

COMMISSION FOR ANTI-CORRUPTION

REPORT ON THE COMMISSION'S ACTIVITIES FOR 2024

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INTRODUCTION

Pursuant to Article 32 of the Anti-Corruption Law (ACL), we present a Report on the Activities of the Commission for Anti Corruption (CAC/Commission) for 2024 to the National Assembly, the President of the Republic of Bulgaria and the Council of Ministers.

In 2024, the Commission continues to implement the state policy to combat corruption, which is also the main goal of the ACL - protecting the public interest by effectively combating corruption and creating guarantees that persons holding public positions perform their powers or duties honestly and with integrity, in compliance with the Constitution and the laws of the country. The same goals are set and implemented in the current strategic and operational plan of the Commission, and the priorities set in the National Strategy for Prevention and Counteraction to Corruption 2021 - 2027 are also implemented.

In exercising its legal powers, the Commission is guided by the principles of legality, transparency, independence, objectivity and impartiality.

The Report contains summarized and synthesized information on the activities of each of the Commission's areas: Prevention of corruption; Public register – for declaring property and interests of persons within the scope of the law; Conflict of interest and Counteraction to corruption. We provide information about financial, economic and administrative activities, including the carried out international cooperation and partnership interactions.

In order to increase and upgrade administrative capacity, we took action by creating conditions for employees from the specialized and general administration to participate in various forms of training, international seminars for the exchange of good practices and experience.

The Commission is an independent specialized standing state body for counteracting corruption for the implementation of the policy on prevention, countering corruption and identifying conflicts of interest. According to the law, the Commission is a collective body and currently consists of four members: Chairperson - Anton Slavchev and three members Antoaneta Georgieva - Tsonkova, Plamen Yotsov and Silvia Kadreva. According to Article 7 Paragraph 2 of the Transitional and Final Provisions of the Anti-Corruption Law until the election of the new composition of the CAC, the members of the Commission for Countering Corruption and for the Confiscation of Illegally Acquired Property who were acting upon the entry into force of the law perform the functions of members of the Commission.

In 2024, the Commission held fifty-eight meetings, at which a total of 2,282 decisions were adopted.

PREVENTION OF CORRUPTION

The Prevention of Corruption Directorate assists the Commission in the implementation of the state policy on the prevention of corruption such as: collects, summarizes and analyzes information on national anti-corruption policies and measures; conducts analyses, develops and proposes measures for the prevention and counteraction of corruption and coordinates their implementation, including by sector, as well as an analysis of the corruption risk of persons holding public positions; carries out activities for the dissemination of information related to combating corruption, including anti-corruption policies and measures, etc..

The Directorate carried out the following activities:

1. Collecting, summarizing and analyzing information on national anti-corruption policies and measures, according to Article 44, p. 1 of the Anti-Corruption Law

- Collecting and summarizing information on national anti-corruption policies and measures through analyzing the anti-corruption plans for 2024 of a total of 32 departments.

An analysis was carried out of the anti-corruption plans prepared by primary and secondary budget spending officers regarding compliance with the requirements of the Guidelines for the Preparation of Anti-Corruption Plans, adopted by the National Council on Anti-Corruption Policies. The anti-corruption plan of each administrative structure is analyzed separately, and the relevant findings, summarized conclusions and proposals are made, with the aim of improving the activity of compiling anti-corruption plans. During the analysis, it was found that the departments have implemented a total of 593 anti-corruption measures and 532 specifically identified corruption risks. It is noted that with regard to the measures:

- 550 measures comply with the requirements of the Guidelines and 43 measures do not comply;
- 119 are the newly introduced measures;
- 474 measures are identical to those planned by the departments in 2023.

With regard to the analyzed 532 specifically identified corruption risks, a summarized list was prepared, containing a total of 68 corruption risks in the areas of the anti-corruption plan template, such as: management, disposition or expenditure of budget funds and assets; performance of control activities; provision of administrative services, issuance of licenses and permits, registration regimes and others. The main goal of the list is to map corruption risks at the national level and at the same time to assist departments in the process of identifying them. For comparison, in 2023, out of 481 risks, a total of 62 corruption risks were grouped.

The main weaknesses identified in the analysis, which imply insufficient efficiency and effectiveness of the activities of compiling and reporting on the implementation of anti-corruption plans, are the following:

- measures that repeat obligations imposed by law or bylaw continue to be planned;
- the practice continues in some departments of implementing measures that are identical to measures planned in anti-corruption plans in previous years;
- lack of significant improvement in terms of information provided by the departments on "specifically identified corruption risk".

In view of the findings made, relevant proposals have been made for improving and upgrading the activity of drawing up anti-corruption plans and reporting on their implementation.

- The activity of monitoring and periodic assessment of the implementation of anti-corruption measures was carried out by analyzing the information contained in a total of 32 reports on the implementation of the anti-corruption plans for 2023. This analysis also contains findings for each department separately, as well as the relevant conclusions and proposals for improving the activity of reporting on the anti-corruption plans.

In order to ensure publicity and transparency and to assist the departments in planning and reporting on anti-corruption plans, the prepared analyses are publicly available on the Commission's website, of which the relevant departments have been notified. The analyses have also been sent to the National Council for Anti-Corruption Policies for information.

2. Carrying out the analyzes regulated in Chapter Four of the ACL, developing and proposing measures for the prevention and counteraction of corruption

Pursuant to Article 44, p. 2, prop. first and Article 46, Paragraph 1, p. 7, prop. first of the Anti-corruption Law, any draft law submitted to the Commission, prepared by the bodies of the executive power, regarding the existence of a corruption risk, is reconciled. The reconciliation process is carried out by applying the current Complex Methodology for prevention and stopping of corruption. The coordination of draft laws regarding the presence of corruption risks plays an important role in corruption prevention activities.

In 2024, a total of 95 draft laws submitted by the executive authorities were coordinated. Their analysis identified shortcomings in the legal norms in 10 of them, which create prerequisites for corruption risk. As a result, 14 notes and 14 proposals for editing the texts were made, for which the relevant proposals were presented to the submitters of the draft laws. Following the recommendations made by the competent authorities, information was received that 7 measures have been fully adopted. Regarding the other proposals, no information was received from the depositors and they are in the process of legislative decisions.

In order to ensure publicity and transparency, the decisions adopted on the reconciled draft laws are published on the Internet portal of the CAC.

The analyzed draft laws, regarding which indications of corruption risk have been established and the proposals and recommendations made for anti-corruption measures, are indicated in the table below.

Name of draft law for coordination	Number of notes	Number of propositions
LAS to the Act on Medicinal Products in Human Medicine	1	1
Law on the Accessibility Requirements for Products and Services	1	1
Credit Servicers and Credit Purchasers Act	2	2
Law on the introduction of the Euro in the Republic of Bulgaria	1	1
LAS of the Act on the Implementation of the Common Organization of the Markets in Agricultural Products of the European Union	1	1
LAS of the Cybersecurity Act	1	1
LAS to the Excise and Tax Warehouses Act	2	2
LAS of the Cybersecurity Act (submitted for recoordination)	1	1
LAS to the Personal Income Tax Act	1	1
Law supplementing the Law on the Liability of the State and Municipalities for Damages	3	3
TOTAL	14	14

The identified weaknesses in the agreed regulatory acts that pose corruption risks are, for example:

- lack of clear criteria that would guarantee an objective assessment by the supervisory authority when imposing measures on interested parties;
- a gap in the regulation of the sanctioning activity of an administrative sanctioning body, as well as a lack of differentiation of the monetary amounts of the fine for individuals, respectively of the property sanction for legal entities and sole proprietors;
- gaps in the regulatory framework, creating prerequisites for contradictory application and interpretation;
- limited possibility for interested parties to appeal administrative acts.

To monitor the implementation of the recommendations made in the process of coordinating draft laws, a Report on the ex-post analysis of the impact of legislative acts has been prepared in accordance with Art. 46, para. 1, item 7, second sentence of the ACL. Draft laws that have entered into force and have been in effect for a period of no less than twelve months prior to

December 31 of the year for which the analysis is being conducted are subject to subsequent analysis.

The subject of the subsequent analysis are two current regulatory acts, namely the Act on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings, to which 4 proposals were made, and the Covered Bonds Act, to which 1 proposal was made. What is common to the analyzed laws is that the amendments introduce the requirements of Regulations and Directives into national legislation, in fulfillment of the obligations of the Republic of Bulgaria as a Member State of the EU.

In view of the adopted and implemented anti-corruption measures, it is established that when implementing the sanctioning activity, the risk of arbitrary judgment by the administrative body is minimized, by preventing risks of possible abuses related to manifestations of subjectivism in the application of legal provisions and by overcoming the risk of generating corrupt practices.

In the course of the analytical work, it was found that in a significant number of cases the goals set out in the explanatory memorandum of the draft laws have been achieved, and public relations have undergone positive changes.

3. Implementation of cooperation and interaction activities

Participation in interdepartmental working groups and meetings:

- the standing interdepartmental working group under Article 96 of the Anti Money Laundering Measures Act, related to updating the National Risk Assessment of Money Laundering and Terrorism Financing, as well as the Action Plan for the Implementation of the Strategy for Countering Money Laundering and Terrorism Financing in the Republic of Bulgaria 2023 - 2027;

- Plan for implementing the recommended actions regarding the report on Bulgaria from the Fifth Evaluation Round of the Committee of Experts on the Evaluation of Measures against Money Laundering (MONEYVAL) and recommendations of the Financial Action Task Force (FATF). Participation in a face-to-face meeting with the Task Force on Bulgaria's progress reporting, held in Brussels, Belgium;

- For ensuring the compliance of legal instruments under the competence of the Public Administration Committee of the Organization for Economic Cooperation and Development (OECD), the following information has been provided periodically: OECD Council Recommendations on Integrity in the Public Sector; Principles of Transparency and Integrity in

Lobbying and Conflict of Interest. Participation was also taken in a technical mission with experts from the Public Management Committee in connection with the review of the accession of the Republic of Bulgaria to the OECD;

- participation in the forum of the Conference of States Parties to the United Nations Convention against Corruption (UNCAC), held in Vienna, Austria, on the functioning of the Mechanism for the Review of the Implementation of the UN Convention;

- participation in the 98th Plenary Meeting of the Group of States against Corruption (GRECO) of the Council of Europe in connection with the adoption of the report on the implementation of the recommendations to Bulgaria within the framework of the Fifth Round of Evaluation "Preventing Corruption and Promoting Integrity in Central Administration (Senior State Positions) and Law Enforcement Bodies", held in Strasbourg, France.

Contribution related to reporting on activities based on recommendations made in international reports and mechanisms:

- information has been regularly provided to the Ministry of Justice on the Fifth Annual Report on the Rule of Law in the European Union for 2024;

- information on the National Recovery and Resilience Plan has been provided to the Ministry of Finance and the Central Coordination Unit Directorate under the Council of Ministers;

- Information has been provided to the Ministry of Foreign Affairs on a Draft Preliminary Report in connection with the post-monitoring dialogue of the Republic of Bulgaria with the Parliamentary Assembly of the Council of Europe (PACE);

- Information has been provided to the Ministry of Justice on a draft Report from the review of the Republic of Bulgaria within the Second Round of the Review Mechanism on the Implementation of the United Nations Convention against Corruption (UNCAC).

4. Other activities

Together with specialized directorates "Conflict of Interest" and "Public Register", the directorate provided 147 opinions and answers on fundamental questions raised by stakeholders regarding the implementation of the law.

Together with a specialized Conflict of Interest Directorate, participation was taken in conducting training on the topic: "*Conflict of Interest - Procedures for Prevention, Identification and Consequences under the Anti-Corruption Act*". The training was held in the context of corruption prevention for employees of the Ministry of Transport and Communications.

At the invitation of the Air Force Command, participation was taken in conducting training with a presentation of the Conflict of Interest Directorate and discussions on the topic: *"Obligated persons under the Anti-Corruption Law (ACL). Submission, registration and publication of declarations under the ACL. Types of declarations. Content and order of submission. Concept of conflict of interest, private interest, related parties and benefit within the meaning of the ACL. Prohibitions after dismissal from public office. Procedure for establishing and sanctioning a conflict of interest."*

In connection with the implementation of the project "Strategic development of CCCCCIAP and improvement of the toolkit for the prevention and counteraction of corruption", which is implemented jointly with the European Commission and the OECD, and is financed by the Technical Support Instrument of the European Union, there was regular participation in implementing project activities.

PUBLIC REGISTER

Public Register Directorate carries out activities to ensure publicity of the property, income and interests of persons holding public positions within the scope of Article 6, Paragraph 1 of the Anti-Corruption Law, including their spouses, the persons with whom they are de facto cohabiting on a conjugal basis, and minor children. The directorate's powers include the inspection and analysis of this property.

With the promulgation of the Anti-Corruption Law (SG issue 84/06.10.2023) the scope of persons for whom there is an obligation to declare property and interests was expanded from about 10,430 to about 16,700 obligated persons. New circumstances subject to declaration were also included, such as: bearer payment instruments, cryptocurrencies, agreed interest rates, participations in civil partnerships, secret and/or informal organizations and societies.

In order to ensure publicity and transparency, the Directorate publishes, through the Register of Persons Holding Public Offices on the Commission's website, declarations of persons holding public offices and a list of persons who have not submitted declarations within the deadline. The register of declarations is generally accessible to civil society and the media, and declarations have been published not only in 2024, but also for a period of 10 years ago.

According to the provisions of the law, persons holding public positions submit the following declarations:

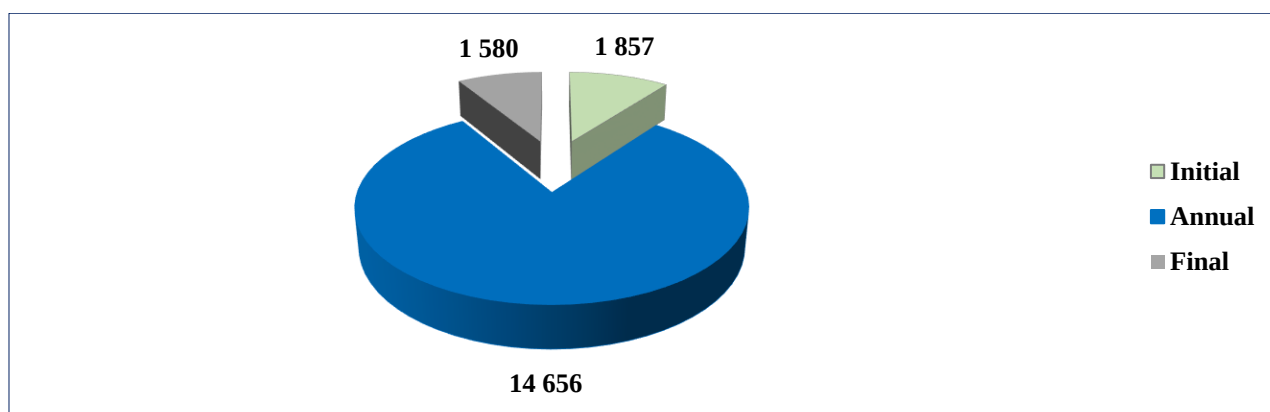
- upon taking office;
- annually, for the previous calendar year;
- upon dismissal from office.

1. Declaration system

The Register of Persons Holding Public Offices in 2024 contains declarations of property and interests, distributed by type, as follows:

1. Declarations upon taking office – 1,857;
2. Annual declarations – 14,656;
3. Final declarations – 1,580.

Fig. 1. Illustrates the declarations of property and interests submitted by persons holding public office in 2024.



In 2024, on the basis of Art. 54, para. 2 of the ACL, the following were carried out:

- Publication of the submitted declarations of persons holding public positions and a list of persons who have not submitted declarations on time, for the period from 03.08.2023 to 05.10.2023;
- Publication of the submitted declarations of persons holding public positions and a list of persons who have not submitted declarations on time, for the period from 06.10.2023 to 31.12.2023;
- Publication of the submitted declarations of persons holding public positions and a list of persons who have not submitted declarations on time, for the period from 01.01.2024 to 15.08.2024;
- Publication of declarations under Article 61, Paragraph 1 of the ACL of the persons under article 6, paragraph 1 of the Law on CCCIAF (repealed), submitted before the Commission, as well as a list of persons within the scope of Art. 6, par. 1 of the CCCIAF (repealed), with annual declarations of property and interests submitted in 2023, for which the verification under Article 43, Paragraph 1 of the Law on CCCIAF (repealed) in relation with Art. 5, par. 1 of the TFP of the ACL ended with a non-compliance report, and which persons did not submit corrective declaration within the time limit under Article 61, Paragraph 1 of the ACL.

2. Verification and analysis mechanism

In 2024, the Directorate carried out an inspection of 8,597 annual declarations of assets and interests submitted in 2023. As a result of the inspection, it was established that for 6,032 obligated persons the inspection ended with a finding of compliance, and for 2,565 obligated persons the inspection ended with a finding of non-compliance. In compliance with the provisions of the law, the Directorate notified each of the individuals of the non-compliance found. Of the notified persons, 2,524 persons eliminated the identified non-compliances by submitting a

corrective declaration, 12 persons did not submit a corrective declaration, 29 persons submitted justified objections or, for objective reasons, did not owe a declaration.

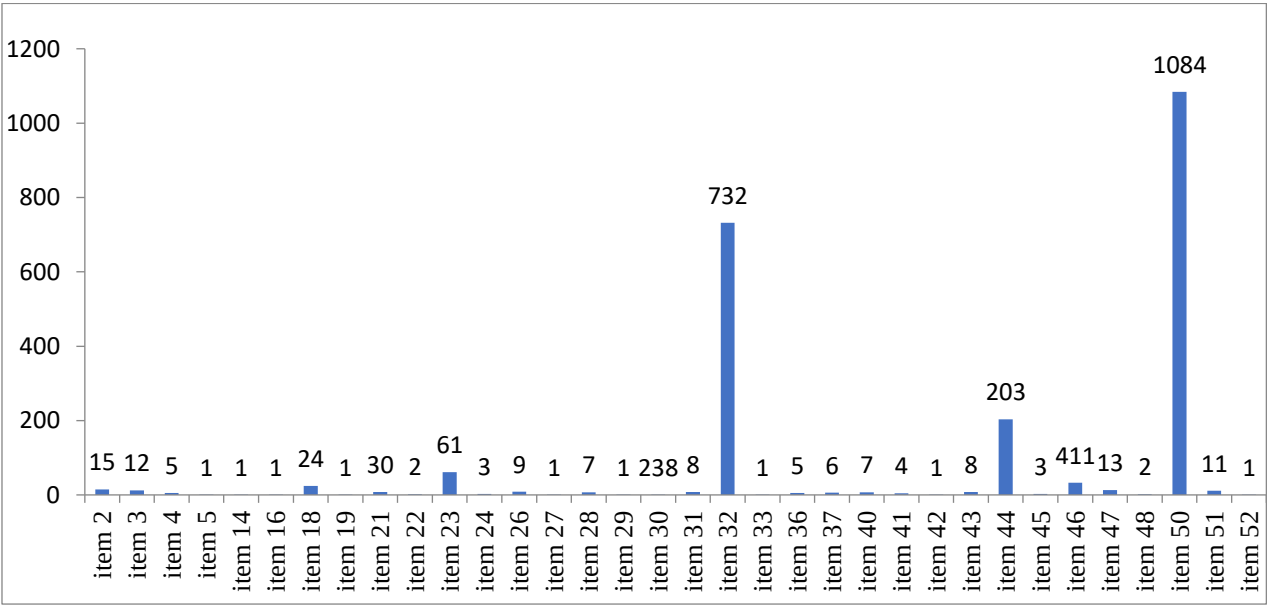
In 2024, the directorate also inspected 1,735 initial and final declarations of property and interests submitted in 2023. As a result of the inspection, it was found that for 1,381 obligated persons the inspection ended with a finding of compliance, and for 354 obligated persons the inspection ended with a finding of non-compliance. In compliance with the provisions of the law, the Directorate notified each of the individuals of the non-compliance found. Of the notified persons, 228 eliminated the identified non-conformities by submitting a corrective declaration, for the remaining 126 the directorate continues to implement the procedure.

In the second half of 2024, the Directorate launched a procedure to verify 14,656 annual declarations of assets and interests submitted in 2024. At the same time, the verification of 12,118 initial and final declarations submitted during the period 06.10.2023 to 31.12.2023 continues.

3. Administrative penal activity

In 2024, a total of 2,275 acts of establishing an administrative violation were drawn up for committed administrative violations (AEAV), in cases where persons holding public office did not submit or submitted the relevant declaration outside the statutory deadline, which is illustrated in Fig. 2.

Fig. 2. Number of AEA Vs drawn up during the period 01.1.2024 - 31.12.2024, distributed by categories of persons obliged under Article 6, Paragraph 1 of the Anti-Corruption Law:



In 2024, the Commission, pursuant to Art. 55 of the ACL, adopted the following:

- 652 decisions to notify the CCIAF to conduct an inspection pursuant to Chapter Ten, Article 108, Paragraph 6 of the Law on the Confiscation of Illegally Acquired Property for persons who have not submitted the relevant declaration within the statutory period;
- 114 decisions not to notify the CCIAF of persons who have not submitted the relevant declaration within the statutory deadline, but have provided evidentiary documents for valid reasons;
- 5 decisions to send the materials from the verifications to the National Revenue Agency for taking actions in accordance with the Tax and Insurance Procedural Code for persons who have not submitted the respective corrective declaration within the statutory deadline, and for whom the verification has ended with a discrepancy report in the amount of not less than BGN 5,000;
- 6 decisions to notify the CCIAF to conduct an inspection pursuant to Chapter Ten, Article 108, Paragraph 5 of the Law on the Confiscation of Illegally Acquired Property for persons who have not submitted the relevant corrective declaration within the statutory period and for whom the inspection has concluded with a report of non-compliance in the amount of not less than BGN 20,000.

CONFLICT OF INTERESTS

The Conflict of Interest Directorate carries out verifications to establish the presence or absence of a conflict of interest by collecting, processing and analyzing documents and evidence. Prepares draft decisions to establish the presence/absence of a conflict of interest, provides legal representation in cases concerning conflict of interest, carries out checks on signals in connection with declarations of incompatibility and prepares decisions in this regard. The Directorate also prepares opinions at the request of interested parties on the application of the law, in its part regarding the conflict of interests, keeps and maintains electronic registers of the adopted decisions on conflict of interests, including the decisions that entered into force to establish a conflict of interest, as well as the decisions made by the administrative courts on their appeal.

According to Art. 13, para. 1, item 6 of the ACL, the Commission establishes a conflict of interest of persons holding public office under Art. 6, para. 1 of the ACL, and according to the provision of Art. 13, para. 1, item 8 of the ACL – the Commission checks signals in connection with the declarations of incompatibility of persons holding public office, and in case of established incompatibility, it refers the matter to the election or appointment body for taking the relevant actions.

1. Action on signals to establish the presence or absence of a conflict of interest and on signals in relation to declarations of incompatibility:

For 2024, the Conflict of Interest Directorate received 479 new reports pursuant to Art. 62 of the Civil Procedure Code in connection with Art. 15, para. 2 of the Act on the Protection of Persons Filing Reports and Publicly Disclosing Information on Violations.

The Commission has adopted 594 decisions in the “conflict of interests” part, as follows:

In the admissibility phase, 408 decisions were adopted, of which:

- 169 decisions to initiate proceedings for conflict of interest, with 15 of them also initiating inspections under Art. 13, para. 1, item 8 of the ACL;
- 194 decisions on the lack of grounds for initiating proceedings for conflict of interest (due to anonymity; the person indicated as the sender denies having filed a report with the Commission; they concern persons who do not hold a public office under Art. 6, para. 1 of the ACL; irregularities in the report have not been eliminated, after due notification of this - no specific data on violations under Chapter Eight of the ACL, etc., have been indicated), including 60 reports concerning persons under § 2 of the SP of the ACL, which have been forwarded to the relevant election or appointment bodies within their competence;

- 45 decisions, which only initiated inspections under Art. 13, para. 1, item 8 of the ACL on signals in connection with declarations of incompatibility of persons holding public office under Art. 6, para. 1 of the ACL.

Separately, the Commission has also adopted 57 protocol decisions to include signals in already initiated conflict of interest proceedings due to the same nature of the allegations.

In the substantive phase, 186 decisions were adopted, of which:

- 150 decisions, of which 49 conflicts of interest were identified in 24 decisions, where in 2 of them also incompatibility was found, and 126 decisions where no conflict of interest was identified;

- 36 decisions on completed inspections under Art. 13, para. 1, item 8 of the ACL, in four of which the Commission has established incompatibility and has accordingly referred the body for selection/appointment of the person to take the relevant actions.

The Commission also adopted 129 decisions to extend the deadline for initiated conflict of interest proceedings, 9 decisions to correct an obvious factual error and 3 decisions to supplement adopted decisions to initiate conflict of interest proceedings.

The decisions establishing a conflict of interest during the period from 01.01.2024 to 31.12.2024 mainly concern persons holding public positions, as follows:

- under Art. 6, para. 1, item 23 – director of a regional museum complex;
- under Art. 6, para. 1, item 32 of the ACL – a total of 13 persons - seven mayors of municipalities, for one of whom the Commission has issued two decisions for conflict of interest on different grounds, and six municipal councilors;
- under Art. 6, para. 1, items 50– a total of 11 persons - two directors of municipal enterprises, three members of the Management Board of a state enterprise, four directors of schools, including vocational high schools, a director of a home for people with special needs; one kindergarten director.
- under Art. 6, para. 1, item 51 – executive director, representative of the state in a holding company with state participation.

Based on reports of Conflict of Interests Directorate the CAC has also adopted 10 protocol decisions to refer the Commission for the Confiscation of Illegally Acquired Property (CCIAP) to conduct an inspection pursuant to Chapter Ten, Article 108, Paragraph 5 of the CIAP Act, due to a conflict of interest established by an act that has entered into force.

2. Administrative penal activity

In 2024 the Commission imposed fines and decreed the confiscation of a total of BGN 478,896.95, given its administrative penal functions related to the established violations constituting a conflict of interest.

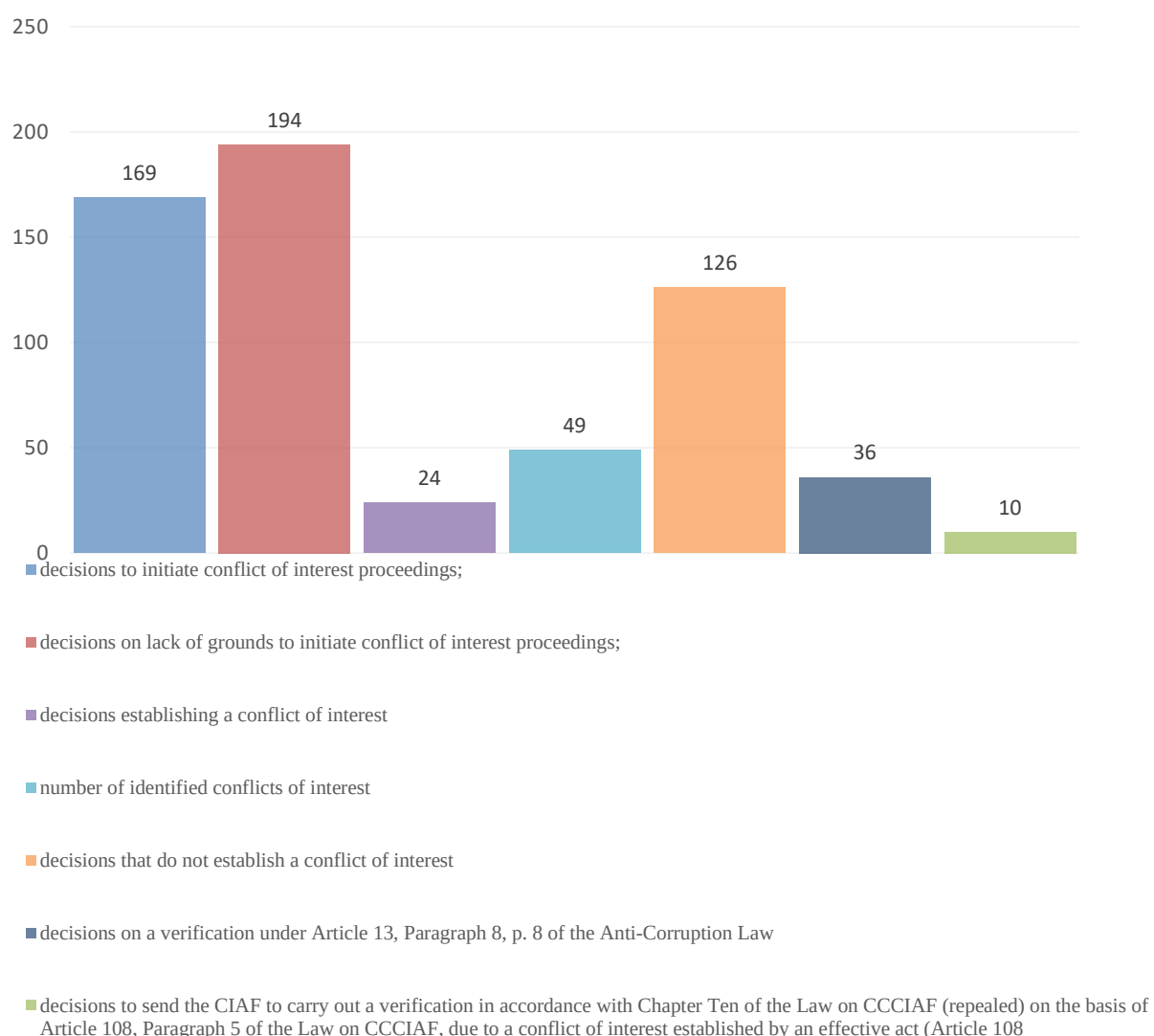
3. Procedural representation

Procedural representation in relation to decisions establishing a conflict of interest is carried out by the Conflict of Interest Directorate. The Directorate provided legal representation in a total of 57 cases.

In 2024 the Supreme Administrative Court has confirmed 12 decisions of the Commission establishing a conflict of interest, 6 decisions were annulled, two decisions were returned for consideration by another panel of the first instance court and one was returned for consideration by the same panel.

Two decisions of the Commission establishing a conflict of interest and one decision of the court of first instance confirming a decision of the Commission establishing a conflict of interest were not appealed by the interested parties and also entered into force in 2024.

Fig. 3 Decisions taken and conflict of interest identified



In accordance with the principle of transparency, the Commission's activities in the "Conflict of Interest" section are fully public and all decisions of the Commission establishing a conflict of interest or the absence of such, the decisions from the incompatibility checks carried out, as well as all decisions of the courts of first instance and the Supreme Administrative Court in cases related to challenging the decisions establishing a conflict of interest, are published on its website.

COUNTERACTING CORRUPTION

The specialized Anti Corruption Directorate executes anti-corruption activities through disclosure and investigation in connection from received data on acts of corruption by persons holding public positions. The activities are carried out by the inspectors carrying out operational and investigative activities and the investigating inspectors, according to their competences.

During the reporting period, a specialized Anti-Corruption Directorate carried out activities related to the detection and investigation of and in connection with data on corruption by persons holding public positions throughout the country.

In their activities, the employees of the Directorate are guided entirely by the functions assigned to them under the ACL and by the other legal and regulatory acts in the Republic of Bulgaria regulating their powers.

The legal powers of the investigating inspectors from the directorate include: the investigation of crimes of embezzlement; intentional mismanagement and mismanagement on a particularly large scale, representing a particularly serious case; concluding an unprofitable deal; economic bribery; misuse of budget funds/funds from European funds; crimes in office; the special composition of personal concealment; crimes under the section "Bribery" of the Criminal Code (CC).

The activities of the employees of the specialized Anti-Corruption Directorate are carried out in compliance with the principles of legality, transparency, independence, objectivity and impartiality set forth in Art. 4, para. 1 of the ACL; respect for and guarantee of the rights and freedoms of citizens; proportionality of interference in private and family life and political neutrality.

In the performance of its functions, the Directorate has used all public and private methods and means according to its competence under conditions and order, determined by the ACL and the secondary normative acts in order to obtain particulars and information about actions or inactions that reveal manifestations of corruption by persons holding high public positions.

In accordance with the statutory powers under the Judicial System Act (JSA), the Prosecutor's Office of the Republic of Bulgaria has assigned the CAC to conduct inspections of prosecutorial files on the basis of Art. 145, para. 1, item 3 of the JSA and Art. 199 of the Criminal Procedure Code (CPC).

On the basis of Art. 199, para. 1 and Art. 196, para. 1, item 6 of the CPC, a specialized Directorate "Countering Corruption" under the CAC has been assigned the task of carrying out

individual actions related to revealing the perpetrators of crimes in pre-trial proceedings, within the competence of the Commission.

In accordance with the provision of § 79 in relation to § 9 of the TFP of the ACL an Investigation Department was established in the Specialized Directorate "Countering Corruption" and investigative inspectors were appointed to carry out the activities under Art. 19, para. 3 of the ACL.

In connection with the competencies of the investigative inspectors at the specialized Anti-Corruption Directorate, pursuant to the provision of § 9 of the TFP of the ACL, a total of 245 pre-trial proceedings have been received and initiated by the Directorate, a significant part of which represent factual and legal complexity.

In 2024, the investigative inspectors at the specialized Anti-Corruption Directorate carried out 1,436 investigative actions.

Employees of the Directorate, carrying out operational and investigative activities, have carried out 1052 operational and investigative measures in connection with the investigation activity.

During the pre-trial proceedings, 79 individuals were brought forward as defendants.

133 searches were carried out in the pre-trial proceedings conducted in the specialized Anti-Corruption Directorate. Of these, 42 were carried out under conditions of urgency and were subsequently approved by the competent court, and 91 were with prior authorization from the competent court.

43 expert examinations have been appointed in connection with the ongoing cases.

Under 245 decrees assigned by the bodies of the Prosecutor's Office, operational and investigative measures were carried out in pre-trial proceedings and prosecutorial inspections with the aim of revealing and documenting corruption crimes.

In 2024, the PO authorities assigned a total of 427 prosecutorial inspections to the directorate under the JSA, concerning the verification of data on illegal acts committed by persons holding public positions.

On 326 files, the work has been completed and the results have been reported to the authorities of the Prosecutor's Office. Operative-investigative and reference measures were carried out on these files, including taking explanations of persons and demanding and analyzing a large volume of documents. In connection with the work on 40 files, from the collected and analyzed

documents and materials, specific data on committed crimes have been identified, which have been sent to the bodies of the Prosecutor's Office for consideration within their competence.

In 2024, the Directorate's employees carried out operational and search activities throughout the country, related to identifying persons and objects; taking explanations from citizens; conducting inquiries into information funds and cross-checking documents; operational verification of the collected data and their documentation; conducting surveillance; penetrating and examining premises, buildings, facilities, means of transport and others; taking samples for comparative research; operational recognition; operational experiment and personal search.

1452 Operational-investigative activities were carried out on the territory of the whole country in connection with the verification of alerts from Bulgarian citizens and/or commercial companies, organizations and state structures, as well as on the basis of verifications assigned by the Prosecutor's Office in accordance with the order of the Law on the Judiciary, which contain data on violations and crimes related to acts of corruption in the activities of persons holding public office; as well as for verification of data on actions or inactions that reveal manifestations of corruption of such persons.

The specialized Anti-Corruption Directorate received 820 signals within its competence.

Based on the alerts received, the Anti-corruption Directorate conducted operation-investigative and reference activities, documents were demanded, information was taken from individuals and cross-checking was carried out on documents.

Of the total number of signals received in the reporting period, the Commission has made a decision on 568 signals, with the inspections having been completed and the relevant reports prepared.

128 reports were identified as anonymous, and 132 did not contain data on crimes but were of a private nature.

Of the signals received in 2024 by the specialized Anti-Corruption Directorate, 226 contained evidence of a crime, with 126 containing evidence of corruption crimes. For the same, on the basis of Art. 109, para. 2, item 1 of the Anti-Corruption Act, the director of the directorate has decided to send the report and materials from the inspection to the bodies of the Prosecutor's Office, according to their competence. In accordance with the provisions of Article 109, paragraph 3 of the ACL, the Anti-Corruption Commission has coordinated the decision of the director.

Of the signals received in 2024 at the specialized Anti-Corruption Directorate, 73 were found to be not within the competence of the Commission, but of other state bodies. 23 of the

signals were found to be within the competence of the Inspectorate of the Supreme Judicial Council, given the availability of data on actions by magistrates that harm the prestige of the judiciary, as well as those related to the violation of the independence of judges, prosecutors and investigators. For the same, on the basis of Art. 109, para. 4, supra para. 2, item 3 of the ACL, the director of the directorate has taken a decision to send the report and materials from the inspection to the competent authority. In accordance with the provisions of Article 109, paragraph 3 of the ACL, the Anti-Corruption Commission has coordinated the decision of the director.

ORGANIZATION OF THE ADMINISTRATIVE ACTIVITY

1. Structure and staffing of the administration

In 2024, the Commission's personnel policy continues to be one of its main priorities and is aimed at building and developing administrative capacity in order to upgrade and increase the effectiveness of the institution. For that purpose, various forms of career development have been implemented and procedures have been carried out for the appointment of employees to vacant staff positions.

The structure of the Commission is in accordance with the current Regulations on the structure and activities of the Commission for the Protection of the Rights of Persons with Disabilities and its administration, pursuant to § 7, para. 4 of the TFP of the ACL. The Commission is assisted by a general and specialized administration, as well as by units directly subordinate to the Chairman.

With the adoption of the ACL and the new functions assigned to the Commission, related to the detection and investigation of corruption acts committed by persons holding public positions, a structural change was made in the specialized Anti-Corruption Directorate, effective from March 1, 2024. To ensure these activities and in order to ensure expert staff capacity, an Investigation Department was established and investigative inspectors were appointed.

In 2024, 40 procedures for the appointment of staff were carried out in the Commission.

To maintain and enhance the necessary theoretical training, as well as to acquire new knowledge and skills by employees, training was conducted in various forms - face-to-face, in an electronic environment and/or mixed.

In implementation of the Annual Plan for enhancing the professional competence of CAC employees, 29 trainings were conducted by the Institute of Public Administration and another 7 trainings organized by other institutions. The trainings are on the following topics: legal and regulatory framework, electronic document and electronic signature, public procurement planning, cybersecurity, corruption in infrastructure projects and public procurement and many others.

2. Administrative service

Administrative services cover activities related to receiving, registering and providing incoming official correspondence to the addressees, issuing and sending it for its intended purpose. Performs clerical services and systematizes documents for ongoing storage. Processes, stores and organizes the use of the Commission's archival documents.

In 2024, the total number of registered documents is 47,235 (does not include declarations of property and interests):

- incoming documents – 15,164;
- outgoing documents – 20,928;
- internal documents – 11,143.

3. Legal service and procedural representation

In 2024, opinions and responses were prepared on legal issues raised by members of parliament, journalists and citizens in connection with the activities and functions of the Commission. An analysis of the case law on the application of the regulatory acts related to the activities of the Commission is currently being carried out. Opinions have been given on the legal grounds for the enforcement of final court decisions. The necessary legal actions have been taken periodically to collect the Commission's receivables.

In 2024, administrative penal activity was carried out related to the issuance of penal decrees in connection with declarations of property and interests that were not submitted or were not submitted within the statutory period. Fines totaling BGN 637,500 were imposed under 495 penal decrees.

Legal representation was provided in 102 court proceedings initiated in connection with the challenge by the administratively liable persons of the issued penal decrees.

The administrative criminal files, according to which the offenders are exempted from administrative criminal liability according to the order of Article 28 of the Law on Administrative Violations and Penalties (LAVP), since the violation appears to be unimportant, are 1,386.

244 administrative criminal proceedings were terminated, and those suspended pursuant to Article 40, Paragraph 6 of the LAVP are 29. 16 agreements have been concluded to conclude the administrative criminal proceedings under Article 58d of the LAVP.

In order to protect the interests of the Commission in the cases of contested acts, legal representation was carried out in accordance with the Law on Civil Servants, the Law on the Liability of the State and Municipalities for Damages, the Law on Access to Public Information, the Law on Administrative Violations and Penalties.

In accordance with the Law on Civil Servants no actions were initiated to contest the orders of the chairperson of the CAC. 2 proceedings, initiated in previous years, have ended with a final court act, both of which are in favor of the Commission and there is one pending.

In 2024, 20 applications for providing access to public information were received, which were examined in accordance with the mandatory norms of the Law on Access to Public Information (LAPI). Seven decisions were issued to grant access to information in full, two decisions were issued to grant partial access, letters were sent to eight applications, pursuant to Art. 32, para. 1 of the LAPI and five applications were refused. Depending on the information sought, decisions were issued and letters were sent simultaneously on some of the applications. Four complaints were received during the reporting period. No request for access to information has been received that does not meet the requirements of the LAPI.

For awarding compensation for pecuniary and non-pecuniary damages with a legal basis Article 1 and Article 2a of the Law on the Liability of the State and Municipalities for Damages (LLSMD) two lawsuits were filed with a total amount of claims - BGN 155,000, as well as payment of legal and moratory fee.

As of 31.12.2024, there are 5 pending cases initiated under the LLSMD, for which there is no effective court act. There are no court decisions that have entered into force, the proceedings on which are conducted under the LLSMD.

4. Information and technological assurance

The information and system environment is maintained through configuration and maintenance of hardware and software products, updating the operating systems of computers and servers, as well as providing backup copies of the main servers and databases. Technical specifications have been prepared and public procurement procedures have been carried out for the supply of computer and office equipment.

FINANCIAL-ECONOMIC ACTIVITY

1. Budget

The financial provision of the Commission is carried out in accordance with the provisions of Art. 33 of the Law on the State Budget of the Republic of Bulgaria (LSBRB) for 2024. The Commission implements a budget program format under the Functional Area "Implementation of prevention, effective counteraction to corruption and identification of conflict of interest" and Budget Program "Prevention and counteraction of acts of corruption by persons holding public positions and identification of conflict of interest".

The revenues of the CAC approved by the State Budget Act of the Republic of Bulgaria for 2024 amount to BGN 30 thousand. (thirty thousand leva), and the costs are in the amount of BGN 10,887.1 thousand. (ten million eight hundred eighty-seven thousand one hundred leva). In Appendix No. 2, item 42 to Art. 106, para. 5 of the LSBRB for 2024 – Investment Program for National Projects, an estimated amount of capital expenditures for the acquisition of equipment, computers, hardware, software products and licenses of BGN 900 thousand has been approved for the Commission.

In 2024, additional expenses in the amount of BGN 4,456.8 thousand were approved by decrees of the Council of Ministers under the Commission's budget. (four million four hundred fifty-six thousand eight hundred leva), of which 39.6 thousand leva for capital expenditures. In implementation of a cooperation agreement with the Ministry of Interior, a reduction in budget expenditures and transfers by BGN 0.9 thousand was made. At a meeting of the Commission, internal compensated changes to the budget, coordinated with the Ministry of Finance, were adopted, as a result of which the specified budget plan of the CAC as of 31.12.2024 is 15,343.1 thousand BGN. (fifteen million three hundred forty-three thousand and one hundred leva), in terms of indicators in thousands of leva, as follows:

Indicators	Law 2024 (thousand BGN)	Detailed plan 2024 (thousand BGN)	Report to 31.12.2024 (thousand BGN)	Implementation vs. the Detailed Plan 2024 %
Revenue:	30.0	30.0	465.4	1,551 %
Costs:	10 887.1	15 343.1	12 408.9	81 %
including				
- staff	8 956.4	12 873.6	11 078.7	86 %
- maintenance	1 930.7	2 338.7	1 250.4	53 %
- capital	0.0	130.8	79.8	61 %

The incoming revenues to the budget of CAC in 2024 amount to 465.4 thousand BGN (four hundred sixty-five thousand four hundred leva) and are 15.5 times higher than planned. The reported budget expenditures of the Commission amount to BGN 12,408.9 thousand (twelve million four hundred and eight thousand nine hundred BGN). With a detailed plan of BGN 15,343.1 thousand (Fifteen million three hundred and forty three thousand and one hundred BGN), the implementation of the expenditure part of the Detailed Plan according to the budget of CAC for 2024 is 81%.

The implementation of the CAC budget was carried out in compliance with budgetary discipline, principles and rules for the disposal of budgetary funds.

2. Procedures under the Public Procurement Act

In 2024 a total of 15 (fifteen) public procurements have been announced, of which:

- one open procedure under Article 18, paragraph 1, item 1 of the Public Procurement Act (PPA);
- Five public competitions under Article 18, Paragraph 12, p. 8 of the PPA;
- six by collecting bids with an announcement pursuant to Chapter twenty-six of the Public Procurement Act;
- three awards under Art. 82, para. 1 of the Public Procurement Act under framework agreements concluded by the Central Purchasing Authority.

A total of 58 contracts and additional agreements were concluded, of which:

- 16 contracts after a procedure under the Public Procurement Act, application of the procedure under Chapter Twenty-Six of the Public Procurement Act or the procedure of Art. 82, para. 1 of the Public Procurement Act;
- 38 contracts through direct award on the basis of Art. 20, para. 4 of the Public Procurement Act; 4 additional agreements.

No appeals have been filed against the contracting authority's decisions.

OTHER ACTIVITIES

1. International Cooperation

The International Cooperation Unit carries out the interaction of the CCC with international organizations, networks and jurisdictions.

- **Information exchange**

Through the information exchange channels, at the request of various institutions for verification of property of individuals and legal entities on the territory of the Republic of Bulgaria, checks were carried out on a total of 168 requests. Under 74 of the inquiries, data was established on the presence of property in the country, related to the investigations conducted by the partners of the Commission in relation to the persons checked by them.

Based on the applications submitted to the unit, checks were carried out on a total of 645 individuals and 232 legal entities, with one inquiry often including multiple individuals and/or legal entities for whom an investigation or legal proceedings are underway.

- **Participation in international forums, meetings, conferences**

- a project related to the exchange of best practices in the fight against corruption and fraud of European Partners against Corruption (EPAC) and the European Anti-Corruption Contact Points Network (EACN), held on 18.03.2024 - 20.03.2024, Rome, Italy;
- The International Law Enforcement Academy (ILEA) in Budapest, Hungary, held on 26.02.2024 – 01.03.2024 and on 07.10.2024 – 11.10.2024;
- EU Anti-Corruption Network seminar on asset declaration, Brussels, Belgium, held on 25.06.2024;
- in-person training course organized by the Federal Bureau of Investigation, Budapest, Hungary, held on 12.05.2024 - 18.05.2024;
- the implementation of the engagement of a lead assessor in the verification of Portugal in phase 4 of the review under the Convention on Combating Bribery of Foreign Public Officials (CBPO) in International Business Transactions of the Organization for Economic Cooperation and Development (OECD), held on 06.10.2024 - 11.10.2024, Paris, France;
- 23rd Annual Professional Conference and General Assembly of EPAC/EACN, Bucharest, Romania, held on 26.11.2024 - 27.11.2024;
- OECD plenary meeting on the review of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, held on 11.12.2024 (online).

- **Interaction and participation in international networks and organizations**

he Commission continues cooperation with international organizations and networks, with which very good contacts and interaction have been established over the years: Interpol, Europol, Camden Asset Recovery Interagency Network (CARIN), Association of Law Enforcement Forensic Accountants (ALEFA), Network of Law Enforcement and Enforcement Experts (ARINSA), GAFILAT Asset Recovery Network (RRAG), European Union Agency for Criminal Justice Cooperation (Eurojust), Egmont Group, Regional Anti-Corruption Initiative (RAI), European Partners against Corruption (EPAC), European Network of Anti-Corruption Contact Points (EACN), Network of Corruption Prevention Authorities (NCPA), European Network of Integrity and Whistleblowing Authorities (NEIWA) and International Association of Anti-Corruption Agencies (IAACA).

2. Internal audit

The Internal Audit Unit carried out a three planned assurance engagements to provide assurance, concluded by preparing a final audit report on:

- "Verification of human resources management processes regarding the selection and appointment of employees in the CAC for the period 06.10.2023 - 31.03.2024".
- "The status of the financial management and control systems in the CAC as of 31.05.2024".
- "The legal conduct of procedures for awarding public contracts, as well as the execution and accounting of the contracts concluded as a result of the procedures carried out in CAC for the period 06.10.2023– 30.09.2024".

No omissions or inconsistencies were found in the prepared audit reports.

The Internal Audit Unit was not assigned to carry out unplanned audit engagements to provide assurance and audit engagements to consult regarding the detection of violations and irregularities.

3. Financial Control

The financial controller carried out a preliminary control for legality related to the financial activity of the CAC by comparison with the requirements of the applicable regulations and the internal acts, including checks of the documentation during the conduct of procedures under the PPA, conclusion of contracts, entry of rental income, etc.

A total of 1131 legality checks were carried out as follows:

- When carrying out a preliminary control before assuming an obligation - 186 checks;
- When carrying out a preliminary control before spending - 927 checks;

- When carrying out a preliminary control before receipt of income under concluded rental contracts - 18 checks.

The results of the performed preliminary control are documented by issuing control sheets.

In the process of carrying out the checks of the documents concerning the financial activity of the Commission, no violations of legality were found before assuming obligations, incurring expenses and before receiving income.

In implementation of item 2 of section II of the Financial Management and Control Monitoring System in the Commission, the Financial Controller, in his capacity as Chairman of the Working Group, participates in the preparation of a report and completion of a questionnaire for self-assessment of the status of the Financial Management and Control Systems (FMCS) in the CAC for the period 01.01.2024 - 31.12.2024.

In fulfillment of the requirements of art. 8, para. 1 of the Law on Financial Management and Control in the Public Sector (LFMCPS) and a letter from the Minister of Finance with incoming No. KPK-FK-4 of 01.12.2023 on providing information on the financial management and control systems (FMCS) in public sector organizations for 2023, the Financial Controller, in his capacity as Chairman of the Working Group, participated in the preparation of an annual report on the status of the FMCS in the CAC for 2023 and in completing a self-assessment questionnaire, which were submitted within the statutory deadline and accepted by the Ministry of Finance.

4. Inspectorate

The Inspectorate of the CAC exercises administrative control in order to ensure legality and efficiency in the activities of the Commission's administration. The Inspectorate performs its control functions by conducting scheduled and unscheduled inspections of structures and activities to identify violations.

- **Scheduled inspections performed**

- Verification of the submitted declarations of incompatibility of newly appointed employees in the Commission's administration. As a result, 12 reports were provided regarding the inspections carried out, and no incompatibility within the meaning of § 1, item 4 of the Additional Provisions of the ACL was established.

- Verification of initial declarations of assets and interests not filed within the statutory deadline. As a result, 12 reports were submitted regarding the inspections carried out, in which no administrative violations committed by employees in the CAC administration were identified.

- Scheduled inspection of annual declarations of assets and interests that have not been submitted and have been submitted outside the statutory deadline. As a result of the inspection, a report was prepared and it was found that all employees had submitted annual declarations under Art. 49, para. 1, item 2 of the ACL within the statutory deadline.

- Planned inspection of the accuracy of the declared facts in the annual declarations of property and interests for 2023 submitted by the administration employees, including introductory declarations, for the period from 06.10.2023 until the beginning of the inspection. A compliance report has been prepared for the results of the inspection.

The Inspectorate has carried out a total of 26 planned inspections.

- **Unscheduled inspections carried out**

The Inspectorate has been assigned to carry out an unscheduled inspection. The inspection was completed on time with a report prepared for the Chairman of the CAC.

The Inspectorate has received a total of 202 declarations of property and interests. For the submitted declarations under Art. 49, para. 1, item 2 and item 4 of the ACL, employees from the Inspectorate keep, maintain and store special registers on paper and electronic media, in compliance with the requirements for the protection of personal data, which on the basis of § 2, para. 4 of the AR of the ACL are not public.

5. Public Relations

In 2024, the unit carried out activities to provide information to the media, including publishing on the Commission's website other information related to the results achieved in each of its areas.

6. Information Security Officer

The Information Security Officer monitors compliance with the requirements of the Classified Information Protection Act and all relevant regulatory acts regulating the protection of classified information, as well as the correct determination of the classification level of information in the Commission organizational unit.

In 2024, procedures for a simple and extended survey of employees in the organizational unit were carried out. Training on working with classified information was conducted for the

purpose of knowledge and compliance with the law and bylaws for newly appointed and reappointed employees.