1. Introduction
The management was reasonably thought the basic problem in the years 1998-1999. Being of a great importance for the libraries that have to survive in circumstances of financial instability and currency board it was the main cause for the National Library managers to invite a special adviser from NMCP whose task was to recommend an appropriate library management and marketing policies also sources for raising funds and ways for the optimization of the work process. The expert from NMCP visited the National Library in April 1999 and her conclusions will be represented in the annual report for 1999.

2. Major Innovations During the Year
The first three automated working places for readers plus an Internet centre are already opened.

3. Finances and Funding
The relative share of the subsidy for 1998 in the total amount of the income dropped with 2,10 points despite the 61 mln levs secured by the Director in addition to the approved transfer from the state budget.
The subsidy from the state budget was 1,159,600 thousands levs. The Ministry of Culture granted 1,500,000 levs for the 120th celebration of the National Library. In 1998 the Library obtained from donations and sponsors (cash and in assets) 2,844,000 levs, of them 545,000 levs came from abroad. It also received 20,649,000 levs, of them 7,953,000 levs from abroad as support for various subject programmes. The contributors of considerable help for the Library were Open Society Foundation, UNESCO, the International Centre for Ethnic Problems and Cultural Relations, etc.

Some of the recurrent expenditures show a positive increase most important of which being: for purchase of durable materials and non-material assets - with 1.97 points; for current and overhaul repairs - with total of 2.53 points; for office materials - with total 3.60 points; for disinfection and rat extermination - with 0.19 points; for insurances, medical check-ups, membership dues to various organizations.

The increase of fuel and heating expenditures (0.34 points) is due to the rise in prices for this kind of external services. The great decrease in the acquisition expenses (with 26.27 points) is explained with the fact that in 1997 a large subscription was made for 250 mln levs donated by the National Assembly. Except for this one-time aid the level of the acquisition expenditures remained nearly the same as in the previous year.

All remunerations for fiscal year were paid in time. The costs per reader increased to 14,934 levs, of them 10,335 levs are from the budget.

The conclusion based on these financial results is that even in circumstances of restricted budget and of scarce funding from the Ministry of Culture the Library managers succeed in keeping the activities of the institution stable.

4. Legal Status
No changes in the legislation concerning the National Library as a state cultural institution of national importance took place during the year 1998.

5. Legal Deposit
A project for obligatory deposit of library materials act was worked out, widely discussed and passed to the National Assembly. It is based on the national tradition and foreign practices at a time. The proposed changes are:
- Widening of the range of the documents deposited.
- Reducing the number of the obligatory copies (from 20 to 7).
- Concession provisions for publishers and producers obliged to deposit.
- Sanctions updated.

The provisions of the law in force are for the deposit of audio-visual documents but not for electronic materials. They are included in the new project where the problems concerning copyright and preservation are going to be resolved.
6. Buildings and Premises
Calculations project for funding a new building construction for the National Library, the so-called National Library - 2, is in progress. Our intention is some of the Library branches to be moved there so the functioning of the basic activities to be bettered.
Reconstructions done on our account:
- Transposition of functional branches by technological reasons.
- An overhaul of the Copy Centre.
- Moving and reconstruction of the printing office that was situated outward the Library to the main building.
- Repair of offices.
- Iron bars were put between the columns on the Eastern wall. All architectural requirements fulfilled.
- Cleaning and reconstruction of the building according to the Beautiful Sofia Project.
- An elevating central heating station was built up, installed and started. It is intended to save thermal energy.
- Installed and in use is a fire notifying system NOTIFIER that makes possible the use of all premises as required by the inner regulations.
- New security system is put in operation.
Basic problems:
- Shortage of means for the finishing of the new building NL-2.
- No fundings for the repair of the old electric system which is already dangerous.

7. Acquisitions
The tendency of much limited purchase of materials in comparison with those deposited, donated or acquired through exchange remained in 1998. Bulgarian books bought are 280 titles, Bulgarian periodicals - 372 titles, foreign books - 45 titles, foreign periodicals - 65 titles. Adequate funding was provided for the needs of the international book exchange part of it for purchase of books, periodicals and postage expenses.
For the first time since 1990 were secured money from the subsidy for foreign periodicals subscription.
The acquisition funding from the budget is unorganized and sporadic. The permanent lack of means do not permit any planning and regular purchase of the latest foreign publications and electronic editions. The Archive of the Bulgarian Literature received the full files of the journals "Narodna volja", "Mladina", "Priroda", "Venetz", works by Al. Stamboliisky, published letters by Lora Karavelova to Javorov, an edition of the New Testament from the 19th c., etc. A new acquisition for the Musics Dept. is the latest edition of the Garland encyclopedia in 12 vols. each accompanied by a CD. Other acquisitions are: an occult encyclopedia, ethnic encyclopedia, specialized encyclopedias. Library holdings are supplemented with important information data on CD ROM as the Social Science Citation Index, Contemporary Authors, ISSN Compact, FRANSIS - PASCAL. Financial collaps lead to restrictions in the profile of acquisitions. The basic task will remain to be the full acquisition of all Bulgarian publications for the Archive of the Bulgarian Literature and for the main stock. The sources are the current and the second-hand acquisition. Priority is given to the purchase of all kind of reference publications, electronic or printed, publications about the country and its people, foreign literature (monographs and periodicals) in the field of humanities and natural sciences.
8. Conservation/Preservation of Collections
Adequacy and funding of the conservation:
- Binding of the new books.
- Rebinding of the damaged books.
- Making boxes for archival documents.
- Making microfilms of MS an old printed books, the purpose being their restricted use.
- Equipment provision for the Restoration and Preservation Laboratory.

Basic innovations/Change of politics
- "Preservation of Holdings" is a branch of the activities of the Commission for Organisation of Stocks and Cataloguing, already.
- Documents concerning the staff in the conservation section: adequacy of strength, skill, etc.; routine, salaries, etc. Comments on problems, changes and development.
- Two grants for restoration workers from the Restoration and Preservation Laboratory accomplished in the Northeast Document Conservation Center, Andover, USA in October 1998; introduction to the neutralization method "Book keeper" and the method for light bleaching.
- It is a matter of necessity for the Laboratory to put in practice the method for neutralization "Book keeper" and to be furnished with a suction table for chemical treatment and cleaning of the documents.

Accidents planning/Programmes and strategies
- "Plan of Action in Case of Disaster" will be made in 1999.

Restoration and Preservation of Stocks
In 1998 the Cataloguing and Holdings Organisation Council being an advisory body to the Director added to its functions a new one - the restoration of the stocks. The work on a project for preservation of the holdings started with survey on the special holdings (sound records, official publications) and the new books. Disaster planning will be the initial point in it.

9. IT and New Technologies
- Two computer nets for 110 working stations were built up.
- Work project for the reconstruction of the existing information system has been created on the basis of SQL server.
- Access to Internet from 18 stations.
- New programmes for accounting, salaries, staff and legal information are in use.
- New project is processed for introducing the machine-readable catalogues of the Library in Internet.

10. Readers Services
The Library holdings are at disposal to the major citizens of the country (except for the students in school) such as the authorities; scientific, cultural, social and financial organizations; institutions and individuals from abroad.
The admission is by a reader card paid according the price list. Readers services include:
- Supply of books from abroad through interlibrary loans.
- Supply of copies of books or articles from abroad through interlibrary loans.
- Sending requested items or copies abroad.
- Outdoors use of books (special permission given by the Director).
- Bibliographic and information services rendered with written references.
- Bibliographic and legal consulting.
- Making copies of library documents.
- Making photocopies of library documents.
- Sound recording.
- Internet services.
- No restrictions to the access to the Library holdings. Free access to the stocks in the reading rooms is assigned to all users.
- Interlibrary Loans Dpt. has two branches - domestic and international. The domestic renders services to all libraries in the country. There are limitations for some requests for reference books, rare and valuable publications. The international loans branch works according IFLA regulation code from 1976. In the second half of 1997 and the whole 1998 the international loans branch took part in the IFLA Voucher Scheme that eased the payment of requests.

11. Exhibitions
Forty-five exhibitions were organized during the year. The guest exhibitions from abroad were 6. The biggest one dedicated to Kemal Atatürk was from Republic of Turkey. The rest were organized by the cultural centres and offices of Hungary, Germany, Poland and Slovakia in Bulgaria. The best and the most visited were the exhibitions: "Foreign Publications of Sandor Petőfi’s Works", "Adam Mickiewicz", "Books from Germany Donated by the Frankfurt Book Fair", the last one accomplished in co-operation with Goethe Institute. An exhibition of posters of our special collections was opened in USA for the congress of ALLA. The most significant and much visited of our inner exhibitions were: "The Liberation in 1878", "Paisii Hilendarski and His Istoria Slavjanobolgarskaja", "Through the Collections of Osmanic MS in Bulgaria: XVII - XIX c.". The largest exposition was dedicated to the 120th jubilee of the National Library. Some of the other exhibitions were: "Javorov’s Course of Life", "Vision of the World of Emilian Stanov" etc.
Among the other cultural events are 18 lectures, meetings, concerts, with readings.
Our activities are directed to co-operation with cultural institutions and agencies of foreign missions in Bulgaria. Donations to the National Library from Sabre Foundation, Open Society Foundation, etc. Were traditionally exhibited in 1998, too. The exhibition and cultural activities are funded from the Library’s budget, from other institutions under agreements for co-operation and from projects and programmes. It became obvious from the reported data that in 1998 the income from these events overdrew all our expenses.

12. Publishing
The new publications are 11. Some of them are:
- Paisii Hilendarski. The History of Slav-Bulgarians.
13. Library Co-operation
The Library participates in the coordination of international and national library programmes. A survey after the Rafael Programme was conducted within the European Communities. The National Library is a coordinating centre for BIEF. The Bulgarian participation in a workshop of UNAL in Florence, dealing with Internet problems was organized by UNESCO. Similar events were the seminar in Sofia, Bulgaria on reading rights and the 50 years jubilee of the Declaration for Human Rights. 
Three candidates from the personnel were nominated to take part in the special course for the European Communities organized by the French Institute of Culture in Sofia. The National Library as a leading centre for library standardization and library statistics coordinates the activities of the Bulgarian libraries. It takes part in the coordination of new library legislation drawing up.

14. Major Celebrations/Anniversaries and Events
On the 10th, Dec., 1998 the "St. St. Cyril and Methodius" National Library celebrated with self-respect and ceremoniously its 120th Anniversary. It is the Bulgarian richest contemporary literary centre that keeps the traditions of its past and is capable to build the future.