

Bulgarian National Audit Office BEST PRACTICES

In 2024, the Bulgarian National Audit Office (BNAO) conducted a performance audit of "**Measures to prevent and combat corruption in spending and management of financial resources from European funds**"

- **The object of the audit** is the assessment of the effectiveness of the measures to prevent and combat corruption in the management of financial resources from the European Funds for Shared Management (EFSM) for the period 01.01.2021 - 31.12.2023. The audited organizations are the Council of Ministers, the Ministry of Innovation and Growth, the Ministry of Labor and Social Policy, the Ministry of Environment and Water, the Ministry of Regional Development and Public Works, the Ministry of Transport and Communications, the Ministry of Education and Science, the Ministry of Interior and the Ministry of Agriculture and Food.
- **The audited period** is from **01.01.2021 to 31.12.2023**.
- **The analysis and assessments are focused on:**
 - The organization of the management of the process of preventing and combating corruption at the national level;

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- The implemented national policy in the fight against corruption, the distribution of responsibilities and coordination between national authorities;
 - The implemented systems for preventing and combating corruption and mechanisms for identifying corrupt practices in the relevant administrations by the authorities responsible for managing EFSM funds.
- **The analysis and assessment of the following remain outside of the scope of the audit:**
- Anti-corruption measures applied by the managing authorities in implementing the Public Procurement Act on individual projects financed under the relevant programs;
 - Management of the process for combating irregularities and fraud, as the BNAO conducted an audit of the implementation of "Administration of Irregularities" for the period from 01.01.2017 to 31.12.2020;
 - Control exercised by the Chief Inspectorate and the inspectorates of the relevant executive authority over the activities of the secondary budget spending units under it, with the exception of the Social Assistance Agency and the Executive Agency "Education Program", which are managing authorities of the Food and/or

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Basic Material Assistance Program and the Education Program, respectively.

➤ **The conclusion of the audit is that the following actions have low effectiveness:**

- The actions to prevent and combat corruption of the bodies responsible for managing European funds under shared management for the period 2021-2023, related to:
 - Management of the process of preventing and combating corruption at the national level - national policies and coordination;
 - Human resources management and introduction of ethical standards at high management levels;
 - The introduced systems to combat corruption at the organizational level - assigned responsibilities, management of corruption risks, planning of anti-corruption measures, introduced framework of standards and regulations and introduced mechanisms for identifying corrupt practices - receipt and administration of signals and internal control.
- **There are also well-managed processes, such as:**
 - The systems introduced within the governing bodies to combat fraud, corruption and conflict of interest with the relevant policies,

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rules, procedures and responsibilities, assessment of fraud risks, undertaking control activities to reduce the identified risks;

- The legally regulated procedure for selection, appointment and performance evaluation of civil servants;
- The ethical norms introduced for civil servants.

The BNAO has issued a total of 15 recommendations to the Prime Minister, the Minister of Interior, the Minister of Innovation and Growth, the Minister of Agriculture and Food, the Minister of Education and Science, the Minister of Environment and Water, the Minister of Regional Development and Public Works, the Minister of Transport and Communications, the Minister of Labor and Social Policy, the Executive Director of the Education Program Executive Agency, and the Executive Director of the Social Assistance Agency, for taking action.