# Security program

In 2015, the activities of the Security Program were focused in the following areas:

- **Assessing the threats of organised and conventional crime.** In 2015, the Security Program published the *Financing of organised crime* report providing analysis on the sources, mechanisms and approaches to the financing of organised crime. The data gathered and analysed allows for a better and more effective investigation of organised crime and money laundering. The Security Program also started work on two new research areas – countering extortion and racketeering in the EU and exploring the links between corruption and trafficking of women. The work will contribute to the better understanding of these phenomena and for increasing the response capacities of law-enforcement bodies. The results of the traditional *National Crime Survey* (NCS), along with the respective policy recommendations were discussed with the Ministry of Interior and presented to the public.

- **Countering radicalisation and terrorist threats.** The Security Program, together with the Sociological Program and the Law Program, elaborated a report investigating to what extent internationally observed radicalisation processes are manifested in Bulgaria, including trends and risks posed by Islamist radicalisation, right-wing and left-wing radicalisation, as well as football hooliganism. It offered policy recommendations for adequate institutional responses to this phenomenon.

- **State capture and the media.** The Security Program has contributed to researching the phenomenon of "state capture" by investigating the current status of the media sector, focusing on the risks created by the lack of transparency of the media ownership and the lack of media pluralism.

- **Innovative instruments for assessing the policies in the fight against corruption.** The Security Program applied its innovative tool for monitoring anti-corruption efforts to several state institutions and municipalities (among them Border Police, Traffic Police, Ministry of Defence, and Bourgas municipality). The tool allows policy makers to assess the effectiveness of anti-corruption measures at the institutional level. In addition, it can also be used for conducting national and international comparative analyses among state institutions.

## I. Assessing the threats of organised and conventional crime

Financing of organised crime is characteristic for all criminal markets, but because of some inadequacies of the *Code of Penal Procedures* in most of the EU Member States, it rarely attracts the attention of the relevant institutions. Traditionally, the operative and intelligence activities are directed at identifying the members of criminal groups and their illegal activity.

In investigating financial transactions, the most common focus is upon money laundering and income received, not on the investments facilitating criminal activities. All the intelligence regarding the financial aspects of organised crime is usually deemed as irrelevant and there is a lack of well-planned and purposeful effort for gathering and analysing similar data.

The available information on the financial aspects of the activities of organised crime groups is fragmented and incomplete because it is underestimated in the elaboration of risk assessment and the analysis of organised crime, as well as due to the lack of knowledge and experience among most police officers working at a local level.

To fill this gap, CSD initiated a study on the financing of organised crime, in partnership with the University of Trento (Italy) and Teesside University (UK) and in close collaboration with the State Agency for National Security in Bulgaria, the State Police in Latvia and the French National Institute for Advanced Studies in Security and Justice. The analysis explored the **sources and mechanisms for financing organised crime, settlement of payments, access to financing in critical moments, costs of business, and the management of profits**. Drawing on the results of the

analysis, the report also suggested possible new approaches to tackling organised crime. Its aims were achieved by gathering and analysing empirical data to enable more efficient investigation of organised crime and money laundering. Because of timely constraints and the inability to encompass all aspects and fields of organised crime activities, the report is focused on the analysis of three manifestations of criminal activity: illegal market of banned goods (cocaine); illegal market of legal goods (tobacco); and tax frauds.



FINANCING OF ORGANISED CRIME

CSD
CENTER FOR
THE STUDY OF
DEMOCRACY
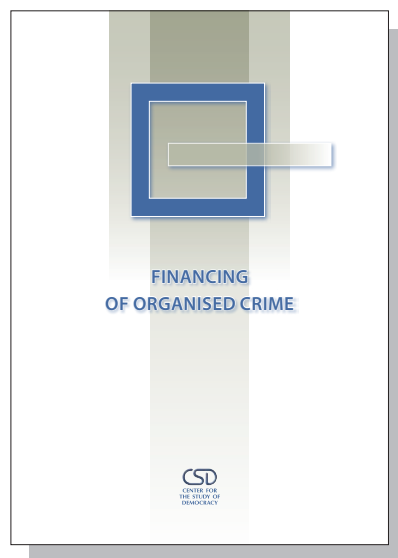
The research encompassed the financing and other finance-related aspects of organised crime in all EU Member States. Also taken into consideration were forms of financing in states outside of the EU, in the context of the trans-border access to networks of organized crime. Specific markets in 10 EU Member States have also been researched through detailed case studies.

The findings of the study were presented on 12th May 2015 at a round table discussion **Institutional Measures to Counter the Financing of Organised**

*Participants in the Round Table Discussion Institutional Measures to Counter
the Financing of Organised Crime*

**Crime.** Debates centered around the current state of the criminal markets in Bulgaria, particularly the smuggling of illegal cigarettes, the drug market and VAT fraud, as well as the practices used to curb these markets applied rather inconsistently in recent years. The round table was opened by Mr. Atanas Atanasov, Chairman of the Internal Security and Public Order Parliamentary Committee, and by Dr. Ognian Shentov, Chairman of the Board of the Center for the Study of Democracy. In his opening speech, Mr. Atanasov stated that one of the most effective ways to combat organised crime is to stop the financial flows which support it. He emphasized the importance of the conclusions and recommendations advanced by CSD and expressed hope that they can serve as a foundation for legislative initiatives aimed at establishing reliable mechanisms for addressing the financing of organised crime. Mr. Atanasov noted that the conclusions and recommendations are a result of the continuing cooperation between the non-governmental sector and law-enforcement institutions in Bulgaria, an approach which is productive and should therefore be encouraged and developed further.

Dr. Ognian Shentov pointed that regardless of the decisions of the Council for Justice and Home Affairs to criminalize the financing of organised crime, unfortunately due to a variety of reasons this has not happened neither in the Europe-

an Union, nor in Bulgaria. **Dr. Shentov** highlighted an interesting parallel between legal and illegal markets identified by the study – illegal markets work with the same financial instruments that legal markets also use. Therefore, the same instruments should be used to counter the financing of organised crime, which raises the question whether the relevant law-enforcement institutions have sufficient capacity for this. In addition, public-private partnership in the formulation and implementation of institutional measures to counter organised crime financing should be used to its full potential.

Dr. Atanas Rusev, Senior Analyst at CSD, presented the main conclusions and the suggested proposals for possible measures for countering the financing of organised crime, whereas Mr. Tihomir Bezlov, Senior Analyst at CSD, discussed several specific cases, notably the cigarette market in the country. He also commented on cases of VAT fraud, giving as an example the sugar industry. Mr. Stoyan Temelakiev, Deputy Director of the General Directorate Combating Organised Crime, made an analysis on the impact of the crisis on the different criminal markets – cybercrime and frauds, the sex services market, and the heroin trafficking. Other participants in the debate included Dr. Phillip Gounev, Deputy Minister of Interior, General Vanyo Tanov, Director of the Customs Agency, Ms. Galia Dimitrova, Deputy Director for Operational Activities and Mr. Vasil Panov, Director for Control at the National Revenue Agency.

In 2015, CSD started work on two additional topics related to organised crime: **extortion and racketeering** and a **study of the links between corruption and trafficking of women**.

The aim of the first study is to assess the **risks and weaknesses of extortion racketeering** in certain industries and communities. The focus is on two specific business sectors in the EU – hospitality and agriculture, as well as on the migrant communities in Europe. The specific objectives of the study foresee developing a victim-focused methodology for assessing risks and vulnerabilities to extortion; analysing risks and vulnerabilities to extortion for business companies from the different contexts throughout seven EU countries; examining the involvement of public servants in extortion racketeering; examining the existing law enforcement and community approaches for tackling/resisting extortion racketeering; producing indices of risks and vulnerabilities to extortion racketeering for the hospitality industry, the agricultural sector, and migrant communities.

The study is expected to contribute to the better understanding of the phenomenon extortion/racketeering and define the best practices and experience in the field of countering extortion and racketeering, as well as provide knowledge and additional qualification to law enforcement officers and business representatives.

**The Study of the Links between Corruption and Trafficking of Women** focuses on the links between trafficking of women, prostitution, and corruption. Previous research has found out that corruption may be involved in all phases of the trafficking process (recruitment of victims, transportation to a specific destination, issuing different documents, sexual exploitation, realisation of profits). For the purposes of the study, corrupt practices among four segments of the pubic sector will be researched – local administration, law enforcement, judicial system and government officials. The study will focus on the impact of corruption among vulnerable groups, with an emphasis on

the trafficking of women in five countries – Bulgaria, Croatia, Georgia, Italy, and Kosovo. The main aim is to research the links between corruption and trafficking of women and the forms of corruption's impact on the victims of human trafficking.

The Security Program published a *Study on paving the way for future policy initiatives in the field of fight against organised crime: the effectiveness of specific criminal law measures targeting organised crime*. Organised crime poses a threat to the security and freedom of European citizens and impacts the lives of people worldwide. Recognising the severity of the problem and the need for coordinated action, the EU has initiated a number of measures to encourage closer cooperation between Member States and the adoption of common legal, judicial, and investigative frameworks to address organised crime.
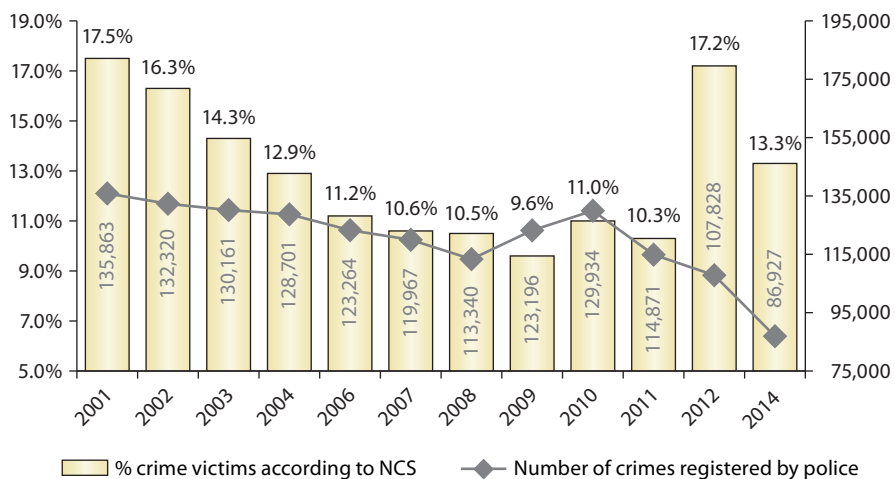


The study evaluates the practical application of legal and investigative tools stemming from *Framework Decision 2008/841/JHA on the fight against organised crime*, other EU and international regulations and national legislation. The study involved a review of the transposition of *Framework Decision 2008/841/JHA* in 28 Member States; examining how the identified legislation, relevant to the fight against organised crime, was used in practice in each Member State; a review of eight special legal and investigative tools and techniques used in the fight against organised crime and an overview of selected national specialist law enforcement and prosecution agencies involved in the fight against organised crime.

**The National Crime Survey (NCS)** is an instrument introduced by CSD in Bulgaria in 2002. It allows for an in-depth analysis of criminal trends and size of criminal markets. The NCS covers eight different types of crimes related to the group of crimes against private property (car theft, bicycle theft, burglaries, attempted burglaries, robbery, and thefts of personal property, attacks/threats). The NCS index does not include crimes against personality, generally dangerous crimes, other criminal activities (crimes against civil rights, crimes against marriage, family, etc.). The eight crimes included are the most widespread ones, which represent between 65 % and 70 % of the general number of crimes and which the society is particularly sensitive about.

In 2014, there has been a decline in the number of victims of crimes to 13.3 % compared to the record figures of 17.2 % in 2012. Despite this decline, the level of crimes remains high and it is comparable to the crimes registered for the period 2004 – 2006. At the same time, in 2014, the police statistics registered the lowest number of crimes since 1990. The comparison between the criminal statistics and the number of victims registered through NCS manifests that the decline in the crimes conducted is not

## Crime level: NCS and MoI statistics (2001 – 2014)



**Legend:** % crime victims according to NCS — Number of crimes registered by police

| Year | % crime victims (NCS) | Number of crimes registered by police |
|------|----------------------|--------------------------------------|
| 2001 | 17.5% | 135,863 |
| 2002 | 16.3% | 132,320 |
| 2003 | 14.3% | 130,161 |
| 2004 | 12.9% | 128,701 |
| 2006 | 11.2% | 123,264 |
| 2007 | 10.6% | 119,967 |
| 2008 | 10.5% | 113,340 |
| 2009 | 9.6% | 123,196 |
| 2010 | 11.0% | 129,934 |
| 2011 | 10.3% | 114,871 |
| 2012 | 17.2% | 107,828 |
| 2014 | 13.3% | 86,927 |

***Source:*** *CSD surveys and MoI.*



*Participants in the public discussion Dynamics of Conventional Crime in Bulgaria 2014 – 2015*

so significant, as the data of the Ministry of Interior suggests. This outlines a trend of a mismatch between the genuine number of crimes and the number of the crimes registered by the police. The difference is explained by the existence of the so-called "police-filters", or the practice not to register some crimes, as well as the "latent criminality", in which citizens – for different reasons – do not report crimes they were subjected to. The NCS results show that only one out of three crimes is recorded in the official statistics.

These sensitive issues were discussed on 30th July 2015 during a public discussion **Dynamics of Conventional Crimes in Bulgaria 2014 – 2015**. Results of the 2015 *National Crime Survey* (NCS) were presented to Ms. Rumiana Bachvarova, Deputy Prime Minister and Minister of Interior, as well as with senior representatives from the national police.

## II.  Countering radicalisation and terrorist threats

Responding to terrorist threats has become a particularly relevant policy issue over the past several years. The security environment has evolved quickly: the growing reach of the so-called Islamic State and the destructive dimensions of (violent) Islamist or right-wing radicalisation have become dramatically visible in Europe, posing serious challenges to European societies at large.

To discuss these challenges, on 8 January 2015, CSD organised a Round Table: *Countering Radicalisation and Terrorism Threats in Europe*, with the special participation of a keynote presenter – Mr. Gilles de Kerchove, EU Counter-Terrorism Coordinator.

Dr. Ognian Shentov, Chairman of CSD, opened the discussion and stressed



*Mr. Gilles de Kerchove, EU Counter-Terrorism Coordinator and Dr. Ognian Shentov, Chairman, CSD*

*Participants in the Round table Countering Radicalisation
and Terrorism Threats in Europe*

that the latest attacks in France have confirmed that the terrorist threats in Europe, including the phenomenon of radicalisation, can only be addressed through common efforts by government, international organizations and civil society institutions.

Mr. De Kerchove laid emphasis on the alarming nature of the terrorist attack in France. He described recent international and regional developments shaping the terrorist landscape and expressed his concern about the growing threat posed by ISIS as the most resourceful terrorist organisation at the moment, not least due to the increasing number of foreign terrorist fighters (FTF) joining its ranks. He provided a comprehensive overview of the policy response at the EU level, and highlighted the importance the FTF issue has received in a recent legally-binding *Resolution 2178* adopted by the UN Security Council. Mr. De Kerchove described the four main pillars of policy measures at the EU level towards countering radicalisation: prevention, detection of suspicious travel, pursuing FTF through criminal law, and external engagement with third countries.

He pointed out that prevention is one of the most important pillars, yet there has been a delayed implementation of such measures in the EU due to the difficult and sensitive nature of potential approaches to understanding and responding to factors for radicalisation. There is a pressing need to develop local capabilities at the front-line to recognise early signs of radicalisation processes, in which engaging civil society and local communities plays a key role. In this context, the relationship between the

intelligence communities and the local social services is of paramount importance to countering radicalisation and dealing with foreign fighters. He added that the fact that these two have been brought closer is a major success.

Other participants in the discussion included Dr. Philip Gounev, Deputy Minister of Interior, Mr. Anyu Angelov, Defence Adviser to the Prime Minister of the Republic of Bulgaria, Dr. Emil Tsenkov, Senior Fellow, Security Program, who all shared the idea of the necessity to raise the capacities of the special organs, to strengthen the means for informational and intelligence exchange, and for a new approach in cooperating with local religious communities.

In conclusion, Mr. De Kerchove emphasised the importance of EU information sharing tools such as Europol, SIS and the enforcement of comprehensive approach to counter terrorism by coherent measures of prevention, detection, and pursuit of offenders. He also emphasised that despite the intensified efforts of the EU to confront the foreign fighters' issue, it needs to continue engaging with vulnerable countries from the Middle East and Africa, including countries of origin, transit or sponsor countries.

The Security Program, together with the Sociological and Law Programs, elaborated a study on *Radicalisation in Bulgaria: Threats and Trends*, addressing a knowledge gap with regard to how and to what extent internationally observed radicalisation processes are manifested in Bulgaria. The report provides policy makers and the expert community with a systematic overview of the main risks to which the Bulgarian society is exposed, as well as of the main actors and ideas, the repertoire of actions, and the groups at risk associated with radicalisation. The report outlines recommen-

dations for improvement of the policy and institutional response with regard to radicalisation by way of monitoring and prevention measures as well as multi agency collaboration and community engagement.
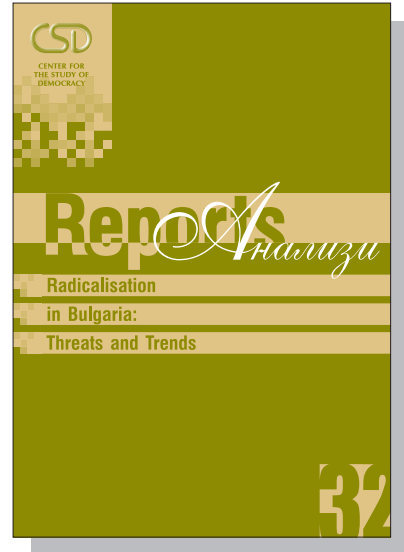
The key findings of the study, along with present challenges in recognising and countering radicalisation risks, were discussed during a round table on 8 December 2015 on *Radicalisation in Southeast and Central Europe: Monitoring and Responding to Key Trends and Risks*, organised together with the Sociological Program. The round table was attended by representatives of partner organisations from the Czech Republic and Greece, representatives of the Ministry of the Interior, the State Agency for National Security (SANS) and various embassies. The keynote presenters included Dr. Lindsay Clutterbuck, independent expert on counter-terrorism from the UK, and Ms. Ines von Behr, Senior Analyst at RAND Europe, who shared lessons learned from analysing the risk factors leading to violent radicalisation in the UK and the effectiveness of counter-radicalisation inter-

*Round table on Radicalisation
in Southeast and Central Europe:
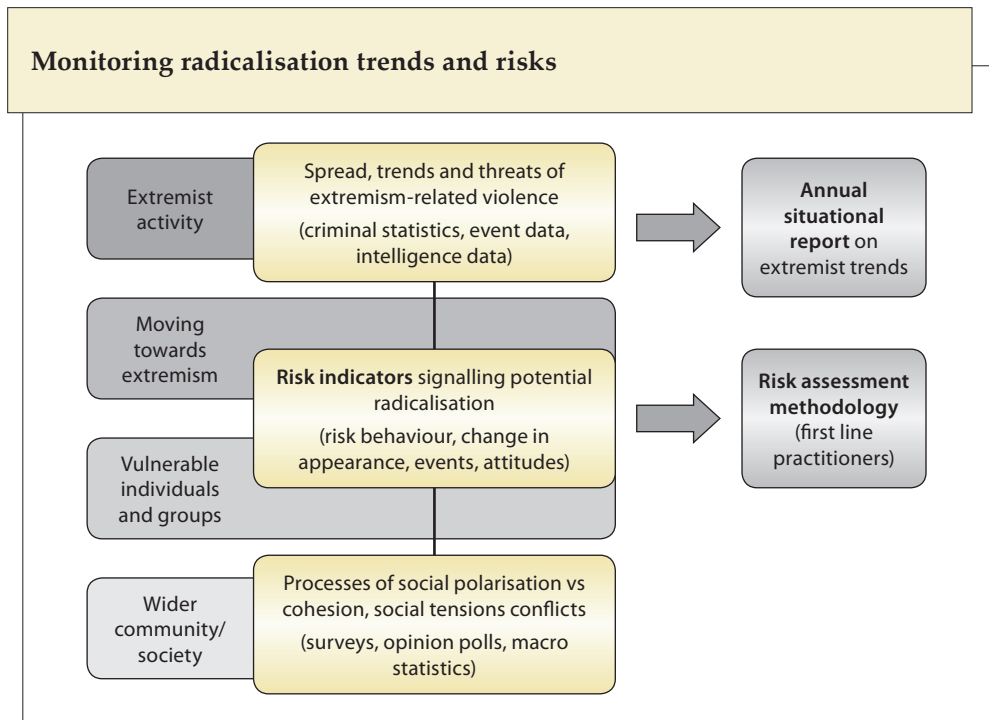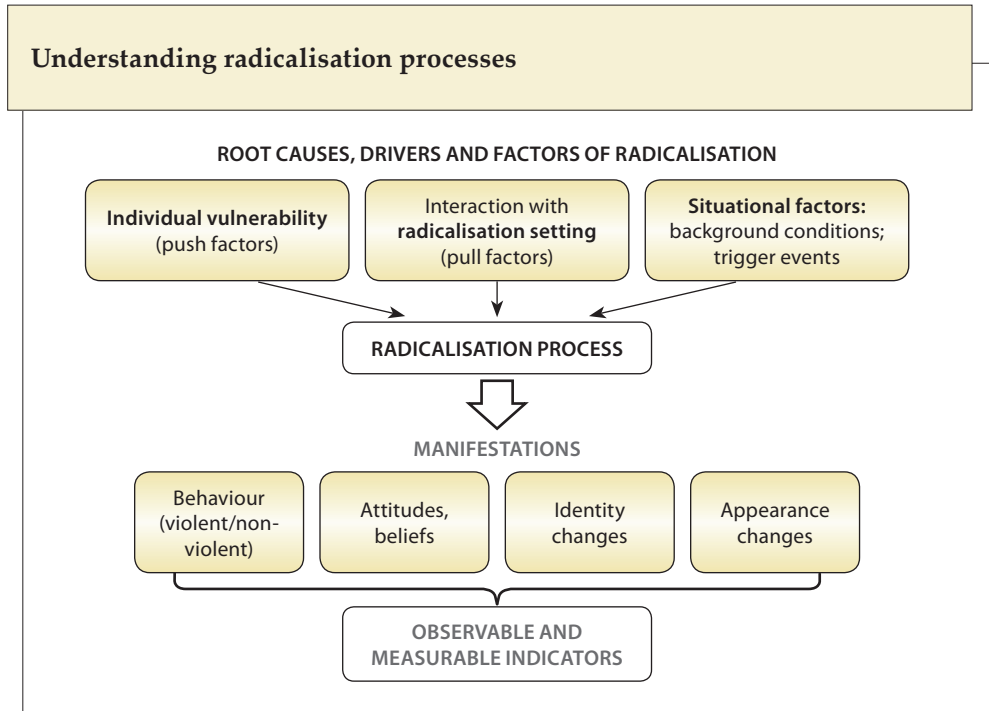Monitoring and Responding to Key Trends
and Risks, Sofia*

ventions applied across the EU. One of the core themes of the Round table was the need to develop working methods in identifying, monitoring, and evaluating context-specific radicalisation risks, as well as the need for better evidence to guide policy actions. More research is needed to better understand the root causes, factors, and risk signs of radicalisation and under what conditions it might lead to violence. Ms. Rositsa Dzhekova, Coordinator of the Security Program presented CSD's work on addressing these challenges through developing practical radicalisation monitoring tools for first-line officers.

In June 2015, a four-day study visit to Paris was organised to key French institutions involved in different aspects of **preventing and countering radicalisation and terrorism**. It allowed experts from CSD, the Ministry of Interior and the State Agency for National Security to get acquainted with the French approach to countering radicalisation and terrorist threats, including on issues such as foreign fighters, judicial, law enforcement, and intelligence measures undertaken since 2014, counter-radicalisation prison programs, among other issues. Expert meetings were held at the following institutions: Interministerial Committee on Crime Prevention; National Institute for Advanced Studies in Security and Justice; Coordination Unit for the Fight against Terrorism; Central Service of Territorial Intelligence; National Unit for the Fight against Hooliganism; Central Office for Combating Crime linked to Information and Communication Technologies; and Office for Intelligence in Prison.

Also in December 2015 the Security Program hosted a working meeting of Bulgarian law enforcement and intelligence officers with representatives of the French **Co-ordination Unit of the Fight against Terrorism** (Unité de coordination de la lutte anti-terroriste – UCLAT). The meeting provided practitioners from the two countries with the opportunity to discuss at an expert level recent challenges and approaches to the prevention of radicalisation and confronting more effectively the issue of transiting foreign fighters.

Ms. Rositsa Dzhekova, Coordinator of the Security Program participated in the inter-institutional working group at the Ministry of Interior for developing the draft *Strategy for Countering Radicalisation and Terrorism 2015 – 2020* and an accompanying *ActionPlan* for its implementation, pending final approval. Ms. Dzhekova proposed specific measures related to the prevention of radicalisation through developing methods

## Understanding radicalisation processes

**ROOT CAUSES, DRIVERS AND FACTORS OF RADICALISATION**

| **Individual vulnerability** (push factors) | Interaction with **radicalisation setting** (pull factors) | **Situational factors:** background conditions; trigger events |
|---|---|---|

**RADICALISATION PROCESS**

**MANIFESTATIONS**

| Behaviour (violent/non-violent) | Attitudes, beliefs | Identity changes | Appearance changes |
|---|---|---|---|

**OBSERVABLE AND MEASURABLE INDICATORS**

## Monitoring radicalisation trends and risks

| Extremist activity | Spread, trends and threats of extremism-related violence (criminal statistics, event data, intelligence data) | **Annual situational report** on extremist trends |
|---|---|---|
| Moving towards extremism | | |
| Vulnerable individuals and groups | **Risk indicators** signalling potential radicalisation (risk behaviour, change in appearance, events, attitudes) | **Risk assessment methodology** (first line practitioners) |
| Wider community/ society | Processes of social polarisation vs cohesion, social tensions conflicts (surveys, opinion polls, macro statistics) | |

*Participants in the working meeting with the French Co-ordination Unit of the Fight against Terrorism (UCLAT)*

for identification, monitoring and evaluation of radicalisation risks and through establishing effective mechanisms for multi-agency cooperation and engagement of civil society and communities at local level.

## III. State Capture and the Media

State capture is a process by which certain individuals, interest groups, or powerful private firms 'capture' the state legislative, executive, and judicial apparatus to shape laws, policies, and state regulations to their own advantage. State capture may also refer to the situation when state officials (politicians) mold institutional frameworks, policies, and laws in favour of vested interests (be it corporate, political, or criminal).

'**Media capture'** refers to the situation in which the media – a key check-and-bal-

ance mechanism for the healthy functioning of democracy – does not have an autonomous position in society but is controlled either directly by governments or by vested interests networked with politics.

The problem in Bulgaria is that the real owners of media outlets remain largely hidden, as a consequence making it increasingly hard for the general public to make an informed decision about the trustworthiness and objectivity of media products. The concentration of ownership in the two sectors under scrutiny – private security and the media – is crucial because it indirectly influences the work of government and the official state administration, and as such has an impact on individual citizens.

Over the past decade, media in Bulgaria has gradually lost independence; ownership has concentrated in the hands

of a several private companies/individuals, who have increasingly used it as way to trade in influence. Media pluralism has been largely lost in mainstream media, while regulatory bodies have not reacted, and allowed for a continuous deterioration of media freedom, as all major international indexes have detected. This deterioration has not only undermined efforts to fight corruption, but have undermined the basic democratic processes such as the democratic elections. These processes have transformed **media as a tool for state capture**.

Transparency of media ownership and media pluralism are directly related to fundamental constitutional principles, rights and freedoms such as independence and freedom of the media, freedom of expression, pluralism of opinions, and citizens' right to information. Consistent application of these democratic principles is required to prevent the vicious practice of using the media as an instrument for state capture. The current publication makes a review of the legal framework for disclosing ownership of the media.

The legal regime for disclosing media ownership is detailed in the policy brief *Media Ownership in Bulgaria: state of play and challenges*, published in March 2015.

Within it, it is discussed that publicly available and accessible information about the electronic media does not always allow to establish their ultimate owner. Despite the existence of a register of ownership of print media, weaknesses in the imposition of sanctions and the broad administrative discretion allow violations of the requirement for submission of information to go unpunished. The restrictions on media ownership by offshore companies provide for some exceptions that allow circumventing the law. There are no special tests
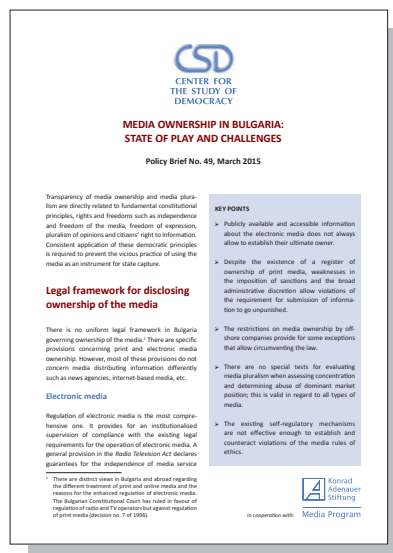


for evaluating media pluralism when assessing concentration and determining abuse of dominant market position; this is valid in regard to all types of media. The existing self-regulatory mechanisms are not effective enough to establish and counteract violations of the media ethics rules.

On March 11, 2015, CSD, in partnership with the Media Program Southeast Europe of the Konrad Adenauer Foundation and the Open Society Foundations, held a conference on *Media as an Instrument for State Capture*.

Dr. Ognian Shentov, Chairman of the Board of the Center for the Study of Democracy, opened the discussion by pointing out that media influences the policy making process in the country and any hidden dependencies constitute a serious case of political corruption. Different sectors in different countries are captured by private and oligarchic interest to a varying degree, which creates major risks to national security. State capture, especially in the security sector, also influences our relations with NATO and the EU.

*Participants in the conference Media as an Instrument for State Capture*

Mr. Christian Spahr, Head of the Media Southeast Europe Program of the Konrad Adenauer Foundation, emphasized the continuing deterioration of media freedom in Bulgaria. According to recent studies, every second journalist in Bulgaria has experienced pressure from business and/or political circles. This pressure demotivates journalists in their pursuit of quality coverage.

The US Ambassador to Bulgaria, Marcie Ries, underscored the importance of free media for the functioning of democracy. "In a democracy, media have a critical role to play in informing citizens and voters and in playing host to or even provoking honest debate on public policy. I think we can acknowledge that in Bulgaria, there is a problem in that in many cases, we don't know who owns the media and therefore, consumers can't have an informed opinion about the objectivity, or lack of it, of what they are reading" she said.

Dr. Maria Yordanova, Director of the Law Program of CSD, Prof. Nelly Ognyanova from Sofia University, Mr. Georgi Lozanov, Chairman of the Council for Electronic Media, Dr. Alina Dobreva from the Centre for Media Pluralism and Media Freedom in Florence, and others also took part in the debate. All participants agreed that nontransparent ownership of media is a systemic problem, related to other sectors and areas of public life, and that in Bulgaria there are serious, persistent, and multiple risks in that regard.

Another notable deficiency of the media environment in Bulgaria is the lack of adequate **local media**, a trend with devastating implications for the regions of Bulgaria. It affects not only the local public institutions; regional economic activity is also hindered by the absence of independent media. At the same time, when discussing the state of media in Bulgaria, the problems of local media

*At the conference Media as an Instrument for State Capture, from left to right: Ms. Marcie Ries, US Ambassador to Bulgaria, Dr. Ognian Shentov, Chairman of the Board, CSD, Prof. Nelly Ognyanova, Sofia University*

are often overlooked. The Policy Brief *Regional Media in Bulgaria: the Limits of Survival* presents the results of a survey of 179 local media with internet presence. The analysis focused on the mechanisms and factors that prevent journalists and the media from informing the public in an objective, competent, and comprehensive way.

Among the key conclusions are that public and private national media have sporadic presence in the regions. Lack of transparency in terms of ownership structures, undeclared/unregulated conditions for advertising and information services, pose questions about the actual sponsors and financing of regional media outlets.



Results of the study were presented and discussed at a seminar on '**Regional Media in Bulgaria: the Limits of Survival'**, held on 6th October 2015, with the support of Open Society Foundations Budapest and the Media Program South East Europe of the Konrad-Adenauer-Stiftung.
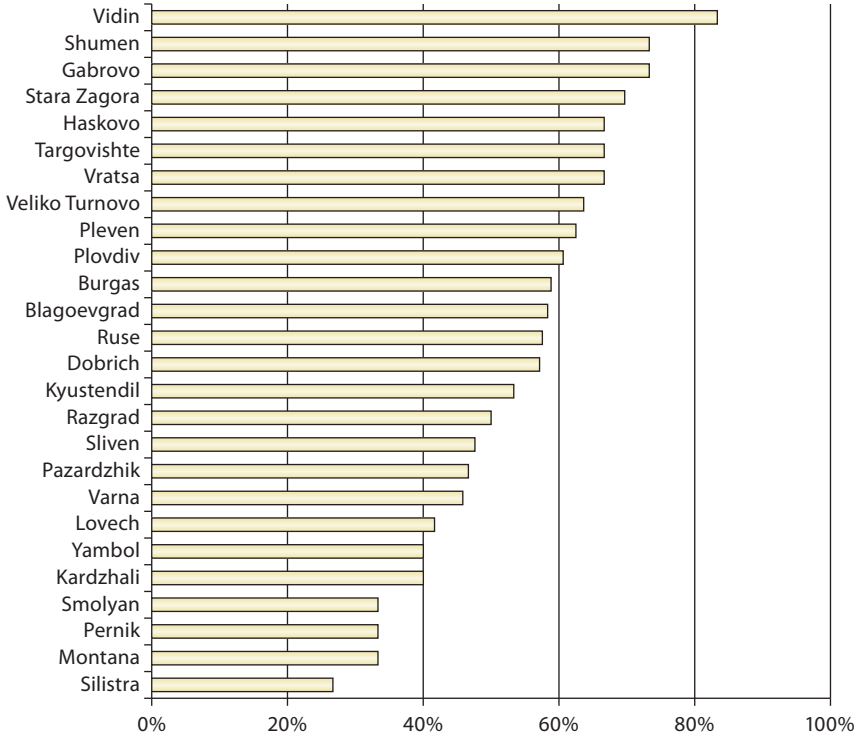
*Participants in the seminar Regional Media in Bulgaria: the Limits of Survival*

Dr. Lyubomir Kutin, a researcher at CSD, introduced the methodology of the survey itself. The current state of regional media was evaluated using the following indicators: density of media content, transparency, pluralism and debate, respect for copyright law, political and economic independence.

The seminar's main conclusion was that regional media outlets have strong political and advertising dependencies. In terms of content, regional news and topics dominate, but often they are presented in a banal and uncritical way. Purely descriptive texts prevail over analytical content. It turns out that internet media outlets are the most frequent violators of copyright law, as they rarely mention the names of external authors. All this seriously damages the quality of media content.

Mr. Tihomir Bezlov, Senior Fellow at CSD, Mr. Spas Spasov, journalist at Morski Dnevnik, Mr. Mehti Melikov, CEO of the National Council for Journalistic Ethics, Prof. Georgi Kalaglarski, representative of the Bulgarian Journalists' Council, Mr. Dimitar Gabrov, SEM expert and journalist, Ms. Maria Chereshova, chair of the Association of European Journalists, and others also took part in the debate. They underscored the seriousness of the problem and suggested a number of measures for improving the regional media environment, such as the creation of networks of investigative and analytical journalists, working on a new model for media financing, developing NGO journalism, and so on.

**Transparency index (% of media with declared owner, advertising terms, and staff)**

| Region | Value |
|--------|-------|
| Vidin | 83% |
| Shumen | 73% |
| Gabrovo | 73% |
| Stara Zagora | 69% |
| Haskovo | 66% |
| Targovishte | 66% |
| Vratsa | 66% |
| Veliko Turnovo | 63% |
| Pleven | 62% |
| Plovdiv | 60% |
| Burgas | 58% |
| Blagoevgrad | 58% |
| Ruse | 57% |
| Dobrich | 57% |
| Kyustendil | 53% |
| Razgrad | 50% |
| Sliven | 47% |
| Pazardzhik | 46% |
| Varna | 45% |
| Lovech | 41% |
| Yambol | 40% |
| Kardzhali | 40% |
| Smolyan | 33% |
| Pernik | 33% |
| Montana | 33% |
| Silistra | 27% |

*Source:* CSD survey.

## IV. Security sector reforms: the case of private security firms

Around the world, security is provided by a wide range of public and private actors. An important part of the global security landscape is occupied by a burgeoning commercial security industry. However, while much attention has been given to the regulation of international private military and security companies operating in conflict and post-conflict settings, the **growth of the domestic private security industry** has received significantly less attention. As with any part of the security sector, **democratic oversight** is essential to ensure that negative outcomes for the security of the state and its citizens do not continue unchecked.

At the national level, the size, roles, and impact of the private security sector can be directly linked to **key questions of democratic security sector governance**: Do national authorities have a clear picture of all those actors playing a security role on the national territory? How do private security providers affect individuals or communities on a day to day basis – is

this 'more' security or simply security for those that can pay? And is there a clear delineation of roles and responsibilities between public and private security actors? It is particularly important to understand these dynamics in contexts of democratic consolidation where the security sector may play a disproportionately influential role. The imperative to understand the realities of the private security industry and situate it within a wider framework of state and human security underpins the Private Security Research Collaboration Southeast Europe (PSRC). The PSRC follows this approach in the publication *A force for good: Mapping the private security landscape in Southeast Europe* elaborated by CSD and partner organisations from Switzerland, Albania, Kosovo, and Serbia.

A FORCE FOR GOOD?

Mapping the private security landscape in Southeast Europe
Franziska Klopfer and Nelleke van Amstel (Eds.)
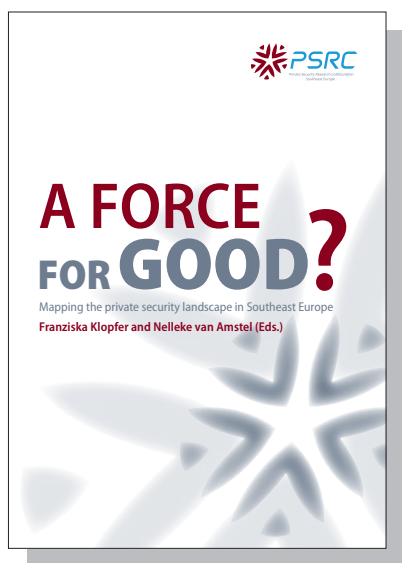
The study focuses on important but under-researched questions closely linked to the private security sector: 1) what role does the state want to attribute to private security providers within the security sector; and 2) what framework is most effective to enable private security to deliver those services and fulfil

to clearly defined standards. The **privatisation of the security sector**, as well as the **size and condition of the industry** in the researched countries, encompass the main focus of the publication, which complements the already existing knowledge of the issue in the United States and Western Europe. There is a comprehensive description of the emergence of the first private security companies, the role of their clients and the relevant legislature in the shape and shifts of their services, as well as companies which have survived since the establishment of the sector, and the factors which have led to that.
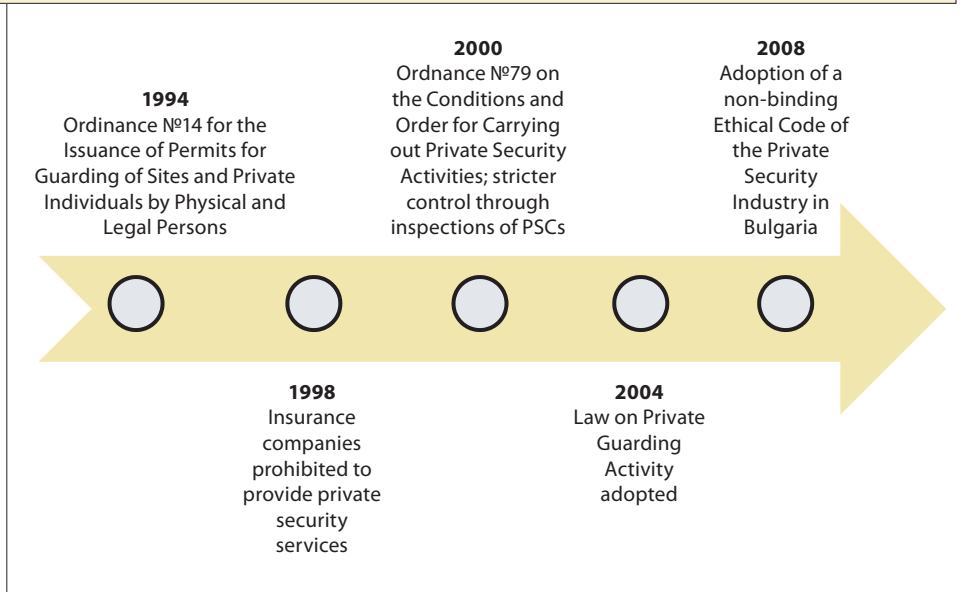
The part of the study focused on Bulgaria researches the legal, social, economic, and political factors and challenges in the private security sector. It analyses the legal framework and the processes in the sector since 1990 to the present day, as well as the problems which continue to be characteristic for Bulgaria – high levels of corruption, shadow economy and the poor control on the rules' implementation. The solution to these problems requires more effective coordination between the regulatory bodies and adequate control resources.

The challenges and opportunities related to the privatisation of the security sector in the transition countries were the topic of a panel discussion at the **5th Belgrade Security Forum** held between 30 September and 2 October 2015. Participating were representatives of the Geneva Centre for the

Democratic Control and Armed Forces (DCAF), the Center for the Study of Democracy, the Belgrade Centre for Security Policies (BCSP), the Institute for Democracy and Mediation (IDM) in Albania, and the Kosovo Center for Security Studies (KCSS).
In the course of the forum, Ms. Rositsa Dzhekova, Coordinator of the Security

**Timeline of key regulatory developments concerning the private security sector in Bulgaria**

**1994**
Ordinance №14 for the Issuance of Permits for Guarding of Sites and Private Individuals by Physical and Legal Persons

**2000**
Ordnance №79 on the Conditions and Order for Carrying out Private Security Activities; stricter control through inspections of PSCs

**2008**
Adoption of a non-binding Ethical Code of the Private Security Industry in Bulgaria

**1998**
Insurance companies prohibited to provide private security services

**2004**
Law on Private Guarding Activity adopted



*Participants in the panel discussion at the 5th Belgrade Security Forum*

Program of the Center for the Study of Democracy, presented key findings of the book *A Force for Good: Mapping the private security landscape in Southeast Europe*. The study is the first of several forthcoming outputs from the joint initiative Private Security Research Collaboration Southeast Europe (PSRC).

## V. Innovative instruments for monitoring anti-corruption policies

In 2015, CSD finalised its work on elaborating the *Monitoring Anti-Corruption Policies Implementation Tool* (MACPI). The tool is a set of practical steps and methods for monitoring the implementation of anti-corruption measures and policies at the institutional level and the dynamics of the spread of corruption.

The successful testing of the developed instruments for monitoring the implementation of the anti-corruption measures was realised in close cooperation with the institution that were tested.

On 3 February 2015 CSD, in co-operation with the Ministry of Interior, CSD organised a round table for discussing and implementing the MACPI tool in various directorates of the Ministry.

Dr. Alexander Stoyanov, CSD Director of Research, presented the methodology of the pilot testing of the MACPI tool in Traffic Police and Border Police. The tool was applied in four separate modules:

- Module 1 – Risk assessment of anti-corruption policies
- Module 2 – Assessment of feasibility of anti-corruption policies
- Module 3 – Level of implementation of anti-corruption policies
- Module 4 – Experience of servicemen with anti-corruption policies

MACPI assesses the size of corruption risks in the framework of the respective institution, and on the basis of the inventory of anti-corruption measures, defines how and to what extent the anti-corruption policies have been implemented.



*Round table Anti-corruption Measures in Law-enforcement Institutions*

*Expert workshop Theory and Implementation of the MACPI Tool*

The participants in the discussion commented on the massive daily corruption in the Ministry of Interior, the underestimated role of prevention, the lack of sufficient capacity in the implementation of innovative methods in the fight against corruption, and the role of external independent assessment of activities not only within the system of the Ministry of Interior, but in the whole public administration in general.
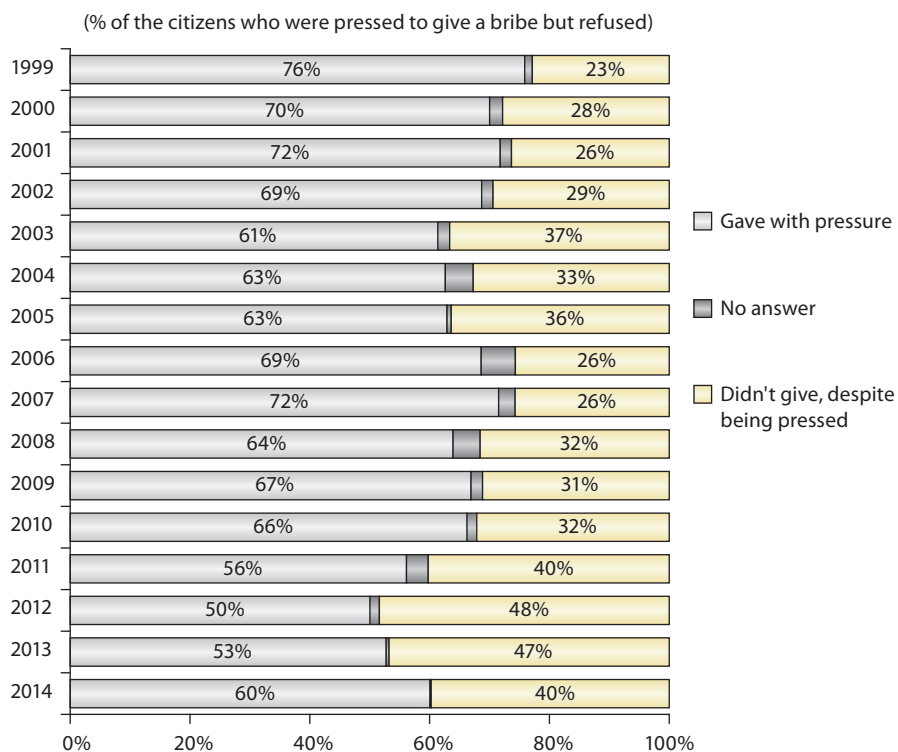
In an expert workshop, held on 31st March 2015, the final version and the results of the pilot implementation of the MACPI tool were presented.

Dr. Alexander Stoyanov, CSD Director of Research, elaborated on the methodology of the MACPI tool. The main assumption behind the tool is that corruption happens at the point of interaction between citizens/businesses and public institutions and this is where it should be addressed. The MACPI tool draws on desk research, in-depth interviews with experts, and employee surveys and is designed to account for standard corrupt behaviors such as abuse of power, as well as for more complex corrupt relations like clientelism. The tool is implemented in two phases: mapping and evaluation. During the first phase, the organization's anti-corruption policies are identified with the help of internal experts and the principal activities carried out by the institution are established. During the second phase the established corruption risks zones are taken into account in the evaluation of actual policies.

The tool is designed to be applicable to different organizations and needs to be understandable for officials without anti-corruption expertise. When applying the MACPI tool in a given organization, it is important to emphasize that policy diagnostic aspect of the tool, as employees are much more likely to cooperate when they do not feel that their personal performance is being scrutinized.
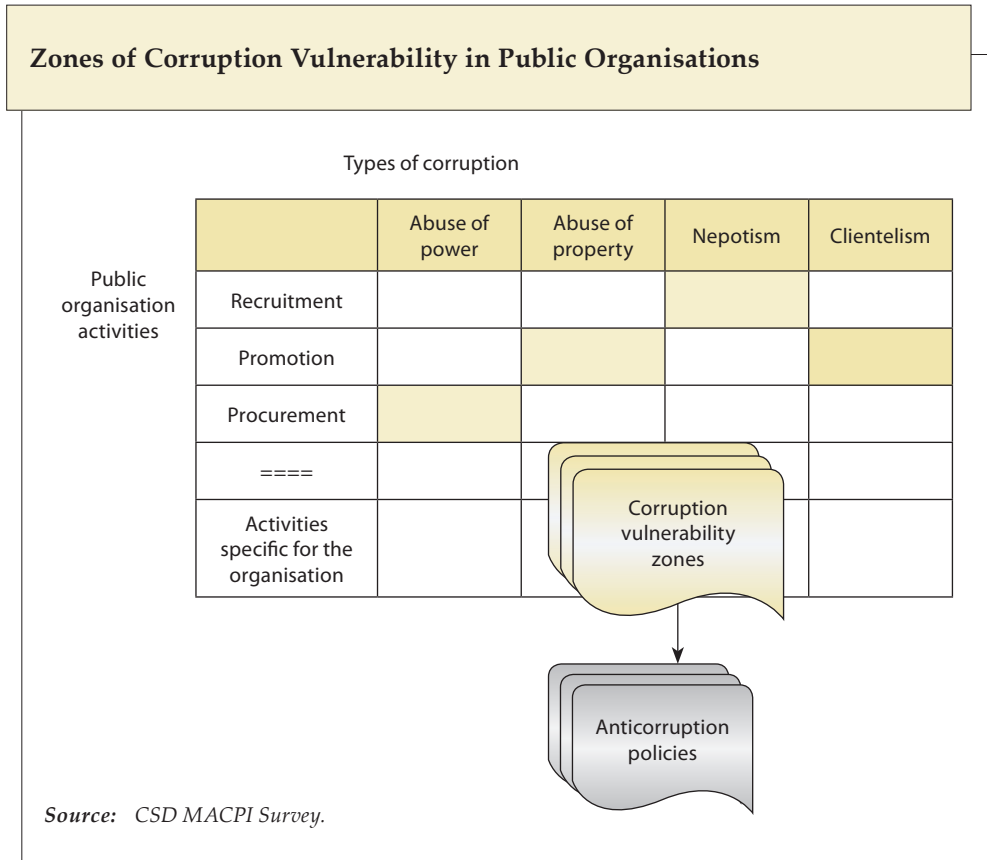
## Corruption Pressure

(% of the citizens who were pressed to give a bribe but refused)

| Year | Gave with pressure | No answer | Didn't give, despite being pressed |
|------|------|------|------|
| 1999 | 76% | | 23% |
| 2000 | 70% | | 28% |
| 2001 | 72% | | 26% |
| 2002 | 69% | | 29% |
| 2003 | 61% | | 37% |
| 2004 | 63% | | 33% |
| 2005 | 63% | | 36% |
| 2006 | 69% | | 26% |
| 2007 | 72% | | 26% |
| 2008 | 64% | | 32% |
| 2009 | 67% | | 31% |
| 2010 | 66% | | 32% |
| 2011 | 56% | | 40% |
| 2012 | 50% | | 48% |
| 2013 | 53% | | 47% |
| 2014 | 60% | | 40% |

*Source:* *CSD MACPI survey.*

The participants in the debates to follow included Dr. Elena Hunta from the Basel Institute on Governance, Dr. Todor Galev, Senior Analyst at CSD's Economic program, Mr. Lorenzo Segato, co-founder and director of the Research Centre on Security and Crime (RiSSC), Mr. Roberto Vannucci from the University of Pisa and Mr. Sorin Ionita from the Expert Forum in Romania.

The results from the pilot testing of the MACPI tool at the Bulgarian Border Police were discussed at a Round Table at CSD on 2 June, 2015.

**Dr. Alexander Stoyanov**, CSD Director of Research, explained that the MACPI tool was designed to reveal deficiencies both in the implementation of anti-corruption measures and in the measures themselves. MACPI measures the following four indicators of effectiveness at the institutional level: adequacy of anti-corruption policies, implementability, implementation, and ultimately, impact on the corruption interest and corruption pressure. The tool takes into account the level of corruption involvement both at a national and institutional level. Results from 2015 showed that about 18 %

## Zones of Corruption Vulnerability in Public Organisations

Types of corruption

| | | Abuse of power | Abuse of property | Nepotism | Clientelism |
|---|---|---|---|---|---|
| Public organisation activities | Recruitment | | | | |
| | Promotion | | | | |
| | Procurement | | | | |
| | ==== | | | | |
| | Activities specific for the organisation | | | | |

Corruption vulnerability zones

Anticorruption policies
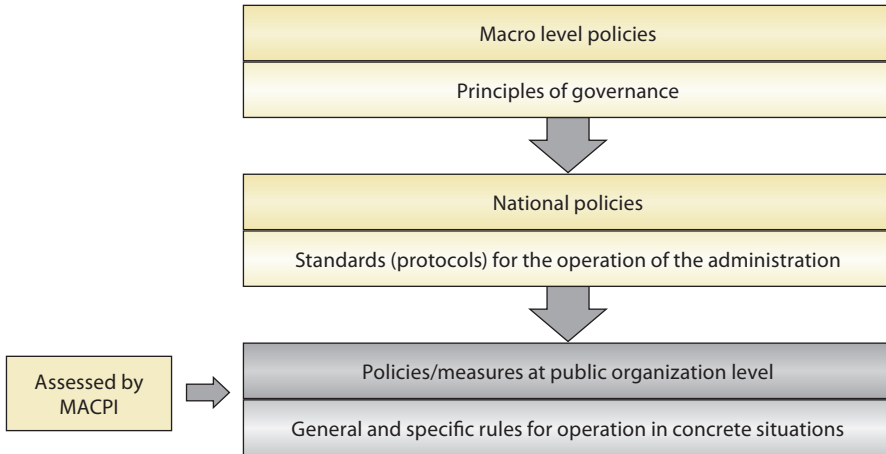
*Source:* *CSD MACPI Survey.*

of the population have taken part in a corruption transaction, and about 27 % have experienced corruption pressure. Over the years, levels of corruption have fluctuated significantly, showing no lasting positive trend. Regarding the results on the effectiveness of anti-corruption measures, the majority of existing policies are formally applied and more systematic control of the implementation of the measures is required.

**Ms. Rumiana Bachvarova**, Deputy Prime Minister and Minister of Interior, pointed out that the MACPI tool can be extremely valuable to state institutions as it allows focusing on details and existing anti-corruption measures,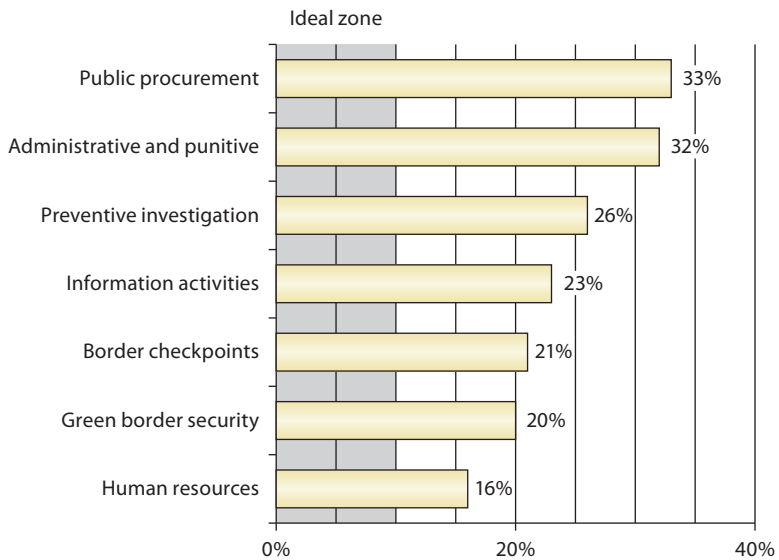 as well as formulating new policies. Corrupt practices are always ahead of anti-corruption measures, and therefore in combatting corruption, it is crucial to follow the dynamics of the environment in which they develop. She emphasized that it is critical that tools like MACPI are applied systematically, because the establishment of a trend is more important than the absolute score of the assessment at a given time. With the development of the MACPI tool, the Center for the Study of Democracy has once again demonstrated its leadership in combating corruption.

The philosophy of the MACPI tool has been synthesised in the Policy Brief *Refocusing Anticorruption: a New Policy Evaluation Tool*, published in June 2015.

## Anti-corruption Framework and MACPI

| Macro level policies |
| Principles of governance |

↓

| National policies |
| Standards (protocols) for the operation of the administration |

↓

Assessed by MACPI →

| Policies/measures at public organization level |
| General and specific rules for operation in concrete situations |

## Average corruption pressure for the different activities

Ideal zone

- Public procurement 33%
- Administrative and punitive 32%
- Preventive investigation 26%
- Information activities 23%
- Border checkpoints 21%
- Green border security 20%
- Human resources 16%

0% 20% 40%

*Source:* CSD MACPI survey.

## Assessment of Anticorruption Policies

| | Implementability | Implementation (Formal compliance) | Implementation (Real compliance) | Effectiveness |
|---|---|---|---|---|
| Immediate reactions to each signal for corrupt behaviour | 85% | 90% | 63% | 91% |
| Video surveillance | 81% | 89% | 53% | 92% |
| Unannounced visits | 85% | 89% | 52% | 88% |
| Information campaigns among the citizens | 83% | 86% | 48% | 88% |
| Anticorruption training of personnel | 79% | 85% | 49% | 88% |
| Information campaigns among staff | 81% | 86% | 47% | 84% |
| Rotation | 78% | 91% | 52% | 82% |
| Declarations of assets and incomes | 83% | 93% | 61% | 70% |
| Measures for inspection and testing of job applicants | 77% | 84% | 45% | 88% |
| Interviews with passengers and illegal immigrants | 75% | 87% | 50% | 85% |
| Direct superiors have to read and sign asset declarations | 83% | 90% | 56% | 71% |
| Issuance of additional orders and instructions | 70% | 83% | 49% | 80% |

Ideal zone

0%    100%    200%    300%    400%

☐ Implementability   ☐ Implementation (Formal compliance)

☐ Implementation (Real compliance)   ☐ Effectiveness

*Source:*   *CSD MACPI survey.*

Anticorruption policies have been designed and implemented exclusively at the national level with little consideration of their actual enforcement and effect in individual public organisations. Such a general approach has prevented these policies from achieving the level of sophistication achieved by interventions in other fields of public governance.

A **refocusing of the anticorruption effort at the level of public organisation** would enhance the quality of design of policies and would allow more precise monitoring of their implementation and effect. MACPI – a tool recently de-veloped by the CSD and University of Trento experts – will facilitate such refocusing by allowing evaluators and policy makers to review the anticorruption architecture of individual public sector organisations. It could also help the use of benchmarking and policy templates at the public institution level.

At an expert workshop held at CSD, Prof. Umberto Triulzi from the Sapienza University in Rome, Mr. Jean-Arnold Vinois from the Notre Europe-Jacques Delors Institute, Mr. Aare Kasemetz from the Estonian Academy of Security Sciences and Mr. Erik Csernovitz, Deputy Secre-

*Ms. Anabela Gago, Head of the Organised Crime Unit at the Directorate-General for Migration and Home Affairs, European Commission, at the presentation of MACPI results in Brussels*

tary-General of the Central European Initiative, praised highly the instrument's capabilities and made suggestions for its improvement for use in other spheres like the specific energy market, as well as to explore opportunities for the tool's popularisation and implementation in states applying for EU membership.

On 12th June 2015, MACPI was presented in Brussels to an audience of senior civil servants from the European Commission and other EU institutions, representatives of NGOs and diplomatic missions, and academics. The event also served as an EU-wide platform to present the results of the pilot implementation of MACPI in Bulgaria and Italy.

"Innovative research is needed to support the work of the European Commission in the development of evidence-based anticorruption policy." These were the opening lines of Ms. Anabela Gago, Head of the Organised Crime Unit at the Directorate-General for Migration and Home Affairs at the policy forum on anticorruption enforcement. Ms. Gago highlighted that the 2014 EU Anticorruption report evidenced that in most EU member states anti-corruption

legislation is in place, but implementation is not as effective as required. In this regard, she recognized that the development of a practical tool for monitoring anti-corruption enforcement is welcomed as it can be adapted to the situations in various countries and institutions.

Dr. Alexander Stoyanov, CSD Director of Research, underlined that the MACPI tool's main advantage is that it allows evaluators and policy designers to gain an insight into the arguably key factor for the success or failure of anticorruption efforts: the processes and implementation procedures in public organisations. He also noted that a shift of focus from the national to the institutional level will benefit the EU anticorruption efforts as well.

The significance of the public institution level in anticorruption has been recog-

*Participants in the Policy Forum Monitoring Anti-corruption Enforcement, Brussels*

nised in the *EU Anticorruption Report*, which acknowledges that corruption can be reduced by preventive systems and practices involving the suppliers and recipients of public services.

The participants were also presented with the findings of the report *Monitoring Anti-Corruption in Europe. Bridging Policy Evaluation and Corruption Measurement.*

Corruption and measures to counteract it have been subject to so much research and political attention that it would seem that their every aspect must have been explored. Yet corruption proves bafflingly resilient, always finding new conduits for spreading; squeezed temporarily out of one public sector, it reappears in another. It could only benefit the anticorruption effort, therefore, if novel methods for analysis and prevention were found.

It is in response to this need that the current report seeks to **build bridges between the evaluation of anticorruption policies and the measurement of**
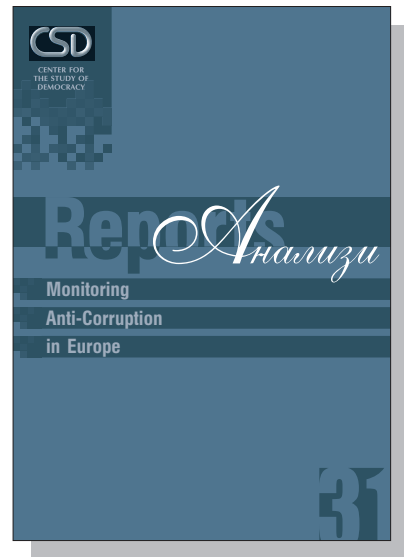


**corruption**. *Monitoring Anticorruption Policy Implementation* (MACPI) was born of the understanding that innovation in anticorruption is as important as it is in other social and economic fields. MACPI provides the anticorruption community with a precision-guided tool, which gives exhaustive feedback on the enforcement of policies.

The discussion further focused on the possible follow-ups and the applicability of the tool in various environments. Its potential for benchmarking the same organisation over time and similar organisations within and across countries was a matter of further debate. Also discussed was the usefulness of MACPI in the context of other European Commission supported initiatives, such as the *Southeast Europe Leadership for Development and Integrity (SELDI)* which includes a substantial anticorruption effort.

\* \* \*

Over the years, CSD's experience has become increasingly popular among its international partners. Particular interest has been manifested by organisations from China, where corruption continues to be one of the most serious issues.

In June 2015, CSD hosted a delegation from the **China Center for Contempo-rary World Studies** (CCCWS) for the third time.

Dr. Ognian Shentov opened the discussion by identifying various strategic fields of common interest, focusing on anti-corruption in particular. Stressing that corruption continues to be a major social and political issue both in China and Bulgaria, he drew the attention to the *Monitoring Anticorruption Policy Implementation* (MACPI) tool developed by CSD that evaluates the effectiveness of anti-corruption measures at public institutions. Dr. Shentov emphasized the positive reception that the innovative tool has received from the Bulgarian government and also from the European Commission.

Dr. Hu Hao, Deputy Director General of the CCCWS, spoke on future connectivity and cooperation opportunities in the frame of China's "One Belt and One Road initiative". He pointed out that



*Working meeting between CSD and the China Center
for Contemporary World Studies*

China is facing increasing challenges with regard to corruption and that the MACPI methodology potentially has a lot to offer to the strong anti-corruption campaign that is currently taking place in China. Dr. Hao brought into focus the series of strict laws, regulations and measures introduced by the new Chinese leadership and their respective effects.

Dr. Hao and Dr. Shentov signed a *Memorandum of Understanding (MoU) on Cooperation* between CCCWS and CSD.