BULGARIA: SOCIO-ECONOMIC DISLOCATION

26 September 1997

appeal no. 18/96 - 02/97
situation report no. 3
period covered: 1 June - 15 September 1997

A programme of major economic readjustment has begun in Bulgaria following the election, in April, of a new government. Accompanying austerity measures have led to an increase in the number of vulnerable in the country. To reflect the situation, the International Federation launched a Revised Appeal in July, tripling the number of beneficiaries, expanding existing programmes and extending assistance until June 1998.

The context

Following the issue of a second Appeal for Bulgaria in February 1997, a further revision was launched in July to reflect the continuing economic deterioration which has accompanied major economic readjustment and austerity measures introduced by the new government. Ahead of a potentially difficult winter, beneficiary numbers have been tripled in the Revised Appeal. Existing programmes have been expanded and three major new components added: the provision of dry milk to 8,000 children in 100 state social institutions, the distribution of food parcels to 100,000 elderly persons, and a programme of health education , targeting vulnerable groups at risk from the increase in the incidence of common diseases and medical conditions. The socio-economic deterioration is particularly dire in some regions, such as Montana in Northwest Bulgaria. Here every third inhabitant is a pensioner and every fifth pensioner is disabled due to heart or lung disease. The incidence of tuberculosis and kidney disease is also high. The infant mortality rate is 74.8 per 1,000. Of 22 social institutions in the region, 16 are for young children and exhibit signs of neglect and extremely limited support.

Latest events

The establishment of a Currency Board in July has already had some positive impact on macro economics in Bulgaria, but, as expected, has exacerbated the problem of unemployment. Ten per cent of all government and public sector employees were dismissed at the end of August, with a further 30% to be dismissed by the end of the year. In a knock-on effect many private sector companies are closing, as well as many larger state enterprises. The Bulgarian Red Cross Society (BRCS) is currently working with ten per cent fewer staff.

Following the liberalisation of food and fuel prices, many families struggle to cover basic energy costs, leaving little or no money for food and clothing. Over 50% of the population cannot meet their minimum subsistence needs. The first cases of starvation are now being reported, as family savings have long been used up. National statistics indicate that all children of non-working parents are malnourished and 50% of such families have just one proper meal a day. Teachers have begun to report the effects of malnourishment on children's education, as well as the lack of adequate warm clothing for the winter months. As no other organisation or institution is able to assist the children of unemployed parents, the BRCS programme of free school lunches for 5,000 such pupils is vital.

Penny-pinching reforms have led to total confusion within the health sector and the inability of hospitals and clinics to deal with the rise in the number of chronic poverty-related illnesses. The incidence of tuberculosis has reached almost epidemic proportions and cardio-vascular problems are also rising dramatically. The BRCS seeks to respond through an emphasis on health education .

The future of the country's 37,000 children living in 420 state institutions is also threatened. A lack of resources has meant the withdrawal of government subsidies for such institutions , which now come under local authority control. However, with local budgets also being slashed, many institutions are threatened with closure, with the result that the children will be released onto the streets.

Red Cross/Red Crescent action

In the Revised Appeal 02/97 launched in July, CHF 6,340,000 is sought to assist 127,000 beneficiaries. This figure was based on the distribution of family parcels to 7,000 families and baby food to 2,000 families. For the family parcels, a family is calculated on the basis of five members. Baby food assistance is provided to families with three children or more. This means that the actual total beneficiary figure reaches 158,500.

Soup Kitchens •
A total of 1,500 lone elderly persons received one hot meal a day, five days a week, in soup kitchens in 13 of Bulgaria's 28 regions during the reporting period. Meals are provided against reception of specially printed food coupons . This programme of assistance began in some regions in mid-June, and was fully operational by the beginning of July. Basic products for the soup kitchens were bought in bulk and delivered to soup kitchens in June to cover operations for three months. Fresh products are bought locally by the individual soup kitchens. Purchasing and delivery for the next period is on-going. Due to the recent hike in food prices and soup kitchen running costs, a decision has been taken to transfer some financial support for this activity to the school coupon and food parcel programmes

Family Parcels •
From June, 3,300 vulnerable low or no-income families received a monthly food parcel, containing: two kg rice, two kg wheat flour, two kg sugar, one packet of pasta, one bottle of vegetable oil and one tin of meat. In September an additional 1,700 family parcels will be distributed, bringing total beneficiary numbers to 5,000.

Food Coupons •
1,500 children from vulnerable families were provided with a free meal in their school canteen or nearby cafe (during the summer vacation). Since the start of the programme in June, a total of 213,400 meals have been provided.

Baby Food •
1,400 babies are supported with baby food. Stocks were bought in bulk and delivered to Red Cross branches, for weekly distributions. Each baby receives one kg milk powder, three packets of porridge and eight jars of baby food puree per month.

Outstanding needs

The BRCS seeks urgent support to implement three major areas of the Appeal: the school meal coupons programme for 5,000 pupils during the present school year; the provision of dry milk to 8,000 infants whose physical survival is at risk in state institutions; and the implementation of a health education campaign, to prevent an increase in the incidence of chronic poverty-related illnesses. These three programmes target the beneficiary groups whose needs are not being met by other bodies and humanitarian organisations operating in the country. If the BRCS does not meet these needs, nobody else will.

External relations - Government/UN/NGOs/Media

The BRCS continues to act in close co-operation with other humanitarian organisations in the country to co-ordinate the distribution of aid in response to the needs of the most vulnerable. Contacts are maintained with the Ministries of Health, Labour, Social Welfare and Education, UNDP and the World Bank concerning its methods of identifying the most vulnerable groups and beneficiaries and the nature of the programmes of assistance offered. A health sector funding crisis means that no organisation will be able to support families to obtain medicines if a member becomes ill which is why the BRCS has developed a health education campaign to prevent avoidable illnesses. As other programmes such as the European Union PHARE project support the power costs of the elderly, the Red Cross has concentrated on food assistance.

Contributions

See Annex 1 for details.

Conclusion

As winter approaches, with no upward trend in the socio-economic situation expected, it is vital that the BRCS continues the planned expansion of its programme of assistance to the vulnerable. A breakdown of the social welfare and health sectors means that the National Society is often the only organisation or institution able to provide some support to those most at risk. Serious flooding over the summer in Central and Eastern Europe detracted donor attention to a certain degree from the plight of the vulnerable in Bulgaria. The International Federation urges donors to respond to the continuing emergency in Bulgaria to enable the BRCS to fully implement its programme of assistance.

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