

Renaissance of the Book

Development Strategy for the Bulgarian Book Sector

**A joint initiative of the Bulgarian Ministry of Culture and the
Bulgarian Book Association**

March 2007

Explanation

All data in this document are collected with due diligence.

In this text we talk about private book market and public book market. Under private book market we define all primarily economical activities.

Public book market includes all public libraries and state policies related to manage these libraries and policies affecting directly or indirectly book trading and/or publishing

“Renaissance of book” is a project of the German Bulgarian Technical Cooperation implemented by GTZ on behalf of the German Ministry for Economical Cooperation and Development. (BMZ)

It is a joint initiative of the Bulgarian Ministry of Culture and the Bulgarian Book Association(BBA)

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Introduction

“Renaissance of Book” is the name of the development strategy for the Bulgarian book market. The main reason of choosing this title is the tendency that the book consumption per capita went down considerably after 1990 until 2005 from 7 bought books to less than one book per capita. According to latest studies¹ Bulgarians do like to read and have a fairly high esteem of books. Yet this is according to all available data not converted to the consumption of books. Reasons for this are manifold. It is lack of public support programmes, the restructuring of the whole private market after 1990, the economical crisis in the late nineties and the emergence of ranging from new media, more television programmes, to computers and cinemas. The competition got tougher.

This title implies the vision that this trend will be reversed and reading will become not the least as a result of the implementation of the strategy again more and more popular. This takes many activities in the supply and quality of public libraries, but it takes also a diversified landscape of professional publishers, book traders and of course authors.

The strategy is part of the alliance “Reading Bulgaria” that was formed in 2005 between many stakeholders in the field. The general mandate for the consultancy team was given during the first meeting of the Consultative Soviet that includes representatives from all Governmental and Non governmental organisations in the field. The meeting took place in September 2006 in the National Library.

The Consultative Soviet is at the same time a coordinating and advisory body, a platform to share and define policies in the various areas under consideration. It includes representatives of all state institutions and non-government organisations relevant to this activity.

The current document is aimed at improving the status of the Bulgarian book sector, both the public and the private one. It was drafted in constant dialogue and with the active participation of representatives of the main stakeholders. The first draft of the strategy was presented for discussion at the Second meeting of the Consultative Soviet in December 2006. With this a procedure was initiated for agreement between the relevant state institutions and non-government organisations. The recommendations that were made are reflected in the document and were presented at the third meeting of the Consultative Soviet in April 2007.

The strategy is elaborated within the Bulgarian-German Technical Co-operation which is implemented through the German Technical Co-operation Office (GTZ). We are very grateful for this support.

Reading is still the principal cultural technique to gain knowledge, to understand the world and for education and civilization. On top it is very often an entertaining and useful leisure activity that gives access to new worlds and broadens the horizon. In fact reading is an indispensable part of a modern society and one of the basic and strategic issues to develop knowledge societies.

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Deputy Minister of Culture

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¹ Alpha research on behalf of Bulgarian Book Association December 2006

1 SUMMARY OF ANALYSIS OF DATA²

1.1 Private Book Market

- I. The book branch in Bulgaria has about 150 active publishers from a total of 3.300 publishers that have registered an ISBN publication.
- II. There are about 150 bookstores
- III. Number of employees working in the private sector is about 5.000 employees creating an estimated turnover of about 60 million Leva per year
- IV. According to the National ISBN agency up to October 2004 3.300 publishers from 115 towns have registered in the National ISBN and 79.030 books have received ISBN. At present 87 percent of the books published in Bulgaria have an ISBN.
- V. The number of titles in 2005 is increasing with 19.9 percent compared to 2000 and the print run is 2.4 times less. Looking at the figures for 2005 and 2004 there is a decrease in number of titles and print run respectively with 6.3 percent and 8.6 percent In 2005 According to NSI 6.026 books have been published (ISBN)
- VI. Whereas the number of published titles grew in the past 5 years, the print run steadily went down. The continuous decrease of the print run lead also to decrease of the indicator” number of books and brochures per head of capita”. In 1985 this indicator was 7.0 and in 2005 is 0.5 which means a serious negative tendency for Bulgaria.
- VII. Leading segment in terms of number of titles published is fiction with about 30 percent followed by Social Science and Natural science 24 percent and 18 percent. All other segments are considerably lower. Looking at the print run however fiction is number 2.
- VIII. In 2005, 280 numbers of children and youth books are published with print run 455.1 thousand. The percentage of this genre in 2005 is 4.6 percent from the total number of titles and 1.4 percent from the print run.
- IX. Business relations between publishers and book traders are rather difficult to manage. In particular payment procedures are not up to the state of art.
- X. The share of published text and schoolbooks in 2005 is 17.6 percent from the total number of books and 23.1 percent from the print run. In 2004 the print run is going up with 20.3 percent and the numbers of titles are 15 less.
- XI. According to a study of the Bulgarian Book Association within the branch in 2006, 42 percent of companies in the branch are going to employ more employees compared to 2005, about 4 percent even many more. Half of the branch is going to have no significant change in the number if their employees 2006 compared to 2005. Yet no company states that they will employ less people. This is a clear indicator that the branch is growing and about to overcome the critical tendencies of the last 10 years.

² Details are given in Annex 1: The Bulgarian Book market in 2006

- XII. This tendency of a growing market is further backed up by the fact that about 30 percent expect an increase of the turnover of up to 15 percent in 2006 compared to 2005 and another 50 percent expect an increase of the turnover of up to 10 percent. However another 20 percent expect their turnover to go down with up to 10 percent.
- XIII. The productivity in the sector is rather worrying. Almost 50 percent observe no improvements in 2006. At least one third states that the productivity is improving with up to 15 percent. This may be due to the fact that ever more books are being published with a rather low print run. This has a direct influence on the prove per piece as much as on the turnover per employee.
- XIV. For increasing the productivity companies use mainly the following tools:
- 15 percent hire external consultants (85 percent do not)
 - 80 percent try to improve the workflow (internal organisation of work, logistics etc)
 - 65 percent invest in more and or better marketing
 - 23 percent do other investments
- XV. About 30 percent of the companies use their current capacities to the full extent. Another 40 percent use their capacities between 70 and 90 percent and only about 4 percent use capacities below 50 percent. The use of capacities is improving. About 2/3 (75 percent) state that the use of their capacities increased in the said period with up to 5 percent. This is another indicator for the consolidation of the branch.
- XVI. Against the background of the size of the branch the planned investments seem to be growing remarkably. Every second company is going to invest more then 50.000 BGN in 2007. Another 17 percent are going to invest between 20.000 and 50.000 BGN. Less then 5 percent do not plan any particular investments.
- XVII. The salaries in the branch are well above minimum salaries.
- XVIII. Fair and promotional programme has started and is further extended. Bulgaria traditionally takes part in the leading international book fair in Frankfurt, Germany at which the participation in 2006 was the most solid so far.
- XIX. In 2005 for the first time after 1990 a joint strategic initiative has been started under the title "Reading Bulgaria" from this initiative already many reform steps have been launched or they are under preparation.
- XX. 35 percent of companies invest about 3 to 5 percent of their annual turnover in marketing and promotion, 20 percent invest more then 5 percent in promotional activities. 25 percent invest less then 1 percent. Following are the most popular marketing/sales promotion tools
- XXI. The variety of books on the market is increasing. About 40 percent of book traders participating on survey have more then **10.000 titles** on their bookshelves. About 27 percent have between 5.000 – 10.000 different titles on stock and about 10 percent have less then 1.000 different titles on store for the interested reader.
- XXII. 10 percent of book traders offer their books on a selling space of more then 1.000 square meters. 55 percent have a bookshop of about 100 to 200

- square meters. And almost a third have a book store with less than 100 sqm. Most book traders 75 percent started their business after 1990. But still about 25 percent had already experience in this business before 1990. Because the lack of data comparison with previous periods is not possible.
- XXIII. About 16 percent still use stands at the **street markets** to sell books. But 66 percent stopped to do this business. Meaning that a trend may be observed that selling of books at streets is rather a business **getting less and less important**. Many of book sellers who operate shops now, started as street sellers.
- XXIV. Most book traders spend up to 2 hours per workday on administration (72 percent). But 18 percent spend up to 4 hours, **almost half a day on administrative work**. The search for market information consumes quite considerable time. If better information systems (central register) was available the **turnover could be increased considerably**. Almost one third (27 percent) traders believe they can increase their turnover even between **20 and 40 percent** in case such a system was available.
- XXV. There is a high demand for professional education on all levels. (vocational training, universities)
- XXVI. Average monthly expenses per person on books fall within 5.3 lv. a month (among those people who buy books). These purchases however are concentrated inside 44 percent of the population aged between 15-70 years. If we project these data over the entire population, we shall get an average expenditure of 2.3 lv. a month on books in Bulgaria.

1.2 Book and Reader³

- I. The surveys in the recent years demonstrate a decline in the portion of the readers (from 62 percent in 2002 to 58 percent in 2006). The active readers are estimated at some 28 percent. The remaining 30 percent we could rather describe as finding the books appealing, thinking of the reading practice as important and socially prestigious in terms of image but rarely reading in actual fact.
- II. Taken in a comparative perspective, the **share of the people who read books** in Bulgaria **corresponds to the average** for the European Union member states (58 percent read books, 42 percent don't). (Source: Europeans' Participation in Cultural Activities, Eurobarometer survey carried out at the request of European Commission, Eurostat)
- III. The main modus of the interest and motivation in the reading of books is the **entertainment**. The next argument in line appears to be the **enrichment** of general knowledge and culture, and the education
- IV. The psychological **price margin for purchasing a book is under 5 lv**. And between 5 and 10 lv. (up to 5 lv. for 35 percent, between 5 and 10 lv. for 23 percent).
- V. The **quality of the editions is generally assessed as good**: the evaluations in all the genres are predominantly located on the positive axis of the scale. The fictions and the reference books get the highest scores.

³ Market Research: Reading Bulgaria, Sociological survey, November 2006

- VI. The visitors of bookstores (with various frequencies in the frame of a year) are 42 percent. Their **satisfaction with the interior**, the assortment, the design and service at the stores, the competence and advice of the sales assistants is high
- VII. The vast majority of parents (80 percent) believe that their children should read, however a rather small share actually reads out for the children before they enter primary school.
- VIII. The public opinion firmly believes that a lower VAT rate for the books is necessary

1.3 Public Book Market

- I. 7000 library and other specialists work in the libraries and only 50 percent of them are full-time staff.
- II. According to the data from the NSI, 2006 the total number of libraries in Bulgaria in 2005 with over 2 000 pieces library fund is 4.552 and the members registered are 1.336.366 people. The library fund amounts to 86.581.623 from which 68.530.932 are books. The library fund in circulation is 24.530.991 including 21.318.069 books. This tendency shows that only 28.3 percent from the total fund available and 31,1 percent from the books are used. Following features
 - Each Bulgarian library is opened for visitors approximately 3.700 hours annually
 - more then 65 percent from library users are students in schools and universities;
 - Libraries are main source for internet access in small cities and villages;
 - In the libraries are working over 7.000 librarians and other specialists;
 - 22 percent from the libraries don't have recourses to buy new literature;
 - Over 30 percent from the libraries don't have resources to make subscription for regular editions;
 - 9 percent from the libraries have CD- ROM collections and just 3 percent DVD collections;
 - 8 percent from the libraries have properly equipped computer places for visitors
 - 14 percent have Internet access
 - 6 percent offer Internet for readers percent
 - 3 percent from the libraries have their own web page;
 - Bulgarian libraries are on the last position compared with 29 European countries on financial indicators.
- III. The library collections and the predominant part of the libraries are outdated and do not meet the demand of the readers. The volume of the annually purchased materials has decreased several times as compared to 1990. For the period 2003 – 2005:

- 22 percent of the libraries have bought new books
 - 30 percent have not subscribed to any periodical
 - 20 percent have spent up to 500 BGN for purchasing new materials
- IV. According to a research of the Bulgarian National Library Kyrill and Method libraries are in a rather worrying status⁴:
- The Bulgarian libraries are seriously lagging behind the requirements and the expectations of the society toward their services;
 - The varying institutional subordination of the libraries and the lack of a coordinating managing unit leads to the application of incongruous policies even for libraries of one and the same type and this hinders the efficient spending of the state subsidy;
 - The development of the libraries is uneven. There exist great disparities with two main groups that can be identified:
 - Developing libraries which apply the modern approaches in the organisation of the library activity and services. They represent about 11% of the total number and the attention of the state is directed toward them. These are the National Library, the regional and municipal libraries in the bigger municipalities, the University libraries and some of the bigger community centre libraries.
 - Underdeveloped libraries from the modern point of view which manage hard with the minimum financing, the lack of qualified personnel and appropriate equipment. These are the majority of the school and community centre libraries and some municipal ones in the smaller settlements, as well as scientific and specialised libraries.
 - An urgent reform in the library sector is needed with the aim of increasing the effectiveness of the libraries in the realisation of the national priorities.
 - The Community Centre, municipal and regional libraries are the backbone of the system for territorial library service. It is obligatory that qualitative and quantitative parameters for their activities be defined, on the basis of which they will be financed.
 - The re-structuring of the library sector is a prerequisite for the implementation of national programmes and targeted investment in the setting up of a national library informational network and their technologic renovation.
 - The elaboration of a system of legal documents will guarantee the statute and the rational financing of the various types of libraries, taking into account their functioning in the common network.
- V. Although not actively used (**22 percent visit libraries with various frequency** within the frame of a year), the libraries are considered important by 83 percent. Similar is the attitude to the community centres (Chitalishte)
- VI. The average salary of the library workers is rather low – 188 BGN, and of the management – 250 BGN.

⁴ In cooperation with the Union of Libraries there is currently a project working out a strategy for developing Bulgarian libraries with the support of the English Government

- VII. At the same time more and more donations turn into the main way for renovation of the collections.
- VIII. The library collections and the predominant part of the libraries are outdated and do not meet the demand of the readers.
- IX. The biggest share of public libraries is represented from Chitalishte (Culture House) and school libraries, which are 91.4 percent from the total number.
- X. In 1989 the number of Chitalishte was 3.125 and in 2005 it is 2.838.
- XI. Since 1990 the policy towards publishing and distribution of schoolbooks has undergone substantial changes. Now there are five to six big schoolbook publishers and several smaller companies. But publishers and distributors alike are embarrassed because of the numerous alterations in the regulation on evaluation and approval of schoolbooks.
- XII. Participation of book sector in EU programmes is rather insufficient. There are no PHARE programmes observed.
- XIII. There are a few public prizes for supporting Bulgarian authors. Yet, compared to western EU countries this is even considering the lower financial potential of the country far too low.
- XIV. In principal there are sufficient institutions in the tertiary sector (Universities). Yet curricula need to be modernized. Companies are not satisfied with the quality of students in particular practical experience is missing. There is no facility for onward qualification yet.
- XV. A library act is currently under preparation
- XVI. The number of deposits to be submitted to the public institutions is considered as too high. Some estimations consider that up to 30 percent of the total publications are not registered because of this high number⁵.
- XVII. Violation of Bulgarian and international copy right and intellectual property right is quite often observed.
- XVIII. Public budget for books is well below the international standard of 1 percent of the total budget
- XIX. According to the Bulgarian publishers, the current status of the legislation concerning the supply of school books is not conducive to and does not stimulate the constant improvement of the quality of school books. The current regulation follows the Public Education Act and it limits the variants of school books up to three while the Ordinance for Evaluation and Approval of the school books undergoes frequent amendments which become more and more complex, the procedures – more expensive which does not contribute to the adequate improvement of the quality of the school books.
- XX. The public opinion firmly believes that a lower VAT rate for the books is necessary

⁵ Statement of the National Library: In relation to the proposal made, the National Library takes the responsibility to carry out further research on economical development in the many regions of the country and their regional libraries, on the traditions of depositing and the possibilities for cooperation between separate libraries. Hence the National Library will be able to propose an argued request for a certain amount of copies for legal deposit.

2 Priorities for development

According to the research undertaken there are a number of priority areas that should be addressed most urgently:

Priority 1: Market structure and competitiveness

The private market lacks some fundamental deficits like a central register of books ("Books in Print"), a clear statistical documentation system (Bar codes, segmentation etc) in line with international requirements. Further the business relations between book traders and publishers need to be improved in terms of business conduct and payment procedure. A better internal organisation of the market will contribute to better services for readers. Despite of clear progress the Bulgarian Book Association is not yet in a position to play a role that is required by the deficiencies of the market structure. (Lack of capital and human resources)

Priority 2: Training Education Qualification

The branch is in general rather unsatisfied with the qualification of staff in the formal system. (University Vocational schools) New and modern curricula need to be developed to catch up with latest management procedures and additionally the branch needs an onward qualification system or institution that can periodically execute training on latest developments (short term training). Training needs refer in particular to middle management and book traders.

Priority 3: Participation in EU programmes

Until now the sector has not exploited the potential of international development and support programmes. With the EU accession there will be new and more opportunities of funding. The sector needs to systematically prepare itself for a better and efficient use of these existing or future development tool (Culture 2007, Life long learning, Structural funds, Regional development programmes etc.)

Priority 4: Culture of Reading

With the initiative "Reading Bulgaria" the Ministry of Culture and the Bulgarian Book Association have made a strategically important move to foster and promote a culture of reading. The decline in consumption of books and reading in combination with the rather poor status of libraries are worrying signals and a serious threat for the future development of the Bulgarian society. Access to information and a culture of reading are vital preconditions for the development of the knowledge society. Principle of life long learning can only be applied if both a highly diversified private and public book market exist. It needs more actors in the private as much as in the public sector to encourage reading.

Priority 5: State Policy and conducive political framework

Recently the policy of the Government has changed and showed much more commitment to the book sector both the public and the private sector. Main areas of intervention remain, a better and more consistent policy concerning the support of public libraries (Library Act and Strategy for Public Library development), more state funding for public libraries, and concerning the private book market the VAT

exemption which is supported by the vast majority of the Bulgarian population according to the social study results. Also the support of authors needs to be improved.

3 STRATEGIC GOALS

3.1 General

- I. Against the background of the Memorandum "Reading Bulgaria" which was signed in April 2006 by all important stakeholders in the sector this strategy aims at:
 - creating a political commitment to consider books as vital part of a cultural sector being not the least of paramount economical importance.
 - a global conception of the book sector which constitutes in itself an articulated chain.
 - A state/private sector consensus in order to:
 - Stimulate literary creation
 - Create a fiscal and financial environment favourable to the publisher and graphic arts
 - Favour trade and distribution of books to foster:
 - Preferential postal rates and elimination of customs taxes or other import taxes,
 - Strengthen distribution mechanism, modernisation of bookshops and support to nearby bookstores
 - Adoption of the sector of code of conduct in the field of commercial practices
 - Adoption of a legal framework containing all measures concerning books.
 - Engagement in training for human resources for all book professions.

3.2 MIKRO LEVEL

- I. Number of employees in the private book sector will go up from 5.000 to 6.000 until end of 2009 (Indicator Statistics)
- II. The turnover of the branch will have an annual increase of minimum 5 percent until 2010 (Indicator Statistics)
- III. Number of book stores will grow with 5 percent per year. In particular non urban areas should have a better supply with book stores (indicator Statistics)
- IV. Increase number of titles published (new books per year) with annual 5 percent and increase print run accordingly (Indicator Statistics)

- V. Improve education for book sellers since they are important link between readers and the book and credible (alpha research) (Indicator: Branch barometer)
- VI. Increase productivity (production per employee) with 5 percent per year (Indicator: Statistics)
- VII. Increase number of companies that use capacities at least with 70 percent from currently 40 percent to more then 50 percent until 2009 (Indicator: Branch barometer)
- VIII. Increase salaries in the branch with 3 percent per year (Indicator: Branch Barometer)
- IX. Increase investment in marketing and promotion more then 5 percent in average until 2009 (Indicator branch barometer)
- X. Reduce administrative burdens for book traders and publishers(Indicator Branch Barometer)

3.3 MEZO-LEVEL

- I. Improve system of vocational training and onward qualification until 2012. (Indicator: Branch barometer: Satisfaction with staff offered from formal vocational system has improved)
- II. Introduce business support tools (Central Online Registry of Deliverable Books, Publishers/traders Guarantee fund, Business Conduct) (Indicator Tools are introduced and widely used until 2010)
- III. Improve business relations between book traders and publishers until 2010. (Indicator Branch barometer). At least 50 percent of publishers and book traders should state that business relations have improved since 2007
- IV. Increase number of visitors to book stores from currently 42 percent to more then 50 percent in 2010 (indicator Market survey)
- V. Increase number and quality of media coverage concerning literature.

3.4 MACRO-LEVEL

- I. Increase share of people who read from 58 percent in 2007 to 62 percent in 2010 (Indicator market research)
- II. Increase average per capita/per month consumption of books from currently 5,3 BGN to 7 BGN until 2010 (Indicator: Market Survey)
- III. Reduce number of deposits of new books to stimulate more transparency until 2008.⁶
- IV. Digitization of Bulgarian books and cultural tradition. Participation in the European Digital Library and participation in the related EU programmes in 2007⁷
- V. Creation and further development existing and new well donated National awards and better marketing and promotion of existing prizes (awards).

⁶ Please see statement of National Library concerning reform of Law on legal deposit during public hearing (attachment 3)

⁷ Compare Statement of National Library: attachment 3

- Creation of a national writers support programme. More promotion, more transparency and clear criteria (topics, target groups, juries etc). Up value support programmes (awards) for Bulgarian authors.
- VI. Increase number of people who read books from 58 percent to 60 percent in 2009 and reverse the trend of decline of readership (indicator Market survey))
 - VII. Improve access to literature in non urban areas to activate less active readers (currently about 30 percent) (Indicator Market Survey)
 - VIII. Increase time allocated for reading to 15 percent of leisure time until 2010 from currently 9 percent in average (Indicator Market survey)
 - IX. Increase the average consumption per person from currently 2, 3 per month to 5 per person and month
 - X. Despite of numerous support and award programmes the support for Bulgarian authors is much lower then is in other countries where there is direct support for books published, support for publishing houses and a considerable support for authors. Austria has for example 11 programmes for support of authors and 3 programmes for support of publishing houses and about 20 prizes and awards for authors, some of them with a considerable donation. A concept should be made to develop a better policy to support the sector in line with international experience.
 - XI. Increase the number of visitors to libraries from 22 percent to at least 25 percent until 2009 and accordingly to Chitalishte from 30 percent to 35 percent
 - XII. Increase satisfaction with offer of libraries (regular visitors are not content with offer, alpha 2006.)
 - XIII. Increase number of people registered in libraries from currently 1, 3 million to 1, 5 million until 2010
 - XIV. Increase number of libraries with Internet access for people from 6 percent to 20 percent in 2010
 - XV. Design and implementation of a strategy for development of public libraries (currently under development)
 - XVI. Improve legal framework through the issuing of an Library Act (Indicator: modern library act has passed the Parliament and is in force until 2008)
 - XVII. Expression of a common idea by the BBA members about abolition of the limits for the number of school books and elaboration jointly with the Ministry of Science and Education of a stable and lasting regulation for assessment and approval of school books which should reflect the needs of the educational system and the interests of the publishers..
 - XVIII. Introduction of 0 percent VAT as one Bulgarian contribution to national cultural development and for reaching Lisbon goals (Indicator: VAT Act is changed until 2009)
 - XIX. Increase annual budget for libraries and public support for books (Until 2012 share of budget for culture is 1 percent of state budget)
 - XX. Financing of libraries according to international standards. Increase budget available for buying books at libraries Modernisation programme for Chitalishte/municipal libraries. Establish budgets for new books and sign

subscriptions on important periodicals in public libraries with average of at least 2.000 BGN per year in average (now 20 percent of libraries buy for 500 BGN)

- XXI. Improve participation in EU programmes. Until 2009 the branch should have at least projects under implementation with a value of 2 million Euro.
- XXII. Each library and if possible community cultural club should have until 2013 a well-equipped and maintained multimedia room, and multimedia cabinets for the remaining places.

4 Operational plan, Activities and measures

4.1 MIKRO LEVEL

- Design of a Start-up programme for new book traders in areas without book shops. Systematic search for young people who may be interested to become a book trader and support of start-ups with technical know-how and training
- Training programme for marketing and promotion. Development of course programme for systematically improving marketing at the levels of publishers and book traders (web, client management, assortment management etc)
- Support in development programme for more and better use of information technologies in book trading and publishing houses (management Information systems, logistics, client Management systems etc)
- Establishment of a code of business conduct for improving business relations between publishers and book traders as a voluntary agreement to establish rules of doing business as a help to avoid conflicts and guideline for all kind of arbitration.
- Establishment of a unified automatic online registry with barcodes in line with international segmentation principles of all deliverable books etc. Improvement of online research possibilities, (compare German VLB (Verzeichnis Lieferbarer Bücher) model). The system should give online evidence on all books that can be ordered and that are newly published including brief descriptions of book content and authors.⁸
- Establishment of a consultation scheme on availability and procedures for getting access to EU funds

4.2 MEZO-LEVEL

- Improvement of financial business relations between publishers and traders through special services (similar to German BAG etc) and establishment of a credit guarantee fund similar to the German "Buchhändlerische Kredit-Garantiegemeinschaft GmbH & Co. KG". .

⁸ Please compare also statements of National Library and Mr. Detev attachment 3

The fund should arrange and avouch credits for book traders with the tasks to:

- Give credits for book traders to make financial transactions easier and at the same time to give guarantees to the publishers
- To give publishers advance payments for publishing projects⁹
- Development of a concept for “European Year for Intercultural Dialogue 2008” The EU supports such participation with up to 80 percent of costs. It is mainly targeted to young people in the EU.
- Development of Concept and Strategy for The World Book Day 2008. UNESCO has since designated April the 23rd -the day on which both William Shakespeare and Miguel de Cervantes died -as World Book Day. The World Book Day is celebrated in over 30 countries around the globe in 2005. The night of the 22nd-23rd of April (the international book day) to turned into a **Bookshop Night** (as in the Museum and galleries night), as a part of the program "Bulgaria Reading".
- Establishment of a “Bulgarian Foundation for Reading” involving private and public sponsors. The foundation is supposed to be a tool to involve more stakeholders of the society to get involved in promoting reading. In families, kinder gardens and at all social levels. (Cooperation with Bulgarian Post, with Banks etc) Similar foundations have been established in other EU countries. The foundation should play a vital role in initiating and performing nationwide awareness activities about reading.
- Participation in the European Platform for Reading, “EU Read”. among experts and in public “EU Read” is widely noticed for its actions. The organization hosts conferences and organizes systematic lobbying for politicians, industry and commerce. This strengthens the multipliers in reading promotion, improves infrastructure and, last but not least, raises awareness of the fact that a strong structural framework for reading promotion on a national and European level is absolutely vital.
- Establishment of strategic partnership with media as started in 2006. The main purpose is to increase reporting about literature and books. High part of interest of books goes through media. (alpha research 2006)
- Reform of Organisation of the Bulgarian Book Association with the goal to provide professionally the following main services:
 - **Section I: National and international market research and market information**
 - Continues and regularly updated information concerning the development of the national market in particular. (Biannual report)

⁹ Details please see: <http://www.boersenverein.de/de/64227>

- Market segmentation (quality, prices on retail level, turnover)
- Market shares
- Consumer behaviours (trends and tendencies in Bulgarian consumer behaviour,
- Main trends and developments in international markets (new books, trends etc)
- **Section II: Members Services**
 - Direct Business support like Legal advises: Contracting, enforcing contracting nationally and internationally, Classical Business consulting (Marketing, controlling, process optimisation etc). Development of general toolbox for all classical management disciplines with checklists and practical guides, Supply marketing support
 - Support in management of Central Register if Deliverable Books
 - Establishment and maintaining of data basis of members
 - Address service for national and international contacts
 - Provision of update information on EU programmes and active participation in such programmes
- **Section III: Branch policy, Lobbyism**
 - Organise and participate in promotional programmes for reading
 - Advise on legal framework, Comments on new draft laws, Information of political decision makers (policy papers)
 - Support in Human Resource Management, Advise of government on appropriate curricula for specialists at schools and universities. Processing and lobbying for member companies needs in training and education of young professionals
 - Networking between branches and institutions, in particular: Representation of Bulgarian wood processing and furniture industry on national and international level, coordination of national regional branches
 - International cooperation, Acquisition, steering and channelling of international cooperation programmes (UAE, Germany, Switzerland, EU and others)
 - Support of “Bulgarian Foundation for Reading) (to be established)
- **Section IV: Fairs, Seminars, Events**
 - Seminars and workshops. Know-how Transfer is an important tool for improving the branch’s capacities

and its capabilities. Seminars and workshops are already organised by the association. They should get a profile of their own. Seminars should concentrate on topics become an important service for companies to get access to national like (only examples):

- Missions
- Organisation of missions in cooperation with national, multilateral or bilateral donors and business organisation
- **Section V: Entrepreneurial activities**
 - Christmas and Spring Fair
 - Participation in International Fairs like Frankfurt and Leipzig Book Fair
 - Management of Training Centre
- Establishment and Development of networks: Schools and Chitalishte
- Establishment of a training centre for onward qualification where latest developments can be learned and onward qualification being done. The centre is mainly a service unit for companies and should be operated by the chamber. It will apply a course programme with mainly short trainings (maximum 2 to 3 days). Target group are practioners.
- Stimulation programme for young authors. In order to encourage more people to start writing a special promotion should be started encouraging young people to write. This initiative may be combined with a national price for a “newcomer.”
- Annual design on status of implementation of strategy and annual update on the basis of findings of an annual branch barometer
- Biennial Market research (similar to alpha research model in 2006)
- Development of a concept for introduction of Bulgarian Online Registry on deliverable books (description of procedures, rights duties, costs and other requirements) and creation of consensus among main stakeholders.
- Further development, consolidation and promotion of Fairs (B2C) in Christmas and Spring. Extension of Fair programme to Varna, Burgas and Plovdiv until 2009.
- Development of international fair programme for London, Frankfurt and Paris with a clear focus on trading licenses (promotion of Bulgarian authors)

- Development of program with the options of for instance "Audio books", Radio books, etc. (mp3 portal for school books, education and other literature).

4.3 MAKROLEVEL

- Introduction of 0 percent VAT exemption for books and continuation of current campaign
- Increase of state budget for public libraries.
- Design a EU programme for a public campaign on "Reading Bulgaria" (Phare programme) in cooperation with the Bulgarian Book Association
- Design of EU programme for introduction of online registry (see above) in cooperation with Bulgarian Book Association
- Reform of statistical system for registering books in line with international approaches and definitions (segmentation). See also online register above)
- Establishment of 2 mobile book shops on oblast level. Start with pilot project until 2009.
- Reform of Maecenas act (full deductibility of donations and sponsorship for literature and arts)
- Design of a library act with the following core features: Description of duties and responsibilities, description of rights, definition of minimum quality standards and profiles on various levels (school libraries, Chitalishte, municipal libraries etc), definition on responsibilities concerning financing)
- Make a detailed analysis of tertiary (University) and secondary educational profiles and update system in line with international standards. Development of a professional profile for "Book traders" at the secondary level. This should be a non university profession where book traders and people who like to work in the branch can learn how to advise readers, to develop and implement marketing concepts, accounting, bibliography, use of information and communication technologies, contracting with publishers/book traders, design and production of books.
- Modernisation of university profiles for librarians and introduction of more possibilities fro internships in publishing houses and book shops
- Reduce number of copies that have to be delivered to the National Library to 3 in line with international practise
- Participate in EU Digitization programme
- Change regulations concerning school books with the goal to stimulate more competition and more transparency

- Critical evaluation of current award policies and creation of programme more conducive. Main goal is to support authors of Bulgarian language like is done in other countries.
- Concerning the development of libraries following policy needs to be applied: According to the ULIW the library specialists follow the modern trends and they already record successes both in the elaboration of own projects and in their participation in international projects and programmes. The main directions in the development of the library activities are:
 - Enrichment and development of the library collections;
 - Encouraging the interest toward reading and more specifically – among the children;
 - Introduction of the cutting-edge ICT for creation of integrated library systems and internet presentation of the electronic catalogues and other data bases;
 - Access to world scientific and informational data bases and portals;
 - Development of online public information services for the local authorities and the community. Programmes for free internet access in the libraries;
 - Library services and access to information for disadvantaged people;
 - Preservation of the written and cultural heritage – digitalisation of the funds;
 - Life-long learning, information literacy;
 - Publishing activity, cultural and educational programmes.
- Participation in DOI (Digital Object Identifier) programmes
- Development of investment programme for introducing well-equipped and maintained multimedia rooms, and multimedia cabinets for the remaining places in each library and if possible community cultural club (Tchitalishte).

Annex 1: ANALYSIS OF SITUATION OF BRANCH AS OF 2006

1 STRUCTURE OF BRANCH

1.1 Private book market

The companies working in the branch are divided in book publishers and book traders. The information below is based on the existing data about the structure of the branch and opinions of experts and members of the Bulgarian Book Association. The data available are not sufficient to accurately describe the situation. Statistical systems need to be reformed and modernized.

Accordingly, during the preparation of the strategy difficulties were met in finding official statistical information about the branch's structure and the regional territorial distribution of the companies.

On the one hand a great number of companies in the branch (mainly among the book traders) are registered with economic activity/ies different than the ones allowing to classify them as book traders in the National Statistical Institute (NSI) or publishers. On the other hand it is currently not possible to obtain official statistical information about the territorial distribution, which is due to the fact that the companies (mainly publishers) are concentrated predominantly in Sofia, and partly in Plovdiv and Varna. In the other regions of the country the registered companies are less than the necessary minimum allowing the NSI to submit official statistical data.

The regional distribution of the book publishing companies is quite irregular. According to the data from the Bulgarian Book Association the vast majority of them are allocated in Sofia. Besides the publishers concentrated in the capital there are small companies in the rest of the country having different area of activity, which irregularly publish books with small circulation (200-300 copies). Their authors are mainly local poets or writers of literature related to the regional history and culture.

The main book publishers apart from those in Sofia are distributed as follows:

- Plovdiv – 3
- Varna – 2
- Burgas – 2
- Veliko Tarnovo – 2

Unlike the situation in the publishers' sector the distribution of the trading companies in the whole country is rather even.

Three large Bulgarian companies have trade networks in the big cities and in several towns in the country. In all 28 district towns and some smaller towns there are also local book traders, medium-sized and small, who are supplied with books either directly from the publisher, or sometimes buy books from the bigger traders in order to resell them. That happens because it is not so efficient for them to travel to Sofia every week or every other week when the new titles are released.

1.1.1 Structure of books published

The quantity of the books published for the period 1995-2005 according to the date of the National Statistic Institute (NSI) is shown in **Table 1 – Published books and brochures**

Table 1 Published books and brochures for the period 1995-2005

Year	Titles - pieces	Print run – thousand
1995	5.400	32.085
1996	4.840	20.317,3
1997	3.773	10.416,8
1998	4.863	11.873,9
1999	4.971	10.438,3
2000	5.027	9.363,2
2001	4.984	6.567,1
2002	6.018	5.616,2
2003	5.511	4.483,5
2004	6.432	4.286,1
2005	6.029	3.917,1

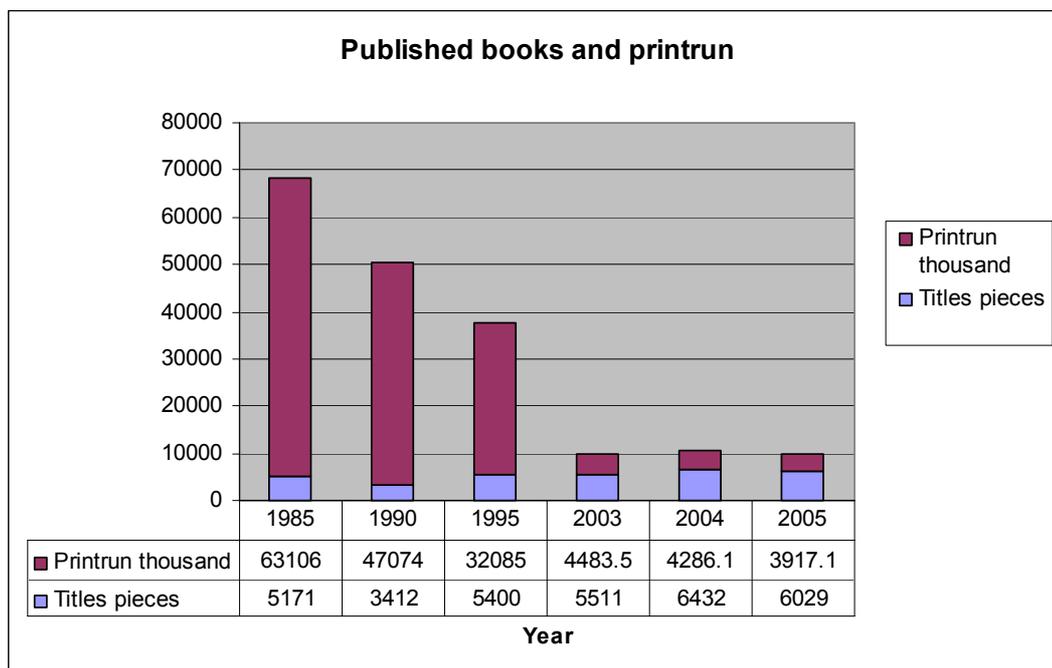
Source: National Statistic Institute 2005, 2006

As noted in the table the number of titles in 2005 is increasing with 19.9 percent compared to 2000 and the print run is 2.4 times less. Looking at the figures for 2005 and 2004 there is a decrease in number of titles and print run respectively with 6.3 percent and 8.6 percent.

In the beginning of the transition period in Bulgaria there was lack of foreign, especially fiction literature and the number of titles increased to 4.543 pieces in 1998, 4.773 in 1992 and 5.925 in 1994. After this period looking at the figures in the table from 1996 to 1999 there is a decrease of the number of books and brochures published but the figures started to increase again slowly in 2002, 2003, 2004 and 2005. In the same time the print run shows continuously decreasing trend. The tendencies for 1985 - 2005 can be seen in Picture 1 – Development tendency in books published and print run, Source: National Statistic Institute 2005.

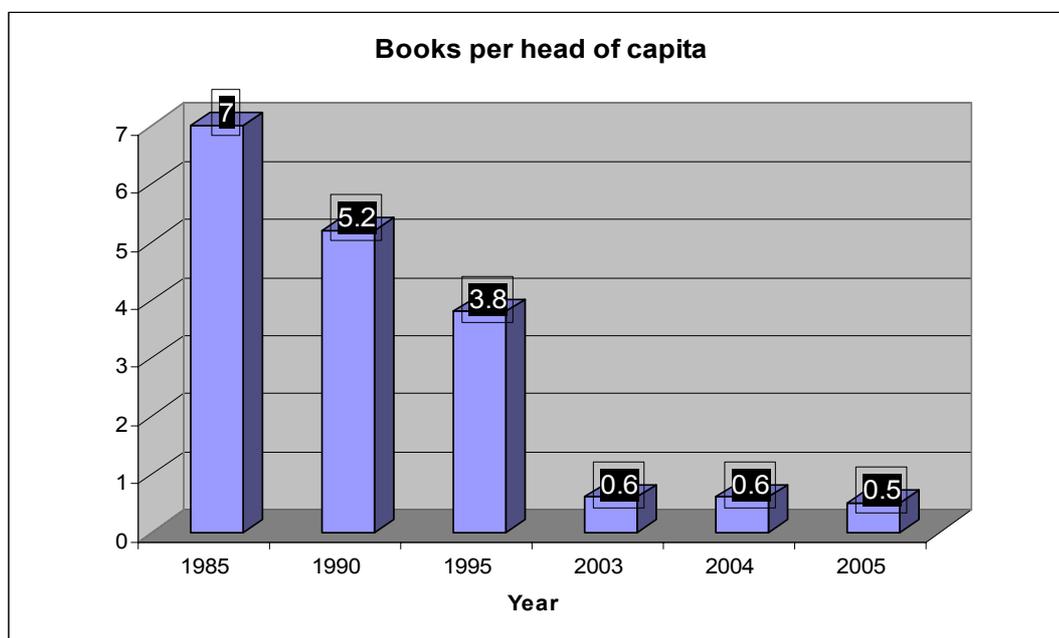
The continuously decrease of the print run lead also to decrease of indicator” number of books and brochures per head of capita”. In 1985 this indicator was 7.0 and in 2005 is 0.5 which cause a serious negative tendency for Bulgaria - Picture 2 - Number of Books per head of capita.

Figure 1 Development tendency in books published and print run



Source: National statistic Institute 2005

Figure 2 Number of books per head



Source: National statistic Institute 2005.

According to the data of National Statistic Institute the total number of books and brochures published in 2005 is 6.026 titles with print run 3.917.100 pieces. 5.221 from them are books and 808 brochures with respectively print run 3.186.300 and 730.800 pieces.

In the table below are presented main segments – Table 2 Books and brochures published in 2005, Source: National Statistic Institute, 2005

Table 2 Books and brochures published in 2005

Genres	Total		Books		Brochures	
	Titles	Print run thousand	Titles	Print run thousand	Titles	Print run thousand
1. Fiction	1.826	1.089,5	1,427	799,3	399	290,2
2. Social science	1.496	1.307,7	1,329	1,079,6	167	228,1
3. Natural science /mathematics , medical science, physics, etc./	1.090	503.1	1,014	447,6	76	55,5
4. Art, music and entertainment	282	132.8	257	119,5	25	13,3
5. Philosophy, Psychology	216	140.1	211	138,4	5	1,7
6. Philology	147	73.1	139	70,1	8	3,0
7. Geography and history	434	224.0	388	201,4	46	22,6
8. Religion, Theology	150	127.3	136	116,7	14	10,6
9. Digital edition	122					

Source: National statistic Institute, 2005

The fiction literature takes the biggest share in the book publishing sector. In 2005 it is 27 percent from the total number of titles and 20.9 percent from the total print run. Compared to 2004 there is a decrease with 7.5 percent in number of titles and 18.9 percent in print run. Towards 2000 the tendency in fiction shows increase of the number of titles with 24 percent and the print run is two times less.

In 2005, 280 numbers of children and youth books are published with print run 455.1 thousand. The percentage of this genre in 2005 is 4.6 percent from the total number of titles and 1.4 percent from the print run. Compared to 2004 the number of published children and youth books is increasing with 13 titles in 2005 and the print

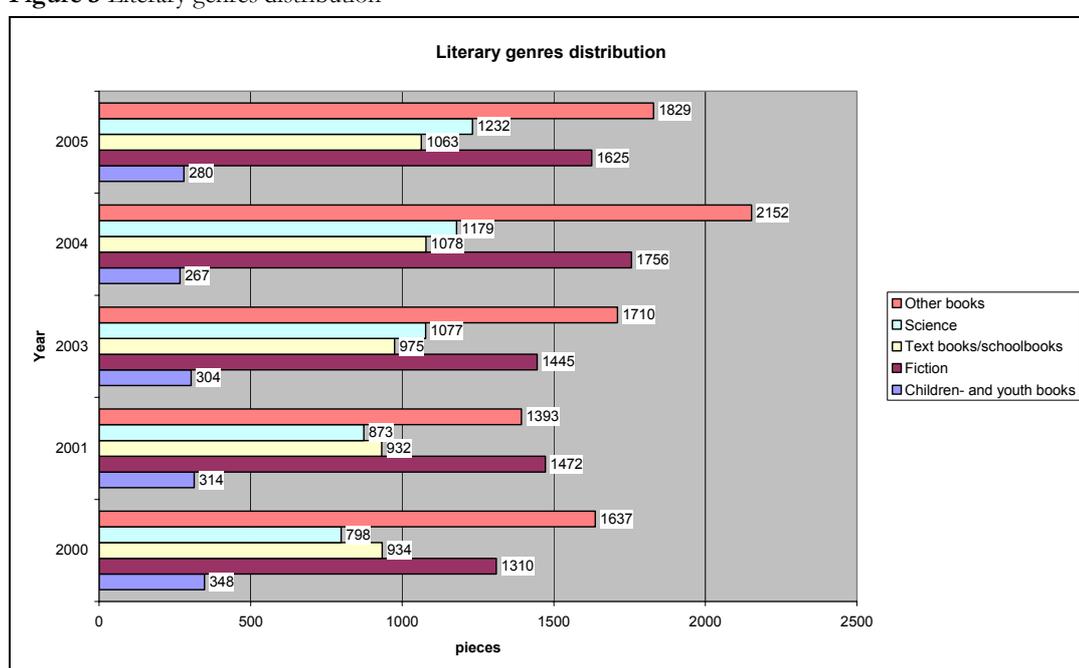
run with 1.6 percent but compared to 2000 the number of titles decreases with 19.6 percent and the print run is 2.4 times less.

The share of published text and schoolbooks in 2005 is 17.6 percent from the total number of books and 23.1 percent from the print run. In 2004 the print run is going up with 20.3 percent and the numbers of titles are 15 less.

The science literature takes 20.4 percent from the total number of books and brochures published in 2005.

All these figures can be seen in Picture 3 – Literary genres distribution, Source: National Statistic Institute 2005

Figure 3 Literary genres distribution



Source: National Statistic Institute 2005.

Based on the data of NSI the share of the original literature in 2005 is 79.4 percent from the total books and brochures published, i.e. 4 785 titles. During the last years the share of translated literature is changing as follows – 25.2 percent in 2000, 22.7 percent in 2004 and 20.6 percent in 2005 from the total number of titles published.

The information from the NSI shown in the Table 3 below gives an overview of the literature translated from the language of origin and from some other language. It is obvious that the most of the literature in both aspects is translated from English, Russian, French and German. English is dominant and takes approximately 60 percent from the total translated literature for the period 1990 – 2005 according to the data of National Library.

Table 3 Literature translated from the language of origin and some other

Language	Translated from the language of origin		Translated from some other language	
	Titles	Print run	Titles	Print run
English	657	746.2	684	766.0
Russian	102	89.1	101	87.9
Others	95	90.8	73	74.7
French	88	59.2	89	59.7
German	62	40.2	63	41.8
Two and more languages	37	33.5	32	30.0
Spanish	22	19.6	20	17.3
Italian	21	39.0	21	39.0
Ancient Greek	20	14.5	20	14.5
Polish	9	11.2	8	10.9
Hungarian	8	3.0	8	3.0
Czech	4	1.7	4	1.7

Source: National statistic Institute, 2005

1.1.2 Business relation publishers and traders

1.1.2.1 Assortment Book trader

According to the statistics given by the publishers, approximately 80 to 85 percent of the published books are distributed by the book traders. There are about 150 companies of different size:

- small – with one bookshop or one-two street stands
- medium – with two-three bookshops or/and several street stands
- large – with more than three bookshops

The “large” group consists of three book chains who have bookshops throughout the country. These book chains sometimes act as wholesalers. Otherwise, all book traders are retailers. The supply with the books takes place in two ways:

- at the so called wholesale stores, located in Sofia, where publishers have representative stands. The booksellers go to the stores and to each stand. The traders from the country visit the stores once a week, usually on Monday or Tuesday when the new titles are released.
- publishers deliver the books directly to the book traders - either in the bookshops, or at the company’s head office

There are very few booksellers, usually small, who own their bookshops i.e. as a real estate. Otherwise all bookshops are rented.

Still there are street stands and some of the book trading companies sell only in the street. They do not have bookshops. Since 1991 up to 3-4 years ago most of the books were sold in the street, but lately the tendency is just the opposite. More bookshops have been opened and the traders gave up the street stands. This tendency started first in the country, in smaller recently book distribution has been developed by additional channels. There exist five companies – distributors of newspapers and magazines – who have signed contracts for book sale with:

- METRO – chain of hypermarkets
- BILLA – chain of supermarkets
- oil stations
- cinema DVD and video companies. Stands with books are located in the specially defined place in the cinemas and DVD clubs towns. Now the street market for books is mainly in Sofia.

1.1.2.2 Publishing houses

Generally there does not exist practice for publishers to sell directly to the consumers. Few exceptions are publishers who manage bookshops - five-six companies - and schoolbook publishers who supply the schools and universities directly.

There can be observed, though, cases when publishers from their stands at the wholesale stores sell singular copies to the consumers who visit the stores to buy books with discount. The discount is 25 percent-30 percent, the same as it is for the small and medium book traders.

Some of the publishing companies, who have website, collect orders from the consumers who have entered the site and send them the chosen books by mail.

Publishers who have close relations with the libraries, offered their titles and sell to the libraries with 25 percent-30 percent discount

1.1.2.3 E-Commerce

Except the above mentioned publishers, some of the book traders do the sale through their sites. There are also about ten on-line bookshops who sell only through their sites. On-line commerce is estimated to 3-4 percent of the overall book trading.

1.1.3 Business conduct

Publishers and book traders alike share the opinion that the business relations publisher- book trader are not defined by strict rules in the branch, nor by any kind of documents.

Very few of the publishing companies, usually the biggest ones, have signed contracts with the book traders. Business relations between publishers and booksellers in the years have undergone certain changes. In the early 90's most of the books were sold cash. But after the so called boom of the book market the business model of consignment has been established. Even though, a lot of bookselling companies were ruined and practically disappeared from the book business. Some of them still owe money to the publishers. Recently there have been defined three different types of payment:

- cash
- delayed payment with strictly defined terms – the bookseller is supplied with the stock on the day of the release of the new title and after 45 days pays the sum due but has the right to return 20 percent of the delivery if the title is not selling well, or exchange the unsold copies for a new or simply other titles
- consignment - consignment practice still comprises the most common model of publisher-book trader relation. In this case the traders pay every second week or once a month. Their report is “one-sided”, that is, the publisher does not have the opportunity to inspect the quantity of the sold copies. The publisher actually has to trust the bookseller’s report. Even with the consignment model the publishers are not able to persuade all the traders to sign a contract.

Very often the book traders do not supply their bookshops with enough quantity of the titles, even if the titles were sold, because they delay the payments to the publishers, either because of lack of financial resources, or simply they do not intend to pay regularly. And thus some titles have a very short life on the market.

The retail price of the books is fixed and in 90 percent of the cases is printed on the back cover. The discount is calculated from the fixed retail price. The discounts vary from 25 percent to 36 percent. There are cases when it goes up to 40 percent - usually with the slow selling titles or around Christmas.

The discount policy is agreed upon between the publisher and the book trader but there have been defined some general criteria:

1. Cash payment

- small traders – 25 percent-30 percent
- medium – 30 percent-35 percent
- large – 35 percent-40 percent

2. Delayed payment – 35 percent / usually with the three book chains/

3. Consignment

- small traders – 25 percent
- medium – 30 percent
- large – 30 percent-33 percent

Additional terms form specific details of discount policy. It depends on:

- if the book trader presents a great number of titles of a certain publisher
- how the book trader promotes the new titles
- if the book trader is a reliable, conscientious business partner

1.2 Fairs and Sales promotion

1.2.1 Fairs

By joint initiative of Ministry of Culture, BBA and National Palace of Culture two Book Fairs are held every year at the National Palace of Culture. (see below National Policies) These events are important for the branch and take place before Christmas (13.12. -17.12. 2006) and 24 May which is a national holiday celebrating Bulgarian education and culture. Every second year the Christmas Book Fair is international

with exhibitors from France, Germany, Romania, Macedonia. Over 150 Bulgarian publishing companies participate in the Book exhibition and the number of visitors is estimated to be about 8-10 thousand people.

During the Fair publishers not only present but sell their books, usually with discount of 15-25 percent. Culture programme includes a lot of different events:

- promotion of authors
- promotion of books
- book signing
- literary café, held at the stand of Helikon, where literary critics or authors present new and notable titles

Recently, following a discussion between the members of BBA, it was decided to focus on children literature and a specially designed place was made called "Children's place". The purpose was to provoke in children, and respectively their parents, greater interest in literature and Fair as an event. This initiative is part of BBA programme "Reading Bulgaria". In 2005 a group of students from Varna have been invited to visit the exhibition and BBA intend to continue and develop this tradition.

As the Book Fair is located in Sofia, actually people from the country are not able to attend it. For several years another culture event takes place in Plovdiv under the name of "Plovdiv is reading". Located in the old part of the town "Plovdiv is reading" organizes public reading by famous Bulgarian authors, book signing and again the focus is on children literature. Not many of the Bulgarian publishers take part in this exhibition which is held in June, after the Sofia Book Fair.

BBA, together with Varna Municipality, launches the initiative for Book Fair in Varna, starting in March 2007. The aim is to promote reading and Bulgarian books in other towns, to organize and conduct more culture events, attractive and necessary for the Bulgarian public.

Lately there has been observed a tendency of engaging mass media more closely in the Book Fair programme. There has been more coverage on the radio, TV and in the newspapers. For the last year Bulgarian National TV and Bulgarian National Radio have become media partners of BBA.

1.2.2 Other promotion

Book Fairs are considered to be an essential factor in book promotion. But according to the main participants in the branch – publishers and book traders – lately following the models in Europe and USA a great deal of efforts are aimed at different types of sales promotion:

- of an author – several titles by an author are being sold with a discount in the bookshops i.e. "buy two, get one for free", or "by all the titles and you'll get 20 percent off the price".
- of a genre – titles of one and the same genre are being sold with a discount in the bookshop again in the above mentioned models.
- simply of titles offered by the publishers and consulted with the traders

These promotions are usually a joint campaign of publisher and trader or as it is in the second case, of several publishers and a trader. Very seldom a publisher undertakes such activity with a lot of book traders simultaneously. The duration of

the campaigns is determined in advance by both parties and are organized usually in summer or around some holidays like 8 March, 1 June, 1 November. The promotions are accompanied by posters in the bookshops, special stickers and various printed materials. It is appropriate to point out that such campaigns are not popular for the street market.

- some of the publishers make that very same kind of promotions on their website, offering various discounts off the retail price of the book. In this case the book traders do not take part in the activity
- book traders alone according to their evaluation focus on certain titles and recommend them either through their sites or at a specially designed place in their bookshops

1.3 Branch Barometer 2006

1.3.1 Background and Sample

26 companies participated out of a total number of about 150 publishers and book traders in Bulgaria. About 70 percent are publishers and around 25 percent book traders. From those who participated the majority have more than 20 employees, another 15 percent have between 15 and 20 employees and the rest below 15 employees. Since the branch is rather a micro to small sized business, this structure and participation reflects fairly well the current structure of the branch. However, since about 90 percent of the companies that participated had a turnover higher than 100.000 BGN per year, we assume that bigger ones are slightly overrepresented in the panel.

The survey was done in October/November 2006 on the basis of a multiple choice questionnaire. The reasoning behind the survey is to get a better and first hand survey on developments in the branch and expectations and problems of book publishers and booksellers. Statistical deviations are estimated to be about plus/minus 5 percent.

The survey did not include the very important section of public libraries. Here, the Ministry of Culture is currently preparing a separate research.

1.3.2 Summary of findings

1.3.2.1 Employment

42 percent of companies in the branch are going to employ more **employees** compared to 2005, about 4 percent even many more. Half of the branch is going to have no significant change in the number of their employees 2006 compared to 2005. Yet no company states that they will employ less people. This is a clear indicator that the branch is growing and about to overcome the critical tendencies of the last 10 years.

1.3.2.2 Turnover

This tendency of a growing market is further backed up by the fact that about 30 percent expect an increase of the turnover of up to 15 percent in 2006 compared to 2005 and another 50 percent expect an increase of the turnover of up to 10 percent. However another 20 percent expect their turnover to go down with up to 10 percent.

1.3.2.3 Productivity

The productivity in the sector is rather worrying. Almost 50 percent observe no improvements in 2006. At least one third states that the productivity is improving with up to 15 percent. This may be due to the fact that ever more books are being published with a rather low print run. This has a direct influence on the prove per piece as much as on the turnover per employee.

For increasing the productivity companies use mainly the following tools:

- 15 percent hire external consultants (85 percent do not)
- 80 percent try to improve the workflow (internal organisation of work, logistics etc)
- 65 percent invest in more and or better marketing
- 23 percent do other investments

1.3.2.4 Use of capacities

About 30 percent of the companies use their current capacities to the full extent. Another 40 percent use their capacities between 70 and 90 percent and only about 4 percent use capacities below 50 percent. **The use of capacities is improving.** About 2/3 (75 percent) state that the use of their capacities increased in the said period with up to 5 percent. This is another indicator for the consolidation of the branch.

1.3.2.5 Investments

Against the background of the size of the branch the planned **investments** seem to be **growing remarkably**. Every second company is going to invest more then 50.000 BGN in 2007. Another 17 percent are going to invest between 20.000 and 50.000 BGN. Less then 5 percent do not plan any particular investments.

1.3.2.6 Salaries

The salaries in the branch are **far above minimum salaries**. From a range given below are quoted the most relevant statements, meaning that the lowest and the biggest option that was given in the questionnaire are not mentioned below. According to the survey following is the range of salaries played for the various levels and profiles of positions:

Table 4 Salaries in the branch

Position	Monthly salary	percentage	Monthly salary	percentage
Editors/redactors	350 – 500	38 %	500 – 750	33 %
Designers/Prepress*	350 – 500	33 %	500 – 750	27 %
Top management (Manager of shop, Heads of Departments etc)	750 – 1000	47 %	Below 750	33 %

Position	Monthly salary	percentage	Monthly salary	percentage
Secretaries/office management**	Above 400	31 %	250 – 300	31 %
Translators (price per page with 1.800 characters) in BGN	Below 7	93 %		7

* Almost 20 percent pay for designers/prepress more then 750 BGN

** For office assistance 21 percent pay between 300 – 400 BGN per month

1.3.2.7 Training and Qualification

1. Training activities are in general rather unsatisfying:
 - For **qualified workers** only 31 percent do regular training, another 52 percent do no training at all for workers
 - For **middle management** only 23 percent do regular training 66 percent do training and qualification rarely and about 10 percent do no training at all
 - For **top management** 71 percent do rarely trading and 23 give or participate regularly in training
2. About 50 percent of the companies have **Human Resource development plans**. The others do not have such plans.
3. About 38 percent do have **job description**, 42 percent have **partly** job descriptions. Still 20 percent do have no job descriptions for their employees at all.
4. To a large extent (about 70 percent) average age of people working in the branch is between 30 and 40 years, only about 4 percent of the employees are below 30 years, 23 percent are between 40 and 50 years.

1.3.2.8 Quality of work force and labour market in the branch

1. Asked about the satisfaction with the quality of labour forces offered on the market, 75 percent state that the offer is **unsatisfactory** or **absolutely unsatisfactory** (14 percent). Only 24 percent are satisfied with the offer of the labour market.
2. Least problems exist with **designers, prepress**. Almost 80 percent state they are satisfied with the performance of designers, our of these even 26 percent are very satisfied.
3. Looking at the large share of foreign literature that is being published in Bulgaria, **translators** are particularly important for the quality of production. Here the picture is rather positive. More then **80 percent are satisfied or even very much satisfied** (about 11 percent). About 16 percent consider the quality of translations rather unsatisfactory or absolutely unsatisfactory.
4. The picture concerning **editors** is slightly weaker but still **rather positive**. About 61 percent state they are “satisfied” or very much satisfied with the

quality of editors. Yet more than a third consider editors as rather unsatisfactory.

5. **Big problems** exist however in the field of **sales and marketing**. 70 percent say they are not or not at all satisfied with there marketing people.

1.3.2.9 Strategic priorities

1. There is a remarkable consensus on the **most important issues** that need to be solve for developing a more conducive climate for the branch. VAT exemption or reduced Vat like in other European Markets is on top, next to this are branch internal issues, where the government can only indirectly contribute to better development.

Table 5 Factors in favour of the climate in the branch

	yes	no	rather no	not concerned
1. VAT exemption	100,0	0,0	0,0	0,0
2. More training/education for book traders	100,0	0,0	0,0	0,0
3. Publisher business code relations	100,0	0,0	0,0	0,0
4. Need for branch organisation	100,0	0,0	0,0	0,0
5. Public campaign on reading	100,0	0,0	0,0	0,0
6. Middle management training	96,2	0,0	3,8	0,0
7. Central register for books	96,0	0,0	4,0	0,0
8. More and better awards for literature	88,5	0,0	3,8	7,7
9. Is necessary to publish more Bulgarian authors	75,0	12,5	12,5	0,0

1.3.2.10 Marketing and Sales Promotion

1. 35 percent of companies invest about 3 to 5 percent of their annual turnover in marketing and promotion, 20 percent invest more then 5 percent in promotional activities. 25 percent invest less then 1 percent. Following are the most popular marketing/sales promotion tools:

Table 6 How often do you do some of the following promotional activities?

How often do you do one of the following promotional activities	often	rarely	never	regularly
1. Classical Advertising	62 %	20 %	4 %	12 %
2. Sales promotion (special offers)	57 %	26 %	3 %	11 %
3. Catalogue	53 %	19 %	7 %	19 %
4. Posters	50 %	34 %	7 %	7 %
5. Brochures	44 %	32 %	12 %	12 %
6. Readings (with authors)	40 %	32 %	12 %	16 %
7. Media relations	38 %	38 %	0 %	23 %
8. Internet	32 %	20 %	24 %	24 %
9. Other	28 %	57 %	14 %	0 %
10. Point of Sales material	22 %	59 %	18 %	0 %
11. Mailings	16 %	40 %	36 %	8 %
12. Joint campaign with publishers	0 %	50 %	42 %	7 %

1.3.2.11 Situation of Book traders

1. The variety of books on the market is increasing. About 40 percent of book traders participating on survey have more than **10.000 titles** on their bookshelves. About 27 percent have between 5.000 – 10.000 different titles on stock and about 10 percent have less than 1.000 different titles on store for the interested reader.
2. 10 percent of book traders offer their books on a selling space of more than 1.000 square meters. 55 percent have a bookshop of about 100 to 200 square meters. And almost a third have a book store with less than 100 sqm. Most book traders 75 percent started their business after 1990. But still about 25 percent had already experience in this business before 1990. Because the lack of data comparison with previous periods is not possible.
3. About 16 percent still use stands at the **street markets** to sell books. But 66 percent stopped to do this business. Meaning that a trend may be observed that selling of books at streets is rather a business **getting less and less important**. Many of book sellers who operate shops now, started as street sellers.
4. Most book traders spend up to 2 hours per workday on administration (72 percent). But 18 percent spend up to 4 hours, **almost half a day on**

administrative work. The search for market information consumes quite considerable time. If better information systems (central register) was available the **turnover could be increased considerably.** Almost one third (27 percent) traders believe they can increase their turnover even between **20 and 40 percent** in case such a system was available.

2 Book and Reader

In November/December 2006 alpha research made on behalf of the association for books a representative survey on the national market with the following main results:

- The surveys in the recent years demonstrate a decline in the portion of the readers (from 62 percent in 2002 to 58 percent in 2006). The active readers are estimated at some 28 percent. The remaining 30 percent we could rather describe as finding the books appealing, thinking of the reading practice as important and socially prestigious in terms of image but rarely reading in actual fact. A reasonable forecast of a future readers' behaviour would be that this tendency of decline will persist. The interest of the younger generations to the books is currently under the country's average, while we should keep in mind that their habits and attitudes will influence their future behaviour. Although proportionally declining, reading a book remains among the five most often practiced pastimes. It is however important to point out that the cultural consumption is increasingly going through the media and the media thus occupy a considerable part of the time and occupations of the audiences. Therefore the media are the third factor that influences the choice of a book (followed by a recommendation from a friend and the personal opinion of the author and his/her popularity). 38 percent reported having read a book as a result of advertising/ media presentation. This is especially valid for the frequent buyers who are at the same time average readers. They tend to buy the books they have been informed about from the media precisely because they value books in general, although their reading practice is not very intense.
- Taken in a comparative perspective, the **share of the people who read books** in Bulgaria **corresponds to the average** for the European Union member states (58 percent read books, 42 percent don't). (Source: Europeans' Participation in Cultural Activities, Eurobarometer survey carried out at the request of European commission, Eurostat). The countries in Europe where the share of the readers is higher than the average are the Northern countries: Sweden (72 percent), Finland (66 percent), Great Britain (63 percent). Conversely, the Southern countries read less: Portugal (33 percent), Greece (45 percent), Spain (48 percent). Although not a southern country, Belgium also belongs to this group of less-than-average readers (42 percent read, 58 percent don't). (The survey does not include the 10 newly acceded countries of the 2004 enlargement). On average in Europe the time dedicated to reading is in average 9 percent of the overall leisure time and amounts to 20-30 minutes in the various countries. In Bulgaria reading takes an average of 18 minutes a day. Of them only 8 minutes are occupied by books.

- The **active readers** can be found among the people with higher education, the residents of the capital city and the larger cities and the high-status groups. Education appears to be the strongest factor determining the readers' behaviour. Dispersions towards the lower education groups are very rare.
- The possibility for **attracting readers** from the non-reading circles seems quite problematic. First of all, those are people with low education and status for whom the interest to reading and books is not interiorized. Rather, and with a higher probability of success, the less active readers who currently reach some 30 percent (19 percent reading several times a year, 11 percent - less than that) could be motivated. However, the hierarchy of the sources of information for the passive readers has changed. Exactly because they are not part of the reading circles and have no active readers in their surroundings, they are very often influenced by the media information and by the popularity of the author.
- The main modus of the interest and motivation in the reading of books is the **entertainment**. The next argument in line appears to be the **enrichment** of general knowledge and culture, and the education. It is worth pointing out that the entertainment is similarly the main reasons for reading books in the European Union member states.
- People often buy books for personal use and less often for a gift. Offering a book as a gift is an established practice in the groups of higher education, the intellectuals and the freelance professionals. Outside these groups the books would very rarely make a gift.
- The psychological **price margin for purchasing a book is under 5 lv.** And between 5 and 10 lv. (up to 5 lv. for 35 percent, between 5 and 10 lv. for 23 percent). These are also the boundaries of the actual purchase costs for books per month (such costs can be attributed to 40 percent of the Bulgarians in the studied group aged 15-70). Worth noticing again is that the data are similar to the European in a comparative perspective. The expenses for books and periodicals in the countries of the EU are 1.6 percent of the total monthly income of the households. The expenses in Bulgaria are roughly in the same range. The aggregated estimates show that the average monthly expenses per person on books fall within 5.3 lv. a month (among those people who buy books). These purchases however are concentrated inside 44 percent of the population aged between 15-70 years. If we project these data over the entire population, we shall get an **average expenditure of 2.3 lv. a month on books in Bulgaria.**
- The five genres with the largest market share are
 - Fiction (29 percent)
 - Educational – guides and textbooks (18 percent)
 - Reference books, catalogues, dictionaries, encyclopaedias (14 percent)
 - Other specialized literature (10 percent)
 - Juvenile (10 percent)
- The bookshops and street sellers are the most widespread points of sale for books. Although among a smaller reading audience, the antiquity stores,

books accompanying a periodical or the book fairs are also an outlet. So far as the latter are only organized in the capital city and in several big cities, the low awareness of this channel is easy to explain.

- The **quality of the editions is generally assessed as good**: the evaluations in all the genres are predominantly located on the positive axis of the scale. The fictions and the reference books get the highest scores. The readers appear to be a little more critical to reference literature (social and natural sciences, art). The design of the books was similarly evaluated positively (the ratio of positive to negative assessment was approximately 4:1).
- Although not actively used (**22 percent visit libraries with various frequency** within the frame of a year), the libraries are considered important by 83 percent. Similar is the attitude to the community centres (Chitalishte) – although only 30 percent said they visit them, approval for them was expressed by 90 percent of the interviewed.
- The main and the strongest argument in favour of the **libraries was the possibility to use books without having to buy them**. In practice the libraries provide the opportunity to have access to literature in the residential places that are smaller or remote from the big urban centres and thus the arguments in favour of them were concentrated in the villages and small towns. At the same time the larger part of the library visitors live in Sofia or the big cities because that is where the active readers are concentrated. The regular readers are much more satisfied with the convenience of the libraries than the rest (including the temperature) but also more critical to the availability of new books. This is probably due to the fact that the most active readers have already read the majority of the books available in the library that correspond to their reader's interest. On the contrary – the less frequent visitors expressed higher satisfaction with the availability of new and varied books and were a lot more critical to the conditions and comfort in the libraries. The overall atmosphere, the service and competence of the librarians, the accessibility of the information and consultations, and the help provided by the personnel score high among all the groups of library services users (regardless of their activity in visiting the library). Therefore stimulating the readers to visit the libraries will not be relevant to these features. The strongest influence on the readers could come from the availability of more information and new books. The strongest impact, though, could be expected from a motivation campaign among the most active readers. For the remaining the above suggestions would be less influential.
- The visitors of bookstores (with various frequencies in the frame of a year) are 42 percent. Their **satisfaction with the interior**, the assortment, the design and service at the stores, the competence and advice of the sales assistants is high (in the rough proportion of satisfaction: dissatisfaction of 5:1). The customers tend to **trust the recommendations of the assistants**, which could be yet another factor of attracting readers and increasing the sales. On the other hand the promotions do not seem to be so popular. The most sensitive to the promotions are the most active readers and the most frequent buyers. Promotions are less effective among the rest of the audiences because they visit the stores less often.

- The larger part of the parents encourages reading (approximately four of every five parents insist that their children in the age group 6 – 18 should read: 80 percent). Less interested are the parents with basic education but even they often say they try to make their children read - 55 percent. In other words even among the low **status groups we register a positive attitude to books and reading** that the parents are trying to build in their children.
- The parents are slightly more passive when they have to read to their children. Among the parents whose children are between 2 and 6 years' old over two-third said they read children books to them, and one-third said they do not. The most active are again the people with higher education (85 percent). Here though, unlike the encouragement of the elder children to read, we detected a decrease in the activity down to 50 percent even in the secondary education group. In other words the recognition of the importance and the investment of efforts in this respect are only categorical in the group of people with university education and is becoming increasingly hesitant in the rest of the education groups.
- The public opinion firmly believes that a lower VAT rate for the books is necessary. As an illustration, in almost all of the EU member states the VAT on books is within 3-8 percent. The survey showed that in the opinion of most Bulgarians the publishing of books in the country and the Bulgarian authors must enjoy a special support.

3 Public Book Market

The term “Public Book Market” is used in this context to summarize all kind of activities that are directly or indirectly related to the responsibility of the state understanding that it is not an area underlying usual market principles. Yet, looking at constitutional aspects and the general importance of the sector it is compared to many other sectors even more important for creating or not creating a conducive climate for fostering and stimulating a culture of reading. This chapter casts a look on current policies and affairs in Bulgaria.

3.1 Situation of public libraries

According to the data from the NSI, 2006 the total number of libraries in Bulgaria in 2005 with over 2 000 pieces library fund is 45.522.000 and the members registered are 1.336.366 people. The library fund amounts to 86.581.623 from which 68.530.932 are books. The library fund in circulation is 24.530.991 including 21.318.069 books. This tendency shows that only 28.3 percent from the total fund available and 31,1 percent from the books are used.

The table below shows the distribution of the different types of libraries in 2005 – Table 4 Libraries with library fund over 2.000 pieces in 2005, Source: National Statistic Institute, 2006.

Table 7 Libraries with library fund above 2,000 copies in 2005

Type of library	Libraries	Library fund		Readers	Library fund in circulation	
		Total	including books		Total	including books
Total for the country	4.552	86.581.623	68.530.932	1.336.366	24.530.991	21.318.069
National Library	1	7.437.287	1.627.273	17.448	379.783	118.189
Regional libraries	11	686.674	5.588.899	88.686	2.076.327	1.661.077
District libraries	16	501.084	531.698	64.224	179.957	1.377.273
Chitalishte/Community centre	2.695	33.139.093	32.701.435	549.504	10.814.762	10.327.626
Libraries in institutions and enterprises	99	1.359.240	1.235.344	15.593	262.565	239.952
School libraries	1.465	12.407.537	12.263.890	383.239	4.436.220	4.354.262
University libraries	81	8.991.326	7.168.942	180.757	4.149.749	2.942.436
Specialized libraries	184	11.369.576	3.413.251	36.915	613.628	297.254

Source: National Statistic Institute, 2006

The biggest share is taken from Chitalishte and school libraries, which are 91.4 percent from the total number. In 1989 the number of Chitalishte was 3.125 and in 2005 it is 2.838. The permanent decreasing trend of the number of Chitalishte in Bulgaria is presented in the next table – Table 6 – Number of Chitalishte in Bulgaria 1998 - 2005, Source: National Statistic Institute, 2006.

Table 8 Number of Community clubs in Bulgaria for the period 1998 – 2005

	1998	1999	2000	2005
Chitalishte - number	3.125	3.056	3.027	2.838
in cities	514	510	511	539

	1998	1999	2000	2005
in villages	2.611	2.546	2.516	2.299
Members in thousand	191	180	170	164
in cities	86	81	74	68
in villages	105	99	96	96

Source: National Statistic Institute, 2006

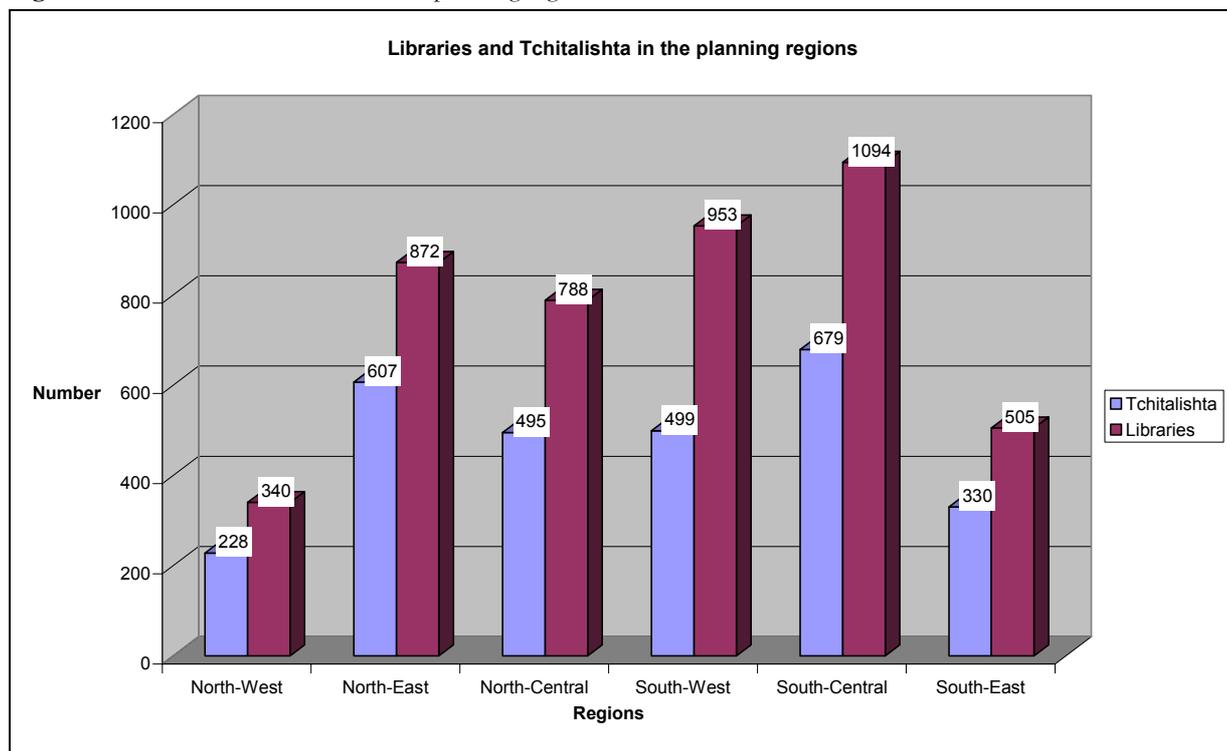
Following facts were presented from the President of Bulgaria book association on the first Consultative Council for developing Book market strategy, held on 20 September 2006¹⁰.

- Each Bulgarian library is opened for visitors approximately 3.700 hours annually
- more then 65 percent from library users are students in schools and universities;
- Libraries are main source for internet access in small cities an villages;
- In the libraries are working over 7.000 librarians and other specialists;
- 22 percent from the libraries don't have recourses to buy new literature;
- Over 30 percent from the libraries don't have resources to make subscription for regular editions;
- 9 percent from the libraries have CD- ROM collections and just 3 percent DVD collections;
- 8 percent from the libraries have properly equipped computer places for visitors
- 14 percent have Internet access
- 6 percent offer Internet for readers
- 3 percent from the libraries have their own web page;
- Bulgarian libraries are on the last position compared with 29 European countries on financial indicators.

The allocation of libraries and Chitalishte is presented in Picture 4 on regional basis according to the 6 panning NUTS II level regions – North- West, North- East, North-Central, South-West, South-Central and South- East region.

¹⁰ Sources: NSI 2002, Report e Bulgaria 2005; National representative research 2006 "Readiness of Bulgarian libraries to become centers of information society knowledge", Report Millenium 2000, European Programme for library economy LIBECON/

Figure 4 Libraries and Tchitalishta in the planning regions



Source: National Statistic Institute 2006.

The International standard book number/ ISBN/ has been used in Bulgaria since 1991. This number is a universal identity code for books and brochures. ISBN identifies a title or publication and is unique for this edition. ISBN is the basis of the drawing up of the bar code ***, which turns the book into a commercial product. ISBN gives the opportunity for the books published in one country to be incorporated in the international book publishing practice.

The Bulgarian national ISBN Agency was created in 1991 and since then has been a member of the International ISBN organization. The National ISBN Agency is responsible for the following:

- Giving out a publisher's identification for Bulgarian publishers after presentation of a document, proving the name of the publisher (court registration, actual state), address for and paid state dues.
- Sends free of charge data on the addresses of Bulgarian publishers to the Publishers' International ISBN Directory;
- Gives information on the addresses of Bulgarian and foreign publishers within the ISBN system;
- Carries out control on the printing of ISBN;
- Carries out maintenance of data bases of books in print and the addresses of publishers;
- Prepares The joint publication of the National ISSN and ISBN Agency of a Reference book of Publishers, and addresses of periodicals in Bulgaria;

- Maintain contact with the International ISBN Agency in Berlin, national ISBN agencies and related organizations.

According to the National ISBN agency up to October 2004 3.300 publishers from 115 towns have registered in the National ISBN and 79.030 books have received ISBN. At present 87 percent of the books published in Bulgaria have an ISBN.

According to the data from the National statistic office in 2005, 4.853 books and 671 brochures have received ISBN or 91.6 percent from the total titles published have an ISBN.

Table 6 shows the number of published books and brochure in 2005 with an ISBN, Source: National statistic Institute 2005

Table 9 Books and brochures with an ISBN published in 2005

Genres	Books and brochures with an ISBN	
	Books – pieces	Brochures – pieces
Total	4.853	671
Total publications	161	53
Philosophy, Psychology	202	4
Religion, Theology	133	11
Social science	1.212	131
Philology	137	7
Natural science /mathematics, medical science, physics, etc./	948	54
Art, music and entertainment	237	20
Literature/ fiction and literacy critique/	1.470	360
Geography and history	353	31

Source: National Statistic Institute 2005

3.2 Situation of schoolbooks and university books

Since 1990 the policy towards publishing and distribution of schoolbooks has undergone substantial changes. Now there are five to six big schoolbook publishers and several smaller companies. But publishers and distributors alike are embarrassed because of the numerous alteration in the regulation on evaluation and approval of schoolbooks.

3.2.1 Evaluation, approval, publishing of schoolbooks:

On the grounds of Art.1 of the Public Education Act an Ordinance for Evaluation and Approval of the School books has been issued. In the years there have been different variants of these regulations but the text in the edition of 2003 creates problems and arguments between the publishers and the Ministry of Education. The last edition of the regulation is Ordinance No 5 of 5 May 2003 and it is published and reissued in Government Newspaper /Darzhaven vestnik/ as following: *iss. 49 /27 May 2003, iss. 72 /15 August 2003, iss. 46/28 May 2004, iss.1/3 January 2006, iss. 49/16 June 2006.*

This Ordinance says: "Every school year Minister of Education and Science ratifies a list of approved schoolbooks to be used in the system of education"

The text of the abovementioned Ordinance has been made after the Public Education Act initiated the limitation of three variants of schoolbooks and in the years it has become more and more complex and the procedure - more and more expensive. According to the publishers the main problem is the limited number of schoolbooks and the lack of good will on behalf of the Ministry to take responsibility in choosing these three variants. On the first stage, in which the Ministry decides whether the projects meet the requirements of the curriculum, all project schoolbooks pass the procedure successfully. The second stage, however, in which teachers evaluate and vote for every single project, as a tendency is accompanied by certain tension. The teachers do not have enough time to get acquainted with the projects and to give their opinion.

According to the Regulation when there are three or less than three variants of schoolbooks meeting the requirements of the curriculum, there is not being made classification /ranking/.

All costs for the preparation of the project schoolbooks / six copies for the procedure/ and distribution and presentation of all the project schoolbooks to the schools all over the country are on publishers' expenses.

In February 2007 on the web-site of the Ministry of Education and Science a draft ordinance has been published for amendment and complementation of Ordinance No. 5 of 5 May 2003 for evaluation and approval of textbooks which is currently under discussion by the publishers. The overall opinion is that the new provisions of the draft ordinance will not eliminate the problems with the evaluation and the approval.

3.2.2 Distribution

Schoolbooks are usually distributed by the book traders. The discounts they get from the publishers are lower than the discounts for the books.

There are cases when the publishers directly supply the schools with their textbooks and offer the same size of discount.

4 Educational System

4.1 Education at Universities (Tertiary level)

The education in Bulgaria has good traditions and since the time of the Bulgarian Renaissance it enjoys definite public interest. The respect for the national holiday of 24 May is one of the symbols of this attitude toward the enlightenment and culture. The humanities and more specifically literature are traditionally well covered in the general educational curricula. As a whole this is a good prerequisite for the formation of active readers and potential men of letters.

To the Ministry of Culture there exists a National Professional High School for Polygraphy and Photography: www.npgpf.hit.bg It admits pupils in the Day (5 years) and Extramural (2 years) form of education in the majors: polygraphy, photography and graphic design.

Staff for the book sector is trained at the Specialised Higher Education School for Library Science and Information Technologies (SHESLSIT): www.svubit.org

The institution trains specialists with university education for the educational degrees “Bachelor” and “Master” and the educational and scientific degree “Doctor” in the areas: Library Science and Bibliography, Book Science and Book Distribution, Information funds of the cultural and historic heritage, Information Technologies, Information Brokerage, Scientific Information, Automated Systems for Data Processing and Management.

At the Faculty of Journalism and Mass Communication of the “St. Kliment Ohridski” University of Sofia (www.uni-sofia.bg) there is a Press and Book Publishing Department, which provides specialised education in printed media and agency journalism of the “Journalism” major and instruction in the specifics of the press for Bachelors and Masters of the “Public Relations” major. The following subjects are taught: Theory of Culture, Press Photography, The Book as Media, Graphic Design, Printed Media Design, Book Design, Text Theory and Practice, Press Genres, Scientific, University and Encyclopaedia Book Publishing, Text Theory and Practice (editing), Magazine Typology, Sports Journalism, Computer Medium Communication, Publishing Systems, Theory of Reading, Modern World Book Publishing, Press Journalism, Informatics and Information Technologies, Media Pedagogies (seminar). The Press and Book Publishing Department trains students in “Book Publishing” in the educational qualification degree “Bachelor” and in the “Book Publishing” Masters Programme, as well as in “Printed Media” for Bachelors and Masters outside the curricula of the Faculty of Journalism and Mass Communication. The training of the students is carried out at the Printing and Book Publishing Studio, the IT and New Media Hall, the Photo laboratory, at the students halls and complexes of the Faculty of Journalism and Mass Communication.

A study base for the students is also the Students Newspapers.

At the Faculty of Philosophy there are the Departments “Library Science, Scientific Information and Cultural Policy” and “History and Theory of Culture”, which also train staff with a potential for the book sector.

At the New Bulgarian University – Sofia (www.nbu.bg) training is provided in the programmes “Language and Literature” and “Book Management and Test Practices”, which train specialists, relevant to the book sector.

4.2 Lifelong learning, onward education

There does not exist a systematic practice for qualification upgrading in the book sector.

During the years of transition a number of seminars, studios, lectures and other forms of education have been organised by the Ministry of Culture and the Bulgarian Book Association with the assistance of specialists and organisations from Great Britain, Germany, France and other countries.

4.3 Vocational Schools (Secondary level)

There is on the level of secondary education currently no offer to establish a vocational profile like for example Book trader. Education and qualification is done by the book traders themselves as far as it is done at all.

5 Taxation Budget and Legal Situation

The freedom of speech is guaranteed by the Constitution. Main acts related to the Books are the Copyright and Related Rights Act and the Obligatory Deposit of Copies of Printed and Other Works Act. A positive effect on the book sector is exerted by the Culture Protection and Promotion Act. A Library Act is under design. For several years now in Bulgaria the World Book and Copyright Day is celebrated on 23 April. There still exists the problem of copyright violation in cases where the scale of the damage, though considerable for the affected side (author, publisher), is relatively insufficient to justify the duration of and the expenses for a court trial. The big number of required copies for deposit is also disputed, which is being stated as a possible reason – or pretext – for non-depositing of the considerable percentage of the editions (as per various estimations – within 10 to 30 percent).

Despite the long efforts and campaigns of the book community the VAT for the books has remained unchanged during the years of transition. The European Booksellers Federation (EBF) has developed a policy paper¹¹ for a European position towards the question of VAT. According to this paper the VAT rate applied to printed books by Member States throughout the European Union (EU) currently varies from 0 percent to 25 percent. The Customs and Taxation Directorate within the European Commission is currently developing plans to harmonise VAT rates throughout the EU. Indications suggest that in the future Member States may be instructed to allocate a VAT rate of not less than 15 percent on almost all products and services. However, EU countries may well be able to impose a reduced rate of not less than 5 percent on a small number of items, including printed books.

The European Booksellers Federation says in their statement that it strongly believes that printed books should not be taxed at all throughout the EU in the future, and that under the harmonisation arrangements, any Member State that wishes to allocate a 0 percent VAT rate for printed books should be allowed to do so. Electronic books should be treated in the same way. A printed book and electronic book of the same title will have the same content and purpose’.

Books are central to the acquisition of literacy, education and knowledge of all kinds: special and general, informal and formal, whether for adults or children, providing the

¹¹ <http://www.ebf-eu.org/papers.html>

basis of reading skills, inquiry, comprehension and individual enterprise. And books build and transmit the culture, science and history of Europe. European identity lives through the written word.

The EBF states that a 0 percent rate on books will lead to lower prices for books, lower prices will lead to more books purchased and to an increase in reading throughout the EU, consumers will have greater access and choice from which to make book purchases, as more bookshops will survive and consumers will see a broader range of books in the shops.

If more books are read this will strengthen Bulgaria's economy by raising the level of education, literacy and life-long learning programmes. It will further increase investment and employment within the book trade; a healthy sector will lead to greater tax revenues for the fiscal authorities and it will encourage risk taking and innovation by publishers and booksellers.

This position is supported by the Council of Europe and UNESCO.

5.1 Maecenas Act

In the end of 2005 a Law on Donations for Arts was adopted and came into force. The law regulates the social relations connected with making donation, aiming to create, preserve and promote the works of culture. According to the law Maecenas donation is gratuitous granting of aid from physical and legal persons for creation, preservation and promotion of works of culture, direct and/or through the organizations, supporting the culture, registered according to the law. Organizations, supporting the culture, as of the law, are not-for-profit public benefit organizations, registered in the Central Register of not-for-profit public benefit organizations at Ministry of Justice, which objectives include supporting the culture and also registered in Ministry of culture. These organizations are able to perform the function as mediators between the Maecenases – donors and the artists – beneficiaries. In relation with this law new tax incentives for the donations for culture were provided in the Corporate Taxation Act. Legal persons making donations for culture in accordance with the Law on Donations for Arts are entitled to deduct up to 15 percent from their financial result. Physical persons can use a tax incentive at the same amount making a donation in compliance with the rules of the Law on Donations for Arts. In addition, exempt deliveries according to the Value Added Tax Act are the donations of non-excise goods and services made for beneficiaries and organizations, supporting the culture, according to the Law on Donations for Arts. According to Local Taxes and Fees Act, the gratuitous granting of aid under the rules of the Law on Donations for Arts supporting culture is exempt from donation tax. The Maecenas Act is supposed to create opportunities for additional financing for culture, respectively of books and literature, but this is still to be observed.

5.2 Law on Libraries

A law on libraries and a strategy on the development of libraries is currently under preparation with the support of the British Council

6 National Policies

6.1 Action programme of the Ministry of Culture

There exist a number of awards in the field of books and culture. Figures of literature have been awarded state prizes and insignia of honour, including the award of the Ministry of Culture – Paisiy Hilendarsky. Since 1999 the awards of the Ministry of Culture and the Municipality of Plovdiv on behalf of Hristo G. Danov are being awarded – now in ten categories: Big prize for overall contribution, Bulgarian Fiction, Bulgarian Humanities, Translated Fiction and Humanities, Art of Book, Books for Children, Book Distribution, Book Presentation, Libraries and Library Affairs, Electronic Publishing and New Technologies. A number of organisations and companies award their own literary and book awards: Ministry of Education, Bulgarian Book Association, VIK Foundation, National Palace of Culture, Helikon Chain Book Shops, Union of the Bulgarian Writers, Association of Bulgarian Writers, Sofia University, etc. There are more than 20 literary competitions and awards bearing the names of renowned writers – from Botev, Vazov, Slavekov father and son, Vaptsarov to modern writers. These activities are organised by the respective municipalities but they have also national coverage and are carried out with a different recurrence – 1, 2, 3, 5 years.

6.2 Situation of Bulgarian authors – problems and trends

The situation of the Bulgarian authors is determined by multiple factors. On the one hand there exists traditional respect and interest for books and literature. On the other hand the economic conditions in the country do not allow the writers to become professionals. The restricted market and the stratification of the public life make the establishment of new Bulgarian authors on the market very difficult. In contrast to other artists the writers cannot become popular abroad because of the linguistic barrier, the translation and the promotion in foreign countries is not supported enough by the state. General reflux of interest from the serious literature is also observed in favour of the mass media and the amusing forms of letters.

6.3 Support for young authors (scholarships, public support)

There exist several forms of support for young authors – competitions, the most popular among them is “Yuzhna Prolet” (Southern spring) in Haskovo – for book debut. But very often the road to writing the new book is not so difficult as it is to the next ones.

6.4 Public sponsorship

The Ministry of Culture organises an annual competition for publishing projects “Aid to the Book”, a competition for replenishing the library funds with new books, “Books for Everybody” action – provision of vouchers for books to pupils and students during the national book fairs, competition for support to translations of Bulgarian authors and other initiatives.

6.5 Events on various levels (regional events, national events)

Twice a year national book fairs are organised at the National Palace of Culture, as well as a number of regional events: National Festival of the Children's Book in Sliven, "Plovdiv Reads" Holidays, "Reading Marathon" in Varna, etc.

6.6 Books and Politicians

In the years of transition in the book sector there predominates the feeling of the political class turning their back to its problems. Certain politicians, however, are either writers themselves or demonstrate respect for the book, which goes beyond the average attitude. The first two editions of the revived International Book Fair in Sofia (1993 and 1995) were held under the auspices of the Vice-President (Blada Dimitrova) and the Speaker of the National Assembly (Acad. Blagovest Sendov) respectively. The President Georgi Parvanov is reputed for his regular visits to the book fairs and according to his own words he is a keen reader. As a whole there is considerable potential for development of the relation book-politicians.

6.7 NGOs and Foundations, Cultural Centres

NGO's play an important role for the maintenance and the enrichment of the book life of Bulgaria which has been tangibly restricted by the weak market and the inadequate state and public support. Significant resources were allocated by the Open Society Foundation in the recent years. A valuable support in relation to the quality translated editions is provided by the cultural centres, embassies or respective institutions of different countries like France, Germany, Austria, Spain, Hungary, etc. Participation in EU funded projects is however not sufficient.

7 Private sponsorship

The private sector takes quite significant part in the support to separate books and authors, although it is obvious that the books is less attractive for sponsorship than other arts which offer greater spectacle and media attractiveness. It seems that the sponsorship of the private sector for the books is still a result of personal relations, rather than of real business interest, though there are good examples of this type of sponsorship, too.

8 International policies and benchmarks

8.1 International (multinational) policies (UNESCO, EU)

The principal goal of UNESCO, built on the ruins of the Second World War, is to contribute to conditions that maintain peace in the world. One of the fundamental articles of UNESCO's Constitution affirms that the Organization should '*...collaborate in the work of advancing the mutual knowledge and understanding of peoples (...) and to that end recommend such international agreements as may be necessary to promote the free flow of ideas by word and image.*'

The [Florence Agreement](#) (1950) and its Protocol known as the '[Protocol of Nairobi](#)' (1976) are two of the fruits of this mandate.

Since the adoption of these two instruments, the international circulation of cultural goods has been continually increasing. This is due not only to the role that these

products play in spreading knowledge of a world which is more and more technologically interlinked, but also to their growing share of international trade at a time of economic globalization.

The Florence Agreement was conceived along the lines of the GATT Agreement, which was already in operation. The provisions of the present **World Trade Organization**, which replaced the former GATT and which also covers international trade in objects protected under intellectual property agreements, have given new life to the Florence Agreement. The latter is still one of the most useful mechanisms for managing what has always been a very complex relationship between culture and commerce.

8.2 European Union

The Culture 2007 Programme (2007 – 2013) is the main instrument of the European Union related to the cultural policy. The programme main objective is to broaden the common European cultural area thus leading to the origination of a European citizenship via collaboration between artists, cultural players and the cultural institutions of the involved countries. The programme specific objectives are:

- To promote the trans-national mobility of people working in the sphere of culture;
- To promote the trans-national exchange of cultural and artistic works;
- To promote the dialogue between the various cultures.

More details are given below.

8.3 Selected benchmarks¹²

In order to be able to define appropriate goals it is helpful to look at developments in other markets in Europe. Following some key indicators are given in some other European markets, most of them also being among the new member states (Accession 2005).

8.3.1 Great Britain

Turnover (2004)	4,73 Mrd. EUR (Includes sales in GBR and export) www.statistics.gov.uk)
Newly published books (and new editions)	About 160.000 books
Average book price	25 Hardcover Euro, Paperback 12 Euro
New books	No information
Fixed book price	No (1995 terminated)

¹² <http://www.buchmesse.de/de/index.php?content=/de/brancheninformatonen/itp.html>. More data may be found in that source

Intellectual property	Bern Convention World Copy Right agreement (1957/1974)
Number of publishers	60.000 (2.275 pay VAT)
Number of Bookshops	3.100
Distribution	<ul style="list-style-type: none"> ▪ Bookshop- Chains 39, 7 percent ▪ Other Bookshops 15, 9 percent ▪ Supermarkets 9, 0 percent ▪ Book clubs/direct sales 15,9 percent ▪ Internet: 7 percent
Population	About 60 million

8.3.2 Poland

Turnover (2004)	
Newly published books (and new editions)	20.410 (2004: 20.830)
Average book price	About 7, 30 Euro
New books	12.040 (2004: 11.650)
Fixed book price	No
Intellectual property	Bern Convention World Copy Right agreement (1957/1974)
Export 2004	90.000 Euro
Number of publishers	20.000 (everyone who asked for ISBN)
Number of Bookshops	2500
Distribution	<ul style="list-style-type: none"> ▪ Bookshops 39 percent ▪ Book clubs and direct sales 26 percent ▪ Internet 5 percent ▪ Direct sales (schools, private clients etc) 6 percent ▪ Supermarkets 10 percent ▪ Kiosks 14 percent
Population	About 40 million

8.3.3 Czechia

Turnover (2004)	140 million Euro
Newly published books (and new editions)	16.451
Average book price	6,25 Euro (Paperback slightly less but not so popular)
New books	No figures
Fixed book price	no
Intellectual property	Bern Convention World Copy Right agreement (1957/1974)
Number of publishers	1.365 have published at least one book (registered about 3.500)
Number of Bookshops	600 (but about 2.000 sales points including supermarkets)
Distribution	No detailed data. Its estimated that 70 percent are sold in Prague
Population	10,2 million

8.3.4 Croatia

Turnover (2004)	No figures
Newly published books (and new editions)	2.465
Average book price	17,78 Euro (average of hard copy and paperback)
New books	No information
Fixed book price	No
Intellectual property	World Copy Right agreement (1957/1974)
Number of publishers	267 (2003)
Number of Bookshops	80
Distribution	Commission model, no detailed data
Population	About 4,4 million

9 The Branch and the European Union

The European Union conducts a policy of economic and social cohesion, the purpose of which is to contribute to the decreasing of differences in the economic and social development of the regions. It also aims to encourage the regional development and the structural changes, leading to changes of the economic and social life, through support of poorer and more problematic regions. Financial instruments for implementation of this policy are the so called structural funds. Through the years different instruments have been determined as structural funds. For the period 2007-2013, Bulgaria is a beneficiary of the following structural funds – the European Regional Development Fund, the European Social Fund and the Cohesion Fund. After Bulgaria's accession to the EU the country does not receive funds under the pre-accession instruments like PHARE, ISPA and SAPARD. Nevertheless, being one of the most underdeveloped countries in the Union, Bulgaria receives financial support from all the Structural Funds.

After the transition period technical assistance from EU as well as other European countries and donors will be available.

Each country, which is eligible to receive such assistance, has to prepare a package of documents which it presents to the European Commission for approval. These documents are the National Strategic Reference Framework and Operational programs. The relevant Bulgarian institutions developed seven Operational programs (OP) with different thematic focus. The assistance under these programmes will be available after their adoption by the European Commission and after the accession of Bulgaria in EU. The Operational Programme “**Human Resources Development**” is most relevant for supporting activities related to improvement of educational standards in Bulgaria.

The human resources development seeks improvement of quality of the human capital and achievement of higher living standard through better employment and the introduction of the concept of lifelong learning. The aim is to ensure efficient and adequate education corresponding to the market requirements, better health care, deepening of the social integration of the vulnerable groups and of the people with disabilities and their realization on the labour market.

It is a constitutive part of the National Strategic Reference Framework and its strategic objectives is “**to improve the quality of life through employment promotion, access to high quality education and lifelong learning and increase of social inclusion**”.

This means to invest in people, acquire new knowledge and skills, strengthen the practice for lifelong learning in the name of the lifelong carrier opportunities; to guarantee a valuable community participation; to achieve a higher flexibility of the labour force; to ensure a more sustainable and “active” social protection; to ensure equal opportunities and at last – to achieve economic and social cohesion.

In order to attain the set up objectives it is envisaged that the Operational Programme would be focused on achieving the following priorities:

Priority 1. Promotion of sustainable employment and development of inclusive labour market

Objective 1.1. Employment through development of entrepreneurship with the aim of creation of new jobs

Objective 1.2. Integration of the vulnerable groups on the labour market

Priority 2. Raising of productivity and adaptability of the employed persons

Objective 2.1. Improvement of the professional skills of the employed persons

Objective 2. 2. Promotion of the labour market flexibility

Objective 2. 3. Improving working conditions at workplaces

Priority 3: Improving the quality of education and training in correspondence with the labour market needs for building knowledge-based economy

This priority aims increasing suitability for employment by supporting qualitative education and training for developing of high qualified labour force that is competitive to the labour market in Bulgaria and EU. The priority axis solves problems in the educational system concerning incomplete correspondence with the obtained vocational qualifications related to the labour market requirements and the promptly integration of labour force in the knowledge-based economy.

Objective 3.1. Improving of the quality of education services

Objective 3.2. Modernizing the educational system

Objective 3.3. Stretching the ties between the educational institutions and the business and research sector

Priority 4. Better access and integration to education and training

This priority axis aims at improvement of the conditions for insurance of equal access to education and training for all target groups. Ensuring equal access and extension of opportunities for acquiring a different educational and qualification levels would support the process for prompt social and labour realization of youths.

Objective 4.1. Access to education and training for disadvantaged groups

Objective 4.2. Children and youth in education and society

Objective 4.3. Development of the system for lifelong learning

Priority 5. Social inclusion and enhancement of social economy

Because of the multi-annual character of the social inclusion policy this priority axis focuses only to a part of the policy's directions, namely:

1/ Expansion of employment opportunities thus ensuring equal access to the labour market for the vulnerable groups through diversity of quality and all-encompassing community-based social and healthcare services, as well as through development of the so-called e-inclusion.

2/ Promotion of equal opportunities for vulnerable groups (including gender equality) through innovative approaches.

3/ Promotion of private entrepreneurship in the social sphere.

Objective 5.1. Supporting social economy

Objective 5.2. Social services for provision of employment

Objective 5.3. Employability through better health

Priority 6. Improvement of the efficiency of the labour market institutions and social and healthcare services

Objective 6.1. Development and modernisation of the labour market system

Operation 6.2. Strengthening the capacity of institutions for provision of social and healthcare services

Priority 7. Transnational cooperation

The main goal of this priority axis is to provide a platform and to allow all stakeholders to benefit from the lessons learned under EQUAL, as well as to exchange ideas and plans on best ways to use the ESF in the following policy fields: employment, education and training and social inclusion.

Another Operational Program (OP) which can contribute to the improvement of the economical conditions in the country is OP "Development of the Competitiveness of the Bulgarian Economy".

The purpose of the support within the framework of OP Competitiveness is to develop a competitive and efficient production and business potential, to contribute to increasing the economic effect and to assist the necessary structural changes in economy with a view to achieving a sustainable progress and feasible cohesion during the programme period. In order to achieve these objectives, a support for development of the productivity of small and medium-sized enterprises is envisaged, as well as assisting the development of innovations and new technologies, improving the general climate of the business environment. The programme is focused on the following priorities and objectives:

1. Priority 1 "Development of a Knowledge-based Economy and Innovation Activities"

Priority specific objectives:

- facilitation of creation of businesses based on innovative ideas;
- Promotion of R&D activities in MSMEs;
- support for promotion of the patenting activity;
- development of favourable pro-innovative environment supporting MSMEs

2. Priority 2 “Increasing efficiency of enterprises and promoting supportive business environment

Priority objectives

- Modernization of the technologies and management skills in SMEs.
- Providing accessible and quality consultancy and information services to businesses.
- Decreasing the energy intensity of the production and diversification of energy sources.
- Strengthening of manufacturing capacities in enterprises and improving their access to markets through the advantages of business cooperation and clustering..

3. Priority 3 Financial Resources for Developing Enterprises

Priority objectives

- Facilitating the conditions for (non)bank financing to micro, small and medium-sized enterprises
- Providing funding of high-risk investments

4. Priority 4 “Strengthening the international market positions of Bulgarian economy”

Priority objectives

- Increasing the volume and economic effect of the attracted investments;
- Providing topical and quality information about the foreign markets;
- Relieving the access to the European and other international markets.

9.1 Community programmes Culture 2000 and Culture 2007

Culture 2000 is a Community programme established for seven years (2000-2006) with a total budget of 236, 5 million euro. In contrast to the financial instruments that preceded it, Culture 2000 provides grants to cultural cooperation projects in all artistic and cultural fields (performing arts, plastic and visual arts, literature, heritage, cultural history, etc.). Culture 2000 was established by the Decision No 508/2000/EC of the European Parliament and of the Council, adopted on 14 February 2000 and prolonged by Decision No 626/2004/EC of the European Parliament and of the Council of 31 March 2004.

The objective of Culture 2000 is to promote a common cultural area characterised by its cultural diversity and shared cultural heritage.

It seeks to encourage cultural creation and mobility, access to culture for all, the dissemination of art and culture, intercultural dialogue and knowledge of the history of the European peoples. It also accords culture a social integration and socio-economic development role.

The European Commission implements the programme with the aid of a management committee. It selects projects on the basis of the opinions of a panel of independent experts. So far, participants from 30 European countries have taken

part in the Culture 2000 programme: the 27 EU Member States, the three countries of the European Economic Area (the EEA - Iceland, Liechtenstein and Norway). Memoranda have been signed with each of these countries.

Created to promote artistic and cultural cooperation in Europe and to move towards a common cultural area, the Culture 2000 programme supports artistic and cultural projects with a European dimension, at the level of their creation, their organisation and their implementation. Activities supported by this programme include festivals, master classes, exhibitions, new productions, tours, translations and conferences. They are intended for artists and cultural operators, as well as for a broader audience, in particular young people and those who are socially or economically disadvantaged. Most of the projects include a multimedia dimension, in particular via the creation of Internet sites and discussion forums.

Bulgaria participates in Culture 2000 programme and respectively the Ministry of Culture is designated to act as coordinator of the programme.

The European Commission, guided by an ambition to create a common cultural area, respecting national and regional diversities, proposes a new programme for the period 2007- 2013 "Culture 2007"¹³ aimed at developing transnational cultural cooperation through support for cultural cooperation actions, European organisations active in the field of culture, studies and analyses and information and communication.

Culture 2007, taking over from the current Culture 2000 programme and extending it, with a proposed budget of € 408 million, through three objectives considered to offer strong European added value:

- Transnational mobility for everyone working in the cultural sector in the EU.
- The transnational circulation of works of art and cultural/artistic products.
- Intercultural dialogue.

For more details please see:

http://ec.europa.eu/culture/eac/how_particip2000/pract_info/appeal_2006_en.html

9.2 New action programme in the field of education and training

On 25 October 2006 the European Parliament adopted the Commission's proposals for a new action programme in the field of education and training. For the first time, a single programme will cover learning opportunities from childhood to old age. The Lifelong Learning Programme¹⁴ will cover the period 2007-2013, and is the successor to the current Socrates, Leonardo da Vinci and eLearning programmes. It has a budget of € 7 billion to support projects and activities that foster interchange, cooperation and mobility between education and training systems within the EU, so that they become a world quality reference.

The Lifelong Learning Programme is actually an over-arching structure that is built on four pillars, or sub-programmes. Grants and subsidies will be awarded to projects under each of these that enhance the trans-national mobility of individuals, promote

¹³ [Proposal for a Decision of the European Parliament and of the Council](#) establishing the Culture 2007 programme (2007-2013)

¹⁴ Information for the programme :

http://ec.europa.eu/education/programmes/newprog/index_en.html

bilateral and multilateral partnerships, or improve quality in education and training systems through multilateral projects encouraging innovation, for example. The four pillars are:

1. The Comenius programme (€1,047 million) addresses the teaching and learning needs of all those in pre-school and school education up to the level of the end of upper secondary education, and the institutions and organisations providing such education;
2. The Erasmus programme (€3,114 million) addresses the teaching and learning needs of all those in formal higher education, including trans-national student placements in enterprise, and the institutions and organisations providing or facilitating such education and training;
3. The Leonardo da Vinci programme (€1,725million) addresses the teaching and learning needs of all those in vocational education and training, including placement in enterprise of persons other than students, as well as the institutions and organisations providing or facilitating such education and training;
4. The Grundtvig programme (€ 358 million) addresses the teaching and learning needs of those in all forms of adult education, as well as the institutions and organisations providing or facilitating such education.

These four pillars are joined by what will be known as a 'transversal programme' (€ 369 million), which will pursue the following four key activities:

- policy cooperation and innovation in lifelong learning;
- promotion of language learning;
- development of innovative ICT-based content, services, pedagogies and practice for lifelong learning;
- dissemination and exploitation of results of actions supported under the Lifelong Learning Programme and previous related programmes, and exchange of good practice.

Finally, these actions will be complemented by the new Jean Monnet programme (€ 170 million), which supports institutions and activities in the field of European integration.

The implementation of the Lifelong Learning Programme has been allocated a budget of € 6 970 million for the period of the 7 years from 1 January 2007 to end December 2013.

9.3 New generation of education and culture programmes

The Commission has adopted its legislative proposals for the new generation of programmes in the field of education and culture as part of a bigger package on the new financial perspectives for the 2007-2013 period. They comprise a proposal for a new Integrated Lifelong Learning Programme and proposals for the successors to the current MEDIA, CULTURE 2000 and YOUTH programmes. The proposal for the new programme on "civic participation" will be made in early 2005.

These four proposals are based on evaluations of current programmes and wide consultations with stakeholders on the future of Community programmes in the fields

of education and culture. They also reflect the orientations set out in the Commission Communications of March 2004[1].

The total budget for these 4 programmes for the 2007-2013 is just below 16 billion € . In 2013, these four programmes will account for just under 2 percent of the total budget of the European Union.

Table 10 Budget of educational and cultural programmes

(€ million)	2007	2008	2009	2010	2011	2012	2013	TOTAL
Lifelong learning	1.220	1.387	1.617	1.859	2.176	2.505	2.856	13.620
Youth	111	126	128	131	133	141	145	915
Media	105	112	133	150	171	184	200	1.055
Culture	45	47	51	57	62	69	77	408
TOTAL	1.481	1.672	1.929	2.197	2.542	2.899	3.278	15.998

In total, the budget allocated to these programmes will increase by 185 percent in the years 2007-2013 compared to the 2000-2006 period and from about 5.6 billion € to 16 billion €. The increase will be most sizeable in the new integrated lifelong learning: the total budget will increase by 246 percent and from just under 4 billion € to 13.620 billion €. This reflects the priority given to education and training as part of the objective of developing the European Union as an advanced knowledge society, with sustainable development, more and better jobs and greater social cohesion. It will also contribute to the development of education and training systems in Europe (through innovative pilot projects) and to the emergence of a Single European Knowledge Area (through focus on mobility of people).

Table 11 Increase of budget of educational programmes according to periods

(€ million)	2000-2006	2007-2013	Increase in percent
Lifelong Learning	3.935	13.620	246 percent
Youth	757	915	21 percent
Media	638	1.055	65 percent
Culture	294	408	39 percent
TOTAL	5.623	15.998	185 percent

Comparing 2006 budget with 2013 budget illustrates the planned increase in education and culture Community programmes. The budget for the Integrated Lifelong Learning Programme will jump from roughly 608 million € in 2006 to 2.856 million € in 2013, i.e. more than four times as much. The multiplying factor will be 2.0 for culture and 2.1 for media. It will be 1.3 for youth.

Within the Integrated Lifelong Learning Programme, ERASMUS receives 43 percent of the budget, followed by LEONARDO DA VINCI (27 percent) and COMENIUS (12 percent).

These programmes reflect the willingness of the Commission to rationalise existing instruments. For the education and culture programmes, the number of legal instruments is reduced from 16 to 8 and the number of budget lines from 35 to 8.

Community programmes will also be more flexible and user-friendly. The planned revision of the financial rules could in this context lead to further simplifications.

The vast majority of the new Lifelong Learning and Youth programmes will be managed in a decentralised way by a network of national agencies. The strength of this system provides the user-friendliness through use of national language, understanding of national systems, etc. For the Integrated Lifelong Learning Programme, it is proposed to increase the proportion of credits managed by such agencies to more than 80 percent. The rest is managed directly by the Commission or delegated to an executive agency (which is planned to replace the existing Technical Assistance Offices and come into being in early 2005).

The lifelong learning programme will support a record number of people studying, training, teaching and working in another European country. The table below shows the growth in annual mobility numbers (actual to 2002, predicted to 2013) under the new programme and its predecessors:

Table 12 Mobility

	1983	1987	1995	2002	2006***	2007	2011	2013	Total
Erasmus students		3,244	84,642	123,957	165,000 (170,000)	213,000	310,000	390,000	3,750,000
Leonardo placements		2,500*	21,000**	42,500	65,000 (50,000)	67,000	115,000	150,000	1,250,000
Total	1,000	5,744	105,642	166,457	220,000	280,000	425,000	540,000	5,000,000

* Comett programme

** Leonardo da Vinci phase 1

*** University-level placements will transfer from Leonardo to Erasmus from 2007. The figures in brackets show the effect of this transfer on the estimated 2006 numbers, so that they can be compared with 2007 onwards.

^[1] Communication of the Commission « The new generation of Community Education and Training programmes after 2006 », COM (2004) 156. Communication of the Commission "Making Citizenship Work"; COM (2004) 154.

9.4 Digital Libraries

One of the EU policies is to support the digitisation of cultural collections. The digitisation and online availability of cultural collections will make them more accessible for Europe's citizens. It gives them the opportunity to consult via their computer, books, newspapers and films from their own and other countries.

One of the foundations for the common European Digital Library is the The European Library (TEL) project, co-financed under the EU's 5th research framework programme (1998-2002). The European Library is an Internet portal which offers access to the combined resources of national libraries in Europe. By the end of 2006 a full EU-wide collaboration should be in place between European libraries. By 2010 the European digital library will expand to include collections from a number of archives, museums and other libraries, and possibly publishers. A supporting building block comes from the MICHAEL project, which creates overviews of and joins up existing digital collections in the Member States.

Digitisation activities exist in all EU Member States. But efforts are fragmented and progress has been relatively slow. A common impetus on the level of the European Union is therefore necessary to speed up the digitisation and online accessibility of the material. First of all, Member States will have to invest in order to digitise their

cultural heritage stored in traditional formats (e.g. text and photos on paper, photographic negatives, films on reels, music on vinyl records and tape, etc). But building a rich European digital library is not just a matter of money. It also requires organisational effort. And it presupposes that the right conditions are in place for digitisation, online accessibility and the preservation of cultural content.

On 24 August 2006 the Commission issued a Recommendation on the digitisation and online accessibility of cultural material and digital preservation. In the Recom Commission asks Member States to take action in different areas, ranging from copyright questions to setting up production lines for digitisation. It also calls upon Member States to tackle the preservation of digital content in a systematic way in order to ensure long term access to the material.

The Commission will also mobilise financial resources for actions providing real European added value and scope. Under the new R&D Framework Programme, starting in 2007, the Commission will step up its contribution to research on digital preservation and access to cultural content. It will, inter alia, co-finance a network of centres of competence on digitisation and digital reservation. Within the eContentplus programme, **€ 60 million** are available for improving the accessibility and usability of European cultural and scientific content.

9.5 EU Standards, Norms and Directives

Since 2002 a revision of the Eurostat classifications of books is being undertaken for implementation in 2007. The new classification is now introduced service in the European Commission (Eurostat) to draw its attention to the fact that this might be a good opportunity to provide books with a more appropriate classification than the one currently in existence. At present, books are classified as follows in Eurostat retail statistics: “Cpa 952471 Retail trade services of books, newspapers and stationery”.

The European Booksellers Federation formally asked Eurostat if books might be classified separately under “Retail trade services of books”. Because of the huge importance of books as social and cultural assets, EBF argued that it is of paramount importance to be able to produce credible statistics, that can provide both the decision makers within the European institutions and Member States, and also those within the book trade, with an accurate picture of how books are faring and where efforts might best be placed to better promote books and reading.

10 Annex 2: List of Members of Consultative Council

Organisation/Institution	Representative
Ministry of Culture	Nadejda Zaharieva
Ministry of Culture, "Book and Library Matters" Directorate	Igor Chipev
National Library "St. St. Cyril and Methodius"	Prof. Boryana Christova
Ministry of Economy and Energy	Stefan Uzunov
Sofia Municipality, "Culture" Directorate	Petya Yotova
Executive Agency for SME Promotion	Petya Semerdzhieva
Bulgarian Book Association	Yonko Yonchev
Union of the Community Centers (Chitalishta)	Irena Peteva
Union of the Librarians and Information services officers	Vanya Grashkina
Union of the Printing Industry	Peter Kanev
Bulgarian Translators' Union	Maria Petkova
Syndicate of the Bulgarian teachers	Katerina Hristova
Foundation for development of the Community Centers	Emilia Lisichkova
State Agency for Children Protection	Radiona Nikova
Bulgarian Invest Agency	Tatyana Tondurska
Union of Bulgarian Artists	Tsvyatko Ostoich
Bulgarian posts	Eva Dimcheva
University "St. Kliment Ochridski"	Ivanka Yankova
D&D Express Ltd.	Dimitar Georgiev
Academy Publishing House "Marin Drinov"	M. Mihaylova
BBA, Publisher house "ERA"	Cvetelina Decheva
BBA, Publisher house "Letera"	Nadya Furnadzhieva
BBA, Book Distribution	Iliana Andonova

11 Annex 3, Statements of Public Hearing between 19.12.2006 and 09.02.2007

Statement of Bulgarian National Library

In relation to the elaboration of the final version of a Strategy for development of the book-market in Bulgaria I would like to make a few proposals, accorded with the National library:

1. Modifications of the Law on legal deposit of printed and other publications, concerning not only the number of copies deposited, but also concerning all changes that this regulation requires:

Reasons for the proposal and arguments in favour of it:

The introduction of electronic publications and the necessity of including them in the system of legal deposit urges us to **revise the scope of the Law**. Through the force of these and a few more circumstances I pose the problem of changing the system of obligatory legal deposit. What should the changes consist of:

- enlargement of the objects;
- enlargement of the deposing parties / subjects;
- reduce the number of copies for obligatory deposit;
- shortening the deadlines for deposit;
- terminology-related changes.

Considering recommendation #3 of the International conference of states' bibliographical offices / services (ICNBS) (Copenhagen 1998) and considering UNESCO's recommendations of the year 2000, on legal deposit legislation, where the necessity to include electronic publications in digital format in the system of legal deposit was substantiated, I propose that **the electronic publications with remote access** (e.g. e-books, e-zines, circulated on-line) be included in the Law on legal deposit. The incorporation of this category of documents into the system of legal deposit will establish the statement that on-line publications are an important part of the national documental archive. Thus by the right of law the National library will receive all on-line publications. The incorporation will ensure the enlargement of the current national bibliography and will also provide for a more efficient and reliable foundation for cooperation between the national bibliographical agency and the publishers'. Of course, it must be noted straight away that at present it is very hard to add the electronic documents with free Internet access such as web-sites to the remaining items of the national bibliography. The impediments are due above all to the technical state of the National library and to the lack of state policy regarding the development and financing of these activities. Nevertheless the law needs to integrate these publications too.

The question **what number of copies should be legally deposited** was one of the most problematic and will remain so in the near future. The system of obligatorily supplying the libraries' stocks was a practice, established by the present law, although it was not pointed out as a goal or task of the law. In order to avoid this antinomy and in order for the law to comply with current tendencies of European legislation, additional criteria for determining the amount of copies deposited should be introduced. We believe that the demand to receive copies needs to be based on the necessity to provide public access to the publication and on the potential that the stocks in each library be the foundation of thorough bibliographical work and cooperation of the libraries' efforts to reflect the national publishing production. The carrying out of such a cooperative task and the expenses related to preserving the stocks of deposited documents needs to be subsidised and supervised by the state by a determined order, because it involves functions of national importance. Thus defined, the decisions on development of the legal deposit system in the country can help the cooperation between libraries of a certain kind and a separate **Consortium of national libraries for deposit** can be established within the bibliographical system in a natural way. Members of all institutions to receive copies have to be included. If this point of view is accepted, it can become the foundation for future change of the regulations on bibliographical activities in the country.

In relation to the proposal made, the National Library takes the responsibility to carry out further research on economical development in the many regions of the country and their regional libraries, on the traditions of depositing and the possibilities for cooperation between separate libraries. Hence the National Library will be able to propose an argued request for a certain amount of copies for legal deposit.

Note: The proposals related to the scope of the law and the number of copies for deposit should be incorporated in point XIV (p8), point 4.3 (p18).

2. Creation of a Bulgarian online archive of published books. This is a very good idea and the National Library, in its role of a national bibliographical agency can take part in the building of such an archive in various ways:

until the creation of the national archive, the National Library can publish on its web-site information on newly-received books on a weekly basis.

Note: In order to carry out this task the Library needs additional support - to elaborate the software to ensure searching by different parameters of the bibliographical characteristic, e.g. author, title etc and to buy computers.

The following facts should be kept in mind when creating the definitive concept of the archive:

The National ISBN agency **builds and maintains the database of books under print**, which can be used as a foundation of the archive;

The National Library looks forward to buying an integrated library system (COBSSIS) for working with all kinds of documents, for the creation of

electronic catalogues and the publications of the current national bibliography, for ensuring participation in the international systems ISBN and ISSN etc. The system COBISS is being developed in the IZUM institute in Maribor, Slovenia and **the writing of software for the national book archive of books published in Bulgaria** could be allocated to this institute;

it is necessary to use uniform standards and formats in creating the bibliographical information.

Note: It is extremely necessary and useful to investigate on the possibilities of the product ONIX, designed for such purposes.

Yours Sincerely,

Antoaneta Totomanova

Statement of Mr.Detev, Club Orpheus

My name is Yordan Detev and I am in charge of the Bulgarian Society for Multimedia Art and its publishing house (<http://detev.com>). I teach in the Masters program Virtual Culture at the University of Sofia. I am the editor in chief of the new magazine "Club Orpheus - The legend goes on" (<http://orpheusmagazine.net>). I have written specialised books as well as a few on the problems of ancient Bulgarian civilisation. I have composed a ballet, electronic music and film sound tracks. I have a few films that won prestigious international awards. I am the creator of Bulgaria's first computer animation movie and the country's first multimedia.

I would like to share my varied experience by participating in the project "Strategy for development of the Bulgarian book market".

The book market was and remains in the Real world, which has an alternative in the Virtual world. This acutely poses the question: how is the book different from the other information carriers/ media? The principal challenge that the book faces nowadays is whether it will prove to be a quality transmitter for the information's new incarnations. This may prolong her life, or be the end of it. So far as the period of her actuality is concerned, it is obviously expiring. However, this is no reason for tragic drama, but rather an occasion for... a change. This is exactly what we expect of the Strategy for development of the book market. In this strategy there is neither time for ostrich tactics - it is silly to pretend that we do not notice its competition, nor is there room for confrontation tactics - slowing the pace of natural development processes has one single price - a trip down the road to the recycle bin if the book is not to be updated. The change aims at improving *<The Book>* just as much as it is needed at this moment. In the pursuit of this goal only I propose a few steps, inspired by the Strategy that I received:

Obviously nowadays the book's problems are not only and entirely left to the book-sellers and producers to deal with. It therefore follows that discussion has to be expanded to include at least two more state institutions - the Ministry of Education and of Information. Without their participation every strategy is bound to degrade into yesterday's tactics. The education needs to incorporate some indispensable actual initiatives related to the new technologies and formats and to the fact that there are very many Bulgarians abroad who wish to remain Bulgarian. In the quest for a solution for helping them in that there will be many and valuable opportunities.

I propose that a council of experts joins the present mechanism and participants working for or simply interested by the Strategy. This council for VIRTUALISATION* (of the book in the end of the day, as a classical source of authorship) should include professor Burnev's Information Society, the Informatics Institute of the Bulgarian Academy of Sciences, Computer-scientists from other Universities, the Virtual Culture MA program, the Bulgarian Society for Multimedia Art etc. The very least they will do is to establish obvious facts such as a way to expand the book market into a multimedia market (which it is anyways), following its logical evolution.

If we are to qualitatively "renovate" the pristine "book palaces" - libraries and community cultural clubs, they need to again become attractive to a contemporary public. This means each library and if possible community cultural club having a well-equipped and maintained multimedia hall, and multimedia cabinets for the remaining places. The Virtualisation Council can be of help here as well.

Another book palace are bookshops - and they too, need help in attracting public attention through various initiatives. On the instant I propose that the night of the 22nd-23rd of April (the international book's day) to turned into a **Bookshop Night** (as in the Musea and galleries night), as a part of the program "Bulgaria Reading". I am prepared to provide a detailed scenario for the event as well as its subsidising by the media.

It is good to help publishing houses with know-how too, because these are the forges of Information's new armour, even if it is paper-bound information.

The development of "**Bulgarian Book Portal**". The person to order and finance it will do good to the whole of the Bulgarian people here and ABROAD! I underline abroad because among the numerous Bulgarians who fled there many love not only to read, but also to write. On the other hand, the Bulgarian book's road across the borders is extensive and expensive. Since there is Internet it is futureless too.

The efforts to bring the book market to function correctly demand constant care for increasing the number of active readers. It is also needed to find and develop alternative ways to attract and convert non-reading public. An investigation along these lines can lead to a Program with the options of for instance "Speaking books", Radio books, etc. This will show that we help people, not just ourselves. For example I can provide the students with audio files such as *.mp3 records of the books from the school curriculum reading list right away. Of course all of this needs to be carried out with the complete recognition of copyright.

Let the specialists take care of the rest. It is quite an obvious fact that out country is late and in trouble with implementing modern methods of education. Due to this we all suffer an acute insufficiency of skills for informational and state-of-the-art technologies. Therefore all means for improving the qualification of personnel of all levels appear not only justified, but obligatory. It is better though that the methods and forms of virtualisation of certain books are subject of discussion of the Expert council for virtualisation in education and culture (ECVEC).

And let us not forget - virtualising the Bulgarian book can elevate it to new and high orbits, but it may also do away with it, because the "translation" is not and can not be verbatim but it bears the price of a new publication.

*Virtualisation - the transcription of books and other aging information-carriers in an electronic archive, data base and knowledge bases, the creation of their multimedia, DVD and e-versions on Internet.

* Multimedia library - a place for storage and exhibition of computer and Internet-based electronic products.

Sofia, 24.01.2007

Statement of Bulgarian Posts EAD

In an e-mail of 29 January 2007 Ms. Nadya Yorgova, expert from the Strategic Management and Corporate Development Department, stated the support of the Bulgarian Posts for the Development Strategy for the Bulgarian Book Sector.