



REPORT

ON IMPLEMENTATION OF THE NATIONAL STATISTICAL PROGRAMME AND THE ACTIVITY OF THE NATIONAL STATISTICAL INSTITUTE IN 2019

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LIST OF BULGARIAN ABBREVIATIONS

| | |
|-------------------|--|
| AAIS | Agricultural Accounting Information System |
| ASA | Agency for Social Assistance |
| CA | Customs Agency |
| CAIS | Central Automatic Information System |
| CCC | Central Census Commission |
| CEA | Classification of Economic Activities |
| CM | Council of Ministers |
| CPEA | Classification of Products by Economic Activity |
| EAFA | Executive Agency for Fisheries and Aquaculture |
| EC | European Commission |
| ECB | European Central Bank |
| ESS | European Statistical System |
| EU | European Union |
| ExEA | Executive Environment Agency |
| EXTRASTAT | Information system for Extra-Community trade in goods |
| FMCS | Financial Management and Control System |
| GDP | Gross Domestic Product |
| GIS | Geographic Information System |
| GNI | Gross National Income |
| HIAU | Head of Internal Audit unit |
| HICP | Harmonized Index of Consumer Prices |
| HO | Head Office |
| HPC | Hybrid Private cloud |
| IAU | Internal Audit unit |
| ICCS | International Classification of Crime for Statistical Purposes |
| ICT | Information and communications technology |
| INTRASTAT | Information system for Intra-Community trade in goods |
| IPA | Institute of Public Administration |
| IS | Information system |
| ISA | Information system on Agrostatistics |
| ISBS | Information System „Business Statistics“ |
| ISMS | Information Security Management System |
| ISSBS | Information system „Short-term Business Statistics“ |
| MAFF | Ministry of Agriculture, Food and Forestry |
| MES | Ministry of Education and Science |
| MEW | Ministry of Environment and Water |
| MF | Ministry of Finance |
| MH | Ministry of Health |
| MTITC | Ministry of Transport, Information Technology and Communications |
| NHIF | National Health Insurance Fund |
| NRA | National Revenue Agency |
| NRPP | National register of populated places |
| NSI | National Statistical Institute |
| NSP | National Statistical Programme |
| NSS | National Statistical System |
| NSSI | National Social Security Institute |
| OECD | Organisation for Economic Cooperation and Development |
| OOHI | Owner occupied housing indices |
| OP | Operational programme |
| PPPs | Purchasing Power Parities |
| PRODCOM | Survey on output and sales of industrial products |
| PRODCOM.BG | Nomenclature of Industrial Production |
| QMS | Quality Management System |
| RA | Registry Agency |

| | |
|----------------|--|
| R&D | Research and Development activity |
| RSO | Regional Statistical Office |
| RSU | Register of statistical units |
| SACP | State Agency for Child Protection |
| SBS | Structural business statistics |
| SEC | Scientific-Expert Council |
| SMEs | Small and medium-sized enterprises |
| STS | Short-term Business Statistics |
| UCATTU | Unified classifier of the administrative-territorial and territorial units |
| UISAC | Unified Information System Against Crime |
| UN | United Nations |
| UNHCR | United Nations High Commissioner for Refugees |
| UNWE | University of National and World Economy |
| UTIS | Unified Tourist Information System |
| WG | Working group |

LIST OF ENGLISH ABBREVIATIONS

| | |
|--------------|--|
| ESTP | European Statistical Training Programme |
| GSBPM | Generic Statistical Business Process Model |
| IFS | Integrated Farm Statistics |
| FATS | Foreign Affiliates Trade Statistics |
| FRIBS | Framework Regulation Integrating Business Statistics |
| NST | Standard goods classification for transport statistics |
| SDMX | Statistical Data and Metadata Exchange |
| VAT | Value Added Tax |
| VIES | VAT Information Exchange System |

INTRODUCTION

The Report on implementation of the National statistical programme and the activity of the National Statistical Institute in 2019 is developed in compliance with Art. 9 (6) of the Law on statistics.

The report is structured into five sections and presents the implementation of the tasks of the National Statistical Programme and the activities of the NSI and Other Bodies of statistics in 2019.

The first section pays special attention to surveys and activities performed for the first time in 2019.

The second section describes the results achieved on implementation of horizontal priorities laid down in the Strategy for Development of the National Statistical System of the Republic of Bulgaria 2013 - 2017, amended by an extension until 2020. Special attention is paid to the first Bulgarian Presidency of the Council of the European Union in the field of statistics as activities and achievements.

The third section presents the implementation of activities on the production of statistical information in the different 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 in order to implement the activities of the NSI in 2019.

The fifth section introduces the audit assignments performed by the Internal Audit Unit and the activities implemented by the Inspectorate and the Finance Controller in 2019.

MAIN EVENTS IN 2019

- **The NSI is the first Bulgarian state institution accepted as a member of the Organization for Economic Cooperation and Development (OECD).** The NSI as an institution became an associate member of the Committee on Statistics and Statistical Policy and has equal rights in the decision-making process of OECD Member States. Bulgaria participates in 10 different committees and 12 OECD instruments.

- **Preparation for the 18th Population Census and Housing Census in the Republic of Bulgaria** - on 21 February 2019 the National Assembly adopted the 2021 Population Census and Housing Census in the Republic of Bulgaria Act (promulgated, SG No. 20/08.03.2019).

The NSI developed a Census Programme adopted by the Council of Ministers on 27 November 2019. Its preparation took into account the requirements of the European and national census legislation as well as the recommendations of the Conference of European Statisticians and the UN Statistical Commission.

The Central Census Commission was appointed by an order of the Prime Minister. The Commission held its first meeting on 3 June 2019 and discussed the Rules of Procedure of CCC, the 2021 Census Programme and other organizational issues.

In 2019, the NSI also carried out the following activities related to the organization and preparation of the census:

- ✓ visual identity and census logo were approved;
- ✓ Census website was developed and launched;
- ✓ tools and instructions for pilot, real and control census were developed;
- ✓ the settlements for pilot census were selected and agreed;
- ✓ software licenses for the census information assurance were purchased.

- **Preparation and organization of the 3th Census of agricultural holdings in the Republic of Bulgaria in 2020 according to the EU requirements** – 2020 Census of agricultural holdings in the Republic of Bulgaria Act was adopted (promulgated, SG No. 22/15.03.2019). The MAFF developed Programme for census of agricultural holdings in 2020. A Pilot Census of agricultural holdings was carried out.

- The NSI successfully completed the certification process regarding the Eurostat Information Security Framework for microdata exchange in the field of international trade in goods between Eurostat Member States. Currently, 12 Member States including Bulgaria have successfully completed the certification process.

- The NSI carried out internal audits to comply with the requirements of EN ISO/IEC 27001 and a supervisory audit to confirm the NSI information security certificate. In 2020, the NSI will **integrate the ISMS according to EN ISO/IEC 27001 and QMS according to EN ISO/IEC 9001.**

- The Information System for monitoring European and national strategies and regional policy (**IS "Monitorstat"**) was put into regular operation and became the second largest communication channel of the NSI for dissemination of information after IS INFOSTAT. It is a national platform for monitoring and follow-up of key strategic documents (strategies) of national and international importance such as - UN Sustainable Development Goals 2030, Europe 2020, National Development Programme: Bulgaria 2020, Operational Programmes 2014 - 2020, Regional Development Plans and others.

- The NSI signed agreements on cooperation in the field of statistics with the National Bureau of Statistics of the Republic of Moldova and Central Bureau of Statistics of the State of Palestine.

- In 2019, the NSI carried out trainings for young specialists from the countries of the

Balkan region and the European Neighborhood Policy - Eastern Partnership – **statistical offices of Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, Ukraine and officials from the statistical offices of Albania, Bosnia and Herzegovina, Kosovo, the Republic of Northern Macedonia, Serbia and Montenegro.**

- **The NSI carried out a number of initiatives aimed at increasing the interest in statistics and the statistical literacy of users, in particular secondary school students and students:**
 - ✓ the NSI organized and held in Bulgaria **the second European Statistics Olympiad for students** which ended in May 2019;
 - ✓ the NSI conducted trainings for teachers - team mentors in **the third European Statistics Olympiad for students** in 2020;
 - ✓ in 2019, the NSI organized and conducted for the first time an **International Statistical Poster Contest**. The team of students from 56th High School „Prof. Konstantin Irechek” won second place in the competition, in which students from 35 countries around the world participated.

1. INTRODUCING FOR THE FIRST TIME IN 2019

In 2019 the NSI:

- implemented the IS “Monitorstat” to enable monitoring of indicators for all operational programs for the 2014-2020 period, horizontal strategic documents, national and international programs and policies;
- was certified regarding the Eurostat Information Security Framework for microdata exchange;
- prepared and submitted to Eurostat regional data on innovation at NUTS 2 level;
- began to perform monthly comparisons and analysis of declared data on arrivals and dispatches of goods with data declared under the Fiscal Control system by main sectors and groups of goods;
- prepared and submitted to Eurostat a report on the quality of data on the Health Accounts System pursuant to Regulation (EC) No 1338/2008;
- developed and implemented a new module „Creches” to the web-based application “Health establishments”;
- developed and submitted to Eurostat additional tables: „Financial accounts by institutional sectors (transactions), counterpart information, unconsolidated“ и „Balances on financial assets and liabilities (stocks), counterpart information, unconsolidated” as well as methodology for them for 2017 and 2018 pursuant to Regulation 549/2013;
- reported the results of the new statistical survey “Register for crude oil imports” pursuant to Regulation (EC) No 1099/2008;
- prepared and submitted data quality reports on natural gas and electricity prices for household and final non-household customers for 2017 and 2018 in accordance with Regulation (EU) 2016/1952;
- submitted to Eurostat experimental data at national level on the ecosystem extent and condition accounts in physical units presented in tables of changes in ecosystem assets and maps with their coverage and change over time;
- implemented the Statistical Data and Metadata Exchange (SDMX) in the area of the Harmonized Index of Consumer Prices;
- developed a general license to use statistical information produced and disseminated by the NSI;
- organized and conducted International Statistical Poster Contest for students.

2. IMPLEMENTATION OF HORIZONTAL PRIORITIES OF THE STRATEGY FOR DEVELOPMENT OF THE NATIONAL STATISTICAL SYSTEM 2013 - 2017, AMENDED BY AN EXTENSION UNTIL 2020

Main direction in the activity of the NSI in 2019 was the realization of horizontal and specific priorities of the Strategy for Development of the National Statistical System of the Republic of Bulgaria until 2020.

2.1. Priorities to Objective 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

In 2019, statistical data were developed and provided for monitoring and evaluation of national strategies with the thematic scope of data from all statistical areas. The provision of statistical indicators, development of new and update of existing indicators are priority activities due to the growing needs of a complex and multidimensional statistical information for the purposes of development, monitoring and evaluation of policies and programmes at national and regional level. The NSI and the competent institutions achieved more effective cooperation at national level.

The NSI implemented the Information System “Monitorstat” - a centralized, web-based, bilingual system that provides access to indicators and metadata from statistical surveys for national, European and international strategies and programs.

In 2019, the work on the provision of indicators included in the scoreboard for the establishment of macroeconomic imbalances continued. The indicators are part of the package consisting of six legal acts (five regulations and one directive) in order to strengthen economic governance in the EU.

Following the consultation with the ESS National Coordinator for Bulgaria, the required information products and supporting documents were deposited to the database of the Norwegian Centre for Research Data (Bergen, Norway) - administrator of the ESS-ERIC synchronized database of the European Research Infrastructure.

The NSI completed processing of the European Social Survey data, preparation of output files and supporting documentation under an agreement between the MES and the NSI.

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

In 2019, efforts were aimed at to improve the data collection system, develop new tools and update the current statistical tools for the monthly, semi-annual and annual surveys and the methodology of some surveys in accordance with national legislation and European requirements.

In 2019, the NSI carried out an internal institutional review of the Global indicator framework for assessing progress under the UN 2030 Sustainable Development Goals.

Priority 1.3. Extending the scope of provided statistical products and services, and strengthening the communication with users

In 2019, the NSI undertook a number of activities aimed at promoting statistical information to the public and enhancing the statistical culture of all user groups. Innovative approaches and tools for data visualization were used to present the results of the statistical

surveys, and the Internet was established as a major source for dissemination of statistical products and services and active communication with users.

In 2019, the NSI continued to improve the INFOSTAT system for dissemination of statistical information by increasing the volume of available statistical information. The quality reports and the license to use the published data were added to the system.

Initiatives were implemented to increase the interest in statistics and deepen the statistical knowledge of high school and university students. The NSI organized and held the **second European Statistics Olympiad** for students in 2019 involving over 12 000 students from 14 countries.

The International Statistical Poster Contest for students was organized by the International Association for Statistical Education - the educational section of the International Statistical Institute. The National Statistical Institute held the competition for the first time in Bulgaria in 2019.

In 2019, the NSI organized and conducted for the first time an **International Statistical Poster Contest**. The team of students from 56th High School „Prof. Konstantin Irechek” won second place, competing with students from 35 countries around the world.

For the second consecutive year, the NSI conducted trainings for teachers - team mentors in the third European Statistics Olympiad for students in 2020.

A new section on the NSI website is also under development to assist teachers with practical guidelines for promoting statistical science and practice in the learning process.

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

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

2.2. Priorities to Objective 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

In the field of justice statistics, the main source of information on crimes, accused and persons convicted is the Unified Information System Against Crime maintained by Prosecutor's Office of the Republic of Bulgaria. The efforts of the NSI experts aim to expand the use of data from the administrative source.

In order to improve the quality of statistics for the medical personnel in the country, the NSI used individual data from NHIF on physicians and dentists contracted by the NHIF.

In order to increase the completeness and reliability of the information in „Survey on Income and Living Conditions”, the NSI successfully used data from administrative registers (NRA, NSSI and ASA) as well as results from the NSI's survey „Annual statistics on employment and labour cost“.

In order to improve the coverage and quality of the statistical data on income in 2019, the NSI continued to use data from the NSSI as follows: data on the size of pensions received,

supplements to pensions and supplementary compensations and benefits by type and month from the register „Pensions“, as well as annual data on recipients of compensations and benefits under the Social Security Code (Register of compensations). Data on insured persons from the NSSI, information on the recipients of benefits from the ASA and information on persons submitted annual tax form from the NRA were used to supplement missing information on income and to validate data of „Survey on Income and Living Conditions“.

In the field of social protection statistics - European System of Integrated Social Protection Statistics (ESSPROS), the NSSI provided data on revenue and expenditure by schemes from 01 to 06 (core system) as well as data on pension beneficiaries by schemes and functions (module on pension beneficiaries).

In order to improve statistical production and to increase the quality of statistical products and services in the field of energy statistics, in 2019 the efforts focused on identifying new administrative data sources from: Customs Agency, NRA, State Agency “State Reserve and War-time Stocks”, Ministry of Energy, Sustainable Energy Development Agency and Directorate General “Civil Aviation Administration”.

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

A constant connectivity at database level was established through the unified electronic communications network in order to achieve efficient and secure data exchange within the interaction with other institutions (CA, NRA and NSSI), supporting registers and administrative sources used for statistical purposes.

In order to facilitate the respondents and to improve the quality of the collected statistical information in 2019, the NSI continued to develop and implement new information systems and web-based applications for the needs of different statistical surveys. Some of the existing information systems - ISBS, ISSTBS, CPI and others were also updated.

In 2019, in order to improve the process of using the statistical information available in the NSI, an integration of the new **IS “Monitorstat” with ISBS and IS INFOSTAT** was carried out. The NSI accomplished integration with external information systems (Information system for management and monitoring and Integrated Administration and Control System), as well as with the National Open Data Portal.

In 2019, **web-based applications** were developed and implemented in the fields of agriculture, environment, education and culture statistics, health statistics, statistics on living conditions, business statistics and demographic statistics. This facilitated respondents and improved quality of the collected statistical information.

In the field of web services development the NSI implements the following projects:

- „Development, design and technical support of the Internet site of the 2021 Population Census and Housing Census in the Republic of Bulgaria“;
- „Update of the NSI website“ ;
- „Update of the NSI intranet site“.

In 2019, the use of **tablets and mobile devices** to collect primary data was expanded as part of the long-term strategy for use of new technologies to accelerate and facilitate processes of data collection and processing and to ensure good quality. Electronic devices were used to collect information for the purpose of the survey „Statistics on Income and Living Conditions“.

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

Sustainable quality management of the European statistics is a priority direction in the development of the ESS. Quality management of the European statistics requires all Member

States to implement effectively the legislation in the field of statistics and principles of the European Statistics Code of Practice.

In 2019, the NSI carried out third annual monitoring on the implementation of the „Action Plan for implementation of the recommendations of the Peer Review in the NSI“.

The following activities were carried out in relation to the implementation of Quality management system according to ISO 9001:

- Conducted specialized training for the Head office and the RSO (“Statistical surveys” departments) related to internal quality auditors according to standard ISO 9001:2015;
- Performed internal audit and external supervisory audit with recommendations made for adjustments to implemented tool for Quality Management System;
- Development and implementation of an extended scope of the Quality Management System;
- External certification audit of the extended scope of the Quality Management System was carried out, and as a result, the NSI received a new quality certificate for the activities for the collection, processing, analysis and dissemination of statistical products and services in accordance with ISO 9001: 2015.

In October, the NSI organized training of experts from the Statistical Committee of Armenia in the field of the Quality Management System.

In 2019, the NSI continued to develop and submit to Eurostat quality reports for statistical surveys in defined format.

2.3. II Priorities to Objective 3: Enhancing the professional and organizational capacity of the NSI and the Bodies of Statistics

The improvement of statistical production and dissemination to users is impossible without the participation of key organizational resource, namely human resources. The improvement of qualification, flexibility and capacity of the NSI’s staff is an important prerequisite for successful implementation of the priorities set in the Strategy for Development of the NSS of the Republic of Bulgaria 2013 - 2017, amended by an extension until 2020. Therefor, in the process of development of Annual Plan on specialized training of NSI’s employees in 2019, the specific needs related to the development of the methodology and the enrichment of the content of the existing surveys were taken into account by introducing additional modules and indicators.

1. Trainings, seminars and courses of employees of the NSI in 2019 (Number)

| Trainings, seminars, courses | Conducted trainings, seminars, courses | Employees trained |
|--|---|--------------------------|
| 1. Trainings according to European Statistical Training Programme | 20 | 20 |
| 2. Seminars related to the modernization of surveys included in the National Statistical Programme | 19 | 597 |
| 3. Seminars for improving the professional capacity of the NSI experts | 11 | 444 |
| 4. Seminars on projects | 5 | 278 |

| | | |
|---|-----------|-------------|
| 5. Other courses and trainings outside the Annual Training Plan | 13 | 151 |
| 6. Bulgarian Institute of Public Administration obligatory training | 13 | 13 |
| Total | 81 | 1503 |

The trainings contribute to the smooth production of high quality statistical data in accordance with international standards. The thematic areas of training are implementation of security systems, quality of information and personal data protection, preparation of tools for the 2021 Population Census and Housing Census, national accounts and balance of payments, environmental accounts and natural capital and ecosystem accounts, economic accounts and prices in agriculture and forestry.

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

In the dynamically changing conditions in the labour market, development of the employees is an essential prerequisite for the implementation of organizational objectives and tasks. The discrepancy between knowledge, skills and experience that are expected of the candidates and what they demonstrate in practice is not a small challenge either.

Overcoming this imbalance is possible by the joint efforts of the academic community and employers. The NSI is a good example in this respect as it attracts trainees from various universities (Sofia University “St. Kliment Ohridski”, University of National and World Economy, etc.) with different length of training.

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

The remote work of employees is expanding in compliance with all security requirements.

A unified printing, copying and scanning environment was provided for the needs of the NSI, which improved the quality of service delivered.

The use of analytical platforms SPSS and SAS was improved, as they became an essential tool for statistical data processing.

Priority 3.3. Cooperation and partnership between institutions within the NSS and users

In order to increase efficiency, to achieve optimal organization and coordination of interaction with the institutions and efficient implementation of defined functions and tasks, the NSI, the bodies of statistics and the other state institutions continued their joint work under the **concluded agreements**.

In July 2019, the NSI and the National Council for cooperation on ethnic and integration issues signed an Agreement on cooperation and strategic partnership for exchange of information.

The NSI implements project "Development of socio-economic and demographic analysis of the regions in the Republic of Bulgaria" in cooperation with the National Center for Regional Development.

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

Participation of the NSI in Working Group „Statistics”

After the successful first Bulgarian Presidency of the Council of the European Union in the field of statistics, the NSI continued to work actively in the ESS.

At the end of 2018, the presiding trio Estonia - Bulgaria - Austria entrusted the Presidency to the next trio - Romania - Finland - Croatia for the period 1.01.2019 - 30.06.2020. In the field of European statistics, the three Presidencies announced that they would focus on the provision of high quality and relevant European statistics produced in accordance with Regulation (EC) No 223/2009 on European Statistics and guided by the European Statistics Code of Practice. Moreover, the trio continue to account emerging challenges such as new data sources (*big data, privately held data*); new methods for working with alternative data sources and communication methods.

The Romanian Presidency (01/01/2019 - 30/06/2019) announced that it will promote actions to modernize the European Statistical System by supporting the sustainable and equitable development of all Member States through increased levels of convergence, innovation, digitization and cohesion. In particular, in the context of pursuit of digitalisation, the Romanian Presidency emphasizes on the problems of innovative instruments to be used in statistics and their importance for the upcoming population and agricultural censuses. Work continued on the following dossiers:

- **Proposal for a Regulation of the European Parliament and of the Council establishing a common framework for European statistics on persons and households, based on individual data collected from samples** - the dossier was adopted at a meeting of the Committee of Permanent Representatives in the European Union on 20.02.2019. At its plenary session, the European Parliament also endorsed the text at first reading on 16.04.2019. The Regulation was published in the Official Journal on 14.10.2019 and shall enter into force 20 days after its publication.
 - **Proposal for a Regulation of the European Parliament and of the Council on European business statistics amending Regulation (EC) № 184/2005 and repealing 10 legal acts in the field of business statistics** - The NSI endorsed the mutually acceptable text of the Presidency that was adopted by the Committee of Permanent Representatives and the European Parliament at first reading on 16.04.2019.
- **Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) № 862/2007 on Community statistics on migration and international protection** - with the assistance of the colleagues from the Ministry of Interior and the State Agency for Refugees, the NSI provided its comments on the compromise text reached by the Romanian Presidency of the triologue on 31.01.2019. The text was not supported and was not included at all in the agenda of the Committee of Permanent Representatives.
- **Proposal for a Regulation of the European Parliament and of the Council establishing the programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826** - on 29.11.2018, a partial common approach was reached concerning the statistical part of the programme, despite the dissatisfaction of many representatives of national statistical offices that the European statistical programme was not in a separate regulation.

Participation of the NSI in the ESS

The NSI actively participated in all three regular meetings of the Committee of the ESS.

In 2019, the NSI participated in the meetings of 43 working groups and 17 experts took part in the meetings of 17 target groups of Eurostat developing strategic documents, legal acts

and new methodologies in the different statistical fields as well as in 7 Eurostat's seminars in priority areas for the development of the European statistics.

The NSI sent out 20 experts to 14 trainings within 2019 European Statistics Training Programme. All the trainings completed successfully.

At the beginning of October, the President of the NSI participated in the **105th Annual Conference of the Directors General** of the National Statistical Institutes (DGINS), which was held in Bratislava, Slovakia. This year the main topic of the conference was "The statistical implications of economic globalization".

Participation of the NSI in International Cooperation

The President of the NSI participated in the **50th session of the United Nations Statistical Commission** held in March at the UN Headquarters in New York. The UN Statistical Commission was established by the UN Economic and Social Council and it is the highest decision-making body in the field of international statistical activities. The Commission supports the Council as follows: to encourage the development of national statistics and to improve their comparability; coordination of statistical work of specialized agencies; development of the statistical services of the Secretariat; to advise the UN bodies on matters relating to the collection, analysis and dissemination of statistical information; to promote the improvement of statistics and statistical methods in general.

This year, the Heads of Statistical Offices of the UN Member States discussed the UN Sustainable Development Programme by 2030 and the achievement of the goals set. The most reputable statistical forum in the world was held under the motto "Better Data Better Lives", and a large number of events - seminars, thematic meetings of high-level groups, conferences, regional discussions, accompanied the regular session. The NSI President took part in bilateral meetings with the Heads of statistical offices of the Eastern Partnership and Western Balkans countries to discuss expanding the cooperation and training the NSI provides for statistics from these countries. He also participated in the meeting of Presidents of the EU statistical offices and in discussions with heads of similar institutions from around the world.

In the middle of the year, **the NSI became the first Bulgarian institution granted equal rights in its area of competence with OECD Member States**. For several years, Bulgaria has been an active participant in the Committee on Statistics and Statistical Policy, joined the OECD Recommendation on Good Statistical Practice and fully fulfills the criteria of being an associate member. From now on, the NSI will participate in all sessions of the Committee on Statistics and Statistical Policy and in the decision-making process equally with all OECD Member States. The National Statistical Institute was formally welcomed at the Committee meetings in late June in Paris, where it was represented by the Deputy President of NSI. In the future, Bulgarian statisticians will have the opportunity to join official or expert and advisory groups on certain issues, as well as in the official subsidiary bodies of the Committee on Statistics and Statistical Policy.

Bulgaria was represented as an institutional member by the NSI President at **the 62nd World Statistical Congress** held in the second half of August in Kuala Lumpur, Malaysia. Over 2,500 statistics from 130 countries took part. The event was organized by the International Statistical Institute every two years in different countries.

During the meeting, questions from all areas of statistics were raised and discussed - demography, population census, business statistics, macroeconomic statistics, social statistics - income, education, healthcare, science, quality of life and others. The developments in the methodologies for population and housing censuses and census of agricultural holdings as a component of the integrated statistical system were among the most current topics discussed for Bulgaria in relation to the upcoming Europe-wide censuses in 2020-2021.

Statisticians from around the world focused on discussing the vision of future data collection on official statistics and in particular reviewed the new methods of data collection and big data that are emerging as the most innovative method in official statistics - an area in which Bulgaria operates actively through participation in Eurostat projects. Discussions on the application of statistics in the health sciences and public health and environmental statistics and climate change were particularly interesting.

The Congress also provided opportunities for bilateral meetings with NSI partners in various projects and initiatives. Meetings were held with representatives of: Georgia and Armenia in connection with the training of young statisticians in Bulgaria from the Eastern Partnership countries; Serbia - for young statisticians from the Western Balkans; Palestine - to sign a bilateral agreement, as well as others.

Strengthening regional cooperation

The NSI is pursuing a consistent policy for development of bilateral cooperation with the countries of the European Neighborhood Policy – Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine), South Partnership (Algeria, Egypt, Israel, Jordan, Libya, Lebanon, Morocco, Palestine, Syria and Tunisia) and the countries from the Balkan region.

On January 29, 2019 in Chisinau, Republic of Moldova, an **Agreement on statistical cooperation was signed between the National Statistical Institute of the Republic of Bulgaria and the National Bureau of Statistics of the Republic of Moldova**. The agreement was signed by the President of the NSI and by the Director General of the National Bureau of Statistics. In the history of bilateral relations between the two institutions, this was the first visit by a President of the National Statistical Institute in Moldova. The signing of the agreement will provide a good basis for perspective and fruitful cooperation in various statistical areas.

For the first time, from 22 to 23 April 2019, a cross-border meeting was held between representatives of the National Statistical Institute of the Republic of Bulgaria and the Hellenic Statistical Authority (ELSTAT). On the first day the meeting was held in Kardzhali and on the second day in Xanthi. The meeting was attended by the Presidents of the statistical offices of Bulgaria and Greece, the director of the Cabinet of the President of ELSTAT, the acting director-general in charge of statistical surveys at ELSTAT, representatives from the central offices and regional statistical offices of Bulgaria and Greece. The meeting held in the framework of the mutual agreement between the Presidents of NSI and ELSTAT to enhance cooperation between the two institutions from 2018 and concluded with a fruitful discussion on the future development of the bilateral relations between the NSI and ELSTAT. It was decided to sign a Memorandum on bilateral cooperation in the field of statistics, as well as an Action plan.

Agreement on Cooperation in the field of statistics between the NSI and the Central Bureau of Statistics of the State of Palestine was prepared and signed. In February 2019, an agreement was reached in Ramallah between the Presidents of NSI of Bulgaria and the Central Bureau of Statistics of the State of Palestine. During the visit, the President of the Palestinian Statistics presented its structure, main achievements and challenges, and the Bulgarian President briefed his hosts on the activities of the NSI and the areas in which statistical experts could be useful to their Palestinian colleagues. The two presidents discussed the upcoming agricultural census in 2020 in the two countries, the work with data users, the dissemination of information and other issues of mutual interest.

In pursuance of its policy for development of cooperation with **the countries from the European Neighbourhood Policy - Eastern Partnership**, the NSI **organized for the third time a training course** for 24 young specialists from the Statistical offices of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The training was conducted between 8 and

19 September 2019 within the framework of the “Cooperation for Development” Programme (“Building Administrative Capacity and Democratic Institutions”) of the Ministry of Foreign Affairs of the Republic of Bulgaria. The aim of the Programme is to provide support for strengthening the institutional and administrative capacity of partner countries of the Western Balkans and the Black Sea Region. The organizers of the training were the NSI and the Centre for Statistical Studies at the University of National and World Economy. The training was held in the UNWE - Sofia and in NSI’s Training and Qualification Centre “Slivek”. The topic of the training was “Introduction to the theory and organisation of statistical surveys”. During the course, the participants were introduced to practical aspects of the statistical surveys conducted in Bulgaria in the fields of demographic, macroeconomic and business statistics as well as several new methods of data collection, including Big Data.

The President of the Statistical Committee of the Republic of Armenia and the Executive Director of the National Statistics Office of Georgia visited Bulgaria in the period September 15-18. Within the framework of the visits, the parties discussed the activation of the joint activities under the existing agreements of Bulgaria with Armenia and Georgia on cooperation in the field of statistics. The two Presidents met with the training participants from the Eastern Partnership countries and expressed their appreciation for Bulgaria's efforts to support the administrative capacity building process in Armenia and Georgia in the field of statistics.

In the period 29 September – 8 October, within the framework of the same Programme of the Ministry of Foreign Affairs of the Republic of Bulgaria, the NSI hosted a five-day **training in the field of statistics** of experts of **Statistical offices from Balkan region countries** - Albania, Bosnia and Herzegovina, Kosovo, the Republic of North Macedonia, Serbia and Montenegro. The training, conducted jointly with the UNWE – Sofia was focused on the theoretical and practical aspects of the statistical science and statistical surveys in Bulgaria.

During the year, within the framework of **Multi-Beneficiary Statistical Cooperation Programme (IPA 2015)**, the NSI organised the following **study visits**:

- On 13 and 14 May 2019, the NSI hosted training in **agromonetary statistics** in collaboration with the consulting company GOPA from Germany. **Experts from the statistical offices of Albania, Bosnia and Herzegovina, Kosovo, the Republic of North Macedonia, Serbia, Turkey and Montenegro** participated in the training. Leading experts from the NSI and MAFG informed their colleagues about the European legislation in the field of agricultural statistics and their experience in its implementation in Bulgaria.
- Between January and June 2019, the NSI provided expert and technical assistance to the **State Statistical Office of the Republic of North Macedonia** in connection with the provision of technical expertise regarding the **development of application software for the formation of enterprise groups**.
- Within 9 – 12 December 2019, the NSI hosted a study visit of **experts from the Statistical Office of Kosovo in the field of adult education statistics**.

From 9 to 13 September 2019, within the framework of the **TAIEX - the Technical Assistance and Information Exchange instrument**, experts from **the State Statistics Service of Ukraine** visited the NSI for training. The training aimed to convey the experience of Bulgarian statisticians in organizing and conducting surveys in the field of education statistics, with the focus being on lifelong learning and adult education.

Participation of the NSI in European projects

The NSI 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. During 2019, the NSI successfully completed the implementation of **22 projects**, funded through grants by the EC and co-funded by the state budget in the area of business statistics, macroeconomic statistics, demographic and social statistics, environmental statistics and multi-domain statistics. In 2019, the NSI applied and signed contracts with the EC for **9 new projects** which are intended to be implemented in the period 2019-2021. The projects are included in the Annual Programme of Eurostat for 2019 and are in pursuance of the Regulation (EU) 2017/1951 of the European Parliament and the Council of 25 October 2017 amending Regulation (EU) № 99/2013 on the European Statistical Programme for the period 2013 - 2017, extending the Programme up until year 2020.

During the current year, the NSI continued to implement the **project “EU Support to the State Statistical Committee of the Republic of Azerbaijan (SSC) to reach European standards”**. The Lead partner is the ICON Institute – Germany, and the consortium includes the Statistical offices of Bulgaria, Germany, Lithuania and the Netherlands. The main objective of the project is to obtain an effective statistical system, which supports and monitors the processes of economic reform and contributes for the economic and social development of Republic of Azerbaijan. Within the project, the NSI carried out **four expert missions** in the State Statistical Committee of the Republic of Azerbaijan in the field of **short-term business statistics and statistical classifications**. The NSI carried out the following study visits:

- In the period 24 - 28 June 2019 the NSI hosted a study visit for experts from the State Statistical Committee of the Republic of Azerbaijan themed **“Application of current international statistical classification in identified areas”**. As per the agenda the scope of the study visit covered a wide variety of subjects in the field of development, support and application of statistical classifications presented by lead experts from the NSI, the Ministry of Agriculture, Food and Forestry and the Ministry of Labour and Social Policy. The experts from Azerbaijan participated in the study visit in the NSI’s Training Centre in Slivek, and visited the Regional Statistical Office ‘Severoiztok’ in order to review the application of statistical classifications on regional level in practice.
- From 15th to 18th October 2019 the NSI hosted a study visit of experts from the State Statistical Committee of the Republic of Azerbaijan on the topic **“Exchange of knowledge and good practices in the field of calculation of producer price indices in industry and services”**. The study visit focused on methodology and improvement of producer price indicators, more detailed introduction to the methods for collection of the necessary information, quality assessment, calculation of producer price indices in industry and services, functioning of the IS Short-term Business Statistics System as well as the future development of indices in regard to the requirements set out in the new Framework regulation integrating business statistics (FRIBS). The Azerbaijani experts also visited Plovdiv, where they had the opportunity to get familiar with the work of the Regional Statistical Office - Yug, and the conduction of statistical surveys in the field of short-term business statistics at regional level.
- On the 11th and 12th of November 2019 the NSI hosted a study visit of experts from the State Statistical Committee of the Republic of Azerbaijan within Component 4: Capacity of statisticians and other employees in SSC and other stakeholders improved to produce quality statistics. The purpose of the training was to ensure the transfer of knowledge and good practices **in the field of human resources management in the NSI** - strategy, implementation, training system for statistics and staff evaluation, procedure for assessing the needs for statistical training in the NSI and the bodies of statistics, introduction to the activities of the NSI’s Training Centre in Slivek and the training materials used, reviewing the evaluation of individual training courses and annual

training programmes.

The study visit carried out was highly appreciated by both Azerbaijani colleagues and the leading partner ICON Institute - Germany, which was also supported by the fact that one visit was originally planned, but at the request of the Azerbaijani side, two additional trainings were carried out.

In 2019, the NSI **started to implement project “IPA 2017 Multi-beneficiary statistical cooperation programme for preparation of statistical offices of Albania, Bosnia and Herzegovina, Kosovo, Republic of North Macedonia, Montenegro, Serbia and Turkey for future EU membership”** in consortium with GOPA Consultants - Germany (Lead Partner), the NSI, the Statistical Office of the Netherlands and the Statistical Office of Hungary. The NSI participates in the project with one key expert in business statistics and three non-key experts in Albania, Kosovo and Bosnia and Herzegovina. Two opening meetings and three expert missions were held in these countries.

At the end of March 2019, the NSI started to implement **project "Improving the production and dissemination of statistics" funded by the European Union. The NSI is in consortium with BIM Consulting Ltd.** The project aims to improve the quality and availability of statistical data in the **Republic of North Macedonia** and enhance their use in development and coordination of public policies. During the next three years, the State Statistical Office of the Republic of North Macedonia will receive technical assistance, consultancy support and advice to adapt to the best practices and requirements EU Statistics acquis. The target group of the project also includes the other official statistics producers like the National Bank and the Ministry of Finance, the data providers and the users of official statistics. The project leader is an NSI expert. The project has four components: Component 1: Further alignment with the EU standards in the field of macro-economic statistics; Component 2: Further alignment with EU standards in the field of business statistics; Component 3: Further alignment with EU standards in the field of social statistics; Component 4: Further improved Information and Communication Technology infrastructure.

In 2019, the NSI started work on the **project “Novel Approaches to Generating Data on hard-to-reach populations at risk of violation of their rights”**. The project is part of the „Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups” Programme, financed by European Economic Area Financial Mechanism 2014 - 2021. The project is carried out by the NSI in partnership with the European Union Agency for Fundamental Rights and has a duration of 30 months. The aim of the project is to develop innovative methods and approaches for data collection and adapting relevant indicators needed to formulate and implement policies targeting representatives of vulnerable population groups. The following activities were carried out within the project in 2019:

- comparative review of tools used in surveys on hard-to-reach populations and an analysis of their specific objectives in the context of policies targeting vulnerable population groups;
- consultation with stakeholders;
- definition of vulnerable groups to be monitored;
- defining a list of indicators; analysis of the study results;
- preparation of tools for conducting a field survey among households;
- development of a project website;
- organization of a scientific conference.

In 2019, the NSI participated as a partner in two projects within the framework of **transnational programmes:**

- The activities on project **“Improving institutional capacities and fostering cooperation to tackle the impacts of transnational youth migration”**

(YOUMIG) completed successfully. The project had a duration of 30 months and was realized within the Danube Transnational Programme (Interreg - Danube Transnational Programme - ERDF). It aimed at evaluation of youth migration and measurement of well-being of youth in the region. Nineteen partners from eight countries participated in the project. The aim of the project was to strengthen institutional capacity and to improve the decision-making environment for human capital in the region.

The following methodological and strategic documents were developed within the project:

- Conceptual framework to survey youth migration in the Danube region;
- Youth migration and development of the Danube region - processes, perspectives and policy framework;
- Quantitative analysis of objective and subjective aspects of youth migration in the Danube region;
- Youth migration and local governance in the Danube region - challenges and novel approaches;
- National policy recommendations for better institutional cooperation on youth migration;
- Regional strategies to address the challenges and consequences of youth migration.

Within the framework of the project, an information technology tool was developed to represent a structured regional database and metadata related to youth migration.

- The second project **„Innovation capacity boost of Small and Medium-sized enterprises” (SME Innovation Capacity Boost - SMEInnoBoost)** started in the beginning of August 2017. It was implemented within the framework of **Interreg - Balkan-Mediterranean 2014 - 2020 Transnational Program**. The project aimed at increasing the innovation potential of small and medium-sized enterprises in the region. The main objective of the Project is to boost the transnational innovation capacity of SMEs and to support the creation of sustainable networking formations, including innovation clusters with other SMEs from the Balkan-Mediterranean region, in order to share know-how and to develop innovation through the creation of tripartite partnerships to provide SMEs with relevant data, tools and systems. Partners on the project are the Statistical offices of Bulgaria, Albania and the Republic of North Macedonia, the National Association of Small and Medium Businesses, the Science and Technology Park of Crete at the Foundation for Research and Technology - Greece, the Institute of Information and Communication Technologies to the BAS, Foundation for small and medium-sized enterprises - Skopje, the Republic of North Macedonia, the Regional Development Agency of the Korce, Albania; monitoring partners - the Software Engineering and Internet Technologies Laboratory at the University of Cyprus and the Innovation and Technological Development Fund of the Republic of North Macedonia. Leading partner is the National Association of Small and Medium Business in Bulgaria. The duration of the project is 30 months.

Within the framework of the project, the NSI developed methodology and tools for all participating countries and carried out nationally representative statistical survey on innovation activity in the period 2016 - 2018 of micro, small and medium-sized enterprises in the information and communication technology sector. The survey was conducted through personal interviews with the enterprises and direct data input in real time via tablets. Specialized software – IS SMEINNOBOOST – was developed to process the survey data. Results of the survey conducted with a single questionnaire and

harmonized methodology in Bulgaria, Albania and the Republic of Northern Macedonia, were submitted to the lead partner (the National Association of Small and Medium Business in Bulgaria) at the end of July 2019.

Participation of the NSI in projects under operational programmes

In 2019, the NSI successfully completed a project for building of statistical base and Information system for monitoring of European and national strategies and regional policy (IS Monitorstat). The project was implemented with the financial support of Operational Programme “Good Governance” 2014-2020 and co-financed by the European Union through the European Social Fund.

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

The NSI pursues an active policy of strengthening cooperation with representatives of the academic society, which reflects in the activities of the Scientific-Expert Council. The SEC is an advisory body to the President of the NSI and includes prominent representatives of the academic society from different universities and institutions as well as leading statistical experts from NSI. With its activity the NSI supports the innovative approach in development of new methodologies and discussions on important to NSI scientific or practical statistical problems.

2.4. Priorities to Objective 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

In 2019, the NSI continued the work on the project “Implementation of CAIS “Single entry point” for submission of annual financial statements and statistics in machine-readable format and integration with the NRA, NSI, RA (TR)”. The project was implemented with the financial support of Operational Programme “Good Governance” 2014-2020 (Priority Axis 1 „Administrative Services and e-Governance“) co-financed by the EU through the European Social Fund. Series of meetings were held with experts from the NSI, RA, OPGG, MJ and other stakeholders. In the beginning of September, the CM adopted an updated Strategy for development of e-Government in the Republic of Bulgaria 2019 – 2023 and an updated Roadmap for its implementation. According to these documents, the activities related to the implementation of the “Single Entry Point” were assigned to the RA as a responsible institution.

As part of the State Administration, the NSI is obliged to publish information on the Open Data Portal of the Republic of Bulgaria in open, reusable, machine-readable format. The NSI implemented an e-service that allows automatic publication of statistical information from IS INFOSTAT on the Open Data Portal in fulfillment of the Roadmap for the implementation of the Common e-Governance Strategy of the Republic of Bulgaria 2011-2015. The NSI also created tools for automated updating and supplementing of information. After migrating the data to the new Open Data Portal of the Republic of Bulgaria, the NSI published and maintained 43 datasets, as 38 of the published resources are in JSON-stat format.

The IS "Monitorstat" came into regular operation. The main objective is to develop a statistical framework and procedures for collecting information to monitor the implementation of national and European strategies in order to use them in decision-making and policy implementation, as well as to optimize the activities of the administration at national and regional level through exchange and better use of available information to improve monitoring of policy implementation.

The NSI conducted a study visit for exchange of experience organized by the State e-Government Agency at the request of the Ministry of Public Administration of Kosovo on the topic "Open Data Initiative in Bulgaria", held on 15 and 16 April 2019.

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

The process of implementation of the SDMX standard for data exchange in new statistical fields continued. During the year, the transition from standard SDMX 2.0 to standard SDMX 2.1 was completed.

The NSI continued successfully to use the Single Entry Point of Eurostat for data exchange of statistical data EDAMIS (Electronic Dataflow Administration and Management Information System), which guarantees secure data exchange of confidential data.

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 NSI completed the certification process on information security according to the requirements of EN ISO/IEC 27001. In 2019, the NSI carried out internal audits to comply with the requirements of EN ISO/IEC 27001 and a supervisory audit to confirm the NSI information security certificate.

The NSI successfully completed the certification process regarding the Eurostat Information Security Framework for microdata exchange in the field of international trade in goods between Eurostat Member States. Currently, 12 Member States including Bulgaria have successfully completed the certification process.

In 2020, the NSI will integrate ISMS according to EN ISO/IEC 27001 and QMS according to EN ISO/IEC 9001.

The local network was completely redesigned and segmented at the NSI Head Office and modern active equipment was installed in the Head Office, RSO and Statistical Surveys Department.

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

After the successful completion of the project "Aligning of the NSI information assets in accordance with Eurostat requirements and migration to Hybrid Private Cloud", the NSI built "Information security management system in the NSI". The NSI information assets were aligned with requirements of the ISO/IEC 27001 „Information Security Management System”, in order to provide server infrastructure, data storage infrastructure, software for creation and management of backups and network components.

2.5. Priorities to Objective 5: Harmonization of the data collected and adoption of common data quality standards that will enable to link different business, social and macroeconomic statistics, to increase the value of the information collected and to extend its use

In 2019, the process of developing standardized quality reports according to the European Standard Structure (ESQRS) (according to SDMX format) continued for new statistical domains, incl. publication of quality reports in the section "For users" and in the newly created sections "Quality reports" to the statistical domains on the NSI website. This contributes to harmonized reporting of data quality within the ESS.

3. REPORT BY THEMATIC DOMAINS

3.1. Demographic and social statistics

Demographic statistics

In the field of demographic statistics, the NSI continued regular processing and production of data from the surveys on fertility, mortality, migration, marriage and divorces. They provided the necessary information for calculation of the number and structures of population and main demographic indicators in compliance with the provisions of Regulation (EU) № 1260/2013 of the European Parliament and of the Council on European demographic statistics and Regulation (EU) № 862/2007 of the European Parliament and of the Council on Community statistics on migration and international protection.

In 2019, experts became involved in the work of the following **working groups**:

- Eurostat Working Group on Population Projections;
- Eurostat Working Group "Population and Housing Censuses";
- Eurostat Working Group on Population Statistics;
- Eurostat Working Group "Time use Survey";
- Eurostat Working Group on Asylum and Managed migration statistics;
- Interinstitutional Working Group on demography, income and living standards to the Minister of Labour and Social Policy (MLSP);
- Working Group on the preparation of the National report on implementation of the Beijing Declaration and Platform for Action in the context of preparation of the Beijing +25 Global Review in 2020 and the 5th Anniversary of the Implementation of the 2030 Goals and Agenda for Sustainable Development (MLSP);
- Working Group "Policy Coordination" (State Agency for Child Protection);
- Working Group on preparation of Census 2021.

The following projects were successfully completed in 2019:

- Project: DTP1-161-4.1 "Improving institutional capacities and fostering cooperation to tackle the impacts of transnational youth migration (YOUMIG)";
- "Modernisation of the Harmonised European Time Use Survey" under Grant Agreement No: 07141.2017.001-2017.354.

In 2019, the following **projects** continued:

- "Sub-National statistics" under Grant Agreement No: 08142.2017.002-2017.422;
- BGLD-3.001-0001 "Novel Approaches to Generating Data on hard-to-reach populations at risk of violation of their rights" under the "Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups" programme financed by European Economic Area Financial Mechanism 2014 - 2021.

In 2019, experts participated in the following **trainings and seminars**:

- "Implementation of the policy of equality between women and men - practical aspects" organized by MLSP;
- "Population Census and Housing Census 2021" – two seminars;
- "Procedure for granting the status and protection of stateless persons" organized by the United Nations High Commissioner for Refugees;
- "Introduction to civil service" organized by the Institute of Public Administration;
- "The challenge to manage" organized by the Institute of Public Administration.

Labour market

In 2019, the NSI started work on the Labour force survey ad hoc module on work organisation and working time arrangements along with the preparation for the 2020 ad hoc module on accidents at work and other work-related health problems.

The four-year Structure of Earnings Survey started in compliance with Council Regulation No 530/1999 and Commission Regulation No 1738/2005. The NSI continued working on regular annual and short-term surveys on employment and labour cost, and received regularly information from the Administrative Social Security Register of the NSSI which contributed to the improvement of quality and exhaustiveness of statistical data for employed persons and average wages and salaries.

In 2019, the NSI experts became involved in the work of the following **working groups**:

- Eurostat Working Groups on labor market statistics and statistics on earnings and labour costs;
- Working group to develop a National Employment Action Plan for 2020;
- Working Group on preparation of Census 2021.

In 2019, the NSI successfully completed work on the EC project “Labour Force Survey 2018 ad hoc module on reconciliation between work and family life”.

The NSI carried out a training seminar entitled “Accidents at work and other work-related health problems” in relation to the Labour Force Survey 2020 ad hoc module.

Education and Lifelong Learning

In 2019, the NSI carried out regular exhaustive statistical surveys on educational institutions in Bulgaria in compliance with the requirements of the national and European legislation under Commission Regulation (EU) № 912/2013 concerning the production and development of statistics on education and lifelong learning.

Interinstitutional Expert Council was established by representatives of the NSI and MES as a result of the signed agreement on cooperation and strategic partnership in the exchange of information.

In 2019, the NSI experts became involved in the work of the following **working groups**:

- Eurostat Working Group on education and training statistics;
- Task Force on the European Tertiary Education Register (TF ETER) of the Directorate-General “Education and Culture” of the EC (DG EAC);
- Working Group 16 “Education, recognition of professional qualifications, youth, and scientific research“;
- Monitoring Committee of the Operational Program "Science and Education for Smart Growth 2014-2020";
- Monitoring Committee of the Operational Program “Human Resources Development”;
- Permanent working group for the development of the strategic and programming documents of the Republic of Bulgaria for management of the EU Common Strategic Framework funds 2014 - 2020;
- Interinstitutional Working Group on Monitoring the implementation of the National Lifelong Learning Strategy 2014-2020;
- Interinstitutional Working Group (NSI, MF and MES) for annual preparation of the financial tables of the joint Eurostat, UNESCO and OECD education questionnaire and development for public and private education expenditure according to the methodological requirements and deadlines defined by Eurostat;

- Interinstitutional Working Group on preparation of the Annual Report on Youth (leading institution – Ministry of youth and sports);
- Interinstitutional Working Group (NSI and Ministry of youth and sports) to study the possibilities for data collection and to develop a methodological framework for sport statistics;
- Interinstitutional expert group at the National Council for Child Protection to implement the recommendations of the UN Committee on the Rights of the Child (leading institution – SACP);
- National strategic group for the implementation of the Strategy for the Development of Vocational Education and Training in the Republic of Bulgaria 2015 - 2020 (leading institution – MES);
- Interinstitutional Working Group “Improving Early Childhood Development Policies” – MES;
- Advisory Working Group on the preparation of a national plan for the implementation of UN Security Council Resolution 1325;
- Interinstitutional Expert Council for the implementation of the agreement on cooperation and strategic partnership between the NSI and MES;

In 2019, “Administrative Data and Census” training was conducted under the European Statistical Training Programme (ESTP).

Culture

The tools for regularly conducted exhaustive statistical surveys in the field of culture (libraries, museums, performing arts, film production, cinemas, radio, television and publishing activity) were been updated in order to facilitate respondents' submission of data in 2019.

In 2019, the NSI experts became involved in the activity of the Eurostat Working Group on culture statistics (WG Culture).

Public health and health and safety at work

In implementation of Regulation (EC) № 1338/2008 of the European Parliament and of the Council on statistics on public health and health and safety at work, in 2019 the NSI conducted regular statistical surveys providing information in the area of resource statistics of the Health system and deaths by causes.

With regard to the preparation of a regulation implementing Regulation (EC) 1338/2008 as regards statistics on non-financial indicators in the field of health statistics, the NSI experts participated in the work on methodological issues and interinstitutional coordination on the indicators to be included as required to provide by the Member States.

Between October and December 2019, the NSI conducted the third wave of the European Health Interview Survey in implementation of Commission Regulation (EU) No 141/2013 on statistics based on the European Health Interview System.

As a body of statistics, the Regional Health Inspectorates conducted the planned surveys on time and disseminated information on the main statistical indicators. “**National Health Data and E-Health**” Directorate at National Center of Public Health and Analyses of the MH completed all statistical surveys and activities included in the NSP.

In this thematic area, in 2019 NSI experts became involved in the work of the following **working groups and committees**:

- Eurostat Working Group on Public Health Statistics;
- Eurostat Technical Group on non-financial indicators in the field of health statistics;

- Eurostat Technical Group “European Health Interview”;
- Monitoring Committee of the Operational Program “Human Resources Development”;
- Interinstitutional Expert Group between the NSI and the National Center of Public Health and Analyses;
- Interinstitutional Working Group to the National focal point on drugs and drug addictions;
- Interinstitutional Working Group on the establishment of an interinstitutional mechanism to implement the recommendations of the UN Committee on the Rights of the Child.

The activities on project “Pre-testing of new variables for future European Health Interview Survey waves” continued in 2019.

In 2019, NSI experts participated in the following **trainings and seminars**:

- European Statistical Training Programme (ESTP) course on Making statistics by combining data from different sources;
- Training seminar „Improving the quality of data on deaths by causes”;
- Training seminar “European Health Interview 2019”;
- “Population Census and Housing Census 2021” – preparation of tools;
- “Population Census and Housing Census 2021” – team meeting under Order № RD 05-208/22.03.2019.

Incomes and living conditions

In 2019, the NSI continued the regular collection and publication of quarterly and annual data on Bulgarian households’ income, expenditure and consumption and providing quarterly and annual weights to calculate the harmonized and national consumer price index and national accounts.

The NSI conducted regular panel survey „Statistics on Income and Living Conditions“ (EU-SILC 2019) in implementation of Regulation (EC) № 1177/2003 together with Module “Intergenerational transmission of disadvantages, household composition and evolution of income” according to Commission Regulation (EU) № 2018/174. Module 2019 includes questions, referring to the conditions in which the interviewee lived when he/she was about 14 years old.

In 2019, the NSI experts became involved in the work of the following **working groups**:

- Eurostat Working Group on Income and Living Conditions (SILC);
- Eurostat Working Group on Income and Living Conditions (HBS);
- Task Force to the Social Assistance Agency under the Operational Programme for food and/or basic material assistance to the most deprived persons and households;
- Working Group 13 “Social policy and employment” at the MLSP;
- Working Group on preparation of Census 2021;
- Working Group on the National strategy for reducing poverty and promoting social inclusion 2020 at MLSP.

The following **projects successfully completed** in 2019:

- Grant Agreement No 07141.2017.001-2017.354/RD10-7/21.07.2017 “Modernisation of the Harmonised European Time Use Survey”;
- Project: DTP1-161-4.1 “Improving institutional capacities and fostering cooperation to tackle the impacts of transnational youth migration (YOUMIG)”.

Work on the following **projects continued** in 2019:

- Grant Agreement No 829212-2018/RD 10-24/30.11.2018 “Action plan for EU-SILC improvements”;
- Grant Agreement No 882188-2019-BG-SILC EM REG “Euromod input data and regionalization”.

In 2019, NSI experts participated in the following **trainings and seminars**:

- Training seminar “Implementation of Module 2019 Intergenerational transmission of disadvantages” in „Statistics on Income and Living Conditions 2019“;
- Training on data entry from the “Statistics on Income and Living Conditions” into a new platform;
- Training seminar “Eurostat requirements for HBS data transmission - Wave 2020“;
- “Population Census and Housing Census 2021” – preparation of tools;
- “Population Census and Housing Census 2021” – team meeting under Order № RD 05-208/22.03.2019;
- Net-SILC3 International Best Practice Workshop in Colchester (UK), Eurostat;
- International Conference “Open Linked Statistics”.

Social protection

In 2018, the production of statistical data for 2017 under the Core system and the Module on pension beneficiaries completed 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 and by function. The NSI followed the requirements of the Commission Regulation (EU) № 110/2011 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 the data source for social protection statistics. The NSSI provided annual data on the income and expenditures on schemes 01 through 06 (main ESSPROS module) as well as 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.

In 2019, experts joined the work of the Eurostat Working Group on Social protection statistics (ESSPROS).

The NSI continued the implementation of Grant Agreement No 07156.2017.003-2017.706 (RD 10-23/04.12.2017) “ESSPROS data collection development”.

Crime and justice

In 2019, the NSI continued activities related to conducting the regular statistical survey on the crimes, accused and persons convicted (including convicted juveniles) and activity of local commissions for prevention of juvenile delinquency.

As national coordinator in the field of crime and criminal justice statistics the NSI chaired and participated in the activities of an established interdepartmental expert working group for the gradual implementation of the International classification of crimes for statistical purposes into practice.

In 2019 NSI’s experts participated in the work of the following **working groups**:

- Participation in the Eurostat Working Group on crime and criminal justice statistics;

- Participation in the Technical expert group for the implementation of the International classification of crimes for statistical purposes;
- Participation in the Interdepartmental Council for the methodological guidance of the Unified Information System Against Crime and in the Interdepartmental Expert Commission on the UISAC;
- Participation in the Interdepartmental Working Group on prevention of violence and child abuse to the National Council for Child Protection;
- Participation in the Interdepartmental expert working group for the gradual implementation of the UN/Eurostat International classification of crimes for statistical purposes into practice.

In 2019 the NSI has successfully completed the EC project “Testing and piloting survey on Gender-Based Violence” (Grant Agreement No 07143.2017.001-2017.679 (Contract No PД-10-20/22.11.2017).

The NSI continued the work on EC project “Support for improving crime statistics” in implementation of a Grant Agreement with the European Commission No 831416-2018-BG-CRIME-STATS (Contract No PД-10-25/04.12.2018).

In 2019 NSI’s experts participated in the following **trainings and seminars**:

- Training for working with an Information system for monitoring European and national strategies and regional policy;
- European Statistical Training Programme training course on Making statistics by combining data from different sources;
- Seminar on EC project “Support for improving crime statistics”.

3.2. Macroeconomic statistics

National accounts

A benchmark revision of national accounts data was made in 2019, covering the period back to 1995: non-financial national accounts - quarterly and annual and financial national accounts - annual data.

The work continued on methodological development and improvement of data quality in order to increase the degree of harmonization with the EC regulations and shorten the deadlines for data provision - annual data on GDP and its components by three methods - production method, method of income and method of final consumption expenditure; financial national accounts; data on employment and hours worked; regional accounts; quarterly and annual accounts by institutional sector.

The involvement of NSI experts in the work of national and international working groups in the field of national accounts continued.

In 2019 the NSI completed work on the EC project „National Accounts and Balance of Payments“ with regard to improve data on GNI, to develop and provide additional indicators in the field of financial national accounts and to prepare a report - description of the sources and methods for development of quarterly national accounts.

In April 2019, in accordance with the requirements of ESA 2010 the NSI, jointly with Eurostat and Czech Statistical office organized and held seminar on „Compilation of Balance for non-financial assets under the requirements of ESA 2010“;

In July, a methodological seminar was organized on the topic „Benchmark revision of data in the field of non-financial national and regional accounts“.

Government financial statistics

In accordance with ESA 2010 data for the period 1997 - 2018 were developed and provided (final data).

In 2019, a benchmark revision of the data in the field of government financial statistics was made - quarterly and annual data.

NSI experts took part in a training course on „State financial statistics“ organized by Eurostat.

Monitoring own resources

In 2019 a revision of data on GNI was made on the basis of recommendations received from the EC in the process of data verification in the field of own resources.

As a result of the methodology developed and in accordance with Article 4 of Regulation (EEC, Euratom) № 1553/89 and “Manual of administration of the European Communities’ own resources in the Republic of Bulgaria” by the Ministry of Finance, the data on the weighted average VAT rate for 2018 were developed.

Methodological improvements in calculation procedures were implemented in response to EC recommendations received in the process of data verification in the field of own resources.

An Expert group on GNI was established, which replaced the Committee on GNI under the provisions of Regulation 516/2019 of the EP and the Council on the harmonization of gross national income at market prices.

Consumer prices

The report on the sources and methods used to collect the information needed to calculate the PPP was updated and submitted to Eurostat.

In 2019 Data and metadata exchange standard (SDMX) in the area of the harmonized index of consumer prices were implemented.

Conducting monthly surveys of consumer prices, which provided the necessary information to calculate the Indices of Consumer Prices and inflation was a main priority in the work.

The work proceeded on improving the methodology, design and production of consumer price indices in relation to compliance with the European and international standards. In 2019 the sample of outlets for monitoring was updated, the selection of goods and services included in the consumer basket was improved, the scope of some sub-indices was expanded and the statistical weights system was improved through the expanded use of information from additional sources.

On the basis of regular quarterly statistical surveys of housing prices the housing price indices in the Republic of Bulgaria are calculated.

Within the EC’s pilot projects, the NSI continued the work on the implementation of methodological improvements, the optimization of data collection and the production processes and the introduction of new data sources in the field of real estate indicators.

The NSI continued its participation in the European Comparison Programme of purchasing power parities, which is a part of the current statistical programme of the European Commission and is coordinated by Eurostat/OECD as the NSI met the objectives set out in the European Work Plan for the calculation of PPPs in 2019.

The NSI completed the activities planned for 2019 under EC's projects in connection with the implementation of methodological and practical improvements and improvements in HICP. Pilot studies were conducted concerning more effective use of web-scraping data and improving quality assessment methods.

In 2019, the NSI conducted the planned six price surveys, two of them of goods and services in accordance with coherent European consumer basket: E19-1 "Household appliances" and E19-2 "Transport equipment, transport services, restaurants and hotels". Four special price surveys were carried out: "Health services in hospitals"; "Residential rents in selected real estate agencies in the capital"; „Selected conditional construction sites"; "Machinery and equipment". The necessary additional national statistical information was prepared and promptly transmitted to Eurostat.

In September 2019 an NSI expert participated in an ESTP training course on the topic "Moving towards register based statistical system".

In November 2019, a seminar was held with the RSO specialists on the topic „Consumer Basket Project 2020, specifications of Products/Services representatives and practical problems in Price Registration".

3.3. Business statistics

Annual Business Statistics

All activities related to conduct regular surveys and data production in the field of SBS and Foreign affiliates statistics (FATS), production and sales of industrial goods (PRODCOM), foreign direct investments, expenditure on acquisition and the acquired tangible fixed assets, statistics on financial and non-financial enterprises, and annual specific surveys by economic activities were completed exceptionally and within the deadline.

In 2019, the unified entrance for submission of the annual activity reports of enterprises established by the NSI and the NRA continued to operate.

The NSI continued activities on adapting the national system for statistical data production to the requirements of the new Framework Regulation Integrating of Business Statistics (FRIBS) in the field of SBS, FATS and PRODCOM. In the field of SBS and FATS, efforts were focussed towards the implementation of the new statistical unit "enterprise" and the calculation of quantitative and qualitative indicators using information collected from entities. In the field of statistics on output and sales of industrial products, the focus was mainly on the problems related to subcontractors.

In 2019 NSI continued its work on providing qualitative, timely and internationally comparable statistical information in the field of PRODCOM statistics. Activities included increasing of requirements of input control at enterprise level; comparative analysis and control for completeness and consistency with data from "Intrastat" system; comparative analysis with the data from the previous year; expanding the use of external sources of information (mainly administrative data and Big Data) and providing methodological assistance to respondents. The NSI calculated and submitted to Eurostat product aggregates at the level of the second and fourth character of the CEA in order to be disseminated as European statistics in agreement with Eurostat and the Member States. Timely, reliable and online accessible, free statistical information was provided for user needs by CPEA product aggregates, with accompanying metadata in statistical confidentiality.

In 2019, all tasks of providing information materials for international organizations, for national statistical publications, as well as those arising from concluded contracts, agreements

and requests for provision of statistical information in the field of annual business statistics, were completed.

NSI experts participated in Working groups, preparation of opinions on Eurostat proposals for relevant statistical domains, as well as in online meetings and discussions (webinar) with Member States on issues related to data quality for production by subcontractors, confidentiality treatment and production and dissemination of PRODCOM product aggregates.

NSI started work on the project „Development of structural business statistics” in implementation of a Grant Agreement with the European Commission. The main objectives of the project are as follows: to develop a methodology for measuring high growth in micro-enterprises and to provide a detailed overview of the economic importance of these enterprises by linking data with SBS indicators; to develop a methodology for studying the dynamics of high growth of enterprises in post-growth period and to provide a comprehensive overview of the economic importance of these enterprises in post-growth period by linking data with SBS indicators in the period during and after growth; linking data from 2017 International Sourcing Survey with SBS data to better understand the drivers of globalization. The project will be implemented with statistical data available in the NSI without additional burden on enterprises.

NSI held a training seminar dedicated to annual update of the IS “Business Statistics” for the reporting year 2019.

Short-term Business Statistics

In 2019 all regular surveys from the NSP (Sales in industry, construction, trade and services, Activity of non-financial enterprises, Producer price in industry and services, Producer prices in major repairs and maintenance of dwellings and residential buildings, Expenditure on acquisition of tangible fixed assets, Construction of new buildings permitted and started) were carried out with high quality, on time and in accordance with the requirements of national and European legislation. All short-term indicators are calculated in accordance with the requirements of the regulations on short-term business statistics, as they were published at the national level and were transmitted to Eurostat.

In the field of monthly survey on Industrial products manufactured and sold on domestic market, the focus is on improvement of the quality of primary data declared by enterprises; reduction the respondents burden; timely and qualitatively meeting the needs of monthly statistical information.

The institute continued to work on evaluation, improving the methodology, improving the STS data quality and maintaining comparability of time series. The company samples have been updated in order to provide better representativeness and to reflect the changes in the structure of non-financial enterprises.

In 2019, the NSI continued to receive monthly information from NRA on filed VAT declarations, used to improve the quality and completeness of short-term statistical indicators in the field of trade and services.

Metadata in Bulgarian and English for all statistical surveys in short-term statistics were updated on the NSI and Eurostat sites.

In 2019, NSI experts contributed to the preparation of the new Framework for Integration of Business Statistics (FRIBS) in the field of short-term business statistics through the prepared statements at expert-level on Eurostat proposals and their participation in Eurostat target and Working groups.

The NSI continued to work on the project “Setting up production processes for new indices of services production and improvement of quality of short-term business statistics”. Interim reports on both areas have been prepared and sent to Eurostat – “Establishing the process of production and distribution of the volume of wholesale and volume of trade and repair of motor vehicles at the NACE.BG-2008 level” and “Improvement and automatization of the process of production of appropriate deflators for calculation of indices of production and volume in wholesale in sales and repairs of vehicles for all groups and activities”. A software for calculation of deflators was developed and implemented.

Energy Statistics

In 2019, experts took an active part in consultations of Eurostat and other institutions on:

- Proposal for amendment of Regulation (EC) № 1099/2008 on energy as regards the implementation of updates for the annual, monthly and short-term monthly energy statistics;
- Proposal for implementation of Regulation of the EC as regard the reports for quality of European statistics on prices of electricity and natural gas pursuant to Regulation (EU) 2016/1952 of the European Parliament and of the Council on European statistics on natural gas and electricity prices;
- Proposal for amendment of Council Directive on stocks of crude oil and petroleum products.

The tools in the field of energy statistics were updated in line with the latest amendments to Regulation (EU) 1099/2008.

The NSI successfully completed pilot one-time survey themed “Disaggregation of the statistics on final energy consumption (FEC) in the industry sector” - EC project. The project provided a detailed breakdown of existing aggregated indicators on final energy consumption from the industry for the reference year 2017.

NSI experts participated in a Eurostat methodological course on „Energy Statistics”.

Transport Statistics

In the field of transport statistics the collection, processing and submission to Eurostat of data on the rail transport continued in compliance with the requirements Regulation (EU) 2016/2032 amending Regulation (EC) № 91/2003 on rail transport statistics.

As a result of good cooperation between NSI, Directorate General “Civil Aviation Administration” and Executive Agency “Maritime Administration” to the MTITC surveys on air transport and activities of inland waterway ports and maritime ports were carried out as due to the assistance of both institutions, the quality of data provided was improved.

In 2019 Directorate “Ports and Port services” from the EA “Maritime Administration” conducted surveys on activities of inland waterway ports and maritime ports.

The collection and submission of statistical information to Eurostat was carried out on time and in compliance with the specific provisions and forms of Regulation (EU) № 974/2018 on statistics relating to the carriage of goods by inland waterways, Directive 2009/42/EC on statistical returns in respect of carriage of goods and passengers by sea as well as Commission Regulation (EC) № 1304/2007 amending Council Directive 95/64/EC, Council Regulation (EC) № 1172/98, Regulations (EC) № 91/2003 and (EC) № 1365/2006 with respect to the establishment of NST 2007 as the unique classification for transported goods in certain transport

modes. The information, submitted from ports and port operators covers 100% of the activity of river and sea ports in the Republic of Bulgaria, regarding the cargo handling and passenger service.

During the year the Executive Agency “Maritime Administration” continued its work on improvement of the statistical Information system PORTSTAT for the collection and processing of data, regarding the flow of goods and passengers through inland waterway ports and maritime ports of the Republic of Bulgaria, in accordance with the recommendations, methodological requirements of Eurostat and methodological assistance of NSI experts.

Tourism Statistics

In 2019, the regular statistical surveys in the field of tourism continued. The tasks of providing statistical information on tourism development in the country regarding activities of the accommodation establishments, trips of Bulgarian residents in abroad and arrivals of visitors from abroad to Bulgaria, tourist trips and tourism-related expenditure of the population, and tourism satellite accounts have been completed on time. All monthly and quarterly surveys were conducted according to the World Tourism Organization’s recommendations and in accordance with requirements of Regulation (EU) № 692/2011 and Regulation (EU) № 1051/2011 implementing Regulation (EU) №. 692/2011.

The NSI continued work on Contract № RD-10-2/19.01.2018 between NSI and the State Statistical Office of the Republic of North Macedonia within the IPA 2015 Multi-beneficiary statistical cooperation programme, Grant 14463.2015.003 - 2016.505. An expert mission was carried out in order to provide methodological and technical assistance to the State Statistical Office of the Republic of North Macedonia in carrying out surveys in the field of tourism statistics compatible with European Union legislation, and in particular the statistical survey in households on tourist trips and tourism expenditure. During the mission, the primary data were reviewed and validated from the national tourism survey in the Republic of North Macedonia - data sources and methods used for data weighing, as well as preparation of report on data quality and the Eurostat microdata programme in accordance with European Union legislation. The experience of the NSI in the processing and dissemination of the data from the statistical survey of the national tourism in Bulgaria was presented. The experts from the State Statistical Office of the Republic of North Macedonia can turn to their Bulgarian colleagues for assistance and help in improving the practices for provision of qualitative information and publishing data from the household survey as well as from all statistical surveys in the field of tourism.

In 2019, NSI experts participated in the regular Working groups on tourism statistics to the European Commission.

Experts participated in the Interdepartmental Working Group on the Development of a Unified Tourist Information System (UTIS). The system will provide information on the capacity and activity of the accommodation establishments through submitting the necessary data from the respondents. The effect of the introduction of the UTIS will result in reducing the respondents burden and access to the same information from all interested institutions.

Business register

In 2019 the work on processing and input of data in the Register of statistical units from administrative sources continued, for the purpose of providing and supporting the framework for all business statistics surveys in NSI. Data from the TR and Bulstat register were received daily and yearly by the NSSI Register monthly data on the number of socially secured persons was prepared.

On the basis of yearly statistical surveys for 2018 the statistical units were updated - defined in the RSU “enterprises”, “local units” and “local units by activity”. Their characteristics were updated regularly, using information from the annual statistical surveys and external administrative sources.

The data on the report for “enterprise groups”, included in the annual report on enterprises for 2018 was processed. Groups of enterprises were formed – basis and a data source for the update of the Eurogroup register. NSI submitted to Eurostat an aggregate of the Bulgarian legal units, members of enterprise groups at European level, indentified foreign legal units, participating in multinational enterprise groups at national level. NSI submitted data on units and connections, describing multinational enterprise groups for 2018 cycle in compliance with Eurostat's schedule.

The scope of the register regarding the different kinds of units – legal and statistical and their corresponding characteristics was examined. The NSI submitted to Eurostat filed questionnaires on the quality, metadata and development of the RSU.

The RSU continued to provide the full scope of active statistical units “enterprises”, “local units” or “enterprise groups” as well as conditions for the formation of samples based on specific criteria for statistical surveys.

The Register of statistical units has been used as the main source of information in preparing the business demography of enterprises, which describes the life cycle of enterprises and presents data on the number of active enterprises, the number of newly born enterprises, the share of survived enterprises, the number of dead enterprises as well as data on change in employment at specific time.

Data from the RSU was used in the forming of outputs for registrations and bankruptcies, submitted to Eurostat quarterly.

Data from the Survey on Family Businesses in the Republic of Bulgaria were processed and published.

RSU continued to provide data on concluded agreements as well as on inquiries from internal and external user requests.

The NSI completed successfully work on the development of new features of the RSU which will provide backup and optimization of the contents of the database in the RSU.

In 2019, experts participated in the following Working groups:

- Working group „Business demography“;
- Working group „Business registers and statistical units“.

In the field of business register, the NSI has completed the activities on the following EC projects:

- European Profiling - Steps towards implementing the European System of Interoperable Statistical Business Registers (ESBRs);
- Interoperability Pilots – Steps towards implementing the European System of interoperable Business registers (ESBRs);
- Support for implementation of profiling activities in the Member States.

External trade in goods statistics

In 2019 the main priorities in the field of foreign trade statistics include:

- better use of administrative data sources;

- provision of timely and reliable statistics and improvement of data quality;
- adaptation of the National System for production and dissemination of foreign trade in goods 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.

NSI took steps in order to ensure the full and timely coverage of exports and imports to/from third countries and to ensure the provision of reliable and timely data on foreign trade statistics. Due to changes in the European customs legislation the required changes in the outputs for NSI from the IS of the Customs Agency were discussed and defined. NSI experts continued to use simplified customs declarations received from the Customs Agency under the Single Authorisation for simplified procedures in other countries.

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

Jointly with Eurostat, the NSI prepared reports on quality of the data provided - aggregated and detailed monthly data on exports and imports of goods, as well as annual data on the business characteristics of the enterprises and the invoicing currency.

In fulfilment of its obligations NSI defined the thresholds for declaring and the thresholds for statistical value in IS Intrastat for 2020, as well as the types of data that should be declared.

In 2019, as the Body of statistics "Intrastat" Directorate of the NRA continued its efforts to improve the quality of data declared by the Intrastat operators. Regarding the managed by "Intrastat" Directorate control over quality and credibility of collected data on Intra-Community trade in goods, contacts with enterprises on identification of IS Intrastat-obliged persons and related to issues on their declared commodity transactions were made. Updated methodological and logistical documents for working with the system were developed in order to help employees and merchants.

Intrastat declared data is being compared to data from other administrative sources from the NRA – VAT and VIES systems monthly.

The activity for improvement the quality of the collected data on IS "Intrastat" continued, by introducing additional rules for validation, various checks and statistical methods, acceptable ranges, etc.

The IS "External Trade" continued to provide users with direct access to more detailed data on Intra-EU trade as well as trade with third countries.

To answer the increasing respondents' needs in 2019 NSI submitted to Eurostat additional data on business characteristics of enterprises, which were prepared via the wider and effective usage of existing NSI data, without increasing the respondents' burden.

Active participation in integration of the provisions for Intrastat and Extrastat in the base act of the FRIBS and other acts implementing FRIBS is one of key components in collaboration of NSI, NRA and CA. NSI experts actively participated in Eurostat's joint meetings of the target group on microdata exchange on foreign trade statistics in goods and target group on IT to the

ESS.VIP, which are aimed towards the ensurance of reliability and security of the future microdata transfer for dispatches between Member States.

In 2019, NSI experts participated in Eurostat's regular Working and Target groups on foreign trade in goods statistics.

In May the NSI hosted the first meeting on the mirror comparison with the Federal Customs Administration of Switzerland in the field of foreign trade in goods statistics.

The employees of the “Intrastat” Directorate to NRA, as the Body of statistics, continued work on development and improvement of the IS “Intrastat” by introducing new modules for analysis and control of quality. During the year trainings for the presentation and discussion of questions and specific cases, related to the application of IS “Intrastat” were conducted. The trainings were conducted both for agency employees and Intrastat operators.

3.4. Statistics on agriculture, forestry and fisheries

The preparation of the Census of agricultural holdings in the Republic of Bulgaria has started, which will take place in 2020. The Law on Census of agricultural holdings in the Republic of Bulgaria in 2020 was drafted and adopted (State Gazette, issue 22 of 15.03.2019). The logo of the census was selected. A pilot census was conducted in the period 1.09 - 11.10.2019 and the organization and tools for the actual census were tested.

An update of the IS “Agrostatistics” (ISA) was made. The maintenance is ensured by „Agrostatistics” Department to MAFF within the activities under the Grant Agreement with Eurostat № 2018.0209 „Modernization of agricultural statistics in Bulgaria - Development of a statistical questionnaire and list of agricultural holdings as a part of the preparation for the Census of agricultural holdings in 2020 in application of the Regulation on integrated farm statistics (IFS)”. The statistical register of agricultural holdings was updated, a draft statistical questionnaire on Census was prepared and a module for determining the geographical location of holdings in the GIS environment was added.

The Agricultural Accounting Information System (AAIS) has been updated and the platform has been upgraded. The Information system for the functioning of the agricultural accounting information is maintained by “Agrostatistics” Department to MAFF. The data collection form for the reporting year 2018 has been updated in accordance with Commission Regulation (EU) 2015/220.

NSI experts were currently involved in the activities of the Central Agricultural Census Commission and the Regional Census Commissions.

During the period 13 - 14 May 2019, within the IPA 2015 Multi-beneficiary statistical cooperation programme, experts from NSI and MAFF trained representatives from Statistical offices of six countries in the Western Balkans and Turkey in the field of agro-monetary statistics and economic accounts, prices and indices in agriculture.

NSI experts participated in:

- ESTP training course entitled: „Administrative data and censuses, moving from traditional censuses towards register based and combined“ (21 - 23 May 2019, Wiesbaden, Germany);
- ESS Workshop on the use of administrative data for business, agriculture and fisheries statistics (17 - 18 October 2019, Bucharest, Romania), organized by Eurostat and DevStat.

During the period 19 - 21 June 2019 a seminar entitled: „Improvement of quality of information in the field of economic accounts and prices in agriculture and forestry" was held at the Training centre of the National Statistical Institute with participation of experts from NSI, RSOs and “Agrostatistics” Department in MAFF.

During the period 23 - 25 October 2019 a seminar entitled: “Improvement of the coordination and cooperation in the use of administrative sources for statistical purposes” was held at the Training centre of the NSI with involvement of representatives from MAFF and EAFA responsible for the functioning of the Information and Statistical System of the agency.

3.5. Multi-domain statistics

Business Trends

In 2019 the work work on all statistical surveys in the field of business trends continued. They are carried out with the financial assistance of the European Commission according to “The Joint Harmonised EU Programme of Business and Consumer surveys” within the project “Business surveys and Consumer survey”.

Monthly business surveys in industry, construction, trade and service sector provide information on the economic situation in the country. The information from them is extremely up-to-date since the data refer to the month in which the surveys are made. The indicators derived from them can be used as components of advance indicators for analysis and detection of turning points in the economic cycle.

Consumer survey provided data on the trends in the development of public opinion on key economic processes and phenomena such as the general economic situation in the country, inflation, unemployment, savings, intentions to make major spending decisions on long-term use objects, and the purchase of a home or a car.

The survey on investment activity in industry provides data on investments made and investment plans of enterprises in the sector.

In 2019, experts participated in the regular Working groups on business surveys and EC consumer survey.

Indicators for monitoring national and European policies

In 2019, the NSI continued to cooperate the authorities responsible for the formulation, implementation and evaluation of policies set out in national and regional strategical documents and operational programmes funded by the European Structural and Investment Funds through providing up-to-date statistical information to monitor their priority objectives.

The established Information system for monitoring European and national strategies and regional policy (IS „Monitorstat”) entered into regular operation, which makes it the second largest communication channel of the NSI for dissemination of information after IS INFOSTAT, as well as in a national platform for monitoring and tracking of key strategic documents (strategies) of national and international importance, such as the UN 2030 Sustainable Development Goals, Europe 2020, the National Development Programme Bulgaria 2020, the Operational Programmes for the period 2014 - 2020, the Regional Development Plans and other.

The involvement of NSI experts in the Working groups, committees and councils in the field of multi-domain and regional statistics, spatial data and European policies and programmes continued:

- Interdepartmental council on spatial data and Expert Working group to it, Monitoring Committee of the Partnership Agreement, Monitoring Committees of the Operational Programmes 2014-2020;
- EC Regular Working Groups in the following thematic domains - Regional statistics and urban and rural development, Sustainable development indicators and Europe 2020, Land use and land cover - LUCAS;
- NSI participated for the first time in the UNECE Expert Working Group on Statistics for the Sustainable Development Goals 2030.

Environmental Statistics and Accounts

In 2019, the NSI focused its efforts on developing ecosystem accounts and services provided, which are among Eurostat's priorities for introducing new environmental economic accounts. The methodology was tested and experimental pilot accounts were developed for the scope (area) and status of major ecosystems at national level in physical units.

A major priority in the field of environmental statistics and accounts was the improvement of the methodology and the provision of reliable information on status, types of pressures and the main trends of the economy's impact on the environment.

In preparing the national emissions inventory in 2019 the implementation of the new methodology for the calculation of air pollutant emissions continued in accordance with the requirements of the the EMEP/EEA air pollutant emission inventory guidebook and the recommendations of the reviewing international team of experts, taking into account the specifics of key categories of production at national level. The data from the national air pollutant emissions inventory were re-calculated back to 1990.

In 2019 NSI experts participated in the WG to develop a „National Programme for Food Loss and Food Waste reduction 2019 – 2024”.

The following projects were successfully **completed** in 2019:

- EC project “Improve methods to assign road transport emissions and energy use to NACE/households for AEA and PEFA”;
- EC project “Pilot test ecosystem extent and condition accounts in physical units”;
- EC project “Improvement of import and export waste statistics”.

The work of the NSI in the field of ecosystem accounts continued within the Horizon 2020 project „Mapping and Assessment for Integrated ecosystem Accounting“.

In 2019 a training seminar entitled: “Statistics and environmental accounts, including natural capital and ecosystems accounts” was held.

Housing Fund Statistics

In 2019, the NSI continued the production of data from the surveys on new residential buildings and dwellings, destroyed buildings and dwellings and housing fund.

Regional Statistics and Geographic Information Systems

In 2019, the work on dissemination of regional statistics continued. The data published in the electronic publication “Regions, districts and municipalities in the Republic of Bulgaria” were presented at the highest level and in compliance with the surveys’ methodology and statistical confidentiality. The produced data were from territorial level NUTS 0-3 as data on some of the indicators were to municipality and settlement level.

In order to answer the specific IT needs of external users, the work on the GIS

application for creation of thematic spatial layers of statistical information and the support of digital models of big urban areas continued. In 2019 the update, based on collected statistical data on the building and housing fund in the country, as well as the work on digital map-based representation of the results of statistical surveys in NSI issues continued.

Science, Technologies and Innovations

The work on production and dissemination of R&D statistics and innovation continued in accordance with Eurostat methodological guidelines and the provisions of Commission Implementing Regulation (EU) No 995/2012.

The data from regular statistical surveys for R&D, on R&D budget costs have been submitted to Eurostat within the specified deadlines and with the required quality.

In 2019 NSI experts participated in the regular R&D and innovation working groups.

The NSI has successfully completed activities on “SME Innovation Capacity Boost (SMEInnoBoost)” (SME Innovation Capacity Boost - SMEInnoBoost) project implemented within the framework of the transnational program ‘Balkans - Mediterranean 2014 – 2020’ (Interreg - Balkan-Mediterranean 2014 - 2020). Leading partner is the National Association of Small and Medium Business in Bulgaria.

Information Society

In 2019 the NSI continued work on the regular annual statistical surveys in the field of Information Society in accordance with the recommendations of Eurostat and the provisions of Regulation (EU) 1798/2018. The data from these surveys provide reliable and internationally comparable information on the ICT usage in households and enterprises in Bulgaria.

The used indicators, assessing the development of Information Society were updated and new variables related to ICT security were introduced into the surveys.

In 2019 NSI experts participated in working groups and in the preparation of opinions related to the development of strategic and program related documents, draft legislative acts and methodologies in the field of IS.

Work on the EC project “Statistics on research & development (R&D) and innovation in 2018 (CIS 2018)” continued as the main goal of the project is to form internationally comparable data using new indicators for innovations collected with a new fully harmonized EU innovation questionnaire.

3.6. Information and communication technologies, statistical infrastructure and other activities

Information and Communication Technologies

The main priority was to increase the capacity and degree of information systems backup by using effective means for storage and restoration of information systems and data from statistical surveys. The NSI applied reliable policies for backup of databases and components of information systems through specialized software and maintenance of a backup media library.

The activities on monitoring the functioning of technical infrastructure are automated and reliable and efficient operation of the information systems and services provided was ensured. At the end of 2019 the process of integrating new software solutions (Qradar and Guardium) for collection of security information and event management (SIEM) ended.

Web-scraping tools have been developed for the purpose of surveys on prices and real data collection has begun through these methods.

In order to facilitate the respondents the Support center assisted users on technical and/or methodological problems. The implemented system for management and control of users' requests is a guarantee for timely response to requests.

The NSI improved the exchange of data with other administrations (NRA, CA, NSSI) by using a direct connection through the united electronic communication network of the state administration, which ensured the security of exchange and data protection. With the view of maximum protection of individual data in exchange of microdata on intra-Community trade, the NSI communicated with Eurostat and other ESS Members via the TESTA network service - a data communication network service with high level of security, operated by the European Commission (Eurostat). Building, implementation, carrying out of IS tests for microdata exchange on a specified schedule for the different phases (test, pre-production and production) are forthcoming activities.

The NSI maintains the National register of populated places and the General Register of the traders. All changes in territorial and administrative-territorial units reflected in NRPP. 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.

In 2019 the process of building centralized information systems and building new virtualisation environments continued.

Development of statistical information systems

Throughout last year the development of analytical outputs and specific analyses for various statistical surveys that use the statistical package SPSS Statistics Server (20.0) and SAS, which is the primary analytical platform in NSI continued.

In 2019 the process of re-engineering of existing software apps and migration to centralised systems with decentralised input of statistical forms, using modern technological platforms -.Net, continued.

ICT Infrastructure

In 2019 the development of information and technology infrastructure was a key priority to achieve reliable operation of the information systems and to ensure continuity of the services provided to respondents and users of statistical information.

The NSI maintains and develops a modern Data center, meeting high requirements for storage and protection of data and information assets. In 2019, the design of the modernization of the Disaster Recovery Center began in order to ensure the continuity of NSI processes for collecting, processing and disseminating statistical information. In 2019 a design of modernization of a Disaster Recovery Center in NSI started in order to ensure continuity of processes for collection, processing and dissemination of statistical information.

NSI's experts perform continuous monitoring and maintenance of the performance of technical resources and information systems building the information structure.

Successful migration of virtualization and management systems to newer software versions was carried out.

One of the highlights of the activity was the administration of operating systems, tools for antivirus protection and updating of software used in the NSI.

Methodology, statistical metadata, classifications and standards

In April 2019, a special working group was formed in order to develop a national version of the General Model of the statistical production process in accordance with GSBPM ver. 5.1 (Generic Statistical Business Process Model).

In 2019 the loading and storage into the national IT tool for reference metadata repository of National Process Metadata Structure (NPMS) for all statistical surveys continued in accordance with GSBPM. In this manner, NSI fulfills its obligations under one of the Peer Review recommendations 2014.

In early 2019, the NSI started work on a project on “ESSnet on Big data – II”, with NSI being an active partner in the following six work packages: WPB Online Job Vacancies; WPC Enterprise Characteristics; WPF Process and Architecture; WPG Financial Transactions Data; WPJ Innovative Tourism Statistics and WPL Preparing Smart Statistics. The project is of high practical value, as it tests possibility Big Data to be used as an additional source for the production of official statistics.

One of the significant results so far is the production and publication of experimental statistics on online enterprise characteristics on the Eurostat Experimental Statistics website, as well as on the project's wiki platform.

Another important result is the successful completion of the work on the package for preparation of smart statistics, in which the possibility of Varna as a „smart” city was studied in order to generate statistical indicators based on the information collected from mobile devices through blockchain technologies. An empirical survey of certain groups of people with disabilities was conducted, as conclusions and recommendations made will be used in regional policy-making.

Promising results have also been achieved regarding the production of experimental statistics on job vacancy through extraction of information from the largest online platforms for job search and job offers in Bulgaria. In addition, the NSI team had the opportunity to analyze data on Bulgaria collected and processed by the European Centre for the Development of Vocational training (CEDEFOP).

One of the main tasks in 2019 was to keep statistical classifications up-to-date and to provide methodological help to users. In 2019 the NSI joined the update of the statistical classification of economic activities in the European Community (NACE Rev. 2), prior to the upcoming major revision.

Due to changes occurred in the Combined Nomenclature (CN), the NSI developed code tables of transition. The lists of T and Z codes were updated and annual update of self-explanatory texts of the Combined Nomenclature was carried out.

The NSI continued its participation in maintenance of the National Classification of Occupations and Positions 2011 and in the update of the list of the names of positions and of the corresponding tables.

In 2019, ongoing support for IS “Statistical Classifications” and electronic dictionaries continued.

The NSI continued the work on implementation of Statistical Data and Metadata Exchange (SDMX) in national statistical practice. NSI submits reference metadata to Eurostat through web application ESS-Metadata Handler.

In 2019 the work on the provision of data and metadata continued in accordance with the International Monetary Fund's Special Data Dissemination Standard Plus (SDDS Plus).

In 2019 the NSI hosted study visit of experts from the State Statistical Committee of Azerbaijan in the field of usage of statistical classifications and training of experts from the Statistical Committee of Armenia in the field of quality management.

As part of a project with the EC, the NSI continued work on improvement of quality of Labor Force Survey.

Dissemination of statistical information

Publishing activity of NSI

In 2019 the NSI published wide in volume and rich in content statistical information in accordance with European standards for the reliability, timeliness and quality of statistical information. With the publications issued, the NSI strives to meet the expectations and needs of state institutions, business and the whole society for objective, useful and high-quality statistical information presented in an accessible and comprehensible manner.

In 2019 a total of 19 publications - **printed** (with electronic version on CD) and **electronic** (only on CD) with total circulation of 32 240 items were issued. Most of the publications are available in two languages - Bulgarian and English, with included national and regional data from different statistical domains.

The main issues are Statistical Yearbook 2018, Statistical Reference Book 2019, "Statistics" Magazine marked the 90th anniversary of the first issue, and Annual Report 2018 with a new vision and changed format.

The NSI published a number of advertising leaflets and brochures promoting statistical surveys in different socio-economic areas, as well as a Catalogue of statistical publications with information on publication activity in the next year.

Library's activity of NSI

The NSI's digital library continues to hold a leading position nationwide in the field of building, managing and online dissemination of digital information resources.

The provision of free online access to the digital archives of the NSI is among the main priorities in library's activity. The creation of user-oriented digital database continued - convert PDF files to PDF pages, to develop contents, full text, and index of digital copies attached to iLib-browser in the electronic catalogue of the integrated information-search library system.

In 2019 the "Census 1975 Collection", incl. Census of Housing, was published on the NSI's library website.

A total of 19 688 users' visits to the digital library were registered and 103 034 digital pages were used.

National and international book exchange was carried out with nearly 100 scientific and university libraries in the country, as well as libraries of statistical offices abroad and international organizations.

NSI Internet site

On the NSI website, a heading entitled "Census of the population and housing fund in the Republic of Bulgaria in 2021" was created, where regulations, methodological documents, information about CCC and other information about the census were published.

The following new sub-sections of the website were also created:

- „District heating and cooling systems“ under the heading “Energy”;
- „Family business statistics“ under the heading “Business statistics”;
- „Market consultations“ under the heading „Procurement“ (in Bulgarian version only).

Service of users

In 2019, the NSI satisfied 4 300 single requests for statistical information received by the NSI e-mail or at the Reception desk. The NSI periodically provided statistical information to users from Bulgaria and abroad who wish to receive data from a particular survey as soon as it is

officially announced.

In 2019, a total of 35 questionnaires were prepared and submitted to international organizations.

In compliance with the Rules for Provision of Anonymised Individual Data for Scientific and Research Purposes the NSI continued to provide data to its users from the academic community.

The Bulgarian center for European Statistical Data Support to users, as a part of the European net of user centers, responded to various queries (standard and non-standard) through the Eurostat's web-based tool (ASSIST) and by the NSI e-mail.

In 2019, the NSI continued to provide information to ministries and agencies only electronically.

NSI in Facebook

The NSI Facebook page became popular channel for communication with users (63% more likes compared to 2018). It provides access to statistical information in an easy and comprehensible way by using innovative dissemination methods. The NSI published over 30 infographics on the occasions of world and international holidays, as well as those related to the most popular statistical surveys.

In 2019 the NSI actively participated in [Facebook page of the ESS](#), as all infographics of the NSI were ranked first by users of the page.

Users' satisfaction survey

In 2019 the assessment of the quality of service and ways of dissemination of statistical information of users of statistical information products and services provided by NSI continued. Therefor the NSI prepared a specially developed questionnaire.

4. RESOURCE ASSURANCE

Personnel

The National Statistical Institute is organized into a Head office and six Regional Statistical Offices. The Regional Statistical Offices perform the functions and tasks of the NSI for production and dissemination of statistical information at the regional level. The Regional Statistical Offices of the NSI are as follows: The RSO - Severozapad, The RSO - Sever, The RSO - Severoiztok, The RSO - Yugoiztok, The RSO - Yug, The RSO – Yugozapad.

The structural units in the NSI's Head Office are organized into General administration and Specialized administration according to the Administration Act.

The total number of personnel within NSI's structural units in 2019 was 968, of which 321 employed at the Head office and 647 - at RSOs. According to the Rules of Procedure of the NSI, the Head Office is organized into seven directorates: "Business statistics" Directorate, "Demographic and Social statistics" Directorate, "Macroeconomic statistics" Directorate, "Multi-Domain Statistics and User services" Directorate, "Information systems and Infrastructure" Directorate, "General administration" Directorate and structures directly subordinated to the President of the NSI: "General methodology, analysis and coordination of statistical surveys" Directorate, "Security of Information, Information and communication technologies and DM" Division, "Inspectorate", Finance Controller, "Internal Audit" Unit and "International Cooperation" Department. Six directorates are in the specialized administration and one directorate – in General administration.

Over the last five years, due to the optimization of the structure of the Regional Statistical

Offices and the NSI's Head Office and due to the introduction of new organizational approaches in the management of the processes of collection, processing and dissemination of statistical information and in the management of the staff there is no decrease in the employed within the NSI system. For the period 2015 – 2019 the number of staff remains the same.

Carrying out competitions for vacant positions

The policy on recruitment of personnel is focussed on replacement of retiring employees with young people with perspective thinking, who have just completed their tertiary education or continuing their education in Bulgarian universities.

Employees by age groups and by education in NSI

The situation of the National Statistical Institute's staff is presented in Tables 1 and 2, which summarize the structure of total NSI's staff, including for NSI's Head Office and for RSOs.

1. Structure of actual employees in NSI by age groups

(Number)

| Age groups | | | | | | |
|-------------|----------|---------|---------|---------|---------|-------|
| Structures | Up to 29 | 30 - 45 | 46 - 55 | 56 - 65 | Over 65 | Total |
| Head Office | 22 | 111 | 81 | 67 | 4 | 285 |
| RSO | 29 | 200 | 217 | 163 | 0 | 609 |
| NSI | 51 | 311 | 298 | 230 | 4 | 894 |

2. Structure of actual employees in NSI by education

(Number)

| Education degree | | | | | | | |
|------------------|--------|--------|----------|-----------------------|---------------------|-------------------|-------|
| Structures | Doctor | Master | Bachelor | Professional bachelor | Secondary education | Primary education | Total |
| Head Office | 7 | 239 | 27 | 3 | 9 | 0 | 285 |
| RSO | 1 | 408 | 79 | 9 | 112 | 0 | 609 |
| NSI | 8 | 647 | 106 | 12 | 121 | 0 | 894 |

The data show a high level of education among NSI's employees as the share of employees with tertiary education is over 97%. The analysis shows that highlighted trend towards a predominance of specialties with economic orientation persists as they are about 70% of all specialties. Statisticians who work in specialized administration, stand out as the most numerous - 42% of the total employees. Similar to the other administrations, the predominance of employees in the higher age groups is observed in the NSI.

Table 3 shows the number of employees who are continuing their education as of 2019 in order to acquire a higher education degree.

3. Education of NSI's employees in Bulgarian universities

(Number)

| Type of education | NSI | Head Office | RSO |
|-------------------|-----|-------------|-----|
| | | | |

| | | | |
|--------------|-----------|----------|----------|
| Doctor | 2 | 2 | 0 |
| Master | 7 | 3 | 4 |
| Bachelor | 5 | 2 | 3 |
| Total | 14 | 7 | 7 |

Budget

The implementation of the NSI's budget 2019 is in compliance with the adopted Law on State Budget of the Republic of Bulgaria for 2019 and adjustments made (Annex 1). As of 31.10.2019 the planned revenues are implemented according to the specified plan – 53%. The implementation of the total expenditure for the same period amounts to 67%, including current costs (wages, salaries and other payments to staff and maintenance) - 82%.

5. INTERNAL AUDIT AND ADMINISTRATIVE CONTROL

At the beginning of the year, after collection and analysis of requested and presented information (financial, human resources, organization chart of the NSI, issued normative documents, new regulations that have come into force, information on filled-in questionnaires on self-assessment of internal control by directorates and departments, etc.), **the Internal Audit unit** made a risk assessment of all structures within the NSI system, including the Regional Statistical offices. A Strategic Plan for the activity of the IAU, covering the period January 2019 - January 2021 was developed. An Annual Plan on activity of the IAU, as well as a Training plan of internal auditors in 2019 were prepared. The Plans were presented and approved by the President of the NSI within the specified deadlines.

At the beginning of 2019 the HIAU prepared report on risk management of the IAU in 2018 as well as a risk register for 2019 of the IAU.

At the end of July, the HIAU updated the Risk Management Strategy of the NSI covering the next three years, as well as new risk registers for 2019 by structures/directorates, independent units and RSOs.

The prepared and approved Annual activity report of the IAU for 2018, with an attached questionnaire with summary information on the activities of the unit, were submitted to the Minister of Finance within the statutory deadline.

A summary report and a questionnaire on the state of the NSI's financial management and control systems for 2018 were prepared and submitted to the Ministry of Finance within the statutory deadlines.

According to the Annual Plan on activity of the IAU for 2019, three audit assignments for giving confidence have been fulfilled:

- Assignment covering the period from the beginning of 2017 to the end of 2018 on the topic: “Maintenance and management of sites with representative and social functions of NSI - recreation facilities - Primorsko, Kiten and Borovets and Training centre – Slivek” (at the request of the MoF). The audit was successful with six recommendations in order to eliminate weaknesses, to avoid errors and to improve the activities set out and approved in the Action plan. An audit report was drawn up, a certified copy of which was submitted to the MoF within the required deadlines;
- Assignment covering the period from the beginning of 2018 to the end of March 2019 on the topic: “Review and assessment of the established internal control and the degree of effectiveness and legality in carrying out the statistical surveys and introduced procedure for reporting of the budget funds in the RSO - Sever of NSI”. The results of the audit

were detailed in an audit report with 17 recommendations, the implementation of which will be monitored in the next reporting period;

- Third audit assignment on „Monitoring the implementation of recommendations given from previous audits”. The implementation of 8 measures is detailed in a report on: “Review and assessment of Policy for Protection of Personal Data and Privacy at the NSI in order to assure protection of individuals in connection with the processing of personal data - the introduction of framework for protection of personal data within the EU in relation to Regulation 2016/679/25.05.2018“.

Since the end of October, by order of the President of the NSI, an audit assignment for giving confidence is being carried out, in order to check the implementation of recommendations from an audit report on: “Review and assessment of compliance of the ex-ante legality control exercised by the Financial Controller and other officials at the NSI’s HO with the applicable legal framework, the internal rules and acts”.

The IAU participated in training entitled: „Irregularities and fraud with European funds - control and audit”.

In November, the HIAU participated in the National Conference of Internal Auditors in Bulgaria - a palette of challenges organized by the Institute of Internal Auditors in Bulgaria.

In 2019 **the Inspectorate’ s activity** was focused on assisting the NSI management in the process of management and control of administrative structures for more efficient implementation of the tasks. To this end, the main directions of inspectors' control activities are aimed at realizing the following priorities:

- Ensuring an independent and objective assessment of the efficiency of work of the directorates, departments and structural units within the NSI;
- Strict adherence to laws, regulations and internal acts, rules and procedures by administrative units at all levels;
- Effective implementation of the requirements of the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act for improvement of anticorruption environment within the NSI.

Despite its limited staff, the Inspectorate is making efforts to implement the main activities of the Annual Plan as the quality of control activity remains at a relatively high level.

Throughout the year a considerable amount of resources was earmarked for clarification of circumstances and preparation of responses to signals, recommendations and proposals received at the NSI’s HO. During the reporting period a significant part of the work of inspectors was focussed to the fulfillment of additional tasks set by the NSI’s President.

Daily control of the implementation of orders, top management’s resolutions, Council to the President’s decisions, the results of concluded contracts, the fulfillment of tasks of international business trips and others was carried out.

In regard to the changes which occurred during the year in the Bulgarian legal framework and in the organizational structure of the NSI, the Inspectorate has started a process of updating the internal normative documents that regulate the overall activity of the NSI. In accordance with the changed conditions, the Inspectorate developed and approved new Internal Rules for the Inspectorate’s activity and orders regarding the implementation of the Internal Rules for the organization and procedure for checking the declarations and establishing conflicts of interest at the NSI’s HO.

Regarding the fulfillment of requirements of Instruction on the structure and minimum number of inspectorates, the way of carrying out their activity and their interaction with

specialized control bodies, during the year a competition was organized and conducted for one official. As a result one state inspector was appointed.

In 2019, in parallel with the control activity carried out, the Inspectorate was also a subject to inspection by the General Inspectorate to the Council of Ministers for the verification of the implementation of recommendations given in 2018.

In order to improve the quality and the effectiveness of control activity during the period, the Inspectorate's employees participated in vocational trainings and the Head of the Inspectorate took part in the Annual Inspectorate meeting organized by the General Inspectorate.

For the period from the beginning of 2019 to the end of October, a total of 1882 records were registered and inspected in **the Finance Controller's** Register. A total of 1882 checklists were issued for undertaking obligation and performing expenditure.

The Finance controller has always proclaimed his decision on the proposals for undertaking obligations and performing expenditure within the deadlines appointed by the President of the NSI and described in the Internal Rules on implementation of ex-ante control of legality in the NSI.

In order to optimize the control and to give accurately and efficiently opinion in filling the checklist the Finance controller often requested an additional presentation of documents or information, and also made on-the-spot-visits.

In 2019, the Finance controller participated in the preparation of the Summary questionnaire and the Report on the state of the financial management and control systems within the NSI in 2018. The Finance controller also took part in Working group for updating the internal normative documents, defining the overall activity of the NSI.

In September 2019 in the implementation of Annual Training plan the Finance controller participated in a specialized seminar entitled "New issues related to internal control in public sector, amendments to the law on financial management and control in public sector, current issues from the financial and accounting activities of budget organizations", organized by Business Education Club.

The analysis of results from the performed preliminary control imposes the following conclusions:

- The preliminary control on the files did not find illegal activities and events as well as presence of grave and substantial violations related to providing and compiling files with the necessary documents;
- All submitted files were processed promptly and the work of NSI was not hindered. In order to optimize preliminary control, in many cases, one checklist was issued for the same types of liabilities and expenses, although all the documents submitted for these groups of costs and liabilities were checked. In order not to delay the process, the Finance Controller has repeatedly had to check files both in non-working hours;
- Notes on the undertaking obligation/or performing expenditure was expressed in only a few isolated cases, which is a good characteristic of maturity in the processes of selfcontrol and professionalism of the officials in the structural units at the NSI's Head Office.

Annex 1. NSI Budget 2019

| Indicators (in BGN) | Law on state budget of the Republic of Bulgaria for 2019 | Specified plan for the year as 31.10.2019 | Report as of 31.10.2019 | Implementation of the plan/ report (%) as of 31.10.2019 |
|---|--|---|----------------------------|--|
| 1 | 2 | 3 | 4 | 5 |
| I. REVENUES - TOTAL | 950000 | 950000 | 501006 | 53 |
| Own revenues | 950000 | 950000 | 501006 | 53 |
| Non-tax revenues | 950000 | 950000 | 501006 | 53 |
| Property revenues and incomes | 950000 | 950000 | 615161 | 65 |
| - Net revenues from sales of services, goods and production | 850000 | 850000 | 593951 | 70 |
| - Rental property revenues | 100000 | 100000 | 51210 | 51 |
| State fees | | | | |
| Fines, sanctions and penalties | | | | |
| Other revenues | | | 2481 | |
| Revenues from the sale of non-financial assets | | | | |
| VAT paid | | | -116636 | |
| II. EXPENDITURES - TOTAL | 23801000 | 25333698 | 16944581 | 67 |
| Total expenditure | 23801000 | 25333698 | 16944581 | 67 |
| Current expenditure | 19977000 | 20309698 | 16767229 | 82 |
| Personnel | 16461500 | 16585660 | 13882522 | 84 |
| Salaries and remunerations to the personnel under the Labour Code and the Civil Service Act | 11481500 | 11436500 | 9 673728 | 83 |
| Salaries and remunerations to the personnel under the Labour Code | 1318500 | 1518500 | 1196893 | 79 |
| Salaries and remunerations to the personnel under the Civil Service Act | 10163000 | 9918000 | 8476835 | 85 |
| Other salaries and payments to the personnel | 1380000 | 1530272 | 1111429 | 73 |
| Mandatory social security contributions from employers | 3600000 | 3618888 | 3097365 | 85 |
| Social insurance contributions from employers for the State Social Insurance (SSI) | 2000000 | 2010536 | 1933012 | 96 |
| Health insurance contributions from employers | 954000 | 959317 | 768514 | 80 |
| Contributions to additional compulsory insurance from employers | 646000 | 649035 | 395839 | 60 |
| Maintenance | 3336000 | 3544538 | 2766105 | 78 |
| Taxes paid, charges and administrative sanctions | 131930 | 131930 | 103920 | 79 |
| Expenditure for membership contributions and participation in non-profit organizations and activities | 47570 | 47570 | 10825 | 23 |
| Capital expenditure | 3824000 | 5024000 | 177352 | 3 |
| Fundamental repair of tangible fixed assets | 200000 | 200000 | 58304 | 29 |

Annex 1. NSI Budget 2019

| (Continued and end) | | | | |
|--|-----------------|-----------------|-----------------|------------|
| Acquisition of tangible fixed assets | 240000 | 240000 | 38007 | 15 |
| Acquisition of intangible fixed assets | 3384000 | 4584000 | 81041 | 2 |
| NATURAL INDICATORS | | | | |
| Staff positions - total | 968 | 968 | 910 | |
| Average annual full-time positions - total | 968 | 968 | 910 | |
| Staff positions | 968 | 968 | 910 | |
| III. TRANSFERS | 22851000 | 24383698 | 16073438 | 66 |
| III. A. TRANSFERS (SUBSIDIES, CONTRIBUTIONS) BETWEEN CENTRAL/STATE BUDGET AND OTHER BUDGETS | 23451000 | 24817000 | 11650081 | 47 |
| Transfers (grants/contributions) from the central budget (Net) - Transfers (subsidies) from the central budget (+) | 23451000 | 24817000 | 11650081 | 47 |
| III. B. TRANSFERS BETWEEN BUDGET ACCOUNTS AND EXTRABUDGETARY FUNDS/ACCOUNTS | | 166698 | 181618 | 109 |
| - Transfers received (+) - Transfers granted (-) - Transfer from MLSP under programmes of temporary employment (+/-) | | 166698 | 181618 | 109 |
| III. C. TEMPORARY NON-INTEREST LOANS BETWEEN CENTRAL BUDGET, BUDGET ACCOUNTS AND EXTRABUDGETARY FUNDS AND ACCOUNTS | -600000 | -600000 | -360787 | 60 |
| IV. BALANCING ITEM (+/-) (I - II + III) | 0 | 0 | 370137 | |
| V. FINANCING OPERATIONS | 0 | 0 | 370137 | |

Annex 2. Organization chart of the NSI

Organisation Chart

Organization Chart 03/05/2019

