

Coalition 2000: Public-Private Partnership to Counter Corruption

The Coalition: Five Years of Impact

CSD has been the Secretariat of *Coalition 2000* since its launch in 1998. During that period, the Coalition has made a significant impact in the field of anti-corruption in Bulgaria. Through its efforts, both the assessment of corruption and anti-corruption policies came to reflect the best international standards. Some of its achievements include:

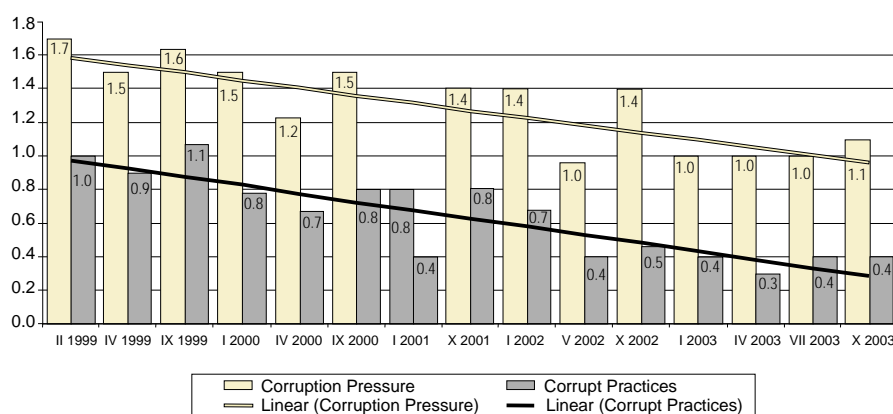
- considerably enhanced public awareness and *intolerance* to corruption;
- a tangible – almost in half – *reduction in the incidence of administrative corruption*;
- a tangible *reduction in the susceptibility* of citizens to corruption.

- successful establishment of the national and local ombudsman offices;
- anti-corruption courses for both secondary and higher education;
- supporting community action against corruption.

I. Supporting Anti-Corruption Policy and Institution Building

The Policy Forum is the Coalition's main public-private platform. The Forum, organized annually by *Coalition 2000*, is a high profile public event of anti-corruption initiatives, focusing on the increased cooperation between civil

**Corruption Transactions
(Number and Percent of the Population Involved)**



Source: Coalition 2000 Corruption Monitoring System

Building on these results, in 2003 *Coalition 2000* focused its efforts in the following areas:

structures and institutions in the fight against corruption. On February 11, 2003, *Coalition 2000* held its Fifth Anti-

Corruption Policy Forum. The main purpose of the Fifth Forum was to discuss the *Corruption Assessment Report 2002*. More than 150 representatives of all public and private institutions involved in the fight against corruption including government agencies, non-governmental organizations, the business and the media took part in the Forum.

In his statement Justice Minister Anton Stankov gave a positive assessment to the Policy Forum as an acknowledgment, both on the part of the government institutions and of the civil society, for the need for ongoing constructive partnership in the efforts to crack down on corruption and to foster a new, modern civic awareness that rejects the corruption model and upholds the rule of law. He underlined that the primary focus of the government Anti-Corruption Commission with the Council of Ministers was on those very corrupt practices that impaired the mechanisms of statehood, undermined national security, and served for the purpose of criminal redistribution of the national wealth. "As regards the

tackling of these problems and meeting the expectations of Bulgarian society, parliament is still falling behind", Mr. Stankov said, referring to the delay of the ombudsman law.

Minister of Interior Georgi Petkanov pointed out that acts of corruption were becoming ever more closely associated with organized crime and economic crimes. The attempts of organized criminal groups to establish contact with officials from government bodies and the local administration persisted. So did their efforts to conquer new permanent positions in legitimate business and to take part in privatization.

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From left to right: Mr. Georgi Petkanov, Minister of Interior, Dr. Ognian Shentov, CSD Chairman, Ms. Debra McFarland, USAID Mission Director, Mr. Anton Stankov, Minister of Justice and Dr. Maria Yordanova, Director, CSD Law Program

The **Corruption Assessment Report (CAR)** is the annual policy assessment instrument of *Coalition 2000* and still the only regular anti-corruption policy document published in Bulgaria. Having covered a comprehensive agenda in previous years, in 2003 the CAR focuses on anti-corruption reforms in the judiciary as one of the critical areas.



CAR 2003 deals with the most significant constitutional, legislative and institutional aspects of anti-corruption measures in the judiciary and combines gap analysis with extensive policy recommendations. The analysis and the policy recommendations made are supported by an anti-corruption survey in the judiciary, carried out within *Coalition 2000*'s Corruption Monitoring System.

Establishing Ombudsman Institution

Initiated and advocated for over five years now by *Coalition 2000*, the establishment of the Ombudsman institution made a breakthrough in 2003 with the adoption of the Law on the Ombudsman and the amendments to the Law on Local Self-Government and Local Administration.

This allowed the Coalition to focus its efforts in the latter part of the year on setting the ground for the effective establishment of the local ombudsman

offices through enhancing community awareness. The area and scope of the public awareness campaign aimed at promoting the ombudsman institution on both national and local level were further expanded. After the legislative developments in mid 2003, a number of public policy and capacity building events throughout the country (Sofia, Plevn, Gotse Delchev, Brezovo, Kurdzhali, Batak and Rousse) have been held - information days, municipality training seminars, training of trainers, workshops, public hearing, etc. Work also involved presenting the achievements and current problems to the international community, popularizing the experience of the successful performance of similar institution in neighboring and other European countries. The latest example was the regional conference *The Ombudsman Institution in South Eastern Europe*, held on November 28-30, 2003.

II. Building Anti-Corruption Capacity and Promoting Good Governance

Anticorruption Education

Preventing corruption through good governance education is one of the priorities of *Coalition 2000*. Some of the practical results attained by the Coalition in 2003 include:

- Prompting public debate on anti-corruption education as a part of the strategy for the prevention and the fight against corruption;
- Identifying anti-corruption education and measures against corruption in the education sector as priority areas for reform;
- Further development of the public-private partnership in the area of the anti-corruption education and insti-

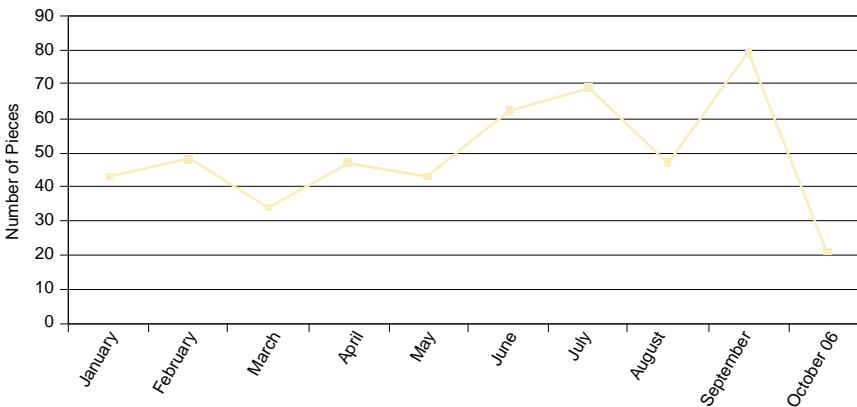
gation of a dialogue between state institutions and civil society.

Coalition 2000 established an anticorruption education expert group, which prepared a second updated version of the anti-corruption education manual published in the year 2000. The manual is adapted for university curricula and includes chapters on corruption as a social phenomenon, anti-corruption strategies, the role of civil society in curbing corruption, and international practices. It was presented during a round table discussion on November 25 which focused on promoting the launch of an anti-corruption course in the curricula of high schools in Bulgaria. All participants, including from Ministry of Education and Science, university lecturers and representatives of the academic circles, welcomed the idea of educating young people on corruption and anticorruption strategies, as a means for targeting future generations, which will one day either become civil servants or customers to the

services offered by the state administration.

For anti-corruption training to be effective, higher and secondary education establishments need to *tackle corruption within their own ranks*. In September 2003, the Corruption Monitoring System (CMS) of *Coalition 2000* came into the media spotlight, exemplifying its impact on the policy debate about corruption. The presentation of the quarterly indexes of CMS on September 10 sparked a strong reaction by both critics of corruption in the universities and academic faculty and management. The specific reason was that compared to the previous quarterly data, the CMS registered a substantial increase in the bribery demands on citizens by university professors (21.5% in July 2003, up from 11.8% in May 2003). In addition, *Coalition 2000's* media monitoring showed that university corruption had not received adequate press coverage.

Number of Media Stories about Corruption in Education Establishments in 2003



Source: Media Monitoring of Coalition 2000

In response to enhanced public attention to these issues, on September 30 *Coalition 2000* convened a round table which managed to put forward a number of specific measures for dealing with university corruption. The meeting was attended by representatives of most stakeholders – Ministry of Education, Parliament, the National Audit Office (NAO) and other financial control institutions, university management and faculty from all over the country, civic groups, students, etc. The input from the NAO was particularly productive helping to identify risk areas in the management of higher education establishments. Among the areas for reform and risk factors, identified at the round table were the exams mechanism, the publication of textbooks and reference material, the level faculty pay, the lack of standards in the registration of universities, campus corruption, etc. MPs informed of pending changes to the higher education legislation.

The approach to the involvement of stakeholders, intended by the Coalition through this round table was comparable to its approach to anti-corruption in the judiciary. A similar reaction came from the judiciary few years ago when the magistrates started to top the corrupt officials list of the CMS. Today, as a result of several instruments through which *Coalition 2000* engaged the magistrates, there are a number of anti-corruption policies in this area, including a national strategy for reform. *Coalition 2000* expects a comparable development to take place as regards the higher education.

Anti-Corruption Business Practices and Coalitions

Private sector business integrity is of high importance not only at the company level but for the overall economic and social development of the country (it produces more than 70% of GDP). In



From left to right: Mr. Kosta Kostov, Chairman, Parliamentary Committee for Fighting Corruption, Mr. Georgi Nikolov, Chairman, National Audit Office, Dr. Ognian Shentov, CSD Chairman

December *Coalition 2000* followed up on its first corporate corruption survey and presented its updated findings to the expert, policy and business community. *Coalition 2000* monitoring showed that corruption is as pervasive in the private sector, especially in contracts with bigger companies, as in the public sector, with corruption in the banking sector posing the biggest long-term stability threat to the economy. The survey results were announced during a participation of *Coalition 2000* experts in a two day international conference in December 2003, organized by the government Anti-Corruption Commission and the Bulgarian International Business Association.

Promoting International Anti-Corruption Standards

On October 23, 2003 Ms. Eva Joly, the renowned investigative magistrate, delivered a lecture depicting her experience in large-scale corruption cases in France. Ms. Joly expressed her view that economic crime should be investigated and penalized on a par with all other violations and that such investigations are successful on condition magistrates are independent. In relation to the overall need to step up cooperation in comba-

ting high level corruption Ms. Joly presented the recommendations laid down in the Paris Declaration, a document launched by her on June 19, 2003. The Declaration offers measures to deter serious forms of corruption and ensure efficient investigations in all countries. The document was signed by 25 international figures, amongst them world-known politicians, magistrates, journalists and several Nobel Prize winners.

III. Media Against Corruption

Investigative Journalism Awards 2003

On February 26, 2003, *Coalition 2000* announced its first annual awards for journalists working in the area of anti-corruption. The award ceremony took place at the American Center in Sofia in the presence of representatives of the United States Embassy, MPs, governmental institutions, non-government organizations and mass media. Honorary diplomas were awarded to the three top awarded journalists: Mr. Krassimir Dobrev, *Sega* daily, for his article "State Enterprises: the Feeding Trough of the 'New' Time"; Mr. Stanimir Vaglenov, *24 Chassa* daily, for his article "How (MP)



Ms. Eva Joly, Special Advisor to the Norwegian Government



Mr. Roderick Moore, Deputy Chief of Mission, US Embassy to Bulgaria, who presented the awards, and Ms. Rummyana Emanuilidu

Dancho (Yordan) Tsonev Took a Large Bite off the Black Sea Beach Near Rezovo"; Ms. Romyana Emanuilidu, correspondent in Burgas of *Dnevnik* daily and *Radio Free Europe* for her article "The State Reserve Still Looking for the Money from 'Black Sea Salt' Company".

The Importance of Free Media Against Corruption

CSD and the Royal Norwegian Embassy to Bulgaria co-organized a two-day media seminar on "The Importance of a Free Media in the Fight against Corruption" on October 22-23. Bulgarian and Norwegian investigative journalists and media specialists debated on the role of the investigative journalism to reveal large-scale corruption and the right of access to information.

IV. Corruption Monitoring System

The Corruption Monitoring System (CMS) is an essential part of the implemented anti-corruption initiatives of *Coalition 2000* in Bulgaria. The CMS

consists of a system of quantitative and qualitative monitoring instruments and was designed to generate information about the structure and dynamics of corrupt behavior, the scope and dynamics of corruption. In addition, they have helped measure the *Coalition 2000* progress toward achieving its objectives which includes a reduction in half of the prevalence of corruption in Bulgaria.

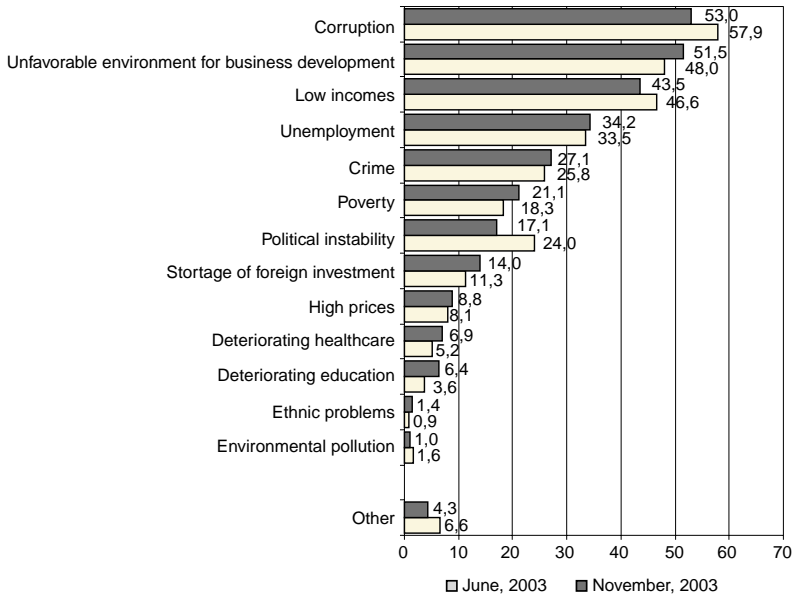
The results of the monitoring of the general public and the business community have shown that the level of corruption has not changed in 2003. Perceptions of the government policies to curb corruption, however, tend to deteriorate. The basic reason for this is the mismatch between expectations for corruption to be reduced and the standstill in this respect observed since mid-2002.

Considering the long-term trend, it could be concluded that the "soft" measures to curb corruption adopted so far (public pressure) cannot be effective to achieve further progress. Efforts have to be made to structurally reorganize different social sectors in order to reduce "system



From left to right: Mr. Boyko Todorov, CSD Program Director, Ambassador Rolf Baltzersen, Royal Norwegian Embassy, Ms. Eva Joly, Special Adviser to the Ministries of Justice and Foreign Affairs of Norway, Mr. Konstantin Palikarski, Secretary, Anti-Corruption Coordination Commission, Council of Ministers of Bulgaria and Prof. Rune Ottosen, School of Journalism in Oslo

Corruption and the Priorities of Society in 2003 (main problems facing Bulgaria - opinion of businesses)



Source: Coalition 2000 Corruption Monitoring System

generated” incentives for corruption transactions. One of its strongest impact features of the CMS is early identification of most vulnerable public services; having identified corruption in the education system earlier in 2003, in the reported period *Coalition 2000* followed the indications of the CMS and initiated a public debate on this issues (described below in Anti-Corruption Education in more detail).

V. Civil Society Against Corruption

During the first phase of *Coalition 2000* the small grants program for NGOs was particularly instrumental in raising public awareness campaign at the local level. By 2003, the Coalition had engaged a significant number of civil society organizations in promoting anti-corruption education, the establishment of local

ombudsman offices, and targeting corruption in specific public services.

Some of the practical results of the NGO projects completed in 2003 include:

- The first effectively operating local ombudsman office was established in November 2003 in the municipality of Nedelino, following the amendments to the local governance legislation regulating this area.
- The Public Barometer Foundation in Sliven has contributed to reduced corruption risks in the field of public concessions by way of changes to the legislation regulating water concessions.

The call for proposals from NGOs, published in October 2003, attracted bids from a significantly larger number of

NGOs working on anti-corruption than in previous years. This was an indication of the impact of the continuing assistance provided by the Coalition to the anti-corruption capacity of NGOs. The civil society program, started in late 2003, has three priority areas:

- Institutionalizing civic control on the local government and self-government authorities - support for the establishment and development of the ombudsman institution.
- Anti-corruption education: encouraging the development of anti-corruption courses in the curricula of high and secondary schools
- Typology of and counteraction to corruption practices in the public sphere, incl. local, district and central administration