

REPORT

Pursuant to Article 1 of Commission Decision of 13/XII/2006
Establishing a Mechanism for Cooperation and Verification of Progress in Bulgaria to
Address Specific Benchmarks in the Areas of Judicial Reform and the Fight against
Corruption and Organised Crime

(October 2006 – March 2007)

CONTENT

BENCHMARK 1 - Adopt constitutional amendments removing any ambiguity regarding the independence and accountability of the judicial system.....	4
BENCHMARK 2 - Ensure a more transparent and efficient judicial process by adopting and implementing a new judicial system act and the new civil procedure code. Report on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase.....	6
BENCHMARK 3 - Continue the reform of the judiciary in order to enhance professionalism, accountability and efficiency. Evaluate the impact of this reform and publish the results annually.....	9
BENCHMARK 4 – Conduct and report on professional, non-partisan investigations into allegations of high level corruption. Report on internal inspections of public institutions and on the publication of assets of high-level officials.....	14
BENCHMARK 5 – Take further measures to prevent and fight corruption, in particular at the borders and within local government.....	19
BENCHMARK 6 - Implement a strategy to fight organised crime, focussing on serious crime, money laundering as well as on the systematic confiscation of assets of criminals. Report on new and ongoing investigations, indictments and convictions in these areas.....	29
LIST OF ANNEXES	43

INTRODUCTION

In the Monitoring Report for Bulgaria of 26 September 2006 the European Commission identified a number of areas in which additional progress was still needed in order to guarantee the implementation and application of the measures adopted by the EU for the establishment of an area of freedom, security and justice.

Pursuant to its Decision of 13 December 2006 the European Commission established a mechanism for cooperation and verification of progress in Bulgaria in the area of judicial reform and countering corruption and organized crime.

The specific benchmarks to be addressed by Bulgaria are laid down in the Annex to the Commission Decision, as follows:

Benchmark 1	Adopt Constitutional amendments removing any ambiguity regarding the independence and accountability of the Judicial system
Benchmark 2	Ensure a more transparent and efficient judicial process by adopting and implementing a new judicial system act and a new civil procedure code. Report on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase
Benchmark 3	Continue the reform in the Judiciary in order to enhance professionalism, accountability and efficiency. Evaluate the impact of this reform and publish the results annually
Benchmark 4	Conduct and report on professional, non-partisan investigations into allegations of high-level corruption. Report on internal inspections of public institutions and on the publication of assets of high-level officials
Benchmark 5	Take further measures to prevent and fight corruption, in particular at the borders and within local government.
Benchmark 6	Implement a strategy to fight organised crime, focussing on serious crime, money laundering as well as on the systematic confiscation of assets of criminals. Report on new and ongoing investigations, indictments and convictions in these areas.

In accordance with Article 1 of the Commission Decision, Bulgaria shall by March 31 of each year, and for the first time by 31 March 2007 report to the Commission on the progress made in addressing each of the benchmarks.

The present Report outlines the progress made in the implementation of the benchmarks in the period October 2006 – March 2007. The report is prepared under the Mechanism for enhanced monitoring and coordination of the implementation of the benchmarks established by a Government Decision of 11 January 2007.

BENCHMARK 1 - Adopt constitutional amendments removing any ambiguity regarding the independence and accountability of the judicial system.

The Law on Amendment of the Constitution of the Republic of Bulgaria (fourth amendment) was adopted by the National Assembly on 2 February 2007 and promulgated in the State Gazette, issue 12 of 6 February 2007. *The amendments reflect entirely the recommendations made by the European Commission. The amendments guarantee both the transparency and accountability of the judiciary, by preserving its full independence at constitutional level.*

The constitutional changes provide in particular for:

- *An explicit regulation of the powers of the Supreme Judicial Council* (Art. 130 of the Constitution), whereby the Supreme Judicial Council's role as the decision making authority on the management of the judiciary is emphasised. The powers of the Supreme Judicial Council are explicitly specified as follows:

- to appoint, promote, transfer or discharge from office the judges, prosecutors and investigators;
- to impose the disciplinary sanctions of demotion and discharge from office of the judges, prosecutors and investigators;
- to organise the training of the judges, prosecutors and investigators;
- to approve the draft budget of the judiciary.
- To hear and approve the Annual reports provided by the Supreme Court of Cassation, by the Supreme Administrative Court and by the Prosecutor General, on the implementation of the law and on the activities of the courts, the prosecutors' office and the investigation services, and will submit them to the National Assembly.

The amendment is aimed also at *avoiding ambiguity and contradiction with the powers of the Minister of Justice*, which are designed to secure the cooperation and interaction between the executive and the judicial authorities. The Minister of Justice's power, set forth in Art. 130a, to check the organisation on the institution, progress and conclusion of the cases, is repealed in the same context;

- *The removal of the penal immunity of the magistrates*. Only the penal immunity, securing the independence and freedom of the magistrates in the execution of their functions and issuing of their decisions, remains in place;

- *The establishment of an Inspectorate under the Supreme Judicial Council*, to inspect the activities of the judicial authorities. A new Article 132a regulates the structure, functions, term of office and composition of such body. The Inspectorate is set up with the Supreme Judicial Council, and consists of a chief inspector and ten inspectors. The chief inspector and the ordinary inspectors are elected by the National Assembly with a majority of 2/3 of the Members of Parliament (MPs), for a term of five and four years, respectively. The Inspectorate budget is approved by the National Assembly within the judiciary budget. The Inspectorate inspects the activities of the

judicial authorities, without affecting the activities of the magistrates and the court assessors in the performance of their duties. In implementing their functions, the chief inspector and the inspectors are independent and subservient only to the law. The Inspectorate acts ex officio, by initiative from citizens, legal entities or governmental bodies, judges, prosecutors and investigators included. The Inspectorate puts forward signals, proposals and reports to other State authorities, the judiciary competent bodies included. The Inspectorate submits an annual report on its activities before the Supreme Judicial Council. The Inspectorate provides also public information on its activities. The conditions and procedure of election and dismissal of the chief inspector and the ordinary inspectors, as well as the Inspectorate organisation and activities, will be regulated in the new Judicial System Act.

The benchmark has been fulfilled.

BENCHMARK 2 - Ensure a more transparent and efficient judicial process by adopting and implementing a new judicial system act and the new civil procedure code. Report on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase.

Ensure a more transparent and efficient judicial process by adopting and implementing a new judicial system act and the new civil procedure code.

As soon as the fourth amendment was adopted, the activity of the working group on the preparation of a new Draft-Judicial System Act was resumed, in conformity with the constitutional amendments. Five representatives of the Supreme Judicial Council are members of the working group, which guarantees full consideration of the opinions and statements of the Judiciary. The draft is expected to be approved by the Council of Ministers at its meeting on 29 March 2007, and submitted to the National Assembly (NA).

In view of achieving better transparency, accountability and efficiency of the judicial system the Draft-Judicial System Act regulates in details:

- The statute and powers of the Supreme Judicial Council (SJC);
- The statute and powers of the Inspectorate within the SJC – a permanent new structure to inspect the activity of the bodies of the judiciary;
- The statute and powers of the Inspectorate under the supervision of the Minister of Justice to inspect the activity of the public and private execution agents, the notaries, as well as the activity on the recordation cases;
- The criteria and procedure of assessment of magistrates;
- The scope of the law interpretation functions of the supreme courts;
- The functions of the prosecutors' office in compliance with the new Penal Procedure Code;
- The competition principles in recruitment and appointment procedures for positions in the bodies of the judiciary;
- The disciplinary responsibility of the magistrates, including in case of breach of ethic rules;

Following the National Assembly first reading adoption of the ***Law on Amendment of the Civil Procedure Code (CPC)*** in 2006, in view of its particular importance and legal complexity, an expert group was set up at the NA. The expert group is composed of MPs from all the parliamentary groups, magistrates and representatives of the Ministry of Justice (MJ). The Parliament's Advisory Council on the Legislation also provides its expertise on the draft. In late March 2007 the second reading of the draft began at the Legal Matters Committee within the NA.

The Draft of a new Civil Procedure Code is designed to obtain fast and economical civil proceedings which will improve the conditions for carrying out business activity by the local and foreign natural and legal entities in Bulgaria. *The Code is expected to be adopted by the Parliament by the end of June 2007.*

Report on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase.

The working group on ***Monitoring the implementation of the PPC*** holds regular monthly meetings. Nine meetings have taken place so far, the latest one - on 7 March 2007.

On 15 December 2006 a National Conference was held, where the results from the first 6 months of the monitoring process were accounted for.

Four meetings between the judicial inspectors of the Ministry of Justice and magistrates from the appellate courts in the country have been held after coming into force of the PPC – two of them in the period October – November 2006 in the appellate districts of Bourgas and Varna. Within the framework of these meetings detailed information was collected and the difficulties faced in the course of implementation of the PPC were discussed.

The working group (WG) also gives its opinions on issues concerning difficulties that arise in the process of applying the new provisions of the PPC. They serve as guidance for the law enforcement authorities and are regarded as precious recommendations by the magistrates and police investigators */doznateli/* for the improvement of their work.

The WG discussions, as well as the problems stemming from the new PPC application, are the basis for the proposal for PPC amendments, put forward at the National Assembly by a group of MPs.

The main amendments proposed in the draft are:

1. Strengthening the capacity of police to ensure efficiency and speed in pre-trial proceedings by:
 - Ensuring in short term a sufficient number of officers with investigating functions
 - Providing investigating functions to all police officers;
2. Extension of investigation terms specified in the law from two to a minimum of six months, with a possibility for further extension by another six months;
3. Allowing the police officer who has carried out the investigation to testify in court;
4. Allowing undercover officers to testify in court by video-conference;
5. Dropping out the need for the certified witnesses to participate in carrying out procedural actions on pre-trial proceedings.

Discussion on the results from the PPC application in its part concerning the pre-trial phase took place on 28 February 2007 in the Committee on Internal Security and Public Order within the National Assembly. The Prosecutor General, representatives of the Supreme Prosecutor's Office, the Supreme Court of Cassation, the National Investigation Service and the Ministry of Interior took part in the debates. The proposals for a Draft-Law on amendment of the PPC were supported by the representatives of all institutions.

On 9 March 2007 the Working Group on the Monitoring of the Penal Procedure Code presented analysis on the impact of the PPC with respect to the pre-trial proceedings effectiveness /see Annex 1/. The analysis demonstrates that the implementation of the new PPC leads in a large extent to improvement of the results, particularly with regard to the acceleration of the pre-trial phase of the trial.

In pursuance of the project “Activities Aimed at Securing the Most Efficient Application of the new Administrative Procedure Code and Adoption of a new Law on the Administrative Offences and Sanctions”, *Criteria of Monitoring on the Implementation of the Administrative Procedure Code (NJPC)* have been developed in 2006. The monitoring and evaluation of the APC application is a way of collecting and analysing data on the expected impact and effect of the Code as a whole and of its specific provisions, as well as on the degree of their enforcement in the administrative and judicial practice. The Code came into force on 12 July 2006 and the institution of cases in the administrative courts started on 1 March 2007 (according to the transitional and final provisions of the APC). Because of this, an evaluation can only be made after the expiration of a certain period of time following the institution of the administrative court proceedings.

In February 2007 the minister of justice sent the monitoring criteria drafted by the working group to the Ministry of State Administration and Administrative Reform, the Supreme Judicial Council, the Supreme Administrative Court and the administrative courts.

An inter-service working group for monitoring and analysis of the APC was established by an order of the Minister of Justice dated 7 March 2007 involving the excellence of the field. The group includes three judges from the Supreme Administrative Court, one prosecutor from the Supreme Administrative Prosecutors Office, three inspectors from the Inspectorate under Art.35b of the Law on the Judiciary from the Ministry of Justice and five representatives of the Ministry of State Administration and Administrative Reform.

The Ministry of Justice will organize a National Conference on 12 April 2007 in Sofia, with the participation of the heads of the administrative courts nation-wide, where the monitoring criteria on the application of the Administrative Procedure Code are going to be clarified. The results from the national inquiry “The Expectations from the New APC”, conducted by the Ministry of Justice during 2006, will be presented to that conference as well.

BENCHMARK 3 - Continue the reform of the judiciary in order to enhance professionalism, accountability and efficiency. Evaluate the impact of this reform and publish the results annually.

The judicial system reform is going on. The professionalism, accountability and efficiency in the magistrates' work have been increased.

The First National Conference of magistrates in Bulgaria was held on 17 and 18 November 2006 in Sofia with the participation of 1 777 judges, prosecutors and investigators from all over the country. At the conference the new Judicial System Act was discussed as well as international legal cooperation issues, the new APC, countering organised crime, combating corruption and money laundering.

In compliance with the consistent *application of the competition principle* in the magistrates' appointment, during the period October 2006 - March 2007, the following competitions were conducted:

- For *administrative judges* – the competition for administrative judges in the administrative courts set up by the APC, announced in September 2006, was carried out in October 2006; out of 512 candidates; 268 judges were appointed from the persons having passed the examination, (28 November 2006);
- For *junior judges* – the competition was announced on 31 October 2006 for 30 permanent positions; 631 candidates applied; the written examination took place on 15 December 2006, and the oral one from 29 January to 1 February 2007; by a decision of the SJC dated from 21 February 2007 the first 30 persons of those who had successfully passed the examination were appointed;
- For *junior prosecutors* – the competition was announced on 31 October 2007 for 42 permanent positions; 115 candidates applied; the written examination took place on 19 January 2007, and the oral one from 19 to 21 February 2007; by a decision of the SJC dated from 21 February 2007 the first 42 persons of those who had successfully passed the examination were appointed;
- For *prosecutors in the Plovdiv Prosecutor's Office of Appeal*, for 1 permanent position – 6 candidates appeared; the interview took place on 21 December 2006; by a decision of the SJC dated from 24 January 2007 the first one from the persons who had successfully passed the examination was appointed;
- For *prosecutors in the Supreme Prosecutor's Office of Cassation* - the competition was announced on 7 November 2006 for 16 permanent positions; 67 candidates applied; the interview took place from 8 to 12 January 2007; by a decision of the SJC dated from 14 February 2007 the first 16 persons from those who had successfully passed the examination were appointed;
- For *judges in the Supreme Court of Cassation* – the competition was announced on 12 December 2006 for 9 permanent positions; 55 candidates applied; the interview

took place from 24 to 26 February 2007; in a meeting held on 14 March 2007 the SJC made a decision on the appointment of the first 9 persons of those who had successfully passed the examination;

- For *judges in the Supreme Administrative Court* – the competition was announced on 23 January 2007 for 8 permanent positions; 36 candidates applied; the interview took place on 1 and 2 March 2007. Appointment by the SJC is forthcoming;

- For *judges in the Plovdiv Court of Appeal* – the competition was announced on 13 February for 1 permanent position; interviews with the candidates are forthcoming.

Intensive training of the magistrates was *conducted* in the period September 2006 – March 2007, regarding the application of the new Penal Procedure Code and the Administrative Procedure Code, as follows:

Training on the new PPC

Within the framework of the project “Activities for Securing Most Efficient Implementation of the new Penal Procedure Code and of the Law on Amendment of the Penal Code”, financed by the European Integration Council within the Council of Ministers, and carried out by the Ministry of Justice, the National Institute of Justice *conducted 10 training seminars* on the new Penal Procedure Code. The total number of the persons who have undergone the training is 327 people - 165 judges, 78 prosecutors, 39 investigators and 35 *doznateli*.

Regarding the training of trainers on the new PPC, within the PHARE twinning project “Improvement of the Civil and Penal Process”, with Austria as a partner, the National Institute of Justice *held 4 seminars* with a total of 67 participants - 26 judges, 32 prosecutors and 9 investigators.

Training on the new APC

Within the framework of the project “Activities for Securing Most Efficient Implementation of the new Administrative Procedure Code and Adoption of a new Law on Administrative Offences and Sanctions”, financed by the European Integration Council within the Council of Ministers, the National Institute of Justice organised jointly with the Ministry of Justice *5 seminars* for training of magistrates on the new Administrative Procedure Code. The total number of the judges who have undergone the training is 154.

The Managing Board of the National Institute of Justice adopted a *Programme for Initial Training of Recently Appointed Judges in the Administrative Courts*, which was approved by the Supreme Judicial Court with Record of Proceedings No. 2 dated from 17 January 2007. The main purpose of the programme is to give practical legal knowledge and specific judicial skills, which are going to facilitate the exercising of the magistrate’s profession. The programme envisages for the training to run in the form of a two-week course, to include 11 training days. Judges from the Supreme Administrative Court have been invited as lecturers. The time-schedule provides for three consecutive courses on initial training of recently appointed administrative

judges to be conducted in the period from 19 February to 30 March 2007. 138 recently appointed administrative judges have undergone that training course.

In view of the appointment of the *new administrative judges* having professional experience, with the newly created administrative courts, the National Institute of Justice is organising **3 training courses**. The first training course is to be held from 16 to 20 April 2007, and the second and third courses - from 23 to 27 April 2007, and from 7 to 11 May 2007, respectively. The three courses are to be within 5 working days. Judges from the Supreme Administrative Court have been invited as lecturers. Every training course is intended for 43 people – judges from the recently established administrative courts.

The Ministry of Justice has prepared **Draft Rules** for amendment of the Regulations on the Judicial Administration in the regional, district, military courts and courts of appeal in relation to enhancing the **transparency and accountability in the courts work**. The draft was sent for coordination with the Supreme Judicial Council on 7 March 2007, whereupon it is going to be issued by the Minister of Justice and to be promulgated in the State Gazette.

The Supreme Judicial Council adopted a decision on 7 March 2007 which:

- Obliges the district courts lacking of own website to register in the Internet;
- Obliges the bodies of the judiciary to publish their annual reports in the Internet not later than 30 May 2007.

The procedure of the appointment of the private execution agents has been completed. 168 private execution agents have been entered in the register. The Draft-Law on Amendment of the Law on Private Execution Agents, providing increase of the control and accountability on their activities, was introduced in the National Assembly on 1 November 2006. The bill was approved at the first reading by the National Assembly on 7 March 2007.

After the introduction of the principle of random distribution of files and cases among the prosecutors, taking into account their specialisation (in April 2006), **since 30 September 2006 the principle of random distribution of cases has been introduced also in all the courts in the country.**

The Ministry of Justice has drawn up, jointly with the Supreme Judicial Council, a report on the year 2006, with respect to the implementation of the Programme for Execution of the Strategy for Reform of the Judicial System (2006-2007). The report will be published on the Internet pages of the Ministry and of the SJC.

Accountability of the Judicial Authorities

During the period of January – March 2007 the management of the Ministry of Justice has taken part, by invitation from the administrative heads of the district courts in the country, in the annual meetings of such courts. During these meetings the courts presented their annual statements on their work and views on the continuation of the reform in the judicial system. Opinions and information were exchanged with respect

to the judicial system activities, in view of the full membership in the European Union and the stepped up collaboration between the executive and judicial authorities.

On 7 March 2007 the Supreme Judicial Council examined the 2006 annual reports of the courts in the form of tables with summarized statistics for their activity and decided that they would be published on the SJC website.

In October - November 2006 *the results from the sociological inquiry and analysis, conducted by the Ministry of Justice were announced, regarding the impact on the public in issues of the judicial reform and the new Judicial System Act.* The results have shown the support by the magistrates and the public in favour of the measures undertaken in the course of the reform, including those of the introduction of the competition principle for the persons joining the judiciary (more than 92% of the respondents) and the necessity of specialisation for the prosecutors as well.

Within the project “Activities for Securing the Most Efficient Implementation of the new Penal Procedure Code and the Law on Amendment of the Penal Code”, financed by the European Integration Council within the Council of Ministers, and executed by the Ministry of Justice, a team of sociologists prepared during the month of October 2006 a report in fulfilment of the component “Evaluation of the Existing Expectations and the Effective Results from the Coming into Force of the Penal Procedure Code and the Amendments to the Penal Code”. **The outcomes of the study has shown the positive attitude of the magistrates towards the new PPC**, and in particular towards the introduction of the figure of the supervising prosecutor, the possibility for the prosecutor to carry out procedural and investigatory actions, the restriction on the possibility for replacement of the prosecutors on the cases. The estimate is that the indicated penal law institutes are considerably improving the penal proceedings efficiency. The indicated analyses are going to serve as criteria for the evaluation and formation of the future policy for further implementation of the judicial reform.

The analysis of the statistical data on the number of the resolved cases during the recent years is showing a firm trend towards a growth in number of the cases resolved within 3 month (1.26% increase for the year 2006, compared to 2005). In 2005 the proportion of the cases completed within 3 months compared with all completed cases was 73.90 per cent, and in 2006 it was 75.16 percent. The higher efficiency in the work of the judicial bodies is due to the new procedural laws, to the improved training and professional qualification of the magistrates as well as to the new information technologies introduced in the judicial system.

Average duration of completed cases by courts and types of cases in 2005 - 2006

COURT	TYPES OF CASES	Time for completion of the cases			
		Cases completed within 3 m.		Cases completed in excess of 3 m.	
		2005	2006	2005	2006
<i>REGIONAL COURT</i>	Civil cases	119842	131221	49461	50188
	Penal cases	47232	46751	20477	22959
	There included criminal cases on publicly actionable criminal offence	23314	22782	15571	17009
<i>DISTRICT COURT</i>	1 st instance civil cases	59980	70353	18439	16137
	There included corporate ones	50159	56606	157	171
	1 st instance penal cases	3454	4886	2069	2397
	There included criminal cases on publicly actionable criminal offence	1671	2776	2000	2313
<i>MILITARY COURT</i>	Penal cases	1211	1186	251	142
	There included criminal cases on publicly actionable criminal offence	733	727	229	129
	TOTAL	307596	337288	108654	111445

BENCHMARK 4 – Conduct and report on professional, non-partisan investigations into allegations of high level corruption. Report on internal inspections of public institutions and on the publication of assets of high-level officials.

The principle of zero tolerance and counteract to corruption at all levels continues to be a major priority of the Bulgarian government. Streamlined, proactive and systematic actions have been made for providing secure prevention and effective interruption of corruption practices in all areas of public life. Professional and impartial investigations have been carried out on allegations of high level corruption

With the latest Constitutional amendments, at Constitutional level, transparency and accountability of the judiciary are guaranteed, with complete observation of its independence and a positive effect is maintained on the counteraction to corruption efforts in the judiciary (see benchmark 1).

In March 2007, the Commission for Prevention and Counteraction of Corruption (CPCC) adopted a report on the implementation of the Programme to the Strategy for transparent management / prevention and counteraction of corruption in 2006 /See Annex 2/, and a Plan for the implementation of the Strategy for transparent management, prevention and counteraction of corruption in 2007. **Out of 121 measures laid down in the Programme, in 2006, a total of 94 measures have been implemented completely.** The remaining 27 are in a process of implementation, where it is being planned that they should be completely implemented by mid 2007.

With the amendments of the Law on Publicity of the Property Owned by Persons Occupying High State Positions, enforced from 5 September 2006, in force as of 1st January 2007 *the publicity of property of persons, occupying high state positions is legislatively provided.* This category of persons submit property declarations to the National Audit Office by 30 April.

In January 2007, *The President of the National Audit Office approved Directions for checking documents,* according to the requirements of the Law on Publicity of the Property Owned by Persons Occupying High State Positions

In order to attain effectiveness of the conducted checks, *the capacity of the National Audit Office has been strengthened.* In October 2006, the Directorate Public Register was established with the total number of 11 employees. The Directorate is in charge of the information, which is published in the public register of the property declarations of persons, occupying high state positions. According to the latest amendments of the Law on Publicity of the Property Owned by Persons Occupying High State Positions, the access to the information of the public register is provided by the internet site of the National Audit Office.

The updated list of persons, obliged to declare their property, as provided by the Law on Publicity of the Property Owned by Persons Occupying High State Positions, has been presented also to the National Revenue Agency, so that the tax declarations of these persons are processed with priority. In November 2006, the national Audit Office and the National Revenue Agency jointly developed a form of the declaration on the Law on Publicity of the Property Owned by Persons Occupying High State Positions. The declaration form has been approved by the President of the National Audit office in January 2007 and published in the Internet site of the National Audit Office to be used by the declarers

The cooperation and interaction between the various institutions in the area of prevention and fight against corruption has been improved. For the period November 2006 – January 2007 agreements have been signed for cooperation between the National Audit Office and the National Revenue Agency, the Ministry of Agriculture and Forests, The Ministry of Interior, the Ministry of Regional Development and Public Works, the Ministry of Transport, The Registry Agency, the Special Pledges Registry at the Ministry of Justice. The agreements regulate the exchange of information of the checked persons and access of the national Audit Office to the information, contained in the registers, which maintain these structures. On the basis of these agreements the Chairman of the National Audit Office is entitled to request information from state and municipal bodies, the bodies of the judiciary and other institutions, before which the declared facts are subject to being registered, declared or certified.

The interrelation between the three authorities in the fight against corruption within the frames of the Council of coordination of the fight against corruption in the Republic of Bulgaria, established in April 2006, has been improved. The commissions of counteraction to corruption in the National Assembly, the Council of Ministers and the Supreme Judicial Council hold joint meetings every month, during which issues in the area of legislation, the institutional framework for fight against corruption and concrete cases are discussed. During the reported period in the Council's operation a representative of the supreme Cassation Prosecution was attracted. Reports on the implementation of anti-corruption measures in different state institutions are discussed at the meetings. The Council for coordination of fight against corruption in the republic of Bulgaria participates also with development of a draft law on publicity of the lobbyist activity.

A status of external audit has been approved in the National Revenue Agency. Its rules regulate the obligation of the internal auditor to immediately notify the executive director for established indicators for frauds, which is also bound with concrete proposals.

The staff of the Chief Inspectorate Directorate in the Council of Ministers has been completed, which provides organizationally and technically the activity of the Commission of prevention and counteraction to corruption at the Council of Ministers. The capacity of the inspectorates in the Ministries has been strengthened – 379 positions have been occupied out of total 402 permanent positions.

The coordination and interrelation between the Chief Inspectorate Directorate has been improved, as a coordinating structure of the activity of the Inspectorates, and the other inspectorates. The checks are conducted with the assistance of all the inspectorates, as well as with the assistance of the Ministers and the specialized institutions for control – the agency for State financial inspection and the national Revenue Agency.

Within the frames of the PHARE Programme project, a technical specification, analysis and design of the Information system: “Strengthening the Capacity of the Commission for prevention and counteracting corruption in the public administration and the judicial system”, have been developed. The developed system gives opportunity for an access to the data, received from the checks on signals and complaints, sent to the CPCC, the Chief Inspectorate Directorate, the Inspectorates at the Ministries and the state Agencies, the Regional public councils for prevention and counteraction corruption, the Commission for fight against corruption in the judicial system under the Supreme Judicial Council, the Prosecution offices and the Commission for fight against corruption at the National Assembly. Finalization is on the way of the regulative provision for access and usage of the unified information system after reporting the constitutional independence of the three powers.

By 20 March, all the 72 operators were trained, who will work in the 72 contact points of the system within the framework of the three powers. It is expected that the system starts operation completely effectively by the end of April. A portal will be established to the system for giving proposals, signals and complaints, as well as possibility for the claimers to receive information and answers to the put by them problems through the portal.

The Chief Inspectorate Directorate regularly prepares proposals to Ministers and Heads of Agencies, where there are established Inspectorates, with concrete recommendations for improvement of the conditions and results of the Inspectorates work.

The Chief Inspectorate Directorate prepares for the Prime Minister analytical reports for the effectiveness of the state administration activity on concrete issues and reports, related to checks on persons, occupying high state positions within the frames of the executive power. In cases of found crimes, the documentation is sent to the prosecution office. The prepared reports propose concrete decisions, related to prevention of bad practices at the resources management by the state administration.

During the reported period, the bodies of the pre-trial phase have completed 1706 pre-trial procedures for crimes, related to corruption. During the same period, 599 prosecution acts were submitted to court, against 705 persons. Out of them, 297 persons were convicted with enforced sentences. /See Annex 3/

**Convicted or Acquitted Persons for Corruption Crimes
for the period October 2006 – February 2007**

Convicted persons			Convicted persons with enforced sentences			Acquitted persons			Acquitted persons with enforced sentences		
X-XII 2006	I-II 2007	Total	X-XII 2006	I-II 2007	Total	X-XII 2006	I-II 2007	Total	X-XII 2006	I-II 2007	Total
301	126	427	209	88	297	81	48	129	42	13	55

By the time the amendments of the Constitution of the Republic of Bulgaria come into force, the Prosecutor General introduced and the Supreme Judicial Council approved 7 requests for lifting immunity of magistrates. 6 magistrates were discharged from position, and penal procedures were initiated against them. After the Constitution amendments, according to which the penal intangibility of magistrates falls off, 2 more high magistrates were discharged and penal procedures were charged against them.

18 pre-trial procedures are underway for committed crimes with corruption element by 14 prosecutors and 4 investigators.

75 signals in total were submitted to the anticorruption boxes, placed in the buildings of the separate units of the judiciary, out of which 44 have been sent for examination by the competent authorities, 26 were referred and answered directly to the persons, sent the signals; 5 of the signal were considered irrelevant.

In January 2007, the Centre for the Study of Democracy - one of the leading non-governmental organizations in the area of anticorruption, presented the results of the first study of the Bulgarian businesses on the level of corruption after Bulgaria's accession to the EU. The study responds to the System of indicators for performance assessment of the Strategy for transparent governance and for prevention and counteraction to corruption. Conclusions made be drawn on this basis for positive changes in the corruption environment in the country by March 2007. In comparison with November 2005, the *level of corruption victimization among the businesses has been lowered with 50%*. The corruption pressure has also been lowered substantially on behalf of the administration in comparison with the businesses for performing informal payments. Lower corruption pressure has been registered practically in all professional groups in the administration (customs, police, taxation and other

employees) with which the studied economic heads have had contacts.
[/www.csd.bg/bg](http://www.csd.bg/bg) - site for more information about the Centre's activity/.

According to a survey of *Transparency International* carried out in the period 15-30 November 2006, prevalingly positive assessments of satisfaction with the work done by public administration in providing services and information to citizens and businesses were reported (you may find more information on the web site of *Transparency International* – www.transparency-bg.org).

BENCHMARK 5 – Take further measures to prevent and fight corruption, in particular at the borders and within local government.

Zero-tolerance policy on corruption is pursued at all levels of state administration and local authorities. The principle of rotation is applied in the services of the mandatory border control. Planned and on-the-spot inspections are carried out. Checks on the property status of officials are performed on the basis of risk analysis criteria.

Methodological guidelines on the control functions of the inspectorates and their interaction, approved by order of the Prime Minister of 13 December 2006, are being implemented.

Methodological guidelines for conducting anti-corruption inspections for all administrative structures of the executive authorities are to be developed. They will include a programme on necessary trainings, proposals for appropriate and efficient organization of everyday work and recommendations for elaboration of prompt and high-quality reports on cases of corruption.

Good practices are exchanged through the Directorate “Chief Inspectorate” and basic documents are distributed related to the actions of the government in the field of countering corruption.

Planned and on-the-spot internal checks and checks following signals are carried out in order to enhance the quality of work and reduce the corruption risk in state institutions. In the report period the Directorate “Chief Inspectorate” has checked 82 signals.

Checks in institutions are conducted by the relevant Directorate “Inspectorate” following the methodological guidelines of the Chief Inspectorate at the Council of Ministers. /please see Annex 4/.

An inter-agency working group in partnership with British experts developed *a legal framework regulating the protection of workers and employees signalling about abuse of power and corruption (whistle-blowing)*.

The Administrative Procedure Code provides a possibility for citizens, organizations and the Ombudsman to send signals on corruption, on abuse of power or bad governance, or other unlawful or inappropriate actions or inactions of administrative authorities or officials which affect state or public interests, rights or legal interests of other persons, as well as a procedure for receiving and reviewing signals.

All structures of the state administration are properly equipped to receive alerts/signals on corruption (through post-boxes, on-line, information boards, alert books). Hotlines are opened in 22 administrative structures.

Signals on corruption may be sent via the Internet. The web pages of the respective administrations have special sections for posting such signals. The signals received are

recorded in the respective registry department and reviewed in accordance with the requirements stipulated in the internal rules and legislative acts.

Automatic phone lines for receiving corruption signals /Call Centre/ are in place. In some administrations /e.g. Ministry of Finance, Ministry of the Interior, Ministry of Agriculture and Forestry, Ministry of Regional Development and Public Works/ these lines are open 24-hours and can be reached from all digit and analogue lines on the territory of the country.

Post boxes for signals and alerts have been placed at the reception offices of the public administrations. The boxes can be opened only by authorized officers.

With the aim of preventing corruption within the state administration, the National Revenue Agency (NRA) have distributed since January 2007 a total of 300 000 pieces of leaflets entitled "Doubts for corruption? React!". They contain information in when, where and how one should submit alerts for corrupt activities of NRA officials.

Further to corruption related checks, public officials are subject to inspections for overall compliance with relevant legislation (Law on Civil servants and related secondary legislation).

Over the reported period the Inspectorate at the Ministry of State Administration and Administrative Reform performed a total of 176 such inspections:

- 105 general scheduled checks for overall compliance with relevant legislation
- 16 alerts-based checks
- 55 follow-up checks for implementation of the mandatory instructions for the respective authorities to eliminate shortcoming and breaches.

The inspections covered 5 ministries, 47 administrative bodies subordinate to first level spending entities, 5 administrative structures under the Council of Ministers, 6 regional administrations, 93 municipal administrations and 20 district municipal administrations.

- 2 administrative infringement acts drawn up for failure to fulfil mandatory instructions. Penal provisions to be imposed by Minister of State Administration and Administrative Reform on disciplinary liable civil servants.
- 85 inspections concluded with issuance of certifying protocols, establishing shortcomings in implementation of civil service legislation. Oral recommendations and instructions given to concerned authorities to eliminate the shortcomings; and requested to provide further written information in this regard.
- 91 mandatory instructions issued to concerned authorities for established breach of civil service legislation, which contain fixed deadlines for eliminating the breaches.

Performed checks and instructions issued to the concerned authorities are reported on daily basis.

By 20 March 2007, feedback about the follow-up of the mandatory instruction has been received from 44 administrative structures, according to the instructions. For the remaining 47 administrations the deadlines of eliminating the shortcoming are still running.

The Minister of State Administration and Administrative Reform issued mandatory prescriptions to the relevant authorities instructing them to ensure strict observance of the deadlines for submitting declarations /by 31 March/. Disciplinary liability should be sought from any civil servants who fail to comply with this obligation.

During the 2006 fiscal year (01.04.2006 - 31.03.2007) the inspections of 1 426 civil servants files showed that 74 have failed to submit property status declarations and 63 have failed to submit declarations on conflict of interests. /Until 31 March of the current year each civil servant should submit property status declaration and declaration on conflict of interests to their appointing authority/.

According to the Regulation on the General Rules Governing the Organization of Administrative Service, adopted in September 2006, all ***civil servants must wear name badges at work.***

The Ministry of State Administration and Administrative Reform elaborated questionnaires for evaluating the quality of administrative service delivery with a print run of 100 000, which will be distributed to all administrative structures in the country. The questionnaires will be available in places where services are provided to citizens and will allow the users of administrative services to express their opinion and give recommendations regarding the functioning of the administration.

During the reported period a large number of training events have taken place. Training was delivered to both state and local administration and judiciary.

➤ Training events organised by the Ministry of State Administration and administrative Reform:

– Project on “*Preventing and counteracting corruption in the state administration through training employees*”, funded by the state budget, implemented by the Inspectorate for the State Administration; number of trained officials - over 1 000 officials working in highly risk corruption environment as well as 400 managers and senior officials; anti-corruption curriculum and self-teaching materials produced /more than 20 000 CDs/; training delivered to 50 814 officials.

– *6 seminars on prevention of corruption and best practices of anti-corruption behaviour* delivered in 6 target regions to a total of 357 MPs, regional and deputy regional governors, municipal mayors and deputy mayors, representatives of NGOs, businesses and anti-corruption councils of local administration.

– *Public discussion* on the various types of administrative control and training of officials from municipal and regional administrations held in target regions. The discussion was specifically focused on the administrative control as a tool for prevention and counteraction of corruption and was attended by 280 participants.

– Training on the *implementation of the new Administrative Procedure Code* organised for 53 inspectors from the Ministry of State Administration and Administrative Reform, the General Inspectorate of the Council of Ministers and the inspectorates of the other ministries obliged under Art. 46 of the Law on Administration.

– On 21 March 2007 within the framework of the bilateral cooperation between the Ministry of Interior and German province Bavaria a seminar for the civil servants

for Ministry of Interior and Ministry of State Administration and Administrative Reform on the issues with countering and preventing corruption.

– Training planned by the Directorate **“Chief Inspectorate” at the Council of Ministers**

- The Directorate plans to provide specialized trainings intended for the officials of the inspectorates focusing on the specific characteristics of their activities in relation to internal administrative control.

- Trainings within the **Judiciary**

- In December 2006 the National Institute of Justice formed a working group for developing a Programme on Ethics and Anti-corruption. Members of the working group are representatives of courts, the prosecutor’s office and scientists. A curriculum has been developed and includes 5 seminars intended for a total of 175 judges, prosecutors and investigating magistrates from all over the country for the 2007 school year. The first pilot seminar is to be held in May.

- A module “Fight against corruption” is included in the seminar “Judicial cooperation in criminal matters”. The seminar is held three times per year and is intended for judges, prosecutors and investigating magistrates. In the period between September 2006 and the beginning of this year, 4 trainings on that topic have been performed with the participation of 125 magistrates.

- An Agreement for cooperation and interaction between the Prosecutor’s Office and the NGO - Association “Club of Journalists against Corruption” was signed on 4 October 2006. The agreement enhances the possibilities and forms for receiving feedback from citizens and business.

Further measures are being implemented to prevent and fight corruption at the borders. Bulgaria is among the first countries, which have started to introduce at its borders a payment system based on the “single fiche” principle, which is intended to reduce cash payments and corruption risks. In July 2006 the system was introduced on pilot basis at the Lesovo border checkpoint. The system proved to be efficient from an economic and anti-corruption perspective. The amount of state receivables collected at the border checkpoint has increased substantially.

On 7 November 2006 the Council of Ministers approved amendments to the Regulation on Border Checkpoint which provide for introducing the “single fiche” principle at all road border checkpoints at the EU external borders.

Updated ToR and technical specification for the development of payment system based on the “single fiche” principle were elaborated in February 2007.

In October 2006 the Rules of Procedure of the **National Veterinary Service** were amended as well as the job descriptions of its employees. A new Directorate “Border Veterinary Control” is currently being established. The pay-roll is being developed to introduce the rotation principle for the border veterinary inspectors. The Directorate staff will undergo a training course on “Prevention and counteraction of corruption – state administration ethics”.

Three border checks of Border Veterinary Control Inspection Points were carried out in the period October 2006 – March 2007 (2 in 2006 and 1 in 2007) and no disciplinary proceedings were initiated as a result from the checks.

On 20 December 2006 the Council of Ministers approved a new Tariff for the charges to be collected by the National Veterinary Service, pursuant to the Law on Veterinary Activities. As a result the charges for disinfection of motor vehicles entering the country with Bulgarian and foreign registration have been aligned.

Information billboards have been designed in different languages for the passengers arriving into the country. The billboards provide information about the restrictions for bringing into the country of raw materials and food under veterinary control. Furthermore, *leaflets have been produced in different languages* with the same information for passengers arriving into the country. At the Border Veterinary Control Inspection Points at EU external borders there are *billboards with information about the charges due* for preventive disinfection of different types of motor vehicles in cases when the Minister of Agriculture and Forestry has issued an order for such disinfection.

On 9 January 2007 the General Director of the National Veterinary Service approved *Rules for checks in the system of the National Veterinary Service*. According to the Rules, the Central Management will conduct checks of the overall activity of the Border Veterinary Control Inspection Points twice a year. On regional level such checks will be conducted four times a year. Checks are carried out into all submitted signal for violation. Consequent surprise checks are also performed in order to establish the effect of the corrective actions imposed from previous checks.

In February 2007 the *Customs Agency disseminates anti-corruption leaflets* to all border checkpoints and inland customs offices. The leaflets are in Bulgarian and English and contain detailed information about the ways for submitting signals in case of illegal actions performed by customs officers.

A questionnaire was elaborated in the end of February 2007 in view of receiving feedback from passengers and carriers on the conduct of customs officers at key border checkpoints. The questionnaire was developed in 5 languages - English, German, Turkish, Russian and Bulgarian. The first three inquiries for the year have taken place - at the border checkpoints Kapitan Andreevo, Lesovo and Malko Tarnovo. A total number of 241 persons were inquired including 154 Bulgarian nationals and 87 foreign nationals passing through the mentioned border checkpoints. The inquiry is anonymous in view of ensuring better more objective information. The first results of the inquiry are being analyzed. Later in the year after conducting more similar inquiries the results will be summarized and analyzed and relevant conclusions will be drawn.

As of the end of February 2007 checks on the property status of 62 customs officers, selected at the end of 2006 and the beginning of 2007, is being conducted or has already been accomplished on the bases of established criteria for risk analysis regarding officials. Inspections are performed in cooperation with the National

Revenue Agency authorities. Materials concerning the property status of three officials have been submitted to the authorities of the Ministry of the Interior and the Prosecutor's Office.

In March 2007 a new functionality was introduced in the Bulgarian Integrated Customs Information System (**BICIS**). It provides the possibility **for electronic declaration of the transit regime** in the Bulgarian customs institutions. In this way the need for direct contact of representatives of business operators with customs officers is reduced.

The Customs Agency and the National Revenue Agency implement the principle of rotation. As a result 123 officers of the Customs Agency and 77 officials of the National Revenue Agency have been rotated.

The Ministry of the Interior (MoI) continues to implement the principle of zero-tolerance towards perpetrators of any violations related to corruption. Further to the inspections carried out by the MoI Inspectorate Directorate in respect of all officials of the Ministry, the Border Police Chief Directorate conducts on-the-spot checks and checks following signals at border checkpoints.

Further improvements have been introduced to the **rotation system** for changing working place and non-repeatability within a working shift.

In addition, **video cameras** have been installed in the working places in view of reducing corruption pressure.

Regular meetings are held with the heads of the border checkpoints to enhance control by management-level staff.

Systematic training is performed as well as psychological evaluations of the corruption risk. The MoI Academy and other training centres of the Interior Ministry continue to provide training for management-level staff and experts on issues related to counteracting internal corruption. This topic is included in the relevant subject curricula and training plans.

All cases are announced to the public for the purpose of prevention.

The sustainable tendency for reduction of corruption cases among Border Police officials observed since last year is retained.

Twenty inspections following corruption signals were performed during the reported period. Of these:

- 12 - confirmed signals;
- 3 - unsubstantiated;
- work on 2 disciplinary procedures continues;
- 3 - additional checks are in process;

4 officials were dismissed following disciplinary procedures; 5 of the disciplinary procedures were concluded with proposals for dismissal and are pending approval by the minister. Expert psychological evaluation was proposed for 1 official; 1 official was reappointed to another field of work.

The MoI and the Prosecutor's Office carry out ***joint inspections in the public authorities responsible for mandatory border control***. Checks on 11 border checkpoints have been performed. Following established violations 15 pre-trial proceedings were initiated; 7 of the checks are in progress.

Five pre-trial proceedings were initiated at the Kulata border checkpoint as follows: three against officials for document crimes and fraud; one against officials from the service for Border Inspections for Veterinary Control and Quarantine; one against 19 officials from the services for Road Taxes Department for misappropriation through abuse of official positions /over 100 000 invoices and accounting documents were seized/.

One pre-trial proceeding was initiated at Zlatarevo border checkpoint for misappropriation through abuse of official positions against an official of the Border Inspections for Veterinary Control and Quarantine.

Three pre-trial proceedings were initiated at each of the following border checkpoints - Vidin, Ruse and Kapitan Andreevo for various offences involving abuse of official positions, misappropriation and bribery against inspectors of the Border Inspections for Veterinary Control and Quarantine, controllers of the border sections and officials of the Road Taxes Department.

In view of ***preventing and countering corruption related to issuing certificates and collecting road charges at the borders***, 9 automated systems for size control and vehicle classification have been introduced so far at the following border checkpoint: Kalotina, Oryahovo, Kapitan Andreevo, Lesovo, Kulata, Zlatarevo and Stanke Lisichkovo. They determine automatically the type and size of passing vehicles and eliminate the subjective factor in this activity. This automated system determines automatically the category of the vehicle in view of correct issuance of vignette stickers.

The improvement of the National system for automation of revenue from road charges and licences regime continues. The objective is to cover all of the following in one system: the activities of the National Road Infrastructure Fund - Road Taxes Department, collection of road charges, sale of vignette stickers, permission regime for transport vehicles and buses, collection of charges and issue of certificates for movement of heavy and over-size vehicles, collection of charges from roadside servicing objects and advertising equipment, etc. The improvement of the system results in improvement of the organization, acceleration of service to customers and facilitation of the work of the officials in the border sectors and the regional units.

At border checkpoints billboards are installed with information in three languages on the legal framework for collecting road charges from vehicles and measurement of transport vehicles. A telephone number for complaints is also available.

For the needs of Bulgarian and foreign users of paid road infrastructure, information leaflets and the actual prices of vignette charges for 2007 have been published.

In view of strengthening control over the collection of road and vignette charges orders have been issued for conducting planned and ad-hoc checks for compliance with labour and financial discipline by the officials in the border sectors. These measures are taken in view of counteracting corrupt behaviour in the border area.

Planned and ad-hoc checks and violations by types and imposed sanction for the period 1 October 2006 - 15 March 2007.

Number of officials	Type of offence	Action taken, incl. sanctions
1. Kalotina border checkpoint		
2 officials	Non-observance of labour and technological discipline	Warning for dismissal
6 officials	Violation of the technological discipline	Reprimand
2 officials	Non-observance of labour and technological discipline	
2. Kulata border checkpoint		
4 officials	Non-observance of the labour and technological discipline	Warning for dismissal
1 official	Non-observance of the labour and technological discipline	Reprimand
1 official	Non-observance of the technological discipline	
3. Gyueshevo border checkpoint		
1 official	Non-observance of the technological discipline	Reprimand

Measures continue to be implemented for preventing and countering corruption in local administration

By 31 January 2007 Regional public councils for countering corruption were established in all regional administrations. In most cases the councils are chaired by regional governors and include representatives of the following authorities: prosecution offices, investigation services, police authorities, courts, revenue administration, customs, health sector, NGOs, media, etc.

Regional public councils coordinate the implementation of measures for prevention and counteracting corruption.

Submitted signals for corruption in the regional administrations for the period 1 October 2006 – 15 March 2007 are in total 113, out of which 104 were examined /see Annex 5 /.

A combination of the basic features of “friendly administration” has been achieved - clear procedures, easy access to information about services, possibility for control over the activity of officials and for surveying citizens’ opinion. ***The “one-stop-shop” principle*** has been introduced in 100% of the regional administrations and in 74% of municipal administrations.

Internet addresses, post-boxes and e-mails for receiving feedback from the citizens and businesses are also introduced in the regional administrations. There are also telephone hotlines in 16 of them.

In March 2007 the Minister of State Administration and Administrative Reform endorsed Methodology for research and measuring customers’ satisfaction from administrative services. The methodology will be implemented in the whole administration, in order to facilitate feedback from the citizens in relation to the administrative services delivery.

Transparency and free access to information are an integral part of the measures for prevention and countering corruption at local level

- all municipalities publish municipal information newsletters
- all municipalities organize public discussions on major issues for the local community
- the mayors report regularly on their activities directly to the citizens or via the local media.
- meetings on the spot are organised in different towns/villages within the municipalities;
- different questionnaires are distributed in order to find out the opinion of the citizens about the services delivered or about different initiatives of the municipality.
- the practices of adopting Code of Ethics as a mandatory document is being adopted by an increasing number of municipalities.
- a project entitled “Improvement of the quality of the technical services, delivered by the municipality to citizens and legal entities” is being implementation. The project aims to improve the transparency at municipal level, to enhance the fight against corruption and to deliver better service for citizens by providing clear and accessible information to natural and legal persons about their rights when receiving technical service, as well as about the terms conditions of their deliver. A booklet handbook has been prepared within the Project and is being disseminated among the citizens;
- systems for internal financial management and control have been introduces in all the municipalities. Along with this, financial controllers and internal auditors work in all the municipalities
- the system of local public intermediaries is permanently being extended (local ombudsman)

Trainings with anti-corruption content, accounting for the specifics of the local administration have been conducted.

- “Municipal technical services - better quality and transparency”. In total 160 municipal representatives were trained;
- “Public procurement, concessions and municipal property management – risk zones”: in total 110 municipal representatives were trained;
- Within joint workshops with the Ministry of Labour and Social Policy on the appropriation of EU Structural Funds and the Cohesion Fund: in total 160 municipal representatives were trained
- “Annual accountancy”: in total 60 municipal representatives trained;
- “Budget 2007 – first European budget of the municipalities”: in total 330 municipal representatives trained;
- “Improvement of skills to use software products in administering the local taxes and charges in the municipal administrations”: in total 180 municipal representatives trained.
- Developed handbook: “Technical services of the municipalities – guide for the citizens”. The handbook was published in 11200 copies and has been disseminated to citizens in 16 municipalities free of charge.

BENCHMARK 6 - Implement a strategy to fight organised crime, focussing on serious crime, money laundering as well as on the systematic confiscation of assets of criminals. Report on new and ongoing investigations, indictments and convictions in these areas.

➤ *Bulgaria has a legal framework for preventing and countering organized crime in compliance with EU best practices (Penal Code, Penal Procedure Code, Law on the Ministry of the Interior, Rules Implementing the Law on the Ministry of the Interior, Law on the Measures against Money Laundering, Law on the Measures against Financing of Terrorism, Law on Forfeiture of Criminal Assets).*

➤ *There is a fully coordinated, accountable and transparent police organization.*

➤ *The updated Action Plan for Combating Organized Crime is being implemented. It covers the period up to the end of 2007 and its main objectives are:*

- *Target-oriented criminal proceedings against leaders of organized crime groups;*
- *Enforcing the pro-active approach in countering organized crime;*
- *Curbing the economic resources of organized crime groups;*
- *Forfeiture of criminal assets – an indispensable component of the fight against organized crime.*

The Action Plan contains specific legislative, organizational and practical measures aimed at enhancing the efficiency of prosecution. The document has been officially submitted to the competent services of the European Commission.

➤ *The new legislation in the field of money laundering and forfeiture of criminal assets is being implemented fully. The Bulgarian authorities work in close partnership with experts from other Member States.*

In view of achieving further efficiency of police work in the fight against organized crime, it is envisaged to adopt amendments to the Penal Procedure Code. The amendments have been submitted to the National Assembly. They aim at:

- *Prompt provision of sufficient number of officers with investigating functions in order to enhance the efficiency of police activities in pre-trial proceedings. Entrusting investigating functions to all police officers;*
- *Extension of the legally stipulated periods of investigation from two to at least six months with a possibility for further extension by another six months;*
- *Allowing police officers who have conducted investigations to testify in court;*

- Regulating interviews of undercover agents by way of video-conference in order to guarantee their security and keep their real identity secret;
- Abolishing the requirement for certifying witnesses to participate in procedural activities under pre-trial proceedings.
- ***The administrative capacity of the Chief Directorate for Combating Organized Crime has been strengthened.*** In January 2007 the procedure related to the establishment of the Special Operations Department responsible for under-cover operations within the Chief Directorate for Combating Organized Crime was completed. The department comprises three sections with a total of 41 police officers.
- ***The work for detecting premeditated murders has been intensified.*** The organization of work of the police structures has been optimized. There is excellent interaction and coordination with the investigation authorities, the Prosecutor's Office and the courts.

Coordination between the operational officers and the analytical units in the Chief Directorates has been established under a tactical operational program for this type of crimes.

In three cases murders were prevented of persons from the criminal contingent, which were planned by their rivals as well as other serious crimes against persons from the criminal contingent. Storehouses for weapons used by organized crime groups were detected in Burgas, Varna and Sofia.

Upon request by the monitoring Prosecutor and instructions from the police director for each specific case teams are set up in the regional police directorates. The teams include operational officers, the monitoring Prosecutor and psychologists for drawing up profiles of perpetrators.

A working group comprising representatives of the Psychology Institute of the Ministry of the Interior; the Sofia Police Directorate and the Chief Directorate for Combating Crime, Maintaining Public Order and Prevention has been set up to analyze cases and plan respective actions under the monitoring of a Prosecutor.

In the field of detecting serious crimes against persons on the territory of the country, the Bulgarian authorities are working jointly with counterparts from other EU Member States.

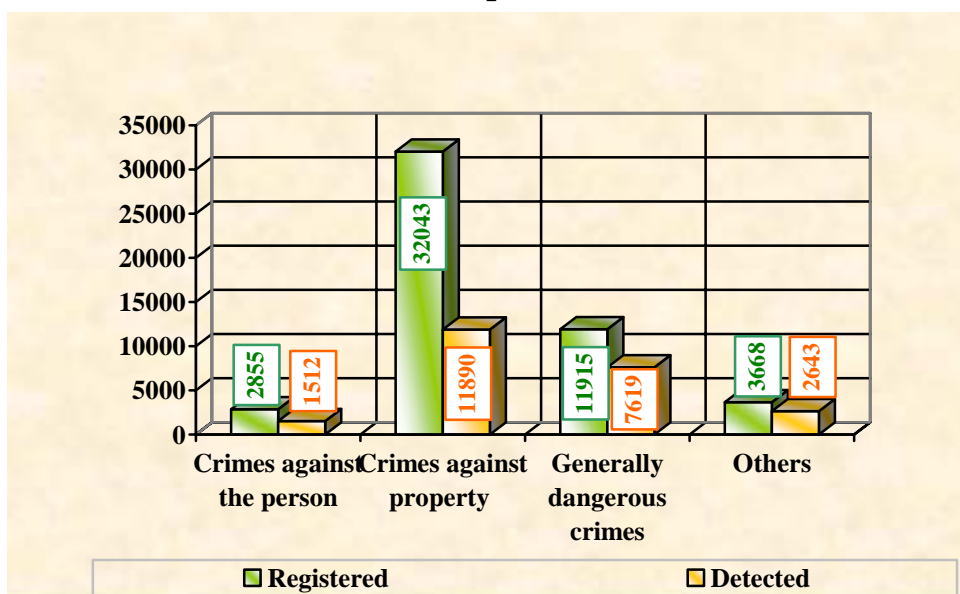
A joint project with the British police aimed at strengthening the capacity for investigating serious crimes, including murders, has been implemented since 2006. In the framework of the project training on detecting serious crimes has been provided to officials from the Chief Directorate for Combating Crime, Maintaining Public Order and Prevention; the Sofia Police Directorate; Regional Police Directorates and the Forensic Science and Criminology Institute.

Officials from the Chief Directorate for Combating Crime, Maintaining Public Order and Prevention undergo regular training in the field of applying EU experience in the field of investigating premeditated murders.

➤ ***The efficiency in combating crimes threatening life and health of persons and crimes against property has been steadily enhanced. Positive results have been achieved in the fight against serious and organized crime.***

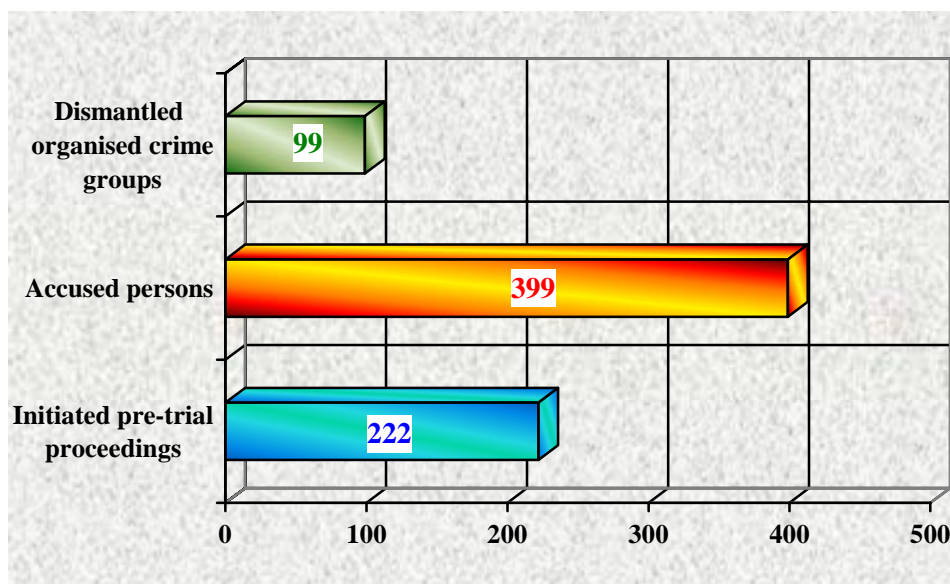
- A stable tendency of sustained **decrease** in crimes against the person is registered.
- A steady tendency of **decrease** in completed premeditated murders is observed /2003 - 233; 2004 - 223; 2005 - 177; 2006 - 172/.
- In 2006 as many as 57.7 % of the criminal offences registered in the period were detected, including 89% of the murders, 59.1% of the robberies and 43.7% of the thefts.
- Out of 50481 criminal offences registered in the period October 2006 – March 2007 as many as 23 664 were detected, which means detection of almost every second criminal offence. **As many as 91.8 % of the murders were detected.**

Registered and detected crimes in the period October 2006 – March 2007



➤ ***Result-oriented and targeted criminal investigations and prosecutions are undertaken against leaders and members of organized crime groups thus putting them at greater personal risk.***

Target-oriented joint activities are being implemented by the operational services, the bodies of the investigation and the prosecution authorities. These activities are aimed at identifying organized crime groups and their leaders, the spheres of their criminal activity and bringing them under control.



- In the period October 2006 – March 2007 as many as 222 pre-trial proceedings were initiated against 399 members of 99 organized crime groups. Of them – 6 pre-trial proceedings were initiated for organizing an armed group for crime perpetration, 3 pre-trial proceedings were initiated for pre-meditated murders and 5 pre-trial proceedings were initiated for illegal storage, transportation and use of explosives, ammunitions and firearms. Indictments have been submitted to court. As many as 72 pre-trial proceedings were initiated for serious crimes committed against key figures in organized crime groups.

A conviction of 20 years of imprisonment was pronounced against the leader of an organized crime group from Burgas for ordering the physical elimination of the leader of another rival criminal group involved in drug trade and supply in 2004.

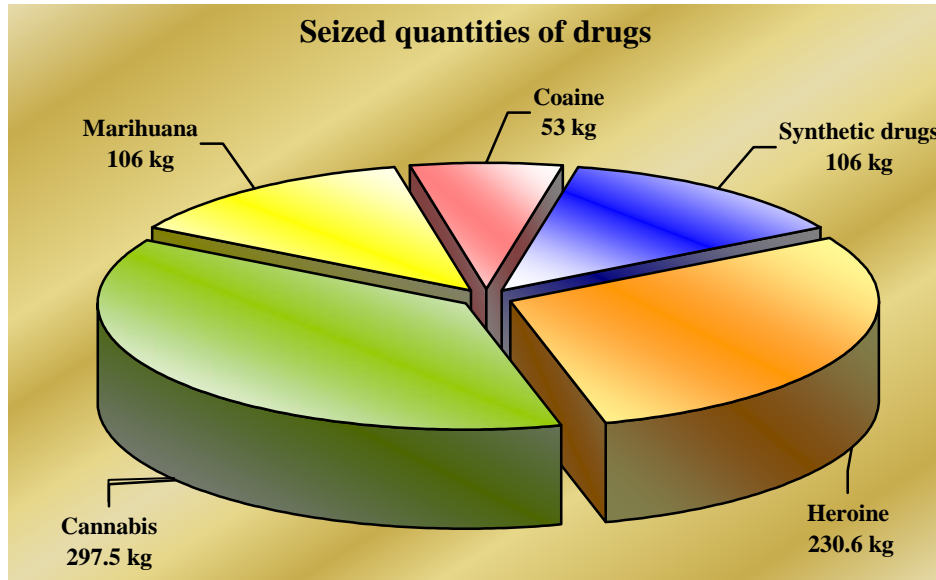
In total, in the period October 2006 – 23 February 2007 as many as 537 pre-trial proceedings were completed, 169 indictments were submitted and 141 persons were convicted /of them 95 persons with enforced convictions/ for crimes related to organized crime. Regular updates are sent to the European Commission with information about the progress achieved with regard to new and on-going criminal files.

Convicted and acquitted persons for organized crime in the period October 2006 – 23 February 2007

Convicted persons			Convicted persons with enforced convictions			Acquitted persons			Acquitted persons with enforced acquittals		
X - XII 2006	I-II 2007	Total	X - XII 2006	I-II 2007	Total	X - XII 2006	I-II 2007	Total	X - XII 2006	I-II 2007	Total
112	29	141	65	30	95	9	2	11	2	1	3

For more information please see Annex 6.

Over 800 kg of drugs attempted to be smuggled across the border, of them 230.6 kg of heroine, 297.5 kg of cannabis, 106 kg of marihuana, 53 kg of cocaine, 106 kg of synthetic drugs and 500 kg of precursors *were seized jointly with the Customs Agency*.



As many as 388 specialized police operations were conducted to combat drug supply across the country. As a result 1603 kg and 3 713 tablets of drugs were seized, including 158 kg of heroine, 1060 kg of cannabis, 224 kg of marihuana, 50 kg of cocaine, 0.8 kg of hashish, 110 kg of synthetic drugs and 3 713 tablets.

As many as 220 pre-trial proceedings against 177 persons were initiated for drug possession and supply.

**Completed pre-trial proceedings, indictments submitted to the court, accused and convicted persons for drug trafficking in the period
1 October 2006 – 23 February 2007**

Completed pre-trial proceedings	Indictments	Persons under the submitted indictments			Convicted persons		Acquitted persons	
		TOTAL	Foreign nationals	Underage persons	TOTAL	With enforced conviction	TOTAL	With enforced acquittal
1706	424	717	27	25	822	565	337	201

For more information please see Annex 7.

- As many as 21 pre-trial proceedings were initiated and indictments were submitted to the court for crimes related to drug trafficking and customs smuggling.
- As many as 10 pre-trial proceedings were initiated and indictments were submitted to the court for trafficking in human beings across the border.

**Completed pre-trial proceedings, indictments submitted to the court, accused and convicted persons for trafficking in human beings in the period
1 October 2006 – 23 February 2007**

Completed pre-trial proceedings	Indictments	Persons under the submitted indictments		Convicted persons		Acquitted persons	
		TOTAL	Foreign nationals	TOTAL	With enforced conviction	TOTAL	With enforced acquittal
604	287	610	66	656	710	13	1

For more information please see Annex 8.

➤ ***Comprehensive and proactive actions are taken for exercising control over leaders and members of organised crime groups. Teamwork principle is applied in all structures of law-enforcement bodies on regional and national level.***

Full use of police resources is made. Standard operational techniques are applied as well as the special operational means available to the specialized directorates. Intelligence analysis and international police cooperation are also employed.

Measures are implemented to intensify operational and detection activities as well as to ***strengthen information positions*** within organised crime groups for the purpose of obtaining advance information about their leaders and members.

Funds are provided to pay for information received and to improve police operational and intelligence capabilities. More than 450 persons, identified as leaders and key members of organized crime groups are under operational control.

In pursuance of the identified measures for strict control and curbing possession and use of weapons and explosives a total of 4 772 physical and 884 legal persons, 1001 private security companies and 1 768 sites with hazardous means have been checked. 61 violations of the Law on Control over Explosives, Firearms and Ammunitions have been established and 51 acts have been drawn up. 59 pcs of illegally possessed or improperly stored weapons have been seized.

Uniform standards between the Ministry of the Interior and the Supreme Cassation Prosecutor's Office are agreed upon to ensure that criminal proceedings and police checks are initiated on the basis of the same grounds for suspicion.

- Upon an order issued by the Prosecutor General and the Chief Secretary of the Ministry of the Interior, ***specialized police operations are carried out on a monthly basis throughout the country***. The aim is to identify and detain sentenced persons who have breached their terms of imprisonment or to detain persons put up for search.

During the reported period **6 specialized police operations** were conducted throughout the country in order to identify, strike with respect and neutralize active criminal contingent and to check compliance with the regime for carrying and storing firearms. As a result 1 386 persons were checked and the following were detained: 35 persons with effective imprisonment sentence; 16 – in breach of terms of imprisonment in detention centers; 264 – wanted under on-going investigation cases or police investigations; 142 – members of the criminal contingent against whom pre-trial proceedings have been instigated.

- ***Joint weekly meetings of prosecutors and police officials are held*** at the Regional Police Directorates for ***planning practical measures*** on specific cases in pursuing proactive approach at local level in the fight against serious and organized crime.

Experience has been accumulated in using joint mobile groups between the Ministry of the Interior (MoI) and the Ministry of Finance /Customs Agency/ for performing checks at border check points and in the border area on the territory of the county targeting persons and companies connected with organized crime groups.

In compliance with the Instruction for Joint Activity between the MoI and the Ministry of Finance of 4 August 2006, there are 26 permanent mobile groups and if necessary additional mobile groups are set up for specific cases. During the reported period, the mobile groups ***carried out 656 joint operations***. A total of 17102 persons were checked as well as 8385 vehicles, 43 trains, 37 vessels and 141 commercial sites.

- Established customs violations - 225;
- Established violations of other laws - 53;
- Imposed sanctions: acts drawn up for customs violations - 424, acts drawn up for other violations - 34 and other sanctions for violations of the law;
- Initiated pre-trial proceedings - 6.

The following items were seized:

- Cigarettes – 105052 boxes to the value of approximately BGN 420 208;
- Other goods – to the value of approximately BGN 100 000.

➤ ***The legislation in the field of forfeiture of criminal assets is fully implemented.***

In the period October 2006 – March 2007 the Commission for Identifying Criminal Assets established under the Law on the Forfeiture Criminal Assets has launched 52 proceedings for identification and tracing of proceeds of crime. In 16 of the cases the Commission has issued a decision for filing a motion for temporary restraining orders

to secure a future forfeiture. 39 motions for imposing injunction measures have been filed in the court. All of them were accepted by the court.

The total value of the property seized for the reporting period October 2006 – March 2007 is 17 574 684 BGN.

The Commission submitted to court 15 motivated requests for forfeiture of proven criminal assets to the benefit of the State. The total value of the requests amounts to more than BNG 4.2 million. 15 civil cases were initiated for forfeiture of asses to the benefit of the State.

The Instruction No 1 for Collaboration between Commission for Identifying Criminal Assets, Ministry of Interior, Ministry of Finance, and the prosecution and investigation services (promulgated State Gazette 80/10 October 2006) further developed the cooperation between the respective institutions.

14 sentences were pronounced on criminal cases of general nature, including also confiscation of property of the person who was found guilty. (Pursuant to the Bulgarian Penal Code the punishment of “confiscation” is imposed cumulatively with the punishment of imprisonment in cases of serious crimes).

In view of intensifying detection and investigation of organized crime groups and harmonizing rules for identifying criminal assets, the Ministry of the Interior and the Supreme Cassation Prosecutor’s Office adopted ***Indicators for characterizing organized crime and Procedural rules for documenting involvement in organized crime, identifying and seizing criminal assets of significant value***. The two documents are mandatory part in the investigation of cases of organized criminal activities.

On 12 February 2007 ***joint instructions of the Prosecutor General and the Minister of the Interior*** were signed aimed at aligning the criteria for initiation of pre-trial proceedings, prosecution and police checks of cases when persons are unable to prove the origin of their tangible assets.

➤ ***Economic resources of organized crime groups are being curbed. Countering money laundering.***

- Since September 2006 a specialized Anti-money laundering structural unit has been functioning at the Chief Directorate for Combating Organized Crime with a total of 15 staff members.

- In January 2007 the Director of the Financial Intelligence Agency (FIA) adopted ***criteria for selection of information on suspicious transactions and operations*** pursuant to Article 11 of the Law on the Measures against Money Laundering. The criteria regulate also the composition of a standing working group to support the Director of the Directorate on Information on Money Laundering and Financing of Terrorism in the selection process. The installation of the system for selection of incoming information started in early February 2007. ***Analysis has been made of the***

activities of reporting entities under the Law on Measures against Money Laundering and on this basis high-, medium- and low-risk categories of reporting entities have been defined. In addition, *a plan was drawn up for on-the-spot checks of high-risk and medium-risk categories of reporting entities*. In the period October 2006 – March 2007 FIA performed a total of 39 inspections.

The Instruction for cooperation between the Public Prosecutor's Office, FIA and the Ministry of the Interior has been amended. As a result a Contact Group for operational cooperation at managerial level has been established between the Supreme Cassation Prosecutor's Office, the MoI Chief Directorate for Combating Organized Crime and FIA to counter money laundering linked to organized crime.

Seven teams of representatives of MoI, FIA and the Supreme Cassation Prosecutor's Office have been established and are operating in the field of countering money laundering by organized criminal groups. Two of teams were established in the period October 2006 - March 2007.

The coordinated actions of the Ministry of the Interior, the Supreme Cassation Prosecutor's Office and FIA resulted in identifying key figures in two schemes for profiting from criminal organizations and subsequent money laundering.

In February and March FIA had meetings with representatives of 15 commercial banks to discuss concrete proposals for closer collaboration.

Cooperation has been strengthened in identifying suspicious incomes and initiating investigations of economic crimes. Activities are focused on entities causing most damage to the economy.

28 pre-trial proceedings were initiated for crimes against the fiscal and the monetary system as well as 14 pre-trial proceedings for document fraud. Five pre-trial proceedings for money laundering were initiated.

The Supreme Cassation Prosecutor's Office finalized the work on 54 pre-trial proceedings linked to organized crime and money laundering whereby 37 indictments were submitted.

Eight sentences for money laundering were pronounced and entered into force. Five of them were convictions.

In compliance with the joint measures of the Minister of the Interior and the Minister of Finance of 1 November 2005 in the period October 2006 - March 2007 a total of 81 tax audits were completed against members of organized crime groups as well as natural persons and legal entities related to them. Liabilities amounting to BGN 2.8 million were identified.

- For the same period 58 audits were completed upon request of the police authorities, the Prosecutor's Office or the Investigation Service. As a result additional liabilities amounting to BGN 26.4 million were identified.

- In connection with countering large-scale tax crimes police authorities have worked on 235 signals. The estimated amount of illegally obtained tax credit under the Law on VAT is over BGN 63 million. 72 pre-trial proceedings were initiated for crimes against the tax system and creditors (the state in its capacity as creditor for tax receivables). Work on the remaining 128 inspections is in progress.

- 45 indictments were submitted by the prosecution authorities against 62 persons for tax crimes and more serious cases of fraud.

- In the period 1 October 2006 – 21 March 2007 a total of 228 signals under the Law on Measures against Money Laundering and 1 signal under the Law on Measures against Financing of Terrorism were received by FIA. 108 signals were submitted by FIA to the Chief Directorate for Combating Organized Crime with a copy to the Supreme Cassation Prosecutor's Office, while 7 signals were submitted to the Prosecutor's Office.

➤ ***The Bulgarian police services cooperate actively with the specialized police services of the other EU Member States and third countries. The quality of investigation has been considerably improved based on information collected by operational means.***

As a result of the ***efficient information exchange*** successful joint operations have been conducted in the field of countering drug-related crimes.

During the reported period 15 joint operations were conducted with the police bodies of Spain, the Netherlands, France, Romania, Portugal and Turkey. Three organized crime groups for trafficking in women for the purpose of sexual exploitation have been dismantled. ***46 persons were detained /Bulgarian citizens and foreign nationals/*** and charges were pressed against them for human trafficking, criminal associations, violence, use of threat and money laundering. ***Four controlled deliveries were performed.*** The following have been seized: 2 574 kg of cocaine and 122 kg of heroine, 54 000 amphetamine tablets marked as “captagone” (9.5 kg); 167 l of BMC, 50 kg of caffeine; 24 kg of acetone, a tableting machine and laboratory equipment.

During the reported period the MoI International Operational Police Cooperation Directorate ***put up for nation-wide search 849 persons under the European Arrest Warrant.*** Three persons were ***detained*** pursuant to EAW. One EAW was sent abroad upon a request by the Bulgarian judicial authorities.

International police cooperation in countering high-tech crime and money laundering via the Internet and electronic means of payment has been enhanced.

A national contact point liaising with relevant structures of foreign police services has been set up and is operational within the specialized Cyber Crime Sector of the Chief Directorate for Combating Organized Crime. It ensures information exchange and coordination of police activities 24/7. A telephone line for receiving signals has been launched and two e-mail boxes have been created. Officials have been nominated from

the specialized sector of the Chief Directorate for Combating Organized Crime responsible for the functioning of the national contact point.

On 8 February 2007 a confirmation was received that Bulgaria was accepted as the 48th member of ***24 - Hour Contacts for International High-Tech Crime***.

➤ ***Law enforcement capacity for protecting EU financial interests has been strengthened. Cooperation with OLAF on operational level has been extended.***

- Following its accession to the EU, Bulgaria started to exchange data with Member States and the European Anti-Fraud Service /OLAF/ in compliance with the *acquis* as well as to exchange preliminary information for the movement of excise goods under the regime of postponed payment of excise duties – tobacco products and alcohol within the framework of the EC information system for excise management and data about licensed warehouse keepers.

- For the purpose of risk analysis and operational cooperation with specialized EU services, information exchange is carried out under the Risk Management System. The system is intended to facilitate the process of making references related to customs violations with goods.

- Following commitments undertaken by the Customs Agency to OLAF in June 2006, information is provided on a weekly basis about customs regime of tobacco and tobacco products on the territory of the country.

- Work is in progress on 3 specific cases received at the Central Customs Administration from OLAF.

- Following the accession of Bulgaria to the EU cooperation with OLAF has been enhanced by participation in a joint customs operation to counter smuggling of counterfeit cigarettes from Asia to Europe.

Since September 2006 an independent structural unit entitled Fraud Affecting Property under EU Funds with 10 staff positions has been working at the Chief Directorate for Combating Organized Crime.

- Indictments were submitted to court under 5 pre-trial proceedings for misuse of EU funds estimated to BGN 2 208 451.

- A joint specialized police operation was conducted in the territories of Bulgaria, Germany and Switzerland and resulted in dismantling a criminal scheme for draining SAPARD funds to the amount of MEURO 7.5. An international crime group of 7 Bulgarian, 2 German and 2 Swiss nationals was detained. The investigation continues.

- On 9 February 2007 the Council of Ministers approved Bulgaria's accession to the civil claims lodged by the European Community against Reynolds and Japan Tobacco.

- The MoI Academy has developed a 3-day training course on countering crimes

affecting the EU financial interests. Two such courses for further qualification of police officers were conducted last year.

- Foreign language courses were introduced for officials working in the field of protecting EU financial interests jointly with the Institute of Public Administration and European Integration, the British Council, Goethe Institute and the French Cultural Institute.

➤ ***The Bulgarian law enforcement authorities work jointly with experts from the other EU Member States in different areas of countering serious and organised crime.***

- During the reporting period October – November 2006 the Commission for Identifying Criminal Assets has established ***good working relationships with respective agencies and institutions in the MS countries*** such as the Confiscation of Proceeds of Crime Section at the Dutch Ministry of Justice and Criminal Asset Bureau in Ireland. Commission for Identifying Criminal Assets is in a process of ***joining the CARIN Network***

- Through the embassies of the MS countries contacts with the respective agencies and institutions in the MS countries have been established. Commission for Identifying Criminal Assets works on concrete cases (investigations) in ***close cooperation with representatives of Spain, Italy, Greece and the Netherlands.***

- ***A joint project with the British police*** has been implemented since 2006 in view of strengthening capacity for investigating serious crimes against the persons. Working meetings and trainings were held in Bulgaria and the United Kingdom to exchange expertise and know-how in the field of investigation of concrete cases with officials from the Chief Directorate for Combating Crime, Maintaining Public Order and Prevention; Sofia Police Directorate; Regional Police Directorates and Forensic Science and Criminology Institute.

- In the framework of a MATRA-Flex project, ***a former Dutch Prosecutor General is working as an advisor in the office of the Bulgarian Prosecutor General*** and is assisting the Prosecutor's Office in overcoming shortcomings identified in the last EC Monitoring Report. The joint activities are aimed at: optimising the workflow of incoming cases; decreasing the prosecutors' workload; random distribution of cases while preserving the need for specialisation; introducing modern management and control techniques; introducing informational technologies for improving administrative procedures.

- ***The Prosecutor's Office of the Republic of Bulgaria maintains active cooperation with the German Foundation for International Legal Cooperation*** seated in Bonn (IRZ Foundation). A series of specialised trainings are held in its framework. In the beginning of March 2007 a training course focused on *Issues of Organised Crime* was conducted. The lecturers were leading Düsseldorf prosecutors. The training was attended by over 60 Bulgarian prosecutors from all over the country specialised in

dealing with organised crime and corruption issues. Provision of further trainings was agreed.

- ***A French advisor will start working at the Ministry of the Interior in the beginning of April 2007.*** He is a former high-ranking official at the French Ministry of the Interior. The advisor will work with his Bulgarian colleagues on strengthening the capacity of the General Police Directorate and improving the activities in the area of combating organised crime.

- ***A representative of the Federal Ministry of the Interior of Germany*** is also expected to arrive in that period to assist the MoI in implementing Schengen criteria.

- ***Out of 9 PHARE projects in total,*** the MoI is implementing ***two twinning projects jointly with France and Spain*** under the multi-annual PHARE Project *Modernisation of the Bulgarian Police and Enhancing its Efficiency*. Under the project joint activities with the French and Spanish advisors are undertaken to consolidate the MoI information and computing capacities, provide equipment for its territorial structures, extend its capacity for access and use of data stored in the automated information systems and improve information exchange with the other law enforcement authorities.

- The expertise of ***France and Germany*** is applied also under another PHARE Project – *Further strengthening police investigation capacity* (crime ***statistics; undercover*** operations; investigative techniques and ***forensics***).

- ***PHARE twinning project Improving the Standards and Practices of Policing at Local Level in Bulgaria and Enhancing the Quality of its Management*** is implemented ***jointly with France***. The project started in December 2006. Its main objectives are as follows: enhancing the capacity of the Bulgarian police through implementing the EU *acquis* and best practices on local level in police stations. This will contribute to improving police investigation methods on local level and better quality of services provided to citizens by police station officials. The project will assist in further modernising Bulgarian police on local level and improve its activities related to pre-trial proceedings.

- Active interaction is carried out under the Bilateral Programme for Police Cooperation between the Bulgarian Ministry of the Interior and the Ministry of the Interior of ***the Netherlands***. The focus is on managing fight against organised crime, trafficking in human beings and police ethics.

- Two projects aimed at meeting Schengen criteria are implemented ***with the support of advisors from Greece and Spain***.

- ***A project of the Foreign and Commonwealth Office*** started in November 2006 aimed at improving the interaction between the Financial Intelligence Agency, the Ministry of the Interior and the Supreme Cassation Prosecutor's Office.

- ***A Dutch Government project*** (under the MATRA-Flex Programme) was approved in

January 2007 and will start in April 2007. The project provides for the secondment of *a mid-term resident advisor* and will focus on enhancing efficiency and interaction within the law enforcement authorities as well as between them and the financial system. Respective training will also be provided.

- *As of 1 January 2007 the Academy of the Ministry of the Interior is a member of CEPOL.* MoI officials and lecturers from the Academy participate in international seminars under the CEPOL annual curricula on the issues of countering cross border organised crime. In the period October 2006 – February 2007 six officials participated in such trainings.

- In the period October 2006 – February 2007 training within the framework of the Regional Criminal Justice Initiative of the USA was held in the MoI Academy. The total number of trainees in that period was 44 police investigators and 38 other police officials. The subject was Special Techniques in Combating Organised Crime and Corruption.

- Training on the implementation of the Law on Forfeiture of Criminal Assets is included in the curricula of the MoI Academy.

- Officials from the Homicide Department of the Chief Directorate for Combating Crime, Maintaining Public Order and Prevention participated in training courses on the implementation of EU experience in investigating premeditated murders.

- In the period September – October 2006 training of officials from FIA, MoI and the Supreme Cassation Prosecutor's Office was carried out under a US Treasury Department Programme /Office of Technical Assistance/. The training was aimed at enhancing efficiency of interaction between the mentioned institutions in the field of forfeiture of criminal assets and elaborating financial profiles.

- A course on improving the qualification of officials combating human trafficking was held in February 2007 with the assistance of the Austrian police.

- A seminar for investigating magistrates and police officials investigating human trafficking was held in March 2007 jointly with representatives of the Norwegian and the Swedish police.

- In March 2007 officials from the Chief Directorate for Combating Organised Crime and the Regional Police Directorates attended a seminar organised by the German Federal Criminal Service, devoted on documenting crimes related to skimming of personal data and information from bank cards for the purpose of committing subsequent fraud.

LIST OF ANNEXES

Annex 1 - Analysis of the implementation of the Penal Procedure Code in respect of the efficiency of pre-trial proceedings;

Annex 2 – Report on the Implementation of the Strategy for Transparent Governance and for Prevention and Counteraction of Corruption

Annex 3 – Pre-trial proceedings initiated for corruption related crimes. Prosecutor's acts and court decisions. Accused persons.

Annex 4 - Checks conducted by the Inspectorates within the central administration for the period October 2006 – March 2007

Annex 5 - Signals for acts of corruption in the regional administrations for the period 1 October 2006 – 15 March 2007

Annex 6 - Completed pre-trial proceedings related to organized crime. Prosecutor's acts and court decisions. Accused and convicted persons in the period 1 October 2006 – 23 February 2007

Annex 7 - Completed pre-trial cases on illegal trafficking in drugs and smuggling activities. Prosecutor's and court decisions. Accused and convicted persons for the period 1 October 2006 – 23 February 2007

Annex 8 - Completed pre-trial cases, indictments submitted to the court, accused and convicted persons for trafficking in human beings for the period 1 October 2006 – 23 February 2007