Media Influence Matrix: Bulgaria

Government, Politics and Regulation

Authors: Marius Dragomir and Mariia Altergot

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The Center for Media, Data and Society (CMDS) is a research center for the study of media, communication, and information policy and its impact on society and practice. Founded in 2004 as the Center for Media and Communication Studies, CMDS is part of CEU’s School of Public Policy and serves as a focal point for an international network of acclaimed scholars, research institutions and activists.

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About MDC

The Media Development Center, Sofia (MDC) is a non-profit, non-partisan organization established in 1998 to promote independent media in Bulgaria and to foster capacity-building of the media by encouraging good practice in journalism, stimulating the professional ethics, institutionalizing the dialogue among the state administration, the media and the NGO sector, and to boost the networking and cross-border cooperation in the region of Southeast Europe.
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# MEDIA INFLUENCE MATRIX: BULGARIA

## GOVERNMENT, POLITICS AND REGULATION

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Legal Overview

Press freedom is guaranteed by Constitution in Bulgaria. Press outlets are considered commercial entities in Bulgaria and therefore, they are not governed by any laws. On the other hand, Bulgarian electronic media, which use public resources such as frequencies to air broadcasts, are regulated by the Radio and Television Act and the Electronic Communications Act.[1]

Bulgarian laws do not explicitly forbid politicians to own media outlets and fail to properly protect editorial independence. A number of laws cover transparency of media ownership. For example, a 2010 law obliges media outlets (both print and broadcast media) to submit to the Ministry of Culture a statement listing all their owners. Another law, in effect since 2014, forbids offshore ownership in companies that hold a TV or radio license. However, these laws are badly implemented, if at all.

Ownership falls also under the general competition law in Bulgaria. The Radio and Television Act only makes a vague reference to ownership concentration, leaving the issue to be decided by trustbusters.

Finally, one law that has influence on media and journalism is the 2000 law on access to information. It is important for investigative journalists as it seeks to ensure protection of sources. However, journalists continue to face a spate of hurdles when they try to access public documents.

The Bulgarian regulatory framework distinguishes between telecommunications and postal activities on the one hand, and radio and television activities on the other. These sectors are regulated by different laws and regulators. Competition is regulated by the Competition Protection Commission (CPC).[2]

**Broadcast Media & Frequency Spectrum**

The electronic communications sector in Bulgaria is regulated by the National Radio Frequency Spectrum Council (SCRC), the Communications Regulation Commission (CRC), and the Council for Electronic Media (CEM).[3]

**REMIT & TASKS**

**NATIONAL RADIO FREQUENCY SPECTRUM COUNCIL (SCRC)**

Bulgaria’s National Radio Frequency Spectrum Council (SCRC) is a governmental commission which allocates radio frequency spectrum and provides services in line with rules and principles of the European Union (EU) and the International Telecommunication Union (ITU), a UN body comprising telecommunications officials and experts from all the countries in the world. SCRC also prepares state policy proposals on planning and distribution of the radio frequency spectrum and submits them to the Council of Ministers for adoption.[4]

**COMMUNICATIONS REGULATION COMMISSION (CRC)**

The Communications Regulation Commission (CRC) is an independent regulatory body that implements state policy in the telecommunications and postal services markets. The CRC “strives to promote the competition of the telecommunication markets in the country.”[5] It is a technical regulator,[6] whose tasks include granting and revoking permits for spectrum (that is used by both telecoms and broadcasters), defining markets for electronic communications networks and services and imposing obligations on them, and resolving disputes between and complaints from operators and users.

The CRC works in collaboration with the European Commission, the Body of European Regulators for Electronic Communications (BEREC), and regulatory bodies within other EU Member States.[7] Decisions of the CRC can only be overrun by the Supreme Administrative Court of Bulgaria.[8]

The CRC has made efforts to enhance its technical capabilities in accordance with the new challenges of the sector by adopting consistent and predictable policies and increasing the participation of stakeholders and the public in adopting legislation.[9]
The SCRC is composed of representatives from a slew of state institutions, including ministries, transports and intelligence agencies. The SCRC holds meetings at least once every three months to discuss current problems and update its work program. In accordance with the Council’s Rules of Procedure, such meetings may take place if at least half of the members are present.

The Chair of SCRC is Dimitar Dimitrov, the head of the Radio-communications Management department. According to the Council’s Rules of Procedure, the Chairperson shall either be the Minister of Transport, Information Technology and Communications, or a person authorized by the Minister. The Chair leads the meetings, signs protocols, and represents the SCRC. The organizational secretary of the SCRC is Teodora Pasarelska, the chief expert at the Radio-communications Management department.

The Council for Electronic Media (CEM) is an independent national regulator of electronic media services. Unlike the CRC, which regulates the technical aspects of communication, CEM is a content regulator. It provides licenses and registrations to broadcasters, and aims to protect freedom of speech in the media and media pluralism. As in the case of CRC, the decisions of CEM can only be overrun by the Supreme Administrative Court of Bulgaria.

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The CRC consists of a chairman, a deputy chairman, three CRC members, a secretary-general, and the administration. The current Chairman is Rossen Jeliazkov, formerly active in public administration and e-governance policy-making in Bulgaria. In January 2018, he was appointed Chairman of the CRC by the Bulgarian Council of Ministers.

Although it is considered an independent regulatory body, CEM is often criticized for its structural deficiencies and dependency on the government: five of the Council's nine members are appointed by the President and elected by Parliament; citizen participation in nominating the CEM members is limited.[23] CEM's regulation policies also lack transparency and are considered conservative in comparison with CRC's efforts to continuously improve its capabilities to cope with technological changes.[24] Because of the political ties and lack of transparency, in 2015 and 2016 several political campaigns against CEM took place.[25]

The Chair of CEM is Sofia Vladimirova, a reporter and screenwriter, appointed as member of CEM in 2016 as part of the parliamentary quota. Other current members of CEM are Betina Joteva, in the past a speaker of the Ministry of Foreign Affairs and Director of Public Relations in several governmental ministries; Ivelina Dimitrova, a professional from the fields of electronic media and civil society; Ivo Atanasov, a former MP for five terms; and Rosita Elenova, a former journalist who has been doing work for the state-owned railway operator.[26]

There is no publicly available information about the budget of the SCRC. Funded by the Ministry of Transportation, the SCRC is believed to have experienced a massive decline in funding in recent years mostly because of general budget cuts, which also affected the communication and information technology fields.

### Funding

#### National Radio Frequency Spectrum Council (SCRC)

There is no publicly available information about the budget of the SCRC. Funded by the Ministry of Transportation, the SCRC is believed to have experienced a massive decline in funding in recent years mostly because of general budget cuts, which also affected the communication and information technology fields.

### Money for Engineers

<table>
<thead>
<tr>
<th>State budget (€ ‘000) for the Communications and Information Technologies Policies</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16,390</td>
<td>12,397</td>
<td>20,000</td>
<td>9,490</td>
</tr>
</tbody>
</table>

Source: Ministry of Transport, Information Technology and Communications

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COMMUNICATIONS REGULATION COMMISSION (CRC)

CRC is financially autonomous.[27] It is funded from fees, charges for spectrum use, fines and interest. In recent years, CRC surpassed the budget levels approved by the Ministry of Finance, thanks mainly to a raft of fees and penalties charged by the institution as well as accrued interest.

SPECTRUM MANAGERS

<table>
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<td></td>
<td>44,148</td>
<td>60,233</td>
<td>32,825</td>
<td>46,399</td>
</tr>
</tbody>
</table>

*Source: CMDS based on data from CRC*

COUNCIL FOR ELECTRONIC MEDIA (CEM)

CEM is funded by the state, and therefore lacks financial autonomy, even though it is formally an independent body.[28] The sources of its budget are “revenues, aids, and donations.” Compared to other regulators involved in electronic communications, CEM is an under-budgeted institution with only some €613,000 in spending in 2018. The difference in funding between CRC and CEM is partly justified by the different nature of the business CRC and CEM regulate, but it is also an indicator of the declining clout that CEM, as a content regulator, has in the Bulgarian media policy.

THE MEDIA WATCHDOGS COFFERS

<table>
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<tbody>
<tr>
<td>Revenue</td>
<td>665</td>
<td>613</td>
<td>613</td>
<td>613</td>
<td>613</td>
</tr>
<tr>
<td>Expenses</td>
<td>668</td>
<td>628</td>
<td>631</td>
<td>670</td>
<td>789</td>
</tr>
</tbody>
</table>

*Source: CMDS based on data from CEM*

Print Media Regulators

Print media in Bulgaria are not subject to any specific regulation, and there are technically no barriers against the launch of new press outlets or licenses required for their operation. Press outlets are considered “free commercial entities.” In spite of appearances of free market, the Bulgarian press is not considered censorship-free due to a high level of concentration of ownership in both the media outlets and their distribution systems, and due to the lack of transparency of press media operations. [29] (See Funding Journalism in this report.)

Internet Regulators

There are no internet-specific provisions in the Bulgarian media legislation.[30] Like other types of media, the internet is generally governed by the Electronic Communications Act (ECA) and regulated by the CRC. All types of electronic communications, including those taking place via the internet, can be carried out upon notification of the CRC and/or based on the authorization for the use of spectrum. If news outlets do not use frequencies, a notification to the CRC about a media outlet's intention to provide services is sufficient.[31]

The Bulgarian legislation does not distinguish between content online and offline, and holds the author or poster of content directly reliable in both. In 2011, new provisions were introduced into the Bulgarian Law on Discrimination, including some more severe punishments for incitement to discrimination. That started to have consequences: a Facebook user was given a suspended sentence for creating a page that promoted ethnic cleansing. These amendments were criticized by the Organization for Security and Cooperation in Europe (OSCE), an intergovernmental organization, for posing threats to media freedom.[32]

Because Internet Service Providers (ISP) are not subject to specific regulation, broadband networks and internet services in Bulgaria are highly developed.[33]

Data Protection Regulation

THE BULGARIAN COMMISSION FOR PERSONAL DATA PROTECTION

REMIT & TASKS

The Bulgarian Commission for Personal Data Protection is an independent supervisory body for personal data protection in both public and private sectors. It exerts control over the compliance with regulation for personal data protection, keeps a register of Personal Data Controllers and inspects their work, imposes suspensions on unlawful personal data processing, reviews complaints against the Controllers, and participates in drafting relevant legislation.[34]
In November 2017, the Commission introduced an action plan for the implementation of EU General Data Protection Regulation (GDPR) in Bulgaria. It covers the work of the Bulgarian personal data controllers and consists of 10 steps: ensuring awareness; conducting internal analysis; assessing the requirements for appointment of data protection officials (DPO); managing the risk of personal data security; adopting concrete action plans; improving governance and accountability; reviewing existing legislation for personal data protection; practically upholding data subjects’ rights; and notifying the Commission of personal data breaches.[35]

Like GDPR, the Commission does directly influence news media and journalism, primarily addressing handling of personal user data by international companies.

**BOARD COMPOSITION**

The Commission consists of a Chairman and four members who are elected by the Parliament for a five-year term (with possibility of re-election).[36] The Chairman of the Commission since April 2014 has been Ventsislav Kirilov Karadjov, in the past a legal advisor for Transparency Without Borders Association. He also had various other legal positions in international projects. In May 2018, he was elected Vice-President of the European Data Protection Board (EDPB), the main EU body in charge of implementing GDPR.[37]

Members of the Commission have to be Bulgarian citizens with a university degree in information technologies or law with at least 10 years of professional experience in the relevant field, and to have a clean criminal record.[38] The current members of the Commission were elected by the National Assembly in April 2014: Tsanko Valkov Tsolov, Tsvetelin Nikolov Sofroniev, Mariya Georgieva Mateva and Veselin Tsenov Tselkov.[39]

Sessions of the Commission are public and decisions are made on the basis of majority voting. The Commission submits annual activity reports to Parliament and the Council of Ministers.[40]

**FUNDING**

The Commission is subsidized from the state budget. Its annual funding is hovering around €1.1m, without any major fluctuations in the past five years.[41]

**DATA GUARDIANS**

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>Budget of the Bulgarian Commission for Personal Data Protection (€ ‘000)</td>
<td>1,377</td>
<td>1,156</td>
<td>1,154</td>
<td>1,175</td>
</tr>
</tbody>
</table>

Source: CMDS based on data from the Commission for Personal Data Protection

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38 “Bulgarian Commission for Data Protection,” cit.
40 “Bulgarian Commission for Data Protection,” cit.
41 “Bulgarian Commission for Data Protection,” cit.
Other Institutions with Regulatory Powers

COMMISSION FOR THE PROTECTION OF COMPETITION (CPC)

REMIT AND TASKS

The Commission for the Protection of Competition (CPC) is a regulator with competence in all economic sectors, playing a vital role in regulating media in Bulgaria.[42] It is a specialized state body enforcing the Law on Protection of Competition, the Public Procurement Act and the Concessions Act, three key pieces of legislation in Bulgaria that shape the way business is conducted in the country. The CPC resolves cases of infringements of free market competition, including merger control,[43] and cooperates with the European Commission (EC) and competition authorities in other EU Member States.[44] Although officially an independent body, the CPC chair and board members are elected by Parliament, and the body is considered to be controlled by the Government.[45]

News media market in Bulgaria, too, is subject to the scrutiny of the CPC. In coordination with the CRC, the CPC reviews cases of mergers and joint ventures in the media and telecom sectors.[46]

In a major development, in March 2018, the CPC announced the launch of a media sector analysis project to examine the market's structure and characteristics, and to assess the effectiveness of the current legislation and self-regulation.[47] In June 2018, the CPC announced that as a result of this analysis, it found evidence that the market conditions are worsening and competition is distorted. It called attention to the vertical concentration of media ownership and found that large media groups disproportionately benefit from advertising revenues. The analysis is used by the antitrust watchdog to call for the introduction of an ownership register and stricter control of media funding.[48]

BOARD COMPOSITION

The CPC consists of a chairperson, a deputy chairperson, five members, a secretary, and five directorates dealing with different areas of competition protection.

The current Chair of the CPC is Julia Nenkova, formerly a lawyer and Chair of the Supervisory Board of the Privatization and Post-Privatization Control Agency, a government agency in charge of privatization of state companies in Bulgaria. The deputy chair is Dimitar Kyumyurdzhiev, a scholar of competition and a former representative of Bulgaria to competition bodies at EU level.

42 Interview with Nelly Ognyanova, Sofia University, Media Influence Matrix Interviews.
The current members are: Anna Yaneva, a former deputy minister at the Ministry of Economy and Energy, with background in economics; Georgitsa Stoyanova, a former director of the Law-Normative Directorate at the Ministry of Defense; Krasimir Vitanov, since 2015 the manager of Ecoengineering-PM, company operating under the Ministry of Economy; Krasimir Zafirov, a lawyer and consultant for civil and commercial cases; and Plamen Kirov, a professor of law at the Sofia University “Kliment Ohridski” and consultant in permanent commissions at the National Assembly, the Council of Ministers and the Ministry of Justice.[49]

**FUNDING**

The CPC is financed from the state budget and fines imposed through antitrust cases. The CPC had a revenue budget of €3.3m in 2017, which was a significant jump from the previous year and the highest figure in five years.

**TRUSTBUSTERS**

| The budget of the Commission for the Protection of Competition (CPC)(€ ’000) |
|---|---|---|---|---|---|
| 2013 | 2014 | 2015 | 2016 | 2017 |
| **Revenues** | 3,067 | 3,103 | 2,556 | 2,813 | 3,323 |
| **Expenses** | 1,930 | 1,697 | 1,836 | 1,926 | 1,919 |

*Source: CMDS based on data from CPC*

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Decision-making in media regulation and policy is a highly politicized process where politicians or people appointed by them to lead regulatory bodies are calling the shots.

One of the most powerful people in Bulgaria's media is Boyko Borisov, the country's Prime Minister. Although it's not unusual for high officials to exert significant influence in the media, the Borisov case is extraordinary as he is known to directly reach out to journalists and media owners to secure good coverage, according to journalists interviewed for this report. At his third mandate as Prime Minister, Borisov founded in 2006 the Citizens for European Development of Bulgaria (GERB), a conservative political party, which a year later won the Bulgarian European Parliament elections. After the fall of communism, Borisov established his own business, a private security company that guarded head honchos such as the former communist dictator Todor Zhivkov (after he was pushed out of power in 1989) and the king Simeon II.

The most troubling part on Borisov's resume is the long list of allegations of corruption and connections with organized crime. In a 2007 report compiled by several top U.S. law enforcement officials, Borisov is described as a “former associate of some of the biggest mobsters in Bulgaria.” Under Borisov's watch, a total of 28 unsolved assassinations took place, according to the same report. Journalists interviewed for this report say that Borisov had a habit of directly paying journalists to give him positive coverage. A diplomatic cable of the U.S. Embassy in Sofia, dated 5 May 2006, revealed on WikiLeaks, confirms just that.[51]

Borisov has also close links with Delyan Peevski, a powerful Bulgarian MP (see Delyan Peevski profile below). Borisov and Peevski had ownership connections in the Bulgarian company Vitosha, which was used by the two politicians to abuse the bankruptcy proceedings in Bulgaria's court system to illegally take money from an investment project. Journalists who know Borisov interviewed for this report describe him as an excessively proud man who can't bear criticism and is able to strain every nerve to appear as an honest, man-of-the-people type of guy. Lying is second nature to him, journalists say. Often in his life, Borisov blatantly lied in public. In one of the most embarrassing stories in his career, Borisov claimed that he had a 7th dan black belt in karate when, in reality, he was just an administrator of a karate team.

Delyan Peevski, an MP from the Movement for Rights and Freedoms (DPS) and a media mogul whose New Bulgaria Media Group (co-owned and run jointly by his mother Irena Krasteva and himself) owns six newspapers and controls 80% of the print media distribution market,[52] is also actively lobbying media regulators, mainly through his MP position. In February 2018, Peevski presented to Parliament a bill on the disclosure of real owners and financing of print media, which was passed in principle in July 2018.[53]
While the bill formally aims to increase transparency of media ownership, experts have warned that it targets a specific group of media outlets, critical of Peevski and funded through grants, such as Capital and Mediapool, which receive funds from foreign foundations like America for Bulgaria.[54] The legal provisions Peevski is pushing for are likely to have a chilling effect on such media outlets and curb their editorial independence while failing to oblige Peevski himself to disclose his own stakes in the media and the sources of financing behind his media. Bank loans, which are the major source of financing Peevski’s media outlets, are excluded from the bill he put forward.[55]

Peevski’s bill was supported, among others, by Volen Siderov, the leader and founder of the nationalist party Attack. Siderov stated that most of the problems lie with online media. He indicated that his party would amend the bill to include provisions that would oblige employees of online media to disclose their income.[56] Siderov is a highly influential politician who had a career in journalism before he switched to politics. In the 1990s, Siderov was the editor of Democracy, a newspaper of a right-wing political party. The name of his talk-show, “Attack”, on the cable TV channel Skat inspired him to set up his own, eponymous political party in 2005. Siderov is a highly controversial politician known for his anti-Masonic conspiracy theories and virulent xenophobia. New York Times referred to him as a “studied imitation of Hitler.”

Another notable MP who supported Peevski’s bill was Vejdi Rashidov of GERB, currently the Chair of Culture and Media Committee and formerly the Minister of Culture.[57] Thanks to his position in the government, but also to his political history, Rashidov has significant power in the Bulgarian media regulation. He has been repeatedly accused of making pressure on media outlets and even individual journalists. In summer 2016, street protests erupted after Rashidov sent a letter to the Bulgarian public TV, BNT in which he threatened a host of a popular morning show, reminding him that his salary comes from the state budget.

One of the most influential people in the media regulation in Bulgaria is Veselin Bojkov. A former chair of the CRC during 2007-2008, Bojkov was personally involved in the digital switchover process (during which all radio and TV broadcasters had to scotch analog broadcasting and start airing digitally) as part of a EU-wide transition to digital broadcasting.[58] At the end of his second term in office, in the beginning of 2018, he emphasized the importance of digital rights literacy among the subscribers and competitiveness of the market in Bulgaria, and praised the CRC for contributing to these goals. He further stressed the importance of bringing Bulgarian legislation in line with the priorities set by the European Commission (EC). To that end, Bojkov developed a plan for the sale of the 800 MHz frequency, which would bring nearly €500m to Bulgaria, but the Department of Defense has temporarily put it on hold.[59]

Bojkov has also a reputation of being involved in dodgy deals between broadcasters although he has never been caught flat-footed. In one case back in 2009, Bojkov was charged with abuse of office by the Sofia City Prosecutor for approving an unlawful transfer of the broadcast license from K2 Radio to Radio Melody, owned by bTV Media Group. The plaintiff, a co-owner of K2 Radio, Iliana Benovska also accused Bojkov of asking for a bribe for returning the license. The court found no evidence of bribe, the license was eventually returned to K2 Radio, and Bojkov was cleared of all charges in 2011.[60]
Petko Nikolov is another highly influential person in Bulgaria's media regulatory affairs. A former chair of the CPC for some 13 years, Nikolov was elected in that position by two governments: the National Movement for Stability and Progress (NDSV) government (in 2003) and Citizens for European Development of Bulgaria (GERB) government (in 2010). NDSV is a liberal, yet populist political party in Bulgaria, GERB is a conservative political party led by the current Prime Minister, Boyko Borisov. Although his second term ended in 2015, Nikolov headed the Commission up until the election of Julia Nenkova as chair in 2016. After stepping down, Nikolov was appointed chairman of the Patent Office, an institution responsible for the protection of intellectual property. His appointment there was surrounded by controversy: it remained unclear whether other candidates were at all considered for the position, or if it was the 13-year long record of good relations with different governments that earned Nikolov the post.[61]

In an article about his appointment, Capital.bg wrote that there are good reasons to believe that as chairman of the anti-monopoly body, Nikolov has repeatedly favored the MP Delyan Peevski in several major deals that involved him. In the last several years, four out of five cases fast-tracked by the CPC (solved in days instead of a month), were deals involving companies controlled by Peevski and his mother Irena Krasteva, including the purchase of the television channel Channel 3 by the New Bulgaria Media Group (company co-owned by Krasteva and Peevski).[62] (See more about media ownership and funding in Bulgaria in the Funding Journalism section in this report)

Julia Nenkova, the current chair of the CPC, is also known to exert significant influence in the media. Appointed at CPC by GERB in 2016, she introduced changes to the regulator’s investigation procedures just before the acquisition of Nova TV by PPF TMT Bidco 2, a vehicle operated by the Czech financial group PPF, which is controlled by the Czech magnate Petr Kellner. Commonly viewed as a government puppet, CPC seemingly introduced this new, complicated diligence procedure as a nod to the political and business circles in Bulgaria who are rumored to be reluctant to changes in Nova TV's ownership. [63] In July 2018, the regulator eventually banned the transfer, stating that the transfer would threaten competition in the media and advertising markets.[64] PPF appealed the decision. The case is expected to be judged in 2019.


Transparency of Decision-Making in Media Regulation

While suspected to be politically influenced,[65] both the CRC and CEM appear quite transparent in their decision-making. The CRC website maintains an easy-to-locate and publicly accessible log of issued decisions, which can be navigated by specific date, date range or keyword.[66] The website also provides a publicly accessible log of annual reports,[67] and an online form for the submission of corruption grievances.[68]

CRC is a National Standards Organization for the European Telecommunications Standards Institute (ETSI) in Bulgaria, and as such it organizes public consultations and voting procedures for the draft ETSI documents with the status of “European Standard.” The procedure for these public consultations is also disclosed on the CRC website.[69]

CEM, too, maintains a publicly accessible log of decisions, acts, declarations, judicial orders, and other types of documents. Its website also discloses CEM’s policies for handling personal data.[70] Furthermore, CEM’s website maintains an archive of meeting minutes for both CEM and the National Radio and Television Council.[71] The Commission for the Protection of Competition also publishes comprehensive annual reports on its activity and decisions.[72]

Impact of Regulators on News Media and Journalism

CEM has been criticized for its political ties, and this criticism, among other things, is grounded in the decisions of the regulator concerning news media. For example, in 2017, CEM controversially appointed Konstantin Kamenarov new executive director at the Bulgarian National Television (BNT), the country’s public service broadcaster whose operation is governed by authorities, but which should be editorially autonomous. This decision demonstrated the political alignments of both CEM and the BNT: while formally a public service media, the BNT, as well as the Bulgarian National Radio (BNR), still perform the functions of state media.[73] (See more about the funding and operation of public media in Bulgaria in Funding Journalism section in this report)

Another controversy around the CEM’s political dependency took place in 2016. Then, CEM’s former chair, Georgi Lozanov, stepped down from his position to avoid being part of licensing a television channel with dubious ownership. The license was to be issued to Pik Broadcasting AD, a media group known for its scandalous reporting and links to the politician and media mogul Delyan Peevski.

67 See more at http://www.crc.bg/section.php?id=42&lang=en
69 See more at http://www.crc.bg/section.php?lang=en&id=161
70 See more at http://www.cem.bg/actsbg/20
71 See more at http://www.cem.bg/activitiesbg/13 and http://www.cem.bg/activitiesbg/14
72 See more at https://www.cpc.bg/General/Publications.aspx
In his official statement published on the CEM website, Lozanov said that while there was no legal ground for the refusal of the TV license, he did not “want [his] vote as a CEM member and [his] signature as its chairman to make [him] part of the legalization of the use in the electronic media of the aggressive rhetoric of the online media outlet of the same name, which easily goes into the hostile speech register though not necessarily along racial, ethnic or religious lines.”[74] After Lozanov’s resignation, Pik TV did receive the license from CEM, and was then labeled Bulgaria’s “first tabloid TV channel.”[75]

Local Influencers

Industry Players

The Bulgarian Association of Advertisers (BAA) promotes “free, ethical and honest commercial communication”[76] and the development of self-regulation in advertising. It promotes exchanges of best practices and participates in discussions about legislation likely to affect its members. The BAA works in cooperation with the Association of Bulgarian Broadcasters (ABBRO) and the Bulgarian Association of Communication Agencies (BACA).[77] Members of BAA include mobile and telecommunication companies (Telenor and A1), as well as other major advertisers from different markets such as the beverage bottler Coca Cola, the yogurt maker Danone, Postbank and the consumer goods manufacturer Unilever.[78]

ABBRO’s strategic goal is to build politically and economically independent media in Bulgaria, which would serve and protect the public interest. One of ABBRO’s major goals is the improvement of the legislative framework for media, specifically for private radio and television broadcasters. To that end, the organization represents its members before state bodies and launches legislative initiatives, among its other activities.[79] Members of ABBRO include some of the biggest players on the Bulgarian media market such as bTV and NOVA TV as well as various other local and international television and radio stations such as National Geographic and FOX Crime.[80]

BACA is a full member of the European Association of Communication Agencies (EACA), and was established to promote the advertising industry, develop professional ethics and engage in public dialogue on relevant topics. As part of its activity, BACA prepares proposals and expresses opinions about decisions made by regulatory bodies.[81]

76 “Main Activities,” Bulgarian Association of Advertisers website, retrieved online from http://www.baa.bg/en/about-baa#tab_main-activities.
80 “Members,” Association of Bulgarian Broadcasters website, retrieved online from http://www.abbro-bg.org/members.php.
81 “About us,” Bulgarian Association of Communication Agencies website, retrieved online from http://www.arabulgaria.org/bg/%D0%B7%D0%B0-%D0%BD%D0%B0%D0%B1%81/. 
While these industry associations provide formal structures to influence media regulation, much of the actual influence is exercised through media ownership, namely people linked with political and business structures. The so-called oligarchic model of media ownership in Bulgaria is used to ensure continuous support for laws that favor dominant media.[82] This power dynamic is illustrated by the two unions of publishers that operate in Bulgaria, independently from each other, and following their own codes of conduct. One of them, the Union of Publishers in Bulgaria (UPB), was established in the early 2000s.[83] The UPB currently consists of nine members, including Ivo Prokopiev’s media group Economedia.[84] The other union, known as the Bulgarian Media Union (BMU), was established in 2012 as an alternative to UPB. A year earlier, several publishers quit the UPB to form this new union.[85] The creation of BMU was connected to Peevski and was a move to fight Prokopiev.[86]

The BMU brought together 35 members, including New Bulgarian Media Group co-owned by Irena Krasteva, the mother of Delyan Peevski and Peevski himself.[87] This, according to the experts interviewed for this report, is the “elephant in the room”: all members of the BMU, accounting for a majority of the media market, back Peevski’s political moves, which favor his media or other people from the media who are close to him. There are many reasons why the BMU-affiliated publishers support Peevski. One of them, probably the most important, is business-related: publishers know that they can achieve their business goals by agreeing with Peevski’s political moves.[88]

An illustration of this collusion and the power relations between media outlets was a conflict, in 2016, between the owner of the website Pik, Nedyalko Nedyalkov, and the owner of the newspaper Trud, Petyo Blaskov. It started with Nedyalkov criticizing Peevski’s media empire in front of the students of the University of Library Studies and Information Technologies in Sofia. Shortly after that, Blaskov published a response on Trud’s website, in which he said that Nedyalkov’s claim that Trud is close to Peevski’s empire was a lie. Nedyalkov, in a response posted online, insinuated that Trud’s analyses were dictated by Peevski and his friends.[89] Both Pik and Trud are considered by local journalists to be part of “Peevski’s media.” This was not the first tussle between Blaskov and Nedyalkov. However, the two generally take the same side in clashes regarding Bulgarian media.[90]

Another example of Peevski’s influence in the Bulgarian media market involved the independent investigative journalism outlet Bivol. In 2016, Bivol was to receive a major prize from the Radostina Konstantinova Foundation for its investigation into the hidden ownership of Bulgartabac, a tobacco manufacturer and one of Bulgaria’s largest enterprises. The investigation led to prominent political figures of Bulgaria including the Prime Minister Boyko Borisov, the chairman of the Movement for Rights and Freedoms (DPS) party, Ahmed Dogan, and his fellow party member, Delyan Peevski. Although the decision to award the prize to Bivol had been made, the foundation’s Management Board canceled it, stating that Bivol was an “anonymous site” and that “it was unclear who the people standing behind the publication are.” Trud’s Blaskov, one of the Management Board members, actively supported the decision to withdraw the award. Trud is financed by Peevski.[91]

82 Interview with Pavel Antonov, Blue Link, Media influence Matrix interviews.
83 The Union of Publishers in Bulgaria website, retrieved online from http://sib.bg/.
84 “Members of UPB,” the Union of Publishers in Bulgaria website, retrieved online from http://sib.bg/%D1%87%D0%BB%D0%BD%D0%BE%D0%B2%D0%85/.
85 “An Alternative Publishers’ Union is Established,” Dnevnik, 17 February 2012, retrieved online from.
86 Media Influence Matrix interviews.
87 Maria Manolova, “A Second Union of Publishers has been Established,” Capital, 17 February 2012, retrieved online from https://www.capital.bg/biznes/media_i_reklama/2012/02/17/1769046_uhreden_e_vtori_sujuz_na_izdatelite/.
88 Media Influence Matrix interviews.
90 Media Influence Matrix interviews.
**Key Influencers**

**Delyan Peevski** is exerting significant influence in the media not only through his MP position, but also thanks to the media companies that he owns. Thanks to media, Peevski has garnered so much power into his hands that “he practically controls most of Bulgaria’s politics and business.”[92]

Peevski has been building his media business since the year 2007. He had started his political career at only 21 when he started to work as a clerk for the local transports ministry. In a short period of time, he was appointed to the board of directors at the state-owned Varna Port, a harbor management agency. His political career as an MP for the DPS started in 2009. Peevski also had a short stint as director of the Bulgarian intelligence agency back in 2013.

His career was marked by a series of corruption scandals. He had a partnership with the banker Tsvetan Vasilev, majority owner of Corporate Commercial Bank (CCB), the fourth largest bank in Bulgaria at the time. In many of the companies that he bought, Peevski used loans from the CCB. Peevski has interests in many companies other than media including Technomarket, an equipment trader behemoth, and the cigarette maker Bulgartabac.

The media portfolio in the hands of Peevski includes nationwide and local newspapers, TV channels, online news portals, press distributors, a publishing house, an audience measurement agency and a digital TV broadcast infrastructure operator.

**Ivo Prokopiev** is one of the most influential entrepreneurs in the Bulgarian media space. Publisher of Dnevnik, a business-oriented daily, and Capital, an influential weekly newspaper, also catering to the local business community, Prokopiev carries significant weight in the Bulgarian media. He has been constantly laying into the Bulgarian oligarchs, particularly Peevski whom he has been relentlessly fighting for years now.

Prokopiev’s criticism of oligarchs and officials put him in trouble. Charges of money laundering by the Committee for Combatting Corruption and Forfeiture of Illegally Acquired Property (KPKONPI), Bulgaria’s government anticorruption agency prompted Prokopiev to start legal proceedings in autumn 2018 against Bulgaria at the European Court of Human Rights (ECtHR).[93] The KPKONPI in 2017 froze some of Prokopiev’s assets, claiming that Prokopiev illegally bought Kaolin, a former state-owned mine, which later on generated profits worth some €75m.

Head of the Bulgarian National Radio (BNR) as of May 2016, **Alexander Velev** is one of the key players in the Bulgarian media industry. Although his career is mostly linked with the public media institutions in Bulgaria (mostly the country’s public radio), Velev has a high profile also in the industry. As a proof, he was appointed director of BNR in 2016 by CEM with a 5-0 vote.

Velev began to work for the Bulgarian public radio in 1990. With a group of journalists, he launched Free Speech Syndicate in 1995. The same year, he started to work as head of Channel Horizont. He served for the first time as head of BNR in 1998 when he was only 35.

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Civil Society

Bulgaria has a few civil society organizations that are regularly mobilizing to push for reforms in media policy and for an environment that would enable independent media to operate. However, their influence in media policy is rather weak.

One of the most active local NGOs covering media is Media Development Center (MDC), a Bulgarian non-profit established in 1998 to promote independent media.[94] MDC operates on national, regional and local levels providing training for media professionals, journalism students, journalists and media managers from Bulgaria and from the region. It also has projects supporting the development of the free media market.[95] MDC is one of the few think tanks that campaigns for improving media regulation. In 2013, for example, it called for a ban on former employees of State Security services to be eligible for the Council for Electronic Media and the management of public broadcasters BNR and BNT. [96] The petition was signed by 279 people,[97] but the Constitutional Court turned down amendments to the Radio and Television Act that would have made the ban effective.[98]

Media Democracy Foundation is another notable organization that works to support the democratic functioning of Bulgarian media. Established in 2007 by Georgi Lozanov and Orlin Spasov, the foundation's goals are to “build independent and effective monitoring of the Bulgarian media environment, diagnose key problems [of the advertising market], initiate public debates, promote civil actions in cooperation with Bulgarian and foreign institutions in the media sphere, and stimulate the self-criticism of Bulgarian media.”[99]

The Foundation's major project is the Laboratory for Media Monitoring. Its goal is to ensure “critical and independent media monitoring in Bulgaria,” and, in the long run, to maintain a permanent public debate, facilitate transparency of the media environment, and reduce the dominance of political and economic interests on the market. The project was launched in 2008 with the support of the Trust for Civil Society in Central and Eastern Europe, and is financially supported by the Media Program for Southeast Europe at Konrad Adenauer Foundation, a German philanthropy.[100]

In 2012, the German foundations Konrad Adenauer and Hans Seidel took active part in developing a new press act for Bulgaria. The Prime Minister Boyko Borisov invited the two foundations to organize roundtables and public discussions, and to craft a law that would regulate the Bulgarian press according to the German model, the Press Act of Brandenburg, which regulates the disclosure of media ownership and protects the rights of journalists. These two legislative areas are very weak in Bulgaria.[101]
The reason why the German Brandenburg Act of 1993 was chosen as the basis for the Bulgarian model was because Brandenburg, as a former German Democratic Republic province, faced similar problems during the post-socialist transition as Bulgaria. Media Democracy Foundation and the Goethe Institute also took part in the preparation of this law.[102] Their work, however, ran into the sand as no new press law was adopted.

America for Bulgaria Foundation is another influential organization in the country’s media. It provides financial support for independent media and good governance practices.[103] (See more about philanthropy funding in journalism in Media Influence Matrix: Bulgaria, Funding Journalism.)

A very active organization that makes an impact on the Bulgarian journalism is Bulgaria’s own chapter of the Association for European Journalists (AEJ). The AEJ was established as an independent non-profit international organization with no political or union ties. Among other things, the organization works to create links between individual journalists in different countries and to exchange best practices. Most of its activities are, however, organized at national level.[104] The activities of the AEJ’s Bulgarian chapter are mainly of educational and informative nature.[105]

External Influencers

Various European Union (EU) bodies have on multiple occasions criticized the Bulgarian regulatory landscape for media, but their criticism did not yield significant results. In 2014, the Council of Europe criticized the polarization in the Bulgarian media, resulting in “media wars” between conflicting outlets such as Krasteva and Peevski’s New Bulgarian Media Group vs. Prokopiev’s EconoMedia holding.[106] In 2015, the Council of Europe’s Commissioner for Human Rights, Nils Muiznieks, published a report calling for improved transparency and the creation of a funding disclosure system in Bulgaria. The report also criticized the problematic definitions of libel and defamation that lead to self-censorship among Bulgarian journalists.[107] These problems persist in 2018, which means that such criticism has had little impact thus far.

The Organization for Security and Co-operation in Europe (OSCE), the world’s largest intergovernmental organization focused on security, has repeatedly berated the Bulgarian authorities for not creating an environment allowing independent journalism to operate. Dunja Mijatovic, a former OSCE Representative of the Media, in 2013 asked Bulgarian authorities to ensure that journalists worked freely in Bulgaria. She expressed concerns over intimidation of journalists by the MP Volen Siderov.[108] More recently, the current media head at OSCE, Harlem Desir, condemned the assault against a Bulgarian journalist.[109] However, none of these interventions had any palpable effect on the state of media in Bulgaria.

102 Paunova, “Konrad Adenauer ‘Makes the Drills...’” cit.
103 “Civil Society and Democratic Institutions,” America for Bulgaria Foundation website, retrieved online from https://www.us4bg.org/areas/civil-society-and-democratic-institutions/.
108 OSCE, “OSCE media freedom representative asks Bulgarian authorities to ensure media are safe from assaults by high-profile politician”, 9 July 2013, available online at https://www.osce.org/fom/103387
109 OSCE, “OSCE media freedom representative condemns assault on journalist in Bulgaria, calls on authorities to ensure safety”, 14 May 2018, available online at https://www.osce.org/representative-on-freedom-of-media/381145
The killing of the Bulgarian journalist Viktoria Marinova on 6 October 2018, an anchor at the TVN station in the city of Ruse, shocked the country's journalistic community and the world's international organizations. OSCE's Desir called for justice and thorough investigation. Nevertheless, suspicions that Marinova was killed because of her journalistic investigations were rejected after a young Ruse resident admitted that he killed Marinova.[110]

Local journalists and media experts interviewed for this report explain that the country's media needs thorough reform, starting at the policy level to ensure more diversity and transparency. Efforts of international organizations must thus be channeled into that area. Occasional interventions and intermittent pressure will hardly make a difference, they say.[111]

111 Media Influence Matrix Interviews