

More efforts needed by Bulgaria and Romania to tackle judicial reform and corruption

The Commission has today approved a series of reports assessing the progress in Bulgaria and Romania of judicial reform and the fight against corruption under the Co-operation and Verification mechanisms set up when both countries joined the EU last year. The Commission has also adopted a separate report on the management of EU funds in Bulgaria. These reports assess the progress and shortcomings that exist in Bulgaria and Romania on the commitments made at the time of accession. The Commission concludes that genuine efforts and some progress have been made, mainly in terms of judicial reform but much more needs to be done by both countries to fight high level corruption and in Bulgaria on organised crime. The reports highlight the need for sustained political commitment and implementation on the ground if the benchmarks set at the time of accession are to be met in full. The reports put forward a series of concrete follow up measures. Progress in meeting the benchmarks and in dispelling doubts about the two countries ability to deal with corruption will allow their citizens to reap the full benefits of EU membership and enhance their confidence in the rule of law. In the case of Bulgaria, the Commission has taken a formal decision to suspend certain EU funds until the Bulgarian authorities are able to demonstrate that sound financial management structures are in place and operating effectively.

President of the European Commission José Manuel Barroso, said: *"Bulgaria and Romania have come a long way over the last decade. The first eighteen months of membership of the European Union have been beneficial for the two countries and the whole European Union. Our task is now to consolidate that progress. These reports are a reality check - they show that both the Bulgarian and Romanian Governments need to step up their efforts on judicial reform, corruption and in the case of Bulgaria organised crime. Both governments recognise that they must show their own citizens and other EU member states that they are serious about making the judicial system work and tackling corruption. The reports show that the institutions and systems are now in place but tangible results need to be achieved in investigating, prosecuting and judging cases of high level corruption and organised crime. The Commission has also sent a strong signal today that EU funds must be managed properly. Bulgaria and Romania can count on the full and active support of the Commission in the further process."*

On Romania, the reports also set out and made a detailed an assessment of the progress made by Romania on the four benchmarks set by the Commission in December 2006 in the areas of judicial reform and corruption. Overall, the situation in Romania is a mixed picture. The fundamental elements of a functioning system are in place. But the foundation is still fragile and decisions on high level corruption are highly politicised. Commitment to reform by Romania's key institutions and bodies is uneven. While progress on judicial reform has been made, there is a need for the system to show there are penalties for high level corruption. The Commission strongly encourages Romania to intensify its reforms. A more detailed summary of the report on Romania can be found in MEMO/08/520.

On Bulgaria, the Commission's reports states that reform of the judiciary and law enforcement structures is necessary and long overdue. Bulgaria has taken steps in the right direction over the last six months with the setting up of the State Agency for National Security and the decision to reform the Ministry of Interior. The test of progress will now be whether these measures can deliver concrete results by investigating, prosecuting and judging cases of high-level corruption and organised crime. A more detailed summary of the report on Bulgaria can be found in MEMO/08/521.

Specifically in the case of Bulgaria, in the last six months the Commission has provisionally suspended EU funding because of irregularities found through our control and auditing system. While significant work has started to address these problems, the Commission is not yet sufficiently reassured to ease the suspensions. Today the Commission has therefore formally taken the decision to withdraw the accreditation for two government agencies in charge of managing pre-accession funds. As soon as Bulgaria has taken the necessary corrective measures to improve financial management and tighten control systems, the Commission is prepared to reverse its decision to withdraw the accreditation of the two implementing agencies concerned, namely the Central Financing and Contracting Unit and the Implementing Agency at the Ministry of Regional Development and Public Work. The Commission has also taken a formal decision to suspend infrastructure funding.

Background

The Commission reports make an assessment of the progress made to meet the benchmarks set at the time of accession on judicial reform, the fight against corruption and organised crime (only Bulgaria). The reports draw on information provided by the Bulgarian and Romanian Governments, the Commission and Member State offices in the two countries, civil society organisations, associations and expert reports. A separate report on Bulgaria looks at the management of EU funds.

On 1 January 2007, the Commission established a Cooperation and Verification Mechanism to assess the commitments made by Bulgaria and Romania in the areas of judicial reform, fight against corruption and organised crime. The Commission was asked to report on the accompanying measures on a regular basis. The Commission issued its first report on 27 June 2007 and a further interim report on 4 February 2008.

A more detailed overview of the Cooperation and verification Mechanism and the safeguard clauses can be found in [MEMO/07/260](#).

Copies of the full reports can be found at:

http://ec.europa.eu/dqs/secretariat_general/cvm/index_en.htm