



How the Association could be prepared for successful budget negotiations



The Association's proposal is prepared on the basis of:

- Analysis and elaborations of the Association
- Proposals from the municipalities
- Positions from experts' forums of the Association
- The results from the work of the Integrated working groups.

Preparatory stage: Analysis of the implementation of the municipal budgets for previous year

- Prepared from the Association's experts
- Discussions on different forums
- The conclusions and the recommendations are improved by the Board of Directors

Forming an expert position for the budget for the next year

- Collecting prepositions from the municipalities
- Generalizing of the prepositions by the Committees – education, healthcare, social activities, culture, etc.
- Forming of a common position

Potentials problems

- Contradictions small – big municipalities
– defining objective criteria
- Contradictions poor – rich municipalities
– defining equalized mechanism
- Section contradictions – priority activities

The Board of Directors accepts common frame for negotiations

Assigning a task for the activities of the representatives of the Association in the Integrated working groups

- Expected important changes
- Standing the financial parametres
- Clear mandate for compromises

Budget procedure - first stage

- Integrated working groups with the respective Ministries – projects for national standards for supporting: child in kindergarten, student, person in specialized social services institution, cultural institutions, etc.
- Signing bilateral protocols for achieved agreements and differences.
- The Association makes a proposal to the Ministry of Finance for the state transfers.
- The Ministry of Finance elaborates the budget guidance for the municipalities.

Budget procedure – second stage

Implementing consultations between the Ministry of Finance and the Association. (1)

- ❖ **On expert level** – meetings between the members of the contact groups – in September and the beginning of October.
 - preparation of the analysis on the submitted materials from the Ministry of Finance – macro indicators, priorities and standards for the assigned activities.
 - defining the criteria for distribution of the equalized subsidy.
 - statement and prepositions in the texts of the project of the Law for the State Budget in the Republic of Bulgaria (LSBRB)

Budget procedure – second stage

Implementing consultations between the Ministry of Finance and the Association. (2)

- ❖ **On political level** – the members of the Board of Directors and the executive director of the Association, the Minister and deputy – ministers of Finance – in October.
 - Board of Directors makes an acquaintance of the working results on expert level.
 - the Minister of Finance presents the basic macro indicators, the policies and the priorities implemented in the annual budget.
 - Signing a protocol for disagrees with the Minister of Finance for not accepted proposals in the LSBRB.