

Part 4. Local anti-corruption initiatives: the *Coalition 2000* Local Government Transparency Program

As an inherent part of the local self-government reform in Bulgaria, the efforts to limit and prevent corruption in local government (including the elected municipal bodies and the municipal administration) occupy a prominent place in *Coalition 2000* activity. The fundamental principles laid down in the Anti-corruption Action Plan -, namely coalition building and constructive interaction between the institutions and the civic structures, unfolded through the local anti-corruption projects of *Coalition 2000*. They were incorporated into the Local Government Transparency Program, which was intended to put into effect one of the strategic goals of the Clean Future public awareness campaign: increasing citizen activity and involving public resources in efforts to foster a climate of non-tolerance and relentlessness towards corruption in all its forms.

Corrupt practices and susceptibility to corruption among members of the administration at both the local and central level exist in combination with a variety of other problems. Many of them bear the mark of state socialism: the formal nature of public organizations and initiatives; popular alienation from government; provincialism resulting from over-centralization; distortion of basic concepts; rendering purposeless essentially democratic institutions, etc. Another factor with adverse implications is the Bulgarian tradition of a conservative and paternalistic concept of the nature of state power.

Some experts estimate that the incidence of corrupt practices at the local level considerably exceeds corruption at the higher levels. The chief reason for this view is that local authorities are interacting most directly with the public in regard to services requested by citizens. The negative consequences of a corruption-based arrangement does not stop at the mere violation of the law; but what often results is that the very object of this arrangement has long-term economic implications for a given municipality, and for the social and economic dimensions of municipal development. Those are the implications of unlawful privatization deals, untaxed company profits, unpaid import duties, violations of the Labor Code, improperly issued licenses, non-observation of public procurement rules, and unregulated financing of political parties.

Even though in terms of everyday life corruption may be viewed as an attempt to find an "efficient" solution to a given problem, most forms of corrupt behavior (trade in influence; abuse of political, economic and administrative power; and other corrupt practices) in fact represent various dimensions of poor government. This fact seriously threatens the formation and future development of local self-government, which has just been revived after the establishment of democracy following a period of totalitarian over-centralized government. And it is well known that the institution of local self-government is the very bedrock of democratic values, the best means of building the social state, and the driving force behind the greatest part of real developments and progress in public life. In this sense the local anti-corruption initiatives based on the need

for transparency and interaction, and aimed at fostering dialogue and trust, also had the task of improving the image and the actual performance of the local authorities.

4. 1. Local government transparency: legal framework and social practices

The Local Government Transparency Program was motivated and developed on the basis of analyses made within the Corruption Monitoring System of *Coalition 2000* and expert studies on local self-government. Information was drawn both from local non-governmental organizations, and from relevant international instruments and documents on local self-government of the European Union, as well as the European Charter on Self-Government, which has been ratified by Bulgaria. The factors that proved to be of decisive importance for the implementation of the local government transparency initiatives were, on the one hand, the existing legal and regulatory framework of local self-government and the stipulated forms of civic participation; and on the other hand, social practice, including the adoption of European norms and standards in the process of the negotiations on the accession of Bulgaria to the European Union.

The new legal framework for building up a properly functioning local self-government has been established with the adoption of the Constitution of the Republic of Bulgaria (1991), the Law on Local Self-Government and Local Administration (1991), the adoption of the Administrative and Territorial Structure of the Republic of Bulgaria (1995), and the Public Referendum Law (1996). This legal framework also contains provisions for increasing the openness and transparency of local authorities. The anti-corruption effect of the enforcement of the Law on the Administration (adopted in late 1998), the Law on Civil Servants (1999), the Law on Disclosing the Property of Persons in Senior Government Position, and the Law on Access to Public Information (2000) is yet to be assessed.

In addition, there are regulations in force in each municipality which govern the handling of matters of local importance pertaining to the organization of the work of the Municipal Council and its administration, maintaining public order in the municipality, and to the ordinance on the use and leasing of municipal real estate property.

Civic participation in local policy and decision-making laid down in the acting regulatory framework comprises indirect participation – through the election of the municipal council and the mayor; and direct participation – through a referendum, a general public assembly, a petition.

Civic control over public administration is an important factor for building up and developing a democratic Bulgarian society is referred to chiefly in the National Strategy for Bulgarian Accession to the European Union. As for any guarantees for the legality of the actions of the administration, they are confined to certain intra-institutional control

bodies. There is clearly much to be done to enhance citizen activity, to create new forms of civic participation in addressing local problems, to institutionalize civic control, particularly at the local level where the interaction between the institutions and the public is most intense. no social and political practice adequate for the newly embraced standards and models has been established. The predominant popular attitudes are marked by passivity, apathy, mistrust in the state, ignorance of the norms and procedures for safeguarding civil rights and interests. On the one hand, there is a lack of proper legal and institutional awareness; and, on the other hand, despite the newly passed legislation, the state and municipal administration cannot seem to easily relinquish its role of mentor and guardian of society to become a “servant to the people”. There are unproductive and inefficient mechanisms in the administration, a duplication of functions in the central and local bodies, and a confusion of powers and obligations.

The **main obstacles** which both the local government officials and the civil society encounter in their efforts to secure municipal transparency and accountability may be summed-up as follows:

- ✓ There is no working clear-cut and transparent system of guarantees for the legality of the actions of the municipal administration, and for safeguarding the rights of citizens and civic organizations. Experts also feel that there is the so-called conflict between fundamental and protected rights; and that the rights, for which no effective safeguarding mechanisms have been provided, can turn /have been turned into declarations of a purely advisory nature. Serious misgivings are also voiced that in the absence of definite legal and financial guarantees, local government bodies are left in a critical state that is unequal with, and dependent on the central authorities.

- ✓ There are not sufficient preconditions to enhance the role of the mayor of the municipality and to guarantee his independence. Mayors operate within a legal framework containing inconsistencies and contradictions that definitely do not foster transparency and that are conducive to corrupt practices. There have been a number of publicly disclosed cases of mayors who have exceeded their rights or abused their powers, who have been prosecuted or tried in court, or temporarily removed from office, which is contrary to the Constitution as it does not provide for such a measure. The charges typically concern abuse of power for private gain – personally or for the benefit of related groups. In addition, the municipality is in fact carrying out activities without the power to control the management and spending of the funds strictly fixed in the municipal budget.¹

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¹ According to Art.139 of the Constitution of the Republic of Bulgaria, and Art. 44 of the Law on Local Self-Government and Local Administration (LLSGLA), as a body of the executive power in the territory of the municipality, the mayor is in charge of all executive activity, organizes the enforcement of the municipal budget and the decisions of the municipal council, represents the municipality before third parties, and manages and deals with municipal property. Yet according to the existing regulations, in the basic areas of municipal activity – education, social assistance, maintaining public order and security – it is the central authorities that determine the staff and payroll, structure and governance schemes of the respective municipal institutions

- ✓ The centralization of power practically endorses the discrepancy between powers and obligations, which in turn does not contribute to establishing clear-cut, transparent mechanisms for good governance, including the fight against crime and corruption²..
- ✓ Serious difficulties impeding proper, transparent governance are posed by the acting regulations concerning the interrelations between the mayor and the municipal council, i.e., between the local executive and the local legislative branches of power. There is inadequate distribution of rights and obligations between the two institutions.³ Another inconsistency between the law and existing practices is characteristic of the activities of the permanent municipal committees, which are legally empowered to transmit civic initiatives to the municipal council. It. These committees are entrusted also with the task of exercising control over the execution of municipal council decisions. In reality, however, the municipal committees are the weakest units within the system of local government bodies, especially in the smaller municipalities. Meetings are held informally, if at all. There is even a widespread practice for the chairs of the committees to visit the members at home in order to get their signatures on some document or other, without any prior discussion at all. They are not exercising the systematic control over the implementation of municipal council decisions prescribed by law, nor is such control exercised by civic structures. The possibility provided by the law for the permanent committees to involve experts from non-governmental organizations remains unexploited.⁴

The status and functions of the municipal administration have not been defined adequately by the law which impedes the efforts to curb corruption in local government.⁵

² Owing to the nature of his position, the mayor is placed at the center of public concerns about the rising crime rate and related corruption. Such responsibility is implied in Art. 44 of the LLSGLA which allows the mayor to issue orders binding on the chiefs of police departments. However, this remains a purely notional possibility since it is not backed by adequate powers and is not guaranteed by either LLSGLA or the Law on the Police, or any ordinances of the Ministry of Internal Affairs. As a result, the fight against crime and corruption in the municipalities cannot be effective as long as it is treated as a task chiefly of the central government and its structures

✓ ³ According to Art. 138 of the Constitution, and Art.18 of LLSGLA, the municipal council is the supreme body of local self-government. However, personal responsibility of the municipal council members elected with a party ticket is rather blurred. Experience shows that the municipal councilors perceive themselves accountable mainly before their own party, while the mayor bears personal responsibility before the public. One of the most serious flaws, which often serves to cover up unlawful decisions or corrupt practices, is the political confrontation between the different groups of municipal councilors and voting dictated by party allegiance rather than the interests of the municipality and the public. This blocks the work of the municipality, provokes conflicts between the executive and the legislative powers, and creates conditions for unlawful actions and corrupt practices.

⁴ These findings emerged in the course of implementing the Local Government Transparency Program and monitoring the activities of local government authorities. According to *Coalition 2000* experts, this discrepancy has an immediate negative effect on anti-corruption initiatives and the attempts to activate civic control and citizen participation in local self-government

✓ ⁵ The Law on administration does not deal specifically with the municipal administration referred to only in Art.36, along with the other administrative structures as “having functions related to the exercise of the executive power”. Nor does the Law on Civil Servants contain any specific provisions

- ✓ A recurrent problem in local government is the lack or the inadequacy of the information to the residents of the municipality.. The most common conflicts between citizens and municipal officials arise in cases of denial – directly or indirectly – of information on a given matter. The officials typically refer to the “protection of private interests” and “classified information”, or the Law on Civil Servants. Citizens are unable to object to this since the Law on Access to Public Information does not stipulate in clear-cut terms what constitutes public information. Therefore, officials are actually allowed to interpret the matter as they see fit in the absence of a legal definition of the term “classified information “.⁶ To remedy to this situation Public Information Centers have been set up in five municipalities in Bulgaria and a campaign has been launched to turn the municipalities into “effective and user-friendly service providers”. These initiatives were implemented as a result of the joint efforts of the municipalities and the non-governmental sector, and with the financial and technical assistance of USAID and the European programs. New municipal public relations departments were also introduced. In the majority of Bulgarian municipalities, however, information services remain of rather poor quality. Building up working information and communication systems at the municipal level in more Bulgarian municipalities will have a positive effect in the fight against corruption.

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Citizens and the Local Administration. Public Mediator/Ombudsman Handbook.
Center for Social Practices and Local Initiative Support Association. Sofia, 1998.

regarding municipal officials, whose rights and obligations are undistinguished from those of public officials.

The status of public officials is subject to a number of clauses of an anti-corruption nature, such as appointment on a competitive basis, drawing up job descriptions, etc. There nevertheless remain many aspects unregulated in the existing legal framework. The monitoring of municipal activities shows that favors which are granted based on friendship or family ties by the officials are one of the most common barely disguised corrupt practices; and that there is strong public disapproval of appointments motivated by friendship, family ties, and party allegiance. In the smaller municipalities, in particular, staff appointments have become one of the major corruption-generating factors. For instance, one problem that emerged in the process of implementing local anti-corruption projects were the blurred boundaries between a “friendly” and “paid for” favor. This problem is aggravated by the fact that in the smaller municipalities the perimeter of the “non-financial bribe” is expanded by third party “intermediaries” (friends, relatives, and fellow party members).

⁶ On this subject see “Media against Corruption: Obstacles and Risks in Investigative Journalism”, *Coalition 2000*, Sofia, 2000 (in Bulgarian).

“The entrance halls of the institutions are organized along the lines of two typical patterns. At the central institutions there is no information for visitors about whom they should turn to and how they should proceed. At the municipalities the situation is the opposite. The entrance space is overloaded with too much and poorly organized information, and visitors actually need additional help. Communication is particularly impeded by the unintelligible acronyms that are unfamiliar to the general public and that designate different departments.

The information desks are still designed in such a way that citizens are placed in a hierarchically inferior position: they have to bend down in order to face the official providing information. Such spatial techniques are sometimes also used in office interior design.”

- ✓ The lack of computer facilities in a number of Bulgarian municipalities also Risks of arbitrary interference of officials. In addition, corruption pressure exerted both by municipal employees and the citizens could be reduced if standard documents were drawn up and issued in large common office spaces. This would prevent irregular contacts between citizens and government employees and would also reduce to a minimum personal intervention in the drawing up of documents.⁷
- ✓ The most serious problem of local self-government in terms of its transparent and lawful functioning arose in the sphere of municipality financing. Attempts by the local anti-corruption projects to initiate public debates on municipal finances and possible abusive practices encountered a number of obstacles. This was attributed to local revenues and expenditures which are formally voted on by the municipal councils, but the actual limits and priorities are laid down in the national budget and the decrees of the respective ministries. In fact, taxpayers do not even know where their money goes. Local revenues cannot be a factor in pressing for local policy changes since their management is not within the control of the municipal authorities even though the municipality is a cash depository for handling funds intended for centrally regulated policy implementation for education and other social needs.⁸

⁷ In this regard, it would be useful to draw on the experience of the European countries and the United States in introducing mechanisms for avoiding conflicts of personal and group interests for preventing the intertwining of official and personal interests, guaranteeing income transparency, and supervising the observation of the established rules. European Union legislation stipulates norms of professional conduct for municipal officials, which could be adapted and applied in Bulgaria, as well

⁸ The financing of the municipalities still follows a centralized model. The new legislation (1997) on corporate income taxation and income taxation of natural persons, as well as the Law on Local Taxes and Fees has not even led to a quantitative increase in local revenues. While from 1994 to 1996, local revenues made up 21 to 22% of total municipal revenues; in 1998, they amounted to only about 17%. The largest part of these revenues, about 80%, came from state transfers. The main source of revenues, income tax, remains at the disposal of the central government. The situation in the European countries with advanced local self-government is the exact opposite; income tax being a purely local tax. This insures stability and autonomy of local finances and the opportunity to address specific local problems in a clear and transparent manner using its own resources

- ✓ One of the covert corruption mechanisms in Bulgarian self-government is the manner of determining the state subsidy. In the opinion of experts, the subsidy is not subject to clear-cut regulations and subjective decisions are possible. Although formal criteria, which have increased from 5 in 1993 to 21 currently, do exist; in reality, the mechanism for the formation and distribution of subsidies is far too complicated and non-transparent. There are no guarantees for fair distribution, which could in turn motivate the municipalities to make the most effective use of the funds. Furthermore, while the Municipal Budget Law provides for sanctions on municipalities failing to fulfill the prescribed obligations, including the payment of salaries, there are no legally regulated sanctions for the Ministry of Finances in the event of failure to transfer regularly and fully, state subsidies due to the municipalities. Within the pyramid of state institutions the municipalities are generally placed in a disadvantaged position.
- ✓ The centralized management of revenues and expenditures remains the greatest problem to the municipality and its executive body – the mayor. The mayors are dependent on the ministers and the cabinet rather than on the voters. Municipal authorities do not seek solutions to local problems in the local communities but in the Capital, where all the resources are coming from. The resulting serious incongruity questions the very existence of real local self-government.⁹

The negative conclusion seems to be that since the outset of reforms in this country, local self-government and the manner of functioning of municipal administrations have not changed much. Bureaucracy, inefficiency, the lack of information, and the lack of concern for users' opinion on the quality of public services are all chronic flaws of local government that create preconditions for corrupt practices. It is generally agreed that corruption is also related to the poor remuneration of the officials, typically making them dependent on other supplementary sources of income.

In this sense the Local Government Transparency Program and the related anti-corruption initiatives were not just a self-contained activity isolated from reality, but a field of cooperation aimed at reinforcing and enhancing local self-government. In a way, the local anti-corruption initiatives served as laboratories for experimenting with various forms of interaction between the government and civic sectors on a local level. The nature of this interaction ranged from constructive cooperation and mutually complementing efforts, to confrontation and obstructionism.

⁹ In this respect Bulgaria is still a long way from the principle formulated in Art. 9 of the European Charter on Local Self-Government which states that local authorities are entitled to sufficient funds of their own, with which they should be able to operate freely in exercising the competencies laid down in the Constitution.

4.2. Types of interaction between civic organizations and government structures on a local level

The anticorruption initiatives within the Local government transparency program revealed different types of public-private interaction:

- ✓ The first type can be defined as **coalition-based**. It is characterized not only by the declared readiness of the local authorities to participate in the anti-corruption campaign but also by their actual involvement in the various activities under the pilot projects. This type of interaction has certain advantages. Most notably, the personal commitment on the part of the heads of the municipal and central administration provides an “institutional umbrella” for potential cooperation with the lower-ranking system units (for instance, in connection with administrative information requests, etc.). In more general terms, the commitment of the local government executives to the anti-corruption initiative facilitates its legitimization and makes institutional cooperation possible.

Anti-corruption criticism in the case of institutional cooperation between the civic and the government sector is essentially targeted at the middle and lower ranks of the municipal administration. In other words, the active involvement of the local political elite implies the absence of corrupt practices in the top ranks of local government. In such a situation, corruption is typically of a “bureaucratic” type; it involves abuse of discretionary powers by officials, rather than the pressure of political power or the nets of party clientelism.

The disadvantages of institutional cooperation stem from the very assumption that political corruption is non-existent. It becomes an extremely sensitive issue insofar as it directly affects the interests and position of the local leaders involved in the anti-corruption initiative. In other words, cooperation of this type can only be effective if the highest political and administrative ranks of local government are not involved in corrupt deals and practices. In this theoretically ideal case, the coalition principle would help multiply the efforts to curb mass/bureaucratic corruption through the combined use of the resources of the municipal authorities, on the one hand; and those of the non-governmental sector, business, and the local media, on the other.

In connection with the above-mentioned “institutional umbrella”, another likely drawback of institutional cooperation worth noting is the possible appropriation of functions by the mayor, municipal council, etc.; and the bureaucratic absorption of the civic organization and the anti-corruption idea, or their sheer exploitation in the name of party interests. Such practices were observed during the local election campaign in the fall of 1999 in Pleven, for instance.

- ✓ This is approximately where the boundary can be drawn to differentiate the next type of interaction, which can provisionally be defined as “**simulative**”. Cooperation is reduced to the declared commitment of the local government leaders to the anti-corruption cause, while their conduct is simulative. In such a context – when the local

authorities seemingly embrace the anti-corruption goals and ethics through mimicry in the public sphere – public exposure is the most effective means of pressing for the achievement of the above goals. The politicians and high-ranking administration officials should be held accountable; their declared commitment to the campaign should be exploited as a means of pressuring the lower ranks of the local administration.

A test of the genuine commitment of the top ranks of local government to the campaign goals is compliance by the middle echelons of the administration (heads of departments, chief accountants, municipal secretaries, etc.). A situation in which executives grant permission (for instance, concerning access to information) while their subordinates refuse to comply raises doubts of possible passive resistance to anti-corruption activities. In other words, this suggests covert opposition to the ostensibly encouraged efforts of the non-governmental organization (or local anti-corruption structure).

- ✓ The prevailing situation, however, displays a slightly different local configuration. In most of the municipalities studied, it is commonly believed that some local institution leaders are involved in abuse of political influence and/or administrative power. At the same time, there are other senior officials that enjoy a good public reputation and can therefore join the anti-corruption initiative. In isolated cases, owing to the high rank of the respective official, sectorial institutional cooperation can occur. For instance, in one town the mayor may be corrupt but the chief of police is honorable and cooperates with the respective non-governmental organization. In such cases an activist lobby can be said to emerge within the system of local government, which sometimes comprises entire institutions and which is an indication of certain conflicts of interests among the individual representatives of the local political and administrative elite. The public commitment of some leaders tends to exasperate already existing conflicts, which in this case are associated with the different response to the anti-corruption initiative. The particular balance of power in the event of sectorial institutional cooperation implies a long lasting “positional war” between the local anti-corruption coalition and the local government representatives who put up a passive resistance.
- ✓ The most adverse situation occurs when the local authorities prove hostile to the respective non-governmental organization and its initiative, refusing any kind of interaction or even resorting to acts of intimidation or administrative pressure. This type of **confrontational** conduct also displays a certain gradation – from disregard, to ridicule, to outright hostility. Such disrespect for the anti-corruption initiatives of the third sector on the part of the municipal council representatives was for instance noted by the *Coalition 2000* partner organization in Plovdiv.

Under such confrontational interaction between the local authorities and the anti-corruption coalition the nature of the latter’s lobby within the system of government can take a different course. Individual activists involved in the anti-corruption initiative tend to assume a critical or openly negative position with regard to the leaders of the local

institutions. They can be referred to as “opposition lobbyists” without necessarily implying affiliation with the respective political party currently in opposition. The table below summarizes the basic types of interaction with the local authorities characterizing the anti-corruption initiatives:

Types of interaction between NGOs and the local authorities

<i>Situation type</i>	<i>Local government response</i>	<i>Target of the anti-corruption campaign</i>	Lobby type	<i>Description of the municipality</i>
Coalition	Cooperation	Mid ranks of the administration	Institutional; Involves top-ranking local government officials	Transparent/ open
Simulation	Passive resistance	High ranks	Activist; Involves representatives of the administration who support the anti-corruption efforts and are ready to defy the top ranking officials	Transitional
Confrontation	Active resistance	High ranks	Opposition	Closed

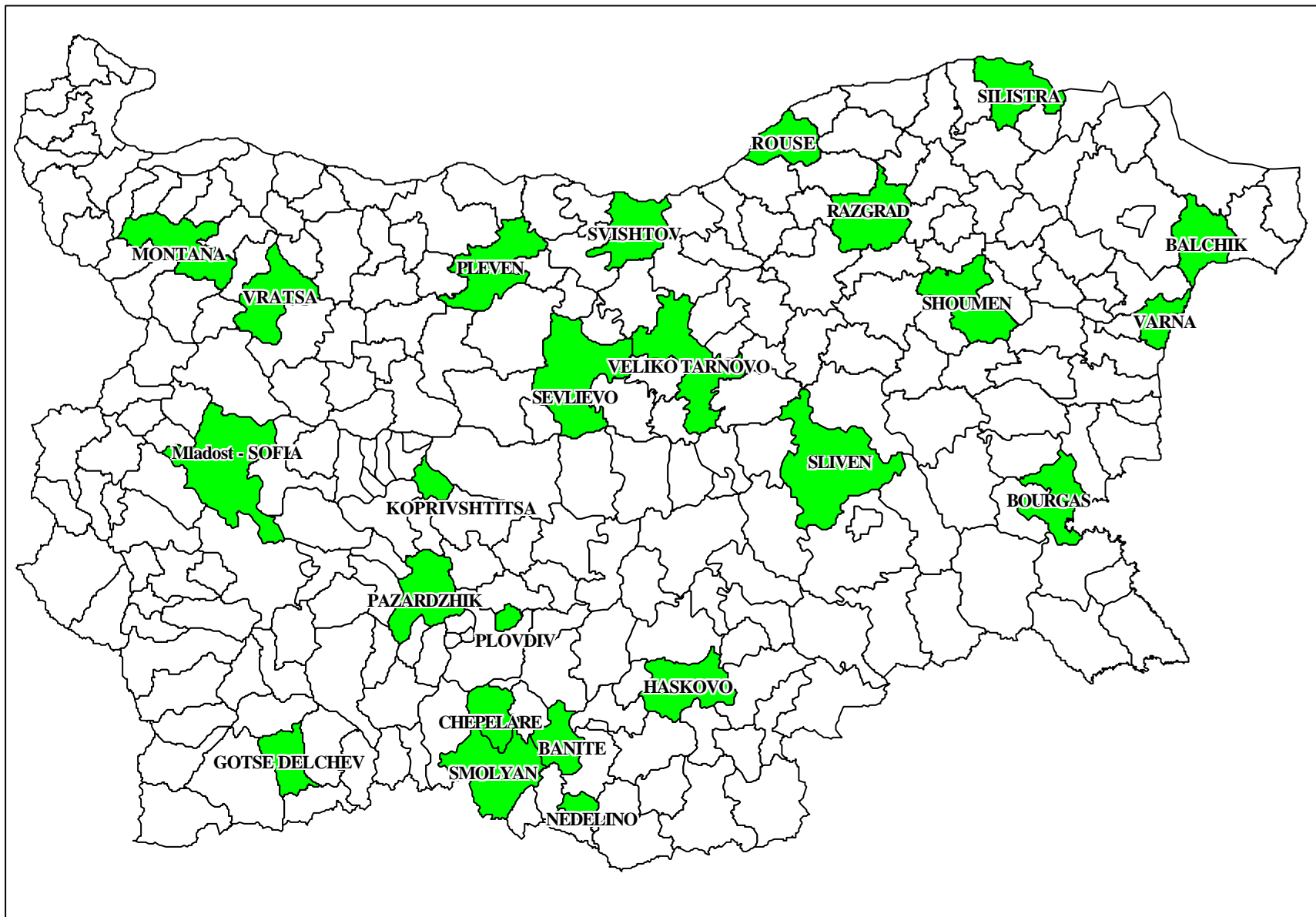
In conclusion, the environment in which the *Coalition 2000* anti-corruption initiatives unfolded was affected by a number of adverse factors: flaws of the legal framework of local self-government and most notably, the lack of control mechanisms and institutionalized civic participation; the interaction between local government and the non-governmental sector who essentially still have not coordinated their efforts in fighting against corruption, which is one of the new priorities of civil society and its structures; and inadequate practical solutions and extreme political confrontation which undermine local self-government and the democratic process of expanding the territory of civic action, and of empowering citizens at the expense of the government hierarchy and administration.

The reform of the legal framework of local self-government and the creation of guarantees for lawful and democratic social practice will clearly be an essential part of the efforts to harmonize Bulgarian legislation with that of the European Union in preparing for Bulgaria's accession to the European Community.

The process of legitimization of the non-governmental sector in the public sphere in the past few years has directly or indirectly revealed the public's potential in counteracting corruption, as well. In some municipalities, though as yet rather sporadically, the authorities are beginning to draw on the knowledge, experience, and unique perspective of civic structures, and on the analytical capacity of non-governmental organizations. This can also definitely be credited to the active position and the financial and technical assistance provided by the international donors, European programs, and particularly USAID.

4. 3. Anti-corruption instruments and sound practices

The Local Government Transparency Program had a definite practical orientation, focusing on specific local problems in the fight against corruption, and the creation of anti-corruption structures and mechanisms. It helped foster an atmosphere of non-tolerance for corrupt practices in the municipality, and helped establish a sustained dialogue between, the non-governmental organizations and the local authorities. In a short span of time the Program achieved considerable popularity: dozens of non-governmental organizations from the entire country participated in the grant competitions announced by *Coalition 2000*. During the period 1999-2000 a total of 23 non-governmental organizations implemented anti-corruption projects in 24 municipalities in this country. The geographic expansion of the local anti-corruption initiatives was reported in the *Coalition 2000* web site under the Open Municipalities section, which includes information about the municipalities, the local partner organizations, and the activities carried out under the anti-corruption projects.



As a result of the network of anti-corruption structures created in most district centers and large towns, as well as in smaller communities, the anti-corruption idea has reached the grassroots in this country.

The first stage of the Program (April-June 1999) involved certain basic activities related to non-governmental organizations tackling the tough terrain of fighting against corrupt practices for the first time. Taking into account the prerogatives of the authorized institutions of law enforcement and justice administrations, and in cooperation with them, it was first necessary to do the following: delineate the area of activity of civic associations; find specific mechanisms and ways of pressing for a change in public attitudes and fostering an atmosphere of non-tolerance for corruption; raise public awareness of civil rights and the social role of the municipal administration; and last but not least, to cultivate trust in the democratic institutions and encourage motivated proposals for improving their performance.

***Coalition 2000* Local Initiatives 1999 - 2000**
Handbook of Anti-Corruption Instruments and Sound Practices

Local government "Transparency Matrix"	The matrix was developed by <i>Coalition 2000</i> experts for the purpose of measuring transparency in activities of local authorities relating to the municipal budgets.
Public councils at the regional/municipal level	This is a local structure based on the principle of coalition building for the implementation of anti-corruption activities. It includes representatives of the institutions concerned with the problem of corruption, as well as representatives of non-governmental organizations, independent experts and local journalists.
Telephone hotline Mailbox for corruption related reports Mediation groups	In many towns these initiatives were used to collect information on the scope and dynamics of corruption, to provide consultations to citizens affected by corruption, to offer assistance to citizens who have been unduly denied administrative services by the local authorities, and to forward corruption reports to the relevant authorities.
Local sociological surveys	Local sociological surveys on the transparency and anti-corruption efficiency of the municipalities were carried out by <i>Coalition 2000</i> local partners.
Expert groups	These are groups of experts from state-owned and private companies and representatives of government agencies discussing corrupt practices in the local business community.
Youth debates	These included specialized anti-corruption discussions with young

<p>Anti-corruption lectures</p> <p>Concerts/events</p>	<p>people and high school students, as well as anti-corruption lecture series based on the educational guidebook <i>Anti-Corruption</i>, edited by an expert group and published by <i>Coalition 2000</i>.</p> <p>Concerts for young audiences, exhibitions of posters and children's drawings, and Clean Future essay competitions were all aimed at raising anti-corruption awareness.</p>
<p>Seminars & round table discussions</p>	<p>47 round tables took place with the objective of promoting public awareness, and assessing anti-corruption measures in various municipalities.</p>
<p>Information days</p>	<p>19 anti-corruption days were held for the purpose of providing information and consultations to the local public particularly in the context of the <i>Coalition 2000</i> Action Plan.</p>
<p>Town hall meetings</p>	<p>13 town hall meetings were organized to enable NGO representatives and citizens to meet with local elites and to present any grievances concerning corrupt practices as well as proposals to improve transparency in local government.</p>
<p>Anti-corruption publications</p> <p>Civil/administrative handbooks</p>	<p>Anti-corruption awareness brochures were published and distributed by local non-governmental organizations as part of the <i>Clean Future</i> campaign.</p> <p>This type of handbook includes a summary of the regulations guiding the work of local administration.</p>
<p>Civic Observer</p>	<p>A civic observer was elected in some Bulgarian municipalities by local non-governmental organizations with the task of monitoring such "gray areas" of increased corruption risk as leasing, public procurement, licensing, and public services.</p>
<p>Local Ombudsman</p>	<p>A local ombudsman, or public mediator, was introduced at several municipalities by the Center for Social Practices, one of the <i>Coalition 2000</i> founders.</p>
<p>Open municipalities web-site</p>	<p>It provides a database on local anti-corruption initiatives. The web site features local project reports, information about municipal anti-corruption practices, joint initiatives on local and regional levels, etc.</p> <p>www.online.bg/coalition2000</p>

“The gray zones”

One of the major tasks in the initial stage was the identification of the so-called “gray zones”, or spheres in the work of the municipalities marked by higher corruption risk. For this purpose, *Coalition 2000* experts designed the so-called “transparency matrix” – a system to monitor the municipal budget-funded activities, which was applied by local non-governmental organizations.

The transparency matrix was the outcome of three consecutive steps: expert analyses and reports on the likely high-risk sectors in local government, supplemented with interviews with officials from various levels of the local administration; formal classification of the problems registered; and working out a general categorization covering the specific cases encountered. Only then was a table designed to cover the major sectors in municipal administration, such as healthcare, education, social assistance, etc, horizontally; and the size of fixed expenditures, such as payroll, insurance payments, etc, and variable expenditures of those set by various types of municipal bodies vertically.

The matrix for monitoring local government transparency was tested by the *Coalition 2000* local partner organizations. Information was collected through surveys, expert reports, interviews, etc. The respondents included mayors, deputy mayors, and municipal administration officials. The surveys also used budget-related statements and reports of the municipality itself. In order to insure the comprehensiveness of the study of the problems of corruption and local government, surveys and interviews were also conducted with the potential users of public services.

The analysis of the data provided by the local partners revealed the existence of various high-risk or “gray” areas involving the distribution of funds in the “variable expenditures” category. Unlike fixed expenditures, i.e., the itemized funds allocated for salaries, social security payments, etc., the distribution of the funds covering variable expenditures (for office supplies, fuel, free medication, food, etc.) left room for subjective decisions. The reported violations concerning such variable expenditures were the most numerous; and they, therefore, constitute one of the major corruption-generating sources.

Another factor favoring corrupt practices revealed by the transparency matrix was the assignment of responsibilities in different areas of activity such as trade and construction, licensing, etc., which proved to be almost entirely covered by various networks of “soft” and “hard” corruption various schemes for evading procedures and legal regulations concerning public auctions were found in existence. The existing system of distribution of responsibilities generally allows irregular actions and covert corrupt practices.

As a result of the studies conducted it became possible to outline the following “gray zones” (public services where the administration most frequently and directly interacts with the public):

- Public procurement;

- Licensing of commercial and business activities;
- Municipal property leasing, repair and construction;
- Municipal property privatization auctions;
- Supplying municipal sites with fuels and consumables; and
- Administrative services.

opportunities for the personal gain of local government officials and employees exist in these spheres. At the same time, there is readiness on the part of citizens to give bribes in order to have a given problem solved more promptly and easily. Acknowledging that this type of corruption helps people survive is an indication that society is beginning to perceive it as a norm. This accounts for the special focus of *Coalition 2000* local initiatives in these critical areas of municipal activity.

An important practical outcome of the monitoring was the creation of conditions and motivation to experiment with a number of local anti-corruption initiatives and instruments that were inspired by local non-governmental organizations in cooperation with *Coalition 2000*. Sound practices were singled out. Furthermore, a system was approved for interaction between the Secretariat of the Coalition and the local partners. It included training, particularly in financial accountability and measures ensuring full transparency of local project activities.

In the second and third stages of the Local Government Transparency Program (October 1999 – June 2000, and July – December 2000), with the assistance of *Coalition 2000*, the local partners turned their attention to finding real practical solutions and mechanisms for local government transparency; public involvement in addressing local problems; and the introduction of civic control over the work of the municipality and the municipal councils.

Public anti-corruption councils

One outcome of lasting significance has been the establishment of local public councils for the fight against corruption. Their function is to generate and sustain local anti-corruption initiatives, to coordinate anti-corruption activities on a local and district level, as well as to further develop interaction with *Coalition 2000*. The public anti-corruption councils include representatives of local government, non-governmental organizations, the media and business, as well as other anti-corruption organizations.

Such a public council on a district level has been functioning in Smolyan, where it was established by the *Coalition 2000* local partner, “Stefan Stambolov” Bulgarian Youth League. Along with the non-governmental organizations and the representatives of the district administration, the participants include representatives of Smolyan Municipality, the prosecutor’s office, the court system, Regional Bureau of Internal Affairs, Regional Customs Office, other state bodies, the Podkrepa Labor Confederation and the Confederation of National Syndicates in Bulgaria, the Regional Medical Association, editors and reporters from local and regional media, and businesspersons. The monthly

sessions of the public council in Smolyan, which are open to the general public, review problems and monitor the degree of corruption in the region, and report cases of corruption and the measures taken by the respective bodies – the prosecution and the police. The “Stefan Stambolov” Bulgarian Youth League also established public councils on a municipal level in Nedelino, Banite, and Chepelare.

A public council for the prevention and fight against corruption was also established in Varna. It was initiated under the anti-corruption project of the Independent Ecological and Social Inspection, a *Coalition 2000* partner. The Council includes representatives of non-governmental organizations, Podkrepa Labor Confederation, the Economic Development Agency, Regional Bureau of Internal Affairs, Regional Labor Inspection, Regional Employment Service, the Labor Office, Municipal Council, District Administration, and the Chamber of Trade and Industry. The main priorities of the public council in Varna include: studies and analyses of the development of corruption, cooperation with the media for proper coverage of the problems of corruption in the region, providing information to the institutions engaged in the fight against corruption, and assisting the work of law-enforcement authorities with the aim of enhancing their effectiveness.

Independent Social Inspection – Varna

Program Declaration of the Council for Prevention and Fight against Corruption

We, the undersigned,

United by the desire to increase the effectiveness of the fight against corruption, as one of the guarantees for the development of democracy and civil society in Bulgaria, guided by civic awareness and our professional obligations

DECIDED:

- *To establish a Council for Prevention of Corruption which:*

- *Unites the efforts of non-governmental organizations, business circles, the media, law-enforcement bodies, Municipal Administration (body of local self-government), Regional Administration, Maritime Administration, and Tax Service and Customs in their fight against corruption.*
- *Defines the priority problems underlying the strategy.*
- *Adopts a strategy for the prevention and counteraction of corruption on a regional level.*
- *Elects a Standing Committee, which represents the Council for Prevention of Corruption and conducts activities in accordance with the powers delegated by it.*

The Council is open to other organisations and institutions.

Telephone hotline

The public anti-corruption councils were particularly active in collecting information about corruption and thus assisted the law-enforcement authorities, whose official records do not always provide an accurate idea of the actual scope of the problem owing to the large number of unexposed corruption-related crimes. Various forms and mechanisms were tested to enable citizens to file complaints and facilitate the collection of information from victims of corruption as the most reliable source for the assessment of corruption on an everyday basis. Telephone hotlines as well as special mailboxes and public reception offices, were opened in Varna, Vratsa, Plevna, Plovdiv, Pazardjik, Smolyan, and other municipalities for citizens and organizations to file corruption related reports.

Independent Ecological Inspection - Varna

In April-May 2000 the telephone hotline of the Independent Ecological and Social Inspection in Varna received 55 reports of corruption. 13 of those were anonymous. The remaining 42 were forwarded to the regional prosecutor's office. Their official reply stated that investigations had been ordered for 14 of the reported cases while for the remaining ones the citizens were advised to seek legal counsel to defend their rights.

The activity of receiving reports of corruption while guaranteeing anonymity – as one of the new anti-corruption practices – is yet to be assessed and regulated. A number of problems have arisen, including, for example, “ill-willed” and purely defamatory reports.

Egida Foundation – Gotse Delchev

The most typical accusations regarding local authorities concern abuse and unlawful gain – personally or to the benefit of related parties. We decided to check an anonymous report of a violation of the Labor Code by a powerful German-Greek company allegedly covered up by state institutions. For this purpose we met with the company lawyer, who asked whether there was any evidence in support of the charges. Once he found out there was no proof, he lectured us on the consequences of the public disclosure of such information, which would impair the image of his employer, and on the expected financial losses for our foundation after losing a lawsuit which was 99% certain to be decided in favor of the company. This is as far as we got with our attempt to check on an anonymous report. Subsequently, we referred such reports to the police.

Mediation groups

The groups for mediation and legal assistance to victims of corruption experimentally introduced by the Young Lawyers Association, which is a *Coalition 2000* partner, proved a good intermediary between the public and the local administration in the field of administrative services and helped counter unlawful action or inaction on the part of municipal officials. The positive impact of the mediation groups in Pleven and Lyaskovets is evidenced by the fact that for the duration of two months about 200 citizens in the two municipalities sought assistance for various cases and conflicts with the municipal administration. To further facilitate the public, standard forms were designed and circulated for written consultations, reports, and proposals.

In addition, the mediation groups monitored the activity of the local authorities with a view to curbing corruption and administrative malpractice. The dialogue and partnership established with the local authorities, the working meetings and discussions on the performance of the municipal administrations, the openness, and the access to information brought about specific outcomes through the joint drafting of municipal programs to fight crime and corruption. This helped expand the space of public-private partnership and extended the parameters of the specific mechanisms at the disposal of the non-governmental sector in its efforts to curb corruption. Such a program was adopted by the Maritsa Regional Association of Municipalities, part of which is presented below.

Newsletter of the Maritsa Regional Association of Municipalities, Issue 2, 2000

Program for Anti-Corruption Measures in the Municipalities which are Members of Maritsa Regional Association of Municipalities (RAM)

Platform for an effective information policy based on transparent procedures and clear-cut rules and systematic partnership, dedicated entirely to improving the public image of the municipalities.

- *Developing a communication strategy for Maritsa RAM.*
 - *Holding regular press conferences about the initiatives launched and implemented by Maritsa RAM.*
 - *Becoming familiar with the problems of the individual municipalities, promoting partnership with the media, the non-governmental organizations, and the public in decision-making on important public issues; and implementing these decisions.*
 - *Developing and popularizing clear-cut rules for the announcing and conducting auctions and tenders.*
 - *Conducting opinion polls among service beneficiaries.*
 - *Preparing an index of the municipal services offered.*
 - *Enhancing the control exercised by the municipal executive bodies.*
 - *Enhancing civic participation and public control.*
 - *Assigning the functions of receiving fees and delivering services to different officials.*
 - *Minimizing the bureaucratic requirements in administrative services.*
- Strictly observing legal requirements.*

Concern with corruption-related issues was also demonstrated by the newly established regional associations of municipalities, which joined a number of anti-corruption initiatives already at an early stage of their institutional development. Maritsa RAM, which is also working under other USAID and LGI programs, initiated the adoption of a Code of Ethics of municipal officials. Thus the anti-corruption efforts on a regional level produced another practical result in line with current needs and international standards.

The Hebar Municipal Association, which includes municipalities from the Central Southern Region, adopted an anti-corruption program including local sociological surveys, training seminars for municipal councilors and mayors from the districts of Plovdiv and Pazardjik. The Association of Danube Municipalities, which is the largest of its kind in Northern Bulgaria, focused on enhancing the quality of public services through seminars on the topic of anti-corruption intended for municipal administration members. The favorable developments in this sphere are equally due to the cooperation between *Coalition 2000* and the National Association of Municipalities over the past two years.

The local media and the fight against corruption

The anti-corruption initiatives provoked interest and received support from the local mass media and the journalistic community. Notwithstanding their traditional quest for sensationalism, in a number of cases certain reporters showed lasting interest and commitment to this issue. More than 200 articles in local and regional newspapers covered the anti-corruption initiatives in 1999-2000. The local electronic media dedicated special programs to them. For instance, the discussion on the survey of the Black Sea Legal Community conducted under the joint project with *Coalition 2000* was broadcast live on the Bourgas cable television SKAT. The youth debate entitled “Society is Responsible for the Spread of Corruption,” which was organized by the “Stefan Stambolov” Bulgarian Youth League in Smolyan, was broadcast on the Rodopa regional radio station.

The local reporter associations in Svishtov, Silistra-Tutrakan, and Varna joined the *Coalition 2000* program with a project of their own – Together against Corruption – which was aimed at establishing a permanent dialogue with local government representatives and finding joint solutions for preventing and counteracting corruption in the municipalities. The special surveys conducted among the reporters included questions about reporter ethics, about corruption among reporters; the relations between reporters and the newspaper owners; and the role of journalism in the public anti-corruption efforts. The issues that proved to be of particular concern were relations with the local government, access to information, and whether the Bulgarian municipalities were opening up to civil society. One positive outcome in this respect was the establishment of an informal society, Together against Corruption, with the participation of journalists and local government representatives in Silistra, a local demonstration of real public-private partnership in the fight against corruption.

The partnership between non-governmental organizations, the media, and local government, instituted by some local anti-corruption initiatives and motivated by the earnest desire to address local problems and improve the quality of life of the local community raises hopes for continuing and sustaining development of anti-corruption measures. Such a partnership as of yet has not been observed on a national scale, where centrifugal forces and intensifying confrontation between the “fourth power” and government predominate.

Anti-corruption publications

One useful anti-corruption instrument initiated by Coalition 2000 is the *Citizen's Handbook* presenting in a condensed and accessible form the main administrative services within the competencies of the municipal administration according to current regulations. It includes up-to-date information about the administrative structure of the municipality, the various department and section managers, and telephone numbers and offices. Such handbooks, published by the local partner organizations in the municipalities of Pazardjik, Lyaskovets, and others, are helpful to citizens in their interaction with local authorities and facilitate access to public services. Last but not least, they also enhance the transparency in the work of the administration.

The anti-corruption brochures, newsletters, leaflets, and posters published by the local organizations also proved to be of great importance in achieving the goals of the public awareness campaign. The following leaflets, bulletins, and brochures were among those widely circulated: *How to Fight Corruption* (Black Sea Legal Community, Bourgas), *How to Get Campus Accommodation without Bribery* (Corruption-Free Society Association, Studentski Grad, Sofia), *How to Resist Corruption – Practical Advice* (Young Lawyers Association, Sofia), *Corruption and Civic Culture* (City and Culture Foundation, Varna), and *Anti-Corruption Circle* (Good Hope Foundation, Sofia). Another bulletin, *Municipal Privatization Monitoring*, edited by the the Sliven organization Public Barometer, is a unique publication informing the public about privatization deals concluded by Sliven Municipality during the period 1992-2000.

Local surveys

The importance of conducting sociological surveys and familiarizing the public with their findings was confirmed in the course of implementing the local anti-corruption initiatives. Surveys on the subject of corruption/anti-corruption were organized by the local partners in Varna; Smolyan and the Smolyan district municipalities Chepelare, Banite, and Nedelino; Haskovo and Vratsa; and in Bourgas, Plovdiv, Pleven, Veliko Turnovo, Svishtov, and Silistra.

Two basic types of surveys were conducted: among different social groups (young people, journalists, lawyers, businesspersons, etc.) and separately, among the municipal

officials themselves. Thus, for instance, a survey conducted under a project by a team from the Black Sea Legal Community in Bourgas targeted established professional elites. The respondents included about 90 representatives of practically every legal profession: judges, lawyers, prosecutors, legal experts, academics, and law students. The chief goal of the survey was to examine jurists' attitudes and perceptions of corruption, the spheres in which it occurs, and the factors causing it.¹⁰

Citizens – Corruption – Local Administration was the title of a telephone poll conducted in Pleven under the project of the local *Coalition 2000* partner Revived Civil Society. The poll covered 171 adult residents of Pleven. Its chief objective was to analyze certain tendencies in public opinion regarding the quality of administrative services and corrupt practices in Pleven municipality. The analysis of the results provided useful information about the performance of the various municipal agencies.¹¹ Generally, local surveys largely confirm the findings of national surveys conducted by the Corruption Monitoring System of Vitosha Research regarding the factors favoring corruption, as well as by the high-risk professional groups and institutions. Furthermore, the local anti-corruption initiatives have been supplementing the monitoring of corruption in other important ways since they have begun to explore corruption-related attitudes inside the high-risk groups and institutions themselves.¹²

¹⁰ In reply to the question about the causes of corruption, most of the jurists (73%) pointed to the low standard of living of the population in Bulgaria as the chief factor favoring corruption. Poor law enforcement was rated second in importance, with 68% citing that violators remain unpunished; and 62% citing poor control over the observation of the laws. Another important factor that was noted was the non-transparency in the activities of local and central authorities (47%). Other reasons cited included the sluggishness of the administration, lack of coordination between the control bodies, and the flaws of the legislation.

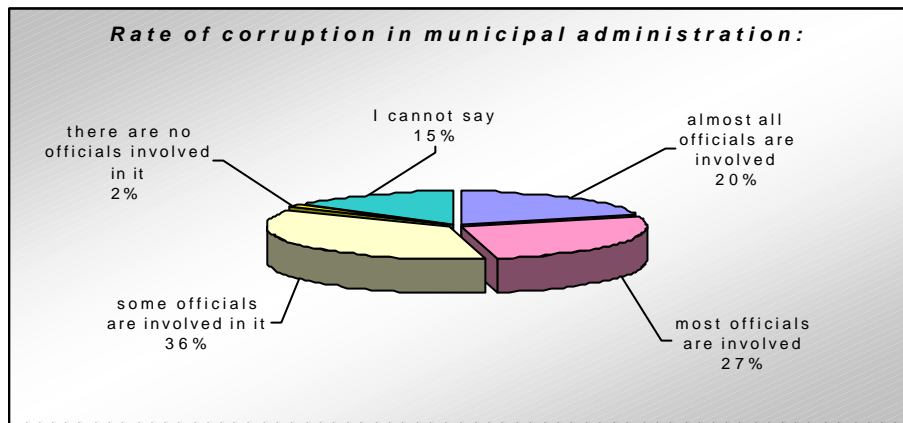
¹¹ Negative assessments generally predominated, with the exception of education, with 68% satisfied versus 39% unsatisfied; and administrative services, with 58% satisfied and 42% unsatisfied. However, only one tenth of the respondents thought that there were hardly any corrupt officials in the local administration. The rest believed that the officials were more or less corrupt. Asked whether there were any corrupt local administrators, citizens replied as follows: "almost all of them are", 6%; "most are", 32%; "some are", 28%, "there are hardly any", 11%; and no opinion/don't know, 23%.

¹² One example is the survey conducted in Veliko Turnovo by the association Local Agenda 21st Century within the joint project with *Coalition 2000* on "Corruption Attitudes, Practices, and Mechanisms Common among the Professional Groups under Strong Corruption Pressure." It was carried out in October 2000 and surveyed 195 officials from Veliko Turnovo Municipality, the local tax agency, the customs office in Gorna Oryahovitsa, and Veliko Turnovo magistrates.

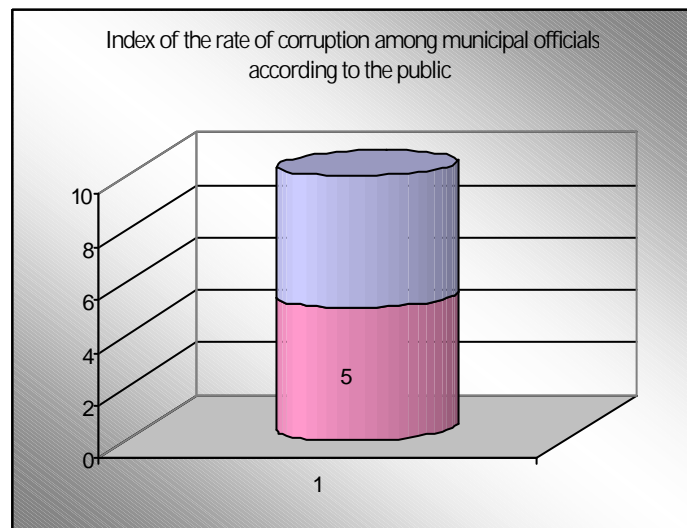
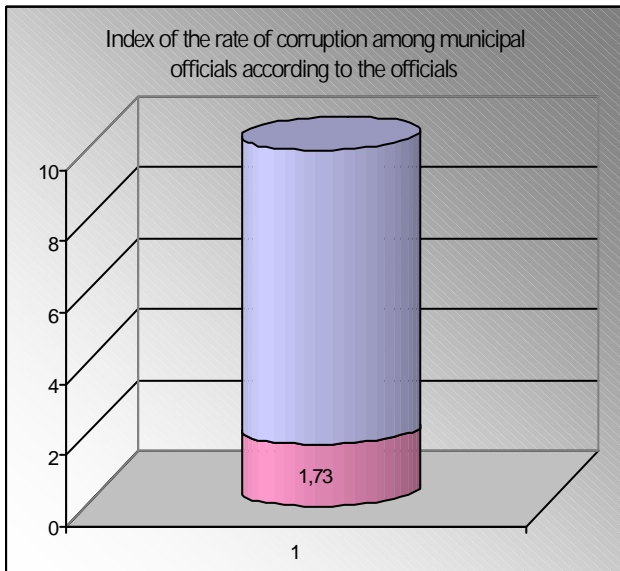
A direct group survey covered practically all of the officials in the above-mentioned institutions and the percentage of respondents was proportional to the percentage of those employed: municipal officials, 36%; customs officers, 9%; tax officials, 25%; and magistrates, 30%. In addition, 50 face-to-face interviews were conducted with officials with the longest length of service. Thus, the survey is representative both of the four professional groups in the region and of each group within itself. The entire survey is available on the Internet (www.coe.veliko-turnovo.com/project/korup.htm).

This assessment of the spread of corruption among the municipal administration produce a corruption index of 1.73, i.e., a rather low rate of corruption.

(According to the methodology of the Corruption Monitoring System of Vitosha Research, the index may take values between 0 and 10, with zero value indicating a “corruption-free institution”.)



The citizens surveyed, however, believed the municipal officials were involved in corrupt practices to a considerable extent: barely 2% thought the rate of corruption was low; 20%, that almost all officials were involved; 27%, that some officials were involved; 36%, that some officials were involved; and 15% had no opinion. This resulted in a



corruption index of 5, which represents a high rate of corruption.

There was a striking difference between the public's assessment of officials and the self-assessment of the officials. Provided there is a willingness on the part of the administration itself, these and other survey results could serve as instruments to improve the performance and ethical conduct of the officials. Another positive effect of the local sociological surveys was that most of them contained ideas and suggestions from the respondents on ways to counter corruption, and to enhance the quality of public services and transparency in the activities of the local administration. In addition, there were proposals aimed at greater involvement of the public and civic organizations in the decision-making process and in the exercise of civic control.

Expert groups against corruption in the economy

Groups formed to fight corruption in the economy were experimentally introduced by the Foundation for the Development of Entrepreneurship. From them a multitude of initiatives involving local anti-corruption mechanisms resulted.

One of them, the expert group in Vratsa was organized in collaboration with the Chamber of Trade and Industry in Vratsa. It included one representative each from the municipal and district administrations, and the Regional Bureau of Internal Affairs; a journalist from the regional newspaper; and an independent lawyer. The working agenda of the expert group included collecting information, observing the implementation of anti-corruption programs adopted by the Municipality, and monitoring the municipal auctions and privatization procedures.

Over a period of about 6 months (January – June 2000) the expert group was only allowed a single “glimpse” into the privatization process; they attended the talks with a potential buyer about the privatization of a commercial site in the central part of Vratsa. The observers found that the procedure met the legal requirements and proceeded without any irregularities or violations. However, they did have some misgivings about the selection criteria for the members of the municipal auction committee and whether its members were competent and objective enough to make a decision about the privatization deal. The participation in the committee of a gym teacher, though a member of the municipal council, raised doubts about the usefulness and effectiveness of the committee as a whole. The appointment of municipal auction and privatization committee members is of critical importance in view of the possible incompetent decisions and conflicts of interest that can result. Thus any doubts only confirm the popular view that procedures involving talks with potential buyers provide opportunities for direct bribery and for taking on covert commitments.

Municipal privatization generally continues to be off limits for public organizations and is still exclusively reserved for those in power. The access to information, including that about long archived deals, is impeded if not outright impossible. In Sliven, for instance,

in connection with the *Municipal Privatization Monitoring Bulletin*, the civic association, Public Barometer came up against the following kinds of problems: fear to provide any kind of information regarding municipal officials; in order to obtain factual information it was necessary to seek the intervention of higher authorities and political party leaderships; financial documentation on the deals of 1992-1993, which should have been available at the State Archive was missing; municipal privatization reports weren't available; deliberate inaction on the part of the mayor and refusal to provide assistance on the part of the deputy mayor in charge of privatization deals since the outset of the process of privatization of municipal property.

In the process of the research it was found that the Municipal Council in Sliven did not have any information, nor has it ever requested that it be kept informed about the privatized enterprises. Yet according to data from the Sliven District Court, more than 54 lawsuits have been filed in connection with supposedly successfully conducted auctions. It is worth noting the official reply of the authorities on this issue. In a letter to the Public Barometer Civic Association cited below, the Sliven Tax Agency referred them the municipal committee for post-privatization control for more information. However, it was established that such a committee had only been created in 2000 and did not have any documents.

The local partners devoted special attention to the study of the business environment in Vratsa and Haskovo. They also paid particular attention to the interaction between the municipal administrations and the companies on the emerging problematic issues: high taxes, extensive bureaucracy and corruption, high insurance rates, and the various licensing regulations. Other more specific problems faced by businesspersons in their contacts with the local administration included: inability to treat citizens as clients requesting public services; hostile attitude to the private sector; difficult access to information; lack of transparency; problems in obtaining ordinary services; and inexperienced officials. In view of these facts, the local administrative reform has definitely failed to produce any more notable results so far.

Another noteworthy conclusion can be drawn regarding business and anti-corruption activity on a local level. The local business communities do not appear particularly concerned with corruption; in the sense that they tend to perceive it as a fact of life that can hardly be eliminated or significantly reduced. Business owners and their associations seem to be neither fully aware of their mission, nor of the potential economic benefits from the adoption of anti-corruption measures. And here is the viewpoint of non-governmental organizations from the Gotse Delchev region – based on observations of interrelations between the business community and local government in the smaller municipalities:

Educational anti-corruption initiatives

The local educational initiatives, which are essentially based on the educational component of the *Coalition 2000 Action Plan*, emerged as one of the particularly interesting and promising spheres of anti-corruption activity on a local level. Education on the subject of anti-corruption is assessed by most participants in the local anti-corruption coalitions as possibly the only guarantee for the development of anti-corruption civic conduct and for the future of anti-corruption efforts on a national scale in general. This was the motivation underlying the initiatives targeted at young people, and high school and university students. Based on the *Anti-Corruption* textbook edited by *Coalition 2000* experts, lectures were delivered for the first time in a number of towns before a high school and university student audience. In a professional and accessible manner they dealt with the fundamental problems associated with the phenomenon of corruption, with corrupt practices and their social, economic, and political implications. A broad range of measures and ideas were presented for curbing corruption. The lectures also covered the best practices and concepts developed by Bulgarian and foreign experts in this field, and international instruments to which Bulgaria adheres.

It should be noted that the sphere of anti-corruption education also emerges as the most productive one for partnerships with those state and municipal institutions that take a genuine anti-corruption stand and join the anti-corruption initiatives.

The youth anti-corruption debates held in Smolyan, Nedelino, Banite, and Chepelare under the project of the “Stefan Stambolov” Bulgarian Youth League proved quite revealing in this respect. In view of the great interest demonstrated by the students and young people in the region, at a conference of the district anti-corruption public council, a representative of the Regional Inspectorate of the Ministry of Education and Science included for consideration the subject of anti-corruption in the weekly class discussion hour at the secondary schools in the region.

The idea for cooperation between the non-governmental anti-corruption network and the Ministry of Education and Science was favorably received in other regions, as well. In Varna, in the course of the project on Corruption and Civic Culture, it was established through research that was done and discussions in the specially organized club for students from five Varna high schools, that the problems of the fight against corruption are not considered in class and that knowledge about the institutions in this country is rather insufficient. The students who said they were familiar with the institutions of government were definitely fewer than 10%. Consequently, high school graduates are not sufficiently aware of the essential purpose and functions of the institutions and can hardly be expected to assume an informed civic position and exercise proper control over their activity.

Within the framework of the anti-corruption project aimed at the secondary education system, contacts were established with a number of institutions in Varna: the municipal and district administration, the regional mayoral offices, the regional court, customs, Regional Bureau of Internal Affairs, the Naval Forces, school principals and teachers from more than 10 schools in town. They all expressed their readiness to cooperate for the improvement of civic education in the education establishments in Varna and the region. This led to a public-private partnership that had a tangible outcome, namely the signing of a joint **Protocol of Intent**s by the City and Culture Foundation, and the Education Inspectorate with the Ministry of Education and Science in Varna. It constitutes a program for collaborative activity following up on the Corruption and Civic Culture project, thus guaranteeing its sustainability.

City and Culture Foundation – Varna

PROTOCOL OF INTENTS

February 26th, 2001

1. *The Education Inspectorate (EI) of the Ministry of Education and Science (MES), Varna, and the City and Culture Foundation express their common will to work jointly for the improvement of civic education in the education establishments in Varna and the region.*
2. *Realizing the great public importance of the Corruption and Civic Culture project already implemented, both parties declare their readiness to sustain it through the following initiatives:*
 - *Organizing experimental groups from the schools covered by the survey conducted, which are to visit institutions of government in Varna and familiarize themselves with their specific activity;*
 - *Organizing an essay-writing competition on a topic related to modern social processes and phenomena.*
 - *Conducting permanent monitoring to record the evolution of students' attitudes to these processes and phenomena and of their awareness of the institutions in the Republic of Bulgaria.*
 - *Creating a lecture series to present the work of the bodies of local self-government.*
 - *Keeping closely in touch with the institutions.*
 - *Publishing the Civic Culture bulletin.*
3. *The EI of MES will support the efforts of the City and Culture Foundation by:*
 - *Securing access for City and Culture Foundation representatives to the schools in Varna and the region in order to carry out the activities under Art. 2 of the present Protocol;*
 - *Assisting the organization of working meetings and seminars with the participation of school representatives; and*
 - *Providing methodological assistance in the preparation of class topics and*

assignments, technical facilities, and other forms of support in the education process.

4. *The City and Culture Foundation will assist the activity of the EI of MES by:*
- *Securing financing through various funds and programs sponsoring civic education;*
 - *Enlisting the cooperation and involvement of competent specialists from the institutions of local self-government; and*
 - *Developing joint initiatives and ensuring media coverage.*

Civic observer

After conducting the proper consultations and taking into account the experience gained and the specific realities in the various regions, the forms of direct and indirect democracy provided by the legislation, and the need to modernize local self-government in this country, *Coalition 2000* proposed the introduction of the institution of **Civic Observer**. This new initiative was endorsed by the Second Public Forum in December 1999 and elaborated in greater detail at a national seminar with the local partner organizations at the Center for the Study of Democracy in early 2000.

Report to the Policy Forum of *Coalition 2000*, December 1999

Civic Observer

The civic observer is designated and elected by the local non-governmental organizations and is legitimized before the public, the media, and the local authorities as a key figure in the implementation of civic observation at the municipal forums.

The duties of the civic observer involve monitoring in the following spheres of municipal activity: public procurement, licensing, leasing, repair and construction of municipal sites, discussion of the structure, number of staff members, and remuneration of the municipal administration.

The civic observer monitors the decision-making process in the designated spheres at the sessions of the Municipal Council, the meetings of the permanent municipal committees, and other specialized municipal bodies; and has access to documents, protocols, and decisions of the respective authorities, and is entitled to oral and written information about the work of the municipal administration. This person monitors the observation of legal rules and procedures, and safeguards the rights of citizens and their organizations.

The civic observer submits regular reports about his activity to the partnering organization and *Coalition 2000*, and informs the public and the media of his findings. At the Internet site of *Coalition 2000* a special section will be devoted to the observer's reports, and periodic analyses of the corruption situation in the respective towns and municipalities.

The institutionalization of the civic observer requires the voluntary cooperation of local authorities on the basis of legislation regulating civil rights and participation in local self-

government.

Coalition 2000 recommends the introduction of already tested practices in order to facilitate cooperation between the civic observer and the municipal authorities, and more notably, the signing of a cooperation memorandum.

The introduction of the civic observer in Shumen, Varna, and Smolyan as a working mechanism of civic presence at the municipal forums was a definite achievement in the course of the *Coalition 2000* anti-corruption campaign. This achievement is, of course, related to the established atmosphere of the good partnership with local government, which did not only simulated cooperation but also proved in practice its readiness to join the anti-corruption initiative. The successful institutionalization of the civic observer is evidence of the improved skills and potential of the local partners to work together. The new function was assigned to properly qualified and motivated persons working in the field of law or public administration.

The rights and obligations of the civic observer were regulated by the memorandum signed by Shumen municipality and the Center for the Study of Political Processes. At the end of the observation period, a report of the Civic Observer was prepared and provided to Shumen municipality, the media, the public, and *Coalition 2000*. The report contained findings of the observation covering the period January 2000 – January 2001. Some of the conclusions and specific recommendations are presented below.

Report of the Civic Observer (Center for the Study of Political Processes, Shumen)

*As evident from the practice of the **Legal Department**, the municipal official that has caused damage by his incompetence or because of some other reason does not carry any personal responsibility because he acted on behalf of the Municipality. Theoretically, there are certain sanctions provided by administrative control and intra-institutional control bodies, the Law on Civil Servants, the Criminal Code, the Code of Criminal Procedure, and others, but they prove ineffective in practice. **Hence the problem of the “low price” of corrupt behavior, i.e., the official stands to gain a lot more from corrupt practices than he might lose should the violation be exposed.** In the case of unlawful administrative acts and subsequent lawsuits, the losing side is either the Municipality or the citizen (legal or natural person), but never the official who actually issued the act.*

The issuance of administrative acts and orders is typically handled by several officials. This is basically a positive practice since it excludes the opportunity for uncontrolled individual decisions. On the other hand, this practice also excludes personal responsibility, and collective responsibility can sometimes turn into collective irresponsibility.

In the course of the past year, the number of lawsuits filed by Shumen municipality against irregular tenants of municipal property has been increasing. Some of the cases are won by the debtors owing to certain contract clauses disadvantageous to the

Municipality. Concluding lease contracts that are disadvantageous to the Municipality is a typical corrupt practice – difficult to prove but with tangible results.

The administration, and the Legal Department respectively, do not always keep the deadlines for filing complaints against administrative acts by legal and natural persons addressed to the Regional and District Courts through the Municipality.

In the opinion of legal experts, this constitutes a refusal to administer justice and could be eliminated as a practice if the legislators substitute the term “implicit refusal” with “implicit agreement”. When an institution fails to deal with an appeal against an administrative act in the manner provided by law and within the legal deadline it should be assumed that it has itself repealed the act. This would save citizens a lot of time and stress and would make administrative proceedings more expedient.

*The activity of the **Technical Department** draws a lot of criticism from citizens and companies applying for construction and reconstruction permits, legalization of unlawful construction, change of zoning, issuing of tentative maps, etc. The complaints typically concern:*

- *Failure to keep the established deadlines for delivering the services;*
- *A selective approach in the absence of clear-cut criteria about what is lawful;*
- *Certain companies offering construction and development services enjoy preferential treatment and their documents are processed more expeditiously than those of others. This places them in a covert monopolistic position in the market of construction and development services in the municipality.*

All of those interviewed said they would prefer to give a bribe in the form of money, a favor, or a fictitious consultancy fee in order to save time and financial resources, and be able to proceed with their plans.

The administration at the Technical Department is subject to strong corruptive pressure on the part of citizens and companies. On the other hand, the legal framework of this sector itself generates corrupt practices. The changing legislation regulating construction related activities (Territorial and Urban Zoning Law, the Rules on the Enforcement of TUZL, Ordinance N 1 and Ordinance N 5, and the newly adopted Territorial Zoning Law), the numerous by-laws and regulations, and intra-institutional ordinances are often inconsistent and mutually exclusive. This leaves officials far too much room for subjective interpretation and a discriminatory approach to individual cases.

Sometimes, as in the case of the Law on the Organization of the Territory (promulgated in the State Gazette on January 2nd, 2001 and in force as of March 31st, 2001) there is a lapse in time when the old provisions have been repealed but the new rules for the enforcement of the law still have not been adopted. This leads to chaos, non-observation of the legally established deadlines, and discontent both on the part of the public and the administration.

The civic observers have been functioning for a relatively short period of time – since early 2000. In this initial ground-breaking stage, useful experience was gained both in structuring relations with municipal authorities, and in identifying the spheres of municipal activity, in which this type of monitoring proves a necessary and appropriate instrument for good governance on the one hand, and for civic participation, on the other.

One emerging important local problem is related to public procurement procedures. Civic observations in Varna and Smolyan found out that it was a common practice to assign government financed sites to companies registered outside the region. This reduces the local budget revenues and has other adverse social and economic implications. It provokes doubts of possible cover-up of violations and corrupt practices. In Varna, in particular, a Memorandum for the Protection of Local Economic Interests was drafted in cooperation between the Civic Observer and experts from the business community, and proposed to the Municipal Council members. The Memorandum stipulates:

Memorandum for the Protection of Local Economic Interests

The goal of the Memorandum is to safeguard and promote local interests in decision-making concerning public auctions and tenders. For this purpose the parties agree:

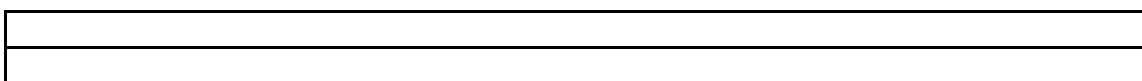
*In the case of public procurement procedures concerning sites financed by government or municipal funds and/or international grants, when setting the applicant evaluation criteria and their relative importance in the overall assessment, the **Commissioner** shall adhere to the following principles:*

- *Other terms being equal, precedence shall be given to the applicants with local registration and those who exercise their activity in the territory of the municipality in which the site is located.*
- *Each applicant participating in the public procurement procedure shall take on the commitment, either by a declaration or in some other appropriate written form, to assign at least 50% of the planned construction and assembly work to sub-contractors that are members of the Bulgarian Chamber of Commerce and are registered and active in the region where the site is located.*
- *Other terms being equal, precedence shall be given to the applicant who will hire workers through the local labor offices subject to a collective labor contract.*

The civic observer initiative started off well in Plovdiv, where the *Coalition 2000* local partner, Lecturers' Association, launched a broad media campaign and public debate on the topic "Does the city of Plovdiv need a civic observer as a mediator between the public and local government?" Despite the considerable support from the non-governmental sector and journalists, the initiative was cut short by the refusal of the Municipal Council members. Their position is an example of the confrontational attitude of local authorities

demonstrated in other municipalities as well, which verges on a deliberate attempt to undermine civic participation in anti-corruption efforts.

The idea of a civic observer in healthcare establishments in Bourgas met with equally firm, though differently motivated, opposition from the leadership of the Bulgarian Medical Association in Bourgas. Their chief motive for declining the proposal of the Black Sea Legal Community, a *Coalition 2000* partner, was that such observation by a civic organization would intensify the pressure on members of the medical profession, which has been the most adversely affected by the ongoing healthcare reform.¹³



Regardless of the failures in Bourgas and Plovdiv, the local civic observation initiatives were put into effect in other towns where proper understanding of the need for mediation between the public and the authorities was demonstrated. Many of the local anti-corruption initiatives spurred lasting interest in the local ombudsman institution, which is essentially new to Bulgaria, as a safeguard for civil and human rights, but also, as an anti-corruption mechanism.

Local Ombudsman

The national campaign for the popularization of the ombudsman draft law, which was developed within *Coalition 2000* and was submitted to the National Assembly, played an important role in the introduction of the local ombudsman or civic mediator. A pilot project was also launched by the Center for Social Practices, one of the founders of *Coalition 2000*, to test the local ombudsman institution under the designation “public mediator”.

¹³ *Coalition 2000* received the following letter from the management of the hospital:

Esteemed Ladies and Gentlemen,

Without meaning to ignore the problem of corruption, a highly alarming issue for the whole society, our position as the management body of the professional organization of physicians in the Bourgas region is that it is inappropriate to first implement the proposed measure in the sphere of healthcare.

We are well aware that our area of activity is of particular public concern and that this kind of problem provokes intense reactions. On the other hand, we have been placed in the position of assuming responsibility for all the negative aspects of the present transition period. The medical profession is subjected to incredible pressure generated by the ongoing reform in healthcare: the resulting layoffs, the shortage of funds for medicines and supplies, and the irregular payment of salaries – a mere pittance for our work.

A program conducted in the form of a survey among doctors and citizens will further exacerbate the situation in healthcare establishments and increase social tension.

Respectfully: Chairman of the Management Board of the Regional Board of the Bulgarian Medical Association in Bourgas: Dr. L. Tomov

The elaboration of the local ombudsman model drew on the European experience and local research. An analysis was made to examine the existing legislative possibilities to legitimize the institution in the municipality. On the basis of the documents drawn up – Public Mediator Statute and Work Code – the various municipalities proceeded to legitimize the institution by voting at a municipal council session, through a framework agreement with the mayor ., etc.

One of the more sensitive issues, that of the appointment of the local ombudsman, was addressed by forming committees including representatives of all parties concerned: municipal councilors from all political groups, municipal officials, and experts. Local and regional media representatives were present at each stage of the public mediator election. The most qualified candidates were selected at municipal council sessions.

The media campaign to promote the institution itself comprised special programs on the national radio station, Hristo Botev, which dealt with relations between citizens and institutions and the role of the ombudsman as a mediator in conflict situations. Numerous articles appeared in the local and regional press on the possible ways in which the new institution could help citizens in their dealings with the local government, including cases of corruption.

Public Mediator (Center for Social Practices)

Mladost Region - Sofia

The Mladost Region, Sofia, is the largest municipality in the project and possibly the one facing the most complicated problems. The local public mediator faces the task of reconciling the positions of aggrieved citizens and members of the administration, and facilitating conflict resolution. The public mediator reviews complaints by citizens regarding instances of malpractice on the part of the administration. He may intervene in cases involving failures to keep legally established deadlines, displays of humiliating attitudes toward citizens, incorrect or incomplete information about the rights of citizens and the terms under which administrative services are provided; and abuses of power. The public mediator in the Mladost Region is authorized to deal with complaints related to housing or other real estate property; registration of commercial sites; waste disposal and street cleaning, etc. The office does not handle complaints that date back over one year or that have already been filed in court, cases involving citizens' private lives, or union and labor disputes.

Public Mediator Work Code:

- *Provides equal opportunities for citizens to defend their rights, regardless of their sex, race, nationality, ethnic identity, social origin, age, economic status, and political or religious beliefs.*
- *Respects the rights of all parties and informs them of his actions and intentions,*

hears them out and takes their views into consideration, and gives them the possibility to reconsider their own positions.

- *Does not disclose the names of persons involved in the various cases and other information of a confidential nature.*

In his work the public mediator from the Mladost Region has the support of the mayor of the municipality, which ensures him the necessary access to the administration and to information on individual cases. The mayor of the municipality believes the ombudsman system will significantly facilitate the handling of complaints and will thus help improve the quality of the services in the Municipality.

Center for Social Practices

Koprivshitsa Municipality

The office of the ombudsman in Koprivshitsa Municipality is in the local culture center. This was decided so as to differentiate the office from the local administration. Several complaints have been successfully dealt with, leading to specific changes in the practice of the municipal administration. One example is a complaint by an elderly citizen, who is a shepherd and lives high up in the mountain. His wife is deceased; however, the telephone was registered in her name. The plaintiff was not informed of the six-month deadline to change the name of the subscriber; and subsequently failed to keep the registration. He then received a letter informing him that he was to pay 120 lev for telephone service. The inquiry of the ombudsman found out that the six-month deadline had been announced in the bulletin of the Bulgarian Telecommunications Company but that the subscribers were unaware of the deadline. Only the telephone company employees knew about it. After long negotiations with the local automatic telephone station an agreement was reached for the shepherd to pay only 6.10 lev. The municipality also agreed to provide monthly updates to the telephone company about deceased subscribers so their families could be promptly informed of the procedures, terms, and deadlines for changing the subscription.

Providing counseling for citizens is one of the principal areas of activity of the public mediator. It was established that citizens are insufficiently aware of their rights and of the powers of the local administration. This lack of knowledge is used by the administration to refer citizens from one department or agency to another without actually addressing the problem. Therefore one of the main functions of the ombudsman is an educational one: to inform citizens of their rights and obligations, and to counsel them regarding the powers of local government and administrative procedures. In this way citizens can seek remedies for violations of?????. In this connection, the public mediator in Koprivshitsa is preparing a guide listing all the services offered by the Municipality, including a pricelist.

Center for Social Practices

Sevlievo Municipality

The public mediator in Sevlievo Municipality started operating a little later because the institution proved highly politicized and initially the local elite did not trust the ombudsman. The status of the public mediator had to be approved at a session of the municipal council but the representatives of one of the political powers boycotted the meetings claiming the ombudsman was a useless institution. Thanks to persistent efforts to clarify the nature of the institution, an agreement was finally reached with the Mayor of the Municipality about the functioning of the local ombudsman. In a poll conducted on the local radio station most of the town residents said they would use the services of the ombudsman if need be.

The Mayor of the town works actively with the public mediator and refers some of the complaints addressed to him for review and investigation to the ombudsman. He believes that such an institution is important and useful for society. The regular broadcasts on the local media explaining the functions and public importance of the ombudsman also prove helpful to his work.

In the course of the project the functions of the local ombudsman were extended in view of the needs of the communities included in Sevlievo Municipality (a total of 32). Temporary offices were opened in many of them in order to popularize the functions of the public mediator and provide assistance to the citizens.

In conclusion, the introduction of the ombudsman institution in the three municipalities can be said to have been a process of adjustment to the conditions and problems in each of them. Whereas the traditional institution has specific and strictly defined powers, in Bulgaria the public mediators took on additional activities, mostly in the area of civil rights education and awareness raising. It should be noted that most of the local administration members perceived it as an institution facilitating their work rather than monitoring their own performance for possible malpractice and violations. This provides further motivation for the educational and counseling function of the public mediator in Bulgaria.

The main conclusion to be drawn from the pilot project is that there is potential for the establishment of the local ombudsman institution while bearing in mind the following recommendations by experts of the Center for Social Practices::

- The role of the ombudsman should not be confined to the classical model, as it could successfully take on the functions of a Civic Service Office, as well.
- In the larger municipalities it might be appropriate to limit the functions and focus on poor administration only. Here the problems are numerous and difficult to address.

- It is appropriate to extend the functions of the ombudsman in the smaller municipalities where this institution could help address regional problems .
- It is crucial to address the problem of the independence of the ombudsman institution, which is largely dependant on outside financing.
- In cases when the ombudsman works in cooperation with the mayor it is necessary to have a mechanism to balance their interrelations so as to avoid possible conflicts of interest - too strong influence of the mayor over the institution or use of the ombudsman for purely political purposes.

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The above conclusion finds confirmation in the case of Pleven, where in his election campaign the present mayor committed himself to introducing the ombudsman institution in the municipality. The association Revived Civil Society, a *Coalition 2000* partner, made serious efforts to draw up the Public Mediator Statute and Work Code, conducted a public awareness campaign, and enlisted public and media support. However, once the mayor was elected and assumed office, the ombudsman idea was abandoned and never put into effect.

The problem of coordinating party-and-political considerations and leanings on the one hand, and public interest on the other, which looms with particular urgency in a pre-election situation, remains of fundamental importance for the partnership of the non-governmental sector with political agents or local government representatives. The introduction of a local ombudsman in particular, or of other mechanisms for civic control over institutions, is basically dependent on the subjective factor: measure of commitment, lasting or conjuncture-motivated concern, and the capacities and resources of both sides involved. it should be noted that the adoption of an ombudsman law would help create a more favorable environment for anti-corruption efforts on a local level, and for

promoting and safeguarding civic institutions and civic control mechanisms initiated by them.

In spite of the lack of legal regulations and largely as a result of efforts from the non-governmental sector, more than 30 municipalities across the country have expressed interest and readiness to implement projects for the introduction of a local ombudsman. Some of them, such as Veliko Turnovo Municipality, are even ready to finance such a project with their own funds. Sofia Municipality is already in the process of introducing an ombudsman in the capital.

The Ombudsman Regional Association in Stara Zagora, created in early 2001 with the assistance of *Coalition 2000*, has already managed to establish itself in public as a mediator between citizens and the municipal institutions. In one of the first conflicts it dealt with, the association conducted the appropriate inquiry and started negotiations with the respective agencies.

Ombudsman Regional Association - Stara Zagora

The first substantial case in which the Ombudsman Regional Association legitimized itself in public concerned contracts provided by the Water Supply Company (WSC) to its clients. The psychologists were the first to object to the approach chosen by the WSC. The company offered ready, signed and sealed contracts. This runs counter to the provisions of Art. 8 of the Law on Obligations and Contracts, defining a contract as “an agreement between 2 or more persons, who freely determine its content to best defend their interests”. The lawyers objected in most resolute terms to the “10% penalizing interest in addition to the interest owed for delayed payment based on the annual interest rate set by the Bulgarian National Bank” referred to by Art. 2.4, Par. 2 of the proposed contract. This is contrary to the provisions of Art. 10 of the Law on Obligations and Contracts.

A proposal for amendments was drafted on the basis of the legal analysis submitted to the WSC in Stara Zagora. Through the press the Ombudsman Regional Association advised c to sign the proposed contract because it imposed monopolistic conditions in an essentially contractual deal.

As a result of the negotiations, the WSC in Stara Zagora acknowledged part of the arguments of the Ombudsman Regional Association and announced that it would revise the contracts to abolish the 10% penalizing interest. The WSC further accepted the idea of a dialogue with the taxpayers in cases involving group interests.

This case, which was extensively covered by the media in Stara Zagora, was an illustration of a situation where the Ombudsman Regional Association acted as a mediator between citizens and the municipal institutions. The results achieved confirmed the need for a mediating institution and for other forms of civic control.

The fact that mediating institutions – under different designations and in different forms, as part of the anti-corruption projects – were established in Stara Zagora, Shumen, Varna, Smolyan, Koprivshitsa, Sevlievo, Razgrad, Veliko Turnovo, Sofia, and other towns is evidence of the progress made by Bulgaria in this transition period in terms of emancipating civil society, increasing awareness of its role as a partner in social relations, and being ready for civic participation and exercising control over local self-government. There is reason to applaud the emergence of a definite potential for far-reaching institutional reforms in local government by a number of mayors, municipal councilors, and other local government officials, who intend to govern according to the authority conferred on them by law and in line with the rights and interests of the citizens that have elected them.

Nevertheless, the question of the institutionalization of civic mediators – whether the designation is civic observer or local ombudsman – is still up for discussion. The issue has actually been explored in a far more active and committed manner in the local and regional papers than in the central press. The discussion on the pros and cons of civic mediation has transcended the framework of anti-corruption projects to assume a place in its own right in public debates mainly about the so-called “open municipalities”, where the different forms of public-private partnership were tested as a new anti-corruption mechanism.

4.4 Lessons Learned

The local anti-corruption initiatives of *Coalition 2000*, which brought about the introduction of innovative forms of civic participation and specific anti-corruption mechanisms to public-private partnerships, offer ample material for analyses, conclusions, and recommendations. The experiences gained in this pursuit, which are essentially new to Bulgaria, could be used to pave the way for more promising forms of anti-corruption partnerships and to enhance the effectiveness of anti-corruption efforts. The main conclusions and recommendations as well as the assessments of some emerging problems can be summarized along the following lines:

1. The foremost emerging conclusions and recommendations concern **local self-government reform**, where the anti-corruption initiatives established themselves as allies to the reforming powers to achieve good governance on a local level and in modern municipal administration.
 - In order to achieve greater transparency of local self-government and create an anti-corruption environment in the municipal administrations, it is necessary to improve the legal and institutional framework through specific legislation aimed at deterring and limiting corruption. There are serious arguments against the centralized methods of governance and financing of municipal authorities, which continue to function under the old model and favor the continuation of

corrupt practices. Reforming local self-government to bring it in line with European standards, including the expansion of anti-corruption legislative measures, constitutes one of the imperatives of the transition and of Bulgaria's ascension to the European Union.

- The anti-corruption mechanisms and sound practices tested within the local anti-corruption initiatives reveal the potential for the multiplication of organizational and legal forms of civic participation and control, which could be used to draft amendments and to improve the legal framework of local self-government. These would include extending the mechanisms of direct democracy, guaranteeing the rights of civic organizations, relieving the municipal administration of some of its functions and delegating certain public services to non-governmental and professional organizations, which would be in keeping with modern tendencies to improve the quality of public services. Such a “withdrawal” of the municipal administration would not only reduce the bureaucratic apparatus, but also bureaucratic corruption as well.
 - The need to make optimal use of available anti-corruption instruments in Bulgarian legislation and to activate and rationalize already existing bodies of control and civic participation emerges as another key element in efforts to achieve good governance and transparency on a local level. More active and effective use could be made of the legal powers of municipal councils to adopt rules and ordinances applicable in the territory of the municipality, as well as to endorse framework agreements or municipal programs of anti-corruption initiatives. In this respect, in addition to broad public awareness campaigns targeted at the local communities, it is important to reach the political elite as a key factor in involving the participation of local government authorities and identifying competent local leaders.
 - The anti-corruption impact of the local ombudsman institution (local public mediator) speeded up its legitimization. Unlike other countries in transition, where the ombudsman law preceded the social practice, the reverse process was observed in Bulgaria: the pilot projects introducing public mediators on a local level have constituted a definite resource for the adoption of the draft law. It should be noted that in the course of implementing the local anti-corruption initiatives there appeared certain characteristics in terms of the functions, election procedures, etc., , which makes it possible to speak of a Bulgarian model for local public mediator, including an instrument for preventing and counteracting corruption on a local level. Speeding up the adoption of an ombudsman law, which contains a special chapter on local public mediators, would no doubt play a key role in democratizing municipal institutions and institutionalizing civic participation and control.
2. The local anti-corruption initiatives integrated themselves in the **revival of civil society** and established its social role in fostering civic awareness within the municipality and the region. In the broad context of arising problems, innovative practices and anti-corruption mechanisms, successful or unsuccessful partnerships, etc., it is possible to highlight several basic conclusions and recommendations:

- For the first time the fight against corruption became a priority of local non-governmental organizations, which helped uncover the potential of civil society in counteracting corruption in a given municipality or region. A partnership was initiated between non-governmental organizations, media, and business on the one hand; and the local institutions, on the other. The anti-corruption structures created in a number of “open municipalities” proved the viability of the coalition model, which implies a capacity for dialogue and integration, mutual trust, and overcoming existing negative attitudes to non-governmental organizations on both a national and local level. Moreover, what the anti-corruption initiatives have proposed to the authorities is implementation of reforms aimed at transparency and openness in local government, and the process of formulating the public agenda in the fight against corruption on a local level. Underlying this new partnership is realizing the concurrence of the goals and priorities of the civic anti-corruption initiatives and those of the municipal authorities, and the competent anti-corruption bodies. At present, however, this is only tendency and its future largely depends on the further recognition of civil society as a partner and on the democratization and modernization of local government factors.
- Civic participation in the anti-corruption efforts still encounters lack of understanding or opposition on the part of both institutions and the local communities. In some cases there seem to be deliberate efforts to undermine civic anti-corruption initiatives. Such opposition typically cites “legal” arguments: that the inclusion of civic organizations in anti-corruption campaigns is illegitimate, that the fight against corruption should be left to the respective law-enforcement authorities – the police, courts and prosecution, and to the state control bodies – National Audit Office, Agency for State Internal Control, Financial Intelligence Unit Agency, as well as to members of parliament and parliamentary committees. This position as a rule only refers to the criminalized offense of corruption, i.e., bribery, which is covered by criminal law and working law-enforcement mechanisms. This is used as a reason to reject the need for any broader public involvement with anti-corruption tasks. Another type of opposition uses institutional arguments, in the sense that there is allegedly no room or need for new institutions (ombudsman, civic observer) in the Bulgarian institutional system. Deliberately or because of lack of knowledge, such an institution is claimed to be a superfluous bureaucratic luxury. In any event, however, opposing, underestimating or ignoring civic participation in the fight against corruption is deeply rooted in the notorious past practice of centralized regulation and control over all forms of civic activity.
- Countering these arguments against the institutionalization of civic participation in anti-corruption initiatives may not be easy but is nevertheless possible. It is necessary to realize and overcome the lingering etatist stereotypes requiring and creating preconditions for civic passivity and withdrawal, as well as the traditional perception of corruption solely as bribery.

- The local anti-corruption initiatives provide examples of at least two functions with which civil society can become a viable partner in the fight against corruption on a municipal/regional level. Above all, this is the mediating function. In view of the present state of local self-government and existing well-known psychological attitudes – primarily the alienation from power and mistrust in the institutions – mediation assumes particular importance for the creation of channels for filing complaints, for protecting the victims of corruption, and watchdog monitoring; and the resultant proposals for better and transparent governance.
 - The second critical function tested in local anti-corruption initiatives is related to certain areas of activity and services in which the administration has proved ineffective; or which compensate for certain shortcomings of the information environment and the media, the educational system and the community culture. It can provisionally be called the compensatory function and can be illustrated by examples from two areas: one is the anti-corruption education initiative by *Coalition 2000* and its local partners; and the other is the use of the new information technologies and local monitoring aimed at greater transparency and openness in local self-government. It is in these two areas that the most tangible results were achieved in establishing the partnership between civil society and the local authorities.
3. Last but not least come the conclusions and recommendations directly related to the functioning of *Coalition 2000* and the legitimization of non-governmental organizations of a coalition type in the fight against corruption on a local level.
- ❖ In the course of implementing anti-corruption initiatives, considerable experience was gained in structuring the network of non-governmental organizations engaged in the fight against corruption. A policy of finance and activity decentralization was implemented. At the same time, as the organizer of the national campaign, *Coalition 2000* provided solid argument for legitimizing its partners before local communities and local government authorities.
 - ❖ Both the positive and the negative results point to the need for a better grasp of the mission of anti-corruption organizations, which implies a clear-cut definition of the activity parameters and the setting of feasible goals. It is of primary importance to focus the efforts of local anti-corruption organizations on developing the capacity to establish partnerships and maintain a genuine dialogue with local government authorities. In this respect it is worth promoting a certain balance between the critical/destructive approach along the lines of “fighting corruption in local government” and the constructive approach, which stresses the task of achieving greater transparency and openness of the municipal authorities. At the same time, local anti-corruption initiatives can only benefit if the organizations manage to resist submission to narrow party interests; preserve their civic identity independently from the political context and the power structures; and gain the trust of the local community through effectiveness, transparency,

long-term and lasting commitment to public interests, and through their personal and professional integrity.

