

Preface

This study on the Bulgarian housing sector is the first project of a new programme element of the ECE Committee on Human Settlements, which foresees a series of country studies focusing on housing sector reforms in economies in transition.

Housing sector reform in central and eastern Europe is proving to be a difficult process. The joint ECE/HABITAT Workshop on financial and economic aspects of housing reform in countries in transition, which took place in November 1993 in Sofia (Bulgaria), evaluated the experience regarding the implementation of the housing sector reforms in countries in transition. It was observed that major difficulties brought about by the transition, such as high inflation, the lack of competition and the absence of appropriate new legislative and institutional structures, remained unsolved. The Workshop concluded that for the majority of the population in these countries housing conditions would continue to deteriorate unless these major difficulties were addressed.

The Workshop proposed the preparation of country profiles on housing sector reform as a new activity of the ECE Committee on Human Settlements. This proposal stressed the need for a “process oriented” reformulation of housing policies in countries in transition, based on reliable information regarding the housing sector, the institutional framework, related legislative structures and policies and practical implementation issues. A series of in-depth country studies based on the analysis by an international team of experts in close cooperation with relevant institutions and participants in the country under review was seen as a promising methodological approach.

Such a country-based analysis of housing reform and the assessment of various options for policy formulation and implementation should focus on how, in the given national situation, the housing sector can best be adapted to, and integrated into a vigorous transition process. It was hoped that such country analyses would accelerate the transition of countries of central and eastern Europe towards a market economy and help to achieve continued progress towards a sustainable development of the housing sector through broad political support.

It was proposed that the approach to the country profiles should:

- a) Rely on an experienced international team of experts in order to put forward solutions based as far as possible on the specific social, economic and cultural resources available in the country being analysed;
- b) Mobilize all available information sources in the country through broad cooperation with all relevant governmental bodies;
- c) Recommend strategic objectives to guide the housing reform towards sustainable patterns of housing development in terms of human, environmental and financial resources;
- d) Link bilateral assistance activities to those of the ECE Committee on Human Settlements to increase political relevance and make assistance programmes more efficient.

At its second session in May 1994, the Working Party on Housing Development, Modernization and Management considered the proposal for the preparation of Country Profiles on the Housing Sector. It also welcomed the proposal of the Government of Bulgaria to carry out a pilot project. It was agreed that this activity should be linked to the Housing Indicators Programme of the United Nations Centre for Human Settlements (UNHCS) and the World Bank in order to make full use of all quantitative analytical material available.

Being a first attempt of this kind, a model approach had to be designed establishing a framework for comparable follow-up activities. Only through the joint effort of many individuals and organizations did this publication come into being.

In Bulgaria the pilot project was guided by Mr. M. Videlov, Vice Minister at the Ministry for Regional Development and Construction, which set up a national team of experts. The Ministries of Finance, Legislation, Labour and Social Welfare, and the Environment provided additional input. Public agencies such as the National Statistics Institute, the National Commission on Prices, the Trade Union Institute, the Agency for Economic Forecasting and Research, the Bulgarian Construction Chamber and the Board of the National Compensation Fund also participated, as did the banking sector and private sector organizations.

The international expert team which carried out the study consisted of: Mr. Siegfried Brenke, (Chairman, Working Party on Housing Development, Modernization and Management), Mr. Jaroslav Kohout (Czech Republic), Ms. Iris Behr and Mr. Uwe Wullkopf (Germany), Mr. Jozsef Csomos, Mr. Jozsef Hegedüs and Mr. Ivan Tosics (Hungary), Mr. Alle Elbers (Netherlands), Mr. Gert A. Gundersen (Norway) and Mr. Anders Victorin (Sweden).

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