

15 years
**BULGARIAN CENTER
FOR NOT-FOR-PROFIT
LAW**

The Bulgarian Center for Not-for-Profit Law Turns 15

**ANNUAL | 2015
REPORT**

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ANNUAL REPORT 2015



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Dear colleagues and friends,

In 2015 we marked the 15th anniversary from the adoption of the Law on Non-profit Legal Entities (NPL). We celebrated this event with a campaign in support of the adoption of amendments to the NPL. Unfortunately, after almost



a year of organised public discussions, which gained big public support, only part of the amendments were introduced in the National Assembly. We continue to insist for these amendments to be adopted, and the transfer of registration for NGOs to be moved from the

courts to the Registry Agency, which will make registration faster, easier and cheaper. Two important changes, which were not supported by the government, were the creation of a Fund to finance civic initiatives and the creation of a Council for Civil Society Development. However, we hope that they will collect sufficient support for their introduction and approval at the National Assembly.

2015 was a very active year in terms of building civil society in Bulgaria. We worked towards increasing the opportunities for civic participation (through amendments to the Law on Normative Acts), introducing regulation to the concepts of volunteering and social entrepreneurship, as well as introducing supported decision-making. Those are just a few of the ideas we worked for through the year.

In 2015 we marked 5 years since the creation of the Information Portal of NGO's in Bulgaria (www.ngobg.info). By the end of the year we were also able to realize an idea, which we have had for a while and we opened the doors of the first co-working space for NGOs in Bulgaria – The NGO House (www.ngohouse.bg).

When you read this annual report in 2016, the Bulgarian Center for Not-for-Profit Law will be already 15 years old, established in April 2001 as a public benefit foundation, continuing to work towards realising its mission - to support the development of a favourable legal and fiscal framework for the non-profit legal entities in Bulgaria. Subsequently, our programs have evolved and today we support NGOs in many different ways – by improving the legal framework, providing advice, raising capacity through training and mentoring, support for information exchange, promoting cooperation between NGOs and many others.

For me it is a pleasure to introduce BCNL's new director – Nadya Shabani – one of the people that have been with us since the founding of BCNL.

With best wishes for a successful year ahead for all of us!

*Yours,
Luben Panov*

Director of BCNL

BULGARIAN CENTER FOR NOT-FOR-PROFIT LAW TURNS 15

The **BULGARIAN CENTER FOR NOT-FOR-PROFIT LAW** (BCNL) was founded in 2001 as a public benefit foundation.

OUR MISSION is to provide legal and policy support for the development of civil society, public participation and good governance in Bulgaria. BCNL pursues its mission with the strong belief that the improvement of the NGO legal framework is instrumental for the creation of an independent and prosperous civil society.

We are part of the network and work in close collaboration with the International Center for Not-for-Profit Law in Washington, DC as well as with the European Center for Not-for-Profit Law in Budapest, Hungary.

CHANGE

For 15 years, with your support this is what we have managed to accomplish:

- The adoption of a modern Law on Non-profit Legal Entities (NPL) in 2001, and the adoption of its amendments in 2006;
- Adoption of tax benefits for donors to public benefit organizations (2001) and their preservation (2007 and 2008);
- Adoption of the first national Strategy to support the development of civil society organizations in Bulgaria (2012) and the plan for its implementation;
- Removal of VAT for charitable text messages (SMS) (2012);
- Establishing mechanisms for contracting public services: social services (2003) and services in the area of education (2015);



- Ratification of the UN Convention on the Rights of Persons with Disabilities (2012);
- Positive change of 15 laws and strategies supporting the activities of civil society organizations.

SUPPORT

For 15 years:

- We have helped more than 3,000 organizations with legal advice and training on topics such as advocacy, fundraising, business activities, taxation and building public-private partnerships;
- We organize the only Summer School for NGOs in Bulgaria - an intensive training program to enhance the knowledge and skills of representatives of the civil sector;
- Within the Program for Social Entrepreneurship, we encourage non-governmental organizations to develop business ideas to generate funds that support their causes, in order to ensure the sustainable development of the organisation;

- We created and continue to develop the most visited NGO portal in Bulgaria (ngobg.info) with a unique, independent content. The portal is the platform with the most complete database of NGOs in Bulgaria. It unites active people interested in civic organization;
- We created the NGO House - a co-working space, which supports the work and cooperation between active people, start-ups and developing civic organizations.

EFFECT

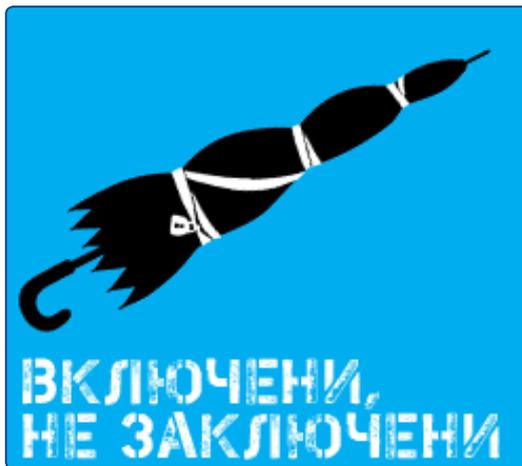
A couple of examples from our work and its effects:

- *Is it normal to make a donation in favour of a public cause and then pay tax on it?* We think that it is wrong and that is why in 2001 we proposed that donors of public benefit organisations should have tax benefits for donations, they make, which was accepted. Then twice (in 2006 and 2008) we managed to keep these relieves;
- *If it was not for our intervention*, Mirena from the Autism Association, and another 50,000 members of boards of public benefit organisations would have to submit annual declarations for their income and assets, similarly to those of senior state officials, which would then be available online. That would have resulted in increasingly fewer people, who would want to engage in the governance of civil society organizations in order to protect their personal data;



- *Don't you get angry when you find out that you have sent a charitable message (SMS), and you have been "fined" with a 20% VAT?* After a campaign, in which we actively participated, there is no longer VAT on charitable messages. In 2012, the number of sent messages and charitable calls are 2.2 million. Now the saved tax from all of them could go to charitable causes;
- *In 2003, we proposed the mechanism for social contracting*, through which the state assigns civil society organizations as providers of social services, concluding that they are closer to the people and better understand their needs. This allowed in 2004 the Pazardjik municipality to finance a day-care centre, which prior to that was established and financed through the parent organization of children with disabilities. Since then more than 20 children and their parents were given a chance to live better (Pazardjik municipality has since then contracted 10 other NGOs). As of 2013, more than 200 services (more than 20% of all services provided by the state) are assigned to NGOs. This is almost 21 million lev, which through the NGOs, go towards the support of the most vulnerable groups. This enables NGOs to develop the best and most up-to-date services, which are now supported by the state (community support centres, day centres for people with disabilities and others);
- *George lived in a home for children up to the age of 18, but then he had to leave and start an independent life.* Many of his

friends from the home have had problems integrating into society, acquiring job skills and finding a job. But he was lucky to join the program of the Foundation for Social Change and Inclusion and to get shelter for two years, while adjusting to everyday life. Currently he works in the workshop of the foundation for soaps “Hope Soap”. The workshop for producing soaps is one of the supported ideas in the Program for Social Entrepreneurship started by the Bulgarian Center for Not-for-Profit Law. Since 2000 BCNL proposed that civic organizations should be encouraged to carry out their mission-related business, as a social enterprise. In 2011, we launched the Program for Social Entrepreneurship and through it we have supported ideas such as the creation of a workshop for restoration of furniture from drug addicts, open classes in the nature for children, the creation of a greenhouse, that employs



people with intellectual disabilities. Those are only a few of the initiatives we have supported. So far 15 organizations have received over 130,000 lev to launch their ideas for social entrepreneurship;

- We support organizations to realise their fundraising campaigns by providing them with small grants. For example, the Association “Bulgarian woman” in Ruse, managed with our help to raise funds to “buy” free time for parents of children with disabilities. They teach volunteers to take care of

children for two hours, so they can replace the parents. The fund for organizing campaigns encourages people to be active. At present it has provided nearly 50,000 lev to organizations, which have then collected over 215,000 lev from their campaigns.



Illustrator: Nadezhda Georgieva

THE TEAM

Luben Panov – director of the foundation (since February 2015); expert with international experience in the legal and financial framework for NGOs;

Ralitsa Velichkova – director (until February 2015);

Nadia Shabani – program director, lawyer, expert on the legal framework for NGOs, social contracting and representation;

Pavleta Aleksieva – program director, lawyer, expert on the legal and taxation frameworks for NGOs;

Ivan Georgiev – lawyer, expert on the legal framework for NGOs (until September 2015);

Veselin Valev – lawyer, expert on the legal framework for NGOs (since September 2015);

Aylin Yumerova - lawyer, expert on the legal framework for NGOs;

Marieta Dimitrova – lawyer, expert in social contracting and anti-discrimination;

Rumyana Yotova– office administrator;

Georgi Genchev– manager of the NGO Information portal;

Plamen Todorov – financial reporting and administrator of the NGO Information Portal;

Victoria Yulianova – editor of the NGO Information portal (until June 2015);

Ralitsa Nikolova – editor of the NGO Information portal (since July 2015 r.);

Natalia Zlatarska – expert in fundraising and communications (until May 2015);

Yana Sabeva – expert in fundraising and communications (since June 2015);

Petya Petranova –accountant (on maternity leave since March 2015);

Gabriela Chavalinova – accountant (since March 2015);

Donka Ivanovska– accountant (since March 2015);

Anna Adamova – intern

Veselina Pisareva – intern

Georgi Galov – intern

Radina Mindeva – intern

Evelina Sandalova – volunteer

Tzvetelina Tomova – volunteer



Board of Trustees

Viara Mukova – Chairperson of the Board (lawyer);

Desislava Bijeva – member (lawyer);

David Moore – member (vice-president of the International Center for Not-for-Profit Law);

Katerina Hadzi-Miceva Evans – member since December 2015 (Executive Director of the European Center for Not-for-Profit Law);

Svetlana Georgieva – member until March 2015 (journalist);

Velina Todorova – member since March 2015 (professor, PhD in Law);

Stephan Klingelhofer – member (former president of the International Center for Not-for-Profit Law);

Ivo Hristov – member (professor, PhD in Law);

Luben Panov – ex-officio member, director of BCNL.

2015 IN BRIEF

- We actively supported the development and submission of proposals for amendments in the Law on Non-profit Legal Entities (NPL), that will substantially simplify the registration process for NGOs;
- We worked towards the change of the Social Assistance Act, so as to ensure a greater degree of rights for the people with disabilities;
- We received the support of more than 350 organizations and individuals for the implementation of the Strategy for Civil Society Organizations, and for promoting volunteering, civic participation and civic education;
- We worked to improve legislation in areas such as: juvenile justice, social contracting, citizen participation, volunteering, social economy and equality before the law for persons with disabilities. In just a year we were part of eight working groups;
- We celebrated five years since the establishment of NGOBG - the largest NGO portal in Bulgaria with over 13, 500 registered organizations and over 300, 000 unique visitors only in 2015;
- We launched the fifth edition of the Program for Social Entrepreneurship - so far more than 130 organizations have been part of it;
- We launched NGO House - the first co-working space for civic organisations;
- We continue to organise the only Summer School for NGOs in Bulgaria;
- We supported one of the largest telecommunication companies in Bulgaria to launch a grant scheme, providing funding to the smallest organizations from across the country - *Vivacom Regional Grant*;
- We prepared one of the most advanced laws in the world, that provides equality before the law and equal enjoyment of human rights for people with disabilities;
- We supported with consultations and advice over 300 organizations and individuals;
- Important topics for NGOs reached the Platform "Our voice" where 4,500 organizations and citizens voiced their concerns; we gathered and presented to the relevant institutions more than 130 proposals.



Illustrator: Nadezhda Georgieva

IMPROVING THE NGO ENVIRONMENT

2015 started as a very optimistic year. On January 13, over 120 people took part in a public discussion for amendments in the **Law for Nonprofit Legal Entities (NPL)** organized by the Bulgarian Center for Not-for-Profit Law. Two cabinet members - Deputy Prime Minister Tomislav Donchev and the Minister of Justice Hristo Ivanov were part of the discussion, and publicly endorsed the two main proposed amendments – the creation of a Fund to finance civic initiatives and the establishment of a Council for Civil Society Development. The discussion was attended by Maris Jogeva, CEO of the Network of Estonian NGOs (NENO), who presented the Estonian experience in the interaction between civil society organizations and the state.



During the discussion, an idea to work on further changes in the NPL came up - to transfer the registration of NGOs from the court to the Registry Agency. The Ministry of Justice set up a working group, where with the active participation of BCNL additional proposals were developed.

The full package of proposals (including the transfer of registration) was placed for public discussion again in June 2015. After a coordination procedure (with the Ministry of Finance), the Ministry of Justice submitted only the proposal related to the procedure for registration of legal entities with non-profit purposes. During the discussions in the committees of the National Assembly, the proposed amendments were supported in the first reading and an interest to introduce the dropped texts was shown.

The beginning of 2015 was positive in terms of the **Law on Volunteering**. The Ministry of Youth and Sports set up a working group, which together with MPs and NGOs (including BCNL) could discuss the text of the law, which would be then submitted to the National Assembly. On March 27, 2015 the ministry organised a public discussion with over 100 participants and invited the Director of BCNL, Luben Panov, as moderator. After the discussion we organised meetings with representatives from the Ministry of Labour and Social Policy, in order to iron out any possible contradictions between the Labour code and



the draft Law on Volunteering. However, the final version was not submitted to the National Assembly until the end of 2015.

Another important topic, which we worked for was the increased public participation in the preparation of laws and regulations. This was the aim which led our proposals in the working groups for amendments to the **Law on Normative Acts** (LNA). As a result of the work done on the level of the working group the project submitted to the National Assembly focuses on the public consultation being done at two stages - preliminary impact assessment and preparation of a ready bill; increasing the consultation period from 14 to 30 days; and mandatory feedback on the rejected proposals with reasons for their rejection.

In 2015 another very important law was adopted - the **Law on pre-schooling and school education**. The campaign for its development and adoption took several years and it involved many civic organizations. BCNL proposed specific texts in the law, which would allow part of the innovative services that will be offered by the Centers for personal development, to be also provided by NGOs. This change enabled the provision of services in the education sector by NGOs for the first time ever. This result raises hopes for the creation integrated models that support children's full participation in the educational process.

In 2015, the Commission for interaction with NGOs and citizens' complaints to the National Assembly decided to establish a public council, which would include representatives of NGOs working in 22 different public spheres. The Bulgarian Center for Not-for-Profit Law joined the initiative hoping that the Public Council will be another mechanism through which NGOs can access the decision-making process. Our application was approved and Luben Panov was elected as Chairman of the Council.

In the last year BCNL worked on the analysis and elaboration of the **normative regulation of social enterprises**



in Bulgaria. In partnership with the Bulgarian Charities Aid Foundation, we developed 'A roadmap for the development of social entrepreneurship', which aimed at providing guidelines for the creation of a new legal framework in the field. The roadmap was presented to three regional meetings and a conference in November 2015, with social enterprises from around the country as well as state institutions.

BCNL supported UNICEF Bulgaria in the analysis and identification of patterns of social enterprises, that could meet the needs of children and disadvantaged young people in Bulgaria. The analysis was focused in the fields of education, services for children/adolescents and young people, as well as training and opportunities for career development of young people. We recommended that UNICEF should join activities supporting the promotion of social entrepreneurship in Bulgaria, and we developed guidelines for a follow-up.

CIVIL SOCIETY IN BULGARIA

Strategy for support and sustainability of NGOs

In 2015, BCNL continued the efforts to implement the Strategy to support the development of civil society organizations (adopted in 2012), whose implementation was halted in the previous year. Due to the fact that the period of the Strategy expired at the end of 2015, we



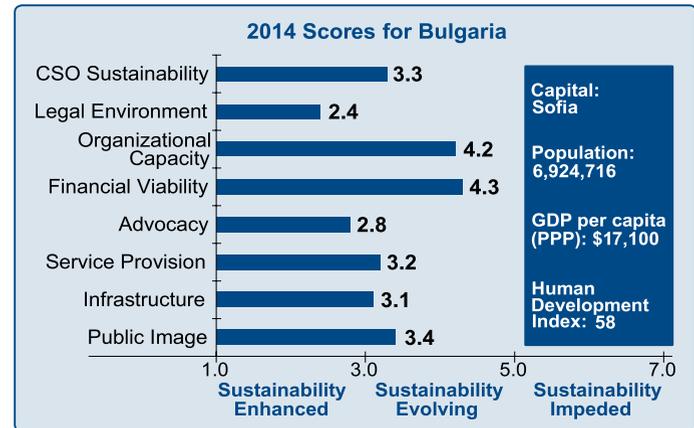
evaluated the performance and established that a rather small part of the activities have been implemented and none was completed. In this regard, we have proposed an extension of the Strategy and an update of the action plan, instead of adopting a new strategy. These proposals were supported at a discussion organized in

November 2015 with the participation of over 60 organizations across the country.

CSO Sustainability Index

BCNL was partnering with the United States Agency for International Development (USAID) in the preparation of the *Sustainability Index of NGOs*, presented at an event in August, which also included the Deputy Prime Minister Rumiana Bachvarova. The results showed a stagnation

in the sector, despite the improvement in areas such as organisational development and financial sustainability (the improvement in the financial sector, as highlighted by the Index, is mainly due to two foreign financial sources).



The leading Index countries are a good example for the Bulgarian case. Some of them are as follows: Estonia (where the state puts aside almost 2.5 million EUR per



year to fund NGOs capacity, through the Foundation for Civil Society), Czech Republic (where the state creates additional incentives for donors, leading to the volume of donations reaching almost 750 million USD per year) and Poland (where the public consultations are something normal for public institutions). On the other hand, Hungary a leader in the ranking in 1998 (with a record result) is in tenth place in 2014 (after Bulgaria) as a result of events such as searches in the offices of organisations, distributing funding and campaigns aimed against foreign donors.



Equality before the law

This year we continued our efforts to ensure equality before the law and an opportunity for enjoyment of all human rights by persons with disabilities, in accordance with the standards of Art. 12 of the UN Convention on the Rights of Persons with Disabilities.

We actively participated in the completion of the draft Law for individuals and measures for support, in cooperation with the Ministry of Justice. We organised a number of public events and discussions on the topic. We organized an international legal seminar on the topic “The



legal capacity to act as a universal standard for being human. International perspectives and the Bulgarian legal reform.” It brought together more than 120 judges, prosecutors, lawyers, academics, NGO representatives and leading experts from the international practice. We had a discussion with MPs and training for judges and professionals in the fields of education, health and the social sphere. The training was done in order to familiarize them with the problem.



Together with the Law Faculty of Plovdiv University, we established the world's first legal clinic for law students, dedicated to learning about the legal capacity to act of people with disabilities, according to the standards of the Convention.

Experts from BCNL took part in an international group of lawyers, who work on the topic of art. 12 of the Convention and its implementation into national legislation. The first meeting was held in New York with participants from the US, Bulgaria, Colombia, Israel, Ireland and Peru.

One of the most important achievements for the implementation of the Convention in 2015 is the change

which was caused by BCNL and a group of civil society organisations by amending the Law on Social Assistance, which was presented to the National Assembly. After a series of opinions and discussions at the Social Committee, MPs and state institutions have adopted texts for the first time to regulate that people placed under guardianship can voice their opinion, when choosing a place to live, in contrast to taking the opinion of their legal representatives (guardians/ custodians).

More about this program can be found on the special page www.equalrights.bcnl.org



Illustrator: Nadezhda Georgieva

NGO CAPACITY

In the past year we continued our efforts related to enhancing the capacity of NGOs in Bulgaria. We conducted a series of trainings on topics related to advocacy, fundraising and financial management for NGOs, which enjoyed significant interest. We also continued with our traditional programs such as the Summer School for NGOs, Social Entrepreneurship Program, as well as regular consultations related to legal issues for NGOs.

Summer School for NGOs ARKUTINO 2015

At the seaside for another year with a group of young and active people, who want to develop in the non-profit sector, we held the new edition of the Summer School for NGOs. Beside the traditional topics such as legal framework for NGOs, business and taxation, advocacy and fundraising, we discussed also communications with the media and interested audiences. Special guest was Mrs. Deyana Kostadinova, secretary for Social Affairs to the President. She presented on the relationship between politics and the NGOs. The social anthropologist Haralan Alexandrov presented the arguments about the different

understandings of authorship and self-determination, and how they relate to the development of civil society. Asen Asenov and Manuela Toteva from the Bulgarian Society for Public Relations gave important advice to participants on how to better communicate their causes and initiatives to the public, and what features to bear in mind when building partnership with companies. Along with theoretical lectures we organised various role plays and exercises, encouraging participants to exchange ideas and contacts.



By the end of the summer school participants become part of the Alumni Club of the Summer school for NGOs, thus getting the opportunity to participate in discussions throughout the year and debate topics such as what the office of the future will look like, what is copyright and how to register a trade mark, tricks in communication with journalists and the media, individual professional development and how to achieve it. Among the guests of the Alumni meetings in 2015 were Hristina Yovcheva - worked nine years as director air-control service in Bulgaria Air, Raya Stefanova - PR specialist at AMI Communications, Miroslav Nedyalkov and Miroslav Miroslavov - former

employees of Telerik, that created their own start-up project management for co-working areas in Bulgaria and England - Office R&D.

Program for social entrepreneurship for NGOs

In February 2015 the fourth edition of the Program for development of business plans by NGOs was completed. At an official ceremony the three best business plans of NGOs shared among themselves the prize of 30,000 lev. Moreover, with the support of UniCredit Foundation and UniCredit Bulbank, a campaign among the employees of UniCredit was held to support some of the winners from the 2014 program. We also organised an open discussion



on social entrepreneurship with the participation of Mr. Levon Hampartzoumian, CEO of UniCredit Bulbank, Mr. Giuseppe Ambrosio, an advisor to UniCredit Foundation and a visiting professor at Bocconi University, Milano and Lyuben Belov - one of the most successful entrepreneurs in the Bulgarian Internet sector.

In May 2015, we launched the fifth edition of the program, which gave opportunity to 25 non-governmental

organizations to develop their business ideas with the support of experts in the field of business planning and marketing. The newly acquired knowledge was directed towards developing business plans, which were then



submitted to BCNL. In February 2016 the best business plans get the chance to present their ideas to a panel of selected business representatives, who will then choose the winner.

Trainings, consultations and... something else

Lead by the idea to help NGOs to be more successful in their activities, we launched a fundraising program for NGOs. In partnership with the Czech fundraising centre, we organised a study visit for exchange of experience between Bulgarian experts and Czech organizations. We also supported the participation of Bulgarian representatives at the International Fundraising Festival in Prague. Experts from BCNL participated in courses for trainers on fundraising in the Czech Republic, then in December 2015 organized an independent fundraising training in Sofia, putting what they have learned in practice.

Advocacy and financial management were the other two topics, which we worked on and organized trainings for NGOs. We published a new book “*Financial Management for NGOs*” and updated the book “*Taxation of NGOs: Questions and Answers*”.



With over 400 consultations and legal advice provided, we helped nearly 300 organizations and citizens in areas such as registration and re-registration of NGOs, business activities and taxation. Moreover, for the first time in 2015 we started a mentoring program for NGOs. This meant that throughout the year we have supported 12 organizations in the areas of organizational planning and financial management.



NGO House

Five years after we created the virtual community for NGOs in Bulgaria - the Information Portal for NGOs www.ngobg.info, we decided to create a physical community for civil society organizations as well. We created NGO House, trusting



that through sharing physical spaces, we will help with the creation of a community of NGOs in which organizations could share their experiences and practices easier, learn from each other and organize joint initiatives.



On 18th December 2015 we officially opened the doors of the House. It is located in the centre of Sofia at Hristo Belchev Street and provides various services for non-governmental organizations such as:

- The possibility of renting an office or shared workspace (co-working);

- The possibility to rent rooms for events and trainings;
- Advice for the residents of the house.

Our first partners that joined the house are Citizen Participation Forum, “Listen Up” Foundation, the National Youth Forum, Time Heroes, Maria’s World and others.

The NGO House has its own website - www.ngohouse.bg.

Regional grant in partnership with Vivacom

With our support in 2015 Vivacom launched its new Regional Grant Program. Its purpose is to support a variety of projects and ideas across the country, in which people want to do something good, significant, different and important to their community or simply makes them happy. Eligible applicants are public benefit NGOs, community centres and schools. The total amount of the fund is 50,000 lev, each project that will be supported can have a maximum value of 5000 Lev. More about the program can be found at www.vivacomfund.org or at www.bcnl.org.

Illustrator: Nadezhda Georgieva



NGO Information Portal in Bulgaria -
www.ngobg.info



In 2015 the NGO Information portal expanded and grew bigger. It has been **five years** since its establishment and today it is not only the biggest database for NGOs in Bulgaria, but also a very important source of information for the *Third sector*.

During the year we **upgraded technologically the portal's system**. Additionally, the NGO database was merged with the database of the Central Registry of the Ministry of Justice. As a result, it now contains information about over 13,500 organizations. The functionality of the users' profiles was upgraded as well as the organization of the information in them.

The official data for the year is as follow:

- Total visits- over 500, 000;
- Total unique visits- over 300. 000;
- Opened/visited pages- over 1, 400 000;
- NGO profiles with over 100 visits- over 850; with over 50 visits- over 1 750;
- Visits of the Portal over 1 000 times in the following countries- Bulgaria, USA, Germany, United Kingdom, Russia, France, Italy, the Netherland, Spain, Greece, Belgium;
- Users` posts- over 1 800 (an increase of 65% compared to 2014);
- Personal posts and cited journal articles- over 3 170;
- Announcements for financing- over 130;
- Registered volunteering candidates - over 390 (a doubled number compared to 2014);
- Interns from different universities- 14;

The number of our Facebook followers has increased from 7 200 in 2014 to 9 000 in 2015. Our subscribers for the weekly bulletin grew from 5 500 to 6 350.

In 2015 we were the official **media partners** of nearly 30 events and initiatives of civic organizations in various areas such as education, parenthood and family life, volunteering, charity, protection of human and civil rights.

Online platform “Our voice”

At the beginning of 2015 we started an online platform called “Our voice” (www.glasatni.bg) aimed at uniting people who are socially responsible, have a strong civic position, think alike and share a common opinion on important issues regarding the civil sector. Since its establishment the platform has gathered over 120 suggestions and comments on contemporary legislative changes related to the civil society. The main topics discussed on the platform were: civic participation, NGOs, volunteering, civic education and social entrepreneurship. BCNL summarized the most supported/approved proposals and suggested them during the public discussions about changes to the NPL



and Law on Normative Acts. This was done alongside with the projects for the Law for pre-schooling and school education, and the Law for Volunteering. The proposals were also sent to the Commission on cooperation with NGOs and citizens` complaints in the National Assembly,

where they can be considered in the process of revising laws and implementing changes. Our media partners during the campaign were Offnews and Kapital.

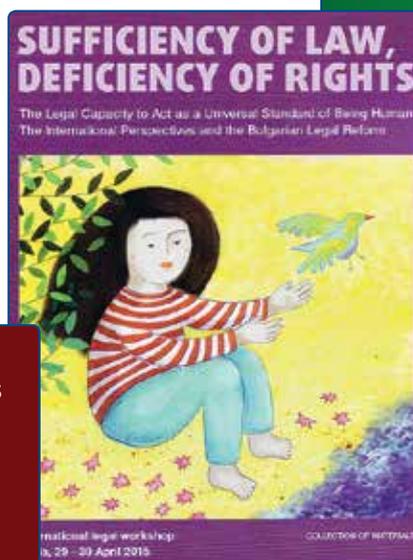
Apart from the online discussions that took place on the platform, we organized two big discussions on topics voiced through “Our voice”. The first one was held on the 18th of April 2015 in the hall of the Modern theatre in Sofia, part of Forum KEY. The second one was held on the 13th of June 2015 in Varna. The participants were given the opportunity to share their ideas and to express their proposals for changes in the law. Most notably though, they believed and saw that their voice matters and can be heard. All proposals were written down and published online on the platform “Our voice” so they can reach a wider audience and can receive a greater public support.

In the meantime, the platform “Our voice” was a guest at the April issue of Club “Obektiv” in the Red House, in lectures with students from the Sofia University “St. Kliment Ohridski” and in many other places off the virtual stance.

PUBLICATIONS AND ANALYSES

In 2015 we published the following handbooks and analyses, which serve NGOs:

- “Financial management of NGOs”;
- “Taxation of NGOs. Questions and answers” (updated issue from 2015);
- “CSO Sustainability Index 2014-Bulgaria”;
- “A roadmap for encouragement and development of social enterprises in Bulgaria”;
- A strategy in support of the development of civil organizations in Republic of Bulgaria 2012-2015 - review and recommendations;
- A report on the problems of NGOs with the access and activities financed by operational programs;
- Sufficiency of law, Deficiency of rights - Supported Decision-Making



INTERNATIONAL PROGRAMS

In the middle of 2015, BCNL partnered with the Centre for Community Dialogues and Initiatives, Armenia. We joined forces working on the project “Support to sustainable development through increased role and participation of Civil Society Organizations (CSOs) for democratic changes in Armenia”. BCNL analysed the mechanisms of civic participation in the community dialogue and policies and made recommendations for the further encouragement of the partnerships between NGOs and the state of Armenia.



Another initiative for sharing experience and know-how was organized in March 2015. It was a joint project with the Citizen Participation Forum (CPF) and it was a study visit to Estonia. Representatives of key institutions took part having the main task to study the experience of the country at forming partnerships between national institutions and non-governmental organizations. The trip was attended by representatives of the offices of the Deputy Prime Minister on coalition politics and public administration, the Deputy Prime Minister on EU funds

and economic policy, the Ministry of Justice, the National Assembly and representatives from BCNL and CPF.

A representative of BCNL was invited to a meeting of the Organization for Security and Cooperation in Europe that was held in Vienna in April 2015. He was to be part of the creation of Recommendations for improvement of the participation of associations in the decision-making process. In April, BCNL also participated in the annual meeting of the Balkan civil society development network in Albania.

We continued our partnership with the European Center for Not-for-Profit Law. Luben Panov joined as program consultant and participated in activities in the following countries:

- Moldova – throughout 2015 we supported the Legal Resources Centre by developing an online course for training of experts from the centre on enabling legal environment for non-governmental organizations and conducting six Skype sessions and personal meetings;
- Mongolia – in June 2015 Luben Panov provided comments on three draft laws – for the registration of non-governmental organizations, for public benefit and for delegation of services to NGOs. He also participated in a discussion regarding the proposed drafts with representatives of Mongolian organizations and in meetings with representatives from various institutions;
- Kyrgyzstan and Tajikistan – a review of the legislation of both countries with regard to the registration and operation of NGOs and opportunities for social contracting;
- Northern Cyprus – in November 2015 we gave our professional opinion on their law on associations and

held meetings with interested institutions and NGOs for bringing the law in line with the best international standards;

- Serbia – in November 2015 we participated in a meeting with representatives from the government offices and state institutions responsible for interacting with NGOs in the Balkan countries. We discussed the need for establishing a mechanism for self-assessment of their capacity to interact with NGOs;

- UK – December 2015 – participation in the consultation of the UN High Commissioner for Human Rights in regards to the creation of a supportive environment for NGOs.

In May 2015, Luben Panov attended the Global Forum 2015 organised by the International Center for Not-for-Profit Law, which was attended by over 200 leading experts in the field of civil society from around the world. In the opening session of the forum, keynotes were given by the UN Secretary General Ban Ki-moon and the President of the United States - Barack Obama.



DEEPEST GRATITUDE TO OUR DONORS AND PARTNERS IN 2015



FINANCIAL REPORT

AUDIT
TAXATION
ACCOUNTANCY



ОДИТ
СЧЕТОВОДСТВО
ДАНИИ И ФИНАНСИ

INDEPENDENT AUDITOR'S REPORT

To the management of
Bulgarian Center for Not-for-Profit Law
Sofia

We have audited the accompanying financial statements of Bulgarian Center for Not-for-Profit Law (the Foundation), which comprise the balance sheet as at December 31, 2015, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes (from page 8 to page 13).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Bulgarian Financial Reporting Standards for Small and Medium-sized Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements

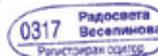
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of "Bulgarian Center for Not-for-Profit Law" as of December 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with the Bulgarian Financial Reporting Standards for Small and Medium-sized entities.

FOR AND ON BEHALF OF
ATA CO LTD


Radosveta Veselina
Certified public accountant



February 27, 2016
Sofia, Bulgaria

BALANCE SHEET
as at 31 December 2015

Bulgarian Center for Not-for-Profit Law

ASSETS	Notes	31.12.2015 thous. BGN	31.12.2014 thous. BGN
Non-current assets, net			
Equipment		1	
Computer technique		2	4
Shares and portion in subsidiary company	3	5	5
Long-term investments	3		12
Loans granted to subsidiaries	3	11	
		<u>19</u>	<u>21</u>
Current assets			
Receivables	4	37	69
Cash and cash equivalents	5	548	595
		<u>585</u>	<u>664</u>
Deferred expenses		5	
Total assets		<u>609</u>	<u>685</u>
EQUITY AND LIABILITIES			
Equity and reserves			
Other reserve	6	337	280
		<u>337</u>	<u>280</u>
Current liabilities			
Current liabilities	8	8	14
Unspent from financed project	9	264	391
		<u>272</u>	<u>405</u>
Total equity and liabilities		<u>609</u>	<u>685</u>

Manager: 
Luben Panov
17.2.2016

Compiler: 
Donka Ivanovska
As per auditors report: 
0317 Радосвета
Веселинова
Регистрови-ордатор

INCOME STATEMENT
for the year ended 31 december 2015

Bulgarian Center for Not-for-Profit Law

	Notes	2015 thous. BGN	2014 thous. BGN
Revenue from regulated activity			
Revenue from donations conditional	10	709	840
Revenue from donations unconditional		1	1
Financial incomes		64	36
Interest income		10	14
Foreign currency exchange rate gains		54	22
Expenses by regulated activity			
Other costs	11	709	837
	12	709	837
Financial expenses			
Foreign currency exchange rate loss	13	40	29
Other expenses from financial operations	14	40	29
			1
Result from non-economic activities		<u>24</u>	<u>9</u>
Profit from economic activities		<u>34</u>	<u>4</u>
Result for the year		<u>57</u>	<u>13</u>

Manager: 
Luben Panov
17.2.2016

Compiler: 
Donka Ivanovska
As per auditors report: 
0317 Радосвета
Веселинова
Регистрови-ордатор

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2015

Bulgarian Center for Not-for-Profit Law

	Reserves thous. BGN	Financial result thous. BGN	Total equity thous. BGN
Balance as at 31 December 2013	286	-	286
Financial result for the period	-	13	13
Distribution of reserves	(19)		(19)
Balance as at 31 December 2014	267	13	280
Financial result for the period		57	57
Balance as at 31 December 2015	267	57	337

Manager:
Luben Panov

17.2.2016

Compiler:

As per auditors report:



CASHFLOW
for the year ended 31.12.2015
Bulgarian Center for Not-for-Profit Law

Notes	2015 thous. BGN	2014 thous. BGN
Cash flows non-economic activities		
Conditional financing received	598	708
Financing received	18	23
Other received	8	2
Payments to employees	(162)	(165)
Payments to social security	(35)	(16)
Payments for services	(381)	(556)
Grants paid	(85)	(98)
Payments for assets	(1)	(4)
Interest and bank tax paid	(14)	(10)
Other cashflows from operating activities	(29)	(9)
Net cash flows from non-economic activities	(83)	(125)
Cash flows economic activities		
Received amounts on contracts	48	35
Financing received	2	2
Other receipts	19	
Payments to suppliers	(5)	(8)
Payments for salaries and social security contributions	(14)	(21)
Tax payments	(1)	(1)
Other cashflows from operating activities	(13)	(3)
Net cash flows from economic activities	36	4
Net change in cash and cash equivalents	(47)	(121)
Cash as at 01 January	595	716
Cash as at 31 December	548	595

Manager:
Luben Panov

17.2.2016

Compiler:

As per auditors report:



CASHFLOW

for the year ended 31.12.2015

Bulgarian Center for Not-for-Profit Law

	Notes	2015	2014
		thous. BGN	thous. BGN
Cash flows non-economic activities			
Conditional financing received		598	708
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Net cash flows from economic activities		36	4
Net change in cash and cash equivalents		(47)	(121)
Cash as at 01 January		595	716
Cash as at 31 December		548	595

Manager:
Luben Panov

17.2.2016



Compiler:

As per auditors report:



PROJECTS DURING 2015

The Foundation „Bulgarian Center for Not-for-Profit Law” realized during 2015 the following projects:

1. Contract with „Citizen Participation Forum Association”

Project: ProParticipation

Source of funding: NGO Programme for Bulgaria under the EEA Financial Mechanism 2009–2014

Balance from 2014	0.00 EUR
Funding received	4 198.00 EUR
Costs total	4 619.97 EUR
Balance as of 31.12.2015	(421.97) EUR

2. Contract with UNICEF - Bulgaria

Project: Promoting social enterprises as a mechanism to reach and engage the most disadvantaged children and adolescents in Bulgaria

Source of funding: UNICEF - Bulgaria

Balance from 2014	0.00 BGN
Funding received	15 000.00 BGN
Costs total	15 000.00 BGN
Balance as of 31.12.2015	0.00 BGN

3. Contract with America for Bulgaria Foundation

Project: Effective Approaches to Sustainability of Nonprofits (2012-2015)”

Source of funding: America for Bulgaria Foundation

Balance from 2014	125 000.75 BGN
Funding received	29 357.78 BGN
Costs total	154 358.53 BGN
Balance as of 31.12.2015	0.00 BGN

4. Contract with Centre for Community Dialogues and Initiatives (CCDI), Armenia

Project: Support to sustainable development through increased role and participation of Civil Society Organizations (CSOs) at democratic changes in Armenia

Source of funding: European commission, Neighbourhood Civil Society Facility - European Neighbourhood and Partnership Instrument Armenia; EuropeAid/135-778/L/ACT/AM

Balance from 2014	0.00 EUR
Funding received	10 000.00 EUR
Costs total	8 834.88 EUR
Balance as of 31.12.2015	1 165.12 EUR

5. Contract with Charles Stewart Mott Foundation

Project: NGO-BG: Legitimacy Through Visibility, Knowledge and Shared Resources

Source of funding: Charles Stewart Mott Foundation

Balance from 2014	0.00 USD
Funding received	80 000.00 USD
Costs total	49 014.53 USD
Balance as of 31.12.2015	30 985.47 USD

6. Contract with the Ministry of Labour and Social Policy

Project: Social contracting - a tool for better outcomes for the people, contract № BG051P0001 - 7.0.07-0104-S0001 "

Source of funding: European Social Fund 2007 - 2014, OPHRD Without Borders - Component 1 - Phase 2

Balance from 2014	(30 976.28) BGN
Funding received	30 976.28 BGN
Costs total	0.00 BGN
Balance as of 31.12.2015	0.00 BGN

7. Contract with UniCredit Foundation

Project: Social Entrepreneurship Programme for NGO's

Source of funding: UniCredit Foundation

Balance from 2014	10 886.77 EUR
Funding received	35 000.00 EUR
Costs total	22 739.12 EUR
Balance as of 31.12.2015	23 147.65 EUR

8. Contract with the Balkan Institute for Labour and Social Policy**Project:** Partnership in strategies and action**Source of funding:** Bulgarian-Swiss Cooperation Programme

Balance from 2014	4 265.81 CHF
Funding received	21 490.99 CHF
Costs total	32 945.31 CHF
Balance as of 31.12.2015	(7 188.51) CHF

9. Contract with „Bulgarian Society for Protection of Birds”**Project:** Mission possible: enhanced access to EU funding for financially viable NGOs**Source of funding:** NGO Programme for Bulgaria under the EEA Financial Mechanism 2009-2014

Balance from 2014	0.00 EUR
Funding received	7 304.72 EUR
Costs total	5 929.96 EUR
Balance as of 31.12.2015	1 374.76 EUR

10. Contract with Open Society Foundation - Sofia**Project:** Civil society house – community for development**Source of funding:** NGO Programme in Bulgaria under the European economic area Financial Mechanism 2009-2015 through fund operator for Bulgaria Open Society Institute – Sofia

Balance from 2014	28 208.65 EUR
Funding received	28 505.08 EUR
Costs total	57 812.06 EUR
Balance as of 31.12.2015	(1 098.33) EUR

11. Contract with Bulgarian Charities Aid Foundation (BCAF)**Project:** Strengthening of Social Enterprise in Bulgaria Forum**Source of funding:** NGO Programme for Bulgaria under the EEA Financial Mechanism 2009-2014

Balance from 2014	0.00 EUR
Funding received	5 890.20 EUR
Costs total	9 460.70 EUR
Balance as of 31.12.2015	(3 570.50) EUR

12. Contract with Pirgos Association**Project:** ACT – Active Citizenship Together BG-RS No. 2007CB161-PO006-2011-2-103**Source of funding:** EU through the Bulgaria – Serbia IPA CBC Programme

Balance from 2014	(2 197.27) EUR
Funding received	0.00 EUR
Costs total	2 897.64 EUR
Balance as of 31.12.2015	(5 094.91) EUR

13. Contract with Foundation Open Society Switzerland**Project:** Advancing CRPD Article 12 – Next step programme in Bulgaria**Source of funding:** Foundation Open Society Switzerland

Balance from 2014	38 503.36 USD
Funding received	107 029.00 USD
Costs total	58 084.59 USD
Balance as of 31.12.2015	87 447.77 USD

14. Contract with America for Bulgaria Foundation**Project:** Supporting fundraising in Bulgaria**Source of funding:** America for Bulgaria Foundation

Balance from 2014	116 200.00 BGN
Funding received	0.00 BGN
Costs total	116 200.00 BGN
Balance as of 31.12.2015	0.00 BGN

Date: 17.02.2016

Prepared by:

Donka Ivanova, Accountant

Sofia

Director:

Luben Panov






15 years
**BULGARIAN CENTER
FOR NOT-FOR-PROFIT
LAW**

