

DEMOCRACY AND HUMAN RIGHTS

POLIT-BAROMETER

Year 21 Issue 5
1 June – 12 July 2021

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The early parliamentary elections held on July 11th were marked by a record low turnout.



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After a poor performance, BSP remains the third force.

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Contents

1.	THE POLITICAL SITUATION	2
2.	STATE AND DEVELOPMENT OF THE PARTY SYSTEM	5
3.	PUBLIC OPINION	7
4.	MAIN CONCLUSIONS AND FORECASTS	8

1

THE POLITICAL SITUATION

At the beginning of June, the United States Treasury Department imposed sanctions on six Bulgarians under the global Magnitsky Act. Among them are former MRF MP Delyan Peevski, gambling boss Vasil Bozhkov, who is in hiding in Dubai, Ilko Zhelyazkov, deputy chairman of the National Bureau for Control of Special Intelligence Measures, former GERB deputy Economy Minister Alexander Manolev, former chairman of the State Agency for Bulgarians Abroad Petar Haralampiev, as well as the Secretary General of the same agency Petar Tomov.

It is stated in a message from the US Treasury Department that Vasil Bozhkov has “frequently bribed government officials.” These officials include a current political leader, as well as the former chairman of the now-closed State Commission on Gambling (SCG). Bozhkov also planned to provide a sum of money for a former Bulgarian official and a Bulgarian politician to create a channel through which Russian political leaders could exert influence on Bulgarian government officials.

According to US authorities, Delyan Peevski participated in corruption in that he used trading in influence and bribery to protect himself from public control and to exercise control over key institutions and sectors in Bulgarian society. In September 2019, the former MRF MP worked actively to have a negative impact on the political process in Bulgaria during the local elections on October 27th, 2019. Peevski negotiated with politicians to provide them with political support and positive media coverage in return for protection from criminal investigation.

According to message of the US Treasury Department, Peevski also participated in corrupt practices through his proxy Ilko Zhelyazkov, former deputy chairman of the State Agency for Technical Operations (SATO - or DATO) and a former employee of the State Agency for National Security (SANS), who was appointed Deputy Chairman of the National Bureau for Control of Special Intelligence Means in 2018. Peevski apparently used Zhelyazkov to implement a scheme of bribery that affected Bulgarian residence documents for foreign nationals, as well as to bribe civil servants through vari-

ous means in exchange for information and loyalty on their part. The American authorities have information that Zhelyazkov offered bribes to high-ranking Bulgarian government officials, who were expected to provide him with information that would be passed on to Peevski. In return, Zhelyazkov “saw to it that those who accepted his proposal were appointed to influential positions and ensured that they received a monthly bribe.” Peevski and Zhelyazkov also had a senior official who in 2019 illegally misappropriated funds for their use. According to US authorities, Zhelyazkov coerced a candidate for Bulgarian minister by threatening that there would be criminal charges by the prosecution if the minister did not provide further assistance to Zhelyazkov after his appointment.

Alexander Manolev from GERB has been sanctioned because of the scandal regarding a guest house, which was built with money from European projects for rural tourism, but which he uses as a private residence. Haralampiev and Tomov have been sanctioned for the scandal with the sale of Bulgarian citizenship and other official crimes of which they have been accused.

At first Vasil Bozhkov thanked the United States for considering his signal, but expressed bewilderment as to why he was among the individuals sanctioned, since he himself had testified about the corruption schemes of the previous government. Bozhkov said that Borisov should have been among the persons sanctioned because he was the object of his signal. Delyan Peevski issued a statement to the media in which he stated that he would appeal before the American court against the sanctions imposed. He said he was not an office bearer, and so should not fall within the scope of such sanctions. Ilko Zhelyazkov declined to comment, going on leave initially, but he later resigned as deputy chairman of the National Special Intelligence Means Control Bureau. In addition to the six individuals, 68 companies related to them were sanctioned. Sanctions may also apply to all related persons and companies that do business or any financial activity with them in the future.

The political reactions were diametrically opposed. MRF stood behind Delyan Peevski, saying that until

evidence of corruption was provided, they could not take action. However, the movement issued a reminder that Peevski is not a member of the party, but was an MP from the civil quota. GERB gave a press conference at which they took a stand only on the sanctions imposed against Alexander Manolev, who was their member, stating that the party had reacted immediately and he had been dismissed as deputy minister. Borisov, however, denied having any connection with Delyan Peevski, despite a great deal of evidence in recent years about the symbiosis between the two in running the country and in a number of appointments. Borisov said he had met with Peevski only to discuss issues affecting regions in the country with a Muslim population. Borisov rejected allegations that he was the political leader and high-ranking official who had repeatedly been bribed by Bozhkov.

Parties that oppose GERB and Borisov unanimously described the sanctions as an assessment of the previous government and systematic corruption in the country. They stated that the decision of the US authorities was well-intentioned support for Bulgaria in solving the problem of corruption. According to representatives of "There is such a people" and "Democratic Bulgaria", this can be changed only by the Bulgarian authorities and the judiciary, for which deep reforms are required.

President Radev described the sanctions as a strong sign in support of the aspirations of Bulgarian citizens to promote democracy, justice and transparency. Radev asked why it had come to us from outside to point out the problems that we know well, but have been unable to solve. According to the President, the main culprits for this are the previous rulers with the iniquitous model of corruption they had created.

The caretaker government has begun compiling a list of people and companies connected with the individuals sanctioned. The main concern of the government is that state and municipal enterprises should not be subject to sanctions if they have had business relations with those who have been sanctioned. The government stated that the next parliament could consider adopting legislation to settle the issue of cases of sanctions being imposed by another country on Bulgarian citizens and companies.

The US embassy announced that the sanctions were the largest one-off action under the global Magnitsky Act. During the time when the sanctions were announced, visiting Sofia was a high-ranking representative of the US Treasury Department, who had meetings with the President and Prime Minister Stefan Yanev. Quite purposefully, no meeting with the Chief Prosecutor Ivan Geshev was held. Asked by journalists whether they would hold talks with Geshev, Ambassador Herro Mustafa said the programme did not provide for such a meeting.

On the whole, the majority of experts and members of the public united in the conclusion that the sanctions under the Magnitsky law are a severe blow to Bulgaria's reputation, because they show that there is systematic political corruption in the country, which repels potential foreign investors. A number of analysts have also described the sanctions as a slap in the face for Brussels, because for years European institutions have turned a blind eye to problems with the rule of law in Bulgaria and even supported Boyko Borisov and GERB, especially those in the leadership of the European People's Party, despite the fact that there was information about corruption in the country.

The caretaker government has exposed a number of abuses and violations committed by the previous government. The Bulgarian Development Bank, which was set up to promote small and medium-sized businesses in the country, has been used as a "piggy bank" by oligarchs close to the government, who have been financed with hundreds of millions in credit. Among them are companies linked to Delyan Peevski, GERB-affiliated oligarch Kiril Domuschiev, and Rumen Gaitanski, who is said to be close to Ahmed Dogan and MRF. The Minister of Economy Kiril Petkov dismissed the entire supervisory board of the bank and appointed a new team, changing the regulations for loans of up to BGN 5 million to be granted. In the state-owned company Avtomagistrali, the law on public procurement has been circumvented by paying hundreds of millions in advance to companies that have not yet carried out any activity. A report on this case was issued by the National Audit Office, after which the Sofia City Prosecutor's Office filed a complaint. The Minister of Regional Development Komitova dismissed the company's board of directors and appointed new management. Violations were also found in a number of state hospitals, with the most striking case being in being Lozenets Hospital, where illegal transplants were performed. The caretaker government has proposed to the President to dismiss the head of the State Agency for National Security (SANS) and the head of the State Intelligence Agency, which was expected after the two decided to go on four months of unpaid leave before the caretaker government took office. The Deputy Director of SANS, Nedyalko Nedyalkov, was also dismissed, with a number of media reports by experts in the know about the work of the services claiming that he was Peevski's plant in the service and that he influenced its work through him.

A serious scandal was caused by the claim of General Atanas Atanasov - co-chairman of Democratic Bulgaria, that the former ruling party had wiretapped opposition politicians during the election campaign, as well as protesting citizens. This information was confirmed by Prime Minister Stefan Yanev and caretaker Interior Minister Boyko Rashkov. Stefan Yanev stated that he had information that he was also among those who had been wiretapped. GERB said that these

allegations were pre-election manipulation, aimed at discrediting the party and demanded that evidence be provided. The prosecutor's office and the Office of Special Intelligence Control launched an investigation and eventually came up with the position that they had not found any evidence of illegal wiretapping. The coalition "Rise up! Thugs Out!" (Izpravi Se! Mutri Van!) revealed documents that their members had been wiretapped during last year's protests.

Deputy Prime Minister and Interior Minister Boyko Rashkov contradicted the former ruling party GERB and stated categorically that hundreds of people had been wiretapped and that he would provide all the information to the next National Assembly. The leader of "Rise up! Thugs out!" Maya Manolova announced that during the protests the entire office of the organisation had been wiretapped and promised to form a commission of inquiry in the National Assembly after the elections to conduct an inspection. The parties – "There is such a people", "Democratic Bulgaria" and BSP - also stated that they were in favour of the idea of a commission of inquiry. This will be one of the first tasks of the future MPs.

Even at the end of the Portuguese presidency of the Council of the EU, Bulgaria did not give the green light to start negotiations for the accession of the Republic of North Macedonia to the European Union. Controversial topics remain. Sofia insists on ceasing the language of hatred towards Bulgaria and resolving historical disputes. President Rumen Radev said he had held numerous talks with a number of European leaders on the subject, in which he had clarified Bulgaria's position. Radev did not conceal that serious pressure was being exerted on the country, but Bulgaria could not back down from its positions, otherwise it would mean transferring unresolved bilateral issues to the EU, and this would not be in anyone's interest. A step towards reducing tensions between the two countries was the joint visit to the Vatican of the Presidents of Bulgaria and the Republic of North Macedonia on the occasion of the celebrations of the holy brothers Cyril and Methodius. The visit of Prime Minister Zoran Zaev to Sofia ended without result, during which both sides

stuck to their previous positions. A number of analysts explained the intransigence of Sofia as being due to the election campaign in the country and the declaration adopted by the 44th National Assembly. It will be very difficult to find a solution to the case, bearing in mind public opinion in both countries, where people are reluctant to compromise.

In the middle of June, European Chief Prosecutor Laura Kövesi visited Bulgaria, which sparked keen journalistic interest. The reason for the visit was to fill the quota for European delegated prosecutors from Bulgaria. So far, only four prosecutors have been approved and the other six rejected. Kövesi held talks with the prosecutorial board of the SJC, after which it became clear that a new procedure would be conducted for the remaining six seats. The European Chief Prosecutor gave a two-hour press conference, during which she fended off questions related to internal issues. Regarding the desire of the protest parties to close the specialised court and prosecutor's office, Kövesi said that this was an internal issue and that there are different models in Europe - there are countries that have such specialised institutions and those that do not.

One week before the elections on July 11th, the Constitutional Court ruled on the request by GERB that the introduction of voting completely by machine in sections with more than 300 voters be seen as violating equal suffrage. The Constitutional Court ruled that there was no violation of the constitution, as machine voting is a technical means of exercising the vote, with no different weight of votes when voting by machine or on a paper ballot. In this regard, CEC spokesman Tsvetozar Tomov described the behaviour of GERB as disturbing, as it instills distrust in the election process.

On July 8th and 9th, Bulgaria hosted the Summit meeting of the Three Seas Initiative, which brings together 12 EU countries in the Baltic, Adriatic and Black Sea regions for greater connectivity. German President Frank-Walter Steinmeier was also a guest of the forum. A video address was made by the President of the United States Joe Biden. The initiative is important for Bulgaria, because it opens up opportunities for attracting new investments.

2

STATE AND DEVELOPMENT OF THE PARTY SYSTEM

The findings of the caretaker government about the heritage of the former one exacerbated the election campaign. GERB fell into all round defence. The daily disclosure of cases of misappropriation in various state offices, as well as the Global Magnitsky sanctions placed GERB in a very difficult position. That resulted in electoral erosion, with many polling agencies reporting that “There is Such a People” was running ahead of GERB as the leading political force. The mayoral by-election in the regional city of Blagoevgrad was quite indicative in this sense – the GERB candidate there did not even make it to the runoff and remained third. The candidate of “There is Such a People” Ilko Stoyanov won the runoff election.

The election campaign of GERB-UDF featured accusations against the caretaker government. It was referred to by the former party in power as the “Election staff of President Radev”. GERB accused the Yanev Cabinet of revanchist action in view of the dozens of changes in the management of a number of state government agencies. A week prior to the campaign, Boyko Borisov paid a visit to Turkish President Erdogan. That visit gave rise to various interpretations. The prevailing opinion of most politicians and analysts was that Borisov went to Erdogan to ask for support by the votes of some members of the Bulgarian expat community in Turkey. Some Bulgarian politicians defined this visit as humiliating.

According to insiders in the party itself, there was some disagreement with the extremely aggressive tone of Borisov against the caretaker government going as far as comparing it to the communists of 1944. Borisov was not shy to use open manipulation in defence of his positions.

A number of representatives of the democratic community were surprised by the EPP support for Borisov after so many findings of enormous corruption during his time in government.

“There is Such a People” became the formation charged with the greatest expectations, which is expected to be the core of the future government of this country. This time the new party changed their strategy from the

previous campaign and a number of representatives took part in pre-election debates and TV programmes. This time Slavi Trifonov decided not to run for office, saying that he could also be useful from another institution. The latter caused some speculations about whether he was intending to run for President or to be the party nomination for Prime Minister. Neither hypothesis looks likely, however, since Trifonov has no aspirations to become directly involved in the operations of politics, but rather sees his political project as a tool for changing the model of government. “There is Such a People” gave a positive assessment of the caretaker government, particularly of its economics team.

BSP participated in this elections in coalition with a number of smaller left and centrist parties and organisations in order to strengthen the support for the party in the election campaign. BSP propagandised the thesis that they would be an unsurmountable factor when forming government in the next legislature. At the same time, representatives of the Socialists attacked the formations that were expected to be at the core of the next parliamentary majority – “There is Such a People”, Democratic Bulgaria and “Rise Up! Thugs Out!” defining them as formations which would not bring about change, but substitution. The verbal crossfire only increased tension between the new parties and BSP and that will make it difficult to find a working coalition formula after the elections. “There is Such a People” categorically stated that they would not be in coalition with BSP under any circumstances. BSP rejected the accusations that they are a party of the Status Quo, because they claimed that they were the only parliamentary opposition to GERB in the 44th National Assembly, which had shed light on a number of corrupt practices in the government.

Only Democratic Bulgaria refrained from making extreme statements. The Co-Chairman of the alliance and leader of “Yes, Bulgaria” Hristo Ivanov even commended BSP for their support for reforming the Office of Prosecution and the Supreme Judicial Council by amendments to the Constitution – a position which BSP declared as early as last year, at the height of the protests.

“Democratic Bulgaria” was consistently ahead of MRF in the campaign, and opinion polls demonstrated that they improved their performance. The alliance carried out a very active campaign in the field, as well as on Facebook, which is the reason for the increase of the support for them.

The sanctions against Peevski confirmed his role behind the scene in the politics and the government of this country. Despite this, MRF stood by Peevski, which goes to show how strong an influence he has on the party and indicates the dependencies of MRF politicians on the oligarch subjected to sanctions. MRF took an opposition line of behaviour against GERB in the short-lived previous legislature, aiming at clearing their image. However, this would be very difficult without dissociating themselves from Peevski and admitting their mistakes. Maybe by chance or not, only a day after the announcement of the Global Magnitsky sanctions, an MRF delegation headed by Mustafa Karadayi visited Turkey and met with President Erdogan. The visit was linked with the forthcoming elections and the mobilisation of the Bulgarian expat community in Turkey for the vote.

“Rise Up! Thugs Out!” carried out an active campaign and confirmed their electoral support from the previous elections. The coalition confirmed their commitment to be part of a government of change with the other protest parties. In numerous media appearances, the leader of the movement Maya Manolova called Slavi Trifonov a friend and Hristo Ivanov – a partner. She stated that they maintained a constant dialogue and that they are fully aware of their mission to change the iniquitous model of government in this country.

“Bulgarian Patriots” – IMRO, NFSB and “Volya” – remained under the 4% threshold during the entire campaign. However, they had a strong competitor for the nationalist vote – the “Vazrazhdane” (Revival) Party, which had surprisingly good results – with the potential to go above the threshold - in the previous elections.

During the campaign, the party of the sanctioned businessman Vasil Bozhkov “Bulgarian Summer” provoked interest too. In the previous elections under a different name they got almost 3% of the votes. Paradoxically, the “Bulgarian Summer” party was also on the list of Global Magnitsky sanctions, despite Bozhkov not being its leader, nor a member. This was explicitly stated by the leadership of the party. Bozhkov organised an active campaign on Facebook and announced that he would return to Bulgaria after the elections.

Results of the parliamentary elections held on July 11th 2021:

Party/Coalition	Percentage (%)
“There is such a people”	23.91
GERB-UDF	23.69
BSP for Bulgaria	13.51
“Democratic Bulgaria”	12.56
MRF	10.66
“Rise Up! Thugs Out!”	5.03
Bulgarian Patriots	3.16
“Vazrazhdane” (Revival)	2.97
Bulgarian summer	1.81

Note: After 98.92% of the election protocols have been processed

3

PUBLIC OPINION

An opinion poll conducted by Gallup in the middle of June shows a high level of public approval of the caretaker government led by Stefan Yanev. 58% of the respondents gave a positive assessment of the cabinet's work and 33.2% - a negative one.

The attitude towards the previous government led by Borisov is negative – 26.9% of the respondents described it as completely unsuccessful, 22.8% as “relatively unsuccessful”, and 22% as “neither successful, nor unsuccessful”. Just 7.1% of Bulgarian citizens are of the opinion that the previous government was completely successful and 19.8% would call it “relatively successful”. The positive assessments were given to a great extent by GERB voters and those of patriotic formations that were part of the government.

The Gallup poll shows no change in attitudes regarding the issue with the Republic of North Macedonia. 70% of respondents are against concessions in negotiations between Sofia and Skopje and 19.3% are of the opposite opinion.

Regarding the sanctions implemented under the Global Magnitsky Act, the poll shows that 49.2% of Bulgarians approve of them, while 31.6% do not.

A more detailed picture regarding the sanctions is given by the Talk Online Panels representative survey carried out at the end of June. As regards the question: “Why has Delyan Peevski not been investigated for corruption so far by the Prosecutor General Ivan Geshev and his predecessor Sotir Tsatsarov?” 53% believe that the reason lies in their dependence on the sanctioned oligarch and 25% are of the opinion that both were appointed to their posts thanks to Peevski's lobby in the Supreme Judicial Council. More than 50% of the respondents do not believe there will be an objective prosecutor's office investigation against Peevski and 41% think that they will only simulate some kind of investigation. More than 62% of Bulgarians are of the opinion that Ivan Geshev's mandate as Prosecutor General should be terminated preterm, whereas just 15% voiced the position that he should remain in his position. 60% of respondents think that the chairperson of the Commission for Anti-Corruption and Illegal Assets Forfeiture (CACIAF) Sotir Tsatsarov should be dismissed, as opposed to 13% of the opposite opinion.

4

MAIN CONCLUSIONS AND FORECASTS

The early parliamentary elections on July 11th were marked by a record low turnout of 38%. Compared to the elections on April 4th, only “There is such a people” and “Democratic Bulgaria” improved their results. From 75 MPs in the last parliament, GERB has now fallen to 61-62 seats.

Once again 6 parties and coalitions have found a place in the National Assembly.

BSP performed poorly. The negative trend of losing influence continues. Nationally, the BSP for Bulgaria Coalition lost 26.1% of its votes. This is also a severe blow for the leader Korneliya Ninova.

The protest parties – “There is such a people”, “Democratic Bulgaria” and “Rise Up! Thugs out!” will not have an absolute majority of 121 MPs. The support of one of the other parties is required to form a government. BSP leader Korneliya Ninova stated that this time BSP support for a government of the protest parties would not be unconditional, but that they would expect an invitation for talks on specific policies.

Slavi Trifonov, leader of “There is such a people” in a special interview, before there were final results, without following basic parliamentary and political procedures, proposed his “personal” government with several priorities, led by economist Nikolai Vassilev. He is

a former Minister of the Economy in Simeon Saxe-Coburg’s government and is hardly acceptable to other democratic parties. Trifonov said he would not form a coalition with other parties.

The first reactions to this proposal are negative. According to experts, this is a deliberate provocation of the political system, behind which there are interested circles, especially from the top oligarchy. *De facto*, with this proposal of his, Trifonov purposefully torpedoed the activities of the new parliament, where his party and the other parties of change were expected to support the government for deep reforms in the country.

GERB lost more than 200,000 votes compared to the April elections. The party is in total political isolation after the numerous irregularities and signals of corruption were revealed. During the campaign, GERB constantly claimed that voting with machines could be manipulated and that it would lead to chaos. These fears were not justified; machine voting went smoothly, and the level of so-called controlled and bought votes was reduced. It is not ruled out that GERB will appeal to the Constitutional Court against the elections and request their annulment. However, this would lead to even greater isolation of the party. After Trifonov’s initiative, however, it is not out of the question that GERB will “recover” again and expand its positions in possible new elections.

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ABOUT THIS STUDY

FES Bulgaria has been publishing the „Polit-Barometer“ since 2000, analyzing current and long-term political processes and identifying trends in Bulgarian politics with a special focus on the political parties as democratic actors. In a situation where

the quality and neutrality of Bulgarian media is under question, we aim to provide a scientific basis for a political discussion for Bulgarian and international readers.

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Further information on the topic can be found here:
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