

**REPUBLIC OF BULGARIA
THE THIRTY-NINETH NATIONAL ASSEMBLY**

Draft

POLITICAL PARTIES ACT

Chapter One

GENERAL PROVISIONS

Art. 1. (1) Political parties are voluntary organisations of free and individual association of Bulgarian citizens that aim at the collective formation and expression of citizens' political will by means of elections and other democratic ways.

(2) Political parties shall use democratic means and methods to structure their organisation and achieve their political and power goals.

(3) The organisations and movements that are not political parties may express positions and place claims of a political nature but may not run for presidential elections in the Republic of Bulgaria, for parliamentary elections or for local self-governance bodies elections.

Art. 2. The political parties shall exercise their activities in compliance with the Constitution and the national legislation and in accordance with their own Statutes.

Art. 3. Membership or non-membership as well as the discontinuation of membership in a political party shall not lead to advantages or restrictions in the exercising of citizens' constitutional rights and freedoms.

Art. 4. The political parties may not use as part of their symbols the coat of arms and the flag of the Republic of Bulgaria, of a foreign state or any religious emblems or images.

Art. 5. This law prohibits the formation and existence of political parties that:

1. perform activities directed against the sovereignty and territorial unity of the state or seek a forceful change of the state system and social order established by the Constitution;
2. seek to abolish the constitutionally established rights and freedoms of citizens or violate other constitutional prohibitions;
3. uphold racial, national, ethnic or religious animosity;

4. attempt to achieve their goals by use of violence or other unlawful means;

Art. 6. The political parties shall carry out their activities in the country in the official language of the state.

Chapter Two

POLITICAL PARTIES FORMATION AND REGISTRATION

Art. 7. The formation and activity of political parties shall be public.

Art. 8. (1) A political party may be established by Bulgarian citizens who have voting rights.

(2) Citizens who participate in the founding of a political party may not be members of another party.

(3) Citizens of dual citizenship may participate in the founding and membership of a political party.

Art. 9. (1) A political party shall be founded on the initiative of at least 50 Bulgarian citizens who shall sign a Founding Declaration. The signatures of the initiators of establishing a new party shall be attested by a notary.

(2) In the Founding Declaration, the Initiative Committee shall lay down the main principles and objectives to be championed by the party as well as the date and place of holding the Constituent Assembly.

(3) The Initiative Committee shall publish a Draft Founding Declaration and shall announce publicly the start of a founding-members' subscription in the State Gazette. The announcement shall define the date and place of holding the Constituent Assembly.

(4) The period of assembling founding members and the holding of a Constituent Assembly may not be shorter than one month or longer than three months following the date of the publication referred to in the preceding paragraph.

Art. 10. Every citizen entitled to voting may join the subscription by personally filling in and signing an Individual Membership Declaration compiled in a format approved by the Initiative Committee and corresponding to Sofia City Court general requirements for registering a political party. In the same Declaration, the citizen shall express their personal will to become a member of the political party and shall state that they agree with the Founding Declaration and are not members of another political party.

Art. 11. The Constituent Assembly of the political party shall be considered legitimate when it is attended by no fewer than 500 citizens who signed the membership declaration under the procedure of Art. 9 and Art. 10.

Art. 12. The Constituent Assembly shall adopt the Statutes and Manifesto of the political party, their adoption being procured by a simple majority vote by the minimal number of participants identified in the preceding Article.

Art. 13. The Constituent Assembly shall elect the leadership and control bodies in accordance with the requirements of the adopted Statutes.

Art. 14. (1) The Statutes of the political party shall define:

1. the party name where its name may not repeat or resemble names of other registered Bulgarian parties and where the literal repetition of the name or abbreviation of other parties accompanied by additional words, numbers and symbols shall not be allowed;
2. the party programme aims and goals;
3. the order of obtaining and terminating membership in the party;
4. the rights and obligations of its members;
5. the leadership and control bodies, the procedure for their assembly, election and dismissal, their competence, rights and obligations;
6. the principles of organisational development of the party structures, and their rights and obligations;
7. its symbols;
8. the amount of membership fee, party financing and method of disposal of party property and funds;

9. its seat;
 10. the person (persons) who represent it;
 11. method and terms of terminating its activity.
- (2) The Statutes may also contain other provisions.

Art. 15. (1) The political parties may acquire the status of a legal entity following the Decision of Sofia City Court, for the purpose of which the founding members deposit in the Court in advance:

1. an application for registration of the party signed by its representing person (persons) in accordance with its Statutes;
2. a Constituent Minutes of the Constituent Assembly;
3. the party Statutes;
4. a list of founding members under Art. 11 containing each member's full name, citizen's number, address and personal signature;
5. a list containing the full names, citizens' numbers and addresses of the members of the party governing body that represents the party under its Statutes;
6. medical certificates attesting to the mental health of the persons representing the party and certificates showing no previous conviction of the same persons;
7. a list containing the personal data (full name, citizen's number, address and signature) of no fewer than 4,500 members, in addition to those identified under item 4 and under Art. 11 as a minimum of 500 founding members;
8. documents attesting to the existence of party structures in no less than 2/3 of the municipalities in the country.
9. a notarially stamped declaration of the political party leadership that testifies the genuineness of the documents under items 1,2,3,4,5,6,7,8.

(2) The deadline for submitting the documents for the court registration of the party under Art. 15, Par. 1 expires 6 months after the date of holding the Constituent Assembly.

(3) If within the time limit defined by the preceding paragraph the terms for acquiring a legal entity status under the same paragraph have not been met by the party, the Constituent Assembly shall be considered illegitimate and the procedure for registering the political party shall have to be repeated in its entirety within the meaning of Articles 9, 10, 11, 12, 13, 14, and 15, paragraphs 1 and 2, but not earlier than 6 months after the expiry of the time limit under the preceding paragraph.

Art. 16. (1) The application for a political party court registration shall be considered at an open session of Sofia City Court attended by a prosecutor, the session being scheduled for no later than one month following the receipt of application.

(2) The Court shall examine the compliance with legal requirements and the authenticity of the presented documents under Art. 15, Par. 1 and Par. 2, and shall announce its decision within 14 days after the session.

(3) In the case of established violations, the Court shall grant a one-month period for their removal.

(4) The Court refusal to register a party shall be subject to appeal before the Supreme Court of Cassation in the manner of the Civil Procedure Code within 7 days after coming to knowledge of the court decision.

Art. 17. The Supreme Court of Cassation shall consider the complaint within seven days and shall pronounce a final decision.

Art. 18. (1) The Court decision shall be recorded within 7 days in a separate Register of Political Parties at Sofia City Court.

(2) The Register entry shall include the name and Statutes of the party, its seat, its governing body members and the person (persons) who represent it.

(3) All subsequent changes in the Register shall be made on the basis of a decision of the body that is competent to implement the changes under the Statutes.

(4) The party registration cases shall be kept permanently.

Art. 19. (1) Party registration and registration amendments shall be promulgated in the *State Gazette* within 7 days of presentation of the Court decision.

(2) As of the moment of promulgation of the Court decision in the *State Gazette* the party shall acquire the status of a legal entity.

Chapter Three

ACTIVITIES OF THE POLITICAL PARTIES

Art. 20. (1) The political parties shall carry out their activities on the territory of the whole country in compliance with the Constitution, national legislation and the party Statutes.

(2) All political parties shall have equal rights of participation in the political life of the country.

(3) The political parties shall conduct their activities through their governing bodies, subdivisions and subdivision leadership.

Art. 21. (1) Political parties may set up their own clubs, professional and pursuit associations and organisations on a territorial and on a domicile principle.

(2) Political parties may set up their own youth and women's organisations.

(3) Political parties may not set up their place-of-work organisations in business associations, state or municipal institutions or interfere in the management and activities of the same.

(4) Political parties may not set up children's and juvenile organisations uniting persons younger than 16 and may not set up military type structures.

Art. 22. (1) Members of the armed forces, employees of the Ministry of the Interior, Ministry of Foreign Affairs, the National Security Service, the National Intelligence, judges, prosecutors and investigators, staff members of the Office of the President of the Republic of Bulgaria as well as civil servants may not be members of political parties.

(2) On assuming a position in the aforementioned institutions employees shall present a declaration of non-membership in a political party.

(3) The political party membership of persons entering conscription shall be terminated for their period of service.

Art. 23. Civil servants may not use their official position to carry out activities to the benefit or detriment of political parties.

Art. 24. (1) A public organisation that has not been registered as a political party may not carry out the activities of a political party.

(2) Organisations that are not registered under the Law on Political Parties may not promote and register their candidates for participation in local and parliamentary elections while during elections they may not carry out organised political activities and agitation to the benefit or detriment of certain political parties as well as election candidates.

(3) Should a public organisation within the meaning of Par. 1 carry out visibly political activities within the meaning of Par. 2 of this Article, the district prosecutor shall recommend it an immediate termination of these activities. Should the activities be not stopped, the organisation shall be dissolved upon the request of the prosecutor in due order.

Art. 25. (1) Political parties participation in elections and referendums shall be defined by separate laws.

(2) Political parties may register to participate in elections and may promote and register their candidates for President and Vice-President of the Republic of Bulgaria, members of Parliament, municipality and settlement mayors and municipality councilors only if they have been registered in the Political Parties Register under the stipulations of Art. 15, Par. 1, Art. 18, Par. 1, 2 and 3, and Art. 19 of this Law.

(3) Political parties may participate in parliamentary elections independently or by coalition.

(4) Political parties that fail to go beyond the 4% threshold for independent participation or beyond the 8% threshold for their coalition twice in a sequence at regular parliamentary elections, should re-register again in compliance with all requirements of this Law stated in Art. 9, Par. 11, Art. 15 and Art. 19.

(5) The political parties that fall under the norms of the preceding paragraph should carry out their re-registration within six months after the date of the respective elections. Otherwise they shall be deleted from the Political Parties Register.

Chapter Four

POLITICAL PARTIES FINANCING AND PROPERTY

Art. 26. Political parties activities shall be financed from own revenues and a state subsidy.

Art. 27. (1) Political parties may have the following sources of funding:

1. membership fees;
2. donations and bequests;
3. revenues from profits made by commercial companies owned by the party;
4. revenues from real estate owned by the party;
5. interest on bank deposits owned by the party;
6. state budget subsidies;
7. revenues from the sale of print, audio and visual party propaganda materials and other publications, copyright and use of intellectual property.

(2) Political parties may not receive benefits and donations from foreign states and organisations, from foreign commercial companies as well as from anonymous sources. Donations and bequests from foreign non-profit legal entities and from foreign physical persons may not exceed 10,000 Lv, while one and the same physical or legal entity may not make more than one donation per year.

(3) Political parties may receive donations and bequests from Bulgarian physical and legal entities, while the size of the donation may not exceed 30,000 Lv from an entity per year.

(4) Commercial companies with state or municipal participation in them or companies that fulfill a public service order may not donate sums to the political parties or produce, publish or pay for advertising products to the benefit or detriment of other political parties.

(5) Political parties shall be under the obligation to announce publicly the donations received by them in each calendar year as well as during elections.

(6) Funds and property received in violation of Par. 2, 3 and 4 shall be confiscated for the benefit of the state.

Art. 28. (1) Political parties may develop business activities only through the sole trader companies created by the party under the terms and conditions of the Commercial Code and with the following objects of activity:

1. publishing;
2. transport services;
3. software;
4. arranging trips, conferences, holidays;
5. running restaurants and cafés ;

6. production and trade in souvenirs and agitation materials;
7. expert consultancy.

(2) The publication and distribution of one-off or periodical print materials, audio and visual materials linked directly to the political activities of the party may be carried out directly by the party leadership while the respective editions shall be exempt from VAT.

(3) The sole trader companies of the parties may not:

1. conclude contracts with commercial companies with state or municipal participation in them unless these refer to the purchase of materials for their production;
2. participate in the privatisation of state or municipal property;
3. acquire concessions from the state or the municipalities;
4. carry out mediation services under items 1, 2 and 3.

Art. 29. (1) Political parties revenues within the meaning of Art. 27, Par. 1, items 1, 2, 3, 5, 6, 7 shall not be subject to tax.

(2) The sole trader companies of parties shall be subject to tax under the general procedure.

(3) The revenues from the profit of sole trader commercial companies that are the source of party funds may not be distributed among party members.

Art. 30. (1) The state shall annually provide a subsidy from the state budget to finance the activities of parties and coalitions represented in Parliament.

(2) The total sum allocated in the budget shall be distributed in proportion to the number of votes received at the last parliamentary elections.

(3) Regarding coalitions presented in Parliament, the total sum calculated under the preceding paragraph shall be distributed among the coalition constituent parties in proportion to the number of members of Parliament from each of the parties.

(4) A state subsidy shall also be granted every year to parties that are not represented in the National Assembly but have attracted no less than 2 per cent of all real votes at the last parliamentary elections.

(5) Each political party shall receive its part from the state subsidy in four tranches, paid out accordingly by April 30, by June 30, by September 30 and by December 20 of the respective year.

(6) The received state subsidy may not be used for representative purposes, for commercial activities within the meaning of Art. 28 or for presenting bank guarantees.

(7) State subsidies shall not be received by the parties that have not presented their regular annual financial reports within the meaning of Art. 38 and Art. 39.

Art. 31. (1) The state subsidy may also be presented once only to political parties when carrying out parliamentary and local elections, including non-parliamentary parties that are registered within the meaning of Art. 15 and Art. 19.

(2) The method of receiving this subsidy by various political parties and the subsidy size shall be defined by the Election Laws.

(3) The overall sum allocated to the subsidising of political parties and coalitions shall be defined annually by the Law on the State Budget of the Republic of Bulgaria depending on the number of real votes received at the last parliamentary elections.

Art. 32. Political parties and their commercial companies may not purchase real estate from the state and municipalities.

Art. 33. (1) The state and the municipalities shall provide the political parties that received more than 2 per cent of the real votes and the coalition parties that received more than 8 per cent of the real votes at the last parliamentary elections with suitable premises for carrying out their activities.

(2) The Council of Ministers shall be under mandatory obligation to provide premises for offices of the central leadership of the political parties represented in the National Assembly.

(3) The obligation to provide premises shall also bind district governors with regard to the regional leadership of parties presented in Parliament and parties that received more than 2 per cent of the real votes.

(4) The remaining political parties shall be provided with premises for the needs of their central leadership depending on capacity.

(5) Mayors of municipalities and settlements (or of regions in towns with regional divisions) shall be under mandatory obligation to provide premises to the political parties and coalitions presented in the local council and to the parties presented in Parliament.

(6) District governors and municipality mayors shall provide premises to the political parties under the Law on State Property and the Law on Municipal Property.

(7) The refusal to provide premises under Par. 2 and Par. 3 shall be subject to appeal before the Supreme Administration Court within 14 days while under Par. 5 - before the respective district court. Failure to provide premises within three months from the request shall be considered a silent refusal.

(8) The rent of the provided premises shall amount to the depreciation costs. Where different tariffs apply for the payment of exploitation costs, the political party shall pay the lower tariff.

Art. 34. The provided premises may be subrented but solely for carrying out an activity that serves the activities of the political party.

Chapter Five

FINANCIAL CONTROL OF THE POLITICAL PARTIES

Art. 35. Political parties shall keep accounts of their revenues and expenditures in compliance with the Accountancy Act.

Art. 36. The financial control over the activities of a political party shall apply to the party revenues, party expenditures and party property.

Art. 37. The overall financial control over political parties shall be exercised by the Audit Office.

Art. 38. (1) Political parties shall present annually by March 31 before the Audit Office a profit-and-loss account certified by a Chartered Accountant and containing:

1. an abstract from the Record of Revenues certifying the revenues under Art. 27, 28, 30 and 31.
2. An abstract from the Record of Expenditures that reflects the expenditures made for staff, rent, administrative costs and intrinsic activity costs.

(2) Sole trader commercial companies established under Art. 28 of this Law and carrying out business activities to the benefit of the parties shall be controlled under the terms and conditions of the Commercial Code while their certified annual Balance Sheets shall be attached to the annual party report before the Audit Office.

Art. 39. Within six months of the receipt of the report, the Audit Office shall pronounce its judgement concerning the regularity of the political parties financial documentation in compliance with the stipulations of this Law.

Chapter Six

TERMINATION OF POLITICAL PARTIES

Art. 40. The activities of political parties shall be terminated voluntarily in accordance with the Statutes or forcefully because of violating the Constitution and the laws.

Art. 41. (1) Political party activities shall be terminated voluntarily in the cases of:

1. self-dismissal;
2. merging with or flowing into another party;
3. split into two or more parties.

(2) For the purposes of terminating the activities in the aforementioned cases, a decision shall be taken by the party supreme body. This right may not be delegated to the leader or the executive body of the party.

(3) A copy of the supreme body decision under the preceding paragraph shall be presented to the court together with the Minutes of the General Assembly of the party supreme body (conference or congress). The court shall be bound to check the legitimacy of the procedure for taking the decision.

Art. 42. (1) Political party activities may be terminated upon the request of a prosecutor for non-compliance with the Constitution and the legal requirements for party activities.

(2) Political party activities may also be terminated upon the request of the Audit Office

in the case of significant violations of the financing and accountancy requirements. The request shall be made to the court by the Head of the Audit Office.

(3) Political party activities shall be terminated upon the request of a prosecutor if more than five years have elapsed since the last registration of the party for participation in elections: parliamentary, presidential or local ones.

Art. 43. The decisions to terminate a political party under the preceding paragraphs shall be subject to appeal before the Supreme Administrative Court.

Art. 44. Decisions that came into force under Art. 41 and Art. 42 shall be recorded in the Register of Sofia City Court and within seven days of their recording shall be promulgated in the *State Gazette*.

Art. 45. (1) In the cases of Art. 41, item 2 and item 3, the body that took a decision to terminate the party activities shall define the way of distribution and disposal of its property.

(2) In the cases of Art. 41, item 1 and Art. 42 property shall become state ownership. The state shall be responsible for obligations up to the amount of the received property.

Chapter Seven

ADMINISTRATIVE AND PENAL PROVISIONS

Art. 46. (1) Leaders of political parties who violate or permit violation of the financing and financing accountability requirements shall be penalised by a fine from 1,000 to 10,000 Lv.

(2) Penal provisions shall be issued by the Head of the Audit Office.

(3) Drawing up acts, issuing penal provisions and their appeal shall be done under the terms of the Law on Administrative Violations and Sanctions.

Art. 47. A fine of 1,000 to 5,000 Lv shall be imposed on a municipal mayor or district governor who fails to provide premises for a political party within one month of the court abrogation of their refusal.

Art. 48. A fine of 1,000 to 5,000 Lv shall be imposed on leaders of organisations registered under the Law on Persons and the Family, including trade union leaders, should they commit a violating of Art. 24, Par. 1 and Par. 2.

TRANSITIONAL AND FINAL PROVISIONS

§ 1. All political parties registered under the Law on Political Parties (*State Gazette*, issue 30 of 2001) shall be re-registered within 6 months of this Law coming into force in accordance with the requirements of Art. 15, Par. 1, Art. 18 and Art. 19. After this deadline parties that have failed to reregister shall be deleted from the court register of political parties.

§ 2. Six months after the enforcement of this Law, district governors and municipal mayors shall confiscate to the benefit of the state or the municipalities the club premises made available to the already inexistent parties.

§ 3. This Law shall abrogate the Law on Political Parties (promulgated in the *State Gazette*, issue 30 of 2001).

§ 4. This Law shall enter into force on the day of its promulgation in the *State Gazette*.

MOTIVES

Adduced to the Law on Political Parties

The Law on Political Parties adopted by the 38th National Assembly in March 2001 did little to alter the obsolete legislation on party activities regulated by the preceding Law on Political Parties of 1990.

Its sole intention and achievement was to provide state subsidy to the political parties presented in Parliament.

12 years ago the stimulation of political plurality was essential to the transition from a one-party totalitarian system to a multi-party democratic society. For all these years, though, the principle of political plurality has become unconditional. By January 2000 the country had 238 political parties registered under the Law of 1990.

Following the adoption of the Law on Political Parties of 2001, the relations between parties that are part of society and civil society as a whole were not remodelled while contradictions only became deeper. Public confidence in the parties has been dropping

continuously while parties in their turn keep multiplying for reasons that are not always publicly justified. By this day, the number of parties amounts to 270. The large majority of them have no real political life, no real political members and no real presence in Bulgarian society.

Given the established political plurality in the country, the all too liberal regime of founding, legitimising and functioning of political parties so far as well as the large number of parties in the country do not contribute to the democratisation of Bulgarian political life any more. On the contrary, all this is rather misleading and confusing to Bulgarian citizens; it does not assist the development and functioning of the Bulgarian political system but is mainly nourishing the leadership ambitions of certain persons; it does not bring us closer but places us further from the traditional democratic values of European political life.

The proposed draft law aims to use the experience accumulated over the last 12 years and the achieved degree of social relations development in order to outline the legal framework for conducting the present day political activity in the Republic of Bulgaria.

The draft law comprises seven chapters.

Chapter One “General Provisions” regulates the general principles of party activities springing from the Constitution and legislation of the country.

Chapter Two offers an approach that differs from the current approach to founding and registering political parties. It envisages an innovation to the Bulgarian practice that comprises a stage-by-stage procedure of initiation, foundation and subsequent court registration of the political parties as political and legal subjects enjoying full rights under the condition of achieving certain characteristics. This normative base, which differs from the practices so far, guarantees real plurality in political relations as well as the democratic principle in initiating and building political parties. On the other hand, the new legal norms create conditions only for the political parties that can rely on their real presence on the political arena, that express real public interests and that formulate a socially significant political will. Conditions are created for the normal structuring of political space after the model of states with deeply democratic and pluralist traditions.

Chapter Three of the Law outlines the unified parameters that should be used as the basis for political parties’ activities. Under the current Law, these general characteristics of political party activities are absent, which makes civil and public oversight over their activities difficult.

Chapter Four regulates issues related to the financing and property of political parties. The functions of the parties are specified and amended. So are the functions of the state in the area of financial relations. There is a more precise definition of the sources of financing, the aim being to intercept channels for ‘black economy’ cash flows to and from the political parties.

Giving due consideration to the fact that corruption in every society starts from and finishes with the political parties, Chapters Four and Five present detailed stipulations on party financing and financial control. This part of the draft law differs from current practices in that it wholly abolishes anonymous donations and eliminates the possibility for parties to receive

different forms of financial support from enterprises and companies where there is any state or municipal participation etc.

The proposal that parties should have limited but legitimate and controllable business activities is also essentially novel. The main reason for this proposal is that the current full prohibition of any business activities carried out by the parties is practically evaded and is also leading to black economy business activities of the party headquarters that are not under control.

The new ideas developed in Chapter Four aim at maximal transparency of party financing sources. In this way parties are given the right to earn in a controllable way the funds they need and to be maximally protected against the financial pressure of conglomerates.

The financial control over political parties provides for maximal transparency, strict order and unified criteria for each party.

Chapter Six defines the method of party termination.

Chapter Seven stipulates the penalties for breaking the Law. Unlike the current Law, the penalties shall apply both to political party leaders and public officials.

The Transitional and Final Provisions put all parties under the obligation to re-register in accordance with the provisions of the new Law within a reasonable time period set for this purpose.

Sofia, 22 May, 2002

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