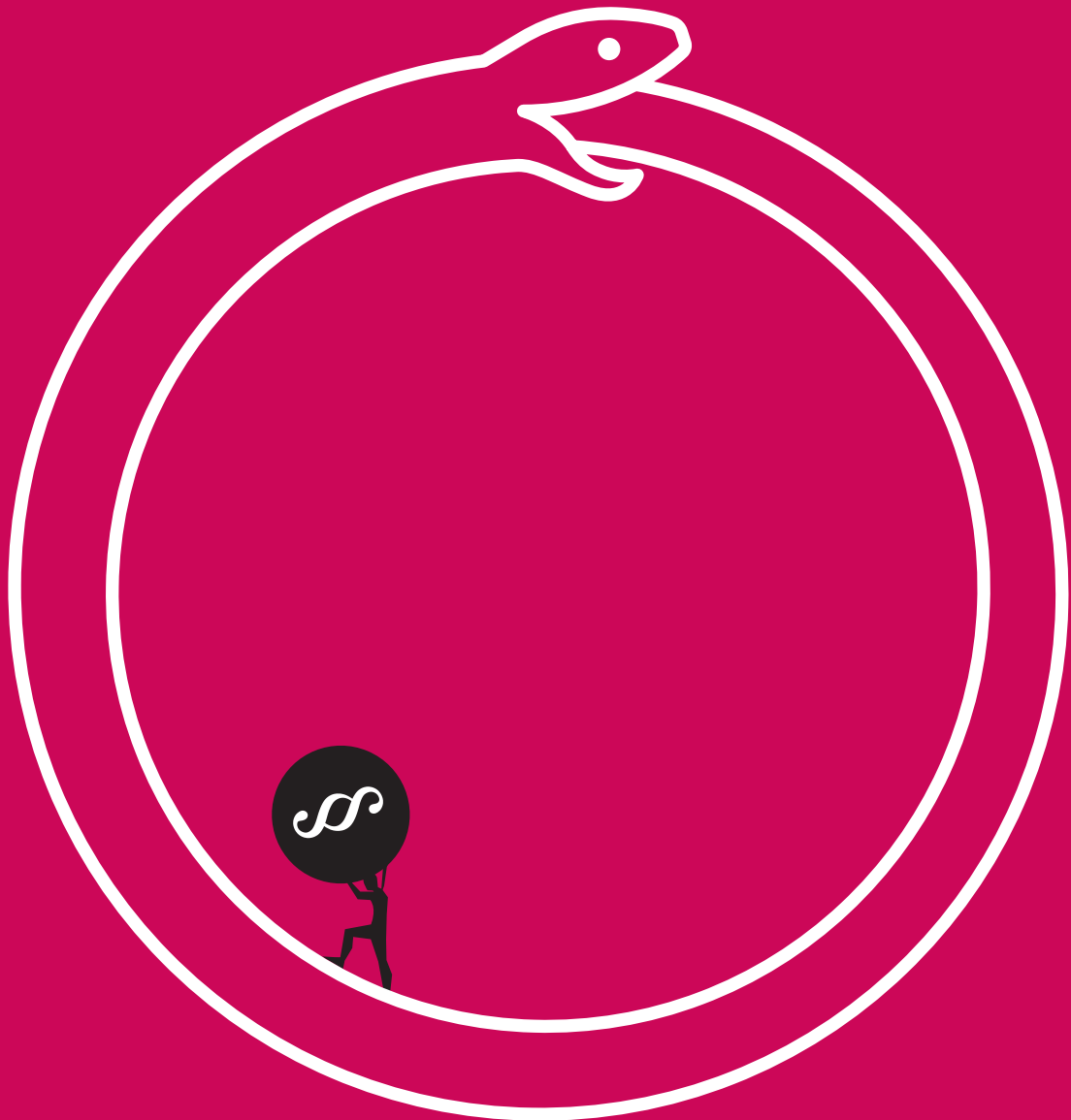


Anti- Corruption Institutions 2024: a “New” Beginning



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Sofia, 2025

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Abbreviations

| | |
|-----------------|----------------------------------------------------------------------------------|
| AC | Court of Appeal |
| ACF | Anti-Corruption Fund Foundation |
| ActSC | Administrative Court - Sofia City |
| AFIAPA | Anti-Corruption and Forfeiture of Illegally Acquired Property Act |
| APFC | Act on Preventing and Fighting Corruption |
| APO | Appellate Prosecutor's Office |
| APIA | Access to Public Information Act |
| APSCC | Appellate Specialized Criminal Court |
| ASPO | Appellate Specialized Specialised Prosecutor's Office |
| BNB | Bulgarian National Bank |
| CAFIAP | Commission for Anti-corruption and the Forfeiture of Illegally Acquired Property |
| CC | Criminal Code |
| CCC | Commission for the Counteracting of Corruption |
| CFIAP | Commission for the Forfeiture of Illegally Acquired Property |
| CIPAA | Conflict of Interest Prevention and Ascertainment Act |
| CPACI | Commission for the Prevention and Ascertainment of Conflicts of Interest |
| CPC | Criminal Procedure Code |
| CSA | Civil Servants Act |
| CVM | Cooperation and Verification Mechanism |
| DB | Coalition Democratic Bulgaria |
| DPO | District Prosecutor's Office |
| EC | European Commission |
| ECHR | European Convention on Human Rights and Fundamental Freedoms |
| EPPO | European Public Prosecutor's Office |
| FIAPA | Forfeiture of Illegally Acquired Property Act |
| FFSPACAA | Forfeiture in Favor of the State of Property Acquired from Criminal Activity Act |
| GERB | Citizens for European Development of Bulgaria |

| | |
|----------------|-------------------------------------------------------------|
| GDPN | General Directorate National Police |
| ITN | There is Such a People |
| JA | Judiciary Act |
| LLSGLA | Law on Local Self-Government and Local Administration |
| MCA | Military Court of Appeal |
| MEC | Municipal Election Committee |
| MoJ | Ministry of Justice |
| MRF | Movement for Rights and Freedoms |
| NBCSSM | National Bureau for Control over Special Surveillance Means |
| NCAP | National Council for Anti-Corruption Policies |
| OECD | Organisation for Economic Co-operation and Development |
| PC | Prosecutorial Collegium of the Supreme Judicial Council |
| PORB | Prosecutor's Office of the Republic of Bulgaria |
| PPA | Public Procurement Act |
| PP | We Continue the Change |
| PP – DB | We Continue the Change - Democratic Bulgaria |
| SAC | Supreme Administrative Court |
| SANS | State Agency for National Security |
| SCAC | Sofia City Administrative Court |
| SCC | Sofia City Court |
| SCPO | Sofia City Prosecutor's Office |
| SCtC | Supreme Court of Cassation |
| SJC | Supreme Judicial Council |
| SMDPO | Sofia Military District Prosecutor's Office |
| SpCC | Specialized Criminal Court |
| SPO | Specialized Prosecutor's Office |
| SPOC | Supreme Prosecutor's Office of Cassation |
| SSM | Special Surveillance Means |

Summary

1/ Prosecuting high-level corruption

The present analysis summarizes for the sixth time the findings of the independent civic monitoring of the most significant investigations of alleged high-level corruption crimes in Bulgaria carried out by the Anti-Corruption Fund (ACF).

The first issue of this report, *Anti-Corruption Institutions: Activity Without Visible Results*, examined 40 criminal proceedings initiated in the period from 2014 to 2019. The following four issues — *Anti-Corruption Institutions: Escalating Problems*, *Anti-Corruption Institutions: A Zero Year*, *Anti-Corruption Institutions: Eyes Wide Shut*, and *Anti-Corruption Institutions: a Freezing point* — added 17 more criminal cases from 2020 to 2023. The latest issue of this report adds nine more criminal cases from 2024 and provides updates on the ongoing proceedings from previous years. For a fifth year in a row, we also continue the additional monitoring of criminal investigations against high-ranking representatives of local authorities — mostly against regional governors and municipal mayors — which do not show different trends than those observed on the national level.

In 2024, only one case was concluded at the trial stage — with a decision to close the proceedings due to the expiry of the statute of limitation. The main reason for the expiry of the limitation period was the inexplicable delay in issuing the decision on the part of the Supreme Court of Cassation.

The number of final acquittals (16) continues to be significantly higher than the number of final convictions (four). Another continuing trend is the increase in the number of proceedings closed by the public prosecution itself.

The past year has confirmed the conclusion that the real picture of high-level corruption in the country remains hidden because the criminal proceedings initiated by prosecutors do not reflect the actual levels of corrupt

behaviour among high-ranking public officials. Based on the outcomes of only these proceedings, it would appear that no high-level officials in the country have committed corruption crimes.

In 2024, two events with significant magnitude shook Bulgaria's political life, causing a radical change in the public prosecutor's approach, hitherto marked by complete disinterest in investigating political corruption. The dissolution of the ruling coalition of PP-DB - GERB (supported by the MRF) and the internal conflict within MRF, involving Delian Peevski and Ahmed Dogan, have spurred the public prosecution to action with prosecutors initiating a series of proceedings targeting key figures from PP - DB (or individuals connected to them) and Ahmed Dogan's fraction within the divided MRF.

The past year saw the first known case of the Bulgarian branch of the European Public Prosecutor's Office investigating suspicions of grand corruption on the national scale in the project to expand the Chiren Underground Gas Storage. This unusual level of activity by the EPPO in the country, as well as the change in course by the Bulgarian European Prosecutor Teodora Georgieva who has openly criticised the Bulgarian authorities, claiming they had been trying to undermine the EPPO's work, as well as her statements in the media (but no institutional actions) concerning Delian Peevski have gained her popularity with a Bulgarian public desperately seeking for its hero among the law-enforcement institutions. So far, however, the only consequence from Georgieva's activity has been her unprecedented temporary suspension from the EPPO while an internal investigation in connection to her handling of the Chiren case is ongoing. At the same time, secret recordings leaked as Georgieva was repositioning publicly, have shown footage from a supposed meeting between herself and Petyo Petrov "The Euro", the leader of a criminal network influencing the judiciary, exposed by the Anti-Corruption Fund Foundation. At the meeting, which Georgieva has not denied, the issue of obtaining assistance in order to be appointed

to the EPPO appears to have been raised – a fact which shows the ugly truth about high-level appointments in the criminal justice system and undermines trust in the Bulgarian office of the European prosecution.

In 2024, it was announced that Daniela Taleva, the special prosecutor responsible for investigating the Prosecutor General and his deputies, had closed the investigation concerning alleged links between Borislav Sarafov and the Eight Dwarfs criminal network. That investigation was initiated by the Sofia Regional Prosecutor’s Office, with much haste, at the end of the mandate of the former Prosecutor General Ivan Geshev. Taleva has also closed the proceedings concerning all other reports against Sarafov. Thus, it turns out that the evidence showing that the country’s top prosecutor has committed a crime is always hard to come by – with or without the existence of a special mechanism to investigate him. Despite the high level of public interest in Taleva’s work, its results are shrouded with the high level of mystery customary for the public prosecution. No one has been informed in detail about the grounds for making the decisions to close the investigations she was supposed to be in charge of.

While in 2023, there was a high level of political activity to secure the adoption of legislative texts seeking to introduce changes in the functioning of the criminal

justice system, juxtaposed by the passivity of the system itself, in the following year the opposite was true. The main political refrain was that the reform – however one might judge it: positive, negative, limited by the Constitutional Court – had been finalised. There was also an all-encompassing lethargy in terms of initiating changes, whether in the form of legislative amendments or new appointments, within the criminal justice institutions. For the entire year, Borislav Sarafov stayed on as Acting Prosecutor General, Anton Slavchev remained in charge of the two new branches of the former Commission for Anti-Corruption and the Forfeiture of Illegally Acquired Property, and a Supreme Judicial Council with a long-expired mandate continued to lead the judicial system.

Despite the presence of numerous reports pointing to links between magistrates and the criminal networks of Petyo Petrov “The Euro”, who is wanted by the authorities, and Martin Bojanov “The Notary”, who was murdered in early 2024, neither the leadership of the judicial branch, nor the main political parties are taking any actions to remove corrupt elements from the criminal justice system.

2/ Commission for the Counteracting of Corruption and Commission for the Forfeiture of Illegally Acquired Property

The second part of the report contains an analysis of the problems with conflict of interest and incompatibility decisions by the CCC and the legal proceedings regarding property confiscation initiated by the CFIAP. The cases presented were selected according to the following criteria: 1) Predominantly, the effect on public interests and material damage caused in the execution of office; 2) the extent to which the case attracted public attention; and 3) the extent to which it illustrates patterns in the Commission's practices.

Despite the fact that a new Act on Preventing and Fighting Corruption was adopted in 2023, reforming the Commission for Anti-Corruption and the Forfeiture of Illegally Acquired Property (CAFIAP), no advances have been made in regard to the established shortcomings in the commission's practices. On one side, the planned procedure to elect independent members of the new commission is yet to take place. As a result, the "reformed" institution is still being run by its former members. Case law from 2024^{1,2}, confirms that the CCC is run by a body that has not been appointed according to the requirements stipulated by the law and has no assigned mandate. Presently, CAFIAP officials are simultaneously performing the functions of the newly created CCC and CFIAP, which is specifically counter to the statutory time limit of three months defined by the law. As such, the current officials do not have the competence to rule on incompatibility cases.

Additionally, the reform has not been completed in its entirety, or to a degree of completion that could

guarantee the desired results. For instance, the provisions in the new law regarding conflicts of interest are identically replicated from the existing texts, which have numerous issues.

The commission does not carry out prevention and counteraction of corruption on its own initiative, but works mainly on signals or referrals from other authorities. The commission's decisions do not indicate a high level of effectiveness in identifying conflicts of interest, or preventing/countering corruption. The CCC's 2024 report claims that the commission issued 150 decisions, from which 24 decisions established 49 conflict of interest cases, and 126 decisions did not establish one. In total, the incompatibility investigations carried out by the commission numbered 53. From these, the commission only found incompatibility in 6 cases and referred the cases to the relevant authority. The negligible number of cases in which misconduct has been established is further compounded by the fact that there is no judicial control of Commission decisions that do not establish a violation. When no violation has been found, the administrative act is beneficial to the investigated individual, and consequently no legal appeals are filed by them or the prosecution, which has been empowered to challenge the decision, and it goes into effect. It is precisely in this situation that an effective system of checks and balances is necessary, as in the current model public interest is poorly defended.

The commission continues its formalist approach when investigating conflict of interest cases. Investigations do not establish if public interest is threat-

1. Decision number 26743 from 11.12.2024, administrative case 6637/2024, 25th court, filed at Administrative Court - Sofia City (ACtSC)

2. The Administrative Court - Sofia City adjudication after a referral for a ruling on a decision by the Anti-Corruption Commission (CCC), which established that Andrey Gyurov was unsuitable for the post of Vice Chairperson of the Bulgarian National Bank

ened, whether there are doubts about the impartial and objective exercise of the powers of office, what are the hidden relationships and dependencies placing certain individuals in a privileged position, and whether anyone’s private interest is being affected. There is an obvious lack of will to prosecute corrupt practices and sanction the perpetrators.

The conclusion of the analysis published in 2020³: remains just as valid: in order to increase public trust in institutions, it is necessary to not only conduct exhaustive and detailed investigations, but also create a public perception that the law is being applied equally to all, irrespective of their material, social, or institutional status.

3. A.Yankulov, A.Slavov, Anti-corruption institutions - activity without tangible results, Sofia, ACF, 2020, p.9, https://acf.bg/wp-content/uploads/2020/06/ACF_BG_2020-1.pdf

Introduction

For a sixth year in a row, the ACF presents the work of Bulgaria’s anti-corruption institutions through the most important investigations initiated in the course of the year (2024) and an analysis of the progress on cases initiated in previous years.

The year 2024 was no different from the previous years in terms of the achievement of any tangible results – such as final convictions, established cases of conflicts of interest, or final decisions for the forfeiture of illegally acquired assets – in the effort to counteract corruption. Unfortunately, it is possible to predict with a high degree of certainty that the years ahead are unlikely to be any different. In terms of the level of activity of the anti-corruption institutions, however, 2024 clearly marks a new beginning and renewed impetus, compared to the total silence and lethargy of the year before.

The rationale for the cyclical pattern of deep slumber followed by abrupt awakening so clearly demonstrated by the public anti-corruption institutions is not rooted in the legitimate exercise of their powers. The explanation should be sought in events from the country’s political life which are not supposed to be able to influence the actions of public servants, presumed to be independent in a state with established rule of law. Considering the current social and political reality in Bulgaria, which is marked by a deepening backsliding from the principles of the rule of law, the actions (or lack thereof) of public bodies should always be analysed through the prism of the factual, rather than the normative.

With this in mind, the fact that the most high profile investigations, initiated in 2024 by the Bulgarian anti-corruption bodies against senior public officials, almost exclusively target individuals who have publicly

declared themselves to be opponents (or are considered to be opponents) of the Magnitski-sanctioned politician Delyan Peevski, would not appear strange or inexplicable but logical.

A change in the behavior and, as a result, in the achievements of the Bulgarian anti-corruption authorities will only be possible if rule of law is strengthened. This can only be achieved through a qualitative change in the manner in which public authority is exercised. In turn, for such a change to occur, a critical mass of citizens need to reach the conclusion that the present veneer of a democracy is untenable.

The present report, which represents an attempt to strengthen the rule of law via an analysis of the work of the anti-corruption institutions, provides information about the following points:

- the major political events of the year which influenced the actions of the Prosecutor’s Office concerning cases of alleged high-level corruption;
- the unprecedented turmoil within the Bulgarian office of the EPPO;
- the practical impact of the long-awaited mechanism for independent investigation of the Prosecutor General;
- which one of the very few convictions for high-level corruption was repealed on grounds of expiry of the limitation period amidst a much delayed decision of the court of last instance;
- the development of the much-publicised criminal proceedings on suspicions of corruption in the energy sector;
- examples of lack of impartiality in the work of the CCC when examining cases of suspected conflicts of interest - failure to penalise MPs vs. measures taken against public officers of lower rank, regardless of the similarities between these cases.

I/

Prosecuting high-level corruption

Andrey Yankulov

Methodology

The present analysis continues ACF’s annual independent civic monitoring of the development (respectively, the closing) of the most important cases of criminal justice response by the competent state bodies to corruption crimes done at the highest levels of power in the Republic of Bulgaria, or to allegations of such. The references to ‘corruption crimes’ in this text shall include not only those crimes confirmed with a final court decision but also cases where allegations of committed crimes had been brought forward but did not result in subsequent criminal proceedings, cases where the criminal proceedings are ongoing, cases where the proceedings have been terminated, or have concluded with final acquittals.

The main annual monitoring systematizes and analyses — where possible and mainly concerning completed proceedings — the available public information about corruption crimes. The main objective is to present a comprehensive overview of the efforts to combat high-level corruption. This overview is not based on dry statistics only (as is the case with the annual reports of public institutions) but also on references to the development and the intermediate or final outcomes of particular criminal proceedings or preliminary inquiries.

The study is a continuation of ACF’s previous reports: *Anti-Corruption Institutions: Activity Without Visible Results*⁴, *Anti-Corruption Institutions: Escalating Problems*⁵, *Anti-Corruption Institutions: A Zero Year*⁶, *Anti-Corruption Institutions: Eyes Wide Shut*⁷, and *Anti-Corruption Institutions: a Freezing Point*⁸. These analyses track the development and summarize the outcomes (where available) of the most significant investigations of high-level corruption crimes during the period from 2014 to 2023.

The reports employ a broad definition of ‘corruption crimes’ that includes not only bribery but also embezzlement, fraud, mismanagement of public funds, credit offenses, money laundering, tax evasion, malfeasance in office, offenses against public administration, offenses against the administration of justice, document fraud, and all other crimes that can be considered to involve an element of corruption given their particular circumstances.

The criteria used for the selection of cases are as follows (the first being the main one and the other two being auxiliary):

- 1/** the (alleged) perpetrator is a public official occupying a post of responsibility within an important institution in the legislative, executive, or judicial branch, and the culpable act is carried out in, or in relation to, the exercise of the official’s public duties, irrespective of the damages caused;
- or**
- 2/** the (alleged) crime has resulted in unusually severe consequences affecting important public interests or has seriously impinged on important public funds, even if the official does not occupy a post of high responsibility;
- or**
- 3/** the (alleged) malfeasance in office is exceptionally culpable from a moral standpoint given the manner of execution, the persons involved, the vulnerable population groups directly or indirectly affected, the criminal goals pursued, etc. and has thus attracted serious public attention in Bulgaria or abroad.

The present analysis has applied the above criteria to

4. A. Yankulov, A. Slavov, *Anti-Corruption Institutions: Activity without Visible Results*, Sofia, ACF, 2020. https://acf.bg/wp-content/uploads/2020/06/ACF_ENG_2020-1.pdf

5. A. Yankulov, N. Kiselova, *Anti-Corruption Institutions: Escalating Problems*, Sofia, ACF, 2021. https://acf.bg/wp-content/uploads/2021/07/ACF_ENG_Online_Jul15-1.pdf

6. A. Yankulov, A. Kashumov, *Anti-Corruption Institutions: a Zero Year*, Sofia, ACF, 2022. https://acf.bg/wp-content/uploads/2022/07/ACF_Report_ENG_2022_interactive2.pdf

7. A. Yankulov, D. Peneva, *Anti-Corruption Institutions: Eyes Wide Shut*, Sofia, ACF, 2023. https://acf.bg/wp-content/uploads/2023/06/ACF_Report2023_EN_web.pdf

8. A. Yankulov, D. Peneva, *Anti-Corruption Institutions: a Freezing Point*, Sofia, ACF, 2024. https://acf.bg/wp-content/uploads/2024/06/ACF_Report2024_EN_web.pdf

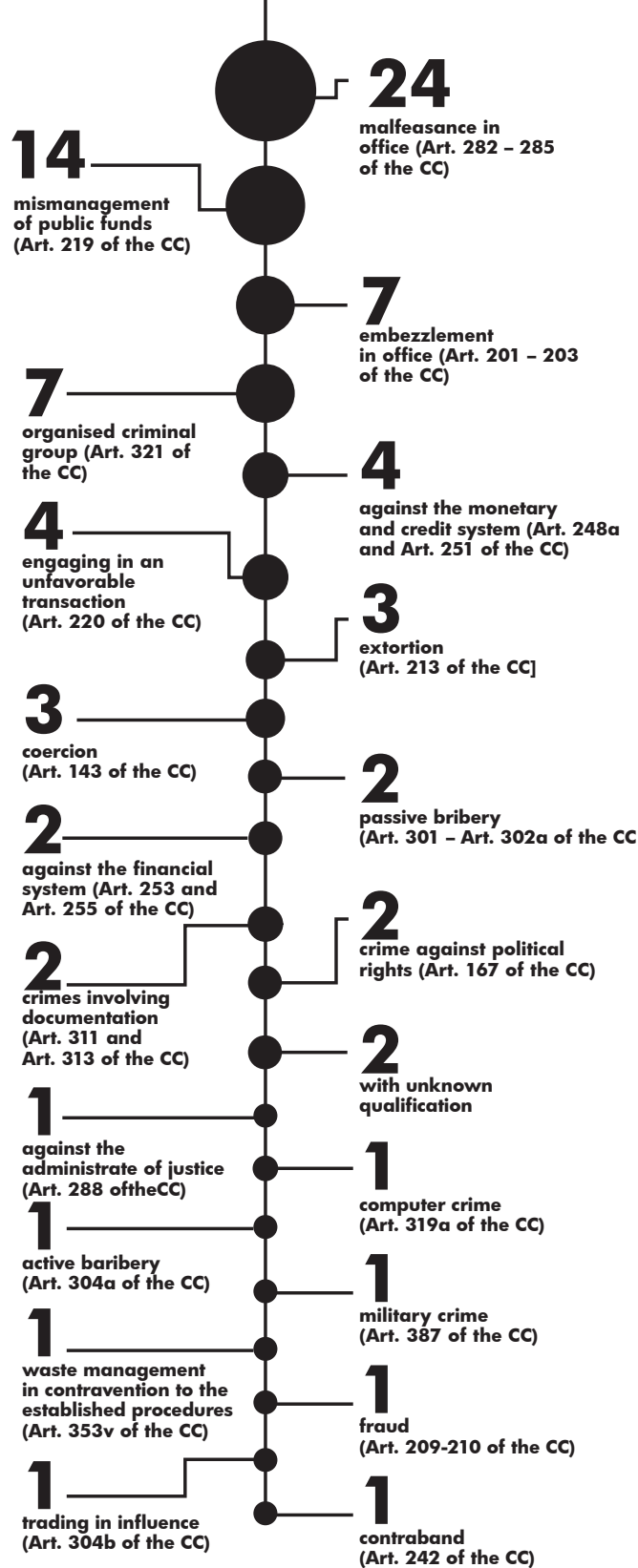
include nine new cases from 2024, while also tracing the development of pending cases from previous years.

For the fifth consecutive time, the report includes an additional section on corruption crime investigations at the local level. Once again, we have focused on a monitoring period of five years, applying criteria such as the post occupied by the alleged perpetrator and the degree of importance of the public interests affected, in order to analyze a representative sample of the most significant investigations (typically against municipal mayors and regional governors) of high-level corruption crimes at the level of regions and municipalities.

The section provides updates on the ongoing proceedings against local authority representatives and contains information about six new cases from 2024.

84

crimes in 66 cases, of which...



Summary Analysis of the Examined Cases

0.1 Completed cases

In 2024, only one of all the legal proceedings monitored for the purpose of this report concluded with a final court decision.

The criminal proceedings on charges of intentional mismanagement of public funds against Anton Ginev, former director of the National Railway Infrastructure Company (from 2007 until 2009), had to be closed since the limitation period was reached before the court of last instance was able to issue a decision.⁹ With this a prison sentence that was subject to an appeal was de facto repealed and the proceedings were closed due to the expiry of the limitation period.

This case is illustrative of the manner in which a great deal of all high-level corruption cases in the country are handled. Firstly, there was a significant delay (almost seven years) from the end date of the alleged crime to the moment when the charges against Ginev were issued. Then, over the course of more than seven years, the trial was heard at various courts, reaching the Supreme Court of Cassation (SCtC) twice. The second time, the case was effectively closed by that court by means of the inexplicable and significant delay of a year and nine months after that decision was announced as pending.

Thus, for all the monitored cases concerning suspected high-level corruption crimes, the ratio of final convictions to acquittals is four convictions to 16 acquittals (in the case above, a final acquittal was not issued but the overall consequences are similar).

In addition, two of the monitored cases **never reached the court stage. The grounds behind the decisions not to initiate legal action remain unknown as the prosecution has not provided any official documents.**

Despite the significant public interest, the investigation of the Acting Prosecutor General Borislav Sarafov¹⁰ on

suspicions of links with the Eight Dwarfs criminal network¹¹ has been closed in an untransparent manner. No grounds were provided for the decision to close the investigation which was initiated by the special prosecutor under the new mechanism for investigating the Prosecutor General and their deputies.

The proceedings against Rumen Ovcharov, Minister of Energy (from 2005 to 2007), on charges of intentional mismanagement of public funds,¹² were terminated on the basis of a decision that Ovcharov's actions pertaining to Mini Bobov Dol EAD did not constitute a crime. Similarly to the case involving the former director of the National Railway Infrastructure Company¹³, in Ovcharov's case, too, the charges were lodged with a significant delay and the trial was heard at various court instances over a long period of time. From the SCtC the case went back to the Appellate Court - Sofia, the Sofia City Court, all the way back to the public prosecution with the Sofia City Prosecutor's Office (SCPO) closing the proceedings on the grounds that Ovcharov's actions did not constitute a crime. This happened almost 20 years after the alleged crime and after the expiry of the limitation period.

The following **conclusions** can be made regarding the **proceedings that have been completed**:

- **the share of final convictions is very low, both compared to the overall number of completed proceedings (four out of 39) and compared to the total number of final convictions (four out of 20);**
- **acquittals were issued mainly because the charges against the defendants had no legal basis (13 out of 16);**
- **the number of proceedings closed at the pre-trial stage continues to grow – already 19 proceedings were closed by the public prosecution.**

9. Case 40

10. Case 57

11. For more details: The Eight Dwarfs: The facts, legal analysis, conclusions, and appeal to the institutions and Yavor Zlatanov's Interview Confirms Eight Dwarfs Case.

12. Case 18

13. Case 40

| # | Name | Position | Status of the Proceedings |
|----------|------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| 1 2 | Hristo Biserov – A Hristo Biserov – B | Deputy Chairman of the Bulgarian National Assembly, 2009 – 2013 | A – The criminal proceedings are terminated by the Prosecutor's Office B – The proceedings have been completed with an acquittal |
| 3 | Simeon Dyankov | Deputy Prime Minister and Minister of Finance, 2009 – 2013 | The proceedings have been completed with an acquittal |
| 4 | Traycho Traykov | Minister of Economy, Energy and Tourism, 2009 – 2012 | The proceedings have been completed with an acquittal |
| 5 6 | Tsvetan Tsvetanov – A Tsvetan Tsvetanov – B | Deputy Prime Minister and Minister of Interior, 2009 – 2013 | A – The proceedings have been completed with an acquittal B – The proceedings have been completed with an acquittal |
| 7 | Miroslav Naydenov | Minister of Agriculture and Food, 2009 – 2013 | The criminal proceedings are terminated by the Prosecutor's Office |
| 8 | Delyan Dobrev | Minister of Economy, Energy and Tourism, 2012 – 2013 | The criminal proceedings are terminated by the Prosecutor's Office |
| 9 | Rumen Ovcharov – A | Minister of Economy and Energy, 2005 – 2007 | The criminal proceedings are terminated by the Prosecutor's Office |
| 10 | Peter Dimitrov | Minister of Economy and Energy, 2007 – 2009 | The proceedings are at the pre-trial phase or at an unknown stage |
| 11 12 | Nikolay Nenchev – A Nikolay Nenchev – B | Minister of Defense, 2014 – 2017 | A – The proceedings have been completed with an acquittal B – The proceedings have been completed with an acquittal |
| 13 | Daniel Mitov | Minister of Foreign Affairs, 2014 – 2017 | The proceedings have been completed with an acquittal |
| 14 15 | Hristo Angelichin – A Hristo Angelichin – B | Deputy Minister of Foreign Affairs, 2014 – 2017 | A – The proceedings have been completed with an acquittal B – The proceedings have been completed with an acquittal |
| 16 | Peter Moskov | Minister of Health, 2014 – 2017 | The proceedings are at the trial stage |
| 17 | Adam Persenski | Deputy Minister of Health, 2014 – 2017 | The proceedings are at the trial stage |
| 18 | Rumen Ovcharov – B | Minister of Economy and Energy, 2005 – 2007 | The criminal proceedings were closed by the Prosecutor's Office |
| 19 | Anna Yaneva | Deputy Minister of Economy and Energy, 2005 – 2007 | The proceedings have been completed with an acquittal |
| 20 | Vladislav Goranov – A | Minister of Finance, 2014 – 2017 | Criminal proceedings were denied |
| 21 | Veselin Pengezov | President of the Military Court of Appeal, 2004 – 2009 | The proceedings have been completed with an acquittal |
| 22 | Petko Petkov | President of the Military Court of Appeal, 2009 – 2014 | The proceedings have been completed with an acquittal |
| 23 | Vladimira Yaneva | President of the Sofia City Court, 2011 – 2015 | The proceedings have been completed with a conviction |
| 24 | Rosen Zhelyazkov | Gen. Secretary of the Council of Ministers, 2009 – 2013 | The proceedings have been completed with an acquittal |
| 25 | Angel Semerdzhiev | Chairman of the State Energy and Water Regulatory Commission, 2009 – 2013 | The proceedings have been completed with an acquittal |
| 26 | Svetla Todorova | Chairman of SEWRG, 2014 – 2015 | The criminal proceedings are terminated by the Prosecutor's Office |
| 27 | Stanimir Florov | Director of the Chief Directorate for Combatting Organized Crime, 2009 – 2013 | The criminal proceedings are terminated by the Prosecutor's Office |
| 28 29 | Kircho Kirov – A Kircho Kirov – B | Director of the National Intelligence Service (NIS), 2003 – 2012 | The proceedings are at the trial stage The proceedings are at the trial stage |
| 30 | Philip Zlatanov | Chairman of the Commission for Prevention and Ascertainment of Conflicts of Interest, 2011 – 2013 | The proceedings have been completed with a conviction |
| 31 | Lubomir Velkov | CEO of NEK, 2005 – 2009 | The proceedings are at the pre-trial phase or at an unknown stage |
| 32 | Mardik Papazian | CEO of NEK, 2005 – 2009 | The proceedings are at the pre-trial phase or at an unknown stage |
| 33 | Rumen Simeonov | Assistant Director at the Bank Supervision Department of BNB from 2007 to 2013 | The proceedings are at the trial stage |
| 34 | Tsvetan Gunev | Assistant Director at the Bank Supervision Department of BNB from 2013 to 2014 | The proceedings are at the trial stage |
| 35 | Todor Kostadinov | Director of the Internal Security Department at the Mol, 2013-2014 | The proceedings have been completed with a conviction |
| 36 | Pavel Alexandrov | Director of the Fund for Treatment of Children Abroad (FTCA), 2010 – 2015 | The proceedings are at the pre-trial phase or at an unknown stage |
| 37 | Lazar Lazarov | Chairman of the Management Board of the Road Infrastructure Agency, 2014 – 2015 | The proceedings are at the trial stage |
| 38 | Desislava Ivancheva | Mayor of the Mladost District within the Sofia Municipality, 2016 – 2018 | The proceedings have been completed with a conviction |

| # | Name | Position | Status of the Proceedings |
|----|------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 39 | Petar Haralampiev | Chairman of the State Agency for Bulgarians Abroad, 2017 – 2018 | The proceedings are at the trial stage |
| 40 | Anton Ginev | Director of the National Railway Infrastructure Company (NRIC), 2007 – 2009 | The proceedings were closed at the trial stage due to expiry of the limitation period |
| 41 | Boyko Borisov – A | Prime Minister, 2017 – 2021 | Criminal proceedings were denied |
| 42 | Neno Dimov | Minister of Environment and Water, 2017 – 2020 | The proceedings are at the trial stage |
| 43 | Krasimir Zhivkov | Deputy Minister of Environment and Water, 2017 – 2020 | The proceedings are at the trial stage |
| 44 | Plamen Uzunov | President's Secretary on Legal Affairs and Anti-corruption, 2017 – present | The criminal proceedings are terminated by the Prosecutor's Office |
| 45 | Iliya Milushev | President's Advisor on Matters of Defense and Security, 2017 – present | The proceedings are terminated by the Prosecutor's Office |
| 46 | Ivan Geshev | Prosecutor General 2019 – June 2023; at the moment of alleged perpetration – a prosecutor in the Sofia City Prosecutor's Office | Criminal proceedings were denied |
| 47 | Delyan Peevski | member of Parliament, 2009 – present | Criminal proceedings were denied |
| 48 | Ilko Zhelyazkov | deputy chair of the National Bureau for Control of Special Surveillance Means, 2018 – 2021 | Criminal proceedings were denied |
| 49 | Hristo Terziyski | Senior director of the Head Directorate of the National Police – Ministry of Internal Affairs, 2015 – 2020 | The proceedings are at the pre-trial phase or at an unknown stage |
| 50 | Alexander Nikolov | Minister of Energy, 2021 – 2022 | The proceedings are at the pre-trial phase or at an unknown stage |
| 51 | Danail Nikolov | Minister of Energy, 2021 – 2022 | The proceedings are at the pre-trial phase or at an unknown stage |
| 52 | Lyudmil Yotsov | Executive Director of Bulgargaz EAD, 2022 | The proceedings are at the pre-trial phase or at an unknown stage |
| 53 | Boyko Borisov – B | Primer Minister, 2017 – 2021 | The proceedings are terminated by the Prosecutor's Office |
| 54 | Vladislav Goranov – B | Minister of Finance, 2017 – 2021 | The proceedings are terminated by the Prosecutor's Office |
| 55 | Menda Stoyanova | Chairperson of the Parliamentary Committee on Budget, 2017 – 2021 | The proceedings are terminated by the Prosecutor's Office |
| 56 | Asen Vassilev | Deputy Prime Minister and Minister of Finance, 2021 – 2022 | The proceedings are terminated by the Prosecutor's Office |
| 57 | Borislav Sarafov | Deputy Prosecutor General, 2013 – 2023, acting Prosecutor General thereafter | The criminal proceedings were closed by the Prosecutor's Office |
| 58 | Kiril Petkov A | Prime Minister, 2021 – 2022 | The proceedings are at the trial stage |
| 59 | Bozhidar Bozhanov | Minister of Electronic Governance 2021 – 2022 | The proceedings are at the pre-trial phase or at an unknown stage |
| 60 | Kiril Petkov B | Member of Parliament, 2023 – present) | The proceedings are at the pre-trial phase or at an unknown stage |
| 61 | Djeyhan Ibriamov | Member of Parliament, 2014 – present | The proceedings are at the pre-trial phase or at an unknown stage |
| 62 | Mario Rangelo | Member of Parliament, 2021 – present | The proceedings are at the pre-trial phase or at an unknown stage |
| 63 | Petya Bankova | Director of the National Customs Agency, 2024 | The proceedings are at the pre-trial phase or at an unknown stage |
| 64 | Zhivko Kotzev | Chief Secretary of the Ministry of Interior, 2023 – 2024 | The proceedings are at the pre-trial phase or at an unknown stage |
| 65 | Stoyan Mavrodiev | Chief Executive Officer of the Bulgarian Development Bank, 2017 - 2020 | The proceedings are at the pre-trial phase or at an unknown stage |
| 66 | Vladimir Malinov | Executive Director Bulgartransgaz EAD, 2018 - 2024 | The proceedings are at the pre-trial phase or at an unknown stage |

0.2 Ongoing cases currently at the trial stage of proceedings

In 2024, the public prosecution lodged an indictment against Kiril Petkov for exceeding his powers as prime minister in the 2022 arrest of the leader of the then-opposition Boyko Borisov.¹⁴

The number of cases under consideration that were at the **trial stage of proceedings by the time of the conclusion of this analysis remains eleven**. Of them, there are four cases in which the sentence has not yet entered into force and seven which are heard by first-instance courts with no sentences issued yet.

The legal proceedings against the former Minister of Health, Petar Moskov¹⁵ and his deputy Adam Persenski¹⁶ initiated because of a swap of vaccines with Turkey, were completed in October 2021 when a first-instance court acquitted both defendants. The trial was being heard by a second-instance court which announced it would issue a decision, although the decision was not made public by the time of completing the present analysis.

For several years already, there is no progress in the two trials against Kircho Kirov, formerly Director of the National Intelligence Service. The lack of progress is due to the health condition of the defendant. He has been sentenced by the Supreme Court of Cassation and the Military Court of Appeal, but the sentences are still to enter into force¹⁷ – It is highly unlikely that final decisions will be issued.

First-instance courts are yet to issue sentences in the proceedings against two executive managers of the Bulgarian National Bank (and a number of other defendants¹⁸), initiated following the bankruptcy of the Corporate Commercial Bank (KTB). Sentences are also pending in the proceedings against Lazar Lazarov¹⁹, former chairperson of the Management Board of the Road Infrastructure Agency, against Petar Haralampiev²⁰ former chairperson of the State Agency for Bulgarians Abroad, and Neno Dimov²¹, the former Minister of Environment and Waters. It is expected that the trial against Krasimir Zhivkov²², former Deputy Minister of Environment, will start in 2025.



4.45

years is the average timespan between the commission of the alleged corruption crimes and the filing of criminal charges in court (based on all the cases filed in court)



2.75

years is the average timespan between the filing of the final indictment (if the case was returned) and the issuing of a final verdict (based on all the cases with final verdicts)



6.26

years is the average timespan between the commission of the corruption crime and the issuing of a final verdict (based on all the cases with final verdicts)

14. Case 58

15. Case 16

16. Case 17

17. Cases 28 and 29

18. Cases 33 and 34

19. Case 37

20. Case 39

21. Case 42

22. Case 43

0.3 Ongoing cases at the pre-trial stage of proceedings or with unknown development

A total of 16 cases under monitoring by ACF are currently either at the pre-trial stage of proceedings or with unknown development.

The public prosecution's unusual spurt of activity targeting individuals considered to be adversaries of MRF – New Beginning, Delyan Peevski's political project, has resulted in a total of **eight new proceedings** on suspicions of high-level corruption in 2024. Five of the proceedings involve individuals connected to PP – DB (two against Kiril Petkov and one each against Bozhidar Bozhanov, Petya Bankova and Zhivko Kotzev.²³ Three involve individuals close to Ahmed Dogan, the honorary chairperson of the MRF (Dzheihan Ibryamov, Mario Rangelov and Stoyan Mavrodiev).²⁴

In the fourth year since its establishment, the Bulgarian branch of the EPPO has announced its first grand corruption case against Vladimir Malinov, Executive Director of Bulgartransgaz, in relation to the project to expand the Chiren Underground Gas Storage²⁵. The case is proceeding in parallel to the unprecedented administrative investigation of the Bulgarian European Prosecutor and her temporary suspension from the post.

The mega-case regarding the Belene NPP has collapsed due to the expiry of the limitation period. The defendants included several former ministers of energy and chief executive officers of the National Electricity Company. However, it is still impossible to confirm whether the proceedings against Petar Dimitrov²⁶, Lyubomir Velkov and Mardik Papazian²⁷ have been closed, following the return of the indictment from the court to the Prosecutor's Office. The public prosecution continues to refuse to provide any information about the course of the proceedings or their outcome.

The fact that proceedings against Rumen Ovcharov²⁸ and Delyan Dobrev²⁹ had been closed was confirmed by ACF last year. Thus, this supposed mega-case, **initiated against three former ministers and two former chief executive officers of the National Electricity Company and featuring allegations of damages to the state budget worth more than half a billion BGN, has crashed ingloriously and in complete silence.**

In 2022, the public prosecution initiated another case because of suspected abuses in the energy sector. The proceedings were initiated against former Minister of Energy, Alexander Nikolov, his deputy, Danail Nikolov, and Lyudmil Yotzov, former executive director of Bulgargaz EAD.³⁰ According to the Prosecutor's Office, they had caused harm to the company following the discontinuation of natural gas deliveries under its contract with Russian gas company Gazprom. For over two years, no information has been disclosed about the proceedings. The Prosecutor's Office has remained silent and the media also appear to be losing interest.

The criminal proceedings, initiated back in 2016 against the former director of the Fund for the Treatment of Children Abroad, Pavel Aleksandrov³¹ are still at the pre-trial phase and no information has been disclosed by the prosecution.

Information is still lacking about the outcome of a 2020 investigation of the Directorate of Internal Security of the Ministry of Interior which had obtained information suggesting that Hristo Terziyski³², the then director of the Head Directorate of National Police (and later Minister of Interior and Member of Parliament), had participated in an organized criminal group together with other high-ranking officials from the Directorate.

23. Cases 58 - 60, 63 - 64

24. Cases 61, 62 and 65

25. Case 66, for more information ACF's investigation *Chiren: Tenders with Convenient Incline*, <https://acf.bg/en/razsledvane-na-akf-darzhavata-se-e-otka/>

26. Case 10

27. Cases 31 and 32

28. Case 9

29. Case 8

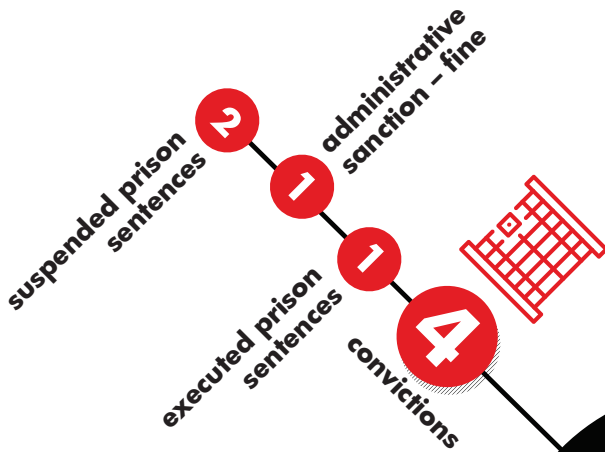
30. Cases 50, 51 and 52

31. Case 36

32. Case 49

66
criminal cases

 against **57** individuals for **84** crimes



19
terminated at the pre-trial phase by prosecutors

39
completed

27

ongoing proceedings or proceedings with unknown end results

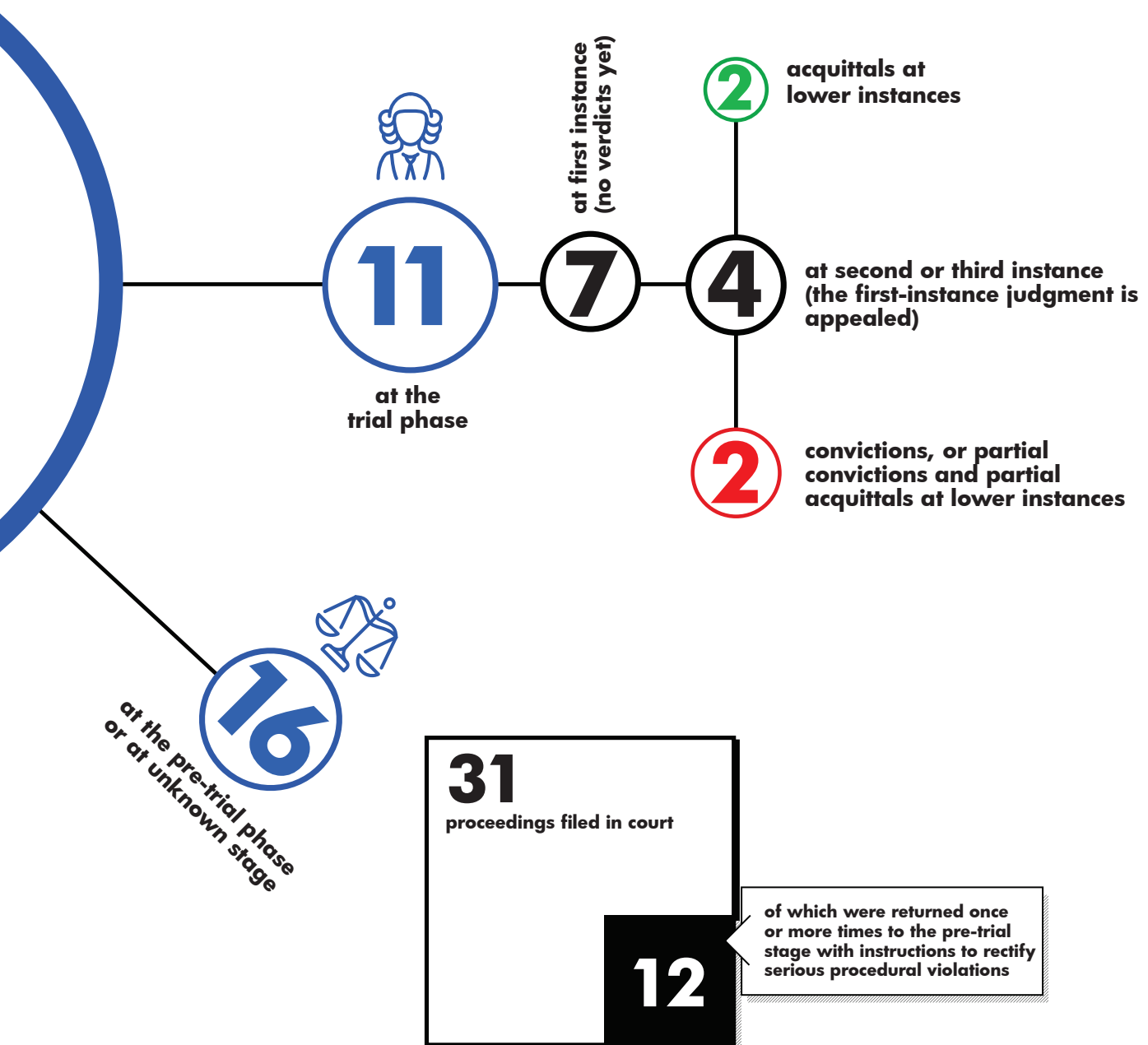
16
acquittals

1 expiry of the limitation period

1 due to lack of proof

13 partly due to lack of proof and partly due to the indicted acts not fitting the definition of the alleged crimes

the indicted acts did not fit the definition of the alleged crimes



0.4 Conclusions

The low effectiveness of the criminal proceedings against high level corruption is a persistent trend which cannot be reversed.

The low effectiveness of the criminal proceedings against high level corruption was already flagged in the five previous monitoring reports by the ACF: *Anti-Corruption Institutions: Activity Without Visible Results*³³, *Anti-Corruption Institutions: Escalating Problems*,³⁴ *Anti-Corruption Institutions: A Zero Year*³⁵ and *Anti-Corruption Institutions: Eyes Wide Shut*³⁶ and *Anti-Corruption Institutions: a Freezing Point*³⁷. This trend remains unchanged in 2024. One new final sentence was issued during the year and that sentence was an acquittal.³⁸ Thus, the ratio of final acquittals to convictions is tipped even further in favour of the acquittals which are already 16, while the final convictions are just four. Furthermore, judging by the development of the criminal proceedings still at the trial stage, **significant changes to the above-mentioned ratio are not expected.**

On the issue of high-level corruption in Bulgaria, the real picture remains hidden.

The conclusion, established in previous rounds of monitoring, remains unchallenged. Namely, that the statistics mentioned above clearly demonstrate that the **real picture of high-level corruption in the country remains hidden.** It is obvious that the criminal proceedings initiated by the prosecution on grounds of suspected corruption crimes do not reflect the actual level of corrupt behavior among high-ranking public officials because on the basis of these proceedings, it turns out that practically no corruption crimes were committed by high-level officials in the country.

Sustained increase in the number of criminal proceedings closed by prosecutors at the pre-trial stage

The trend that was first established in 2023, showing an increase in the number of proceedings closed at the pre-trial stage, has become even more evident in 2024.

Of the only three high-level corruption investigations monitored by ACF that prosecutors were able to complete in 2024, two were closed at the pre-trial stage.³⁹ With this, out of all 39 proceedings completed so far, a total of 19 never reached the trial stage.

The opposite approach creates another scenario that this report has already noted: courts acquit the defendants, ruling that the charges against them lack legal basis or that there is lack of sufficient evidence. However, the acquittals are issued after years of litigation. This causes more harm to the defendants who were charged despite the lack of evidence that they had committed crimes and on whose behalf the state is then called to provide remedies (via mechanisms holding the state accountable for groundless charges against individuals).

A new beginning for arbitrary criminal proceedings

If the activity of the Prosecutor’s Office in 2023 is to be qualified, the most precise and succinct description will be that there **was complete lack of willingness to investigate high-level corruption.** There was just one short-lived deviation from this trend at the end of the mandate of the then Prosecutor General, Ivan Geshev. For a few weeks before Geshev’s early suspension, the public prosecution jumped into action but with few tangible results. The overall passivity of the Prosecutor’s Office can be explained with the agreement between GERB and PP-DB to form a ruling majority (with the support of MRF), which possibly included the withdrawal of political support for Geshev by GERB and MRF, as well as replacing Geshev with Borislav Sarafov in June 2023. While PP-DB

33. A. Yankulov, A. Slavov, *Anti-Corruption Institutions: Activity without Visible Results*, Sofia: ACF, 2020: https://acf.bg/wp-content/uploads/2020/06/ACF_ENG_2020-1.pdf

34. A. Yankulov, N. Kiselova, *Anti-Corruption Institutions: Escalating Problems*, Sofia: ACF, 2021: https://acf.bg/wp-content/uploads/2021/07/ACF_ENG_Online_Jul15-1.pdf

35. A. Yankulov, A. Kashumov, *Anti-Corruption Institutions: a Zero Year*, Sofia: ACF, 2022: https://acf.bg/wp-content/uploads/2022/07/ACF_Report_ENG_2022_interactive2.pdf

36. A. Yankulov, D. Peneva, *Anti-Corruption Institutions: Eyes Wide Shut*, Sofia, ACF, 2023 https://acf.bg/wp-content/uploads/2023/06/ACF_Report2023_EN_web.pdf

37. Yankulov, D. Peneva, *Anti-Corruption Institutions: a Freezing Point*, Sofia, ACF, 2024 https://acf.bg/wp-content/uploads/2024/06/ACF_Report2024_EN_web.pdf

38. In case 40, the court did not decide to issue an acquittal but to close the trial proceedings due to the expiration of the limitation period. However, the overall consequences are similar.

39. Cases 18 and 57

verbally criticised the election of Sarafov to the post of Acting Prosecutor General, throughout the rest of the year, there were no political attacks against him by any one faction of the ruling majority.

The Prosecutor's Office returned the favour. Political corruption was a forgotten issue until the end of 2023. A number of criminal proceedings, including proceedings initiated arbitrarily at the end of Geshnev's prematurely suspended mandate and targeting directly or indirectly political figures from the ruling majority (or persons linked with them) were either closed or stalled.⁴⁰

In 2024, however, two events with significant magnitude shook Bulgaria's political life, causing a radical change in the public prosecution's approach.

The first event was the dissolution of the ruling majority composed of GERB and PP-DB and supported by MRF after the then Prime Minister Denkov resigned (as he was expected under the power-sharing arrangement) and the factions of the coalition could not reach consensus about the composition of the next cabinet.

The second was the internal conflict within MRF which split the party into two opposing factions loyal to the former partners Delyan Peevski and Ahmed Dogan.

These events had the effect of unleashing the public prosecution. Aided by the Anti-Corruption Commission which the former coalition had tried to and partially succeeded to reform, the Prosecutor's Office initiated, in quick succession, several criminal proceedings against key figures (or individuals linked with them) from PP-DB and Ahmed Dogan's faction within the MRF. Prosecutors started eight high-profile investigations falling within the scope of the present analysis as well as two targeting local officials. In all cases, without fail, the suspects were political adversaries of Delyan Peevski, the leader of MRF - New Beginning, or persons related to Peevski's adversaries.⁴¹ These investigations represent the extent to which Bulgarian law enforcement institutions were willing to work on high-profile corruption cases for that period.

Most of the proceedings followed a single pattern – they were used for political attacks via the media, featuring the usual leaks of evidence to certain media outlets. This is another fact pointing to the rationale

behind such campaigns to initiate arbitrary proceedings. The real goal is to publicly discredit the opponents who are directly targeted by the proceedings and to keep other individuals dependent by showing them the consequences of not keeping their behavior in check.

The analysis of the criminal proceedings monitored by ACF demonstrates that such arbitrary campaigns, linked to political events, by the Prosecutor's Office have not yielded many benefits for criminal justice / final convictions at the trial stage.) One clear example are the criminal proceedings initiated from late 2016 until mid-2017 against various ministers and deputy ministers of the now-dissolved Reformist Block or ministers linked to Ivo Prokopiev, an opponent of Delyan Peevski. In all of these cases, the courts have issued acquittals. One exception is the trial against Petar Moskov and Adam Persenski where the acquittals are not final yet. The grounds for the courts' decisions to issue acquittals were that the actions of the defendants did not constitute crimes – an argument that prosecutors themselves agreed with in some of the cases, at certain stages of the proceedings.

Thus, considering the clear similarities between the proceedings initiated in 2024 and those from 2016 - 2017, it is unrealistic to expect that eventually, once their subjects are no longer relevant to the politics of the moment, the former will yield different results compared to the latter. Since no one is held accountable for the outcomes of the proceedings, it is highly unlikely that the Prosecutor's Office, on its own initiative, will consider changing its approach.

First Investigation into Grand Corruption by the Bulgarian EPPO office

After one of its cases (concerning suspected corruption at the local level)⁴³ was first added to the scope of this report in 2023, last year, four years after it started operations in the country, the Bulgarian branch of the EPPO announced its first known investigation of grand corruption concerning the project to expand the Chiren underground Gas Storage.⁴⁴ In 2024, EPPO also initiated three new investigations into suspected local-level corruption.⁴⁵ The suspects in all the new EPPO proceedings are political figures from GERB or individuals linked to the party.

40. Yankulov, D. Peneva. Anti-Corruption Institutions: a Freezing Point. Sofia, ACF, 2024, pg. 23 - 25. https://acf.bg/wp-content/uploads/2024/06/ACF_Report2024_EN_web.pdf

41. Cases 58 - 65, and Cases 29 - 30 concerning local government representatives

42. Cases 3, 4, 11 - 17

43. Case 25 concerning corruption at the local level

44. Case 66

45. Cases 26 - 28 concerning corruption at the local level

This unusual level of activity by the EPPO in the country, as well as the change in course by the Bulgarian European Prosecutor Teodora Georgieva who has openly criticised the Bulgarian authorities, claiming they had been trying to undermine the EPPO’s work, as well as her statements in the media (but no institutional actions) concerning Delian Peevski have gained her popularity with a Bulgarian public desperately seeking for its hero among the law-enforcement institutions.

So far, however, the only consequence from Georgieva’s activity has been her unprecedented temporary suspension from the EPPO while an internal investigation in connection to her handling of the Chiren case is ongoing. At the same time, secret recordings leaked as Georgieva was repositioning publicly, have shown footage from a supposed meeting between herself and Petyo Petrov “The Euro”, the leader of a criminal network influencing the judiciary, exposed by the Anti-Corruption Fund Foundation in the investigation *The Eight Dwarfs*. At the meeting, which Georgieva is yet to deny, the issue of obtaining assistance in order to be appointed to the EPPO appears to have been raised – a fact which shows the ugly truth about high-level appointments in the criminal justice system in Bulgaria and, as it may appear, beyond.⁴⁶ The recording undermines trust in the Bulgarian office of the European prosecution and its work for the entire period since its establishment.

With or without a special mechanism investigating the Prosecutor General and his deputies, it is still impossible to collect evidence that the country’s top prosecutor has committed a crime

In 2024, it was announced that Daniela Taleva, the special prosecutor appointed under the new mechanism (it entered into force in 2023) for investigating the Prosecutor General and his deputies, had closed the investigation concerning alleged links between the

Acting Prosecutor General Borislav Sarafov and the Eight Dwarfs criminal network. That investigation was initiated by the Sofia Regional Prosecutor’s Office, with much haste, at the end of the mandate of the former Prosecutor General Ivan Geshev. Taleva has also closed the proceedings concerning all other, nearly 30, reports⁴⁷ against Sarafov.

The fact that Taleva had closed the proceedings against Sarafov became publicly known only after his nomination to be permanently elected to lead the Prosecutor’s Office. As per the procedural requirements, Sarafov filed a certificate, issued by Taleva, that he had not been charged in criminal proceedings and was not the subject of ongoing investigations.

As Taleva has been refusing to disclose publicly her decisions, it remains unknown on what grounds she closed the proceedings against Sarafov.

It is impossible to question the Special Prosecutor’s conclusion about the lack of evidence that Sarafov had committed any crimes because there is insufficient information about her work.

However, based on what is publicly known about the now-closed investigation of The Eight Dwarfs case, it is reasonable to conclude that, despite Sarafov’s public statements denying any ties to Petyo Petrov’s criminal network,⁴⁸ those ties existed. On its own, information that points to links between magistrates and the Eight Dwarfs criminal network cannot serve as the basis for filing criminal charges against the implicated magistrates, but it is a clear indicator of their personal ethics and, therefore, of how ill-suited they are to hold high-level public positions.

The failure of the law enforcement institutions and the judiciary to properly investigate possible ties between specific implicated magistrates and criminal elements is evident not only with regards to the Eight Dwarfs case. The same approach was applied concerning the information,⁴⁹ freely circulating in the public domain, about connections between magistrates and the criminal network around Martin Bojanov “The Notary”⁵⁰ who was murdered in early 2024.

46. More details are available in the description of Case 66

47. Case 57

48. More details are available in the description of Case 57

49. More details about Bojanov’s network are available in List of Quick Control, ACF, 2024.

50. For more information A Friendship from 1997, Lunches and Family Conversations: Prosecutor Iliana Kirilova’s Testimony About Petyo Petrov “The Euro”, ACF, 2024; Prosecution Leaks #2: Laptops, Phone, Documents, Disks, Tapes. What is the Evidence Seized from Properties of Influence Peddler Petyo Petrov “The Euro” and Where is it Now?, ACF, 2024; Prosecution

Leaks #3: „I have seen Borislav Sarafov at the Restaurant More Than Ten Times.“, ACF, 2024; Prosecution Leaks #4: “Possibly, Probably, I Don’t Recall, Maybe, I Suspect” What Former Prosecutor General Ivan Geshev Said About Petyo “The Euro” When Questioned by Prosecutors, ACF, 2024; Prosecutor Zartova: In Petyo Petrov’s Family There is an Entrance but No Exit”, dnevnik.bg, 2024; Prosecution Leaks: The “Magic Carpet” of Proceedings 114/2022 of Sofia Regional Prosecutor’s Office or How Influence Brokers in the Judiciary Initiate Advantageous Investigations, ACF, 2024; Magistrates, Police Officers, Attorneys: What Information Did the Public Prosecution Receive Two Years Ago About Martin Bojanov’s Network?, ACF 2024.

The public prosecution's proactiveness vs. the political class' passivity concerning criminal justice reforms

While in 2023, there was a high level of political activity to secure the adoption of legislative texts seeking to introduce changes in the functioning of the criminal justice system⁵¹, juxtaposed by the passivity of the system itself, in the following year the opposite was true. Of the legislative changes adopted in 2023, those with the most significant impact on the criminal justice system and the effort to counteract high-level corruption were the amendments to the Bulgarian Constitution and the Code of Criminal Procedure, as well as the new Act on Preventing and Fighting Corruption.

In July 2024, the Constitutional Court published two important decisions which effectively repealed some of the most important changes to the Bulgarian Constitution, such as amendments concerning the structure and composition of the Supreme Judicial Council and the role of the Prosecutor General. However, a number of other important texts – for example, concerning the new mechanisms for judicial control over some decisions issued by prosecutors, the mechanism for independent investigation of the Prosecutor General, and limiting the powers of the prosecution outside of the scope of criminal proceedings – were confirmed.⁵²

In some political circles, the decisions of the Constitutional Court were framed as the endpoint of the reform of the criminal justice system, even though the basis for such pronouncements is unclear. The decisions were also used by actors keen to preserve the status quo who

used an already familiar refrain. Namely, that while no one is questioning the need for reforms in principle, all attempts at reform seem to have failed, therefore initiating new rounds of reforms is harmful. The argument is made that the Constitutional Court not only repealed many of the recent new amendments to the Constitution but also that it did forever close the door to any future attempts of any ordinary National Assembly to vote new substantial changes to the legal texts and that without a Grand National Assembly, no further major changes are possible. This narrative is used, as it has been in the past, to send the political message that whatever could be achieved in terms of reforms has already been achieved and the reform process has been completed.

Thus, the year 2024 was marked by an all-encompassing lethargy in terms of initiating any changes, whether in the form of legislative amendments or new appointments, within the criminal justice institutions. For the entire year, Borislav Sarafov stayed on as Acting Prosecutor General (a post he seems well-poised to occupy permanently⁵³), Anton Slavchev remained in charge of the two new branches of the former Commission for Anti-Corruption and the Forfeiture of Illegally Acquired Property, and a Supreme Judicial Council with a long-expired mandate continued to lead the judicial system.

While observing the inability of the judicial system to rid itself of its ties with the criminal networks of Petyo Petrov “The Euro” and Martin Bojanov “The Notary”, politicians did not appear too interested to act, either. Special committees were formed within the 49th and the 50th National Assemblies. These committees, however, have achieved no tangible results.

51. More details about Bojanov's network are available in *List of Quick Control*, ACF, 2024.

52. More information about the impact of the decisions of the Constitutional Court: <https://defakto.bg/2024/08/09/andrey-yankulov-za-efekтите-ot-resheniyata-na-konstitutsionniya-sad/>

53. Parliament has adopted new legal texts which aim to restrict Borislav Sarafov's temporary

mandate as well as the possibility of him being elected to the post of Prosecutor General by the current members of the Supreme Judicial Council, however these texts are due to be reviewed by the Constitutional Court.

0.5 Recommendations

The creation of professional, independent anti-corruption institutions which strive to apply the law equally (instead of acting in an arbitrary manner, applying the full level of their authority with regards to some targets and looking the other way when dealing with others) is the only step which could strengthen the efforts to counteract political corruption in Bulgaria. Without meaningful change in the manner in which anti-corruption institutions exercise their authority all the specific legal requirements or technical recommendations, even if they are formally adopted, will remain just on paper.

A case in point is the formal adoption of the recommendation that the Prosecutor’s Office monitor criminal proceedings concerning corruption crimes considered to be of significant interest to the public.

The recommendations on how to boost the effort to counteract high-level corruption made by ACF in previous monitoring reports should be repeated in their entirety as the issues identified in previous reports have not been addressed. Taking active steps to introduce reforms in the criminal justice system will help remedy the situation.

ACF has published a document, outlining in detail what the needed reform entails, and our concept also contains proposals for amendments to the Bulgarian Constitution.⁵⁴

One of the main obstacles – if not the main legal obstacle – for the current state of affairs is **the lack of adequate control over the manner in which the Prosecutor’s Office is exercising its principal function** of initiating and conducting criminal proceedings.

It is necessary to **introduce new forms of external procedural control, as well as to reinforce public control** over the arbitrary manner in which criminal proceedings are conducted. This concerns the decisions whether, whom, when, and on what charges to prosecute which should be monitored strictly.

The external procedural control should be carried out by courts at the pre-trial phase of proceedings and should encompass both the cases where the Prosecutor’s Office has decided to prosecute and the cases where it has decided not to. The introduction of a mechanism that enables courts to exercise control over the conduct of criminal proceedings would create better conditions to achieve a better functioning Prosecutor’s Office and, in turn, help to create a more just and effective criminal justice system. Such an approach will yield better results than the creation of any other, even if theoretically perfect, mechanism for institutional control over the Prosecutor’s Office.⁵⁵

The recommendations regarding the need for increased transparency in combating high-level corruption, first outlined in the 2020 report, remain valid. In this respect, **public scrutiny shall be reinforced by:**

Developing criteria for corruption cases of high public interest: This measure was adopted with the amendments to the JA, however, as evident from the first report issued by the Prosecutor’s Office (which uses data from 2023), the applied criteria are again formalistic. The report includes a large number of proceedings with many not of high public interest. Thus, the analysis mixes cases involving corruption at the highest levels of government with hundreds of others which concern corruption investigations against forestry officers, the directors of municipal cultural centres, and many other public officials of similar rank. This compromises the idea of analysing the development and outcomes of the smaller pool of cases involving investigations into corruption at the highest levels of government.⁵⁶

54. Yankulov, A. What Needs to Change in Criminal Justice. ACF, March 2023.

<https://acf.bg/en/akf-publikuva-kontseptsiya-za-neobhodim/>

55. For more details: https://acf.bg/wp-content/uploads/2020/11/kontrol_nakazatelno_EN_WEB.pdf, Exercising Control over the Prosecution Function – the Necessary Criminal Justice Reform, ACF, November, 2020

56. Report on the Work of the Prosecutor’s Office in Counteracting Corruption Crimes in 2023, published on the website of the Bulgarian National Assembly.

Transparency regarding the status of criminal proceedings on corruption cases of high public interest: The Prosecutor's Office should drastically increase the transparency of its actions on cases of high public interest, while taking heed of the presumption of innocence and the confidentiality of pre-trial criminal proceedings. Once it has been established that releasing information to the public would not impede the investigation of the case or disproportionately affect the rights of the investigated individuals, the Prosecutor's Office should publish regular updates regarding the course of the proceedings. This approach should apply to all cases and not be adopted selectively.

The recent dramatic events surrounding the Bulgarian European Prosecutor⁵⁷ and especially the information alleging that the Eight Dwarfs criminal network may have influenced her appointment, are illustrative of the concerning problems plaguing rule of law in Bulgaria, which reflect a key European Union institution such as the EPPO.

Bulgarian authorities were never able (or willing) to properly investigate Petyo Petrov and his criminal network due to the network's high levels of infiltration within those same institutions. The question now is what will the structures of the EU do after it emerged that this criminal network likely influenced processes within EU institutions, too.

What is clearly necessary is a full, transparent inquiry concerning the following issues:

- 1/** The institutional actions that led to Georgieva's appointment;
- 2/** The overall work of the Bulgarian EPPO office since its establishment - how it is organised, how work is allocated, etc;
- 3/** Actions pertaining to cases of high public interest such as the investigation into the expansion of the Chiren Underground Gas Storage: how many high-level cases have been investigated since the establishment of the Bulgarian office, who were the prosecutors leading those investigations, what actions have been taken, what was the reaction of the Bulgarian office when faced with attempts by national law enforcement institutions to obstruct the investigations, etc;
- 4/** Georgieva's claims she had been threatened by Delyan Peevski, an individual with significant political and economic influence in Bulgaria, because of her work as a European Prosecutor. What is known about these threats, was the EPPO leadership informed, are the threats investigated?

57. More details are available in the description of Case 66

Summary Analysis of the Monitored Cases Involving Representatives of Local Authorities

In 2024, ACF identified six new cases concerning alleged corrupt behavior by high-ranking representatives of local authorities. We will continue monitoring these cases which involve criminal proceedings, still in the pre-trial phase, against the mayor and the district governor of Varna, as well as the mayors of Petrich, Kardzhali, Mineralni bani, and Boychinovtzi.⁵⁸

Last year, the EPPO initiated three new proceedings on corruption charges against representatives of local authorities – against the mayor and the district governor of the city of Varna, as well as the mayor of the town of Petrich.⁵⁹

Meanwhile, no information is available about the proceedings against the mayor of General Toshevo.⁶⁰ This is the first EPPO into corruption at the local level in Bulgaria and the first case by the European prosecution monitored by ACF.

Two major investigations were launched by the Bulgarian Prosecutor’s Office, targeting political figures close to Ahmed Dogan’s faction within the MRF. Prosecutors are investigating the former mayor of the town of Kardzhali, Hasan Aziz, and Myumyun Iskender, mayor of Mineralni bani, a village near the town of Haskovo.⁶¹ The proceedings against the pair can be linked to an event of considerable political significance – the conflict between Ahmed Dogan and Delyan Peevski which divided the MRF in July 2024. Following the division within the party, prosecutors initiated several criminal proceedings against key figures from within Dogan’s political faction in addition to targeting business figures linked with Dogan.⁶²

At the same time, the Prosecutor’s Office closed the proceedings against the mayors of Varna⁶³ and Sungurlare⁶⁴, which were initiated as the relations between the then Prosecutor General Ivan Geshev and GERB were souring in 2023.

No new final convictions were issued in 2024. In the trial against Ralyo Ralev, mayor of a district in the city of Plovdiv, the first-instance court issued a suspended prison sentence which is yet to enter into force.⁶⁵ For two of the monitored cases prosecutors filed indictments – against the mayors of the town of Pernik Ilinka Nikiforova and Ivan Ivanov.⁶⁶

Regarding the proceedings against the former mayor of Varna, Ivan Portnih⁶⁷ the court returned the indictment to the prosecution on the grounds of established procedural violations and, consequently, prosecutors closed the proceedings. This decision was repealed by the Regional Court - Varna and the investigation is currently ongoing. Also ongoing are the proceedings against Georgi Maradzhiev⁶⁸, mayor of the town of Stamboliyski, and Eshref Eshrefov,⁶⁹ the mayor of Omurtag. No information is available about the investigations.

The criminal proceedings against Boris Nikolov,⁷⁰ the mayor of the town of Belogradchik, were closed.

So far, still no information has been disclosed about the proceedings against the mayor of Bojurishte, Georgi Dimov⁷¹, following the repeated refusals of the Sofia District Prosecutor’s Office to provide ACF with information.

Several investigations continue to be at the trial stage: against Sevdalina Kovacheva⁷², former mayor of Pernik, who is held liable together with the former Minister of Environment and Water, Neno Dimov, for causing the water crisis in Pernik; against Mincho Kazandzhiev⁷³, former mayor of Lovech; against Marin Rachev⁷⁴, former mayor of Septemvri; and against Stoyan Beshirov⁷⁵, former mayor of Nedelino.

58. Cases 26 - 28 concerning corruption at the local level

59. Cases 26-28

60. Case 25

61. Cases 29 and 30

62. Cases 61, 62 and 69 and Cases 29 and 30 concerning corruption at the local level

63. Case 24

64. Case 23

65. Case 18

66. Cases 5 and 6

67. Case 21

68. Case 19

69. Case 22

70. Case 20

71. Case 13

72. Case 4

73. Case 7

74. Case 11

75. Case 16

II/

Anti-Corruption Institutions 2024

Daniela Peneva

1/ Anti-Corruption Commission and Forfeiture of Illegally Acquired Property Commission

In the course of 2023, the 49th National Assembly passed an Anti-Corruption Law⁷⁶, which was published in the State Gazette 84/2023 and took effect on October 6th 2023. It effectively divided CFIAP into two entities, the Commission for the Countering of Corruption and Commission for the Forfeiture of Illegally Acquired Property. The CCC inherited the activities pertaining to: 1/ the prevention of corruption⁷⁷; 2/ the maintenance of a register of declarations of incompatibility and assets and interests of individuals holding public office and verification of declarations of assets and interests, 3/ conflict of interest investigations. The new law assigned two additional areas of activity to the CCC: 4/ detecting and investigating acts of corruption and 5/ carrying out checks on reports of incompatibility of persons holding public office. CFIAP was charged with executing the confiscation of illegally acquired property.

The Transitional and final provisions of the anti-corruption law (TFP of APFC)⁷⁸ stipulated for a three-month deadline (which expired on January 6th 2024) to assemble the new CCC, as the new institutions now have different presiding bodies with different members and procedures, mandates and powers. While the CFIAP inherits the already existing model of a collective body consisting of five members with a six-year term, one of whom is the chairman, elected directly by the National Assembly⁷⁹ with a simple majority, the CCC is a collective body consisting of three members, with a rotating presidency for two years, elected by the National Assembly by qualified majority after a nomination procedure⁸⁰.

The law provides the incumbent members of the now divided CFIAP the mandate to perform the duties of members of both commissions until such are elected for the CCC, the deadline for which was

76. <https://www.parliament.bg/bg/laws/ID/164884>, Anti-corruption law, State Gazette, 84/2023.

77. Article 44 of the Anti-corruption law (APFC): The commission executes the government's anti-corruption policies as follows:

1. It gathers, summarizes and analyzes information regarding the nation's anti-corruption measures and policies;
2. It performs analysis and develops measures to combat and counteract corruption and coordinates their implementation according to the particular sector, and additionally analyzes the corruption risk posed by officials according to article 6, paragraph 1.
3. It conducts activities related to the dissemination of information in regard to anti-corruption policies and countermeasures.
4. It trains the inspectors from the Chief Inspectorate of the Council of Ministers (CICM) and other inspectorates;
5. It provides an assessment of the strategic and yearly plans and report of the Chief Inspectorate of the Council of Ministers (CICM) and other inspectorates.

78. Par. 7, line 1 of the Transitional and final provisions of TFP of APFC;

79. Art. 8 of the Forfeiture of Illegally Acquired Property Act (FIAPA): (1) The commission is a collective body which consists of five members - the chairman, vice-chairman and three other members.

(2) The commission chairman is elected to his position, and must be a Bulgarian citizen of high moral and professional standing who has a law degree and has a minimum of 10 years of legal experience.

(3) The commission vice-chairman is elected to his position, and must be a Bulgarian citizen of high moral and professional standing who has a law or economics degree at a master's level and has a minimum of 5 years of legal experience.

(4) The commission members elected to the position must be Bulgarian citizens of high moral and professional standing who have earned master's degrees and have a minimum of 5 years of legal experience.

(5) The chairman is elected by the National assembly after being nominated by assembly members.

(6) The vice-chairman and members are elected by the National assembly after being nominated by the commission's chairman.

(7) The commission's term of office is 6 years, considered from the date its full complement is elected. The commission's members perform their duties until the new commission is constituted.

(8) The commission chairman is the authorized official responsible for the budget.

reached in early January of 2024⁸¹. To date, the procedure to appoint a presiding body for the CCC has not been initiated, but the old CAFIAP, consisting of four members without a chairman⁸², still manages the new collective bodies with an expired term, and even executes some of the CCC's new powers. A decision by the ACtSC from 11.12.2024 ruled that the CCC is being run by a body that has not been assembled according to the steps and conditions required by law, and therefore lacks a mandate^{83,84}. The ruling also established that, at present, CAFIAP officials are simultaneously performing the functions of the newly created CCC and CFIAP, which is specifically counter to the statutory time limit of three months defined by the law. Consequently, the court ruled that the CCC in this format did not have the official competence to decide on incompatibility, and the decision to establish Andrey Gyurov as incompatible was null and void.

The lack of a new leadership of the CCC, nominated and elected through a procedure that would guarantee its political independence, has not increased the effectiveness of the fight against high level corruption even after the legislative reform. In its 2024 Rule of Law Report of Law, the European Commission found significant progress on the CPC's institutional reforms, but made a recommendation to ensure the commission's effective work.⁸⁵

80. Art. 8 of APFC: (1) The commission is a collective body consisting of three members. The commission is chaired on a rotational basis between each member for a period of two years, while the order is determined by a draw at the moment they assume office.
 (2) The commission members must be Bulgarian citizens of high moral and professional standing who have a law degree or a university degree in economics and at least 7 years of legal experience or 7 years of experience in the security apparatus.
 (3) The commission members are elected by the National assembly with a two-thirds majority.
 (4) With every election of members for the commission, a Nominating committee of five independent members is assembled: one member nominated by the Supreme Court of Cassation of Bulgaria, Supreme bar council, the Ministry of Justice, the Ombudsman of the republic of Bulgaria and the Bulgarian national audit office. All members must meet the requirements under Art. 10, Par. 1. The nominating committee reviews the reasoned nominations presented by the National assembly, as well as non-profit legal entities for public benefit, and subsequently selects acceptable candidates. After a public procedure consisting of hearings and discussions, it presents a report according to Art. 9, Par. 9 to the National assembly's Permanent commission responsible for anti-corruption policies. The procedural rules of the Nominating committee will be determined by the National assembly's Permanent commission responsible for anti-corruption policies.

(5) The commission's term of office is 6 years, considered from the date its full complement is elected. The commission's members perform their duties until the new commission is constituted.

(6) The commission chairman is the authorized official responsible for the budget.

81. Par. 7 of TFP of APFC: (1) The National assembly shall elect the ACC's members no longer than three months after the law has been enacted. (2) Until the members of the ACC are elected, the incumbent officials of CAFIAP shall, once the law is enacted, perform the duties of members of the corresponding commissions, and after the election of new members, continue their terms as members of the Forfeiture of Illegally Acquired Property Commission

82. After March of 2022, when the commission chair Sotir Tsatsarov presented his resignation, the commission members authorized to issue decisions number only four, while Tsatsarov's post remains vacant to this day.

83. Decision number 26743 from 11.12.2024, administrative case 6637/2024, 25th court, filed at ACSC.

84. The ACSC adjudication after a referral for a ruling on a decision by the ACC, which established that Andrey Gyurov was unsuitable for the post of Bulgarian national bank vice-chairman;

85. EC's 2024 Rule of Law Report https://commission.europa.eu/publications/2024-rule-law-report-communication-and-country-chapters_bg?prefLang=bg

2/ Conflict of interest investigations

According to the CCC’s 2024 report,⁸⁶ the Conflict of Interest Department received 479 new tip-offs. Of these, the CCC reviewed 150 decisions, from which 24 decisions established 49 conflicts of interest, and 126 did not find a conflict.

As compared to the previous year, there is a slight uptake in the number of tip-offs received, as well as the cases reviewed that did establish a conflict of interest.⁸⁷

The decisions that did establish a conflict concerned individuals occupying the following positions: the director of a local museum; seven municipality mayors, including one that was ruled to have two conflicts of interest, six municipal council members, two municipal company directors, three members of managing boards of state-run companies, four school principals, including vocational schools, one kindergarten director, one director of a special needs home, an executive director representative of the state in a holding company with state participation.⁸⁸

The data does not quite attest to high levels of effectiveness when it comes to establishing conflicts of interest and preventing or counteracting corruption. **There are clear indications of passivity, expressed in the lack of any uncovered conflicts of interest among the individuals occupying senior government positions, as well as a total absence of cases where the public interest has been seriously harmed.** The reasons for this passivity are made clear by the tendencies identified by this and previous ACF reports on the commission’s decisions.

Information on conflicts of interest and incompatibility is extremely sparse in the CCC’s 2024 report, with little to no information on incompatibility cases. Conflict of interest investigations are initiated only upon receiving a tip-off, including referrals or reports by a governmental entity to the judiciary or executive branch. **There are no records of self-initiated investigations by the commission in 2024. This tendency has been prevalent since 2018,** when the now split CAFIAP was created. In 2023, the investigations started by the commission on its own accord also amounted to zero.

The analysis of the 150 published decisions in which the Commission established a conflict of interest can be divided into two groups.

The greater part of the cases reviewed, a total of 108, were directed against individuals who held positions at a local level, as local municipal officials or administrators.

The other 42 concerned individuals held positions at a central government level, the state administration, including institutions with local jurisdiction, board members of state-owned companies, the president of a state university, the directors of primary and high-schools.

The complaints filed predominantly concern appointments or hiring of related individuals, awarding public contracts to related individuals, voting for oneself in electoral procedures, voting in procedures in one’s own interest, incompatibilities with the position held, etc. The vast majority of cases are of very low public interest, in spite of the fact that they are linked to powers executed by public officials.

86. 2024 report on the activities of the Commission for the Forfeiture of Illegally Acquired Property, p. 15

87. A total of 102 decisions were reviewed in the course of 2023, 11 of them established a conflict of interest, while the other 91 cases established a lack of conflict. See Yankulov, A., Pencheva, D.,

Anti-Corruption Institutions 2023: a Freezing Point, p. 36

88. 2024 report on the activities of the Commission for the Forfeiture of Illegally Acquired Property, p. 16

3/ Incompatibility investigations

After CAFIAP's division, the CCC has been verifying tip-offs regarding the compliance declarations of individuals holding senior public office. If a conflict is detected, the commission alerts the selection or hiring authority to take the appropriate measures⁸⁹. If a tip-off is received, the commission verifies what the statutory prohibitions for the particular position, holding another position, or engaging in another activity are. The commission also gathers evidence on whether the individual is holding additional positions or performing other activities, and assesses whether there is incompatibility.

According to the CCC's 2024 report⁹⁰ there were 45 investigations into the declarations of individuals holding public office. In fact, only 36 decisions addressing compatibility were published and formed into a separate administrative act. An analysis of the conflict of interest decisions reveals that they incorporate decisions onto an additional 17 incompatibility investigations. This brings the total number of incompatibility decisions to 53. From these, only six cases were found to be incompatible and the relevant authorities were alerted. The commission's preferred approach of having some incompatibility decisions contained in the same administrative act with decisions on cases resolving conflicts of interest hinders the transparency, traceability of procedures and analysis of its work.

The decisions that established incompatibility affected individuals holding the following public positions: the board member of a state-run company, the principal of a vocational school, one director of a Regional Environmental and Water Inspectorate, the deputy mayor of a municipal district, the vice-governor of the Bulgarian National Bank (BNB), the manager of a municipal company.

The greater part of the cases reviewed, a total of 108, were directed against individuals who held positions at a local level, as local municipal officials or administrators.

The other 16 decisions concerned individuals who held positions at a central government level, the state administration, including institutions with local jurisdiction, board members of state-owned companies, and two school principals.

89. Art. 13, Par. 1, Item 8 of APFC

90. 2024 report on the activities of the Forfeiture of Illegally Acquired Property Commission, p. 16

4/

Tendencies and conclusions

2 024 did not mark any improvement over the commission's unsatisfactory practices from previous years. As a result of the analysis of its decisions, a number of conclusions can be drawn, which apply to both the conflict of interest and incompatibility proceedings:

1/ One significant shortcoming of the CCC's performance is in regard to its failure to apply the **inquisitorial principle**. Investigations are only initiated after an external tip-off, instead of the institution's own accord. This is a clear indication that there is a lack of will to effectively counteract corruption and uncover violations.

The inquisitorial principle implies an obligation for the administrative organ to ensure the lawful completion of the administrative procedure. This is imposed by the fact that the executive branch's function is to defend public interest, and not a particular, private one. The procedure must begin on the initiative of the relevant institution when the prerequisites listed in the law are met. In this context, the institution charged with the obligation to protect public interest⁹¹ must by default observe and initiate conflict of interest investigations with the aid of all the legal tools at its disposal. Effectiveness can be achieved, even in terms of prevention, only when the institutions are proactively defending the public interest.⁹³

On one hand there is a pronouncedly passive position when initiating conflict of interest investigations. On the other, there is **the formalist approach applied to the law. As a result, the rulings are almost entirely on the side of exoneration from any violation.**

This gives the impression of not just a lack of effectiveness and independence, but also a selective-

ness in its approach, which raises the question of whether the commission is being used as a tool for political intimidation.

2/ The negligibly small number of cases where violations were prosecuted is additionally kept low by the fact that **there is no judicial control over the commission's decisions that establish an absence of a conflict of interest**. When no conflict of interest is established, the decision is not appealed by the investigated individual, since it is to his benefit, and the commission's ruling takes effect. Legal logic does not allow for the possibility to appeal beneficial acts that no one opposes. But as far as cases where no private interest is concerned, but rather that the fair and honest execution of powers in the highest public interest is defended ineffectively, the introduction of a functional system of checks and balances such as judicial review is necessary.

The law⁹⁴, allows for the prosecutor to file a protest and exercise judicial oversight in conflict of interest cases. The possibility to appeal incompatibility positions has not even been allowed for. According to the information published on the CCC's website⁹⁵, there is no evidence of judicial control initiated by the prosecution. This suggests the conclusion that **the prosecution does not practice such an approach.**

The execution of judicial control precisely over the commission's rulings that do not establish a conflict of interest could be a mechanism to resolve the lack of effectiveness and formalism when applying the law. A potential trial could further overcome the incomplete exercise of evidence gathering powers.⁹⁶ The commission's practice has been to show a tendency to establish facts based exclusively on the claims and statements of the investigated individuals, without additionally verifying the facts when possible.

91. Art. 24, Par. 1 of the Administrative procedure code (APC): Proceedings for the issuance of an individual administrative act shall be initiated on the initiative of the competent authority or at the request of a citizen or an organization, and in the cases provided for in the law, the public prosecutor, the ombudsman, the superior institution or other state authority.

92. Art. 2 of APFC: The law aims to protect public interest as follows:

1. By effectively counteracting corruption;

2. By creating guarantees that the individuals holding senior public positions are executing their

authority and duties fairly and properly, in accordance with the laws and constitution;

93. See Yankulov, A., Pencheva, D., Anti-Corruption Institutions 2022: Eyes Wide Shut, p. 34-35.

94. Art. 94, Par. 2 of APFC: The prosecutor can file an appeal at the court up to a month after an absence of a conflict of interest has been announced.

95. <https://cacbg.bg/bg/konflikt-na-interesi/resheniya-na-kpk-kpkonpi/resheniya-po-ohl-13-al-1-t-6-ot-zpk>

96. See Yankulov, A., Pencheva, D., Anti-Corruption Institutions 2023: a Freezing Point, p. 33-34

4.1 Conflict of interest

1/ In 2024, a predominantly **formalist approach can once again be observed in the analysis of facts and the manner in which conclusions are reached** by the CCC. One manifestation of this formalist approach is that the commission applies a **mechanism of utilizing formal criteria to eliminate the possibility of a conflict of interest**. The commission follows the letter of the law but fails to investigate real relationships.

When forming legal opinions, it does not prioritize establishing whether the public official's ability to impartially and objectively exercise their duties was threatened. To the contrary, the process employed by the commission is to eliminate one of the legal prerequisites on a formal basis and exonerate the individual because of a lack of: personal interest, family ties, economic or political ties, exercised powers.

In one of the most frequently encountered examples, the commission's practice when conducting a conflict of interest investigation is to **formally exclude the possibility of connected individuals, but to not investigate existing relationships and dependencies that could give rise to personal interest**. Exclusively due to the fact that there are no family or economic ties, and without any other arguments, it automatically excludes a conflict of interest and no inquiry is made into whether the law was violated or the powers exercised in the public interest.

The imprecise wording of the law exacerbates this, since it only provides for a limited number of possibilities and is narrowly applied to the letter. The law is seldom, if ever, interpreted more broadly, even in cases where there is an indisputable real-life connection outside of the scenarios specifically mentioned by the law.

With the aim of limiting the possibilities for a narrow interpretation and formalism, there must be a legislative change⁹⁷ in the actual definition of a conflict of interest, so as to not limit the situations identified as a possible violation. **A personal interest is any interest which could reasonably be expected to unduly influence official authority, and consequently no further clarification is required in order to avoid placing restrictive limits on the interpretation.** In

that sense, the foremost objective when determining conflicts of interest should not be to point out who would benefit (a senior public official, his relatives, or other individuals), but rather establish if the impartial and objective execution of duties has been impaired. **It should follow that the question whether public interest has been threatened or harmed must be prioritized before establishing whose personal interest may have been affected.**

In the course of its activities in 2024, the CCC has concluded that powers were not exercised to the benefit of connected individuals and did not establish a conflict of interest in at least 12 decisions⁹⁸. In one shocking example⁹⁹, the mayor of Slivnitsa declared a public auction and awarded a contract under the INTERREG IPA Bulgaria–Serbia 2014-2020 program. As a result of an administrative audit, a conflict of interest was established and a fine of 100% of the allowed funds was imposed. Nonetheless, the commission did not find connected individuals, and remarked that it was not bound by the statement of the managing body of the European program, the director of the Territorial Cooperation Management Directorate with the Ministry of Regional Development and Public Works of the Republic of Bulgaria, and therefore a conflict of interest was not established. The commission's additional argument was that the formula used in Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018, which includes the phrase „any other direct or indirect personal interest“, was broader and went beyond the beneficiary and the individual in question. The commission practically decided to illegally discontinue the regulation's application, which outranks the law, and in breach of the spirit of the conflict of interest law interpreted, it narrowly and formalistically did not establish a threat to public interest.

Another example is the case¹⁰⁰, in which the Lesichovo municipality conducted a public auction for the sale and rental of real estate and movable property without an initial price, which is a clear violation of the law. Initially, there were no candidates and the commission conducting the auction decided to postpone it. When the sole candidate company and subsequent bid winner did appear, it turned out that the municipality mayor is a cosigner to a loan agreement with this company,

97. See Yankulov, A., Pencheva, D., *Anti-Corruption Institutions 2023: a Freezing Point*, p. 33-34

98. Decision number RC-449-23-002; Decision number RC-414-23-009; Decision number RC-373-23-015; Decision number RC-85-23-017; Decision number RC-23-23-018;

Decision number RC-CCC-183-23-024; Decision number RC-26-23-025; Decision number RC-CCC-875-24-039;99. Decision number RC-449-23-002;

100. Decision number RC-CCC-875-24-039;

and that he had an extramarital child with the sister of the company’s manager. Regardless, in its closing arguments the commission ruled that there were no indications of cohabitation, and furthermore, at the moment of purchase in 2023, the manager’s sister was in a later annulled civil marriage with a different individual. The in existence of a marriage was used as justification to declare the absence of a connection, both between the sister of the company manager and the mayor, in spite of their child, and the company and the mayor.

2/ In the commission’s 2024 practice relating to conflict of interest, there are cases¹⁰¹ where conflict of interest was not established, since instances that involve more complex factual connections and **multi-layered procedures are not investigated by the commission in their entirety**. Specifically, the commission does not analyse the fact that all the powers exercised consistently resulted in the consequences and the intended result.

Moreover, there is a contradiction in the practice of the CCC since 2024 on powers exercised in awarding municipal contracts. In some cases the powers exercised constitute a single act, the consequences of which cannot be foreseen, and therefore it could not favour certain individuals and no personal interest could arise. In another case, the powers to assign municipal contracts are part of a complex factual composition, the consequences of which are the mayor’s responsibility as the contracting authority.

A commission decision in regard to the mayor of Gorna Oryahovitsa¹⁰², where a conflict of interest was established, presented the argument that the disposition of municipal property as an administrative procedure generally required several legal acts.

The sale of municipal property was effectuated by the mayor through a public auction after a decision by the municipal council. This represented a complex factual sequence that accumulated several legal acts and determined the binding jurisdiction in relation to the conduct of the auction or competitive bidding procedure concerned. The final element of the factual sequence was the conclusion of a contract for the sale of municipal property, which was singlehandedly conducted by the mayor. It is the mayor of the municipality, as its representative, that had the power to dispose of

the property, constituting its private property. As the representative of the municipality, it was precisely the mayor that had the powers to manage its assets.

Despite these observations, the CCC ruled in another two decisions that the Mayor of Dobrich, in one case, and a municipal councilor from Tsarevo, are yet again not in a conflict of interest when conducting public auctions for the sale of municipal lands, although there were serious indications of wrongdoing. The arguments presented are the exact opposite of those quoted to a conflict of interest in the case of the mayor of Gorna Oryahovitsa. Namely, that “the auction with open bidding gives the opportunity to participate to an unlimited number of bidders, and therefore no particular interest can be identified”, and that “the sale through a public auction with secret bidding gives the opportunity to participate to an unlimited number of bidders, and could not lead to an advantage or to a favorable placement for any of the participants. Up to the date of the City council’s decision, it could not be assumed how many and which bidders would take part in the auction and whose bid will be accepted, and any subsequent acquisition by a third party could be predicted even less.” These arguments suggest the conclusion that according to the commission, it is inherently impossible to have a conflict of interest in any type of auction.

3/ Another common case in conflict of interest proceedings is that the person who may have a conflict of interest due to their relationship with the individuals toward whom powers are being exercised, did not personally sign any documentation, and it was signed by their deputy instead. In one such case from 2024¹⁰³ the commission ruled that there was no direct exercise of power, therefore there could be no conflict of interest, and closed the investigation. It should be noted that it is completely legal for the person exercising public authority to disqualify themselves, but that is far from sufficient to protect public interest in all cases. When a potential conflict of interest situation is identified, all necessary measures must be taken to ensure the lawful execution of powers. It is mandatory to establish for the commission to verify compliance with the law, whether there are indications of irregularities or disadvantage to related parties, or whether those parties were selected on the basis of their professional qualities.

101. Decision number RC-575-23-007; Decision number RC-572-23-008; Decision number RC-120-24-048; Decision number RC-152-24-058; Decision number RC-25-24-078;
102. Decision number RC-120-24-048;

103. PDecision number RC-157-23-032; Decision number RC-113-24-082; Decision number RC-141-23-083; Decision number RC-540-24-123; Decision number RC-7116-24-126; Decision number RC-696-24-136;

4.2 Incompatibility

1/ One of the CCC's new powers after the adoption of the APFC is to investigate possible incompatibilities between different posts or functions assumed by individuals. Nonetheless, in 2024 the incompatibility of municipal mayors was investigated by two separate administrative authorities: the CCC and the municipal election committees (MEC), with the Sofia MEC being especially active. According to the parameters regarding the issuing of regulations, public relations of the same category must be settled by one, not several administrative acts on the same level.¹⁰⁴ In such a case, the act of one of the two administrative bodies would be null due to their lack of competence. The electoral committees draw their legitimacy from Art. 42, Pr. 3-5 of the Law on Local Self-Government and Local Administration (LLSGLA). In their capacity as appointors of the mayor, they issued incompatibility decisions until the enactment of the APFC. Due to a faulty legislative technique, the LLSGLA was never amended after it was stipulated that the CCC would be reviewing incompatibility.

As a result, the Sofia MEC continued reviewing incompatibility cases in 2024, and terminated the powers of the mayors of the Sofia districts of Oborishte, Iskar and Ilinded, alleging that they were active in companies that carried out commercial activities.

The case of the mayor of Iskar is of particular interest. On 16.12.2024, the CCC ruled that the fact that the mayor of the Iskar district Yasen Rusev had maintained his participation as a partner in a Ltd. company was **not a violation of the limited prohibitions listed in Art. 41, Par. 1 of the LLSGLA. Respectively, this did not create a conflict of interest for the individual holding public office.** Immediately after, on 18.12.2024, MEC-Sofia **ruled the exact opposite decision and a conflict of interest was established.** The decision was appealed in two different courts, and both ACtSC and Supreme Administrative Court (SAC) annulled it with the argument that ownership of capital in an Ltd. company did not constitute commercial activity, which corresponds to the established legal practice. In that sense, the CCC's 2024 activities are in compliance with said practice and it correctly ruled against a conflict of interest in the case of the mayor of Iskar.

In Yasen Rusev's case, the two courts did not rule on the MEC's competency to issue decisions, but only on the merits of the administrative act issued.

To discontinue this pernicious practice, the relevant text of the LLSGLA that stipulates the appointor's jurisdiction, even though already superseded by the APFC, must be specifically amended.

2/ Identical to conflict of interest rulings, those regarding incompatibility are also treated with a **formalist** analysis of the facts by the CCC, which in turn gives an impression of **selectivity and inefficiency.**

The case of Emine Yakubova is a glaring example. Yakubova was simultaneously performing the duties of deputy mayor in the Antonovo municipality and counselor at the Targovishte Municipal council. Although it is explicitly stated that the powers of council members are terminated immediately upon their appointment as deputy-mayors,¹⁰⁵ the CCC did not establish a violation, since the positions were held in two different municipalities. The CCC is interpreting the law erroneously and not taking into account the significance of the norm, which determines that a municipal council member can not combine said duties with any others in the executive at a local and central levels.

There seems to be a tendency for the CCC to fail to establish incompatibility in the cases of executive directors of public companies, who participate in the managing bodies of holdings with a similar profile¹⁰⁶. One such example of formalism was the case¹⁰⁷ of the director of the Specialized obstetric-gynecological hospital for active treatment, which is a municipal company. Simultaneously, he's the sole owner and manager of a company that specializes in gynaecological outpatient care. Despite the prohibition¹⁰⁸ for executive directors of public companies to be partners in limited liability companies when their activities overlap with those of the municipal company, the CCC put forth the argument that there is no legal definition of "similar activity", and that the prohibition rather applies to the extent that the activity performed is not in direct competition with the company in which the person performs managerial functions. In this case the two companies offered different services, since one was a hospital and the other offered outpatient care. The commission's decision, however, fails to analyze whether the scope of the hospital's activities overlaps with that of the outpatient clinic, as both are providers of services related to gynaecological health, pregnancy and maternity care.

104. Art. 10, Par. 1 of the Law on Statutory Instruments;

105. Art. 30, Par. 4, Item 4 of the Law on local self-government and local administration

106. Decision number RC-95-23-12; Decision number RC-550-23-011;

107. Decision number RC-550-23-011;

108. Art. 20, Par. 1, Items 10, 11, and Par. 2 of the Law on public companies;

5/

Selection of cases that illustrate the tendencies in CCC’s 2024 activities

5.1 CCC decision¹⁰⁹ that did not establish a conflict of interest in the case of Desislava Atanasova

The report alleged that during a National assembly session held on 19.01.2024 to elect judges for the Constitutional Court of the Republic of Bulgaria (CC), **Desislava Atanasova, a member of the 49th National Assembly**, voted in her own interest and personal candidacy.

The commission did not establish a conflict of interest


The CCC did, as a matter of fact, establish that there was a National Assembly vote on 19.01.2024 to elect judges for the CC, where Atanasova was elected to the court with 159 votes in favor. Atanasova was present during the vote, and also **voted for her own candidacy**. The CCC’s argument was that she **had no personal interest, since she would be voluntarily giving up her post as a representative at the assembly**, an act devoid of benefit, and furthermore, she voted to assume public office linked to a burden to the benefit of society. Moreover, according to the CCC, Atanasova’s participation in the vote **would not have changed the tally anyway**.

Comment

The commission’s conclusions that did not establish a conflict of interest are completely unfounded. By voting yes for her own candidacy for constitutional judge, Atanasova was in violation of the prohibition regarding a senior public official **has no right to vote in favor of personal interest in the execution of their duties**¹¹⁰. The fact that she would be taking on a position that carries public responsibilities and voluntarily departing her present one is categorically irrelevant. The powers executed led to material and immaterial benefits, represented by help and support for oneself¹¹¹ to get a position of higher rank and pay. By voting for herself, Atanasova compromised the integrity of that public position, the post of representative, the accepted parliamentary order, and the functions it bestows¹¹². There is ample case law, according to which the legislator does not require proof of how the exercise of authority was affected by the identified personal interest. It is sufficient that there is a

109. Decision number RC-48-24-016;
110. Art. 74 of APFC;

111. Decision number 250 from 10.01.2024, on administrative case 9369 / 2023 of SAC,
112. PDecision number 6447 from 28.06.2022, on administrative case 1114 / 2022 of SAC,



formal violation, and it is not necessary to prove a resulting act with actual negative consequences.¹¹³ Therefore, it is irrelevant whether the exercise of her vote could affect the final result.

At the same time, in the case of Atanas Atanasov, executive director and board member of Holding Bulgarian State Railways (BDZ EAD), who voted to elect himself director, the CCC concluded that there was a violation, since he voted in his own personal interest and benefited in the form of a senior position. Here, **the commission put forth completely opposing arguments for the same violation.** Atanas Atanasov was fined 83 975.61 levs, which represented the sum of the salaries and material benefits received for the period he occupied the position of director. Concurrently, however, Desislava Atanasova was absolved of all charges.

113. Decision number 6447 from 28.06.2022, on administrative case 1114 / 2022, Decision number 31 from 03.01.2020, on administrative case 1419/2019 and the judicial practice described in it, decision number 2702 from 19.02.2020, on administrative case 9241/2019, decision number 7613 from 17.06.2020, on administrative case 8700/2019, decision number 8219 from 25.06.2020, on administrative case 455/2020, filed at SAC.

5.2 CCC decision¹¹⁴ did not establish a conflict of interest in the case of Delyan Dobrev

The report was provided by the ACF as a result of serious indications of a conflict of interest in the case of Delyan Dobrev, **representative in the 48th National Assembly**. As the proponent of an initiative to compel the Council of Ministers to amend the Energy section of Bulgaria’s recovery and resilience plan. Additionally, he participated in a presentation, discussion and vote in the National Assembly’s Energy Committee, and finally participated in the vote to support the proposal, which was adopted. The suspicions were based on his connection to Vizior Ltd., a company owned and managed by Delyan Dobrev’s parents, which has business relations with the Maritsa 3 TPP. In a report by the Executive forest agency following an inspection of the Regional forest agency Kardzhali, it was established that the Maritsa 3 plant received eight receipts from Vizior Ltd. for the delivery of wood chips, but there was no proof that the chips were actually delivered. This gave rise to suspicions that Delyan Dobrev was in a conflict of interest, as in the course of performing his official duties in the energy sector, he introduced, discussed, and voted on policies that aimed to ensure “the work of coal plants will not be limited”¹¹⁵.

The commission did not establish a conflict of interest


The argument given by the CCC for its decision was that the Recovery Plan did not directly impact civic rights and duties, since it resulted in action only after it was implemented through national laws. Additionally, the adoption and amendments of the Recovery Act were part of a complex sequence of events with the participation of both European and state institutions. Dobrev’s use of official powers was only one part of a complicated process of coordination and passing of the proposed changes. To boot, the CCC claimed that an analysis of the amendments led to the conclusion that they were in defense of public interest. As a result, the commission established that Delyan Dobrev acted in the public interest.

Comment

The commission’s conclusion that when the exercise of powers is part of a complex procedure it is not possible to use for private gain are erroneous. It is precisely the powers exercised by a representative and the participation in the discussion and vote that initiate the complex procedure of amending already agreed and committed implementation obligations toward the Recovery Act. The meaning of the law, supported by case law, and enshrined in the numerous decisions of the Commission, is that for a conflict of interest to exist, the mere formal commission of the offence is sufficient to raise doubts as to how the powers were exercised without the need for a negative consequences result. In that sense, in Dobrev’s case the commission improperly viewed the powers exercised as part of a complex sequence of events, excluding the possibility that their exercise could lead to negative consequences. It did not, however, take into account that the mere possibility of personal interest to influence the impartial and objective exercise of powers is a threat to public interest prohibited by law. The aim is to prevent any suspicion of exercising powers for personal gain, rather than public interest. That the company owned by Dobrev’s parents is one of the contractors of the Maritsa 3 TPP, is not just mere circumstance that excludes the possibility of personal interest, but in fact the exact opposite: an indication of the presence of economic links. In order to not establish a conflict of interest, any suspicions that the representative exercised powers in favor of the coal power plants and against public interest must be dispelled. The CCC seems to have omitted analyzing that one of the proposals in the draft was to: “revoke the commitment to reduce carbon emissions from electricity production by 40% by the end of 2025 ... by ensuring the operation of the coal power stations without restriction until at least 2038”, which gives the distinct impression of defending the work of

114. Decision number RC-513-24-096;

115. <https://www.parliament.bg/bg/parliamentarycommittees/3125/steno/7158>



coal based plants, as opposed to public interest in the form of pursuing the European target to reform and decarbonize the energy sector. Instead, the CCC attempted to argue that the decision was approved by a majority in the assembly, it quoted speeches by representatives during the debates to support its conclusion that Delyan Dobrev “acted in defense of the public and national interest. The provided quotations and the assembly vote that approved the decision referred to it as a whole, but did not analyze whether the specific proposal defended the operation of coal power plants and whether it coincided with public interest.

An even more disturbing fact is that after the ACF filed a complaint with the prosecution, the Sofia City Prosecution refused to open an investigation in February of 2024. One of the arguments was a lack of proven connection between Delyan Dobrev and the company owned by his parents. Actually, the CCC decision that did not establish a conflict of interest was made public in August of 2024, gives the impression that the prosecution is referring to an inexistent administrative act, and that the institutions are acting selectively and with a synchronicity coordinated beforehand .

5.3 CCC decision¹¹⁶ did not establish a conflict of interest in the case of Ivan Andreev

The report stated that with a decision from 28.04.2024, **Ivan Andreev, in his capacity as executive director and board member of the Bulgarian Energy Holding (BEH), was appointed as the executive director of the Kozloduy NPP.**

The commission did not establish a conflict of interest

The CCC established that during a BEH board meeting in the absence of Ivan Andreev, a member of the board of directors of the Kozloduy NPP was dismissed and Andreev was elected in his place. The commission concluded Kozloduy NPP is a company that forms part of BEH and is additionally a 100% state-owned subsidiary of BEH. Therefore, the activities of both companies were fully synchronized to serve public interest. The commission did not find that this was in violation of the regulation¹¹⁷ that stipulates individuals who have held public office are prohibited from assuming another post at a company where the individual had the power to exercise regulation or control over said company, for a period of one year after stepping off the post. Although BEH and Kozloduy have precisely that type of relationship. The CCC ruled that there was no violation of the prohibition, since the sole owner of BEH, the Minister of Energy, was the one making decisions over hiring and firing of company representatives. Since Ivan Andreev himself had not exercised any powers, personal interest that could have affected the impartial execution of his official duties was not established.

Comment

The commission’s argument that there was no conflict of interest is completely erroneous. The case represents a direct violation of one of the prohibitions regarding powers to regulate and control. Namely, that the executive director of the owner-company assumes the position of executive director of another company, which 1005 owned by the former company. The fact that both companies are under the Minister of Energy does not in any conceivable way remove the prohibition, nor overcome the possibilities for a conflict of interest that could arise. The idea behind the prohibition is to prevent harm to public interest, wrongdoing and abuse of power due to the information the individual possesses from the previous senior position. The conclusions that the two companies carried on “synchronised activities in the public interest” and had a common sole proprietor in no way alter the fact that a person who performed managerial and representative functions in both companies could not be assessed as impartial in respect of his own decisions taken during the performance of his previous duties. It is precisely because these companies operate in the public interest that a high degree of ethics, integrity and professionalism is owed by their directors so that no doubt remains as to the exercise of their powers in the public interest.

116. Decision number RC-540-24-123;

117. Art. 86 of APFC;

5.4 CCC decision¹¹⁸ did establish incompatibility in the case of Andrey Gyurov

The proceedings established that **Andrei Gyurov, as a vice-governor of BNB,** was at the same time a member of the executive board of a political party, a member of the board of two associations and a partner and shareholder in a limited liability company.

The commission established incompatibility

The CCC established that Andrey Gyurov declared that he was not involved in activities that were incompatible with the execution of the post vice-governor of BNB¹¹⁹. The commission also established that Gyurov was a partner in a limited liability company when he took office, and that he was removed as a partner in that company at the Registry agency four months after he took office, a circumstance which placed him in an incompatible position. There was also a restriction on vice-governors to carry out unpaid work by unanimous decision of the board, as long as there was no conflict of interest¹²⁰. The CCC stated that Gyurov had not informed the BNB board of his participation as a member of the governing body of a non-profit legal entity and it did not matter whether he was active as one. The commission held that there was no incompatibility when it came to Gyurov's activities as a member of the executive council of a political party, insofar as he had submitted an application to the party leadership, the executive council, and the party's secretary-general requesting early termination of his term of office on the same date on which he took office as a sub-governor of the BNB. The conclusion was that Andrei Gyurov had not taken the necessary actions to eliminate the incompatibility related to his participation as a partner in a limited liability company, as well as his activity as a member of the governing body of a non-profit legal entity and to notify the authority of his election about it within the time limit.

Comment

There is no legal impediment to Andrey Gyurov's participation in an Ltd. company while BNB vice-governor. The CCC correctly quoted the prohibition that a BNB board member can not be an unlimited liability partner in a commercial company, but concluded there is a compatibility with partnership in an Ltd. without any arguments as to how it took that decision. In its entire incompatibility practice for 2024, the CCC made the exact opposite ruling, that partnership in an Ltd. did not constitute commercial activity. There is no other such case where the commission ruled there was incompatibility. The commission did not find any violations of any of the other prohibitions resulting in incompatibility, but relied on the permissive provision that unpaid activity may be performed by unanimous action of the board. As such, it is not a provision governing incompatibility for holding a particular office. Additionally, CCC's claim that it is irrelevant whether the person has performed activities as a member of the governing bodies of an NGO are incorrect, as the provision permits precisely the performance of unpaid activities. The decision was appealed¹²¹, and the ACSC ruled that the CCC committed procedural irregularities by failing to notify Gyurov of the proceedings initiated against him, and it did not provide him with the opportunity to participate or provide evidence. The court ruled that the CCC had failed in its duty to collect, verify and assess all relevant evidence and clarify the facts. After reviewing the evidence, the court formed the conclusion that Gyurov was not a member of the governing bodies of any NGOs at the time he took office. Additionally, the court ruled that the CCC did not have jurisdiction to rule on the conduct of unpaid activity, because the regulation authorized the conduct of activity conditionally and established compliance.

118. Decision number RC-CCC-16-23-18;

119. Art. 11, Par. 4 of the Bulgarian National Bank Act, amended on 30.12.2022: The following individuals may not become board members: 1. Individuals sentenced to imprisonment for a deliberate crime; 2. Individuals that declared bankruptcy as a sole trader or unlimited partner in a trading company; 3. Individuals that have been, during the last two years preceding the date of the decision to declare a commercial company or cooperative insolvent, a member of its management or supervisory body; 4. (new - State Gazette number 42, 2009) Individuals that acted as manager, commercial agent, commercial representative, procurator, commercial intermediary, liquidator or receiver, member of a management or control body of a commercial company or cooperative with the exception of companies in which the Bulgarian National Bank has holdings; 5. (new - State Gazette number 42, 2009) An individual who is the spouse of, or is in a de facto relationship with, a lineal, consanguineous, up to and including the fourth degree, or fraternal, up to and including the second degree, relative of another board member.

120. Art. 12, Par. 5 of the Bulgarian National Bank Act, amended on 30.12.2022

121. Decision number 26743 from 11.12.2024, administrative case 6637/2024, 25th court, filed at ACSC;

6/ Recommendations

The tendencies in the practices of the CCC make apparent the fact that the legislative reforms that aimed to create an effective anti-corruption institution have not achieved their aim. It is Rule of Law Report.¹²¹ the EC remarked on the progress made in regard to institutional reform and the CCC, but also recommended that the proper functioning of the commission be guaranteed.

In that regard, in spite of the adoption of a new anti-corruption law, yet another institutional reform of the commission has not been performed in its entirety, and to a point of completion that would guarantee the expected results, namely to provide a dependable system for the investigation of violations or crimes and hold the responsible individuals accountable. It must also be pointed out that the anti-corruption commission is only one part of the system to uncover corruption at the highest levels of government, and it should not be expected that its reformation could achieve complete success and effectiveness before the independence of the judiciary and prosecutor's office are in place to guarantee the rule of law.

Considering what has been detailed, this analysis conveys the necessity of further legislative reform with the aim of correcting some of the inconsistencies inherited from the previous law. The following recommendations could be derived, which confirm and complement those of previous reports:

To define the term conflict of interest so it is not limited to listing situations that could constitute a conflict of interest. The leading connotation of the term must be that personal interest could be any interest that could be reasonably assumed to negatively affect the execution of official duties.

Considering the aforementioned recommendation, it would follow that the additional definition of connected individuals should also be discarded, as it has a limiting effect on the identification of conflict of interest cases. If there is a necessity to define the term, it should be specified in a manner that does not list a finite number of possibilities and allow for an investigation of whether there is a connection between individuals that could facilitate placing a person in a privileged position.

To put in place guarantees that the institution in charge of effectively counteracting corruption initiates conflict of interest investigations on its own initiative.

To repeal Art. 37, p. 2 of the Local Self Government and Administration Law (LSGAL, State gazette, 70/202), according to which town councilors can discuss and vote on the municipality's budget without falling under the APFC and LCIAPBS conflict of interest provisions. The necessity to repeal this exception becomes even greater when considering that town councilors are not banned from executing commercial activities and it is not considered incompatible with holding office. This creates unlimited opportunities to legally develop practices through which councilors could benefit companies or individuals connected to them. The legislative logic behind excluding the possibility to investigate individuals when they pursue personal over public interests is no less than perplexing.

121. 2024 Rule of law report https://commission.europa.eu/publications/2024-rule-law-report-communication-and-country-chapters_bg?prefLang=bg

To clarify the prohibitive provisions so as to clearly delineate the situations in which it is required that the individual actually executed official powers, from the cases where it is enough to objectively establish a scenario in which the senior public official found themselves by agreement or implicit agreement.

Establish a provision to limit the ability of public office holders to receive gifts or benefits for having exercised specific powers in their personal interest or having their decisions influenced.

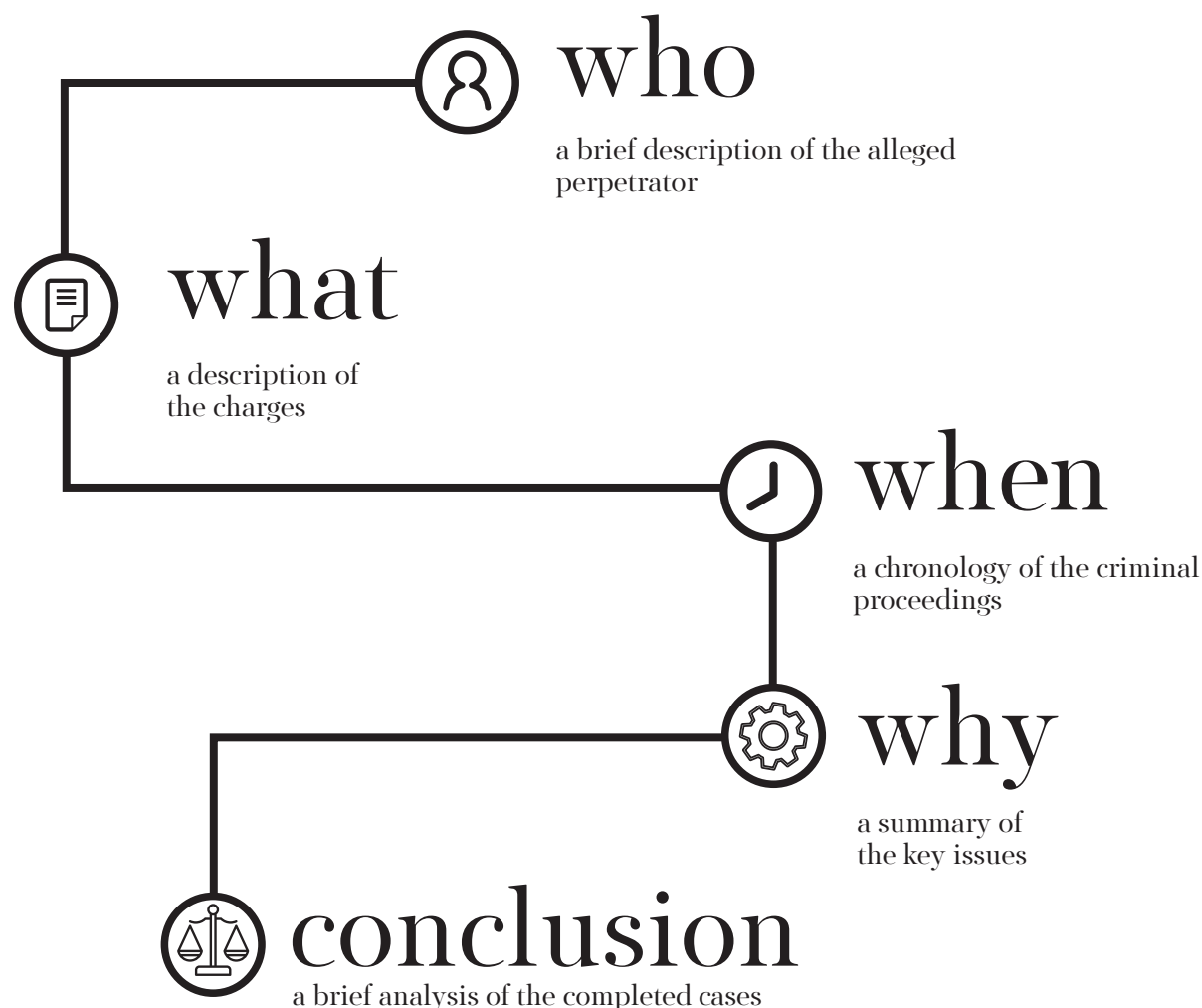
To provide for the possibility to file anonymous complaints, as well as a specific possibility for citizen organizations that exercise public control over institutions to file tip-offs.

Annex One

Results of the Criminal Prosecution of High-Level Corruption

Andrey Yankulov

All the cases in this annex are structured in the following identical manner:



Sources of information:

The description of all case facts is based on information from public sources: court rulings available on the webpages of the relevant courts, indictments on cases at the trial stage, press releases by the Prosecutor's Office, media publications, as well as information provided by judicial bodies. The charges have been presented as authentically as possible, notwithstanding certain minor redactions and insignificant abridgments aimed at making them more digestible for the general public.

The cases have been divided into the following categories:

- cases concerning officials in the legislature and the government for the period 2014 - 2019: from 1 to 20
- cases concerning representatives of the judiciary for the period 2014 - 2019: from 21 to 23
- cases concerning other officials in the executive and in local government for the period 2014 - 2019: from 24 to 40
- cases from 2020 – from 41 to 45
- cases from 2021 – from 46 to 49
- cases from 2022 – from 49 to 56
- case from 2023 – 57
- cases from 2024: from 58 to 66

case 01



HRISTO BISEROV / A

Deputy Chairman of the Bulgarian National Assembly,
2009 – 2013, from the Movement for Rights and Freedoms



The case was analyzed as completed in the ACF Annual Monitoring Report from 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 02



HRISTO BISEROV / B

Deputy Chairman of the Bulgarian National Assembly,
2009 – 2013, from the Movement for Rights and Freedoms



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 03



SIMEON DYANKOV

Deputy Prime Minister and Minister of Finance, 2009 – 2013,
together with the defendant under item 4 and four other defendants



The case was analyzed as completed in the ACF Annual Monitoring Report from 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 04



TRAYCHO TRAYKOV

Minister of Economy, Energy and Tourism, 2009 – 2012,
together with the defendant under item 3 and four other defendants



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 05



TSVETAN TSVETANOV / A

Deputy Prime Minister and Minister of Interior, 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report from 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 06



TSVETAN TSVETANOV / B

Deputy Prime Minister and Minister of Interior, 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, „Anti-Corruption Institutions: Activity Without Visible Results“, Sofia: ACF, 2020



case 07


**MIROSLAV NAYDENOV**

Minister of Agriculture and Food, 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020

**case 08**


**DELYAN DOBREV**

Minister of Economy, Energy and Tourism, 2012 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022


For its detailed presentation, see A. Yankulov, A. Kashumov, “Anti-corruption institutions: zero year“, Sofia: ACF, 2022

**case 09**

**RUMEN OVCHAROV**Minister of Economy and Energy, 2005 – 2007,
together with the defendants under items 10., 31. and 32.

The case was analyzed as completed in the ACF Annual Monitoring Report for 2022

For its detailed presentation, see A. Yankulov, A. Kashumov, “Anti-corruption institutions: zero year“, Sofia: ACF, 2022



case 10



PETAR DIMITROV

Minister of Economy and Energy, 2007 – 2009 together with the defendants under items 9., 31. and 32.

what



when



Charged with intentional mismanagement of public funds:

On an unidentified date in the period January 2007 – 13 December 2007, as a representative of the sole owner of the capital of the Ministry of Economy in NEK EAD, he deliberately failed to exercise sufficient control over the work of Lyubomir Velkov and Mardik Papazyan (Chief Executive Directors of NEK EAD). The latter two persons were responsible for managing the NEK EAD public assets in the context of a Framework Agreement for the Delivery of Equipment from the Belene Nuclear Power Plant. Dimitrov's failure to exercise control led to significant damages in the amount of EUR 77,172,475. His actions represent an especially serious crime under Art. 219, par. 4 in conj. With par. 3 and par. 2 of the CC.

Dimitrov was charged by the Sofia City Prosecutor's Office in October 2016 – the SCPO filed a bill of indictment in February 2021 (criminal case 246/2021) – returned for procedural violations by the Specialized Criminal Court to the Specialized Prosecutor's Office in June 2021, the case being at a pre-trial stage since or has been terminated in the meantime at an unknown date.

conclusion



why



There is no information about whether the proceedings are over. However, even if they continue, it is objectively impossible for them to end with a guilty sentence.

Dimitrov was charged at the pre-trial stage of proceedings nine years after the alleged crime had been committed, even though the crime concerns a transaction, the parameters of which had been publicly known. In other words, there was no complicated criminal scheme in this case that would have required considerable time to disentangle. The bill of indictment was filed more than 13 years after the alleged crime had been committed.

It is noteworthy that Dimitrov was accused of failing to exercise control over the work of NEK's executive directors, Velkov and Papazyan, in relation to the signing of an agreement in 2007, other than the agreement for which they were brought to trial, which was signed in 2006 (see cases 26 and 27, Dimitrov was not even Minister in 2006). Velkov and Papazyan were initially charged at the pre-trial phase of proceedings on account of the framework agreement of 2007 that is specified in Dimitrov's bill of indictment, but these charges were not included when the case was brought in court. It remains unclear how the failure to exercise control over certain actions can be deemed a crime, while at the same time the very actions that were left unchecked do not amount to criminal behavior.

After the case was returned by the Specialized Criminal Court to the Specialized Prosecutor's Office for procedural violations, its destiny is unknown. Information regarding its progress has not been provided either by the Specialized Prosecutor's Office or – after the latter was closed – by the Sofia City Prosecutor's Office.

The absolute limitation period for prosecution in this case is 15 years and it expired on 13 December 2022, i. e., the criminal proceeding should have been terminated but this fact cannot be verified due to refusal on the part of the prosecutor's office to provide information.

case 11



NIKOLAY NENCHEV / A

Minister of Defense, 2014 – 2017



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 12



NIKOLAY NENCHEV / B

Minister of Defense, 2014 – 2017



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 13



DANIEL MITOV

Minister of Foreign Affairs, 2014 – 2017, together with the defendants under items 15.



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 14



HRISTO ANGELICHIN / A

Deputy Minister of Foreign Affairs, 2014 – 2017



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 15



HRISTO ANGELICHIN / B

Deputy Minister of Foreign Affairs, 2014 – 2017



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 16



PETAR MOSKOV

Minister of Health, 2014 – 2017, together with the defendant under item 17 and three other defendants

what



when



Charged with malfeasance in office, entering an unfavorable transaction, and intentional mismanagement of public funds:

On 9 July 2015, in his capacity of Minister of Health, together with the accessory Deputy Minister Adam Persenski, Moskov violated and failed to exercise his official duties under the Health Act, the Medicinal Products in Human Medicine Act, and the Rules on the Structure of the Ministry of Health (MoH). In particular, Moskov accepted 100,000 doses of a pentavalent combination vaccine for children, produced in the Republic of Turkey, and 100,000 doses of Hepatitis B vaccine, produced in the Republic of Korea. The use of both vaccines is prohibited in the Republic of Bulgaria. The motivation behind Moskov’s actions was to procure a benefit for a third party — namely Turkey’s Ministry of Health — consisting in the receipt of a donation of 5,000,000 doses of tuberculosis vaccine in order to help fulfil Turkey’s immunization schedule. Moskov’s actions resulted in considerable negative consequences for the MoH: pecuniary damages in the amount of BGN 325,233.87 representing payments for VAT, customs and transportation services; and non-pecuniary damages, consisting in harming the MoH’s reputation, preventing effective government control of the policies concerning the use of drugs, and provoking distrust in the public with respect to the vaccination of children. The case was considered especially serious and Moskov was charged under Art. 282, par. 3 in conj. with par. 2 and par. 1, in conj. with Art. 20, par. 2 and 1 of the CC.

On 27 November 2015, in his capacity of Minister of Health and together with Deputy Minister Adam Persenski, Moskov aided and abetted the principal perpetrator L.A.D. — Manager of Bul Bio NTZPB EOOD — to enter into an unfavorable transaction. In particular, Moskov used his ministerial power to sign an agreement for the donation of BCG vaccines with L.A.D. This resulted in damages of considerable proportions for Bul Bio NTZPB EOOD, amounting to BGN 427, 788.31 /the value of 5 million doses of tuberculosis vaccine, coupled with insurance and transportation costs/. Moskov was charged under Art. 220, par. 1 in conj. with Art. 20, par. 4 and par. 1 of the CC.

In the period 20 June 2016 – 1 July 2016, in his capacity of Minister of Health and in spite of his duties as Principal of Bul Bio NTZPB EOOD (state-owned enterprise), Moskov failed to exercise control over the work of two subordinates responsible for the management of public funds, namely the Director and Director ad interim of Bul Bio NTZPB EOOD — L.A.D. and R.V.A., respectively. In particular, Moskov failed to exact economic, financial, and accounting information related to the production of vaccines by the enterprise. He further failed to supervise the Director, perform inspections or appoint officials to perform inspections. As a result, the enterprise incurred significant damages amounting to BGN 110, 003.46, which represented expenses for the production and storage of TETADIF vaccines by Bul Bio NTZPB EOOD without the required permission of the Bulgarian Drug Agency. Moskov’s actions constituted an especially serious crime and led to damages of considerable proportions. He was charged under Art. 219, par. 4 and par. 2 of the CC.

Moskov was charged in November 2016 – the Sofia City Prosecutor’s Office filed a bill of indictment with the Specialized Criminal Court in March 2018 – the Specialized Criminal Court issued an acquittal (criminal case 664/2018) in October 2021 – the case is currently pending before the Sofia Court of Appeal (appellate criminal case 778/2023) on appeal by the Prosecutor’s Office.

case 16

why



It should be noted that the first charge against Moskov is for violating and failing to exercise official ministerial duties by accepting doses of a pentavalent combination vaccine for children and Hepatitis B vaccine from the Republic of Turkey, both vaccines banned for use in Bulgaria. However, with a view to satisfying the requirement of intent, it is claimed that by donating 5,000,000 doses of Bulgarian-produced tuberculosis vaccine, the defendant intended to procure a benefit for Turkey's Ministry of Health. It is stated in the charges that the value of the vaccines given by Turkey to Bulgaria was BGN 1, 725, 040, whereas the value of the vaccines given by Bulgaria to Turkey was BGN 427, 788. Therefore, Turkey made a much bigger donation than the one it received. On another hand, the pecuniary damages partially consist in the payment of VAT to the state budget. The second charge is formulated using an innovative approach: the defendant Moskov is charged with aiding and abetting the crime of entering into an unfavorable transaction (donation agreement, in this case), by signing the donation agreement on behalf of the receiving party, while it is claimed that the donating party was the one that incurred damages. In essence, it is asserted that a state-owned enterprise incurred damages by donating its own property to a ministry. After more than three years of judicial proceedings at the first instance, Moskov and all other defendants were acquitted.

In its reasoning for the issued acquittal, the first-instance court held that the prosecuted acts set out under each of the charges did not constitute violations of criminal law. With regards to the charge of malfeasance in office, the court held that Moskov's and Persenski's (his accessory) acceptance of 100,000 doses of a 0.5 ml pentavalent combination vaccine for children sold under the brand of Pentaxim and of 100, 000 doses of Hepatitis B vaccine sold under the brand of Euvax B did not amount to unlawful

behavior. It was held that the acceptance in question had happened in accordance with an international agreement between Bulgaria and Turkey, which the Minister had to fulfill by accepting the vaccines gifted by Turkey and providing the necessary number of BCG vaccines to be gifted by Bulgaria to Turkey. In addition to stating the absence of unlawful behavior in the case, the court ruled that there had been no violation of, nor failure to exercise, official duties in the case, nor were there any significant negative consequences resulting from such violation or failure on the part of the defendant, as alleged in the bill of indictment. The only fact that the court considered as categorically established in the course of the court proceedings was that at the date when the indicted act had been committed, 9 July 2015, Moskov had indeed occupied the office of minister.

According to the court, in the context of a global crisis caused by a shortage of vaccines (pentavalent and hexavalent vaccines), the defendant did everything in his power, alongside his team at the Ministry of Health, to procure the necessary vaccines and ensure the implementation of the National Immunization Calendar.

With regards to the charge of aiding and abetting the conclusion of an unfavorable transaction, the court decisively held that no unfavorable transaction had been concluded between Bul Bio NTZPB EOOD and the MoH, not least because the company was 100% state-owned and under the control of the Minister of Health, and, therefore, no damages could be incurred by the company as a result of a transaction with the MoH. In consequence, since there was no unfavorable transaction in the first place, there could be no aiding and abetting in this regard, either.

With regards to the charge of intentional mismanagement of public funds, the court held that since the manager and acting manager of Bul Bio NTZPB EOOD, L.A.D. and R.V.A., had not engaged in the mismanagement of funds

case 16

conclusion



alleged by the Prosecutor's Office, it was by default impossible that the defendant Moskov engaged in such mismanagement, which would consist in omitting to exercise sufficient control over them.

The second-instance court announced that a decision was pending in September 2024. However, the decision has not been published yet. The fact that the court did not issue a conviction means that either the acquittal, issued by the first instance court will be confirmed, or that the proceedings will be returned for a judicial review to the court of first instance on grounds of procedural violations.

The proceeding is still pending.

case 17



ADAM PERSENSKI

Deputy Minister of Health, 2014 – 2017, together with the defendants under items 16., and three other defendants

what



Charged with malfeasance in office and entering an unfavorable transaction:

On 9 July 2015, in his capacity of Deputy Minister of Health, Persenski aided and abetted the principal perpetrator, Petar Moskov, to violate his official duties under the Health Act, the Medicinal Products in Human Medicine Act, and the Rules on the Structure of the Ministry of Health (MoH). The culpable act was carried out with the aim to procure a benefit for a third party — Turkey’s Ministry of Health — by agreeing to receive a donation of 5,000,000 doses of tuberculosis vaccine, and thus helping Turkey fulfill its immunization schedule. In particular, Persenski organized meetings with representatives of the Republic of Turkey, took part in working groups, submitted reports, etc., thus enabling Moskov to accept 100,000 doses of pentavalent combination vaccine for children, produced in Turkey, and 100,000 doses of Hepatitis B vaccine, produced in the Republic of Korea. The use of both vaccines is prohibited in the Republic of Bulgaria. Persenski’s actions resulted in considerable negative consequences for the MoH: pecuniary damages in the amount of BGN 325,233.87, representing payments for VAT, customs and transportation services; and non-pecuniary damages consisting in harming the MoH’s reputation, preventing effective government control of the policies concerning

the use of drugs, and provoking distrust in the public with respect to the vaccination of children. The case was considered especially serious and Persenski was charged under Art. 282, par. 3, par. 2, and par. 1, in conj. with Art. 20, par. 4 and 1 of the CC;

On 27 November 2015, in his capacity of Deputy Minister of Health and together with Petar Moskov, Persenski aided and abetted the principal perpetrator L.A.D. – Manager of Bul Bio NTZPB EOOD – to enter into an unfavorable transaction for the donation of vaccines. In particular, Persenski gave oral instructions to the Head of the Department of Regulatory Legislation and Public Procurement in Health to draft the donation agreement for the vaccines. The agreement was then signed by Persenski and other ministerial officials, after which Persenski told his secretary to call the Manager of Bul Bio NTZPB EOOD, L.A.D., and give him the signed agreement, saying the following: “Deputy Minister Persenski left this agreement for you to sign. He said that everything was fine and that there would not be any problems.” Persenski’s actions resulted in damages of considerable proportions to Bul Bio NTZPB EOOD, amounting to BGN 427,788.31 /the value of 5 million doses of tuberculosis vaccine, coupled with insurance and transportation costs/. Persenski was charged under Art. 220, par. 1 in conj. with Art. 20, par. 3, par. 4 and par. 1 of the CC.

case 17

when



Persenski was charged in November 2016 – the Sofia City Prosecutor’s Office filed a bill of indictment with the Specialized Criminal Court in March 2018 – the Specialized Criminal Court issued an acquittal (criminal case 664/2018) in October 2021 – the case is currently pending before the Sofia Court of Appeal (appellate criminal case 778/2023) on appeal by the Prosecutor’s Office.



why

The observations expressed in item 16 are equally applicable in this case.

After more than three years of judicial proceedings in the first instance, Persenski and all other defendants were acquitted.

In its reasoning for the issued acquittal, the first-instance court held that the prosecuted acts set out under each of the charges did not constitute violations of criminal law.

With regards to the charge of malfeasance in office, it concerns aiding and abetting which cannot be maintained if the indicted act of the principal alleged perpetrator, Moskov, is not considered a crime (see item 16).

With regards to the charge of aiding and abetting the conclusion of an unfavorable transaction, the court decisively held that no unfavorable transaction had been concluded between Bul Bio NTZPB EOOD and the MoH, not least because the company was 100% state-owned and under the control of the Minister of Health, and, therefore, no damages could be incurred by the company as a result of a transaction with the MoH. In consequence, since there was no unfavorable transaction in the first place, there could be no aiding and abetting in this regard, either.

The second-instance court announced that a decision was pending in September 2024. However, the decision has not been published yet. The fact that the court did not issue a conviction means that either the acquittal, issued by the first instance court will be confirmed, or that the proceedings will be returned for a judicial review to the court of first instance on grounds of procedural violations.

conclusion



The proceeding is still pending.

case 18



RUMEN OVCHAROV/B

Minister of Economy and Energy, 2005 – 2007, together with the defendant under item 19., there is one more defendant

what



when



Charged (finally) with intentional mismanagement of public funds:

In the period 25 May 2006 – 18 July 2007, Ovcharov was Minister of Economy and Energy, and in this capacity, he was responsible for exercising the government's rights as a sole shareholder in Mini Bobov Dol EAD. In violation of his obligations under the Rules on the Structure of the Ministry of Economy and Energy (RSMEE) and the Rules on Exercising the State's Shareholder Rights in State-Owned Enterprises (RPESRSOE), Ovcharov intentionally did not exercise sufficient control over the work of P.S.E. — Board Member and CEO of Mini Bobov Dol EAD — and the work of Anna Yaneva — Deputy Minister of MEE — in relation to the negotiation, conclusion, and execution of a contract (dated 9 June 2006) for lending assets of Mini Bobov Dol EAD to Oranovo EOOD. Ovcharov's culpable behavior (consisting of three omissions to act, jointly constituting a continuing crime) caused damages of considerable proportions to Mini Bobov Dol EAD — BGN 24,455,475.80. The culpable act did not fit the characteristics of the more severe form of the alleged crime but was considered an especially serious case due to the transfer of Mini Bobov Dol EAD's exclusive rights to mine, transport, and sell coal, to O. EOOD. The transfer of rights was in violation of the Underground Resources Act and the Concessions Act. Mini Bobov Dol EAD went into insolvency. Ovcharov was charged under Art. 219, par. 4, par. 3, and par. 2 in conj. with Art. 26, par. 1 of the CC.

Ovcharov was charged in October 2017 — the Sofia City Prosecutor's Office filed an indictment with the Specialized Criminal Court in March 2018 — the case was remitted due to procedural violations in April 2018 — the Specialized Prosecutor's Office filed an indictment with the Specialized Criminal Court in April 2019 — the Specialized Criminal Court issued a conviction (criminal case 1635/2019) in July 2020 (the defendant was sentenced to a suspended prison term of two years with three years of probation and barred from exercising certain rights) – the conviction was repealed by the Supreme Court of Cassation (cassation case 100/2022) in September 2022 and the case was remitted to the second-instance court - in January 2023, the Sofia Court of Appeal (appellate publicly prosecutable criminal case 985/2022) remitted the case to the Sofia City Court – in March 2023, the Sofia City Court (criminal case 362/2023) remitted the case to the Sofia City Prosecutor's Office on grounds of procedural violations (upheld by the Sofia Court of Appeal (appellate privately prosecutable criminal case 399/2023) – the proceedings have been closed by the Sofia City Prosecutor's Office in March 2025.

case 18

why



The first indictment against Ovcharov was lodged in court almost eleven years after the alleged crimes were committed. The alleged crime is related to the leasing of assets of Mini Bobov Dol EAD to Oranovo EOOD. However, the nature of the alleged crimes does not justify their delayed detection by the investigative authorities. After the SpCC remitted the case to the SpPO with instructions to rectify identified procedural violations, the alleged damages were amended from BGN 9 mln. to BGN 24 mln. The Prosecutor’s Office took one year to bring the case to court for a second time. The total amount of damages reflects the sum of the damages caused by the three omissions to act, altogether constituting the continuing crime: BGN 977,063.10 representing the difference in value between the coal sold by Oranovo EOOD in the examined period, and the acquired coal for prices determined in an annex to the lease agreement; BGN 19,293,323.82 representing the sum of the unpaid rent due under an annex to the lease agreement and the unpaid utility bills, for the period 10 June 2006 – 7 June 2007; BGN 4,185,088.78 representing the sum of the unpaid rent due under an annex to the loan agreement and the unpaid utility bills, for the period 8 June 2007 – 3 September 2008. The crime “mismanagement of public funds” requires the damage, destruction or squandering of existing property, or other significant damages of a similar nature that have been interpreted to only include actual incurred losses both in theory and in practice (see item 3).

The SpCC held that Ovcharov had fulfilled both the objective and the subjective element of the alleged crime but ruled that the incurred damages amounted to BGN 16,566,344.68, rejecting the amount claimed by the Prosecutor’s Office. The SpCC found that there was no evidence to show that Deputy Minister Yaneva had been assigned obligations to manage, dispose of, or account for public property; therefore, the defendant had had no obligation to exercise control over Yaneva in connection with such property.

The Appellate Specialized Criminal Court has diminished additionally the amount of damage, accepting as such 2 659 040,60 leva that are the value of unpaid overalls like explosion works, food products, electricity, delivered nitrogen and oxygen, telephone calls. According to the appellate court, as to the lending price, the action is not a crime since it is an established tenet in judicial practice that the amount of damages of mismanagement of funds under Art. 219 CC only includes actual losses but not missed benefits. The ASCC acquitted Ovcharov also for the charge that the action was committed in the conditions of a continuing crime, as well as for a part of the period of commission as charged.

According to the Supreme Court of Cassation, the appellate court ruled outside the framework of the bill of indictment, allowing a contradiction between the operative part and the reasoning of the sentence, placing the criminal defendant in a situation where he learnt only from the appellate sentence what crime exactly he had committed. The appellate instance has committed according to the Supreme Court of Cassation other offences too: the reasoning to the sentence do not contain an overall examination and evaluation of the sources of evidence, which clarify the incriminated behavior of the criminal defendant and the causal link with the criminal result; the appellate court built its conclusions on the facts on unsuitable sources as well as on only a part of the case evidence; it has not stated considerations why certain evidence is preferred to other evidence contradicting it. The supreme magistrates find that the judicial act of the appellate court reveals internal logical inconsistencies, which ultimately lead to impossibility to understand the true will of the court with respect to significant circumstances relevant to the objective and subjective presence of the corpus delicti in the acts of the criminal defendant.

After the Supreme Court of Cassation remitted the case, it went all the way back to the Sofia City Prosecutor’s Office so it could rectify the bill of indictment.

case 18

conclusion



However, the absolute limitation period for criminal prosecution is 15 years. It expired in July 2022. The criminal proceeding continued upon the request of the defendant – Ovcharov cannot be convicted due to the expiration of the limitation period but can be acquitted by the court. The case can also be terminated by the prosecution at the pre-trial phase on grounds that the defendant had not committed the culpable acts or that his actions did not constitute a crime.

The latter did indeed happen. In 2025, nearly 20 years after the date of the alleged act, the Prosecutor's Office closed the proceedings on grounds that the actions did not constitute a crime. The detailed grounds for the decision are unknown because the Sofia City Prosecutor's Office has not provided the decision closing the proceedings.

The proceedings were closed on grounds that the actions did not constitute a crime.

case 19



ANNA YANEVA

Deputy Minister of Economy and Energy, 2005 – 2007, together with the defendants under item 18., there is one more defendant



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: Eyes Wide Shut”, Sofia: ACF, 2023



case 20



VLADISLAV GORANOV

Minister of Finance, 2014 – 2017



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 21



VESELIN PENGEZOV

President of the Military Court of Appeal, 2004 – 2009, together with the defendant under item 22., and other criminal defendants



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 22



PETKO PETKOV

President of the Military Court of Appeal, 2009 – 2024, together with the defendants under item 21., and other criminal defendants



The case was analyzed as completed in the ACF Annual Monitoring Report for 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021



case 23



VLADIMIRA YANEVA

President of the Sofia City Court, 2011 – 2015, together with the defendants under item 35



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 24



ROSEN ZHELYAZKOV

Secretary General of the Council of Ministers, 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 25

**ANGEL SEMERDZHIEV**

Chairperson of the State Energy and Water Regulatory Commission (SEWRC), 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022

For its detailed presentation, see A. Yankulov, A. Kashumov, “Anti-corruption institutions: zero year“, Sofia: ACF, 2022

**case 26**

**SVETLA TODOROVA**

Chairperson of the State Energy and Water Regulatory Commission (SEWRC), 2014 – 2015



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: Eyes Wide Shut”, Sofia: ACF, 2023

**case 27**

**STANIMIR FLOROV**

Director of the General Directorate for Combating Organised Crime, 2009 – 2013



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 28 and 29



KIRCHO KIROV

Director of the National Intelligence Service (NIS), 2003 – 2012

what



when



He was charged with various counts of embezzlement:

/28 In the period 1 January 2007 – 31 December 2011, in his capacity of Director of NIS, Kirov em-bezzled NIS funds under his supervision, using the employee J. Z. G. who acted unknowingly. Ki-rov embezzled levs (BGN), euros (EUR), dollars (USD), and pounds (GBP) in the total amount of BGN 4,720,196.53. In order to facilitate the embezzlement, Kirov committed a second crime which, however, does not lead to a more serious punishment — under Art. 311, par. 1 in conj. with Art. 26, par. 1 of the CC. To elaborate, in the period 1 January 2007 – 31 December 2011, in the course of his official duties, Kirov once again used the employee J. Z. G., this time to cre-ate official documents — 252 advance receipts and 889 advance financial reports — that con-tained false statements (that the amounts stated therein were necessary operational expenses and were spent in accordance with the relevant procedures). Kirov intended to submit the doc-uments to the Accounting Department of NIS. The embezzlement of funds was of considerable proportions and was considered an especially serious case. Kirov was charged with committing a continuing crime under Art. 203, par. 1 in conj. with Art. 202, par. 1, item 1, in conj. with Art. 201, in conj. With Art. 26, par. 1 of the CC.

/29 In the period 2007 – 2011, in his capacity of Direc-tor of NIS and in conspiracy with his subordinate, D. I. L., Kirov embezzled NIS funds in EUR and USD, amounting to BGN 5,100,000. In order to facilitate the embezzlement, Kirov committed another crime which, however, does not lead to a greater punishment — document forgery. Kirov was charged with committing a continuing crime of consid-erable proportions under Art. 203, par. 1 in conj. with Art. 202, par. 1, item 2, in conj. with Art. 202, par. 1, item 1, in conj. with Art. 201, in conj. with Art. 26, par. 1 of the CC.

/28 Kirov was indicted before the Sofia Military Court (SMC) in July 2013 — the SMC issued a con-viction in August 2015 (10 years imprisonment, partial confiscation of property, barred from exercising certain rights for 15 years) — the Military Court of Appeal (MCA) amended the ver-dict in May 2016 (to a lesser form of embezzlement that excludes the document forgery; the MCA repealed the part of the verdict establishing that the crime was committed through the use of another person, and reduced the bar on exercising certain rights to 13 years) — the ver-dict was re-pealed by the SCtC and the case was remitted to the MCA in November 2016 (owing to procedural violations at the second-instance phase) — the verdict of the first-instance court was amended for a second time in July 2018 (to a lesser form of embezzlement that excludes the document forgery; the MCA repealed the part of the verdict establishing that the crime was committed through the use of another person, and reduced the bar on exercising certain rights to 13 years) — the case is currently pending before the SCtC (cassation case 1045/2018) on the basis of appeals and a protest and has been suspended several times on account of the health condition of the criminal defendant, the last suspension being in January 2023.

/29 (The case is confidential) Kirov was charged in June 2016 — a bill of indictment was filed before the SMC at the beginning of 2017 — the SMC issued a conviction in January 2018 (15 years' imprisonment, confiscation of half of owned property) — the ver-dict was appealed before the MCA and the case has remained there since May 2018 without any further information about its progress; the proceedings may have been suspended due to illness of the defendant.

case 28 and 29

why



conclusion



/28 The defendant was found guilty by the first-instance court two years after being brought to court, but following that, the case has been tossed between the MCA and the SCtC for the better part of five years. Both panels of the MCA that have heard the case so far amended the verdict to a lesser crime but did not reduce the period of imprisonment. On the other hand, they reduced the period of rights deprivation, which cannot exceed the period of imprisonment by more than three years. The SCtC repealed the MCA judgment and remitted the case for re-trial, holding that the appellate court rejected the defendant's statements on the charges lightly, without making proper references to the circumstances of the case. The defendant had claimed that he had expended the funds in the public interest, not in a personal one, and according to the SCtC, these claims were not verified and considered during the first hearing of the case at the second instance. During the second hearing of the case before the SCtC, the proceedings were suspended due to an illness of the defendant. The latter's presence in court is not required, but he has the right to attend.

In December 2020, the proceedings were resumed. Only one hearing was held in 2021 and the case was again adjourned.

Only one hearing was held in 2022 too and in January 2023 the case was suspended again.

The last hearing was held in June 2023, and the case was once again adjourned.

Considering the development of the proceedings, it is very unlikely that a final court order on the merits of the case will ever be issued. The case has been pending before the Supreme Court of Cassation for almost seven years.

/29 The charges relate to embezzlement of funds, claimed to have been used for payments to six Bulgarian intelligence agents around the world. However, it is claimed that the work of the agents, paid for with the funds in question, had been terminated in 1999. Nevertheless, an amount equivalent to over EUR 2,5 million has been taken out in their names.

This case is also very unlikely to result in a final court order. The case has been pending before the Military Court of Appeal for almost seven years.

/28 The proceedings are still pending.

/29 The proceedings are still pending.

case 30



PHILIP ZLATANOV

Chairperson of the Commission for Prevention and Ascertainment of Conflicts of Interest, 2011 – 2013



The case was analysed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 31 и 32



LYUBOMIR VELKOV AND MARDIK PAPAZYAN

Chief executive directors of NEK, 2005 – 2009, together with the defendants under items 9. and 10.

what



Charged at the pre-trial proceeding phase with entering into an unfavorable transaction under the conditions of joint perpetration:

On 28 November 2007, acting jointly as CEOs of Natsionalna Elektricheska Kom-pania EAD (NEK EAD), the defendants entered into an unfavorable transaction — a Framework Agreement for the supply of equipment from the Belene Nuclear Power Plant in Bulgaria for the price of EUR 205 million — with the head of the unlisted company Atomstroyexport based in the Russian Federation. This resulted in significant damages for NEK EAD in the amount of EUR 77,172,475, thus constituting an especially serious case. Both CEOs were charged under Art. 220, par. 2 and par. 1 in conj. with Art. 20, par. 2 and par. 1 of the CC.

Indicted for joint intentional mismanagement of public funds:

On 29 November 2006, acting jointly as CEOs of Natsionalna Elektricheska Kom-pania EAD, the defendants failed to exercise due care in the fulfillment of their official duties, as they signed an agreement for the construction of the Belene Nuclear Power Plant with the Russian company Atomstroyexport AD, without consulting and obtaining permission from the single shareholder of NEK EAD. According to the agreement, the company was tasked with creating the full conceptual design for the facility and with drafting the technical specifications for the power plant’s units. However, the agreement was executed before an investor for the Belene Project had been selected and before the conclusion of a financing agreement, respectively. This caused significant damage amounting to EUR 193,189,000 — the fee charged by the Russian company. The defendants’ actions do not contain elements of a more serious crime and represent an especially serious violation — crime under Art. 219, par. 4 in conj. with par. 3 and par. 1, in conj. with Art. 20, par. 2 of the CC (for both defendants).

case 31 и 32

when



The Sofia City Prosecutor’s Office pressed charges in October 2016 – a bill of indictment was filed to the Specialized Criminal Court (criminal case 246/2021) by the Sofia City Prosecutor’s Office in February 2021 – it was returned on account of procedural violations by the Specialized Criminal Court to the Specialized Prosecutor’s Office in June 2021, and since then the case is at the pre-trial stage or might have been terminated in the meantime at an unknown moment.

why



The defendants were charged at the pre-trial stage of proceedings nine years after the alleged crimes had been committed, even though the latter related to a transaction, the parameters of which had been publicly known. In other words, there was no complicated criminal scheme in this case that would have required considerable time to disentangle.

However, the bill of indictment contains different charges than those pressed at the pre-trial stage of proceedings. It is noteworthy that in both cases the alleged crimes relate to the conclusion of a transaction, but the invoked provisions of the Criminal Code are different. The probable explanation for this discrepancy is that the punishment for the crime under Art. 219, par. 4 of the CC is up to 12 years of imprisonment, while the punishment for the crime under Art. 220, par. 2 of the CC is up to 10 years of imprisonment. Accordingly, the limitation period for prosecution is also longer in the first case. Nevertheless, at the time when the alleged crimes were committed — in 2006 — the punishment for the crime under Art. 219, par. 4 of the CC was also maximum 10 years of imprisonment, which means that the absolute limitation period in this case will be the same, irrespective of the adopted legal qualification.

After the case was returned by the Specialized Criminal Court to the Specialized Prosecutor’s Office on account of procedural violations, its destiny is unknown. Information for its development has not been submitted either by the Specialized Prosecutor’s Office or – after the closing of the latter – by the Sofia City Prosecutor’s Office.

The absolute limitation period for criminal prosecution is 15 years and expired on 29 November 2021, i.e. the criminal proceeding should have been terminated but this fact cannot be confirmed due to the refusal on the part of the Prosecutor’s Office to provide information.

conclusion



There is no evidence that the proceedings have been concluded. However, even if they are still pending, it is objectively impossible that they will end up with a conviction.

case 33 и 34



RUMEN SIMEONOV AND TSVETAN GUNEV

Deputy Governors of the Bulgarian National Bank in charge of the Banking Supervision from 2007 to 2013 and from 2013 to 2014, together with 16 other criminal defendants under the case

what



Charged separately with malfeasance in office — a crime under Art. 282, par. 3, par. 2, and par. 1 of the CC — for violating or failing to perform their official duties related to the supervision of Corporate Commercial Bank AD (CCB AD), specified in various legislative acts, among which the Bulgarian National Bank Act and the Credit Institutions Act. Simeonov and Gunev did this in order to procure a benefit for a third party /the shareholders of CCB AD/. Their actions resulted in serious damages to the banking system.

when



The defendants were charged in June 2014 — the SpPO filed a bill of indictment with the SpCC in July 2017 — the case is currently pending before the first-instance court — the Sofia City Court after the closing of the Specialized Criminal Court

conclusion



The proceedings are still pending.

why



This is a case of great complexity, as it involves a large number of defendants, witnesses, and expert opinions, as well as plenty of other documentation. The subject of the case is the conduct of the alleged defendants that led to the bankruptcy of CCB AD, caused harm to many of the bank's stakeholders, and posed challenges to the banking system as a whole. According to the Prosecutor's Office, as regards the supervision of CCB AD, the officials responsible for the bank's functioning and the implementation of supervisory measures — the Assistant Managers in charge of BNB's Bank Supervision Department — violated or failed to perform their official duties related to the identification of poor banking practices and to the implementation of adequate supervisory measures. According to the Prosecutor's Office, the supervision of CCB AD was carried out only on paper, while in reality, the identified violations were concealed by the officials in charge of the inspections, and the officials in charge of implementing supervisory measures — the defendants — simply refrained from fulfilling their official duties.

The Prosecutor's Office has stated that “the main problem with the supervision of BNB was the failure to identify and regulate, through supervisory measures and recommendations, the corrupt practice of giving out credit loans to related parties, which was indulged in to such an extent that the loans became a mere cover for the appropriation of public funds for private use and possession.” Given the file volume and the legal complexity of the case, it is unlikely that there will be a judgment in the near future.

case 35

**TODOR KOSTADINOV**

Director of the Internal Security Directorate of the Ministry of Interior, 2013 – 2014, together with the defendant under 23.



The case was analyzed as completed in the ACF Annual Monitoring Report for 2020.

For its detailed presentation, see A. Yankulov, A. Slavov, “Anti-corruption institutions: activity without visible results“, Sofia: ACF, 2020



case 36



PAVEL ALEKSANDROV

Director of the Fund for Treatment of Children Abroad (FTCA),
2010 – 2015

what



Together with three other FTCA employees, Aleksandrov was charged with conspiring to misappropriate and unlawfully expend FTCA funds. The funds in question were spent on: sending doctors from various hospitals on business trips, where they would participate in international seminars or accompany sick children; entering into contracts with a company for assisting the treatment of children abroad, without conducting the required public procurement orders, as a result of which the company was paid BGN 223,252 from the FTCA budget in 2014 and BGN 230,096 in 2015. The payments continued even after the Ministry of Health had ordered their termination due to violations of PPA. In addition, contracts were also concluded for the financing of a two-year-long English and German learning course for FTCA employees, given that the job requirements for their posts included knowledge of these languages/. Aleksandrov was also charged with transferring FTCA debt, owed to the National Health Insurance Fund, and with malfeasance in office. That is all the available information regarding the charges.

when



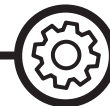
The defendants were charged in April 2016 – the SpPO filed a bill of indictment with the SpCC in August 2017 – the case was remitted to the SpPO for rectification of serious procedural violations in August 2017 – the SpPO filed a bill of indictment with the SpCC for the second time in March 2018 – the case was remitted to the SpPO for rectification of serious procedural violations in April 2018 – SPO filed a bill of indictment with the SpCC in March 2021 – remitted to the SpPO for rectification of serious procedural violations in April 2021 SPO filed a bill of indictment with the SpCC in 2021 – remitted to the SpPO for rectification of serious procedural violations in March 2022 – the investigation is currently ongoing and led by the SCPO (case file 16345/2022)

conclusion



The case is at the pre-trial phase of proceedings.

why



The Prosecutor's Office has not provided a copy of the charges against Aleksandrov. After the case was returned to the pre-trial phase on four occasions for clarifying ambiguities and inconsistencies in the charges, the investigation is still ongoing in the absence of formulated charges against Aleksandrov, as per the information provided by the SCPO. For more than three years the proceedings are back at the pre-trial stage after several unsuccessful attempts, dating from eight years ago, to lodge a bill of indictment in court.

case 37



LAZAR LAZAROV

Chairperson of the Management Board of the Road Infrastructure Agency (RIA), 2014 – 2015, two other agency officials being also criminal defendants in the case

what



Charged with intentional mismanagement of public funds:

In the period 7 August 2014 – 17 February 2015, in his capacity of Chairperson of the Road Infrastructure Agency Management Board, Lazarov intentionally did not exercise sufficient care in performing his duties related to the construction of the Maritsa Highway. This resulted in damages of considerable proportions to the Ministry of Transport and Information Technology, amounting to BGN 30,813,647. The case was considered especially serious, and Lazarov was charged under Art. 219, par. 4, par. 3, and par. 1 of the CC

when



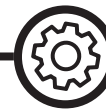
The investigation began in September 2016 — the defendant was charged in June 2017 — the SCPO filed an indictment with the SpCC in April 2018 — the case was transferred to the SCC on jurisdictional grounds — the case was remitted to the SCPO for rectification of serious procedural violations in November 2018 — the SCPO filed a bill of indictment with the SCC in June 2019 — the case was remitted to the SCPO for rectification of serious procedural violations in January 2020 — the SCPO filed a bill of indictment with the SCC for the second time in April 2020 — the case is currently pending before the SCC (criminal case 1328/2020).

conclusion



The proceedings are still pending.

why



The alleged crime is related to the financing of additional construction works on a segment of the Maritsa Highway. In a nutshell, the charges contain allegations that the defendant failed to commission an inspection of the documentation, submitted by the contractor company in support of the need to perform additional construction works that would require additional financing. Thus, he failed to identify that there was in fact no need for additional works, and no basis for the additional financing, which constituted damage to the state budget. The case was remitted to the SCPO for rectification of inconsistencies and ambiguities in the charges and is currently pending before the first-instance court, seven years after the first indictment had been filed.

In 2024 no court hearings were held.

The latest update about the proceedings is that in March 2025, the case was adjourned again and no date was set for the following hearing.

The SCC did not answer ACF's question about the reasons for the adjournment.

case 38



DESI SLAVA IVANCHEVA

mayor of the Mladost district within the Capital (Sofia) municipality, 2016 – 2018, together with other criminal defendants



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: Eyes Wide Shut”, Sofia: ACF, 2023



case 39



PETAR HARALAMPIEV

Chairperson of the State Agency for Bulgarians Abroad, 2017 – 2018, together with three other defendants

what



In the period July 2017 – 29 October 2018, in his capacity of public official, Haralampiev was the leader of an organized crime group. In particular, the defendant requested and received bribes in exchange for issuing certificates of Bulgarian origin to foreigners in violation of the applicable law. He even provided express orders (sometimes within a single working day). According to the Prosecutor’s Office, Haralampiev also committed the crime of trading in influence: he threatened the Deputy Chairman of the State Agency with penalties and discharge from office and pressured him into signing the orders for issuing the certificates, as well as the certificates themselves and all other required accompanying documents.

when



Haralampiev was charged in October 2018 — the SpPO filed a bill of indictment with the SpCC in September 2020 – the case is presently pending before the Sofia City Court after the closing of the Specialized Criminal Court (criminal case 2634/2020)

conclusion



The proceedings are still pending.

why



In view of the fact that there are four defendants on the case, who are claimed to have engaged in diverse criminal activities, it cannot be argued that the two-year term in which the pre-trial proceedings were completed was unreasonable. The case is pending before the court of first instance for almost five years.

case 40



ANTON GINEV¹¹²

Director of the National Railway Infrastructure Company, 2007 – 2009, together with two other defendants, one of whom has also occupied a senior public office, but his alleged criminal conduct was considered unrelated to his professional capacity

what



when



Charged with:

In the period 22 October 2007 – 6 September 2009, in his capacity of a public official (CEO of NRIC), Ginev intentionally did not exercise due care with respect to the management and preservation of property, entrusted to him, in terms of the signing and execution of three contracts between NRIC (as a procuring party) and three private companies (as contractors). This resulted in damages to NRIC of considerable proportions (BGN 4,240,356.46), and the case was considered an especially serious one. Ginev was charged with committing two criminal acts, constituting a continuing crime, under Art. 219, par. 4, par. 3, and par. 1 in conj. with Art. 26, par. 1 of the CC.

Charged in June 2016 – the SCPO filed a bill of indictment with the SCC in January 2017 – the SCC issued a conviction (criminal case 2362/2017) in March 2019 (11 months’ imprisonment and ban on the exercise of certain rights for three years) – the SCA modified the verdict (case 611/2019) in May 2020 (the punishment was increased to two years’ imprisonment but was suspended with a probation term of five years) – repealed by the SCtC (cassation case 780/2020) and the case was remitted to the SCA in May 2021. – a judgment of the Sofia Court of Appeal (appellate publicly prosecutable criminal case 524/2021) to modify the sentence of the court of first instance in January 2022 (the imprisonment measure was increased again to two years and the execution thereof was suspended for a trial period of five years) – in July 2024, the Supreme Court of Cassation repealed the conviction and closed the proceedings on grounds of expiry of the limitation period (cassation case 541/2022)

122. At the time he was charged, Anton Ginev was Deputy Minister of Transport and Informational Technologies and Communications.

case 40

why



It is noteworthy that Ginev was charged at the pre-trial phase of proceedings almost seven years after the alleged crime had been committed. The proceedings before the first-instance court were concluded within two years, which is a reasonable term considering the nature of the case.

The first-instance court held that the defendants I. and Ginev were acquainted, which was the reason why the latter facilitated the participation of companies — represented by various persons, but in reality, owned by I. — in public procurement orders for repair works on sections of the railway infrastructure. Ginev also ensured the success of their bids and their appointment as contractors for the assigned activities. The two main benefitting companies were T. EOOD and R. EOOD; they were usually assigned “appropriate” tasks, allowing them to receive the funds allocated by NRIC for the respective activities without performing the actual work. Furthermore, it was arranged that the companies would conduct the activities using NRIC resources, but the relevant documentation would show that they used resources of their own. According to the court, Ginev selected the Ruse railway station and a railroad section between the Morunitsa and Byala stations (on main rail track IV) as suitable sites. The procurement orders conducted by Ginev had a predetermined outcome (regardless of the decision of the respective procurement commission), as all participating companies were owned by the same person — the defendant I. After that, the agreed commitments were not fulfilled, and any construction works were carried out with the resources of NRIC. However, NRIC made all payments under the signed contracts. The first-instance court acquitted Ginev with regards to certain amounts and actions specified in the charges — he was convicted of causing damages in the amount of BGN 2,015,590.77, instead of the alleged BGN 4,240,356,46 — but the legal qualification of the crime remained unchanged.

The SCA modified the verdict only with regards to the determined punishment, increasing the prison sentence to two years, but also suspending it and applying the maximum probation period of five years.

The SCtC repealed the verdict because of substantial procedural violations at the second instance. According to the supreme instance, the appellate court in its verdict has not answered basic arguments substantiated in detail by the defense and the Prosecutor’s Office, due to which a large part of the objections raised by the defense with regard to the superficial analytic activity of the appellate court are valid and the verdict is to be repealed. In the re-consideration of the case, the Sofia Court of Appeal rendered a judgment that was similar to the prior judgment of another panel of judges from the same court.

In 2022, the case again reached the last court instance.

The Supreme Court of Cassation held two hearings, on 30 September 2022 and on 28 October 2022. During the second hearing the court announced that a decision was pending.

With a decision from 19 July 2024, the Supreme Court of Cassation repealed Ginev’s conviction on grounds of expiry of the limitation period (it expired on 17 December 2023).

conclusion



The conviction was repealed and the proceedings were closed due to expiry of the statute of limitations. The delay of the Supreme Court of Cassation in issuing its decision is notable - a year and nine months after the court announced that it was to issue its decision.

case 41



BOYKO BORISOV

Prime Minister, 2017 – 2021

The case was analyzed as completed in the ACF Annual Monitoring Report from 2021.

For its detailed presentation, see A. Yankulov, N. Kiselova, “Anti-corruption institutions: escalating problems,” Sofia: ACF, 2021

case 42



NENO DIMOV

Minister of Environment and Water, 2017 – 2020, a criminal defendant together with the Mayor of Pernik Sevdelina Kovacheva¹²³

what



when



Charged with intentional mismanagement of public funds:

In the period 1 January 2018 – 17 November 2019, Dimov intentionally issued Toplofikatsiya–Pernik and the metallurgic enterprise Stomana with permits to draw excessive amounts of water from the Studena Reservoir for their industrial needs. Dimov was warned that the reservoir will be depleted on several occasions but did not pay attention to the warnings and the provided information. As a result, he squandered millions of liters of water, valued at over BGN 11 mln, and caused a water crisis in Pernik and the surrounding region.

Dimov was also investigated for violating his official duties in connection with the concession agreement for the Bansko Ski Zone.

Dimov was charged in January 2020 – the SPO filed a bill of indictment to the SpCC in July 2021, the case is pending before the Sofia City Court after the closing of the Specialized Criminal Court (criminal case 2369/2021 of the SCC — SpCC abolished)

conclusion



why



The proceedings are still pending.

The pre-trial investigative proceedings have been going on for about a year and a half which is still within the reasonable time limit. Qualifying the provision of water resources to enterprises for their industrial needs as mismanagement of public funds is an innovative approach. Crucially, the enterprises were paying for the water, so there was no financial harm, as the water supplier was getting good consideration in return for the water. On the other hand, ‘mismanagement of public funds’ is a crime against the economy which requires the damaging, destruction, or squandering of public property, or other serious damages to the enterprise or the economy. The damages are economic in nature and their contemporary dimensions represent capital losses for the owner of the expended assets.

For almost four years, the trial has been pending at the first-instance court.

case 43



KRASIMIR ZHIVKOV

Deputy Minister of Environment and Water, 2017 – 2020,
together with other defendants under the case

what



when



Charged with heading an organized criminal group:

In the period March 2016 – 28 May 2020, in his capacity of Deputy Minister of MEW, Zhivkov was in charge — together with A.S.B. — of an organized crime group that involved six other persons, and which operated on the territories of the Sofia, Pleven, Montana, and Shumen provinces. The crime group was created with the aim of obtaining funds illegally by committing coordinated crimes under Art. 282, 311, 353b, 353c, and 353d of the CC. The crime group involved public officials — a crime under Art. 321, par. 3, item 1 and par. 1 of the CC.

Zhivkov was also charged with handling hazardous waste in violation of the established procedures:

In the period 25 April 2016 – 29 May 2020, at identified and unidentified locations on the territory of the Republic of Bulgaria, Zhivkov aided and abetted the individual V.V.K. in handling 2,665.420 tons of hazardous waste in violation of the procedures established in the Waste Management Act. Zhivkov committed 71 separate criminal acts under Art. 353c, par. 1, par. 2, and par. 3 of the CC, jointly constituting a continuing crime, which resulted in serious damages to the environment and posed severe risks for public health and the health of the environment. He was charged under Art. 353c, par. 3 and par. 1 in conj. with Art. 26, par. 1, in conj. with Art. 20, par. 3, par. 4, and par. 1 of the CC.

Zhivkov was charged in May 2020 — the SPO filed a bill of indictment with the SpCC in February 2021 — remitted to the SPO by the SpCC for rectification of serious procedural violations (confirmed by the ASCC) in February 2022. The case was repeatedly filed with the court but then again returned for rectification of procedural violations by the Sofia Court of Appeal (after the closing of the specialized judicial institutions) to the Sofia City Prosecutor's Office in December 2022 — the SCPO filed a new bill of indictment (case 16952/2022 in the SCPO register) with the SCC in April 2024 — the case is pending before the Sofia City Court (case 2401/2024).

conclusion



why



The proceedings are still pending.

Based on information provided by the SCPO, the case was submitted to court again in April 2024.

An initial hearing was held by the SCC in March 2025. From May 2025, the case will be heard on merits.

case 44

**PLAMEN UZUNOV**

President's Secretary on Legal Affairs and Anti-corruption,
2017 – presently, together with one more defendant



The case was analyzed as completed in the ACF Annual Monitoring Report for 2022.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: Eyes Wide Shut”, Sofia: ACF, 2023

**case 45**

**ILIYA MILUSHEV**

President's Advisor on Security and Defense, 2017 – presently,
together with other defendants under the case



The case was analyzed as completed in the ACF Annual Monitoring Report for 2023.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: a Freezing Point”, Sofia: ACF, 2024.

**case 46**

**IVAN GESHEV**

Prosecutor General, 2019 – 2023, at the moment of alleged
perpetration – a prosecutor at the Sofia City Prosecutor's Office



The case was analyzed as completed in the ACF Annual Monitoring Report from 2022.

For its detailed presentation, see A. Yankulov, A. Kashumov, „Anti-Corruption Institutions: Zero Year“, Sofia: ACF, 2022.



case 47 и 48



DELYAN PEEVSKI

Member of Parliament, 2009 – presently

ILKO ZHELYAZKOV

Deputy Chairperson of the National Special Intelligence
Means Control Bureau, 2018 – 2021



The cases were analyzed as completed in the ACF
Annual Monitoring Report for 2022.

For their detailed presentation, see A. Yankulov, D.
Peneva, “Anti-Corruption Institutions: Eyes Wide
Shut”, Sofia: ACF, 2023



case 49



HRISTO TERZIYSKI

Directorate General of the General Directorate National Police – Ministry of Interior, 2015 – 2020

what



Inquiry for participation in an organized criminal group:

According to media publications, an investigation of the Directorate of Internal Security in the Ministry of Internal Affairs in 2020 obtained evidence about Terziyski's participation, along with other high officials of the Head Directorate of the National Police, in an organized criminal group. This conclusion was reported to the then Minister of Internal Affairs, Mladen Marinov, the State Agency for National Security, and the SpPO.

when



An inquiry of the Directorate of Internal Security in the Ministry of Internal Affairs in 2020 – SpPO refused to initiate pre-trial proceedings in January 2021 – confirmed by the ASpPO in March 2021 – canceled by the SPOC in January 2022 r. – no information on the case development since.

conclusion



There is no evidence of the inquiry being completed.

why



The nature and sufficiency of the evidence in the inquiry, respectively the motivation of the SpPO and the ASpPO to deny the initiation of pre-judicial proceedings are unknown.

The SPOC has canceled the orders of the SpPO and the ASpPO because it found that the decision to deny initiating an investigation was taken under unclarified in full factual circumstances regarding the case, which has led to an incorrect legal conclusion.

The Sofia City Prosecutor's Office, where the case must have been transferred after the closing of the Specialized Prosecutor's Office, did not provide us with any information about the development of the case.

case 50, 51 и 52**ALEXANDER NIKOLOV**

Minister of Energy, 2021 – 2022

DANAIL NIKOLOV

Deputy Minister of Energy, 2021 – 2022

LYUDMIL YOTSOV

Executive Director of Bulgargaz EAD, 2022

what



Investigated for and charged with various malfeasances in office that resulted in an alleged damage for Bulgargaz in the amount of more than BGN 88 million, as follows:

Alexander Nikolov was charged with intentional mismanagement of public funds on account of failing to exercise sufficient control of the former director of Bulgargaz Lyudmil Yotsov.

The deputy of Nikolov – Danail Nikolov was charged with malfeasance in office. According to the investigators, he exceeded his powers and rights for the purpose of obtaining a benefit for the business company M. EAD.

The charge against Yotsov is also for mismanagement of public funds.

when



An investigation was commenced by the Sofia City Prosecutor's Office in August 2022 – charges were brought by the Sofia City Prosecutor's Office in February 2023.

казус 50, 51 и 52

why



According to the initial statements of the prosecutor’s office, as a result of the intentional mismanagement of public funds and the malfeasance in office, the fulfilment of the obligations of Bulgargaz EAD in accordance with the license for public supply of natural gas in the territory of the Republic of Bulgaria was put at risk and, thus, the fulfilment of the licensee’s obligations to ensure constant and quality supply of natural gas and the security of the supply with natural gas was put at risk.

According to Nikolov’s defense, he was charged due to the rejection of Gazprom’s requirement to pay for gas supply in rubles.

According to subsequent clarification statements made by the prosecutor’s office, after learning about the new circumstances, i.e., the requirement to pay in rubles, the respective officials did not take the necessary actions to ensure alternative supplies from traders of natural gas at freely agreed prices on the organized exchange market and over the counter. This activity was only started on the day of the cut-off of the gas supplies – i.e., on 26 April 2022 – for the subsequent days until the end of April 2022, as well as for May 2022, which have put at risk the fulfilment of Bulgargaz EAD’s obligations to ensure uninterrupted and quality supply of natural gas and the country’s secure supply of natural gas. The subsequently concluded gas supply contracts were at considerably higher prices, which caused damage to Bulgargaz EAD, and the initial source of the performed supplies of gas from alternative suppliers was again Gazprom.

However, the criminal offence of mismanagement of public funds requires the occurrence of damages, destruction or spillage of available property or other significant damages of a similar nature, which have always been understood in the theory and practice only as sustained losses.

It is also disputable whether in the case of supplies of a resource such as natural gas, which involves making political decisions within a complex and fast-changing international environment, the occurrence of a potential harmful result could be argued only via a comparison of the prices of different suppliers.

This case resembles Case 12, at least on the surface.

The Sofia City Prosecutor’s Office did not provide ACF with further information about the charges and the progress of the investigation, despite queries that were sent to them for the purposes of the present report and the one preceding it. For over two years, there has been no update on the status of the pre-trial proceedings.

conclusion



The proceedings are pending.

case 53, 54 and 55



BOYKO BORISOV

Primer Minister, 2017 – 2021

VLADISLAV GORANOV

Minister of Finance, 2017 – 2021

MENDA STOYANOVA

Chairperson of the Parliamentary Committee on Budget, 2017 – 2021



The cases were analyzed as completed in the ACF Annual Monitoring Report for 2023.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: a Freezing Point”, Sofia: ACF, 2024



case 56



ASEN VASILEV

Deputy Prime Minister and Minister of Finance, 2021 – 2022



The case was analyzed as completed in the ACF Annual Monitoring Report for 2023.

For its detailed presentation, see A. Yankulov, D. Peneva, “Anti-Corruption Institutions: a Freezing Point”, Sofia: ACF, 2024



case 57



BORISLAV SARAFOV

Deputy Prosecutor General, 2013 – June 2023,
acting Prosecutor General thereafter

what



when



He is investigated for a crime of unknown legal qualification¹²⁴ by the Special prosecutor tasked with investigating the Prosecutor General and the Prosecutor General’s deputies for possible ties with the criminal network for exerting undue influence on the judiciary, better known as “*The Eight Dwarfs*” and allegedly headed by the former Director of the Sofia Investigative Ser-vice, Petyo “The Euro” Petrov.¹²⁵

The Sofia District Prosecutor’s Office (SDPO) initiated pre-trial proceedings in May 2023 (case 26636/2023 in the SDPO’s register), and the part of the case allegedly concerning the Deputy Prosecutor General, Sarafov, was referred to the Special prosecutor for jurisdictional reasons in June 2023

why



on 29 May 2023, the SDPO promptly launched an investigation on the basis of photos of Petrov and Sarafov smiling in front of The Eight Dwarfs restaurant, which were published by the ACF and several media outlets a day earlier. The investigation was formally directed against Petrov for allegedly collecting compromising materials against magistrates and blackmailing them. The investigation was launched in accordance with legal provisions falling within the scope of the SDPO, related to coercion and unlawful use of special surveillance means for covert gathering of information. However, evidence pointing to the potential involvement of a number of magistrates, including Borislav Sarafov, in Petyo Petrov’s criminal network which became known as “The Eight Dwarfs” was also collected in the course of this investigation.

The criminal network was first exposed back in 2020 in ACF’s eponymous four-part video investigation that was later complemented by a series of ensuing interviews. Witnesses in ACF’s investigation state that several high-ranking magistrates, including Sarafov, are involved in Petrov’s activities. However, following the publication of the investigation, the Prosecutor’s Officer decided to confine itself to initiating only a preliminary inquiry, which was finalized months later with a refusal to instigate pre-trial proceedings due to lack of sufficient evidence of a committed crime. In his public statements, Prosecutor General Ivan Geshev openly disregards and ridicules everything published by the ACF.

Three years later, the situation changed. On 1 May 2023, an explosion occurred in proximity to Geshev’s car; the circumstances surrounding the incident, including the nature of the explosion and its potential to cause harm, remain unclear. Ten days after the incident, the leaders of GERB and MRF, who had invariably supported the Prosecutor General up to that moment, publicly declared that he should vacate the post. This happened at the same time as the negotiations concerning the future ruling government, which was formed in June as a coalition between the recently fierce political opponents from GERB and PP-DB (who share a stance of firm disapproval of Geshev), with the support of MRF.

An open war unfolded at the top of the Prosecutor’s Office between Geshev and his declared opponent and potential substitute Sarafov, but this only occurred after GERB and MRF had changed their attitude towards

124. The exact legal qualification of the alleged crime is not necessary at the initial phase of an investigation.

125. See “The Eight Dwarfs” - The facts, a Legal Analysis, Conclusions, and an Appeal to the Institutions”, 2020 at <https://acf.bg/en/tsyalata-istoriya-na-osemte-dzhudzhetta-vs/>, and Yavor Zlatanov’s Interview for ACF Confirms Eight Dwarfs Story, 2021, at https://acf.bg/en/razkazat-na-yavor-zlatanov-pred-akf-pot/?fbclid=IwAR2qfv9HD7dltoST8jHe5hAFQyALQ1OX84nts0I0DGXWUFpkxAzmw1B_kj8

conclusion



The proceedings are ongoing.

the Prosecutor General. Up to that moment, Sarafov had never under any circumstances expressed public disagreement with Geshev. The majority of SJC members, who had always defended Geshev until then, also withdrew their support for him which would ultimately lead to the premature ending of his term in June 2023.

Before this happened, however, the SDPO instigated the criminal proceedings in question against Sarafov and Petrov, in the course of which numerous investigative actions were carried out within a very short time frame. The answer to the question of why the Prosecutor's Office took decisive action against Petrov three years after the publication of *The Eight Dwarfs* should probably be sought in the testimony of Petrov's ex-wife and associate, Lyubena Pavlova, according to which Petrov also participated in the covert part of the attack against Geshev.

In the course of the criminal proceedings, Petrov was charged in absentia and declared wanted, but managed to abscond successfully. His properties in Bulgaria and Greece were searched and the authorities seized as physical evidence numerous information carriers with unknown content, possibly implicating magistrates linked to the criminal network "The Eight Dwarfs". A number of witnesses were interviewed and testified to seeing Sarafov at *The Eight Dwarfs* restaurant, oftentimes communicating with Petyo Petrov.

In June 2023, the SDPO provided the SCtC with the materials from this investigation that would concern Borislav Sarafov, including all the physical evidence seized from Petrov's properties in Bulgaria. A corresponding case was opened in the SCtC falling within the scope of competence of the special prosecutor tasked with investigating the Prosecutor General and the Prosecutor General's deputies. Under the mechanism for independent investigation of the Prosecutor General and the Prosecutor General's deputies, which was adopted only days earlier, it is precisely the SCtC that has to provide the special prosecutor with the received information regarding alleged crimes committed by the specified persons.

In July 2023, Judge Daniela Taleva of the SCC was elected as the prosecutor tasked with investigating the Prosecutor General and the Prosecutor General's deputies, but she was only appointed by the Prosecutors' College of the SJC in October 2023 following an unlawful delay that the Prosecutors' College justified with legislative uncertainties that had to be rectified. After the rectification of the latter by the National Assembly, it transpired that Taleva was delayed in assuming her new role due to obstacles of a purely technical nature, such as finishing work on her cases in her capacity as judge, finding a proper place for her work desk as a prosecutor, and organizing clerical work. As a result, Prosecutor Taleva assumed office five months after her election — in December 2023 — and accordingly took charge of this investigation only at that time.

This delay had important practical consequences. With Taleva yet to assume office, the physical evidence that potentially concerned Sarafov was sent by SCtC's deputy chairperson to the SCPO (on request of a prosecutor), which was under the control of the investigated individual – Sarafov. This in itself is highly concerning, irrespective of whether the physical evidence was, in fact, compromised or not¹²⁶.

In 2024, it emerged that the Special Prosecutor had closed the investigation as well as all proceedings initiated following reports against Sarafov (a total of nearly 30).

The closure of the proceedings only became public once Borislav Sarafov was nominated for the post

126. ¹²⁶See more at *Why Evidence Against Borislav Sarafov is Returned to the Office That He Directs*, ACF, Feb 2024, <https://acf.bg/en/akf-zashto-materiali-sreshtu-borislav-sar/>, and also "Anonymous Witness in Preliminary Proceedings Against Acting Prosecutor General Threatened", ACF, Feb 2024, <https://acf.bg/en/edin-ot-anonimnite-svideteli-po-prepi/>

case 57

ЗАКЛЮЧЕНИЕ



of Prosecutor General which required that he submit a certificate issued by the Special Prosecutor Daniela Taleva, verifying that he was not the target of any investigations, nor had he been charged in proceedings.

The grounds on which Taleva decided to close the investigation remain unknown because she has been refusing to disclose them publicly. When ACF asked Taleva to disclose the final decisions concerning this case, we received a reply from one of the Acting Prosecutor General’s deputies (an individual that could potentially be under investigation by the Special Prosecutor) that the required information did not fall within the scope of the Access to Public Information Act. However, the ACF had not sent a query under the scope of this piece of legislation, nor had we addressed the questions to the Acting Prosecutor General or his deputy.

The only publicly available information regarding the grounds for closing the investigation can be found in an interview that Taleva has given to the newspaper 24 Hours. The interview was apparently conducted via email, representing an exchange of written questions and answers¹²⁷.

In the interview, the Special Prosecutor stated that a deep and thorough investigation had been undertaken in order to clarify what happened at The Eight Dwarfs restaurant and what Sarafov’s role had been. In the course of the investigation, individuals (including Petrov’s former spouse) that had initially testified about the existence of connections between Sarafov and Petyo Petrov had been interrogated. However, their testimony was conflicting, confusing and contradicted their earlier statements. In addition “absolutely all magistrates” that were known to have been visiting the restaurant were also interrogated. What emerged in the course of the interrogations was that Sarafov had indeed visited the restaurant on several occasions. However, no witnesses saw him in face to face interactions with his former colleague Petrov, nor were the pair seen to be exchanging documents or any other objects. All material evidence had been analysed and specialist reports had been completed.

As a result of all of the investigative actions, no evidence had been collected which could have led to charges against Sarafov.

The proceedings were closed by the Special Prosecutor. The detailed grounds for her decision are unknown. The Special Prosecutor’s conclusion about the lack of evidence of culpable behavior by Sarafov cannot be challenged due to the lack of information about the criminal proceedings.

Based on what is known about Taleva’s investigation, however, it is possible to draw a conclusion about the existence of links between the Acting Prosecutor General and Petyo Petrov, the suspected leader of a criminal network known as “The Eight Dwarfs”. This conclusion contrasts with Sarafov’s public statements regarding photographs showing him shaking hands with Petrov – that this was a one-off meeting which he had been tricked into by his then superior Ivan Geshev. Sarafov claimed that he had visited the restaurant with his family because he had been invited by Geshev in order to “have a chat”. Sarafov claimed that Geshev was a frequent visitor of The Eight Dwarfs restaurant and was very close to Petyo Petrov “The Euro”¹²⁸. Therefore, Sarafov’s explanation about his one-off visit to the restaurant on Geshev’s invitation contradicts what was established by the Special Prosecutor’s investigation, namely that magistrates had seen him there on several occasions.

Moreover, it remains unclear who are the identities of the magistrates, mentioned by Taleva, who had been visiting the restaurant. Also unknown are the reasons for their visits.

On its own, the fact that certain magistrates had been close to “The Eight Dwarfs” criminal network cannot serve as the basis of initiating criminal proceedings against them. Still, it clearly questions their ethics and, thus, their eligibility to hold high public posts.

127. Special Prosecutor Daniela Taleva: I am Aware of the Expectations of Me and This is Why We Checked around 30 Reports About the Acting Prosecutor General”, <https://www.24chasa.bg/mneniya/article/19514179>

128. Повече в статията на Свободна Европа – „Частно външно наблюдение“. Борислав Сарафов обвини Гешев за тайни снимки с Петьо Еврото“

2024

Cases from year 2024

case 58



KIRIL PETKOV / A

Prime Minister, 2021 – 2022

what



Charged with abuse of office:

According to the charges, on 17 March 2022, Petkov overstepped his authority as Prime Minister by ordering the Director and Deputy Director of the Department for Investigations of the General Directorate National Police (GDNP) and a chief investigative police officer of the GDNP to initiate proceedings against persons they are not authorised to investigate – Boyko Borisov, Vladislav Goranov, and Menda Stoyanova¹²⁹ – in violation of the Code of Criminal Procedure. Petkov, allegedly, demanded that investigators question him without notifying the public prosecutor responsible. Instructed the GDNP to conduct searches and seizures in the personal residences of Borisov, Goranov and Sevdalina Arnaudova with the operation taking place at night, without a prior court order, and in the absence of circumstances showing that urgent action was necessary on behalf of the police. It is claimed Petkov also ordered the Director and Deputy Director of the GDNP to detain for a 24-hour period Boyko Borisov, Vladislav Goranov and Sevdalina Arnaudova, all in a move to tarnish their reputation and good standing. Petkov’s actions had considerable negative consequences for the state, undermining the stature of the executive branch - a violation of Art. 282, paragraphs 1&2 of the CC.

when



The pre-trial proceedings were initiated by the SCPO. The date is not known but is prior to March 2023 - Petkov was charged in December 2024 – the indictment was lodged at the SCC in February 2025 – SCC is expected to issue a decision in April 2025 (criminal case 1152/2025)

why



The public prosecution did not announce it was investigating Kiril Petkov in relation to the proceedings, initiated on 17 March 2022. On that day, the then-Prime Minister Petkov was questioned as a witness and then the authorities detained former Prime Minister and then-leader of the opposition Boyko Borisov and other key GERB figures.¹³⁰

The allegedly culpable actions of the leader of PP took place in March 2022, however, it was already December 2024 when the Prosecutor General called for Petkov to be stripped of his parliamentary immunity (Petkov voluntarily agreed that his parliamentary immunity be waived). The charges – based only on the fact that several Ministry of Interior officials were given verbal instructions at the same time and place – should not be difficult to determine in terms of the factual or the legal basis. Regardless of when the actual investigation took

129. Cases 53 - 55

130. The relevant circumstances are presented in detail in Cases 53 - 55

case 58

conclusion



The trial proceedings are ongoing.

place, it is difficult to understand why it took more than two and a half years for Petkov to be charged. Furthermore, considering that the facts of the case were to the authorities, it is hard to conceive of any valid procedural reason why the investigation itself was also delayed.

Therefore, it appears that, as numerous other criminal proceedings analysed for this study, the proceedings against Petkov were motivated and influenced by factors outside of the scope of establishing justice. Firstly, for the duration of Petkov's premiership, the mandate of the caretaker government of Galab Donev, and Borisov and Petkov's joint participation in the GERB - PP-DB ruling coalition (at that time, Borisov claimed that the pair had forgiven each other), there was either no investigation yet, or it had stalled. Then, the investigative activities intensified rapidly and Petkov was charged. These actions of the Office of the Prosecutor General coincide with three significant political developments: PP's refusal to participate in the negotiations for the formation of the government of Rosen Zhelyazkov; a heated and public exchange of words between Petkov and Delyan Peevski at the National Assembly; steps initiated by PP-DB to stop Borislav Sarafov's election to a permanent mandate as Prosecutor General.

Another curious point is the behavior of the top Ministry of Interior officers who, allegedly, received Petkov's unlawful instructions. The act of obeying such instructions – if those instructions had, indeed, been issued – raises the question of the responsibility of the individuals executing the orders, not just of the person issuing them. On the basis of the publicly available documents on this case, it is impossible to establish if the prosecution reviewed the issue of the officers' responsibility and, if the issue was reviewed, why those individuals were not held liable, too.

In December 2024, soon after Petkov was charged, protocols of the interrogations of witnesses in the case leaked in the media, as has already become customary.¹³¹ The witnesses were questioned from March 2024 until November 2024 – an inexplicably protracted period of time, considering the lack of complexity of the case.

According to the witnesses' statements, Petkov was insisting on being questioned as a witness. He also instructed the officers not to inform the Prosecutor's Office about the investigation. The news that the police had headed to Borisov's private residence was celebrated with toasts at the Prime Minister's office. Allegedly a bottle of whiskey was opened and Petkov and Asen Vasilev said that Borisov should be escorted to the police station wearing handcuffs. Borisov was not handcuffed.

Soon after Petkov was charged, the investigation was completed and a bill of indictment was lodged in court.

131. This modus operandi is applied in all proceedings from 2024 against politicians from PP-DB (or persons linked with them) such as Kiril Petkov, Bozhidar Bozhanov, Boyko Rashkov, Asen Vasilev as well as against Djevhan Ibriamov from Ahmed Dogan's faction within MRF. more information is available in cases 58 - 61 and 63-64.

case 59 and 60



BOZHIDAR BOZHANOV

Minister of Electronic Governance 2021 – 2022

AND KIRIL PETKOV / B

Member of Parliament, 2023 – present

what



when



Charged with malfeasance in office:

In the period 20 May - 17 June 2022, Bozhanov, in his capacity as minister, allegedly violated the protection of Classified Information Act and the internal rules on public tender procedures of the Ministry of Electronic Governance. Bozhanov provided to the Director of Executive Agency Electronic Governance Infrastructure a flash drive containing a file with certain technical specifications that he wanted to see included in a public procurement procedure with an estimated contract value of BGN 18 mln. According to the Prosecutor's Office, Bozhanov aimed to secure an advantage for a specific private company participating in the tender procedure. The prosecution claimed the alleged violation was particularly grave as it threatened cybersecurity in the public administration and was committed by a minister which qualified it as a criminal violation of Art. 282, paragraphs 1&2 of the CC.

Petkov is charged with attempted coercion. It is claimed that, on 2 October 2023, he met the then Minister of e-Governance, Alexander Yolovski, and attempted to force him to coordinate his actions with Bozhidar Bozhanov, the former Minister of e-Governance, at that time a Member of Parliament. Petkov was charged as per Art. 143(1) and Art. 18 (1) of the CC.

The proceedings were initiated by the SCPO in October 2023 (case file 20483/2023) – Petkov was charged in 2025 – the case is at the pre-trial phase of proceedings

case 59 and 60

why



conclusion



The report about attempts to intimidate Yolovski, the then Minister of e-Governance, was filed by the party There is Such a People (ITN). The report was filed following a meeting, in October 2023, of the presiding body of the National Assembly. At the meeting, Yolovski said that the co-chair of PP, Kiril Petkov, and the MP Bozhidar Bozhanov, applied pressure related to certain public procurement procedures. Yolovski was also a minister in the Denkov government, supported by PP-DB, but – like other individuals initially supported by the party – changed his affiliation.

In April 2024, a mere month after the resignation of the Denkov government, the protocol from Yolovski's interrogation leaked in the media in an already familiar pattern.¹³²

The protocol shows that on 29 October 2023 the minister was interrogated for almost 11 hours by a prosecutor on duty at the SCPO.

Regarding his conversation with Kiril Petkov, Yolovski said the following: “with a sarcastic and aggressive tone, Kiril Petkov asked me how I dare to release people appointed by Bozhidar Bozhanov. Petkov told me that if I wanted the support of the parliamentary group of the two parties – PP and DB – I should coordinate with Bozhanov everything that I do as a minister, including the important strategic issues, public tender procedures and all procedures involving contractors”. Yolovski felt intimidated by Petkov's words since they belonged to “a person who has a lot of power. He has told me that he practices karate and I was afraid he might attack me physically. In addition, we were in a remote location and there were no other people nearby”. Scared for his and his family's safety, Yolovski was assigned a security detail.

Evidently, the Prosecutor's Office needed more than two years to check Yolovski's account about the meeting with Petkov and to believe in his testimony. Whether any proof supporting Yolovski's testimony has been collected and what is the nature of the collected proof remains unknown as the SCPO is refusing to provide any additional information about the proceedings besides the fact that charges have been filed against Petkov.

Both Petkov and Bozhanov voluntarily waived their rights to parliamentary immunity.

The proceedings are ongoing.

132. This modus operandi is applied in all proceedings from 2024 against politicians from PP-DB (or persons linked with them) such as Kiril Petkov, Bozhidar Bozhanov, Boyko Rashkov, Asen Vasilev as well as against Djevhan Ibramov from Ahmed Dogan's faction within MRF. more information is available in cases 58 - 61 and 63-64

case 61



DJEYHAN IBRIAMOV

Member of Parliament, 2014 – present

what



Initially charged with trading in influence:

From 25 September to 2 October 2024, in Sofia, he asked for and received a gift that he was not entitled to in order to influence decision making within the Ministry of Defence. He made the request of Miroslav Todorov during a meeting held on 25 September 2024 in the vicinity of the 91th German Language High School in Sofia. Ibriamov asked for BGN 200,000 in exchange for attempting to influence Ministry of Defence officials. On 2 October 2024, Ibriamov received from Todorov BGN 100,000 – a violation of Art.304b(1) of the CC.

Subsequently, the crime was redefined from trading in influence to fraud and the Prosecutor’s Office asked the National Assembly to lift Ibriamov’s parliamentary immunity because in September and October 2024 he lead Miroslav Todorov to believe that he would influence decision making regarding public procurement procedures in the Ministry of Defence in exchange for BGN 400,000. With these actions, Ibriamov attempted to inflict considerable material damages to Todorov – a violation of Art 210, par. 1, subpar. 5 in conj. with Art 209, par. 1 in conj. with Art 18 par. 1 of the CC.

The Prosecutor’s Office also asked for the lifting of Ibriamov’s parliamentary immunity in relation to another case related to an alleged request in 2019 for BGN 20,000 in exchange for influencing a decision by officials at the Ministry of Health related to the issuance of a certificate for a line of biocidal products – a violation of Art. 304b(1) of the CC.

when



The pre-trial proceedings were initiated by the CCC and the SCPO in October 2024 (case file 18042/2024) – SCPO filed charges in October 2024 – the pre-trial proceedings have been paused because of Ibriamov’s parliamentary immunity.

case 61

why



Ibriamov, an MP, was detained in an operation on 2 October immediately after receiving marked bills. Officers carried out a personal search as well as searches of his residences and his family residence. Public prosecutors claimed the facts of the case point to a flagrante delicto which allows for an MP to be detained without a formal procedure to lift their parliamentary immunity following a decision of the National Assembly or its President. The immunity enjoyed by members of Parliament involves two elements: a prohibition on their detention and prohibition for law enforcement to take any actions that may result in criminal charges against an MP.

On 3 October 2024, Raya Nazarian, the then President of the National Assembly, issued a decision on the request by Acting Prosecutor General Borislav Sarafov to lift Ibriamov's parliamentary immunity. Nazarian allowed prosecutors to initiate criminal proceedings and file charges against Ibriamov. However, the decision did not mention whether the prohibition on detention would be lifted. Nazarian took the decision without consulting the MPs since the National Assembly was not holding sessions because of the upcoming parliamentary elections. On 5 October 2024 (Saturday) a judge from the SCC ordered that Ibriamov be arrested. The measure was subsequently confirmed by the Appellate Court - Sofia.

The steps taken by the relevant public institutions in initiating the proceedings were perplexing. There are three key issues:

1/ Ibriamov's initial detainment can be qualified as illegal since prosecutors failed to obtain a permission from the National Assembly or its president. The law does make provisions for cases of flagrante delicto where obtaining such permissions is not necessary. However, the circumstances in Ibriamov's case do not suggest flagrante delicto which requires a degree of urgency on behalf of law enforcement authorities. In Ibriamov's case, investigators were expecting that he was about to commit the alleged crime, they documented his actions, waited until he received the money

alleged to be a bribe and only then did they detain him. In addition, law enforcement monitored Ibriamov for a number of days prior to his arrest, using special surveillance means for the purpose. The use of special surveillance means to monitor an individual with parliamentary immunity is another concerning aspect. Finally, the crime that he was charged with dated from 25 September 2024 when, according to the prosecution, the suspect made the request for payment. This means that if there was an element of flagrante delicto, it was first evident on that date.

2/ The continuation of Ibriamov's detainment can also be qualified as illegal as it was not sanctioned by the President of the National Assembly. Such an approval is necessary even if the prosecution's claims of flagrante delicto are valid. However, Nazarian's decision did not review the issue of Ibriamov's detainment. In this case, obtaining a court decision is not sufficient since lifting the parliamentary immunity of MPs and the ban on detainment is only within the competence of the National Assembly and its President.¹³³

3/ Some of the steps taken by the authorities to collect evidence pointing to Ibriamov's culpability – such as the personal search and searches of his residences – also violate the law, or at least did so on 2 October, a day before the President of the National Assembly allowed that Ibriamov's parliamentary immunity be lifted. Should such a hypothesis be accepted by the court at the trial stage of the proceedings, the evidence collected during that period will have to be excluded – a fact that would most likely determine the outcome of the trial.

It remains unclear why the SCPO lodged the request for an arrest warrant with the court only on 5 October, two days after the President of the National Assembly approved the request to lift Ibriamov's parliamentary immunity and at the end of the maximum allowed period for detention. In principle, suspects should be presented to the court as soon as possible. In addition, the present case was controversial and

133. The decision of the Appellate Court - Sofia contradicts this principle.

case 61

of considerable public interest, and the suspect was an MP. The SCPO’s decision to lodge the request on a Saturday meant few judges were on duty and the circle of individuals who could have heard the case was thus limited.

As has become customary in such cases, the protocol from Todorov’s interrogation was leaked to the media¹³⁴. It turned out that the main witness in the proceedings had been under arrest until recently on charges of VAT-fraud.

Another plot line that emerged from the proceedings and which, in typical fashion, prosecutors did not investigate further, was the witness’ claim that Ahmed Dogan had discussed with Ibriamov a plan to kill Delyan Peevski.

Ibriamov remained under arrest for over a month and was released after his reelection to the National Assembly, a fact which means that the procedure of lifting his parliamentary immunity should be repeated.

So far, however, this has not happened. Ibriamov’s party, MRF - Alliance for Rights and Freedoms, entered parliament and joined the coalition supporting the government of Rosen Zheliazkov. In January 2025, the National Assembly did not approve Borislav Sarafov’s new request to lift Ibriamov’s parliamentary immunity, which the Acting Prosecutor General had submitted in November 2024. Thus, at an early stage of the proceedings, this crime that prosecutors had so actively investigated and qualified as trading in influence was requalified as fraud, a crime with a different legal definition. This change means that prosecutors adopted that there was no proof showing that Ibriamov could have influenced officials from the Ministry of Defence. Therefore, he was charged with defrauding Todorov into believing that he was capable of yielding such influence.

At no time during the proceedings did MPs express their position regarding the fact that the President of the National Assembly unilaterally decided to lift Ibriamov’s parliamentary immunity. Furthermore, it is telling that subsequently Parliament voted against Sarafov’s second request. The question is which of these two decisions (or maybe both) was politically motivated?

The investigation targeting Djeyhan Ibriamov can also be connected to a significant political event – the conflict between Ahmed Dogan and Delyan Peevski, the formed MRF

allies, which became apparent in early July 2024. Following the rupture within the party, the Prosecutor’s Office initiated a number of criminal investigations targeting party functionaries supporting Dogan, as well as other individuals connected to him.¹³⁵ The proceedings against Ibriamov are one example.

conclusion



The proceedings are ongoing. Whatever the outcome of the proceedings, the facts of the case are telling of the concerning state of rule of law in Bulgaria.

Two court instances have approved an arrest warrant of an acting MP amidst serious concerns for severe violations of the Bulgarian Constitution and the criminal procedure legislation. At the same time, the case received negligible attention from experts and the political parties.

134. This modus operandi is applied in all proceedings from 2024 against politicians from PP-DB (or persons linked with them) such as Kiril Petkov, Bozhidar Bozhanov, Boyko Rashkov, Asen Vasilev as well as against Djeyhan Ibriamov from Ahmed Dogan’s faction within MRF. more information is available in cases 58 - 61 and 63-64.

135. Cases 61, 62 and 65 as well as Cases 29 and 30 concerning corruption at the local level.

case 62



MARIO RANGELOV

MP, 2021 – present

what



The Prosecutor's Office has filed a request to lift Rangelov's parliamentary immunity so he could be charged for alleged vote buying¹³⁶:

- According to the Prosecutor's Office, Rangelov formed and led a group aiming to commit crimes against citizens' political rights – a violation of Art 169d of the CC.
- It is claimed that Rangelov gave BGN 15,000 in order to persuade citizens to vote for a specific coalition during the parliamentary elections on 27 October 2024 – a violation of Art 167 par. 4 in conj. with par. 3 in conj. with par. 2 of the CC and Art 167 par. 3 in conj. with Art 26 par. 1 of the CC.

when



SCPO initiated proceedings in October 2024 - the case is at the pre-trial stage of proceedings.

why



According to a statement by the Ministry of Interior concerning the steps it had taken to counteract vote buying during the parliamentary elections in October 2024, law enforcement officers collected evidence incriminating a single politician – Mario Rangelov. This despite numerous accounts of large-scale vote buying in the media. Rangelov was an MP from the Ahmed Dogan-affiliated faction within the MRF. He became one of several politicians loyal to Dogan to be investigated following the split between Peevski and the MRFs' honorary chairperson.¹³⁷

Following the decision of MRF - Alliance for Rights and Freedoms to join the ruling coalition, the requests by Acting Prosecutor General Borislav Sarafov, filed in December 2024 and February 2025, to have Rangelov's parliamentary immunity lifted had the same fate as the requests concerning Djevhan Ibriamov's parliamentary immunity. On both occasions, the parliamentary majority voted in the negative.¹³⁸

As long as Rangelov is protected from legal action because of his parliamentary immunity, it is not possible for the Prosecutor's Office to conduct an investigation.

conclusion



The proceedings are ongoing.

136. In April 2025, the Acting Prosecutor General lodged a request to lift Rangelov's parliamentary immunity so he could be investigated for a second crime – trading in influence. That investigation had started in 2025. Its development will be outlined in the following issue of ACF's monitoring report.

137. Cases 61, 62 and 65 and Cases 29 and 30 concerning corruption at the local level.

138. Case 61

case 63 and 64



PETYA BANKOVA

Director of the National Customs Agency, 2024

AND ZHIVKO KOTZEV

Chief Secretary of the Ministry of Interior, 2023 – 2024

what



Charged with participation in an organised crime group and coercion:

According to the Prosecutor's Office, from June 2022 to 3 April 2024, Bankova participated in an organised crime group engaged in contraband, money laundering and corruption crimes.

She was also charged with coercion related to appointment in the National Customs Agency. Allegedly, Bankova posted 18 agency employees to different positions within the organisation. She was charged also charged as an accessory to contraband.

Kotzev has been charged with participating in a crime group engaged in contraband, money laundering and bribery.

when



The pre-trial proceedings were initiated by the CCC and the SCPO in April 2024 - SCPO charged Bankova in April 2024 (for participation in an organised crime group and coercion) and in November 2024 (accessory to contraband) / Kotzev was charged by the SCPO in April 2024 - the case is at the pre-trial stage of proceedings

why



On 3 April 2024, a month after the resignation of the Denkov government and ten days after GERB and PP-DB failed to agree a new government, news broke of an operation by SANS and the CCC investigating alleged contraband, abuse of office, money laundering and bribery in the National Customs Agency. The initial reports were of an investigation into a contraband channel headed by the former customs officer Nikolay Nikolov "Pascal". News also broke out about the detention of Petya Bankova who had been appointed to the post by Asen Vasilev, key PP figure and former Minister of Finance.

Initially, Bankova refuted the reports that she had been detained, calling the operation politically motivated. She added there was a conflict between her and the then Chairperson of SANS under whose directorship she had once worked.

However, on 4 April, Bankova was charged and detained for 72 hours. Also detained at the time were

Martin Dimitrov and his father Stefan Dimitrov, both from Haskovo, believed to be involved in the smuggling channel. Nikolov's whereabouts were unknown. In the course of the investigation, investigators carried out 30 searches in private residences, offices and vehicles. They seized mobile phones, documents, notes, diaries, computers, a large sum of cash in different currencies, 1,501 master cases of cigarettes, etc. A court imposed indefinite detention orders for the three suspects who remained under arrest. Bankova was only released in October after her physical condition had deteriorated significantly and she had provided extensive testimony to prosecutors.

Following the operation, Asen Vasilev stated that if there was no solid proof, the investigation most likely served to intimidate Petya Bankova. MPs from ITN tabled a proposal for an ad-hoc parliamentary committee of inquiry into alleged corruption in the National Customs Agency and Asen Vasilev's possible involvement

case 63 and 64

in them. The motion was speedily adopted.

On 4 April, Zhivko Kotzev submitted his resignation as Chief Secretary of the Ministry of Interior, stating he intended to pursue different career goals.

On the following day, however, Kotzev withdrew his resignation with the explanation that he had been pressured to leave the post. Kotzev made the statement at a joint press conference with former Prime Minister Nikolay Denkov who said that Kalin Stoyanov, Minister of the Interior in his cabinet and in the subsequent caretaker government, as well as “very high-ranking officials from the Prosecutor’s Office” had attempted to intimidate Kotzev. It is claimed that one of the reasons for the failure of the negotiations concerning a possible new GERB – PP-DB coalition government was GERB’s insistence to keep Stoyanov on as Minister of Interior. While it was PP-DB who nominated Stoyanov to lead the Ministry of Interior in the Denkov cabinet, it was politicians from the two parties who called on him to resign on several occasions during the mandate of the Denkov government. Those calls were not supported by GERB. Eventually, Stoyanov joined Delyan Peevski and his MRF - New Beginning and is currently an MP representing the party.

After the press conference, it emerged that on 3 April, in the morning, while the operation by SANS and the CCC was ongoing, Kotzev met with the Acting Prosecutor General, Borislav Sarafov, in his office. Also present were Iliana Kirilova, head of the SCPO, and Anton Slavchev, the director of the CCC. It was also revealed that Kotzev was close to the individuals under investigation for alleged smuggling activities.

An article in *24 Chasa*¹³⁹ disclosed the Prosecutor’s Office “unofficial account” of the meeting. Apparently, after he learned of the ongoing operation at the National Customs Agency, Kotzev went to Sarafov “with tears in his eyes”, pleading to be heard and asking for permission to assist the investigation. He wanted to become a protected witness and was looking for guarantees of protection. In his actions, Kotzev was motivated by his friendship with Sarafov. It was, therefore, claimed that he was not intimidated to resign, as Denkov had stated, but voluntarily met with the Acting Prosecutor General so he could ask for help.

The claims in the article were confirmed by Kirilova who

said that there had been no wrongdoing at the meeting on 3 April. Kotzev had called Sarafov, asking to see him and showing his willingness to assist. Following the meeting, Kotzev left Sarafov’s office and, accompanied by his attorney, gave testimony. According to Kirilova, meeting Kotzev did not represent a violation since the proceedings were in their initial stage and it would not have been possible for Sarafov or for her to influence the prosecutors in charge of the investigation as those individuals had not been determined at that time.

On 16 April, at a public hearing of the ad-hoc parliamentary committee, created with such haste, Plamen Tonchev, Chairperson of SANS, provided extensive details from the agency’s investigation which serves as the grounds for the criminal proceedings initiated by the CCC. Tonchev did not appear concerned with protecting the secrecy of the investigation, typically the common excuse used by all kinds of public institutions when asked to provide information about the work of the Prosecutor’s Office. Tonchev did not refrain from identifying top Ministry of Interior officials, including Zhivko Kotzev, which SANS had determined as having links to the smuggling channel. He also mentioned a politician who knew the alleged smugglers (Boyko Rashkov, a key PP figure) but without clarifying if SANS had determined there were proven ties between him and the culpable activity. Tonchev also claimed that the alleged smugglers had influence in the judicial system but did not name any magistrates. The SANS chairperson further stated that Bankova, her deputy and Kotzev, had already been receiving gifts from one of the smugglers in exchange for certain actions or lack thereof. The exchanges had taken place at the parking lot belonging to the National Assembly. SANS, he claimed, had been informed of a new meeting on 3 April when the three suspects were expected to receive new gifts as incentives to continue protecting the smuggling channel. On these grounds, SANS alerted the CCC to initiate urgent proceedings.

It remains unclear why the law-enforcement authorities did not wait for the meeting that they had been informed about. Why did they not wait for Bankova and Kotzev to accept the supposed bribes so their actions could be documented¹⁴⁰? Why did they start the operation with other procedural steps such as searches in numerous locations which revealed the

139. https://www.24chasa.bg/bulgaria/article/17592989?fbclid=IwY2xjawJo48ZleHRuA2FlbQIxMAABHs3jNVqtkpIMVlgziCoH43egyNprNr2zhXmx3UDgejWkIqdtue2k8XTv6_aem_hhIMCmrTF74Wmpfwl19aw

140. For example, in Djevhan Ibriamov’s case, investigators decided to wait so they could document his actions despite the fact that Ibriamov has parliamentary immunity. More information in Case 61.

case 63 and 64

fact that the smuggling channel had been under investigation.

According to Kirilova, on the same day that properties belonging to the alleged smugglers were being searched, Zhivko Kotzev, having become aware of the operation, contacted Sarafov via the Signal application, asking for a meeting. At the meeting he was told of the seriousness of the situation and “with tears in his eyes” he pleaded to become a witness. Indeed, Kotzev, a person that SANS had expected was about to receive a bribe on the very same day, became an anonymous witness. However, on 17 April he was charged – something which automatically erases the witness testimony he had provided earlier.

Many of the details of the case were made public via another leak to the media, a recurring pattern within the criminal proceedings analysed for this report.¹⁴¹ In this case, the leaked information is significant in volume and released in many portions. Media outlets were provided with evidence of the case: protocols from Kotzev’s questioning as an anonymous witness, protocols from Petya Bankova’s questioning after she had been charged, pictures (most likely obtained from the smartphone devices of the investigated individuals) showing Kotzev brandishing expensive gifts in the company of the suspected smugglers, pictures of the alleged smugglers with Boyko Rashkov and other individuals, for example Nikolina Angelkova, former Minister of Tourism and MP. A poodle dog, often pictured with the investigated persons, became a favourite of the media.

The leaked evidence, especially the protocols from Bankova’s questioning, was used to insinuate that Asen Vasilev and Boyko Rashkov were connected to the individuals under investigation. Bankova’s testimony mentions that money was collected for Asen Vasilev and that one of the suspected smugglers gave hundreds of thousands of euros to Boyko Rashkov.

It remains unclear if such a hypothesis is being investigated in the criminal proceedings and what proof, besides Bankova’s statements¹⁴², support it. Considering that none of the implicated persons has been charged, most likely sufficient proof of culpable behavior has not been collected to date.

The latest media scandal related to this case is the arrest, in December 2024, of Lachezar Stavrev, Asen Vasilev’s driver, for alleged links to the smuggling scheme. Stavrev was under arrest for two months and has been subsequently released by the SCPO.

Currently, all suspects have been released. Nikolay Nikolov “Pascal”, considered to be the most important person within the smuggling ring, was detained for several months in Serbia, following an extradition request by the Bulgarian authorities. He was subsequently released by a local court while the proceedings concerning his extradition were ongoing.

141. This modus operandi is applied in all proceedings from 2024 against politicians from PP-DB (or persons linked with them) such as Kiril Petkov, Bozhidar Bozhanov, Boyko Rashkov, Asen Vasilev as well as against Djevhan Ibriamov from Ahmed Dogan’s faction within MRF. more information is available in cases 58 - 61 and 63-64.

142. Typically, when, in the course of the criminal proceedings, suspects provide information about crimes committed by other individuals in order to explain their own culpable behavior, their statements are weighted carefully. Because of the vested interest involved, such testimony alone cannot be used as grounds to charge the implicated persons.

case 63 and 64

conclusion



The proceedings are ongoing. Whatever the outcome of the proceedings, the circumstances surrounding them are telling of the highly concerning state of rule of law in Bulgaria. This case demonstrates the real goals behind the key criminal proceedings targeting high-level corruption which – as the publicly known facts show - have little to do with respect for the law and searching for justice.

Zhivko Kotzev, the Chief Secretary of the Ministry of Interior, relied on personal connections to arrange a meeting with the heads of the SCPO and the CCC, the very institutions leading the criminal investigation into his actions. The investigation was initiated on the basis of a two year-long operation by SANS which provided the secret service with information that Kotzev was about to receive a bribe. This information was the reason why SANS sent a report to the CCC, recommending the initiation of an urgent investigation. As the law postulates, neither the Acting Prosecutor General, nor the head of the CCC should influence the decisions of the lead prosecutors and CCC inspectors working on the case. Following the said meeting, Kotzev submitted his resignation and took steps to provide witness testimony about the activity of the claimed criminal group of which – as per the preliminary information – he was part of. The information by SANS, concerning Kotzev's alleged intention to accept a bribe, was not investigated further and was just replicated as a salacious detail in the course of the subsequent parliamentary hearings. Later on, when talk of the intimidation against Kotzev began to surface and he withdrew his resignation, his role in the proceedings changed and from witness he became an accused person.

It is difficult to see how such pivots in the course of the criminal proceedings comply with the legal framework. If the authorities had reliable information that the most senior public servant within the Ministry of Interior was about to receive a bribe as part of his participation in an organised criminal group involved in smuggling, what is the procedural logic in the decision not to prosecute this individual, instead using him as a witness? Considering his high rank, it would be difficult to find 'a bigger fish' than him within the so-described criminal group. However, if such reliable information was, in fact, lacking, then the allegations made by the Director of SANS during the parliamentary hearing are, to put it mildly, completely inappropriate and scandalous.

The flood of leaked information from the proceedings, coupled with an almost complete lack of official information

provided by the authorities, points to an already well-established pattern employed by law enforcement authorities in the present case. A pattern in which the end goal is not the successful completion of the criminal proceedings. Instead of seeking to successfully convict the accused persons, prosecutors are focused on short-term goals, namely to tarnish the reputations of any opponents of the individuals holding the real power within the public institutions. Thus, opponents are publicly disparaged or controlled by virtue of their fear that they could be charged on the basis of the information leaked in the media. In addition, cases such as the present one serve as a warning to others. The process of presenting to the public such a large share of the gathered evidence cannot serve legitimate procedural purposes.

In this case as in others, the sources of the leaks are not insiders who disagree with the policies or actions of their respective institutions and, while taking on significant risks, disclose internal information to outsiders so as to shed light on the shortcomings in the work of these institutions that they are trying to hide from the public. On the contrary, the information is revealed by the public institutions who use evidence gathered in the course of their work in order to publicly humiliate individuals who, rather than being discredited, should be investigated. Furthermore, the evidence used for these campaigns has been obtained through means that are only available to public law enforcement authorities.

In the present case there is indirect proof that the details of the investigation were leaked by the authorities. Following the publication of the protocols from the interrogation of an anonymous witness, claimed to be Kotzev, doubts arose whether that claim regarding the witness' identity was true. The reason for these doubts was the fact that the anonymous witness is recorded as saying that he knew Zhivko Kotzev, Chief Secretary of the Ministry of Interior. The logical question was how could Kotzev have referred to himself in the third person during the questioning. To quell the doubts, Kirilova, the head of the SCPO, confirmed in a TV interview that the anonymous witness was, indeed, Kotzev.

Therefore, if the prosecution was not the source of the leak, it remains unclear why it would take steps to allay any doubts about the veracity of the leaked information, going as far as to publicly disclose the identity of an anonymous witness.

case 65



STOYAN MAVRODIEV

Chief Executive Officer of the Bulgarian Development Bank, 2017 - 2020

what



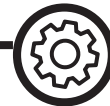
Charged with exceptionally serious embezzlement in office in relation to a BGN 150 mln. credit that the Bulgarian Development Bank (BDB) extended in 2019 to Roadway Construction (the owner of the company that received the credit is businessman Rumen Gaytanski "The Wolf" who was charged as instigator)

when



Following initial refusals to investigate, the SCPO initiated proceedings in October 2022 - Closed by the SCPO in May 2023 due to lack of evidence (Case 13465/2022) - The closure of the proceedings was confirmed by the Sofia Appellate Prosecutor's Office - The decision was repealed by the Supreme Prosecutor's Office of Cassation (SPOC) and the case was referred back to the SCPO in January 2024 - charged by the SCPO in August 2024 - the case is at the pre-trial stage of proceedings.

why



Stoyan Mavrodiev is a former MP from GERB, former chairperson of the Financial Supervision Commission and former Chief Executive Officer of BDB. He was dismissed from the bank in 2020 by the then Prime Minister Boyko Borisov. The reason for Mavrodiev's dismissal was a BGN 75 mln. credit extended by the BDB to a company with modest revenue belonging to a well-known debt collection company.

In 2021, Kiril Petkov, then a Minister of Economy in the caretaker government, announced that BDB has provided loans amounting to almost BGN 1 bln. to eight companies. Of those, loans worth more than BGN 500 mln. were extended to companies linked with Delyan Peevski. The three largest loans (each amounting to more than BGN 140 mln.) were for Roadway Construction JSC, Sunny Day JSC, and Blagoevgrad - BT JSC. In fact, Petkov publicly confirmed information

about questionable loans by the state-owned bank that had already appeared in the media but without any follow-up from law enforcement.^{143,144}

The new management of BDB claimed they had alerted the public prosecution in 2021 upon taking over the bank. In an official statement from 2022, the bank said that "despite the significant losses sustained by BDB because of some of these loans, due to additional provisions of more than BGN 190 mln., the Prosecutor's Office closed the proceedings in April 2022". Nevertheless, in October 2022, the SCPO initiated criminal proceedings.

However, with regards to the case concerning Roadway Construction, serious procedural actions were only taken on 14 August 2024 when police officers and representatives of the CCC searched properties belonging to Rumen Gaytanski and Stoyan Mavrodiev. These

143. In 2017, ACF informed the public prosecution that BDB is issuing loans that violate its statute. The bank provided a loan worth EUR 31.8 mln. to companies belonging to the politician Georgi Gergov, despite a prohibition on financing political parties and individuals connected to them. At that time, Gergov was the largest borrower from the BDB. In 2018, the Prosecutor's Office issued a decision that the loans do not violate the law and that Gergov is not connected to the Bulgarian Socialist Party. At the end of 2017, the Bulgarian National Bank made a statement that the loan did not threaten BDB's financial stability. For more information about ACF's investigation: https://acf.bg/en/kak-bbr-grubo-narushava-ustava-si-i-pravi/?fbclid=IwY2xjawKao7pleHRuA2FlbQlxMAABHu5NLIeZsZ8Y8trrHRZ-8KnxSs8KmVILs6GlsVqAoL8rO666yGTpSVpvDgmF_aem_O4PUvh6YfZu8VgMJsp5Q

144. In 2020, in an article for Radio Free Europe / Radio Liberty, Nikolay Staykov, a journalist with ACF, wrote that the biggest borrower from BDB was a construction company registered in the village of Gruievo in 2019, just a few months prior to receiving a loan amounting to BGN 150 mln. The purpose of the loan was the acquisition of another construction company. Both entities are linked to Rumen Gaytanski "The Wolf" who is well-known because of the concession contracts for household waste collection in Sofia and his ties to MRF honorary chairperson Ahmed Dogan. <https://www.svobodnaeuropa.bg/a/30545507.html>

case 65

conclusion



The proceedings are ongoing.

measures are part of operations by law enforcement in 2024 against individuals – such as Gaytanski – considered to be close to Ahmed Dogan. The operations started immediately after Dogan and Delyan Peevski engaged in open conflict, splitting the MRF into two fractions.¹⁴⁵

The SCPO, which until recently did not find any evidence of a crime, then decided that the bad loan, worth nearly BGN 150 mlv, provided to Roadway Construction, represented embezzlement in office. In the immediate aftermath of the operation, Mavrodiev and Gaytanski were charged – respectively as perpetrator and instigator. This legal classification means that, according to the SCPO, there was never any intention for the loan to be paid off to the creditor. The decision to provide the loan would then be just a formal step which should appear legal but serves to hide the real actions – the embezzlement of the funds by the authorising officer Mavrodiev for Gaytanski's personal benefit.

Gaytanski was arrested and remained in custody until October 2024 when he was released on bail. Mavrodiev is wanted and his whereabouts remain unknown.

145. Cases 61, 62 and 65 and Cases 29 and 30 concerning corruption at the local level.

case 66



VLADIMIR MALINOV

Executive Director Bulgartransgaz EAD, 2018 - 2024

what



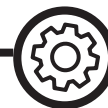
Charged by EPPO in connection to the project to expand the Chiren Underground Gas Storage. The exact charges are yet unknown.

when



The date when EPPO initiated its investigation is unknown but is August 2024 at the latest - Malinov was charged in March 2025.

why



On 13 August 2024, EPPO searched offices belonging to state-owned energy company Bulgartransgaz. In the immediate aftermath of the operation, the grounds for these actions were not known. On the following day, Vladimir Malinov, then a Minister of Energy, announced that the searches were conducted in relation to an investigation into the Chiren expansion project.

The contract for the planned expansion of the Chiren Underground Gas Storage was signed in 2022. The European Climate, Infrastructure and Environment Executive Agency (CINEA) has granted EUR 78 mln. for the project, which means EPPO has competence to investigate the case.

The issues surrounding this project have been described extensively in ACF's investigation *Chiren: Tenders with Convenient Incline* which was published in November 2024.¹⁴⁶ As per the contract signed with the chosen contractor, 13 new wells should have been drilled at the Chiren gas storage facility as of November 2024. Instead, Bulgartransgaz ended the contract, deciding not to seek damages and compensations from the awarded party. The failure of this energy project of strategic importance has jeopardised the EUR 78 mln. grant and the country's energy security. In early October

2024, Glavbolgarstroy JSC, the company leading the awarded entity, announced that it was pulling out of the well-drilling contract. Typically, such a step would entail significant compensations for the awarding party. However, in November, Bulgartransgaz announced it would not be seeking compensation amounting to BGN 26 mln.

The nature of the proceedings conducted by EPPO is not known since the institution has not disclosed any information on this issue. EPPO has also failed to disclose information, following a query by ACF for the purpose of this analysis.

On 28 February 2025, the weekly outlet Capital published an interview with the Bulgarian European Prosecutor Teodora Georgieva¹⁴⁷ who is quoted as saying that she encountered institutional pushback on cases involving influential individuals. Georgeva discussed the expansion of the Chiren gas storage facility, the construction of the Zheleznitza tunnel and the lack of willingness of the police to assist with investigations into suspected corruption.

On 10 March 2025, a letter and video with a duration of nearly 90 seconds was disseminated to the media from an anonymous account claiming to represent

146. For more details - <https://acf.bg/en/tazsledvane-na-akf-darzhavata-se-e-otka/>

147. „The interview is available here https://www.capital.bg/politika_i_ikonomika/pravo/2025/02/28/4748542_teodora_georgieva_obshtestvenite_poruchki_sa/

case 66

Petyo Petrov “The Euro”, a former investigator featured in ACF’s investigation The Eight Dwarfs.¹⁴⁸ The letter referred to a report sent from the person claiming to be Petrov to the public institutions. The report allegedly provided information about illegal actions (including corruption) by Bulgarian magistrates, including the Bulgarian European Prosecutor Teodora Georgieva. The source of the leak claimed that the video was filmed in The Eight Dwarfs restaurant. It showed Petrov and another person – allegedly Teodora Georgieva. The video shows the parties discussing what appears to be Georgieva’s appointment to EPPO in 2020 with Petrov saying: “Anyway, we consider it as an important post. We have decided. You take it and so be it”.

On 24 March a new, longer video was sent of the same meeting. It revealed more details of the conversation.

So far, Georgieva has not denied the claims in the leaked videos.

Another piece of news that broke on 24 March was the fact that Vladimir Malinov had been summoned to the EPPO’s Bulgarian office so he could be charged. Malinov, however, did not present himself, claiming he was undergoing medical treatment.

On 26 March, EPPO released an unprecedented announcement that the European Chief Prosecutor had informed the European Parliament, the Council of the EU and the European Commission of the initiation of an administrative inquiry into possible wrongdoing by

the Bulgarian European Prosecutor. The administrative procedure was initiated because of possible wrongdoing in the framework of an ongoing EPPO investigation. On the following day, EPPO announced Georgieva’s temporary suspension for the duration of the inquiry.

Georgieva did not make a statement. However, in interviews with several media outlets, she said she had withdrawn from the Chiren investigation because she felt threatened by Delyan Peevski. Apparently, a subcontractor who was removed from the project named Peevski as the individual who had been pressuring them. Georgieva was quoted as saying that she had received threats of the release of compromising materials if she were to press charges against Malinov.¹⁵⁰

All of the above leads to the conclusion that the ongoing investigation linked to the administrative inquiry into Georgieva’s actions appears to be the Chiren case. Whether the reason for the initiation of the inquiry was her withdrawal from the case because of the threats (which later materialised) and which questioned her independence – considering that her behavior was swayed by those threats – or another factor, remains unknown.

So far, EPPO has not provided additional information about the investigation into the Chiren case, whether Delyan Peevski is being investigated, nor about the administrative inquiry into the Bulgarian European Prosecutor.

148. For more details The Eight Dwarfs - The Facts, a Legal Analysis, Conclusions, and an Appeal to the Institutions and Yavor Zlatanov’s Interview for ACF Confirms Eight Dwarfs Story

149. Peevski’s name emerged several months prior, in ACF’s investigation into the Chiren case. In numerous letters, the affected subcontractor PM Lucas warned Vladimir Malinov, then Executive Director of Bulgartransgaz, of the technical difficulty of the project and the risks in bringing in a less experienced subcontractor. Malinov was also warned about the risk of explosions and closing the air space above Bulgaria and Romania. The letters warn about significant political pressure on the project, including by Peevski, who is sanctioned by the US under the Global Magnitski Act and by the UK.

150. As per the Regulation on the establishment of EPPO, investigations are led by the European Delegated Prosecutors in each member state, rather than the European Prosecutors. The latter have oversight functions but, in some cases, they can lead investigations, too.

case 66

conclusion



The proceedings are ongoing. However and whenever the proceedings are concluded, the facts pertaining to them and especially the events surrounding them are illustrative of the highly concerning state of the rule of law in Bulgaria and how it affects a key EU institution such as EPPO.

Despite the fact that their main goal is to undermine the credibility of the Bulgarian European Prosecutor, the leaked recordings – which the implicated person has so far not denied – show the ugly truth about high-level appointments, in the Bulgarian criminal justice system and beyond, which appear to have been secured with the help of the criminal organisation of Petyo Petrov “The Euro” was necessary. The level of certainty regarding Petrov’s involvement is so high because the subjects of discussion in the leaked video coincide with events that did occur – for example, the reshuffling in the list of the candidates for the post of Bulgarian European Prosecutor which took place after a decision by the Bulgarian government in 2020.¹⁵¹

When a criminal structure has such significant influence in determining the individual taking up such a key post, the most logical question is how this individual will then return the favour to the criminals and the people behind / above them (As Petrov is recorded as saying: “We have decided it”.) The answer to this question requires a thorough audit of the work of the Bulgarian EPPO office since its establishment. Bulgarian authorities were never able (or willing) to properly investigate Petyo Petrov and his criminal network due to the network’s high levels of infiltration within those same insti-

tutions. The question now is what will the structures of the EU do after it has emerged that this criminal network likely influenced processes within EU institutions, too. What is clearly necessary is a full, transparent inquiry concerning the following issues:

- 1/ The institutional actions that led to Georgieva’s appointment;
- 2/ The overall work of the Bulgarian EPPO office since its establishment - how it is organised, how work is allocated, etc;
- 3/ Actions pertaining to cases of high public interest such as the investigation into the expansion of the Chiren Underground Gas Storage: how many high-level cases have been investigated since the establishment of the Bulgarian office, who were the prosecutors leading those investigations, what actions have been taken, what was the reaction of the Bulgarian office when faced with attempts by national law enforcement institutions to obstruct the investigations, etc;
- 4/ Georgieva’s claims she had been threatened by Delyan Peevski, an individual with significant political and economic influence in Bulgaria, because of her work as a European Prosecutor. What is known about these threats, was the EPPO leadership informed, are the threats being investigated?

¹⁵¹ In 2021, a scandal erupted in the European Parliament in connection with the election of some European Prosecutors. MEPs requested all documentation concerning the nominations of the candidates from Belgium, Bulgaria and Portugal. According to Euractiv, “in the case of Belgium, Bulgaria and Portugal, the selection committee’s decisions were overruled by the member states in the Council of Ministers, which ultimately selected candidates from the list who were not the first choice”. <https://www.euractiv.com/section/politics/news/meps-threaten-to-sue-over-european-prosecutors-appointments/>

Annex Two

Results of the Criminal Prosecution of Corruption at the Local Level

Andrey Yankulov

case 01



DINCHER HADZHIEV

Governor of the Dobrich Region, September 2005 – May 2008

Following a guilty verdict that became final in February 2020, Hadzhiev was sentenced to two years and 6 months in prison, suspended to five years. He was also fined BGN 2,500.



At the first court instance, the verdict was pronounced by the Dobrich Regional Court (criminal case No. 35/2015); upheld by the Varna Court of Appeal (criminal case No. 110/2019); upheld by the SCtC (case No. 952/2019).

Hadzhiev was convicted of **two counts of malfeasance in office**:

/1 In the city of Dobrich, as a principal perpetrator, acting in the capacity of senior public official — Governor of the Dobrich Region — and together with the aider and abettor P.G., also acting in the capacity of senior public official — Director of the Directorate of Administrative Control, Regional Development, and State Property — Hadzhiev committed the following criminal acts, jointly constituting a continuing crime:

- on 22 December 2006, he violated his official duties, stipulated in the State Property Act (StPA) and the Rules of Application of this Act (RAStPA), by signing an agreement for the sale of an apartment with a view to procuring a benefit for P.G., consisting in the opportunity to purchase the said apartment for the price of BGN 21,000. Hadzhiev’s actions violated the StPA and the RAStPA, and resulted in serious damages for the State, amounting to BGN 14,900.

joint criminal activity:

- on 3 July 2008, the two defendants violated their official duties, stipulated in the StPA and the RAStPA; Hadzhiev signed, and P.G. approved, an agreement for the sale of property in contravention with the applicable provisions of the StPA and the RAStPA. This was done in order to procure a benefit for the company B. EOOD, represented by V.N., consisting in the opportunity to purchase the said property for the price of BGN 15,850.80. The incriminating transaction resulted in serious damages for the State, amounting to BGN 104,949.20;
- on 10 February 2008, the two defendants violated their official duties, stipulated in the StPA and the RAStPA; Hadzhiev signed, and P.G. approved, an agreement for the sale of 1,263 sq. m. of land, located on the territory of the town of Shabla, to the individuals G.K., I.I., and P.S., even though there was no legally constructed building owned

by these individuals on the specified land. This was done in order to procure a benefit for the buyers, consisting of the difference between the real market value of the property — BGN 34,300 — and the purchase price fixed at BGN 4,146.72. In consequence, **the total damages caused to the State amounted to BGN 150,002.48, of which BGN 135,102.48** were caused by joint criminal activity involving the sale of public property.

/2 Hadzhiev exercised competences of the Minister of Health, who is the representative of the Specialized Rehabilitation Hospital “Tuzlata,” and P.G. coordinated the procedure for signing the respective agreements, thus enabling Hadzhiev to overstep his authority and rights, stipulated in the StPA and the RAStPA:

- on 4 July 2007, Hadzhiev signed an agreement for the sale of property, without obtaining the required documentation from the Balchik Municipal Administration to establish that the building on it had been constructed legally. This was done in order to procure a benefit for P.P., consisting in the opportunity to purchase the property for the price of BGN 3,285.36, which resulted in serious damages for the Specialized Rehabilitation Hospital “Tuzlata,” amounting to BGN 44,914.64.
- on 11 December 2007, Hadzhiev signed five agreements for the sale of five properties, without obtaining the required documentation from the Balchik Municipal Administration to establish that the respective buildings on the properties had been constructed legally. This was done in order to procure a benefit for the company M. AD – Varna, represented by G.G., consisting in the opportunity to purchase the properties for the respective prices of BGN 9,352.44, BGN 4,184.64, BGN 4,204.92, BGN 4,517.76, and BGN 4,111.44. As a result, the Specialized Rehabilitation Hospital “Tuzlata” incurred serious damages in the respective amounts of: BGN 232,047.56, BGN 95,615.36, BGN 96,095.08, BGN 103,182.24, and BGN 93,888.56. **The total damages incurred by “Tuzlata” amounted to BGN 665,743.44.** The violation was considered especially serious, involving the sale of property to a legal person.

case 02



VESELIN PENEV

Governor of the Sofia Region, November 2013 – September 2016

Penev was acquitted by the SpCC (criminal case No. 2377/2019) in February 2021. The decision was confirmed by the ASCC (cassation case 212/2021) in November 2021. Based on the absence of information regarding the initiation of a cassation case before the SCtC, it is possible to infer that no protest was issued, and the acquittal has entered into force.

The specialized courts have accepted at two instances that the transactions were not unfavorable, and no damage had been incurred because of mismanagement – a conclusion with which, given the absence of a protest, the Prosecutor's Office has obviously agreed.



Penev was charged with 1) **mismanagement of public funds** and 2) **entry into of unfavourable transactions**:

/1 On an unknown date in the period from 30 December 2015 to 30 April 2016, in the capacity of public official — Regional Governor of the Sofia Region — Penev failed to exercise due care in the management and preservation of property under his control, namely the budget of the Sofia Region for 2016 and a plot of state-owned land. Penev's criminal behavior, constituting a continuing crime, resulted in the squandering of public assets of the Sofia Region administration amounting to BGN 13,339.20 (VAT included). The State suffered an additional loss of BGN 105,100.00, thus making the total amount of damages BGN 118,439.20.

/2 On 8 July 2016, Penev intentionally entered into three unfavorable transactions, by virtue of which he terminated the joint ownership, between the State and a private company, of several properties. Crucially, Penev transferred the State's interests in the properties to the private company, instead of severing the interests from the joint ownership, which would have been more profitable for the State. He thus sold three properties to the company "****d" EOOD for a total price of BGN 658,870 (VAT excluded), when the market value of the properties at the time was BGN 10,989,000 (VAT excluded). This resulted in serious damages for the State, amounting to BGN 10,330,130 — the difference between the purchase price and the market value of the properties.

case 03



IVAN TOTEV

Mayor of the Plovdiv Municipality, 30 October 2011 – 11 November 2019, charged alongside his deputy, Dimitar Katsarski, and the Mayor of Plovdiv's Zapaden District, Dimitar Kolev (from 2013 to 2019)

In July 2018, the SpCC returned the case against Totev to the SPO for rectification of significant procedural violations in the bill of indictment. The SPO terminated the case in March 2021, but the Prosecutor's Office has not informed the public about this fact. The SPO did not respond to ACF's request to provide the order to close the proceedings.



According to the charges, the construction of the Plovdiv Zoo was carried out in violation of the Public Procurement Act, with a view to procuring a benefit for the selected contractor, Z. OOD. In particular, Totev signed a direct contract with the company, in the absence of an approved investment project and bill of quantities, and before a

construction permit had been issued. The mayor's goal was to enrich the company with BGN 6,900,000, which is the amount of calculated damages caused to the Plovdiv Municipality. Katsarski and Kolev were accessories to the crime.

кажыс 4



SEVDELINA KOVACHEVA

Mayor of the Pernik Municipality, 25 September – 12 November 2019, charged alongside with the Minister of Environment and Water Neno Dimov¹⁵²

A bill of indictment was filed by the Specialized Prosecutor's Office with the Specialized Criminal Court in July 2021 where its status was pending. After the closure of the Specialized Criminal Court, the case was transferred to the Sofia City Court. There is no publicly available information regarding the charges against Kovacheva.



Dimov was charged with intentional mismanagement of public funds:

In the period 1 January 2018 – 17 November 2019, Dimov intentionally issued Toplofikatsiya–Pernik and the metallurgic enterprise Stomana with permits to draw excessive amounts of water from the Studena Reservoir for

their industrial needs. Dimov was warned that the reservoir will be depleted on several occasions but did not pay attention to the warnings and the provided information. As a result, he squandered millions of liters of water, valued at over BGN 11 million, and caused a water crisis in Pernik and the surrounding region.

case 05 and 06



ILINKA NIKIFOROVA AND IVAN IVANOV

Mayors of the Pernik Municipality, 1 November 2014 – 31 October 2015

In February 2018, the SPO released information that an operation had been carried out on the premises of the city council building in Pernik, in the course of which Ivanov and Nikiforova had been detained.

There has been no information regarding the status of the case and the SPO did not respond to ACF's request for information.

After the closure of the SPO, the proceedings were transferred to the District Prosecutor's Office - Pernik, which has provided information regarding the development of the criminal proceedings for the purposes of the present report. With orders dated 31 May 2023 (case 1676/2022), Nikiforova and Ivanov were charged with intentional mismanagement of public funds.

On 4 April 2025, the District Prosecutor's Office - Pernik filed indictments against Nikiforova and Ivanov with the District Court - Pernik under Art. 219 par. 3 in conj. with par. 1 of the CC.



Ivanov was charged on account of the following:

In the period 31 October 2014 – 9 December 2014, in his capacity of Mayor of the Pernik Municipality, he intentionally omitted to exercise due care in the management, administration and preservation of property entrusted to him; more specifically, in the absence of a “disaster” within the meaning of the Disaster Protection Act, and in his official capacity, he took decisions and issued orders as if a disaster had in fact occurred, thereby violating and failing to perform his official duties, which resulted in considerable damages for the municipality amounting to BGN 260,456.60, incurred in the form of payments made on an invoice submitted by a company for performed waste cleaning, collection and removal services – a crime under Art. 219, par. 3 in conj. with par. 1 of the CC.

Nikiforova was charged on account of the following:

In the period 8 September 2014 – 30 October 2014, in the capacity of acting Mayor of the Pernik Municipality, she intentionally omitted to exercise due care in the management, administration and preservation of property entrusted to her; more specifically, in the absence of a “disaster” within the meaning of the Disaster Protection Act, and in her official capacity, she took decisions and issued orders as if a disaster had in fact occurred, thereby violating and failing to perform her official duties, which resulted in considerable damages for the municipality amounting to BGN 1,258,260, incurred in the form of payments made on three invoices submitted by a company for performed waste cleaning, collection and removal services – a crime under Art. 219, par. 3 in conj. with par. 1 of the CC.

case 07



MINCHO KAZANDZHIEV

Mayor of the Lovech Municipality, October 2003 – October 2015



Acquitted by the SpCC (criminal case No. 1749/2018) in June 2020. The acquittal was repealed by the Sofia Court of Appeal (criminal case 1446/2022 in the SCA register) in January 2024, and the case was remitted to the first-instance court for a retrial. The case is currently pending before the Lovech District Court (criminal case 88/2024).

Kazandzhiev was charged with **mismanagement of public funds**:

On 5 November 2014, in the capacity of public official — Mayor of the Lovech Municipality — under the conditions of independent joint perpetration with T.V.S., Kazandzhiev failed to exercise due care in the management of public property under his control. In particular, the defendant accepted an amusement ride, consisting of a locomotive and two car-

riages, without performing the necessary quality assessment. Furthermore, he did not draft and sign a record of handover and did not verify whether the provided good matched the negotiated specifications. As a result, the Lovech Municipality incurred serious damages in the amount of BGN 210,034.52. The damages represent the difference between the sum of BGN 359,732.55, actually paid by the municipality, and the real market value of the amusement ride, which was BGN 149,698.03 at the material time.

case 08



PANAYOT REYZI

Mayor of the Sozopol Municipality, October 2007 – March 2019



In December 2020, the SpCC returned the case against Reyzi to the SPO for rectification of significant procedural violations in the bill of indictment. Since then, there has been no information regarding the status of the proceedings. The SPO did not respond to ACF's requests for information. Following the closure of the SPO, the case should have been transferred to the District Prosecutor's Office - Burgas which, however, informed the ACF that such a case was not overseen by them. It can be deduced with a high degree of certainty that the pre-trial proceedings were closed by the SPO.

Reyzi, alongside several other defendants, was charged with embezzling more than BGN 2 million in the process of assigning construction and repair works to various companies in the period from 2014 to 2017.

According to the Prosecutor's Office, the said companies were owned by socially disadvantaged individuals serving as fronts.

case 09



NIKOLAY DIMITROV

Mayor of the Nesebar Municipality, October 2007 –presently



The case was initiated by the SPO in October 2019. Since then, the SPO did not release any information about the case. They also did not respond to ACF's request for information. After the closure of the SPO, the case should have been transferred to the District Prosecutor's Office - Burgas, which informed us that the case is not overseen by them. It can, therefore, be concluded with a high degree of certainty that the pre-trial proceedings were closed by the SPO.

During the campaign for the election of mayor of the Nesebar Municipality in October 2019, Dimitrov was arrested five days before the election date on account of allegations of vote buying. Nevertheless, Dimitrov won the election, while in custody. In January 2020, when he

was released on bail, the court dismissed the request for his temporary removal, submitted by the Prosecutor's Office. There is no information regarding the further development of the case.

case 10



EMIL KABAIVANOV

Mayor of the Karlovo Municipality, 2003-2007, 2011 – presently



Sentenced to six months' probation by the SpCC in May 2020, after he took a plea bargain (criminal case No. 1337/2020 of the SpCC)

Kabaivanov was convicted for mismanagement of **public funds**:

In the period 24 April 2013 – 30 April 2014, in the capacity of public official — Mayor of Karlovo Municipality — Kabaivanov committed 14 criminal omissions, jointly constituting a continuing crime, by failing to exercise due care in the management of public property under his control. As a result, the Karlovo Municipality incurred damages in the amount of BGN 26,984.68, which represented funds received by the Ministry of Environment and Water as a grant under the Operational Programme “Environment” 2007

– 2013, financed jointly by the European Regional Development Fund and the Cohesion Fund. The funds were intended to support the completion and modernization of the sewerage network and a wastewater treatment plant in the town of Karlovo. Kabaivanov caused the damages by paying undue remunerations and social security contributions on several occasions during the specified period.

For a court to approve a plea bargain, defendants are required to remedy the damages caused by their unlawful behavior; the record of proceedings reflects that this condition was fulfilled.

case 11



MARIN RACHEV

Mayor of the Septemvri Municipality, October 2019 – March 2020, charged alongside the Deputy Mayor, an investment control expert, and the Director of the Transport and Environment Sector.

The case was initiated before the Specialized Criminal Court in December 2019 and, following the closure of the latter, was handed over to the SCC (criminal case 881/2021 in the SCC register– SpCC abolished) where it is still pending.



Rachev was charged with mismanagement of **public funds**:

In the period from May 2017 to August 2018, Rachev failed to exercise control over his subordinate officials, who had been entrusted with the management of public property. The officials signed records of handover related to commissioned construction works that had in fact not been completed. As a result, the municipality made undue

payments for invoices, activities, and services that were anyway high-priced. The total amount of damages was estimated at BGN 255,039. Rachev was also conditionally sentenced, and this sentence was upheld by the Supreme Court of Cassation and entered into force, for evading establishment and payment of tax obligations for the period before he became a mayor, when he was a sole-proprietor trading in fuels.

case 12



DANAIL VALOV

Mayor of the Cherven Bryag Municipality, October 2007 – 2011 and 2015 – October 2019

In January 2020, Valov was found guilty by the SpCC and released from criminal liability following Art. 78a of the CC, whereby he was instead ordered to pay a fine of BGN 5,000 (criminal case 3706/2019). Valov was acquitted on the other charge by the SpCC (criminal case 3706/2019) in January 2020.

The ASpCC (case 124/2020) confirmed the sentence in April 2021.

Given the absence of information about the initiation of a cassation case before the SCtC, it can be inferred that no protest has been issued against the acquittal and that it has entered into force. The release from criminal liability through the imposition of an administrative punishment is not subject to appeal.



Regarding the charges of malfeasance in office, the specialized courts have accepted that in the course of the investigation, it was not established that the defendant intended to harm, and no damages had taken place – a conclusion with which, given the absence of a protest, the Prosecutor's Office seems to have agreed. Regarding the charges of document fraud, the courts have accepted that the action has been proven, but it is a minor case in view of which it must be requalified as a crime requiring a lighter punishment, presupposing release from criminal liability with the imposition of administrative punishment.

Valov was charged with 1) **malfeasance in office (acquitted)** and 2) **document fraud** (convicted and released from criminal liability, administrative sanction imposed instead):

/1 on 16 May 2017, in the capacity of senior public official — Mayor of Cherven Bryag Municipality —

Valov violated his official duties under the Public Procurement Act, by terminating the assignment of a public procurement order in the absence of any of the grounds for termination, specified in the PPA. The defendant's intention was to harm "**** S." and his actions could potentially cause serious damages to the municipality.

/2 on 22 December 2017, in the capacity of public official — Mayor of the Cherven Bryag Municipality — and in the exercise of his official duties, Valov created two official documents containing false statements of fact, which he intended to use as proof for the validity of the facts specified therein. In particular, the defendant fabricated two notices for termination of public procurement contracts, in which he falsely stated that the respective contracts had been performed and completed. Valov's actions constituted a continuing crime within the meaning of the law; however, the violation was considered minor.

case 13



GEORGI DIMOV

Mayor of the Bozhurishte Municipality, October 2015 –presently

The case was initiated by the SPO in May 2019. Since then, there has been no information regarding the status of the proceedings and the SPO did not respond to ACF's request for information. Following the closure of the SPO, the case should have been transferred to the District Prosecutor's Office - Sofia, which has not provided any information about its development.



At the end of May 2019, Dimov was arrested and charged with malfeasance in office. According to the charges, he sold four parcels of land at BGN 2.16 per sq. m., and one of the companies that purchased the parcels was partially owned by Dimov's father. The notice for the auction of the land had been published on the municipality's website for several minutes only, thus making it impossible for anyone willing to participate to acquire the necessary documents.

After spending around two months in custody, Dimov was released, and the court dismissed the request for his temporary removal from office, submitted by the Prosecutor's Office. There is no information about the further development of the case.

case 14



ALEKSI KESYAKOV

Mayor of the Chelopech Municipality, October 2003 – till presently

In March 2017, it was publicly announced that the SCPO had filed a bill of indictment against Kesyakov but, since then, there has been no information regarding the status of the proceedings and their development at the trial stage.

In response to a request for information by ACF during the preparation of the analysis for 2022, the SCPO said that Kesyakov had been found guilty in July 2020 (criminal case 195/2017 of the Sofia District Court) and sentenced to suspended imprisonment of six months. Furthermore, the execution of the suspended sentence had been delayed for a probation period of three years.

The Sofia Court of Appeal repealed the verdict (criminal case 983 /2021 in the SCA register), and Kesyakov was fully acquitted in March 2022.

In view of the lack of information regarding a case pending before the SCtC, it can be concluded that the acquittal has not been challenged by the Prosecutor's Office and has become final.



Kesyakov was charged with **malfeasance in office**:

On 28 April 2014, in the capacity of senior public official — Mayor of the Chelopech Municipality — Kesyakov violated his official duties, by instructing, through a phone call, the head accountant of the municipality to issue and sign a payment order for the payment of BGN 50,000 to a consortium of companies. The reference on the payment order pointed to a non-existent legal ground, and Kesyakov was well-aware that the municipality did not owe that payment. At the time, the consortium was participating in a procurement order for reconstruction of buildings in the village of Chelopech. One of the requirements for participation was to have a certain amount of funds in a bank account, which had to be attested by a bank reference.

The Sofia Court of Appeal acquitted the defendant, holding that his actions constituted a crime within the meaning of

the special scenario under Art. 254a of the CC — disposition of budget or earmarked funds at variance with their designated use — and not within the meaning of the provision defining the general crime in office that the defendant was charged with. The crime under Art. 254a of the CC is of lesser gravity and excludes criminal liability, provided that by the end of the evidence-gathering phase of proceedings before the first-instance court, the unlawful order of disposition is revoked and the unlawfully expended funds are reimbursed in full. In this case, the reimbursement of the funds at issue was carried out as early as the day following their unlawful expenditure.

The absence of an appeal points to the conclusion that the Prosecutor's Office agreed with this reasoning of the appellate court.

case 15



RADOSTIN RADEV

Mayor of the Kostenets Municipality, October 2015 – October 2019

Acquitted by the SpCC (criminal case 1341/2020) in July 2021. The decision was confirmed by the ASCC (case 408/2021) in March 2022. Given the absence of information on the initiation of proceedings at the SCtC, it can be concluded that no protest was issued, and the acquittal has entered into force. Two instances of the specialized courts have accepted that the mayor’s actions did not constitute crimes – a conclusion which, given the absence of a protest, the Prosecutor’s Office obviously supports.



Radev was charged with **embezzlement**:

In the period from 10 December 2018 and 31 December 2018, in the town of Kostenets, in his official capacity as mayor of the municipality, under the conditions of a continuing crime with three separate counts, Radev was charged with misappropriation of municipal funds amounting to BGN 31,138.69, disposing with them to his benefit.

Radev has also been charged with **active bribery**. No further information has been provided about this charge:

In the period from February to June 2019, acting in complicity with a businessman, Radev offered a bribe of BGN 30,000 to a municipal councilor, in order to secure a decision for the approval of a public procurement order. The decision of the municipal council obliged the municipality to execute a project worth more than BGN 1.1 mln.

case 16



STOYAN BESHIROV

Mayor of the Nedelino Municipality, October 2011 – April 2015, charged alongside a Deputy Mayor, municipal administration officials, and local businessmen

The SpCC began examining the case in February 2021 and there has been no information of any decisions issued. After the SpCC’s closure, the case was transferred to the Smolyan District Court. The proceedings were suspended in March 2024 due to Beshirov’s deteriorating health.



The defendants were charged with **large-scale embezzlement, considered an especially serious violation**:

In the beginning of 2012, Beshirov developed a plan for embezzling funds from the municipal budget with the participation of local officials entrusted with exercising control over construction works and in coordination with the managers of certain private companies selected by the officials. The mayor issued a number of orders with which he announced emergency situations, exaggerating the conse-

quences of the heavy rainfall in the region of Nedelino. The orders described a host of natural disasters — landslides, river overflow, cracking dams, inundations, road closures, etc., which had in fact never happened. As the emergency situation gave rights to the mayor to assign procurement orders without issuing notices, he only sent direct invitations to the pre-selected group of companies. Thus, Beshirov concluded 7 contracts for the total amount of BGN 3.5 million, a third of which was embezzled.

case 17



EVGENI KRUSEV

Deputy Mayor of the Capital (Sofia) Municipality, 2016 – December 2018

**Acquitted by the SpCC in April 2021.
Confirmed by the ASCC (case 329/2021) in March 2022.
Confirmed by the SCtC (cassation case 358/2022) in May 2022.**



All three judicial instances have adopted the unambiguous conclusion that the charge against Krusev is lacking elements of crime – the alleged damages, respectively benefits, were not ascertained.

Krusev was charged with malfeasance in office:

In the period from 27 June 2018 to 5 December 2018, Krusev violated his official duties under the Public Procurement Act, as well as the obligations conferred on him by the mayor, by taking steps to substantially amend a procurement contract signed with D.P.G. AD. Krusev's intention was to procure a benefit for the said company. The Sofia Municipality incurred damages in the amount of BGN 919,863.55.

case 18



RALYO RALEV

Mayor of the Severen District, Plovdiv, September 2011 – May 2019

The proceedings were initiated by the SPO in May 2019. Since then, no information was released regarding the status of the case. The SPO did not respond to ACF's request for information. Following the closure of the SPO, the case was transferred to the District Prosecutor's Office - Plovdiv (file 5505/2022). The investigation was completed and a bill of indictment against Ralev was lodged with the Plovdiv Regional Court (criminal case 1651/2023 in the PRC register). With a decision from February 2025, the court ruled that Ralev was guilty and sentenced him to a suspended sentence of two years of imprisonment. The execution of the sentence has been delayed for a probation period of four years. The sentence is yet to enter into force.



At the end of May 2019, Ralev was arrested and charged with requesting a bribe. In particular, he was accused of blackmailing a local businessman to pay him BGN 60,000, in order to be issued with a construction permit by the Severen District, while the district administration withheld the businessman's documents on purpose.

Around three months later, Ralev was released on bail. There is no information regarding the further development of the case before the Specialized Prosecutor's Office.

According to the information submitted by the Plovdiv District Court, Ralev was charged as an accused party in March 2023 for trade in influence, on account of the fact that:

In the period from the end of December 2018 to 30 May 2019, in the city of Plovdiv, in complicity as a perpetrator with I.M.D. – accessory and D.I.V. – accessory, he requested

and on 30 May 2019 accepted (by the factual delivery of the possession of the amount of BGN 60,000 to I.M.D.) in the city of Plovdiv a gift from Z.A.A., which was not due to him – the amount of BGN 60,000, in order to exercise influence in the adoption of a decision by an official – the chief architect of the Severen District of the Plovdiv Municipality, in relation with his powers concerning the adoption of a decision for the approval of a conceptual investment design for a residential building in the city of Plovdiv – a criminal offence under Article 304b, Paragraph 1, in conjunction with Article 20, Paragraph 2 in conjunction with Paragraph 1 of the Criminal Code.

Ralev was taken to court on account of the criminal offence described above.

case 19



GEORGI MARDZHIEV

Mayor of the Stamboliyski Municipality, 2015 –2023

The case was initiated by the District Prosecutor’s Office - Plovdiv (file 6591/2022) in November 2022 on suspicions of malfeasance in office. Maradzhiev was charged following a decision from June 2023. As per the information provided by the District Prosecutor’s Office - Plovdiv, the investigation is ongoing.



In November 2022, it was announced that the Ministry of Interior was conducting a specialized police operation in the Stamboliyski Municipality for the investigation into evidence for financial abuses.

Teams of the Economic Police and the Prosecutor’s Office searched the family factory of the Maradzhiev family in the town of Stamboliyski.

According to information provided by the Plovdiv Regional Prosecutor’s Office (PRPO), Maradzhiev was charged with malfeasance in office in June 2023 on account of the following:

In the period from 1 January 2018 to October 2022, in his capacity of Mayor of Stamboliyski Municipality, as aider and abettor to the principal perpetrator — the Deputy Mayor —

he committed a continuing crime by violating and failing to fulfill his official duties in connection with the organization of the following public procurement orders: “Construction of gym hall for the “Otets Paisiy” school” for the amount of BGN 439,578 (VAT excluded) and “Performance of construction works on sites located within the municipality, under three separate lots” for the total amount of BGN 1,911,470 (VAT excluded). Maradzhiev did this with the intention to procure a benefit for himself or another person, and his actions — which can result in significant negative consequences — were conducted in his capacity of an official occupying a post of particular responsibility — a criminal offence under Art. 282, par. 2 in conj. with par. 1, in conj. with Art. 26, par. 1, in conj. with Art. 20, par. 3 and par. 4 in conj. with par. 1 of the CC.

case 20



BORIS NIKOLOV

Mayor of the Belogradchik Municipality, 2011 – 2023

The case was initiated by the District Prosecutor’s Office - Vidin (file 2532/2022) in 2022 on suspicions of mismanagement of public funds. According to the information submitted to ACF by the District Prosecutor’s Office - Vidin , the proceedings were closed in September 2024. The decision of the District Prosecutor’s Office - Vidin has been confirmed by the Appellate Prosecutor’s Office - Sofia.



The Prosecutor’s Office announced that in the period from 2019 to 2022, in Belogradchik, the mayor failed to exercise sufficient care for the management, direction, stewardship or preservation of the property entrusted to him. Allegations are made about conclusion of public procurement contract at inflated prices, unjustified invoicing of waste-collection and

waste-transportation services in the municipality, initiation of enforcement proceedings against the municipality and imposition of interdicts on the municipal property. According to the Prosecutor’s Office, the accused party’s acts resulted in spillage of property and other considerable damages for the municipality and its budget.

case 21



IVAN PORTNIH / A

Mayor of the Varna Municipality, 2013 – 2023

The case is initiated by the District Prosecutor's Office - Varna in 2020. The District Prosecutor's Office - Varna did not respond to ACF's request for information about the development of the proceedings. In 2023, a bill of indictment was lodged with the District Court - Varna. It was then remitted to the Prosecutor's Office for rectification of procedural violations. In 2024, a new bill of indictment was lodged with the VRC (criminal case 586/2024 in the register of District Court - Varna). The court again remitted the proceedings for rectification of procedural violations. The District Prosecutor's Office - Varna then closed the proceedings. In November 2024, the District Court - Varna ruled that the Prosecutor's Office should continue the investigation.



According to media publications, Portnih was charged in April 2022 for a crime against the environment in relation to the pollution caused by faults in the wastewater pipeline running along the bottom of Varna Lake.

case 22



ESHREF ESHREFOV

Mayor of the Omurtag Municipality, 2015 – present

The investigation was initiated by the District Prosecutor’s Office - Targovishte in 2023.

The criminal proceedings were transferred to the SCPO, and in February 2024 Eshrefov was charged with participation in an organized crime group.

The SCPO did not respond to ACF’s request for information on the case.



On 20 February 2024, the SCPO raided the municipal administration and arrested Eshrefov on charges that, in his capacity of public official, he participated in an organized criminal group set up by his father in the beginning of 2019 with the purpose to intentionally commit malfeasance in office.

Eshrefov’s father was remanded in custody, and in accordance with rulings of the Targovishte District Court and the Varna Court of Appeal, Eshrefov himself was left under house arrest due to his deteriorating health condition, as he had had a microstroke after his arrest by the police at the beginning of the raid.

Eshrefov’s brother, Dzhafer, was also charged with participating in the criminal group. In the TV show “EuroDikoff,” he recounted how he was blackmailed by the now former municipal chairman of the MRF in Varna, Ryuyan Rizov, to pay the sum of BGN 140,000 in exchange for the release of his father and brother, and in order to prevent his own arrest. He also released a recording of one of his conversations

with Rizov. Rizov claimed that he was calling on behalf of a man with the initials “D.P.”

To date, there is no public information on what the institutions have ascertained based on the evidence on this case, i.e., whether it concerns potential influence peddling in the judiciary, or an attempt to commit fraud.

According to media publications, the Eshrefov family’s problems with the justice system began after Eshref left the MRF due to a disagreement over the arrangement of the candidates lists for the 2023 parliamentary election, and then won his third term as mayor against the MRF under the registration of the NMRF and UDF.

According to the leaders of the parties NMRF (Gyuner Tahir) and Republican Bloc (Ivan Geshev, former Prosecutor General), which latter one Eshrefov is part of during the 2024 parliamentary election, the criminal proceedings against the family are politically motivated and driven by revenge for the occurred rift with the MRF.

case 23

**GEORGI KENOV**

Mayor of the Sungurlare Municipality, 2007 – 2015, 2019 – 2023

According to information received by the District Prosecutor’s Office - Burgas, with a decision from October 2023, the criminal proceedings were terminated on grounds that Kenov’s actions did not constitute crimes.



In a public message dated 5 June 2023, the District Prosecutor’s Office - Burgas stated that a search and seizure procedure was being carried out in the building of the Sungurlare Municipality in order to gather documents and other evidence in connection with the pre-trial proceedings initiated for malfeasance in office.

According to media publications, Kenov is being investigated for violating his official duties by concluding contracts on behalf of the Sungurlare Municipality with a view to conferring a benefit on a particular person — one of the parties to the contracts.

In October 2022, the local structure of GERB announced that it was withdrawing confidence from Kenov, who had become Mayor with the support of GERB. According to the statement, Kenov had become “completely uncontrollable” and this had led to “smearing the name of the GERB party within the municipality.”

The beginning of the investigation coincides with the outbreak of tension between Prosecutor General Geshev and GERB, after the party publicly called on him to vacate his post. His term was ended prematurely by the Prosecutors’ College of the SJC in June 2023.

case 24



IVAN PORTNIH / B

Mayor of the Varna Municipality, 2013 – 2023

The investigation was initiated by the Varna Appellate Prosecutor's Office (VAPO) in May 2023 and is led under the direction of the District Prosecutor's Office - Varna which did not respond to ACF's request for information regarding the development of the case.

In June 2024, the criminal proceedings were terminated by the District Prosecutor's Office - Varna on grounds that the actions of the suspect did not constitute crimes.



In May 2023, the MP Stela Nikolova published an order of the VAPO, informing her that in exercising administrative review, the VAPO had revoked as unlawful an SPO refusal from 2021 to initiate pre-trial proceedings for the investigation of Mayor Portnih's alleged inaction in returning the Plovdiv Fair's shares to the state.

Varna Municipality owns shares in the Plovdiv Fair following a government decision dated 2016. In 2017, the Municipal Council decided to return the shares to the State. This never happened and, thus, the businessman Georgi Gergov was later given the opportunity to initiate a procedure for assuming total control of the fair. The prosecutor's inquiry, which ended with the refusal of the SPO to open an investigation, was aimed precisely at clarifying the role of Mayor Portnih in the failure to enforce the decision of the Municipal Council.

Following the revocation of the order by the VAPO and the initiation of pre-trial proceedings, the latter should be led by the District Prosecutor's Office - Varna, which has jurisdiction of the case at first instance.

The beginning of this investigation also coincides with the rift between Prosecutor General Geshev and GERB, after the party publicly called on him to vacate his post. His mandate was ended prematurely by the Prosecutors' College of the SJC in June 2023.

There is another curious fact surrounding the VAPO and the former mayor from GERB Portnih. In July 2023, following the power shift at the top of the Prosecutor's Office, an investigation was initiated against VAPO prosecutor Vladimir Chavdarov on the basis of corruption allegations submitted by Portnih. Chavdarov's office and some of his properties were searched. In the end, however, pre-trial proceedings were initiated only on charges of illegal possession of ammunition.

Chavdarov was charged and taken to court for illegal possession of ammunition. In April 2024, he was acquitted by the first-instance court. In November of the same year, he was acquitted at the second instance. The decision was not disputed and is not final.

case 25



VALENTIN DIMITROV

Mayor of General Toshevo Municipality, 2015 – present

The investigation was initiated by the European Public Prosecutor’s Office (case I.688/2023) in August 2023.

The EPPO did not provide ACF with detailed information about the proceedings. There is no information on whether the proceedings have been completed.



In responding to ACF’s request for information for the purposes of the previous issue of this report, EPPO only stated that the investigation concerns a criminal offence within the meaning of Art. 248a, par. 5 of the CC — submission of false information or concealment of information in violation of an obligation to provide such information, in each case committed with the aim of obtaining funds belonging to the European Union or granted by the European Union to the Bulgarian State.

According to the information initially provided to the media about the case, the Mayor is being investigated for misuse of EU subsidies within the framework of a project for increasing the energy efficiency of social housing, carried out in the period 2017 – 2019.

The investigation did not prevent Dimitrov from being re-elected mayor in 2023.

2024

Cases at the local level
from year 2024

case 26 and 27



IVAN PORTNIH

Case B, Mayor of Varna Municipality, 2013 – 2023

AND STOYAN PASEV

District Governor of Varna, 2014 - 2021

Portnih and Pasev were charged by the EPPO in October 2024. EPPO did not provide information about the progress of the investigation. No information is available whether the proceedings have been completed.



In October 2024, EPPO issued a press release that the former mayor and the former district governor of Varna were charged on account of forging official documents and submitting false information in order to illegally receive EU funds.

The project under investigation was worth EUR 3.4 mln. and involves the reconstruction of a fishing port. However, a joint investigation by EPPO and OLAF established that the port did not exist.¹⁵³

case 28



DIMITAR BRACHKOV

Mayor of Petich Municipality, 2015 – present

Brachkov was charged by EPPO in March 2025. EPPO did not provide information about the progress of the investigation. No information is available whether the proceedings have been completed.



In March 2025, EPPO issued a press release that it had charged the mayor of Petrich Municipality with suspected fraudulent involvement in the construction of a EU-funded museum.

The investigation concerns a project to convert an existing building into a museum under the initiative “Cultural Dipole in Cross-border Area” which aims to showcase the shared cultural heritage of Bulgaria and Greece.

The project is co-financed for EUR 646,857.59 by the European Regional Development Fund under the 2014-2020 INTERREG Greece-Bulgaria Cooperation Programme.

According to the evidence collected by EPPO, the mayor of Petrich concealed the fact that the building was demolished by a third person prior to the start of the reconstruction works and that the museum was built as an entirely new building. By hiding this information, Brachkov violated his obligations under the partnership agreement with the Bulgarian municipality’s Greek counterparts.

153. This case was raised by the ACF in 2021, “ACF Files Report with Anti-Fraud Coordination Directorate About BGN14 Mln. for Expansion of Non-Existent Port” <https://acf.bg/en/akf-sezira-direktsiyata-za-zashchita-finan/>

case 29



HASAN AZIZ

Mayor of Kardzhali Municipality, 2003 – 2023



Aziz was charged by the District Prosecutor's Office - Pazardzhik in October 2024. The District Prosecutor's Office - Pazardzhik did not provide information about the progress of the investigation. No information is available whether the proceedings have been completed.

Aziz was charged because of violations in a public procurement procedure from 2022 concerning the clean-up of a ravine in the Baykal neighbourhood of the town of Kardzhali. It remains unknown why the investigation is being conducted by the District Prosecutor's Office - Pazardzhik.

The criminal proceedings against Aziz can be linked to one of the major political events in the country for the period – the

rift within the MRF, which followed the conflict between Ahmed Dogan and Delyan Peevski which became publicly visible in the beginning of July 2024. Following the conflict, the Prosecutor's Office initiated a number of criminal proceedings against MRFI leaders close to Dogan. Other key persons close to Dogan have also been targeted.¹⁵⁴

case 30



MYUMYUN ISKENDER

Mayor of Mineralni bani Municipality, 2011 – present



Iskender was charged by the District Prosecutor's Office - Haskovo in September 2024. The District Prosecutor's Office - Haskovo did not provide information about the progress of the investigation. No information is available whether the proceedings have been completed.

Iskender was charged with participation in an organised criminal group. He was detained together with his son and another municipal official following an operation by the CCC which took place on 2 September 2024.

According to the prosecution, Iskender is under investigation for submitting documents containing false information to the State Fund Agriculture and receiving EU funding for

the period 2013 - 2015. Iskender was placed under house arrest and he was subsequently released on bail.

The criminal proceedings against Iskender (concerning events that took place a long time ago) can also be linked to the conflict within the MRF between Ahmed Dogan and Delyan Peevski.¹⁵⁵

154. See Cases 61, 62, 65 and Cases 29 and 30 concerning corruption at the local level.

155. See Cases 61, 62, 65 and Cases 29 and 30 concerning corruption at the local level.

case 31



SVETLIN SRETENIEV

Mayor of Boychinovtzi Municipality, 2011 – present

Sreteniev was charged by the District Prosecutor's Office - Montana (file 112/2023) in December 2024.

The District Prosecutor's Office - Montana sent ACF information about the charges. The proceedings are ongoing.



Sreteniev was charged because from 1 January 2018 until 31 March 2023, in his capacity of Mayor of Boychinovtzi Municipality, he willingly failed to exercise due care in the management of the municipal properties and assets when he appointed as municipal employees eleven individuals who received remuneration without doing any work. This caused significant damages to the municipal budget (BGN 270,985) and constitutes a crime under Art. 219 par. 3 in conj. with par. 1 of the CC.

About the authors:

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Andrey Yankulov is a practicing defense lawyer. For over a decade, he served as a public prosecutor at the Sofia District Prosecution Office and the Sofia City Prosecution Office, where he was responsible for investigating and supervising investigations of high-impact crimes (drugs, firearms, fraud), the execution of sentences as well as cooperation with international criminal law enforcement bodies. He left the public prosecution in November 2019. Mr. Yankulov has also served as Deputy Minister of Justice (2014-2016), leading the government's policy in the area of execution of sentences and penitentiary services. He was also responsible for international cooperation focusing on human rights with organizations such as the Council of Europe, the European Court of Human Rights, and non-governmental organizations. He has served as Deputy Minister of Interior (2014).

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The Anti-Corruption Fund

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