

## Report Summary

on the competition sessions of the Bulgarian Fund "Scientific research" in 2008 and 2009

The working group reviewed a sample of the documentation of the fund containing several thousand documents, including part of the financial records and documents in electronic format, related to competition sessions in 2008 and 2009. The findings of the group are based primarily on data from 2009, since data from 2008 is very incomplete (e. g. missing a lot of reviews), and the employees of the Fund did not help to find them. The group identified a series of violations and practices that have prevented the adequate funding of research in Bulgaria. Some of the violations are of very serious nature and could be subject to examination by specialized authorities. Below we list some more impressive results of the study.

1. Reviewers from abroad have been appointed chaotically, regardless of their actual academic competence. The investigation of the group showed that, except in rare cases, reviewers from abroad were incompetent. Some of them even have no scientific degrees and titles. Some of the reviewers had reviewed without the sanction of the Executive Board. This violation is a serious premise for corruption.
2. No selection of foreign referees for each project has been carried, but vice versa - each reviewer had access to all projects and himself chose those which he/she wished to review, including areas where the reviewer was not professional. This was done without any control by Executive Board. At the same time the expert committees on procedures did not know who were the foreign referees and what are their reviews. All this shows that the only ones who have read the foreign reviews (in fact only the numbers in them) are administrators of the fund. This is another premise for corruption.
3. The announcements on the site of the fund that only projects over a certain score are approved is not true – there are projects financed with a lower score than announced. At the same time there are projects that are not approved for grants, even though their points are equal or exceed the relevant threshold. For example, in the "development of scientific infrastructure" (2009) 7 project of 18 were approved with a lower score than the stated minimum value. There are 45 projects which were not approved but have higher scores than some approved ones. Other authorities have to decide how serious is this violation. This fact strongly shakes the sense of honesty and fairness in the scientific community and is an important tool for manipulation of the competitions.
4. Improper pooling of projects or moving them from one competition to another were practiced. Thus, despite of their low estimates, poorly assessed projects were awarded funding. All "movements" and "alliances" refer only to such \*(poorly assessed ) projects. Some pairs of such projects are thematically unrelated. For example, projects "Research of nano-modified alloys and their use in casting" and "Building a center for counter-terrorism intelligence systems" hardly look similar research projects. And here too the sense of justice is strongly shaken at best. This is another tool for manipulating of the contests.
5. The practices referred to in item 3 and 4 have contributed to damages to Bulgarian science measured by millions. They are probably based on the violations in Item 1 and Item 2. However, it is impossible to measure the moral damage to the Bulgarian scientists as a result of these machinations.
6. In the opinion of the Working Group the greatest violation is that in 2009 not all of the received and paid by the fund reviews were taken into account. Statistical analysis shows that this was

committed exclusively with the purpose to manipulate the contests. Exact figures are as follows. For about half of all successful projects in 2009 the final results are made without using all received and paid for reviews, while unused, were concealed. The vast majority of these projects (79 out of 82) turn out below the threshold of the Executive Board, when taking into account the concealed reviews and hence they would not qualify. About 5% of the unsuccessful projects are with ignored, but existing reviews. In some cases the addition of these reviews would have moved them into the group of the winning projects. These facts speak for drastically forged numerical results for approximately half of the winning projects of the competitions! Reasons for the existence of conscious dominant cause of this phenomenon is the impressive one-sidedness in the evasion of the unused Reviews:

All 160 unused reviews of the winning projects give the project a lower score of points than the ones used to rank the projects;

50 from all unused 52 reviews of rejected projects give the project more points than the points of the used reviews.

In the language of the money, 27 million levs (at least) were allocated through hiding the reports. It is hard to believe that it is done with other than mercenary motives. The group considers that 27 million taken from the Bulgarian taxpayers and distributed in this way deserve the intervention of legal authorities.

6. There are Bulgarian referees who had assessed projects of their rivals, and their assessments have influenced the outcome of the contests. Some offenders have won through this unjust and illegal manner. This is done after the signing of a declaration of conflict of interest and in violation of Art. 313 of the Penal Code.

7. In violation of the Public Procurement Act, the Fund has awarded the company "Lincos Ltd. to create an online environment for submission and evaluation of research projects without a tender, as required by the law then. For this service the fund has paid 150,000 levs. In the last days of 2009, the Fund has concluded a new contract with the same company for 36 000 leave. The money under this contract is paid immediately upon its signing, although still there is no signed acknowledgment of receipt for services rendered. The paid 186,000 levs seem unreasonably high price, in view of the fact that the system (data base) has a modest capacity, and some of the functions set out in contracts do not exist. The opinion of the group is that the Fund is seriously harmed by its employees through the award of this contract. It is possible that this company have some role in the handling of the calls, because this requires professional computer skills. There are other contracts of dubious benefit to the Fund and with a price above the normal one.

8. Only 6 projects have won 83 million Euro, i.e. about two thirds of the funds of all rounds, and practically without contests. More precisely, in each of the two competitions 3 projects have applied and these 3 have won. The preconditions are such that they point the winners. The allocation of these funds has been based on 3-4 reviews made for 1-2 months by non-specialists, as explained in items 1 and 2. Furthermore, the trouble is not that there were no contest, but that it must had been said explicitly. The state has the right to distribute targeted funds and in important cases this is the only way. The big trouble is that this happened with no real expertise. This is also a waste of public funds, and this in large sizes. For projects of this kind there are established procedures in the world practice, which need not be described here. I will only say that it does not last 1-2 months, but rather 1-2 years.