

European program

In 2011, the European Program focused on its already traditional areas: (1) analysis of organised crime markets in Bulgaria and development of a methodology and report on organised crime threat assessment; (2) study on the dynamics and trends of conventional crime in Bulgaria; (3) national and international security issues; and (4) studies on security and interaction among institutions securing border control at the external borders of the EU.

2011 Highlights

- **Organised crime threat assessment in Bulgaria, the Balkans and the European Union.** CSD in cooperation with the Customs Agency held an international conference focused on countering cigarette smuggling in the Balkans, participants at which were high ranking civil servants from the Ministry of Finance, Ministry of Interior, as well as the Customs administrations of the Balkan states. A thorough study was conducted on the Italian policies related to countering mafia and practices on confiscation and administration of assets from criminal activities, and a reader, *Antimafia*, was compiled and presented at an international seminar.
- **Monitoring and prevention of conventional crime.** The completion of the 2010 National Crime Survey marked the 10th year since the first such survey was carried out. The accumulation of data enabled the publication of an analysis of the dynamics of conventional crime in Bulgaria covering the period 2000 – 2010.
- **National and international security.** A public discussion was held on National and International Security in the 21st Century. The participants made an assessment of newly emerged threats such as cyber terrorism, energy security, the link between organized crime and international terrorism, etc.
- **Expanding research areas.** After the successful completion of the study on the link between corruption and organised crime in the EU, in 2011 the European Program carried out another EU-wide study focusing on best practices in the cooperation between border guards and customs administrations working at the external borders of the European Union. Currently the European Program is working on a study of anti-corruption measures in EU border control in all 27 Member States.

I. Organised crime threat assessment

The years following the transition were characterized by the lack of a long term strategy with regard to law enforcement bodies in their efforts to counter organised crime. Furthermore, it became apparent that they were incapable of enforcing their preventive and repressive powers due to inadequate information and insufficient analytical resources to prioritize the threats posed by organised crime and to evaluate the effect of the undertaken measures, political initiatives and strategies. This ineffectiveness allowed many “illegal entrepreneurs” to turn into “respected businessmen”.

Over the last decade countering organised crime has become a priority in most western countries. Most of the efforts were directed towards receiving adequate information regarding organised crime threats. As a result policies

focusing on countering organised crime were developed on the basis of detailed strategic analysis. They take into consideration not only the current situation regarding organised crime but also the risks and threats it generates. Thus they became the basis for the development of midterm and long term measures which are applied by law enforcement bodies and are leading in formulating the priorities of their operative activities as well as the patterns applied in collecting intelligence and operative information.

In this context, the European Program directed its attention to studying and analyzing crime markets in Bulgaria. A series of round tables and seminars were organised to collect data and exchange best practices.

The Center for the Study of Democracy held a round table on *Organised Crime and Energy Security* on 25 March 2011.



Round table Organised Crime and Energy Security, from left to right: Mr. Tihomir Bezlov, Senior Analyst, CSD; Mr. Dimitar Georgiev, Deputy Minister of the Interior; Lt. Gen. (Ret.) Chavdar Chervenkov, Director, European Program, CSD



Organised Crime and Energy Security round table: Mr. Steve Harvey, Senior Expert, OC Networks Unit, Europol

Mr. Dimitar Georgiev, Deputy Minister of the Interior, pointed out the challenges that law-enforcement bodies face with regard to infiltration of organised crime into the energy market.

Mr. Steve Harvey, Senior Expert, OC Networks Unit, Europol, gave a presentation focusing on three scenarios with regard to potential risks that the infiltration of organised crime into the energy sector of Europe might create. Mr. Harvey pointed out that organised crime activity in the energy sector and especially in the newly emerging market niches for alternative energy sources is a new area for law enforcement. Investigations are carried out only upon detection of criminal activities and there is lack of prevention as in the cases of traditional crime areas such as countering illegal drug trafficking and prostitution.

Mr. Tihomir Bezlov, Senior Analyst at CSD, made a short presentation on the

current organised crime situation in Bulgaria and its specifics in the energy sector. The problems faced by the Bulgarian energy sector and ensuing risks of organised crime penetration stirred a heated discussion among the attending experts representing various governmental institutions, think-tanks and law enforcement bodies. Different aspects of the energy markets were outlined along with measures that need to be taken in order to better match the changing environment and adequately counter organised crime.

Official as well as unofficial assessments define the illegal cigarette market as one of the markets causing the most serious damage to the budget. In order to receive an objective and precise assessment of this phenomenon on 2-3 June 2011 CSD and the Customs Agency carried out an international conference entitled Counteracting Cigarette Smuggling in the Balkans in Sheraton Hotel, Sofia.



Participants in the conference Counteracting Cigarette Smuggling in the Balkans

Participants in the conference included Mr. Simeon Djankov, the Deputy Prime Minister and Minister of Finance, officials from the Ministries of Finance and Interior, along with the general directors and senior officials from the customs administration of Bulgaria, Turkey, Greece, Macedonia, Serbia and Romania and representatives of Japan Tobacco International offices in Bulgaria, Turkey, Greece, Macedonia, Serbia and Romania, representatives of OLAF and Taxation and Customs Union Directorate-General of the EC, representatives of cigarette companies British American Tobacco, Philip Morris International and Bulgartabac Holding.

Dr Ognian Shentov, Chairman of CSD, stated that joint actions are needed for countering of the gray economy. The raise of the excise tax on cigarettes in 2010 led to a higher demand for illegal cigarettes, thereby causing an increase in cigarette smuggling. The CSD annual

Gray Economy Index shows that in 2009 there was a decrease in illicit cigarette trade. In year 2010 there was a surge of illicit trade in cigarettes though it is accompanied by an increase in seized smuggled tobacco products. The people involved in illicit cigarette trade are targeted by organised crime and then involved in other criminal markets, thereby increasing the social impact of such activities. This makes the cooperation between law enforcement, customs administration and the private sector crucial for combating this type of crime. The police and administrative measures have to be supported by sound management of the excise policy.

Mr. Simeon Djankov, Deputy Prime Minister and Minister of Finance, said that in times of economic crisis consumers tend to revert to the gray markets due to their tighter budgets and limited purchasing power. The tendency is reversed when the economy picks up.



Conference Counteracting Cigarette Smuggling in the Balkans, from left to right: Mr. Kent Brown, Vice President, JTI; Dr. Ognian Shentov, Chairman, Center for the Study of Democracy; Mr. Simeon Djankov, Deputy Prime Minister and Minister of Finance

Mr. Djankov stated that the excise tax on cigarettes was increased in light of Bulgaria's EU commitments and also taking into account healthcare considerations. Current research reveals that 4.3 % of the Bulgarian population have quit tobacco use as a result of cigarettes price increase in 2009. These unpopular measures aim to tackle inflation and keep the current excise tax on cigarettes until 2015. Mr. Djankov said that the legislative changes, including the draft act restoring the investigative powers of the Customs Agency, aim to strengthen the efforts in combating cigarette smuggling. Enhancing the technological capacity of the customs authorities through purchasing of scanning equipment has also affected positively the size of smuggled cigarettes. The Minister of Finance emphasized the importance of the cooperation between all EU Member States and the European Commission for combating cigarette smuggling.

The current problem is that the flow of cigarette contraband has changed its source from east to south, which means that the biggest amount of smuggled cigarettes enters Bulgaria through its southern border. Almost 70 % of the cigarettes seized by the customs administration enter the country through internal EU borders, mostly through the border with Greece, pointed out Mr. Vanio Tanov, Director of the Customs Agency, whereas only 3 % through the border with Turkey. Another interesting tendency shows that the strong control of the land borders has led to an increase in illicit activities along the sea border. Mr. Tanov emphasized the importance of the establishment of mobile units, which can cover the whole country and all international transport routes. The importance of the utilization of modern technologies for surveillance and control was also stressed by Mr. Tanov. The acquisition of additional scanners

would increase the effectiveness of the routine work of the customs administration. In the field of information exchange the Bulgarian customs administration cooperates with the customs agencies of other EU Member States as well as with the respective authorities in Turkey. The establishment of a joint customs and police center on the borders with Greece, Macedonia and Serbia would further enhance information exchange. The private sector support with expert analysis was described as especially valuable by Mr. Tanov.

Presentations on problems related to cigarette smuggling as well as measures undertaken at national levels were given by Ms. Aggeliki Matsouka, Head of Section B, 33-rd Customs Control Division, Ministry of Finance of Greece, Mr. Ljubisa Dimovski, Intelligence Department, Customs Administration, Republic of Macedonia, Mr. Slobodan

Nikolic, Deputy Director General, Customs Administration, Republic of Serbia, Ms. Camelia Dima, Head, Risk Management Office, Surveillance of Excise and Customs Operations Directorate, National Customs Authority, Romania and Mr. Mehmet Guzel, Deputy Director General, Customs Enforcement DG, Undersecretariat of Customs, Republic of Turkey.

Mr. Stefan Shlaefereit, Vice President, Anti-Illicit Trade Global Strategy, JT International, responsible for the strategy for tackling illicit cigarettes trade touched upon the need of closer cooperation between the private sector and customs authorities in countering cigarette smuggling and trade in fake ones, and their regulation through legally binding agreements or memoranda of understanding. He emphasized the global scale of illicit trade in cigarettes as well as some new trends in the dis-



Conference Counteracting Cigarette Smuggling in the Balkans, from left to right: Mr. Kristian Vangrieken, Head, International Cooperation Unit, DG Taxation and Customs Union, EC; Ms. Diane Scarlett, Head of Operations, OLAF

tribution of fake tobacco products of JT International. In conclusion he pointed out that illegal trade causes losses not only to cigarette producers but also to national budgets in the form of uncollected revenues which calls for closer cooperation among the respective institutions.

Ms. Diane Scarlett, Head of Operations, OLAF, emphasized the role of the Working Group on Combating Cigarette Smuggling which coordinates large-scale international operations for the interception of cigarette smuggling. The effective cooperation with cigarette producers helps reduce illicit trade as well as uncover factories for the production of fake cigarettes. The production of so called "cheap whites", illegal production and the global nature of the illicit cigarette trade were among the main challenges for OLAF outlined by Mrs. Scarlett. She shared some typical schemes for smuggling of this type of cigarettes and outlined data on the illegal cigarette production in the EU.

Mr. Kristian Vangrieken, Head, International Cooperation Unit, DG Taxation and Customs Union, shared some of the main challenges in the field of combating cigarettes smuggling. The enhancing of the technical capacity of the customs agencies, including through training and upgrading of equipment, with limited financial resources, is one such challenge. The difference of penalties and sanctions for customs fraud in EU Member States is another problem. The different taxes and high prices of the products also predispose smuggling. Mr Vangrieken mentioned several OLAF initiatives among which cooperation agreements for information exchange, enhanced cooperation with producers, joint customs operations. The adoption of relatively comparable excise tax in EU Member States would be the most effective measure for combating cigarettes

smuggling, albeit the most difficult to implement.

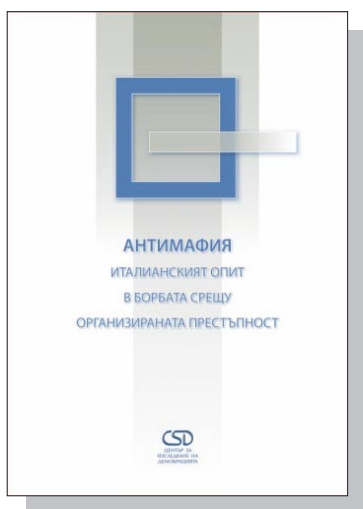
Mr. Tihomir Bezlov, Senior Analyst at CSD, presented an analysis of the tax policy as a factor generating illicit cigarette trade. He stressed the fact that Bulgarians smoke the most expensive cigarettes in the EU if the price of cigarettes is calculated as a percentage of the average income. Mr. Bezlov outlined some tendencies of the illicit cigarette market, which reached almost 40 % of the total volume of cigarette trade in Bulgaria, and estimated the profits generated by organised crime from illicit cigarette trade. He emphasized the different costs, including financial and social, caused by this type of crime.

The participants shared information regarding the storage of seized cigarettes as well as their disposal. The issue of using international laboratories or laboratories of producers for establishing the content of seized cigarettes was also discussed. There was a discussion on the possibility to track cigarette shipments and limit cigarette smuggling by signing memoranda of understanding with big transportation companies. In this relation a question was brought up regarding the utilization of cigarette smuggling revenues by organised crime in funding terrorist organizations which actually poses a threat to the security of each state. The Turkish representative expressed the opinion that it would be beneficial to each partner if a joint initiative would be developed and headed by OLAF or the International Customs Organization so that an adequate training of personnel would be conducted, following uniform standards.

Along with the criminal market analysis, the matter of studying and popularizing the good European practices regarding the fight with organised crime

by confiscating the illegally acquired assets and the subsequent administering of those assets has taken an important place in the annual agenda of the European program.

Together with the Commission for Establishing Properties Acquired from Criminal Activities and the Caserta Province Authority (Italy), the European program started off a project entitled "Sharing Alternative Practices for the Utilization of Confiscated Criminal Assets" (SAPUCCA). Distinctive features of the Italian experience are the utilization of special legal and regulating measures such as civil confiscation and dissolution of a municipal or regional body, as a result of identified infiltration of mafia structures. The achievements and problems of the anti-mafia policies have been widely discussed in Europe; they are of practical importance to Bulgaria especially in light of the elaboration and implementation of adequate legal and institutional mechanisms against organised crime.



The practices implemented by Italian authorities countering the mafia, in particular the expropriation measures

and utilization of confiscated criminal assets, were researched and systematized. The collected materials were published in the *Antimafia* reader.

The reader presents the Italian policies against organised crime, which encompass a broad set of instruments tailored to expose the specific threats and mafia instruments to get round the law. The key measures among these are: the confiscation, administration and utilization of confiscated criminal assets; the dissolution of local municipal councils, infiltrated by mafia; special penitentiary regimes for high-ranking leaders of organised crime.

All these policies are a direct response to the challenges imposed by organised crime. They expand the scope and the set of instruments available to the prosecution and law-enforcement systems. This set of policies complement the traditional approaches against the mafia, which have proven to be not sufficiently effective in a situation of persisting mafia pressure upon the political and economic life in the country. In this context, the Italian experience could be applicable to countries, such as Bulgaria, which are vulnerable to corruption and organised crime.

An international seminar entitled *The Italian Experience in Investigating, Confiscating and Administering Property Acquired from Criminal Activity* was held on 28 October 2011 in Sofia. It aimed to inform the general public and interested Bulgarian institutions of the specific anti-mafia measures taken by the Italian authorities regarding the investigation and expropriation of criminal assets. Representatives from the Italian academic circles, Prosecution and specialised administrative bodies for utilization and management of confiscated criminal assets participated in the seminar.



International seminar The Italian Experience in Investigating, Confiscating and Administering Property Acquired from Criminal Activity, from left to right: Dr. Marco Cerreto, Director, Relations with the EU Department, Italian Province of Caserta; Dr. Emilia Tarantino, Manager, EU-funded SAPUCCA Project; Dr. Ognian Shentov, Chairman, CSD; Dr. Todor Kolarov, Head, Commission for Establishing Properties Acquired from Criminal Activities

The Bulgarian participants included representatives from the Prosecution office, the Administrative Courts of Justice and experts from the Ministry of Justice and Ministry of Labour and Social Policy. The Italian participants presented their legislative experience and the specific occasions requiring the implementation of much tougher measures against people who are growing rich from criminal activities, while the basic human rights are being respected. Until the 1980s the laws defined the so-called “facultative confiscation”, where there is a direct link between criminal deeds and acquired assets. After 1992 however, stricter measures were introduced targeting members of organised crime groups, which endanger society. One of these measures is the “preventive confiscation” without being preceded by imposing of criminal

penalty. The importance of measures targeting third persons in such a procedure was highlighted: “The expropriation of assets inevitably leads to questions about a possible derogation of one of the basic human rights, namely the property rights. This underlines the necessity of supplementing the court with proofs of the discrepancy between the investigated person’s wealth and his legal income. The just process requirements are another aspect of safeguarding human rights in effectuating the assets confiscation procedure.”

In 2010, in Italy was established the National Agency for Administering Assets Acquired by Criminal Activity. The establishment of the Agency was due to the fact that the then existing repressive measures in countering organised crime in Italy were ineffec-



From left to right: Dr. Barbara Vettori, Professor, Catholic University, Milan; Ms. Ilaria De Nicolais, Assistant Project Manager, TECLA Association; Dr. Luigi Gay, Prosecutor, Italian Prosecution Office; Dr. Natale Argiro, Director, Observatory for the Legality, Province of Caserta; Dr. Giacomo Barbato, Deputy Director, National Agency for Administrating Assets Acquired by Criminal Activity

tive. The agency is put under the aegis of the Ministry of Interior, although it collaborates closely with representatives from the judicial system, the territorial local authorities and the Italian civil society. The Agency gathers information about the properties status, in addition to the management of the confiscated assets.

The Italian policies countering organised crime encompass a broad set of measures which are tailored to expose the specific threats and mafia instruments to get round the law: Specialised legislation for facilitating and accelerating the pre-trial and judicial proceedings against mafia members and leaders was enacted; Harsher penalties and special penitentiary regimes against high level members of organised crime groups, which pose a serious threat to society were introduced; Preventive

confiscation allowing for expropriating mafia assets in favour of the society and state was applied; Holistic anti-mafia policies have been pursued in the infiltrated by the organised crime municipalities and provinces. These policies include dissolving of the mafia controlled local authorities and implementing programs for improving security and economic development in Southern Italy.

II. Monitoring and prevention of conventional crime

In 2011, CSD continued its work in the area of crime prevention, focusing on conventional crime trends. For the second time since 2001 CSD published a comprehensive analysis of this phenomenon for the 2000 – 2010 period, using data from the National Crime Surveys.



International seminar The Italian Experience in Investigating, Confiscating and Administering Property Acquired from Criminal Activity, from left to right: Dr. Todor Kolarov, Head, Commission for Establishing Properties Acquired from Criminal Activities, Mr. Dimitar Georgiev, Deputy Minister of Interior

The National Crime Survey is a victimization survey introduced in Bulgaria by CSD in 2001. It enables a detailed analysis of the trends and volumes of crime in Bulgaria and provides reliable information on both crimes registered by the police and unreported ones. Annually the National Crime Survey feeds in data from a national representative survey conducted among 2 500 citizens. It employs the methodology of the International Crime Victims Survey developed by the UN Interregional Crime and Justice Research Institute (UNICRI). Additional modules have been added to reflect the specifics of the Bulgarian crime situation. The survey covers the most common categories of crime: car thefts and thefts from cars, thefts from homes, thefts of personal belongings and crimes against the person. Over the past years real estate,

telephone, debit and credit card frauds have been added.

In contrast to official crime statistics maintained by the Ministry of Interior, victimization surveys help both the police and the public develop a better understanding of the real level and trends of crime. They highlight the volume of unreported/unregistered crime and the reasons for not reporting or registering certain crimes. The comparison of official data with data from victimization surveys allows for the assessment of the level of public trust in the police.

The 2000 – 2010 period is characterized by specific dynamics and variety of crime trends. Between 2000 and 2008 the economic growth, emigration flows, aging population and the increased

duration of convictions led to a continuous decrease in the level of crime. As the economic crisis deepened, crime rates in Bulgaria started to increase since 2009. Compared to 2011, the criminological situation in 2009 sharply deteriorated. As in other crises (1990 – 1992, 1996 – 1997), the crime rate went up; both the National Crime Survey and the official statistics of the Ministry of Interior registered the same trend.

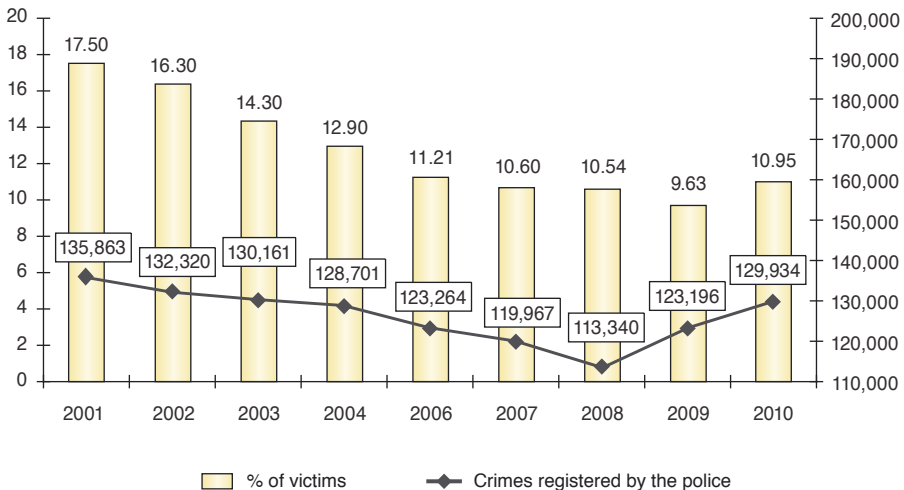
- increase in “hidden” crimes that are not reported to the police for the following reasons: (1) lower level of trust in the police force (lower than the level reached in 2009, but higher than that of 2008); and (2) the increased number of petty crimes which are not reported to the police.

The 2009 – 2010 period is characterized by:

- continued economic crisis and increasing crime rates;
- stable rates of the crimes considered more serious by the population and causing serious damages (car thefts or burglaries);
- increase in the number of pilferages or violent crimes;

The share of unreported crime, which is one of the main indicators showing the level of trust in the police, noticeably decreased in the period up to 2009, as trust in the police was growing. In 2010 it reversed to the average level typical of the past 5 years – 45-46% of victims do not report the crime. Reverting to the previous level of unreported crime is also to the increase in the number of crimes considered minor. In Bulgaria the average level of unreported crime regarding particular categories of crime (like car thefts or robberies) are at levels

Figure 8. National Crime Surveys (NCS) and police statistics



Source: NCS; MoI.

comparable to those in the EU. Some specifics can be identified:

- In Sofia and smaller towns citizens report a higher number of crimes;
- In villages and regional centers the rate of unreported crime tends to be higher;
- Unreported crime has highest rates in the North Central and the South Eastern regions of Bulgaria.

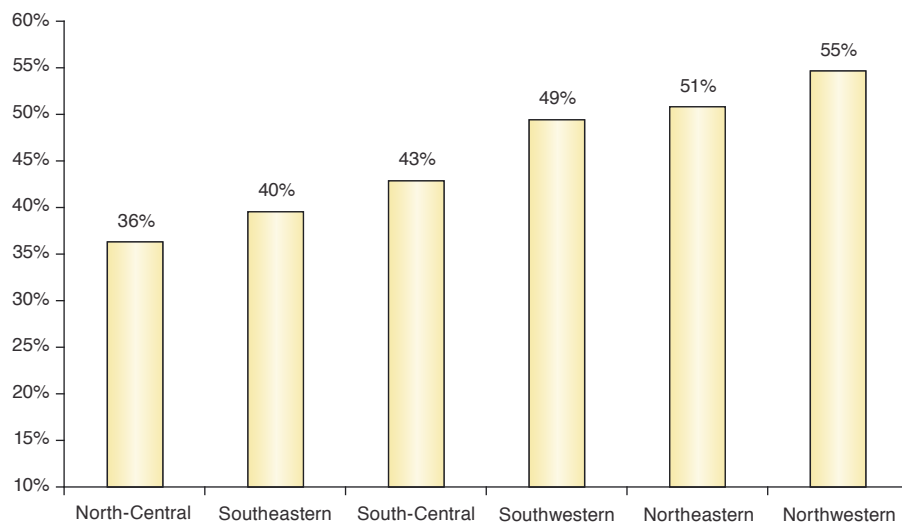
According to forecasts, if the economic situation and negative demographic growth persist, in the next few years the conventional crime rate will start to decline due to the decreasing number of people aged 15-30 who are considered to be more likely to commit crimes (a situation similar to this of 2000 – 2008).

The survey findings were published in a book entitled *Crime Trends in Bulgaria*

2000 – 2010, which was presented on 26 July 2011 at a joint public meeting of CSD and the Internal Security and Public Order Committee of the National Assembly.



Figure 9. Share of reported crimes (by regions; average number for 2006 – 2010)



Source: NCS.



*Joint public meeting of CSD and the Internal Security and Public Order Committee of the National Assembly for the presentation of the book *Crime Trends in Bulgaria 2000 – 2010* from left to right: Mr. Tsvetan Tsvetanov, Deputy Prime Minister, Minister of the Interior and Chairman of the National Crime Prevention Commission; Mr. Dimitar Georgiev, Deputy Minister of Interior*

Mr. Tsvetan Tsvetanov, Minister of the Interior, underlined the significance of the National Crime Surveys (NCS) carried out by CSD. He stated that the NCS provide a better picture of the state and trends of crime in the country. With regard to the Ministry of Interior's work, the Minister pointed out that over the past two years there has been a decline in the level of serious and organised crime, crimes against the person and car thefts.

Street crime, as a social problem reflecting the current state of society, should not be viewed as the sole responsibility of the Ministry of Interior. The fight against crime should involve a number of agencies as well as the non-governmental sector. For this purpose it is crucial to apply an integrated approach, part of which

will be the development of a national crime prevention strategy. The Ministry of Interior will continue working on the improvement of the crime registration process as well as increasing trust of the public. As far as the better interaction among the investigation office, the courts and the prosecutor's office is concerned, the introduction of a Uniform Crime Information System would make the fight against crime more efficient. This will give better opportunities for operational analysis of the dynamics of crime and facilitate adequate and prompt decisions providing legal instruments in countering crime.

Commissioner General Angel Antonov, Director, Criminal Police General Directorate, pointed out that crime reflects the development stage of soci-



*Joint public meeting of CSD and the Internal Security and Public Order Committee of the National Assembly for the presentation of the book *Crime Trends in Bulgaria 2000 – 2010* from left to right: Commissioner General Angel Antonov, Director, Criminal Police General Directorate; Mr. Krasimir Tsipov, deputy chairman of the Internal Security and Public Order Committee; Dr. Ognian Shentov, Chairman, CSD*

ety at a concrete point of time and it is a consequence of a number of economic, social, demographic, cultural and other factors. Usually police statistics is used as a basis for surveying the level of crime, while the combination of factors which cause crime rates to change are not considered and often disregarded. In his presentation Commissioner General Antonov elaborated on the measures adopted to improve police statistics, such as the statistical monitoring of processing of reported crimes. He underscored the importance of police officer training with regard to the application of the new operating procedures for crime registration. Commissioner General Antonov also presented the audience with information related to the dynamics of crime trends from police point of view and also named some existing problems in this area. He concluded

that in its work the police try to consider all factors which impact the dynamics of all types of crime with regard to improving its efficiency.

Mr. Konstantin Penchev, Ombudsman of the Republic of Bulgaria, pointed out that countering crime requires not only the will to fight crime but also a change in the public's attitudes towards crime. A good example is the victims of telephone fraud. As long as such attitude exists it is impossible to expect an eradication of this type of crime. As far as the judiciary is concerned, Mr. Penchev underscored that the type and duration of punishments play a significant part in crime prevention. In cases of repeat offenders judges could rule out convictions of longer duration. A very important factor, according to Mr. Penchev, is the observance of reasonable deadlines in the criminal justice process.

The participants in the public discussion discussed and suggested various approaches to counter conventional crime, among which the stepping up of the implementation of the Uniform Crime Information System in order to counter crime more efficiently, expansion of crimes studied such as tax fraud, fictitious import and fraudulent reimbursement of excise tax and others. As well as increasing transparency and accessibility to results achieved in police work.



*Mr. Konstantin Penchev, Ombudsman
of the Republic of Bulgaria*

III. National and international security

Bulgaria's commitments as a NATO and European Union member get even more important in the light of the latest global developments. In this context on 28 July 2011 CSD, in cooperation with the Southeast Europe Development Initiative and the Bulgarian Ministry of Defense, hosted in the Sofia Military

Club a public discussion on national and international security in the 21st century. The keynote speaker was General James Jones, former National Security Advisor to President Obama and Supreme Allied Commander Europe, joined by the Bulgarian Minister of Defense Anu Anguelov. Present at the discussion were high-ranking Bulgarian officials, former and current members of the Bulgarian armed forces, diplomats, members of non-governmental organizations and the media.

General Jones complimented Bulgaria's role in NATO, emphasizing the importance of US Bulgarian relations. He noted that in the 21st century threats from non-traditional sources need to be recognized, including cyber terrorism, links between organized crime and international terrorism, and energy security. These are threats that need to be addressed proactively, as opposed to the largely reactive security policies of the 20th century. To this point, he emphasized the need for greater engagement between developed and developing countries based on three components: security, economic opportunity, and increased rule of law and democratic governance. Regarding traditional allies, General Jones underscored the importance of increased trust and exchange of information. To an extent this has happened already, as exhibited by the recent successes in the fight against international terrorism.

General Jones presented a review of the first two years of Obama's administration in an international context. He noted the issues that President Obama was elected on, including: a restoration of the US image abroad; increasing dialogue and cooperation between nations including Russia, China, India and previously non-engaged nations such as Iran; closing out the US presence in Iraq and closing the Guantanamo Bay



Public discussion on national and international security: Gen. James Jones, former National Security Advisor to President Obama and Supreme Allied Commander Europe

detention facility; participation in a new NATO strategy; outreach to the Muslim world including a stimulation of the Middle East peace process; addressing nuclear proliferation; and responding to the previously mentioned new security threats. Strategic thinking will become more difficult in foreign policy, according to General Jones, due to the increased pace of international events, and will become more prevalent in the private sector. He addressed the status of the aforementioned goals, noting that the results after two years are better than the credit the administration gets from the media. The Middle East peace process was seen as the most disappointing result, while goals such as the withdrawal from Iraq are on target.

IV. Expanding the scope of research

In times of economic crisis and increasing risks of terrorism, organised crime

and illegal migration, the issue of more effective and efficient management of the external borders of the European Union has become more important over the past years. To Bulgaria it is of paramount significance with regard to its forthcoming accession to the Schengen Agreement.

Despite the efforts to develop uniform standards for managing the external borders of the European Union, the patterns and scope of cooperation between customs administrations and border guards were left within the competency of each Member State. As a result, some Member States have achieved very good institutional cooperation, even merged both institutions (as in the case of UK), whereas in other Member States the relations between both agencies are characterized either by complete separation of powers or existing mistrust, rivalry and lack of communication.

A number of national, geographic and institutional factors define the variety of management patterns and interagency operative practices regarding border control within the European Union. In some Member States there are obstacles that hinder the cooperation between border guards and customs administrations, which require more background information in order to be understood.

In 2010 the European Program was commissioned by the European Commission to conduct a first ever study to identify best practices on the cooperation between border guards and customs administrations working at the external borders of the EU. The finding of the report entitled *Better management of EU Borders Through Cooperation*, which in May 2011 was presented in Brussels at a special meeting of the representatives of the Ministries of the Interior of all Member States.



On 14 June 2011 the report was presented at the Bulgarian Parliament at a round table entitled *Cooperation between Customs Administrations and Border Guards for better management of the External Borders of the European Union*.



From left to right: Dr. Marko Arndt, Director, Sofia Office, Konrad Adenauer Foundation; Mr. Anastas Anastasov, Deputy Chairman, National Assembly and Chairman of the Internal Security and Public Order Committee; Dr. Ognian Shentov, Chairman, Center for the Study of Democracy; Mr. Tzvetan Tzvetanov, Deputy Prime Minister and Minister of the Interior; Mr. Konstantin Igash, Minister of the Administration and Interior of Romania

Figure 10. Exchange of information between Customs and Border Guards in EU Member States

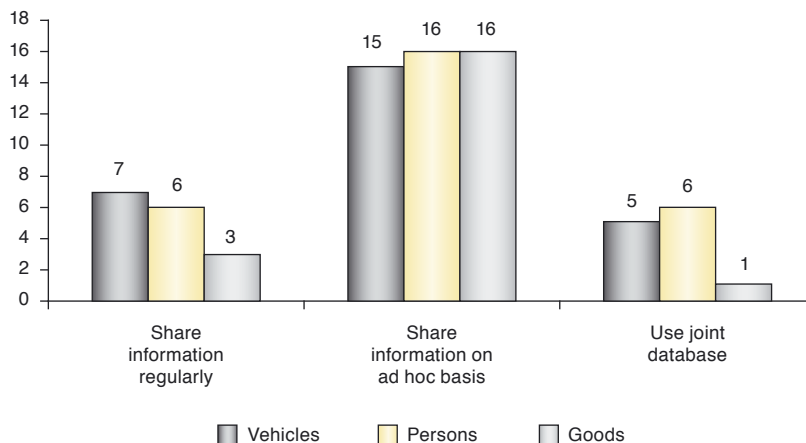
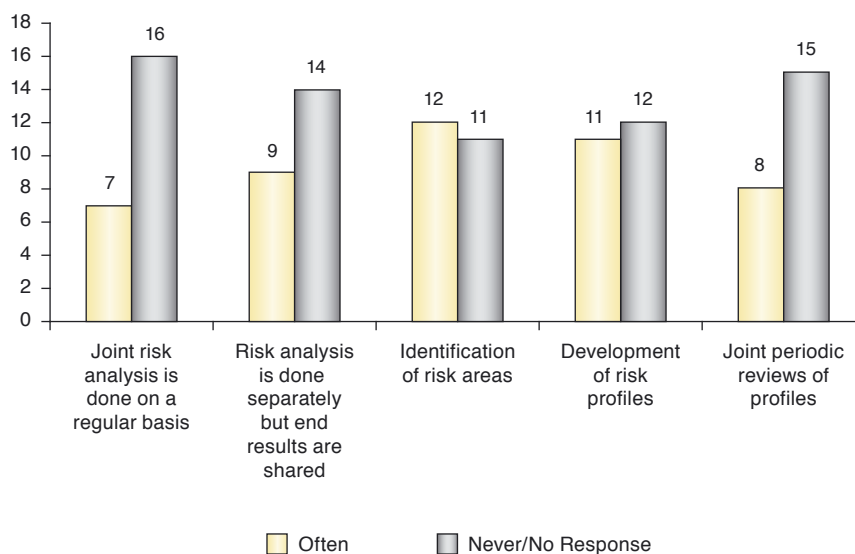


Figure 11. Forms of cooperation in risk analysis in EU Member States





Round table Cooperation between Customs Administrations and Border Guards for better management of the external borders of the European Union

The participants were presented with the findings of the study on best practices on the cooperation between customs administrations and border guards in all 27 member states of the European Union along with recommendations to the European Commission and Member States with regard to possible practical measures and policies. It was underlined that the issue of cooperation between customs administrations and border guards of the member states of the European Union is one of the structural problems in the area of justice and home affairs of the EU. Different reasons with regard to operational cooperation, institutional culture (one of a civil-administrative or paramilitary type), political pressure, etc. underpin the varying extent of cooperation between these two institutions within the European Union, becoming less intensive from the Scandinavian countries to South

East European countries. The report identifies best practices and patterns of cooperation between customs administrations and border guards as well as makes recommendations to Member States and EC in light of increasing the effectiveness of external border control.

The experts from the Center for the Study of Democracy presented the study based data collected during site visits to 12 countries and through more than 200 interviews. Eleven areas of cooperation between border guards and customs administrations were studied in detail. Two groups of Member States are formed. The first group comprises Scandinavian MSs, including UK and Germany, and is characterized by efficient cooperation patterns. It provides more efficient border control and avoids duplication of functions which in times of crisis results in financial savings.

The other group is characterized by low extent of cooperation between border guards and customs administrations and the reason for that is different institutional cultures. An assessment was made of the extent to which best practices on the cooperation between border guards and customs administrations could be applied to the Bulgarian environment. An emphasis was placed on the new threats that Bulgaria would face when the country joins the Schengen area, such as migration flows to Europe and cigarette smuggling.

Mr. Tzvetan Tzvetanov, Deputy Prime Minister and Minister of the Interior, pointed out that over the last years there has been an improvement in the cooperation between Bulgaria's Customs Agency and DG Border Police. The changing environment requires new regulations on cooperation and the development of compensatory mechanisms especially with Bulgaria entering the Schengen Area. Mr. Tzvetanov underlined the increasing role of FRONTEX with regard to border security and the part

it is playing in tackling migration flows from North Africa to Greece and Italy. The mechanism for controlled deliveries, jointly implemented by Customs and GDBOP has led to a number of positive results in conducting a series of operations on seizures of contraband goods, destroying channels for cocaine and heroin smuggling and apprehending their organizers. Mr. Tzvetanov underscored the importance not only of the cooperation between the Customs Agency and the Ministry of Interior but also among the institutions of the other Member States and European agencies such as Europol and OLAF.

It was emphasized that the newly assigned investigative powers of the Customs Agency should be compounded with the necessary administrative capacity in order to be carried out successfully. In the area of cooperation among the Customs Agency, Ministry of Interior and the Prosecutor's Office there is a need for such reforms that would lead to feasible results.

