BULGARIA

KEY FACTS AND FIGURES

### Key Facts and Figures in Bulgaria

<table>
<thead>
<tr>
<th>Overview</th>
<th>Total procurement 4,810,000,000€</th>
<th>Procurement % GDP 12%</th>
<th>2013 GDP 41,047,900,000€</th>
<th>Contracting authorities 4,514</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedures applied</td>
<td>Open 84% Restricted 0%</td>
<td>Negotiated procedure with call 7% no call 7%</td>
<td>Body governed by public law 41%</td>
<td>Direct award 1% Other 0%</td>
</tr>
<tr>
<td>Share of contract notices by buyer</td>
<td>National 23% Regional/local 17%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract type</td>
<td>Services 35% Works 8% Supplies 57%</td>
<td>Framework agreement 2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ex ante conditionality criteria as of 2014</td>
<td>EU rules Not met</td>
<td>Transparency Fully met</td>
<td>Training Not met</td>
<td>Admin. capacity Not met</td>
</tr>
<tr>
<td>E-procurement adoption</td>
<td>E-notification Mandatory</td>
<td>E-access Mandatory</td>
<td>E-submission Voluntary</td>
<td>Uptake rate 0%</td>
</tr>
<tr>
<td>Perceived corruption</td>
<td>Corruption widespread in society Businesses 89% Individuals 84%</td>
<td>Corruption widespread in procurement At national level 66% At local/regional level 78%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TED indicators</td>
<td>Value of tenders 3,104,805,112€</td>
<td>Of total procurement 65%</td>
<td># contract notices 3,083</td>
<td># contract awards 4,665</td>
</tr>
<tr>
<td>Other indicators</td>
<td>Received single bid 24% # days for decision 141.9</td>
<td>Price only criteria 62%</td>
<td>MEAT criteria 38%</td>
<td></td>
</tr>
<tr>
<td>Worked by foreign firms</td>
<td>Won by foreign firms 1% Related to EU funds 9%</td>
<td>Joint purchase 1%</td>
<td>Central purchasing Yes, CFCUD</td>
<td></td>
</tr>
</tbody>
</table>

*For more detailed descriptions and links to sources for the above data, please see Section 4 of the report*

### Summary of public procurement system

Bulgaria’s public procurement system has traditionally been comparatively centralised. However, the number of contracting authorities has substantially risen in recent years due to a push to increase local control by decentralising budgets. The result has been to put more procurement contracts under the control of mayors, school administrators, and other municipal officials, who often lack procurement expertise.

In legal and regulatory terms, public procurement in Bulgaria is highly complex and continuously changing. Frequent reforms have been initiated to address persistent irregularities and corruption-related issues, which impact all spheres of the procurement cycle, including oversight and law enforcement. Administrative capacity is another challenge for the procurement system, causing formal errors and delays particularly prejudicial to the use of EU Funds. Persistent weaknesses also relate to the lack of consistency and ‘formalistic’ ex ante and ex post controls of procurement procedures.

Bulgaria’s substantial difficulties related to public procurement had adverse consequences on the use of EU Funds during the 2007-2013 programming period. For instance, shortcomings in public procurement resulted in flat rate financial corrections by the Commission in 2014. Moreover, systematic appeals against co-financed projects contribute to the slow absorption of funds. A series of actions aimed at strengthening management and control systems have been implemented, notably the introduction in 2009 of ex ante controls performed by the Public procurement agency of bidding documentation for EU sponsored projects, with limited impact on the reduction of mistakes that could lead to financial corrections.
DESCRIPTION OF FEATURES

Legal features of public procurement system

The Public Procurement Law (BG OJ No. 28 of 6.4.2004, or PPL) is the primary vehicle for transposing the EU Directives into Bulgarian law. The PPL was substantially overhauled in 2006 as part of Bulgaria’s accession to the EU, and has been amended frequently since, most recently in 2014. In addition to the main law, there is some key secondary legislation governing public procurement, including the Rules for the Implementation of the Public Procurement Law.

Bulgaria’s national procurement law has four levels of sub-thresholds below the EU thresholds. Direct awarding is allowed for contracts worth less than EUR 30,600 for works, EUR 10,200 for supplies and services and EUR 33,600 for design contests. Tender procedures can be conducted through public request for proposals for contracts worth between EUR 30,600 and EUR 134,900 for works, between EUR 10,200 and EUR 33,600 for supplies and services, and design contests. Any procedures can be used for contracts worth more than EUR 134,900 for works and EUR 33,600 for goods, services and design contests, with a possibility of simplifications for contracts below EUR 1,347,000 for works, EUR 129,700 for goods, services and design contests and EUR 391,160 for telecommunications services.

Bulgaria has a mandatory two-envelope system that entails the separation of the technical and the financial offer in two different envelopes to be opened at different times for all tender procedures.

In addition, contracting authorities may require tenderers to provide a guarantee as a condition of participating in a tender procedure. They determine the terms and the amount of the guarantee as a fixed sum of money, which may not exceed 1 per cent of the value of the tender.

Finally, the same remedies procedure applies below and above EU thresholds. The first instance appeal body is the Commission on Protection of Competition, a specialised administrative body authorised to apply the Protection of Competition Act, the Public Procurement Act and the Concessions Act. The second and highest instance for judicial review of public procurement disputes is the Supreme Administrative Court.

Institutional system

The main body responsible for public procurement in Bulgaria is the Public Procurement Agency (PPA), an independent body under the Ministry of Economy. A wide range of tasks fall under the mandate of the PPA, including drafting law on public procurement, giving methodological and other forms of guidance, performing mandatory ex-ante controls for all ESI Funds co-funded procurement procedures valued above EUR 1.3 million, and for non-EU funded works contracts worth over EUR 5 million, monitoring and analysing procurement markets, alerting supervision authorities on possible irregularities, and maintaining the Public Procurement Register (PPR). The PPR is an electronic database with information on all procurement procedures that contracting authorities are required to submit.

The Central Financing and Contracting Unit Directorate within the Ministry of Finance acts as the central purchasing body for the central administration. It plans and carries out centralised procurement and manages a number of framework contracts for certain products, such as office supplies, fuel, utilities, and maintenance services.

The Commission for the Protection of Competition (CPC) is another important body in Bulgaria’s procurement system. It is charged with implementing the Law on Protection of Competition, as well as with control of procedures under the PPL and the Concessions Law. As the first instance review body, it examines and decides on claims.
of irregularities in public procurement and may interrupt public procurement procedures and impose sanctions for non-compliance.

The National Audit Office (NAO) performs independent audits of national public finance for legality, efficiency and effectiveness in the use of public funds. It regularly audits contracting authorities at the central and local levels. However, it has limited ability to sanction, and can only forward its findings to the State Financial Inspection Agency.

Under the Ministry of Finance, the Public Financial Inspection Agency is an entity set up in 2006 to ensure the protection of public financial interests. It carries out inspections of the budget, and the financial-economic and accounting activities of public bodies, and it has the authority to impose sanctions.

In addition, the Managing authorities of each individual operational programme, under the supervision of the Certifying authority and the EU Funds Audit Executive Agency, carry out audits and controls on the distribution and use of ESI funds in Bulgaria. These activities particularly involve the control of public procurement procedures as an area highly exposed to the risks of fraud.

**Key issues that have a bearing on administrative capacity**

**Human resources:** The PPA is staffed by 75 personnel, out of which 56 are civil servants and 19 are employees. The team dealing with ex-ante checks of procurement procedures is 30 people, 10 of which are employed through OP Technical Assistance. Over the years, the Agency has built a highly specialised team well versed in national as well as EU public procurement, but acknowledges that their number is too low given the quantity of procurement contracts processes per year. Retaining a qualified workforce is a challenge in times of tightening public budgets, and the PPA considers the retention of skilled personnel one of the main risks to the performance of the Agency.

Administrative capacity is a challenge for contracting authorities at all levels of government. Insufficient number of staff, frequent turnover, low salary levels and lack of qualified personnel and of adequate training are among the difficulties that contracting entities face, most notably at municipal level. At the central level, there is substantial variance in staffing levels. Some ESI funds Managing Authorities (MA) have personnel dedicated to procurement, while others lack procurement-specific staff entirely.

Contracting authorities often turn to outside consultants to manage the procurement process, but review by the PPA indicates that even this is no guarantee of success.

Auditors at the NAO need a university degree, three years of work experience, and have to pass a competition in order to qualify for the job. Economists and lawyers are the most common types of backgrounds at the NAO.

**Structures:** The PPA performs a number of supportive functions to contracting authorities and economic operators. The most important of these is providing written answers to contracting authorities and tenders’ procedural questions. In 2013, the PPA provided 230 such opinions on a range of issues, which are then posted on the Public Procurement Portal. PPA also publishes step-by-step methodological walkthroughs, and offers direct consultation, including through a telephone hotline. The PPA estimates that on average, they provide some sort of assistance 23 times a day.

**Training:** The Bulgarian Institute of Public Administration (IPA) offers a number of compulsory and voluntary trainings to employees of the public administration. However, training specifically dedicated to public procurement is seriously limited, with only one course offered in 2014. This is partly due to a lack of sufficient information on training needs, or of monitoring of training outcomes. The IPA is currently
developing a more robust procurement training program, with the goal of making successful completion of course work mandatory for newly hired staff, and to be updated periodically for long-term employees.

Some training is offered by commercial organisations, but in the absence of a certification system for either trainers or curricula, the quality of the programmes on offer is highly varied.

The PPA is involved in training as well, notably by lecturing on topics such as green public procurement and procurement legislation.

The NAO, too, organises regular trainings on public procurement for its staff with a focus on new developments in the legislation and in practice.

**Systems/tools:** The PPA issues a Public Procurement Handbook that contains over 1,000 legal guidelines on public procurement. The PPA also runs a telephone hotline as part of its assistance functions. In 2013, it received 5,400 calls.x

As mentioned above and according to the Bulgarian PPA, the PPR is a centralised register that tracks information on procurement for both the classical and utilities sectors and also provides information on all types of public procurement procedures. In particular, the PPR makes sure that all information respects European standards.

**E-procurement**

Bulgaria’s e-procurement system is not yet fully developed, but takes a prominent role in the National Strategy for the Development of the Procurement Sector 2014-2020. In fact, Bulgaria has implemented a national one-stop portal1 managed by the PPA that includes the Public Procurement Register, a module for small notices, and other functions.

E-notification has been mandatory for all contracting authorities since 2004 and 87% of contract notices were in fact published online in 2013.xi Furthermore, the procurement portal has an e-Sender functionality that simplifies the submission of contract notices to the PPA and TED. E-access has been obligatory since October 2014.

E-submission functionality is not yet available on the national portal. Bulgaria has set a goal of implementing fully digitized procurement system by the end of 2016, including e-submission, based on the best practices within the EU.

**Corruption**

Bulgaria struggles with corruption issues in many aspects of the political-economic system of the country, and procurement is a critical area in this respect.

Public procurement has been identified as a high-risk area in terms of corruption by the Cooperation and Verification Mechanism (CVM), the special mechanism established by the EC in 2006 for cooperation and verification of Bulgaria’s progress as regards the implementation of specific reforms in the areas of justice and rule of law. As pointed out in the CVM’s 2015 annual reportxii, the public administration still lacks a comprehensive mandatory monitoring system to track anti-corruption initiatives and report them to a central point, while systems to check procurement procedures would merit strengthening. Some of the measures recommended to curb corruption in public

---

1 [www.aop.bg](http://www.aop.bg)
procurement include to strengthening *ex-ante* and *ex-post* controls, as well as effectively applying sanctions.\textsuperscript{xiii}

Moreover, corruption particularly affects the procurement process at local level, where contracting authorities are vulnerable to the influence of organised crime groups, often associated with threats of violence and collusion with local politicians.\textsuperscript{xiv} Furthermore, despite the increased openness of the Bulgarian procurement market, it remains true that a large share of contracts are still awarded to a few large companies. At least some of this concentration effect is believed to be the result of legitimate specialisation, *i.e.* by the successful competition by firms whose business model focuses on winning public contracts. However, the high concentration of funds going to these companies may be both an indicator of corruption, and a risk factor in the development of corruption, and thus merits further scrutiny.\textsuperscript{xxxvi}

Concerns about improper channelling of contracts to favoured providers focus on the use of tailor-made selection and award criteria.\textsuperscript{xv} Despite these concerns, high-level cases of alleged corruption, particularly in infrastructure and public works, are rarely investigated, prosecuted or sanctioned, contributing to a culture of impunity. The widespread perception of corruption contributes to a belief among private sector suppliers that it is not possible to win a tender via ‘clean’ means.\textsuperscript{xv}

Bulgaria has established multiple institutions to fight corruption, such as the Prosecutor’s Office, the Ministry of the Interior, the Commission for Prevention and Countering of Corruption, the State Agency for National Security (DANS), the Commission for Prevention and Ascertainment of Conflict of Interest, and the Centre for Prevention and Countering Corruption and Organized Crime (CPCCOC). Bulgaria recently introduced a new National Anti-corruption Strategy that focuses on the investigation of conflict of interest of high level officials.\textsuperscript{xvi}

The BORKOR project, developed by CPCCOC, is meant to develop a standard for a measurable intervention system against corruption.\textsuperscript{ xvii} BORKOR uses hardware and software technology in order to identify corruption risks, notably in procurement. However, various assessments of this initiative have concluded that so far the results have not met the expectations.\textsuperscript{ xviii}

**Europe 2020 Agenda**

Bulgaria’s strategic orientation of public procurement is limited to efforts in green public procurement and in SME participation. The National Action Plan for Stimulating Green Public Procurement (GPP) for the period 2012-2014 is primarily focused on fostering awareness, but does also introduce compulsory requirements for a set of product categories. Moreover, the government plans to strengthen environmental considerations through cooperation with leading countries in the field as well as introducing guidance in the form of a handbook.\textsuperscript{ xx}

The share of contracts awarded to SMEs in Bulgaria over 50%, far exceeding the EU average. However, the number of businesses that participate in tender processes is quite low, indicating that a small number of firms are winning a large share of procurement contracts.\textsuperscript{xx} One way that SME participation in public procurement is fostered is by publishing notices for small value contracts on the procurement portal.\textsuperscript{xxi}

**Irregularities and findings of national Audit Authorities**

In 2013, the NAO carried out audits of 184 budget organisations, including ministries, departments and municipalities. The audits uncovered widespread irregularities and violations of procurement rules. Information on violations of procurement procedures was sent on to the Public Financial Inspection Agency and the PPA for further action. Common irregularities include procedural and formal errors by contracting authorities, as well as serious violations such as failure to apply tender procedures and use of
tailor-made criteria. Furthermore, contracting authorities frequently failed to design assessment methodologies that are compliant with public procurement legislation, in particular with respect to the implementation of “most economically advantageous tender” award criteria.

In a review of the NAO’s results, the PPA concluded that ex-ante controls have had a positive impact in the reduction of irregularity risks and in strengthening the capacity of contracting authorities.\textsuperscript{xxii} However, ex-ante controls do not guarantee compliance.\textsuperscript{xxiii} Furthermore, these controls are often more formalistic than substantive, and thus of limited benefit\textsuperscript{xxiv}.

Along the same lines, the Public Financial Inspection Agency, which is responsible for ex-post controls of public procurement, provides a wealth of information on the violations of procurement regulations detected in the course of its inspection activities. A large proportion of violations include failure to apply procurement procedures, use of tailor-made criteria strongly favouring specific bidders, and unjustified use of negotiated procedure instead of open tender. Other irregularities involve procedural violations, such as failure to meet deadlines or to submit information to the Public Procurement Register. Overall, violations were found in over 55% of the 384 contracts reviewed, worth EUR 508 million. Administrative and judicial proceedings initiated as a result of inspection activities resulted in the issuance of 1,751 penalty decrees and imposed fines of EUR 2.3 million. The key takeaways for the Public Financial Inspection Agency are that ex-post controls have a dissuasive function and need to be strengthened.\textsuperscript{xxv}

Complaints filed with the Commission for Protection of Competition also highlighted discriminatory conditions for bidders, unlawful exclusion of candidates, and arbitrary assessment of tenders and selection of contractors.\textsuperscript{xxvi}

Furthermore, audits of ERDF and CF funded projects have uncovered major shortcomings in public procurement practices, which need to be addressed with specific measures foreseen in the ex-ante conditionalities public procurement action plan for the use of ESIF 2014\textsuperscript{xxvii}. While not the only factor, procurement-related weaknesses, primarily associated with weak administrative capacity, contribute to one of the lowest EU funds absorption rates in the Union.

\textbf{Outlook}

The National Strategy for the Development of the Procurement Sector 2014-2020 outlines a comprehensive package of reforms to be implemented in the coming years that includes streamlining the legislative and regulatory framework, strengthening preventive measures to avoid irregularities related to the procurement process, and developing a fully functioning e-procurement system. The Strategy also calls for greater centralisation of contract management both by expanding the portfolio of the Central Financing and Contracting Unit, and by encouraging local level contracting authorities to establish shared procurement bodies along territorial or sectoral lines. Another priority for public procurement reform is the reduction of the administrative burden for both contracting authorities and economic operators through the development of tools and optimisation of processes.

In order to fulfil ex-ante conditionalities of the 2014-2020 programming period, Bulgaria has introduced an Action Plan for the strengthening of public procurement. A total of eight actions have been devised that cover the legal system, training and dissemination of information as well as administrative capacity. Actions aimed at improving the legal framework include simplified legislation, strengthening management and control of EU Funds, and tackling the appeal system. In terms of training and dissemination, the Action Plan foresees a training and development programme for ESIF staff as well as the establishment of a system of dissemination of information in order to foster a uniform procurement practice. Not least, increased
staffing at the PPA and technical assistance for those who apply public procurement rules are aimed at increasing administrative capacity."xxviii However, delays in the implementation of the planned measures have already occurred.xxx

In addition, an E-governance Development Strategy 2014-2020 is currently being drafted. It will encompass the development of e-submission for both national and local contracting authorities in accordance with the targets set in the 2014 EU Directives. The draft E-governance Development Strategy 2014-2020 anticipates the following levels of uptake in the next years: 50% electronic procedures of state and municipal administrations by 2017 and full transition to e-procurement by 2020.xxx

Finally, a newly created Specialised Anti-Corruption Unit recently started operating in order to tackle corruption among high level officials. It employs 50 people including investigators and prosecutors. The unit is part of the Prosecutors Office of the City of Sofia and will work in close cooperation with the State Agency for National Security.

**ANALYSIS**

**Strengths**

Since accession to the EU, Bulgaria has continuously reformed its public procurement system in an effort to make it both compliant with the EU acquis and improve performance in terms of competition, openness and transparency. Some of the main reforms aimed at harmonising Bulgarian law with EU Directives, including the 2006 and 2010 amendments to the PPL. Moreover, a number of reforms were introduced in the areas of anti-corruption and transparency, such as the 2008 Law on Prevention and Disclosure of Conflicts of Interest, the granting of ex-officio powers to the Public Financial Inspection Agency, the strengthening of internal inspectorates in the public administration, and the set-up of numerous body for combating corruption.

A third set of reforms, launched more recently, strives to simplify public procurement procedures. Notably, 2012 amendments to the PPL that unified the tender processes and harmonised procurement forms, and 2014 reforms that target administrative burden and SME participation.

**Weaknesses**

The ever-changing legislative framework poses the biggest difficulty to the performance of the public procurement system. On the one hand, it is a source of errors and irregularities for the administration, as demonstrated by the high incidence of procedural mistakes. On the other hand, it reduces legal certainty for potential bidders, discouraging participation in public markets. The instability of the legal framework is also reflected in the different interpretations of cases with irregularities applied by local and regional courts.

Corruption affects Bulgaria in all domains and is an important obstacle to improving the fairness and efficiency of the procurement system, despite years of efforts to contain it.xxxi A significant weakness in Bulgaria’s anti-corruption efforts is the patchwork of institutions and functions that have been erected. Spreading responsibilities out among so many bodies increases coordination costs and weakens accountability, resulting in insufficient oversight and enforcement.

For instance, the State Agency for National Security was originally created to fight corruption, but has gradually shifted focus to intelligence work to the detriment of its anti-corruption efforts.xxxii At the same time, both the Commission for Prevention and Ascertainment of Conflict of Interest and CPCCOC have been implicated in controversy.xxxiii The National Audit Office focuses on the legality of procedures as opposed to efficiency in spending, and has no power to impose sanctions. The Public Financial Inspection Agency is empowered to sanction, but is vulnerable to undue
political interference. As a result, it tends to avoid large-scale projects and concentrate on small contracts. The Commission for Protection of Competition also faces allegations of undue influence on its work. And the judiciary is one of the least trusted institutions in Bulgaria, due in part to the fact that many of the high-profile corruption cases that do make it to court result in non-guilty verdicts. Simply put, existing oversight and law enforcement mechanisms are inadequate to the task of preventing corrupt procurement practices.

While transparency around public contracts does exists, its effectiveness as a tool for oversight of the procurement is limited by the fact that it was designed primarily for budgetary purposes. As such, details are only published once the expenditure has been made, long after the procurement process has ended. Other, potentially more relevant data published by the Public Financial Inspection Agency, is inconsistently presented and not conducive to efficient analysis. Available IT tools, data bases and information should be shared more systematically to build a common knowledge base between practitioners and institutions as foreseen in the ex-ante conditionalities public procurement action plan for the use of ESIF 2014-20. A proper monitoring system of public procurement practices based on key performance indicators with relevance for all institutions involved in ex-ante and ex-post controls would help to reinforcing cooperation between said institutions.

Weak administrative capacity has been identified as a major hurdle to the performance of the public procurement system as well as for the disbursement of EU Funds. Contracting authorities often lack the legal and technical knowledge to carry out their functions properly, particularly at municipal level. Retention of skilled staff is a further challenge, as expert personnel have an incentive to move to better paid private sector jobs. Tightening government budgets in the wake of the economic crisis have further exacerbated administrative capacity shortages. Furthermore, from the business perspective, there is a general lack of trust in the Bulgarian public procurement system, which is driven in part by the perception that a few companies dominate the market. This situation is both an indicator of possible abusive or corrupt practices, and a possible risk factor. Furthermore, many businesses consider the procurement system to be overly burdensome and lacking in transparency. The lack of confidence in the system limits its ability to attract high quality bidders and thus the efficiency of public spending.

**Recommendations**

- **Fight corruption**: Corruption is among the most serious issues affecting the procurement system. Bulgarian anti-corruption efforts suffer from diffuse and un-coordinated institutions and a legal system that is overly complex and full of loopholes, resulting in persistent occurrences of tailor-made criteria, unlawful exclusion of bidders, and arbitrary assessment procedures.
  - Consolidate anti-corruption efforts currently spread out over multiple institutions into one or two bodies with clearly delineated responsibilities.
  - Increase the independence of oversight and control bodies, including anti-corruption agencies, by depoliticising senior appointments in anti-corruption institutions through a transparent, merit-based procedure.
  - Strengthen ex-ante controls of tender documentation, including authorising the PPA to halt procedures with significant violations.
  - Strengthen ex-post controls of exclusion and award processes.
  - Introduce mandatory referral of serious violations to independent anti-corruption agency for investigation.

---

2 With targets as regard: i) reduction of error rates and appeals; ii) openness of markets to competition; iii) fight against corruption (red flags).
Implement feed-back channels through which relevant stakeholders will be able to report on any type of issues they encounter while procuring.

**Increase transparency:** Lack of frequent and timely publication of procurement documentation substantially hinders the ability of independent organisations and the public to conduct effective oversight of procurement procedures.
- Implement a system for timely and frequent online publication of procurement information, including tender notifications, contract award notifications, and implementation information.
- Design a public interface that is complete, easily searchable, and allows for the export of data in common, machine-readable formats.
- Make the online portal and files available in English, within a reasonable delay, to facilitate oversight by international organisations.

**Solid legal framework:** The complexity, and frequent changes to the legislative framework, have resulted in inconsistent application by authorities, a lack of confidence by economic operators, and substantial potential for abuse.
- Overhaul the Public Procurement Law and its associated regulations to create a simpler, clearer, and more uniform system.
- Limit the frequency of future amendments by occasional (no more than annual) reform package.
- Accompany legal reforms with awareness-raising efforts and timely, comprehensive and uniform guidance and support materials to ensure procurement practitioners are equipped to implement the changes.
- Implement regular and systematic coordination channels among policy, executive and oversight bodies to ensure better dissemination of information and a more uniform implementation of decisions.

**Strengthen administrative capacity:** Capacity bottlenecks such as lack of legal and technical knowledge, staff rotation, and difficulties in hiring and retaining highly-skilled staff, continue to undermine the performance of the procurement system, as well as the absorption of EU Funds.
- Accelerate hiring of additional staff at procurement policy, executive and oversight agencies, including the PPA.
- Expand training curriculum to cover greater range of topics, including MEAT criteria, anti-corruption policies, and ESI funds management and control.
- Organise trainings to minimise out of pocket costs and other barriers by hosting them in multiple locations throughout the year, and making participation free of charge for the widest audience possible.
- Publish comprehensive, definitive, and easy to find guidance documents to give contracting authorities and economic operators more clarity on how the system is supposed to work.

**Improve the business environment:** Many economic operators view the procurement system as overly burdensome to participate in, lacking in basic transparency and fundamentally unfair, discouraging participation by potential bidders and thus weakening competition for public contracts.
- Overhaul the tendering process with the bidders’ perspective in mind to reduce the burden of participating in the procurement process.
- Reform the use of mandatory bank guarantees to limit financial burden of participating and reduce barriers to foreign competition.
- Publish a pipeline of upcoming tenders online, particularly for larger contracts, to give potential bidders more time to prepare their offers.
- Set up and monitor key performance indicators on openness to competition of the Bulgarian public procurement market.