DIRESOC

Digitalisation and Restructuring: which social Dialogue?

WP1 "Literature review and experts interviews"

Country Report Bulgaria

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Table of Contents

Introduction

This report is prepared in the framework of WP 1 of DIRESOC project. DIRESOC intends to contribute to a better understanding of the impact of digitalisation in European societies, analysing digitalisation as a cause of companies restructuring and highlighting the role of social dialogue. Assessing the capacity of social dialogue to anticipate and to manage the social impact of restructuring, DIRESOC contributes to identify inspiring solutions and at the same time obstacles to the fruitful participation of social partners.

The social dialogue in Bulgaria[1]

The industrial relations (IR) system of the country was emancipated from the aegis of the communist party in the year 1990. IR system was shaped by the economic and political changes and in the context of tripartism, developed initially under the impulse of the International Labour Organisation (ILO) since 1990, and after in the context of the European integration and the EU-membership since 2007 (Kirov 2005).

Bulgaria's industrial relations system include different tripartite structures for national and sectoral social dialogue (Iankova 2000) and collective bargaining structures at sector/branch level and the enterprise level and, in some cases, also at the territorial level (municipalities) (Kirov 2019). The national tripartite cooperation is taking place within the National Tripartite Cooperation Council (NCTC) (since 1993), in the Economic and Social Council (ESC) (since 2001) and within different tripartite governing or supervisory bodies within the employment and social security administration. Sectoral tripartite cooperation takes place at sectoral/branch councils under the umbrella of the respective ministries (in about 50 councils). Although trade union density and the impact of the collective bargaining are decreasing since the 1990s (see details in Kirov 2018 and Delteil and Kirov 2017), the collective bargaining coverage is important for a number of sectors and companies.

The main actors in the development of the industrial relation system on the trade union side were the reformed old social partners' structures and the newly created organisations – two trade union confederations are of enduring importance. Konfederatziata na nezavisimite sindikati v Balgaria (KNSB) (CITUB, Confederation of Independent Trade Unions of Bulgaria) is the largest trade union in Bulgaria. CITUB was established in 1990, on the basis of the old unique trade union during the communist period. The membership of the confederation stands at about 250,000 in 2014. Konfederatziata na truda "Podkrepa" (Confederation of Labour (CL) "Podkrepa") was formed on February the 8th, 1989 by a small group of dissidents. However, after the political changes in 1989 the CL "Podkrepa" rapidly became the second largest trade union confederation in Bulgaria with strong presence in all sectors and regions. According to the last available data Podkrepa CL has about 91,738 members in 2012.

Compared to the trade union movement, on the employers' side pluralism is much more prominent (Kirov 2019). At present, five organisations have the statute of nationally representative (since the last Census of 2016). The inheritors of the old structure of managers of state-owned companies, Balgarskata stopanska kamara (BSK) (Bulgarian Industrial

[1] See more in Kirov, 2018

Association - BIA) and Balgarskata targovsko-promishlena palata (BTPP) (the Bulgarian Chamber of Commerce and Industry - BCCI) co-exist with the more recently established organisations, such as the Konfederaziata na rabotodatelite I industrialzite v Balgaria (KRIB) (Confederation of Employers and Industrialists in Bulgaria - CEIB), claiming to be representing significant part of the country's GDP and employment, or Assoziaziata na industrialnia capital v Balgaria (AIKB) (Association of the Industrial Capital in Bulgaria - AICB), representing the former mass privatisation funds. Since the beginning of 1990 until 2012, two organisations of small businesses, the Saiuzat za stopanska initziative (SSI) (Union for Economic Initiative) and the Saiuzat na chastnite predpiremachi "Vazrajdane" (the Union of Private Employers "Renaissance") were active members of the employers' movement, being recognized as nationally representative. Since 2016, UEI was again recognised as nationally representative. Till 2012 one company could be member of more than one employers' organisation, but the rules changed and now can be member only of one employers' organisation. At sectoral level both the organisational structure and the attitude of employers' organisation make the collective bargaining difficult. Firstly, in some sectors, there are no employers' organisations with which trade unions can negotiate. In other cases, employers' organisations exist at sectoral level, but are not ready to negotiate and, as in other countries in the region, their role if limited to business representation and lobbying.

During the last years, the prevailing attitude of employers is to skip joining employers' associations or not to authorise them to conclude sectoral/branch agreements. The latter could be the case not only of local employers, but also for large multinational companies, coming from countries with strong social dialogue traditions such as Germany or Belgium, among others.

The report includes three parts: a short methodological section, presenting the fieldwork; a section focused on the national level developments related to digitalisation-driven restructuring and a third section on sectoral level developments in the four selected sectors.

1. Methodology section

The field work for the report in Bulgaria included 11 interviews in total (see details in table 1)[2], carried out between June and September 2018. Three interviews have been carried out with national level social partners and eight - with sectoral social partners. In some sectors there were serious difficulties to arrange interviews with some of the social partners. Most often this is the case because of the non-existent or very weak social partners organisations (as in the financial sector or yet in tourism).

[2] We acknowledge the support of all representatives on national and sectoral level by taking part in in-depth interviews within this study.

Table 1. Key informants interviewed[3]

1	National level representative, Employers' organization (ISSK)
2	National level representative, Confederation of Labour Podkrepa (CL Podkrepa) (ISSK)
3.	National level representative, ISTUR, CITUB (ELI)
3	Sectoral level representative of a trade union, Metal Sector (CITUB) (ISSK)
4	Sectoral level representative of employers' organization, Metal Sector (ISSK)
5	Sectoral level representative, Tourism sector, CL Podkrepa (ISSK)
6	Company level representative, Insurance branch (ISSK)
7	Sectoral level representative, Federation of communication "Podkrepa" (ELI)
8	Sectoral level representative, trade union, postal services and Manager, BG Posts sorting centre (ELI)
9	Member of the Board of Directors, Bulgaria post PLC (BP PLC) (ELI)
11	Representative of TUFC, postal sector (CITUB) (ELI)

The interviews have been analysed together with respective social partners' documents and other relevant information sources.

2. Digitalization, restructuring and social dialogue in Bulgaria

2.1. Digitalization and restructuring

Digitalization

Bulgaria has some traditions in the development of its ICT sector (Yordanova and Kirov, 2017), but still the country is among the less performing within the EU. The European Commission DESI index places Bulgaria as one of the laggards in the European Union[4]: the country ranks 26th out of the 28 EU Member States, according to DESI 2018. The DESI 2018 country report states that overall, Bulgaria has retained its ranking from last year with some slight improvements to its score. In particular, the "low level of digital skills combined with shortages of ICT specialists and underinvestment in digital infrastructures may be among the reasons why the digitisation process in Bulgaria is slow both in the public and private sector". What is particularly relevant is that "Uptake of digital technology by enterprises is slow in Bulgaria. A growing ecosystem of digital and tech entrepreneurs has emerged in recent years, but investment in the digitisation of the economy is still limited (DESI).

[3] It has not been possible to have interviews with representatives of the business associations of tourism and financial services (banks). The views of the employers of these sectors have been reflected in the report, however, through the publicly available documents.

[4] http://ec.europa.eu/information_society/newsroom/image/document/2018-20/bg-desi_2018-country-profile_eng_B43F6DD5-FDA8-134C-B36DA7214990F864_52215.pdf (Last ccessed on 7.01.2019)

Bulgaria is well placed at the level of public digitalization-development strategies. During the recent years, the country has adopted a Broadband strategy[5], an e-skills strategy[6] and a plan for its implementation (2015 - 2017)[7]. The country has also recently adopted a Concept for the digital transformation of industry (Industria 4.0)[8] and an e-government strategy[9]. What is problematic is that some of these strategies set concrete goals, but do not envisage the necessary resources to reach them. For example, the Concept "Industria 4.0." includes a SWOT analysis and number of objectives and indicators, but it is not clear who is responsible to implement the different measures and how they will be financed. This is not an isolated case, often in Bulgaria the existing strategies have been developed in order to comply with EU requirements and not to serve directly as a policy instruments (Delteil and Kirov 2017).

As in other countries in Central and Eastern and in Sothern Europe, in Bulgaria digitalisation is at an early stage and in general does not impact yet restructuring practices in companies.

Restructuring

Bulgaria experienced a long and painful process of restructuring since the fall of communism (Kirov, 2011). The country was particularly hit by the financial and economic crisis that started in 2008. Since 2009 GDP stagnates and unemployment rose from less than 6% to about 13% in 2013, but a recovery took place since then (about 6% in 2018). All the economy (including the public sector) during the crisis was impacted by the job losses, however they were more pronounced in sectors such as construction, real estate, services, mining, etc. There were many job losses in SMEs while cases of large layoffs were relatively rare after 2010, according to the restructuring database of Eurofound[10]. In the same time there were also a lot of large investment projects leading to job openings in retail, IT, manufacturing and logistics among others. The restructuring practices in Bulgaria slightly changed since 2010 (Kirov 2014). The main new developments were the continuous use of subsidised partial unemployment (subsidised by the European Social Fund - ESF and by the state budget), the implementation of different measures for integration of unemployed (part of them targeted at the victims of restructuring), the intensified social dialogue in 2009 – 2010 about the anti-crisis responses and the introduction of some new anticipation tools and national or sectoral level. In the same time legislation in place continued to offer possibilities for a more socially responsible management of the restructuring, but these opportunities are used rarely by employers. In other words, using the adapted typology of restructuring regimes of Gazier (see Gazier 2008 and Bergstrom 2014), for the Bulgarian case we could hypothesise a move from the market based, quantitative adjustments (concerning working time and the number of employees) to a dual situation combining market based adjustments and state intervention in the form of subsidised short-time working schemes.

5 https://www.mtitc.government.bg/sites/default/files/uploads/it/bg_nga_plan_eng.pdf (Last accessed on 7.01.2019)

6 http://mon.bg/upload/6543/strategia_efektivno_ikt_2014_2020.pdf

7 http://mon.bg/upload/6544/2015_Plan_Strategia_IKT_vnedrjavane.pdf

8 https://www.mi.government.bg/bg/themes/koncepciya-za-cifrova-transformaciya-na-balgarskata-industriya-industriya-4-0-1862-468.html

9 https://www.mtitc.government.bg/sites/default/files/uploads/pdf/e_governance_strategy.pdf

10 http://www.eurofound.europa.eu/emcc/erm/index.php?template=searchfactsheets&kSel=1

With the recent economic recovery, Bulgaria started to experience a deficit of labour force. Traditionally, in Bulgaria there is an understanding that the human resources are well trained and qualified. Most of the available indicators confirm this conclusion (enrolment rates in secondary and tertiary education among others). Secondary school (secondary education) and college/university (tertiary education) attainment of Bulgarian men and women rose in the last decade (Eurostat, NSI). The Europe 2020 Strategy focuses on the skills increase. Among the national targets for Bulgaria it is set that at least 36% of 30-34–year-olds should complete third level education (ISCED levels 5 and 6) in 2020 (the European target is 40%). In 2015 with 32,1% Bulgaria is not far from reaching the target.

But if general skills levels are high, there are indications for the existence of specific skills gap. The Industrial Performance Scoreboard of the European Commission suggests that in 2011 Bulgaria had a lower share of employees (14%) with high qualifications in manufacturing than the EU27 average of 20%. This fact is also visible from multiple studies and analyses concluding that several sectors in the country lack qualified labour force[11]. Although some attempts to address the situation have been done: the recent introduction of the dual vocational education system (with few pilot projects going on since 2015); the implementation of analytical tools for the mismatches (e.g. the initiative of employers' competence.bg) and the increasing role of social partners in setting the educational standards to better respond the labour market needs (through the National Agency for Vocational Education and Training NAVET), the situation is still problematic.

2.2. Social dialogue and view of the actors

According to the interviewed representatives of national level social partners, the most impacted companies in terms of digitalization and related restructuring are the foreign private large or medium size companies (Interview with employers' organisation).

There is social dialogue only in the branches/sectors where there is representation both of employers and of trade unions:

> *The dialogue goes mainly along the lines of the branch and company level collective labour agreements (CLAs), where there is representation of trade unions and employers' organizations.* (Interview with employers' organisation, national level).

For the interviewed national level employers' representative, the most relevant debate concerns the shared economy, where the European legal framework will impact, as illustrated in the following citation:

> *In the process of debate and future development within the so-called shared economy. Main issues: distinction and specificity of labour law and civil law relations, regulation of E-platforms and taxation.* (Interview with employers' organisation, national level).

[11] See for example Ramboll, Bottleneck Vacancies in Bulgaria, ec.europa.eu/social/BlobServlet?docId=12645&langId=en; http://www.segabg.com/article.php?id=753710 (Last accessed on 7.01.2019)

The new topics of social dialogue concern the debate about the differentiation of the labour law and the civil law (for example in the case of the so called civil contracts for service provision), the regulation of the e-platforms and the respective fiscal practice and the introduction of a flexible labour legislation and flexible employment forms. In these debates all the social partners are active.

According to the interviewed employers' representative, the consequences of the digitalization of social dialogue rules and practices are multiple and in different directions:

> *The consequences are varied, in different directions. The share of self-employed people increases; as well as the risk of entering the grey sector; the coverage of trade unions is decreasing; conditions for expanding the direct representation of employees are created* (Interview with employers' organisation, national level).

The influence of the EU social dialogue has impacted moderately the national level social dialogue, for example through the signed agreements for the regulation of distant and home-based work, implemented in the Bulgaria national legislation after tripartite social dialogue in 2010.

According to the employers' representative, the agenda of the employers' organizations include the implementation of flexible labour and employment relations and modernization of the 'archaic' labour legislation in response to the current changes driven by digitalization. The respondent affirms that there is a need to make social dialogue in the country more intensive in order to implement and apply the existing EU level social dialogue agreements. The only agreements related to the new economy and the digitalisation in Bulgaria are the above mentioned from 2010, regulating employment in distant and home-based work. However, according to the employers' there are no specific debates or seminars related to the digitalization in Bulgaria.

The expected impact of digitalization of the quality of work and skills is illustrated in the following citation:

> *Increased non-traditional employment may be allowed - self-employed persons (including in the grey sector), distant and home-based work (beyond its classical character). Rise in re-training needs and new skills.* (Interview with employers' organisation, national level).

For Bulgaria, the digitalisation in the future will include the increase of IT and business process outsourcing (Kirov and Mircheva 2009), the further increase of the use of shared platforms and the related increase of self-employed and platform based sub-contractors. In the same time employers consider that digitalization will contribute to the increase of jobs and activities with high value added and this will lead to better remuneration and incomes from the provided services.

The employers' organizations consider that there is no need to regulate, before it is clear what the nature of the digitalization-driven change is:

> *It should not be a rush of an unnecessary legal regulation before that the affair has a clear appearance and characteristics, respectively before a real societal need arises.* (Interview with employers' organisation, national level).

Trade unions in Bulgaria have been in a way much more active in the digitalization-driven debates. Both confederations and some of their sectoral federations have organized different events in order to discuss the future of work[12]. Recently, CITUB president proposed the creation of an Alliance for the Future of Labour, a body that will not only offer a space for debates, but also "to propose concrete decisions in the shortest possible time". For the CITUB president, Plamen Dimitrov, the Alliance should include both policy makers and representatives of state institutions, trade unions, employers and academic circles. The digitalization was also one of the main topics, discussed at the 2017 CITUB Congress[13]. Similarly, the CL Podkrepa initiated conferences and round tables about the future of work and the digitalization developments[14]. Despite this increasing interest and lively debates, for the moment the trade union messages are very general and few concrete measures have been proposed.

According to the interviewed trade union representative at national level, the world sharing economy is misleading; it concerns pure business practices, and something more, this phenomenon still takes shape:

> *It's very hard to talk about something that has still not been achieved in Bulgaria and one can't see how, how it will develop and what the advantages and shortcomings of this economy will be. Although, for me personally, this is, let's say, I can hardly call it sharing economy. It's a form of business. Aah, Uber, for instance, is pure business, which is done through platforms, electronic platforms. Of course, it's very different, but I wouldn't say it's sharing. Why? Because sharing implies, how should I say? It doesn't imply payment. A favour means to do something to help somebody without expecting anything in return. Otherwise, it's pure business.* (Interview with TU organisation, national level).

One of the most important impacts on employment is the boost of self-employment or a kind of entrepreneurship, as illustrated by the following citation on the example of traditional or 'new economy' taxi drivers:

[12] See for example: http://www.knsb-bg.org/index.php/deinosti1/2015-04-03-14-56-13/370-pazar-na-truda-i-rabotni-mesta/4707-%D0%BB%D0%B8%D0%B4%D0%B5%D1%80%D1%8A%D1%82-%D0%BD%D0%B0-%D0%BA%D0%BD%D1%81%D0%B1-%D0%BF%D0%BB%D0%B0%D0%BC%D0%B5%D0%BD-%D0%B4%D0%B8%D0%BC%D0%B8%D1%82%D1%80%D0%BE%D0%B2-%D0%B4%D0%B0-%D0%BE%D1%81%D0%B8%D0%B3%D1%83%D1%80%D0%B8%D0%BC-%D0%B1%D0%B5%D0%B7%D0%B6%D0%B8%D1%87%D0%BD%D0%B0-%D0%B8%D0%BD%D1%82%D0%B5%D1%80%D0%BD%D0%B5%D1%82-%D0%BC%D1%80%D0%B5%D0%B6%D0%B0-%D0%B2%D1%8A%D0%B2-%D0%B2%D1%81%D1%8F%D0%BA%D0%BE-%D0%B1%D1%8A%D0%BB%D0%B3%D0%B0%D1%80%D1%81%D0%BA%D0%BE-%D1%83%D1%87%D0%B8%D0%BB%D0%B8%D1%89%D0%B5 (Last accessed on 7.01.2019)

[13] https://www.expert.bg/KNSB-obsyzhda-digitalizaciqta-i-bydeshteto-na-truda--609008.html (Last accessed on 7.01.2019)

[14] http://podkrepa.org/news/%D0%BD%D0%B0-6-%D1%8E%D0%BB%D0%B8-2018-%D0%B3-%D0%BF%D1%80%D0%B5%D0%B7%D0%B8%D0%B4%D0%B5%D0%BD%D1%82%D1%8A%D1%82-%D0%BD%D0%B0-%D0%BA%D1%82-%D0%BF%D0%BE%D0%B4%D0%BA%D1%80%D0%B5%D0%BF%D0%B0-%D0%B4/ (Last accessed on 7.01.2019)

> *Yes, but in the two types of employment there is no security regarding the income to be earned so these people can support themselves and their families. Aah, so neither one nor the other can be included in the framework of, how should I say? Of trade unions, of some organisation. They don't consider themselves workers. They consider themselves more like entrepreneurs.* (Interview with TU organisation, national level).

The trade union view is that digitalization in services contributes to the increase of atypical work and employment, including in the grey sector.

However, according to the respondent, some resistance is needed on the behalf of those, engaged in platforms:

> *This is obstructed by the employers entirely. And when such a platform is created where workers in sharing economy have the possibility of comparing conditions etcetera, then it would be much easier for them to reach the conclusion by themselves that they must protect themselves, protect some minimum, some standards.* (Interview with TU organisation, national level).

The platform-based work can endanger both the present, but mainly the future of the employee, because of the undermining of pensions rights, e.g. if they pay social insurance contribution only at the minimum level:

> *At minimum social security basis, which means that years later they will at most have a social pension or a minimal pension. The two things are different. This will not guarantee their survival in any way.* (Interview with TU organisation, national level).

The trade union respondent is not afraid by the digitalization impacts in particular sectors, e.g. tourism, because in this case it is question of "*non-professional provision of accommodation or weekends*".

Concerning the digitalization of industry, the expressed view is that companies should pay taxes, the so called robot taxes, as a possible measure:

> *Aah, it is imperative to introduce some kind of tax, we haven't thought about it as robot tax, but we have discussed that companies must pay a tax, and considerable at that, because they take advantage of robots, some kind of automatisation, and because they don't pay salaries, don't transfer to society part of the income they receive. It will become necessary for their profit to be redistributed in some other way. This is one variant, robot tax. I still don't know whether the mechanism they have envisaged and proposed in the European Commission is adequate, but this is the only way, really the only way whereby the companies can continue to support part of society through redistribution. Otherwise, we will have robots working and there won't be anyone to use their products, because people won't have income. It is imperative to undertake measures along this line.* (Interview with TU organisation, national level).

In conclusion, both employers' and trade union organizations share the view that the phenomenon of digitalization is relatively new and not yet clear and concrete in the Bulgarian context. They agree that digitalization contributes to the increase of atypical work, but for the employers this means that the labour and employment legislation should be modernized, while for unions there is a need of better protection of the workers impacted.

3. Digitalisation related restructuring and Social Dialogue in selected sectors

The following sections examine the situation in the four sectors: tourism, manufacturing, financial services and postal services.

3.1. Tourism sector

Economic background

The Tourism sector has an important social and economic significance for Bulgaria. According to National Statistical Institute (NSI)[15], in 2012 24,917 companies were operating in Tourism sector. Their number decreases with 320 for a period of three years (2012-2015). In 2015, a total of 24,597 companies were operating in the branch. The number of employed in the sector also decreases for the same period – from 127,563 employees in 2012 up to 124,933 in 2015 (NSI). The share of sectoral employment as a percentage of total employment in the economy is 4.9 % in 2015.

It is important to be noticed that in the summer and winter season, many hotels are hiring seasonal workers. There is no publicly available information concerning the concrete number.

Table 2 Development of sectoral employment and companies

	2012	**2015**
TOTAL Number of companies in the sector (including one-person companies and self-employed)	24,917	24,597
Number of self-employed and one person companies	13,835	14,066
Number of small and medium sized Companies with 2-50 Employees in the sector (more than one employee and up to 50 employees)	10,824	10,255
Number of companies with more than 50 employees, and up to 250 employees	242	260
Number of companies with more than 250 employees	16	16
Aggregate employees	109,317	106,979
Male employees	40,093	39,964
Female employees	69,224	67,015
Share of sectoral employees as a % of total employees in the	4.8	4.6

[15] http://www.nsi.bg/en/content/6941/tourism?page=1

	2012	2015
economy		
Aggregate employment	127,563	124,933
Number of self employed	18,246	17,954
Male employment	53,649	52,925
Female employment	73,914	72,008
Share of sectoral employment as a % of total employment in the economy	5.1	4.9

Source: NSI, Annual survey on Number of employees, wages and salaries and other labour costs

The representativeness of trade unions and employer organisations in the Tourism sector

Three trade unions operate in Tourism sector: the Independent Trade Union Federation of Employees in Commerce, Cooperatives, Tourism and Services (ITUFECCTS) at Confederation of independent trade unions in Bulgaria[16] (CITUB), the National Federation Commerce, Services, Customs and Tourism Podkrepa CL (NFCSCT Podkrepa CL) and Syndicate of Tourism in Bulgaria (STB) at CITUB. Two employers' organisations are also presented: Bulgarian Tourist Chamber (BTC) and Bulgarian Hotel and Restaurant Association (BHRA).

The economic crisis had slightly negative impact on the social partners' organizations: one of the trade unions has lost members. ITUFECCTS has seen the number of its active members in this sector to decrease from 640 in 2012 to 510 in 2016. There is no publicly available information concerning the economic crisis impact on the employers 'organisation, as well as for the other two trade unions. There are two collective labour agreements valid in the sector – at branch level (Collective labour agreement for branch Tourism 2016-2018[17]) and one single-employer agreement, at company level – in the public company Prevention, Rehabilitation and Recreation EAD[18]. Even if the Tourism sector is one of the largest employers in Bulgaria, collective bargaining coverage is almost marginal, both at sectoral level and within the companies operating in it.

Digital innovations

According to the last report[19] of Nielsen[20] - a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide- the Bulgarians are in seventh place in the world tendency of people to share their possessions. Before Bulgaria are China, Indonesia, Slovenia, the Philippines, Thailand and

[16] http://www.knsb-bg.org/ (Last accessed on 7.01.2019)
[17] https://www.btch.bg/PDF/KTD_BTK-2016-LAST.pdf (Last accessed on 7.01.2019)
[18] http://www.protours.bg/index.xsp?page=aboutus (Last accessed on 7.01.2019)
[19] http://www.investor.bg/ikonomika-i-politika/332/a/bylgarite-sa-sedmi-v-sveta-po-sklonnost-da-spodeliat-pritejaniiata-si-233451/ (Last accessed on 7.01.2019)
[20] http://www.nielsen.com/us/en/about-us.html (Last accessed on 7.01.2019)

Mexico. Despite this, the shared economy is not well developed in Bulgaria. The review of couchsurfing.com shows that up to September 2018, there are total of 12,971 registered hosts only in Sofia[21] (the capital of Bulgaria). In Airbnb, the available rentals are much less - 306. However, the registered users are individuals, not companies, which in no way allows trade unions and employer organisation operating within the sector to represent / protect their rights.

According to the interviewed respondent from the trade unions in tourism, digitalization challenges the labour legislation in Bulgaria as actors in the sharing economy providing accommodations are physical persons. They do not have (single) employer and concrete workplace. So unions cannot obtain information about their working conditions, working hours, quality of jobs, or types of activities performed.

> *'We can't place on an equal basis the standard, traditional business and the worker who is being 'dressed' in an entrepreneur's suit.'* [BG_Tourism_TU]

The Ministry of Tourism is trying to stimulate the digitization of tourism in Bulgaria. According to Tourist Minister Angelkova[22]: "A QR code will be introduced which will inform users about a tour operator or hotel, referring to their details in the National Tourist Register. We place a great emphasis on the digitization of tourism, which is a leading component of the Bulgaria's marketing and advertising as a four-season destination. In this sense, it is important for each region to show its strong tourist destinations. Three tourist regions have already been set up, five more are to be established, she said".

In conclusion, the digitization in the Tourism sector in Bulgaria is taking place slowly and there is still almost no role for the social dialogue. As online platforms development is going on, the social partners in the sector envisage discussing the adaptation of labour legislation.

[21] https://www.couchsurfing.com/places/europe/bulgaria/sofia (Last accessed on 7.01.2019)

[22] http://www.tourism.government.bg/en/kategorii/novini/minister-angelkova-tourism-council-partnership-business-and-municipalities-we-raise (Last accessed on 7.01.2019)

3.2. Manufacturing

Overview of the sector

In the years 1989 and 1990 Bulgaria had the second highest share of industry in its GDP among Central Eastern European countries, much higher than it was the case for developed market economies in Europe[23]. However the industry of the country was particularly hit in the early transition. During the post-communist transition Bulgaria experienced a process qualified by many observers as deindustrialization (Kirov 2011). The industry has been almost entirely privatised between 1996 and the beginning of the decade of 2000. The post-privatisation restructuring is more or less completed in the following years.

The recent Eurostat data[24] suggests that industry in Bulgaria has a relatively stable role in the GVA (Gross Value Added) for the period 2006 – 2015 (respectively 22,3% and 23%) which is larger than the EU 28 average (20,1% and 19,2%). The largest branches of the manufacturing industry in terms of their contribution to the GVA in 2012 are food, beverages and tobacco; chemical; metal; machinery and electronic; textile and clothing and so on. The overall employment in the Manufacturing industry in 2014 is 517 574 persons (compared to 524 606 in 2010 and 641 325 in 2006).

The focus of this section is on the Metal sector (see more in Kirov 2018, non-published). The metal sector in Bulgaria has been well developed since the time of state socialism[25,] when in general heavy industry was considered as a very important tool for economic development. In the period 1970-1989 there were 730 factories operating in this sector in the country with about 430,000 employees. The metal sector (including machine building) contributed to 30% of the country's total manufacturing output in the late 1980s. However, the sector experienced serious crisis at the beginning of the 1990s[26], when many large state-owned companies collapsed and the country experienced mass unemployment after the dissolution of the Council for Mutual Economic Assistance (for the post-communist restructuring see Kirov 2005 and Kirov 2011). The privatization in the sector took place at the end of the 1990s and the beginning of the decade of the 2000, as in general was the case for the Bulgarian manufacturing. In parallel to this process, newly established SMEs started to operate in the metal sector and some of them experienced significant growth in the following years. Since the 1990s, foreign direct investors started to enter in the sector, building greenfield factories or buying-out and modernising former state-own plants.

[23] Drahokoupil and and Galgoczi, 2014

[24] http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Figure_2_Relative_importance_of_manufacturing_(NACE_Section_C),_2013_(%C2%B9)_(%25_share_of_value_added_and_employment_in_the_non-financial_business_economy_total).png (Last accessed on 7.01.2019)

[25] There were also some metal sector companies before the WWII, see http://www.investbg.government.bg/bg/sectors/facts-17.html (Last accessed on 7.01.2019)

[26] The structure of the industry in Bulgaria experienced significant structural changes all along the post 1989 period. In the early 1990s many industrial regions were already severely affected by the large waves of restructuring. Closures of heavy industries and electronics and computer assembly plants were disastrous, especially for mono-industrial regions dominated by one large enterprise. During the last 25 years all economic sectors have been subject to drastic changes.

Social Dialogue and Digital developments

The industrial relations in the metal sector are well developed. Employees are represented by two main trade unions, members respectively of the national trade union confederations CITUB and CL Podkrepa: respectively National Trade Union Federation Metal-Electro (NTUF Metal-Electro) and the Trade Union Federation of Metal Workers (TUFMW). There are three other sectoral trade union federations that also represent the interests of employees in the metal sector[27]. The employers are part of the sectoral organization Branch Chamber - Machine Building (BCMB). There is no recent data about the trade union or employers' density. The last available information is from the Eurofound representativeness study from 2010. According to it the total trade union density is 15.5 %. Most probably, the trade union density has decreased since then. In 2010 BBCM used to represent 320 companies (including from the activity C 25). At present, the members of the employers' organisation are about 300[28]. In the sector there is a sectoral CLA (however not signed again in 2018[29]), regulating mainly some general principles covering employment, health and safety, training, holidays, but with few concrete parameters. There are number of CLAs at company level, mostly in companies that used to be state-owned[30]. There is no data about the number of CLA in this economic activity. According to the last available annual report of NICA (p. 14)[31], in the manufacturing the overall number of CLA is 227. In the sector there is a tripartite Council for social partnership - Sectoral Council for Social Cooperation (machine building), under the umbrella of the Ministry of Economy.

According to interviewed the trade unions, digitalization in this sector means mainly the introduction of new technologies and machines with digital program management (Computer numerical control - CNC). This process in Bulgaria takes place mainly at the large enterprises (more rarely in the medium-size companies) and in specific sub-branches – e.g. in the hydraulics sector and in metalworking companies. Most of the companies active in terms of digitalization are multinational, but there are also some domestic enterprises investing in such technologies. This trend is increasing over the last two years. This leads also to the overall improvement of working conditions, compared to 4-5 years ago. The main investment sources in new technologies and machines are the companies' own capital and programmes, subsidized by the EU funds in the country.

The main barrier to the digitalization-related investment is the lack of own capital and the shortage of qualified labour in the sector. The second issue, representing a barrier, according to the trade unions is the specific focus of the social dialogue between trade unions, employers and the state institutions. The closure of a large part of the enterprises after the 1990th and the massive loss of jobs in the sector created difficult to overcome psychological barriers and contributed to the loss of prestige of the professions in the sector. Not only do they not only meet the needs of the sector as a quality of education, but also not enough to

[27] See for details https://www.eurofound.europa.eu/observatories/eurwork/comparative-information/national-contributions/bulgaria/representativeness-of-the-european-social-partner-organisations-metal-sector-bulgaria (Accessed on 18.10.2018)

[28] http://bbcmb.org/#chlenove.html (Accessed on 18.10.2018)

[29] According to interview with sectoral social partners.

[30] Implementation of trade union sections in newly build plants is rather difficult, according to expert interviews

[31] http://www.nipa.bg/sites/default/files/2018%20CLA%20CLD%20ANNUAL%20REPORT.pdf (Accessed on 18.10.2018)

specialists in the metal sector professions: engineers, qualified workers and operators, machine technicians and others.

According to the interviewed trade unions representative, while in general in Europe it is expected that Industry 4.0. will lead to job destruction, in Bulgaria there willbe still a long process before all the plants become modernized and robotized and in present the main problem is the shortage of labour. The reskilling is relevant for the younger staff as an anticipation measure for the future.

In the framework of sectoral and company level social dialogue in the metal sector there were no talks about staff downsizing, because of the introduction of new technologies. The main focus of the join actions of trade unions and employers is the professional qualification and training in the sector to overcome skills shortages.

The digitalisation related challenges are present as an awareness issue. Concretely in the domain of digitalization, the sectoral trade union has taken part in conferences and debates organised by the CL "Podkrepa" or in the framework of EU funded projects.

For the employers' organisation in the Metal sector, the most important part of digitalization is related to the Industry 4.0.:

> *"Industry 4.0 includes several elements, one of which is automation, system robotics and information technology, which are a variety of production management and management systems. The robotization is a major element of industry 3.0 and if we look at Bulgaria 30 years ago in the field of robotics, we were no worse than now. "* (Interview, Employers' organisation)

Digitalization can be applied if a company in the sector is a subcontractor, if it has a secure market, and then there are real prerequisites for industry 4.0. But if the enterprise is running just separate orders by a diversity of customers – e.g. today, a single drawing, tomorrow by another drawing, as it is often the situation in the sector, there is no question about automation and robotics.

The interviewed employers' representative considers that in the Metal sector in Bulgaria it is unreasonable to believe that the mainstream professions will disappear soon. Social partners consider that there will be introduced some elements of digitization, but the professions will be preserved due to the specificities of the different productions: there must be casting, processing, that implies the transformation of the main professions, but not their disappearance.

The main trends in Bulgaria include the fact that over the last three to four years, machine building and the metal sector have developed very well, in the context of economic growth in the EU as a whole. Companies benefit from the fact that there are a lot of funds available under the Operational Programs; they also invest their own resources for the acquisition of the latest CNC equipment. Many companies have also invested in specific robotized production lines, but this usually covers only a fraction of the whole production process. The main players in the digitalisation transformation in the sector are the foreign investors, coming with their technologies.

According to employers' representative, a major problem for the digitization of the sector is the lack of internal motivation of the workers to continuously upgrade their qualifications, while Industry 4.0 requires lifelong learning. The problem is also related to the Bulgarian VET system, which does not respond flexibly to the change sand challenges and does not provide the necessary qualifications. The social dialogue in the sector is difficult, also because some of the foreign investors do not accept to become members of the employers' chamber.

In conclusion, both employers' and trade union representatives are well aware about the process of digitalization and its challenges. They agree on some of the barriers for the digital developments – e.g. the shortages of qualified staff, but have different views about others. For employers', a major barrier is the lack of motivation of Bulgarian employees to be involved in LLL. The social dialogue is focused on the training, re-training and transformation of particular professions.

3.3. Financial services

Overview of the sector

The financial services in Bulgaria have been privatized and now are largely dominated by foreign banks and insurance companies. At the end of 2017, according to EBF[32], there were 27 banks operating in Bulgaria, five of which were foreign banks' branches. The top five banks held approximately 55,9% of all assets in the banking system. At the end of 2017 the market share of domestic banks and those of the EU subsidiaries remained unchanged at 23,5% and 72,9%. The overall number of employed in the sector of financial services is 63 700 in 2017.

The picture about the digitalization of the Bulgarian banking sector seems controversial. Eurostat indicates that in 2017 only 5% of the population used a digital banking channel, while Europe's average share was 51%. What is more, it appears that over the last four years the penetration of the electronic service in Bulgaria has not increased at all.

On the other hand, according to EBF, the share of electronic transfers is growing rapidly:

The volume of cashless payments has been growing steadily. More specifically, between 2014 and 2016 the number of card payments increased by 44%, and the amount of card payments increased by 38%, while the amount of card payments initiated through virtual POS terminals grew by over 20%. In 2016, more than 50% of credit transfers were initiated electronically by users, which represents two thirds of the total value of all credit transfers. According to preliminary data from the Bulgarian National Bank (BNB – the Central bank of Bulgaria) for 2017, these trends have been maintained. (EBF, 2018[33])

A NSI survey among Bulgarian bankers[34] suggests that the digitalisation is taking place rapidly: e.g. in the largest bank, UniCredit Bulbank about 80% of the cash operations are no

[32] https://www.ebf.eu/bulgaria/ (Last accessed on 7.01.2019)
[33] https://www.ebf.eu/bulgaria/ (Last accessed on 7.01.2019)
[34] https://www.capital.bg/biznes/finansi/2018/04/25/3169051_krivorazbranata_digitalizaciia/ (Last accessed on 7.01.2019)

longer carried out in a branch and in one of the three main self-handling locations at an ATM (the bank invests in several self-servicing ATMs), electronic banking or mobile banking.

Digitalisation and social dialogue

The social dialogue in the financial services in Bulgaria is very limited: the last available data is from Eurofound, from 2011 for banks[35] and 2012 for the insurance branch[36]. There is no sectoral level social dialogue and trade unions are present only in two or three banks. According to Eurofound, the collective bargaining coverage in the sector is below 25%. On the employers' side there is one actor – the Association of Banks in Bulgaria (ABB[37]). On the trade union side there are few very small unions: FTUFB (Federation of Trade Unions of the Financial Sector in Bulgaria), member of CITUB and the independent National Banking Union. At company level unions are operating in Unicredit - ITUE– Unicredit Bulbank Independent Trade Union of Unicredit Bulbank, the UBB – Union of Employees and Workers in United Bulgarian Bank and in the State Savings Bank, part of the Hungarian OTP Group. In 2011, the trade unions sections have less than 4000 members or relatively low density.

In the insurance sector, the 2012 Eurofound study suggests that there is no sectoral-related trade union organisation and no collective bargaining takes place, either on sectoral or at company level.

Finally, in the other financial services there are no unions and no social dialogue.

The weak actors and collective bargaining in the sector of financial services in general does not allow the development of social dialogue initiatives related to digitalisation. The employers' association ABB is relatively active in co-organizing events and debates about the digital disruption in the financial services[38], but this is not part of the social dialogue and does not involve trade unions.

3.4. Postal Services

When investigating the digitalisation of the public services' sectors in the country, facts show that as a whole, the impact of digitalization in the postal sector is not as great, compared to electricity, water and heat supply where processes are computerized at a high degree and for a couple of years and where interaction with customers years has been done via electronic invoices and data processing. Indeed, the digitisation for the postal and logistic services is most visible in the multinational and the biggest national companies like DHL Bulgaria (an example of full electronic communications with customers) as well as in the most national private logistics companies.

[35] https://www.eurofound.europa.eu/sites/default/files/ef_files/docs/eiro/tn1009018s/tn1009018s.pdf (Last accessed on 7.01.2019)
[36] https://www.eurofound.europa.eu/sites/default/files/ef_files/docs/eiro/tn1102028s/tn1102028s.pdf (Last accessed on 7.01.2019)
[37] https://abanksb.bg/ (Last accessed on 7.01.2019)
[38] http://events.idg.bg/bg/2017/finances/ or https://www.investor.bg/biudjet-i-finansi/333/a/digitalnite-banki-evoliuciia-ili-revoliuciia-218877/ (Accessed on 18.10.2018)

Postal services in the country also marked a digital advancement, as the postal companies have had to review their business processes, invest in ICT and in the diversification of areas such as financial services and logistics.

The retrospective review of the BG postal sector shows that for many decades, the postal industry in Bulgaria has offered postal services via a monopoly over the national postal market. In 2011 the national postal industry endured a phase where the national postal market was subjected to liberalisation. This was due to various reasons such as inefficiencies of the postal services, ambiguous monopoly legislations, mounting pressure from competitors, and changing nature of customer demands. After the liberalisation phase, the national postal industry faced a significant challenge from digital services. Digital services were responsible for the constant declines in previously profitable letter service volumes. In response, the postal industry started developing and implementing digital postal services such as pensions' distribution, track and trace processes, sorting of parcels and so on.

The Bulgarian postal market: an overview

The historical postal operator in Bulgaria, Bulgarski Poshti EAD (BP PLC) was established in 1879. It is a 100% state-owned company providing universal and non-universal postal services together with some 'social functions' (payment of unemployment benefits, social welfare and pensions)[39].

The provision of the universal postal service (UPU) throughout the territory of the Republic of Bulgaria and of the services included in the scope of the UPU, as well as the provision of the service "postal delivery", which does not fall within the scope of the UPU, have to be carried out on the basis of individual licenses, issued by the Communications Regulation Commission (CRC). The obligation to provide the UPU throughout the country was assigned to BP PLC in 2010 up to the amendments of the Postal Services Act (PSA).

By 31.12.2017, the number of licensed postal operators, including the historic operator BP PLC for UPU was is 22. Most of them hold more than one license for provision of services from the scope of the UPU and/or postal money orders.

After the liberalization of the Bulgarian postal market, a lot of private and foreign postal and logistic companies were registered and started providing postal and courier (postal delivery) non universal services (NUPU). In accordance with the provisions of the PSA, postal operators provide their NUPU on the basis of a permit and via registration mode.

The operators providing NUPU and courier services are inscribed in a public Register of postal operators. On the 31.12.2017, the number of operators notifying its intention to provide the NUPU amounted to 157, 15 of them were newly registered. All registered postal operators planned to provide courier services, and three of them to provide the services "hybrid mail" and "direct mail". 2017 year ended with a number of participants of the postal market amounting to 169, which represents a growth of 6% over the previous year.

The market of postal services in Bulgaria is very dynamic. The volume of the market, measured by the benchmark "income from provision of postal services" is growing every year. The revenues generated through 2017 in the 2 major market segments – provision of services from the scope of UPU and provision of NUPU represent a growth rate of 8% from 2016 onwards.

[39] www.bgpost.bg (Last accessed on 7.01.2019)

The share of revenues from the UPU in total receipts retained a relatively constant level, such as through 2017 onwards increased by one percentage point over the previous year. This growth is mainly due to the increase in revenues from parcels, which in absolute terms mark the growth of 33% compared to 2016.

In 2017, the volume of the market in postal services, measured by the indicator “number of realized services" was increased by 5% over the previous year.

Considering the revenues from services, the structure of the postal market is formed mainly from the proceeds of the courier service, whose share is more than two thirds of the revenues, followed by revenues from parcels and revenues from postal consignments. As in the previous two years, in 2017 the market share of the historic operator continues to decline reaching up to 13% of the total market (calculated on the basis of the income from all postal services). In 2017, the proceeds of courier services have grown by 9%. The proceeds of the courier services are formed primarily by shipments to the country and the major engine for the development of these services continues to be shopping online.

According to the data provided in Commission for Regulation of Communications (CRC), in 2017 the 10 operators with the largest relative share in the volume of revenue from this market segment are:

1. "Geopost Bulgaria” Ltd.;
2. “BP” PLC
3. "DHL Bulgaria" Ltd.;
4. "Econt Express" Ltd;
5. “In Time Ltd;
6. "Leo Express" Ltd;
7. "Mibm Express" Ltd;
8. "Rapido Express & Logistics Ltd.;
9. "Speedy" Jsc;
10. "TNT Bulgaria" Ltd.;

In Bulgaria, large integrators, such as DHL Bulgaria have ruthlessly optimized express and parcel products and continue to push the innovation envelope. Major e-commerce companies, as part of their never-ending hunt for differentiation and customer convenience, are making increasing demands for service improvement and pushing down prices, according to CRC. E-commerce is a key driver for the development of the market of postal services and the expectations are for continued growth of revenues from parcels in the segment of UPU and the courier services revenue in the segment of the NUPU in the next years.

According to the 2017’ report of CRC, the online trade in Bulgaria through 2016 marks a rise of about 14 %, while the growth for the whole of Europe is 12%. The study points out that in the past year 1.3 million Bulgarians have shopped online, and the turnover of online trade in Bulgaria amounted to 340 million dollars.

The postal network of BP PLC has not been reconfigured since the beginning of the liberalization of the postal market, which leads to high costs for maintenance. In view the sensitivity of the issue for closing post offices and its social and political response, a comprehensive concept should be developed and adopted to optimize the postal network of the operator's obligations, since the provision of UPU no necessarily implies the existence of stationary post offices, is the conclusion of CRC. The national state operator may use alternative forms of services such as a mobile post office, postal agencies, exported counters etc.

Unlike BP PLC, the competitors at the postal market are flexible and quickly navigate to the benefits of the new market opportunities, providing by new technologies. Most of them implemented innovative solutions such as so called “parcel cabinets” or “automatic postal stations”. Their use by users of postal services gives flexibility in terms of time, location and economical price of the service, and for the postal operators – savings from logistics.

In conclusion, postal services continue to play an important role in the citizens’ daily lives, although their nature is changing with new technologies that lead to the replacement of traditional mail with e-mail and to the increase in the volume of purchases online. The ability to send letters and parcels which arrive within a specified period and at a specified price to all parts in the country remains one of the main factors for the social and the economic development of the market.

Digital innovations in the BG postal sector:
Except for BP PLC, information for implemented digital processes and services in the private and foreign postal operators at the Bulgarian postal market could be provided only by their offices staff and /or customers. The customers’ opinion is that they have a very flexible policy and quick reaction to the technological innovations in order to optimize the operations of their staff and improve services to the customers. In practice, their staff policy is to hire young digitally competent people i.e. not needing digital training, to pay them relatively good salaries and to avoid any “thought for organizing” (explained a young man working in a private courier company). The services they are offering are slightly more expensive, than those of BP, but are fast and efficient.

BP PLC is trying to meet the new technological and competition challenges by implementing:

- On-line Platform for the local taxes and the bills for the public services provided to the BP PLC clients;
- Uniform information system for management and control of the financial transfers of BP PLC;
- System of electronic pension cards;
- Renovation of the call centre IMS/Bulpost with interactive system for voice answers for mail services with uniform No *6666;
- Satellite system for the remote sites;
- A free Wi-Fi in some cities;
- Technological renovation of the private virtual network of the BP PLC, permitting work in real time;
- “Complex postal services” software for one-stop services shops;
- Uniform software for the mutual work with the customs in order to ease the e-commerce deliveries etc.

Social partners and social dialogue in the Postal sector in Bulgaria
Tripartite social dialogue at national, sectorial and branch levels is developing unevenly and contradictory. As per CITUB: “there is an asymmetry between the economic and the social

dimensions of the policy of the BG governments limiting the role and the scope of the SD. Both - the processes and outcomes of the social dialogue and the collective bargaining, as well as the labour and trade union rights have been put under pressure, as per the interviewee of CITUB"

Considering the postal sectorial level – the staff in the private companies is not unionized. There are no employers' organizations in the sector. The collective bargaining is carried out only within the historical operator BP PLC. There is one single employer-employee labour agreement – the CLA of BP PLC, signed by the company management and the trade union organisations. At present, 3 officially recognized trade unions (TUs) are operating in BP PLC: the Trade Union Federation of Communications and the Federation of communications Podkrepa (both under the umbrella of the nationally represented Confederations) and the Democratic Syndicate of Communications of the Association of Democratic Trade Unions. The first 2 are members of UNI Europa Post & Logistics. Traditionally trade unions have been active in the national postal operator since the beginning of 20 century. The trade union density now is very high – at about 95% (compared to about 18% national average) of the 10 520 persons' staff of the Company. The social dialogue in BP PLC has an important role in overcoming the negative consequences of the transformation on employment and working conditions in the Company. To a large extent, the transformations of BP PLC up to now have been managed in a socially responsible way, according to both the management and the trade union organizations at BG Post PLC. The restructuring measures had not taken place fully at the expense of employment and working conditions. This is the main merit of social dialogue.

TUs and BP PLC management settle the main social problems in the Council of social partnership or in other non-formal working meetings. Together, they are participating in a couple of projects and initiatives related to the staff.

At present, they both are implementing a project entitled: "The postal services in 2030", coordinated by UNI Global Union. Social partners from the postal sector in 18 EU member countries have defined 12 key factors for the further development of the postal services in the next 12 years:

1. Communication patterns
2. Consumption patterns and consumer protection
3. Competition and regulation in the postal sector
4. Economic development
5. Innovation dynamics
6. Traffic infrastructures
7. Data management and infrastructures
8. Changing world of work
9. Change of (future) education systems
10. Societal divide
11. Climate change and ecological distortions
12. Development of social dialogue!

The outcomes of the project and the final conclusions will be uploaded on the website of UNI Global Union at the beginning of 2019.

The defined features of the social dialogue, impacting the development of the postal services are:

- Balance of power between employers and employees;
- Productive collaboration;
- Exchange of viewpoints;
- Opportunity and necessity to understand each other;
- New jobs in postal sector − new rules have to be negotiated (e.g. rights of freelancers, platform-workers, teleworkers etc.);
- New forms of communication and negotiation;
- Digitalisation makes negotiations more complicated;
- Faster negotiations;
- Range of collective agreements could change (company – network).

In the next project's phase, for each of the listed factors a set of projections will be developed with the aim to design 3-4 scenarios for the future shape of the social sector. Finally, an international report will be designed with the determined scenarios and recommendations for achieving the optimal one.

The technological changes in the postal market require an adequate adaptation of the labour legislation. As per CITUB, the European legal framework affecting labour relations is not adequate to the new conditions.

At the present moment, in Bulgaria, the negotiations and the social dialogue do not focus specially on restructuring provoked by the digitalization. Their discussions are directed mainly on settling lay-offs, social/pension problems, compensations and so on.

The interviews, carried on this sector have shown that the trade unions are well aware about the newly emerging labour problems: the digital illiteracy of older workers, the need for long life learning, the increased monotony of work, the stress, the mental workload etc. They are preparing their inclusion in the future negotiations' agenda and the social dialogue, but they share the opinion that the management of BP PLC is still not ready for discussing the future digital dimensions of the work.

There are some successful achievements at the national sectorial level - debates have been started via the social dialogue and some agreements - signed, reported the researcher of CITUB, which are a subject of further consideration of the postal trade unions in order to be adapted and/or implemented in the sector of the postal and logistic services.

At national level the Ministry of labour and social affairs initiated a National Conference within the framework of the EU Presidency for discussing the digital challenges for the world of work with participation of the social partners. Digital training programs have to be developed for all employed people in the services sector.

TUFC addressed to UNI Global Union a demand regarding the Global Agreements with multinationals, especially with the ones being present in the Bulgarian postal market. The answer was that UNI Global Union and DHL- Group have signed mutual Protocol defining activities on continued dialogue on employment and industrial relations. It expresses the global union movement's campaigning and solidarity, and - follows the complaint made under the Organization of Economic Cooperation and Development (OECD) guidelines about the conduct of DP-DHL. The protocol builds more productive relationship with the global unions.

CLA in BP PLC.

In April 2018 a new CLA was signed being in force till 2020. In its framework, it appears that there is a general recognition among social partners of the need to transform the work organization, the requirements for new competences and for an increased flexibility of staff while maintaining good working conditions. The CLA envisages that trade unions and the employer every year negotiate the minimal wage for the company, the bonuses, the wage increases, the training of the staff etc. in the presence of 3 representatives of every trade union and representatives of the employer. The domain of debates includes employment and labour relations, social policy, training, wages and conflicts. In parallel to the formalized structures of social dialogue, unions are occasionally involved in discussing the business strategy of the company (within the Boards of Directors).

However the CLA does not contain the necessary measures to support the change process. No concrete chapters dedicated to the digital training of the staff and other measures anticipating the restructuring due to the implementation of the digital technologies in the Company.

Conclusions:

1. The digitalisation’s issue has to be an important part in the debates, the negotiations and the CLA of the BG Post PLC, as the postal sector is the one which is most impacted by the digitalisation;
2. The way to involve the private postal operators is weather the negotiations and the signed CLA address the postal sector as a whole and not only the state operator;
3. Main role of the postal (and other) trade unions in the changing digital world of work is to:
   - carry out wide awareness rising campaigns on the trends, challenges and benefits of the digitalisation of the workers processes to their members and
   - work together with the management for continuous training of the workers for acquiring and updating digital and soft skills and competences.

General conclusion

Bulgaria is one of the laggards in the domain of the digital transformation, despite the traditions in the domain of ICT. The government efforts in the domain are not supported by the necessary resources and represent more declarations of intent, than real policy instruments.

Due to its position in the global value chains, in the country's economy in general digitalization is at a relatively early phase, not contributing to a particular restructuring. Social dialogue at national level has started to discuss digitalization-related issues at a relatively general way.

In the sectors covered by DIRESOC, the situation is as follows:

- Tourism: very limited digitalization impact and almost no social dialogue;
- Metal sector: some digitalization developments, but social dialogue is still focused on training and VET;
- Financial services: rapid developments related to digitalization, but social dialogue is absent;
- Postal services: digitalization impacts work and employment in the traditional postal sector and social dialogue could be a good basis for discussions and anticipation of changes.

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- Бъдещето на труда- предизвикателства пред пазара на труда и синдикатите. от началото на 2016 год., продължава. Проект на ИСС ,с финансиране от КНСБ.
- Smart production in the manufacturing and work organisation : new scenarios for industrial relations. Project contract VS/2016/0093., budget line of the EC. Coordinator for Bulgaria : Dr. Ekaterina Ribarova,;

- Digitalisation : impact on the key sectors in Bulgaria, Serbia. Romania and Austria. Project of the OGB-Austria, L&R Sozialforschung –Vienna. Subcontractors and partners from the selected countries: Bulgaria , Romania, Serbia. Financed by “Danube work” (part from the funding of the Danube strategy).ISTUR at the CITUB is a sub-contractor.