1. **Basic Information**
   1.1 CRIS Number (Year 1): **BG2004/016-711.02.01**
   1.2 Title: Preparing the Commission on Protection of Competition for the direct application of the rules of the Community competition acquis and cooperative work with the European Commission
   1.3 Sector: **Internal Market and Economic Criteria**
   1.4 Location: **Bulgaria, Sofia**
   1.5 Duration: **12 months**

2. **Objectives**
   2.1 Overall Objective:
   The Project sets as its’ overall objective to establish the administrative capacity, in particular at the level of the CPC and the judiciary, to properly apply directly the anti-trust acquis in light of the preparation of Bulgaria for the Internal Market.

   2.2 Project purpose:
   In order to achieve the overall objective, the following purposes are set:
   - To upgrade the professional expertise of the CPC Members and staff to the point that they work autonomously and at a high standard in ensuring and maintaining acquis-conform anti-trust enforcement practice and in applying directly the Community competition acquis.
   - To establish a mechanism for the CPC Members and staff to participate in the cooperative work with the European Commission.\(^1\)
   - To further strengthen the role of the CPC for competition advocacy and for promoting competition culture in Bulgarian economic society.
   - To expand the Human Resources and Knowledge Management systems to the entire scope of CPC sectors.

   2.3 Accession Partnership (AP) and NPAA priority (and implementing measures envisaged by the Action Plan for AP priorities related to strengthening administrative and judicial capacity): All objectives described above address the preparation of the CPC for meeting the requirements stemming from the direct application of EC competition law and for participation in the network of EU Member States’ competition authorities. The objectives are fully in line with Accession Partnership (AP) and NPAA priorities, referring to transposition, implementation and enforcement of the competition acquis in the field of antitrust. All designed activities should contribute to the achievement of the Accession Partnership and NPAA priorities:

   **AP:**
   - Complete the legal antitrust framework, pursue training efforts and further develop record of effective implementation and enforcement of anti-trust rules.
   - Ensure that the antitrust legislation takes full account of the acquis, including the more recent block exemptions
   - Ensure a more deterrent sanctions policy and emphasis on preventing serious distortions of competition.
   - Increase awareness of the rules, in particular with the business community and the judiciary.

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\(^1\) The actual cooperative work with the European Commission will start only after the accession of Bulgaria to the EU
NPAA:
- Preparation for full and proper enforcement of the acquis in the field of antitrust even before the date of accession;
- Policies and practices in the field of antitrust in compliance with the European legislation and practices;
- Development of a more deterrent sanctioning policy giving priority to cases concerning the most serious distortions of competition;
- Strengthening the relations with the EC and with similar to CPC institutions in the EU member states;
- Training in methods for analysis and assessment of market behavior;
- Raising the “competition culture”.

2.4 Contribution to National Development Plan – N.A.
2.5 Cross Border Impact – N.A.

3. Description
3.1 Background and justification:

Background:
Bulgaria has made further progress in the area of the antitrust. The Bulgarian antitrust legislation is in line with the acquis. The Bulgarian Law on the Protection of Competition from 1998 contains the main principles of the EC acquis as regards restrictive agreements, abuse of dominant position and merger control. It was significantly amended in the beginning of 2003/promulgated in SG 9/31st January 2003/. The amended LPC transposes into the national legislation some more recent EU acquis issued after 1998, namely: Commission Notice on agreements of minor importance, Commission Notice on restrictions directly related and necessary to concentrations, Commission Notice on remedies acceptable under Regulation 4064/89, Commission Notice on non-imposition or reduction of fines, Council Regulation (EC) No1310/97, Commission Decision for raising the role of the hearing officer, Commission Regulation (EC) No 2658/2000.

As regards implementing legislation, in 2001 Bulgaria introduced block exemption for vertical agreements that is compatible with the EC acquis and in 2003 transposed the EC acquis in the field of horizontal agreements.

The *Commission on Protection of Competition*, which is the national competition authority, continues to build on its anti-trust enforcement record. Nevertheless, further strengthening is required in view of the decentralized application of the Community acquis under the new procedural Regulation (Regulation 1/2003). Thus the full and immediate enforcement of the acquis is necessary in order to adapt companies well before the date of accession to be able to withstand the competitive pressure of the internal market resulting from the full application of the acquis in the antitrust field.

The priorities of the project are in line with the AP, the RM and the NPAA.

Justification:
Both the CPC staff and SAC judges (as well as representatives of the ministries, NGOs, business and consumer associations) received training within the framework of the Phare Project BG 9910.01. As this project was the first one having a main objective to train the CPC staff and judges from the SAC and having in mind that most of the CPC experts at this time were newly appointed and relatively inexperienced both in the areas of competition law knowledge and case handling, the training program was focused on initial build-up of the basic principles and rules of EC competition acquis and practice. Since then not a significant number of experts trained under the project has left the CPC and most of the staff trained has gained additional professional experience applying in practice the knowledge received. The newly appointed experts were put to work in case handling working group together with their trained and more experienced colleagues, so there is a functioning channel for a smooth transfer of knowledge in the CPC. As
regards the training of the judges from the SAC, the judges that received training under Phare Project BG 9910.01 are part of the division that is specialized in hearing competition cases.

But the strategic task of the Bulgarian competition authority—the Commission on Protection of Competition—in the pre-accession period is that its’ staff acquires the necessary professional knowledge and competence in order that the CPC has an antitrust enforcement record similar to the one of a MS competition authority and of the DG Comp and that it gets prepared for the direct application of the rules of the Community competition acquis and for cooperative work with the European Commission. This task is also necessitated by the recent modernisation of the EC competition law which implies a major shift of the responsibility for the antitrust enforcement to the national level, i.e. to the national antitrust authorities as well as the courts (in the case of Bulgaria—the Commission on Protection of Competition and the Supreme Administrative Court).

This is the main reason due to which additional training at an advanced level is deemed to be needed in order to upgrade the level of professional knowledge of the CPC staff and SAC judges as to prepare them to apply directly the EC competition acquis as previewed in EC Regulation 1/2003. This training is aimed at further alignment of the CPC enforcement practice and SAC decision with the current EC practice and case law, as well as with the problems encountered by the Member States in the application of EC Regulation 1/2003. Furthermore, the information on the case law ensuing from the alignment of the CPC and SAC practice with the acquis, as well as on the implications of the direct application of the EC competition rules for Bulgarian economic operators, law professionals, and consumer protection associations should be disseminated more actively and in more systematic way to all groups concerned. Raising the public awareness on the importance of an effective and acquis-conform national competition policy still requires additional efforts to be made by the CPC.

3.2. Sectoral rationale—n.a.

3.2.1 Identification of projects—n.a.

3.2.2 Sequencing—n.a.

3.3. Results

As a benchmark for the current assessment of the administrative capacity of the CPC to apply the EC antitrust acquis and the CPC enforcement record could be taken the 2003 Regular Report of the European Commission, in particular the statement that: “Further strengthening of the Commission for the Protection of Competition should be achieved through advanced training, as well as focusing on competition-related activities […]. Strengthening is also required in view of the decentralised application of Community anti-trust rules that will apply upon accession. […] The anti-trust enforcement record of the CPC is largely satisfactory. However, important further efforts should be made to follow a more deterrent sanctioning policy and to put more emphasis on preventing serious distortions of competition. Continued efforts are also needed in relation to competition advocacy, awareness raising and training of the judiciary”.

3.3.1.1 Purpose

The Project sets as its’ purpose to prepare the CPC Members and staff and the judges from the SAC to apply directly the antitrust acquis, to enforce effectively the harmonized antitrust legislation and to raise both the competition advocacy role of the CPC and the public awareness on the CPC and EC anti-trust policy and enforcement practice and their benefits for the economy and the consumers

3.3.1.2 Results:

By the completion of the project the following results should be achieved:

I. Upgrade of the professional expertise of the CPC Members and staff as to maintaining acquis conform enforcement practice and applying directly EC competition acquis:
1. CPC staff fully capable and confident to apply the EC anti-trust acquis.
2. CPC enforcement practice and the SAC practice fully in line with the existing EC competition acquis, practice and DG COMP policies and priorities.
3. EC anti-trust rules, DG COMP approaches for the economic and legal analyses mastered and used by the CPC and SAC in investigating and adopting decisions on competition cases.
4. The internal CPC system for close follow-up of the current developments in EC competition legislation and practice established and functioning.
5. The necessary legislative alignment with view of the direct application of the competition acquis in a process of being completed.

II. Preparation of the CPC Members and staff for participation in the cooperative work with the European Commission.
1. CPC procedural system (instructions, information flow, etc.) established and adopted.
2. All relevant CPC staff trained and able to participate in the cooperative work with the European Commission.

III. Competition advocacy and promotion of competition culture:
1. CPC representatives involved in all working groups for drafting laws or consulted before the submission of draft legislation for adoption.
2. All line ministries and sector regulators aware of the main competition rules in their respective sectors and of the sector specific implications ensuing from the direct application of EC competition acquis.
3. Open and active PR strategy of the CPC, targeting economic operators, business associations, legal professionals and mass media in order to inform them on the implications for Bulgaria of the direct application of competition *acquis communautaire*, developed and implemented.
4. CPC library fund enriched.

IV. Human resources and knowledge management:
1. Personal development plans for the relevant CPC antitrust staff prepared and implemented.
2. Bulgarian trainers capable of distributing knowledge autonomously and at a high standard.
3. The existing CPC knowledge management system expanded to cover all relevant CPC sectors and staff.

The indicators of achievement for the results described are the following:
For Result I.1.
- The CPC administrative capacity to manage and apply competition acquis communautaire considered being sufficient by DG COMP.

For Result I.2.
- The CPC and SAC decisions assessed by DG COMP to be consistent with the current EC competition acquis and practice.
• Considerable increase of the number newly opened CPC anti-trust cases and of decisions proving violations of anti-trust rules (compared with the situation at the beginning of the project).

• Prevailing percentage of the CPC anti-trust cases over cases involving unfair competition.

• Significant increase of the amounts of fines imposed by the CPC for the most serious violations of the anti-trust rules.

• Increased number of CPC cases opened \textit{ex officio} as a result of constant monitoring of Bulgarian market for serious violations.

For Result I.3.

• Relevant CPC methodological and reference materials (such as concerning the assessment of the market structure, of the market behaviour of the undertakings, etc.) elaborated and adopted after being approved by DG COMP.

• Sharp increase of the number of CPC and SAC decisions based on DG COMP approaches for economic and legal analyses and assessed by DG COMP to be consistent with the current competition acquis and practice (compared with the situation at the beginning of the project).

• Systematic application by all relevant CPC staff of the methodological and reference materials.

For Result I.4.

• Procedures for monitoring the EC competition legislation and practice established and approved.

• The relevant monitoring teams assigned, operational and systematically submitting regular updates to the CPC anti-trust staff.

• The instruments (internal information flow procedures, staff meetings and briefings, etc.) for regular internal dissemination of information to the CPC staff concerned elaborated and used on regular basis).

For Result I.5.

• Drafts for amendment of the relevant laws (such as Law on Protection of Competition) prepared and submitted for adoption

For Result II.1.

• The internal CPC procedures for co-operation and liaison between the CPC staff and the DG Comp elaborated and distributed to the relevant staff.

For Result II.2.

• CPC staff informed of the nature, purposes and procedures of the work of the Advisory Committee of Restrictive Practices and Dominant Positions and the Advisory Committee on concentrations and capable of participating in the network-type cooperation of European Commission with the national competition authorities and in the work of the above mentioned Committees

For Result III.1.

• The CPC participating in drafting of laws and secondary legislation or asked for opinion on all new legislation involving competition issues.

• Significant increase in the number of opinions on Draft legislative acts adopted by the CPC on request by the respective ministries or as a result of CPC ex officio proceedings (compared with the situation at the beginning of the project).
• Increased number of draft legislative acts amended as to match the EC competition rules as a result of CPC intervention in the process of their drafting (compared with the situation at the beginning of the project).

For Result III.2.
• Representatives (2 experts involved in drafting legislation from each institution) of all line ministries and sector regulators trained to identify possible competition problems in the existing and future legislation arising from the direct application of competition acquis.

For Result III.3.
• The concept for the expansion of the CPC PR strategy elaborated and the relevant CPC staff assigned and trained.
• The technical instruments for the implementation of the PR concept identified and in use.
• The target groups of interested recipients identified and getting information on a regular basis.
• Information on competition issues, on CPC and its’ decisions appearing systematically in mass media and professional journals.

For Result III.4.
• The anti-trust part of the CPC web-site completed and the new information put on it on a regular basis.

For Result III.5.
• The CPC library subscribed for the current issues of selected professional competition magazines.

For Result IV.1.
• The annual personal assessment of the CPC anti-trust staff matches the training and career development plans and performance indicators.
• Personnel handbook produced and distributed.

For Result IV.2.
• The CPC team of trainers conducting training events even before the completion of the project.

For Result IV.3.
• Professional training manuals elaborated and distributed.
• Key channels for exchange and sharing of knowledge set up and in use.
• Anti-trust E-learning modules produced and in use.

3.4 Activities:

The activities, envisaged to be undertaken so that the Project reaches its objectives, are divided in four areas, as follows:

I. Upgrade of the professional expertise of the CPC Members and staff as to maintaining acquis conform enforcement practice and applying directly EC competition acquis.

1. Identification of the problem areas of the current CPC enforcement practice and of SAC practice as to their compliance with the EC acquis and practice;
2. Training both for CPC and SAC on the current developments of the EC anti-trust rules and practice; in particular:
   • Abuse of dominant position—the concept of collective dominance-definition, practice, case law; situation in specific markets—pharmaceuticals, banking, insurance, etc.
   • Mergers—new merger Regulation, restoration of the initial situation.
3. Training both for CPC and SAC on the modern methods for economic and legal analyses used by the European Commission, in particular:
   • Merger control: remedies-assessment and definition, scope, ex post control; analysis of the market before and after the deal, opinions from third parties; assessment of the actual control in case of participating joint ventures.
   • Sector analyses—methodology for carrying out such analyses, sources of information, etc.
4. Training for SAC on the courts’ case law in the EU.
5. Review of the current situation and advice on creating CPC internal working procedures and system for a permanent follow up by the CPC officials of the EC legislation and practice;
6. Consultations and advice on CPC current and anticipated investigations. The emphasis should be placed on Bulgarian cases covering possible violations in the field of anti-trust rules with a reference to the EC practice and the case law of the ECJ;
7. Review of the current national antitrust legislation;
8. Elaboration of recommendations for the necessary alignment of Bulgarian antitrust legislation with the existing EC competition acquis and practice;

II. Cooperation activities
1. Training for preparing the staff of CPC to participate in the work of the Advisory Committee of Restrictive Practices and Dominant Positions and the Advisory Committee on concentrations;
2. Training for the staff of the CPC on the co-operation and liaison procedures between national competition authority and the European Commission.
3. Assistance for the elaboration of CPC internal procedures relating to the future cooperation and liaison activities between CPC and the European Commission.

III. Competition advocacy and promotion of competition culture
1. Assistance and advice for further development and expansion of the CPC PR strategy and for creation of instruments and channels for dissemination of information campaign materials.
2. Assistance for upgrading and further developing the CPC web-site (its’ anti-trust part).
3. Enrichment of the CPC library fund with up-to-date anti-trust reference documentation and supply of the necessary books, magazines, etc.
4. Professional training for the sector regulators; representatives of NGO, business associations, bar association, consumer protection associations, etc.

IV. Human resources and knowledge management
1. Assistance for the elaboration of personnel handbook and instructions.
2. Review and analysis of the CPC organizational structure, recommendations for its possible optimization with view of the upcoming cooperation activities.
3. Assistance for the elaboration of personal training and development plans for the CPC anti-trust staff.
4. Preparation of recommendations for the extension of the knowledge management system at
the CPC to cover all sectors.
5. Identification of the proper information flow channels.
6. Training of trainers.
7. Elaboration of professional training manuals for the CPC staff.

The means to be used in order to carry out the above mentioned activities will be in the
framework of a Twinning contract with a MS authority. They will include training (seminars,
workshops, case studies, etc.), analyses and elaboration of recommendations, consultations and
advice, supply of documentation, etc.

3.5 Linked Activities

Previous and current Phare Projects for the Commission on the Protection of Competition:

- The Phare Project BG 9910.01 “Reinforcing the administrative capacity to manage the
  acquis communautaire in the field of competition” with a main beneficiary, the CPC, covered
  predominantly the problems of basic rules of the antitrust acquis. The objectives of both
  consolidating an appropriate legal basis for competition enforcement in Bulgaria and increasing
  the level and quality of enforcement capacity of the CPC have clearly been achieved by this
  Project. It also contributed to the greater alignment of the activities of state monopolies of
  commercial character and undertakings enjoying special and exclusive rights to the existing EC
  competition rules. The Project completed the following mandated tasks:
  - The design and delivery of adequate training of key actors on the competition scene in
    Bulgaria
  - Providing direct contribution to the ongoing legislative reform of general and secondary
    legislation on competition and related matters in Bulgaria;
  - The promotion and introduction of competitive schemes in regulated sectors covering
    services of general interest;
    - Case handling by CPC;
    - Review of CPC administrative capacity and implementation practice;
    - Increasing CPC access to law materials, documentation and information sources;
    - The popularisation of competition culture in Bulgaria;
    - Networking CPC with competition authorities in the member States of the EU and with
      DG Competition of the European Commission.

- The Phare Twinning Project of the Ministry of Finance (MoF) BG 9910.02 with a main
  beneficiary the MoF covered only the problems of the state aid acquis. The experts from the
  CPC’s State Aids Directorate were partially involved in some of the training activities delivered
  under SAMA Project BG 9910.02.

- The Phare Twinning project BG 0201.08 “Strengthening the administrative capacity of
  CPC and MoF to manage the acquis on state aid and improvement of the system for monitoring
  and control of state aid” will start in September 2003. The main beneficiaries are the CPC and
  MoF. This project also covers exclusively the problems of state aid acquis. It envisages the
  following activities that are relevant to the new Project and are previewed to serve as a basis for
  upgrading and development this time in the field of the anti-trust:

a/ Preparation of proposals for development of a knowledge management system at the CPC and
MoF:

- Preparation of personnel development plans;
• Development of the information database of training materials to be used by the staff of CPC and MoF and especially by the internal trainers;
• Development of e-learning tools;
• Development of training monitoring records within the CPC and the MoF to identify staff training gaps and to set priorities for future training events provided by Bulgarians trainers or by external providers.

b/ Information campaign:
• Assistance for the extension and development of the CPC web-site in its’ state aid part;
• Assistance for the CPC PR strategy in the field of state aid.

• In order to answer the immediate needs of the CPC in the area of cartel agreements, a Twinning Light Project “Establishing a comprehensive internal CPC system for conducting investigations on cartel cases” has been prepared and submitted for approval and financing within the framework of the 2003 Unallocated Institution Building envelope. It covers the substantial and procedural issues of conducting on-site inspections, incl. after Bulgarian accession to the EU. The problems covered by the Twinning Light Project are envisaged to be resolved before the start of the current Twinning Project and should serve as a basis for further upgrading of the knowledge and the procedures related to the Cooperative work of the CPC with the European Commission.

3.6. Lessons learned:
The European Commission has granted assistance to the Commission on Protection of Competition (CPC) under the PHARE Program. The results of the past assistance were positively evaluated by the CPC and the European Commission; however some additional measures were outlined as requiring further actions.

Under the Phare Project BG 9910.01 the CPC staff, judges from the SAC, representatives of the ministries, sector regulators, business associations were involved in training activities (seminars, workshops, study visits) that covered the basics of the main areas of the EC antitrust law, case law and practice as of June 2002.

The approved Final Report of the Phare Project BG 9910.01 recommended future activities in the areas of the legislative reform, the CPC organisational structure and implementation and enforcement practice, cooperation with the EU member state competition bodies.

After completing the project, many of the proposals for amendments of the LPC made by the experts working with the Project were taken into account in preparing the Draft for Amendment of the LPC and consequently were adopted by the Bulgarian National Assembly.

Regarding the recommendations for an organizational restructuring of the CPC, immediately after the election of new Members of the CPC, these proposals were examined and taken into account in adopting the new organizational structure of the CPC (Rules of procedure of the Commission on Protection of Competition, promulgated SG, issue 99/11.11.2003, into force as of 14.11.2003). More detailed description of the new structure is given under p.4.

While the efforts already made by the CPC both in the area of legislative alignment with the acquis and in the area of the institutional building in order to improve the antitrust enforcement record were positively evaluated by the European Commission, additional assistance is still necessary considering the increased needs to manage the new antitrust acquis as it is pointed out in the 2003 Regular Report: “Further strengthening of the Commission for the Protection of Competition should be achieved through advanced training, as well as focusing on competition-related activities[…]. Strengthening is also required in view of the decentralized application of Community anti-trust rules that will apply upon accession. […] However, important further efforts should be made to follow a more deterrent sanctioning policy and to put more emphasis on preventing serious distortions of competition. Continued efforts are also needed in relation to competition advocacy, awareness raising and training of the judiciary”.
Based on the above-mentioned recommendations and the positive experience of the CPC in the cooperative work with the Supreme Administrative Court, business and bar associations within the Phare Project BG 9910.01, training activities aimed at the same target groups are envisaged by the recent project in order to upgrade the results already achieved.

4. Institutional Framework
Commission on Protection of Competition:
The Commission on Protection of Competition is an independent state authority whose aim is to ensure protection and conditions for the promotion of competition and free economic enterprise. The CPC provides protection against restrictive agreements, decisions and concerted practices, abuse of dominant position, mergers, unfair competition and other activities, which might result in the prevention, restriction or distortion of competition. With the amendments of the LPC the competences of the commission were broadened—it can appeal before the competent court the administrative acts and decisions contradicting the law within 30 days time limit from the day of learning they were issued, conduct sector analyses of the relevant market, it has strengthened investigative powers by allowing for on-site inspections.
The Commission, composed of 7 members, led by a Chairman, is assisted in its activities by an administration. The administration is managed directly by the Chairman and comprises of specialised and general administration department. The specialised administration assists the Commission in exercising the powers assigned to it by the law. The general administration provides technical assistance to the Commission and to the specialised administration.
As of 14.11.2003 a new organizational structure of the CPC became effective with the new Rules on Procedure of the CPC. The existing Directorates “Legal and economic analyses”, “Industry and Transportation”, “Informatics and Capital Markets”, “State Aids” and “European Integration and International Affairs” were replaced as recommended by the European Commission and in the Final Report of the Phare Project BG 9910 with Directorates, that comply with the structure, logic and subject matters of the LPC (including the latest amendments), namely: “Anti-trust”, “Policy of State Aid to undertakings”, “Sector Analyses”, “European Integration and Competition Policy”, “Unfair Competition”. Thus an effort was made by the CPC management to implement the recommendations given during the negotiation process regarding the organizational structure and the necessity to reallocate the existing human resources in order to give priority to the most serious distortions of competition at the expense of the unfair competition cases, having in mind that only 10 experts work in the “Unfair competition” Directorate.
The new organizational structure not only demonstrates the willingness of the CPC high-level management to adapt Bulgarian antitrust authority to the best EU Member State practices, but this structure will facilitate very much the implementation of the training and other activities under the current project as the target groups are clearly differentiated and their responsibilities regarding the types of antitrust violations (cartel agreements, merger control, etc.) clearly set. This will allow the training to reach its’ specific audience—the experts, who will be assigned in the future to apply the specific acquis into the practice.

Supreme Administrative Court:
The decisions of the CPC are subject to appeal before the Supreme Administrative Court of Bulgaria. The CPC decisions could be appealed before a 3 judges unit, and than before a 5-judges unit, which decision is final. Because of the specificity of the substantive competition rules one of the divisions in the SAC is specialized in this field of law and it deals with all competition cases.

5. Detailed Budget

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<th>Year 1/Phase 1</th>
<th>Phare</th>
<th>Support</th>
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<tr>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (I+IB)</th>
<th>National Co-financing*</th>
<th>IFI</th>
<th>TOTAL</th>
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<td>1. One Twining covenant– for Training, Workshops, Website, etc.</td>
<td>-</td>
<td>900 000</td>
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<td><strong>Total</strong></td>
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* Up to 10% of the Twining covenant. (General equipment, office accommodation for twining team, as well as other eligible costs. The National co-financing will be provided from the National Budget through the National Fund Directorate within Ministry of Finance.

6. Implementation Arrangements

6.1 Implementing Agency
The Central Finance and Contracts Unit (CFCU) at the Ministry of Finance is the Implementing Agency of the project.
PAO-Secretary General of the MoF
Address: 102, Rakovski St., 1040 Sofia, Bulgaria
Tel.: +359 2 9859 20 13, Fax: +359 2 980 68 63

6.2 Twinning
The project will be implemented by twinning with institution(s) of member state(s). The Twinning Manual will strictly be followed. The Beneficiary of the twinning project will be the Commission on Protection of Competition.

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Fax +359 2 980 7315,
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A Project Steering Committee will be established, which will be based at the Commission on Protection of Competition. It will consist of:
- Project leaders from the CPC and MS Twinning partner;
- TRA;
- CFCU manager;
- Representative of the SAC;
- Representatives of the business associations, NGOs;
- EC Delegation Task manager /as observer/.
The Steering Committee will meet on a quarterly basis and will ensure the coherent implementation of the project by overseeing the project as a whole, coordinating the main activities and examining and approving the relevant reports.
Because a twinning component is envisaged for this project, a twinning covenant will be sought with EU Member State. The budget for the project contained in Section 5 has been based on 12
months twinning partnership. This component will be implemented through a Twinning Covenant with 1 Twinning Resident Advisor (TRA), 1 Project Leader level head of department, and team of short-terms advisors. The assignment of the TRA will last 12 months. The necessary short-term expertise and the training needs will be defined within the framework of the twinning covenant. The TRA will have the following profile:

- Experience in a MS competition body and/or European Commission;
- Experience in developing competition policy and in project management;
- Good practical experience of monitoring and evaluation activities;
- Fluency in English.

The guaranteed results can be seen in 3.3.1.2.

6.3 Non-standard aspects – Twinning Manual will be followed.

In case no suitable twinning proposal is forthcoming, the project will instead be implemented through conventional Technical Assistance.

6.4 Contracts

One Twining covenant (900 000 Euro Phare Support) – for Training, Workshops, Website, etc. This contract will include the National co-financing up to 10%, which will be added to the amount of Phare Support.

7. Implementation Schedule

7.1 Start of tendering/call for proposals - 1 November 2004
7.2 Start of project activity - 1 September 2005
7.3 Project completion - 31 August 2006

Expected date of last payment under last contract will be 31 December 2006.

8. Equal Opportunity

The CPC has responsibility for the enforcement of national and international agreements governing the conditions of workers, including the rights of women in the work place and for the provision and maintenance of workplace health facilities in liaison with the public health authorities. The CPC maintains an equal opportunities policy and women have parity of appointment or dominate at all levels of organization.

9. Environment – N.A.

10. Rates of return – N.A.

11. Investment criteria

11.1 Catalytic effect: - The project will catalyze the process of direct enforcement of competition acquis by the CPC staff, thereby stimulating the further development of the national market and enhancing the competitiveness of Bulgarian economy and the benefits for the consumers. This is considered to be a priority accession driven action, which would otherwise have taken place at a later date because of lack of funding.

11.2 Co-financing: N.A.

11.3 Additionality: N.A.

11.4 Project readiness and size: The Project Fiche is prepared by the CPC. The project is previewed to last 12 months and to receive Phare Support of 900 000 Euro. No specific pre-feasibility studies have been carried out for this project. However, the approved Final Report of the previous Phare project of the CPC-BG 9910.01, refers to the project to have achieved the planned
results. Furthermore, most of the experts from the “Anti-trust” and “Sector analyses” Directorates of the CPC have been trained under the BG 9910.01, others have post-graduate degrees in European law or Competition law from respected MS academic institutions. Therefore, the current project is considered by the CPC to be ready for contracting.

11.5 Sustainability:
The project will be operated by the CPC and with the participation of the staff of its’ European Integration and Competition Policy Directorate in the process. The sustainable and effective law enforcement of the EC acquis by the Bulgarian anti-trust authority (CPC) in the long term is in line with EU competition policy and the proper functioning of the common market. The upgraded level of professional competence among the CPC staff under the project will remain sustainable depending on the effective functioning of the system of in-house training and knowledge transfer to be developed by Phare Twinning project and by the efforts to be made by the Bulgarian Government to retain the qualified staff after the accession.

11.6 Compliance with state aids provisions - N.A.

11.7 Contribution to NDP and/or Structural Funds Development Plan/SPD
The Project will support the strategy for modernization and institutional strengthening of Bulgarian national administration.

12. Conditionality and sequencing

Conditionality
The project involves assistance for administrative structures (Commission on Protection of Competition, Supreme Administrative Court, line ministries and sector regulators) that are established, functioning and mature. The internal restructuring of the CPC has already been done ensuring the proper organizational framework for the achievement of the targeted results. There are established contacts and coordination between the different institutions to be involved in the project activities. Therefore, no conditionality is applicable to this project.

Sequencing
The project involves further institutional strengthening and legislative alignment, competition advocacy and awareness raising measures. As it is previewed to be completed shortly before the accession, the activities related to the legislative alignment should have priority in order to prepare the necessary amendments to laws and secondary legislation as soon as possible having in mind the time needed for the process of their adoption. All other activities (training activities, provision of advice and consultations) are to be spread for the whole duration of the project.

ANNEXES TO PROJECT FICHE
1. Logical framework matrix in standard format (compulsory) –Annex 1
2. Detailed implementation chart (compulsory for year/phase 1)-Annex-2
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period) (compulsory for year/phase 1)-Annex 3
4. List of training activities under Phare Project BG 9910.01 “Reinforcing the administrative capacity to manage the aquis communautaire in the field of competition”-Annex 4
5. Draft Budget-Annex 5
6. Reference to feasibility/pre-feasibility studies. For all investment projects, the executive summary of the economic and financial appraisals, and the environmental impact assessment should be attached (compulsory for year/phase 1)-no feasibility study carried out.
7. List of relevant Laws and Regulations (optional)
8. Reference to relevant Government Strategic plans and studies (may include Institution Development Plan, Business plans, Sector studies etc) (optional)
### LOGFRAME PLANNING MATRIX FOR

**Project:** Preparing the Commission on Protection of Competition for the direct application of the rules of the Community competition acquis and cooperative work with the European Commission

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Phare programme 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires</td>
<td>30 November 2006</td>
</tr>
<tr>
<td>Disbursement period expires</td>
<td>30 November 2007</td>
</tr>
<tr>
<td>Total budget: 900 000 EUR*</td>
<td>Phare budget: 900 000 EUR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall objective</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishing of administrative capacity, in particular at the level of the CPC and the judiciary, to properly apply directly the anti-trust acquis in light of the preparation of Bulgaria for the Internal Market</td>
<td>• The screening of the CPC enforcement record, assessed by DG COMP, to be compatible with the acquis</td>
<td>• EC regular reports on the progress made by Bulgaria in the accession period. • The screening and monitoring information system database of Bulgarian government².</td>
<td>² This database has already been developed and soon is to be fully operational</td>
</tr>
</tbody>
</table>
In order to achieve the overall objective, the following purposes are set:

1. To upgrade the professional expertise of the CPC Members and staff to the point that they work autonomously and at a high standard in ensuring and maintaining acquis-conform anti-trust enforcement practice and in applying directly the Community competition acquis.

2. To establish a mechanism for the CPC Members and staff to participate in the cooperative work with the European Commission.

3. To further strengthen the role of the CPC for competition advocacy and for promoting competition culture in Bulgarian economic society.

| 1. The CPC staff that has already been trained under BG 9910.01. retained. |
| 2. Commitment and cooperation of all relevant authorities involved during all stages of the project implementation. |

- The screening of the CPC enforcement record, assessed by DG COMP, shows to be compatible with the acquis.
- The opinions of the DG COMP on case-by-case assessment match the decisions taken by the CPC/judiciary.
- Drafts for amendment of the relevant laws (as the Law on Protection of Competition) with view of the direct application of the competition acquis prepared and in a process of adoption.
- CPC procedural system (instructions, information flow, etc.) established and adopted.
- The CPC involved in all relevant working groups for drafting laws (in areas such as insurance, telecommunications, public procurement, etc.) or consulted before the submission of draft laws for adoption.
- Publication instruments (newsletter, EC regular reports on the progress made by Bulgaria in the accession period.
- DG COMP correspondence on CPC case summaries.
- The screening and monitoring information system database of Bulgarian government.
- The legislative program of the Council of Ministers and of the National Assembly.
- CPC internal instructions and orders.
- Lists of the working groups and their participants.

---

3 The actual cooperative work with the European Commission will start only after the accession of Bulgaria to the EU

4 This database has already been developed and soon is to be fully operational
4. To expand the Human Resources and Knowledge Management systems to the entire scope of CPC sectors.

- Detailed short-and middle-term training and development plans for all CPC sectors elaborated and strictly followed.
- Personnel handbook produced and distributed.
- Professional training manuals elaborated and distributed.
- Key channels for exchange and sharing of knowledge set up and in use.
- Anti-trust E-learning modules produced and in use.

<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Upgrade of the professional expertise of the CPC Members and staff as to maintaining acquis conform enforcement practice and applying directly EC competition acquis.</td>
<td></td>
<td></td>
<td>1. The CPC staff that has already been trained under BG 9910.01. retained. 2. Commitment and cooperation of all relevant authorities involved during the project implementation.</td>
</tr>
<tr>
<td>1. CPC staff fully capable and confident to apply the EC anti-trust acquis.</td>
<td></td>
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<tr>
<td>2. CPC enforcement practice and the SAC practice fully in line with the</td>
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<tr>
<td>3.</td>
<td><strong>EC anti-trust rules, DG COMP approaches for the economic and legal analyses mastered and used by the CPC and SAC in investigating and adopting decisions on competition cases.</strong></td>
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<tr>
<td></td>
<td><strong>consistent with the current EC competition acquis and practice.</strong></td>
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<tr>
<td></td>
<td>• Considerable increase of the number newly opened CPC anti-trust cases and of decisions proving violations of anti-trust rules (compared with the situation at the beginning of the project).</td>
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<td></td>
<td>• Prevailing percentage of the CPC anti-trust cases over cases involving unfair competition.</td>
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<td></td>
<td>• Significant increase of the amounts of fines imposed by the CPC for the most serious violations of the anti-trust rules.</td>
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<tr>
<td></td>
<td>• Increased number of CPC cases opened <em>ex officio</em> as a result of constant monitoring of Bulgarian market for serious violations of the anti-trust rules.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Relevant CPC methodological and reference materials (such as concerning the assessment of the market structure, of the market behaviour of the undertakings, etc.) elaborated and adopted after being approved by DG COMP.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Sharp increase of the number of CPC and SAC decisions based on DG COMP approaches for economic and legal analyses and assessed by DG COMP to be consistent with the current the accession period</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• DG COMP correspondence on CPC case summaries.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Annual information on the anti-trust cases sent by the CPC to the DG COMP containing data on the number and nature of the anti-trust cases handled in the respective year.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Annual report of the CPC to the Bulgarian National Assembly.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• CPC internal document database.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• CPC internal orders and procedures.</td>
<td></td>
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<tr>
<td></td>
<td>• DG COMP correspondence with the CPC.</td>
<td></td>
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<tr>
<td></td>
<td>• DG COMP correspondence on the summaries of the CPC and SAC decisions.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>• Information on the anti-trust cases sent by the CPC to the</td>
<td></td>
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</tbody>
</table>
4. The internal CPC system for close follow-up of the current developments in EC competition legislation and practice established and functioning.

- Systematic application by all relevant CPC staff of the methodological and reference materials.
- Procedures for monitoring the EC competition legislation and practice established and approved.
- The relevant monitoring teams assigned, operational and systematically submitting regular updates to the CPC anti-trust staff.
- The instruments (internal information flow procedures, staff meetings and briefings, etc.) for regular internal dissemination of information to the CPC staff concerned elaborated and used on regular basis.
- Drafts for amendment of the relevant laws (such as Law on Protection of Competition) prepared and submitted for adoption.

5. The necessary legislative alignment with view of the direct application of the competition acquis in a process of being completed.

II. Preparation of the CPC Members and staff for participation in the cooperative work with the European

- DG COMP containing data on the number and nature of the anti-trust cases handled in the respective year.
- The TRA progress reports.
- The CPC Project Monitoring Reports.
- CPC internal procedures and orders.
- CPC intranet and library.
- The legislative program of the Council of Ministers and of the National Assembly.
1. CPC procedural system (instructions, information flow, etc.) established and adopted.

2. All relevant CPC staff trained and able to participate in the cooperative work with the European Commission.

### III. Competition advocacy and promotion of competition culture.

#### 1. CPC representatives involved in all working groups for drafting laws or consulted before the submission of draft legislation for adoption.

- The internal CPC procedures for co-operation and liaison between the CPC staff and the DG Comp elaborated and distributed to the relevant staff.
- CPC staff informed of the nature, purposes and procedures of the work of the Advisory Committee of Restrictive Practices and Dominant Positions and the Advisory Committee on concentrations and capable of participating in the network-type cooperation of European Commission with the national competition authorities and in the work of the above mentioned Committees.
- The CPC participating in drafting of laws and secondary legislation or asked for opinion on all new legislation involving competition issues.
- Significant increase in the number of opinions on Draft legislative acts adopted by the CPC on request by the respective ministries or as a result of CPC ex officio proceedings (compared with the situation at the beginning of the project).
- CPC internal instructions and orders.
- Lists of the working groups and their participants.
- Information sent by the CPC to the DG COMP containing data on the number and nature of the cases handled in the respective year.
- CPC internal document database.
- CPC Annual Report to the National Assembly.

- The TRA progress reports.
- The CPC Project Monitoring Reports.

- CPC internal document database.
- Lists of the working groups and their participants.
- Information sent by the CPC to the DG COMP containing data on the number and nature of the cases handled in the respective year.
- CPC internal document database.
- CPC Annual Report to the National Assembly.
2. All line ministries and sector regulators aware of the main competition rules in their respective sectors and of the sector specific implications ensuing from the direct application of EC competition acquis.

3. Open and active PR strategy of the CPC, targeting economic operators, business associations, legal professionals and mass media in order to inform them on the implications for Bulgaria of the direct application of competition acquis communautaire, developed and implemented.

4. The anti-trust part of CPC web-site fully developed and functioning.

- Increased number of draft legislative acts amended as to match the EC competition rules as a result of CPC intervention in the process of their drafting (compared with the situation at the beginning of the project).
- Representatives (2 experts involved in drafting legislation from each institution) of all line ministries and sector regulators trained to identify possible competition problems in the existing and future legislation arising from the direct application of competition acquis.
- The concept for the expansion of the CPC PR strategy elaborated and the relevant CPC staff assigned and trained.
- The technical instruments for the implementation of the PR concept identified and in use.
- The target groups of interested recipients identified and getting information on a regular basis.
- Information on competition issues, on CPC and its’ decisions appearing systematically in mass media and professional journals.
- The anti-trust part of the CPC web-site completed and the new

- TRA Reports.
- The CPC Project Monitoring Reports.
- CPC Information Department database.
- TRA Reports.
- Bulgarian mass media and specialized legal and economic press
- CPC public information materials.
- The CPC web-site.
<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. CPC library fund enriched.</td>
<td>• The CPC library.</td>
</tr>
<tr>
<td>IV. Human resources and knowledge management</td>
<td>• The CPC library.</td>
</tr>
<tr>
<td>1. Personal development plans for the relevant CPC antitrust staff prepared and implemented.</td>
<td>• Documentation in the CPC Human Resource Department.</td>
</tr>
<tr>
<td>2. Bulgarian trainers capable of distributing knowledge autonomously and at a high standard.</td>
<td>• Data on training events carried out by Bulgarian trainers.</td>
</tr>
<tr>
<td>3. The existing CPC knowledge management system expanded to cover all relevant CPC sectors and staff.</td>
<td>• TRA Reports.</td>
</tr>
<tr>
<td>• The annual personal assessment of the CPC anti-trust staff matches the training and career development plans and performance indicators.</td>
<td>• CPC intranet and library.</td>
</tr>
<tr>
<td>• Personnel handbook produced and distributed.</td>
<td>• Professional training manuals elaborated and distributed.</td>
</tr>
<tr>
<td>• The CPC team of trainers conducting training events even before the completion of the project.</td>
<td>• Key channels for exchange and sharing of knowledge set up and in use.</td>
</tr>
<tr>
<td>• Professional training manuals elaborated and distributed.</td>
<td>• Anti-trust E-learning modules produced and in use.</td>
</tr>
<tr>
<td>I. Upgrade of the professional expertise of the CPC Members and staff as to maintaining acquis conform enforcement practice and applying directly EC competition acquis.</td>
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</tr>
<tr>
<td>1. Identification of the problem areas of the current CPC enforcement practice and of SAC practice as to their compliance with the EC acquis and practice;</td>
<td></td>
</tr>
<tr>
<td>2. Training both for CPC and SAC on the current developments of the EC anti-trust rules and practice; in particular:</td>
<td></td>
</tr>
<tr>
<td>• Abuse of dominant position-the concept of collective dominance-definition, practice, case law; situation in specific markets-pharmaceuticals, banking, insurance, etc.</td>
<td></td>
</tr>
<tr>
<td>• Mergers-new merger Regulation, restoration of the initial situation.</td>
<td></td>
</tr>
<tr>
<td>3. Training both for CPC and SAC on the modern methods for economic and legal analyses used by the</td>
<td></td>
</tr>
<tr>
<td>• Analysis and elaboration of recommendations.</td>
<td></td>
</tr>
<tr>
<td>• Seminars, workshops and mock-case studies.</td>
<td></td>
</tr>
<tr>
<td>• Provision of relevant Member State, DG COMP and ECJ cases.</td>
<td></td>
</tr>
<tr>
<td>1 (8 c. days) visit of CPC officials to a training event for competition officials from the EU Member states for training in the current developments in the EC anti trust rules and for creating contacts and informal exchange of experience with the experts from MS competition authorities.</td>
<td></td>
</tr>
<tr>
<td>• Seminars, workshops and mock-case studies.</td>
<td></td>
</tr>
<tr>
<td>• Provision of relevant Member State, DG COMP and ECJ cases.</td>
<td></td>
</tr>
<tr>
<td>1. Commitment and cooperation from all relevant government authorities.</td>
<td></td>
</tr>
<tr>
<td>2. The CPC staff that has already been trained under BG 9910.01. retained.</td>
<td></td>
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</tbody>
</table>
European Commission, in particular:

- Merger control: remedies-assessment and definition, scope, ex post control; analysis of the market before and after the deal, opinions from third parties; assessment of the actual control in case of participating joint ventures.

- Sector analyses-methodology for carrying out such analyses, sources of information, etc.

<table>
<thead>
<tr>
<th>4.</th>
<th>Training for SAC on the courts’ case law in the EU.</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Review of the current situation and advice on creating CPC internal working procedures and system for a permanent</td>
</tr>
</tbody>
</table>

- 1(8 c. days) visit of officials from the CPC in the MS twinning partners for exchange of experience in investigating anti-trust cases.

- Seminars.
- Provision of methodological materials for sector analyses.
- Assistance for elaboration of CPC internal methodological instructions.

- Seminars and workshops.
- Provision of relevant Member State, DG COMP and ECJ cases.
- Provision of legal magazines and books on courts’ case law in the EU.
- 1 (6 c. days) visit of judges from the SAC to European institutions (ECJ, EC) for exchange of experience.

- Analysis of the existing situation at the CPC.
- Elaboration of recommendations.
- Assistance for creation of internal procedures.
| follow up by the CPC officials of the EC legislation and practice; | Continuous advice, mock-case studies.  
Provision of Member State, DG COMP and ECJ cases on the relevant sectors and respective violations.  
Legal analysis and identification of areas requiring legislative alignment.  
Elaboration of recommendations.  
Continuous advice in the process of amending and drafting laws and secondary legislation.  
Seminars and workshops.  
1 (6 c. days) visit of officials from the CPC to European institutions (EC, permanent delegations) for exchange of experience. |
<table>
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<tbody>
<tr>
<td>6. Consultations and advice on CPC current and anticipated investigations. The emphasis should be placed on Bulgarian cases covering possible violations in the field of anti-trust rules with a reference to the EC practice and the case law of the ECJ;</td>
<td></td>
</tr>
</tbody>
</table>
Review of the current national antitrust legislation;  
Elaboration of recommendations for the necessary alignment of Bulgarian antitrust legislation with the existing EC competition acquis and practice; |
| 7. Review of the current national antitrust legislation; |  
Elaboration of recommendations for the necessary alignment of Bulgarian antitrust legislation with the existing EC competition acquis and practice; |
| 8. Elaboration of recommendations for the necessary alignment of Bulgarian antitrust legislation with the existing EC competition acquis and practice; |  
Elaboration of recommendations.  
Continuous advice in the process of amending and drafting laws and secondary legislation.  
Seminars and workshops.  
1 (6 c. days) visit of officials from the CPC to European institutions (EC, permanent delegations) for exchange of experience. |
| II. Cooperation activities |  
1. Training for preparing the staff of CPC to participate in the work of the Advisory Committee of Restrictive Practices and Dominant Positions and the Advisory Committee |
on concentrations;

2. Training for the staff of the CPC on the co-operation and liaison procedures between national competition authority and the European Commission.

3. Assistance for the elaboration of CPC internal procedures relating to the future cooperation and liaison activities between CPC and the European Commission.

III. Competition advocacy and promotion of competition culture

1. Assistance and advice for further development and expansion of the CPC PR strategy and for creation of instruments and channels for dissemination of information campaign materials.

2. Assistance for upgrading and further developing the CPC web-site (its’ anti trust part).

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<td></td>
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<tr>
<td></td>
<td>• Seminars and workshops (incl. on negotiating skills).</td>
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<tr>
<td></td>
<td>• 1 (8 c. days) visit of officials from the CPC in the MS twinning partners for exchange of experience in the direct application of the EC acquis and in the cooperative work with the EC.</td>
</tr>
<tr>
<td></td>
<td>• Advice for development of CPC internal procedures.</td>
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<td></td>
<td>• Elaboration of recommendations.</td>
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<tr>
<td></td>
<td>• Elaboration of recommendations.</td>
</tr>
<tr>
<td></td>
<td>• Assistance for the creation of information materials.</td>
</tr>
<tr>
<td></td>
<td>• Tender for the further development of the anti-trust part of the CPC</td>
</tr>
</tbody>
</table>
3. Enrichment of the CPC library fund with up-to-date anti-trust reference documentation and supply of the necessary books, magazines, etc.
4. Professional training for the sector regulators; representatives of NGO, business associations, bar association, consumer protection associations, etc.

IV. Human resources and knowledge management

1. Assistance for the elaboration of personnel handbook and instructions.
2. Review and analysis of the CPC organizational structure, recommendations for its possible optimization with view of the upcoming cooperation activities.
3. Assistance for the elaboration of personal training and development plans for the CPC anti-trust staff.
4. Preparation of

<table>
<thead>
<tr>
<th>web-site.</th>
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<tbody>
<tr>
<td>• Elaboration of list of necessary books and magazines.</td>
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<tr>
<td>• Supply of legal books, magazines, etc.</td>
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<tr>
<td>• Seminars and workshops.</td>
</tr>
<tr>
<td>• Provision of documentation on relevant sectors.</td>
</tr>
<tr>
<td>• Review of the existing situation and consultations for drafting the relevant internal documents.</td>
</tr>
<tr>
<td>• Review and recommendations.</td>
</tr>
<tr>
<td>• Advice and consultations.</td>
</tr>
<tr>
<td>• Elaboration of recommendations.</td>
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</table>
recommendations for the extension of the knowledge management system at the CPC to cover all sectors.

5. Identification of the proper information flow channels.

6. Training of trainers.

7. Elaboration of professional training manuals for the CPC staff.


- Seminars and workshops on development of presentation skills.
- Elaboration of the content of the training manuals and the e-learning modules.
- Tender for the creation of the e-learning modules.

Preconditions
The CPC, SAC and the other institutions involved in the project have the necessary organisational structure established and staff appointed in order for the project to start. There are established channels of working contacts and coordination between them.
### IMPLEMENTATION CHART

**Preparing the Commission on Protection of Competition for the direct application of the rules of the Community competition acquis and cooperative work with the European Commission**

<table>
<thead>
<tr>
<th>Components</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<tbody>
<tr>
<td>PIU operational</td>
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<tr>
<td>Call for proposal – twining covenant</td>
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<tr>
<td>Selection of twining partner</td>
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<tr>
<td>Drafting twining covenant</td>
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<tr>
<td>Approval of twining covenant</td>
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<tr>
<td>Twining covenant activities</td>
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</tr>
</tbody>
</table>
### Contracting and disbursement schedule by quarter

#### Contracting

<table>
<thead>
<tr>
<th>Project title:</th>
<th>Preparing the Commission on Protection of Competition for the direct application of the rules of the Community competition acquis and cooperative work with the European Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting</td>
<td>Contracting schedule by quarter in Euro m (provisional)</td>
</tr>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>Twinning covenant</td>
<td>0.9</td>
</tr>
<tr>
<td>Total contracting</td>
<td>0.9</td>
</tr>
</tbody>
</table>

#### Disbursement

<table>
<thead>
<tr>
<th>Project title:</th>
<th>Preparing the Commission on Protection of Competition for the direct application of the rules of the Community competition acquis and cooperative work with the European Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disbursement</td>
<td>Disbursement schedule by quarter in Euro m (provisional)</td>
</tr>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>Twinning covenant</td>
<td>0.5</td>
</tr>
<tr>
<td>Total disbursement</td>
<td>0.9</td>
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</tbody>
</table>
List of seminars held under the PHARE Project
“Reinforcing the administrative capacity to manage the Acquis communautaire in the field of competition in Bulgaria”

1. Crash course on basics of European Union law; 13 April 2001,
2. Seminar on antitrust for the CPC
   *11- 29 June 2001*
3. Seminar on European Competition Law in the field of transport, telecommunications, energy and postal sectors for representatives of ministries and different sector regulators;
   *9 – 13 July 2001*
4. Seminar on abuse of dominant position for the CPC;
   *17 – 28 September 2001; Two groups*
5. Seminar on specific problems in granting state aid for the representatives of ministries and government agencies
   *1 – 5 October 2001*
6. Seminar on control of state aids for the CPC;
   *8 – 12 October 2001*
7. Seminar on merger control for the CPC
   *12- 23 November 2001*
8. Special Advisory Workshop on Control of State Aids for the CPC
   *23 November 2001,*
9. Seminar on European Competition Law in the field of transport, telecommunications, energy and postal sectors
   *26-30 November 2001*
10. Seminar on control of state aids for the CPC
    *3 - 4 December 2001(full day)*
11. Seminars on European Competition law and consumer protection for business associations, NGOs, and consumer organizations
    *5 – 7 December 2001, and*
    *10 – 12 December 2001*
12. Seminars on competition law for judges and prosecutors from SAC and SAP
    *22 – 26 April 2002, and*
    *10 – 14 June 2002*
13. Seminar on competition policy for media representatives
    *4 September 2002*
<table>
<thead>
<tr>
<th>Item</th>
<th>Responsib. for Contract/Implementation</th>
<th>Cost to Member state funded by Phare Programme</th>
<th>Candidate Country</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td>F=fixed</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>BG A; B; A=actual Euro Euro Euro</td>
<td></td>
</tr>
</tbody>
</table>

### TRA fees

A) Civil Servant

- **a) Gross Salary**
  - Month: 12
  - F: 5 500,00
  - Total: 66 000,00

- **b) Non Wage**
  - Month: 12
  - F: 680
  - Total: 8 160,00

- **c) 6% of a+b**
  - Month: 12
  - F: 370.80
  - Total: 4 449,60

#### PAA Category II

**TRA secondment costs**

- **d) add per diem 100% 30 days**
  - 30 days F: 0
  - Total: 197
  - Total: 5 910

- **e) per diem 50%**
  - 30 days F: 0
  - Total: 98.5
  - Total: 2 955.00

- **f) health and accident insurance**
  - Lump A: 12
  - Total: 200
  - Total: 2 400,00

- **f) health and accident insurance-spouse**
  - Lump A: 12
  - Total: 200
  - Total: 2 400,00

- **f) health and accident insurance-2 children**
  - Lump A: 12
  - Total: 200
  - Total: 2 400

- **g) Removal costs**
  - Unit F: 1

- **h) Basic travel**
  - Month F: 1
  - Total: 1 400,00
  - Total: 15 400,00

- **i) Regular monthly trip**
  - Unit A: 11
  - Total: 1 400
  - Total: 15 400

- **j) Housing agent**
  - Lump A: 1
  - Total: 1 500,00
  - Total: 1 500,00

- **k) Accommodation**
  - Month A: 12
  - Total: 1 500
  - Total: 18 000

- **l) School fees**
  - Child A: 2
  - Total: 12 000
  - Total: 24 000

### Operating Costs TRA and Project Leader

- **Project leader**
  - **a) fees (a)**
    - W.day F: 18
    - Total: 200
    - Total: 3 600,00
<table>
<thead>
<tr>
<th>Annex 6</th>
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</thead>
<tbody>
<tr>
<td><strong>Management costs</strong></td>
</tr>
<tr>
<td>150*(a)</td>
</tr>
<tr>
<td><strong>%</strong></td>
</tr>
<tr>
<td>Per diem</td>
</tr>
<tr>
<td>Travel from member state</td>
</tr>
<tr>
<td>travel for TRA and PL in CC</td>
</tr>
<tr>
<td><strong>TRA training seminar Brussels</strong></td>
</tr>
<tr>
<td>Travel</td>
</tr>
<tr>
<td>Per diem Brussels</td>
</tr>
<tr>
<td>Assistant to TRA</td>
</tr>
<tr>
<td>travel for assistant in CC</td>
</tr>
<tr>
<td>Per diem for assistant in CC</td>
</tr>
<tr>
<td><strong>8 Civil Servant Experts</strong></td>
</tr>
<tr>
<td>Fees (a)</td>
</tr>
<tr>
<td>Management costs 150*(a+b)</td>
</tr>
<tr>
<td>Per diem</td>
</tr>
<tr>
<td>Travel</td>
</tr>
<tr>
<td><strong>Printing of working documents</strong></td>
</tr>
<tr>
<td>Lump A</td>
</tr>
<tr>
<td>5 000</td>
</tr>
<tr>
<td><strong>Reproduction of documents</strong></td>
</tr>
<tr>
<td>Lump A</td>
</tr>
<tr>
<td>3 000</td>
</tr>
<tr>
<td><strong>2 Study visits for total of 8 officials*8 c.days</strong></td>
</tr>
<tr>
<td>a) per diem 4 officials* 8 c.days</td>
</tr>
<tr>
<td>per diem TRA for org.purposes</td>
</tr>
<tr>
<td>TRA travel to MS</td>
</tr>
<tr>
<td>per diem translator</td>
</tr>
<tr>
<td>translator travel</td>
</tr>
<tr>
<td>Local travel of officials</td>
</tr>
<tr>
<td>travel insurance BG</td>
</tr>
<tr>
<td>travel 8 officials to MS</td>
</tr>
<tr>
<td>Study visit 3 to EU institutions for 4 CPC officials</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>extra day for cheaper flights staying Sat, course Thursday and Friday</td>
</tr>
<tr>
<td>a) per diem 4 officials* 6 days</td>
</tr>
<tr>
<td>per diem TRA for org.purposes</td>
</tr>
<tr>
<td>TRA travel to Brussels</td>
</tr>
<tr>
<td>travel insurance BG</td>
</tr>
<tr>
<td>travel for 4 BG</td>
</tr>
<tr>
<td>per diem translator</td>
</tr>
<tr>
<td>translator travel</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Study visit 4 to EU institutions for 4 judges and prosecutors</th>
</tr>
</thead>
<tbody>
<tr>
<td>extra day for cheaper flights staying Sat, course Thursday and Friday</td>
</tr>
<tr>
<td>a) per diem 4 officials* 6 days</td>
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</tr>
<tr>
<td>translator travel</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Study Visit for 8 CPC experts to a training event for EU officials</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) per diem 8 officials* 8 days</td>
</tr>
<tr>
<td>per diem TRA for org.purposes</td>
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<tr>
<td>TRA travel</td>
</tr>
<tr>
<td>per diem translator</td>
</tr>
<tr>
<td>translator travel</td>
</tr>
<tr>
<td>Travel insurance BG</td>
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<tr>
<td>travel officials</td>
</tr>
<tr>
<td>Course fees</td>
</tr>
<tr>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Commentary of CPC anitrust practice-to be contracted with private sector experts</td>
</tr>
<tr>
<td>Commentary of the SAC case law-to be contracted with private sector experts</td>
</tr>
<tr>
<td>Development &amp; Implementation of upgraded E-learning designs (to be tendered by CFCU)</td>
</tr>
<tr>
<td>Development of website technical component for interactivity (service contract)</td>
</tr>
<tr>
<td>Tender for development of technical specifications for tendering</td>
</tr>
<tr>
<td>Acknowledgement of funding</td>
</tr>
<tr>
<td>Refreshments for seminars</td>
</tr>
<tr>
<td>Hire of halls &amp; equipment for seminars and training events</td>
</tr>
<tr>
<td>Translation of documents</td>
</tr>
<tr>
<td>Reproduction of documents</td>
</tr>
<tr>
<td>Office software for the TRA</td>
</tr>
<tr>
<td>Office furniture for the TRA</td>
</tr>
<tr>
<td>Computer &amp; office equipment for the TRA</td>
</tr>
<tr>
<td>Office stationary/consumables for the TRA</td>
</tr>
<tr>
<td>Stationary/consumables for the seminars</td>
</tr>
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<tr>
<td>---------------------------</td>
</tr>
<tr>
<td><strong>Telecommunications</strong></td>
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<td></td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>reserve 2.5%</td>
</tr>
<tr>
<td>Total</td>
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<tr>
<td>Total Project</td>
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</tbody>
</table>