



**TRANSPARENCY
INTERNATIONAL
BULGARIA**

TRANSPARENCY INTERNATIONAL - BULGARIA

2014

ANNUAL ACTIVITY REPORT

REPORT OF TRANSPARENCY INTERNATIONAL – BULGARIA FOR ACTIVITIES IN 2014

In 2014, Transparency International - Bulgaria celebrated 17 years since its founding. The organisation was established in 1998 as Transparency International's first national office in Southeast Europe. During this period, TI-Bulgaria has built a significant capacity to create and implement projects to counter corruption, promote good governance in the activities of public institutions, as well as managed to develop its reputation of a professional, politically impartial and active civic organisation.

In recent years, Transparency International - Bulgaria has gained a wide range of supporters and has worked with a large number of independent experts from various spheres of scientific and public life to implement its projects and initiatives. Established ties with national and international institutions were extended towards civil society structures and the media, and the association earned its name as a respectable and reliable organisation.

In 2014, Transparency International - Bulgaria continued to actively carry out activities to counter corruption at a national, regional, and international level. All implemented programs and initiatives of the association were focused on the realisation of its mission and main priorities, as well as the objectives and tasks laid out in the charter.¹

¹ **The mission of Transparency International - Bulgaria, deriving from its status as a Bulgarian representation of the greater body:** uniting the efforts of state institutions, local authorities, representatives of civil society, the private sector and the media in order to introduce systemic reforms and concrete actions against corruption in the country.

The main priorities in the work of the association: the initiation and implementation of projects and programs for combating corruption at both a national and regional level.

The main goals and tasks set out in the charter of the association:

- Conducting research initiatives on corruption issues by mobilising efforts of scientists, public figures and experts in the relevant fields;
- Collecting, presenting, and disseminating the necessary analytical information among state institutions and civil society organisations.
- Developing, testing and implementing various citizens' initiatives aimed at anti-corruption;
- Offering expert and technical assistance for various citizens' initiatives aimed at anti-corruption;
- Building and maintaining a contact network of international and national partner and donor organisations dealing with similar issues;
- Long-term cooperation with central and local authorities, experts in the state administration and non-governmental organisations with a similar focus in order to create a stable network of public coalitions working on fighting corruption.

The team at the Transparency International – Bulgaria office continued to successfully realise its full range of goals and objectives by planning and implementing specific projects and initiatives under two main programs.

THE NATIONAL PROGRAM aimed at:

- The application of effective models for independent expert monitoring and civil control over the legislation and processes of governance in relation to transparency principles and accountability
- Initiating advocacy campaigns in support of important public causes and issues related to preventing and tackling corruption, as well as the protection of individual victims of corruption;
- Increasing public awareness on the topic of integrity, transparency and accountability in the work of public institutions;
- Carrying out analytical activities on the problems related to anti-corruption and the enforcement of good management practices through mobilising the expertise of the organisation as well as of foreign experts in the field.

THE REGIONAL PROGRAM aimed at:

- The implementation of international projects in partnership with the Transparency International – Secretariat, along with the national representatives of the organisation.
- The exchange of experience and the creation of regional networks for the implementation of anti-corruption initiatives.

ACHIEVEMENTS OF THE ORGANISATION IN 2014

- Conducted a study dedicated to the problems of lobbying in Bulgaria. Developed the analytical study ‘Lobbying in Bulgaria: interests, influence, policy’, which for the first time presents a systematic assessment of the problems of lobbying in the country. This is the first study of its kind, which is based on a quantitative and qualitative assessment of the problem, formulated on the basis of three groups of indicators: transparency, integrity and equality of access. The analysis is part of a pan - European initiative by Transparency International, which covers 19 EU Member States and focuses on the need to establish and implement rules on lobbying.
- Developed and implemented methodology for the evaluation of the local integrity system. Based on the analytical approach of Transparency International (National Integrity System), the organisation developed an innovative tool for assessing the potential, role and contribution to the fight against corruption by

institutions and leading public sectors at a local level. In 2015, the developed methodology served as a starting point for conducting a comparative assessment of institutions and social actors from all regions of the country, which play a key role in the fight against corruption.

- Implemented a civic initiative for monitoring the election process, which focused on two main aspects of the election process - transparency and accountability of campaign financing and compliance with international standards for free, fair and democratic elections. In this regard, the organisation conducted civilian monitoring of the European Parliament elections held in May 2014 and the parliamentary elections held in October 2014. It implemented an innovative tool developed jointly with other European representations of TI – the Anti-Corruption Treaty of Transparency International, and mobilised a wide coalition of NGOs and volunteers to observe the election process.
- Developed and published a monitoring report of the European elections, analysing problems in the financing of the election campaigns and in the conduct of the elections. Developed a package of proposals for changes in the electoral legislation and in the practice of its implementation on the basis of the performed civil observation and the analysis of the obtained results. Implemented an advocacy campaign for the accepting of the proposals made by Transparency International - Bulgaria.
- Approbation of the Bulgarian Integrity Pact model as a tool for increasing transparency, accountability and integrity in public procurement. The organisation implemented a pilot pact for integrity in the work of three ministries (Ministry of Regional Development, Ministry of Health and Ministry of Labor and Social Policy). It also monitored public procurement in three areas (infrastructure construction, health and social activities), and presented final reports with findings, conclusions and recommendations for increasing the transparency, efficiency and accountability of the monitored procedures.
- Developed the manual 'Indicators of transparency and integrity in public procurement', which provides an opportunity for external evaluation at all stages of the process of awarding and implementing public procurement. The handbook presents a methodology for assessing transparency and integrity in public procurement, as well as an assessment of the impact of the implementation of the Integrity Pact in public procurement. The developed publication served as a basis for conducting a series of trainings and was attended by more than 300 people from all over the country, including employees of local administrations, representatives of civil society organisations, businesses and the media.
- Developed and applied an innovative model for monitoring, analysing and evaluating the work of institutions with powers to confiscate illegally acquired property. TI-Bulgaria is the first organisation in the region to start working in this field and is implementing an international project jointly

with TI-Italy and TI-Romania. The main priority in the international initiative is to increase the transparency, integrity, efficiency and accountability of the specialized institutions in the seizure/confiscation procedures by exercising civil monitoring and control over the work of these institutions. Based on the analysis of the legal framework and the practices on the application of confiscation procedures in the three EU Member States, a methodology for independent civic monitoring of the activities of the institutions in this area was developed. The methodology was applied in practice in Bulgaria, Italy and Romania. On the basis of the performed civil monitoring, problems and positive aspects of the procedures to confiscate property in the three countries were established by comparison. An important result of the monitoring is the developed 'ideal model' for the confiscation of property, which includes minimum common standards based on proven good practices of already applied models in the EU. As a result, recommendations were made to improve the legal framework and practices of the relevant national institutions.

- Developed a series of analytical reports that reflect the results of the legal analysis of Bulgarian legislation in the field of confiscation of illegally acquired property, the comparative legal analysis of the problems in the three countries, findings from the monitoring and recommendations outlining the prospects for improving the efficiency of specialised institutions. The established methodology for independent civil monitoring of the activities of the institutions with powers to confiscate/seize illegally acquired property is an innovative tool that provides specific expertise for civil control in this area.
- Expert analysis related to the development of the capacity of structures of the central, regional and municipal administrations in the provision of administrative services and the functioning of regulatory regimes. Developed a series of analysis related to corrupt practices and efficiency in the work of administrations, which served as a starting point in the development of two publications and conducting of a series of trainings for public administration employees. As a result of the analytical activity, a handbook with the functions of the control bodies in the field of corruption in the state administration and a handbook for identification of corrupt practices in the administration have been developed. The developed publications are a source of systematized information for citizens and employees in the administrative structures on the methods of detecting corruption, the ways of reporting corruption, the competent specialized institutions and units with anti-corruption functions. The created analytical products were submitted to the Commission for Prevention and Counteraction of Corruption and the Administration of the Council of Ministers.
- Conferences (both at home and abroad), training seminars, round tables and public discussions on specific issues to stimulate institutional and public debate on transparency and integrity of the election process,

transparency and integrity in public procurement, confiscation of illegally acquired property, regulation of lobbying, and a system of integrity of public institutions at a local level.

- Produced publications, information and training materials that present the analysis and research of Transparency International – Bulgaria in connection with the implemented projects and initiatives.

AREAS OF ACTIVITY

I. COUNTERING POLITICAL CORRUPTION. MONITORING COMPLIANCE WITH DEMOCRATIC STANDARDS IN THE ELECTORAL PROCESS. MONITORING THE FINANCING OF POLITICAL ACTIVITY

The troubling impact of corruption on political life, as well as on the overall governance model of the country, is one of the main topics of focus for the organisation since its inception to present day.

In 2001, Transparency International – Bulgaria monitored the transparency of an election campaign for the very first time (the 2001 presidential election), and created a methodology for measuring the level of transparency in the financing of political parties and election campaigns in 2003, using as a basis Transparency International's well-established Corruption Perceptions Index. For fifteen consecutive years, the organisation has been conducting research which it uses to develop and publish annual indices for transparency in the financing of political parties and campaigns in Bulgaria. The developed methodology and achieved results are the subject of attention not only from Bulgarian audiences, but also from other international organisations and national representations of Transparency International.

In recent years, the issue of transparency and accountability in the financing of campaigns has been displaced by other issues that have a significant negative impact on the electoral process - vote buying, various forms of control and illegal pressure on voters, as well as organisational preparation and improper conduct of the election. The accumulating problems in the election process provoked the Transparency International team to expand the scope of its observation and evaluation and since 2009, the main focus of observation has been two main problematic areas: 1) democratic standards, integrity and transparency in the election process; including limiting irregularities and abuses of citizens' voting rights; 2) transparency and accountability in relation to the financing of the election campaigns of candidates.

In 2014, TI-Bulgaria conducted initiatives to monitor the electoral process in connection to the elections for members of the European Parliament, held on 25 May, as well as the elections for the 43rd National Assembly held on 5 October.

The observation of the European elections was based on four main components of monitoring and evaluation of the electoral process: the activities of the institutions related to the preparation and conduct of parliamentary elections;

the election campaigns of registered parties, coalitions of parties and initiative committees nominating independent candidates (campaign financing; election day conduct; and an international advocacy campaign related to the Anti-Corruption Treaty proposed to EP candidates by Transparency International.)

Immediately before the start of the election campaign, TI-Bulgaria invited registered participants to join TI's anti-corruption initiative and contribute to building more effective, transparent and accountable European institutions. The document aims to engage political parties, coalitions and candidates in the European elections to work to combat corruption in several main areas: turning the governance and legislative activity of the European institutions into a model of transparency, accountability and integrity; exercising more effective control over the spending of public funds in the European Union and taking measures for effective protection of persons reporting irregularities and corruption in the public, private and non-governmental sectors.

In the period February - November 2014, TI- Bulgaria conducted a campaign to promote the proposals for changes in the electoral legislation and was an active participant in a series of discussions on the topic. Representatives of the organisation monitored the work of the National Assembly in connection with the drafting of a new Electoral Code and were among the organisations that took the most active part in the public debates on the issue. The organisation developed an opinion in connection with the draft Electoral Code and sent a series of open letters and appeals to MPs, arguing the need for timely adoption of adequate election legislation.

Given the new Electoral Code's entry into force and the related new provisions, two essential elements of the observation of the preparations for the EP elections were related to the procedure for nominating and electing a new CEC, as well as participation in the CEC Public Council. Considering the importance of the preparation of the election process, the organisation's experts monitored the procedure for electing CEC members and participated in a series of consultative formats created in connection with the elections - Public Council at the CEC, and in connection with national parliamentary elections - Civil Board for Free and Transparent Elections to the Council of Ministers.

At the beginning of August 2014, TI-Bulgaria - together with other leading Bulgarian non-governmental organisations - launched a civil campaign to observe the early parliamentary elections in the 43rd National Assembly. The monitoring was carried out in partnership with 14 NGOs from all regions in the country and with the assistance of 78 observers. For the first time, observers from abroad - Great Britain, Germany, Italy and the USA - joined the civil initiative.

In the implementation of the civil observation, three main tools for observation and evaluation of the election process were used: Roadmap of the election process - a tool for evaluation of the activity of the institutions that have powers in the preparation and conduct of the elections; Public contract for the holding of free, fair and democratic elections in Bulgaria - a tool for engaging the parties in the implementation of measures against violations in the electoral process and in the

implementation of legislative initiatives against corruption; direct observation of the election process through officially registered observers who monitored the activities of the election administration at all levels in the country.

The public contract was one of the main tools for monitoring and evaluating the actions of the participants in the election process. The document was created by TI-Bulgaria as an expression of the desire to engage political parties not only with short-term actions to reduce violations in the election process, but also with long-term measures to combat political corruption in the legislative activity of the 43rd National Assembly. The initiative was supported by 16 parties and coalitions registered to run in the parliamentary elections, as well as 14 non-governmental organisations, with the assistance of which TI-Bulgaria monitored the election process.

The results of the monitoring of the elections for the EP and the National Assembly were presented at forums and a regular press conferences. These include: Forum for Accession to the Anti-Corruption Treaty on Transparency, Accountability and Integrity of European Institutions and Policies' held on 13 May 2014, and discussion 'Practical Problems in Investigating, Detecting and Punishing Crimes against Voting Rights', held on September 16, 2014. Through these forums, TI-Bulgaria sought to mobilise support for its initiative from a wide range of participants in the country's political life - political parties, institutions with powers in connection to the election process, the media and non-governmental organisations.

Project 'Light on lobbying in Bulgaria' - 'Towards transparency, integrity and equality in lobbying in Bulgaria'

The project 'Light on lobbying in Bulgaria' has been implemented since the beginning of November 2013 with the financial support of the Crime Prevention and Control Program of the Directorate General for Home Affairs of the European Commission. It is part of Transparency International's 'Lifting the Lid on Lobbying' initiative, which covers 19 European countries: Austria, Bulgaria, Cyprus, the Czech Republic, Estonia, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Slovakia, Slovenia, Spain, the Netherlands and the United Kingdom.

The project has several main goals:

- to assess the degree of transparency, integrity and equality of influence on decision-making processes in Bulgaria;
- to mobilise expertise for the formulation of recommendations that will lead to increased transparency, integrity and equality of influence on decision-making processes in Bulgaria;
- to stimulate expert debate and mobilise public efforts for the implementation of change in the relationship between politics and business, which is based on clear and applicable rules for transparent and equal relations in the process of decision-making in Bulgaria.

In 2014, the main area of work of TI-Bulgaria was focused on the development of an expert assessment of the regulatory framework, policies and practices regarding lobbying in Bulgaria. In this regard, an expert team of the organisation conducted a series of studies - legal analysis, expert interviews, case studies and other research methods, which were reflected in the development of a national report on the state of lobbying in the country.

The report 'Lobbying in Bulgaria: Interests, Influence, Policy' presents an in-depth assessment of the regulatory framework, policies and practices regarding lobbying in the country; the risks associated with the lack of control over lobbying; good practices and proposals to increase transparency, integrity and equality of influence on decision-making.

The national report served as a starting point for initiating a series of public discussions, workshops and forums aimed at uniting the efforts of various social actors to establish rules and practices for transparent lobbying. The first of these discussions was held on 16 December 2014 at the forum 'Light on lobbying in Bulgaria: transparency, integrity and equality of access' where the national report of the study was presented and a series of consultations with representatives of institutions, business, media and civil society organisations took place.

The project envisages this advocacy activity to continue in 2015, as it will be expanded with the promotion of good practices for lobbying applied in the Member States of the European Union, as well as the conducting of training for journalists aimed at identifying non-transparent lobbying practices in the decision-making process.

Project 'Strengthening cooperation and advocacy for transparency and accountability in political life'

The project 'Strengthening Cooperation and Advocacy for Transparency and Accountability in Political Life', is a joint initiative of Transparency International - Turkey, TI- Bulgaria and 'GONG' Croatia, which started in late 2014 and will end in April 2016. It is implemented with the financial support of the joint program of the European Union and the Republic of Turkey 'Societal Dialogue Between the EU And Turkey - III Political Criteria Grant Scheme (CSD-III / PC)'.

The main goal of the initiative is to increase the transparency and accountability of political funding in the Republic of Turkey, both in terms of legislation and practice. The project aims to increase the capacity of the non-governmental sector to monitor and control political funding in the country by building a civic coalition for transparent and accountable funding of political activity.

The main commitment of TI-Bulgaria within this initiative is the transfer of expertise and experience for civilian monitoring in the field of political financing. In this regard in 2015, the participation of representatives of TI - Bulgaria in a series of public forums, seminars and press conferences is planned, in order to share the experience of the organisation in the implementation of advocacy campaigns to

increase transparency in political funding and innovative monitoring tools, as well as in the financing of political parties and election campaigns, including the Public Contract for Fair and Transparent Elections.

II. PUBLIC ADMINISTRATION REFORM. MONITORING THE ACTIVITY OF PUBLIC INSTITUTIONS

One of the most important aspects in the activity of TI-Bulgaria is public administration reform. The organisation's contribution to the analysis, monitoring and application of foreign experience in the fields of prevention, anti-corruption and good governance should be noted. In this regard, the topics of conflict of interest, civic participation and independent civic monitoring of the administration at all levels (local, regional and national) are relevant. In 2012, TI-Bulgaria launched a new path in the fight against corruption – the confiscation of illegally acquired property, and in 2014 developed its initiative as one of its main areas in its work. It is no coincidence that the organisation turned its attention to this problem. Its relevance at a national and pan-European level is explained by the fact that one of the most successful approaches to fighting corruption is to take away the economic benefits of corrupt practices.

Project 'Confiscation of Illegally Acquired Property in Europe - Increasing Transparency, Integrity, Accountability and Efficiency'

The project is a 24-month initiative of Transparency International, which was launched in June 2013 with the financial support of the European Commission, Directorate General for Home Affairs under the Crime Prevention and Counteraction Program. It is a natural continuation of the activities of TI-Bulgaria in relation to monitoring the adoption of the law for confiscation of illegally acquired property in favor of the state and the constitution of the Commission for confiscation of illegally acquired property. The project is implemented by Transparency International – Bulgaria, in partnership with Transparency International - Italy and Transparency International - Romania.

The main objective of the initiative is to increase transparency, integrity, accountability and efficiency in confiscation proceedings in Europe by exercising effective civilian control over the work of specialised bodies in this field. One of the main results sought was to improve cooperation between such institutions within the European Union.

The project activities were focused on several main areas:

- analysis of the legal framework and institutional practices and policies - national legal and sociological research in the three countries;
- development of expertise on monitoring and evaluation of the activity of the institutions with powers for confiscation of illegally acquired property;

- monitoring the work of the institutions with powers to confiscate illegally acquired property, in order to exercise effective civil control over the procedures for the confiscation of property;
- promoting cooperation between the bodies for confiscation of illegally acquired property at EU level, by provoking a public discussion on the issue and holding such discussions to present the results of the initiative in this area.

Based on the analysis of the legal framework in Bulgaria, Italy and Romania, three national reports were prepared and published, presenting three different models for the confiscation of illegal property. The legal study for Bulgaria 'Confiscation of Illegal Property: Challenges and Perspectives of the Bulgarian Model' was presented to a Bulgarian audience at a public forum called 'Confiscation of Illegally Acquired Property in Bulgaria: (Un) expected Challenges', which took place in February 2014. The national legal analysis served as a basis for the development of a common methodology and indicators for independent civil monitoring of the procedures for the confiscation of illegal property in the three countries.

Independent civilian monitoring began in May 2014. The purpose of this instrument was to establish a degree of transparency and efficiency in foreclosure proceedings. The focus of the monitoring in Bulgaria was the specialized bodies for the confiscation of property - the Commission for Confiscation of Illegally Acquired Property and the Interdepartmental Council for Property Management).

As part of the monitoring in July 2014, the team at TI-Bulgaria held a number of meetings and expert interviews with representatives of the central government and the territorial directorates of CONPI. The monitoring also included an analysis of specific cases of confiscation of property, which allowed the identification of good practices and weaknesses in the application of the procedure for the confiscation of illegal property. Based on the results of the civil monitoring, specific recommendations were made for the improvement of the legal framework and the practices for its implementation at a national level.

The interim results of the monitoring in Bulgaria were presented at a the round table 'European and national perspectives in the management of property seized in the benefit of the state', held in November 2014.

In 2014, TI-Bulgaria hosted two work meetings of the project team, which took place in April and December. Representatives of the organisation also took part in work meetings in Milan (March 2014) and in Bucharest (October 2014), organised by the partner organisations of the project (TI - Italy and TI - Romania.)

Based on the comparative analysis, which showed similar weaknesses in the national seizure/confiscation procedures, a policy paper was developed with specific recommendations for improving the regulation of seizure/confiscation procedures at EU level. It is focused on establishing minimum common standards valid for all Member States, thus helping to increase the efficiency of national procedures and promoting cooperation at interinstitutional and intergovernmental levels. In 2015, the results of the monitoring in the three countries will be published, which will be summarized in a comparative report.

Regional Anti-Corruption Index Project

The project 'Regional Anti-Corruption Index' was implemented in the period March - October 2014 with the financial support of the Foundation 'America for Bulgaria'. In essence, it is a pilot project that has created the main prerequisites for the implementation of a long-term initiative aimed at assessing the anti-corruption capacity of institutions at a local and regional level.

The project surveyed the main institutions and social actors that play a role in preventing and combating corruption at a local level. As a result, a map of institutions and social actors in the 28 districts of the country was created.

The main focus of the project's work was the development of a methodology for assessing the local integrity system in Bulgaria. Recognising the need for a more active role in the fight against corruption at a local level, TI-Bulgaria has decided to focus its efforts in the long term on developing a tool to assess the role, importance and contribution of anti-corruption institutions and major sectors of public life at a local level. Based on the analytical approach of Transparency International (National Integrity System, which evaluates 12 key institutions and sectors that contribute to the prevention and combating of corruption in society), the team of TI-Bulgaria developed '**Index of the local integrity system**' - a methodology for evaluating institutions and social actors at a local level that play a key role in the fight against corruption.

The developed methodology was discussed in a series of expert discussions and meetings, as a result of which it was used as a starting point for the implementation of the long-term initiative to assess the local integrity system, launched in November 2014.

Local Integrity System Index Project

The Local Integrity System Index project is a three-year initiative of TI-Bulgaria, which has been implemented since the beginning of November 2014 thanks to the financial support of the 'America for Bulgaria' Foundation. The initiative is an expression of the assessment by TI-Bulgaria that an effective fight against corruption in the country cannot be carried out without the participation of key institutions and social actors at a local level. For this reason, in 2014 the organisation focused on the implementation of this project, which prioritises:

- developing the capacity of civil society structures to monitor and evaluate the activities of institutions and social actors at a local level;
- involvement of civil society organisations in initiatives for transferring good practices related to the principles of good governance and anti-corruption;

- increasing the corruption-tackling capacity of local administrations through the development of sustainable anti-corruption policies and the introduction of good governance models;
- promoting interaction between institutions and social actors from different regions of the country in order to exchange good practices, effective models of good governance and anti-corruption policies.

The initiative is implemented through three main lines of activity:

- assessment of the capacity of local public institutions and other actors to implement sustainable anti-corruption policies; development of an annual Index of the Local Integrity System;
- strengthening the integrity of local communities: developing the capacity of local authorities to implement long-term sustainable anti-corruption policies;
- advocacy for reforms in local anti-corruption policies.

As a result of the application of the monitoring methodology, a complex assessment will be compiled – the Index of the local integrity system. The index will allow an annual comparative assessment of the anti-corruption capacity, role and importance of key institutions and social actors at a local level: municipal council, mayor, municipal administration, business, media, NGOs, court and police. It will be compiled on the basis of a detailed set of indicators, which will be used to study the institutions in all 28 regions of the country.

The research, as well as other project activities, are carried out in cooperation with a wide network of non-governmental organisations working in the respective regions, which are partners of TI- Bulgaria in the implementation of the initiative.

‘Civic Platform for Responsible and Accountable Management’ Project

The project ‘Civic Platform for Responsible and Accountable Management’ is a one-year initiative of TI-Bulgaria, which has been implemented since the beginning of November 2014. It is implemented with the financial support of the NGO Support Program in Bulgaria under the Financial Mechanism of the European Economic Area 2009 - 2014. The initiative was created in response to the need to develop the capacity of civil society structures to systematically monitor the work of control institutions and to establish effective interaction between civil society and public institutions in two key areas:

- ecology and construction - environmental protection in connection to urban planning activities and cleaning of riverbeds;
- social care for children at risk - social protection for children who are accommodated in institutions providing social care of the residential type.

The main goal of the initiative was to encourage the involvement of non-governmental organisations in the process of policy formulation and decision-making at both local and regional level in these thematic areas across two regions of the country - Northwest and South Central Bulgaria.

The initiative was aimed at developing skills for effective civic monitoring of the work of institutions with controlling powers from the Northwest and South Central regions, as well as active citizen participation in the development of policies for transparent and accountable management of institutions that control the two thematic areas.

In 2014, the efforts of the team at TI-Bulgaria were aimed at developing a methodology for civil monitoring of the work of control institutions at a local level. As a tool for the implementation of this activity, a legal analysis of the work of the institutions at both a local and regional level in the two specific areas (social care for children at risk and ecology and construction) was developed.

After the development of the methodology for civil monitoring at a local level, in 2015 the following actions are expected: to conduct training for practical application of the methodology; to pilot civil monitoring of the work of the control institutions in 6 municipalities from the two regions (Pleven, Vratsa, Vidin, Plovdiv, Pazardzhik and Smolyan); to create two Civic Platforms for open and responsible governance; and development of an internet-based interactive platform. The internet platform will provide informative resources on the functioning of control institutions in the two thematic areas, monitoring results, good practices and opportunities for reporting issues. Following the completion of the initiative, this platform can be used as a tool for ongoing discussion of civic proposals to improve the efficiency of control institutions in the two thematic areas, as well as to promote interaction between civil society and public institutions.

Project 'Monitoring the Implementation of the UN Convention against Corruption in Bulgaria: Alignment of National Legislation. The civic approach'

The project is part of an initiative of the Transparency International - Secretariat, which focuses on evaluating the implementation of advocacy campaigns for the implementation of the UN Convention against Corruption. In this regard, in the period November 2013 - February 2014, experts from TI- Bulgaria conducted a study and prepared a report on Bulgaria's progress in implementing the UN Convention against Corruption.

As part of Transparency International's advocacy campaign, TI-Bulgaria organised a forum on 25 February 2014 to present and discuss the results of the monitoring report. Representatives of TI-Bulgaria took part in the Annual Meeting of UNCAC States, held in June 2014 in Vienna.

'Development the skills and competencies of employees in administration for effective countering of corruption within the provision of administrative services and the functioning of regulatory regimes'

In 2014, an expert team of TI-Bulgaria performed expert analytical activities on a project implemented by the Administration of the Council of Ministers. The main goal of the initiative was to strengthen administrative control over the provision of administrative services and the functioning of regulatory regimes. The initiative structured in several main areas of activity:

- Preparation of an analysis of the corrupt practices in the provision of administrative services and the functioning of the regulatory regimes in the central, regional and municipal administrations;
- Development of training materials;
- Training of 1200 employees from the central and territorial administrations;
- Development of a handbook for the functions of the control bodies in the field of anti-corruption within the state administration;
- Development of a manual for the identification of corrupt practices in the administration.

In the process of performing the analytical activity, the experts at TI-Bulgaria conducted a series of studies: a study of a wide range of evaluation reports, analysis and studies on the topic; opinion polls of 1,200 employees in administrative structures across the country; sociological surveys of the opinion of citizens and businesses; legal analysis of the application of the four types of regulatory regimes. Based on research activities, an analysis was made which established the deficits and good practices in the work of the structures in the administrative service and in the application of regulatory regimes. The developed analysis was used as a starting point for the implementation of the other activities of the project, in which the team of TI-Bulgaria was involved.

The experts at TI-Bulgaria developed a handbook for the functions of control bodies in the field of anti-corruption within state administration, presenting detailed information on: the functions of the control bodies within the structures of the central state administration and the local authorities; the ways of submitting and viewing reports for issues and corruption; catalog of good practices for prevention and counteraction of corruption in local government.

The other publication, created as a result of the performed analytical activities, was a manual for the identification of corrupt practices in the administration. The manual presents information on: the procedures for establishing corrupt practices in the administration; up-to-date data from expert sociological surveys which assess the corruption risks and corruption-related attitudes of the employees in the administration; ways of reporting to relevant institutions, as well as methods and systems for monitoring the risk of corruption;

The developed publications are published on the website of the Commission for Prevention and Counteraction of Corruption. As a result, employees in the administration, citizens, representatives of business and the media were given the opportunity to be informed on the control bodies in the structures of the central state administration and what their functions are. The most significant effect of the

development of the handbook and the manual is the provision of practically useful information to enable citizens to be aware of the procedure for reporting violations and corruption, to which competent institution they should turn for assistance. and what decision and response they can expect.

Based on the research, analysis and publications, the experts at TI-Bulgaria conducted a series of training seminars (in 2014 and 2015 their total number is expected to be 38, with the participation of 1,200 trained employees), within which employees and heads of the inspectorates of the central state administration were trained, as well as employees of municipalities from all regions of the country.

In accordance with the requirements for publicity of the project's activity, the results of the research and the prepared publications were presented at a press conference organised by the Administration of the Council of Ministers on 14 October 2014.

III. TRANSPARENCY AND EFFECTIVE MANAGEMENT OF PUBLIC FUNDS: COMBATING CORRUPTION IN PUBLIC PROCUREMENT

Project 'Increasing Integrity through Advocacy: Counteracting Corruption in Public Procurement'

The project 'Increasing Integrity through Advocacy: Counteracting Corruption in Public Procurement' is a three-year initiative of TI-Bulgaria, which started in early February 2011 and is aimed at combating corruption in the field of public procurement in Bulgaria. It was funded by the World Bank's Integrity Initiative, which was established on 2 July 2009 and provides support to organisations and projects around the world that fight corruption and fraud through collective action, training and education.

The main goal of the initiative is to raise the standards of integrity and transparency in the implementation of contracts of significant public interest by changing the policy in the country. The main focus of the project is on developing and promoting the concept of the Integrity Pact as a tool for preventing and combating corrupt practices.

The work of the project covered five main areas of activity:

- 1) analysis of the legal framework and adaptation of the TI Integrity Treaty under Bulgarian context;
- 2) an advocacy campaign to promote the concept of the Integrity Pact;
- 3) pilot application of the Integrity Pact;
- 4) creation of a handbook with indicators for transparency and integrity in public procurement
- 5) promotion of the created manual and training of representatives of the institutions for effective application of the model of the Integrity Pact under Bulgarian conditions.

As a result of the activities carried out in 2012 and 2013, TI-Bulgaria developed the Bulgarian model of the Pact and started its pilot implementation in three key areas - infrastructure construction, social activities and healthcare. The organisation has signed co-operation agreements and integrity pacts with the Ministry of Regional Development and Public Works (principal of the Road Infrastructure Agency), the Ministry of Health and the Ministry of Labor and Social Policy. Based on this, it monitored and evaluated the effect of the experimental implementation of the Bulgarian model of the Integrity Pact, as well as monitored and evaluated public procurement in the three key areas.

As a result of the monitoring of public procurement in the three ministries, 7 interim and 3 final reports were prepared which reflect the findings and recommendations of the expert team on all key stages of the monitored process (preparation of tender documentation, conducting procedures for selection of the contractor, conclusion of the contract and performance of the subject of public procurement). With regards to the publicity of the results of the monitoring - in 2013 and 2014, TI-Bulgaria published all reports on the specialized site: <http://integrity.transparency.bg>.

In 2014, TI-Bulgaria published a handbook on the Indicators of Transparency and Integrity in Public Procurement. The publication presents the conceptual framework of the Bulgarian model of Integrity Pact, the methodology for civil monitoring of public procurement, assessment of the effect of the application of integrity pacts, as well as indicators of transparency and integrity in the preparation, award and implementation of public procurement. The publication was widely disseminated to representatives of ministries, institutions with public procurement powers, local authorities, NGOs and the media. In 2014, the publication served as the main training material for a series of regional training seminars.

Given the importance of the developed publication (namely - it is an original expert piece for independent monitoring in the field of public procurement and for the implementation of integrity pacts), at the request of a funding organisation, the book was translated into English. As such, it will be available to the Transparency International network and to organisations that have implemented projects funded by the World Bank's Integrity Initiative.

IV. RAISING PUBLIC AWARENESS. CONDUCTING ADVOCACY CAMPAIGNS

Project 'Submit a signal (II) - involvement of citizens in combating corruption in Southern Europe'

The Centre for Legal Consultation of Victims of Corruption was established in 2006 at the initiative of Transparency International - Bulgaria.² Since then, under the direction of the TI- Secretariat and national representative offices, over 15 centres have been created in countries across Europe, Asia and Africa.

² Advocacy and Legal Advice Centre (ALAC).

The current work of the Centre for Legal Consultation of Victims of Corruption in Bulgaria is carried out as part of the project 'Submit a report (II) - involvement of citizens in combating corruption in Southern Europe.' The initiative is implemented with the financial support of the European Commission, under the program "Crime Prevention and Counteraction", Home / 2012 / ISEC / AG, which aids the construction of new centres and exchange of experience with existing centres across southern Europe. The international project is being implemented in six countries - Bulgaria, Italy, Romania, Portugal, Slovenia and Cyprus.

The activities of the centre include the provision of practical legal assistance and expert advice for citizens who have suffered or become witnesses to corruption and wish to inform state authorities. For this purpose, they have been provided with access to the contact number 0800 11 224 (no costs apply), through which reports can be submitted for cases of corruption. Reports can also be submitted electronically by email (alac@transparency.bg) or by the continuously maintained website (<http://alac.transparency.bg/bg/signals-corruption.html>)

The centre aims to enable citizens to play an active part in the fight against corruption by providing free legal aid in support of their efforts to report corruption-related crimes by public institutions or their fellow employees. In this regard, the main focus of the activities of the centre in 2014 was filed reports from citizens about expected and conducted violations during the election process. Of the 231 signals received in 2014, 216 related to violations and crimes against the political rights of citizens as participants in the election process. As in previous election campaigns (2009, 2011, 2012 and 2013), the centre's team assisted citizens by offering information on their rights as voters,

In 2014, the organisation's efforts were focused not only on providing assistance to citizens in protecting their rights (by providing free legal aid), but also on conducting advocacy campaigns for more effective work of the institutions investigating such reports. Based on the results of the centre's work in the first half of the year (and above all on the assessment of issues related to the integrity of the election process), in the fall of 2014 TI-Bulgaria initiated two public forums with the participation of representatives of political parties, state institutions and the media.

The forums were initiated in order to exert civic pressure and seek joint solutions to end the practices of buying votes and controlling voters. In this regard, on 16 September 2014 the discussion 'Practical problems in the investigation, detection and punishment of crimes against suffrage' was organised. The discussion was attended by representatives of institutions that have powers in the prosecution of these crimes - the Prosecutor's Office, Interior Ministry, SANS, as well as journalists who have conducted successful investigations into illegal practices in the election process.

In view of the fact that the international project envisages the exchange of experience between the functioning and newly established centres in the six countries, in 2014 the team at TI-Bulgaria created the manual 'How is the Centre for Legal Advice to Corruption Victims Managed and Function?' It is published on the specialized page of the organisation: <http://alac.transparency.bg> - and can be used

as a source of information on the establishment and functioning of other similar structures for the protection of citizens' rights.

In the context of efforts to establish permanent mechanisms for cooperation with institutions that can assist in the work of the centre, a Cooperation Agreement was prepared with the National Legal Aid Bureau.

National Anti-Corruption Resource Center Project

Transparency International – Bulgaria continues to support the Anti-Corruption Centre, which was established with the financial support of the European Commission. The library of the centre contains a significant volume of books, periodicals and analytical resources reviewing the nature of the problem of corruption both nationally and globally. Along with the publications by experts, international institutions and other non-governmental organisations, the centre shall make available all publications by Transparency International in both English and Bulgarian – altogether an outcome of over 15 years of work.

The built capacity of the centre allows the team to continue operating activities in three main areas:

- Processing and filling in the information archive which is also being completed by several other different sources for information. The archive is updated by the daily press review of the national press and electronic publications providing information on corruption cases and analysis dedicated to the topic. In addition, the archive is filled with publications, analysis and research published on the internet. Therefore, the archive is also being supplemented by conference materials provided by state institutions as well as by Bulgarian and international non-governmental organisations;
- The team at Transparency continues providing information on its library, processing submissions on a daily basis and accepting electronic requests for information from the library;
- The activity of the Anti-Corruption Resource Centre is supported by interns - students of political science, European studies and public administration at the Sofia University, NBU and foreign universities as well. Transparency International has an established practice of providing students with the opportunity to conduct an internship. Alongside informing them on how the organisation operates, the team strives to promote TI's fight against tolerating corruption. The trainees provide assistance both in the current work of the team and in the activities of the centre.

Monitoring of national print and electronic media

Our team carries out regular media monitoring of national print and electronic publications. Information about corruption cases, abuse of power and public resources, as well as analysis and comments on the various dimensions of the problem of corruption in various public spheres, is subject to necessary reorganisation. This allows information to be used within various project activities and to help identify problem areas in the fight against corruption.

COOPERATION WITH STATE INSTITUTIONS, MEDIA AND NON-GOVERNMENTAL ORGANISATIONS

Over the past year, TI-Bulgaria has maintained constant working contact with all state institutions whose activities are directly related to the fight against corruption in the country:

- The National Assembly, President, Council of Ministers and Central Election Commission - the main priorities were the promotion of proposals for changes in the electoral legislation developed by TI-Bulgaria and conducting independent civil monitoring of the preparation and conduct of parliamentary elections. Contact was established with the National Assembly in connection with the proposals for the regulation of lobbying activities, as well as in connection to legislative initiatives regarding the bankruptcy of the CB;
- The administration of the Council of Ministers - in connection with the observation of the preparation of the elections for the EP and the National Assembly, as well as in connection with the development of analysis, publications and trainings for the employees in the administration, aimed at reducing corruption in the provision of administrative services and in regulatory regimes;
- Commission for Confiscation of Illegally Acquired Property, Constitutional Court, Supreme Administrative Court, Ministry of Interior, National Revenue Agency, State Agency for National Security and Customs Agency - in relation to monitoring the institutions' work in the confiscation of illegally acquired property and holding forums to present the results of observations and analyses produced;
- The Prosecutor's Office of the Republic of Bulgaria - in connection with the monitoring of the election process and the protection of the voting rights of Bulgarian citizens, as well as in connection with the monitoring of the activities of the institutions with powers to confiscate illegally acquired property;
- Ministry of Interior - in connection with the monitoring of the election process and the protection of the voting rights of Bulgarian citizens;
- Branch structures and business organisations (BCCI, BIA, German-Bulgarian Chamber of Industry and Commerce, French-Bulgarian Chamber of Commerce, Bulgarian-Swiss Chamber of Commerce, Italian Chamber of Commerce in Bulgaria) - in connection with the implementation of the Integrity Pact in public procurement, as well as the regulation of lobbying;
- Ministry of Regional Development and Road Infrastructure Agency - in connection with the implementation of the Integrity Pact in public

procurement and the monitoring of public procurement for the construction of the Struma Highway, homes for medical and social care for children, and the establishment of an information system of institutions from the social security system;

- Ministry of Health - in connection with the implementation of the Integrity Pact in public procurement and the ongoing monitoring of public procurement for the restructuring of homes for the provision of medical and social care for children up to 3 years;
- Ministry of Labor and Social Policy - in connection with the implementation of the Integrity Pact in public procurement and the monitoring of public procurement for the construction and commissioning of a national system for electronic data exchange in the field of social security;
- Non-governmental organisations working at national, regional and local level - in connection with the observation of the election process and the monitoring of the activity of institutions at a local level (creation of the Index of the local integrity system);
- National and local media - the team at TI-Bulgaria maintains an excellent level of cooperation with the media. On the occasion of holding conferences, press conferences and announcing international research of Transparency International, TI-Bulgaria regularly provides specially-prepared information for the media, and representatives of the team often participate in broadcasts on electronic media and make analysis and comments on relevant topics.

PERMANENT ACTIVITIES

Presentation of the comparative research of Transparency International

As a national representation of the global anti-corruption organisation Transparency International, the Transparency International – Bulgaria team annually announces the results of comparative international research and analysis, some of which have established themselves as authoritative sources of information and assessments of corruption, economic and political development within the studied countries. These include:

- **The Corruption Perception Index**, measuring the level of political and administrative corruption according to the assessments of business representatives, economic and political risk analysts from around the world and surveyed experts from relevant countries. The study allows for comparative assessments on both a regional and sub-regional scale, which can provide businesses with a general indication of which countries carry a

greater risk of corruption and, as a result, where the environment for the conduct of business is most suitable.

- **Global Corruption Barometer**, presenting an assessment of the level of corruption prevalent in the individual sectors and institutions within the studied countries. The study makes it possible to compare the degree to which corruption has spread in key sectors of social, economic and political life. Along with the ability to implement sector analysis, the barometer serves as a basis for the development of anti-corruption policies by highlighting priority areas. Alongside this, it serves as an indicator for businesses on the institutions and sectors of social, economic and political life, which face greater issues and, as a result, represent a more serious risk of corruption.
- **Global Corruption Report**, presenting an in-depth study of corruption in key sectors of public life.
- **Bribe Payers Index**, providing information on the readiness of companies from a given country to offer and pay bribes in the implementation of their export strategies abroad. The survey serves businesses as a guide to the willingness of their competitors working abroad or those intending to export to new markets to offer and pay bribes.
- Evaluation on the implementation of the UN Convention against Corruption.

PUBLIC APPEARANCES AND FORUMS, ORGANISED BY TRANSPARENCY INTERNATIONAL - BULGARIA

Within the framework of implemented initiatives and projects in 2014, Transparency International – Bulgaria made a large number of public appearances. The main goal of the team is to increase media interest and coverage of all of its initiatives. The organisation actively works with a wide range of representatives from both national and regional print and electronic media networks. As a result of the establishment of lasting contacts with them, the events organised by Transparency were widely covered in the media. Amongst the forums organised in 2014 were:

- Round table ‘Discussion of the report on evaluation of the implementation of the UN Convention against Corruption in Bulgaria’, held on 25 February 2014
- Round table ‘Confiscation of illegally acquired property in Bulgaria: (un) expected challenges’, held on 28 February 2014;
- Forum for Accession to the Anti-Corruption Treaty for Transparency, Accountability and Integrity of the European Institutions and Policies, held on 13 May 2014;

- Discussion 'Practical problems in the investigation, detection and punishment of crimes against suffrage', held on 16 September 2014;
- Discussion 'Methodology for assessment of the local integrity system', held on 28 October 2014;
- Round table 'European and national perspectives in the management of property confiscated for the benefit of the state", held on 28 November 2014;
- Forum 'Light on Lobbying in Bulgaria: Transparency, Integrity and Equality of Access', held on 16 December 2014;
- Press conferences in connection with the observation of the election process, held on 23 March, 30 April, 15 May and 16 October 2014.

NEW PUBLICATIONS OF TRANSPARENCY INTERNATIONAL - BULGARIA

As a result of the conducted research, analysis and monitoring in 2014, 10 publications were made:

- Bulgaria's Progress Report on the Implementation of the UN Convention against Corruption;
- 'Confiscation of Illegal Property: Challenges and Prospects of the Bulgarian Model';
- **'Transparency and Integrity in the Electoral Process '- Report from the Observation of the Elections for Members of the European Parliament from the Republic of Bulgaria, Held on 25 May 2014**
- 'Forfeiture of Illegal Assets: Challenges and Perspectives of the Bulgarian Approach';
- **Report from the observation of the elections for the 43rd National Assembly, held on 5 October 2014;**
- **'Index of the local integrity system in Bulgaria'**- methodology for assessment of the local integrity system;
- 'Lobbying in Bulgaria: Interests, Influence, Politics' - National Report on Bulgaria;
- **'Handbook of the functions of the control bodies in the field of anti-corruption in the state administration'**- a publication developed by an expert team of the organisation under a project of the Administration of the Council of Ministers, aimed at developing the anti-corruption capacity of the administrative structures with control functions;
- **'Handbook for identifying corrupt practices in the administration in the provision of administrative services and the functioning of regulatory regimes'** - a publication developed by an expert team of the

organisation under a project of the Administration of the Council of Ministers, aimed at developing the anti-corruption capacity of the administrative structures with control functions;

- "How is the Center for Legal Consultation of Victims of Corruption managed and functioning? " - a manual published in electronic format on the website of the Transparency International Association.

INFORMATION ABOUT THE ACTIVITY OF TRANSPARENCY INTERNATIONAL - BULGARIA UNDER ART. 40 OF THE NON-PROFIT LEGAL ENTITIES ACT

As a non-profit organisation, Transparency International – Bulgaria carries out its activities in support of the development of civil society. The main priority in the work of the organisation is the initiation and implementation of prevention projects and programs countering corruption at a national, regional and local level.

In accordance with the organisation's charter, its mission is to unite the efforts of state institutions, local authorities, representatives of civil society, the private sector and the media - carrying out systemic reforms and sanctions which prevent the spread of corruption in the country.

All implemented programs and initiatives of the organisation in 2015 were directly tied to the implementation of the priorities outlined above. All income received within the past year has been used in alignment with the requirements of Article 38 and the charter of the organisation, as well as in agreement with the organisation's efforts to support public activity for the development and continuity of civil society.