



**RECOVER**  
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# RECOVER

**Management of confiscated assets,  
compensation or restitution of assets  
to victims**

Grant Agreement No. 101091375

## BULGARIA

National authorities responsible for the management of frozen or confiscated property in the aspect of Regulation (EU) 2018/1805

1. Commission for Illegal Assets Forfeiture (CIAF).

Currently CIAF is also the national authority with powers regarding the management of the property secured under the CPC in national criminal proceedings.

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2. National Revenue Agency (NRA) - under the Minister of Finance.

NRA has competence for management and disposal of confiscated and abandoned property in addition to its main activity of collecting taxes.

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3. The Customs Agency - a centralized administrative structure under the Minister of Finance, responsible for the management and disposal of goods seized in proceedings conducted by the customs authorities, including those concluded with a court decision.

The Interdepartmental Board for Management of Forfeited Assets plays a major role in the management of confiscated property.

The Board is a collective body which consists of deputy ministers designated by the Minister of Justice, the Minister of Finance, the Minister of Economy, the Minister of Labour and Social Policy, and the Minister of Regional Development and Public Works. The Board is chaired by a Deputy Minister of Finance.

CIAF notifies the Board for Management of Forfeited Assets monthly of the court decisions that have entered into force for confiscation of illegally acquired property in favor of the state.

The Board proposes to the Council of Ministers to provide confiscated property to budgetary organizations and municipalities for the performance of their functions or to assign its sale.

Sales are carried out by NRA.

At the moment, the responsible institutions do not report any assets to manage as a result of the implementation of the Regulation.

NRA has received 5 acts issued in EU member states, recognized to be executed in Bulgaria. The procedures started before December 2020.



## Details on one of the cases

The District Court-Vidzeme (Latvia) issued a decision which became final on 27.04.2020 to impose the confiscation of specific property in the city of Bansko - Bulgaria, acquired by criminal means by I.B.

Subject of confiscation - an apartment, which the court has deemed to be the proceeds of a large-scale fraud committed by that person and from the illegal use of a foreign means of payment.



## Details on one of the cases

The confiscation court order was made before the conviction for the offense. Under the CC of Latvia there is a separate process for special confiscation of criminally acquired property. It begins during the pre-trial criminal process.

Prior to receipt of the confiscation order, a seizure was imposed by the Sofia City Court on this immovable property as a result of a seizure order in favor of the Regional Directorate of the State Police in Vidzeme.

## Details on one of the cases

On 17.09.2020 the District Court - Blagoevgrad, Bulgaria, has accepted for execution the decision of the court in Latvia. NRA sold the property at an auction with secret bidding for the amount of BGN 78,289.

The amount of EUR 20,014, representing 50 percent of the amount collected was transferred to a bank account of the District Court - Vidzeme, Republic of Latvia.

## *Victims' rights to compensation and restitution and third parties' rights*

*The court is the competent authority for recognition of an order to secure property.*

*In the cases under Art. 29 of Regulation (EU) 2018/1805 together with the decision for recognition, the court also rules on the issue of the return of secured property to the victim of a crime and the method of return.*

## ***Victims' rights to compensation and restitution*** ***National legislation:***

*Crime Victim Assistance and Financial Compensation Act (CVAFCA)*

*It regulates the terms and conditions for assistance and financial compensation from the state to Bulgarian citizens or citizens of EU member states who have suffered from crimes.*

*Victims and their family members who have suffered pecuniary and non-pecuniary damage from crimes of a general nature can receive assistance, and financial compensation – the victims who have suffered property damage from crimes, specified in the law.*

## ***Victims' rights to compensation and restitution*** ***National legislation:***

National Council for Assistance and Compensation to Victims of Crime has been set up under the Ministry of Justice. The National Council includes wide-range of professionals as permanent members.

## ***Identification and protection the rights of third parties:***

The measure “deprivation in favor of the state” under Art. 53 of the CC affects only the property that belongs to the perpetrator and cannot be applied in relation to persons related to the accused (except for things prohibited by law to possess). Even in cases where the property acquired by crime has not been found and the equivalent is awarded, the confiscation affects only the property of the perpetrator.

This regulation is justified in view of the protection of *bona fide* third parties.

## ***Identification and protection the rights of third parties:***

Directive (EU) 2024/1260 of the European Parliament and of the Council of April 24, 2024 is still not involved in national legislation.

According to the law currently in force, after filing a claim for confiscation of illegally acquired property, the district court initiates a case and publishes in the "State Gazette" an announcement containing: the case number, details of the received request, inventory of the property, instructions for the period in which persons may present their claims on the property, as well as the date for which the first hearing is scheduled.



## ***Identification and protection the rights of third parties:***

A third party who claims that his right to property has been affected in criminal proceedings has special *rem* claims which are regulated in the Property Act and are available to both the owner and the holders of limited property rights when they want the violation of the corresponding right to be stopped.

The protection of the right to property can be carried out under civil law and through a number of bond claims, such as a claim for wrongful damage, a claim for unjust enrichment and others.

Thank you for your attention!

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**BULGARIA**

Questions