

## PAZARDZHİK, BULGARIA

### Pazardzhik, Bulgaria – A city centre intervention that rebuilds confidence

By upgrading the physical environment and enhancing the integrative role of the city centre of Pazardzhik, this €2.45 million project aimed to promote inclusive growth in the region. The renovation of the city centre opens up equal access to different social groups (vulnerable ones in particular) both to urban space and to the resulting economic, social and environmental benefits. Some 96 small businesses with 5 000 employees, 2 263 inhabitants of Roma and 4 860 of Turkish origin, and about 6 000 disabled citizens are benefitting from the project, together with the 25 000 inhabitants of the centre and the overall city population of 78 000.

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The general aim of ERDF funding in Bulgaria is to improve the social and economic environment in the six regions at NUTS 2 level in order to overcome their underdevelopment in comparison with other EU regions, and to limit intra-regional disparities – thus contributing to inclusive growth. The objective of this project is to promote a sustainable, cohesive, accessible urban centre, which is attractive to residents, visitors, investors and mobile workers, and acts as a motor of greater competitiveness. The project illustrates how restoring the normal functioning of a traditional Bulgarian city centre through an integrated physical intervention can improve employment opportunities and economic benefits for a broad range of members of the local community. These include vulnerable groups with low qualifications and limited chances to enhance them in the short term, small business owners and employees, self-employed retailers, members of the Roma ethnic minority and disabled people. The large-scale and complex physical intervention undertaken within less than two years covered an area of 14 200 sq. m. of pavement and 76 800 sq. m. of public green space. It was funded to the tune of 4 789 352 BGN (about €2.45 million) and resulted in a lively, safe, accessible and attractive urban environment for all the local inhabitants. It also created 155 new jobs and saved about 6 Megawatt-hours of energy through the installation of energy efficient street lighting. The project also led to better employment opportunities and social integration of the most vulnerable groups in the city, thus contributing to inclusive growth. It can be considered an important step in gaining the practical experience needed at all levels in the country for the further development and implementation of integrated planning approaches and methodologies.

## Pazardzhik, Bulgaria

### *A city centre intervention that rebuilds confidence*

Successful inclusive growth policies are admittedly context-specific. Yet everywhere they aim to increase social protection, to generate opportunities for a broad range of social groups, and to tackle the risk of poverty by integrating vulnerable groups into the labour market. They require investment to be balanced between social and physical infrastructure. Pazardzhik's approach to this issue was to improve the physical environment in the city centre, thus enhancing its integrative capacity and improving opportunities for everyone in the city – especially for vulnerable people.

There are three reasons for claiming that the project provided important experience at all levels and that the lessons learned could be useful to a broader range of actors and in a range of contexts. First, it illustrates the vital role of EU policies and funding in regional development – but also the need to develop context-sensitive EU policies responsive to the peculiarities of inclusive development. Secondly, it proves the importance of lively public spaces in the traditional city centres of Southeast Europe, as they are places not just for leisure and social life but also for employment and economic vitality. Being attractive and accessible to a broad range

of groups (social, age, ethnic, etc.) keeps these public spaces economically viable and effective. Finally, it teaches valuable lessons about the need for integrative and flexible approaches in urban planning and governance, and the important role public authorities play in ensuring the framework conditions for inclusive growth and for motivating private business initiative.

For Bulgaria, the last two decades have been a prolonged period of social and economic restructuring, which – along with a per capita GDP considerably lower than the EU average and the general retreat of the public sector from the provision of basic social services – has strongly influenced demographic processes. The census in 2011 reported demographic decline in all settlements except the three largest cities in the country.

The general aim of ERDF funding in Bulgaria is the improvement of the social-economic environment in the six regions at NUTS 2 level, in order to overcome their underdevelopment in comparison with other EU regions and to limit intra-regional disparities, thus contributing to inclusive growth. Bulgaria's Operational Programme on Regional Development (OPRD) aims at the practical implementation of Priority 4 (Balanced Territorial Development) of the National Strategic Reference Framework and outlines the main areas to which ERDF funding is directed. It supports projects in major urban centres with potential for economic growth and social inclusion. Priority Axis 1 (Sustainable and Integrated Urban Development) focuses on improving the competitiveness of cities and urban functional areas. The specific objective it addresses is the promotion of sustainable, cohesive, accessible urban centres, that are attractive to residents, visitors, investors and mobile workers, and that act as motors of inclusive growth and more competitive regions.

### *A district centre in decline*

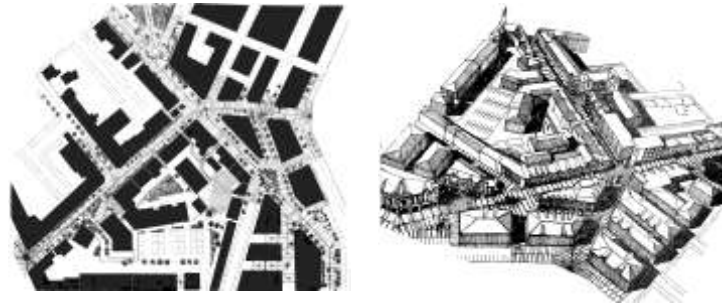
Pazardzhik's population nowadays is 78 000, which makes it medium-sized city according to EU classifications, but a large one in the Bulgarian context. The city is located in the fertile plain of the Maritsa river and close to the Rhodope mountains in the South Central region of Bulgaria. It lies on an important route (European trans-border corridors 4, 8 and 10) linking the capital, Sofia, with the country's second-largest city, Plovdiv. Established in 1485 by Tatars as a market and crafts centre, the city is nowadays the administrative centre of a municipality of 125 000 and a district of 305 000 inhabitants. Between the mid-1960s and 1990 it was an important industrial centre producing machines, electrical and optical equipment, paper and wood products as well as food, tobacco and wine. Yet the profound economic restructuring of the last 20 years brought the closure of major industrial enterprises, a rise in structural unemployment, and a fall in the town's population from 78 855 in 2001 to 71 979 by 2011 – a drop of 8.7%.<sup>1</sup> Owing to the preserved compact urban structure and the traditional way of community life, the inhabitants still look on the city centre as the most important place for meeting, shopping and entertainment. It is easily reached on foot from all parts of the city and is attractive for both citizens and visitors. The city's main shopping area and its open-air agricultural market are famous throughout the country for the high quality of local produce. The main administrative buildings of the municipality and the district are located there, and numerous cultural buildings – a historic museum, a theatre, etc. – attract visitors throughout the year. The abundant public greenery and extensive parks provide a comfortable environment for leisure, cultural events and socialising. Pazardzhik's city centre was particularly well cared for under socialism and a lot of effort and resources were invested there in the 1970s and 1980s. The pedestrianised shopping zone with numerous listed cultural monuments was carefully refurbished (urban and architectural design by Ivan Nikiforov and team) and was considered one of the best-designed pedestrian zones in the country (fig. 1).

The centre of Pazardzhik is still busy and crowded today (fig. 2). The recent societal restructuring has however left visible traces of degradation and under-maintenance in public spaces, which indicate the social and economic difficulties the municipality has undergone (fig. 3). The low quality of the urban environment has become a major hindrance to the functioning of the city centre, impeding economic, social and cultural life. People felt unsafe in the dark streets

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<sup>1</sup> <http://www.nsi.bg/EPDOCS/Census2011final.pdf>

at night, and deserted them. This left space for marginalised groups to move in, thus increasing crime risks. The poor physical condition of the city centre has become a sad symbol of community disintegration. It has also led to economic losses for businesses and to further impoverishment of the most vulnerable groups in the city.



**Fig. 1. Pazardzhik city centre, urban design, mid-1970s (I. Nikiforov and team)**



**Fig. 2. Pazardzhik city centre, spring 2009**



**Fig. 3. Pazardzhik city centre, degraded urban environment, 2009**

### ***A new vision for the city centre***

The project entitled *A new vision for the city centre and integrated urban development through improvement of the physical environment and revitalisation of the town of Pazardzhik* (October 2009 – October 2011) took the chance for funding provided by the Bulgarian National Operational Programme on Regional Development (OPRD, 2007-2013). It falls under priority axis 1 – sustainable and integrated urban development, operation 1.3 – improvement of the physical environment and risk prevention, grant scheme BG161PO001/1.4-02/2008 – support for the improvement of the urban environment.

By improving the physical environment, the project aimed to revitalise Pazardzhik's centre and to provide a better quality of life and work (fig. 4). The project also aimed to preserve the city's

cultural and historic heritage, increase the capacity of the central area to host large events and provide space for people to socialise with each other. The centre's return to normal functioning was expected to stimulate further processes of urban revitalisation. The project included renovating parks and green areas (including benches, fountains and monuments), rebuilding pedestrian zones, installing energy-saving street lighting (increasing safety and preventing crime) and building tactile paths and ramps to allow disabled people to move about safely and access municipal services.

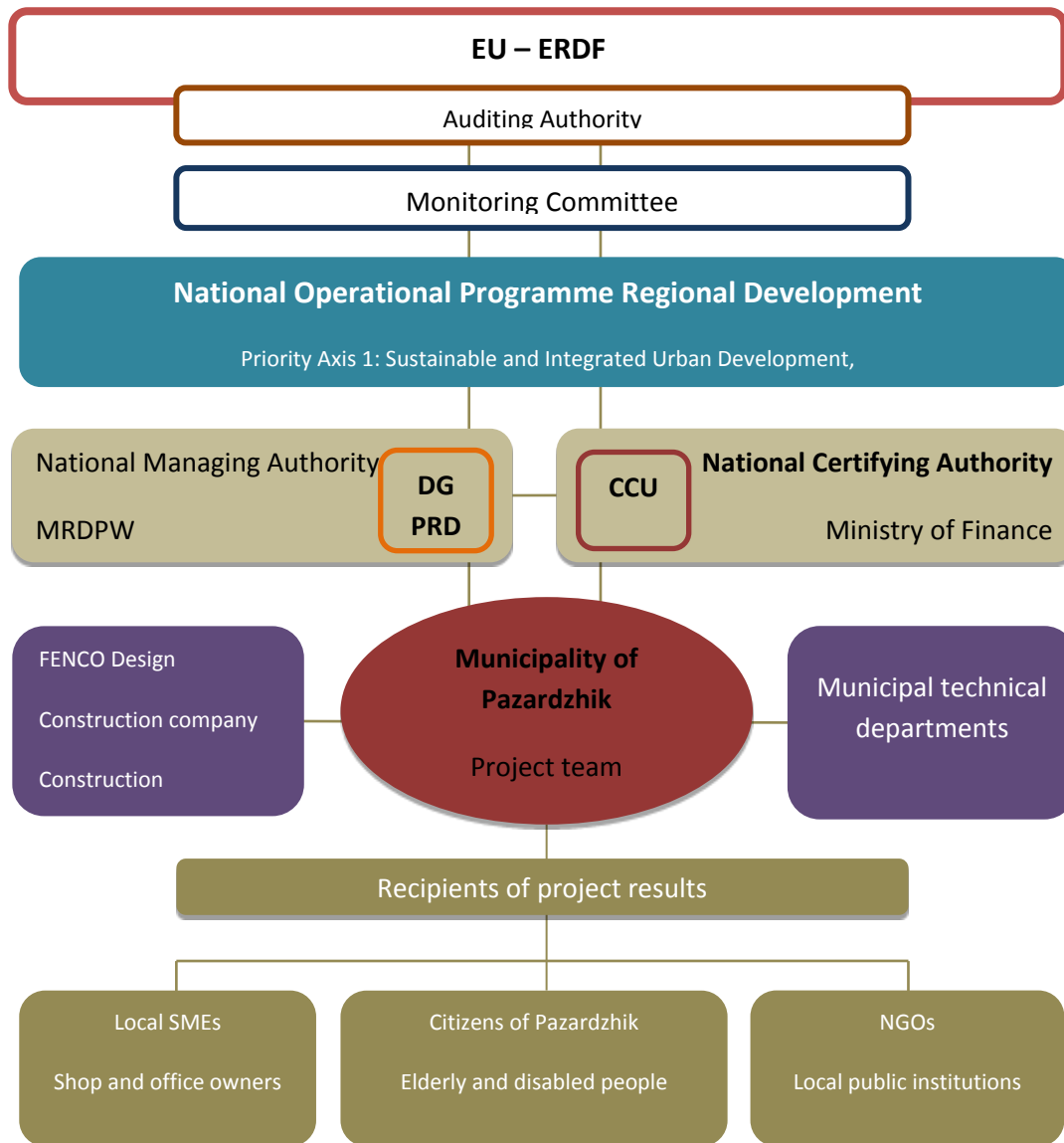


**Fig. 4. The city of Pazardzhik – designated project area**

The improved quality of the physical environment in the city centre – about 14 200 sq. m. of renovated pavement and 76 800 sq. m. of greenery – was expected to influence all the urban processes positively. The revitalisation of the city centre as the most important urban area for shopping, cultural events, administrative services, social contacts and leisure would provide widespread benefits: better economic opportunities for local businesses; a safe, accessible and pleasant environment for all social, age and ethnic groups; high quality park and green areas; and better access for disabled people to public services. The project was considered to be of direct benefit not only to the 25 000 inhabitants of the central area, but also to the 78 880 inhabitants of the city. These include 2 263 people of Roma and 4 860 people of Turkish ethnicity, more than 6 000 disabled people and about 5 000 SME employees.

### ***The capacity to manage***

The project (one of 18 approved at the national level in 2009 out of 90 applications) is a result of well-matched national and local strategic approaches. The Operational Programme on Regional Development (started in November 2007) generally aims to improve the quality of the living and working environment and access to basic services, thus enhancing regional competitiveness and sustainable development. Its Monitoring Committee comprises representatives of 35 institutions (ministries, agencies, state institutions, associations of municipalities and regional development councils, as well as EC monitors. The General Directorate for Programming of Regional Development at the Ministry of Regional Development and Public Works (MRDPW) is the **major managing authority**. Its job is to ensure that beneficiaries possess the knowledge and skills required to meet the programme's objectives. It should also provide for clear procurement procedures and organise effective control and management systems. Funding supply and spending control is organised through the Ministry of Finance (fig. 5).



**Fig. 5. Project organisation chart**

The **Municipality** of Pazardzhik initiated the project and led all the practical actions throughout the whole implementation period. It also provided technical expertise where necessary in support of the contracted design and construction companies. With 18 successful funded projects under its belt, Pazardzhik has proven project management capacity. It has considerable experience with projects of various scales and funding sources – from PHARE projects in 2003, through *Beautiful Bulgaria* and other UNDP programmes to the current operational programmes. It has persistently worked on solving problems in education, healthcare, culture, water supply and transport. The municipality had two compelling reasons to apply for this project. Firstly, the city centre had been famous throughout the country for the high aesthetic value of a previous large-scale urban design project carried out in the early 1980s, and the local community was proud of it. Yet, after three decades of minor maintenance a lot of damage had occurred. Secondly, the municipal budget had suffered continual shortages since 1990 and the repair of the deteriorating urban infrastructure had been continually postponed.

The project's **steering group** was made up of three key actors from the municipality – the Deputy Mayor, the Head of the Architectural Department (and Chief Architect), and the Head of the Investment Department. Relevant technical experts from the municipality were involved

when needed, and the EU Integration Unit of the municipality was responsible for contact with the Monitoring Authority.

### ***Willing partners***

The municipality chose **urban design company** FENCO Design to develop the design project required for the funding application. The 26-member interdisciplinary team had to contend with quite short deadlines. However they found the task very interesting because of its large scale. *'We found the project very interesting and completely different from previous experiences – it required a very fast decision-making process'*, says FENCO's manager Violeta Tzekova. The construction stage was not without its challenges, as there was no reliable survey and very little was actually known about the condition of the underground technical infrastructure before the removal of the old pavement and the concrete layer below it. Despite these difficulties, Ms Tzekova testifies to the quality of FENCO's collaboration with the municipality: *'They provided a clear brief and knew very well what they wanted, all the necessary information was readily submitted and private business actors also contributed actively'*. The experts appreciated the area's concentration of cultural monuments, but also wanted to develop the city's image: *'We tried to keep all the main elements that were symbolic of the city centre, but to introduce innovative elements as well, such as the lighted path, and a new image for the square in front of the police station, because there was no large open space for public gatherings'*.

**Private businesses** were among the direct recipients of the project results. Ninety-six SMEs involving about 5 000 people, employed and self-employed, are located in the city centre, and most of them were motivated to collaborate with the municipality during the project. Many were interested in undertaking additional action – some shop owners and tenants took the chance to improve access to their premises by providing additional ramps (paying for the materials but using the services of the contracted construction company), while others refurbished their properties.

A number of public hearings on the project were organised with the **local community** at the beginning. As deadlines for the design were very short, there was not enough time for broad public discussions. There was criticism of some elements of the design proposal but the need to renovate the city centre was broadly acknowledged.

### ***Risks, barriers and lessons learned***

Project implementation was subject to three major risks and a number of barriers. Most of them were anticipated, yet their real scale only became apparent after building work had begun.

The first major risk was related to the very short implementation period of the project. This influenced the organisation of the preliminary public discussions on the project. Although all the officially required public hearings were arranged, there was no time to hold a broad public debate and detailed discussions with the target groups. That is why at the very start of the project there was criticism by local people concerning the building materials and the overall design. On a previous occasion, in the late 1970s and 1980s, the central pedestrian zone of Pazardzhik was renovated with prestige in mind, and the building materials used in the specially designed marble art compositions were supposed to last. The current project used smaller and cheaper elements, under the assumption that they would need to be easily removed to allow the repair of the underground infrastructure in future.

The second major risk was related to the programme rules, which, as Chief Architect Krastio Tankov points out, clearly stated that the programme was only to fund construction activities on the ground – no underground infrastructure could be repaired. Although no reliable survey of the city centre was available, it could have been anticipated that urgent repairs would need to be done. The programme's rigidity – planned expenditures could only be varied by up to 5% – along with the municipality's extremely limited construction budget, proved to be a major difficulty during the construction stage.

A third major risk stemmed from the large scale of the intervention, which threatened to interrupt the functioning of the city centre for some period and cause dissatisfaction and protests among local businesses. This was overcome through a strict and detailed scheduling of the works into

seven stages, so that shops could stay open (fig. 6). This was announced well in advance on the municipal website and directly to shop owners. The risk of inconveniencing local business just before the elections in the autumn of 2011 was the reason the politicians cancelled the renovation of the open-air market.



**Fig. 6. Project implementation schedule published on the municipal website**

The refurbishment of the numerous listed cultural monuments in the city centre could not be coordinated with the project, as the necessary approval of the National Institute of Immovable Monuments of Culture would have taken longer than the project implementation period. This problem is not resolved yet at national level and leads Mr Tankov to think that *'probably some responsibilities in the field should be transferred to the local level to facilitate the processes'*.

### **Measures of success**

A set of six indicators was drawn up to measure the project's results: (1) number of people benefitting from the renovated urban environment; (2) number of disabled people with improved access; (3) energy saved through more efficient street lighting; (4) area of improved parks, green areas and playgrounds; (5) area of newly built or renovated pavements and cycle lanes; (6) new jobs (permanent and temporary) created.

A number of clearly measurable outputs and results have already been reported: 6 MWh of electricity has been saved and 76 800 sq. m. of green areas, 14 200 sq. m. of foot and cycle paths and 155 new jobs have been created. Other important quantifiable impacts are 6 000 disabled people with improved access to public institutions and urban space due to the tactile paths and the ramps, and 96 small enterprises in the city centre (involving about 5 000 employees and self-employed people) with an improved working environment and an increased chance of future economic benefits. Moreover 25 000 inhabitants of the city centre, 78 000 people from the whole city, and potentially all the visitors from the municipality and the district are benefitting from the higher quality of the urban environment and improved conditions for shopping, leisure, social contacts and cultural events. Broader environmental impacts will be surely strongly felt during the summer when the fountains and greenery will mitigate the discomfort caused by high temperatures. However, an estimate of real economic impacts would

require longer-term comparisons and the influence of the global crisis is to be taken into account.

After two decades of mostly fragmentary action by the public sector regarding urban public space, the integrated approach, which aimed to create synergies, should be considered as a major innovative aspect of the project. The project provided an opportunity to co-ordinate activities with all the urban infrastructure suppliers (sewage, water, electricity). Its importance for energy efficiency relates to the fact that it was the first chance to take an integrated approach to street lighting. Previous projects usually replaced existing equipment such as lamp posts and energy saving bulbs, but this time it was possible to install new equipment (*'all the lighting facilities are now the same and technically better'*) and to lay all the cables underground. The lighting improves pedestrian safety and illuminates monuments and churches. Yet, even more important was the fact that *'it intervenes where the greatest concentration of people in the city is – so it has large-scale benefits'*, as Ms Emilia Deliradeva, the municipal energy efficiency officer, says. Broader indirect benefits can also be traced – the project motivated the further refurbishment of public and private buildings in the pedestrian area and benefited visitors. Ilian Stoyanov, one of the young architects involved in the design, identified a major benefit: *'I would say the most important result is the change in the image of the city centre – before it was a sad and devastated place, dilapidated and out of order. Now it has the positive spirit of a lively place'*.

### **Satisfaction and concerns**

Interviews reveal a general satisfaction that *'something was being done for the city'*. The dilapidated surroundings had been depressing the life of the town for quite a long time, so one very positive effect of the project was that it awakened a desire for action – *'let's do something ourselves to change the feeling of devastation'*. A shop assistant in her 20s said: *'it is very nice now – we'll plant flowers in front of the shop when winter ends'*. However she worried about the durability of the materials and the quality of the work done: *'it was a severe winter and some of the tiles seem to have come unstuck'*. The owner of a small fashion company, who had been born in Pazardzhik and lived in the city centre, said that the city had been in decline for many years. Local people had moved out and newcomers from neighbouring villages had bought their homes – *'it's not the same community any more'*. She complained that *'there is still not enough support for local small businesses'*. She was not satisfied with the quality of the materials used: *'the slabs are not as good as the previous marble ones – and the drainage system is probably not good enough'*. She also thought that the steps up from the pavement into the shops were shoddy. A lady of about 48 (an assistant in an underwear shop) found the city centre *'very nice-looking now – new and pleasant'*. She pointed out that it is still a living shopping area: *'the whole city comes shopping here'* as do people from the surrounding region. *'It is easy to shop in the city centre because everything is close by – and it is an old tradition'*. Smiling with pride, she added: *'we are very good merchants'*. She commented that sadly local people had been moving away and that this was the first time in many years that something had been done for the city. This was confirmed by the receptionist at a hotel on the fringe of the pedestrian zone: *'I am 23 now and this is the first mayor of Pazardzhik who has done something visible for the city'*. A taxi driver in his 70s said: *'it is a wonderful city with everything within walking distance – except for the railway station about 6 km from the centre. But people are leaving as there is no employment – all the big enterprises have closed'*. He also mentioned that several shopping malls had recently opened outside the centre. *Billa* was the first, but it is not very popular as the prices are rather high. On the other hand *'it is difficult to compete with Kaufland and people have started visiting it'*. It's not only a matter of low prices and variety, but also because it is fashionable and signals a higher social status.

Although not exclusively focused on Roma minority problems, the project provided opportunities to improve the social inclusion of the city's large Roma minority, and the topic was repeatedly touched on in many interviews with sympathy and recommendations for effective action. Zoia Simeonova (60), Secretary of the PROBUDA Cultural Centre in the Roma quarter, claims that the integration of the Roma people should start by putting the accent on the creative potential of children. She believes that Roma people *'should enter the societal dialogue adequately'*



*prepared. They are now often helpless and scared – illiterate, but also ignorant of essential rules of societal interaction – and that is why they are often destructive*. She observes that employing Roma women to clean the city's pedestrian zone has clearly enhanced their awareness of cleanliness and pollution in public spaces. Some previous experience in the municipality with selling land to Roma people has outlined land ownership as another factor for changing Roma people's attitude to problems – as Mr Tankov comments: *'they acquire responsibilities'*. Nikola Nikolov (36), an architect with FENCO Design, mentions an important aspect of the project's integrating capacity: *'My impression was that the Roma people in Pazardzhik are well socialised and actively involved in the renovation process – they were asking questions all the time on what was going on'*. The project showed some encouraging results for Roma – the main one was probably the visibility of Roma people actively involved in taking care of public space, who gained a new status by virtue of their employment. However, we have to be aware that the Roma problem is very complex, long-term and multilayered, and it would be unrealistic to expect fast outcomes. This project has just finished and its real-life effects (including those on Roma people) will require continual interdisciplinary study providing effective feedback to urban policy.

At the national level Ms Denitsa Nikolova, Head of the General Directorate for Programming of Regional Development at the Ministry of Regional Development and Public Works (the main managing authority of the OPRD) was also satisfied with the results of the programme. The official view is that Priority Axis 1.4 is the one with the broadest visible impact on the image of Bulgarian cities and the most popular throughout the country. It has been the first programming period and all the limits and conflicts of interest became visible after implementation started: *'there were of course shortcomings and mistakes, but Bulgarian municipalities had no previous experience with such large-scale projects and it was proved in practice that we have built a self-learning management system that works well'*. A major shortcoming still to be overcome is the rigidity of the programme – it is not possible at the moment to merge actions or to combine funding from different priority axes. Ms Nikolova stated that integrated approaches will be further promoted and developed. Decentralisation will be also considered in future so that funding could be provided at the regional level – according to common principles yet being more sensitive to differences in the needs and resources of municipalities.

### ***The continuity of the process***

Bulgarian municipalities are nowadays facing a large number of infrastructural challenges – complex and expensive repairs have to be carried out at a time when public sector institutions are generally in retreat and underfunded. The current project in Pazardzhik is considered an important step in gaining experience in integrated planning, as the municipality intends to apply for funding under the current programme to develop integrated urban plans. The experience is also seen as being useful to further activities under the JESSICA programme.

The project undertook an intervention which went beyond the physical repair of the urban environment, and its impacts should be understood in a broader cultural and social context. Inclusive growth is a long-term concept, and the issues tackled in this field are broad and complex (socially, economically and culturally) with no immediate outcomes. Further sets of indicators should be developed which are sensitive to broader impacts, and results should be measured and evaluated in the longer term after the project activities are accomplished. In Bulgaria, a city centre is traditionally a place of work, trade, leisure and social contact – but also a source of feelings of belonging and identity. Nowadays we often underestimate the role that public spaces and city centres that work well play in the everyday life, economic welfare and integrity of a community. Therefore synergies and partnerships should be energetically encouraged, positive thinking cultivated, and creative approaches promoted.

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AEIDL has been contracted by the European Commission in 2012 in order to provide 50 examples of good practice in urban development supported by the European Regional Development Fund during the 2007-2013 programming period (contract reference 2011.CE.16.0.AT.035). The views expressed by AEIDL remain informal and should not under any circumstance be regarded as the official position of the European Commission.



**Fig. 7. Pazardzhik city centre: signs of local identity**



**Fig. 8. Pazardzhik town centre, February 2012: a workplace**



**Fig. 9. Changes in the urban environment**



**Fig. 10. Pazardzhik city centre – people and paths**



**Fig. 11. Pazardzhik city centre in winter: February 2012**



**Fig. 12. Cleaning the snow from the shopping streets**



**Fig. 13. Workplaces**



**Fig. 14. Saturday morning – shopping and meeting friends**



**Fig. 15. Pazardzhik shopping area at night**