

# Introduction

The past year was tumultuous on a variety of levels and CSD stayed on the pulse of time focusing on some of the hottest topics in the following key areas:

- countering corruption, illicit finance and state capture, analysing authoritarian influence, hybrid threats, and disinformation, economic security and undeclared work;
- prioritising energy and climate security, just and socially acceptable low-carbon transition and cutting-edge low-carbon technologies, energy efficiency, energy poverty and air quality;
- providing assessments of organised crime risks in emerging markets, countering radicalisation and right-wing extremism, protection of EU external borders;
- supporting good governance, justice and security, legal empowerment, equality and fundamental rights, youth employment, religious diversity, energy democracy and migrant integration.

In 2023, CSD was at the forefront of the ongoing geopolitical struggle to contain Russian aggression in Europe and to break free from the economic dependence on Russia. By partnering with some of the most influential NGOs that focus on monitoring Russian sanctions evasion, such as the Centre for Research on Energy and Clean Air (CREA) and Global Witness, CSD spearheaded a series of joint investigations on how Lukoil has been taking advantage of the exemption from the EU's ban on Russian oil imports that Bulgaria received to boost Moscow's revenues by continuing to sell crude oil and fuel products in Europe. The analyses, which were reported and validated by in a series of articles in Politico, reveal that Lukoil has sold around \$2.2 billion worth of Russian crude oil to Bulgaria. Approximately half of this oil supply has been resold in the form of final fuel products worldwide, constituting a major loophole that allows Russia to utilise the EU to maintain its global oil market share.

As a result of CSD's assessment, its active policy advocacy efforts with key US and EU sanctions policymakers, and its extensive media outreach, the Bulgarian government reduced the duration of the derogation by 10 months (until March 1, 2024) and prohibited the export of Russian-made oil products from Bulgaria as of January 1, 2024. The impact has been immediate, as Lukoil has completely switched from using Russian crude oil in its refinery on the Black Sea coast, effectively eliminating Bulgaria's dependence on Russian oil.

Through its relentless efforts, CSD has played a crucial role in dismantling Russia's illicit oil trade and bolstering the EU's sanctions regime. This is a significant step towards greater energy security for Europe.

Twenty years ago, in Mérida, Mexico, the Center for the Study of Democracy participated in the official signing ceremony of the United Nations Convention against Corruption. At the time, the Center was one of the few organisations in the world that had already initiated national and regional anti-corruption networks. In 2003, the Center was also featured in a publication by the United Nations Office on Drugs and Crime (UNODC) for its anti-corruption work.

In December 2023, the Center was also a part of the 10<sup>th</sup> Conference of the States Parties to the Convention (UNCAC COSP 10) in Atlanta, Georgia, as a testament to the professionalisation of anti-corruption efforts. However, twenty years later, the world seems much more divided, and democracy, freedom, and human rights are giving way to aggressive authoritarianism in many places.

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