

Vitosha Research / Sociological Program

2003 Highlights

Vitosha Research carried out about 60 social, economic, marketing, media and public opinion projects in 2003. Quantitative and qualitative surveys were conducted, including over 20,000 face-to-face and telephone interviews, about 120 in-depth interviews and 7 focus group discussions. The collected information was summarized in over 30 analytical reports, policy papers and newspaper publications.

- In 2003 Vitosha Research focused its activities on four thematic centers: corruption and “hidden” economy; social assessment projects; business and market research; international comparative surveys.
- Vitosha Research conducted five Eurobarometer surveys in which about 5000 respondents gave their opinion attitudes, expectations, and concerns about the process of Bulgaria’s EU integration. This international project is funded by the European Commission and coordinated by Gallup Hungary. Comparative data and summarized results of Eurobarometer surveys completed in Bulgaria and the other candidate countries have been published regularly by the European Commission.
- Corruption surveys were a substantial part of Vitosha Research activities in 2003. In cooperation with *Coalition 2000*, Vitosha Research has continued the implementation of Corruption Monitoring System. Regular surveys among general public and business sector were carried out. A special attention was paid to the problems of corruption among Bulgarian magistrates (judges, investigators, prosecutors). Corruption will remain one of the important assignments for Vitosha Research in 2004.
- IT development was tracked on a regular basis in the quarterly VR omnibus surveys. The information obtained in these quantitative surveys was an important part of the overall assessment of information technologies development in Bulgaria.
- In 2003 Vitosha Research made its first attempt to measure drug use and abuse in Bulgaria. Two national representative surveys were conducted. The information obtained was included in the CSD publication “The Drug Market in Bulgaria”.

I. Social and Economic Research

Social and economic surveys were a significant part of Vitosha Research work in 2003. Some of the main thematic issues of the projects implemented included: study of corporate social and environmental practices of Bulgarian enterprises and firms; assessment of development of electronic commerce zones in Bulgaria; study of regional innovation strategies; business sector surveys on the tax practices, bank services, business information needs, credit issues, etc. Social surveys were focused on the rural development, the role of ombudsman institution in Bulgaria, needs and problems of the Roma population in Bulgaria. Several social assessment studies were conducted by Vitosha Research for The World Bank, United Nations Development Program, UN Food and Agriculture Organization (FAO), SOS Kinderdorf Bulgaria, Innovation Relay Center - Bulgaria (IRC-Bulgaria) to name but a few.

1. Survey on Rural Development Needs

Upon request of the World Bank, a FAO mission in cooperation with the Ministry of Agriculture and Forestry took the first step in the elaboration of a project in the rural sector in Bulgaria. The project aims to explore the variety of socio-economic and geographical conditions in rural areas in Bulgaria. And to help identify obstacles to development in different zones, and for different groups of population. This country-wide survey was based on interviews in a number of municipalities and villages. A total of 84 semi-structured interviews with municipal and village mayors and about 600 face-to-face interviews with entrepreneurs, cooperative managers and households were carried out. The main topics included in the survey are:

- Composition and activities of the household;
- Rural infrastructures : water supply, roads, etc;
- Land tenure and patterns;
- Irrigation infrastructure;
- Marketing;
- Credit;
- Farms and their difficulties: organisation, access to inputs; credit, marketing, technical services;
- Access to social support services;
- Constraints, needs and priorities.

2. Survey on Rural Regions in Bulgaria

FAO, in the context of its cooperation with the European Bank for Reconstruction and Development (EBRD) commissioned Vitosha Research to perform a household survey in three different regions of Bulgaria. The main objective of the survey was to assist a Bulgarian micro-lending bank in identifying potential clients in rural areas of Bulgaria and to assess the effective demand for financial services in rural Bulgaria. The survey was conducted in 5 administrative regions of the country (Veliko Tarnovo, Dobrich, Shoumen, Plovdiv and Haskovo). Based upon the results of the survey among agricultural producers, cooperatives and firms, some of the following conclusions were made:

- All agricultural farmers, irrespectively of their type of activities, farming systems, size of operations, or any other relevant discriminatory criteria, are interested in loan

and a large part of them have borrowed money in the last year (66%) and/or in the last few years.

- Typical potential bank client are all cooperatives, large companies, and large and medium size individual farmers with sustainable income.
- The three main improvements in the loan products cited by the respondents are less collateral requirement, especially for short-term credits and/or loans for working capital; lower interest rates, especially for working capital loans; and long-term loans (more than 15 years) with grace period, especially for perennials and big infrastructure investments.

3. Survey of Corporate Social and Environmental Practices

This project, commissioned by the World Bank, included a quantitative survey among 150 private and state companies. The survey method employed was structured face-to-face interview. The owners, managers and chief executive officers of the companies/firms were the basic target group of respondents for the quantitative survey. Information obtained covered the following main topics: company' values and principles, codes of behavior, transparency of the company activities and the practice of sharing information beyond audience required by law, labor and staff development, firms practices regarding social issues etc.

4. Ombudsman Institution in Bulgaria

After introducing the Ombudsman Institution in Bulgaria, the Law Program of the Center for the Study of Democracy and Vitosha Research have made the next step towards endorse-

ment of respecting the rights of the citizens violated by the state or by government officials. The project was focused on the attitudes towards Ombudsman-type institutions of a special group of Bulgarian population – vulnerable people. Focus group discussion in town of Veliko Tarnovo was carried out with representatives of NGO sector and vulnerable people (women, disabled persons, ethnic groups) in order to identify the specific problems these people face and on this base, the role of the Ombudsman institution to be outlined. During the discussion information on the following topics was obtained: main problems people meet in their communication with state and government officials; general assessment of administration' work, level of public awareness about the Ombudsman-type institution in general – it's functions, influence, interaction with other public authorities, etc.

5. Assessment of the Activity and Image of the World Bank in Bulgaria

The World Bank Country Office in Bulgaria initiated this opinion research project to help drafting messages aimed to build support for the Bank's work in the country and the economic reform process. The dissemination of these messages will be part of a communication strategy targeted to "opinion makers," segments of the population that have the potential of influencing public opinion and directing the political process (i.e. professionals, academia, university students, business community, non-governmental organizations, etc.). There was a need to test messages targeted at general public that would increase their interest and understanding of the Bank's role in the country. The more specific objectives of the research were:

- Ascertain how to build credibility for the Bank's mission in Bulgaria
- Probe the public on key concerns in areas related to the Bank's work
- Get a sense of perceptions about the relevance of the Bank's program of assistance in Bulgaria
- Analyze how UNDP has positioned itself strategically to add value in response to national needs and changes in the national development context, with particular attention to entry points and strategy selected by UNDP to leverage Bulgaria's reform process in the areas of job creation, pro-poor policies and accountable local governance; the key current strategies of CCF-2; and the cooperation with different groups of development partners.

Three focus group discussions were conducted for the purposes of the survey: two with citizens in Sofia and Pazardjik, respectively and one group composed of experts in the social and economic spheres.

6. Assessment of UNDP Development Results in Bulgaria

The survey was part of a series of country evaluations, called Assessment of Development Results (ADR). Its main purpose was to evaluate the contribution of the United Nations Development Programme (UNDP) to Bulgaria's national development within the frames of the program's major spheres of activity. The purpose of the evaluation was also to review the experience of UNDP in Bulgaria; draw lessons learned and provide recommendations for the future. The survey focused on the limitations and achievements of national development, as well as on the strategic positions and results of UNDP activity.

The overall objectives of the Assessments of Development Results were to:

- Provide an general assessment of the results achieved through UNDP support and in partnership with other key development actors during 1997-2005 with particular in-depth assessment within poverty (in particular poverty reduction strategies and their effectiveness in contributing to poverty alleviation) and local good governance.

- Based on the analysis of achievements and positioning above, to present key findings, draw key lessons and provide clear and forward-looking recommendations in order to suggest effective and realistic strategies by UNDP and partners towards intended results.

The evaluation of UNDP's contribution to the national development of Bulgaria was built upon three research methods: desk research; focus group discussions; in-depth interviews.

II. Corruption surveys

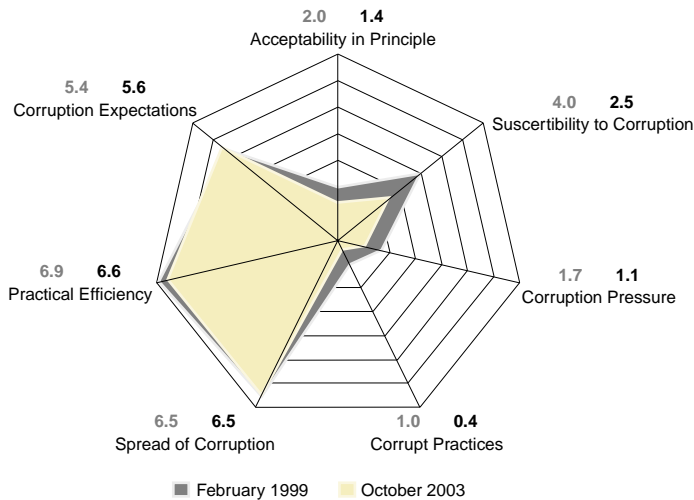
1. Corruption Monitoring System of *Coalition 2000*

The extensive research of the corruption in Bulgaria was part of Vitosha Research work in 2003. Information obtained with the regular surveys was baseline for the Corruption Monitoring System of *Coalition 2000*. By using qualitative and quantitative research methods, different target groups were studied. A total of 8 quantitative surveys were carried out in 2003 – four of general public, three of the business sector and one among Bulgarian magistrates. Dynamics of the level of corruption in the country was estimated and corruption related attitudes were analyzed.

Spread of Corruption Among Different Groups of Magistrates (%)

<i>Spread of corruption among: (Relative share of answers "Nearly all or most are involved")</i>			
	Judges	Prosecutors	Investigators
1. Judges	2.8	17.4	19.0
2. Prosecutors	11.9	7.9	10.3
3. Investigators	20.8	28.2	4.7
Total	11.2	18.3	11.9
<i>Source: Vitosha Research</i>			

Change of Corruption Indexes (1999 – 2003, Population Surveys)



Source: Vitosha Research

2. The Role of Informal Networks in Socio-Economic and Political Life in Bulgaria

The study is part of an international project including Bulgaria, the Czech Republic, Slovakia, and Slovenia, administered by the Norwegian Institute for Urban and Regional Research.

The project is intended to examine the obstacles to the implementation of the anti-corruption conditions that EU applicant countries are expected to meet.

The purpose of the survey is to determine the role of informal networks in politics, the economy, the judicial system, and the public sector in Bulgaria; respectively, their positive and negative aspects in terms of the establishment of the principles of rule of law, transparency in central and local government, freedom of speech, citizen participation, and the building up of a working market economy in Bulgaria.

The research method includes 90 in-depth interviews with representatives of institutions with key importance to the country's democratization and modernization, including institutions responsible for the adoption and implementation of the anti-corruption measures related to Bulgaria's accession to the European Union. More specifically, the survey covers: political parties, parliamentary groups, ministries, municipal councilors, media, Bulgarian and international NGOs, institutions awarding public procurement contracts, Bulgarian and international companies, structures of the European Union and the Council of Europe.

The next step of this project consists of semi-structured round table discussions and national survey of elites in each of the surveyed countries.

3. Survey of Interior Ministry Officials

The main goal of the study was to analyze and evaluate the level of knowledge, understanding, and confidence in the anticorruption strategy of the Ministry of the Interior staff members of all departments of the ministry. In order to achieve this objective a survey was conducted among 400 Ministry of Interior officials. The main survey topics were:

- Assessments of the level of corruption;

- General attitudes to the changes in this country and the importance of corruption as a social problem;
- Spread of corruption;
- Major factors conducive to the spread of corruption in Bulgaria;
- Implications of corruption;
- Practical efficiency of corruption;
- Value system and moral preconditions for corruption;
- Corrupt practices;
- Future expectations and anti-corruption measures.

III. IT Projects

1. Assessment of the Development of Information Technologies in Bulgaria

Vitosha Research has continued to track IT development in Bulgaria during 2003. IT monitoring was based on quarterly VR omnibus surveys among general population and business sector. The quantitative survey was one of the measurement instruments used in the project, which combines "e-economy" metrics with "e-society" indicators. The research was focused on IT penetration and development of information society in Bulgaria. The information obtained made possible the computer and Internet usage and access in Bulgaria to be analyzed. The main observed indicators by Vitosha Research were: computer access, Internet use and structure of the Internet use.

Some of the main survey findings are:

- The 2003 marks a significant increase of Internet users in general.

- The overall share of people using Internet is still rather small, but the increasing number over the years is a clear sign for sustainable and more evident penetration of IT in Bulgarian society.
- Survey data indicates the formation of a solid core of more frequent Internet users. The predominant part of “hard” users i.e. those working with it every day, are staying in the net no longer than two hours per day. The largest part consists of users who work with Internet between 20 minutes to one hour.
- More than half (62%) of the respondents who have access to Internet highly appreciate the possibility to chat over the Web.

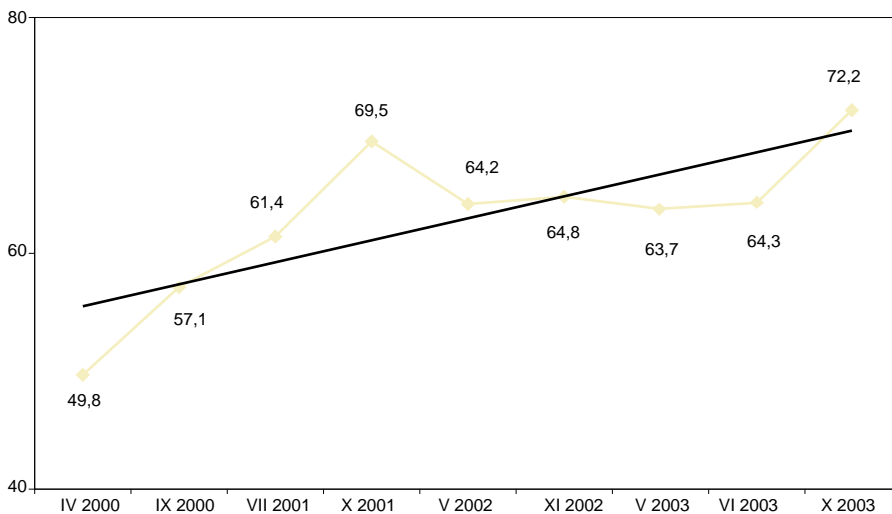
IV. Public Opinion, Market and Media Research

1. Public Opinion Surveys

Sixteen public opinion research projects were implemented in year 2003. Different topics were covered. Among them were:

- General public opinion on European Union and accession process of CEE countries;
- Drug use in Bulgaria;
- Perception of Japan among Bulgarian Elites;
- Tax issues, etc.

Share of Internet Users Among People Having Access to Computers (%)



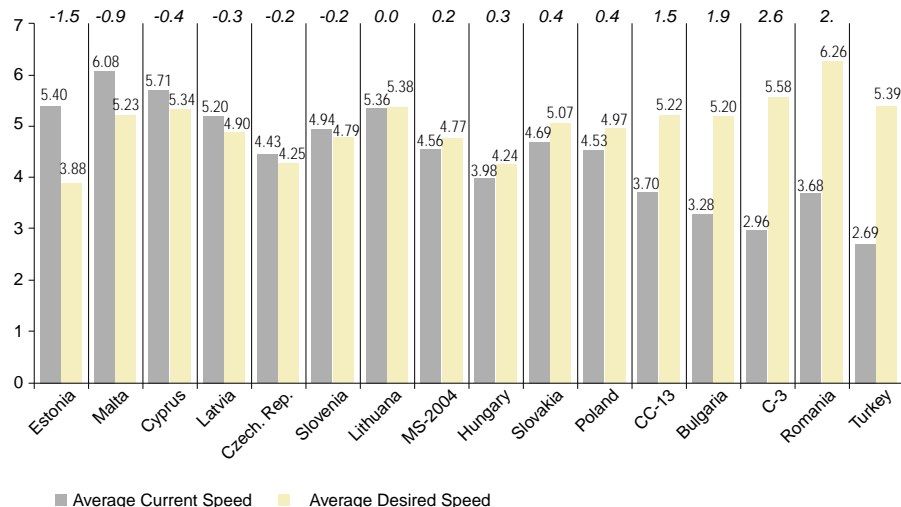
Source: Vitosha Research Quarterly Omnibus

Eurobarometer

Vitoshka Research, jointly with other research agencies from Central and Eastern Europe, won a European Commission grant competition and started the implementation of an international survey entitled Eurobarometer coordinated by *The Gallup Organization-Hungary*. It is carried out in the 10 acceding countries and the 3 candidate countries for EU membership. The first poll was conducted in the month of January 2000. Since then Vitoshka Research has implemented 10 surveys, commissioned by The Gallup Organization-Hungary. During the last year Vitoshka Research carried out 5 Eurobarometer surveys.

According to the fourth survey wave results, perceived integration speed into the EU in 2003 is slower than what people reported half a year ago. At the same time, among the countries that are set to join the EU in May of 2004, six countries evaluated their accession process to be faster than the speed they desire. In three countries, namely Hungary, Slovakia and Poland (representing almost three quarters of the population of the new member states), citizens tend to desire quicker integration into the EU. The countries which are not included in the current round of enlargement would like a much faster pace in the accession process.

The "Euro-Dynamometer" Accession Process Perceived Current Speed, Desired Speed



Source: *Candidate Countries Eurobarometer 2003.4, Public Opinion in the Acceding and Candidate Countries, First Results, December 2003, European Commission*
 Website: http://europa.eu.int/comm/public_opinion

CC-13 - Candidate countries as a whole

CC-3 - the group of countries that will remain candidates after the 2004 enlargement as well: Bulgaria, Romania, and Turkey.

MS-2004 - countries that are to join the EU in May, 2004.

Perception of the Bulgarian elite of Japan

In 2003, Vitosha Research conducted a survey among different elite groups, in order to gauge their awareness and perception of Japan, its people, policy, economy, and culture. The project was commissioned by The Embassy of Japan in Bulgaria. Some of the most interesting conclusions based on the survey data could be summarized as follows:

- All of the respondents demonstrated a favorable disposition to Japan.
- Nearly all of the respondents associated the fascination of Japan with the development of technologies in all areas of modern life and with economic prosperity.
- The Japanese themselves were primarily perceived as people committed to their work.
- Japan equally proved to be an extremely attractive holiday destina-

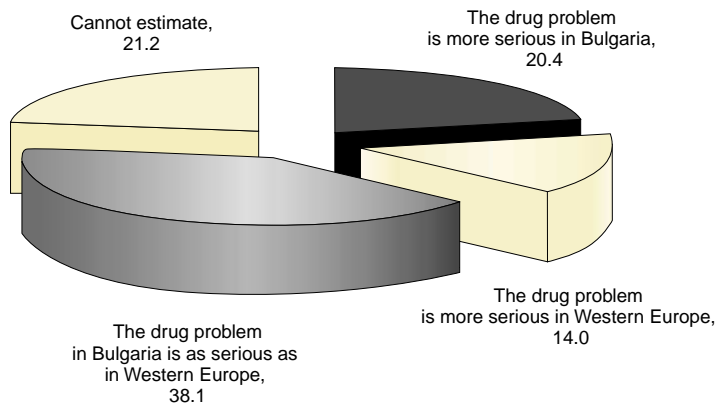
tion. Nearly all of the respondents who took the survey shared that opinion.

Drug Use in Bulgaria

In 2003 Vitosha Research conducted two national representative studies on drug market, drug use and abuse in Bulgaria. The empirical results from the surveys showed that drug users in Bulgaria could be categorized according to types of drugs they use. Four types of drug usage were identified:

- Soft drugs usage (cannabis, marijuana, hashish, etc.);
- Synthetic drugs usage (amphetamines);
- Heroin usage;
- Psychoactive substances – from cocaine to LSD and hallucinogenic mushrooms.

In your opinion, how serious is the drug problem in Bulgaria compared to Western Europe? (%)



Source: Vitosha Research

2. Marketing and Media Surveys

Vitosha Research conducted thirteen marketing research projects in year 2001 (twelve quantitative and one qualitative research). The surveys covered mainly the following marketing areas:

- Alcohol and spirits consumption;
- Nectar consumption;
- Petrol-station chains (Lukoil, Shell, OMV);
- Bank and financial services;
- Detergents;
- Real estates;
- Phone services;
- Insurance market;
- Cappuccino coffee and hot chocolate consumption, etc.
- Assessment of the Activity and Image of the World Bank in Bulgaria, March 2003
- The Hidden Economy in Bulgaria, March 2003
- Awareness and Attitudes towards SOS Kinderdorf Bulgaria, May 2003
- Study of Real Estate Market in Bulgaria, June 2003
- FAO survey on the Rural Regions in Bulgaria, August 2003
- Perception of Japan among Bulgarian University Graduates, November 2003
- Corruption Attitudes and Practices among Ministry of the Interior Staff, November-December, 2003
- Corruption Indexes of Coalition 2000 (a total of 10 reports for 2003 – four on business and population surveys each, one on a survey of magistrates and one on the public administration).

Five media surveys were implemented by Vitosha Research – four quantitative and one qualitative survey. Among them were test of music clips, opinion and assessments of different radio and TV stations, etc.

V. Publications and Analytic Reports

Vitosha Research survey findings have been widely disseminated in the press. Over 30 analytical reports were prepared by VR experts. Some of most important reports are the following:

- Bulgaria's Country Report for ADR 1997-2002, February 2003
- Public Attitudes towards Ombudsman-type Institutions in Bulgaria, March 2003