

Corrupt Practices and Anti-corruption Efforts in Bulgaria

Media Monitoring – April 2004

1. General Media Environment

No single event dominated the Bulgarian media for a longer period in April. Most detailed coverage was given to the tense situation around the Bulgarian peacekeeping mission in Karbala, Iraq. At the beginning of the month the media anxiously followed developments around the Bulgarian and Polish troops who were under siege by the Mehdi radical Shiite cleric Moqtada al-Sadr. He gave the coalition forces in Karbala an ultimatum to withdraw. He threatened that otherwise his army would burn and soak in blood the whole town, where thousands of pilgrims were gathered to commemorate the 40th day of the death of Imam Hussein, grandson of the Prophet Muhammad. This was the main story in all media for several days. In addition to the latest news from Iraq, there were also comments by Bulgarian politicians and military officers. The media focused on the possibility of withdrawing the Bulgarian troops from the occupied town. Alarmed that there could be more casualties, parents of servicemen met President Georgi Parvanov and Chief of General Staff Gen. Nikola Kolev, and handed them a petition with 516 signatures demanding the withdrawal of the Bulgarian mission from Iraq. This sparked a wide public debate on what Bulgarian political and diplomatic diplomats should do next. The proposal got "international justification" when Spain's new Prime Minister José María Rodríguez Zapatero ordered the immediate withdrawal of Spanish troops from Iraq. Ultimately, the Parliament's Committee on Foreign Affairs decided that there were no grounds for reformulating the mandate of the 1st Battalion. The public debate intensified after the successive gun battle between a Bulgarian military patrol on its way back to Camp Kilo after a guard duty shift at City Hall and rebels from the Mehdi Army. In this incident the battalion suffered its sixth casualty in Iraq. Two days later President Parvanov paid a surprise visit to the Bulgarian peacekeepers in Karbala. The visit was covered extensively not only by the Bulgarian media but also by the international media agencies. The fate of the Bulgarian peacekeeping mission was the top story in all print and broadcast media. The items on the subject are purely informative.

On April 4, a week before Easter, twelve Bulgarian schoolchildren aged 12 to 16 drowned when their touristic bus fell into the Lim River, on the border between Serbia and Montenegro. The news of the tragedy was broadcast just a few hours after the accident. In the next few days it was the leading story in the print media too. It was given extensive coverage, including reports describing the site of the accident, the help provided by local residents, the reaction of the political elite, the tragedy of the parents etc. After the first wave of publications, which covered the tragedy in minute detail, the media focused on the personal tragedy of the parents of the victims and their demands that those who were to blame for the senseless death of their children be brought to justice. Appearing on the TV show *Vsyaka Nedelya/Every Sunday*, parents declared that to save their own lives, teachers had pushed the children towards their way in the desperate scramble to get out of the bus and had not given them a chance to survive; some teachers had even taken their bags before escaping from the bus. The teachers were summoned for questioning by the Education Ministry, and Chief Prosecutor Nikola Filchev ordered the Smolyan District Prosecution Office to conduct an investigation into the cause of the tragedy. The items devoted to the story are mainly informative. There were numerous commentaries and interviews, mostly with psychologists and teachers.

In early April the media resumed extensive coverage of the trial against the Bulgarian medical professionals charged with deliberately infecting more than 400 children with AIDS. The reason was that the court was expected to finally hand down a verdict, more than five years after the Bulgarians were arrested. Surprisingly, the hearing was postponed for May 6, the Bulgarian national holiday Gergyovden (St. George's Day) and Day of Valour, on the grounds that one of the jurors had been sick for a week and it had therefore been impossible to reach a verdict on time. The successive postponement spurred the media into action - the newspapers from the Bulgarian Association of Newspaper Publishers rallied around the idea that the Bulgarians could express support for their co-nationals by sending one million letters to the European Commission in Brussels and to US President George W. Bush. By the end of the month the papers carried detailed commentaries by various Bulgarian and international public figures regarding the pending verdict.

The other leading stories in April included the following:

- Bulgaria's admission as a full member of NATO;
- Britain's decision to suspend the issuance of all types of visas for Bulgarian nationals;
- The start of the tourist season and related problems with outrageous illegal construction in the country's large seaside resorts.

2. Corruption-related topics

The April sample includes 720 corruption-related items. There are two big scandals, and both broke at the end of the month.

month.

The first scandal is associated with Deputy Culture Minister Bissera Yossifova's disclosures that she had been US\$ 150,000 bribe to support a project of the Turkish company MNG designed to turn the National Gallery for Art into a hotel and art gallery. The scandal erupted after public statements by artist Svetlin Roussev concerning plans to remodel the gallery. Then Yossifova said that the middleman acting on behalf of the Turkish company MP from the Movement for Rights and Freedoms (MRF), but refused to name him. She underlined that she immediately notified the office of her minister and of the prime minister about the bribe attempt. Chief P Nikola Filchev launched an inquiry into the case. The reaction of the persons directly accused by Yossifova comparatively weak and came late. At first, Culture Minister Bozhidar Abrashev made no comment whatsoever on the accusations. Then he declared that he had learned about the bribe from television. In an interview for bTV he associated the scandal around the gallery with his intention to demand the resignation of Deputy Minister Yossifova, and with "the circles with which she is connected," which he defined as "communist." According to Abrashev, this was at the root of the media attack against him. Probably the purpose was to use the removal of the minister from the government to thwart next year's elections. Yossifova's subsequent dismissal is also commented by the media. In addition to the numerous news items there are also commentaries and analyses of the reasons for the media "coalition" against Abrashev is his decision to "evict" the Kultura weekly from the government, owned by the culture ministry. Moreover, the minister himself is a frequent target of public criticism and journalists do not miss any opportunity to report in detail every gaffe made by his ministry.

30.04.2004 Bissera Yossifova, Former Deputy Minister of Culture: Maksim Dimov Introduced MNG to (NOVINAR)

29.04.2004 Bissera Yossifova: Middleman in Bribe [Offer] Is Bulgarian Businessman (SEGA daily)

29.04.2004 Yossifova Tells Prosecutors Name of Man with Bribe (PARI)

29.04.2004 Culture: A Client for Prosecution (TRUD)

29.04.2004 MRF: We Didn't Ask for Bissera Yossifova's Dismissal (DUMA)

29.04.2004 Fired Yossifova Names Bribe Middleman to Prosecutors (DNEVNIK)

29.04.2004 After Quizzing by Prosecutors, Abrashev Calls Journalists Crazy (Vseki Den)

28.04.2004 Bissera Yossifova Quizzed about Gallery Sale (BNT)

28.04.2004 Bozhidar Abrashev, Minister of Culture: I Learned about Bribe from TV (STANDART)

28.04.2004 Simeon Fires Abrashev's Nightmare (STANDART)

27.04.2004 PM Dismisses Deputy Culture Minister (DARIK RADIO)

27.04.2004 Prosecutors Visit Abrashev about Bribe (MONITOR)

27.04.2004 Bissera Yossifova Dismissed as Deputy Culture Minister (bTV)

27.04.2004 Who's Behind National Gallery for Foreign Art Scandal (bTV)

27.04.2004 MRF Invites Deputy Minister Yossifova to [MRF] Meeting about "Bribe" Scandal (News.bg)

25.04.2004 Abrashev's Deputy Accuses Ministry of Corruption (Mediapool)

24.04.2004 PM Probes Scandals around Abrashev (SEGA daily)

24.04.2004 Abrashev in Dead Silence in Scandals (24 Chassa)

23.04.2004 Abrashev's Deputy Clashes with Boss (SEGA daily)

23.04.2004 Abrashev Silent about \$ 150,000 Bribe (STANDART)

23.04.2004 \$150,000 for Deputy Minister's Signature (MONITOR)

23.04.2004 Turkish Firm Offers Deputy Minister Bribe? (24 Chassa)

23.04.2004 Abrashev Visits Naomi Campbell at Turkish Expense? (NOVINAR)

The other big scandal in the media in April directly related to corruption was sparked by allegations that government officials had wanted a bribe between US\$ 40 and 80 million in return for approving a project for the completion of the Belene Nuclear Power Plant (NPP). Those allegations are made in an anonymous letter to Energy of Canada Ltd. (AECL), a prospective bidder for the project, which was published by the Toronto-based Globe and Mail daily. According to some newspapers the fact that the letter is unsigned may be interpreted in two ways: it is either a serious alert about corruption or a colossal attempt to discredit Bulgaria before the decision on the selection of the project contractor. AECL spokesman Ian Dovey declared that the anonymous letter had been handed over to police. He said that the company was taking the case seriously. The letter states that some of the money would be funneled to the officials through overpayments that would be made to local Bulgarian subcontractors to work on the project; other payments would be made to agents working on cementing the deal. The letter also contained many detailed allegations, said it was written to alert AECL management about possible breaches of Canadian and Bulgarian law. The AECL is part of an international consortium interested in working on the completion of the second Bulgarian nuclear power plant in Belene worth an estimated \$1.6-billion. The Globe and Mail daily adds that the controversy has often swirled around AECL's bidding for nuclear-plant contracts in developing countries. The daily adds that allegations of kickbacks or excessive fees paid to marketing agents on previous sales in Argentina, China, and South Korea, the daily adds. Spokesman Ian Dovey declared the company has engaged in no wrongdoing in Bulgaria. He added that the company was approached by the Bulgarians, who said they were interested in Canada's nuclear technology and asked AECL to become involved. "It's all at a very, very preliminary stage right now," he said. The company is pursuing an opportunity there, but we haven't made a bid." It is noteworthy that in just two days, the press published a huge number of items on the subject. It is featured on page one of all newspapers. On the other hand,

story was given considerably less coverage by the national broadcast media. The items are purely informative is because the scandal broke at the very end of the month and there were still many unanswered questions : alleged attempt at extortion. All media highlight the size of the demanded bribe: US\$ 80 million, a sum shocking for the overwhelming majority of the public.

- 30.04.2004 Nuclear Energy Must Be as Clean as a Whistle (DARIK RADIO)*
- 30.04.2004 Canadian Paper Accuses Bulgarian Officials of Asking \$ 80 Mln Bribe for Belene (SEGA daily)*
- 30.04.2004 Bidder for Belene NPP: Government Officials Asked Us for Bribe (PARI)*
- 30.04.2004 Belene NPP - Atom Engenerica - Ian Dovey - Comment (DARIK RADIO)*
- 30.04.2004 Meeting of Economic Policy Council (BNT)*
- 30.04.2004 Bulgarian Government Officials Alleged to Have Wanted Bribe (MONITOR)*
- 30.04.2004 \$80 Mln Bribe for Belene NPP (TRUD)*
- 30.04.2004 We Ask Canadians for Document Accusing Us of Corruption (News.bg)*
- 30.04.2004 Bulgarian Officials Alleged to Have Asked Canada for Up to \$ 80 Mln Bribe for NPP in Belene (24 C*
- 30.04.2004 Canada Probes \$ 80 Mln Bribe Wanted by Bulgarian Officials (DNEVNIK)*
- 30.04.2004 Cabinet Starts Talks with Bidders for Belene NPP (Mediapool)*
- 30.04.2004 [Energy Minister Milko] Kovachev Asks AECL for Copy of Letter about Bribe Wanted for Be (Mediapool)*
- 30.04.2004 Prosecutors to Probe Belene NPP Bribe Allegations (Vseki Den)*
- 30.04.2004 Minister Kovachev Wants Prosecution Probe into The Globe and Mail Report (Dnevnik.bg)*
- 29.04.2004 Canadians Allege Bulgaria Wanted Bribe for Belene (DARIK RADIO)*
- 29.04.2004 Canadian Firm Reports Bribe Demand (BNT)*
- 29.04.2004 Bulgarian Government Officials Alleged to Have Asked Canadian Firm for Bribe for Building Be (bTV)*
- 29.04.2004 Bulgarian Government Officials Asked Us for Bribe for Belene NPP (Mediapool)*
- 29.04.2004 We Offered Canadians to Build Belene in Exchange for \$ 80 Mln Bribe (News.bg)*
- 29.04.2004 According to Canadian Paper, Bulgarian Government Officials Had Wanted Bribe for Belene NPP (Vreme)*
- 29.04.2004 Bribe for Belene NPP Allegedly Demanded by Bulgarian Officials from Canadian Firm (NetInfo)*

In early April customs officers again found themselves in the center of a corruption-related scandal. The result was the dismissal of four officers from the Kalotina customs house for facilitating contraband import. They processed documents of 83 TIR heavy-duty trucks loaded with goods belonging to the company M.G.S. EOOD owned by Metodiev, aka Pileto or The Chicken, and 25 trucks of other transport companies. The Customs Agency Inspectors found that the trucks would enter the country via the Kalotina border checkpoint only when the same team of officers was on shift there. They did not exercise proper control and made or tolerated procedural errors in filling and clearing documents. In a sensational interview for bTV a day after their dismissal, one of the fired customs officers declared that he had been carrying out orders of superiors when he allowed particular trucks with faulty documents through the Kalotina customs point. For that he got 1,000 leva a month. The story was followed mainly by bTV and broadcast several exclusive interviews with the implicated officers, subsequently quoted by the other media. In the sensational disclosures about the size of bribes at customs houses and the allegations that the smugglers were operating under the "umbrella" of senior public officials, there were no further developments.

- 17.04.2004 Pileto's Bigger Smuggling [Operation] Busted (CAPITAL)*
- 17.04.2004 Boss of Fired Customs Officers Demoted (24 Chassa)*
- 17.04.2004 Luchezar Terziev from Kalotina Customs House: I Haven't Bribed Customs Officers Not to Inspect (bTV)*
- 17.04.2004 We Were Paid to Clear Unprocessed Trucks, Fired Customs Officers from Kalotina Say (bTV)*
- 17.04.2004 The Fired Customs Officers (bTV)*
- 16.04.2004 Fired Customs Officer Dechev: Bosses Ordered Us on Slips of Paper to Clear TIRs (168 Chassa)*
- 16.04.2004 The Four Customs Officers Fired from Kalotina Breached Procedure in Document Processing (Focus)*
- 16.04.2004 Customs Officers Accuse Bosses of Backing Smuggling Rings (Vseki Den)*
- 10.04.2004 Customs Officers Say They Got 1,000 Leva a Month (TRUD)*
- 10.04.2004 Customs Officer Admits: I Took 1,000 Leva Bribe Every Month (NOVINAR)*
- 10.04.2004 Rank-and-File Customs Officers Got 1,000 Leva from Smuggling Ring (DNEVNIK)*
- 09.04.2004 4 Customs Officers Fired for Smuggling at Kalotina (SEGA daily)*
- 09.04.2004 Four Customs Officers Involved in Pileto's Smuggling [Ring] Fired (PARI)*
- 09.04.2004 Four Customs Officers Fired for Smuggling (STANDART)*
- 09.04.2004 Four Customs Officers from Kalotina Fired (NOVINAR)*
- 09.04.2004 Ten Customs Officers Fired Because of Pileto (DNEVNIK)*
- 09.04.2004 Fired [Customs Officer] Accuses Customs Bosses of [Providing] Umbrella over Smuggling (Mediapool)*
- 09.04.2004 Customs Officer Fired on Suspicions of Corruption Claims He Was Acting on Bosses' Orders (bTV)*
- 09.04.2004 Interview with Spas Shopov about Dismissals in Customs Agency (DARIK RADIO)*
- 08.04.2004 Four Customs Officers from Kalotina Fired for Complicity in Smuggling (bTV)*
- 08.04.2004 Another Four Customs Officers Fired Because of Pileto's Smuggling [Operation] (Mediapool)*

An investigative report recaps the scandal that broke out after Niki Pileto's trucks were caught smuggling chici and reveals the concrete schemes by which the smuggling ring operated.

10.04.2004 NIKI PILETO STILL NOT CONVICTED FOR HIS [CHICKEN] LEGS (Paragraf 22)

10.04.2004 ANOTHER FOUR CUSTOMS OFFICER HEADS "ROLL" BECAUSE OF PILETO (Paragraf 22)

Mid-April the media reported that 22 tax officials from three tax offices in Sofia were involved in fraudulent recovery of VAT input tax amounting to approximately 11 million leva. Eleven of them were directly involved and would have been dismissed. Two had already been handed their dismissal orders, whereas the others were expected to return from Sofia which they had urgently taken in an effort to avoid dismissal. Most of the implicated tax officials are auditors of clear VAT claims, but one of them is the chief of the Audit Sector in one of the tax offices. The 11 companies involved in fraudulent recovery of VAT input tax had been transferred to Roma and poor people from the blvd neighborhoods on the outskirts of Sofia. They resold shoes among each other to simulate turnover. The shoes were finally "exported" on paper by plane, but in fact remained in Bulgaria. An investigation revealed that one of the same tax officials had been appointed to audit the 11 companies in question. According to the director of the Tax Directorate Nikolay Popov, the investigation into the scheme had taken more than four months. The story received front-page coverage by all print media and is also the main story in the news on radio and television. The information is very detailed and informative, but they are based mainly on the disclosures made by the director of the Gerontological Directorate. Nevertheless, some media quote their own sources and reveal the actual tax departments where the wrongdoers worked. The majority of editorials on the day after the news broke are also devoted to the subject.

16.04.2004 Taxmen to Accept Gifts, But Small Ones (SEGA daily)

16.04.2004 Taxmen to Refuse Bribes Politely (STANDART)

16.04.2004 Taxmen Involved in Fraudulent Recovery of 11 Mln Leva VAT Input Tax Fired (PARI)

16.04.2004 20 Taxmen Kicked Out for 11 Mln Leva Scam (MONITOR)

16.04.2004 Gang of Tax Collectors Siphons Off 11 Mln Leva (TRUD)

16.04.2004 Tax Vatters (TRUD)

16.04.2004 11: The Fatal Number for 11 Taxmen (NOVINAR)

15.04.2004 FRAUDULENT RECOVERY OF VAT INPUT TAX (NOVA TV)

15.04.2004 22 Taxmen from Sofia Involved in Fraudulent Recovery of 11 Mln Leva VAT Input Tax (Mediapool)

There is one investigative report on the subject, Ingenious Tax Scams in 168 Chassa, which describes corruption in the tax administration. The report outlines the scheme by which senior tax officials "siphoned off in just seven months 11.650 mln leva from deals worth 58,250,000 leva" by fraudulent recovery of VAT input tax. According to the report, 40 companies and an accounting firm servicing those companies only had been registered for the purpose of the scam. The companies were registered almost at the same time at the beginning of last year in towns from Sofia Region, Botevgrad, Pirdop and Svoge. They eventually moved to Sofia. In August 2003 they registered under the VAT in four Sofia tax offices: Sredets, Lozenets, Vitosha and Studentska. Until then only 14 of the 40 companies registered for the purpose of the scam were actually involved in it. The others were duly waiting for their turn. According to the 168 Chassa investigation, the companies engaged in the fraudulent recovery of the VAT input tax in question are: Beta Krav, Bulsik Decor, Commex, Corumco, Knowtrack and Riliti, and they were registered between 24 August 2003 exclusively for the scam. A month later four of them moved their headquarters to 1 Vitosha, Sofia.

Data from several corruption-related surveys were released in April. Widest coverage is given to the latest data on corruption perceptions indices from a survey conducted by the nongovernmental anti-corruption Coalition 2004 the Vitosha Research Agency. According to the survey, March saw one of the lowest levels of corruption perceived by the general public. There was a significant decline in the level of corruption among administrators in the system, investigating magistrates and prosecutors. The average number of people involved in corruption transactions decreased from 114,000 in October 2003 to 80,000 this March, experts report. The decline in the level of corruption was highlighted in the headlines of the leading print media. The data are reported by all national dailies and well as by the Internet agencies. They are given less coverage by the broadcast media. The items are detailed and informative. In addition to the figures for the period, all media quote the deputy chief prosecutor who announced that the number of indictments issued last year by prosecutors against corrupt officials was 870, or almost double the number in 2002.

13.04.2004 Vitosha Research: Corruption Pressure on Judicial System Eases (Mediapool)

14.04.2004 Corruption Pressure on Judicial System Officials Eases (DNEVNIK)

14.04.2004 Corruption Pressure on Public Lowest in March (BNT)

15.05. 2004 Corruption Declines, But Bribes Get Bigger (SEGA daily)

15.04.2004 Bribes Soar to 5,000 Leva (MONITOR)

15.04.2004 Corruption Declines by Number of Transactions (24 Chassa)

17.04.2004 BRIBES BECOME LUXURY ITEM (Paragraf 22)

16.04.2004 Bankers Increase Corruption Pressure (CASH)

Coverage is also given to the World Bank's latest report, "Anticorruption in Transition 2: Corruption in Enterprise Interactions in Europe and Central Asia 1999-2002." The report analyzes trends in corruption in enterprise interactions in 26 countries in transition in Europe and Central Asia from 1999 to 2002. The WB survey covers more than 6,500 firms. The report shows that corruption is declining in many countries in the region, irrespective of whether it is measured by bribe frequency, size or as an obstacle to business. Still, the report notes that corruption remains quite a serious problem in comparison with the majority of countries in transition from Europe and the Baltic region. The results of the survey are reported only by the print media in brief news items and are not commented.

- 09.04.2004 Corruption Isn't on the Wane in Bulgaria (SEGA daily)*
- 09.04.2004 Corruption in Bulgaria Isn't Declining (24 Chassa)*
- 09.04.2004 Impact of Corruption on Business in Transition Countries in Europe and Central Asia Declines (DNI)*
- 09.04.2004 World Bank: Corruption in Southeast Europe Declines (DNEVNIK)*
- 08.04.2004 World Bank Reports Decline in Corruption in Southeast Europe (SEGA daily)*
- 08.04.2004 Corruption Declines, But Not in Bulgaria (STANDART)*

The issue of corruption in the sphere of education has been attracting growing media attention in the last few months. This tendency was confirmed in the period between 26 and 30 April, following the release of data from an international poll on perceptions of corruption in higher education. The poll was conducted by the National Youth Organization for Democracy and Economic Development. The majority of respondents, however, base their impressions on conversations with friends or relatives, rumors and information from the media. None of the respondents note that they have personally given or demanded a bribe. Nevertheless, the students mention concrete institutions of higher learning (IHL) where they have heard there is corruption. Some note that the "fee" for passing an important exam is 1,000 euro or 1,000 leva for receiving three points (or "pass" by a six-point grading system). The majority of respondents think that corrupt exam takers should be punished morally only, by being expelled from the system. One in four say that in the case of corruption, they would not report it. The results of the poll are reported by the leading dailies and discussed in several editorials.

- 29.04.2004 Students and Lecturers Unanimous: There's Corruption in Higher Schools (SEGA daily)*
- 29.04.2004 Bribe for Exam in IHL Up to 1,000 Euro (MONITOR)*
- 29.04.2004 On the Similarity Between Professors and Traffic Cops (MONITOR)*
- 29.04.2004 1,000 Euro Wanted for Exam in IHL (DUMA)*
- 29.04.2004 Promotion of Bribes for Students (NOVINAR)*
- 29.04.2004 Bribes in Universities Said to Reach 1,000 Euro (DNEVNIK)*
- 28.04.2004 Textbooks Tested on Kids in Grade 3 (STANDART)*
- 28.04.2004 Results of Online Poll on Corruption in Universities Made Public (News.bg)*
- 28.04.2004 94% of Students Think There's Corruption in Higher Education System (Focus)*
- 27.04.2004 Chaos over Grade Three Textbooks (STANDART)*
- 26.04.2004 MES [Ministry of Education and Science] Releases Textbooks Against the Law (DUMA)*

In mid-April the print media covered the story of the mysterious disappearance of the mayor of the town of Belovo, Vesselin Naidenov. He gave himself up after hiding from the police and investigating magistrates for five days. After the authorities launched a nationwide search for him, Naidenov is charged with taking a 146,000 leva bribe from Kehayov, owner of the company Belles-IK, in exchange for permitting him to continue managing and cutting up 100 hectares of municipal forestland. All national media report the news in very brief items. The story was followed from the launch of a nationwide search for Naidenov to his surprise appearance at the police station early in the morning, his 24-hour arrest which was subsequently extended to 72 hours, and his release on bail set at 5,000 leva. During his "disappearance" Naidenov managed to give an interview for the Sofia-based Monitor daily, in which he defended himself against the charges which he said were based on forged documents. A day later the Monitor accused Trud of publishing false reports.

- 18.04.2004 Belovo Mayor Released in Exchange for 5,000 Leva (STANDART)*
- 16.04.2004 Belovo Mayor in Custody for 72 Hours (STANDART)*
- 16.04.2004 The Fugitive Mayor (STANDART)*
- 16.04.2004 Belovo Mayor Charged with Corruption (TRUD)*
- 16.04.2004 Belovo Mayor Charged with Bribe-Taking (24 Chassa)*
- 15.04.2004 Belovo Mayor Gives Himself Up (SEGA daily)*
- 15.04.2004 Belovo Mayor Gives Himself Up to Police (STANDART)*
- 15.04.2004 Midnight Arrest of Belovo Mayor (MONITOR)*
- 15.04.2004 Belovo Mayor Gives Himself Up Voluntarily (24 Chassa)*
- 15.04.2004 Belovo Mayor Gives Himself Up in the Dark (TRUD)*
- 14.04.2004 Belovo Mayor Gives Himself Up to Police (DARIK RADIO)*
- 14.04.2004 Belovo Mayor Gave Himself Up This Morning (bTV)*

- 14.04.2004 As Police Search for Belovo Mayor, He Claims He Was Being Quizzed (MONITOR)
 13.04.2004 Nationwide Search for Belovo Mayor Launched (DARIK RADIO)
 13.04.2004 Missing Belovo Mayor Goes to Prosecution Office Today (MONITOR)
 13.04.2004 Nationwide Search for Belovo Mayor Mounted (News.bg)

At the end of the month the Sofia mayor was back in the media spotlight. This came after Democratic Party leader Alexander Pramatarski declared that the representatives of the Democratic Party in the Sofia Municipality will demand the resignation of Mayor Stefan Sofiyanski if he is charged with corruption. Pramatarski also said: "even though they are part of the right-wing coalition in Sofia, the Democrats won't be a smokescreen for the government." This news is reported by the print media only.

- 29.04.2004 Rightists Against Sofiyanski If Corruption Is Proven (MONITOR)
 29.04.2004 Sofiyanski's Right Move (TRUD)
 29.04.2004 Rightists Might Oust Sofiyanski (DUMA)
 29.04.2004 DP Calls for Sofiyanski's Resignation in Event of Proven Corruption (NOVINAR)
 28.04.2004 Filchev to Probe Sofiyanski for 2 Weeks (STANDART)
 28.04.2004 Vladimirov - Sofiyanski (Vseki Den)
 28.04.2004 Rightists to Demand Sofiyanski's Resignation in Event of Proven Corruption (Vseki Den)
 27.04.2004 Alerted by Vladimirov, Filchev Targets Sofiyanski (SEGA daily)

Figure 1. Item Distribution by Month

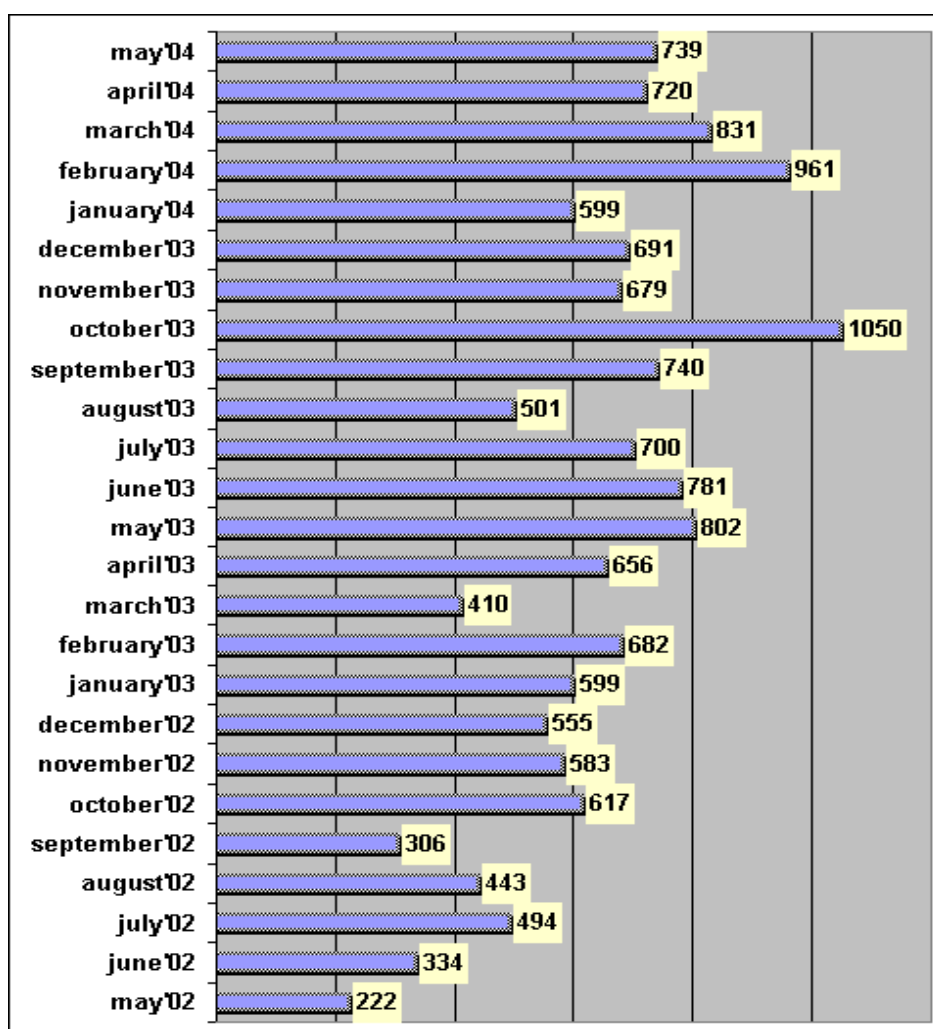


Figure 2. Item Distribution by Week

April 1-11	April 12-18	April 19-25	April 26-30
220	156	146	198

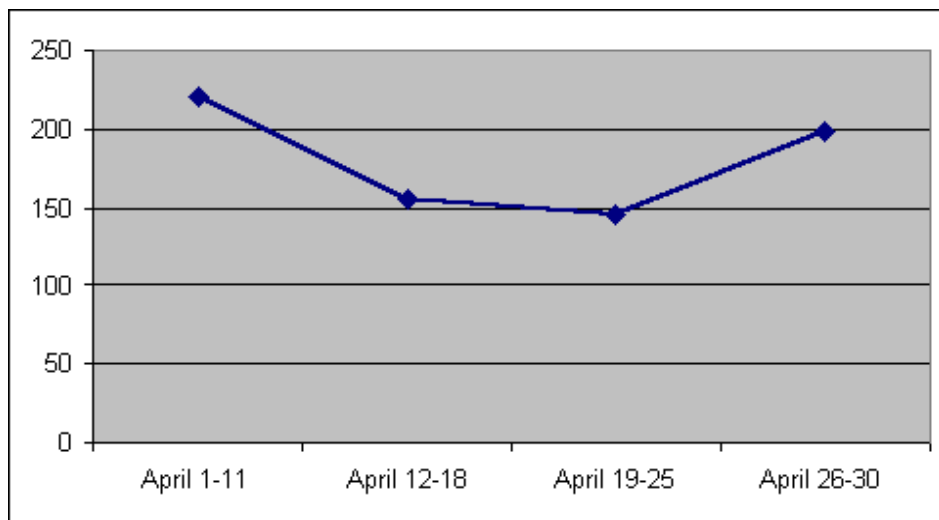


Table 1. Number of Corruption-related Items by Medium

Medium	PERIOD / Number of items				
	April 1-11	April 12-18	April 19-25	April 26-30	Total
24 Chassa	14	7	15	12	48
Trud	18	16	8	21	63
Dnevnik	17	7	8	15	47
Duma	3	2	7	6	18
Monitor	18	13	10	15	56
Novinar	10	5	5	12	32
Pari	19	7	14	13	53
Sega	28	13	8	14	63
Standart	11	10	11	14	46
Mediapool	8	7	7	8	30
Vseki Den	1	5	2	8	16
Novoto Vreme	3	2	-	5	10
News.bg	9	8	3	8	28
Econ.bg	4	4	1	3	12
NetInfo	2	1	0	4	7
Banker	13	6	2	-	21
Capital	6	2	4	-	12
168 Chassa	4	3	2	1	10
CASH	5	6	3	4	18
Sedem	4	4	7	1	16
TEMA	2	-	4	-	6
Bulgarian National Television (newscasts)	3	5	1	7	16
Bulgarian National Radio (newscasts)	3	1	-	1	5
bTV (newscasts)	8	5	4	9	26
Nova TV	-	1	1	4	6

Darik Radio	4	6	9	6	2
Deutsche Welle	1	-	1	-	2
Noshten trud	1	2	3	2	8
BBC	1	-	-	3	4
Radio New Europe	-	-	-	1	1
Focus Agency	-	8	6	1	1
Total	220	156	146	198	72

Figure 4. Item Distribution by Medium

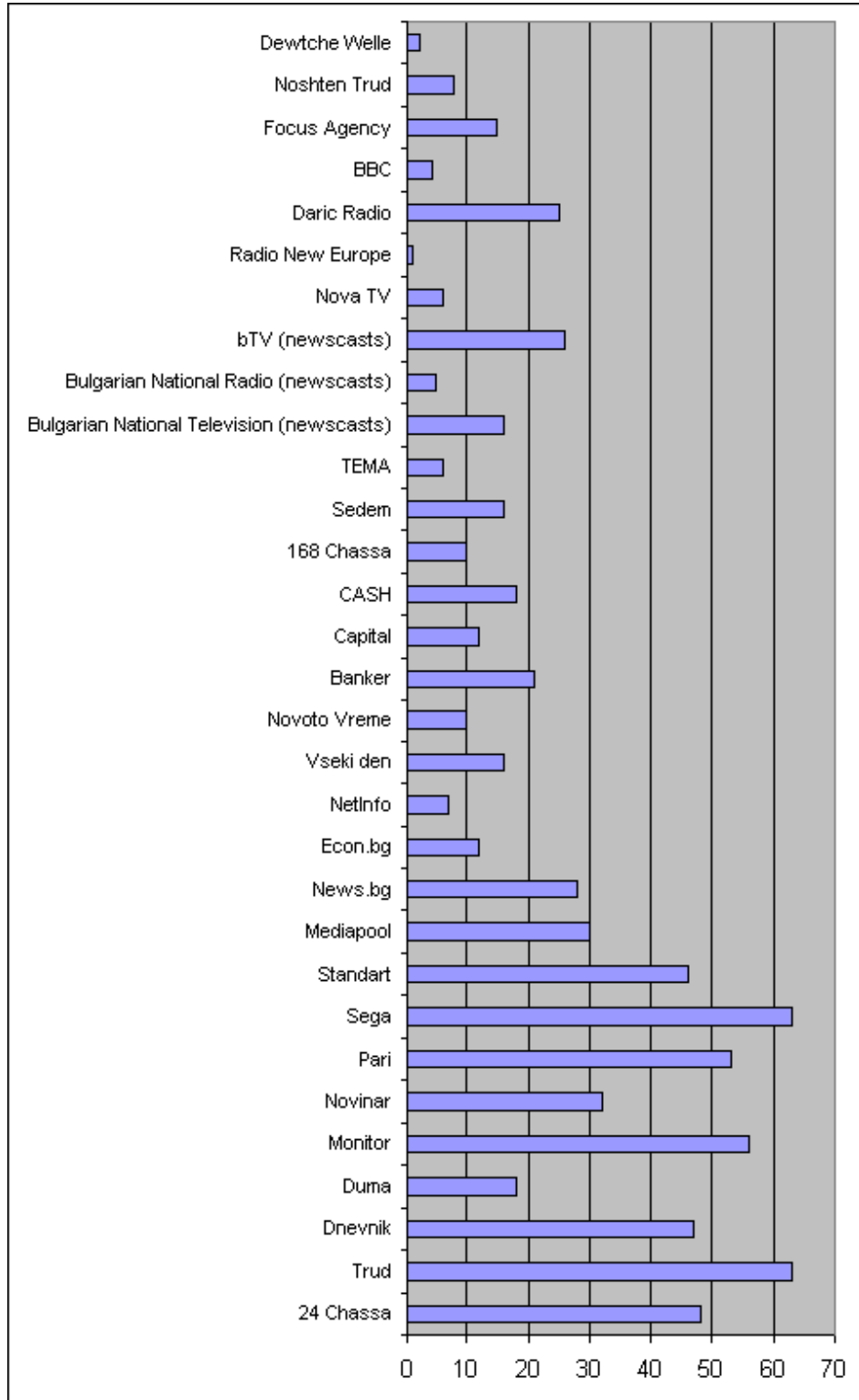


Table 2. Cited Sources on Corruption

Politician (ruling majority)	72
Politician (opposition)	57
Public official	152
Journalist	282
Expert	75
Foreigner	51
Intellectual	9
Random person	5
<i>Businessperson</i>	17

The items that can be classified as investigative reports are 12.

The Sega daily's investigative report *Cigarette Smuggling Along Sofia-London Axis* is devoted to cigarette smuggling along a particular route. Corruption, however, is not a main issue in the report. It is mentioned only in the context of the schemes applied in illegal import and export of cigarettes. According to the author Krassimir Dobrev, Sofia remains one of the transit centers used by smugglers of cigarettes destined for the British market. This operation is conducted in two variants - large-scale and small-scale. In the first variant, cigarettes are smuggled in containers shipped by sea or air. They are imported from Dubai, China, Cyprus and other countries, declared as another commodity transiting Bulgaria, and subsequently re-exported to the UK. Cigarettes are also smuggled on a large scale by declaring smaller amounts than those actually transported. This method employs legal licenses for cigarettes and comparatively legal bank guarantees and schemes. There is also a third way, in which the cigarettes are reloaded on Bulgarian territory after they are declared as another commodity. In the second, small-scale variant, a typical consignment will not exceed several dozen or several hundred master boxes which are smuggled across the border by truck, hidden among other goods - insulation materials, panels, cookers, hot-plates, ovens, boilers, and even cheese tins. This is the so-called "corking" method. The other way is to use ghost companies which formally export goods to the UK.

Monitor's investigative report *ii* is one of a series of items devoted to the planned construction of the first wind power station in Bulgaria. The journalistic investigation was launched after Kavarna Mayor Tsonko Tsonev declared that he would rescind the contract on the construction of the Kaliakra wind energy park with Bulgarian-German company Bulwind. In a statement to the Bulgarian News Agency, Tsonev claims that he will initiate a new sealed bid to acquire and cede the building right to the same municipal land tract already awarded to Bulwind, because the awardee has not done nothing to exercise the building right, which was expiring. He admitted that his decision for initiating a new auction was also prompted by an expression of interest in the same land tract by other investors. According to Monitor's investigative reporter, the facts show that Mayor Tsonev's allegations are false. On 7 April this year he had submitted a development-project design to Kavarna Town Hall and were currently waiting for approval in compliance with the legal requirements applicable. According to Item 5 of Chapter III of the Contract with Municipality ceding the energy park building right, Bulwind must "build up the site within five years reckoned from the approval of the project designs," and in this sense the term under the contract had not started to run, Executive Director Daniel Ganev pointed out. The report notes that Tsonko Tsonev "is canceling concluded contracts and throwing investments worth hundreds of thousands of leva down the drain because he fancies new investments and wants to hold new auctions for municipal land tracts." The author's explanation is that "every new auction offers a chance for a scam."

The Capital weekly investigates two deals concluded by the sports ministry in July 2003, in which the ministry contributed the Universiada Hall in Sofia, the Toto Chance sports complex at the Golden Sands resort, and the tennis track in Boris's Garden, Sofia, as non-cash assets. In both cases state-owned companies in the sports sector entered into partnership with a newly founded firm - Proekt Stroy BG, whose manager is Margarita Borislavova Donkova, 26. According to some reports in the media, she is the secretary of the website of the Youth Simeon II Movement (SSNM). The leading figure there is Delyan Peevski who, together with the son of the royal court spokesperson Galya Dicheva, Rossen, is among the founders of the Youth SSNM. Peevski's mother is currently the chief of the Bulgarian Sports Totalizator. The name Delyan Peevski came to the attention of the public through an auction a year ago, when he was appointed parliamentary secretary of the Transport Ministry and became the youngest man to hold a high political office. That was in August 2001, when Peevski was only 21 and still a student. The then transport minister Plamen Petrov also demonstrated his confidence in Peevski by appointing him to the board of directors of the Public Transport Company. According to reports in the press from the period in question, the first thing Peevski did was to ask the Public Transport Company management for a luxury jeep with which he could hop over to the coast for board meetings. As a member of the board, he was paid 600 leva a month. In an interview for 24 Chassa Peevski denied that he had anything to do with Proekt BG and he also denied that there was a secretary called Margarita Donkova in the royal youth circles. I

close contacts with Sports Minister Vassil "Luciano" Ivanov have also been demonstrated on numerous occasions. A few months ago the two were seen lunching together at a two-day seminar of the SSNM youth clubs in Hotel Borovets. All those facts led to numerous reports and commentaries in the media about the successive corrupt transactions in the sports ministry, in which people close to the power-holders use stooges for private gain. TRUD in Capital summarizes all disclosures to date and adds new information about the persons involved. It is determined that there is no comment whatsoever by the alleged wrongdoers.

03.04.2004 Luciano Cake for Yellow [SSNM] Komsomol Activists (CAPITAL)

A report in 168 Chassa deals with the inquiry conducted by the prosecution authorities into possible violations of the Public Procurement Act on the part of Energy Minister Milko Kovachev. According to the report, there are recent developments in the case. The prosecutors are said to have found a letter from the chief of the Nuclear Institute of the Bulgarian Academy of Sciences, in which he warns the National Electric Company (NEC) director that he must not violate the Public Procurement Act if he awarded the contract on the studies for the future nuclear plant in Enchevo to the US company Parsons without participation in a competitive procedure. The NEC nevertheless went ahead and awarded Parsons a public procurement contract worth 7.5 million leva. In exchange, the company had to prepare an environmental impact assessment and a feasibility study of the future nuclear plant. The contract was awarded to Parsons without participation in a competitive procedure - at "a meeting of the working group established on the orders of the energy minister and at a meeting of the Consultative Council established on the orders of the energy minister." There is no comment from the energy minister in the report, but there is a comment from Democratic Forces MP Evdokiya Maneva in her capacity as former environment minister. There was no official response to the report.

09.02.2004 Minister Kovachev Probed for 7.5 Mln Leva (168 Chassa)

A report in Trud reveals that the Ministry of Education and Science had employed private security guards to protect Norwegian investors from property which they had purchased in the village of Ravda near Bourgas. The property in question had admittedly belonged to the MES - it was the site of a former pioneer children's camp, which in 1991 was restituted as agricultural land to the heirs of the original owner. The MES, however, suddenly decided to claim the property after doing nothing for nine years. Although at face value the report is not related to corruption, it makes an analogy with the sale of 3.6 hectares of state-owned land in Nessebur to a private company. A controversial deal was concluded during the term in office of former education minister Vladimir Atanassov, whose signature the land lot in question was contributed to the capital of private company Kerko Bulgaria as a cash asset. The land was evaluated at 3.5 million leva or 97.20 leva/sq m. According to real estate agents, the market value is up to 450 euro/sq m. A hotel is under construction on the site.

14.04.2004 Education Ministry in Property Scandals (TRUD)

A report in the Sega daily deals with the Health Ministry's decision to restructure the National Center for the Treatment of Addictions (NCDA). The decision is said to have been taken following suspicions of malpractice at the NCDA where addicts paid fees for inclusion in the supposedly free of charge methadone maintenance programs and then used the money to buy methadone - at that, just meters away from the center; experts working at the center are also reported to be practicing parallel private practices to which they can refer addicts coming to the NCDA for treatment. The report is based on "anonymous sources." The Health Ministry had declined to comment.

17.04.2004 No One Cares about Cure of Addicts (SEGA daily)

An interesting report in TRUD, Investigated and Tried Ministers, traces the development of legal proceedings initiated since 10 November 1989 against former ministers, special service chiefs and senior public officials. The author found that proceedings have been instituted against more than 40 ministers from different governments - they have been held liable for acts committed during the communist regime. Ultimately, only five have been convicted to date: Georgi Atanassov, Stoyan Ovcharov, Grigor Stoichkov, Lyubomir Shindarov and Marin Marinov (a court of first instance only). Seven ministers from different cabinets and two deputy ministers are currently in dock, and others are facing trial.

Figure 5. Genre Distribution of Corruption-related Items

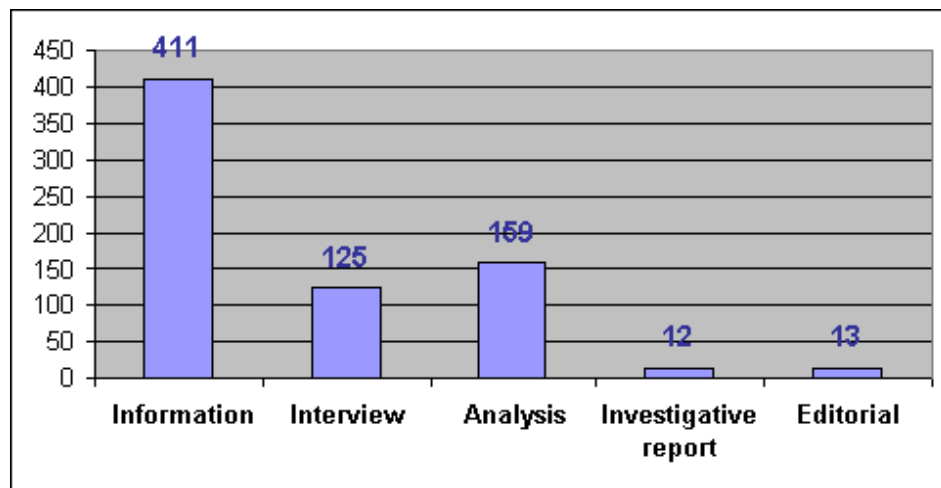
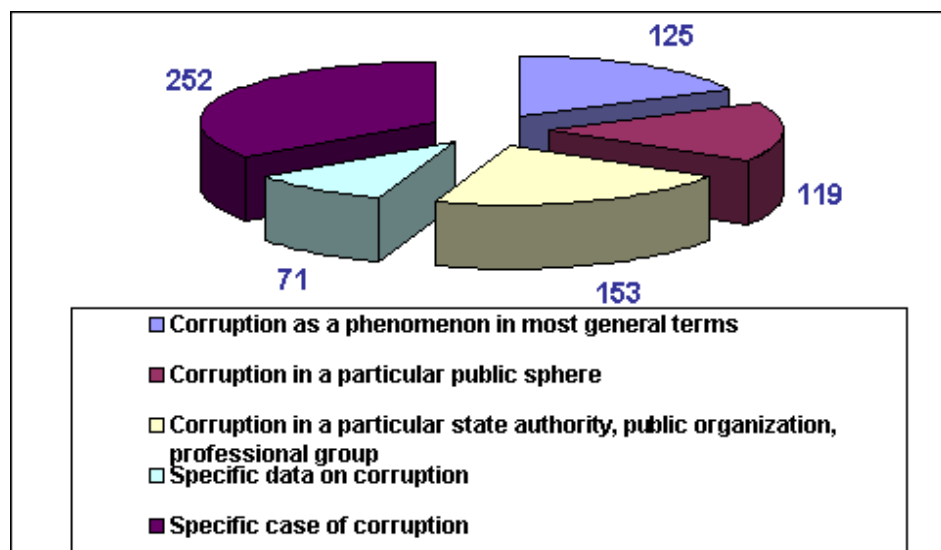


Figure 6. Degree of Concreteness of Corruption-Related Items



As in the previous months, the items making negative evaluations of anti-corruption efforts in the country outnumber those making positive evaluations.

Only one anti-corruption measure gets comparatively detailed coverage in April: the decision of the Justice Ministry commission coordinating the fight against corruption to introduce self-administered anti-corruption questionnaires in the ministries of finance, sports, justice and agriculture. Visitors to those ministries may fill in the questionnaires anonymously or openly. The purpose is to identify sectors in which there is a risk of abuse of office prejudicing the rights of citizens. Respondents who have named corrupt officials must also identify themselves if they want to be taken against the offenders. The news is reported in brief by the leading dailies only.

14.04.2004 Anti-Corruption Questionnaires Offered in Farm Ministry Too (SEGA daily)

14.04.2004 Agri-Officials Collect Reports of Corruption (TRUD)

14.04.2004 Questionnaires on Corruption in 4 Ministries (NOVINAR)

14.04.2004 Questionnaires to Measure Corruption in Ministries (PARI)

13.04.2004 Citizens to Fill in Questionnaires on Corruption (Econ.bg)

Table 3. Distribution of Corruption-Related Items by Topic

Topics	Anti-corruption Measures	Corrupt Practices	Investigations, a
Governance	4	31	1
The Cabinet	23	121	1
Public administration	21	55	18

Customs administration	9	21	9
Army	-	2	6
Local self-government	7	23	20
Statements of Ministers, Deputy Ministers, and other senior officials	11	15	-
Political Parties	7	20	1
Legislature	-	-	-
Laws and draft laws	5	6	-
Parliament	-	11	-
Members of Parliament	2	3	-
Statements by MPs and other public figures	3	7	-
Judiciary and Police	7	4	3
Courts	1	6	-
Prosecution	15	6	-
Investigation	-	-	-
Police	5	7	7
Statements by representatives of the judiciary, the prosecution, and the police and other public figures	7	6	-
Society	-	-	-
Health	2	20	1
Education	5	29	-
Other	-	6	-
Economy	3	15	1
Public Procurement	2	7	-
Eurofunds	2	1	-
Privatization	3	2	-
Business	2	13	-
Non-governmental and international organizations	-	-	-
Bulgarian NGOs	28	8	-
International organizations	11	9	-
Corruption and the media	4	9	-
Total	189	463	68



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