

4. MEASURES CURBING ILLEGAL TRAFFICKING AND TRAFFICKING-RELATED CORRUPTION

The reasons for the rise in transborder crime in Bulgaria over the period of consideration are complex: domestic and international, socio-economic and political. Some are directly attributable to the inadequate operation of the authorities concerned and consist in:

- Poor efficiency of the police and customs administrations and widespread corrupt practices related to illegal trafficking;
- Slow judiciary proceeding due to the over-complicated evidence related provisions, as well as to the frequent, and not always motivated, staff changes;
- Increased control of the judiciary by the executive branch and political protectionism;
- Lack of coordination among the various state agencies in the fight against corruption and illegal trafficking; lack of an established information system and exchange of information among the various agencies, etc.

The measures to curb illegal trafficking and the related criminal acts of corruption call for the establishment of a more effective legal and institutional framework, the introduction of a standardized information system within the individual agencies and among them, enhancing interaction among them, fostering transparency and public access to information about the measures undertaken to prevent and sanction these crimes, improving international cooperation in this area, involving non-governmental organizations in the monitoring of, and control over, this form of crime.

4.1. LEGAL METHODS OF COUNTERACTION

The two established methods of combating crime in general, and trafficking and corruption in particular, are coercion and persuasion. It should be noted, however, that they are not universal and can hardly bring about a conclusive settlement of the problem. A number of other methods also exist, involving state institutions, non-governmental organizations and movements, the public, international organizations, etc. The use of a wide range of methods and forms to combat these crimes is necessitated by the fact that they are conditioned by social, political, and economic, rather than only regulatory, factors. This is why the task of bringing corruption and trafficking down to acceptable and controllable proportions is not a simple one.

From a purely legal point of view, the coercive approach consists in punishing a person who has committed a crime or administrative violation. This approach may be discussed from several perspectives.

The first one is the need to improve the relevant provisions of the Criminal Code and of administrative, tax, and customs legislation by broadening the regulatory framework related to corruption and trafficking in order to prevent their spread and the resulting greater public threat.

The analysis of the legislative regulation of the counteraction of corruption and trafficking in Bulgaria, as well as international experience, suggest that the excessive criminalization of trafficking and corruption (mainly bribery) and excessive sanctions alone cannot and do not lead to the desired decrease in the number of committed crimes or infractions. This is why, both on a theoretical and on a purely practical level, it is still debatable whether the acts should be criminalized or whether administrative penalties should be imposed.

Coercion with respect to the infringements under consideration consists in the application of coercive administrative measures or in imposing punishments for a committed crime or for a committed administrative infraction.

Which of these approaches should have priority depends on the specific assessment of the situation in the country. Excessive criminal repression as a result of criminalization of most acts and greater sanctions are hardly the most appropriate approach in this specific case, despite the existence of such a trend in recent years. One recommendation is to increase sanctions for public officials in the customs administration or for persons who systematically engage in the traffic of goods across the Bulgarian borders, while increasing the cumulatively imposed fine.

In the fight against corruption and trafficking, the application of a differentiated approach in determining the type and size of sanctions depending on the official position of the offender would lead to better results. The argument in favor of this view is that large-scale smuggling and the corruption associated with it are carried out under the "umbrella" of high-ranking government officials or politicians belonging to different lobbies.

Administrative sanctions should be applied more widely since the proceedings proving the infraction and the imposition of administrative penalties are simplified. In trafficking and corruption, fines and barring a person from the right to perform a given job or activity could be much more effective in less serious cases than the punishments provided for in the Criminal Code. This also applies to property sanctions, imposed under an administrative procedure.

The coercive approach to combating corruption and trafficking also consists in the confiscation of the objects as well as any funds that have served for the perpetration of the offense. [26]

The effective enforcement of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime ratified by the National Assembly on April 1, 1993 (SG, No. 31 of 1993) and of the Law on Measures against Money Laundering, passed by the National Assembly in 1998, would be an strong contribution to the fight against corruption and trafficking. The main purpose of this law is to prevent and detect the actions of natural and legal persons aimed at laundering money derived through, or in connection with a crime. [27]

The other basic approach to combating corruption and trafficking is persuasion. It is associated with the preventive function of law. The very criminalization of an act or declaring it an administrative infraction is essentially of a preventive character. It consists in the fact that the awareness of a crime or infraction and the related liability motivate citizens to abstain from a certain type of behavior in order to avoid sanctions.

Regardless of the public importance and spread of trafficking and corruption, as well as the high degree of public threat of those acts, persuasion can be applied successfully in adopting legal norms providing for incentives and legal norms with

a favorable effect on the offender.

The application of the method of persuasion can acquire a multiplying effect not only in combating corruption and trafficking, but also with a number of other related crimes, such as misuse of office, documentary fraud, and certain crimes against the administration of justice.

Beyond its formal legal implications, the method of persuasion can be applied with the use of traditional forms: involvement of the general public, non-governmental organizations, the media. Awareness campaigns targeted at children and young people are of particular importance.

4.2. ORGANIZATIONAL AND STRUCTURAL REFORM

The other forms of counteraction can be organizational, organizational-methodological or structural and include different incentive measures. This implies enhancing the efficiency of the special units whose activity is directly related to combating smuggling and corruption, in order to ensure more timely exposure of violations and crimes and prompt steps to draw up the documents certifying the offenses, shortened deadlines for investigation and the enforcement of due sanctions, the timely interception and prevention of infringements.

With the adoption of the Tax Procedure Code (State Gazette, issue 103/1999, in force as of January 1, 2000) a solid, if somewhat overdue, legal framework was created. This has helped solidify the fundamentals of statehood and has created conditions for a better organized and effectively functioning tax administration as a guarantee against corruption and smuggling.

The considerably increased procedural powers with respect to the imposition of administrative penalties and the enforcement of coercive administrative measures are a serious guarantee in combating corruption and trafficking.

With the amendments to the Law on Collection of Government Receivables (SG, No.26/1996), introduced by the Tax Procedure Code (TPC), a State Receivables Collection Agency was established with the Ministry of Finance. Its powers are regulated by Articles 85-90, as well as by the Rules of Organization of the Agency approved by the Council of Ministers, and include possibilities to sell seized and forfeited goods on behalf of the government.

At the same time, it is becoming increasingly necessary to reduce the tariff rates, the existing quantity restrictions and licensing regimes, as well as other potential motives for committing violations.

The overall activity of the General Tax Administration Directorate (GTAD) is regulated by the TPC and the Rules of Organization. An Internal Control Department has been set up with the Customs Agency, with subdivisions at five Tax Directorates in Sofia, Plovdiv, Varna, Bourgas and Veliko Turnovo. The organizational structure of internal control is fully established down to the level of regional tax administrations. Representatives of internal control work in some territorial tax directorates although they are on the payroll of the regional tax directorates. The main functions of GTD internal control are defined in Article 241 of the Tax Procedure Code and the Rules of Organization. The main functions of the tax control officers are to ascertain the integrity of tax administration officials, to investigate signals and complaints, and to conduct regular (planned, routine) inspections and preventive activities. Such structures with special powers also exist in other state agencies whose activity is related to counteracting corruption and smuggling.

It should be noted, however, that when structural units with control functions are subordinate to the directors of the respective agency or department, their effectiveness is reduced, and there is increased likelihood of violation of the principles of objectivity and independence.

The following measures would have a positive impact:

1. Creating a uniform information system and database allowing checks of the documents accompanying the goods.
2. Introducing a system for the provision of prompt information to the competent authorities about pending criminal or administrative proceedings against a specific person, including information on any previous offenses, sanctions for administrative infractions, or any coercive administrative measures imposed.
3. Creating an effective system for inquiries about the property and financial status of officials who are suspected of committing or of having committed acts associated with trafficking and corruption.
4. Broader application of the system of incentives for customs officials and persons signaling customs or currency violations, as provided for by Article 14 of the Law on Customs.

4.3. ORGANIZATIONAL AND METHODOLOGICAL REFORMS

The organizational and methodological development activities of the special agencies (customs administration, border police, finance and tax administration, the Financial Intelligence Unit, State Receivables Collection Agency, magistrate authorities) - should be aimed at:

- a) quality staff recruitment, training, and retraining;
- b) development of methodologies to expose the different kinds of crimes;
- c) studying the mechanisms of committing different violations, summarizing the findings and presenting the analyses to the Regional Customs Departments.

4.4. CUSTOMS REFORM

The Bulgarian customs reform is of particular importance for the successful curbing of transborder crime. It is carried out in the areas of the statutory framework, work organization, internal control, and international cooperation.

The legal framework of customs activity can be said to have been improved in the late 90s.

The enacting of the Customs Code (SG, No. 15, 1998) necessitated certain amendments to the Law on Banks. The heads of the Customs Agency and of the Regional Customs Departments were authorized to receive the necessary information about persons guilty of a violation officially established by the customs administration.

Another level of secondary customs legislation (instructions, ordinances, etc.) is currently being developed and enforced. The Internal Control Instructions and the Code of Ethics of the Bulgarian Customs Administration will have a direct bearing on the fight against corruption and other unlawful actions of customs officers. They will be jointly elaborated with experienced customs officers and experts from

the customs administrations of EU countries and from Euro-Customs.

An Ordinance of the Council of Ministers of the Republic of Bulgaria of 1999 and the Law on State Property make annual property status declarations mandatory for all customs officers.

In accordance with the provisions of Article 7, paragraph II of the Law on State Property and Article 10, paragraph 2 of the Customs Code, customs officers are required to file declarations in accordance with the restrictions provided for by these acts concerning civil servants and customs officers in particular.

Measures to crack down on trafficking-related corruption are also taken in the sphere of internal control. Special structural units for internal inquiries and control of any corrupt activities involving customs and tax officials have been set up within the system of the Ministry of Finance and more specifically, with the Customs Agency (CA) and the GTAD.

An Inspectorate Division, directly subordinate to the head of the Customs Agency, has been set up with CA with its own subdivisions down to the level of Regional Customs Departments. [28]

As for the Bulgarian Customs Administration, internal control is mainly carried out by officials from the Inspectorate Division with CA, directly subordinated to the Deputy Minister of Finance and the head of the Customs Agency. Its activity includes conducting all kinds of checks and inquiries at customs offices (comprehensive, express, thematic, etc.), as well as checks on reported violations and complaints from citizens and companies.

The Customs Administration has started a project "Combating Corruption" supported by the EU's Phare program and implemented in cooperation with the customs administrations of France and the UK. As part of the project, a structure of the internal control bodies compliant with the practice and standards in the EU will be discussed and put forward.

With regard to work organization, measures have been taken to restrict corruption and other unlawful acts by customs officials, as well as to tighten work discipline, notably:

- introducing a two-tier (and in some cases three-tier) method of control over the process of customs clearance of goods;
- regular rotation of customs officers;
- withdrawing personal customs seals and transfer to a different position, unrelated to customs control, of customs officers against whom preliminary proceedings have been instituted under the procedure of Chapter Twelve of the Code of Criminal Procedure until the pronouncement of the respective authorities;
- special rules have been established for the safekeeping of personal customs seals;
- cash in excess of BGN 100 and/or foreign currency carried by customs employees' workplace and during office hours must be declared.

The following measures were introduced as of January 2000:

- personal ID cards visibly displayed on the uniforms of customs officers;
- special mail boxes will be placed on the premises of customs, customs offices, and checkpoints for signals and complaints by passengers, carriers, shipping agents, company representatives, etc.;

- a telephone hotline for signals and complaints about violations by customs officials was opened with the Inspectorate Division (the number is 359-2 981 55 38).

Due to the early stage of the reform, it is still difficult to determine how these measures will reflect on the practical activity of customs. An indispensable condition for an objective evaluation is to enlist the participation of non-governmental anti-corruption and human rights organizations, as well as to make it accessible to the public.

The reform includes measures to improve the interaction with other state institutions. In order to maximize the efficiency of the fight against corruption and other unlawful actions of customs officers there is constant exchange between the Customs Agency (above all the Inspectorate Division and Customs and Currency Violations Department) and other state agencies concerned (courts, prosecution offices, investigation services, Ministry of the Interior, tax administration, etc.). This interaction includes regular contacts with the agencies of the judiciary and the executive branch, exchange of information and joint inspections with the respective authorities. The information obtained from the inquiries concerning offenses and violations (excluding disciplinary ones) is passed on to the relevant Prosecution Office (e.g. jointly conducted inspections concerning smuggled imports of sugar, ethyl alcohol, etc.).

The continued implementation of the reform would require the introduction of modern operation standards and norms for customs officers: simplifying and facilitating a number of customs procedures, limiting the role of the subjective factor, guaranteeing greater transparency of customs activity, etc.

A radical overhaul of the systems of collecting, processing using information would be of great importance in improving the work of customs. There should be continued efforts along the following lines:

- Establishment of special investigation and intelligence structures in the customs offices, improving the work of these structures, creating conditions for their better functioning through the establishment of new methods of work, improving the facilities and introducing new specialized technical equipment.
- Creating new information databases about customs violations and offenses and ensuring constant exchange of information between the different agencies directly involved in the fight against customs violations and offenses.
- Enhancing the coordination between the customs offices, improving the infrastructure and communications.
- Encouraging the exchange of information among customs administrations and improving international cooperation.
- Using the existing legal framework for exchange of information among customs administrations at international level.
- The Republic of Bulgaria needs to accede to the Convention on mutual administrative assistance with a view to the prevention, investigation and repression of Customs offences of 9 June 1977 (Nairobi Convention).

4.5. MEASURES IN THE CONTEXT OF LEGAL AND INSTITUTIONAL REFORM

The recommended measures are part of the legal and institutional reform for the creation of modern management structures and mechanisms in the context of the country's European integration efforts. The Anti-Corruption Action Plan of *Coalition 2000*, endorsed in 1998, contains general guidelines for the reform of the judicial system, which directly affect the problem under consideration. [29] In particular, the following could be considered:

- Reform of the substantive criminal law by reformulating provisions concerning the misuse of office and fraud, including consumer fraud; introducing a broader definition of the concept of gain in the crime of bribery; criminalization of the act of requesting unlawful gain (which has already been initiated); criminalization of arrangements preceding acts of corruption involving two or more persons; sanctioning legal persons allowing criminal practices in their activity.
- Decriminalization of the crime of incitement to accept bribery under certain conditions, as well as in cases when the aim is to expose corrupt senior civil servants, magistrates and other public officials.
- Legislative regulation of the sanction of confiscation of property acquired as a result of corruption, including property transferred to third parties in order to be retained.

The legal regulation of the financing of political parties and the transparency of their financial activity would be of great importance to reducing political corruption and cutting off any smuggling channels associated with it. The creation of an adequate legal framework in this crucial sphere would also reflect favorably on the establishment of democratic institutions in the country by differentiating the state and party spheres, creating conditions for the development of legal sources of funding and control over the finances of parties and politicians, etc. [30]

Another positive step would be the adoption of the draft law on the Ombudsman institution (the title of the draft is *People's Defender and Civic Mediators*) developed by the Center for the Study of Democracy.* The introduction of the Ombudsman institution on a national and local level would help enhance government transparency and would further the efforts to curb trafficking-related corruption in Bulgaria. (*cf. The Ombudsman Institution - Concept and Draft Law for Bulgaria, Foreign Legislation, Center for the Study of Democracy, Sofia 2000*).

It is also necessary to further develop the public administration reform and clearly define the role of the state and its institutions, including control mechanisms and institutions for combating corruption (the Audit Office, State Financial Control, the tax administration, national services within the structure of the Ministry of the Interior, etc.). A primary concern should be for the special internal control bodies in the public administration, whose immediate tasks are to combat corruption and smuggling, to be either completely independent or have double subordination, to be structured within a uniform system and subordinate to an independent body such as, an *agency with broad administrative powers and jurisdiction*.

An important prerequisite for the continued success of the reform in the public sector is the adoption of a modern law on the access to public information, which would overcome departmental isolation and would contribute towards greater openness and transparency in the public sector. This requires an accurate

* For further information see www.csd.bg

definition of "state secret" and the creation of a regime of transparency and publicly available information about the activity of state institutions.

The continued judicial reform reflects directly on the infractions and crimes considered in the present analysis. The measures to speed up the administration of justice and increase its efficiency and transparency could help overcome its present sluggishness. In particular, the continued harmonization of legislation with the standards of anti-corruption conventions would be of great importance. (In 1999, the Republic of Bulgaria signed three conventions regulating the fight against corruption: the Criminal Law Convention on Corruption of the Council of Europe, the Civil Law Convention on Corruption of the Council of Europe and the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of the OECD. The first convention has been signed and the latter two ratified by Bulgaria. In implementing the obligations under the OECD convention, a Law on the Amendment to the Criminal Code was adopted by the National Assembly on January 15, 1999. It introduced the concept of *foreign public official* and established bribery of a foreign public official in international commercial transactions as a criminal offence. In this case the same sanctions apply as in active bribery of a Bulgarian public official.)

4.6. REINFORCING INTERNATIONAL COOPERATION

The very nature of the combined occurrence of corruption and trafficking presupposes international cooperation as the only possibility to achieve tangible and sustainable results. And that is due to the fact that smuggling is invariably a crime affecting at least two states.

Bulgaria is a party to a number of international instruments related to trafficking and corruption. According to Article 5 of the Bulgarian Constitution these instruments take priority over domestic legislation. [31] At the same time, by virtue of the European Convention on Mutual Assistance in Criminal Matters and the provisions of Chapter 22, Sections Two and Three of the Code of Criminal Procedure, Bulgaria is actively participating in the international cooperation for legal assistance in criminal cases at the request of third countries.

Within two years - 1998 and 1999 - Bulgaria responded to 28 requests for legal assistance, including 13 from Ukraine, two from Cyprus, five from Russia and one each from Turkey, the UK, Poland, Latvia, Norway, Spain and Romania. Eight of those requests concerned the trafficking of narcotic substances. All other requests concerned various goods (the requests with "unlisted" subject being assigned to this group). In accordance with the provisions of the Law on the Judiciary, the requests for legal assistance are handled by the Specialized Investigation Service.

According to the Law on Measures against Money Laundering, the Ministry of Finance is obliged to inform the concerned authorities abroad about "initial offenses and related money laundering crimes to which the Bulgarian Criminal Code does not apply". This information is provided by the Ministry of Justice; the Financial Intelligence Unit with the Ministry of Finance being informed in writing in these cases (Article 21, paragraph 2 of the Implementation Regulations of the Law on Measures against Money Laundering).

The activity of the National Central Bureau of Interpol at the Ministry of Interior, is another form of international cooperation through which inquiries are made and information requested about the registration of persons against whom preliminary proceedings have been instituted in Bulgaria.

Such inquiries about foreign citizens addressed to Bulgaria are also handled by the Bulgarian special agencies and the Courts.

Cooperation through Interpol is particularly important. It allows far speedier exchange of information than with a request for legal assistance where the procedure is more complicated. In addition, certain agencies and institutions not part of the judiciary can also receive information from Interpol.

A specific form of cooperation among the special bodies in charge of combating crime, including the fight against trafficking and corruption, is the Working Group on Law Enforcement set up with the Ministry of Interior. It has been functioning for two years with the participation of representatives of the US Administration, the Bulgarian Ministry of Interior, the Prosecution Office, judges, the Investigation Office, the customs administration and the Financial Intelligence Unit.

On a practical level, direct contacts between the investigation services and, above all, between the Specialized Investigation Service and the liaison officers accredited with the respective embassies in Sofia, are especially useful.

Substantial opportunities exist for the development of regional cooperation. International projects can be developed within the framework of the Stability Pact for South Eastern Europe, and specifically within the framework of the Pact's Third Working Table, concerned with issues of security, corruption and cooperation in the sphere of justice and home affairs. In February 2000, Bulgaria, together with six other countries in South-Eastern Europe, signed an agreement for the fight against corruption within the context of cooperation under the Stability Pact.

Multilateral efforts to check transborder crime are part of another official document: the Good Neighbor Charter signed in Bucharest in early February 2000 as part of the Southeast European Cooperation Initiative (SECI). An Agreement on Cooperation to Prevent and Combat Trans-Border Crime was also signed within the frames of SECI in 1999. It provides for different forms of cooperation between the law enforcement authorities of the countries in the region: exchange of specialized information, cooperation in mastering modern technology and methods, effective coordination, etc. [32]

Bulgaria is party to a number of bilateral instruments on legal assistance, as well as to a number of bilateral agreements on combating corruption and trafficking. [33]

In June 1999' the Customs Agency joined (through its Inspectorate Division) the Joint Program of the Council of Europe and the European Commission Octopus II.

Contacts have been established and information is being exchanged with the customs administrations of neighboring countries, as well as with the EU member states.

The main task facing all Bulgarian institutions committed to counteracting trafficking and corruption is to make full use of existing international mechanisms and forums for the addressing of the most urgent problems in this sphere. Making the national efforts to counter the problems with transborder crime in Bulgaria part of the international fight against this phenomenon is the obvious goal of the various lines of cooperation with other countries, international organizations and special agencies.

4.7. THE ROLE OF CIVIL SOCIETY

Civil society organizations have two major functions in counteracting the combined workings of illegal trafficking and corruption: monitoring and control. Such functions are no doubt exercised by the relevant public institutions and NGOs by no means aim to depreciate these efforts. However, fully objective monitoring and control can hardly be expected from intra-institutional mechanisms. The biggest advantage of civic monitoring and control over the institutional supervisory functions lies in the independence of the NGO sector. Bulgarian politicians have to wake up to the truth that civic control does not have an alternative and no reforms in government could compensate for its absence.

In the sphere of monitoring this cooperation can take the form of a formal agreement between state institutions (e.g. the Customs Agency) and NGOs for conducting regular sample studies to determine the origin of different types of goods. The next step would be to combine the results of sample studies and stock inspections according to a statistical principle defined in advance. The idea is to conduct checks in areas where sample statistics show the greatest discrepancy between the import of certain types of goods and their availability on stock. (See 2.4.)

In the sphere of control it is necessary to involve representatives of NGOs, and specifically of human rights organizations, in monitoring signals of violations when crossing state borders (it is the Customs Agency that now deals with these signals).

The next step would be to ensure the assistance of the respective authorities in establishing independent civic control by introducing the institution of the Civic Observer, opening public telephone hotlines and offices for filing complaints, and carrying out checks of possible violations in the area in immediate proximity to the border or within the scope of customs inspections.

With the assistance of civic organizations the entire information collected by various surveys and polls, as well as through the processed complaints, needs to be made available in a web site and/or in periodic publications (newsletters). This would contribute towards greater transparency and public access to information about the work of the competent authorities and would thus help enlist public support for the measures taken to curb trafficking and corruption.

CONCLUSION

Illegal trafficking, which all too often occurs with the complicity of public officials, inflicts heavy losses on the national economy and harms public interests. The foremost negative implication of these criminal activities is the loss of government revenues, and the resulting greater budget deficit. The government thus has to seek ways of increasing revenues, which in turn not only leads to a heavier tax burden but also tends to impede investments. And this ultimately poses a threat to the economic reforms of the transition.

Tolerating the combined impact of illegal trafficking and corruption poses a threat to national security and the development of market economy. The money accumulated through smuggling circulates in a vicious circle and pushes the economy in a criminal or semi-criminal direction. Thus the criminal structures, rather than honest entrepreneurs, become more competitive and predominant.

As a result the investment environment becomes unacceptable to foreign businesses, who are faced with unfair competition and lack of market rules. Confronted with the illegal import of their own products into the Bulgarian market, major Western companies have left Bulgaria.

Furthermore, illegal trafficking underlines domestic production through cheap imports, impedes the creation of a proper development environment for small and medium-sized business.

Last but not least, the existence of smuggling channels under the control of certain groups vested with power impedes the stabilization of democratic institutions, the regulations of political parties financing, the reform of state structures, and the establishment of democratic government standards.

All of this calls for prompt and resolute measures by the authorities to destroy the criminal alliance of trafficking and corruption and drastically curb smuggling operations in this country. Some of these measures are already in place and others are about to be introduced. The efforts to enhance law enforcement in this sphere are part of international counteraction of trafficking in merchandise, drugs and human beings. Moreover, the reform of the control and law-enforcement authorities and the interception of the smuggling channels in this country constitute preconditions for Bulgaria's integration in the European and Euro-Atlantic structures.

An important pre-condition, which has frequently been neglected, for the successful fight against corruption and smuggling is the need to enhance the role of civil society and to conduct long-term public monitoring and control over the risk zones in this sphere. Without civic participation, the general public in this country and abroad would be deprived of an independent evaluation of the processes and tendencies in counteracting the combined corruption/trafficking phenomenon in Bulgaria.

The methodologies for assessing and monitoring smuggling , outlined above, as well as the proposed comprehensive measures to prevent transborder crime and the associated corruption of public officials, constitute an integral part of the efforts to reinforce the rule of law in Bulgaria.

NOTES

1. The Dictionary of Bulgarian Language (4th ed., 1995) gives the following definition to this concept: social decay, depravity, and bribery. This definition matches the meaning of the Latin word *corruptio*, which means spoiling, outworn or bad condition, or (figuratively) deceitfulness, impairment, bribery. Corruption is a negative phenomenon, which finds its most straightforward manifestation in bribery. Corruption and bribery are alike, though not identical. Corruption is a wider concept, which also includes bribery. For that reason a bribe would have all features of corruption and any bribe constitutes corruption but the reverse is not true. Both corruption and bribery result in obtaining illicit benefits, but in the case of bribery those benefits are tangible or financial items only. Corruption might involve one or more persons aiming to obtain personal benefit through the use of an official position, whilst bribery always involves at least two persons who enter in a *sui generis* deal. A bribe is a crime driven by self-interest whereas corruption is multi-faceted and is much more detrimental to society. A bribe is always a legal phenomenon. Corruption is a social phenomenon, which might turn into a legal one by way of exception.

The common understanding of the concept of corruption covers the misappropriation of property entrusted to someone, smuggling, illicit trafficking, etc. There is even a term "corrupt criminality" a concept, which has been in use for some time though it is devoid of any scientific or legal value. Corruption is equally typical of civil servants and public figures: in both cases the person concerned receives advantages that are either prohibited by law or socially unjust or immoral. Corruption is also typical of all levels of public governance. Thus it is at least inaccurate to connect it exclusively or primarily with the lower levels of public authorities. Quite the contrary, in Bulgaria and in other countries, regardless of their specific stage or degree of economic development (fully-fledged market economy, transition from a totalitarian to market economy, or totalitarian economy), corruption - in its most flagrant forms, largest dimensions and most unambiguous disrespect of any legal and moral values - is emblematic of the highest levels of political power.

2. According to Michael Johnston, transborder corruption is manifested in a wide range of forms: from suspicious political donations and financing of election campaigns to improperly stringent bank secrecy, offshore banking operations or the establishment of free-zones in which capitals of dubious origin are accepted, etc. (see Michael Johnston. Cross-border corruption: points of vulnerability and challenges for reform, in: Corruption and Integrity Improvement Initiatives in Developing Countries, UNDP/OECD Development Center, p.15). In the present study attention will be focused mainly on corruption linked to economic smuggling.
3. In strictly legal terms, smuggling qualifies both as a crime and as an administrative offence. While in the first case criminal liability is envisaged under the Criminal Code, in the second case administrative liability is sought in accordance with the Law on Customs (State Gazette, issue 26, 1968). As far as the crime is concerned, its elements are provided in par. 242 of the Criminal Code. The objective elements comprise the transfer of goods through the country's border without the knowledge and authorization of the customs authorities. The goods could be fairly different and criminal liability in each particular case depends on their type and quantity. In all cases of smuggling the object in question is confiscated regardless of whose property it is. If the object is missing or has been alienated, the offender is liable to pay an amount equivalent to its retail price. The vehicle used to transport or carry such goods is also subject to confiscation irrespective of its intended use and of whether it is owned by the perpetrator or by a third party. It is also important to ascertain whether the vehicle of transportation or transfer has been used to commit the crime of "smuggling". An exception to the general rule is made when the value of the vehicle clear-

ly fails to match the seriousness of the crime of "smuggling".

It is worth noting that smuggling is one of the rare examples in the Criminal Code of the Republic of Bulgaria where a penalty is provided for an attempted smuggling "in particularly great dimensions" representing a "particularly severe case" or where the perpetrator is a customs official. Likewise, criminal liability lies against the perpetrator if the crime is not completed for reasons beyond his or her control. The attempt is punishable in the cases explicitly laid down in the Code and is connected with the type of goods (narcotic drugs) or their quantity (a particularly grave case), or the job description of the perpetrator (a customs officer). Smuggling would only exist if committed by a person able to understand the nature and the consequences of their acts and intended to achieve the criminal result, i.e. direct intent is required. In any other case, there would be no crime.

It is well-established case-law that if an act involves narcotic drugs the value and the quantity of the drugs are not of the essence in order to qualify that act as smuggling. Value and quantity in this case are of secondary importance. The crime of smuggling may be committed by any Bulgarian or foreign person. It suffices for the goods to be transported or carried across the border of Republic of Bulgaria without the authorization of the customs.

Where the smuggling represents a case of minor importance, the sanction envisaged is fine imposable in administrative proceedings. In such cases, the act qualifies as one of "minor importance" within the meaning of s. 93, point 9 of the Criminal Code, which reads: "A case of minor importance is any case where the crime committed, in view of the lack or insignificance of the harmful consequences or in view of other extenuating circumstances, reveals a lower degree of threat to the society by comparison to the ordinary crimes of the respective type".

Where there are no harmful consequences or these are clearly insignificant, the person has not been sentenced before, has not been confronted with an administrative penalty and has committed no other such act, the authority imposing the administrative sanction - i.e. the customs authority - is competent to assess whether the case is one of minor importance (see Interpretative Decision No. 53 of 11 April 1986, General Assembly of Criminal Colleges at the Supreme Court).

By virtue of the amendments to the Code of Criminal Procedure in effect from January 1, 2000, the investigation of the crime of smuggling and of the administrative offences involving smuggling falls entirely within the competence of the customs administration. This legislative solution has vested the customs administration with the entire responsibility to control the compliance with the legislative requirements for the transfer of goods across the border and to investigate the offences committed in this context. Thus, the indispensable legislative, organizational and structural prerequisites have been put in place to improve the efficiency of that administration.

4. It should be emphasized that customs control is always selective. The customs administration of every country is endowed with operational independence guaranteed by the existing regulatory framework. In other words, the examination and control of exported and imported goods are based on expedience. It is objectively impossible to carry out full physical control of all goods crossing the border of a country. The Bulgarian Law on Customs proclaims the right of the customs administration to judge if a customs check should be conducted or not and if the consignment crossing the border corresponds to the documents produced to the customs administration.
5. Those practices were at odds with the country joining the official import embargo. The Council of Ministers and other Bulgarian institutions passed the following legislative documents in respect of Bulgaria's commitment to that international effort:
 - (a) Regulation No. 90 of 7 May 1993 on fulfillment by the Republic of Bulgaria of Resolution No. 820 of the United Nations Security Council of 17 April 1993 (State Gazette, issue 41 of 1993);
 - (b) Regulation No. 241 of 30 November 1992 on fulfillment by the Republic of Bulgaria of Resolution No. 782 of the UN Security Council of 16 November 1992 (State Gazette, issue 99 of 1992); - Decree No. 16 of 24 July 1991 on imposing embargo

on the supplies of arms, munitions and military equipment for the Federal Republic of Yugoslavia (State Gazette, issue 62 of 1991);

- (c) Regulation No. 94 of 5 June 1992 on fulfillment by the Republic of Bulgaria of Resolution No. 757 of the UN Security Council of 30 May 1992 (State Gazette, issue 47 of 1992);
- Regulation No. 125 of 7 July 1992 amending and supplementing Regulation No. 94 of 1992 on fulfillment by the Republic of Bulgaria of Resolution No. 757 of the UN Security Council of 30 May 1992; - Regulation No. 164 of 25 August 1992 amending and supplementing Regulation 94 of 1992 on fulfillment by the Republic of Bulgaria of Resolution No. 757 of the UN Security Council of 30 May 1992 (published, State Gazette, issue 47 of 1992, amended and supplemented, State Gazette, issue 58 of 1992);
 - Ordinance No. 3 on the customs clearance of goods in accordance with the Rules of control of the UN Sanctions Committee adopted on 26 April 1993 (issued by the Ministry of Finance, State Gazette, issue 53 of 22 June 1993).
 - Memorandum of Understanding between the Government of the Republic of Bulgaria and WEU on assistance in the implementation of the sanctions along the Danube.
6. In 1995, the notorious criminal boss Ivo Karamanski, in a scandalous interview for the Bulgarian media, directly accused some economic structures of having privatized the border services: i.e. also give bribes of USD 100 000 but my fuel tanks could well stay at the border for a whole month, while those of other groupings immediately cross the border check points. Through the hundreds of deals violating the embargo against Yugoslavia Bulgarian organized crime developed matchless mechanisms of corruption, while taking over the heritage of the previous State-organized smuggling channels. Of course, all this inflicts enormous damage on Bulgaria's economy.
7. According to data announced by Ministry of the Interior, some 240,000 tons of sugar were imported through the illicit import channel via the port of Bourgas. The sugar was sold on the domestic market. According to Ministry of the Interior, again, that channel had been monitored by senior officers from the Secret Services and even by deputy ministers in the BSP Government. Two officers from the Regional Unit of the National Security Service and 16 customs officers from the customs office in Bourgas were also accused of involvement in the case. Though no direct evidence of bribery was submitted, the channel had been clearly monitored by the Secret Services for two years and no measures whatsoever had been taken to cut it off. That proof of the patronizing attitude of the controlling authorities vis-a-vis certain illicit practices intensified the suspicions about corruption mechanisms operating both horizontally and vertically within the State power.
- At the beginning of 1999, a channel for the import of spirit through several customs offices was detected. It had also been in operation for a number of years. Officially, from 1994 to 1998 not even a single ton of ethyl alcohol had been imported in the country with fully paid customs dues and the vast majority of the Bulgarian producers of alcoholic beverages used mainly smuggled spirit. The fact that an entire industry in the country had worked with smuggled raw materials could only be attributed to the involvement of the customs administration in that illicit traffic.
8. It should be recalled that the introduction of restrictive regimes (quotas) for the export of a particular group of goods has the additional effect of restricting the free turnover thereby inciting the export of these goods in violation of the existing rules. This necessarily entails corruption of the officials authorizing the respective quotas for the different companies and of the customs officers keeping track of the quantity and quality of exports within the limits of a quota.
9. Data provided by the Specialized Investigation Service.
10. Data provided by the Specialized Investigation Service.
11. See Report Committee on the Honoring of Obligations and Commitments by Member States of the Council of Europe (Monitoring Committee). Rapporteurs: Mr. David Atkinson, United Kingdom, European Democratic Group and Mr. Henning Gjellerod, Denmark,

Socialist Group, p. 19.

12. The writ signed by Mr. V. Mikhailov, Prosecutor at Sofia City Prosecution Office, disproved some of the findings, which had been announced in Mr. Dimitrov's audit file.
14. In the view of Dr Alessandro Politi, Advisor to the Italian Minister of Defense, the geography of organized crime and drug trafficking is marked by the following key elements:
 - (d) three gravitation centers of crime, i.e. Italy, Russia and Turkey;
 - (e) 10 regional support centers: Albania, Croatia, Bulgaria, Yugoslavia, Macedonia, Greece, Romania, Slovenia, the Dniester region, Ukraine;
 - (f) two states facing the risk to experience a failure (Yugoslavia and Russia), six other states having gone through different stages of such failures (Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Slovenia);
 - (g) two islands forming "gray zones" with varying degrees of control exercised by organized crime (Cyprus and Sicily); - two large producers of narcotic drugs (Morocco and Russia) and three smaller producers (Albania, Lebanon and the former Yugoslavia);
 - (h) two large drug trafficking routes: the Balkan corridor and Russia;
 - (i) two large territories penetrated by the drugs (Russia and Turkey);
 - (j) one large corridor for illicit people trafficking by sea (Montenegro/Albania - Italy) and four land corridors (Sarajevo - Croatia - Slovenia - Italy/ Austria; Istanbul - Ukraine - Poland - Germany; Istanbul - Romania - Hungary - Slovakia - the Czech Republic; Istanbul - Greece - Macedonia - Italy/ Austria);
 - (k) one large regional financial offshore center (Cyprus).

The main narcotic drugs are cannabis, heroin and ATS, with an ever-rising share of cocaine. (Alessandro Politi, Organized Crime and Regional Cooperation in South-East Europe, paper prepared for the Conference on Regional Cooperation and Reconstruction in South-East Europe, Rome, 29-30 October 1999, pp. 16-17).
15. Data provided by the General Customs Directorate and by the Sector of Drug Trafficking at the National Service for Combating Organized Crime.
16. Data provided by the Sector of Drug Trafficking at the National Service for Combating Organized Crime.
17. Data provided by the Border Police.
18. This figure forms only a part of the total number of people who left the country after the removal of the previous restrictions on traveling and work abroad. According to some estimates, Bulgaria's population has decreased by 8-9 percent in the course of the 90s. The country has been left by nearly 700 000 Bulgarians, many of them young people.
19. Novinar Newspaper, 12 April 2000.
20. Koumanova A., Dimitrova R., The Hidden Economy Through Expert Eyes, *Statistika Journal*, No. 2, 1998, pp. 64-75.
21. For details see Koumanova A., Manolov V. The Concept of Hidden Economy - Basic Statistical Approaches. *Statistika Journal*, No. 2, 1996, pp. 51-62; Koumanova A., Antonova Y. Hidden Economy, *Statistika Journal*, No. 1, 1997, pp. 68-74; Koumanova A. The Hidden Economy and Some Methods for Its Measurement and Assessment, *Statistika Journal*, No. 2, 1997, pp. 67-80.
22. ACE-PHARE P95-2030-R; Mintchev V. Les échanges de biens industriels entre la Bulgarie et l'Union Européenne 1990-1995, *Revue d'etudes comparatives Est-Ouest (RECEO)*, 1999, No 4.
23. One such factor, as rightfully noted by Custom Agency experts is the different methodology used to register imports and exports. Efforts are directed in this respect to standardize

the scope of the methodology to that of the EU and primarily to standardize the scope of the import and export registration. Serious difficulties exist in the registration of the so called "economic regimes" (especially regarding goods processing), an issue that has not found an all-inclusive solution even in the EU countries. For instance, goods processed in a EU country as regular export are imported in Bulgaria as "Processed" and the product is re-exported to third countries without being registered as import in Bulgaria.

Another factor leading to misinterpretation of the data about goods exported from EU countries and imported to Bulgaria is the alteration of the delivery destination. Such thing happens quite often, especially in cases of smuggling, to make the identification of the final recipient more difficult. That is why goods registered to be imported from those countries to Bulgaria in the course of their route - i.e. at cargo harbors or in transit countries - get a new destination and never enter Bulgaria. Or, when entering the Bulgarian customs, territory goods are processed as temporarily imported and get re-exported to other countries. In such cases, the goods have not been processed as regular import in the country but in the country of export where they are registered to be imported to Bulgaria. Another possible cause for such discrepancies could be the fact that part of the goods were processed at Duty Free Zones and until they were processed as regular import they would not be included in the Bulgarian import statistics. The processing in a Duty Free Zone could be done in the timeframe of the next year and the import would not be included in the same year as the export from the respective country.

The declaration of higher purchase amount in the country of export is another factor. This allows illegal VAT reimbursement or, in case of agricultural produce import, payment of higher subsidies.

An important factor leading to data misinterpretation, as stated above, is the different scope of import data registration. In regard to this we should note that in 1998, the year when the analysis of this research was made, individuals importing goods were not required to submit a Unified Administrative Document (UAD), the main source that provides foreign trade statistics.

Taking into consideration the above mechanisms, the difference between the data about goods export from Bulgaria to the EU and the data about the import from Bulgaria, to the EU could be expected to be the reverse - i.e. the export data from Bulgaria to be larger than the import data in the EU countries. A possible cause for the discrepancy could be the re-export of goods registered as temporarily imported from Bulgaria but which have not been registered as regular export in Bulgaria. It should also be noted that a substantial part of this difference is probably due to the above mentioned factors and their impact on the import registration in the EU countries and also the provision of lower customs price by the importers in the EU (the so-called under invoicing).

24. Combined techniques also exist as part of direct methods that cover marketing assessments of specific markets and official sources of information. Here are few examples of the above mentioned research.

The indirect methods include:

- (a) Balancing resources and consumption. This method is based on the disparity between income and expenses. It is linked to three ways of measuring the GDP: production, end use and income. The first focuses on the production flows, the second is linked to the cash flows in the economy based on expenditures, and the third considers them based on incomes. This traditional method of balancing the GDP has not been developed especially for the assessment of the hidden economy. It is disputable whether the differences between the three approaches are due to some kind of bad reporting and to what extent this phenomenon may be described as "hidden" activity. It is recommended therefore before applying this method to use other ways to assess the shadow economy. Although not universal for all countries in transition, the method is applied in the Czech Republic, Bulgaria and some other states.
- (b) Monetary approach to account the movement of banknotes and commodity circu-

lation in the country and, respectively, the level of inflation. This approach uses methods, based on indexes in the sphere of money circulation. They are among the most widespread ones and aim to capture the traces left by shadow economic activity in the sphere of monetary circulation. The general assumption here is that activities within the shadow economy are determined by the use of cash. On the other hand, the amount of cash needed for the production and turnover of the GDP tends to be stable in the short and medium terms (especially with regard to economies functioning normally). The comparison between real money supply and the one needed for the turnover of the GDP is linked to the fact that the difference between them is accounted for by the shadow economy and may be used as an index for its intensity.

- (c) Method based on discrepancy between real and official employment, assuming that the official employment rate differs (is smaller) than the real one in the national economy. The resulting difference is due to the functioning of the shadow economy, which is characterized by undeclared jobs. A different state with a similar economic structure or a specific year in which the hidden sector is considered not to have existed (or to have had a lower relative share) is used as the basis for comparing the share of employed people. The theoretical objections to this method and the difficulties of calculation restrict its use.

A modified version of this method is the so-called Italian method where employment assessments are compared based on data provided in questionnaires measuring production activity and additional sources of information about employment and, more specifically, from manpower monitoring and censuses. This method takes into account both of the deliberate provision of lower data about the registered production units and the assessment of general labor expenditure in the national economy, thereby calculating the value added produced in unregistered economic units. The additional assessment for correcting the lowered reported data from small enterprises is made on the basis of the so-called method of Franz. The Italian method is used in Poland, Romania, Lithuania, Macedonia and Slovenia.

- (d) The Hungarian method is based on the fact that the reported wage and remuneration figures are lowered in order to avoid paying social security contributions (a considerable burden in many countries in transition). Because of this the first step is to correct the officially reported figures even by state-owned companies. The second step is to assess the value added of private companies and sole traders (engaged in the same activity) by using the corrected figures from the official reports and information from the business register about the number of private companies and small enterprises in the household sector which are often left uncorrected. The main focus here is on value added, rather than on production, the assumption being that remuneration in the private sector is 3.5 times higher than in the public sector. Assessments show that more than one third of the incomes of the Bulgarians are not declared. No wonder that the Prime Minister pointed out that 728,000 working Bulgarians are not paying social security contributions, and another 300,000 who work in the private sector pay social security only on the minimum wage. These and similar methods are used in Bulgaria and Poland.
- (e) Method assessing the household production. Assessments of the production of households for their own consumption were made even in the balance of the national economy, i.e. this is nothing new for our domestic statistics. This method assesses only the part that is being sold. The main sources of information are the monitored household budgets, the balances of agricultural products and price statistics. A large part of the production of households is either used by them or sold between households. Part of the production may be bought for intermediate consumption or, if it is an object - sold to tourists and be regarded as export. To some extent this method is applied by almost all countries in transition, and on a larger scale in Romania, Poland, Estonia and Lithuania.
- (f) Method based on household expenses. Using monitored household budgets with regard to expenses for buying goods and services, rather than resources, is another

method for measuring unregistered activities. The information provided by household budgets is somewhat distorted, even National Statistics Institute specialists admit citing the wrong methodology used for collecting information in the country as the main reason. Until now only 3,000 households provided information about their monthly incomes and expenses.

They were paid 2,500 old leva a month to record them on a daily basis. In practice, only the poorest households recorded these figures in the household budget books. Starting this year, the number of monitored households will be doubled to 6,000, but if the figures are to be reliable the monitored households must replicate the panel of households in the census. The most obvious and widespread type of informal activity is the rise in the number of small shops. An attempt has been made to use household budgets to determine the proportion between purchases in big (including state-run) stores and private shops in order to assess the scale of their activity, assuming a comparable level of prices and surcharge in both kinds of shops. Presumably, big stores sell mainly local products, whereas small shops sell mainly imported goods. This approach is primarily used to assess retail trade.

- (g) Method of polling, also known as the method of expert assessments. Its aim is to collect full information about the different aspects of the studied phenomenon: reasons for its appearance, sources and scope, spread among economic agents, methods of assessment, ways to counter it, etc. Regardless of the fact that these observations are not representative, polls enable comparisons of the assessments of the hidden economy, depending on the opinions of the polled experts and the estimates obtained using other methods.
 - (h) Method of mirror statistics. It is linked to the control of import and export registration, i.e. a comparison of goods exported according to Bulgarian documents to Russia, for example, with the Russian import documents, and vice versa. Although promising, this method requires close cooperation between the customs authorities. In addition to comparing information on the basis of national statistics, the daily exchange of information and entry into registers enables the Bulgarian customs officers and those in neighboring countries to directly compare information about vehicles carrying risk goods crossing the border. This kind of customs mirror statistics is already used between Bulgaria and Romania. It was revealed that between 1995 and 1997 about 100 vehicles transporting cigarettes or other excise goods were not registered in any of the two countries. The main kinds of customs frauds discovered this way are linked to: (1) fictitious export of goods from Bulgaria. For example, a truck with cigarettes figures as being exported from Bulgaria, but has not been recorded in all the necessary registers. At the same time, it is not registered anywhere in Romania, meaning that the goods have remained in Bulgaria. The company uses a tax credit, no excise duty is paid on export goods and huge sums are saved of which the budget is deprived; (2) documentary fraud when trucks carrying excise goods (e.g. cigarettes) are recorded in the Bulgarian outgoing registers. In Romania these trucks are recorded as carrying toilet paper, electric light bulbs, or something of the kind (see Item 2.2. for more details).
 - (i) Monitoring of the press. Rather than measuring the size of the shadow economy, this method helps to describe the phenomenon and includes information provided by journalistic investigations of the problem, especially regarding the drug business, prostitution, illegal immigration, etc.
 - (j) Monitoring of city bazaars and wholesale markets. This method covers a the part of the shadow economy, which is linked to the sectors of trade and agriculture. So far official statistics have been unable to account for the entire production in agriculture, for which the inadequate register of farmers is also to blame. The monitoring of town and country markets can therefore to a certain extent also provide an answer as to the size of the hidden part of the above-mentioned sectors.
25. The trend of extending the scope of application of administrative penalties and coercive administrative measures is well visible in a number of laws: the Customs Code (SG, No. 15 of 02/06/1998), the Law on Control of Narcotic Drugs and Precursors (SG, No. 30 of

- 04/02/1999, in force since 09/03/1999), the Law on Measures against Money Laundering (LMML) (SG No. 85 of 07/24/1998), the Law on Foreign Exchange (SG, No. 83 of 09/21/1999, in force since January 1, 2000), the Tax Procedure Code (SG, No. 103 of 11/30/1999, in force from 01/01/2000), etc.
26. The law also referred to a number of public institutions and individuals (Article 3, paragraphs 2 and 3), which were obliged to take measures to identify persons, collect, store and disclose information about operations and transactions. The Implementing Regulations of the LMML (SG No. 119 of 10/14/1998) stipulate the establishment of a special body - the Financial Intelligence Unit - as a special Ministry of Finance team for keeping, studying, processing and disclosing information, received from persons under Paragraph 3 of the LMML. The Implementing Regulation of the LMML creates criteria for identifying suspicious operations, or deals and clients, established by the Minister of Finance.
 27. At GCD level, the Inspectorate Division consists of two departments: "Disciplinary Proceedings" and "Internal Control of Customs Activities". The officials have no disciplinary powers. A written proposal is made in each concrete case to the GCD chief. During the last two years the Inspectorate Division has conducted over 70 checks in customs departments and considered dozens of complaints by citizens and companies, which received an answer within the legally established term. During the same period disciplinary sanctions (including "dismissal".) were imposed on more than 80 customs officials and large sums were collected for the national budget.
 28. See Clean Future, Anti-Corruption Action Plan, S., 1998, pp. 24-29
 29. Ibidem, S., 1999, p. 11
 30. See International Acts for Combating Corruption, S., 1999
 31. See Agreement on Cooperation to Prevent and Combat Trans-Border Crime, p. 3 Bulgaria is also a party to a number of other multilateral agreements:
 - Black Sea region: the Ministry of the Interior, National Border Police Service and National Service for Combating Organized Crime perform their obligations within the context of the Agreement between the governments of the participant countries in Black Sea Economic Cooperation in the struggle against crime and especially against its organized forms, signed on October 2, 1998 in Kerkira, Greece, and primarily maintain constant contact and, if necessary, exchange information with the border security and control services of the countries in the Black Sea region.
 - Agreement on cooperation between the government of Bulgaria, the government of Romania and the government of Turkey in the fight against terrorism, organized crime, traffic of drugs and psychotropic substances, money laundering, arms traffic, trafficking in people and other grave crimes, signed in Antalia on 04/16/1998. Section III, Article 23 of the Agreement provides for the creation of a Supreme Committee made up of experts of the three countries, which establishes subcommittees in the areas envisaged in the Agreement and coordinates their activity. Such subcommittees are envisaged in articles 11 and 12 (discovering false identity papers in border crossings and other crimes in the border zone, as well as the exchange of operative information between the ministries' intelligence divisions.) - Protocol on increased tripartite cooperation in the fight against crime and cross-border crime in particular, signed by the foreign ministers of Bulgaria, Greece and Romania on September 8, 1998. In accordance with Article 3 of this Protocol, a Joint Commission responsible for its application has been established. In this connection, Bulgaria proposed the inclusion of a National Border Police Service representative in the Joint Commission for the purpose of coordinating the activity of border authorities in the struggle against cross-border crime. The National Border Police Service (NBPS) has established direct contacts with representatives of the police detection services of Romania, Greece and Turkey, and exchanges information in specific cases (false IDs, smuggling of vehicles, trafficking in people, arms and materials hazardous to the public, involving citizens of the mentioned countries.
 32. At present, the Republic of Bulgaria has signed inter-governmental agreements on readmis-

sion with 20 states (Poland, Switzerland, Germany, Slovakia, Greece, France, Spain, Portugal, Denmark, the Czech Republic, Sweden, Slovenia, Austria, Italy, Finland, the Benelux countries, Hungary and Norway). Framework projects for signing readmission agreements with another 9 countries have been exchanged: Croatia, UK, Ireland, Latvia, Estonia, Ukraine, Romania, Russia and Georgia.

The practical implementation of readmission agreements is largely implemented by the bodies of the National Border Police Service (NBPS). NBPS cooperates with similar structures in the neighboring countries and member states, including the area of illegal migration, on the basis of bilateral and multilateral agreements.

Republic of Greece

Cooperation is carried out on the basis of an Agreement between the Governments dating from 1995:

1. Meetings of the Central Joint Bulgarian-Greek Border Commission (CBGBC) are held every year on an exchange basis to discuss issues of security and control of the state border. The 61st regular CBGBC meeting was held in Sofia in June 1999.
2. Meetings of the joint sector border commissions are held regularly. Border commissioners also work actively.
3. A Protocol on cooperation and exchange of information in the sphere of police detection has been signed between representatives of the Ministry of Public Order in Seres and the District Border Service in Petrich.
4. A Cooperation Program signed by representatives of the border security and control bodies of the two countries is being implemented.
5. Constant and effective contact is maintained with the respective bodies (consular service, military attache, police attache) at the Greek embassy in Sofia.

Romania

Cooperation between the two border services is carried out on the basis of a Convention between the Governments (of 1973):

1. Meetings of the heads of the two border services are held every two years on an exchange basis; the last meeting was held in Sofia from 14 to 18 July, 1999. (Since July 1, 1999, after the reform of the old structure, a new border security and control structure is functioning in Romania: the Chief Border Police Inspectorate with the Romanian Interior Ministry.)
2. The joint sector border commissions and border commissioners' work actively.
3. A Protocol on cooperation and interaction in the area of police detection for struggle against trans-border crime has been signed (Giurgiu, 03/10/1999).

Republic of Turkey

Cooperation is carried out on the basis of an Agreement between the Governments (of 1967):

1. The joint sector border commissions meet regularly and border commissioners work actively.
2. No Central Joint Bulgarian-Turkish Border Commission has been set up.

FR Yugoslavia

Cooperation is carried out on the basis of an Agreement between the Governments (of 1965, amended in 1982):

1. Meetings of the Central Joint Bulgarian-Yugoslav Border Commission are held every two years on an exchange basis. The last meeting was held in Sofia in 1998.

2. The joint sector border commissions did not meet during the hostilities. The border commissioners held meetings only in extremely important cases and extraordinary circumstances.

Republic of Macedonia

1. Since Macedonia became a separate subject of international law, cooperation has been carried out only at the level of sector border commissions and border commissioners.
2. An agreement between the two governments is needed for fully-fledged cooperation between the border security and control bodies of the two countries.

Bilateral government agreements with countries in the region (Georgia and Russia):

- In accordance with signed agreements, cooperation with the Federal Border Service of the Russian Federation and the Border Troops of Georgia increases particularly in respect of border control and countering illegal migration. - The Budapest group (Budapest process), the International Center for the development of migration policy - Austria - Bulgaria through its special bodies takes an active part with its representatives in international conferences organized by the Center.
33. The establishment of a Fund to stimulate customs officers to fight against corruption was announced within the framework of cooperation between the Bulgarian and French customs. It will be funded along by the PHARE program and by revenues from customs checks