

Bulgaria

by Daniel Smilov and Georgy Ganev

Capital: Sofia
Population: 7.6 million
GNI/capita, PPP: US\$13,260

Source: The data above was provided by The World Bank, *World Development Indicators 2011*.

Nations in Transit Ratings and Averaged Scores

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Electoral Process	2.00	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Civil Society	3.25	3.25	3.00	2.75	2.75	2.50	2.50	2.50	2.50	2.50
Independent Media	3.25	3.50	3.50	3.50	3.25	3.50	3.50	3.75	3.75	3.75
Governance*	3.50	3.75	3.75	n/a						
National Democratic Governance	n/a	n/a	n/a	3.50	3.00	3.00	3.00	3.25	3.25	3.50
Local Democratic Governance	n/a	n/a	n/a	3.50	3.00	3.00	3.00	3.00	3.00	3.00
Judicial Framework and Independence	3.50	3.50	3.25	3.25	3.00	2.75	2.75	3.00	3.00	3.00
Corruption	4.50	4.25	4.25	4.00	3.75	3.75	3.50	4.00	4.00	4.00
Democracy Score	3.33	3.38	3.25	3.18	2.93	2.89	2.86	3.04	3.04	3.07

* Starting with the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.

NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author(s) of this report. The opinions expressed in this report are those of the author(s). The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.

EXECUTIVE SUMMARY

Since the collapse of communism in 1989, Bulgaria has succeeded in consolidating its system of democratic governance with a stable parliament, sound government structures, an active civil society, and free media. Over this period, a number of general, presidential, and local elections have been held freely, fairly, and without disturbance. Power has changed hands peacefully, with the country enjoying more than a decade of stable, full-term governments. In 2004, Bulgaria officially became a NATO member. On January 1, 2007, Bulgaria became a full member of the European Union (EU). However, serious problems remain to be resolved in a number of key policy areas. These include the fight against corruption and organized crime, reform of the judiciary, treatment of underprivileged groups, and the introduction of measures to build public trust in democracy.

The main governance challenges in Bulgaria in 2010 were economic. During the year, Bulgaria began to come out of the recession caused by the global crisis without raising taxes or significantly reducing public-sector employment. However, many of the reforms undertaken by the government stalled or were only partially successful, ranging from social security, healthcare, and public education to the fight against corruption and organized crime and reforming the judiciary. The minority government of Citizens for European Development of Bulgaria (GERB) remained stable despite a series of high-profile scandals, and continued through a failed attempt to impeach President Georgi Parvanov for overstepping his constitutional prerogatives. The culmination was a number of questionable governmental appointments that eventually led to the dismissal of several ministers and high-profile public servants. The stability of the government has been dependent mainly on the support of the nationalist-populist party Ataka, since the other center-right partners of GERB—the Blue Coalition and the Order, Law, and Justice party (RZS)—have distanced themselves from the majority.

National Democratic Governance. Tensions between President Georgi Parvanov and the minority government of Prime Minister Boyko Borisov reached a fever pitch in 2010, as the president openly challenged GERB leadership, using every opportunity to underscore differences of opinion between himself and the government. Following a failed attempt to impeach President Parvanov, the presidency became still more politicized as Parvanov formed a *de facto* presidential party, in violation of Bulgarian constitutional tradition. This move sparked numerous other conflicts between the presidency and the government over the appointment of public officials, resulting in several dismissals of high-level officials. Faced with these scandals and the failure of former foreign minister Romyana

Zheleva's campaign for the post of European Commissioner, public trust in Prime Minister Borisov continued to erode, through both he and GERB remain more popular than any other leader or party in the country. *Political infighting and excessive politicization of the presidency compromised both the credibility and the effectiveness of the national government in 2010; therefore, Bulgaria's national democratic governance rating declines from 3.25 to 3.50.*

Electoral Process. No elections took place in Bulgaria in 2010. An electoral code was adopted, combining four previously separate laws on elections to the presidency, parliament, local authorities, and the European Parliament. This was achieved well in advance of the 2011 cycle of presidential and local elections, following extensive consultations with parliamentary groups and civil society. However, some of the provisions were hotly disputed by the opposition, which pledged to challenge the code before the Constitutional Court' in particular, the opposition objected to the introduction of residency requirements for passive and active electoral rights, and the abolition of directly elected mayors for small villages. Overall, the new code did not introduce major changes to the electoral system. *Bulgaria's electoral process rating remains at 1.75.*

Civil Society. Bulgaria has a large number of civil society organizations, representatives of which have been influential in many areas of public life and public policy. At the same time, there is the need for official regulation of advocacy and lobbying activities, and domestic sources for funding of civil society activities remain underdeveloped. *Bulgaria's civil society rating remains at 2.50.*

Independent Media. Media freedom is legally protected in Bulgaria, and citizens have access to a diverse array of media sources. Print media are generally free from specific regulations, while electronic media are overseen by a specialized regulatory body. In 2010 there were no reported cases of harassment of journalists. A major development during the year was the change in ownership of some of the biggest print and electronic media. In general, the transparency of media ownership in the country remains a serious problem, and there have been several legislative attempts to address it over the last years. *Bulgaria's independent media rating remains at 3.75.*

Local Democratic Governance. No major developments in local governance occurred in Bulgaria in 2010. The one mayoral by-election of notable importance exhibited the low turnout typical of intermediate elections and resulted in the usual allegations of election day irregularities. The most significant remaining structural problem in local governance in the country is an insufficient resource base for formulation of local development policies and programs, and the possible need for an intermediate (regional) level of self-government. *There were no notable changes in the institutional setup or effectiveness of local governance in 2010; therefore, Bulgaria's local governance rating remains at 3.00.*

Judicial Framework and Independence. Friction between the government and the judiciary in 2010 was fueled by attempts to introduce institutional reforms aimed at increasing short-term results (which is to say, convictions) in the fight against corruption and organized crime. The idea of setting up specialized courts for dealing with organized crime was especially unpopular with most of the magistrates, and the government was unable to pass this legislation until the very last days of the year. The government also passed a radical reform of the law governing the procedure for seizure of illegally acquired assets, as a result of which, seizure of assets belonging to indicted persons need no longer be preceded by a court sentence. Another controversial idea widely discussed involved the introduction of mandatory security clearance for members of the Supreme Judicial Council, with approval granted by an executive security agency. Pressure on the judiciary to deliver sentences may endanger the rights of citizens and the basic constitutional framework, and there is a strong possibility that the reforms passed in 2010 will be sent for review before the Constitutional Court in 2011. *Bulgaria's judicial framework and independence rating remains at 3.00.*

Corruption. As negative perceptions of corruption and the state's burden on the economy grow, indirect evidence suggests that existing anti-corruption structures and slowly changing practices may be producing some positive results. The improved quality in several high-profile procurement procedures, more effective absorption of EU structural funds, and a decreasing willingness in the ruling party to tolerate questionable behavior (e.g., conflict of interest, embezzlement, or procurement violations) among its members. *Nascent positive movement on anticorruption has not yet been consolidated and therefore Bulgaria's corruption rating remains at 4.00.*

Outlook for 2011. Bulgaria will face challenges on several fronts in 2011, beginning with the work of continued economic recovery. Bulgaria's entry into the Schengen area of the EU will be postponed at least until the second half of the year, and possibly even further. Domestically, this may be interpreted as a failure of the GERB government, further eroding public trust in the prime minister. At present, the legitimacy of the Borisov government depends in large part upon its resolve to fight corruption and organized crime; if legislation passed in 2010 is overturned or fails to result in increased court sentences, that, too, will negatively affect public approval of the government. Presidential and local elections scheduled for the second part of 2011 will be another major test for the government, and for the institution of the presidency. The outcome of the election will define whether Bulgaria will stick to a model of parliamentary government with a nonpartisan president or move toward a model where a president is actively involved in party politics.

MAIN REPORT

National Democratic Governance

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
n/a	n/a	n/a	3.50	3.00	3.00	3.00	3.25	3.25	3.50

The Constitution of Bulgaria, adopted in 1991 after the collapse of communism, provides for a system of governance featuring a parliamentary regime and checks and balances guaranteed by the legislative, executive, and judicial branches. Citizens may participate in the political process through elections, consultations on legislation, civil society organizations, and the media. Bulgaria's political system has enjoyed considerable stability over the last decade; three consecutive governments have served their full constitutional terms without any major political disturbances. Democracy has firmly taken root in society, and though the public voices its dissatisfaction with the performance of Bulgarian democracy, no alternative non-democratic projects exist or seem viable.

Until 2001, the country's political system was dominated by two parties: on the left, the Bulgarian Socialist Party (BSP), successor to the Communist Party; and on the right, the Union of Democratic Forces (UDF). The victory of the National Movement Simeon II (NDSV) in the 2001 general elections altered the bipolar landscape of Bulgarian politics and signaled the arrival of new, centrist, non-ideological political forces with a strong populist bend. This trend was reinforced after the June 2005 and July 2009 general elections, in which neither of the major political parties won a majority. Since 2009, Bulgaria has been ruled by the minority government of Prime Minister Boyko Borisov's political party, Citizens for European Development of Bulgaria (GERB), which controls 117 out of the 240 seats in the National Assembly. GERB has maintained the support of a parliamentary majority by courting diverse parties such as the nationalist-populist Ataka, the center-right Blue Coalition, and—until the beginning of 2010—the newly-emerged self-proclaimed conservatives of the Order, Law and Justice (RZS) party. By year's end, both RZS and Blue Coalition had distanced themselves from the majority; in the case of RZS, the split was radical and acrimonious, while in the case of the Blue Coalition the door was left open for possible cooperation on specific issues.

The Borisov government remained stable in 2010, despite a series of high-profile scandals and disappointments, beginning with the failure of the first Bulgarian candidacy for European Commissioner in January. Foreign Minister Rumiana Jeleva had been nominated by the Bulgarian government to be European Union (EU) Commissioner for International Co-operation, Humanitarian Aid and Crisis Response. However, members of the European Parliament raised concerns about Jeleva's inexperience and alleged undeclared financial interest the Bulgarian

consulting firm Global Consult during her tenure as foreign minister.¹ Jeleva was replaced by Kristalina Georgieva, whose performance as commissioner earned her two prestigious awards at the end of 2010—European of the Year² and European Commissioner of the Year.

The next—and far more serious—crisis of 2010 was signaled by the increasing politicization of the institution of the presidency. President Parvanov positioned himself in opposition to GERB, using every opportunity to underline their policy differences. This stance, along with the aggressively majoritarian style of Prime Minister Borisov, led GERB to push for the president's ouster in March. The impeachment procedure, initiated for the first time in Bulgarian history, failed at the parliamentary level due to the defection of RZS deputies, who had previously pledged their support for the impeachment motion. Due to RZS's defection, the Constitutional Court had no opportunity to rule whether President Parvanov had overstepped his constitutional mandate by making highly partisan statements or by secretly recording meetings with ministers and leaking presumably confidential information to the media for the purpose of embarrassing the GERB government. Public trust in Prime Minister Borisov eroded during the year, although he remained the most popular political figure in the country.

In November, President Parvanov drew broad criticism for his attempt to set up a *de facto* presidential party—nominally an NGO—called Alternative for Bulgarian Revival (ABV). According to a longstanding constitutional convention in Bulgaria, the presidency should not openly support one party above others. The creation of ABV fueled other conflicts between the presidency and the government.

For example, at the end of 2010, it was revealed that almost half of Bulgaria's diplomats (190 out of 460 screened) had connections with the Communist-era secret service (DS), and the GERB government announced that it would recall them. In contrast to the government, the president (and former socialist leader) argued that only those collaborators who had committed morally reprehensible acts should be recalled. Among the officials dismissed in connection with past DS membership was Bozhidar Dimitrov, whose past membership in the DS was a known fact at the time of his appointment in 2009.³ Other, unrelated but also highly publicized and embarrassing personnel changes in 2010 included the dismissal (or forced resignation) of two health ministers within a six-month period. The first of these, Bohizdar Nanev, was replaced in March after proceedings began against him in a case connected with the purchase of two unfavorable deals for the supply of the antiviral swine flu medicine Tamiflu.⁴ Nanev's successor, Anna-Maria Borisova, left the ministry in September because of her apparent inability to execute necessary reforms.⁵

Governance challenges throughout 2010 were compounded by the ongoing impact of the global financial crisis on Bulgaria's economy. Overall, the country is coming out of a recession without raising its comparatively low taxes or significantly reducing public-sector employment or wages. State influence over the economy is limited, and there are no significant government barriers to economic activity in the country. However, many planned reforms related to public welfare during 2010

were stalled or only partially successful, ranging from social security and healthcare to public education.

Bulgarian political forces generally lack a programmatic character, therefore policymaking has become an *ad hoc* process of negotiation and renegotiation between ministers and interest groups, such as trade unions and professional associations. Prime Minister Borisov preserved the role of ultimate arbiter in this process in 2010, overruling his own ministers on a number of issues. A case in point was the proposal to partially nationalize private pension funds; although initially supported by key ministers, the proposal was modified and scaled down by the prime minister following pressure from business organizations. By the end of the year, the government had introduced legislation on such reforms as specialized courts for organized crime and security clearance for the Supreme Judicial Council. The arduous consultation process included the Venice Commission and various nongovernmental organizations (NGOs). The final draft law sparked political controversy, which is likely to land them in the Constitutional Court in 2011.

Bulgaria's Law on Access to Public Information has been in force since 2000, and citizens and civil society organizations actively exercise this right. Yet, in many cases the state cites commercial secret and third-party interests in order to limit access to public information without having sufficient grounds. After the general elections of 2009 there were some positive developments, for instance, the new GERB government began publishing the minutes of Council of Ministers meetings. Committee hearings and legislative sessions of the National Assembly are also open to the public (subject to prior registration) and the media, and most bills are posted on the parliament's website.

The fourth year of Bulgaria's membership in the European Union was marked by improved communications between EU authorities and the Bulgarian government. European Commission (EC) reports noted Bulgaria's "strong political will" in the fight against corruption and organized crime. Greater trust in that relationship was demonstrated by the release of EU funding to Bulgaria under various programs. However, the country is still at risk of losing EU financial assistance due to some missed program deadlines and low EC confidence in Bulgaria's administrative and institutional capacity to absorb significant funding. A major blow to the GERB government came toward the end of the year when it became clear that Bulgarian membership in the Schengen zone would probably be delayed, an indication that Bulgaria is viewed by its EU partners as struggling to meet common standards.

Electoral Process

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
2.00	2.00	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75

Bulgaria has developed a stable electoral system that ensures free and fair parliamentary, presidential, and municipal elections. Some recent problems aside, elections since 1991 have been free, fair, and in compliance with electoral law.

The local elections held in October 2007, as well as some local interim elections in 2008, demonstrated the negative effects of the increasing commercialization of politics; there were suspicions among political parties, the media, and the general public that numerous candidates had attempted to buy votes. This practice was provoked by the business interest in gaining access to EU structural funds, some of which are administrated by municipalities. Suspicions strengthened in 2009 with elections to the European Parliament, the National Assembly, and interim elections for the mayor of Sofia and other smaller cities, where allegations of vote-buying and manipulation of voters were widespread.

According to the constitution, all citizens over 18 have the right to vote by secret ballot. For parliamentary elections, Bulgaria had a pure proportional electoral system until 2009. In presidential and mayoral elections, it uses a majoritarian system with two rounds of voting. Until 2005, the law provided all political parties, coalitions, and candidates with equal campaigning opportunities. However, amendments adopted in 2005 to reduce the number of parties participating in elections established a deposit to register parliamentary candidates. As a result, the number of registered parties and coalitions in the elections decreased from 65 in 2001 to 22 in 2005: in 2009, 20 parties and coalitions competed in the parliamentary elections.

The elections of June–July 2009 were carried out under revised electoral laws. A so-called majoritarian element in parliamentary elections was included: 31 out of the 240 deputies were to be elected in single-member districts, while the rest were to be elected following the original pure proportional system. The BSP, the main sponsor of the “majoritarian element” reform, won none of the single-member district seats.

In the absence of scheduled elections, the only significant development related to electoral process in 2010 was the adoption of an electoral code combining four existing laws on elections to the presidency, the parliament, local authorities, and the European Parliament. The code was produced after extensive consultations with parliamentary groups and civil society, and—for the first time—changes were introduced well in advance of the 2011 election cycle. Some of the code’s provisions were hotly disputed by the opposition, which pledged to challenge them before the Constitutional Court, especially the introduction of residency requirements for passive and active electoral rights, and the abolition of directly elected mayors for small villages. Overall, however, the code did not introduce major changes to the electoral system, which remains essentially a proportional representation system with a 4 percent threshold (the “majoritarian element” from the 2009 law was abolished). A preference voting component was introduced in which 9 percent of voters for a given party list are allowed to change the order of candidates. If at least 9 percent rank a certain candidate on the ballot as preferred, then the candidate automatically takes precedence over the candidate listed first by the respective party. According to most experts, this innovation will have a marginal effect due to the relatively high preference threshold.

The residency requirements in the new electoral code are viewed by critics as thinly-veiled attempts to limit the voting power of Bulgarian citizens living abroad,

especially Bulgarian Turks residing in Turkey. Although advertised as a measure to combat vote-buying and manipulation, the requirements appear to be designed to reduce the voting base of the DPS (the Turkish minority party). Apart from the constitutional issues such measures raise (i.e., equal treatment of Bulgarian citizens), the political wisdom of the residency requirements has been disputed in a country with a significant diaspora.

Civil Society

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
3.25	3.25	3.00	2.75	2.75	2.50	2.50	2.50	2.50	2.50

An independent civic sector in Bulgaria is guaranteed by the constitution under the freedom of association, and by the Non-Economic Purpose Legal Entities Act. During the period of transition many civil society organizations emerged and became very active at the local and national levels, achieving considerable influence.

The state in general does not impose obstacles to the formation of NGOs, and registration and tax regimes are relatively simple and stable. Civic organizations enjoy access to information rights, and the major agent for the spread of access to information practices in Bulgaria has been an NGO, the Access to Information Programme in Sofia. Public benefit NGOs are not obliged to pay direct taxes and are allowed to carry out for-profit activities that do not interfere with their stated aims if these projects are registered and taxed separately. Involvement of the civic sector in legislative and executive work in Bulgaria is not specifically regulated, but such engagement exists in practice. With the increase in the number of different NGOs—especially those whose main task is to influence public decisions through advocacy—the absence of specific regulations for lobbying activities creates a space for dubious practices and hinders the ability of civil actors to effectively express and pursue the interests of various segments of society.

Under the Non-economic Purpose Legal Entities Act, the Bulgarian Ministry of Justice maintains a central register for entities that define themselves as acting in the public interest. By the end of 2010 there were 8,327 entries in the register, an increase of over 27 percent in two years.⁶ Of these, 85 percent are associations, 14 percent are foundations, and 1 percent are branches of foreign organizations. A new nongovernmental web portal for NGOs, including an information and registration feature, was started in 2010; as of the end of the year the site contained 5,094 self-registered entities, including 4,000 “for public purpose” groups and 200 “for private purpose” groups.⁷ Among these web-registered NGOs, 126 explicitly define their basic activity as related to ethnic issues, 170 related to human rights, and 70 related to women and gender issues. The two registers indicate that Bulgarian NGOs cover various social spheres (health, education, social services), rights issues (human, minority, gender, religious), public policy and advocacy, business and development, and sports. Most of the organizations, especially in the nongovernmental online register, appear to be active.

In 2010 the economic crisis and consequent decrease in funding had a negative impact on civil society activity, amplified by the continuing underdevelopment of domestic funding sources and mechanisms. Regular campaigns for raising charitable funds meet with some success, but regular and institutionalized domestic flows of funding to nongovernmental activities remain very limited, and a dominant portion of NGOs have to rely on foreign funding, which is increasingly dominated by EU sources. While this is helpful for the exposure of EU-wide issues in Bulgaria, it is less conducive to grassroots civil society projects originating within Bulgarian society itself. Thus, while the country's civic sector is lively and has significant capacity, its important role as a forum for expressing societal needs and ideas, and incorporating these into policies and actions, is still impaired. Financial difficulties notwithstanding, a number of Bulgarian CSOs, especially trade unions and employer organizations, were very active and effective as partners with the government in managing the economic crisis in 2010, including formulation and implementation of specific policies.

Independent Media

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
3.25	3.50	3.50	3.50	3.25	3.50	3.50	3.75	3.75	3.75

Media freedom is legally protected in Bulgaria, and citizen access to various media sources is rich and free. The right to information is also enshrined in the constitution and in the Law on Access to Public Information. However, this legal framework lacks specialized legislation addressing the protection of journalists from victimization. Whatever protection exists is due to general laws protecting citizens and to the respect afforded to journalism as a profession, as well as the popularity of individual journalists and media sources.

Libel is a criminal offense in Bulgaria, but the penalty is a fine that rarely exceeds US\$10,000. Despite numerous libel cases, the courts tend to interpret the law in favor of the freedom of expression and convictions are relatively few.

Print media are free from government control and regulation. Electronic media are regulated through the Law on Radio and Television by the Council for Electronic Media (CEM), which has the dual role of governing state-owned national radio and television and regulating the rest through licensing and registration. Although the CEM is not under government orders, parliament must approve its budget. Throughout its existence, the council has had a reputation of political dependence and has been heavily criticized for the manner and quality of its regulatory actions. The country's switch to digital broadcasting—particularly the parliament's oversight of the CEM in this process—has also left ample room for the influence of political and special-interest agendas with respect to electronic media.

There were 436 print newspapers operating in Bulgaria in 2009, including 67 dailies, 183 weeklies, and 603 magazines. Around half of the newspapers are published in the capital, Sofia, which enjoys 88 percent of the total circulation of

newspapers in the country.⁸ Circulation for daily newspapers is relatively low. The tabloids *Weekend* and *Treta Vuzrast* currently have the highest circulation figures among the weekly editions.

With the exception of a few local newspapers and the official *State Gazette*, all print media in Bulgaria are privately owned, including foreign ownership. The two highest-circulating dailies were until recently owned by the German media group Westdeutsche Allgemeine Zeitung (WAZ); the sale of the newspapers to a group of investors led by three Bulgarian entrepreneurs—Lyubomir Pavlov, Ognyan Donev and Christo Grozev—was confirmed at the end of 2010. Meanwhile, the recently established print media conglomerate, New Bulgarian Media Group, strengthened its position in the media market. The Group is co-owned by a current member of parliament (MP), Delyan Peevski of the opposition DPS party, which had been in power in the two previous governments. This fact has sparked allegations of improper links between media and politics. In general, transparency of media ownership remains a problem in the country, and there have been several legislative attempts to address it over the last years.

Bulgaria has two national public TV channels: BNT1 and the worldwide satellite channel TV Bulgaria. Since 2000, there are also private commercial TV channels that are broadcast terrestrially nationwide: BTV, NovaTV and Pro.BG. National public television has 4 regional channels in Varna, Rousse, Plovdiv, and Blagoevgrad. As of 2006 there were 196 cable and satellite TV programs, and 42 towns had local TV operators and private TV channels. In addition, Bulgarian citizens have access through to numerous foreign programs.⁹ Despite the large number of registered programs, however, the national market for both radio and television is relatively concentrated in programs with national air broadcasting licences.

There were 143 licensed radio programs in 2006. Three had national coverage: the public radio programs Horizont and Hristo Botev of Bulgarian National Radio (BNR) and the private Darik radio. There are local radio programs in 42 of the 240 towns in the country, and 115 local radio programs in 9 towns with a population above 100,000, with hyper-concentration of radio broadcasting in the capital Sofia. As of December 2009, CEM had registered 311 radio programs in Bulgaria (288 using air broadcast and 23 cable and satellite).

Bulgarian National Radio (BNR) and Bulgarian National Television (BNT) are at present separate legal entities, each with distinct Boards of Directors and General Directors appointed by CEM.¹⁰ Both receive significant state subsidies yet have funding from advertising as well. To date, each new government has introduced changes in the electronic media law and/or CEM in order to have tighter control over public electronic media in the country.

As an EU member state, Bulgaria must switch from analog to digital broadcasting by the end of 2012. The legal framework for the switch was finally adopted in 2009 after a series of political scandals involving the then-governing coalition, which allegedly tried to push through legislation favorable to friendly business circles. The Law on Digital Communications, allegedly aimed at eliminating competitors

for national digital operators, prompted the Bulgarian Constitutional Court (BCC) to intervene and invalidate some of its provisions. Currently, the European Commission (EC) is reviewing the compatibility of the Bulgarian legal framework with EU legislation, as well as the practice of issuing temporary licenses for TV programs that guarantee them advantages after the digital switchover. If these measures are found wanting, Bulgaria will likely miss the 2012 deadline.

Professional organizations and NGO activities play an important role in the development of Bulgarian media. Among the country's most important journalistic associations are the Media Coalition and the Free Speech Civil Forum Association. The Journalists Union, a holdover from the Communist era, is attempting to reform its image. More than half of the journalists in Bulgaria are women. The largest publishers are united in their own organizations, such as the Union of Newspaper Publishers. Of the few NGOs that work on media issues, the most important is the Media Development Center, which provides journalists with training and legal advice.

In 2010, Bulgaria saw a number of attacks on journalists, including one murder. Bobi Tsankov, a crime writer and radio host, was gunned down in Sofia in January. However, some point to his own dealings with the Bulgarian mafia and his previous convictions of fraud, suggesting that personal grievances may be the real cause of the murder rather than his journalistic work.¹¹ Nonetheless, attacks on journalists and media continued in 2010, with one journalist being attacked mid-interview with a hammer blow to the head, and the *TV SKAT* television station being attacked with a Molotov cocktail.¹² SEEMO (The South East Europe Media Organization) expressed concern over the number of registered harassments, threats, and attacks it received in Bulgaria in 2010.¹³

Local Democratic Governance

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
n/a	n/a	n/a	3.50	3.00	3.00	3.00	3.00	3.00	3.00

The Bulgarian constitution explicitly defines the structure and powers of municipal self-government, and also allows for the possibility of intermediate (regional) level of self-government between the municipality and the state. The constitution grants municipalities the power to formulate and implement their own policies; own property and enter into transactions; and maintain budgets including the power to set local fees and, within limits set by parliament, decide local tax rates.

Local elections in Bulgaria have been held every four years since the start of transition. The last such national election occurred in 2007 and the next campaign is scheduled for 2011. Between national campaigns there are many mayoral by-elections due to a high frequency of personnel turnover. In 2010 there was only one such by-election worth noting, in the town of Gabrovo, whose mayor left to become Bulgaria's Minister Responsible for EU funds. Turnout was reported at a low 25 percent, and the results were contested by one of the losing parties based

on allegations of manipulated sectional protocols and bringing people from other parts of the country to vote; the allegations were deemed unsubstantiated by the judiciary.

The participation of citizens in local government varies between communities, depending largely on population and financial resources. The more than 260 municipalities in Bulgaria are quite unequal in this regard, ranging from less than 20,000 to more than a million people and with a several hundred-fold difference in the size of their budgets. While increasing size decreases the ability of individual citizens to have a voice in the policymaking process, the lack of resources (typical of smaller communities) severely constrains the space of possible policies and limits the choices available to citizens. Municipalities themselves are usually actively involved in national policymaking on local development. When negotiating with the state, they are represented by the National Association of Municipalities in the Republic of Bulgaria (NAMRB).

The ability of citizens to influence local policymaking, and the influence of local governments on national policymaking, were both limited in 2010 by the global economic crisis and an unstable national budget, which recorded serious deficits. This forced a revision of the Budget Act in July, resulting in decreased expenditures in numerous areas, including at the municipal level. The crisis appeared to affect municipal revenues more severely than overall national revenues, plunging the average local government into deficit problems. Consequently, financial and budgetary concerns dominated municipal agendas, taking precedence over the design and implementation of specific local development policies and projects, in which the public could be involved.

In general, Bulgarian municipalities are too small and poor to make a significant difference in the lives of their citizens through their own resources and decision-making capacity. The development needs of Bulgarian society, which are specific to regional and local circumstances, clearly call for increased involvement and effectiveness of regional self-governments. Increasing the size of the average municipality (and its resource base) through community mergers could possibly remedy the situation, as might the introduction of an intermediate level of self-government that would then allocate resources on a regional level. The second option is particularly relevant to the disbursement of EU funds targeting cohesion and development.

Judicial Framework and Independence

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
3.50	3.50	3.25	3.25	3.00	2.75	2.75	3.00	3.00	3.00

Basic rights such as the freedom of expression, of association, and of religious beliefs, as well as the rights to privacy, property and inheritance, and economic initiative and enterprise, are enshrined in the constitution, further defined and regulated in national legislation, and generally protected in practice. The greatest problem areas

in Bulgaria's court and penal system are discrimination against the Roma minority and certain religious beliefs, abuse of the rights of suspects, and significant delays in judicial decisions.

While many problems persist, the Bulgarian judiciary provides a generally effective check on both the legislature and the executive. The Supreme Judicial Council (VSS) administers the judicial system and is responsible for all judicial appointments. Its independence is guaranteed by the 5-year mandates of its members: 11 are elected by parliament, 11 by the judiciary, and the chairmen of the two supreme courts and the Prosecutor General are senior *ex officio* members. At present the VSS is a permanently active body, which means its members must leave their positions as judges or prosecutors. In the last days of 2010, parliament passed a controversial amendment to the legislative framework that will enable an executive security agency to give clearance to members of the VSS; it is argued that without such clearance, they will be unable to exercise their duties efficiently. Critics have viewed this amendment as an intervention by the executive into the independent judicial branch, and the measure will most likely be examined by the Constitutional Court (CC) in 2011. The government has advocated the amendment as an anti-corruption tool, necessary in view of a series of scandals which typified appointments made by the SJC in 2009.

The Bulgarian Constitution is applied directly by the Constitutional Court, consisting of 12 justices appointed in equal quotas by parliament, the president, and the supreme courts with rotating, 9-year mandates. Both the VSS and the CC have successfully opposed government decisions and acts of parliament; the CC, for instance, has been rather activist during the country's transition and has codetermined public policy in areas such as restitution, privatization, regulation of public electronic media, and reform of the judiciary. It is a matter of some concern that the decisions of the CC over the last several years have fallen to around ten per year, and some advocate that more open access to the court will assist in the protection of constitutional rights and principles. The two supreme courts have also made decisions in favor of citizens against government bodies on numerous occasions.

In 2010, tension escalated between Bulgaria's government and judiciary as the Borisov administration attempted to introduce serious institutional reforms. The government is eager to deliver results in the fight against corruption and organized crime, and holds inefficiency and corruption within the judiciary responsible for the low number of convictions in such cases. A controversial proposal to set up specialized courts for prosecuting organized crime passed into law in 2010, but not until the last days of the year, after months of heated debate and mutual recrimination between GERB and members of the judiciary. The logic behind the law is to speed up judicial proceedings and increase the number of guilty verdicts in high-profile cases. Specialized courts are also supposed to be more immune to pressure from organized criminal groups in court proceedings than ordinary judges. Critics of the reform claim that specialized courts may end up with relatively few cases, and that they might be used as a government tool to pressure the opposition.

Various changes were introduced into the draft law after consultations with the Venice Commission.

Another contentious measure introduced during the year required members of the Supreme Judicial Council (VSS) to pass security clearances administered by an executive security agency. Critics have viewed this amendment as an intervention by the executive into the independent judicial branch. Additionally, the government managed to pass a radical reform of the procedure for forfeiture of illegally acquired assets, allowing the state to seize assets of indicted persons before they are actually convicted.

It has been suggested that pressure on the judiciary to deliver results may present a potential danger to the rights of citizens and the country's basic constitutional framework. Consequently, most of the reforms introduced in 2010 are expected to go before the Constitutional Court for review.

In another landmark measure from the GERB government, amendments to the law on forfeiture of illegally acquired assets were introduced in 2010 after a positive opinion from the Venice Commission. Under the new version of the law, illegally acquired assets could be forfeited before a person has been found guilty of a crime. Critics of the law have raised the issue that in an economy with a very large gray sector, the definition of "illegally acquired assets" could be dangerously broad: NGOs have argued that the new law could potentially target a huge proportion of Bulgarian households. In such circumstances, the law is bound to be selectively applied, and could be used by the government to put pressure on the political opposition.

Over the last several years, the Bulgarian judiciary has strongly asserted its independence vis-à-vis the other branches, which has raised some concerns about the accountability of judges and prosecutors. This problem was partially addressed in 2007 by introducing annual reports from the three highest figures in the judicial branch to parliament on the state of the judiciary. In 2008, an Inspectorate of the Supreme Judicial Council was established to investigate procedural deficiencies and disciplinary cases in the judiciary. Despite these positive institutional and legal changes, judicial performance has not improved significantly. This is especially true regarding proceedings against members of organized crime and corrupt state servants. The Bulgarian judicial system remains under review by the European Commission.

Corruption

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
4.50	4.25	4.25	4.00	3.75	3.75	3.50	4.00	4.00	4.00

Each branch of Bulgaria's government has a specialized anticorruption body, and there are inspectorates for dealing with allegations of corruption, conflicts of interest, and abuse of power. Financial disclosure, in particular, has captured the

public's attention since the beginning of the economic crisis, and the declarations of officials are carefully scrutinized in the media. Nevertheless, the country's fight against corruption lacks coordination between different units, as well as clearly defined responsibilities and expectations.

The government's influence in the economy increased in 2010, creating new opportunities for abuse of power. Meanwhile, government finances deteriorated, prompting a mid-year revision of the State Budget Act to address serious revenue shortages and uncontrolled government spending. Crisis measures had to be designed and implemented to stop the freefall of the state fiscal balance.

Nevertheless, some developments during the year suggested that corruption in certain sectors might be improving. Completion of procurement procedures on the Trakiya highway project took place in spring 2010 with unusual speed and a comparatively high level of transparency. Public interest in the bidding process was very high, resulting in the constant presence of both media and nongovernmental representatives, including Transparency International Bulgaria, which—for the first time—was allowed to officially monitor the proceedings. The outcome of the tenders was not subject to the usual corruption allegations by participants and observers, nor to judicial complications after the announcement of the decisions. The prices were significantly lower than similar tenders in previous years, indicating significant savings for taxpayers. Based on these promising factors, the European Commission approved Bulgaria's application to receive funding for the project.

Another indication of possible improvements came with the withdrawal of political support for members of the ruling party when information of their inappropriate actions was made public. When Minister Nanev was charged with inappropriately handling public procurement procedures related to the Tamiflu vaccine, Prime Minister Borisov did not hesitate to accept his resignation. Other officials pushed to leave their posts included a deputy chairperson of parliament, Lachezar Ivanov, who had to resign all leadership posts after being implicated in lobbying actions considered inappropriate by his party. Parliamentary chairman Svetlin Tanchev and a deputy chairman, Plamen Tsekov—both GERB members—lost their positions after allegations that they had tampered with the publication of a law in the *State Gazette*. Finally, the deputy chairperson of another parliamentary committee, Genoveva Alexieva, was forced to resign over an undeclared conflict of interest.

In another positive development, the amount of EU structural funds actually disbursed by Bulgaria during 2010 was close to three times as much (€536 million, or US\$ 736 million) as the total amount of funds absorbed in the preceding three years (€185 million, or US\$ 254 million). While some of this increase is surely due to improved expertise among all actors involved, and the gradual expansion of the country's programs, the sheer size of the change cannot be explained without reference to a change in the way the European Commission, which holds veto power on all funded projects and procedures, views the level of credibility, transparency, fairness, and security of Bulgaria's implementation practices.

■ AUTHORS: DANIEL SMILOV AND GEORGY GANEV

Daniel Smilov is program director for political and legal research and Georgy Ganev is program director for economic research at the Center for Liberal Strategies, a nonprofit think tank based in Sofia.

-
- ¹ “MEP doubts over Commission nominee Rumiana Jeleva,” *BBC NEWS*, 13 January 2010, <http://news.bbc.co.uk/2/hi/8456561.stm>.
- ² “Georgieva named European of the Year,” *Europeanvoice.com*, 30 November 2010, <http://www.europeanvoice.com/article/2010/11/georgieva-named-european-of-the-year/69583.aspx>.
- ³ “Bulgaria’s spies scandal: Bozhidar Dimitrov walks the plank,” *The Sofia Echo*, 19 December 2010, http://sofiaecho.com/2010/12/19/1013848_bulgarias-spies-scandal-bozhidar-dimitrov-walks-the-plank.
- ⁴ “Ousted Health Minister Bozhidar Nanev: I Am Indicted for Serving Bulgaria and Following the Law,” *NoInvite.com*, 17 February 2011, http://www.novinite.com/view_news.php?id=125376.
- ⁵ “Bulgarian PM: Copay Better Than Bribes to Doctors,” *NoInvite.com*, 30 September 2010, http://www.novinite.com/view_news.php?id=120633.
- ⁶ Data at <http://www.justice.government.bg/ngo/search.aspx>, accessed 16 December 2010.
- ⁷ See <http://www.ngobg.info/bg/index.html>, accessed 16 December 2010.
- ⁸ National Statistical Institute of Bulgaria, “Книгоиздаване и печат 2009” [Publishing and Printing 2009], 9 January 2010, <http://www.nsi.bg/publikacia.php?n=239&tr=%7C3%7C&P=65&SP=113&PSP=3> (in Bulgarian).
- ⁹ Bulgarian Council for Electronic Media (CEM), “Публичен регистър” [The Public Register of Media service], n.d., http://cem.bg/public_reg.php?action=1 (in Bulgarian).
- ¹⁰ In the crisis-stricken 2010, the cabinet and the parliamentary majority are seriously considering merging the two legal entities: this could be one of the changes in the currently widely discussed entirely new Law on the Media.
- ¹¹ Stephen Castle and Dan Bilefsky, “Bulgarian Journalist Gunned Down in Sofia,” *The New York Times*, 5 January 2010, <http://www.nytimes.com/2010/01/06/world/europe/06bulgaria.html?scp=1&sq=bobi%20tsankov&st=cse>.
- ¹² IFEX, “IPI condemns Molotov cocktail attack on TV SKAT,” IFEX Alert, 5 February 2010, http://www.ifex.org/bulgaria/2010/02/05/tv_skat_attacked/; and IFEX, “Journalist hit with hammer on head,” IFEX Alert, 11 February 2010, http://www.ifex.org/bulgaria/2010/02/11/varbanov_attacked/.
- ¹³ IFEX, “IPI condemns Molotov cocktail attack on TV SKAT.”

