# About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

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# Summary

The environmental protection policy worldwide and in particular within the European Union has a significant effects over various spheres of life. One and probably most important of them is the social sphere since it defines the environment we live, work and create. Improving the environmental conditions also affect the economy, biodiversity, tourism, etc. Since quality of potable water, appropriate air conditions, etc. are preconditions for high quality of life, the measures in this regard are absolutely necessary to provide and keep such social environment.

As a Member state Bulgaria has many obligations regarding the creation (the construction of new and/or reconstruction of existing infrastructure) of conditions that protect the environment. These obligations follow the requirements of the applicable law.

In addition to the above, the implementation of the EU policy regarding the environmental protection has a significant influence on the everyday behavior of the European citizens since the policy creates conditions that directly reflect mostly on our health but also welfare, recreation conditions, etc. Taking into account the above stated, this paper

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provides some main empirical data related to the social effects from application of the European Union's environmental protection policy in Bulgaria as well as defines a brief conceptual frame for studying such an issue.

Key words: European Union, environmental protection policy, social effects JEL: F53, Q52, Q53

### 1. Introduction

The application of environmental measures and its prevention through the implementation of projects funded by the EU CF have an immediate effect on nature as well as a number of impacts on the social environment and given the fact that clean environment provides living conditions, close to natural needs. In this regard, it can be argued that the impact of measures on social conditions is strongly positive.

On the other hand, the implementation of projects partly funded by the Cohesion Fund has negative consequences especially for the poorest groups of the population, but by applying appropriate measures in this respect, the drawbacks are largely eliminated. On the other hand, the EU policy regarding environmental protection has a positive impact on wide range of people since it creates jobs, prevents from negative manifestations caused by the climate change and in general improves the conditions the population lives.

Taking into account the already stated above issues the current paper aims to answer to some questions such as: 1). Does the EU's environmental protection policy applied in Bulgaria create conditions for improvement of the living conditions and if yes, to which extend; 2). Is the policy effective enough and does it have reservations to improve the results of its implementation; 3). Is this policy the best possible solution or it has alternatives.

Answering the above questions will generally create and reveal the social effects that the policy has on the population within the Union. Since it has other directions these effects are mostly indirect but yet influences on the social status of the Europeans and with no doubt improves the living conditions as well as the social environment.

### 2. Methodology

The main social effects from application of the European Union's environmental protection policy in Bulgaria is examined by combined method of analysis and synthesis as well as a quantitative analysis is provided. In particular, the following approach has been applied while developing the current research, as follows:

- ✓ Thorough review of the main obligations of Bulgaria as a Member state following the applicable Union's law that have to some extend social influence and impact;
- ✓ The main projects implemented in Bulgaria so far that have been cofinanced by the Cohesion funds of the European union through the Operational programme "Environment" (OPE) and their impact on social environment;
- ✓ Research among some Bulgarian municipalities that have implemented such projects.

Main subject of the research was the effects that the projects have on the population as well as on the social environment. The research was held by sending a web-based questionnaire to the municipalities that have implemented such projects. About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

In addition to the above, since there is no official data available regarding some of the effects an interview with a representative of the biggest non-profit organization of the consultants regarding management of EUfunded projects was concluded to find out some particular aspects on the social effects.

As a result from all of the above, some conclusions regarding the main social effects from application of the European Union's environmental protection policy in Bulgaria by using the Cohesion funds were drawn.

# Main obligations of Bulgaria as a Member state with regard to the EU environmental policy – basic legal requirements

As a Member state Bulgaria has obligations in various number of common policies held and developed on Union's level. One of them is undertaking appropriate measures in protecting the environment by constructing and/or rehabilitating existing infrastructure used to treat wasted water or waste in a manner that meets the requirements of the applicable legislation – on EU's level as well as a national one.

The basic legal act defining the obligations that Bulgaria has to fulfil in relation to the environmental protection is Appendix 3 to the (full name) Treaty between the Kingdom of Belgium, the Czech Republic, the Kingdom of Denmark, the Federal Republic of Germany, the Republic of Estonia, the Hellenic Republic, the Kingdom of Spain, the French Republic, Ireland, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Republic of Poland, the Portuguese Republic, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden, the United Kingdom of Great Britain and Northern Ireland (Member States of the European

Union) and the Republic of Bulgaria and Romania, concerning the accession of the Republic of Bulgaria and Romania to the European Union (part of the primary law of the European Union).

Apart from the primary law, the following main directives that are into force define the obligations:

Table 1. Main directives, related to the environmental protection.

Directive	Institution	Subject of regulation
1999/31/EC	Council of the EU	Landfill of waste
91/271/EEC	Council of the EC	Urban waste water treatment
92/43/EEC	Council of the EC	Conservation of natural habitats and of wild fauna and flora
96/61/EC	Council of the EU	Integrated pollution prevention and control
96/62/EC	Council of the EC	Ambient air quality assessment and management
98/83/EC	Council of the EC	Quality of water intended for human consumption
2003/87/EC	The European Parliament and the Council	Establishing a scheme for greenhouse gas emission allow- ance trading within the Community and amending Council Directive 96/61/EC
2008/50/EC	The European Parliament and the Council	Ambient air quality and cleaner air for Europe
2008/98/EC	The European Parliament and the Council	Waste and repealing certain Directives

Source: Created by the author on the basis of EUR-Lex, http://eur-lex.europa.eu

As indicated above, the Treaty defines a list of main obligations of Bulgaria as a Member state. Some of them are:

- Construction of wastewater facilities for settlements above 10 000 equivalent population by end of 2010 (not fulfilled);
- Construction of wastewater facilities for settlements between 2 000 and 10 000 equivalent population by end of 2010 (not fulfilled);
- Construction of landfills that meet all criteria for the whole territory (not fulfilled).

Taking into consideration the described above actions to be undertaken the relation between fulfilment of these obligations and the social status and social environment is direct and strong. As a result several main effects appear and they are considered below.

# 4. Main social effects from application of the European Union's environmental protection policy in Bulgaria by using the Cohesion funds

The relation between the Cohesion policy (through the Cohesion funds as a practical

tool for its implementation) and the social effects it has on the European citizens is subject to research by many authors but it's mainly focused on one of the aspects of the cohesion, namely the social one (the other two are the economic and territorial ones). Not too many authors refer to the Cohesion funds directed to environment and their link to the social effects it has. Mainly subject to research is the influence of the funds on poverty and social exclusion policy. Boucher and Samad<sup>1</sup> (Boucher G., Samad Y. 2016: no numeration on the source, Chapter 1) observe the relation between the Cohesion policy and the positive outcome from its implementation and rates of employment, unemployment and, poverty and educational levels. The same authors find relation between the funds and their influence on immigration, cultural diversity specific social groups, etc.

Other authors focus on the role of the Cohesion funds and the GDP growth per

<sup>&</sup>lt;sup>1</sup> Boucher G., Samad Y. (2016). Social Cohesion and Social Change in Europe. Routledge, New York, USA

head in Eastern European countries and as a consequence the social and living standard. For example, Bruinsma, Hakfoort and Wever<sup>2</sup> (Bruinsma W., Hakfoort J., Wever E. 2005: 71) claim that it would take more than 20 years for Poland to reach 75 % of the EU average GDP level and as a result the living standard and conditions to become coherent with the "old" Member states.

Taking into account the focus on the current research (namely social effects in Bulgaria from implementing environmental protection projects financed by the Cohesion funds) it could be stated that there is enough researches directed to the subject and therefore the current study contributes to observation and analysis of this influence.

# 4.1. Overall improvement of the living environment (the social environment)

In addition to enhancing the environmental conditions, EU funds are also targeting a number of other measures to improve the state of social infrastructure (e.g. schools and kindergartens), notably by improving the energy efficiency of buildings. This, in turn, has an indirect effect on nature in order to limit the consumption of energy resources, including limiting emissions. In addition, improving the working environment has an immediate effect on companies, leads to additional motivation for workers, which is also a positive social effect and, as a final result, improves the productivity and incomes of the employed.

Given the constraints of this study, emphasis is placed on the social environment and its improvement due to the implementation of environmental measures. In particular, the effects of improving the health and social status of the population have been addressed. The main ones can be highlighted as follows: About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

✓ Reduction of morbidity - the release of untreated waste water into the environment the causes release of nutrients (bacteria, pathogenic microorganisms such as Escherichia coli, streptococci, staphylococci, etc.) causing various diseases, the most common being gastrointestinal. Beyond the above, improving the condition of water supply networks and facilities (i.e. supplying drinking water of the required quality and volume), in addition to complying with the provisions of secondary EU law and following elements of the Union Cohesion Policy through its funds, is a prerequisite for improving the living environment by meeting hygienic needs and hence improving the health of the population and preventing different types of illnesses. According to a report by the European Court of Auditors<sup>3</sup> (2017, p. 18) on the implementation of the Water Framework Directive and focusing on the quality of drinking water in Bulgaria, Romania and Hungary, the population in Hungary is linked almost 100% to sources of fresh drinking water. This percentage for Bulgaria is about 98%, whereas in Romania the proportion of the population connected to drinking water with gualities meeting the requirements of the Directive is about 63%, which clearly demonstrates the good status of the sector due to the measures implemented under line of the EU Cohesion Funds (the same is done in Romania in a volume comparable to that in our country).

Given that the quality of bathing (sea and river) water is also the subject of EU-level regulations and the fact that they directly affect the health status of the population (and the development of the tourism sector),

<sup>&</sup>lt;sup>2</sup> Bruinsma, Hakfoort and Wever (Bruinsma W., Hakfoort J., Wever E. (2005). Royal van Gorcum. Assen, The Netherlands

<sup>&</sup>lt;sup>3</sup> European Court of Auditors. Implementing the Drinking Water Directive: water quality and access to it improved in Bulgaria, Hungary and Romania, but investment needs remain substantial.

it should also be noted some data available in a working document of the European Commission<sup>4</sup> (2017, p. 15) according to which the proportion of poor quality coastal waters (Black Sea coastal) is reduced to 1.1% in 2016 compared to 3.2% in 2014.

In addition, uncontrolled waste discharge (sometimes containing hazardous elements according to the classification) also creates prerequisites for the emergence and development of various diseases. Taking measures in this direction has a direct impact on the health status of the population in a favorable direction;

✓ Reduction of air pollution - according to the data of the European Environment Agency<sup>5</sup> at the end of 2014 (coinciding with the end of the period during which measures financed through the EU CF) are implemented in the urbanized territories in Bulgaria there is a significant decrease of the values of a number of indicators showing air pollution (-83%), nitrogen oxides (-51%), volatile organic

(-84%) compounds and ammonia (-72%) versus baseline 1990. In view of the measures, implemented within the framework of OPE (namely the purchase of methane buses, trolleybuses, trams and subway cars in Sofia), it can be argued that the Cohesion Funds have contributed to a significant extent to the reduction of the emissions of harmful gases emitted in major cities in the country. This in turn leads to similar to the above results. namely the reduction of a number of diseases (pulmonary, vascular, etc.) and mortality among the population.

In connection with the study the research held regarding the social effects in the questionnaire, this issue has also been considered (by replying to the question "Have there been any significant changes in the social environment (state of the infrastructure, environment and quality of life, etc.) following the implementation of the project, financed by OPE) among the beneficiaries as the results are as follows:



Figure 1: Impact of project implementation on the social environment (state of infrastructure, environment and quality of life, etc.)

Source: Written by the author based on data from a survey conducted<sup>6</sup>

<sup>&</sup>lt;sup>4</sup> European Commission. COMMISSION STAFF WORKING DOCUMENT. The EU Environmental Implementation Review Country Report – BULGARIA, SWD (2017) 35 final.

<sup>&</sup>lt;sup>5</sup> European Environment Agency. National Emission Ceilings Directive emissions data viewer (2017)

<sup>&</sup>lt;sup>6</sup> The survey was conducted through an online survey (https://docs.google.com/forms/d/1kiV0jV5ycYIZICM0c15\_byBG3F\_ tKZyXHnKegE1Yj8U/edit). It has been sent via a link to the e-mail addresses of the respective municipalities (total 68 according to the published data for the beneficiaries who have implemented projects under priority axes 1 and 2of the OPE). The number of respondents according to the survey data is 31.

Given the results of this part of the study, it can be argued that the implementation of environmental measures funded by the Cohesion Fund has changed the social environment in the settlements in which they have been implemented. Only about 6% of the surveyed beneficiary municipalities haven't found connection between the implementation of the project measures and the state of the social environment, and for all the others it has improved insignificantly or to some extent. It should be noted that the share of the last answer is over half of the total received.

# 4.2. Reducing the adverse effects of natural disasters

Numerous scientific studies have demonstrated the link between climate change and an increase in the incidence of natural disasters, such as prolonged droughts, significant rainfalls, floods and, in some cases, landslides, fires, hurricane winds. Bulgaria is no exception to these trends, on the contrary - the country is in a climatic zone and a territorial position, suggesting a direct influence of the climateforming factors (water basins as a source of water vapors and formation of powerful cumulus-rain clouds, proximity to territories generating anticvclone processes etc.).

In addition, the relief in the country (namely, large areas with an intersected topographic structure and considerable displacement) and the presence of a long coastal zone (Black Sea and Danube) imply the formation of landslides due to heavy rainfall and abrasion on the shore from the impact of water. As a final result, conditions are created for material damage, injuries and human sacrifices.

Taking into account all the above, during the programming and subsequent approval of OPE for the current programming period funds for flood and landslide risk prevention and management within the Program Priority About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

Axis 4 have been allocated. According to point 2.A.6.1 of the programme<sup>7</sup> the activities and measures implementing the investment priority are aimed at addressing the risk of floods, ensuring disaster resilience of a similar nature and mitigating the consequences thereof, as well as preventing the risk to human health and environment. The envisaged measures are expected to raise public awareness and the preparedness of the population, as well as to respond more effectively to such situations.

### 4.3. Increase in utility costs

Given the scale of the investments required to implement environmental protection measures and the accompanying costs provided by the beneficiaries already discussed above, the provision of the necessary financial resources implies an increase in the tariffs for the various utilities and their similar services. This is particularly important during the current programming period in which water companies are the beneficiaries of the programme.

For the purpose of ensuring financial sustainability of investments (one of the mandatory requirements to allow the approval of projects in accordance with OPE rules and rules at EU level), it is necessary to accumulate significant funds as the main source of revenue is namely the tariffs for services. In this regard, the legal requirements should be noted, namely the provision of socially acceptable tariffs (also a mandatory requirement for project approval). More specifically, the Water Supply and Sewerage Services Regulation Act<sup>8</sup> stipulates that the social cost of water and sewerage services is available in cases where their value, determined on

<sup>&</sup>lt;sup>7</sup> Amended by the Implementing Decision of the European Commission on 26 October 2016. Available at http://ope. moew.government.bg/files/useruploads/files/opos2014-2020\_izmenenie\_26102016.pdf

 $<sup>^{8}</sup>$  § 1, par. 1, item 4 of the Additional Provisions of the cited law

the basis of a minimum monthly drinking water consumption of 2,8 cubic meters m per person does not exceed 2.5 per cent of the average monthly household income in the respective region.

Despite the fact that a social affordability of the water supply and sewerage services is defined by the law there are still many evidences showing that the poorest part of the population cannot afford to fully use these services due to the high costs they have to pay. Additional increase of the tariffs would lead to decrease of water consumption combined with less willingness to pay from this part of the population. As a result several negative effects would appear namely decrease of their social status, decrease of income for utility companies, raising of evidences of steeling water, etc.

It should be noted that the specifics are tariffs for utility tariffs, that is, they do not follow (fully) market principles but are regulated by a specific body (the Energy and Water Regulatory Commission EWRC). This creates prerequisites for impossibility or difficulty in providing the necessary resources to implement the measures financed through the Cohesion Funds, but it follows the legal requirements to ensure socially tolerable tariffs. Accordingly, the Commission's Guidelines allow for differentiation of tariffs according to the income of the population (reduction or limitation of the increase for households with the lowest incomes in the lower three decade groups), which in the long run will probably be applied for the purpose of preserving social tolerance.

Given the imminent implementation of the major part of the OPE projects in the period 2018-2022, by decision<sup>9</sup> № Ц - 34 of 15.12.2017 of the EWRC, the costs for water supply services in the different areas within which the projects will be implemented, have increased on average between 15% and 30%. This solution directly affects the cost of the population by taking away part of the disposable resource (income) and depriving the people concerned of consuming alternative goods. As a result, the social status of the population is deteriorating, but given the time horizon and depreciation of long-term investment, this is a justifiable action providing the necessary level of services in accordance with national law and that of the EU.

### 4.4. Creating employment

The preparation and implementation of the project activities is related to engaging individuals with specific knowledge, skills and experience, as well as working in connection with the practical implementation of the construction and related activities. In view of the above, the creation of employment in connection with projects funded partly through the EU CF in the field of the environment can be divided into two groups, each of which contains an additional division according to certain criteria, namely:

- on the criterion of employment permanent and temporary;
- according to the criterion nature of specialization – (highly) specialized and not requiring the availability of very specific knowledge and skills.

In the process of implementing the life cycle of the projects, both permanent and temporary employment are created, which in turn can be highly specialized or not. When examining the social effects of increasing employment below, the main criterion applied is the nature of employment in terms of its duration.

<sup>&</sup>lt;sup>9</sup> Available at: http://www.dker.bg/bg/resheniya/resheniyaza-2017-god.html

### A. Constant employment

According to the Ministry of Finance's report<sup>10</sup> (2016, p. 17) on the assessment of the macroeconomic effects of the implementation of the programs co-financed with EU funds and already cited above by the end of 2016 (the start-up period is 2007, i.e. the survey covers a 10-year period) as a result of the implementation of environmental measures, employment (15-64 years) increased by 1.2%. The report provides only aggregate data on the indicator on this social (and economic) effect.

Regarding permanent employment, given the diversity of engagement of experts of different orientation as specific knowledge and skills, the following conditional distribution can be introduced:

involved ♦ Persons directly in the subsequent exploitation of the constructed networks and facilities. It concerns both specialized tasks (eg management of the built facilities - treatment plants, waste systems, etc., as well as the operation of specific systems, eq control of the automation introduced in the facilities due to their technological orientation), as well as operators of separate groups of machines (pumps, agitators, blowers, separation and composting systems, etc.) and ongoing maintenance of material assets.

In order to give a numerical expression to this group of permanent employees as part of the survey, the number of employees in relation to their commitment to the operation of networks and facilities (the question to the respondents states: What is the approximate number of persons employed on a permanent basis contract related to the treatment of the treatment plant and / or the water supply and sewerage network and / About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

or the waste management system after their construction / reconstruction). The results of this part of the study are set out below:

**Table 2:** Estimated number of persons permanentlyengaged in service of treatment plants and / orwater supply and sewerage networks and / or wastemanagement systems after their construction /reconstruction

Possible answer	Share in answers	Average size (%)	Contribution
4 or less persons	0%	2	0,00
from 5 to 6 persons	41%	5,5	2,26
from 7 to 8 persons	47%	7,5	3,53
above 8 persons	12%	9	1,06
Total average:			6,85

Source: Written by the author based on data from a survey conducted (already mentioned above)

As can be seen from the above data, the average approximate number of people on a permanent basis engaged in service of networks and facilities is 6.85. In view of the number of OPE projects, namely 68<sup>11</sup>, the total number of permanent employment servants is 466 persons. It is often found that 5 to 8 people (about 90% of cases) are involved, which is an indirect sign of a relatively high-tech method of operation in the operation of networks and facilities, given their size and scale.

Individuals from the central and municipal administration involved in the management of projects funded through the EU CF - this is another specific group whose employment comes directly from the preparation, implementation and reporting of projects. In this regard official data are available only on the number of persons involved in the Managing Authority of the Programme, namely 125 persons according

<sup>&</sup>lt;sup>10</sup> Ministry of Finance (2016). EU Funds in Bulgaria Assessment of the macroeconomic effects of the implementation of the programs, co-financed by EU funds

<sup>&</sup>lt;sup>11</sup> As per information stated by the OPE (http://ope.moew. government.bg/bg/pages/napredak/26#1)

to the Structural Regulations<sup>12</sup> of the Ministry of Environment and Waters (in force since 1.10.2017).

Regarding the municipal administrations, it should be noted that it is common practice for persons - employees in the respective municipalities to be involved in the management of projects such as Execution and Management Units. In some cases, depending on the specific nature of the project activities, outsiders (generally civil or fixed-term contracts) are also involved to support the management process, but their number is too varied and temporary, making it difficult to establish their number.

Apart from these experts, a number of others are also involved in different structures of the administration responsible for the certification of expenditure, as well as audit functions. Determining the number of persons specifically involved in environmental projects is virtually impossible in view of the nature of their activities (commitment to control of different types and nature of projects);

 $\diamond$ With the entry into force of the National Classification of Occupations and Positions<sup>13</sup> (2016, p. 28), additional posts are introduced in 2011, reflecting the labor market trends for the formation of a new type of employee engagement (No 2422/6004 - Expert, Programs and Projects as and No 2422/6007 - European Projects and Programs Managing Partner), namely those related to project management. In view of the significantly complicated procedures for preparing, approving, implementing and reporting on similar scale and type of project tasks, market trends have seen

a significant increase in demand for persons to engage in these processes. A specific "stratum" working on EU-funded project management is being developed and developed, incl. and those aimed at protecting the environment.

In connection with the above, as well as the lack of reliable data on the participation of these people in the labor market, a discussion was held with Mrs. Vesselina Georgieva, member of the Management Board of BACEP<sup>14</sup>. The main topics discussed are in two directions: 1). Estimated number of persons performing project management advisory functions (either on their own or as employees on labor contracts), and 2). Approximate income of these persons.

According to unofficial data of the association, the approximate number of persons varies between 13 and 15 thousand permanent employees. Compared to the data at the end of November 2017 on the total number of employees, namely 2,277 million, the share of consultants on projects funded by the Union funds was 0.66% of total employment. Applying the share of environmental funds, namely about 21%<sup>15</sup>, similar projects create permanent employment for about 2 940 persons, with a share in total employment of about 0.14%.

Regarding the average size of the monthly income of project management consultants, Ms. Georgieva noted that the internal observations of the association amount to about 2 200 - 2 400 BGN. Again according to NSI data at the end of the

<sup>&</sup>lt;sup>12</sup> Available at: http://www.moew.government.bg/bg/ ustrojstven-pravilnik-na-ministerstvo-na-okolnata-sreda-ivodite/#attached-files

<sup>&</sup>lt;sup>13</sup> Ministry of Labour and Social Policy (2011) LIST OF OFFICIALSIN THE NATIONAL CLASSIFICATION OF PROFESSIONS AND EMPLOYMENT, 2011

<sup>&</sup>lt;sup>14</sup> BACEP - Bulgarian Association of Consultants for European Programs is the leading non-governmental organization in the country, which is in essence an association of companies and individuals / experts, generally aiming to improve the process of management and implementation of projects funded by EU funds.

<sup>&</sup>lt;sup>15</sup> The ratio is calculated on the basis of data published by the Ministry of Finance on the financial implementation of EU funds towards the end of 2016. Source: http://www.minfin. bg/bg/page/1161

third quarter of 2017 the average monthly salary at national level is BGN 1,064. The remuneration of persons engaged in employment or service contracts in the management of projects, incl. those aimed at protecting the environment exceeded the average data over 2 times. This again proves the beneficial effects on the social status of the employees who carry out project management tasks.

#### B. Temporary employment

An appropriate method for studying temporary employment that occurs in connection with the implementation of project activities aimed at environmental protection and partly financed by the CF is the examination of the project cycle and in particular the preparation stages (in this case investment design and its accompanying projects works) and execution (construction). This is because, unlike the overall project management typically carried out throughout the whole project cycle, the implementation of individual phases involves the engagement of different individuals whose professional orientation follows the particular phase of the cycle.

As far as the preparation phase is concerned, employment is mainly provided for persons with professional experience and specific knowledge and skills in the field of investment design, given that they are generally infrastructural projects. The involvement of architects and engineers in the preparation process implies the provision of relatively highly specialized services, whose pay also exceeds the country average. Apart from this, it is common practice in the preparation of investment projects to be carried out jointly with foreign companies (especially in cases where public procurement contracts combine design and construction work into a single contract), which adds value to the specific knowledge and the skills of the designers - they have About The Main Social Effects From Application of the European Union's Environmental Protection Policy in Bulgaria by Using the Cohesion Funds

the opportunity to apply modern and highly efficient technological solutions. This in turn improves their professional profile.

In addition to the investment design and the personnel involved in its implementation, it is worth mentioning the involvement of experts in the field of environmental legislation. The application of its norms also implies the realization of specific, resp. highpaying activities, which improves the social status of these persons and allows for their further professional development.

Regarding the stage of the project cycle aimed at the actual implementation of the measures (i.e. construction and / or reconstruction of networks and facilities), the practice shows the involvement, albeit of a temporary nature, of multiple persons. They have both specific knowledge and skills (for example, the technical manager as a specific participant in the construction according to the provisions of the Spatial Planning Act) and a significant part of them have low education, lack of sufficient experience in the field of construction and generally their social status is comparatively low. A significant number of people from minority groups are also engaged in construction.

As a result of the above, although temporary staff are recruited, they often fall outside the labor market due to lack of knowledge, education and experience. As a result, the majority of them acquire those, which increases the probability of being permanently employed, i.e. to improve their social status.

### Conclusions

Based on the data and information described above, the following conclusions could be drawn:

 Regarding the effects of the measures on the social environment as well as other social aspects, it can be argued that the

EU's environmental protection policy in Bulgaria by using the Cohesion funds has a favorable social impact. It mainly consists of general improvement of the living environment, minimization of the damages caused by natural disasters, etc. It should be pointed out that the above policy is not directly related to social status of the population but instead to improvement of the environment. Since environmental conditions are part of the social system itself their improvement influence the social status of the population in Bulgaria;

- 2. A specific positive social effect is revealed in terms of creating employment in its two forms - permanent and temporary. Despite the fact that as a number it is comparably low, the income generated (regarding permanent employment) from it is above the medium one at national level. This is one of the most important and direct social effects from the policy, subject to the current article;
- 3. In order to commit significant financial resources and the need to raise it for the purpose of achieving investment sustainability, which is a characteristic feature of this type of project, there are also negative effects, mainly due to an increase in the cost of utilities. With proper enforcement of relevant legislation, these negative effects can be effectively managed;
- 4. On a long-term basis, the application of the European Union's environmental protection policy in Bulgaria by using the Cohesion funds has strongly positive social effects in various areas of life despite the fact that there are several negative manifestations mainly on the poorest part of the population.

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