



REPORT

ON IMPLEMENTATION OF THE NATIONAL STATISTICAL PROGRAMME AND THE ACTIVITY OF THE NATIONAL STATISTICAL INSTITUTE IN 2014

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CONTENTS

INTRODUCTION.....	3
I. DONE FOR THE FIRST TIME IN 2014.....	4
II. IMPLEMENTATION OF HORIZONTAL PRIORITIES OF THE STRATEGY 2013 – 2017.....	6
II.1. Provision of objective, timely and reliable statistical information on the economic, social and demographic development and environment at national and regional level.....	6
II.2. Implementation of new data sources and instruments for improving the production and increasing the quality of statistical products and services.....	10
II.3. Enhancing the professional and organizational capacity of the National Statistical System.....	14
II.4. Implementation of innovative and effective information and communication technologies and e-services.....	23
III. REPORT BY THEMATIC DOMAINS.....	25
III.1. Demographic and social statistics.....	25
III.2. Macroeconomic statistics.....	30
III.3. Business statistics.....	33
III.4. Statistics on agriculture, forestry and fishery statistics.....	38
III.5. Multi-domain statistics.....	39
III.6. Information and communication technologies, statistical infrastructure and other activities.....	43
IV. RESOURCE ASSURANCE.....	46
V. INTERNAL AUDIT AND ADMINISTRATIVE CONTROL.....	49
Annex 1. NSI Budget 2014.....	52
Annex 2. Organization chart of the National Statistical Institute.....	54
Annex 3. Information for outstanding activities due to budget limitations in 2014, laid down in the Action Plan.....	55

INTRODUCTION

The Report on implementation of the National statistical programme (NSP) and the activity of the National statistical institute (NSI) in 2014 is developed in compliance with Art. 9 (6) of the Law on statistics.

The report is structured into five sections and presents implementation of the tasks of the NSP 2014 and the NSI activities in the past year.

Section one contains surveys and activities performed for the first time in 2014.

The second section includes the results achieved on implementation of horizontal priorities within the existing Strategy for development of the National statistical system of the Republic of Bulgaria 2013 – 2017.

The third section presents the implementation of activities on the production of statistical information in thematic areas - demographic and social statistics, macroeconomic statistics, business statistics, statistics on agriculture, forestry and fisheries, multi-domain statistics, information technologies, statistical infrastructure and other activities.

The Fourth section presents the resources needed to implement the activities of the NSI in 2014.

The fifth section introduces the audit assignments performed by the Internal Audit Unit and the control activities implemented by the Inspectorate in 2014.

I. DONE FOR THE FIRST TIME IN 2014

In parallel with conducting more than 250 already established surveys and activities, for the first time in 2014, the National Statistics Institute implemented a number of **new surveys and activities**:

- Survey on learning mobility carried out simultaneously in all Member states and conducted by interview with about 30 000 persons aged between 18 and 34.
- Marketing survey on user satisfaction with statistical information and services in the field of statistics on household income, expenditure and consumption (Household budget survey)
- Data on death by causes in 2005 - 2013 by new harmonized list of 86 causes developed by Eurostat and used for international comparisons.
- Data on crime and criminal justice by a questionnaire jointly developed by Eurostat and United nations office on drugs and crime (UNODC).
- Quarterly survey on calculation of producer price indices for Security and investigation activities according to Regulation (EU) No 1158/2005 of the European Parliament and of the Council.
- Data on energy products consumption by kind - for heating and cooling of dwellings, water heating, cooking, lighting and electrical appliances, other kind of final consumption.
- Data on transfer passengers collected and processed jointly with Directorate General Civil aviation administration and submitted to Eurostat.
- Survey on agricultural land prices and rent according to the General methodology of Eurostat.
- Labour market situation of migrants and their immediate descendants - LFS ad hoc module – conducted in 2014 according to Commission Regulation (EU) No 102/2007
- Material deprivation - module to the Survey on Income and Living Conditions according to Commission Regulation (EU) No 112/2013

For the first time in 2014 the NSI:

- Performed data revision in the field of National accounts: quarterly data for the period first quarter of 1995 – second quarter of 2014 and annual data for the period 1995 - 2013 on the base of European system of accounts 2010, Regulation (EU) No 549/2013 of the European Parliament and of the Council.
- Implemented the new COICOP into the practice of nonfinancial national accounts.
- Developed terms of reference for implementation of electronic questionnaires in Household budget survey.
- Commenced entry and reporting of received declarations containing data on foreign trade of Bulgaria on the base of Single authorization for simplified procedures.
- Developed experimentally Flash estimates of GDP within 30 days after the reference period.
- Developed Concept for research activity in the NSI.
- Developed methodology, tools and terms of reference for new survey on producer prices for “Advertising and market research” (NACE.BG-2008 - 73) to be included in Information system Business statistics.

- Reported combined heat and power production by new tables requiring more detailed information on the types of combined units according to the requirements of Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency.
- Introduced in regular operation two automated work stations which make connection with the core of Unified Information System against Crime supported by Prosecutor General Office.
- Prepared and reported to Eurostat data on “Share of renewable energy in gross final energy consumption” by means of new electronic questionnaire.
- Provided Eurostat with all indicators of short term business statistics by means of the new standardized format for national metadata reporting via National Reference Metadata Editor (NRME)
 - Implemented SDMX standard for data provision in the field of national accounts.
 - Released Statistics magazine in electronic format on CD and online on the NSI website.

For the first time in 2014 several **new subsections** were created on the internet site of the NSI:

- Subsection “European system of national and regional accounts 2010”
- Subsection “Monthly fiscal data on deficit/surplus according to Directive 2011/85/EU of the Council”
- Subsection “Population grid, 1 sq.km, Census 2011”.

For the first time in 2014 in order to facilitate and accelerate the work with respondents, **web-based applications** for data entry and control were developed for the following surveys:

- European Health Interview Survey
- Survey on financial assets and liabilities of non-financial enterprises.

II. IMPLEMENTATION OF HORIZONTAL PRIORITIES OF THE STRATEGY 2013 - 2017

Main direction in the activity of the National statistical institute in 2014 was realization of the Action plan for implementation of the Strategy for development of the National statistical system of the Republic of Bulgaria 2013 – 2017. The task was a big challenge in view of the fact that the Strategy was approved by the Council of Ministers at the end of 2013, which had a negative impact on the implementation of the Action Plan. Main tasks as development and implementation of Information system “Macroeconomic statistics”, development and implementation of Information system “Education”, development and implementation of Information system “European register of multinational enterprises” and other which had to be started in 2013-2014 were not fulfilled because of lack of financing. In addition, the activity of the institute in 2014 was very difficult because of restrictions imposed on the NSI budget. In some periods there was a real danger of suspension of certain systems and inability to conduct surveys regulated by the European Parliament and by the Council. This would lead to inability to validate and submit data to the European Commission and would raise problems for government policies and imposition of unaffordable for our country monetary sanctions by the European Commission. The conclusion is that if the approach of funding of activities of the National Statistical Institute does not change, the implementation of the approved Strategy for development of NSS 2013- 2017 will be at risk. The reference for activities foreseen in the Action plan but not fulfilled because of budget limitations in 2014 is applied at the end of the report (Appendix 3).

II.1. PROVISION OF OBJECTIVE, TIMELY AND RELIABLE STATISTICAL INFORMATION ON THE ECONOMIC, SOCIAL AND DEMOGRAPHIC DEVELOPMENT AND ENVIRONMENT AT NATIONAL AND REGIONAL LEVEL

Priority 1.1. Provision of statistical indicators for development, monitoring and evaluation of European, national and regional policies

Statistical indicators for different statistical domains were provided in 2014. Statistics on R&D, innovations and information society was one of the fields that assured statistical data supporting the monitoring of implementation of leading initiatives under the strategy “Europe 2020”, National Development Programme: Bulgaria 2020 and development of Operational Programme “Innovations and competitiveness 2014 – 2020”.

Data obtained by the two regular statistical surveys in the field of information society statistics are a major source of information on the indicators of a leading initiative in strategy "Europe 2020" - „Digital Agenda for Europe”.

Survey on learning mobility started for the first time in Bulgaria in 2014 with a view to achieve one of the priorities of the strategy “Europe 2020” (stay in another country for education or training of 20% of university graduates in the EU) and in response to national and European needs of information on learning mobility.

The work on provision of indicators included in the macroeconomic imbalances scoreboard continued in 2014. These indicators are part of a package containing six legal acts (five regulations and one directive) for strengthening the economic governance in the EU. According to regulations the process of early identification of macroeconomic imbalances begins with publication of scoreboard of indicators accompanied by European Commission report containing an economic and financial evaluation. The scoreboard of indicators is a tool for early warning of the emergence of macroeconomic imbalances, and includes a narrow set of indicators: Current account balance as a percent of GDP; Net international investment position as a percent of GDP; Real effective exchange rates based on HICP deflators; Export market shares; Nominal unit labour cost; House prices relative to a Eurostat consumption deflator; Private sector credit flow in % of GDP; Private sector debt in % of GDP; General government sector debt in % of GDP; Unemployment rate.

Priority 1.2. Updating the existing ones and development of indicators for surveys on new phenomena and processes

Larger number of statistical indicators on business characteristics of enterprises was produced by

using the information available in the Business Register. Due to the increased interest in this type of data the NSI fulfilled many custom requests according to specific user needs.

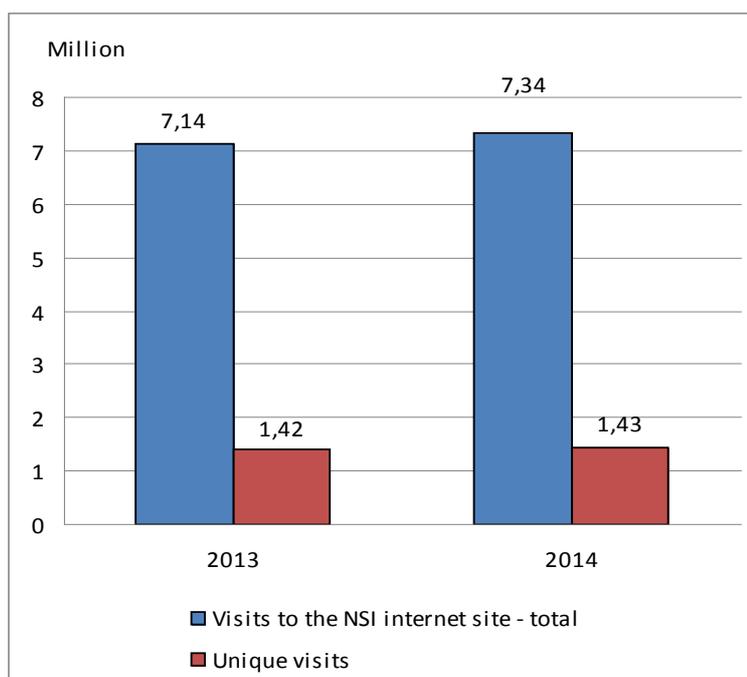
The National statistical institute prepared and provided to Eurostat an extended dataset on foreign trade of Bulgaria according to business characteristics of enterprises engaged in foreign trade. In support of negotiations for transatlantic trade and investment partnership at European level the NSI submitted to Eurostat an additional dataset in this area for partner country – USA. These data are particularly useful for the ongoing negotiations of the General Directorate "Trade" in the context of the EU-US agreement on transatlantic trade and investment partnership. Special efforts that not only Bulgaria but other Member States made on the preparation and submission of this additional dataset gave valuable results with strong impact on EU policy. This is an example of how good co-operation within the European Statistical System (ESS) can respond effectively and timely to the needs of institutional users.

In the field of energy statistics the “Europe 2020” indicator “Share of renewable energy in gross final energy consumption” was updated according to the new evaluation requirements of Eurostat.

Priority 1.3. Extending the scope of provided statistical products and services and active dialogue with users

In 2014¹ the internet site of the NSI was visited 7 343 144 times and the unique visits were 1 435 175 (Fig.1).

Figure 1. Visits to the NSI internet site



There were 22 298 visits average per day and the most visits (123 727) were on 27 March 2014.

All information was published according to the Release calendar within specified terms.

At the end of the year, there were 1 931 time series, 1 533 latest data, corresponding metadata and 581 methodological documents and quality reports in 40 statistical sections available to users in Bulgarian and English. During the year other materials were also published – 370 press releases, (191 in Bulgarian and 179 in English), 106 news (66 in Bulgarian and 40 in English), 5 versions of EKATTE, 11 competitions, 22 lists of admitted/not admitted competitors, 6 public contracts, 6 public invitations and others.

After the renovation of design, platform and content management system of the NSI internet site, data migration from the old site continued while at the same time new information was published in

¹ Data on the internet site visits and published materials are as of 15.12.2014.

2014.

Materials published in different sections of the NSI internet site:

- „Statistical classifications – basic terms and concepts”, „Theory of sample surveys” and „Glossary of quality terms”
- New table „Children in creches as of 31.12 by statistical regions and by districts”
- Accidents at work and work-related health problems - Ad hoc module to the labour force survey in 2013
- Customer Charter in User satisfaction section
- The ESS Report 2013
- Summary and critical report for Census 2011 in Bulgarian and English
- New data in section Overall energy balance sheet.

Subsection “SEBRA payments information” was created on the NSI internet site.

The information in “The World of Statistics” - successor to the global initiative International Year of Statistics (Statistics2013) – was updated on the internet site.

In 2014 the NSI successfully completed work on the two-year project “Horizontal and vertical integration: Implementing of technical and statistical standards in the European Statistical System”. The main objectives of the project were implementation and promotion of the SDMX technical and statistical standard for exchange of statistical data and metadata in the national statistical practice, and achieving of vertical integration between the National Statistical System and the European Statistical System. The final results of the projects activities are: elaboration of national reference database by integration of ESMS and ESQRS; development of national DSD and MSD for short-term business statistics, business statistics of non-financial enterprises and tourism statistics in order to exchange and disseminate statistical data and metadata at national and international level; development of dissemination database (DDB) in compliance with SDMX standard; application of SDMX-RI and implementation of web services for the dissemination database in order to derive and exchange information between NSI and other national and international organizations. Metadata publication has begun on the NSI internet site according to the Euro SDMX Metadata Structure (ESMS).

Within the first nine months of 2014, the ESDS Help desk received 41 inquiries, of which 2 by phone. The trend from previous years was maintained that indicated a better orientation of user to self-search of statistics published on the Eurostat website. The number of user inquiries for data verification or methodological support remained significant.

Statistical information was provided during the year in accordance with commitments under international agreements. The information was submitted by means of questionnaires received from international organizations that traditionally cooperate with NSI - Eurostat, UN, IMF, FAO, International Labour Organization (ILO) and many others.

According to the Editorial Plan for 2014, the National statistical institute presented 21 publications with circulation of 4 960 – 3 printed and 18 electronic to the users of statistical information. Printed publications have electronic version on CD. All electronic publications as well as electronic versions of printed publications are available for free in .pdf format on the NSI internet site. Basically, the NSI publications are available in two languages – Bulgarian and English.

Publications of the National statistical institute contain present statistical information on demographic, economic and social development of the country. At regional level the data are presented total for the country, by statistical zones, statistical regions and districts and municipalities. There are also international comparisons.

“Statistical Yearbook” is the most prestigious publication of the NSI with a long history and provides detailed information on the demographic, social and economic development of Bulgaria to users from

the country and abroad.

The National statistical institute publishes "Statistics" magazine which celebrates 85 years in 2014. The magazine presents the achievements and problems in the activity of statistical institution, scientific ideas and international statistical experience. The "Statistics" magazine is the only periodical in the information space which presents the National statistical institutes and the professional community of statisticians in various publications on current issues of theory and practice of statistical science.

In 2014, for the first time the "Statistics" magazine was published in electronic form on CD and online at the NSI internet site since the development of information and communication technologies allows and requires the magazine to have a new modern look.

Besides publications issued in 2014 the NSI also prepared advertising information leaflets „Bulgaria 2014“, „Labour force survey“ and „Household budgets survey“. The leaflets are issued in circulation 28 500 and are disseminated for free.

The aim of the annual Catalogue of Statistical Publications issued by the NSI is to present information to users on the forthcoming publication activity. The Catalogue is published in Bulgarian and English in total circulation 2 200 and it is also disseminated for free.

The NSI publishes press releases containing the results of main statistical surveys according to the Release calendar. Monthly average read and published press releases in English and Bulgarian in 2014 were about 20 in number.

The NSI library continued to occupy a leading position nationwide in the field of development, management and online dissemination of digital information resources. Priority in its activity in 2014 was the provision of free online access to the digital library information resources and the creation of a user-oriented digital database – conversion of PDF files to PDF pages, display of content, full-text and index of digital copies. The processed bases were attached to iLib-navigator in the electronic catalog of integrated information-searching library system. The performed activities enabled globally for full and free Internet access to the digital resources created. 72 354 digital PDF pages were converted through software processing. At present the library successfully manages an impressive volume of over 900 thousand pages of digital information. Digital copies of statistical collections "Population Census on January 1, 1910" and "Population Census on January 1, 1920" were published online.

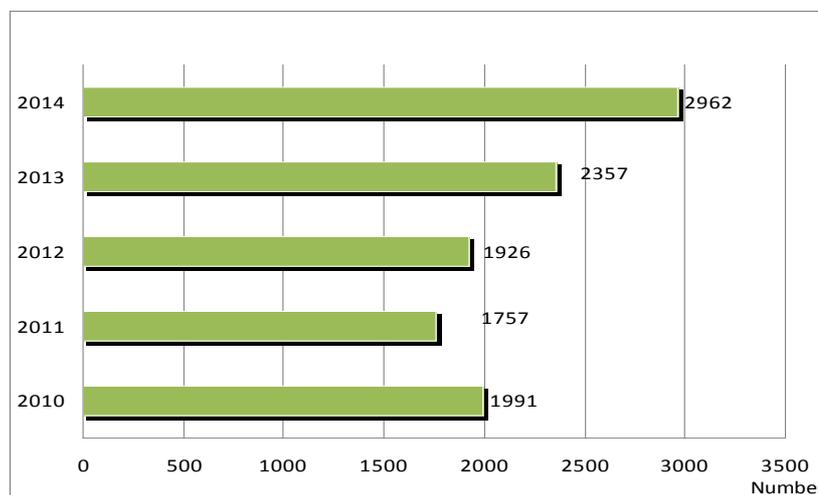
During the year, the digital library of NSI recorded 7 795 visits.

The digital database performed 19 138 references. 172 users of statistical information were served and consulted in the reading room. The sources used - library units, digital library and website of the NSI was 1503. The introduction of bibliographic descriptions of statistical publications in the electronic catalog as well as the press marking and barcoding of the library fund continued during 2014

A national and international book exchange was made with scientific and university libraries in the country, as well as libraries of statistical offices abroad and international organizations.

In 2014, 2 962 single requests for statistical information were satisfied (fig. 2).

Fig. 2. Single user requests



In 2014, statistical information was also provided to users from the country (26) and from abroad (2) who requested by a letter that want to receive data from a particular survey immediately after their official announcement (table 1). Nine single requests of statistical users from abroad were made during the year.

Table 1. Responses to requests for regularly provision of information

	(Number)
Requests from the country	26
Responses with monthly data	255
Responses with quarterly data	78
Requests from abroad	2
Responses with monthly data	24
Responses with quarterly data	0

The legislative, executive and judiciary authorities were timely provided with recent statistics during the year. The information needs of companies, banks, trade union centers, professional organizations, scientific users, district and mayoral administrations and separate individuals were satisfied. Reports for users from embassies and trade representations in the country were also prepared. There was traditionally high media interest to the results of statistical surveys.

The survey on user satisfaction with the produced statistical information continued in 2014. Over 120 questionnaires were filled in online.

Priority 1.4. Establishing conditions for production and integration of spatial (georeferenced) information with statistical information

The National statistical institute works on its commitments in the field of integration of statistical data, when applicable, to create an infrastructure with multiple sources of information to provide spatial-temporal analysis and to expand the use and dissemination of regional georeferenced statistics.

The GEOSTAT 1B project launched by the European Forum for Geostatistics and the European statistical system completed at the end of 2013. The project aimed at representing a unified European information base of various population characteristics of the 2011 population Census in 1 km². Results from the product of the European population grid were reported and approved in 2014. They contributed to fulfill the NSI commitments under the INSPIRE directive. The Population grid was prepared and disseminated for free via the NSI website for the first time in July 2014. The grid statistics is very useful and important because it allows producing analyses (spatial and temporal) at lower territorial levels without being influenced by changes in the administrative-territorial division of the country.

Information under improved methodology was published in Regional statistics section on the NSI internet site in 2014.

II.2. IMPLEMENTATION OF NEW DATA SOURCES AND INSTRUMENTS FOR

IMPROVING THE PRODUCTION AND INCREASING THE QUALITY OF STATISTICAL PRODUCTS AND SERVICES

Priority 2.1. Expanding the use of administrative registers and information systems for statistical purposes

The use of administrative sources continued in the field of labor market in order to improve the scope and quality of statistical data from enterprises and to reduce the impact of non-response.

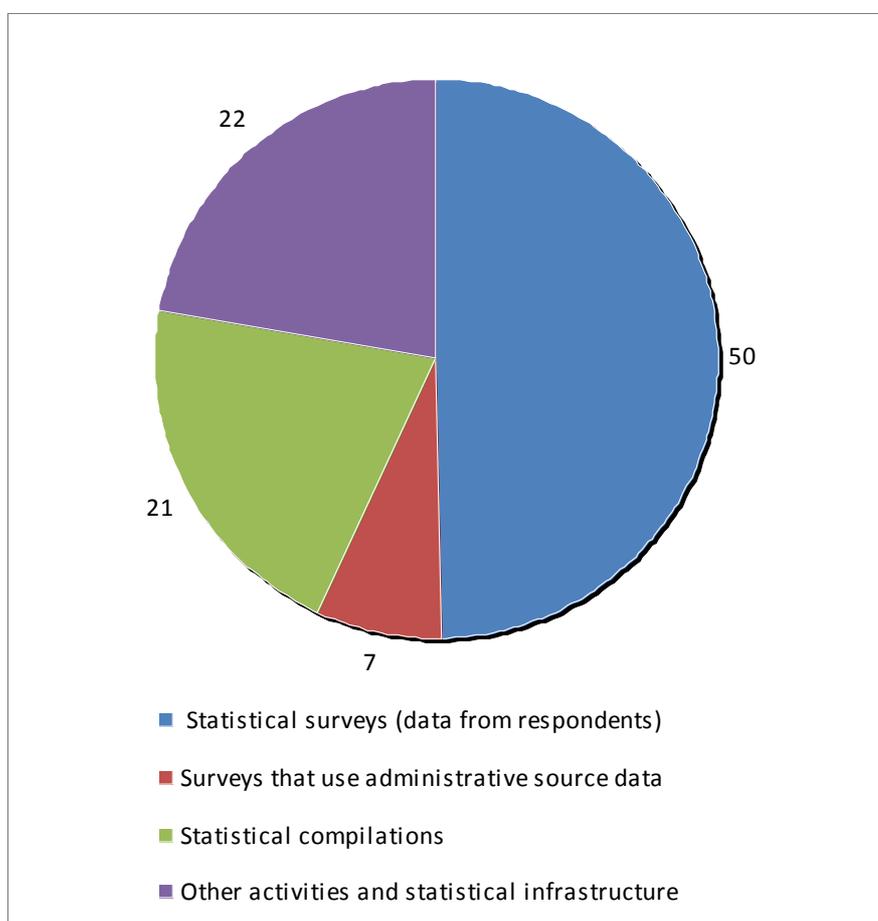
The number of administrative sources for collection of information in the field of energy statistics also increased.

The production in the area of foreign trade statistics was oriented to the growing needs of users through broader use of data already collected by other administrations or other departments of NSI, without an increase in the respondent burden.

The efforts in the area of environmental statistics with a view to improve the quality of collected information, reduce the respondent burden and include administrative sources of information were aimed at improving the data collection system for municipal waste. Two surveys were combined: Municipal and construction wastes and Total revenue from taxes and fees and expenditure for municipal waste. Municipal administrations provide information on the types and quantities of municipal and construction wastes collected and delivered for treatment, revenue and expenditure for municipal waste and the Executive Environment Agency provides information on the amount of waste that remains after recycling, composting and incineration.

The share of the NSI surveys that use administrative source data was 7% in 2014 (Fig. 3).

Fig. 3. Distribution of statistical surveys by type conducted by the NSI according to NSP 2014



Priority 2.2. Using innovative ICT and instruments for collection of primary data

The update and extension of Information System "Business Statistics" (ISBS) continued in 2014 by including new surveys or new forms to the existing surveys that facilitated the data transfer between enterprises and NSI and it is an important step to reduce the respondent burden. ISBS helps to increase the quality of statistical information by strict arithmetic and logic input control of the data and to provide timely, relevant and widely accessible information upon protection of statistical confidentiality. Terms of reference was elaborated in 2014 aimed at inclusion of four new surveys which were processed offline till 2014 ("Annual report on activities of insurance companies", "Annual report on activities of specialized investment companies", "Annual report on activities of pension companies" and "Annual report on activities of pension funds").

With a view to reduce the respondent burden, the inquiry in ISBS on state and expenditure of municipal administrations for water supply and sewage infrastructure was updated in 2014 – three sections of the form were removed. Duplication of some questions to respondents regarding water supply and sewage was eliminated.

The development, maintenance and update of Information System "Short-term Business Statistics" (ISSBS) continued in 2014. New subsystems were included, respondent module was improved; existing applications and output tables were improved. ISSBS allows to submit information online from companies included in the monthly and quarterly business surveys and thereby to save time and to provide a quick and convenient way to participate in the surveys. As a result, the interest of the respondents to its use is constantly increasing.

The new application software provides quick and convenient way to elaborate a representative sample of enterprises for the monthly survey „Industrial products manufactured and sold on domestic market" through the online-based ISSBS.

The development of Information System "Demography" and the optimization of its architecture according to the best modern practices continued during the year.

In 2014, the NSI continued to develop web-based applications for entry and control of data from statistical surveys. The developed web applications facilitated respondents and reduced the burden on employees in RSO:

- "Producer prices in security and investigation activities" form
- "Financial assets and liabilities of non-financial enterprises" quarterly form for 2014
- Questionnaire on agricultural accounts

A web application for the European health interview survey was developed in the field of demographic and social statistics.

A new web application for the financial assets and liabilities of non-financial enterprises was developed in the field of business statistics.

During the year the NSI started to work on SIMSTAT ESS.VIP project on intra-community trade data exchange by using programme and technical tools common for the ESS (CCN/CSI). The exchange will be implemented through the application of common standards and formats for data transfer and represents a new approach by Eurostat in collecting and producing data on trade between Member – States. The main objective of the project is a significant reduction of the respondent burden with higher quality of data.

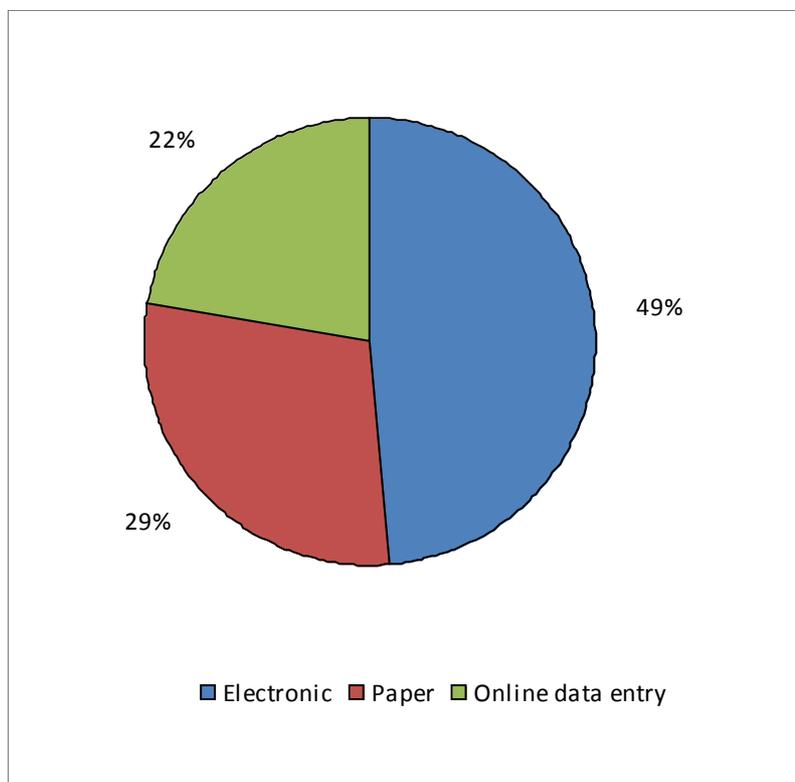
In the field of justice and crime statistics, improvements were made in the processing of statistical forms for crimes with penalty inflicted and persons convicted in order to ensure methodological unity between the Unified Information System Against Crime (UISAC) and the NSI information system. The envisaged measures optimized the organization of statistical production and resulted in improvement of statistical tools.

In the areas of agriculture, forestry and fisheries, the methodology and statistical tools for the quarterly sample survey on agricultural accounts and annual survey on agricultural land prices and rent

was improved.

In 2014, more than two-thirds of the surveys conducted by the National Statistical Institute via data collection from respondents were entered online and by electronic questionnaires. (Fig. 4).

Fig. 4. Share of electronic questionnaires for statistical surveys conducted by the NSI via data collection from respondents



In 2014, new electronic questionnaires were included for statistical surveys of various domains for which data were previously provided in paper form.

Electronic questionnaires for theaters were developed in the field of demographic and social statistics.

In the areas of justice and crime, data from the regular annual survey on the activities of the local commissions conducted jointly with the Central commission for prevention of juvenile delinquency, were fully provided through an electronic questionnaire.

Electronic questionnaires for collection of information for statistical surveys were also introduced in the field of energy statistics in order to reduce the burden on respondents.

Priority 2.3. Implementing a systematic approach for quality management and control in NSS

The stable quality management of European statistics is a priority direction in the development of the European Statistical System. Quality management of European statistics requires all Member States to effectively implement the legislation in the field of statistics and principles of the European Statistics Code of Practice.

The developed glossary of quality terms was published on the website of the institute under the section "Products and Services" in early 2014.

The activities on implementation of the recommendations of the peer review carried out in April 2007 continued during the year. In the period 13 - 17 October 2014 representatives of the European Commission held a second round of peer review of the National Statistical System. Experts from the NSI, representatives of the bodies of statistics, as well as representatives of business, scientific community, media and users of statistical information participated in the peer review. The National

Statistical Institute received full support on the organization and conduct of the peer review by the following bodies of statistics - Ministry of Agriculture and Food, Executive Agency "Maritime Administration", Directorate General "Civil Aviation Administration" and the National Revenue Agency. Bodies of statistics - subject to verification completed set of documents on the National Statistical System and quality self-assessment questionnaires on implementation of all 15 principles of the revised European Statistics Code of Practice. The approach was auditing, i.e. team of auditors formulated final recommendations for Bulgaria. Satisfaction with the produced and provided statistical information and protection of confidentiality were considered on the meetings with users and respondents. The experts from auditing team focused on each principle of the European Statistics Code of Practice. As a result, the auditing team by the European Commission drew up a report with recommendations on the implementation of some of the principles of the Code of Practice in the National Statistical System.

The work on assessment, quality improvement and maintenance of comparability of time series of short-term business statistics continued in 2014. The samples of companies were updated in order to reflect the demographic changes and changes in the structure of non-financial enterprises. The samples for the producer price surveys were updated by inclusion of new more significant companies determinative for changes in market prices of the products concerned. The methods of seasonal adjustment applied to certain short-term indicators to meet the requirements set out in the ESS Guidelines for the seasonal adjustment of time series were constantly improving.

During the year, the NSI continued to develop and provide to Eurostat quality reports for statistical surveys. Quality reports are available for demographic and social statistics, business statistics and multi-domain statistics and are published in Bulgarian and English on the website of the NSI.

Annual quality reports on the Labour Force Survey, quarterly index of labor costs and statistics of employed and vacancies were prepared in the field of demographic and social statistics.

In implementing Regulation (EU) № 763/2008 of the European Parliament and of the Council on population and housing census, in 2014 the National Statistics Institute submitted to Eurostat data, metadata and quality report on the Population and Housing Census in the Republic of Bulgaria in 2011.

The usage of a specialized ESQR format for online filling of metadata and quality report for Eurostat was successfully implemented in the field of education statistics in 2014. The Bulgarian report was the first of the Member States that was verified and published on the Commission's website.

A report on the data quality of gross national income (GNI) for the period 2002 - 2013 was prepared and sent to Eurostat in the area of macroeconomic statistics in the current year.

In the field of statistics on agriculture, forestry and fisheries, the "**Agrostatistics**" department in Directorate General "Agriculture and Regional Policy" in the Ministry of Agriculture and Food prepared and presented to Eurostat quality reports on the survey of the structure of fruit species in Bulgaria in 2012 and annual plant statistics in 2013.

The quality reports in the field of environmental statistics and accounts were sent to Eurostat simultaneously with the questionnaires.

The quality reports on data on innovations in the period 2010 – 2012 were developed in the area of R&D and innovation in accordance with Regulation (EU) № 995/2012 of the Commission.

In the field of information society statistics, quality reports on the ICT usage and e-commerce in enterprises were prepared in 2014 under Regulation (EU) № 859/2013 of the Commission. The reports were provided to Eurostat through the specialized ESQR format for online filling of metadata and quality report in the new tool "National Reference Metadata Editor" (NRME).

II.3. ENHANCING THE PROFESSIONAL AND ORGANIZATIONAL CAPACITY OF THE NATIONAL STATISTICAL SYSTEM

The main priorities of training activities in the NSI in 2014 were related to the concretization and

detailisation of the horizontal priorities included in the detailed **Annual plan for specialized training of the NSI staff** in implementation of the **Strategy for Development of the National Statistical System of the Republic of Bulgaria, 2013 - 2017**, and in connection with the Guidelines for training development in the European Statistical System under the European programme for training in statistics. Support and improving the professional qualification of employees is an important precondition for the production of objective, timely, reliable and quality statistics.

Employees of the NSI registered a total of 770 participations in total of 35 various training forms – courses, workshops, instructions (mainly with employees of RSO), consultations in the country and abroad, studying the experience of other countries and traineeships abroad (table 2).

Eleven trainings related to the modernization of statistical surveys were conducted during the year which involved a total of 451 employees of the NSI. A total of 303 employees participated in 9 seminars for improving the professional qualifications. Sixteen employees participated in trainings organized by Eurostat related to traineeships abroad and studying the experiences of other countries.

Table 2. Trainings and workshops of employees of the National statistical institute

Specialized training and workshops	Trainings conducted	(Number)
		Employees trained
In abroad (Eurostat)	15	16
On modernization of statistical surveys	11	451
On improving the professional qualification	9	303
Total	35	770

Trainings for professional development and improvement were conducted in the field of demographic and social statistics: “Survey on Income and Living Conditions (SILC)“, “Household income, expenditure and consumption“, “Development of data on learning mobility“, “European Health Interview Survey“, “Deaths by causes and mortality by causes“.

Priority trainings in the field of macroeconomic statistics were national accounts, consumer price index/harmonized consumer price index and housing price.

Training was organized in the field of business statistics in relation to modernization of methodology and tools of the energy surveys.

The priority trainings in multi-domain statistics and statistics on agriculture, forestry and fisheries were related to agricultural price and rent as well as modernization of methodology and tools of the environmental surveys. Trainings were conducted for professional development and for carrying out the survey “ICT usage in households and by individuals“.

The trainings in the area of administrative services and activities of general administration staff were related to:

- Application and implementation of projects under the structural funds of the European Union
- Recent amendments to the Law on Public Procurement - new points of control and appeal
- Recent changes in legislation in the field of human resources management. Practice of the Supreme Administrative Court on implementation of the Law on Civil Servants.

Mandatory trainings for civil servants appointed for the first time in a managerial position, as well as experts employed for the first time as a government official, were conducted in 2014 by the Institute of Public Administration according to the requirements under the Law on civil servants. Five employees in managerial position were trained. Total of 24 experts employed for the first time as a government official were trained and six of them were appointed in 2013.

Priority 3.1. Establishing a motivating work environment and development of professional capacity of the employees in NSS

In terms of succession and human resources planning the NSI participated for the second year in the Operational programme "Human Resources Development" Component 1 - "**Career Start**" programme.

The NSI was allocated a quota for 37 jobs in 2014 under the "Career Start" programme. According to the requirements of the Program, unemployed graduates under 29 years of age who have not acquired professional experience in specialty could be eligible for these jobs. As a result of the selection made, 37 young people will be appointed by the end of the year under labour contract for a period of 9 months. A total of 228 unemployed young people applied for these jobs.

In 2013 under the same programme, 12 young specialists were appointed under 9 months labor contracts at the NSI Head Office and 11 of them were employed after the Programme ended in 2014.

Two students participated in traineeships in the period 1.08.2014 - 11.9.2014 at the NSI Head Office under the **Programme for summer student traineeships in public administration 2014**. The Programme provides students with opportunity to acquire professional experience, knowledge and skills in a real work environment and professional orientation.

Student traineeships conducted at the NSI

In 2014, the National Statistical Institute conducted student traineeships and practical trainings for young people from various Bulgarian universities studying disciplines related to the activities of the institute. Thus preconditions were created for establishing productive and traditional cooperation with universities in Bulgaria.

Practical trainings were organized for students in Statistics and econometrics of University of national and world economy – Sofia, Academy of economics – Svishtov and University of economics – Varna. The trainings were conducted by NSI experts and academic teachers as mentors and advisors.

A total of 40 trainees participated under the Traineeship programme at the Head Office and Regional statistical offices of the NSI (table 3).

Table 3. Traineeships conducted at the National statistical institute

University	(Number)	
	Head Office	RSO
University of national and world economy – Sofia	22	-
University of economics – Varna	-	15
Academy of economics – Svishtov	3	-
Trainees total	40	

In the first half of 2014 the library once again hosted a traineeship of bachelors from the Sofia University “St. Kliment Ohridski”, specialty Library and Information Studies.

Priority 3.2. Adapting the organization of work in NSS towards contemporary information and communication technologies

In order to secure the work process, every employee of the NSI has a work place provided with personal computer connected via corporative network to the server center and the centralized information resources.

In connection with implementation of new statistical surveys and increasing the requirements to quality of statistics produced, there is constant process of implementation of modern technological products and resources: geospatial information software - ArcGIS; new platforms for development of web based questionnaires (LimeSurvey, VB.NET); innovation methods in surveys conducted by inquiry (CATI, CAPI, CAWI); broad application of SDMX standard for transmission and dissemination of statistical data, as well as software for seasonal data adjustment Demetra; digitalization of information resources of the NSI library through specialized software and equipment.

Basic analytical platform in the NSI is SPSS Statistics Server. This platform provides usage of Enterprise abilities of SPSS, decision making on enterprise level, acceleration of the tasks performed

and improvement of the quality of work. The data are centralized and unified as their security is guaranteed by introducing different access rights for different users. The work with the server version of SPSS Statistics Server began in 2009 by installation of version 17. Licenses are renewed annually and updated to the latest applicable version. More employees in the NSI use SPSS by which they facilitate and improve the quality of their work.

Priority 3.3. Cooperation and partnership between institutions of NSS and users

In order to achieve greater coordination of actions and deadlines for the production of statistical information, the NSI, bodies of statistics and other state institutions continued joint work on the agreements concluded.

The cooperation and coordination between NSI and National Audit Office in the field of government finance statistics under an agreement for exchange of information continued in 2014.

In May 2014, the National Statistical Institute and the Economic Research Institute of the Bulgarian Academy of Sciences signed an Annex to the Agreement on cooperation and strategic partnership in exchanging information between the two institutions.

In June 2014, the NSI and the University of National and World Economy signed Framework cooperation agreement aimed at joint coordination of the preparation of new employees and improving the qualification of employees in the NSI, as well as joint implementation of research activities targeted at solving specific problems of the statistical theory and practice.

In 2014, NSI concluded an agreement for cooperation and exchange of information with Sofia University "St. Kliment Ohridski".

In October, the National Statistical Institute and the National Agency for Vocational Education and Training signed an Agreement on cooperation and strategic partnership in exchanging information between the two institutions.

In the field of transport statistics, efforts were made to achieve more effective interaction with the following institutions providing primary data for the production of official statistics:

- Directorate General "Civil Aviation Administration" to the Ministry of transport, information technology and communications – on the civil aviation activities in Bulgaria
- Executive Agency "Maritime administration" to the Ministry of transport, information technology and communications – on activities of maritime ports and inland waterway ports
- Executive Agency "Automobile Administration" to the Ministry of transport, information technology and communications – data on licensed carriers of passengers and goods for domestic and international transport; data on the number of licensed taxis and cars owned by them
- Ministry of Interior:
 - "Security and traffic police" Directorate – data on road traffic accidents, persons killed and injured; data on motor vehicle registrations
 - "Communication and information systems" Directorate - data on registered motor vehicles needed to conduct sample survey on freight road transport.
- Road Infrastructure Agency – data on national road network by road category and by type of pavement
- National Railway Infrastructure Company – data on the length of railway network - total for the country and by region
- Communications Regulation Commission – data on licensed operators of universal and non-universal postal services.

NSI representatives participated actively in the work of the thematic working groups on preparation of the nine operational programmes related to the management of funds under the Common Strategic Framework of the European Union for the programme period 2014 - 2020, and the implementation of

the prerequisite 7 of the Partnership agreement.

There was active cooperation between the NSI and the Bulgarian National Bank (BNB) in the field of government finance statistics with a view to the forthcoming implementation of the ESA 2010. The process of data consistency for annual and quarterly financial national accounts with Notification tables for debt and deficit of General Government sector continued in 2014.

NSI employees participated in interdepartmental working groups for updating the form of collecting information from farms for the Agricultural accounting information system maintained by the Ministry of agriculture and food, and for calculation of average standard output coefficient (SO – 2010) – basic component in farm type definition in the Farm structure survey in 2013.

NSI employees participated in the work of Monitoring committee of the Rural development programme 2007 - 2013 and in the meetings of the Thematic working groups on preparation of Rural development programme and Programme for Maritime Affairs and Fisheries for the next programme period (2014 - 2020).

The National statistical institute and the Bulgarian institute for standardization developed the Bulgarian version of the European standard (ISO 3166-1: 2013) - Codes for the representation of names of countries and their subdivisions.

The cooperation and coordination between NSI and the Ministry of Labour and Social Policy (MLSP) continued during the year in their efforts to update the Index and List of occupations to the Classification of occupations (CO 2011). The corresponding tables to the respective versions were developed and updated.

The NSI and the Customs Agency carried out an annual update of the explanatory texts of the Combined Nomenclature which are supplied to the National Revenue Agency (NRA) for the purposes of foreign trade statistics and "Intrastat" system.

In the implementation of Regulation (EU) № 1338/2008 of the European Parliament and of the Council and Regulation (EU) № 349/2011 of the Commission, experts from the NSI and the National Social Security Institute (NSSI) with the financial support of the "Working Conditions" Fund, developed updated versions of statistical systems "Accidents at work" and "Occupational diseases". The systems were adopted by the NSI President and promulgated in the "State Gazette".

Priority 3.4. Establishment of the NSS as an active member of the European Statistical System and the international statistical community

In 2014, the Republic of Bulgaria as a Member state and in particular the National Statistical System, continued the good tradition of international cooperation in the following areas:

NSI in the European statistical system

Under Regulation (EU) № 223/2009 of the European Parliament and of the Council on European statistics, the European statistical system is partnership between the Statistical Office of the European Union – Eurostat and the NSIs and other national authorities responsible in each Member State for the development, production and dissemination of European statistics.

The National Statistical Institute of Bulgaria is an integral part of the ESS and it is the national statistical authority responsible for coordinating all activities at national level for the development, production and dissemination of European statistics and acts as a contact point for the Commission (Eurostat) on statistical matters.

In 2014 the NSI actively participated in the 20th, 21st, 22nd and 23rd meeting of the European Statistical System Committee (ESSC). During the year, there were 12 drafted framework positions on comitology items of the agenda of meetings of the ESSC, which under CM Decree № 85/2007, were agreed in the Working Group 12 "Statistics" at the Council for European Affairs (CEA) and endorsed by the CEA.

The National Statistical Institute, representing the Working Group 12 "Statistics" at the Council for European Affairs, regularly participates in weekly meetings of the Council, where the positions of the

Republic of Bulgaria are considered in relation with the obligations deriving from membership in the European Union.

In 2014 the Council of the European Union was chaired by Greece and Italy (Greek and Italian Presidency). There were 12 meetings of the Working Group "Statistics" at the Council, including seven during the Greek Presidency and five in Italian. By the Permanent Representation of the Republic of Bulgaria to the European Union (PRRBEU) in Brussels, the NSI was involved in the decision-making in the field of statistics by sending instructions to the sectoral diplomat at PRRBEU.

The President of the National Statistical Institute of Bulgaria participated in the celebrations on July 11, 2014 in Bucharest on the occasion of 155 anniversaries of the official Romanian statistics and by invitation of the President of the National Institute of Statistics of Romania. Both statistical institutes are members of the European Statistical System and partners in numerous international organizations such as the UN Statistical Commission, the Committee on Statistics and Statistical Policy of the Organisation for Economic Cooperation and Development (OECD). In this way the statistical institutes of the two countries are officially involved in the most significant institutions of the global statistical community.

The NSI participated in the 100th Conference of the Directors-General of the National Statistical Institutes in Europe, which was held on 24 to 25 September 2014 in Riga, Latvia. The main theme of the conference was "The Future of the European statistical system and how to achieve it" with emphasis on the implementation of the "Vision 2020" and the future of global business statistics.

The National Statistical Institute was represented by one of its vice-presidents on the second meeting of the European Statistical Forum held in Bratislava, Slovakia on September 17, 2014. The National Bank and the National Statistical Institute of Slovakia hosted the Forum. The European Statistical Forum is a newly created governing body in relations between the European Statistical System and the European System of Central Banks (ESCB). The Forum was established on the basis of the Memorandum of Understanding signed on 24 April 2013 by representatives of the ESS and the ESCB. The forum aims at strengthening the cooperation at a strategic level in areas of common interest and shared responsibility such as balance of payments, trade in services, national accounts and government finance statistics.

Experts from Azerbaijan visited the NSI on 29 to 31 October 2014 for training in the field of tourism satellite accounts within the bilateral cooperation between the National Statistical Institute and State Statistics Committee of Azerbaijan.

Three NSI employees realized their professional skills as seconded national experts in Eurostat in 2014 which is international recognition for Bulgaria. During the year, two trainees in the area of Statistics on income and living conditions (EU-SILC) and classifications visited the NSI under the Instrument for Pre-Accession Assistance (IPA) of the European Commission..

During the reporting period, 55 NSI experts participated in the meetings of Eurostat working and target groups developing strategic documents, legislation and new methodologies in the statistical domains, 30 experts participated in international project meetings, 9 experts in trainings, 4 experts in events by IPA, 10 experts in twinning projects, 19 experts in international conferences.

NSI in international organizations in the field of statistics

For more than 13 decades the Bulgarian statistical authority collects, processes, produces and disseminates strategic information of public importance and continually expands its contacts with various organizations in the region, Europe and the world. Bulgaria became a full member of the UN Statistical Commission (UNSC) in January 2013 and the NSI is a candidate for the status of "regular observer" in the Committee on Statistics and Statistical Policy of the Organisation for Economic Cooperation and Development.

The 11th meeting of the Committee on Statistics and Statistical Policy of the OECD was held on 7 and 8 April 2014 in Paris, France. The President of the NSI is appointed by Decision of the Council of Ministers of January 27, 2011 to represent Bulgaria in meetings of the Committee on Statistics and Statistical Policy of the OECD as an ad hoc observer. Issues related to economic growth and the

measurement of well-being and progress were discussed at the meeting.

The 62nd session of the Conference of European Statisticians was held immediately after the 11th session of the Committee - from 9th to 11th April. The forum aimed at coordination of the international statistical activities within the UNECE which includes representatives from all over the world.

On invitation of OECD, the President of the National Statistical Institute participated in a seminar dedicated to the measurement of subjective well-being and use of the results in policy-making. The event was carried out on 23 and 24 June 2014 in the Conference Centre of the OECD in Paris.

On invitation of the Director of the UN Statistical Division and the Director General of Eurostat, the President of the National Statistical Institute participated in two forums of particular importance to the development of modern statistics: World Forum for the integration of statistical and geospatial information - on 4 and 5 August 2014, and the session of the Committee of Experts on the management of global geospatial information to the United Nations - on 6 and 8 August 2014. Both events were held at UN headquarters in New York, USA.

Participation of the NSI in European Projects

The National Statistical Institute successfully continued to perform the tasks associated with participation in projects of the European Commission, as well as projects on a bilateral and multilateral basis with the statistical offices of the Member – States, implementation of projects under the EC programs in the Western Balkans, European Neighborhood Policy and Eastern Partnership.

The Twinning project “Support to the State Statistical Office of FYROM for capacity building and improving compliance of statistics with EU standards” completed in August 2014. Parties involved were the Federal Statistical Office of Germany (lead partner) and the Statistical Office of the Former Yugoslav Republic of Macedonia. Junior partner in the project was the Statistical Office of Denmark, and Bulgaria, the Czech Republic and France participated with expert assistance. Bulgaria participated in the project with seven experts in the field of national accounts, environmental accounts, transport, culture and healthcare. The activities related to the project were 14 in number and during the final seminar NSI received high praise for the support of the Macedonian colleagues from both the lead partner and the beneficiary - the Statistical Office of the Former Yugoslav Republic of Macedonia. The important role of Bulgarian experts to achieve the objectives of the project and the successful completion of work was underlined.

“Managing migration and its effects in South-East Europe - transnational actions towards evidence based strategies” project (SEEMIG) completed in November 2014. The project duration was 30 months and it was financed by the Transnational Cooperation Programme “South East Europe 2007 - 2013”. The Hungarian Central Statistical office was leader and coordinator and the activities were performed by international consortium involving institutions and research centers from eight countries (Hungary, Austria, Bulgaria, Italy, Romania, Serbia, Slovakia, and Slovenia). Bulgaria was represented by the NSI and District Administration – Montana. The NSI hosted the fourth meeting of the project partners which was held on January 28 to 29 2014 in Sofia. The final meeting on the project was held in October in Budapest. The results of project implementation were presented and high praise was given for the participation of the consortium partners. The following basic documents were developed by the NSI in accordance with the SEEMIG project requirements:

- Historical dynamic analysis of long-term trends in migration, labour market and human capital for the period 1950 - 2011 година
- Report on the Data production system on migration in Bulgaria
- Data prepared and submitted to the database of Southeast Europe - population and demographic processes, social statistics, labor market – data from the Labour Force Survey, main macroeconomic indicators
- Action plan for the improvement of the data production system on migration and human capital in Bulgaria
- Strategy for improving / upgrading the quality of statistical data on migration.

Cooperation between the **NSI and the Ministry of Regional Development (MRD)** continued in 2014 on the implementation of **project “Bulgarian Border Dialogues. Developing a Regional Database for Cross-Border Cooperation”**. The project was funded by BG 11 programme “Capacity Building and Institutional Cooperation” within the Norwegian Financial Mechanism 2009 – 2014. The project activities are related to statistical capacity building by exchanging of experience and carrying out meetings and discussions between the statistical institutes of the Republic of Bulgaria and neighbouring candidate countries for EU membership (Turkey, Serbia and Former Yugoslav Republic of Macedonia), as well as statistical institute of the Kingdom of Norway. The project aims to improve the cross-border relations between the institutions, allowing harmonization of methodology for production of a larger volume of cross-border data, attraction of foreign investments and qualified human resources. Two workshops were held in Sofia and the participants discussed the indicators to measure sustainability of projects for cross-border cooperation within the new programme period - 2014 – 2020. Currently statistical data on border regions are being collected and synchronized under the project as they are to be integrated in the online platform with open access where users will be able to extract and visualize data in different ways according to their own interests and to complement the site with information, statistical data, photos, and copyrighted material related to regions.

In 2014, the NSI has successfully completed the implementation of **9 projects** and continued implementation of the **18 European projects** funded through grants from the European Commission and cofinanced from the state budget in the area of macro-economic statistics, social statistics, business statistics and multi-domain statistics. The projects are included in the Annual program of Eurostat in 2014 and the “Modernisation of European Enterprise and Trade Statistics” (MEETS) and are pursuant to Regulation (EU) № 99/2013 of the European Parliament and of the Council on the European statistical program 2013 – 2017. During the year, the NSI applied for **15 new projects** which are intended to be implemented in the period 2014 – 2017.

The work on **ESSnet Project ”SIMSTAT – implementation of trial tests for micro data exchange”** started in early November and the project coordinator is France. The project aims to conduct trial tests between beneficiaries in order to exchange microdata and analyze the results including options to use the data exchanged.

Throughout the year, the National Statistical Institute continued successful cooperation with experts from the **Statistical office of the Former Yugoslav Republic of Macedonia**.

The NSI experts provided technical assistance in the form of training and consultations organized jointly with the Statistical office of the Former Yugoslav Republic of Macedonia within the Instrument for Pre-Accession Assistance (IPA 2012):

- The main topics of the training in the field of **environmental accounts and environmental taxes** were dedicated to the evaluation of the work in distribution of energy taxes by using Supply and use tables of national accounts; distinguish the share of environmental taxes paid by non-residents; discussion of possible tools for the distribution of taxes for transport, pollution and resources according Nomenclature A64; statistical survey on environmental taxes; possible sources of administrative data for environment-related taxes, and others.
- The purpose of training in the field of **agricultural prices and accounts** was to present the Bulgarian experience in the preparation of agricultural accounts and prices; description of dataflows; presentation of the Bulgarian experience in this field and the use of a Eurostat questionnaire; review the administrative data used in Bulgaria and analysis of their applicability, including their quality and scope.
- In the field of **Survey on Income and Living Conditions (SILC)**, the NSI experts acquainted Macedonian colleagues with the implementation of Regulation (EU) № 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC), and in particular the experience of NSI in conducting the Survey on Income and Living Conditions.

- In the field of **environmental accounts** the NSI experts acquainted Macedonian colleagues with conceptual issues of Regulation (EU) № 691/2011 of the European Parliament and of the Council and its implementation; main categories of environmental taxes and borderline cases; determining the data sources for revenue from environmental taxes; defining the methods of allocation of environmental taxes by economic activities and other.
- In the field of **Government budget appropriations or outlays on R&D (GBAORD)** the NSI experts acquainted Macedonian colleagues with the implementation of Regulation (EU) № 995/2012 of the Commission in the areas of R&D statistics and its adaptation to the national legislation, GBAORD by socio-economic objectives; national survey on R&D - strategy, methodology, survey organization, survey method and type, classifications used, data collection method, statistical units, statistical tools and quality reports, and data dissemination. Recommendations were made to the Macedonian statistics regarding future steps to develop the statistics on Government budget appropriations or outlays on R&D to full harmonization with EU legislation.

Participation of the NSI in projects under operational programmes

In 2014, the National Statistics Institute became the beneficiary of the four projects within the Operational Programme "Administrative Capacity":

- In April, the National Statistical Institute launched a project **“Improving the quality of services for citizens and businesses, establishment and implementation of clear, credible and unified procedures for development of electronic services through the implementation of a system for quality management according to the ISO 9001:2008 standard”**. The project is implemented on the basis of an agreement between the NSI and the Ministry of Finance, Managing Authority of Operational Programme "Administrative Capacity". The contract is implemented with the financial support of Operational Programme "Administrative Capacity" co-financed by the European Union through the European Social Fund. The project duration is 18 months and the main purpose of the project is to improve the quality and reliability of services to citizens and businesses by establishing a System for quality management for electronic services at the National Statistical Institute in accordance with the ISO 9001:2008 standard. The specific objectives to achieve the end result are to improve policies, procedures, instructions and guidance in the National Statistical Institute. The project objectives are in full compliance with the measures set out in the strategic and legal documents of the National Statistical Institute and the European Union.

- In April, the National Statistical Institute launched a project **“Development of instruments for possibilities of on-line definition and fulfillment of requests for statistical information by the BNSI website for citizens, businesses and administration through compilation of information from the BNSI surveys, tables’ generation and check of data confidentiality”**. The project is being implemented under a contract between the NSI and the Ministry of Finance, Managing Authority of the Operational Programme “Administrative Capacity”. The contract is funded by the Operational Programme “Administrative Capacity“, co-financed by the European Union through the European Social Fund. The duration of the project is 18 months and the main goal of the project is to improve the quality and reliability of services for citizens and businesses by development of e-Government. The specific objectives for achieving the final results are acceleration of the process of data providing for users, improvement of quality of final data and the processed information, received from the BNSI surveys.

The project is targeted to a wide range of users: citizens, businesses, professional organizations, societies and associations, governments, whose representatives will be able to define online requests for statistical information in the NSI website, as well as for use by employees of the NSI for the production of statistics reference. The objectives of the project are in full compliance with the measures laid down in the regulations of the European Union and the Strategy for Development of the National Statistical System of the Republic of Bulgaria 2013-2017.

- The project **“Modernization of the organization and functioning of the National Statistical Institute”** was launched in August and will last 12 months. The project is funded by the Operational

Programme “Administrative Capacity“, Priority axis III: Good Management, Subpriority 1.1 Effective structure of the state administration.

The project aims to create conditions for improving the effectiveness of NSI by optimizing its structure at central and regional level, avoiding duplicating functions, improving internal coordination and cooperation with other national statistical authorities.

Target group of the project are the NSI employees of Head Office and Regional statistical offices in 28 districts. The project will perform functional analysis of the NSI in accordance with the Unified methodology for functional analysis in the state administration and will elaborate draft legal and intradepartmental documents for the implementation of the recommendations and action plan contained in this analysis.

- In the field of business register, the NSI and the Managing Authority of the Operational Programme “Administrative Capacity” (OPAC) signed a contract on “**Development of Information system "Enterprise groups register"** as an integral part of Information system "Register of statistical units" under OPAC, Priority axis III: Quality administrative services and development of the electronic government, Subpriority 3.2 “Standard information and communication environment and interoperability”. The activities on the project began in February and will be completed in July 2015.

Priority 3.5. Active cooperation with the academic society in the development of new statistical methods, products and services

During the year, the NSI representatives participated with reports in numerous scientific conferences organized by universities and scientific institutes.

II.4. IMPLEMENTATION OF INNOVATIVE AND EFFECTIVE INFORMATION AND COMMUNICATION TECHNOLOGIES AND E-SERVICES

Priority 4.1. Development of information systems and e-services in order to reduce the respondents’ burden, increase the quality of statistical information and improve the methods of its dissemination

The development of main information systems of the NSI continued in 2014.

The IS Business statistics was updated by inclusion of a new survey – “Non-profit organizations”. Terms of reference for inclusion in the ISBS of four new surveys in the field of structural business statistics was developed in 2014.

Data entry software for the survey of learning mobility was developed in the field of education statistics.

In the areas of agriculture, forestry and fisheries, data entry software was developed for the survey on fish and aquaculture consumption by households for the last quarter of 2013 under a project of the Executive Agency for Fisheries and Aquaculture.

New software was developed to update the housing fund with the annual reports on newly built residential buildings and destroyed residential buildings. Data from various forms were unified and united into a single base.

Applications were developed for the following new surveys:

- Household wastes
- Agricultural land prices
- Market prices of dwellings - purchases and sales between households.

Application was developed for quarterly processing of arrays from the Registry Agency with data on recorded real estate sales.

The development of Information System “Demography” continued in 2014. During the year,

additional cubes were developed by MS SQL for health care statistics and justice and crime statistics. Cubes were developed for provision of the following data: deaths by medical reasons, deaths by external reasons and still-births in implementation of Regulation (EU) № 328/2011 of the Commission.

Data on foreign trade statistics are important components in the compilation of balance of payments and national accounts of Bulgaria. The NSI took the necessary actions to obtain and input the received from the Customs Agency only on paper customs declarations for export of goods made under the "emergency procedure". The NSI continued to use the developed software product that provided a full coverage of exports to third countries and ensured the provision of reliable and timely data on foreign trade statistics.

The database built on the principle of "data sharing" and based entirely on SDMX format is used as a method for data dissemination for the first time in the European statistical system. In 2014, within the European project for the dissemination of EU census data "Census Hub", the NSI formed and published on a special website created by Eurostat 60 multidimensional cubes with the Census 2011 data covering the main characteristics of the population, households, families and housing fund as well as 21 hypercubes with key indicators on the quality of population data. In this connection, the NSI built SDMX reference infrastructure. The published data are available on the Internet (including via a link from the NSI website) as the platform allows a dynamic reports in various sections of the published indicators for all countries of the European Union.

Priority 4.2. Implementation of unified European IT tools, products and standards in order to ensure conditions for integration and harmonisation of statistical production process in the framework of ESS

New format for submission of data, metadata and quality reports was introduced in the beginning of 2014 within the project "Horizontal and vertical integration: Implementing of technical and statistical standards in the European Statistical System". The SDMX-RI developed at the NSI was updated and migrated to the new version 2.1 of the SDMX standard.

The specialized web application eDAMIS that performs the exchange of statistical data with Eurostat was updated during the year. The scope of data sets exchanged between the NSI, bodies of statistics and international institutions was constantly expanding. The SDMX standard for data sets exchange was implemented in the area of macroeconomic statistics.

The work on ensuring high quality maintenance of server and communication infrastructure, personal computers and system services continued in 2014.

Priority 4.3. Increasing the effectiveness and allocation of resources in the data center by implementation of best practice and technologies for infrastructure management

The process of server virtualization in the NSI data center continued during the year which greatly increased the reliability and quality of the information structure management. The statistical library migrated to a new hardware platform. Virtualization of the library server replaced the problematic hardware and guaranteed usage of the extensive database of the NSI library.

Tests were made for the introduction of technology "thin clients" which is a prerequisite for the provision of centralized services to the RSO and the mobile workstations.

Priority 4.4. Development and upgrading of server and communication infrastructure and personal equipment in order to ensure the ICT development and provision of new services

Hardware equipment for expansion of virtual platform was delivered during the year and this allowed continuing the process of virtualization of the NSI server structure. Part of the plan for the delivery of communications equipment was performed which enabled presegmentation of the communication network. This contributed to better work on centralization of network management, increased the network reliability and the protection of network access.

III. REPORT BY THEMATIC DOMAINS

III.1. DEMOGRAPHIC AND SOCIAL STATISTICS

Demographic statistics

Main priority in the field of demographic statistics in 2014 was conducting of the statistical surveys included in the National Statistical Programme. The regular data processing and production continued on fertility, mortality, migration, marriages and divorces which provided the necessary information to calculate the number and structures of population and basic demographic indicators.

During the year, the National Statistical Institute for the first time provided to Eurostat data on population and demographic processes on the basis of Regulation (EU) № 1260/2013 of the European Parliament and of the Council on European demographic statistics and Regulation (EU) № 205/2014 of the Commission laying down uniformed conditions for the implementation of Regulation (EU) № 1260/2013. In accordance with Art. 4 of Regulation (EU) №1260 / 2013 of the Commission, the total number of population of the country was also provided for the purposes of qualified majority voting in the Council.

The demographic projections were updated for the country and by district in accordance with recent changes in the development of the demographic processes in the country. The projections are updated in three versions until 2070.

In February 2014 the NSI completed work on “Urban audit 2012” project which lasted 24 months. Bulgaria participates in the various phases of the project since 2004. The aim of the project was through the collection of large amounts of data from different statistical surveys to provide reliable, complete and comparable information in geographic and temporal aspect about urban areas in Europe. Methodology for evaluation of data from representative surveys at populated place and municipal level was developed and implemented within the project in order to reduce the missing data. The methodology was adopted officially by Eurostat and given as an example of good practice. Implementation of this methodology enabled Bulgaria to provide the highest percentage of requested data - over 95%.

In June, the NSI started the next phase of the “Urban audit 2014” project. The NSI plans to issue bilingual publication as part of the data dissemination and promotion of the survey.

Labour market

“Labour market situation of migrants and their immediate descendants” was included as ad hoc module to the Labour Force survey in 2014. The NSI published the results from ad hoc module “Accidents at work and work-related health problems” conducted in 2013.

The work in the field of earnings and labor costs completed and the results from the four-year Labour cost survey were published (according to the requirements of Regulation (EC) No 530/1999 of the Council and Regulation (EC) No 1737/2005 of the Commission).

Work continued on regular annual and short-term surveys of the employment and labor costs, as in 2014 the final revised quarterly data for 2012 were prepared and published with a view to improve comparability between quarterly and annual data. Seasonally adjusted data on job vacancies were prepared, a new format was introduced for submission of data, metadata and quality reports on quarterly labour cost index and job vacancies.

Deadlines mentioned in the NSP 2014 on disclosure of the results of statistical surveys in the field of labor market statistics were met.

During the year, the NSI participated in interinstitutional working groups for development of the National Action Plan for Employment and implementation of the requirements of the Council of EU in the field of active policy on the labor market.

Education and Lifelong Learning

Regular exhaustive statistical surveys on educational institutions in Bulgaria were carried out in 2014 in accordance with the requirements of national and European legislation and the updated requirements of the new Regulation (EU) № 912/2013 of the Commission on production and development of statistics on education and lifelong learning were fully applied.

The usage of an electronic questionnaire was tested for the survey on primary and secondary education. This questionnaire will be the basis for modernization of the survey next year and it will increase quality of the submitted data, reduce the burden on respondents and improve the timeliness in the dissemination of results.

Last year, NSI participated in a special project on provision of data for the creation of European Tertiary Education Register – ETER. The project was implemented by the Directorate General "Education and Culture" to the Commission, together with the Directorates-General "Eurostat" and "Research and Innovation". The aim of the project was to collect for the first time comprehensive information on universities which served to establish a register of tertiary education in Europe including 36 countries.

In 2014 the NSI started a pilot survey in households entitled "Survey on learning mobility". The survey was carried out by a harmonized methodology of Eurostat. The results can be used to form adequate policies on education and guidance to students on the opportunities and advantages of training in another country and will be announced in 2015.

Culture

In 2014, the regular exhaustive annual surveys (libraries, museums, community clubs, performing arts, film production, cinemas, radio, television and publishing activity) was carried out in the field of culture on the base of methodology corresponding to the requirements of Eurostat and UNESCO.

In the field of culture, work continued on updating the national methodological system of statistics on culture and implementing the priorities in the work plan for culture 2015 – 2018 proposed by Cultural Affairs Committee to the Council of the European Union.

An extraordinary pilot study of public libraries and libraries at educational institutions was carried out in 2014. The survey provided information on library fund available in these libraries, visits, readers, general purpose area, the number of used computers and e-services.

Besides methodological review, the technological innovation of statistics on culture continued in 2014. Electronic questionnaire for the performing arts was prepared in order to obtain better quality and timely information and to reduce the burden on respondents. The new ESMS structure for reference metadata in the field of culture was further developed.

Public health and health and safety at work

In implementation of the NSP 2014 and Regulation (EC) № 1338/2008 of the European Parliament and of the Council on statistics on public health and health and safety at work, the NSI conducted statistical surveys providing information in three areas of public health statistics - resources of the health system, deaths by causes and European Health Interview.

In 2014, data were provided by joint questionnaires of Eurostat, OECD and World Health Organization (WHO) for the financial and non-financial indicators in the areas of health, as well as preliminary data for 2012 on the System of Health Accounts.

In the field of non-financial indicators for the health system and in addition to the regular provision of information on joint questionnaire of Eurostat, OECD and World Health Organization, the NSI and National health data and e-health directorate at the National center of public health and analyses

prepared and sent pilot data on beds by type and function in health establishments (beds for intensive care, rehabilitation, long-term care beds, etc.) in accordance with the Eurostat classification.

The NSI started methodological work on indicators that will be included as mandatory for submission by the Member States in accordance with the draft Regulation implementing Regulation (EC) № 1338/2008 as regards the statistical data on non-financial indicators of public health.

In the field of statistics on deaths by cause, data on deaths and stillbirths by cause for 2011 were validated and provided to Eurostat in accordance with Regulation (EU) № 328/2011 of the Commission as regards the statistical data on the causes of deaths. The data for 2012 were also prepared and submitted to Eurostat according to the same legal document. Data on deaths by cause for the period 2005 - 2013 were prepared and disseminated according to new harmonized list of 86 causes developed by Eurostat and used for international comparisons.

The annually conducted consultations between the World Health Organization and Member States on selected indicators in the causes of death were in the field of infant and maternal mortality.

The NSI took part in the annual preparation of the Annual Report on Drugs and Drug Addictions Problems developed by the National Drugs Center jointly with all the competent institutions. NSI representative is included in a working group related to the indicator "Deaths from drug use" and in this connection in 2014 he participated in the annual meeting on this indicator in the European Monitoring Centre for Drugs and Drug Addiction in Lisbon.

The "European Health Interview Survey" was conducted in 2014 under the Regulation (EU) № 141/2013 of the Commission on the statistics based on the European Health Interview System. This survey is part of the European system of health surveys aimed at assessing the health status, life style (health determinants) and use of health services of the EU population aged over 15 years by using a harmonized tools providing largely data comparability between countries of the European Union. EHIS have been conducted every five years by a common methodology and a single questionnaire in all Member States. The survey was conducted by specially trained interviewers - staff of RSOs.

The NSI representatives participated actively during the year in collaboration with Eurostat and Member States on development of the methodology in all three areas of public health statistics.

National health data and e-health directorate at the National center of public health and analyses (NCPHA) fulfilled all the tasks included in the NSP for 2014. The following planned surveys were conducted through the network of regional health inspectorates: out-patient and in-patient health establishments, psychiatric establishments, dermato-venereal establishments, emergency healthcare centers, oncological establishments, pneumophthiziatric establishments, centers for transfusion hematology, centers for hemodialysis, registered cases of active tuberculosis and chronic non-specific lungs diseases, malignant neoplasms, venereal diseases, registered cases of infectious diseases, hospitalized cases in health establishments with stationary and persons with loss of capacity to work.

Analysis, Planning and Prognosis Directorate at the National Social Security Institute realized the task "Accidents at work" in accordance with the Regulation (EU) № 349/2011 of the Commission implementing Regulation (EC) № 1338/2008 of the European Parliament and of the Council on statistical data on accidents at work. The NSSI provided information to the NSI and International Labour Organization. Data on accidents at work officially registered in the NSSI in 2012 were processed and sent to Eurostat. Electronic data provision ensured the necessary reliability and protection of information. The information on the scope (number) of persons insured for accidents at work by economic activities NACE.BG-2008 was sent to Eurostat. The NSSI developed electronic information publication "Accidents at work - number, distribution and indicators 2012". The data were published on the NSSI website in "Statistics" section.

Incomes and living conditions

In 2014, the NSI continued the regular collection and publication of quarterly and annual data on Bulgarian household income, expenditure and consumption and providing quarterly and annual weights

to calculate the national consumer price index and national accounts.

In implementation of the gentlemen's agreement to provide a five-year comparable data from the Household Budget Survey in all Member States, the NSI started preparations to conduct national survey in 2015 in accordance with the requirements of Eurostat and observing the recommendations of the European Commission.

Poverty indicators were calculated – national level and by specific groups according to algorithms developed under adopted by the Council of Ministers (CM) methodology for calculating the official poverty line. The poverty line for the country for 2015 was established on the base of these indicators.

The joint work completed between the NSI and the Executive Agency for Fisheries and Aquaculture (EAFSA) on project under the Operational Programme for "Fisheries" funded by the European Fisheries Fund of the European Union. The two institutions elaborated summary report on the annual household consumption of fish and aquatic organisms and comparing this information with the production and trade in aquaculture in 2013.

The NSI conducted regular panel survey "Statistics on Income and Living Conditions" (EU-SILC 2014) in implementation of Regulation (EC) № 1177/2003 of the European Parliament and of the Council. Module "Material deprivation" was included in the survey in 2014 under Regulation (EU) № 112/2013 of the Commission. The module collects information on basic needs and leisure time of persons of 16 years of age and over as well as issues related to children and mobility.

The main data files from the survey in 2013, the accompanying indicators for poverty and social exclusion and longitudinal component 2009-2012 were finalized and submitted to Eurostat during the year. The results from the Annual survey on the employees, wages and salaries and other labour costs were successfully used to improve the completeness and reliability of the information.

The Grant agreement with the European Commission "Action plan for EU-SILC improvements" started in 2014. The general objectives of the project are the timeliness of the EU-SILC data and the tests of proposals set out in the documents for revision of the EU-SILC. In order to fulfill the main objectives of the action the following results are expected:

- Pilot collection of information using CAPI method.
- Improving the cooperation with the institutions maintaining administrative registers.
- Improvement of the data availability (year N+6).
- Transmission of the early material deprivation, economic strain and ad-hoc modules variables at the end of the reference year.
- Tracing of households from the 4th wave and their inclusion in the 5th and 6th wave of survey in order to assess the non-response rates and the sample attrition.
- Piloting of methods for weighting and calibration for 5 and 6-year component.

In 2014, **Analysis, Planning and Prognosis Directorate at National Social Security Institute** provided NSI with data on the amount of pensions received, contributions to pensions and additional benefits in kind and by months from "Pensions" register as well as annual data on persons receiving benefits and allowances under the Social Security Code (Register of benefits).

The **National Revenue Agency** provided information about persons submitted an annual tax return as well as data about the insured persons in order to supplement and validate the missing information on income for purposes of "Statistics on Income and Living Conditions".

The quarterly statistical surveys on **market prices of dwellings** provided information about the change of prices on the open market. This information was used to calculate **quarterly market price indices of dwellings**.

Social protection

The production of statistical data for 2012 under the Core system and the Module on pension beneficiaries completed in 2014 in accordance with Regulation (EC) № 458/2007 of the European Parliament and of the Council concerning the European system of integrated social protection statistics. The Core system contains data on revenue and expenditure by social protection schemes as well as expenditure on benefits by function. The NSI followed the requirements of Regulation (EU) № 110/2011 of the Commission on the appropriate formats for data transmission, results to be transmitted and criteria for measuring quality in relation to the ESSPROS module on net social protection benefits. The information systems and registers of ministries and institutions governing social protection schemes are data source for social protection statistics.

The National Social Security Institute provided annual data on pension beneficiaries by scheme, pensions by type and by sex in accordance with the format for transmission of information on Module on pension beneficiaries. The NSI transmitted to Eurostat data on net social protection benefits in accordance with the requirements of the Commission Regulation (EU) No 263/2011 as regards the launch of full data collection for the ESSPROS module on net social protection benefits.

Crime and justice

Regular statistical survey on the crimes, accused and persons convicted (incl. convicted juveniles) was conducted in 2014 in close cooperation with Ministry of Interior, Ministry of Defense, Supreme Cassation Prosecution Office of the Republic of Bulgaria, National Investigation Office, Regional Investigation Offices, Customs Agency, district and martial courts and Specialized criminal court.

The National Statistics Institute continued activities related to the analysis, provision and improving the compatibility of data obtained from the core of the Unified Information System Against Crime and data from the regularly conducted NSI survey “Crimes, accused and persons convicted”.

In 2014, the NSI continued to fulfill its commitments as a national coordinator in the field of crime and criminal justice in the collection and transmission of national data and metadata from Ministry of Interior, Supreme Cassation Prosecution Office, Ministry of Justice, Supreme Judicial Council and other responsible institutions at the request of Eurostat, United Nations, European Commission and other international organizations.

In connection with the implementation of the Action Plan of the EU in the field of crime and criminal justice, the NSI as national coordinator continued its joint participation with the Prosecution Office of the Republic of Bulgaria and the National Commission for Combating Traffic in Human Beings to the Council of Ministers in the process of collection and validation of data and metadata on the number of victims of "human trafficking" and the number of traffickers at European level. Verification of the data provided for the period 2010 – 2012 was carried out in 2014.

The NSI, as national coordinator, participated jointly with the Ministry of Interior, Prosecution Office of the Republic of Bulgaria, the Supreme Judicial Council and the Directorate General "Execution of Punishments" to the Ministry of Justice in the regular “Monitoring of trends in the field of crime and the actions of the criminal justice systems” for the period 2008 – 2013.

In 2014, the NSI took part in a study entitled "Children in judicial proceedings" - contextual overview of the involvement of children in the phase of civil and administrative proceedings under a project of the European Commission, Directorate General "Justice".

During the year, the NSI provided data at national level for the next round of survey of the United Nations Economic Commission for Europe (UNECE) for gender statistics on crime and violence, victims and persons in places of imprisonment.

The National Statistical Institute participated in an international conference under the aegis of UNICEF "Children in Conflict with the Law. Reform of the juvenile justice system in accordance with international standards and the best interest of children”.

During the year, the NSI participated in the activities of the interinstitutional council for management and control of the Unified Information System Against Crime (UISAC), “Prevention of

violence and child abuse” working group to the National Council for Child Protection and working group at Ministry of Interior, Directorate General “Criminal police” which aimed to prepare technical specification of a database for registration of juvenile crimes in the framework of the Bulgarian-Swiss cooperation program on "Strengthening Youth Protection and Juvenile Delinquency Prevention”.

III.2. MACROECONOMIC STATISTICS

Annual economic accounts and quarterly accounts

The main tasks in the field of national economic accounts were related to the implementation of the European System of Accounts 2010 (ESA 2010) and the development of European Commission’s recommendations for data on gross domestic product (GDP) and gross national income (GNI). The work on methodological development and improvement of data quality as well as for increasing the degree of harmonization with EC regulations and shortening of the deadlines for data provision proceeded.

NSI continued regular production of annual data on GDP and its components by three methods - production method, method of income and method of final consumption expenditure. The development and publication of data on employment and hours worked continued.

In accordance with the Regulation (EU) № 549/2013 of the European Parliament and of the Council NSI introduced new methodology ESA 2010. The data in the field of national accounts - annual data for the period 1995 - 2013 and quarterly data for the period first quarter of 1995 - second quarter of 2014 were officially published in September.

The National Statistical Institute took active part in joint projects with Eurostat and Member States, thus aiming at optimum methodological compliance of the national accounts indicators between MS.

NSI has developed and implemented new requirements according to the ESA 2010 and recommendations from conducted methodological missions of the European Commission on GDP and GNI.

The work on implementation of the requirements for data revision continued. GDP was revised at regional level NUTS3 for period 2012 - 2013.

The calculations of the weighted average VAT rate for 2011 were developed.

A method for permanent inventory in assessment of the main macroeconomic indicators of non-profit enterprises and Government sector was introduced.

During the year the following assessments and reassessments were carried out:

- assessment of the garages in the value of imputed rent of dwellings occupied by their owners;
- assessment of the intrinsic value of repairs for tenants, charged to the owners in the value of imputed rent;
- reassessment of the value of the main macroeconomic indicators of units reclassified in the Government sector;
- assessment of the rent of holiday homes owned by foreigners in Bulgaria and Bulgarians abroad, and its implementation in the transition GDP - GNI;
- assessment of income in kind in transport through the implementation of an ad hoc survey of main companies operating in this field;
- assess the value of the software for own account in the sectors S11, S12 and S13;
- assessment of the value of the originals of printed works and musical works and reflecting the capitalized value;

- assessment of the value of greenhouse gas quotas recorded in the national accounts and clarification of their referral by positions (K2);
- assessment of R & D as a capital asset;
- assessment of the value of the forest stand;
- assessment of holding gains to the reinvested profits of foreign direct investment.

The National Statistical Institute has introduced methods for implementing assessments of R&D in national accounts.

The relocation of the main macroeconomic indicators in the valuation chain-linked indices from 2005 to 2010 was made.

A new allocation scheme for the values of D29 and D39 (other taxes and subsidies on production) was developed and implemented.

In 2014, the work on development and improvement of national financial accounts continued. Data for 2013 were developed and provided in pursuance of Eurostat's programme on data provision in the field of national accounts.

In September ESA 2010 was implemented in the field of financial national accounts and data for the period 2000 – 2013 were revised and provided.

Government finance statistics

The efforts in the field of government finance statistics were orientated towards further methodological development and improvement of data quality in view to process of organization on the implementation of the ESA 2010.

The preliminary and final data on notification tables on deficit and debt of General Government sector were reported semiannually. According to ESA 2010 data for the period 1995 – 2013 were developed and provided.

On the basis of the obligations in accordance with the Council Directive 2011/85/EU to provide monthly, quarterly and annual data on the deficit of Member States, NSI initiated the development and publication of certain indicators:

- financial indicators for balances of all state enterprises;
- data on overdue liabilities;
- study on participation of general government in the capital of corporations.

Data exchange with the Ministry of Environment and Water and the Executive Environment Agency started in connection with the obligation to report on emissions trading for General Government sector.

An additional information on the table 9 "Taxes and social contributions by sectors of Government" of Eurostat's programme on data provision in the field of national accounts for 2013 was provided based on the joint work of the NSI and NSSI. The work on the coordination of coming joint actions for the implementation of the table 29 for pension rights according to the ESA 2010 continued.

In accordance with the Eurostat's programme on data provision in the field of national accounts revised data were developed and submitted according to ESA 2010:

- Table 2 "Main macroeconomic indicators for the General Government sector for the period 1995 - 2013"
- Table 9 "Taxes and social contributions by sectors of Government" for the period 1995 - 2013
- Table 11 "General Government sector costs by functions total and by sub-section according to COFOG classification for the period 1995 - 2013"

- Table 25 "Quarterly non-financial accounts for General Government sector" for the period 1995 – 2014.

Monitoring own resources

According to Art. 2, § 2 of the Council Regulation (EC, Euratom) № 1287/2003 on the harmonization of Gross National Income at market prices each year before 22 September, Member States are obliged to provide the Commission (Eurostat) in the context of national accounting procedures with figures for GNI and its components. The main tasks in the field of monitoring own resources refer to data provision on gross national income, report on data quality and description of the sources and methods used to develop the data. Based on these documents, Eurostat assesses the quality and exhaustiveness of GNI and their compliance with the ESA 95 and ESA 2010.

The data on weighted average VAT rate were developed for 2013. They are based on the developed methodology and calculation of the weighted average VAT rate in accordance with Art. 4 of Council Regulation (EEC, Euratom) № 1553/89 on the definitive uniform arrangements for the collection of own resources of the EU on the basis of value added tax and “Manual of administration of the European Communities’ own resources in the Republic of Bulgaria” by the Ministry of Finance.

Consumer prices

In 2014 the main work priority was conducting monthly statistical surveys on consumer prices, which provided necessary information for calculation of National consumer price index (CPI), Harmonised Index of Consumer Prices (HICPs) and Price Index of a Small Basket (PISB) of 100 goods and services considered as socially useful and vital for living for the lowest income 20% of the persons in the households, and the HICP at constant tax rates (HICP-CT) and HICP administered prices (HICP-AP).

The work on improving the methodology, design and production of consumer price indices in relation to compliance with European and international standards proceed. In 2014 the sample of outlets for monitoring was updated, the selection of goods and services included in the consumer basket was improved and the scope of some sub-indices was expanded. Some goods and services with harmonized characteristics were included in consumer basket.

The statistical weights system for the construction of consumer price indices was improved. The use of information from additional sources in accordance with Commission Regulation (EU) № 1114/2010 as regards minimum standards for the quality of HICP weightings was extended.

In 2014 the work on two priority directions in the field of consumer prices continued: the implementation of the Strategy for multi-purpose statistics on consumer prices and introduction of house price indices (House Price Indices and Owner-Occupied Housing). The activities on these priorities were realized within the EC pilot projects.

The planned activities of EC projects in connection with the implementation of the Strategy for multi-purpose statistics on consumer prices were completed. The list of products with harmonized descriptions was expanded and the sample of surveillance products in 2014 was defined. Monthly surveys of products with harmonized descriptions were conducted and the processing of information began. Data on detailed average prices of products with harmonized descriptions for 2013 were provided to Eurostat in March 2014. Preparatory work on the inclusion of new surveillance products with harmonized descriptions in 2015 started.

The work on the implementation of house price indices (HPI) and price indices of Owner-Occupied Housing (OOHI) proceed. The preparation of the pilot survey on prices of newly built dwellings for 2014 was successfully realized. Quarterly field surveys were held, the information obtained was processed and pilot indices (HPI) were regularly transmitted to Eurostat. In 2014 the activities on construction of the pilot price indices for major repairs and maintenance of housing and insurance related to housing continued as the planned field surveys on prices were conducted. Regular

transmission of pilot indices (OOHI) to Eurostat started at the end of the year.

The work on compilation of metadata and inventory of the sources and methods of house price indices (HPI) produced by Republic of Bulgaria was successfully completed.

Republic of Bulgaria as a full EU member, represented by the NSI continued its participation in the European Comparison Programme of purchasing power parities (PPP), the comparative price levels and GDP per capita, which is a part of the current statistical program of the European Commission and is coordinated by Eurostat / OECD.

The NSI's activity is organized and implemented according to Regulation (EC) №1445 / 2007 of the European Parliament and of the Council establishing common rules for the provision of basic information on purchasing power parities and for their calculation and dissemination. The Commission Regulation (EU) № 193/2011 implementing Regulation (EC) № 1445/2007 of the European Parliament and of the Council as regards the system of quality control used for purchasing power parities is applied by NSI within the European Comparison Programme.

The National Statistical Institute is achieving the goals laid down in the European work plan for calculating PPPs in 2014, which is annually approved by the Eurostat PPP Standing Working Group with membership of all European partner countries.

In 2014 NSI conducted required price surveys for PPP calculation and for calculation of coefficients to equalize the purchasing power of European functionaries' wages and salaries. The surveys covered goods and services in a coherent European consumer basket: E14-1 "Services", E13-4 "Furniture and healthcare" and "Healthcare in hospitals". Also two special price surveys "Residential rents in selected real estate agencies in the capital" and "Valuation of eight quantitative accounts of contingent selected construction sites" were carried out. The collected information on surveillance investment goods (machinery and equipment) in 2013 was validated.

The necessary additional national statistical information on CPI - PPP, on housing services (in kind and in value), on wages and salaries of employees in Government by selected professions and occupations and on GDP by 206 main groups of final consumption expenditure was prepared and promptly transmitted to Eurostat according to international work schedule.

Using developed by Eurostat specialized software tools for online work in database PPP the quality and protection of transmitted individual information continuously improve due to improvement of methods for data control during prior surveillance and four sequential stages of analysis and validation both of input and results.

The report on the sources and methods used for compiling PPPs was updated and provided to Eurostat.

The work on implementation of the new Classification of Individual Consumption by Purpose of the fifth character (COICOP-PPP) continued. The Classification for calculating PPPs will come into force in 2015.

III.3. BUSINESS STATISTICS

Structural Business Statistics

In 2014 the collection, production and dissemination of annual data in the field of Structural Business Statistics (SBS) continued. The information covered: statistics of non-financial enterprises, statistics of financial enterprises and non-profit organizations, foreign direct investments, expenditure on acquisition and the acquired tangible fixed assets, the receipts from construction enterprises by kind of construction, wholesale and retail sales by group of goods and retail sales premises by kind and by commodity specialization, output and sales of main industrial products on the domestic market in line with national and European legislation requirements.

During the year, for the first time there was the possibility of viewing and editing online emitted samples at RSO level for monthly survey "Output and sales of main industrial products on the domestic market" through Information System "Short-term Business Statistics". The possibility of daily access to the current status of the sample, to the history of changes made, suggestions and requests for redirections of statistical units at RSO level contributed to increasing the level of efficiency, reducing the respondents' burden, and reducing the resources needed in RSOs.

In July, the work on a pilot project "Creation of a national database of the Ministry of Labour and Social Policy for social enterprises in Bulgaria" finished. The project was realized in pursuance of Agreement between NSI and Ministry of Labour and Social Policy according to the requirements laid down in the Agreement between the European Commission and the MLSP. The main objective of the project was building up of a centralized electronic database to the MLSP, which will serve as an empirical basis for assessment of economic impact of social enterprises and to undertake measures aimed at adapting national legislation in this field. With indicators and monitoring tables developed by NSI the statistical module for social enterprises on the MLSP website for Social Economy was improved.

Short-term Business Statistics

In 2014 the NSI carried out monthly and quarterly statistical surveys covering sectors "Industry", "Construction", "Trade" and other services, which was the main work priority for this field. These surveys provided necessary information for the calculation of all indicators in the implementation of European Commission Regulations.

According to the Regulation (EC) № 1158/2005 of the European Parliament and of the Council the work on extending the scope of the "Producer prices indices in services" continued. In 2014 the survey on producer prices was implemented for "Security and investigation activities" - section 80 under NACE.BG-2008. The quarterly indices for this section were transmitted regularly to Eurostat and their publishing on the NSI website started. From the first quarter of 2014 a pilot survey on producer prices for "Advertising and market research" - Section 73 under NACE.BG-2008 launched. The publication of the data on it will start in 2015.

During the year, the work on the project "Improvement of methodology and calculation of producer prices indices on the domestic market for production of food and drinks at a more detailed level under NACE.BG-2008" began. The main objective of the project is to support the data collection and data transmission for the purposes of the Mechanism for monitoring of food prices (FPMT), by encouraging the use of new data sources, improving the methodology, extending the scope and increasing the quality of statistical information on food prices. In 2014 within the project the following activities were carried out:

- Extension of the survey and calculation of producer prices indices on the domestic market for production of food and drinks at a more detailed level (fourth digit) under NACE.BG-2008.
- Recalculation of price indices for production of food and drinks on the fourth digit under NACE.BG-2008 back to 2010.

In late September, a Grant contract between the European Commission/Eurostat and NSI was signed in order to develop methodological basis for a new indicator for production in services. The project objective is improvement of efficiency and productivity of statistical production process and provision of statistical data in key areas related to enterprises. The main activity under the contract will be developed in three areas: development of a common deflator for trade and an overall index of the volume for sector G under NACE.BG-2008; Production of monthly data on turnover and calculation of monthly index of production in services; development of reliable and representative producer prices indices in services, which will be used as deflators for calculating the indices of production in services.

In 2014, the work on improvement of statistical survey on prices for major repairs and maintenance of dwellings continued as the tasks within the pilot project for the inclusion of owner occupied housing (Owner-Occupied Housing) in HICP were implemented.

Energy Statistics

In 2014 the work on the specialized statistical surveys in the field of Energy statistics, which are included in the NSP 2014 continued. On their basis the material and energy balances are developed as well as the overall energy balance of the country, presenting aggregated data on production of primary energy, transformation of energy and final energy and non-energy consumption of energy products.

All monthly and annual surveys on energy statistics are conducted in accordance with Eurostat methodology, the requirements of Regulation (EC) № 1099/2008 of the European Parliament and of the Council, Commission Regulation (EU) № 147/2013 on energy statistics, Directive 2009/28/EC of the European Parliament and of the Council on the promotion of the use of energy from renewable sources and Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency.

The collection of semi-annual data on the prices of electricity and natural gas for households and industry continued in accordance with the Directive 2008/92/EC of the European Parliament and of the Council for improvement of the transparency of gas and electricity prices charged to industrial end-users.

The nomenclature of products was updated in compiling material balances in order to monitor more significant volumes of intermediate consumption.

During the year the activities were focused on development of new tools and updating of existing statistical tools for annual, semi-annual and monthly surveys in the field of energy statistics in connection with the adopted changes in European legislation and liberalization of the energy market in the country.

After inclusion of physical flows of energy accounts into Regulation (EU) № 691/2011 of the European Parliament and of the Council more detailed information on their development was provided.

The NSI took part in consultations on:

- Proposal to amend Directive 2008/92/EC on transparency of gas and electricity prices
- Form and content of the questionnaires to report on households consumption of energy products in kind of their use and combined heat- and electricity production
- Future actions on energy statistics, namely: the inclusion of new indicators and new energy products to the current annual questionnaires
- Eurostat User survey aiming at studying the problems which countries meet in collecting and reporting on energy data as well as providing proposals for improvement of the work on energy statistics.

Transport Statistics

In 2014 the work on regular annual and short-term surveys included in the NSP 2014 in the field of transport continued.

The National Statistical Institute with the assistance of Bodies of statistics: **Directorate General "Civil Aviation Administration"** and **Executive Agency "Maritime Administration"** at the Ministry of Transport, Information Technology and Communications conducted surveys in the field of air transport and activities of inland waterway ports and maritime ports. Both agencies conformed and synchronized their actions with existing national and European legislation. Fruitful cooperation between NSI and these Bodies of statistics led to increased quality of the data obtained by more detailed data verification.

During the year "Ports" Department at the Executive Agency "Maritime Administration" (EAMA) continued the work on regular preparation and provision of statistical information on the activities of inland waterway ports and maritime ports. The data collection and data transmission to Eurostat is in

accordance with the specific nomenclatures and reporting forms of the following regulations and directives: Regulation (EC) № 1365/2006 of the European Parliament and of the Council; Commission Regulation (EC) № 1304/2007; Commission Regulation (EC) № 425/2007 and Directive 2009/42/EC of the European Parliament and of the Council. The information submitted by ports and port terminals covers 100% of the activities of inland waterway ports and maritime ports of the Republic of Bulgaria related to treatment of goods and passengers.

In 2014 the EAMA transmitted data according to Eurostat's requirements by the end of the fifth month after the reporting quarter. The information covered the fourth quarter of 2013, the twelve months of 2013 and the first and second quarter of 2014. By the end of December the information on the third quarter of 2014 is planned to be submitted.

During the year the Executive Agency "Maritime Administration" continued the work on improvement of the new Statistical Information System "PORTSTAT" for data collection and data processing, reporting passenger traffic and goods passing through the maritime ports and inland waterway ports in Bulgaria. The Information System is fully consistent with the latest Eurostat's recommendations to collect new data on the activities of maritime ports and inland waterway ports. The EAMA began updating the existing Ordinance №919/08.12.2000 for statistical data collection on the activities of port operators and owners of ports and port facilities in the Republic of Bulgaria, which shall be consistent with the latest developments in legislation and with the organization of work related to newly Statistical Information System "PORTSTAT".

In 2014 the discussions on the proposed amendments to two regulations in the field of transport statistics continued. The regulations concern inland waterway transport statistics and rail transport statistics. The objective is updating, simplification and optimization of the existing legal framework for European Statistics and ensuring its compliance with new institutional context in the field of transport statistics, as well as to ensure full and continuous provision of statistical data.

Tourism Statistics

In 2014 the tasks related to organization and conduction of statistical surveys in the field of tourism statistics were implemented qualitatively and timely. The NSI provided information on development of tourism in the country for trips of Bulgarian residents in abroad and arrivals of visitors from abroad to Bulgaria, on the activities of the accommodation establishments, tourist trips and tourism-related expenditure of the population.

All monthly and quarterly surveys on tourism statistics are conducted according to World Tourism Organization's recommendations and in accordance with Regulation (EU) № 692/2011 of the European Parliament and of the Council concerning European statistics on tourism and Commission Implementing Regulation (EU) No 1051/2011 implementing Regulation (EU) No 692/2011 of the European Parliament and of the Council concerning European statistics on tourism, as regards the structure of the quality reports and the transmission of the data.

The reporting of short-term data to Eurostat on nights spent and visitors was realized in shortened time - 50 days after the reporting month.

Business register

The task "Methodological work on defining enterprises, local units and enterprise groups in the Register of statistical units (RSU) and survey on the quality of Register" was related to building-up and update of the units „enterprise”, „local unit” and „enterprise groups” from the annual survey of enterprises in the RSU. The scope of Statistical Business Register concerning kind of statistical units and their obligatory features was studied.

Regarding the task "Development and implementation of methods and tools for EuroGroups Register (EGR)" a defining of type of statistical unit "enterprise" was realized. All data from Inquiry on enterprise groups included in the Annual Report on the Enterprise in 2013 were processed.

In 2014 the activities on testing and updating of data from Eurogroup register with those of the National Business Register proceeded. An identification of the units "enterprise groups" at the national level, which are provided by the European register of enterprise groups was carried out. The list of units with information in the Business Register that they are part of multinational enterprise groups, but not included in the list provided by Eurostat was updated and supplemented.

In 2014 two Eurostat annual projects related to data collection on business demography for enterprises at the national level and data on enterprises with employer were successfully carried out.

During the year the characteristics of statistical units of annual statistical surveys and of external administrative sources for all units of the main economic sectors (non-financial and financial sector, Government sector, sector "Non-profit enterprises serving households") were regularly updated. During the year once again the data were used for the statistical unit "enterprise" and "local unit" in order to update the Register of statistical units from Information System "Business Statistics".

In June two new EC projects with duration of 18 months started in parallel. They are related to testing of:

- Activities on profiling of big and complex statistical units "enterprise"
- Methodology for introduction of new definitions for statistical units.

The Register of statistical units continues to provide full coverage of the population of active statistical units "enterprises" or "local units" as well as provides conditions for sample design by certain criteria, which will serve statistical surveys. The information service for external clients of NSI is realized by RSU.

Statistics of foreign trade

The main objective in the field of foreign trade statistics was the improvement of activities related to monthly production and dissemination of information on movement of foreign trade commodity flows. The main activities under the priority directions related to the implementation of this objective were as follows: provision of timely and reliable statistics and improvement of data quality; better use of administrative data sources; adaptation of the National System for production and dissemination of foreign trade statistics in accordance with the changed requirements of EU legislation and with the users' needs of foreign trade data; involvement in Eurostat's work on discussion of strategic issues concerning the future development of international trade in goods statistics.

During the year the NSI continued its work on improving the quality of primary data declared by traders. The NSI's employees have made direct contacts with Intrastat operators, as well as contacts in cooperation with the NRA. As a result some inaccuracies in Intrastat declarations were corrected. Methodological assistance to the respondents in declaring data in specific cases was provided, which contributed to facilitating business in carrying out monthly obligations for submission of Intrastat declarations.

Aiming at providing full range of foreign trade data for Bulgaria the NSI started entering and reporting of declarations received on the basis of the Single authorization for simplified procedures in which Bulgaria was "participating Member State".

In order to facilitate users of statistical information in disclosure of new monthly data two press releases were prepared and published on a monthly basis, respectively for trade with third countries and for trade within the EU. The maintenance of means for storage and dissemination of data on external trade statistics by Information System "Foreign Trade" continued. The system gives to users direct access to more detailed data than those published in the press releases.

Through participation in target groups and working groups the NSI's employees contributed to the overall innovation in the field of foreign trade statistics at European level. The NSI's experts participated actively in the meetings of the Steering Group on Statistics of International trade in goods,

of the Target group for exchange of microdata on trade between EU Member States and of the Working Group “Methods in Statistics of International trade in goods”.

In early 2014 the NSI started work on the implementation of the actions envisaged in the programme SIMSTAT² related projects - "Modernization of Intrastat" and "Preparation for exchange of microdata on trade between EU Member States", which will be finalized in the first quarter of 2015.

In November 2014 the NSI started ESSnet project “SIMSTAT - Conducting experimental tests for microdata exchange”.

III.4. STATISTICS ON AGRICULTURE, FORESTRY AND FISHERY

Statistics on Agriculture and Forestry

In 2014 the **Agrostatistics Department** at the Agriculture and Regional Policy General Directorate at the Ministry of Agriculture and Food carried out 22 statistical surveys in the field of crop products, livestock, processing industry, land use and farm income statistics.

The crop production statistics at the Agrostatistics Department collects information on the area under cultivation and harvested area, average yield and crop production of main agricultural crops, vegetables, vineyards and fruit trees. These surveys provide information on the use of seeds, the size of the area under young plantations of permanent crops, the conducted agro-technical activities as well as the utilization of the production and others. The survey on yield forecast for the main crops was carried out (early estimates for wheat and barley production 2014). Also the survey on processing of fruits and vegetables in 2013 was carried out.

Within the period from June to August was conducted the survey on land cover and land use of the territory of Bulgaria (BANCIK 2014). The collected information covered data on agricultural area, including main crops by six statistical regions (NUTS2).

In the field of livestock statistics the Agrostatistics Department conducted statistical surveys on the livestock number as of 01.11.2014 in Bulgaria and the status of poultry and bee-keeping in Bulgaria in 2013. In the framework of the survey on livestock was collected information on the number of bovine animals, pigs, sheep and goats, by species and by animal categories as well as on the production and utilization of the products - milk and animals for slaughter.

Monthly and annual information was collected on the activities of slaughterhouses, milk processing establishments and hatcheries. The surveys on the activity of slaughterhouses for red and white meat in 2013 collected information on the meat production from specific animal species and categories in accordance with the EU legislation. The surveys on the activities of milk processing establishments and production of dairy products in 2013 provided information on processed milk, dairy products and their sale (in kind and in value).

In 2014 the efforts were focused on the optimization of the samples, the use of other methods for data collection not only through an interview on the spot, but also by phone, letter or via Internet.

In November 2013 launched a sample survey on structure of agricultural holdings in 2013 (FSS-2013). The survey, included in the NSP 2014, was carried out according to Regulation (EC) No 1166/2008 of the European Parliament and of the Council and the Eurostat’s grant agreement. The survey was conducted by surveyors. The Regional directorates carried out the control of the collected individual data on the holdings, included in the sample, and the work of the surveyors. The regional experts entered the data in two computer modules. The data control was conducted in MAF, where the technical and logical errors were removed and the preliminary results were published. Processing, analysis and control of activities on data validation continue. Public procurements were announced for

² SIMSTAT - (Single Market Statistics) – system, which will be set as a result of the reform in Intrastat.

building-up of an Information system for data entry, control and data processing of the survey on structure of agricultural holdings and for an external audit of the project for the implementation of the Agreement.

In the field of agricultural economic accounts and prices the main objective of the activities for the operation of the Farm accountancy data network (FADN) in 2014 was the provision of data on the income of agricultural holdings for decision-making at national level and measuring the impact of the EU Common Agricultural Policy on the Bulgarian agriculture. Individual data on agricultural holdings for 2013 was collected. The data was verified and submitted for validation to the RICA-1 system of the European Commission. In 2014 continued the collection of information on agricultural holdings without bookkeeping. The Farm accountancy data network final results 2011 and 2012 were published. A questionnaire for data collection was developed according to the revised Commission Regulation (EU) № 385/2012 with new indicators and format introduced. A public procurement was announced for building-up of an integrated information agricultural accounting system for data entry, control, data validation and analysis of the results at national and regional level.

The control of the collected information in the field of the agri-environmental indicators is due by the end of 2014. The information reflects the use of plant protection products in wheat, barley, maize, sunflower and rape in accordance with Regulation (EC) № 1185/2009 of European Parliament and of the Council and presents the results for the first five-year period in 2015.

The renovation of the MAF's website continued in 2014, as metadata and methodological notes to the surveys in the field of agricultural statistics conducted by the Agrostatistics Department were supplemented. Release calendar presenting the results of the statistical surveys carried out by the Ministry of Agriculture and Food by themes and by dates was published on the MAF's website.

The results of the surveys conducted by the Agrostatistics Department are published regularly in specialized bulletins on the MAF's website, in the NSI's annual publications - Statistical Yearbook, Statistical Reference book, in the electronic review of the statistical information and in the Eurostat's spreadsheets.

In 2014 the annual data for 2013 (preliminary and final data) and quarterly data for 2014 (including for the flash estimates of GDP) were developed for production account for economic activity "Agriculture, forestry and fishery" at current and constant prices.

According to Regulation (EC) № 138/2004 of the European Parliament and of the Council annual data on satellite economic accounts for agriculture were developed and transmitted to Eurostat - preliminary data for 2013 and final data for 2012. Regional data on economic accounts for agriculture for 2012 were developed at level NUTS2 - statistical regions.

In accordance with the current Gentleman's agreement in the field of agricultural prices and indices the following quarterly and annual indices were calculated and transmitted to Eurostat: of agricultural production, of goods and services currently consumed in agriculture and of goods and services contributing to agricultural investment in 2013 base period year 2010 = 100. Data from the first regular survey on the average price of agricultural land and rents for 2013 were calculated and transmitted to Eurostat.

The metadata on price indices of goods and services contributing to agricultural investment were developed for publication on the NSI's website.

Data on production in forestry for integrated economic accounts "Forestry - Environment" for 2012 were calculated and provided to Eurostat.

III.5. MULTI-DOMAIN STATISTICS

Business Trends

In 2014 with the financial assistance of the European Commission monthly surveys on business trends were conducted according to "The Joint Harmonised EU Programme of Business and Consumer surveys." The objective of this Programme is to provide timely information on economic analysis and short-term forecasting as a key complement to official statistics. Business surveys show how managers assess the present and future economic situation in the country. The information on business surveys is highly relevant, since data are announced within the same month in which data were collected. Indicators of these surveys could be used as components of composite leading indicators for analysis and detection of turning points in the economic cycle. Users of these data are public institutions, scientific institutes, the Bulgarian National Bank, the European Commission, the European Central Bank and other.

Quarterly consumer survey provided information on trends in development of public opinion on key economic processes and phenomena such as the general economic situation in the country, inflation, unemployment, savings, intentions of major purchases of durable consumer goods and purchasing a house or a car.

Indicators for monitoring national and European policies

In 2014 the updating of system of indicators for monitoring of sustainable development continued. The included indicators cover economic, social, environmental and institutional issues. The information is intended for a wide range of users: authorities and institutions which develop and implement economic and social policy of the country and also non-governmental organizations and all public circles actively working on this issue.

In 2014 the NSI presented as usual actual statistical information for Bulgaria for each of European objectives set in the Strategy "Europe 2020".

In 2014 the updating of key indicators for Bulgaria on the NSI's website proceeded.

Environmental Statistics and Accounts

In 2014 all statistical surveys in the field of Environmental statistics and accounts, included in the National Statistical Programme continued.

In 2014 according to the requirements of Regulation (EU) № 691/2011 of the European Parliament and of the Council on European environmental economic accounts data on modules "Taxes and fees related to the environment by economic activities" and "Air emissions accounts" were developed and reported to Eurostat. The reporting on third module of regulation – "Economy-wide material flow accounts" is in the process of finalization by the end of the year.

The survey "Sources of emissions" was carried out in accordance with the methodology of the NSI and the Ministry of Environment and Water harmonized with CORINAIR methodology developed by the European Union. Based on the survey a uniform information base is building-up aiming at evaluation of atmospheric emissions and improvement of methodologies according to the requirements and recommendations of international authorities.

The survey on waste from activity provided information on the quantity of generated non-hazardous waste in the country and means for their disposal and recovery. In accordance with Regulation (EC) № 2150/2002 of the European Parliament and of the Council on waste statistics information on non-hazardous waste from production activity was collected by sample representative for active economic units in the country.

The survey "Wastes from agriculture, forestry and fisheries" provided information on generation, disposal and recovery of waste from companies in "Agriculture, forestry and fishery" sector.

The survey on municipal waste (arising from households and construction) provided data on the quantities of waste generated by households and small business. A register of landfills for municipal waste is maintained. It contains data on population served by landfills, on the area, on collected, treated

and finally disposed waste. Information on revenue and expenditure for household waste was provided.

In 2014 the information on work done for control and pollution prevention of sea waters and the Danube river was collected. The National Center of Public Health and analyses provided information on registered noise levels. The Ministry of Environment and Water provided information on protected natural scenery and zones of National Ecological Network, as well as on the management of the activities on environmental protection. The Ministry of Environment and Water, the Ministry of Agriculture and Food and the Executive Forest Agency submitted information on sanctions and fees.

Data on the size of expenditure on acquisition of the tangible fixed assets with ecological use, on expenditure on their maintenance, on sources of financing and on allocation of funds by main directions - air, wastewater, waste and other were provided. The effective use of these funds in the field of ecology is a key indicator for measures undertaken by society and state in order to reduce the negative impact of socio-economic processes on the environment.

During the year the information on the availability and movement of the tangible fixed assets with ecological use in book value was collected.

The scope, the development and the results from survey on water use and water supply are directly linked to the requirements of the Water Framework Directive. The survey provided information on the annual balance of water resources: water supply, water use and wastewater.

The survey on water supply and sewage network provided detailed information on the whole process of water use by water supply companies: the abstraction of water, its use, discharge and treatment of wastewater. The survey is in compliance with the new requirements in the field of European water statistics.

Data collection continued with “Reference of municipal administrations on the status and expenditure on water and sewerage infrastructure” included in the Annual Report of the municipalities.

The survey on Environmental taxes and fees provided information needed for reporting on module “Taxes related to the environment by economic activities” Taxes related to environmental economic activities” under Regulation (EU) № 691/2011 of the European Parliament and of the Council.

The information received from the “Reference of expenditure on protection of the environment received by subsidies, grants and donations” will be used as a component of future reporting on module “Expenditure on protection of environment” under Regulation (EU) № 691/2011.

In the implementation of European Parliament and Council Directive 94/62/EC on packaging and packaging waste the NSI conducted survey “Production of packaged goods and packaging”. The NSI uses the following data in order to assess the quantities of packaging: data from the annual sample survey, exhaustive data on main producers of packaging and packaged goods and data on recycled and burned packages received by the Executive Environment Agency.

The survey “Revenues and expenditure of specialised producers in environment” provided information on the revenue and expenditure on protection and restoration of the environment by specialised producers of environmental services.

The Underground reserves survey ensured information on nonrecoverable mineral resources in the country, on the area of deposits of mineral resources and the number of employed persons, the cost of exploration and research, the cost for removal of deposits from exploitation and other indicators related to environment.

The survey on environmental goods and services provided information on value indicators by economic variables and by environmental directions for environmental goods and services sector.

In 2014 two questionnaires were completed and transmitted within the deadline to OECD and Eurostat according to Eurostat’s reporting requirements – Questionnaire on revenue and expenditure on environment and Questionnaire on producers of environmental goods and services.

The targeted granted by EC project “Improvement of water statistics - Improvement of internal data flow on water in Bulgaria” was successfully finalized. The aim of the project was the identification and

synchronization of information flows between the institutions in the country for water and improvement of the exchange and usability of administrative data for statistical purposes.

In September the work on project granted by EC "Studies for data collection on food waste statistics" was completed. Additional information on the generation, disposal and recovery of food waste was collected. Tables on generated quantities of food waste were completed.

In 2014 the project "Development of the data collection system and application of new methods for compilation of Physical Energy Flow Accounts", granted by the EC was successfully completed. The work on this project greatly contributed to research of methodology and availability of statistical and administrative information to be used for development of this type of environmental accounts aiming at future inclusion of Physical Energy Flow Accounts within the scope of Regulation (EU) № 691/2011 of the European Parliament and of the Council on European environmental economic accounts.

During the year, the NSI's experts participated in the working groups of Eurostat, developing strategic and program documents, draft legislation and methodologies in the field of environmental statistics and accounts.

In the field of expenditure on environment the NSI's expert was lecturer, training within "Support to the State Statistical Office for capacity building and improving compliance of statistics with EU standards" Twinning project.

“Monitoring and Assessments of Environment” Directorate of Executive Environment Agency to the Ministry of Environment and Water as a Body of statistics carried out the tasks "Formation, utilization and disposal of hazardous waste by code at national level" and "Capacity of installations for utilization and detoxication of waste" according to the characteristics and deadline of statistical surveys.

Housing Fund Statistics

In 2014 the regular processing and production of data from the surveys on new residential buildings and dwellings, destroyed buildings and dwellings and housing fund continued.

Regional Statistics and Geographic Information Systems

In 2014 the work on the project "Statistics of cities - Urban Audit" was completed. The results received are in accordance with the schedule laid down in the grant contract. The description of national methodology for data production from different statistical domains was prepared and transmitted to Eurostat. Data by different statistical topics were transmitted via e-Damis within the relevant reference years for spatial units - the subject of survey. According to the tasks of the project a methodology for production and estimation of data at municipal level and at settlement level was developed, whose source are sample surveys. The methodology was presented at a work meeting in the EC and was evaluated as an example of good practice.

In order to ensure specialized information needs of different external users the work on application of GIS technology for development of thematic graphic layers of statistical information and creating digital models of big cities proceeded.

At the end of 2013 the EC project "GEOSTAT 1B" was finalized. In 2014 the census data were presented. In this regard the results from the produced European Population Grid were reported and approved. In June for the first time the NSI published information about "Population Grid" on its website with free access to information.

The elaborated already digital models based on statistics collected on the buildings and housing fund in the country were updated.

The activity on cartographic presentation of some statistical issues in the field of demographic and social statistics continued in 2014.

In 2014, the publication of information on the NSI's website in the thematic section "Regional

statistics” continued on improved methodology. Available to users are:

- 42 indicators at level NUTS3
- 6 sections at level LAU1
- Electronic publication at levels from NUTS 0-3 to LAU1.

The work on development of profile of regions and statistical regions and on building-up of a database containing chronological comparable data on territorial and administrative-territorial units at levels NUTS1-3 and LAU1 continued.

In 2014 the system of indicators (2012 and 2013) of the regions for targeted support - at level LAU1 was updated. They were submitted to the Ministry of Regional Development.

Within the year a monitoring and updating of categorization of administrative-territorial units and territorial units in the Republic of Bulgaria were conducted.

Science, Technologies and Innovations

In 2014 in accordance with the requirements of national and European legislation the work on the production and dissemination of annual statistics on R&D continued.

For the first time in 2014 data from the statistical survey on R&D were prepared in cross-breakdown by institutional sectors (under SNA) and by fourth digit under NACE.BG-2008, covering each year within the period 2006 - 2013. They were ensured for internal use within the NSI in connection with the implementation of the European System of Accounts ESA2010 under the section of capitalization on R&D expenditure.

In 2014 the data from the statistical survey on innovation activity of enterprises within the period 2010 – 2012 were published on the NSI’s website and were transmitted to Eurostat. The survey was conducted in full compliance with the requirements of Commission Regulation (EU) № 995/2012 of Community statistics on science and technology.

During the year the necessary preparatory work on the statistical survey on innovation activity of enterprises within the period 2012 – 2014 was carried out. New statistical tools was developed in full compliance with the harmonized questionnaire and methodology of Eurostat (CIS 2014). The ToR on data processing of the survey was updated.

Information Society

In 2014 in accordance with Commission Regulation (EU) № 859/2013 concerning Community statistics on the information society the NSI conducted two regular statistical surveys providing information on the ICT usage in households and enterprises in Bulgaria

The specialized training of RSO’s employees on the survey on ICT usage in households and by individuals was carried out. Within the training specific terms related to the modern development of information and communication technologies as part of a new module concerning cloud services were presented.

III.6. INFORMATION AND COMMUNICATION TECHNOLOGIES, STATISTICAL INFRASTRUCTURE AND OTHER ACTIVITIES

Information and Communication Technologies

In 2014 within the completed project on implementation of tools for creating and storing national metadata for statistical purposes "Horizontal and vertical integration: Implementing of technical and

statistical standards in the European Statistical System" the national metadata database was created and loaded in accordance with the standard SDMX 2.0. The new version 2.0 of the software tools for entry, editing and export was installed. Web service was implemented, allowing retrieval of information from Dissemination database, data visualization from the selected table by filtering criteria, adding and deleting of specific entries from the database.

In early 2014 the reorganization of the NSI's website was carried out with the introduction of efficient software in regard to development and maintenance. The new site significantly optimizes user access to services and information provided.

During the year new technical tools were installed. They allowed expansion of capacity and degree of redundancy of information systems, use of effective means for storage and retrieval of information systems and data from statistical surveys. The NSI applies reliable policies on redundancy of databases and components of information systems through specialized software and maintenance of library of archival carriers.

During the year the organization and maintenance of Support center continued in order to facilitate the respondents of statistical surveys. The center processes requests for user support received by phone and other channels (e-mail, letters, etc.) and assists in technical and/or methodological problems. The implemented system for management and control of users' requests is guarantee for timely response to requests.

In 2014 the architecture of information systems was improved in order to optimize productivity and continuity of the information services provided.

Between the NSI and the Registry Agency the replication of data on registry in the Commercial Register and in Register BULSTAT is carried out in view to effective maintenance of actual data for enterprises. An access to cases of traders registered in the Commercial Register was ensured to some NSI's employees via digital certificates.

The NSI carried out maintenance of the National register of populated places (NRPP) and the General Register of the traders. All changes of territorial and administrative-territorial units and their boundaries were reflected in NRPP. The NSI ensured Internet access for references in NRPP. In addition, in order to facilitate other administrations the NSI developed and published on its website up to date version of the Unified classifier of the administrative-territorial and territorial units.

The NSI provided to users an opportunity for interactive references through web-based application for access to multidimensional databases on foreign trade statistics.

The process of building-up a centralized data storage continued. Thereby the decentralized information storage will be overridden and the risk of data loss will be minimized. The benefits of this data storage will be as follows: the implementation of reliable services on data archiving, data recovery when necessary and secure data protection from unauthorized access.

Development of statistical information systems

In 2014 the process of gradual reengineering of existing software applications and transition to centralized systems with decentralized entry of statistical forms using modern technology platforms such as .Net, J2EE continued.

In connection with the latest surveys in the field of agriculture, demography, environment and structural business statistics new applications were developed.

For the needs of different statistical surveys in the NSI new web-based applications were developed by means of VB.NET and Lime Survey. Applications run in the NSI's local network as well as with the respondents

The maintenance and update of IS "Business statistics" proceeded. The scripts for defining the surveys were developed included in the system for 2014. The rules for logical control (metadata update) and scripts for updating the nomenclature PRODCOM were developed. The existing forms were

updated and new .pdf forms were created for entering data in different forms to annual surveys in 2014.

In 2014 the work on development of analytical outputs and specific analysis of various statistical surveys using statistical package SPSS Statistics Server (20.0) continued. The SPSS Statistics Server is the basic analytical platform of the NSI.

Within the European project on dissemination of EU census data "Census Hub" the loading of the cubes with real data in Dissemination database and their mapping to transmitted structural definitions to Eurostat were finalized.

Within the project granted by Eurostat "Horizontal and vertical integration: Implementing of technical and statistical standards in the European Statistical System" the building-up of SDMX reference infrastructure under standard SDMX 2.0 was completed. The real data from three predefined groups of statistical domains, namely: Short-term statistics, Tourism and non-financial enterprises from Structural Business Statistics were loaded into the Dissemination database. The data were successfully linked to pre-established structural definitions in order to ensure their exporting on the NSI's website.

ICT Infrastructure

The NSI's employees participated in preparation of necessary documentation (ToR) and were involved in commissions on the public procurement procedures concerning information and communication technologies, maintenance and licensing of software used and development of NSI's information systems.

In 2014 the work on ensuring the operation of the communication environment for provision of connection to external respondents, and also interconnections within the NSI's Head Office and connections with RSOs proceeded. The Plan on improvement of segmentation and optimization of connections into the environment was developed in order to facilitate management and control to access.

During the year the maintenance of all hardware resources (desktops, laptops, servers, printers, copiers and telephone exchange) of the NSI continued. The status of the postal servers, servers for Internet connection and firewall was constantly monitored. The work of NSI's e-mail without accidents and connections with the outside world was ensured. The permanent antivirus and antispyware protection of all computers and other active equipment was provided.

The security of access to different information resources was realized through the management of Active Directory. The process of consolidation of Active Directory and management of current accounts continued.

During the year the program maintenance of all devices through constant updating and ensuring the validity of relevant licenses was carried out.

The virtual platform was developed through delivery of new hardware tools. The optimization of the virtual environment will ensure preconditions for inclusion of additional servers to it, which will increase the reliability of the information environment and will enable the inclusion of future information systems.

Methodology, statistical metadata, classifications and standards

In order to establish the need for methodological support, specialized statistical software and training a study was organized and conducted within the NSI's units aiming at clarifying the "gaps" in these directions by departments and directorates at NSI's Head Office. Based on the results a study on the existing resources was conducted at NSI's Head Office in order to meet the emerging needs among the available expert staff. It was established that some of the problems could be solved by using the available resources, and the rest - by attracting external experts. Based on the studies conducted a schedule was elaborated in order to provide methodological assistance and staff training within the NSI's Head Office. External experts were proposed in order to support work on these activities. At the

end of 2014 the preparation of trainings scheduled for early 2015 started.

In connection with a workshop-training at the NSI's Training Center in December the information on the problems and issues concerning Information System "Statistical Classifications", the Business Register and samples related to it was collected. The problems and issues were discussed during the workshop with experts from the NSI's Head office and RSOs as concrete solutions were proposed.

The "Concept on R&D in NSI" was elaborated for short and long term. It is in compliance with the priorities laid down in the "Strategy for Development of the National Statistical System, 2013 - 2017," thus respecting the European Statistics Code of Practice fundamental principles for quality of statistical processes and products. The concept was approved by Council to the President and the work on its implementation began.

During the reporting year the NSI continued work on the implementation of Special standard for data and metadata exchange (SDMX) in the national statistical practice. The NSI transmits reference metadata to Eurostat through web application "National Editor of reference metadata" (NRME) and participates in the Eurostat's annual monitoring on the status of National metadata system.

The NSI continued activities on current maintenance of data, metadata and preliminary calendar, according to the requirements of Special Data Dissemination Standard (SDDS) of International Monetary Fund.

During the reporting period the main task was the maintenance of statistical classifications up to date and provision of methodological assistance to users using them in statistical and social practice

In 2014 the process of updating the structure of European Classification of Products by Activity (conventionally called CPA Ver.2.1) was finalized. The activity on development of explanatory notes and corresponding tables will continue next year. The NSI's representative is a member of Task Force in Eurostat on developing proposals for amendment to this classification.

For the purposes of statistical processing and continuation of the series on the basis of changes in the Combined Nomenclature new classification versions of product classifications PRODCOM.BG 2014 PRODAGRO 2014 and PRODENERGY 2014 and correspondence tables of transition were developed. For the purposes of the survey PRODCOM the lists of T and Z codes were updated. For the purposes of external trade statistics and "Intrastat" system to the NRA annual update of self-explanatory texts of Combined Nomenclature (CN) was carried out.

The United Nations Statistics Division expressed interest in the national nomenclature of energy products (PRODENERGY) with no European analogue. In June a workshop was held and the principles of its establishment, the terminology used and connection with the Combined Nomenclature were discussed. Especially for the United Nations Statistics Division the English version of the classification with code tables was developed and submitted. The code tables ensured connection to CN and Standard International Energy Product Classification (SIEC).

During the year the current maintenance of IS "Statistical Classifications" and Electronic dictionaries of statistical terms and dictionaries of standardization and harmonization of statistical terminology proceeded. The list of Standard statistical indicators for 2014 was prepared.

Other activities

In 2014 statistics on disasters of 100 municipal committees for protection of the population was produced. Data were provided for publication on the NSI's website within the deadlines set out in the National Statistical Programme.

IV. RESOURCE ASSURANCE

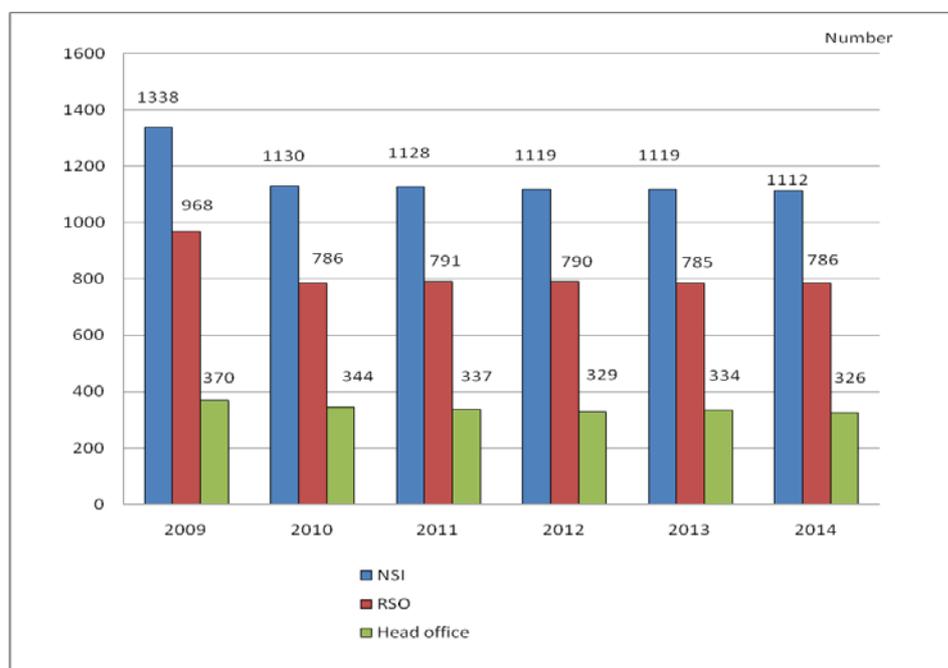
Personnel

The National Statistical Institute is organized into Head office and 28 Regional Statistical Offices.

The structural units are divided into general and specialized administration under Administration Act.

The total number of personnel within NSI's structural units in 2014 was 1 112, of which 326 on the pay roll at the Head office and 786 – at RSOs (Figure 5). According to the Rules of procedure of NSI the Head Office is organized into six directorates and units "Inspectorate" and "Internal audit Unit" departments "Security of information and DM unit", "Population and housing census unit", "General methodology and analysis of statistical surveys", "International cooperation and protocol" and "Press centre". Five of directorates are in the specialized administration and one - in general administration.

Figure 5. Staff positions in NSI within the period 2009 - 2014



Carrying out competitions for vacant positions

Within the period from the beginning of the year until the end of October 12 competitions for the recruitment of vacancies were conducted. At NSI's Head office the competitions were 4, and at the RSOs - 8.

The situation of the National Statistical Institute's staff is presented in Table 4, which summarizes the structure of total NSI's staff, including for NSI's Head Office and for RSOs.

Table 4. Employees by education, by sex, by legal basis and by age groups in NSI

(Per cent)

Structure of Personnel	NSI - total	Head Office	RSO
By Education			
Tertiary	79.67	92.95	74.58
Secondary	20.24	7.05	25.29
Lower than secondary	0.09	0.00	0.13
Total	100.00	100.00	100.00
By Sex			
Female	82.92	77.52	84.98
Male	17.08	22.48	15.02
Total	100.00	100.00	100.00
By legal basis			

Civil Service Act	76.51	91.95	70.60
Labour Code	23.49	8.05	29.40
Total	100.00	100.00	100.00
By Age (years)			
Under 24	0.37	0.00	0.51
25 - 29	5.48	8.72	4.24
30 - 34	6.59	6.04	6.80
35 - 39	10.49	12.75	9.63
40 - 44	12.63	15.10	11.68
45 - 49	13.37	7.72	15.53
50 - 54	16.81	10.07	19.39
55 - 59	25.07	24.83	25.16
60 and over 60	9.19	14.77	7.06
Total	100.00	100.00	100.00

The data show a high level of education among NSI's employees especially at the Head office, where the share of universities graduates is over 90%. The analysis shows that highlighted trend towards a predominance of specialties with economic orientation persists, and they are about 40% of the total composition. Statisticians who work not only in specialized, but in general administration, stand out as the most numerous - 25% of the total on the pay roll. Similar to the other administrations in the NSI it is observed feminization and predominance of employees in the higher age groups.

Table 5 shows the number of employees who are continuing their education at present to acquire a higher education degree.

Table 5. Education of NSI's employees in Bulgarian universities

(Number)

Type of education	NSI	Head office	RSO
Tertiary education to obtain an educational degree			
Doctor	4	4	0
Master	11	3	8
Bachelor	3	0	3
Other			
Specialization	2	0	2
Total	20	7	13

In 2014 due to adjustments in the NSI's budget funds for major repairs and renovations were reduced. The repairs were made solely under prescriptions and orders of specialized state and supervisory bodies. Current repairs in the building of NSI's Head Office were carried out only in emergency situations and scantily in some of the RSOs. Partial repair was carried out in holiday house in the town of Primorsko under prescription of Bulgarian Food Safety Agency.

The activities on improvement of working conditions continued. Part of individual items of furniture and equipment at offices were replaced. The allocation of rooms in the Head Office was optimized in accordance with the structural changes.

Property and motor insurance were carried out. A procedure was initiated on the replacement of depreciated vehicle fleet (over 90% of official cars were purchased before and in 2001). The practice on optimization of repairs made of NSI's vehicle fleet continued. Regulations were introduced in order to control repairs of NSI's cars, as well as accountability of mileage, costs on fuel, lubricants and other.

Procedure for renting the cafeteria in the building of NSI's Head Office was launched.

An agreement with the "Information Services" JSC on cost allocation for maintenance of the common parts of the managed buildings was prepared.

The contracts with operating companies with utilities were renewed under favorable for NSI conditions.

The cost of regular deliveries of supplies and materials were optimized.

The implementation of current repairs, preventive activities and removal of accidents through book introduced for registration continued. All requirements to maintain strict fire protection procedure in the building of NSI's Head office and in the buildings of RSOs according to the requirements of normative documents were kept. All instructions in this regard were implemented or deferred within statutory deadlines.

Due to lack of funds the activities of investigation of buildings and issuing passports for them were temporarily suspended.

Procedure for returning part of the managed RSOs areas to the state due to unnecessary use was finalized. The NSI realized savings from operational costs. This initiative is ongoing and will be expanded next year by rental of other inactive or released areas through shuffling of the staff.

Procedure for selection of net electricity supplier to NSI was prepared in order to ensure power supply of medium voltage. The procedure covered service "Responsibility for balancing", which will contribute to substantial savings from electricity.

Procedure for selection of operator for provision of electronic communications services of public fixed telephone networks for the NSI's needs is ongoing.

Budget

The implementation of the NSI's budget for 2014 is according to the adopted Law on State Budget of the Republic of Bulgaria for 2014 and adjustments made as of 31.10.2014 (Annex 1).

The revenues planned are implemented according to specified plan as of 31.10.2014 and amount to 132.02%. Within the revenues the received funding under international programmes and projects amounts to 171.81%.

The implementation of the total expenditure for the same period amounts to 81.25%, including current costs (wages, salaries and other payments to staff and maintenance) - 85.87%.

V. INTERNAL AUDIT AND ADMINISTRATIVE CONTROL

In 2014 the Statute and the internal rules on activity of the Internal Audit Unit (IAU) were updated and re-approved by the NSI's President. A copy of the Statute was submitted to the Ministry of Finance.

At the beginning of the year the Strategic Plan 2014 - 2016 was updated after risk assessment of all structures within the NSI. In accordance with it an Annual plan on activity of the Internal Audit Unit in 2014 was elaborated. Then both plans were approved on 4.02.2014.

In February 2014 an Annual report on Internal Audit activities for the previous year was prepared, which was submitted to the Minister of Finance within the deadline.

During the past year the following activities were implemented:

- Participation as a consultative body and coordinator for updating the risks in risk-registers of Head office and RSOs for 2014
- Participation as a consultative body and coordinator in preparation of generalized questionnaire and Report on status of financial management and control systems for 2013 and its submission to the Minister of Finance within the deadline
- Updating the Strategy for risk management in the NSI applying new 2015 methodology for risk assessment in accordance with the requirements for risk management, preparation of Draft order and determining the composition of the Standing Working group on risk management
- Coordination and organization in preparation of risk registers for risk management for 2015.

In early September due to structural changes occurred a new risk assessment was carried out and Strategic and Annual plan of the Internal Audit Unit were updated.

According to the Annual plan for audit assignments of the Internal Audit Unit during the year five audit assignments for giving confidence were envisaged and implemented. The first assignment was related to analysis and evaluation of implementation of the NSI's budget for the period 1.01.2013 - 03.31.2014. The second assignment was related to analysis and evaluation of financing received and budget spending during the implementation of the Population and Housing Census in Bulgaria, conducted by NSI in 2011. Two audit assignments for inspection and analysis of the activities carried out by the RSO - Sofia and RSO - Pazardzhik. The last audit assignment was for giving confidence on: proper, lawful and effective implementation of the activities of two departments from "Business Statistics" Directorate in the NSI's Head Office in accordance with the regulations and approved internal acts.

About 18 recommendations, 2 statements on improvement of the activities and about 20 significant findings with a positive effect on the implementation of the objectives were formulated. For given recommendations an Action plan concerning audit assignments was prepared and approved.

In accordance with the approved Training plan during the year the following trainings of two internal auditors were conducted within the Internal Audit Unit: 5th professional meeting of internal auditors organized by the Institute of Internal Auditors in Bulgaria; training on quality assurance of internal audit, organized by the Ministry of Finance; training on the topic: "Role of Internal Audit in the prevention of fraud" and course on the topic: "Introduction to information security standard ISO / IES 27001: 2013".

In 2014 the priorities objectives in the work of the Inspectorate of the NSI were related to:

- Achievement of lawful functioning of the administrative structures in the NSI by carrying out systematic control over the activity, generating appropriate measures and proposals and timely elimination of the gaps, weaknesses and violations
- Improvement of the quality and efficiency of conducted administrative control, of capacity, of training and qualification of the Inspectorate's employees.

In pursuance of stated objectives the Inspectorate carried out 6 planned and 5 extraordinary inspections within the administrative units in the NSI's Head Office and RSOs on observing the laws, regulations and internal institutional acts, rules and procedures on the organization of work of the structures. Two extraordinary inspections were carried out upon signals, one - by order of the Deputy Prime Minister for Economic Affairs. For the first time in 2014 an extraordinary complex inspection was carried out. During the inspection the quality control of statistical information was conducted. The composition of commission included employees from the specialized administration in the NSI's Head Office. They conducted control on the first stage of statistical surveys, determination and scope of the statistical units, collection and primary processing of statistical information. During the year an analysis and assessment of effectiveness on the activity of administration were carried out within two

administrative units. In the other two units the risk of corruption was evaluated. In 2014 within the NSI there were not signals for conflict of interest of employees of the administration. As a result of the inspections conducted two disciplinary proceedings were formed.

An analysis of the findings, including major gaps, weaknesses and violations in the activity of administration was prepared, namely:

- Lack of spelled out or updated internal rules and procedures for organization, conduction, report and control of activities
- Insufficient personnel and applying of practices for recruitment and reappointment of staff in overuse of legal exceptions
- Insufficient coordination between the structures of the NSI's Head Office and RSOs.

Based on the findings and conclusions in order to correct deficiencies and weaknesses and to improve the performance of the inspected administrations 64 recommendations in total were proposed and subsequently approved by the President of the Institute.

In 2014 in order to enhance the training and qualification the Inspectorate's employees participated in the course organized by the Institute of Public Administration, in two conferences, two workshops and an annual meeting held by the General Inspectorate of the Council of Ministers.

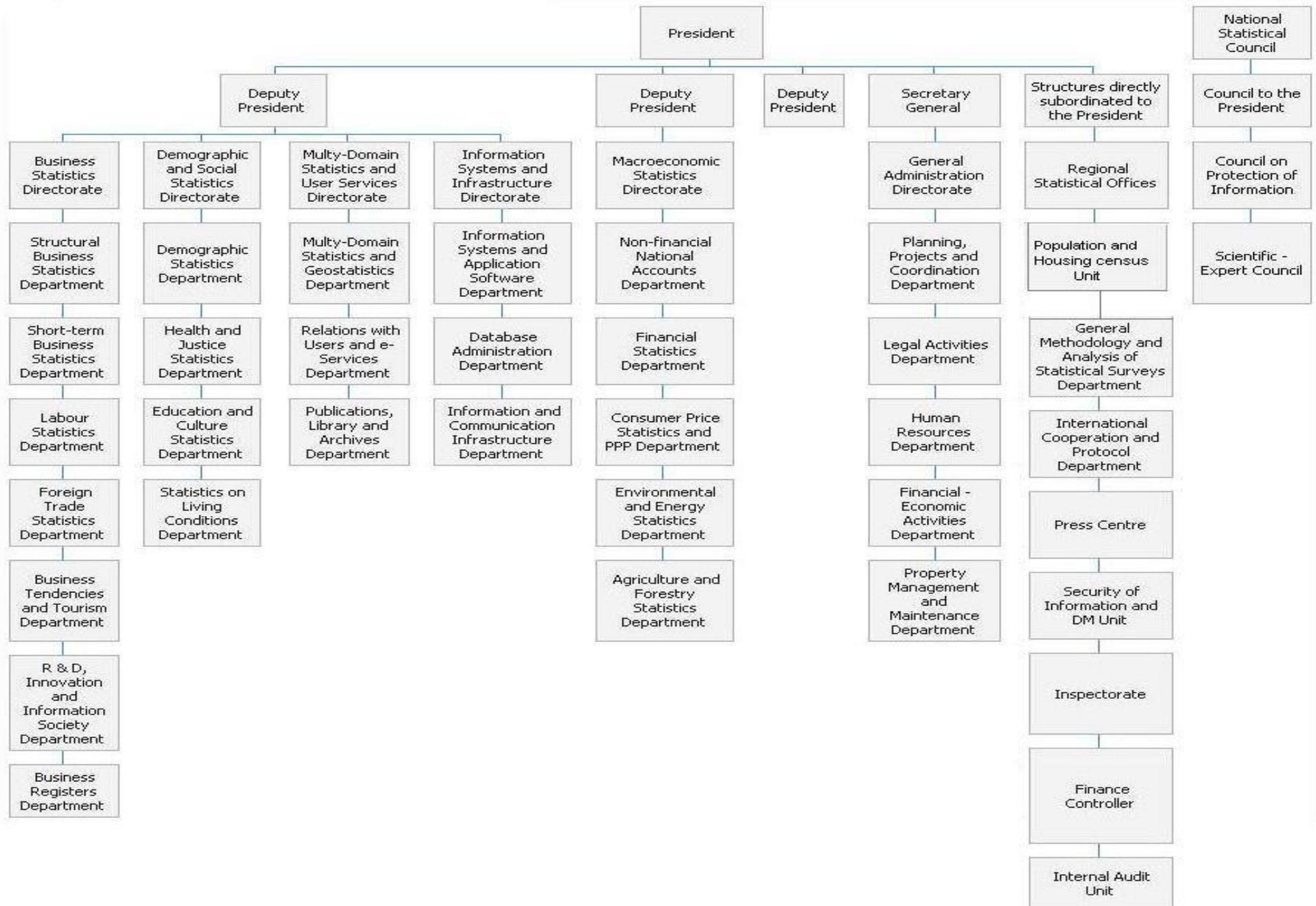
Annex 1. NSI Budget 2014

Indicators (in BGN)		LAW on state budget of the Republic of Bulgaria for 2014	Specified plan for the year as of 31.10.2014	Report as of 31.10.2014	Implementation of the plan/ report (%) as of 31.10.2014
1	2	3	4	5	6
I. REVENUES - TOTAL	01	1500000	1806000	2387550	132.20
Own revenues		1500000	1806000	2387550	132.20
Non-tax revenues		800000	800000	659190	82.40
Property revenues and incomes	24-00	798000	798000	659150	82.60
- Net revenues from sales of services, goods and production	24-04	650000	650000	603484	92.84
- Rental property revenues	24-05	148000	148000	55666	37.61
State fees	25-00	2000	2000	40	2.00
Grants, donations and other gratuitous funds		700000	1006000	1728360	171.81
Grants, donations and other gratuitous funds from abroad	46-00	700000	1006000	1728360	171.81
II. EXPENDITURES - TOTAL	02	18185600	17756001	14426726	81.25
Total expenditure		18185600	17756001	14426726	81.25
Current expenditure		15355600	16684501	14327136	85.87
Personnel		12008300	13337201	11784665	88.36
Salaries and remunerations to the personnel under the Labour Code and the Civil Service Act	01-00	7880200	8757691	7158098	81.73
Salaries and remunerations to the personnel under the Labour Code	01-01	1702600	1920789	1301541	67.76
Salaries and remunerations to the personnel under the Civil Service Act	01-02	6177600	6836902	5856557	85.66
Other salaries and payments to the personnel	02-00	1840200	2177627	2364348	108.57
Mandatory social security contributions from employers	05-00	2287900	2401883	2261579	94.16
Social insurance contributions from employers for the State Social Insurance (SSI)	05-51	1487100	1562637	1450523	92.83
Health insurance contributions from employers	05-60	594900	645568	594650	92.11
Contributions to additional compulsory insurance from employers	05-80	205900	193678	216406	111.73
Contributions to voluntary insurance	08-00	0	0	640	
Maintenance	10-00	3237300	3237300	2473600	76.41
Taxes paid, charges and administrative sanctions	19-00	108000	108000	67133	62.16
Expenditure for membership contributions and participation in non-profit organizations and activities	46-00	2000	2000	1738	86.90%
Capital expenditure		2830000	1071500	99590	9.29
Fundamental repair of tangible fixed assets	51-00	150000	0	3495	
Acquisition of tangible fixed assets	52-00	685000	334500	68417	20.45
Acquisition of intangible fixed assets	53-00	1995000	737000	27678	3.76
NATURAL INDICATORS					
Staff positions - total		1112	1112	1067	0.00
Average annual full-time positions - total		259	259	254	0.00
Staff positions		853	853	813	0.00
III. TRANSFERS	03	16685600	15950001	12061910	75.30

Indicators (in BGN)		LAW on state budget of the Republic of Bulgaria for 2014	Specified plan for the year as of 31.10.2014	Report as of 31.10.2014	Implementation of the plan/ report (%) as of 31.10.2014
III. A. TRANSFERS (SUBSIDIES, CONTRIBUTIONS) BETWEEN CENTRAL/STATE BUDGET AND OTHER BUDGETS		16685600	15913500	11983217	75.30
Transfers (grants/contributions) from the central budget (Net)	30-31	16685600	15913500	11983217	75.30
- Transfers (subsidies) from the central budget (+)		16685600	15913500	11983217	75.30
III. B. TRANSFERS BETWEEN BUDGET ACCOUNTS AND EXTRABUDGETARY FUNDS/ACCOUNTS		0	36501	78693	0.00
- Transfers received (+)	61-01		0	30000	
- Transfers granted (-)	61-02		0	0	
- Transfer from MLSP under programmes of temporary employment (+/-)	61-05		36501	48693	
III. C. TEMPORARY NON-INTEREST LOANS BETWEEN CENTRAL BUDGET, BUDGET ACCOUNTS AND EXTRABUDGETARY FUNDS AND ACCOUNTS					
IV. BALANCING ITEM (+/-) (I - II + III)	04	0	0	0	0.00
V. FINANCING OPERATIONS	05	0	0	0	0.00

Annex 2. Organization chart of the National Statistical Institute

Organization chart as of 01/09/2014



Annex 3. Information for outstanding activities due to budget limitations in 2014, laid down in the Action Plan

Priority of Strategy 2013-2017	Actions implementing priority	Deadline set for implementation	Implementation stage	Link with the Strategy	Reason for threatened implementation	Measures National Statistical Programme 2015
1.1	Development and implementation of IS "Education" for improving the scope, content and quality of statistics on education through the use of administrative sources in accordance with the basic statistical principles for information quality	2013 - 2015	Not implemented	Action Plan, point 21	Budget limitations	222. Development of information systems a) Development of IS "Education"
1.1	Building-up and launching Information System "Macroeconomic Statistics" for non-financial national accounts - quarterly and annual data.	2013 - 2017	Not implemented	Action Plan, point 49	Budget limitations	222. Development of information systems b) Development of IS "Macroeconomic Statistics" - non-financial and financial national accounts and government finance statistics
1.1	Building-up and launching IS "Macroeconomic statistics" in the field of financial statistics.	2013 - 2017	Not implemented	Action Plan, point 57	Budget limitations	222. Development of information systems b) Development of IS "Macroeconomic Statistics" - non-financial and financial national accounts and government finance statistics
1.2	Reengineering of Register of statistical units	2013	Partly implemented	Action Plan, point 138	Budget limitations	222. Development of information systems i) Development and update of IS "Register of statistical units"
1.2	Maintenance, update and extension of Information System "Short-term Business statistics"	2014- 2015	Partly implemented	Action Plan, point 99	Budget limitations	222. Development of information systems j) Improvement and update of IS "Short-term Business statistics"

1.2	Reengineering and update of IS "Foreign trade"	2014-2017	Partly implemented	Action Plan, point 76	Budget limitations	222. Development of information systems k) Development of IS "Foreign trade"
1.3	Implementation of the electronic portal "E-dissemination" in order to provide online access to statistical information	2015	Activity to be implemented	Action Plan, point 222	-	241. Dissemination database - Data conversion and loading to the dissemination database; Management and archiving of data in the dissemination database 242.Design, development, implementation and maintenance of electronic services for e-government
1.4	Development of GIS for introduction of spatial data in statistical production process	2013-2015	Partly implemented	Action Plan, point 180	Budget limitations	
2.2	Building-up and update of Register of addresses/dwellings/households based on Census'2011 data	2013 - 2015	Not implemented	Action Plan, point 2	Budget limitations	221. Development of IT technology for building and update of Register of addresses/ dwellings / households based on Census'2011 data 191. Register of buildings and dwellings
2.2	Update and extension of Information System "Business Statistics" (ISBS) as a main tool for online collecting of qualitative accounting and statistical information needed to calculate SBS indicators	2013 - 2017	Partly implemented	Action Plan, point 85	Budget limitations	222. Development of information systems f) Improvement and update of IS "Business statistics"
2.2	Development of electronic diary adapted to PCs with different operating systems and software for the Household Budget Survey	2013	Not implemented	Action Plan, point 37	Budget limitations	37. Household income, expenditure and consumption - Development of new paper and electronic form and diary and conduction of experiment with households not participating in the regular survey