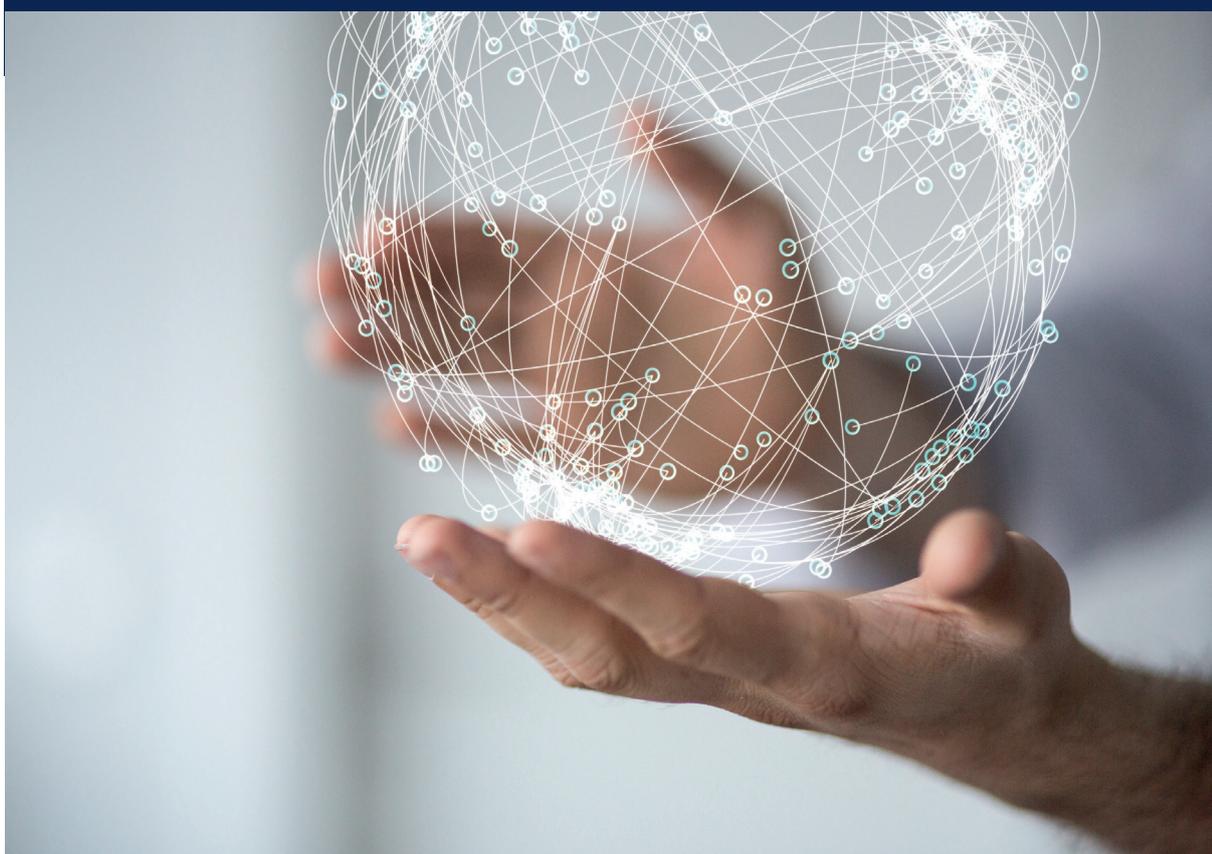


SGI Sustainable
Governance
Indicators

2014 Bulgaria Report

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Executive Summary

For nearly the entire period under review, Bulgaria was governed by a single-party center-right government, led by Boiko Borisov. The *Grazhdani za evropeysko razvitiie na Balgariya* (Citizens for European Development of Bulgaria, GERB) Cabinet came to power following the 2009 parliamentary elections, and stayed in place until February 2013, when it resigned following mass protests against high energy prices. The government had a minority status, but it seldom had difficulty securing the support of the few additional MPs that it needed for a majority in parliament. Following the government's resignation, a caretaker Cabinet was appointed and early parliamentary elections were held in May 2013.

During the period under review, Bulgaria's performance in terms of sustainable governance showed some areas of strength and a number of weaknesses. The quality of democracy suffers from limited media independence and a weak legal system. Media ownership is not transparent and is closely tied to business and political interests. The current judicial framework does not provide for the rule of law in a credible and effective manner, and efforts in recent years to improve its structure and performance – even with the help of the European Union's Cooperation and Verification Mechanism – have met with limited success.

As regards policy performance, Bulgaria stands out by its good macroeconomic policy mix – a sound monetary regime, low and broadly based taxes, and an excellent fiscal stance, with low and controlled deficits and a very low level of public debt. In terms of economic sustainability, however, Bulgaria still faces serious challenges in moving to a higher level of skills, innovations and productivity. Research and innovation is one of the main problem areas. Bulgaria is among the lowest spenders in research and innovation in the European Union, and governments, including the GERB cabinet, have concentrated on other issues while making little effort to develop active and sustainable policies. Other serious problems include the relatively low-skilled labor force and the inability of the labor market within its present legal and policy framework to generate and maintain high levels of employment. Three main challenges in this area remain: reform of the education sector to produce a

more adequate skill base for the 21st century; the negative demographic trend which, given the present setup of the health and pension systems, will continue to increase pressure on the labor market; and the need to increase labor market flexibility.

The institutional capacity of the Bulgarian executive to plan strategically and in a coordinated manner is quite limited, even though in some cases the political authority of the prime minister can be sufficiently strong to compensate for the relative weakness of formal institutions. This tends to occur more in single-party governments, such as the GERB cabinet. Bulgaria has not yet developed effective mechanisms for the ex-ante or ex-post evaluation of policies and the monitoring of institutional arrangements.

Another important aspect of the sustainability of Bulgaria's governance framework is the fact that many of the important improvements of recent years have come about due to the country's membership of the European Union and the related pressures for reform. While this process has had a dramatic impact in some areas, it appears that the main structures of government and their methods of operation have remained largely unchanged. In particular, the weakness of coordination capacity at the center of government has not been addressed. The tendency of the GERB government to rely largely on ad hoc adaptive measures might have been effective in the short term – for instance, in relation to the absorption of EU funds – but does not provide for sustainable long-term institutional adaptation. A related aspect of this situation is Bulgaria's consistent behavior as a purely reactive, and almost never proactive, member of the European Union and international community, on issues ranging from international financial stability through to climate change policies and international democratic assistance.

Key Challenges

This assessment of Bulgaria's sustainable governance indicators highlights several areas requiring reform. Whether, when and how these reforms are adopted will depend on the development of the country's political system. Bulgaria's political life has been characterized by an alternation in power of two major parties with changing identities. The apparent stability of the system was disrupted, however, in early 2013 when the center-right single-party GERB government had to resign before the end of its parliamentary term, leading to early elections for the first time since 1997. While GERB and the center-left

Bulgarian Socialist Party (BSP) emerged as the two strongest parties in the May 2013 elections, neither of them has been in a position to form a viable government. This will have a major impact on Bulgaria's ability to make the necessary reforms, whether it marks the start of a prolonged period of political instability or a re-assertion of the two-party system, perhaps in a new form.

Since 2001, Bulgarian governments have mainly sought to generate economic growth by attracting inward investment through low taxes, light regulation (achieved only to a limited extent) and low labor costs. This policy mix was successful in delivering high rates of growth – more than 6% a year from 2004 to 2008 – and rising standards of living before the global economic crisis struck. It is, however, unlikely to be capable of raising the economy to a higher level of skills, innovations and productivity to match that of the more advanced EU member states. In order to address this challenge, different types of reforms need to be adopted. Firstly, the government has to increase investment in research and innovation and to become active in that area. Secondly, reforms are needed in education to limit the exclusion of various – especially minority – groups from even basic literacy and adequate labor market participation, and to facilitate the generation of human capital of adequate quality, profile and flexibility. Thirdly, the health and pension systems need to be reformed to meet rising citizen expectations while enhancing the systems' financial sustainability and limiting the pressures they exert on labor contracts. Fourthly, there has to be continuing enhancement of infrastructure, especially in the regions. Fifthly, increased support is needed to foster a high-skilled labor force, as well as some improvement in the flexibility of labor contracts.

As these areas are characterized by high inertia and the presence of various and often opposing interest groups, the successful initiation and consolidation of reforms requires substantial improvements in the government's capacity for strategic planning, coordination and institutional learning. It will be difficult to push through changes if the political developments that have unfolded since early 2013 lead to protracted instability and uncertainty rather than to the emergence of a reformist government with a strong parliamentary majority within the framework of a renewed two-party system. If the domestic incentives for change are weak, there are likely to be serious limits to the effectiveness of external, including EU, pressures for reform.

Reforms are also necessary in the area of the rule of law, involving the restructuring of the judiciary simultaneously towards more independence from illicit influences from specific actors and towards more democratic accountability to the citizens in general. But there is one important difference

between reforms in this field and those in the other strategically problematic sectors mentioned above. In the areas of research and innovation, education, healthcare, pensions, infrastructure, labor market and executive capacity, the options for change are relatively clear, even if difficult political and economic choices have to be made and public support for the reforms needs to be maintained. With regard to the judicial system, however, there are still significant differences of opinion on what needs to be done to improve its performance, and on whether the present constitutional setup would allow for actual reforms of the system.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 6

Bulgarian economic policy has been characterized by a discrepancy between macro- and microeconomic policy. The country's macroeconomic policies are generally effective. The monetary regime – a currency board arrangement tied to the euro – is sound and enjoys a very high level of trust. Tax rates are low and tax bases broad. The fiscal stance of the country is excellent, with low and controlled deficits and a very low level of public debt. By contrast, microeconomic policies in Bulgaria are less successful. Investors complain about regulation and red tape; in many sectors of the economy competition is limited; labor market policy creates disincentives to work and to create jobs; and the Bulgarian government, with its emphasis on creating a low-tax and low-wage economy, has done little to increase the level of skills, to foster innovation and to raise productivity.

Labor Markets

Labor Market Policy
Score: 3

Bulgaria has experienced a sharp rise in unemployment in the period 2009 – 2012. The structures of employment and unemployment indicate large and increasing mismatches. For one thing, the unemployed largely consist of people with low qualifications, experience and education. For another, while most people with higher education are employed, their work is in an area different to that they studied. The GERB government has done little to address these problems. It has refrained from overhauling the Labor Code with its many pre-1989 provisions and has not eliminated the minimum social security thresholds negotiated between the large trade unions and the large employer organizations, with its negative employment effects. Active labor market policies have been limited and have not been very successful.

Taxes

Tax Policy
Score: 7

Bulgaria's government revenues are a mix of direct taxes, indirect taxes and social security contributions. The direct taxes, both personal and corporate, are a relatively small component of the tax revenues, and are based on a strategy of having very low rates which are uniformly spread over a very broad tax base. Both the personal and corporate taxes use a flat 10% rate, and there are a very limited number of exemptions. The system of indirect taxes is centered on a VAT with a flat rate of 20% for all products except tourist packages. The other important component of the indirect tax revenues is the excises. Here Bulgaria follows the requirements of the European Union, imposing rates at the low end of what is set out in its membership obligations. Social security contributions are directed mostly towards pension and health insurance. This system has a regressive component, since there is a legal maximal monthly income above which there is no obligation to pay contributions.

With its low rates and uniform and broad tax base, Bulgaria's tax system fully achieves the objective of horizontal equity and creates relatively good conditions for improving competitiveness, though this is limited to some extent by red tape and a highly bureaucratic tax administration. Bulgaria has been successful in collecting sufficient revenues to finance public expenditures, with the country having budget surpluses or small deficits for nearly all of the last 15 years. With its flat income tax and the low weight of direct taxes, however, Bulgaria's tax policy does not contribute significantly to achieving vertical equity.

Budgets

Budgetary Policy
Score: 9

Over the last 15 years Bulgaria's budgets have been very reasonable and its budget position is sustainable. In eight of those years the government generated surpluses, especially in the period of the positive swing of the business cycle in Bulgaria in 2004 – 2008. The GERB government in 2009 – 2013 was successful in maintaining fiscal discipline. In 2009, the year when Bulgaria's economy took the full hit of the global economic crisis, the budget went into a deficit of 4.3%, but was swiftly brought down to 0.8% in 2012. Since the late 1990s, Bulgaria has brought down its public debt from levels above 100% of national income to less than 20%. The debt service is a negligible burden for the annual budget, and the country has been very successful in using both the domestic and international bond markets to control the flow of this service.

Research and Innovation

R&I Policy
Score: 3

Traditionally Bulgaria is among the lowest spenders on research, development and innovation in the European Union. Like its predecessors, the GERB government concentrated on other issues and largely relied on foreign direct investment and European Union funds to generate economic growth. Public outlays for research and development have decreased significantly in the wake of the global economic slump from a high of 0.31% of GDP in 2009 to 0.22% of GDP in 2011. Subsidies for innovative start-up enterprises are available almost exclusively through European Union structural funds. Technological innovations are also stifled by cumbersome patent and copyright protection procedures.

Global Financial System

Stabilizing Global
Financial Markets
Score: 5

Bulgaria enjoys a stable, well-capitalized and highly liquid domestic banking system. The only problematic item on the balance sheet of Bulgarian banks – the relatively high ratio of non-performing loans to total loans – has not yet created a visible strain on the crediting process and the economy due to the very high capitalization and liquidity of the banks. At the same time, Bulgaria is not among the proactive promoters of changes in the international regulatory framework for the financial system. As a member of the European Union it does participate in all discussions on this matter both at the level of finance ministers and of central banks, but, as one of the relatively smaller and more insignificant financial market centers, as well as a country with an underdeveloped financial sector, its role is mostly in stating what it would like to preserve or what it disagrees with, rather than in shaping the agenda.

II. Social Policies

Education

Education Policy
Score: 4

The Bulgarian education system is dominated by government-owned institutions at all levels. Public spending on education as a proportion of GDP is comparable to that of other Central and East-Central European countries. The quality of education in Bulgaria falls considerably short of the needs of a modern competitive economy, as can be seen by the bad PISA results.

Available labor market data indicate that there are serious skill mismatches, with secondary and tertiary schools producing a surplus of people specialized in areas where labor demand is low, and severe deficits of people specialized in areas where demand is high.

The level of equity in the Bulgarian education system is average to low. There are two main reasons for this. Many children of upper income families are able to attend private schools, which seem to have better average performance rates than public schools. Also, the school drop-out rate among minorities, especially Roma, is significantly higher than the average, meaning that schools do not provide the same opportunities for all ethnic groups.

Social Inclusion

Social Inclusion
Policy
Score: 4

Compared to other EU countries, Bulgaria achieves poor results in preventing exclusion and decoupling from society. Bulgaria also suffers from a relatively high level of inequality, as measured by the Gini coefficient. Even though by historical standards, the material well-being of Bulgarians is at its highest point, there is a general level of dissatisfaction with the state of society. The reasons for this dissatisfaction include the loss of subjective security during the transition to a market economy, the inability of state social policies to replace social networks which have been severed by the transition, and the unfavorable international comparison in terms of rates of material deprivation and poverty. Successive governments, including the GERB Cabinet in 2009 – 2013, have focused on maintaining fiscal discipline and have done little to deal with these problems. Public discontent over social exclusion, in particular over the inability of a substantial number of people to pay their utility bills, led to widespread demonstrations in February 2013 and the resignation of the GERB government.

Health

Health Policy
Score: 4

The Bulgarian healthcare system is based on a regulated dual monopoly: on the one hand a state-owned and controlled health fund financed through obligatory contributions by all income earners, and on the other, the union of health providers who negotiate a national framework health contract with the fund. Public health care spending relative to GDP is similar to other countries in East-Central Europe and increased by about one percentage point of national income in the last decade. The system is inclusive and provides at least some level of health care for all who need it. The quality of health care services is average to lower. While life expectancy has risen and infant mortality has

dropped, overall mortality has remained high. A major efficiency problem of the Bulgarian health system is the lack of incentives for preventive measures and for stimulating healthier lifestyles, given that prevention is by far the least costly way of improving the health situation.

Families

Family Policy
Score: 6

Family policy debates in Bulgaria have focused on the level of parental leave benefits rather than on supporting the employment of mothers. While the share of children aged 3-6 enrolled in kindergartens has increased by over 10 percentage points over the last decade, public childcare facilities are still less developed than in most other OECD and EU countries. However, traditionally Bulgarian grandparents are very involved in caring for children, which is an effective social network mechanism reducing the need for state involvement. Moreover, the labor market integration of mothers is favored because mothers have a right to return to their job even after two years of parental leave.

Pensions

Pension Policy
Score: 6

Bulgaria has a mixed pension system consisting of three pillars: a public pay-as-you-go pillar financed by social insurance contributions, an obligatory fully funded private pension fund pillar and a voluntary third pillar. The second pillar was started in 2002 for people born after 1959 and is still not paying out many pensions.

The pension system is the major instrument for reducing poverty among the elderly. Data by the National Statistical Institute for 2010 indicate that the pension system reduced the share of the 65 and above age group at risk of poverty from 79% before transfers to 31% after transfers. From a comparative perspective, however, senior citizen poverty remains high. The Bulgarian pension system also suffers from a lack of intergenerational fairness and fiscal sustainability. Given the present demographic dynamics and the existing setup of the system, both the implicit public pension debt and the real pension burden will increase significantly over time.

Reforms of the pension scheme have begun, but have proven problematic in political terms. The GERB government adopted a pensions reform package in 2011, providing for an increase in the minimum retirement age (then 63 years for men and 60 years for women) by four months from January 1, 2012; a similar increase was to be applied on the first day of each of the following years, until the retirement age reached 65 years for men and 63 for women. The

reforms were highly controversial, partly because the GERB government imposed them in spite of an earlier agreement with trade unions and business organizations to delay the increase of the retirement age till 2021. The reform package was vetoed by the socialist President Purvanov, but the National Assembly overturned his veto.

Citation:

National statistics institute, data for Bulgaria from Eurostat on the EU-SILC survey:
http://www.nsi.bg/ORPDOCS/SILC_1_en.xls

Integration

Integration Policy
Score: 4

Bulgaria does not have a developed policy for integrating migrants, largely because their number is fairly limited. Until recently, Bulgaria has only been a passing point for migration flows to other EU countries. According to estimates, the share of migrants in the total population amounts to less than 1%, with most migrants being people of traditional Bulgarian origin from neighboring countries.

Safe Living

Safe Living
Conditions
Score: 5

While Bulgaria does have a serious problem with organized crime, normal citizens can live relatively safely. Crime figures have fallen in the period under review, and trust in the police, while low in international comparison, is substantially higher than the trust in other public institutions such as the president, the government, the legislature or the judicial system. The strong feeling of personal insecurity revealed by various surveys relates more to economic insecurity than to fear of crime. Although the GERB government declared Schengen accession a priority, progress with international cooperation in security matters has remained limited, as reflected in the repeated postponements of Bulgaria's admission to the Schengen Area.

Global Inequalities

Global Social Policy
Score: 3

The promotion of equal socioeconomic opportunities in developing countries is not on the agenda of Bulgarian society and its government. Bulgarian officials take positions on this issue only when they are required to do so by agendas of international bodies such as the European Union and the United Nations. On such occasions the behavior of Bulgarian officials is reactive and not proactive. At the same time, however, Bulgaria does not resort to protectionist trade barriers beyond the structure of such barriers imposed by the European Union,

and does not impede or attempt to undermine efforts by the international community to promote equal opportunities in developing countries.

III. Environmental Policies

Environment

Environmental
Policy
Score: 6

Given the heavy damage to the environment inherited from the socialist economy, the overriding priority of environmental policy in Bulgaria over the last two decades has been to reduce pollution. Issues such as climate policy, renewable water resources, forest policy and biodiversity have been put on the agenda by EU initiatives.

Bulgaria's CO₂ emissions per capita are relatively low and might further decrease with improvements in energy efficiency, so climate policy has concentrated on subsidizing renewable energy, especially solar and wind. As for renewable water resources, governance largely rests at the level of municipalities, creating problems of coordination and strategy development. A further strategic problem in this area arises from the fact that much of the renewable water resources in Bulgaria also affect neighboring countries (Romania, Turkey, Greece), requiring international coordination. Bulgaria still does not have a clear water resource strategy.

Forests in Bulgaria are either private, municipal or state property. This fact impedes the development and implementation of coordinated forestry policy actions. However, the size of forest areas in Bulgaria is above the world average and, more importantly, has grown over the last two decades. This indicates that the existing model is performing relatively well and possibly needs incremental adjustments.

In terms of biodiversity policies, Bulgaria is an active participant in Natura 2000, the European Union's largest network for preserving biodiversity. With approximately a quarter of its territory dedicated to Natura 2000, Bulgaria is significantly above the average for the European Union. As opposed to many other issues, there is an active civil society sector for biodiversity and nature preservation which is capable of applying political pressure and achieving results.

Global Environmental Protection

Global
Environmental
Policy
Score: 5

The Bulgarian government does not engage in the active promotion of collective action on climate and other global environmental issues. While it sticks to existing regimes, it takes positions only when agendas of EU-level meetings require discussions of such topics.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 9

The registration of parties and candidates is broadly fair and transparent. According to the 2011 Election Code, which for the first time covers all elections, the registration of candidates for elections involves two steps. The first is to register a party, a coalition of parties or a nominating committee with the central electoral commission. The second step comprises the nomination of candidates by registered parties, coalitions or nominating committees. For the registration of parties or nominating committees, a bank deposit and a certain number of citizen signatures are required. The existing requirements are reasonable – they are not too stringent to prevent serious parties and candidates from registering, but do to some extent prevent a confusingly large number of participants in the elections. What is more controversial are the personal requirements for candidates, partly enshrined in the Bulgarian constitution. Under the present legislation people holding citizenship of a country outside the European Union are not allowed to run in elections. While this provision has not played any role in practice yet, international observers have criticized it for violating the European Convention on Human Rights.

Citation:

European Commission for Democracy through Law (Venice Commission), OSCE Office for Democratic Institutions and Human Rights, 2011: Joint Opinion on the Election Code of Bulgaria, CDL-AD(2011)013, Strasbourg (<http://www.osce.org/odihr/80841>).

Media Access
Score: 6

Media access for candidates and parties differs drastically between publicly and privately run media. The public broadcast media – one TV and one radio station with several channels each – are required by law to provide full and balanced coverage and to set aside time for every candidate and registered party or coalition to make their own presentations. In contrast, access to the privately held media, especially print media, is less equal. Many private media firms are in the hands of business groups heavily involved in dealings with the state. These organizations tend to present the ruling majority in a positive light

in exchange for favorable business deals. It is telling that during the street demonstrations and protests in Bulgaria in summer 2013, many media organizations were seen as part of the establishment and booed as much as the government.

Voting and
Registrations Rights
Score: 7

Bulgarian voters are registered in voter lists maintained by the municipalities. Voter lists are published in advance of the election day, and voters can also check their presence on the lists online. Every person who is not included in the voter list at their place of residence can ask to be included, and if not included can appeal to the courts. Bulgarian citizens residing abroad have the right to vote in parliamentary and presidential elections, as well as in national referenda. They can do this at the various consular services of Bulgaria, or if they establish a polling station themselves in accordance with procedures specified in the election code. However, there are two important limits to voting rights. Firstly, contrary to the European Convention on Human Rights, people serving prison sentences are not allowed to vote. Secondly, while citizens who want to vote outside of their permanent place of residence can obtain a special permit from their municipality, there is no facility for voting by mail. The 2011 presidential elections and the 2013 parliamentary elections prompted allegations of voting fraud which have not been proven, but have further reduced public trust in the political system.

Party Financing
Score: 6

Party financing in Bulgaria is regulated by the Political Parties Act. Parties are financed through a combination of a state subsidy, membership dues, property income, and sale of publications and royalties. They are also allowed to draw bank credit up to a set cap. Anonymous donations are not allowed, and donations can be made only by individuals, not by companies or other legal entities. The audit office oversees party financing in Bulgaria. Every year parties are obliged to submit a full financial report, including a description of all their properties and an income statement. Reports from parties with budgets larger than €25,000, must be certified by an independent financial auditor. The audit office is obliged to publish all these reports online, to perform a thorough check of the reports, and to prepare and publish online its own auditing report. Parties are subject to sanctions for irregularities in their financial reporting, to which the online availability of all reports adds the possibility of public political sanction. According to the Election Code, parties are also obliged to submit a special financial report to the audit office after each election campaign. The audit office also makes these reports available online.

While the formal framework for party financing in Bulgaria is broadly adequate, the implementation is imperfect. Although no major scandals have resulted from the audits, there is a broad feeling that the official reports do not reflect the true financial situation of the parties. A further problem is that state

Popular Decision-
Making
Score: 6

financing of political parties has tended to benefit the larger parties. This has been mainly because the funding that parties receive from the state is linked to the number of votes cast for them in the most recent parliamentary election. This has made it difficult for small, new parties to emerge without significant private financial support.

There are several forms of direct democracy in Bulgaria, both at local and national level. However, a number of provisions limit citizens' opportunities. Firstly, the set of eligible issues is limited. Municipal or national referenda are not allowed to deal with budget issues. At national level, the structure of the Council of Ministers, and the personnel of the Council of Ministers, Supreme Judicial Council, and Constitutional Court cannot be decided through referenda. Secondly, the National Assembly is not obliged to call a referendum, even if a committee formed by voters has gathered more than 200,000 but less than 500,000 signatures. Thirdly, parliaments can, within certain limits set by the law, edit the questions posed. Finally, the outcome of referenda is only binding if voter turnout is higher than in the last general election. Given these obstacles, referenda have been rare. In the period under review, only three referenda have taken place, two of them at local and one at national level. One of the local referenda was about incorporation into a different municipality, the other about a pipeline project. The national referendum, which took place in January 2013, was on the use of nuclear energy. While both local referenda were successful, the national referendum failed to bring about a change in government policy due to low voter turnout.

Access to Information

Media Freedom
Score: 4

In legal terms, media in Bulgaria are independent of the government. All electronic media – public or private – are subject to licensing by two independent state agencies: the Council for Electronic Media (issuing programming licenses) and the Commission for Regulation of Communications (for radio frequencies and other technological aspects of electronic media). The Council for Electronic Media also appoints the management of the Bulgarian National Television and the Bulgarian National Radio organizations. No specific regulation exists for print media. In practice, however, the independence of the media in Bulgaria is limited. Many media organizations heavily depend on advertising and other revenues from the government or from government-owned enterprises and/or have owners involved in business deals with the government. With the economic crisis the financial dependence of the media on the government budget has further increased.

Citation:

Smilova, Ruzha/Smilov, Daniel/Ganev, Gyorgy, 2012: Democracy and the Media in Bulgaria: Who Represents the People? in: Evangelia Psychogiopoulou (ed.), Understanding Media Policies. A European Perspective. Basingstoke/ London: Palgrave Macmillan, pp. 37-54.

Media Pluralism
Score: 5

Media pluralism in Bulgaria is favored by a quite diversified ownership structure. The sheer plurality of media outlets ensures relatively broad coverage of different points of view. At the same time, however, the ownership structure is often opaque. It is often unclear who the actual owners are and what their business interests are – especially in the case of offshore-owned media. Moreover, many private media owners have close links to the government. A very significant recent development is the rising importance of online media, including blogging and various independent sites, which have begun to influence the overall information process.

Access to
Government
Information
Score: 7

Access to government information for citizens is guaranteed by the Bulgarian constitution and regulated by the Access to Public Information Act originally adopted in 2000. The provisions, which have been refined several times, allow a very high level of access for citizens to government information and are subject to judicial oversight through court appeals. The possibility for court appeals has been actively used by civil society actors and organizations, and a rich court practice has developed. In recent years the amount of government information made freely and promptly available on the internet has increased markedly, and formal requests for information have dropped. However, the annual reports of the Access to Information Program, an NGO established in 1996, indicate that a number of government institutions still try to impede freedom of access to information. By far the most common excuse for refusing such information is that interests of third parties may be affected, while confidentiality and classified information considerations come a distant second. Delays in the provision of information also continue to exist.

Civil Rights and Political Liberties

Civil Rights
Score: 5

The Bulgarian constitution and legislation provide a comprehensive, gradually improving framework guaranteeing civil rights and their protection. In practice, however, infringements of these rights do occur. The most frequent and serious violations are the overuse of force by law-enforcing government bodies and the insecure protection of property rights by the court system. In general, the extent to which courts in Bulgaria do actually ensure equal access to the law and equal treatment by the law is not very high. The length of legal proceedings represents a significant problem.

Citation:

Bulgarian Helsinki Committee 2013: Human Rights in Bulgaria in 2013. Sofia (http://issuu.com/bghelsinki/docs/2012_bhc_annual_report_en).

Political Liberties
Score: 8

Political liberties are guaranteed in Bulgaria by the constitution and relevant laws. Bulgarians enjoy the freedom to express themselves, to assemble and organize themselves in various forms of organization including explicitly political, to hold religious beliefs and to petition. The February 2013 mass demonstrations that led to the breakdown of the GERB government testify to the freedom of assembly. The freedom of expression has suffered from the declining independence of traditional media, but has been strengthened by the possibilities of the internet. The tough stance of the GERB government against “anti-democratic” Muslim preachers and several attacks on Muslim temples by extreme nationalists and islamophobes have raised concerns over religious rights.

Citation:

Bulgarian Helsinki Committee 2013: Human Rights in Bulgaria in 2013. Sofia (http://issuu.com/bghelsinki/docs/2012_bhc_annual_report_en).

Non-discrimination
Score: 6

The Bulgarian constitution and various EU directives guarantee protection against discrimination. In 2004, a specific Protection Against Discrimination Act was adopted. In accordance with its prescriptions, a Commission for Protection against Discrimination was created with the goal of promoting government policy in this area, and citizens were given access to judicial protection of their rights against discrimination. In practice, however, episodes of discrimination against the Roma minority in Bulgaria and their marginalization have remained a major issue.

Rule of Law

Legal Certainty
Score: 5

Government and administration heavily refer to the law and take pains to justify their actions in formal and legal terms. However, two features of the legal environment reduce legal certainty. Firstly, the law gives the administration sizeable scope for discretion. Secondly, the existing legislation suffers from many internal inconsistencies and contradictions which make it possible to find formal legal justifications for rather different decisions. For both reasons, executive action is sometimes unpredictable.

Judicial Review
Score: 5

Courts in Bulgaria are formally independent from other branches of power and have large competencies to review the actions and normative acts of the executive. In practice, however, court reasoning and decisions are frequently

influenced by outside factors, including informal political pressure and, even more importantly, the influence of private sector groups and individuals through corruption and nepotism. The performance of the Bulgarian judicial system is considered to be relatively poor, both within the country and by the European Commission, which has regularly reported on this matter under the Cooperation and Verification Mechanism for Bulgaria.

Appointment of
Justices
Score: 5

The procedures for appointing constitutional court justices in Bulgaria do not include special majority requirements, thus favoring political appointments. However, political control over the judiciary is limited by the fact that three different bodies are involved. The 12 justices of the Constitutional Court are appointed on an equal quota principle with simple majorities by the president, the National Assembly and a joint plenary of the justices of the two supreme courts: the Supreme Court of Cassation and the Supreme Administrative Court. The justices of the two supreme courts, in turn, are appointed by the Supreme Judicial Council. The latter consists of three groups, of which one includes ex-officio representatives, one is selected by parliament with a simple majority, and one is selected by simple majorities of the plenary assemblies of, respectively, judges, prosecutors and investigators. Once it is constituted, the Supreme Judicial Council appoints justices in the supreme courts with a simple majority.

Corruption
Prevention
Score: 4

The GERB government (2009 – 2013) foregrounded the struggle against corruption. As subsequent European Commission reports under the Cooperation and Verification Mechanism show, the formal legal framework is quite extensive and has become more consistent over the years. The various branches of power are subject to auditing by the audit office, whose reports are made public. Parties are required to submit detailed reports on their financing and spending. Individual members of the legislative and the higher levels of the executive branches are required to disclose information about their personal property and income and to declare conflicts of interest, while codes of conduct exist for various officeholders. Specialized agencies for fighting corruption exist in all three branches, and there is an additional comprehensive anti-corruption taskforce within the State Agency for National Security. Programs and action plans are being prepared and updated. However, the actual effects of these provisions and measures have been modest so far. Ironically, the apparent slight decline in actual corruption has gone hand in hand with an increased perception of corruption.

Governance

I. Executive Capacity

Strategic Capacity

Strategic Planning
Score: 5

The most important systematic strategic planning process is related to the requirements of EU membership and the necessity of preparing strategy and reform programs within the EU framework. The ministry of finance is in charge of preparing the National Reform Programs foreseen within the European Union's 2020 strategy. There is not much more strategic planning capacity at the center of government (the prime minister and the Council of Ministers' staff). However, the national strategies on security, energy, governance and development of water resources, development of scientific research, Roma integration, physical education and sport, which were adopted during the 2009 – 2013 term, have provided some long-term orientation. These strategies were prepared in coordination with different ministries and on the basis of extensive discussions with the respective expert communities. They have been overseen by the respective line ministries and parliamentary committees.

Scholarly Advice
Score: 5

In Bulgaria, there are various ways to consult stakeholders and experts, including a special online portal at the Council of Ministers and more than 70 advisory councils. The government is also beginning to use a mechanism of seeking expertise by forming public councils linked to specific ministries. After a positive experience with such a council at the Ministry of Regional Development and Public Works at the beginning of 2013, such councils have been constituted for several other ministries. The lack of a specific emphasis on attracting experts from academia is a structural weakness of these consultation mechanisms.

Interministerial Coordination

GO Expertise
Score: 4

The government office in Bulgaria – the Council of Ministers’ administration – plays a mainly administrative role. It prepares cabinet meetings but lacks the capacity for an in-depth evaluation of the policy content of line ministry proposals. Specialized directorates of the Council of Ministers’ administration do review submissions from the line ministries, but this is less in terms of substance than in terms of ensuring that the submissions are presented in the appropriate format. The prime minister’s political Cabinet is relatively small and has little expertise to evaluate the policy content of line ministry proposals.

GO Gatekeeping
Score: 5

In Bulgaria, neither the Council of Ministers’ administration nor the prime minister and his political Cabinet have the legal authority to return materials on the basis of policy considerations. In the case of the GERB government, however, a single-party government with a leader-based ruling party, the political authority of the prime minister was so strong that Prime Minister Borisov had a strong influence on the cabinet agenda.

Line Ministries
Score: 6

Line ministries tend to prepare policy proposals independently and introduce them to the prime minister and the Council of Ministers when they are completed. The prime minister and the Council of Ministers’ administration are consulted in advance only when the proposals cross ministerial lines. Even in such cases, the involvement of the Council of Ministers’ administration tends to focus mainly on technical and drafting issues. There are no official procedures for consulting the prime minister during the preparation of policy proposals. In the case of the GERB government, the political authority of the prime minister sometimes led line ministers to inform the prime minister relatively early about their plans.

Cabinet Committees
Score: 4

The Bulgarian Cabinet does not resort to specific cabinet or ministerial committees as a way of coordinating proposals for cabinet meetings. However, there are many cross-cutting advisory councils that include several ministers or high-ranking representatives of different ministries and have some coordinating functions. These might thus be seen as functional equivalents to ministerial or cabinet committees. However, the role of the councils, which often have a rather broad membership, is quite limited in substantive terms.

Ministerial
Bureaucracy
Score: 5

While a comprehensive framework for coordination between ministry officials and civil servants exists, the quality of the coordination process is low, meaning that many issues have to be resolved at the political level. Within the ministries, a departmentalist culture prevails.

Informal
Coordination
Score: 5

Given the weakness of formal mechanisms of interministerial coordination, informal coordination mechanisms have played a vital role in Bulgaria.

Informal coordination featured prominently when the GERB government did not have a majority in the National Assembly and needed ad-hoc parliamentary support. Moreover, within his Cabinet, Prime Minister Borisov relied heavily on his authority as leader of the ruling party, thereby inhibiting the development of formal coordination mechanisms.

Evidence-based Instruments

RIA Application
Score: 4

According to article 28 of the Law on Normative Acts in Bulgaria, every draft for a normative act (starting from the acts with highest power such as codes and laws, down to municipal regulations and instructions) needs to be accompanied by explicit motivation and by a report including an obligatory assessment of results. In theory, the accompanying report is supposed to look at all the effects of the proposed legislation – budgetary, economic, social and environmental – and its impact on the effectiveness of other policies. In practice, this is rarely done. In accordance with the law every normative act is accompanied by a motivation and a report, but only budgetary environmental impact assessments are conducted in depth.

Quality of RIA
Process
Score: 4

With the exception of the assessment of budgetary and environmental impacts of proposed legislation, RIA is largely formal in Bulgaria. There is no centralized and independent impact assessment unit. Instead, initial assessments are performed by the body proposing the legislation. Once the proposed draft has entered the phase of public consultation, civil society and academic actors are able to offer their own assessments which become a part of the documentation accompanying the proposal and are available to the public online. There are a number of examples of such assessments, but they encompass a very small proportion of new proposals.

Sustainability
Check
Score: 3

Most of the regulatory impact assessments in Bulgaria are only formal, with the exception of budgetary and environmental issues. Moreover, environmental checks focus on issues of pollution and wilderness protection, rather than greenhouse gas emissions. Other economic and social impacts are generally being addressed superficially and the input of non-government actors in the public consultation process is generally ignored.

Societal Consultation

Negotiating Public
Support
Score: 5

In recent decades, partly following traditions established during socialism, Bulgaria has developed a number of corporate bodies which represent various interests in the process of policy-making. A prime example of this tradition is the National Council for Tripartite Cooperation, which includes representatives

of the government, trade unions, and employer associations. Over the years this council has turned into a major forum not only for advice and consultations, but also for the negotiation of various policies and the adoption of specific proposals which are later formally confirmed legislatively. This is true especially in the area of economic policy, but has also happened in spheres such as education and healthcare. However, governments, including the GERB Cabinet in 2009 – 2013, have sometimes departed substantially from the agreements reached through tripartite negotiations, as for instance, with the adoption of a pensions reform package in 2011, which provided for an increase in the minimum retirement age from January 1, 2012. Other societal actors, including minority organizations, environmental and other interest groups are represented in the more than 70 advisory councils at different levels of government. In practice, however, their influence on decisions is limited. While the mechanisms for negotiating public support and inviting public input in the policy-making process are thus in place, they are largely ineffective.

Policy Communication

Coherent
Communication
Score: 4

The coherence of government communication in Bulgaria is relatively low. The communication activities of different ministries are not centrally coordinated, so it is easy for the media to identify inconsistencies and contradictions in the information and positions of different ministries. Inasmuch as there is coordination of different messages, it is done mostly through the political cabinets of the respective ministries rather than as a matter of formalized administrative communication coordination procedures. Under the GERB government in 2009 – 2013, the active personal role played by the prime minister in communicating the policies of his government helped to deal with contradictory statements by different ministries, but sometimes also generated uncertainty and confusion about the government's positions.

Implementation

Government
Efficiency
Score: 6

In general, Bulgarian governments avoid setting publicly visible policy performance benchmarks. The two main exceptions are the area of macroeconomic policy, especially the budget, and compliance with high-profile requirements of EU membership. As for the budget, the GERB government largely met its objectives. Its ability to maintain fiscal discipline was all the more impressive given that it operated in a global economic crisis. In 2009, when the government came into office, the budget had a deficit of 4.3%, mainly due to the impact of the crisis, but by 2012 the deficit had been reduced to 0.8%. With respect to the policies related to EU membership, the

GERB government failed to achieve one of its key objectives – that of gaining entry into the Schengen Area – but it made considerable progress in achieving the more important objective of improving the absorption of EU structural and agricultural funds. More recently, Bulgarian civil society actors have started to strictly record the policy objectives of the government and to monitor their achievement. It remains to be seen whether these activities will force future governments to make clear and measurable policy commitments and pressure them to genuinely try to meet these goals.

Ministerial
Compliance
Score: 8

The prime minister does not have significant legal powers vis-à-vis his ministerial colleagues. The 1991 constitution defines the Council of Ministers as a collective body, with the prime minister being only “an equal among equals.” At the same time, the political power of the prime minister can be considerable, especially when he is the party leader in a single-party government, as was the case with Prime Minister Borisov in the GERB Cabinet in 2009 – 2013. Even though ministers are appointed by the National Assembly, under Prime Minister Borisov they always resigned when he indicated a withdrawal of his support. The prime minister appoints all deputy ministers and also some of the high-ranking administrative officials in the ministries. Thus prime ministerial power can be de facto quite significant, and ministers can have a strong incentive to comply with policy requirements from the center.

Monitoring
Ministries
Score: 5

The Council of Ministers’ administration lacks the capacity to monitor the implementation activities of the line ministries. The chief secretary of the Council of Ministers’ administration and the specialized directorates of the administration can, however, follow most of the policy actions of the line ministries, especially in the areas financed through EU funds. The chief secretary and the directorates can also provide some administrative support to the prime minister and the head of his political cabinet, who can exercise more direct control over the ministries on a political basis. The exercise of this control tends to be informal rather than formal and it tends to be more effective in single-party governments, such as the GERB Cabinet in 2009 – 2013.

Monitoring
Agencies,
Bureaucracies
Score: 4

The capacity of the ministries to monitor the implementation activities of the bureaucracies and executive agencies in their task areas is quite limited in institutional terms. The monitoring that does take place tends to focus only on priority areas – such as, in 2009 – 2013, the absorption of EU funds and fiscal discipline – and tends to rely on informal rather than formal mechanisms.

Task Funding
Score: 5

Local governments in Bulgaria get most of their revenues from central government. Activities delegated to municipalities by central government are financed in two ways: firstly, a portion of the revenues from some general taxes is designated for the municipal budgets, and secondly, central

government pays a subsidy. It is already a well-established tradition that every year the ministry of finance claims that all delegated activities are fully and adequately funded, while the National Association of Municipalities in Bulgaria claims that the actual costs for the municipalities are higher than the state budget law envisages, thus de facto forcing municipalities to finance delegated central government activities.

Constitutional
Discretion
Score: 5

Bulgaria is a unitary state with two levels of government – national and municipal. The constitution vests municipalities with a relatively large set of powers and competencies, and the law generally respects this independence. However, in reality most Bulgarian municipalities are financially dependent on the national government because their own revenue base is inadequate for generating the necessary revenues. In recent years, this dependency has decreased, as the capacity of municipalities to finance a number of policies through EU funds has gradually improved. However, municipalities have not yet achieved full financial independence, and many of the smaller ones will never do so. There have been numerous allegations that the national government is using this leverage for political purposes, but there has been no confirmation that municipalities with mayors from opposition parties have suffered from unequal fiscal treatment.

National Standards
Score: 4

In Bulgaria, the effectiveness of national government oversight and the compliance with national standards in the decentralized provision of public services differ among functional spheres. For example, educational standards have to be provided by schools through budgets delegated by the national or the local government and are being observed relatively objectively and effectively through external evaluation. At the same time it seems that in the sphere of environmental standards, waste management and forestry, and in healthcare services at local level, the monitoring is uneven and some localities have much lower standards than others.

Adaptability

Domestic
Adaptability
Score: 6

Bulgarian institutions have shown a certain capacity to change and adapt. During the process of EU accession, the Bulgarian administration at national, regional and local levels underwent a very significant adaptive process involving changing structures and areas of activity. This included creating a governance structure of regional development councils with a capacity for preparing regional development strategies at the level of EU NUTS 2 regions where none had existed before in Bulgarian history. The EU accession and membership process also meant that new levels of coordination and common decision-making between ministries had to be created to develop national positions on the different EU policies being discussed. However, the main

structures of government and their methods of operation have remained largely unchanged. In particular, the weakness of coordination capacity at the center of government has not been addressed. The tendency of the GERB government in 2009 – 2013 to rely largely on ad hoc adaptive measures was effective in the short term in some areas – for instance, the absorption of EU funds – but has not resulted in a sustainable long-term adaptation.

International
Coordination
Score: 4

While the capacity of Bulgarian government bodies to correspond with, coordinate and participate in international processes and initiatives has improved markedly over recent years, the fact remains that Bulgaria is still primarily reactive in terms of international efforts to foster the provision of global public goods. This is due both to a lack of capacity and to a risk-minimizing strategy of avoiding the commitments involved in taking proactive positions. More often than not, Bulgaria tends to take part in international efforts but wait for the international community to formulate policies, set goals and benchmarks. It then does its best to implement those domestically. Inasmuch as there is coordination and assessment going on, it is for these reactive purposes.

Organizational Reform

Self-monitoring
Score: 4

There are no ex-ante formal mechanisms for monitoring whether institutional arrangements of governing are appropriate. It is only ex-post, when some serious enough problem transpires or a crisis happens, that reflection about the structure of governance and institutional arrangements begins, and is usually spurred by public pressure or by pressure from some other government body. Under the GERB government in 2009 – 2013, the focus on day-to-day management meant that little attention was paid to the performance and reform of government structures.

Institutional Reform
Score: 5

Bulgarian government bodies do have a capacity to reform, including reforms initiated from within and reforms originating externally, but they do not seem to have a strategy of planning such reforms. Rather, reforms happen as a result of a crisis which forces changes, as in the case of the changes made in the State Commission on Energy and Water following citizen protests at the beginning of 2013. Furthermore, the capacity for change is particularly limited when it comes to the main structures of government, such as the cabinet, the prime minister and the government office.

II. Executive Accountability

Citizens' Participatory Competence

Policy Knowledge
Score: 4

The distribution of knowledge about government policies in Bulgaria is highly uneven. Citizens who are active, especially by participating in non-governmental organizations or grassroots activities, seem to have a very strong grasp of the ongoing policies in their sphere of interest. The general public, however, seems distrustful and uninterested. Their knowledge of how the government is actually organized and works, the division of competencies and the way decision-making and implementation proceeds is also not high. These factors contributed to the widespread demonstrations in February 2013, which led to the resignation of the GERB government and the calling of early elections in May 2013.

Legislative Actors' Resources

Parliamentary
Resources
Score: 4

The Bulgarian legislature has a budget of less than one tenth of 1% of national income, with more than three-quarters of that being spent on deputies' salaries, current maintenance and capital expenditures. Thus the resources available to deputies in terms of expert staff, administrative support and independent research are very limited. This means that the capacity of the National Assembly to effectively monitor the policies and activities of the executive is also limited. This limitation is not structural, but rather of a political character, since the Bulgarian legislature has full discretion over the budget and could secure the resources for enhanced monitoring.

Obtaining
Documents
Score: 7

Under the Rules of Organization and Procedure of the National Assembly (article 26), parliamentary committees can obtain any documents from any public or private person in the country. A chairperson of a standing committee is obliged to acquire such documents if one third of the members of the committee ask for them. Thus on paper, parliamentary committees have full access to government documents. In the executive branch, access is also possible for individual members of parliament through the institution of the "parliamentary questions" put to the executive. In practice, representatives of the executive can delay the execution of these requests, because responsibilities are not clearly specified and sanctions are not defined. There have been numerous instances of such delays.

Summoning
Ministers
Score: 7

Legally, parliamentary committees have the power to summon ministers and the prime minister, and under the Rules of Organization and Procedure of the National Assembly, the latter are obliged to comply. Also, when a minister or the prime minister is being asked a parliamentary question, he has to respond in person in the National Assembly in due time. However, in practice in both cases there is no sanction for non-compliance except the possible loss of reputation and political image. Members of the executive can afford to ignore such summons indefinitely, often blaming other duties and obligations. On many occasions they do comply, but frequently only after significant delays, and sometimes never.

Summoning Experts
Score: 10

Under the Rules of Organization and Procedure of the National Assembly, parliamentary committees are able to invite experts who are under an obligation to assist members of parliament in performing their duties. Experts are obliged to provide to the committees any information and documents that the latter require for their work. While experts cannot be obliged to attend the meetings of the committees, in practice, the incentives for experts are to respond promptly to such invitations due to the prestige these invitations carry and to the opportunity they provide for having an input in the legislative process.

Task Area
Congruence
Score: 9

During the 2009 – 2013 parliamentary term, there were 16 ministries and 14 standing parliamentary committees with ministerial oversight. In 12 cases, the task areas of ministries and standing committees were in alignment. Two individual committees were tasked with oversight for two ministries each – one with the foreign affairs and defense ministries, the other with the education, youth and science ministry as well as the physical education and sports ministry. In both cases, covering two ministries did not represent a real problem since the task areas were thematically related and no major controversies over these areas emerged during the term.

Audit Office
Score: 9

According to the National Audit Office Act, the audit office is independent and reports to parliament. Its president and two vice presidents are appointed by parliament for six (president) and seven (vice presidents) years, so that their terms do not coincide with those of parliament. The audit office is not responsible to any other government institution, and is obliged to submit all its reports to the National Assembly. It has demonstrated its independence from government several times.

Ombuds Office
Score: 7

There is a national ombuds office (the Ombudsman of the Republic of Bulgaria), which is not part of parliament, but is elected by parliament for five years. The Ombudsman is independent in its activities and is subject only to the national constitution, laws and international treaties adopted by Bulgaria. Other than putting arguments to the relevant administrative body and making its

opinion public, however, the office has no powers. According to its report to the National Assembly, in 2012 the Ombudsman gave assistance to more 14,138 people. The office investigated the complaints of 5,549 of them. Most of the complaints made in the last few years (1,202 in 2012, or 23% of all the complaints in that year) related to public utilities (mobile and landline phone operators; electricity, heating and water providers). Dissatisfaction with public utilities played a major role in sparking off mass demonstrations in February 2013, which led to the resignation of the GERB government and the holding of early parliamentary elections. The fact that the Ombudsman has been approached on matters of widespread public concern indicates that it is seen as a legitimate advocate of citizen rights and the public interest, though its activities (as well as those of other public bodies) were not sufficient to prevent public dissatisfaction from spilling over into open protest.

Media

Media Reporting
Score: 4

The current Bulgarian media is characterized by three main features. Firstly, it suffers from a heavy spin bias, seeking much sensationalism and scandal as a strategy of selling themselves to the public rather than in-depth and consistent coverage and analysis of important societal processes. Secondly, in the years of economic crisis the mainstream media (both press and electronic) has become heavily dependent on government money for advertising or information campaigns, which allows the government to exert influence. Thirdly, most print media organizations can be considered as appendages to other businesses of their owners and publishers, so quality journalism definitely takes a back seat relative to other business interests. As a result, most media and the manner of their coverage of government policies, concentrate on the short-term sensationalist aspects. They tend to frame government decisions as personalized power politics and divert attention away from the substance of the policy towards the entertainment dimension. Usually there is no coverage of the preparatory stages of policy decisions. When coverage begins, it does provide basic information about the decision or the policy discussed, but usually lacks deep understanding of its substance and societal importance. Exceptions – such as the timely, heated and quite substantive public debate through the media of the proposed ban on smoking in closed public spaces in 2012 – are rare.

Parties and Interest Associations

Intra-party
Democracy
Score: 4

Three parties have obtained more than 10% of the popular vote in the last two general elections (2009 and 2013) in Bulgaria: GERB (Citizens for European

Development of Bulgaria), the Bulgarian Socialist Party (BSP), and the Movement for Rights and Freedoms (MRF), which is effectively the party of the ethnic Turkish minority in Bulgaria. Of the three, the most democratic is the BSP, a party with more than a century of tradition. The party program is adopted at a congress of delegates elected by the party members. Electoral platforms and candidate lists are prepared in a relatively centralized manner, but local party organizations do have an input. The other two parties are leader dominated. Regardless of the internal democratic mechanisms envisaged in their statutes, most decisions are concentrated in the hands of the leader and a few members of his circle. While in the GERB, which has a larger support and membership, the influence of different groups and constituencies can be effective, the specific characteristics of MRF make its decision-making process very opaque and highly concentrated. In early 2013, the founder of the MRF and its leader for 23 years stepped down; it remains to be seen if he will continue to exercise a dominant influence behind the scenes.

Association
Competence
(Business)
Score: 6

The policy proposal-making capacity of the three major employers' and business associations in Bulgaria is relatively well developed. They can influence and propose policies in at least three ways. Firstly, through their participation in the National Council for Tripartite Cooperation. Secondly, through various projects within the framework of EU structural funds aimed at changes in competitiveness and the business environment. Thirdly, through their own capacity to perform research and formulate and initiate public debates, which they have used relatively actively throughout the period in review. This includes a growing tradition of cooperating with academic institutions and personnel, think tanks and other interest groups. The three associations do not always find it easy, however, to work together and to develop policy analysis, evaluation and proposals on a systematic, rather than case by case, basis. The same is true for the trade unions, which in Bulgaria are represented by two confederations and are also represented in the National Council for Tripartite Cooperation. In contrast to the employers' associations, the unions rely more on their internal expertise in drafting and promoting proposals, and cooperate less with academia. The range of topics on which trade unions take active positions and make proposals goes way beyond the issues of the labor market – in effect, they behave like political parties. Like the employers' associations, but perhaps to an even greater extent, the two confederations sometimes face problems in working together. They have also found it difficult to make innovative proposals for managing the economic crisis.

Association
Competence
(Others)

The non-economic interest groups that are most active in Bulgaria are largely engaged in four fields: education (especially parents' associations), health (patients' organizations), minorities and the environment. While there are many

Score: 4

associations and they often act in accord, they seem more activist than analytical in their efforts. Their proposals are rarely accompanied by attempts to fully encompass the relevant issues and argue in favor or against specific proposals in rational grounds. However, on occasion they manage to inform the public debate, the most recent example being some environmental organizations' input into the public debates preceding the referendum on building a second nuclear plant in Bulgaria in January 2013. The religious communities in Bulgaria have their channels of political influence, but are less active in the public sphere. It is only on rare occasions, such as the introduction of religious classes at school, that the Bulgarian Orthodox Church takes a public position.

This country report is part of the Sustainable Governance Indicators 2014 project.

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