

Project Name: *Transparent Government on Central and Local Level in Bulgaria – Raising Administrative Capacity and Enhancing Cooperation to Reduce Corruption Risks and Practices in Managing Public Procurement*

Project Description

Situation Analysis

5.1 What is the specific problem you would like to solve? Please refer to current problem areas and needs this project will address.

It is a fact that during the past few years corruption in public procurement in Bulgaria turned to an issue of serious concern for the Government, the local authorities and the Bulgarian civil society. The conclusions of the World Bank's Report "Anticorruption in Transition 3 – Who is Succeeding... and Why?", published in the year 2006, revealed that within the period 2002-2005 corruption in public procurement in the state did not decrease, but reached one of the highest levels within a group of 32 analyzed countries. Furthermore, analysis of the Bulgarian Chamber of Commerce (Sofia) showed that approximately 280 million leva was the total sum of the bribes in the public procurement system for the calendar year 2005, which represented an increase of 15 to 22% compared to the year 2004.

According to some more recent statistical data published in the Bulgarian media in 2007, corruption in public procurement might have reached the dangerous proportions of approximately 35-60 %. In this regard a report of the Centre for the Study of Democracy (a Bulgarian non-governmental organization) estimates the fiscal cost of corruption in Public procurement to at about 1.2 billion leva in 2006 (2.4% of GDP). This figure does not include the economic cost of misallocation of resources due to the corrupt procedures; it is an estimate of the direct fiscal losses only.

The data presented above serves to show that corruption in public procurement in Bulgaria is among the major drivers of grand corruption, where anti-corruption policy has not yet produced sustainable results. The importance of this issue increases with the new challenges faced by the central and local authorities related to the management EU structural and cohesion funds. Checks and balances are mainly in the regulatory framework of public procurement - therefore all deficiencies of the latter will affect the quality of management of EU funds. In this aspect the need for strengthening dialogue and fostering daily cooperation on the EU public procurement rules and procedures among the administrative structures on central and local level in Bulgaria has never been greater. There is a serious necessity of pragmatic and consecutive actions related to training public officials dealing with public procurement in various ministries, municipalities, public agencies, etc. Only through training and exchange of best practices and know-how could be ensured greater awareness on the EU public procurement regimes, tendering procedures and the existing corruption risks during the application and selections stages. Studying the international

best practices in identifying and measuring corruption risks and drivers in the field of public procurement is the best approach towards the future reduction of such bribe cases in Bulgaria.

Many international institutions (e.g. OECD, the World Bank, Transparency International, etc) have put public procurement high on their agenda. In the Bulgarian context - within the civil society and sometimes even within the concerned public authorities - it is a fact that:

- 1) There is an unsatisfactory level of knowledge on the concrete processes and the specificities of the tendering procedures taking place;
- 2) There is lack of transparency and lower levels of administrative capacity that enable the conduct of strict monitoring and provide a good environment for measuring effectiveness and efficiency of public procurement;
- 3) A comprehensive system to evaluate the impact of anti-corruption policies in public procurement in Bulgaria is still not existing and the civil officials do not possess with instruments and indicators, allowing them to successfully identify **corruption risks and drivers**;
- 4) There is lack of exchanging of practical experience and know-how among the counterparts of the different concerned public institutions on central and local level and NGOs.
- 5) There is an inadequate level of daily cooperation and contacts among experts, dealing with the tendering procedures in various central and municipal administrative bodies.

5.2 Why is it important to solve this problem?

This is above all a huge fiscal loss to society. In a way of comparison it is commensurate with the expected inflow of EU structural funds in 2007-2008. It is commensurate with the public funds needed to pull out the health or education sector from the stalemate. Due to corruption in public procurement the public at large consumes public services at higher fiscal cost or lower quality than optimal.

Second, the problem distorts market competition and leads to misallocation of scarce resources. It is not the most productive and innovative firms that survive, but those who have invested in political networks and protection. Thus it has what is a negative spin-off effect not only on the public sector, but on the economy as a whole in terms of losses in competitiveness.

Thirdly, the problem with corruption in public procurement is of high importance as it nourishes corruption at all levels of governance from top to bottom. It is a major component of grand or political corruption. Even though the international corruption indices show definite success for Bulgaria in the field of administrative corruption, the situation with growing grand corruption and diminishing small corruption levels is hardly sustainable in the long run as the former has demoralizing effect on the lower levels of the administration.

Fourthly, the need for urgent measures stem from the expected inflow of 7 billion of EU funds in the period 2007-2013. The management of EU funds is prone to the same deficiencies and risks as the public procurement procedures. Therefore one of the major outputs of this project would be to identify corruption risks in the management of EU cohesion and structural funds and the adequate remedies to address those risks.

Last but not least, the measures in this field would help the success in other priorities of anti-corruption such as the legislative measures in the areas of conflict of interest, party and election financing, concessions, public-private partnerships, etc. The project output and deliverables will have positive externalities to these areas of anti-corruption policies.

Objectives/Goal

6. Describe specifically what you want to achieve with this project to address the problems described above. Please list your objectives (1., 2., 3.). The presented objectives need to be specific, clear, and realistically achievable within your project time frame.

The primary objective of the proposed project is to study international best practices in identifying and measuring corruption risks and drivers in public procurement and to create a network in Bulgaria of well trained experts in the field.

On the basis of an analyzed foreign experience and know-how, the expert team of the project will seek to elaborate an up-to-date indicator-based system of impact assessment in regard to corruption risks and levels in public procurement. It will allow the concerned civil officials in the central and local governments to better monitor, apply and influence anti-corruption policies. The indicator-based system will guide the administrators on both levels of governance towards more effective instruments of policy intervention.

The conduction of an international conference in Sofia at the very beginning of the project, will aim to gather on one place experts from different European countries to share practical experience, best practices and know-how on issues related to tendering procedures and other topics, related to public procurement. Thus the concept will seek to launch an international network of policy makers and experts that could ensure permanent exchange of up-to-date data and best practices.

In general the foreseen activities of the project proposal will be implemented with the aim to ensure:

- Professional improvement of public experts on both central and local administrative level;
- Higher networking and daily cooperation among civil officials dealing with public procurement in Bulgaria;
- Regular exchange of information, knowledge, data and best practices;
- Transparency, better coordination and efficiency - application of good-governance practices;

- Encouraging co-operation and mutual learning processes.

Activities

7. What activities will your project include to achieve your objectives? Please be coherent and clear regarding how these proposed activities will achieve the expected results.

The current project proposal envisages the implementation of the following interrelated activities:

- 1.) International conference in Sofia on corruption risks and drivers in public procurement;
- 2.) Conducting a research on corruption practices and models in public procurement in Bulgaria;
- 3.) Elaborating a coherent system of public procurement indicators for the central/local authorities in Bulgaria;
- 4.) Carrying out of series of training seminars in different municipalities in Bulgaria;
- 5.) Broad Dissemination Campaign of Project's Results and Findings.

I. ACTIVITY 1 – International Conference in Sofia (Bulgaria)

The launching event of the project will be an international conference that is to be conducted in Sofia (Bulgaria). It aims to provide a forum for policy dialogue and expert discussion on the challenges and policy implications of public procurement procedures. The gathering will seek to encompass experts from all over Europe to freely debate issues related to the:

- Specificities of tendering procedures to be followed by contractors and awarding authorities;
- Application of the new EU public procurement rules, directives and regimes;
- Procurement process for works, goods and services from start to finish;
- Corruption practices in public procurement in EU member states;
- Tested models and initiatives for applying anti-corruption strategies;
- Measures and indicators of public procurement efficiency, which will allow comparing the performance of public procurement units across agencies and municipalities.

Activity 1 will be implemented on the following stages:

- 1) Preparation of the agenda and determination of the concrete topics to be discussed;
- 2) Selection of potential speakers;
- 3) Selection of participants.

Preparation of the conference's agenda

The program of the one-day conference in Sofia will be structured on the basis of a **Morning** and an **Afternoon Session**. The Morning panel shall include panel session's presentations, revealing the experience of different EU member states, followed by "questions and answers sessions", where participants will be encouraged to ask questions and discuss topics of common concern. The Afternoon panel will consist of parallel Working Groups and of a Plenary Session.

The idea of the Working groups discussions is to provoke the participants to actively present their related experiences, ideas and observations with their EU colleagues and to use the pool of experts gathered for the conference in the most efficient way (through moderated dialogue). The Plenary session on the other side will seek to sum up working groups' proceedings and to generate specific policy recommendations. To this end, the rapporteurs of the two working groups will be expected to summarize and present WG's discussions, on which basis will be later on elaborated a Policy Action Plan.

Selection of potential speakers

The second step in organizing the one-day international conference in Sofia represents the selection of appropriate practitioners and experts in the field from the "old" and two "new" member states of the EU that might deliver presentations in the framework of the program. The potential speakers will be afterwards officially invited to take part in the public event and to present their related state's experience to the participating experts. Lecturers from the following other countries than the host one are expected to deliver a speech during the conference:

- Hungary;
- Germany;
- Austria;
- The Baltic States;
- Poland;
- Netherlands.

Selection of participants

The proper civil experts, dealing with public procurement on central and local administrative level in Bulgaria will be invited to attend the international conference in Sofia and to introduce themselves with the experience of their foreign colleagues and counterparts.

II. ACTIVITY 2 – Conduction of a Research

On the basis of the discussions held during the international conference in Sofia and taking into consideration the shared foreign experience and the conclusions of the working group's constructive debates, the project expert team will structure a research publication. The edition will reveal general tendencies, data and figures on the corruption practices in the public procurement in Bulgaria. In addition to this, the research will seek to present related foreign experience for tackling similar problems and by analyzing the shared know-how and best practices, the expert's team will suggest/hold out possibilities for adopting the successfully working EU models and for applying them on practice in Bulgaria.

The main findings and policy recommendations of the research publication will be systemized and included in a separate part (chapter) of the publication, entitled "Policy Action Plan." The PAP will contain concrete guidelines for policy makers and central/local public authorities.

The case study publication will be printed in 1,000 copies and will be afterwards freely disseminated to concerned institutions in Bulgaria, SEE, CEE, EU and USA. Copies of the edition will be sent to all municipalities in Bulgaria, the Parliament, ministries, EU bodies, educational networks, research communities, public opinion shaping bodies, national and foreign libraries, embassies, etc.

The edition will be electronically available on the web sites of the leading and the partnering institutions.

III. ACTIVITY 3 – Elaboration of an Indicator-Based System

One of the main goals of the project is to elaborate a coherent indicator-based system of impact assessment in regard to corruption risks and levels in public procurement. It will be designed in a manner to guide the central and local authorities towards more effective and transparent policy in the field of managing public funds and to equip them with the necessary instruments for (actual) policy intervention.

An important aspect of the process of elaborating the indicator-based system is the fact that it will be systemized on the basis of adjusting and applying good EU practices in the sphere. This will directly contribute to the development of effective and efficient indicators that will later on assist the process of monitoring and evaluating corruption risks and practices in Bulgaria.

The current project proposal will develop a Monitoring and Evaluation System of effectiveness and efficiency indicators measuring the impact of anti-corruption policies on corruption risks and drivers and incidence and spread of corruption in public procurement.

The project team will work in close cooperation with experts of the public administration on central and local level, as well as with well-known foreign practitioners in the field, in an effort to elaborate the foreseen coherent system of public procurement indicators. The systemized monitoring methodology will draw from a vast pool of international experience and best practices, but at the same time will be better tailored to the specific challenges of the national anti-corruption agenda. On a later stage the system will be used by the ministries, municipalities and agencies to identify, monitor and evaluate easily and transparently:

- Corruption risks and drivers;
- Impact of policy reforms;
- Level and spread of corruption.

IV. ACTIVITY 4 – Training Seminars in Bulgaria

The findings of the research study and the M&E indicators will be used in trainings in the six planning regions. Within the frameworks of the proposed project five training seminars will be implemented: one in Sofia for the South-West and North West Planning regions, one in Smolyan for the South-Central Planning Region, one in Pleven for the North-Central Region, one in Veliko Tyrnovo for the North-Eastern Planning Region and in Bourgas for the South-Eastern Planning Region.

Each of the one-day trainings will gather approximately 25-30 experts on public procurement and EU funds management, working in the public administration on central and local level, as well as independent experts and researchers, employed in corruption monitoring NGOs.

The technical preparation of the trainings will consecutively go through the following stages:

- I. Technical and administrative preparation of the seminar (3 weeks) - preparation/sending of invitations to the specified lecturers; preparation of the concrete seminar's agenda – identification of needs and topics to be discussed; sending of invitations to potential participants from the targeted countries; accommodation preparation;
- II. Preparation and editing of specific materials for the seminar (2 weeks);
- III. Carrying out of the regional seminar

In order to ensure to successful conduction of the regional training seminars the leading organization and the partnering institutions will get in contact with local NGOs and with the municipal authorities that could further assist the project team in the preparatory works.

V. ACTIVITY 5 – Broad Dissemination Campaign of Project's Results and Findings

The project will spend most of its resources on dissemination and outreach. Serious attention will be placed on the broad dissemination campaign which is to be conducted as activity 5 of the project and will aim to inform the civil society in Bulgaria on the concrete results of the project.

A press conference will be organized at the very beginning and the very end of the project at the Bulgarian Telegraph Agency (BTA). Reporters of different radio stations, TVs, magazines, newspapers, and periodicals will be invited to attend those press conferences.

Timeframe of Activities

8. Please list all project activities and mark an x under the month these activities will take place. (Month 1 signifies the first month the project starts.) For each activity, please provide the estimated beginning date (day/month/year) and the location(s) of the activity.

| # | Activities | Months | | | | | | | | | | | | Appr. Dates | Loc |
|----|------------|--------|---|---|---|---|---|---|---|---|----|----|----|------------------|-------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | | |
| 1. | Activity 1 | | | | | | | | | | | | | June/August 2008 | Sofia |

| | | | |
|---------------|--|--------------------------|----------|
| 2. Activity 2 | | September/October 2008 | Sofia |
| 3. Activity 3 | | October/November 2008 | Sofia |
| 4. Activity 4 | | December 2008/April 2009 | Bulgaria |
| 5. Activity 5 | | May 2009 | Bulgaria |

Participants

9. *What types of participants do you expect to take part in your project?*

a) Please list the specific target group(s).

The target group of the proposed project will encompass:

- Public officials and managers on central and local administrative level in Bulgaria, dealing with public procurement;
- Public procurement units in public agencies;
- Civil society and corruption monitoring NGOs especially their capacity to participate in public policy making and evaluation;
- Etc.

Furthermore, the beneficiary circle of the project deliverables (the research, the indicator-based system, international conference and training seminars) is expected to include/embrace as well:

- Internal and external audit office and corruption risk management institutions within the Executive, the Legislative and the Judiciary;
- Business community, investors etc. users of investment risk indicators and analysis;
- Academics;
- Etc.

b) Please estimate the number and type of direct and indirect beneficiaries.

Direct beneficiaries of the proposed activities shall be those more than 200 experts on public procurement that have:

- actively participated in the conduction of the specific project's research and in the elaboration of the coherent system of public procurement indicators – approx. 10 experts (public officials, researchers in corruption monitoring NGOs, independent experts, academics, etc.)
- attended the international conference in Sofia – 60 participants (incl. the lecturers) are expected to take part in the one-day public event;
- taken part in the 5 training seminars - approximately 25-30 experts in public procurement issues will be trained during each of the trainings. Thus, the total number of trained experts is expected to reach the number of 125-150 people.

Indirect beneficiaries of the initiative will be a wide number of experts and practitioners in the field that will receive a copy of the research publication (the edition will be issued in 500 copies circulation) and thus will be introduced with the discussed topics, generated conclusions and

project findings. The edition will seek to contribute to the process of raising further awareness and concern on the project's topics, through broadening the beneficiaries' circle and reaching external experts in the field, that were not given the opportunity to participate directly in the project.

c) Please list and explain any special initiatives to ensure gender balance.

Partnerships Established

10.1 Who are your partners for this project, if any (civil society organizations, governmental institutions, businesses, members of academia, etc.)?

- LEADING ORGANIZATION: Economic Policy institute (EPI) – a non-governmental, non-for-profit organization;
- PARTNER 1: Governance Monitoring Association (GMA) - a non-governmental organization;
- PARTNER 2: National Association of Municipal Clerks in Bulgaria (NAMCB).

10.2 In what ways will these partners/stakeholders participate in the implementation of the project?

The leading organisation – the Economic Policy Institute (Sofia), is responsible for the overall coordination of the proposed project. In the frameworks of the concept, the Institute shall take the responsibility for the:

- Practical organization and conduction of the international conference in Sofia (Bulgaria);
- Conduction of the specific research and the systemizing of the publication;
- Practical organization and conduction of the regional training seminars;
- Conduction of the broad dissemination campaign.

The partner institutions that will render assistance in the implementation of the proposed project's activities are:

Each of the partners will be responsible for:

- GMA - The Governance Monitoring Association has experience in Evaluation of Corruption Risks and Drivers and in training in performance monitoring. In 2007 it successfully completed a USAID-supported project on Regulatory Impact Assessment and published a RIA Guidebook, which was well accepted by experts and practitioners in the public administration. The output of the project is a good basis for ex-ante evaluation of corruption risks and drivers in the field of public procurement. The GMA experts in economics and law have distinguished achievements in research and consultancy work in the field of public procurement. Currently its experts are consulting and training 5 NGOs in Moldova to monitor the progress of Moldova's anti-corruption progress under the USAID and Millennium Challenge Corporation USD 24.7 million Threshold Country Program. The GMA will be responsible for research on best international practices in measuring and prevention of corruption risks and drivers in the area of public

procurement. The involved experts from the partnering organization would render assistance in the organization and the practical conduction of the regional training seminars.

- NAMCB - The NAMCB will have prime responsibilities for the implementation of the regional training programs. NAMCB has years of experience in training of local government officers and consultation with stakeholders.

Local Resource Mobilization

11.1 What are the existing local resources/community assets that can be used for this project?

For the successful implementation of the project are needed:

- Partial rent of an office for the coordinator of the project and the staffed involved;
- Computers, Printer, Copy machine;
- Communication – internet access; telephones; fax; etc.
- Consumables – paper, print cartridge, copy machine cartridge; etc.

11.2 How many of the above have already been secured?

All need community assets have been already secured by the leading and the partnering organizations.

11.3 Do you plan to use volunteers or local fundraising efforts for this project?

At this stage the project team does not plan to use volunteers for the successful implementation of the projects activities. However if need on a later stage of the project, the members of the team could always attract students or young researchers to assist them in conducting the research work and in organizing the public events (especially those seminars that are to be conducted out of Sofia).

Community Outreach

12. How do you plan to raise public awareness of your project and its results? Please specify type of outreach (press conference, newsletter, report, advertisement, etc.).

During all the stages of the proposed initiative, EPI and the partnering institutions will duly prepare and distribute preliminary announcements for the up-coming project activities among national and regional actors. These will include posters and general information leaflets, as well as publishing announcements in specialized international magazines. The project team will also distribute information throughout different electronic networks.

Further on, before each event, a “media advisory” material will be circulated among the Bulgarian media and press. The material will present detailed information on the project itself and the event

in particular. The members of the team will frequently take part in different TV and radio broadcasts, the focus of which are issues related to the project's topic.

Media Coverage

13.1 What types/levels of media coverage do you hope to attract? (Types: radio, television, newspapers, etc. Levels: local, national, or regional.)

The project team expects to attract media of different types (such as radios, TV, newspapers, electronic media, ect.) and on different levels (local, regional, national and international). Considerable interest is expected from the side of the local media, especially in the regions where the training seminars will take place.

13.2 How do you plan to achieve this media coverage?

In order to accomplish the set above concept's goals, the project team will place special attention on the daily cooperation with the media. Media representatives (Bulgarian/ foreign newspapers, magazines, TV, radio) will be invited to attend all planned public events (the international conference in Sofia and the 5 regional/local training seminars). Furthermore, throughout the stages when the expert's research and the indicator-based system on corruption risks will be elaborated, the members of the project team will constantly keep the media informed on the processes taking place, through preparing short "media advisory papers" and articles.

Good Governance

14.1 How does your project plan to increase transparency/accountability/efficiency in one of the three levels of government at either the local or national level?

The current project is directed to assist the administration (on both central and local level) and the civil society in general to reduce the waste in the management of public funds. It is a fact that nowadays very often the society pays a high price for the public goods and services it consumes, but formally, there is no violation of the law. The project deliverables will help the shift from assessment of the lawfulness of the expenditures to evaluation based on their effectiveness and efficiency. There is a shortage of such instruments at present, which allows almost all abuses of office related to the use of structural funds and public procurement procedures to go unpunished with the common excuse that they "may be not ethical, but are fully lawful".

The project team aims at elaborating a tool of assessing the efficiency of public procurement. The performance indicators will help both decision makers and civil society to have common agreed measures of public sector efficiency. The project team will try to develop base values that will serve as benchmarks to measure progress over time and the effect of reform policies in the future.

*14.2 Does your project **link and bring citizens closer to their governments?** (Improving citizen engagement with government; encouraging participatory decision-making and problem-solving; promoting active citizenship, political reform, civic education, monitoring of government performance, and ensuring greater transparency of government institutions so that citizens may hold government accountable for their actions)*

Project deliverables will equip civil society with state-of-the-art technology to monitor and evaluate the performance of the public procurement system, its major deficiencies and sources of corruption risks and threats. It will also help advocacy groups and government officials have one agreed methodology to assess the size of the problem and the fiscal and economic costs it incurs on society. One of the components of the project is to train public sector managers into the art of consultations with stakeholders.

Scope

15.1 Is your project local (in/ out of capital), regional (within Bulgaria), national, or cross-border/ international?

The current project proposal is a regional one since its activities target beneficiaries from all the six planning regions in Bulgaria – from the South-West, North West, South-Central, North-Central, North-Eastern and South-Eastern Planning Regions. As already mentioned above the international conference, as well as one of the training seminars will be conducted in the capital Sofia, while the rest of the foreseen trainings will be organized in the following bigger Bulgarian municipalities:

- Bourgas;
- Pleven;
- Smolyan;
- Veliko Tarnovo.

From the side of the expertise shared we could however mention that the concept could be considered as well as an international one, since the launching conference in Sofia will gather not only local (Bulgarian) experts but also practitioners from various EU member states.

*15.2 If your project is cross-border/ international, please tell us how this project will **enhance cross-border/ international cooperation and collaboration.** (Creating stronger cross-border cooperation among citizens and other groups to address common challenges, sharing best practices throughout the region, establishing regional networks linking citizens with similar interests across borders and/or building networks among governments, NGOs, civic initiatives, or other institutions working to improve understanding and cooperation throughout the region.)*

If we consider the project as an international one due to the fact that foreign practitioners in the field of public procurement and EU funds management will be officially invited to take part in the international conference in Sofia, we must once again underline that their participation in the public event is based on the idea to present their related state's experience and know-how on the

topics debated. The revealed best practices will later on turn into an integral part of the research study and the Policy Action Plan that are to be elaborated during the second stage of the project. The shared foreign know-how will be as well included in the materials and the textbooks that are to be used as background materials for the regional seminars in the six Planning regions.

Risks

*16.1 What are the **potential risks** associated with the implementation of your project? How will you minimize these risks?*

Based on the experience of EPI, GMA and NAMCB in implementing similar trainings and research activities, the project team believes there are no major risks to the successful implementation of the proposed concept. The excellent technical and administrative skills of the members of the team will contribute to the minimization of any risks related to the project.

Expected Results

Outcomes

17. What outcomes will emerge from the implementation of your project? (Examples: policy recommendation, laws adopted, network created, new mechanism, training, first-time encounters, etc.)

The project will deliver new instruments to local/central authorities and to the civil society to monitor and evaluate the efficiency and corruption levels and incidence in the field of public procurement and the related field of competitive allocation of EU structural funds in Bulgaria. If it succeeds to make the whole system only little more corruption proof at local level, this will have huge benefits for fiscal transparency and efficiency. Furthermore, it will increase the capacity of civil experts on central/local level and of NGOs to monitor and evaluate these procedures with critical levels of corruption risks and practices.

As an integral part of the project will be elaborated a specific Policy Action Plan that shall contain the main findings and policy recommendations, presented during the international conference in Sofia. This Policy Action Plan will be followed by the conduction of a special research and the elaboration of the foreseen indicator-based system of corruption risks in public procurement. The findings of the research together with the coherent system will be broadly disseminated to the concerned governmental institutions on central and local level, as well as to other potential beneficiaries of the project such as: NGO's representatives, education networks, research communities, public opinion shaping bodies, etc.

One of the basic outcomes of the proposed project will be the creation of a network of public/civil experts in the field of measuring effectiveness and efficiency of public procurement and EU structural funds management in Bulgaria.

In a short-term period the proposed concept is expected to reach the following concrete outcomes:

- Organization of an international conference (approx. 60 people) in Sofia, Bulgaria;
- Preparation and issuing of a research publication in 500 copies circulation;
- Training of almost 125-150 local experts on public procurement and EU funds management during the 5 regional seminars in Bourgas, Pleven, Smolyan, Sofia and Veliko Tarnovo;
- Successfully completed course and awarded certificates to the selected and trained group of practitioners;
- Etc.

In medium-terms the proposed action is expected to result in raising the overall civil society's awareness on issues related to corruption risks and practices in the field of public procurement and EU funds management. An important aspect of the project in foreseeable future is the applying on practice of the successfully elaborated coherent system of public procurement indicators. This system should equip policy-makers and civil society at national, regional and local level in Bulgaria with the necessary quantitative instruments to monitor and evaluate corruption risks and drivers. In particular through training, education and dialogue the successful conduction of the project shall guarantee the achievement of the following positive medium-term impacts:

- Creation of higher levels of professional and administrative capacity among the targeted public servants on central and local level to apply within the given administrations specific indicators in an effort to reduce corruption in various critical areas related to tender procedures, preparation of documentation, etc.;
- Promotion of better and efficient communication, networking and regional co-operation;
- Intensive networking in order to ensure a constant update of the used instruments inline with the new challenges of the single EU market and the growing volume of resources allocated through the channels of public procurement and EU cohesion and structural funds.

Impact

18.1 What impact will the outcomes outlined above have on the specific problem you are trying to resolve?

The successful implementation of the current project proposal will result in ensuring higher levels of accountability, efficiency and transparency of the institutions/directorates/departments on central and local administrative level dealing with public procurement issues. This will inevitable reduce the cases of corruption practices in management of public funds in Bulgaria and will contribute to registering higher publicity and social concern on the topics discussed among the Bulgarian civil society.

18.2 What changes will this impact engender in the group, community, and/or situation affected by your project?

In terms of the target group the activities of the project are expected to raise the administrative capacity of the experts dealing with public procurement in Bulgaria on the basis of the shared external related experience and practical know-how.

Furthermore, it is expected that the project deliverables could help the administrators on central and local level to improve the delivery of various public services and thus to contribute further on to the process of reforming the public administration in the state. The latter in another general change to which the proposed project is expected to lead to.

18.3 How will these changes contribute to the ongoing process of reform in the three levels of government?

One of the main goals of the current project is to contribute to the process of reform of the public administration structures in Bulgaria in regards to corruption practices and risks, on both central and local level. It is expected to have a continuous effect on the ongoing processes of administrative reform in the state, since its activities are based on three approaches of networking - networking experiences; networking people and networking results.

The first approach (“networking experiences”) is about sharing, discussing and analyzing of best practices, drawn from different administrative systems (EU, CEE, SEE, etc.). “Networking people” is about keeping permanent communication and contacts between the concerned experts. And the third approach (“networking results”) is directed to dissemination of best practice information and know-how among the concerned institutions in Bulgaria.

18.4 What are the possibilities for replication and extension of your project?

The project is expected to have a wider regional relevance for the other states on the Balkans. The team involved in the implementation of the current initiative supposes that the successful conduction of the project’s activities in Bulgaria could be followed by similar actions in other countries in the region of South Eastern Europe.

Here it is important to mention that one of the partners - the Governance Monitoring Association - is even already involved in a similar project in Moldova “*Strengthening Civil Society Monitoring Capacity in Moldova*”, the aim of which is to help Moldovan NGOs monitor the Government performance in the implementation of the Millenium Challenge Corporation Threshold Country Program for reducing corruption.

Monitoring and Evaluation of Results

19. Please list the project objectives outlined in question 6 with activities outlined in questions 7 and 8 that you will undertake to achieve each of the aforementioned objectives. For each activity, please describe the expected quantitative and/ or qualitative results and how relevant data will be collected and measured.

| Objective | Activity | Expected Results | Method of Measurement |
|--|--|--|--|
| Study international best practices in identifying and measuring corruption risks and drivers in public procurement | <u>Activity 1</u> : International conference in Sofia; <u>Activity 2</u> : Conducting a research. | 1.) Policy Action Plan; 2.) Systemizing of a research edition. | 1.) Successful organization of the international conference in Sofia; 2.) Successful conduction of the research. |
| Share practical experience, best practices and know-how on issues related to public procurement | <u>Activity 1</u> : International conference in Sofia; <u>Activity 4</u> : Series of training seminars in Bulgaria. | 1.) Promotion of better and efficient communication, networking and regional co-operation; | 1.) Successful organization of the international conference in Sofia; 2.) Successful organization of the training seminars in Bulgaria; 3.) Publicity of the broad dissemination campaign of project's results and findings. |
| Elaborate an up-to-date indicator-based system | <u>Activity 2</u> : Conducting a research; <u>Activity 3</u> : Elaborating a coherent system of public procurement indicators | 1.) Equip policy-makers / civil society with the necessary quantitative instruments to monitor corruption risks and drivers. | 1.) Existence and applying on practice of the indicator-based system |
| Professional improvement of public experts on both central and local administrative level | <u>Activity 1</u> : International conference in Sofia; <u>Activity 4</u> : Series of training seminars in Bulgaria. | 1.) Increased administrative and professional capacity of the trained public administrators; 2.) Training of almost 125-150 local experts on public procurement | 1.) Successfully completed course and awarded certificates to the selected and trained group of practitioners |
| Higher networking and daily cooperation among civil officials dealing with public procurement in Bulgaria | <u>Activity 1</u> : International conference in Sofia; <u>Activity 4</u> : Series of training seminars in Bulgaria. | 1.) Creation of a network of public /civil experts | 1.) Registered higher level of daily cooperation; 2.) exchanged e-mails; 3.) registered telephone calls; 4.) conducted personal meetings; etc. |
| Regular exchange of information, knowledge, data and best practices | <u>Activity 4</u> : Series of training seminars in Bulgaria; | 1.) Increased administrative and professional capacity of the trained public | 1.) Frequent exchange of e-mails/ telephone calls/ etc.; 2.) Other experts |

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| Transparency, better coordination and efficiency - application of good-governance practices | <p><u>Activity 1</u>: International conference in Sofia;</p> <p><u>Activity 2</u>: Conducting a research;</p> <p><u>Activity 3</u>: Elaborating a coherent system of public procurement indicators;</p> <p><u>Activity 4</u>: Series of training seminars in Bulgaria;</p> <p><u>Activity 5</u>: Broad Dissemination Campaign of Project's Results and Findings.</p> | <p>administrators;</p> <p>2.) Raising the overall civil society's awareness on issues related to corruption risks and practices in the field of public procurement.</p> <p>1.) New instruments to local/central authorities/ civil society to monitor and evaluate corruption levels;</p> <p>2.) Promotion of better and efficient communication, networking and regional co-operation;</p> <p>3.) Training of almost 125-150 local experts on public procurement</p> | <p>training seminars conducted on the same topic;</p> <p>3.) Publications in the media; etc.</p> <p>1.) Registered higher levels of transparency on central and local level;</p> <p>2.) Improving the overall effectiveness of the institutions/ experts dealing with public procurement; etc.</p> |
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Sustainability Plan

20.1 In what way will the achieved project results be preserved, reproduced, and further developed after the Bulgaria Fund support ends?

There are several deliverables and activities that will guarantee the sustainability of the impact beyond the closing of the project. The outcomes of the project are not an end in themselves, but are regarded by the project partners as inputs in their further activities in the field of anti-corruption in public procurement. In an effort to ensure the project's development in the months/years to come, the project partners will be looking forward to organize the international conference on corruption risks and practices in public procurement on an annual basis.

20.2 In what ways could the project attract other donors or generate other income for the future financing of current activities?

The partnering institutions will try to ensure additional funding on which basis will be accomplished an ex-ante impact assessment of proposed policy changes in the field using the indicators that the project will deliver. The project partners will seek as well further financing to make operational a web portal where the civil society and the media will have the chance to compare purchase prices of procurement products and construction works delivered, as well as contract prices for consultancy services with market prices. This will help the public at large monitor and evaluate the effectiveness and efficiency of the management of EU funds as well as procurement procedures.