

Updated Strategy for the Establishment of a Central Electronic Register of Legal Persons and an Electronic Registries Center of Republic of Bulgaria

Round table

Registration Reform Strategy: 10 years later

Center for the Study of Democracy

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Strategy for the Establishment of a Central Electronic Register of Legal Persons and an Electronic Registries Center of Republic of Bulgaria

- Decision of the Council of Ministers of 28 April 2005
- Objective
 - To define the priorities and stages of the introduction of a modern, centralized electronic system of official registers through the establishment of a Central Electronic Register of Legal Persons and an Electronic Registries Center
- Principles
 - Transformation of the registration procedures from juridical to administrative
 - Unification, standardization and centralization of existing registers
 - Cheap and prompt registration
 - Simplified and secure procedures
 - Electronic database, publicly accessible via Internet
 - Unique identification number for each legal person

Objective of the updated strategy

- Analysis and evaluation of the results of the implementation of the Strategy for the Establishment of a Central Register of Legal Persons and Electronic Registries Center of Republic of Bulgaria
- Revision of the measures, deadlines and responsibilities of the institutions with regard to the activities not yet performed
- Update of the strategy in order to correspond to the legal and institutional framework of the official registers in Bulgaria

Evaluation of the implementation of the 2005 Strategy

- Establishment of a Register of Legal Persons - partially accomplished
 - Central Electronic Commercial Register and Register of Cooperatives - accomplished with delay
 - Central Electronic Register of Not-for-profit Legal Persons - not accomplished
 - Central Electronic Register of State-owned Enterprises - accomplished with delay
 - Central Electronic Register of Other Private Legal Entities, incorporated not through registration - not accomplished
 - Central Electronic Register of Public Institutions - not accomplished
- Establishment of an Electronic Registries Center - not initiated yet
- Incorporation and integration of the other registries - not initiated yet
- Establishment of a Central Property Register - not accomplished

Register system in Bulgaria: current situation

- Commercial Register
- Register of Not-for-profit Legal Persons
 - Court registers at the district courts
 - Central Register at the Ministry of Justice (only for not-for-profit legal entities registered in public benefit)
 - Bulstat register
- Register of public institutions
 - Administrative register

Register system in Bulgaria: current situation

- Community centers (chitalishta)
 - Court registers + central register (Ministry of Culture)
- Schools, kindergartens and support units
 - Promulgation of the order in the State Gazette + central register (Ministry of Education, Youth and Science)
- Universities
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- Medical care institutions
 - Commercial register + specialized registers (regional health inspections, Ministry of Health) + medical care institutions under special regime
- Cultural institutions
 - Central register (Ministry of Culture)
- Legal Persons according to the Law on the Bar
 - Law firms (bar council + district court)
 - Bar associations and Supreme Bar Council

Activities, responsible institutions and deadlines - analytical stage

- Analysis of the current situation with the registries of legal persons in Bulgaria
 - Legal grounds for operation of the register
 - Institution keeping the register
 - Types of legal persons registered
 - Registration procedure, entry of changes and deletion
 - Legal effect of registration and consequences for not registering
 - Format of the register (electronic and/or on paper)
 - Level of centralization
 - Access procedure
 - Statistics on the number of registered entities and the workload of the register
 - Cost of maintaining the register
 - Human resources

Activities, responsible institutions and deadlines - analytical stage (continued)

- Identification of the types and number of existing legal persons
 - Legal basis
 - Incorporation procedure for legal persons, including the moment of establishment of the legal person
 - Structure
 - Scope of activity
 - Financing
 - Registration
 - Statistics on the number of existing legal persons of every type

Activities, responsible institutions and deadlines - analytical stage (continued)

- Financial analysis
 - Expenses for the development and deployment of an information system
 - Expenses for additional working space and technical equipment
 - Expenses for additional personnel
 - Possible sources of funding
 - Justified forecast of revenues and expenses of the Central Register of Legal Persons during the first five years of operation, including the expenses for re-registration of persons registered in other registers
 - Justified forecast of the resources to be saved after the closure of the other registers of legal persons
 - Recommendations for optimization of the expenses related to the establishment of the Central Register of Legal Persons

Activities, responsible institutions and deadlines - legal and technical stage

- Preparation and adoption of a Law on the Central Register of Legal Persons
 - General provisions: subject and purpose of the law, key principles, scope of application and institution responsible for keeping the register
 - Registration procedures: general provisions and special rules for registering legal persons that are not incorporated through registration
 - Accessibility: access to the register, requests for information and issuance of certificates
 - Funding of the register: fees, other sources of funding, eligible expenses
 - Administrative penal provisions: types of violations, amount of sanctions and procedures for establishment of violations and and imposition of penalties
 - Additional provisions: definitions of main terms used in the law
 - Transitional and final provisions: rules for re-registration

Activities, responsible institutions and deadlines - legal and technical stage (continued)

- Preparation and adoption of amendments to the legislation related to legal persons in Bulgaria
 - Obligation for registration of every newly established legal person and any subsequent change in the registered circumstances in the Central Register of Legal Persons of Bulgaria: in case the legal person is created by registration (associations, foundations, etc.), this obligation should be entrusted upon the governing body of the newly incorporated legal person; in case the legal person is established through another legal act, the entry should happen *ex officio*
 - Annulment of the obligation for filing information into other registers, in which legal persons have been registered until now, with the exception of political parties and religious groups, for which the judicial control over their establishment should be preserved

Activities, responsible institutions and deadlines - legal and technical stage (continued)

- Preparation and adoption of amendments to the legislation governing the activities of the Registry Agency
 - Amendments to the Organizational Rules of the Registry Agency providing for the respective changes in the structure and organization of its activity and powers with regard to the operation of the Central Register of Legal Persons
- Preparation and adoption of secondary legislation related to the functioning of the Central Register of Legal Persons
 - General provisions
 - Applications
 - Register operation
 - Maintenance of the register
 - Access to the register
 - Unique identification number

Activities, responsible institutions and deadlines - legal and technical stage (continued)

- Establishment of the Central Register of Legal Persons
 - development, deployment, testing and launch of the information system underlying the Central Register of Legal Persons, compatible with the system of the Commercial Register, with the same functionality and capable of providing users with the same tools for submitting entries and carrying out online checks
- Re-registration of legal persons in the Central Register of Legal Persons
 - Re-registration within 3 years by application and certificate for current legal status
 - Termination and deletion of entities who have not re-registered within the time stipulated
 - Legal persons, created by other acts - obligation for their governing bodies to submit application within 1 year
- Merger of the Commercial Register with the Central Register of Legal Persons

For more information

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