

LOCAL INTEGRITY SYSTEM INDEX IN BULGARIA - 2016

SUMMARY OF KEY FINDINGS AND RECOMMENDATIONS

The Local Integrity System Index is the first-of-its-kind annual comparative study of the key institutions and social actors that make up the local level system of integrity and accountability in governance. The Index provides a comparative overview of the anti-corruption capacity, role, and significance of the municipal councils, the mayors, the municipal administrations, the political parties, the judicial authorities, the police, the media, the businesses, and the civil society. It is based on a complex set of indicators for studying the institutions and structures in **Bulgaria's 27 district center municipalities**.

The assessment of each municipality is focused on the evaluation of **9 pillars in 3 main dimensions of good governance**: overall performance capacity, role in the local integrity system and internal governance rules in the categories of transparency, accountability and integrity. When they function in accordance with the leading standards for transparency and accountability, they form a stable Local integrity system, capable to effectively counter corruption and foster local development.

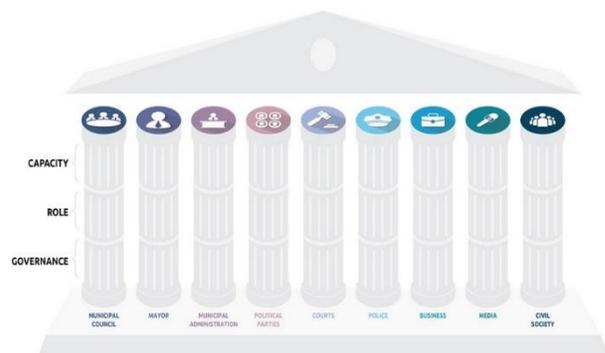
The assessment is based on a scale from 1 to 5, where 1 signifies very weak performance and 5 – very good performance.

The study serves as an **early warning system** – it outlines systemic deficits. Further to that, it is an instrument for innovations. The study offers a catalogue of good practices for each studied sector of the local integrity system and allows for transfer of ideas among local communities in the country.

In 2016 Transparency International-Bulgaria published the second annual study of the initiative.

WHAT IS AN INTEGRITY SYSTEM

The integrity system concept has been developed by Transparency International. It is based on the notion that all governance-related issues – capacity development, impetus for effectiveness, civic participation and stimulation of institutional integrity – should be addressed in a comprehensive and integrated manner. It is also based on our belief that good governance is an alternative to corruption.



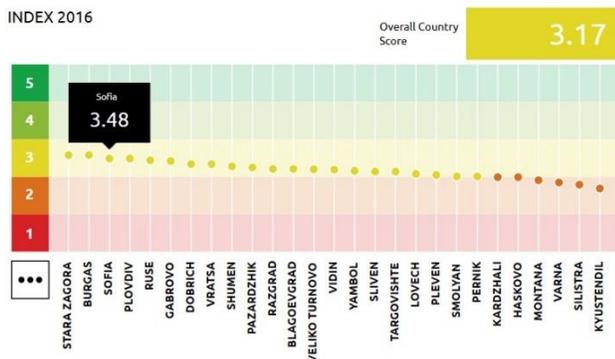
WHO IS THE INDEX AIMED FOR?

- For **local authorities** when implementing policies for transparency and accountability;
- For the **business** when planning investment opportunities;
- For the **citizens and civil society organizations** when organizing advocacy campaigns for good governance.

INDEX 2016 IN MORE DETAIL

The ranking is presided for a second year by Burgas, sharing its leading position with Stara Zagora with a score of 3,57 – nevertheless a score that is far from the leading standards of integrity.

The **capital city of Sofia** occupies a third position with a score of 3,48 on the scale from 1 to 5.



Plovdiv, Shumen, Vidin, Vratsa, Pazardzhik, Razgrad have registered a significant increase in their index in comparison to 2015. A trend for an increase in the ranking is also visible for Haskovo and Kardzhali.

Kyustendil, Silistra and Varna (Varna for a second year) are at the bottom of the ranking with poor indicators for accountability and integrity. Alongside, Montana also registered a significant decrease in its ranking and score.

The sector with poorest assessment in the overall comparative study is the local business, for a second year – only 2,73 points, followed by the media (2,79) among the low scoring sectors in the overall comparison this year.

LOCAL AUTHORITIES: STILL CRITICALLY LOW LEVELS OF TRANSPARENCY AND ACCOUNTABILITY

In the beginning of the new mandate of the local self-governance authorities (2015-2019) there are challenges in three particular dimensions. For a second year the LIS Index registers critically low levels of transparency and accountability in the functioning of self-governance bodies in the municipalities – regional centres. **Less than 1 out of 4 municipal councils have established functioning mechanisms for reviewing of signals for conflict of interest or unethical behavior by municipal councilors.** The levels of publicity and accountability of the check-ups and investigations performed by control bodies in the municipalities remain inadequate. Not a single municipality municipal administration has implemented a functioning model of protection of whistleblowers signaling for irregularities.

A key deficit in the work of municipal councils is the integrity and the effective oversight over the work of the mayor and the local administration. The activities of 4/5 of the municipal councils in the municipalities-regional centres does not adhere to the standards of transparency, while 2/3 of the municipal councilors and the standing committees **function in a mode of full anonymity.**

The control over the implementation of the decisions of the Municipal Council is largely formal in more than a half of the studied municipalities. Only ¼

of the institutions adhere to a standard of publicity regarding the use of inquiries as an instrument for municipal council oversight over the work of the mayor. Only in 1/5 of the studied municipalities municipal councilors have any significant contribution to the discussion of the annual municipal budget. No public information is available regarding control over the management of municipal property and municipal companies.

How do we evaluate the work of *mayors* and their teams?

Here the indicator with lowest score is integrity. Ethical rules for the activities of the mayor and the mayor's team as part of the municipal administration is only adopted in 1/5 of the municipalities in the regional centres. Accountability in the work of the mayors is also insufficient. 2/3 of mayors do not adhere to a standard of accountability for the strategies and governance programmes they implement. The level of publicity for implemented investigations by control authorities in the municipalities is also critically low.

Index 2016 shows that **the instruments of electronic service provision are still not broadly applied** in the administrations of the studied municipalities. Furthermore, only 3 municipalities are in the process of appointment of a local public councilor (ombudsman). Out of 27 regional municipalities, only 1/4 of the regional centres have a functioning ombudsman.

The **law-enforcement and judicial authorities** are faced with high public expectations. Few of the studied courts have scored significant success in being transparent and in providing quality judicial service. The Index 2016 registers a decrease in

the indicators for annulled or amended court decisions. The key challenge of the local units of the Ministry of Interior (*police*) is to improve the parameters for the indicator Governance, with a focus on integrity and proactive prevention of corruption policy.

CIVIC DIMENSION OF THE LOCAL INTEGRITY SYSTEM

In the Local Integrity System Index 2016 local media and local business receive an inadequate score.

Business

The country score for the business sector this year is 2,73 (a slight increase compared to 2015). Sofia (3,81) is the leading municipality in the ranking of local business, while the business in Kardzhali remains at the bottom (1,67). The reasons for this low assessment are rooted in a number of problems. Perceptions of insufficient transparency in decision-making in regard to the regulation of economic activity by local authorities are among the reasons for a lower score of the business country-wide, along with weak engagement of the business with support for civic initiatives in the anti-corruption field and diverse ethical self-regulation practices.

The *media*, on the other hand, are the structures that need the most significant investment in elaboration and implementation of initiatives and good practices which have the potential to counteract to the notable perceptions of **dependencies between media and political/economic interests**. Other key problems in the media sector are related to shortage of financing and low engagement with investigating and reporting on corruption cases. Thus the LIS findings are in line with the negative trends

established by many international observers in the past over ten years. Nevertheless, it can be noted that there are still enclaves of socially responsible and critical journalism which, although marginal and mostly internet-based, provide certain ground for rational public discussion.

Political parties demonstrate strongest deficits in the dimension of “governance”. Local political parties fail to adequately adhere to the legal obligations for accountability of financing. Their engagement in counteraction of corruption is purely declarative. Political party engagement in elaborating anticorruption initiatives and measures is an exception, rather than the rule on local level.

On the positive side, this year the assessment outlines a more active engagement of political parties with support and initiatives for public campaigns on key issues for the local communities such as volunteering, education, social services.

On the other hand, a key problem in the work of the **civil sector** is related to insufficient financial sustainability of most local civic organizations, dependencies on local authorities’ funding for implementing civic projects and initiatives (social services) and hence, low level of activism of the civic sector for exerting monitoring over local authorities and their work. The civil sector scores an overall index of 2,99 (slight decrease since 2015 – 3,04). The leader in the yearly ranking is Stara Zagora (3,93), while Montana’s civil society sector is ranked at the bottom – 1,88.

WHAT’S NEXT?

In 2017 Transparency International-Bulgaria will focus its efforts towards popularizing the good practices on local level, outlined throughout the study in the past two years.

Three regional round tables are planned with the participation of local authorities, business and civil society organizations throughout the country. The organization will continue to work in the field of advocacy for increasing publicity and accountability of municipal governance in the cities that score lowest in the overall ranking.

Index 2017 will be presented in December 2017.

FURTHER INFORMATION

- *How are all cities and sectors ranked?*
- *What do comparisons show?*

All data from the study, including detailed information for each municipality can be found on the website of the initiative:

<http://lisi.transparency.bg/en/>

