained, although not indexed to minimum wage growth. The application of the seniority class was maintained. The duration of paid annual maternity leave, which is the longest in the EU, was maintained.

Other working life related institutions

There were no changes in working life related institutions. They continued their activity as usual.

Governmental responses to inflation

According to an overview of the economic, financial, and monetary dynamics of the Bulgarian National Bank (BNB)/ European Central Bank (ECB), the Russian invasion of Ukraine should have a significant impact on economic activity and inflation through higher energy prices and on exchange commodities, the disruption of international trade, and the weakening of trust between actors (ECB, 2022). All that led to the growing inflation that reached an 18.7% annual increase in September 2022 (NSI, 2022).

The responses to inflation included various monetary measures closely connected with the European Central Bank (ECB). The interest rate on main refinancing operations and the interest rates on the marginal credit facility and on the deposit facility will remain unchanged - 0.00%, 0.25%, and -0.50%, respectively (ECB, 2022).

One controversial public opinion contends that there is no need for any measures against inflation. This view was shared by one third of the 1,586 participants in a survey by economic media outlet Investor.bg (Ilieva and Toshkova, 2022). In the same report, Finance Minister Asen Vasilev called for “real actions to fight inflation at the European level with a focus on energy sources and food, as well as active actions by the European Central Bank”.

In respect to fiscal measures, an anti-crisis package was adopted at the end of the 47th Bulgarian Parliament (Popov, 2022). Tax changes provided for 0% VAT on bread, increase of pensions by nearly 20%, higher tax breaks for families with children and children with disabilities, and discounts on fuels, including gasoline and diesel, all from 5 July 2022, until 1 July 2023. The government information service has announced that the reduced VAT rate for some goods and services remains in force: food services, restaurants, heating, and hot water will also be taxed at 9%. The government proposed, and the parliament accepted, an update of the State Budget for 2022 (NAotRB, 2022). Both measures were introduced at the end of the Kiril Petkov government.

In addition, state aid providing a discount of 25 cents per litre of fuel was introduced in the country from 9 July to 31 December 2022.ⁱ As an anti-inflation measure, fuel consumers would benefit from a discount three days after the promulgation of any amendments to the State Budget Act (SBA) in the Official Gazette. Compensation was charged as a reduction of the final price at checkout, regardless of whether this was done in cash or by card.

ⁱ Eurofound (2022), [State aid for discount of 25 cents per litre of fuel](#), case BG-2022-28/2761 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

Collective bargaining and inflation

How inflation features in wage negotiations

Negotiations on wage increases remained a major focus of the NCTC debates. During discussions on the national budget, the National Health Insurance Fund (NHIF) budget and the Social Security budget, the trade unions demanded a 10-15% increase in staffing. This need was emphasized for budgetary organizations, medical workers, and pharmacists working on the front lines.

The issue of establishing a mechanism for determining the minimum wage and the maximum social security income remained unresolved in 2022. Despite the debates held in relation to ILO Convention No. 131 on Minimum Wage, the adopted minimum wage of 710 BGN as of 1 April 2022 is lower than the inflation rate for February 2021 compared to February 2022. In Bulgaria, this has been a precedent for the last ten years. The progressively lagging growth of labour income in the country condemns the population to shrinking purchasing power and multiplies poverty in pension-only income households. The size of the minimum wage also determines the generation of the minimum pension. It is therefore crucial to develop a specific national methodology for determining the minimum wage and poverty line in the country.

The proposed “Draft Decree of the Council of Ministers on setting the minimum wage for the country from 1 April 2022” was guided by macroeconomic forecasts for 2022, the reached average wage levels, the Directive on adequate minimum wages in the EU, and the indicative values laid down in it. The amount of the minimum wage as of 1 April 2022 reached 710 BGN. The ratio between the proposed minimum wage of 710 BGN and the reported average wage of 1,520 BGN for the third quarter of 2021 was 46.71%.

According to the requirements of the European Directive, the minimum wage should have been increased to 850 BGN on 1 January 2023, but it has reached only 780 BGN, which is an extremely insufficient indexation to compensate for rapidly rising costs. The minimum hourly wage for work in Bulgaria reached 4.72 BGN per hour. Despite the increase in the minimum wage, legislators did not link it to an increase in the minimum social security income, which preserved the amounts and distribution of contributions to the pension, social security, unemployment, and health insurance funds. In this context, there was an outpacing of the rate of inflation relative to labour income.

Examples of recent responses

In the context of these difficult conditions, social partners engaged in wage-related negotiations not only at national level, but also at sectoral and enterprise level. In addition, social partners also made efforts to increase their capacity for effective social dialogue. As an example, in the framework of the project “SOLID – SOcial diaLogue enhancement in response to COVID crisis challenges”, the Confederation of Labour Podkrepa aimed at enhancing the skills of social partners related to the labour market challenges posed by the current crisis (KT Podkrepa, 2022b).

The Federation of Independent Trade Unions from the State Administration and Organizations (FITUSAO) expressed their opinion regarding the draft budget of the country for 2022 (CITUB, 2022d). They consider the increase of the Salary Fund in 2022 to be unsatisfactory; accordingly, FITUSAO had requested a 20% increase, while agencies linked to The Ministry of Labour and Social Policy had foreseen it to rise only by 6%. The planned increase would not cover the high inflation,

nor the increased workload of employees caused by layoffs and the complex COVID-19 environment in which they work.

The increased unified expenditure standard (UES) for the activities delegated by the state in the “Social security, support and care” function was 26.5% (CITUB, 2022d). FITUSAO regarded this percentage increase as very good. It is related to the introduction of the new “Ordinance on the standards for the payment for labour of employees carrying out activities providing social services that are financed from the state budget”.

Specialists in libraries and community centres protested against the small amount of funds provided for their development in the state budget for 2022 (CITUB, 2022c). With a 9.2% increase in expenditure standards for Regional Libraries and 15% for the National Library, plus the wide-ranging activity in schools related to unanticipated costs and increased overhead, such institutions could be forced to close their doors. It was unanimously agreed that these agreed minimum wages, along with the core operation of libraries and schools, would be backed by a 25% increase in the grant for 2022. At the moment, though, everything hangs on promises.

The Bulgarian Post and CITUB also suffer from chronically insufficient minimum wages, and after a series of protests, they announced a raise in the wages by up to 30% for health inspectors and workers in emergency centres from 1 December 2022 (CITUB, 2022h, 2022e, 2022a). The Road Infrastructure Agency is hoping for the same after stopping traffic on the Hemus highway and receiving only the promise of a 20% increase in 2023 (CITUB, 2022b).

The National Federation “Agriculture and Forestry” of the Trade Union “Support” and the Branch Trade Union of Employees of “Irrigation Systems” EAD, after more than two months of negotiations with the management of “Irrigation Systems” EAD, reached an agreement on the increase of the basic individual monthly wages of employees by signing an additional agreement under the Branch Collective Labour Agreement, effective from 1 April 2022 and valid for two years (CL Podkrepa, 2022a). The basic individual monthly remuneration of the company's employees in the amount of up to 1,500 BGN were to increase by 15%. Starting on 1 December 2022, remunerations up to 1,300 BGN would continue to rise by 15%, and all monthly wages over 1,300 would increase by 10%. Protest actions for higher incomes could be seen across the whole country in 2022 (CITUB, 2022i).

Developments in working time

Changes to legislation

In 2022, to comply with two EU Directives, Bulgaria's National Assembly adopted amendments and supplements to the Labour Code (KPMG, 2022). It implemented in the national legislation the requirements of Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union and of Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU. These amendments were effective as of 1 August 2022. They aim, on one hand, to encourage security and predictability in employment relations, and, on the other hand, to improve possibilities for reconciling work and family responsibilities. More precisely, the most important of those ten changes concern the following. Firstly they introduced an obligation for the employer to provide the information to the employee not later than the effective date of the amendment in the employment relationship. In addition, the employee is explicitly granted the opportunity to propose in writing to the employer an amendment to the employment relationship with regard to the transition: (i) from a fixed term to an indefinite employment contract, and/or (ii) from part-time to full-time. A requirement is introduced that when the employment contract is for a fixed term of less than one year, the probation period shall be up to one month. In addition, the changes regulated the individual right to parental leave for raising a child up to the age of 8 in favor of the father (adoptive parent) with a guaranteed right to a financial compensation from the state social insurance. The leave will be for 2 months and can be taken at once or in instalments.

Bargaining outcomes

There were no particular bargaining outcomes during 2022.

Debates on duration and organisation

Bulgaria has been one of the countries where most overtime work is not paid as such. The reason for this lies in the system of aggregated working time, allowing employers to circumvent the payment of overtime. The agreement between the partners in the National Tripartite Agreement that the regulation of working time should be permissible only in industries with a continuous work mode remained unfulfilled. The two trade unions have launched a petition of 100,000 signatures of Bulgarian employees expressing opposition to the current regulation. The trade unions demanded the correct application of ILO Convention No 1 and the Directive concerning certain aspects of working time (CITUB, 2022f). The trade unions have referenced a lack of compliance between European and national legislation in a complaint to the European Commission.

Labour market shortages and social partners

Labour shortages in the country have long provoked reactions on the behalf of employers' organisations. In this perspective, the Bulgarian Industrial Capital Association (BICA) once again stressed the need to ease the labour import regime and launch more training programs, including for employees, as a solution to many of the problems facing the labour market in Bulgaria (BICA, 2023).

Other important policy developments

Labour market shortages

There were no particular policy developments related to labour shortages in 2022.

Employment status and contracts

Throughout the year, there were no major changes related to employment status or contracts. However, changes in the context of harmonising the Labour Code with Directive 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union and Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU led to a few modifications of the Labour Code related to employment status and contracts (KPMG, 2022). Since 1 August 2022, the employee is explicitly granted the opportunity to propose in writing to the employer an amendment to the employment relationship with regard to the transition:

- i. from a fixed term to an indefinite employment contract, and/or
- ii. from part-time to full-time.

At the same time, an obligation is established for the employer, if he does not accept the offer, to notify the employee in writing within 1 month, explaining the reasons for his refusal.

Self-employed

There are no changes related to self-employed workers in 2022.

Wage setting

The directive on adequate minimum wages in the European Union has imposed a legislative initiative on the Council of Ministers to set the minimum wage annually, the amount of which should not be less than 50% of the average wage for the previous 12 months. According to the national trade unions, the adequacy of minimum wages should be measured against the necessary means of subsistence. The Directive allows national adequacy criteria to be laid down in national legislation, by decision of the competent authorities, or in tripartite agreements. Yet there is still no mechanism for the adequate indexation of labour income as an instrument of the social dialogue.

Gender pay gap

In Bulgaria in 2022, there were no specific developments related to the gender pay gap. However, social partners were engaged in the promotion of the culture of equality. Dr. Milena Angelova, member of the European Economic and Social Committee and General Secretary (EECG) of The Bulgarian Industrial Capital Association (BICA) gave a talk at a ministerial conference organized by the Czech Presidency of the Council of the European Union, "Tomorrow's Europe: Gender Equality and Economy", focusing on the need to improve education by making it gender neutral as well as on knowledge and social skills as an instrument to address the pay gap in the longer term (BICA, 2022a).

Health and safety

In 2022, additions were made to the European directive on protection from the risks associated with exposure to carcinogens or mutagens during work. Amendments to two other directives — on safety and health at work and on the use of display equipment and the associated psychosocial risks — were struck (CITUB, 2022g). Multiple prevention tactics surrounding the COVID-19 pandemic are still taking place in institutions like Sofia Universityⁱⁱ and in the private sector, for example, the Hotel Augusta.ⁱⁱⁱ

Work–life balance

The new provision of Art. 164c of the LC regulates an individual right to parental leave for raising a child up to the age of 8 in favour of the father (adoptive parent) with a guaranteed right to financial compensation from the state social insurance. To ensure the right to financial compensation during this leave, corresponding amendments to the Social Insurance Code were also introduced. The health insurance of persons using this type of leave will be further regulated by virtue of an amendment to the Health Insurance Act. The contribution for the period of leave is borne by the employer. The leave lasts for 2 months and can be taken at once or in instalments.

Lifelong learning and skills development

In response to the challenges of the labour market caused by the shortage of qualified labour and the lack of skills, within the framework of the project implemented by BICA, a pilot system for the introduction of micro-certificates was developed in compliance with the basic principles in the Recommendation of the Council for a European approach to micro-certificates, adopted in June 2022 (BICA, 2022b). BICA was the first organization to directly raise the issue of introducing this new instrument in Bulgaria, and it expected to reach a consensus among all interested partners on the main challenges to be discussed during its round table, organized on 25 November 2022, according to Dr. Milena Angelova, General Secretary of BICA and head of project BG05M9OP001-1.128-0004, "Development of digital skills".

Another example would be the joint project, "SOLID", by CL Podkrepa and the Bulgarian Chamber of Commerce and Industry (BTPP), between Bulgaria and The Confederation of Employers in Norway (NHO) during 2022-2024 (KT Podkrepa, 2022b). The Project is aimed at strengthening the policies and practices of social dialogue in Bulgaria; increasing the skills of social partners related to the challenges of the labour market caused by the COVID-19 crisis, stimulating bilateral cooperation with Norway by sharing experience, knowledge, and good practices, and improving cooperation between employers and trade unions by strengthening trust between them.

ⁱⁱ Eurofound (2021), [Limiting the risk of COVID-19 in Sofia University](#), case BG-2021-40/2151 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

ⁱⁱⁱ Eurofound (2021), [Preventing the spread of the COVID-19 in hotel Augusta](#), case BG-2021-43/2153 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

Working life of Ukrainian refugees

Employment and working conditions

Ukrainian refugees with temporary protection status as well as their families have the right to work in Bulgaria without a special permit. They have to register as job seekers in the Bulgarian Employment Agency (MoLaSP, 2022a).

Ukrainians and their family members who have registration for temporary protection, asylum, or international protection in Bulgaria have the right to work in the country without a labour market access permit.^{iv}

Persons displaced from Ukraine on or after 24 February 2022 as a result of the military invasion by Russian armed forces are eligible for temporary protection. Ukrainian citizens registered with temporary protection could work in Bulgaria without a necessity to apply for work permit (and before having a residence permit). Temporary protection was introduced for a period of one year starting from 24 February 2022 and may be extended if necessary.

The Ukrainian refugees in Bulgaria who have started work receive at least the same minimum wage as Bulgarian employees. The programme for the labour integration of Ukrainian citizens is being implemented with European funds and carried out by the Bulgarian Employment Agency.

Until 12 May 2022, more than 20,000 (out of 252,826) Ukrainians had been consulted by Bulgarian labour offices about opportunities to start working in Bulgaria, and 2,400 Ukrainians with temporary protection status had started working with an employment contract (Nova news, 2022).

Nearly 70% of Ukrainian refugees who came to Bulgaria expressed their readiness to start working immediately, according to a survey conducted by the Employment Agency. The state-initiated the creation of an information website includes a specialised portal for job offers where employers can send their offers in English. The site translates all information automatically in Ukrainian, Russian, and Bulgarian.^v (Eurofound, 2022b).

Ukrainians who started working in the country are entitled to a 356 BGN supplement for rent and bills for up to 3 months (Mediapool, 2022). The measure is a part of the Solidarity project, funded through the Human Resources Development Operational Programme 2014-2020.

Social partner initiatives to support Ukrainian refugees

Social partners in Bulgaria have engaged in the support of Ukrainian refugees. Several examples of such initiatives have been reported in the Policy Watch Database of Eurofound.

The CITUB trade union opened temporary reception centres for refugees from Ukraine. The Confederation of Independent Trade Unions in Bulgaria (CITUB) initiated and created these centres in the cities of Varna, Burgas, Ruse, Dobrich, and Haskovo. Those in need are to be provided with free-of-charge information and advice on labour and social security legislation. This initiative is part of the campaign 'CITUB for Ukraine'.^{vi}

^{iv} Eurofound (2022) [Access to the Bulgarian labour market for citizens of Ukraine](#), case BG-2022-9/2281 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

^v Eurofound (2022), [Job Dashboard and recruitment events for citizens of Ukraine](#), case BG-2022-10/2309 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

^{vi} Eurofound (2022), [Trade union opens temporary reception centres for refugees from Ukraine](#), measure BG-2022-11/2422 (measures in Bulgaria), COVID-19 EU PolicyWatch, Dublin.

Commentary and outlook

The developments during 2022 were mainly caused by the war in Ukraine, the continuous political crisis in Bulgaria, and an economic crisis marked by high inflation levels.

Long-term political instability within the country continued in 2022. The regular government of Petkov lost a vote of no confidence in Parliament. The subsequent elections led to a configuration wherein a parliamentary majority was not possible; the country will have new elections in 2023, leaving a caretaker government appointed by the President for a long period of time.

The Bulgarian government has introduced some anti-inflation measures that partially support the population. Social partners were engaged in dialogue related to income increases, and the minimum statutory wage increased after a decision by the government. Specific measures targeted the increase of pensions, the decrease of VAR for bread and the discounts for fuel.

Bulgarian society supported refugees from Ukraine with humanitarian aid, as well as with the opportunity to work.

During 2022, there were no significant changes related to Bulgarian social partners. The institutional structure of the tripartite social partnership remains unchanged, as do the participants in each of the three representative parties in the social dialogue. Following the national representation verification procedure carried out in 2021, the two major trade union confederations remain as the legitimate representatives of employees. The five nationally representative employers' organisations also remain unchanged. Thus, via a decision of the Council of Ministers, the participants in the social dialogue at national level (the National Council for Tripartite Cooperation) received a new four-year mandate until the beginning of 2025.

The amendments to the Labour Code, related to the transposition of two European Directives, have been in effect since 1 August 2022. These amendments aim, on one hand, to encourage security and predictability of employment relations, and, on the other hand, to improve possibilities for reconciling work and family responsibilities. These measures included among other the obligation for the employer to provide the information to the employee no later than the effective date of the amendment in the employment relationship; the right of the employee to propose in writing to the employer an amendment to the employment relationship from a fixed term to an indefinite employment contract, and/or from part-time to full-time. The individual right to parental leave for raising a child up to the age of 8 in favour of the father (adoptive parent) was also introduced in the legislation.

References

All Eurofound publications are available at www.eurofound.europa.eu

Bulgarian Industrial Capital Association (2023), *BICA pointed to the easing of labor immigration and the launch of more training programs as key to the labor market in Bulgaria*. [in Bulgarian] <https://bica-bg.org/bg/article-22236-aikb-posochi-oblekchavaneto-na-trudovata-imigraciq-i-startiraneto-na-poveche-programi-za-obuchenie-kato-kliuchovi-za-pazara-na-truda-v-bylgariq.htm>

Bulgarian Industrial Capital Association (2022a), *A culture of equality is needed*. [in Bulgarian] <https://bica-bg.org/bg/article-21469-nujna-e-kultura-na-ravenstvo.htm>

Bulgarian Industrial Capital Association (2022b), *Short-term training courses with focused content and hands-on experience can provide a quick response to the need for skilled labor*. [in Bulgarian] <https://bica-bg.org/bg/article-21861-kratkosrochni-kursove-za-obuchenie-s-fokusirano-sydyrjanie-i-prakticheski-opit-mogat-da-dadat-byrz-otgovor-na-nujdata-ot-kvalificirana-rabotna-ryka.htm>

Bulgarian National Radio (2022), 'Bulgarian society has changed its attitude towards Russia: survey', available at <https://bnr.bg/en/post/101633954/bulgarian-society-has-changed-its-attitude-towards-russia-survey>

Central Election Commission (2022a), *Elections for national representatives – Summary of voting activity for the country*. <https://results.cik.bg/ns2022/aktivnost/index.html>

Central Election Commission (2022b), *Elections for national representatives – Summarized data from the election of people's representatives*. <https://results.cik.bg/ns2022/rezultati/index.html>

Confederation of Independent Trade Unions of Bulgaria (2022a), *After a series of protests: Raise the salaries of health inspectors and workers in emergency centers*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/12/21/sled-seriya-protesti-vdigat-zaplatite-na-zdravnite-inspektori-i-rabotesthite-v-speshnite-czentrove>

Confederation of Independent Trade Unions of Bulgaria (2022b), *After the blockade of the "Hemus" highway: Negotiations begin for higher wages in API*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/12/13/sled-blokada-na-magistrala-hemus-zapochvat-pregovori-za-po-visoki-zaplati-v-api>

Confederation of Independent Trade Unions of Bulgaria (2022c), *Declaration of protest of specialists working in libraries and community centers*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/05/20/protestna-deklaraciya-na-specialistite-rabotesthi-v-biblioteki-i-chitalista>

Confederation of Independent Trade Unions of Bulgaria (2022d), *FITUSAO's opinion: We insist on a 20% increase in personnel funds in the budget*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/02/15/stanovisthe-na-fnsduo-nastoyavame-za-20-rast-na-sredstvata-za-personal-v-byudzheta/>

Confederation of Independent Trade Unions of Bulgaria (2022e), *KNSB: Protests if the parliament does not raise the minimum wage*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/12/21/knsb-protesti-ako-parlamentat-ne-vdigne-minimalnata-zaplata>

Confederation of Independent Trade Unions of Bulgaria (2022f), *KNSB insists: Cumulative calculation of working hours - only for continuous productions!*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/09/20/knsb-nastoyava-sumirano-izchislyavane-na-rabotnoto-vreme-samo-za-neprekasvaemi-proizvodstva>

Confederation of Independent Trade Unions of Bulgaria (2022g), *KNSB insists that our country introduce the changes in the directive on hazardous substances at work*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/12/02/knsb-nastoyava-stranata-ni-da-vavede-promenite-v-direktivata-za-opasnite-vesthestva-pri-rabota>

Confederation of Independent Trade Unions of Bulgaria (2022h), *The workers at "Bulgarian Post" EAD start protest actions*. [in Bulgarian] <https://knsb-bg.org/index.php/2022/12/20/rabotesthite-v-balgarski-posthi-ead-zapochvat-protestni-dejstviya>

Confederation of Independent Trade Unions of Bulgaria (2022i), *The protest action for higher incomes continues across the country*. [in Bulgarian]

Council of Ministers of the Republic of Bulgaria, *National Council for Tripartite Cooperation*. https://saveti.government.bg/web/cc_13/1

European Central Bank (2022), *Economic Bulletin – Economic, financial and monetary dynamics*, Vol 2/2022. https://www.bnb.bg/bnbweb/groups/public/documents/ecb_publication/publications_ecb_mb_202202_bg.pdf

Hristova, K. (2022), 'How many and where are Ukrainian refugees in Europe (map)', *Capital*, available at https://www.capital.bg/politika_i_ikonomika/bulgaria/2022/10/13/4402882_kolko_i_kude_sa_ukraiskite_bejanci_v_evropa_karta [in Bulgarian]

Ilieva, E. and Toshkova, V. (2022), 'Chart of the day: What are the most appropriate measures to fight against inflation?', *Investor.bg*, available at <https://www.investor.bg/a/332-ikonomika-i-politika/352887-grafika-na-denya-koi-sa-nay-podhodyashtite-merki-za-borba-sreshtu-inflatsiyata> [in Bulgarian]

Kostova, M. (2022), 'Plamen Dimitrov was re-elected as the president of KNSB', *Bulgarian National Radio*, available at <https://bnr.bg/post/101645033/plamen-dimitrov-e-preizbran-za-prezident-na-knsb> [in Bulgarian]

KPMG Bulgaria (2022), *Changes to the Labour Code*. <https://kpmg.com/bg/en/home/insights/2022/08/legal-news--changes-to-the-labour-code.html>

KT Podkrepa (2022b), *The president of KT Podkrepa will participate in a press conference where the launch of the SOLID project will be announced*. [in Bulgarian] https://podkrepa.org/solid_publication2

KT Podkrepa (2022a), *Branch collective labor agreement and additional agreement for employees of "Irrigation Systems" EAD 2022-2024*. [in Bulgarian] <https://podkrepa.org/branshov-kolektivn-trudov-dogovor-i-sporazumenie-za-raboteshtite-v-napoitelni-sistemi-ead-2022-2024>

Mediapool.bg (2022), 'Ukrainians who have started working in our country will be entitled to a BGN 356 supplement for rent and bills', available at <https://www.mediapool.bg/ukrainsi-zapochnali-rabota-u-nas-shte-imat-pravo-na-356-lv-dobavka-za-naem-i-smetki-news336377.html> [in Bulgarian]

Ministry of Labor and Social Policies of the Republic of Bulgaria – Employment Agency (2022a), *Job opportunities for Ukrainian citizens*. [in Bulgarian]
<https://www.az.government.bg/pages/vazmozhnosti-za-rabota-na-ukrainski-grazhdani>

Ministry of Labor and Social Policies of the Republic of Bulgaria – National Institute for Conciliation and Arbitration – Database (2022b), *CLA in force by level of bargaining at the end of quarter*.
<https://www.nipa.bg/%D0%B1%D0%B0%D0%B7%D0%B0-%D0%B4%D0%B0%D0%BD%D0%BD%D0%B8/in-force/data-principal/2022-level-q>

Ministry of Labor and Social Policy of the Republic of Bulgaria (2022c), *Labor Market Brief Analysis as of May 2022*, Sofia. [in Bulgarian] <https://www.mlsp.government.bg/uploads/39/zaetost/analiz-za-pazara-na-truda-km-may-2022-g.pdf>

National Statistical Institute of the Republic of Bulgaria (2022), *Inflation and consumer price indices for September 2022*, Sofia, https://www.nsi.bg/sites/default/files/files/pressreleases/Inflation2022-09_en_WGJV1YZ.pdf.

Nova news (2022), Bulgaria ranks first in the EU in terms of the number of Ukrainian refugees with temporary protection, available at <https://nova.bg/news/view/2022/05/12/368634/%D0%B1%D1%8A%D0%BB%D0%B3%D0%B0%D1%80%D0%B8%D1%8F-%D0%BD%D0%B0-%D0%BF%D1%8A%D1%80%D0%B2%D0%BE-%D0%BC%D1%8F%D1%81%D1%82%D0%BE-%D0%B2-%D0%B5%D1%81-%D0%BF%D0%BE-%D0%B1%D1%80%D0%BE%D0%B9-%D1%83%D0%BA%D1%80%D0%B0%D0%B8%D0%BD%D1%81%D0%BA%D0%B8-%D0%B1%D0%B5%D0%B6%D0%B0%D0%BD%D1%86%D0%B8-%D1%81-%D0%B2%D1%80%D0%B5%D0%BC%D0%B5%D0%BD%D0%BD%D0%B0-%D0%B7%D0%B0%D0%BA%D1%80%D0%B8%D0%BB%D0%B0/>

Oliver, C. (2022), 'Bulgaria's Petkov points finger at mafia and Russia as government collapses', *Politico*, available at <https://www.politico.eu/article/bulgarian-pm-petkov-government-lose-no-confidence-vote>

Popov, B. (2022), '0% VAT on bread, 25 cents per liter discount on petrol, diesel and methane and more...*', *Investor.bg*, available at <https://www.investor.bg/a/333-byudzhnet-i-finansi/352359-0-dds-za-hlyaba-25-st-na-litar-otstapka-za-benzin-dizel-i-metan-i-oshte> [in Bulgarian]

Reuters (2022), 'Greece-Bulgaria pipeline starts operations to boost non-Russian gas flows', available at <https://www.reuters.com/business/energy/greece-bulgaria-pipeline-starts-operations-boost-non-russian-gas-flows-2022-10-01>

Stoyanova, P. and Popova, D. (2022), 'The expansion of the Bulgarian economy slowed to 4.5% at the end of March', *Investor.bg*, available at <https://www.investor.bg/a/333-byudzhnet-i-finansi/352289-razshiryavaneto-na-balgarskata-ikonomika-se-zabavya-do-45-kam-kraya-na-mart> [in Bulgarian]

Sustainable Governance Indicators (2022), *Bulgaria – Executive Summary*. https://www.sgi-network.org/2022/Bulgaria/Executive_Summary

The National Assembly of the Republic of Bulgaria (2022), 'Law amending and supplementing the Law on the State Budget of the Republic of Bulgaria for 2022', *State Newspaper*, Vol 52. [in Bulgarian] <https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=174605>

Velikova, S.(2022), 'Ivan Geshev remains the chief prosecutor, only 2 votes in the SJC "for" his removal from the post', *Bulgarian National Radio*, available at <https://bnr.bg/post/101673540/shtestane-li-ivan-geshev-glaven-prokuror-vav-vss-debatirat> [in Bulgarian]

Vodenov, Hristo (2023), 'Pekanov: No second payment under the NPVU until the 14 bills introduced by the cabinet are adopted', *Nova*, available at [Пеканов: Без второ плащане по НПВУ, докато внесените от кабинета 14 законопроекта не бъдат приети - Политика - България - Новините на NOVA - NOVA](#) [in Bulgarian]

WPEF23005

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.