

ANNEX 26

- Country Report BULGARIA

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FOR



COMMISSION EUROPEENNE

*- DG FOR JUSTICE, FREEDOM
AND SECURITY -*

**Study on the Transparency of Costs of Civil Judicial
Proceedings in the European Union**

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Team Leader

- COUNTRY REPORT -

- BULGARIA -

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COUNTRY REPORT

Preliminary notes

The purpose of this report is to determine and analyze the legislation resources providing the frame based on which the judicial bodies (courts, prosecution, investigation services), the executive bodies (the Ministry of Justice and the Agencies at the Ministry -The Registry Agency, The Intercountry Adoption Council, the Ministry of Foreign Affairs) and other organizations are entitled to collect taxes and set expenses for the fulfilled judicial and administrative proceedings.

The country legislation is as follows:

- The Law for State Charges (Закон за държавните такси) and Tariff No 1 there to the Law for State Charges in respect to the charges collected by courts, prosecution, investigation services, The Ministry of Justice and The Registry Agency (Тарифа No 1 към закона за държавните таксите, събирани от съдилищата, прокуратурата, следвените служби, Министерство на правосъдието и Агенция по вписванията)
- Judicial System Act (Закон за съдебната система)
- Code of Civil Procedure (Граждански процесуален кодекс)
- The Attorney Act (Закон за адвокатурата) and Regulation No 1 for the minimum rate of attorney fees (Наредба No 1 за минималния размер на адвокатските възнаграждения);

- The Legal Assistance law (Закон за правната помощ) and Regulation for Payment of Legal Support there to the Law for Legal Assistance law (Правилник за заплащане на правната помощ);
 - The Law of The Private Enforcement Agents (Закон за частните съдебни изпълнители) and Tariff of the Fees and Expenses on Enforcement pursuant to the Law on the Private Enforcement Agents (Тарифа за таксите и разходите към Закона за частните съдебни изпълнители),
 - Tariff for Notary Fees thereto the Law for Notaries and Notary Activity (Тарифа за нотариалните такси към Закона за нотариусите и нотариалната дейност)
- Other law related documents for example the Order for fees № 650-05-78(11.IX.2006), approved by The Parliament Chairman for promulgation in the unofficial section of the "State Gazette", concerning cases when the permanent address of defender is unknown.

This legislation establishes and regulates the cost of justice and it has been analysed in details for the cause and terms of payment of these costs and how each law contributes to identification and limitation of the costs and for enhancement of the transparency in the costs of justice.

It has been found that there is transparency in the cost of civil justice proceedings, including in the courts', the bailiffs' and the alternative dispute resolutions' (mediation and arbitration) taxes. However there are no normative provisions for establishment and regulation of fees regarding translation, interpretation and witnesses. The only regulation concerning legal or other experts' opinion is the one about the minimum attorney fee and experts remuneration.

The Assignment has been submitted as specific issues based on the questionnaire below ("Questionnaire"). The information used has been obtained by various accessible databases in Internet: web sites www.lex.bg, www.dir.bg, www.paragraff22.com; paid web sites: www.ciela.net, www.apis.bg; the web site of the Supreme Judicial Council: www.vss.justice.bg, The Supreme Administrative Court: www.sac.government.bg, The Supreme Court of Cassation: www.vks.bg, the web site, that clarifies the Bulgarian judicial system to the citizens: www.court-bg.org; the web sites of the Ministry of Justice: www.mjeli.government.bg and this information is presented in a statistical form in Annex 1.

Furthermore comparative examination of the Bulgarian legislation up to October 2007 has been made. The changes that are going to be in effect from 01.03.2008 by virtue of the Civil Procedure Code have been also enlightened. This analysis includes only the legal text from Chapter VIII "Expenses" article 53-73a of the Civil Procedure Code, passed in 1952 and Chapter VIII, section 1, "Motion price" article 68-70; section 2 "State charges and fees"; article 71-84 of the new Civil Procedure Code.

According to item 4 paragraph 2 from the Transitional and closing provisions of the new Civil Procedure Code:

" In six months period after the promulgation in the official section of the "State Gazette" of the Civil Procedure Code the Council of Ministers should pass a bill for Tariff under article 73, paragraph 3, section 2 "State charges and fees".

This Tariff will be the ground for the judicial authorities to charge the parties in the civil law process with fees and state charges. According to these legal requirements (effective from 24.07.2007) the latest date for the promulgation is 24.01.2008.

At the moment of this analysis made in October 2007, the state charges are gathered according to Tariff No 1 there to the Law for State Charges.

Introduction

According to the Civil Procedure Code, 1952 Chapter VIII: “State charge and expenses for the proceedings shall be collected for conducting the case”. And they shall be collected in the cases and in the amount, specified by the Law for State Charges and Tariffs Thereto the Law.

In The Law for State charges it is determinated that the “stamp duties” shall be collected by :

- the bodies of the judiciary branch of government,
- other government institutions
- and budgetary organizations in such amount as specified in Tariffs approved by the Council of Ministers.

And these taxes must be received in the state budget unless otherwise provided by an act of legislation.

State charges are simple - determined on the basis of the material, technical and administrative expenses required for providing the service and proportionate - determined on the basis of the price of the document or the service. If the price is not specified, the charge is determined on the basis of the market price. The charges are paid in revenue stamps or in cash. It is determined by the Minister of Finance in which cases stamp duties are collected in cash.

The state charges at all and in particular case in the civil justice proceeding are paid upon a request for effecting the action and/or for issuance of a document which is subject to stamp duty, as indicated in the Tariff l. The claimant will present along with the statement of claim evidence that the state charges and expenses are paid when they are due. If the state charges and expenses are not

paid by the claimant with the statement of claim, the court gives to the claimant an instruction these irregularities to be removed/corrected within a term of seven days. If the claimant fails to remove the irregularities within the specified term the statement of claim together with the supplements thereto, will be returned.

State charges are paid:

- l for statements of claim, civil claims, counter-claims, divorce claims, petitions for pardon, requests for adoption, registration of partnerships and foundations and other services, provided by the Courts of Law;

- l for the performance of actions and provision of services by state executive magistrates, by private enforcement agents and by recordation judges

- l for translations of documents and papers from a foreign language to Bulgarian, and vice versa;

- l Upon requests for activities and services to be rendered by government establishments and for issuance of documents and duplicates.

On 20.07.2007 the new Code of Civil Procedure was promulgated and it will come into effect from 01.03.2008.

According to section 4 paragraph 2 from the Transitional and closing provisions of the new Code of Civil Procedure:

” In six months period after the promulgation in the official section of the "State Gazette" of the Civil Procedure Code the Council of Ministers should pass a bill for Tariff in reference to article 73, paragraph 3, section 2 "State taxes and fees".

This Tariff will be the ground on which the judicial authorities will collect state charges and fees from the parties in the civil law process. According to these legal requirements (effective from 24.07.2007) the latest date of promulgation is 24.01.2008. After this date the previous Tariff 1 there to the Law for State Charges will stay unabolished if it is not in controversy with the new Code and tariff in effect.

The examination of these two codes shows that there are no differences in the principles and procedures for determination of the taxes concerning juridical services.

The Civil Procedure Codes from 1952 and the new in effect from 01.03.2008 determinate that:” State charges and expenses for the proceedings shall be collected for conducting the case” (Art.53 of the CPC; Art.73, Para 1, sentence 1)”.

About 66% of all provisions of the new Civil Procedure Code state the same rules as the previous code and the Law for State Charges. The only difference is that the Code and the Tariff in effect from 01.03.2008 are under one legal act, not like the Civil Procedure Code and the Law for State Charges.

In the new Civil Procedure Codes the following principles will be valid:

- State charges and expenses for the proceedings shall be collected in advance for conducting the case;
- The state charges will be collected in the cases and at amounts, specified under the Tariff approved by the Council of Ministries ;
- The state charge will be collected according to the price level of the claim.
- The court will determine the state charges and expenses:
 - On claims whose valuation is difficult at the moment of their lodging;
 - And for expenses for summoning of witnesses, experts;
- The cases when no charges and expenses for the proceedings are due:
 1. Employees and workers, members of a producers' co-operative societies and unions in case of employment claims
 2. In cases of maintenance claims
 3. In cases of torts when a verdict is in effect
 4. On claims, initiated by the prosecutor.
 5. In case of discrepancy of the indicated price with the real one, the court will not refund the over-deposited amount of the taxes.
- The state institutions, the municipalities and the Bulgarian Red Cross shall be exempt from payment of charges, but not from legal expenses.
- The paid by the claimant charges, expenses for the proceedings and remuneration for one attorney, if the claimant has any, will be paid by the defendant commensurate to the granted part of the claim.
- If the party remains liable for any expenses, the court may issue a ruling for their compulsory collection.

In the new Civil Procedure Code the following principles will be changed:

- The state taxes will be recalculated when two or more requests in one claim are included. Until 01.03.2008 the price for several legal actions /different claims/

put in one and the same claim is equal to the prices of any of the legal actions /price of each claim/. After that date the state charges will be charged for each of the claims separately. If the parties in the legal process are same or they are with a same object, the tax can be summed in one deposit. If the defendants are more than one, the state tax is charged from each defender (art. 72).

- Now in case of agreement the expenses shall be born by the parties, as they have incurred them, unless otherwise agreed. The state charges shall not be refund. In the provisions of the new code in force from 01.03.2008, when the process is terminated due to an agreement between the parties, the half of the state charges will be refund to the claimant.

- The third person - accessory neither owes, nor obliges to pay any expenses until 01.03.2007. After this date the third person shall pay its part of the expenses if his behaviour gives a cause for initiating additional costs.

- There is a new rule for preparing and applying a list of all process costs before the end of the last session of the court regarding the trial. This list should be referred to the authority in charge. If this rule was not followed the party shall not have the right to appeal the court judgement regarding the taxes and expenses.

- In section I, Art. 68 from the new Civil Procedure Code one explicit definition of the term “price of the claim” are defined. It is specified as the “assessment of the subject of the case, calculated in monetary refunds”.

By analyzing Article 55, Paragraph 1, Section a-g (of the Civil Procedure Code, 1952) and Article 69, Paragraph 1, Sections 1-7 (from the new Civil Procedure Code, 2007) was ascertained that:

The principle of determination of the amount/the price of the claim is one and the same in the following cases:

- On claims for money receivables - of the claimed amount (Art.55, Para 1, letter “a” of the CPC passed in 1952). In the new Civil Procedure Code passed in 2007 this provision is under Art.69, Art.1, Point 1);

- On claims for the existence or termination of a contract for rent - of the rent instalments due for one year (Art.55, Para 1, letter “e” of the CPC passed in 1952). In the new Civil Procedure Code passed in 2007 this provision is under Art.69, Art.1, Point 5;

- On claims for periodical payments for a certain period - of the total sum of all payments (Art.55, Para 1, letter “f” of the CPC passed in 1952). In the new Civil Procedure Code passed in from 2007 this provision is under Art.69, Art.1, point 6);
- On claims for periodical payments for an unlimited period or for life payments - of the total sum of the payments for three years (Art.55, Para 1, letter “g” of the CPC passed in 1952). In the new Civil Procedure Code passed in 2007 this provision is under Art.69, Art.1, point 7).
- On claims for existence, invalidation or breaking of a contract - of the value of the contract (Art.55, Para 1, letter “d” of the CPC from 1952). In the new Civil Procedure Code passed in 2007 this provision is under Art.69, Art.1, point 4.

From 01.03.2008 the amount (extent) of the price of the claim will be increased:

- On claims for ownership and other possession rights of real estate. The price of the claim shall be determined on base of the tax valuation, and if there is no such valuation available on the market value of the estate (Art.69, Art.1, point 2 of the Civil Procedure Code from 2007); At the moment the price of the claims for ownership and for the conclusion of a definitive contract is determined in accordance with Art.55, Para 1, letter b - 1/4 of the tax valuation for taxation of the inheritance, and if there is not valuation - 1/4 of the market value of the estate;
- On claims for impaired ownership - from 1/4 of the amount written in the tax valuation (Art.69, Art.1, point 3 of the Civil Procedure Code from 2007); On these claims the court determines the state charge in accordance with Art.55, Para 1, letter “c” of the CPC from 1952 - 1/4 of the tax valuation, and if there is not any - one half of 1/4 of the market value of the estate;
- On claims for existence, invalidation or breaking of a contract, when the subject of contract is possession rights of real estate - the price of the claim shall be determined on the tax valuation, and if there is not any - on the market value of the estate. (Art.69, Art.1, point 4 of the Civil Procedure Code from 2007) Now the price of claim is 1/4 the tax valuation), and if there is not any- 1/4 of the market value of the estate;

In these cases,when the subject of the deed is the ownership or other property rights, the price of the state charges shall be determined from $\frac{1}{4}$ of the price of the claim- Art.71, para 2 of the Civil Procedure Code from 2007).

There is a difference in determination of the state charges by the judges at the lower courts in the Civil Procedure Code from 1952 and the new Civil Procedure Code from 2007.

In the Civil Procedure Code from 1952 the judge determines the state charge for claims not written in article 55, paragraph 1. For example in the following cases:

- Claim, raised by one of the spouses against the other, claiming that there is or there is no matrimonial relationship.
- Claims for specifying of facts

In the new Civil Procedure Code from 2007 the judge is not entitled to determine the state charge, but he/she will determine the initial amount of the claim, in cases when the amount of the claim cannot be determined by filling of the claim (Art.70, Paragraph 3). The state charge will be recalculated according to the article 73, paragraph 3 in the Tariff thereto the Civil Code.

All decrees of the new Civil Procedure Code from 2007 will be effective from 01.03.2008, except the Part Seven “ Special Rules in the Civil Proceedings regarding the effectiveness and validity of the European Union Law“, Articles 608-633 of the Civil Procedure Code (“Специални правила по граждански дела при действието на правото на Европейския съюз”). This part is effective from 24.07.2007.

There are no open cases under these articles at the moment of preparing this summary. All state charges are collected according to Tariffs 1 thereto the Law of State Charges and they are one and the same in the internal and cross-border disputes.

In this section the following decrees of the following regulations are included:

- Council Regulation (EC) No. 1348/2000 of 29 May 2000 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (Art.608-613);
- Council Regulation (EC) No. 1206/2001 of 28 May 2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters(Art.614-618) ;

- Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims (Art.614-618)
- Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and Council Regulation 2201/2003/EC of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility (Art.621-624) ;
- Regulation (EC) No 1896/2006 of the European Parliament and of the Council of 30 December 2006 for creating a European Order for Paiment.

All data summarized in this examination regarding the state charges and fees for civil legal processes have been collected on the ground of the legislation in force. It should be taken in matter that starting 01.03.2008 the extent of the state charges and fees in the juridical process will be changed. This change may affect the range of the costs, collected by the juridical executors and private enforcement agents. The amount of the taxes and fees, collected by the private enforcement agents will be the same as this, collected according to Tariff 1. The change of taxes, collected under the new Tariffs may also affect the range of the costs of the enforcement agents.

The data regarding the taxes and fees of the attorneys, summarized in this report, shows no change in the legislation. The same applies to the fees of the experts, mortgages and partially for the witnesses.

The amount of the lawyers' minimum remuneration will be changed for the civil law cases (as possession of property and real estate). This will be in result of the increase of the amount/value of the claim, according to Art. 69, Para 2, 4 of the new Civil Procedure Code.

In accordance with Art.80, letter "b" of the Civil procedure code passed in 1952 under/within the jurisdiction of the district court as a first instance will be the claims for civil cases which amount/value is over 5128 Euro (10 000 BGN). Starting 01.03.2008 the amount/value of the similar law cases adjudicated by the district court as a first instance will be raised to 12 820.51 Euro (25 000 BGN) - this rate shows difference in the range of 150 %, which will lead to raise in the lawyers' remuneration.

In both the cases the ground and method for calculation will be Art.7, Para2, point 4:

“in accordance with the material interest: up to 5128.21 Euro (10 000BGN) - 276,92 Euro (540 BGN) + 2% of amount for sums above 5128.21 Euro (10 000BGN) “ of the Ordinance 1 for the minimal measurement of the attorney remuneration, adopted by the Supreme Attorney Council.

At the moment the lawyers' remuneration will be determined in the amount of 379.49 Euro (740BGN) and after 01.03.2008 it will be in the amount of 430.76 Euro (840 Euro). The increase of the amount of the lawyers' remuneration will be with 13.52 % after the 01.03.2008.

Executive Summary

1 Summary of the mains sources of costs

The main sources of cost are:

The state charges for bringing or appealing the case to the court

They are collected by the court and are received in the state budget; The proportional fees is 4 % of the claimed sum. By the appeal of the court decision in the appealed and cassation proceeding) the fees are one half of the appealed part of the claim (2%), and it is due for each instance.

The expenses for conducting the case

which include the sums for the experts' and witnesses' remuneration deposited in the court in advance by the party who requested them; the expenses for the collection of evidence; the expenses for summoning of the witnesses, experts and for making inspections, deposited in the bank account of the relevant court; fees for translations of documents and papers from a foreign language to Bulgarian, and vice versa ; the sum for the remuneration for one attorney, if the claimant has any.

2 Level of transparency in the sources of costs

- The level of transparency in the source of cost is high for:

state charges for bringing the case to the court (the cost for filling the claims); to bringing an executive action at law to the state executive magistrates or to the private enforcement against (bailiffs' fees), legal aid level of assistance (the remuneration of special representations and lawyers remuneration) and transcriptions fees (costs related to court transcripts and costs related to obtaining copies of documents).

- They are comparatively transparent in:
lawyers' consulting and representation fees(transparency in a minimal measurement of attorney remuneration, but there is not transparent in remuneration at all: it can vary for the same type of cases by every one lawyer) ; and experts fees (transparency in a minimal measurement of experts' remuneration. The court can increase the remuneration per 100% from the minimum. But in a real life the remuneration can vary for the same type of cases by every one court panel).
- They are not transparent for the accessory cost and expenses as these for:
witnesses (the law gives possibility a remuneration determined by the court to be received but there is no regulation for its calculation);
for translation and for interpretation (the fees are determined by each translation and interpretations office).

3 Determination of the amounts of costs

- The amount of the state charges are determined in flat sum between 4 Euro (8 BGN) - 75 Euro (150 BGN) - (simple state charges) or in percent between 2% - 4% of the claimed sum (proportional charges).
Depending on the claimed sums the state charge will be determined by the first instance court under which jurisdiction the claim is. In civil or commercial cases, where the amount/value of the claim is over 5128 Euro (10 000 BGN) - the district court is competent to decide the case as a first instance. The state charges will be determined in 4% of the claimed sum and they will be about 200 Euro (400BGN). Starting 01.03.2008 the price of the similar law cases adjudicated from the district court as a first instance will be raised to 12 820.51 euro (25 000 BGN). If in the new Tariff for the State Charges under Art. 73 of the Civil Procedure Code from 2007, the state charges are collected in the same percent of the claimed sum (4%),

then the charge will be 512,84 Euro (1000 BGN). Also in this case there will be increase of the amount of cost for bringing the case to the court with about 15 %.

The state charges in cases of agreements regarding children alimonies will be calculated in 2% of the total sum due for three years. By agreements concluded between co-owners before the preparation of the draft of the partition protocol and properties' agreements, the state charges will be calculated in 2% of the value of (everyone) the parties' share.

If the decision is appealed in the appealed or cassation court, the state charges will be determined on one half of the appealed part, and it is due for each instance. This means that the simple taxes will be in the amount of from 2 Euro (4 BGN) to 37 Euro (75 BGN) and proportional charges will be calculated of 2% percent of the appealed part of the claim.

- The lawyer's minimal remuneration will be defined as absolute sum and/or percentage of the defined interest with regard to the outcome of the case, except for the remuneration for representation fees in civil cases with non material interest.

The lawyers' minimum remuneration is 30 Euro (60 BGN) for consultation fees and from 30 to 400 Euro for representation fees (60-800 BGN). It will be calculated in accordance with the material interest.

- The cost to bringing an executive action at law to the state executive magistrates or to the private enforcement against (bailiffs' fees) will be calculated in a flat sum for commencement of enforcement and overall study of the debtor's property status.

The total amount of these sums is about 50 Euro (100 BGN). The proportional charges in the executive proceeding are collected in the amount of 1.5- 2 % of the value of the property under the public sale and for the preparation of an inventory of the movable/immovable property.

The amount of the fees, collected by the state executive magistrates or the private enforcement against, is one and the same. There is only one exception for the additional fee, collected by the private enforcement agent in the amount of 50 % of the fee amount due for the respective action in non-working days and on holidays and for sending subpoenas by mail, copies of the complaint, notification and papers.

- There are no regulation for determination of the amounts of costs for witnesses and translation fees.

The law gives only possibility for witnesses' remuneration, determined by the court, without to specify how it will be calculated. Until 1997 the witnesses' remuneration was calculated as a compensation for the lost working days and compensation for the incurred expenses. This rule of determination of witnesses' remuneration will be applicable again after 01.03.2008, when the new Civil Procedure Code, adopted in 2007 will be put in force. The witness shall have right to remuneration by virtue of Art. 168 of the new Civil Procedure Code if she/he claims the remuneration until the end of the hearing for which they are is summoned.

The translation and interpretation fees at the moment depend on the tariff for translation and interpretation of each translation and interpretation agency, which is different. The translation fees will also depend on the translated language, the size of the text and its complexity. The interpretation fee depends on the type of interpretation. There are different tariffs for consecutive translation at workshops, presentations, and negotiations (the clients will be charged per hour depending on the time of the interpreter's occupancy) and simultaneous interpretation which will be charged on daily basis. In the civil proceeding litigation the court will determine the interpreter's remuneration in accordance with Art.62 (experts' remuneration) of the Civil Procedure Code from 1952 in view of the work fulfilled and the expenses incurred..

4 Level of transparency in determining the actual costs

The level of transparency in determining the actual cost is high for the following charges and expenses:

- The state charges for bringing and appealing the case to the court (the cost for filling and appealed the claims). The rules of determining the actual cost are written in the follow acts:

The Law for State Charges (Закон за държавните такси) and
Tariff No 1 thereto the Law for State Charges in respect to the charges collected by
courts, prosecution, investigation services, The Ministry of Justice and The Registry
Agency (Тарифа No 1 към закона за държавните таксите, събирани от
съдилищата, прокуратурата, следвените служби, Министерство на
правосъдието и Агенция по вписванията)

The Civil Procedure Code Chapter eight “EXPENSES” (Граждански процесуален
кодекс, Глава осем ” Разноски”);

- The charges for bringing and conducting an executive action at law to the state
executive magistrates or to the private enforcement against (bailiffs’ fees).

The determination of the actual cost of the state executive magistrates is regulated
in: The Law for State Charges (Закон за държавните такси) and Letter C of Tariff
No 1 thereto the Law for State Charges in respect to the charges collected by
courts, prosecution, investigation services, The Ministry of Justice and The Registry
Agency (Буква В от Тарифа No 1 към закона за държавните таксите, събирани
от съдилищата, прокуратурата, следвените служби, Министерство на
правосъдието и Агенция по вписванията)

Art. 69 of The Civil Procedure Code, Chapter eight “EXPENSES”, (Граждански
процесуален кодекс, Глава осем ” Разноски”), The determination of the actual
cost of the private enforcement against is regulated in:

Article 78 of The Law on private enforcement agents(чл.78 от Закон за частните
съдебни изпълнители) Tariff of the fee and expenses on enforcement pursuit to
the law on the private enforcement agents (Тарифа за таксите и разноските към
Закона за частните съдебни изпълнители)

Art. 69 of The Civil Procedure Code, Chapter eight “EXPENSES”, (Граждански
процесуален кодекс, Глава осем ” Разноски”)

- The transcriptions fees (costs related to court transcripts and costs related to
obtaining copies of documents) are regulated in follow acts:

Art. 4, subparagraph a), in fine to the State Charges Law (Закона за държавните
такси) Point 19, letter b) Tariff No 1 thereto Law for State Charges(Тарифа 1 към
Закона за държавните такси) Tariff for State Charges, collected by the Registry
Agency, Art. 1, Para. 1(Тарифа за държавните такси, събирани от Агенцията по
вписванията) Tariff for Notary Fees thereto the Law for Notaries and Notary

Activity(Тарифата за нотариалните такси към Закона за нотариусите и нотариалната дейност)

The legal aid level of assistance (the remuneration of special representations and lawyers remuneration) is noted done in:

The Act on Legal aid(Закон за правната помощ) and The Ordinance for Payment of Legal Support (Правилник за заплащане на правната помощ).

The level of transparency in determination of the actual cost is comparatively high as there is fixed minimal measurement of attorney and expert's remuneration:

The lawyer's remuneration is determined according to:

Art. 36 of the Attorney Law (Зкон за адвокатурата); "Ordinance 1 for a minimal measurement of attorney remuneration" adopted by the Supreme Attorney Council on 09.07.2004 (Наредба No 1 за минималния размер на адвокатските възнаграждения);

- The experts' remunerations are regulated under:
 - Art.59 of the Civil Procedure Code, adopted in 1952 (Граждански процесуален кодекс, приет през 1952);
 - Art. 200k of the Chapter eighteen to Law for the judicial system(Глава единайста от Закона за съдебната система);
 - Art.15, Para 1 of Ordinance for the conditions and the order of determining the remuneration of the experts (Наредба за условията и начина на определяне на възнагражденията на експертите).

- The level of transparency in the determination of the actual amount of the accessory cost and expenses as these for translation and for interpretation is unsatisfactory. There are no legal regulations in determination of actual cost in this area. The translation and interpretation fees depend on the tariff for translation and interpretation of each translation agency, which is different. If in the civil proceeding the court shall be appointed a translator or interpreter, under Art. 62 (experts remuneration) of the Civil procedure code, from 1952.

5 Proportion of each identified cost on the overall cost of civil judicial proceedings

COURT FEES

6% - 8%, depending on the sort of case.

BAILIFF FEES

10%-30%

LAWYER FEES

20%-80%

EXPERT FEES

0 % - 20%

WITNESS COMPENSATION

0%-8%

TRANSLATION/INTERPRETATION

0 % - 12%

6 Proportion of each identified cost on the overall volume of activity

COURT FEES

4% - 21%, depending on the sort of case.

BAILIFF FEES

20%-30%

LAWYER FEES

40%-60%

EXPERT FEES

0 %-10 %

WITNESS COMPENSATION

0 %-5%

TRANSLATION/INTERPRETATION

0%-5%

7 Proportion of each identified cost on the value of disputed claim

COURT FEES

2% - 6%, depending on the sort of case.

BAILIFF FEES

8%-12 %

LAWYER FEES

10% -31 %

EXPERT FEES

0%-8%

WITNESS COMPENSATION

0%-2%

TRANSLATION/INTERPRETATION

0%-2%

8 Specificities in relation to EU cross-border disputes

There are no peculiarities regarding the cost for the EU cross-border disputes. If a claim is filed in Bulgaria, the EU-citizens will pay the same state charge as the Bulgarian claimants. The only specific regulation in relation to the EU cross-border dispute concerns the costs covered by legal aid. Besides the attorney fees the added costs for interpretation, for translation of documents, required by the court or by another competent body and the travel expenses in the cases are also covered, where attendance of witnesses at the court session is required obligatory. All provisions of the Civil Procedure Code from 2007 will come into effect on 01.03.2008.

Only the Part Seven “Special Rules in the Civil Proceeding upon the effectiveness and validity of the European Union Law“, Articles 608-633 of the new Civil Procedure Code (“Специални правила по граждански дела при действието на правото на Европейския съюз”) in force from 24.07.2007

There are no open cases under Articles 608-633 of the new Code at the moment of preparing this summary. All state charges are collected according to Tariffs 1 thereto the Law of State Charges and they are one and the same in the internal and cross-border disputes.

In the Part Seven “Special Rules in the Civil Proceeding upon the effectiveness and validity of the European Union Law” the following decrees of the European regulations are included:

Council Regulation (EC) No. 1348/2000 of 29 May 2000 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters (Art.608-613); Council Regulation (EC) No. 1206/2001 of 28 May 2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters(Art.614-618) ; Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims (Art.614-618)

Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters and Council Regulation 2201/2003/EC of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility (Art.621-624) ; Regulation (EC) No 1896/2006 of

the European Parliament and of the Council of 30 December 2006 for creating a European Order for Paiment.

9 Recommendations for EU action/national action

My recommendation for action on EU level, respectively on national level, is each Member State to be obligated to translate and present their judicial system procedures and relevant costs. This information must be centralized on one locality (place) (as example European Cross-border Proceeding Code in respect to Cost of Justice, collected in The Member States) and must be published on line. Another proper measure will be the claimant to be obliged to provide the respondent with information on the applicable judicial system of the Member State and the relevant costs for cross-border disputes.

10 Relationship btween the costs of justice, the transparency in the costs of justice ans access to justice

The court fees and expenses don't have to be an obstacle for realization of the right of a legal defense. This right is protected under Art. 6, Para 1 of the Convention for the Protection of Human Rights and Fundamental Freedoms, adopted in Bulgaria on 07.09.1992 as well as protected under Art. 56 and Art. 120, Para 2 of the Bulgarian Constitution.

Indisputable is the fact that the price of a particular service determines its accessibility. When a person in order to protect his rights before the court should pay a state charge for the proceedings vastly exceeding his average monthly salary, that could really restrict his/her right of justice.

In 2004 the High Administrative Court relying on the principle of the European Convention on Human Rights (ECHR) and the Bulgarian Constitution abolished § 1 of the Government Decree № 154 from 2003, according to which the Government increased the cost between 30-70%. In the arguments written in the Judgment № 295/16.01.2004 of administrative case № 7738/2003 the court of justice accepted

as “unfounded” the amount of the costs which are not coordinated with the incomes of the population and states that this is a practical obstacle for realization of the right of justice for the significant amount of the natural persons and legal entities. In its arguments the court accepts that “the economically non-reasoned argument for increasing of the life standard and the incomes of the population cannot be admitted as a lawful purpose”.

Hence with its arguments the court defines the direct connection between the costs and the approach for justice. The court will refuse to file the case if the state charges are not duly paid and not paid at the amount, determined in The Law of State Charges or if there are not paid on terms and at the amount determined by the judicial body. Due to this, the court fees and expenses should be in conformity with the incomes of the population.

In relation to the improvement of transparency in the judicial system including upon determination of the amount of the charges and expenses in the legal proceedings, the Supreme Justice Council in cooperation with the United States Agency for International Development started in 2001 a programme called “Justing Strengthening Initiative”.

One of the main purposes of this programme is the raising of the social confidence in the judicial system by providing information and other services at the courts addressed to the citizens and lawyers every working day from 9.00 a.m. to 17.00 p.m.

Following the programme “Justing Strengthening Initiative” at every court in Bulgaria was established an “informative boards” describing the provided services, fees and charges, announced on an obvious place in the courts as well as on their web site. On 11.04.2007 the Supreme Justice Council approved the model proposed by USAID for establishment of informational centres not only for the 32 added in these programmes “model courts” or “courts in partnership”, but also at every court in Bulgaria to the end of 2008. The citizens will be able to get advice regarding before which court to apply, to get information on a particular case, and also will be assisted in filling up application forms.

The European Commission will draft “interim reports” on Bulgaria’s progress in the field of Justice and home affairs, which will be announced in January 2008. According to this the country should draft “action plans” on the field of the Justice

and home affairs, which should be introduced before EC relatively soon - by the end of October 2007.

Following on this, at the end of September 2007, the Ministry of Justice in cooperation with NGOs has prepared the first draft of the “action plan” targeting the reform in the judicial system. The draft of the “Action Plan of Judicial Reform” provides the establishment and implementation of measures which will decrease the cost of justice.

One of the steps to reduce a cost of the justice is the direct payment of the state charges and expenses in the courts. At the moment the court’s fees and deposits for expert’s and witness’s remuneration are paid only through a bank transfer. Now the citizens must pay for a transcription of court’s document a state charge amounting between 0.50 to 0.80 Euro and a commission for the bank transfer amounting between 2 to 4 Euro.

According to Art. 72 of the Civil Procedure Code, 2007, which will get into force after 01.03.2008: The state charges will be recalculated when two or more requests in one claim are unified and:

1. The state charges will be imposed to any of the claims separately;
2. And if the defendants are more than one, the state charge will be imposed for every defender;

The Ministry of Justice put forward the Council of Ministries in these cases to be pay up a common transfer taxes.

The information used has been obtained by various accessible databases on Internet: the web site of the Supreme Judicial Council: www.vss.justice.bg; the web site of Ministry of Justice: www.mjeli.government.bg ; the new web site, available since July 2007 - the Legal Reform Watch - a Portal of the Justice reform in Bulgaria: www.legalreformwatch.info; The Supreme Administrative Court: www.sac.government.bg;

Detailed Draft Report

1 General Questions

1.1 Level of information on the transparency of fees and costs of justice

In 2001 the Supreme Justice Council in cooperation with the United States Agency for International Development started a programme called “Justing Strengthening Initiative” at selected sample courts (model courts). Since 2003 Justing Strengthening Initiative has been extended by another programme called “Courts in Partnership” arranging a cooperation of the model courts with other courts in exchanging experience and good practice, including transparency and access to justice. Until the end of this programme 32 courts were included as “model courts” or “courts in partnership”. The USAID Judicial Strengthening Initiative finished on 28 September 2007.

One of the main goals of programme “Justing Strengthening Initiative” was:

1. to raise the social confidence in the judicial system;
2. to improve court effectiveness, independence, and transparency in the litigation;
3. to support Bulgaria judicial reform with programs to improve court management and administration procedures, investments in Information Technology (IT), training of judges and court administrative staff;

At the moment the “Justing Strengthening Initiative” is still completed and it finishes earlier before the end of this year. But the judicial reform is a long-drawn-out process. According to this the Ministry of Justice in cooperation with NGOs has prepared drafts ”Action Plan of Judicial Reform “ on field of Justice, which shall be introduced at the EC relatively soon, by the end of October 2007.

The first draft of such an “action plan” targets the reform in the judicial system made public by the Ministry in September. The main goals of it concerning the amendments to the Constitution, the elaboration of the secondary legislation related to the news Law on the Judiciary and Civil Procedure Code and their monitorings by execution of legal reform. To the programme is included the setting up of a unified information system in all courts in Bulgaria and to bring a project of ”E-justice” into operation.

In my opinion the programme “Justing Strengthening Initiative” started by the Supreme Justice Council in cooperation with the United States Agency for International Development is in generally favourable. The program implements a set of principles to support better administration of justice and strengthen the judiciary as a whole.

Notwithstanding this, the public opinion is that most of the program units are rather written on paper than completed in practice. But the situation is better than a few years ago. For example the court provides information not only at place, but also by phone; conviction office issues a criminal conviction certificate to citizens every working day from 9.00 a.m. to 17.00 p.m. While all court services was given to citizens and lawyers only from 9.00 a.m. to 12 a.m. three years ago. The fees and charges are announced in accordance this reforms on an obvious place in the courts as well as on their web site..

1.2 Transparency perception

Bulgaria must foster greater confidence of citizens in the judicial system. One of the aims of judicial reform must be to implement a set of principles to support better administration of justice. This mean if the court dates the open session of case on date and exactly hour, litigants will be heard in this time. At the moment the litigants, who are summoned in the court tarry for hearing on this day up 2 to 3

hours. In reality the court panel has about 30 hearings per open session, and up to 7 cases are dated in the same time. The judges and court staff are burdened with work and to improve their work and speed up the process and save time for litigants it could be taken measures on appointment of legal staff, which will help the judges by performance of case and by calculation of state charges.

The other step, which can be introduced and improved transparency is proliferation of information technology. This will support the principles of transparency and strengthen the judiciary. If the claims, appeals of cases and all court documents may be sent to the next instance electronically, thus will speed up the process, make attempts to improve access to justice to disabled persons.

In my opinion the standardized forms used in all procedures, court instance and court districts will contribute to the unification of court practices and openness of the courts.

In cross-border disputes can be made attempts to improve transparency and access to justice such as to impose on Member States to translate and present their judicial system procedures and relevant costs. The translation may be made in all 27 official languages of the EU. This will enable the citizens that do not know foreign languages to get information in their national language. The centralized information about Member States' judicial systems and their costs of justice shall be published not only online, but also in brochure.

In the court proceeding by cross-border disputes I deem that in all Member States is created specific procedures for cross border litigations, covered by the European Regulation, but I mean that it would be a proper measure if the European legislation will be codified texts governing the proceedings..

1.3 Solutions to improve transparency

In accordance with the Constitution of the Republic of Bulgaria the citizens shall pay taxes and duties established by law proportionately to their income and property. This rule is applicable to all citizens and the Law of State Charges gives a possibility for people who do not have enough money to sue to the court for protection of their offence rights free of charge and expenses. Notwithstanding this, there are some problems with fairness of the costs.

If the law does not explicitly provide the exemption of charges and expenditures, it may be done by the judge or by the chairman of the court. A separate application

for the exemption of charges and expenditures due for the proceeding with evidence that the person has not financial resource to pay charges has to be submitted to each instance.

If the court has been exempted the claimant from charges and expenditures upon submission of the case and a lawyer has not represented him, because the representation in the civil proceedings is not mandatory it is possible the claim has been dismissed. In this case the person will owe to the state all charges and expenditures paid regarding the proceeding. This may be an obstacle of the access to the justice for a person with financial problems.

The same situation is valid with the legal aid provided under the Legal Aid Law - If the claim is dismissed, the person who has received the legal aid has to reimburse the National Legal Aid Bureau.

Some other problem is that in the budget of the National Legal Aid Bureau (NLAB) are not provided funds for expenditures during the proceedings. When the party receiving legal aid participates in the proceedings in person and with an attorney (lawyer), the NLAB will cover only the attorney's fee after the conclusion of the case. An application to the court has be submitted by the claimant in order to be exempted from taxes and fees and evidences that the person does not have funds must be attached to the application.

In cases where a representative for the proceedings has been appointed to a person with unknown address, if for example an expertise is necessary, the attorney may ask it and the court may admit it and will determine the expert's fee. Since there is no procedure in the Legal Aid Act and there are no funds in the budget provided for the experts' fees, the determined fee will not be paid and the expertise will not be prepared. In these cases the lawyer does not have contact with the represented person and cannot prove that he does not have money so as per the legislation should be exempt from expenditures. In practice the special representative litigates the claims and uses the evidences of the other party /the claimant/. The lack of funds to be given by the NLAB is a serious obstacle for the special representative to collect and present evidences during the case.

There are also problems with the fees collecting regarding the international adoption. Since 2003 The Ministry of Justice has licensed agencies who intermediate in cases of international adoption and the ministry has also fixed the maximum amounts of the fees and charges due in the administrative proceedings

(for receiving an adoption allowance certificate) and in the judicial proceedings. The agencies announce on their web sites expenses for lawyer fees, legalization and state charges that vary from 6000 to 10000 euros. If a foreigner permanently living in Bulgaria and married to a Bulgarian citizen intends to adopt a child, he /she/ is obliged to contact an intermediately agency licensed for adoption in the country of their citizenship, not in Bulgaria. (Note: Agencies apply and get licenses for each country individually) Considering the average salary in Bulgaria (about 200 euros a month), and the lack of strict government regulation of the agency fees (always close to the fixed maximum, not depending on the real expenses), such a couple would have an obvious financial obstacle in performing an adoption.

1.4 Fairness of costs

According to the Civil Procedure Code, 1952 Chapter VIII: “A state charge and expenses for the proceedings shall be collected for conducting the case”.

In the civil justice proceeding the state charges are paid upon presentation of a request for effecting the action and/or for issuance of the document. The subject to stamp duty according to Art. 4 of the Stamp Duty Act are paid for:

1. for statements of claim,
2. civil claims,
3. counter-claims,
4. divorce claims,
5. petitions for pardon,
6. requests for adoption,
7. registration of partnerships and foundations
8. and other services, provided by the Courts of Law;

And they shall be collected in the cases and in the amount, specified by the Law of State Charges and Tariffs l thereto the Law. In respect to Tariff 1 are collected the charges by courts, prosecution, and investigation services, The Ministry of Justice and The Registry Agency. In six months period after the promulgation in the official section of the "State Gazette" of the Code of Civil Procedure the Council of Ministers should pass a bill for Tariff in reference to article 73, paragraph 3, asset 2 “State charges and fees”. This new Tariff will be the ground for the judicial

authorities to charge fees and state charges to the parties in the civil law process after the March 2008.

According to the determined in Tariff 1 and Art.73, Para 1 and 3 of the new Civil Procedure Code, the state charges, which are collected by the judicial authorities, are simple and proportionate.

The simple taxes are required for providing court service or litigation. They are determined on the basis of the material, technical and administrative expenses. The sums are fixed in the Tariffs 1 and the amount of the state charge varies from 2 to 700 Euro in accordance with the type of the court proceeding.

The proportionate charges are determined on the basis of the price of the claim or the provided services regarding the claim as: security and executive proceeding. In the Tariff 1 the amount of the cost vary from 4% of the claimed sum to 2% of the appealed part of the decision. If the claimant and its claim concerning property law do not specify the price, the charge is determined on 1/4 of the market price.

Besides the charges, which are collecting by court to conducting the cause, an accessory cost will be collected in the proceeding such as:

- Summoning through a publication in the unofficial section of the State Gazette, when the defendant's permanent address is unknown and he/she cannot be subpoenaed at it during a period of one month;
- Sums for summoning and remuneration of experts and witnesses ;
- Fee for the security of evidences, in cases when there is a danger that some evidence may be lost or its collection may be impeded.

1.5 General

By virtue of Art.55 of the Civil Procedure Code passed in 1952 the court state charges are collected on the price of the claim, which shall be determined, as follows:

1. On claims for money receivables - of the claimed amount;
2. On claims for ownership and for the conclusion of a final contract - 1/4 of the tax valuation for taxation of the inheritance, and if there is not any - 1/4 of the market value of the estate;

3. On claims for impaired ownership - from 1/2 of the amount under the preceding subparagraph;
4. On claims for existence, invalidation or breaking of a contract - of the value of the contract,
And where it refers to contracts for purchase of an estate -the amounts of 1/4 of the tax valuation for taxation of the inheritance, and if there is not any - 1/4 of the market value of the estate;
5. On claims for the existence or termination of a contract for rent - of the rent for one year;
6. On claims for periodical payments for a certain period - of the total sum of all payments;
7. On claims for periodical payments for an unlimited period or for life payments - of the total sum of the payments for three years.

On claims that are not mentioned above in the Art.55 of the Civil Procedure Code or in Tariff 1, Point 8 (as example a claim, raised by of the husbands against the other, claiming that there is or there is no matrimonial relationship; a claims for specifying facts), the state charge will be determined by the regional judge or the chairman of the court in the amount not less than 5.12 Euro (10 BGN).

In accordance with Art.55 of the Civil Procedure Code, 1952 and Tariff No 1, Point 2 thereto Law for State Charges:

The regional judge or the chairman of the court shall determine the charge on inestimable claims (as example the claim for children custody right). In this case the amount must be determined up to 15.38 Euro (30 BGN), but not less than less than the determined minimum in the Tariff No 1, which is 2.56 euro (5 BGN).

In the new Civil Procedure Code passed in 2007 the judge is not entitled to determine the state charge, but he/she can determine the initial amount of the claim in cases when the amount cannot be determined by filling of the claim (Art.70, Paragraph 3). The state charge will be recalculated according to the article 73, paragraph 3 in the Tariff thereto the Civil Code.

At the moment by the virtue of Art.55, Para 3 of the Civil Procedure Code, 1952: “where several claims have been lodged by one application, the price of the claim shall be equal to the total amount of the separate claims”.

If the due state charge is proportional the estimation of the court charge will be calculated in 4% of the price of the claim that shall be equal to the total amount of the separate claims. When the state charge for the several lodged claims is simple (fix in a flat sum), its estimation will be equal to the total amount of the separate claims.

For example, in Bulgaria along with the claim on divorce the claims for children support money /alimony/, usage of family home, for alimony and family name must be put forward and considered.

In this case the type of state charge (simple or proportional) and the amount of the court fees shall be determined by virtue of Art. 55 and Tariff 1, as follow:

1. On divorce - simple state tax - the amount is given in Tariff No 1, Point 3 thereto the Law for State Charges - in the flat sum:

Initial court taxes 10 BGN (5.12 euro);

After the decision the amount of the final court taxes will be determined up to 40 BGN (20 Euro), but not less than 15BGN (7, 68 Euro);

2. For children custody right (on estimated claim) - simple state tax - determined by the judge, according to Art.55, Tariff No 1, Point 2 thereto the Law for State Charges in a flat sum - up to 30 BGN (15.38 euro), but not less than 5 BGN (2.56 euro)

3. Family name (on estimated claim) - simple state tax- determined by the judge in accordance with Tariff No 1, Letter A, points 2 a)- in the amount of 8 BGN (4.10 euro);

4. For alimony (on estimated claim)- the claimant is free of charge by virtue of the Stamp Duty Law - Art.5, subparagraph j) and k) in accordance with Art.63, Para 1, subparagraph a) of the CPC;

The state charges will be determined by the court in the court decision in accordance with Tariff No 1, Letter A, points 3, letter b): 2% of the total sum of the payments for three years (this tax is also proportional). It will be paid in case of agreements concluded between litigants.

5. Usage of family's home - (estimated claim) - proportional tax -

The state charges will be determined by the court in the court decision in accordance with:

Tariff No 1, Letter A, points 3, letter a): By agreement for division of matrimonial property: 2% of the value of the spouses' shares, based on 1/4 of the market value of the estate.

Tariff No 1, Letter A, points 4: On claims for division of matrimonial property - 4% of the value of the spouses' shares, based on 1/4 of the market value of the estate.

In this example not only the deference between the proportional and simple taxes is exposed for estimable and inestimable claims, but also it shows how the amount of the state charges will be determined by the court for considered /joint or combined/ claims in the civil judicial proceeding.

It could be concluded that in Bulgaria the claimant must pay initial court fees for conducting the litigation. The amount of the charges will be about 10 Euro (20BGN) in cases when the spouses have not matrimonial property and children. And the court must definite the final court taxes after the decision of the case in the amount up to 20 Euro (40BGN), but not less than 8 Euro (15 BGN).

If the spouses have children and matrimonial property, the claims for children custody right, alimony, properties rights must be put forward and considered and the amount of the initial state charges will be about 25 Euro (50 BGN). And in this case the initial court fees paid by the claimant will be increased with 15%.

The final court fee will be 2% of the total sum of the payments for three years. The alimony in Bulgaria are determined by the court from 15 Euro (30 BGN) to 40 Euro (80BGN) per mount. Also in this case the state charge will be from 11 Euro (21.6 BGN) to 30 Euro (57.6 BGN).

The final fees, in respect to matrimonial property will be calculated - 4% of the value of the spouses' shares based on 1/4 of the market value of the estate. The final charges in this case will be about 200 Euro (400 BGN) and will be due by each spouses in one half.

Also the due taxes by the litigants will be about 260Euro (500 BGN) and will be paid in one half.

Also as conclusion it could be summarized that for divorce claims the court fee could vary from 20 Euro to 260 Euro in accordance with the considered /joint or combined/ claims and property status of the spouses. In percent this is from 7% to 1200%.

2 Court fees

2.1 Cost of bringing a action to the courts

In all cases in civil proceeding litigation, except in the free of charge proceedings, together with the claim the claimant provides the court with proof of payment.

The cost of bringing an action to the courts shall be paid before or at the time of filing the case in the court. The claimant shall present along with the statement of claim evidence that the state charges and expenses are paid, when such are due. If the state charges and expenses are not paid by the claimant with the statement of claim, the court gives an instrustion the irregularities to be removed within a term of seven days. If the claimant does not pay the fee, the court gives him a period of seven days for payment. If the claimant fails to remove the irregularities (does not pay the charges) within the specified term, the statement of claim, together with the supplements thereto it will be returned and the court will refuse to file the claim.

Are due court state charges for bringing n action to the court accordance to Tariff 1 thereto the Law for State Charges, collected by the courts, the public prosecutors, the investigations and the Ministry of Justice, Civil Procedure Code from 1952 are follows:

1. Family law:

Divorce - 10 BGN (5.12 euro) before the case is filed - by virtue of Point 3 of the Tariff N 1

Children Custody Right - up to 30 BGN (15.38 euro), but not less than 5 BGN (2.56 euro), - by virtue of Point 2 of the Tariff N 1

Alimony- free of charge-- by virtue of Stamp Duty Law - Art.5, subparagraph j) and k);

Art.63, Para 1, subparagraph a) of the CPC

2.Labour law: Free of charge. It also refers to the cases work accidents and redundancies. By virtue of Stamp Duty Law - Art. 5, subparagraph c) and Art.63, Para 1, subparagraph a) of the CPC from 1952.

3. The cost determined by virtue of Tariff No 1, Letter A, point.1 in accordance to Art. 55, Para.3 CPC from 1952, in amount of 4 % of the claimed sum, but not less than 15 BGN (7.69 Euro) (proportional charge) is paid in follows litigations:

Commercial law- Payment for a commercial or services agreement, Goods or services not in accordance, Litigation between associates, Mandates and agents;

Civil law - Consumers protection (in case of estimated claims);

Liability-the fees are calculated in accordance a period of payment. On claims for periodical payment for certain period the charge is calculated in 4% of the total sum of all payments. On claims for periodical payments for an unlimited period or for life payments- 4 % of the total sum of the payments for three years.

Property law - on claims for the existence or termination of a contract for rent - 4 % of the rent due for one-year period.

4. Property law- the fees to bringing the case to the courts are determined accordance Art.55, Para.1, subparagraph b) CPC. The amount of the charges is calculated $\frac{1}{4}$ of the tax valuation of the inheritance, and if there is any $\frac{1}{4}$ of the market value of estate.

In case of Ownership and co-ownership the charge is determined by virtue of At.55 Para.1, subparagraphs b), c) and Tariff No 1, Letter A, Point 4 thereto Law for State charges as follows:

1.1) Claims for ownership: - $\frac{1}{4}$ of the market value of the estate or of the tax valuation for taxation of the inheritance;

1.2) Claims for impaired ownership - $\frac{1}{2}$ of the amount under the proceeding point 1.1.

2.1) Claims for legal partition - 4% of the value of the parties' shares, based on $\frac{1}{4}$ of the market value of the estate (co ownership)

2.2) In case of agreements concluded between co-owners before the preparation of the draft of the partition protocol - 2% of the value of (everyone) the parties ' share.

1. Civil status:

The charges are determined in Tariff are simple taxis (determined on the basis of the material, technical and administrative expenses required for providing the court services).

They paid in flat sums as follows:

1) Claim for ascertaining of origin - up to 30 BGN (15.38 Euro),but not less than 5BGN(2.56 euro)

2) Claim for name's replacement 8 BGN (4.10 euro);

2) Claims for adoption :

1. 3.1) Bulgarian citizens - 6 BGN (3.07 euro);

3.2) Foreign citizens, married to Bulgarian citizens, and wishing to adopt a her/his husband's child - 10 BGN (5.12 euro) in litigation proceeding; + 50 BGN (25.64 Euro) for receiving an adoption allowance certificate, collected by Ministry of Justice, paid before a court proceeding;

3.3) Foreign citizens-1500 BGN (769.23 euro) in litigation proceeding+ 50 BGN (25.64 Euro) for receiving an adoption allowance certificate, collected by Ministry of Justice, paid before a court proceeding;

3) In proceedings for placing under judicial disability -up to 30BGN(15.38 Euro),but not less than 5BGN(2.56 Euro);

For claims that are not mentioned in Art.55 of the CPC, as well as for inestimable claims (as example the claim for children custody right), the charge shall be determined by the regional judge or the chairman of the court in the amount not less than 10 BGN (5.12 euro).

The costs in cross-border litigation and in internal litigation are not different. The state charge in cross-border dispute shall be collected also in the cases and at the amounts, specified by the State Charges and Tariffs N 1. They will be determined by virtue of Art. 55 of the Civil Procedure Code on the price of the claim

The only difference in charges paid by Bulgarian and foreign citizens is determined in Tariff No 1, Letter A, point 16, subparagraph a), b), c). In litigation proceedings on claim for adoption, the Bulgarian citizens and foreign citizens, married to Bulgarian citizens, and wishing to adopt her/his husband's child pay less money than the foreign citizens. In the first two cases the claimants will pay a state charge in the amount of between 3-5 euro and when the claimant is a foreigner the fee is determined in the amount of about 770 euro. The foreigner citizens will receive before the court preceding an adoption allowance certificate, issued by Ministry of Justice. For receiving an adoption allowance certificate they will pay charges in the amount of 50 BGN (25.64 euro).

2.2 Other proceedings cost

There are accessory cost for summoning and remuneration of experts and witnesses, for making inspections and collecting of evidence that shall be determined by the court.

The sums for summoning and remuneration of experts and witnesses will be determinate by the court in accordance with Art.59 of the Civil Proceeding Code and the Ordinance No 1 for the conditions and the order of determination the experts' remuneration issued by The Supreme Judicial Council. Determined by the court in accordance to Ordinance No 1 for the conditions and the order of determination the experts' remuneration shall be in the amount of not less than 30

BGN (15.38 euro). In the practice the court panels determined the remuneration of experts in amount of 100 BGN (50 Euro).

If the defendant's permanent address is unknown - he/she cannot be subpoenaed at it during a period of one month, he/she will be summoned through a publication in the unofficial section of the State Gazette. The summoning cost for the publication in the unofficial section of the State Gazette depends on the size of the publication based on the price of one standard page. It is between 15 BGN (7.69euro) - 30 BGN (15.38 euro).

In cases of commercial law the claimant must pay a sums for the cost for actual status in mount of 12 BGN (6.15 euro) to the Regional Trade Registry and 32 BGN (16.41 euro) to the Trade Registry;

When the court summons the witness, the sum for summoning is average 15 BGN (7, 69 euro). In cases when the party took him alone to the hearing, the court does not determine a fee for witnesses' summoning and remuneration.

2.3 Costs of legal recourses (Appeals...)

These costs are determined in Tariff No 1 thereto the Law for State Charges and they are collected when the case is appealed before the superior court of justice. The amount of the fee is evaluated in one half of the appealed part of the claimed sum.

The costs of legal resources in cross-border litigation and in internal litigation are not different. The state charge in cross-border dispute will be collected in the same cases and at the same amounts, specified in Tariffs N 1. The state charges of legal recourses will be also paid in advance. They will be evaluated on the basis of one half of the appealed part of the claim, according to Tariffs N 1 Letter A, points12 and 13.

The one half of the appealed part shall be determinated under Art. 55 of the Civil Procedure Code and Tariff 1 thereto the Code - the particular amounts will be determined on the following base 1/2 of:

a) on claims for money receivables - of the claimed amount;

- b) on claims for ownership and for the conclusion of a definitive contract - 1/4 of the tax valuation for taxation of inheritance, and if there is not any - 1/4 of the market value of the estate;
- c) on claims for impaired ownership - 1/2 of the amount under the preceding subparagraph;
- d) on claims for existence, invalidation or breaking of a contract - of the value of the contract, and where it refers to contracts for purchase of a real estate - at the amounts under subparagraph "b";
- e) on claims for the existence or termination of a contract for rent - of the rent for one year;
- f) on claims for periodical payments for a certain period - of the total sum of all payments;
- g) on claims for periodical payments for an unlimited period or for life payments - of the total sum of the payments for three years.

2.4 Costs of ADR

According to Art.9 of the Civil Procedure Code from 1952 to a property dispute the parties may agree that it would be resolved by an arbitration court, unless the dispute has as its subject matter any real rights or possession over a real estate, support money or a right under a labour legal relation. In Bulgaria there is about 10 Arbitration Courts at Association of Commercial Banks, Bulgarian Chamber of Commerce and Industry, Bulgarian Stock -Exchange-Sofia Executive Board of the Mediation Center.

Distinction of arbitration, which is applicable in Bulgaria, over 100 years ago, the other ADR -mediation was adopted with the entry into force The Mediation Act by National Assembly on December 2, 2004.

According to the Mediation act - mediation is as an alternative method of legal and non-legal dispute resolution. The subject of mediation can be civil, commercial, labour, family and administrative disputes, consumer rights related disputes, as well as any other disputes between natural persons and/or legal entities. Mediation has significant effect in cases of commercial and contractual disputes, real estate and construction dispute, personal injury disputes, intellectual property disputes, insurance disputes, and labour disputes.

In the alternative dispute resolution proceedings, including mediation and arbitration, the parties shall pay a registration fee, a fee for conduction of ADR (“Mediation Fee”/”Arbitration Fee”) and an expenses deposit, as well as all expenses related to this proceedings.

Each mediation and arbitration centre has its own tariff, adopted by the Executive Board of the Mediation Centre or Arbitrations Courts. As a rule the tariffs are more inexpensive than the courts fee. The ADR-tariff is about 1/3 more inexpensive than the courts fee.

The ADR costs are not different in the cases of internal and international (incl. cross-border) disputes, but these fees do vary by the contract terms (which arbitration court will settle the arisen dispute) -

1) The Court of Arbitration at the Bulgarian Chamber of Commerce and Industry (<http://www.bcci.bg/index.htm>) has two separate tariff tables. The first tariff table is in BGN, while the second one is in EURO. (In the both cases fees are estimated as per cent of the claimed sum, but the fees in the first table are higher). The tariff table is selected according to the contract terms.

2) The Court of Arbitration at the Bulgarian Industrial Association (www.bia-bg.com/arbitration/default_en.htm) has a single tariff table for all litigations. The fees are estimated as per cent of the claimed sum, based on the official exchange rate of the relevant currency set by the Bulgarian National Bank as of the date when the claim is filed and regardless of the currency asserted in the claim.

As example in Internet is present Mediation Fee Schedule of the Mediation Centre of Bulgarian Chamber of Commerce and Industry, which is adopted by the Executive Board of Bulgarian CCI by Resolution No. 22/19-2005 dated 13.09.2005.

According this schedule - The amount of the Mediation Fee is paid in advance and the hourly rate for mediation applicable for disputes between citizens and disputes involving property interest not exceeding 20 000 BGN (10 256 Euro) shall be 50 BGN (25.64 Euro).

The hourly rate for mediation applicable for disputes:

1. Where at least one of the parties is a commercial entity,

2. or disputes between citizens or disputes involving property interest exceeding 20 000 BGN (10 256 Euro),

3. or disputes of particular legal and factual complexity (multiple parties, multiple receivables or claims), shall be 80 BGN (40 Euro).

1.

In case of participation of more than two parties in mediation shall be due an additional fee amounting to 30% of the hourly rate for the respective type of dispute pursuant for each additional party.

In case of conduction of mediation by more than one mediator the amount of the Mediation fee shall be increased by 50% compared to the hourly rate for the respective type of dispute pursuant indicted in the tariff.

An exception from the amount of the above fees shall be admitted only with regard to disputes involving insignificant interest or disputes of significant legal and factual complexity, with the consent of the mediator and on the grounds of a preliminary agreement between the Mediation Centre and the Parties.

Arbitration proceedings shall involve payment of charges and a deposit for expenses.

The arbitration charge is the amount, paid to cover the overall expenses of the Court of Arbitration, including the fees of arbitrators. It is determined on the amount of the claim, according to the Court of Arbitration table.

As example the arbitration charge are determined on the amount of the claim. They are noted done in the Tariff of arbitration charges and expenses for international disputes subject to hearings by the Court of Arbitration at the Bulgarian Chamber of Commerce and Industry, effective from 12th of January 2004, is follows:

up to 1 000 Euro the charge in Euro is 150;

from 1 001 up to 5 000 150 + 12% over 1 000

from 5 001 up to 10 000 630 + 9% over 5 000

from 10 001 up to 50 000	1 080 + 6% over 10 000
from 50 001 up to 100 000	3 480 + 4% over 50 000
from 100 001 up to 200 000	5 480 + 2% over 100 000
from 200 001 up to 500 000	7 480 + 1% over 200 000
from 500 001 up to 1 000 000	10 480 + 0.5% over 500 000
from 1 000 001 up to 2 000 000	12 980 + 0.3% over 1 000 000
over 2 000 000	15 980 + 0.2% over 2 000 000

Except the arbitration charge the Court of Arbitration shall collect a deposit for expenses, determined by the President of the Court of Arbitration. These expenses incurred in the course of individual cases - for summonses and notices, for serving papers, fees for interpreters, shorthand recording of minutes, and issue of certificates.

To proceedings costs are incurred additional cost in relation to the collection of evidence, the conduct of the hearings outside the address of the Court of Arbitration, the examination of witnesses and experts, and other actions necessary for the hearing and resolution of disputes.

The party, which has appointed an arbitrator whose participation in the sessions of the Arbitral Tribunal is connected with travel and sojourn costs in Sofia, regardless of the outcome of the arbitration proceedings, shall be paid in advance for its account, the amount of these expenses.

2.5 Payment

The payment of charges and expenses are made in advance in BGN into the bank account of the relevant court

2.6 E-justice

According to the draft "Action Plan of the Ministry of Justice", September 2007 the Bulgarian justice portal named 'E-Justice' shall start operations by the end of 2007. The launch is part of a PHARE-funded project on the implementation of the strategy for a reform in the judicial system by means of introducing information technologies, i.e. 'e-justice'. The new kind of service will first be tested on the Internet, and by mid-2008 will be registered as a paid service.

Generally speaking the term covers juridical services offered to citizens, the business or state institutions on the Internet. For the time being the portal will be designed to cater to the needs of ordinary citizens and some of the business ventures. At a later stage the project will provide also video communication or audio and video recordings of court hearings.

2.7 Impact of the number of hearings on costs

In Bulgaria the number of hearings is not limited. Every regional court panel (which is composed of one judge), or a court panel of appeal (which is composed of three judges) determines the number of the open-session hearings. The Court panel usually holds two sessions per week and 20-30 hearings per session and the judge (-s) determines the exact number of hearings in each session in accordance with their work-schedule.

2.8 Transcription costs

According to Art. 4, subparagraph a), of the Law for State Charges it is noted that: "Stamp duties are paid for.... and other services, provided by the Courts of Law." The transcription cost as each other cost is determined in such amount as specified

in Tariffs approved by the Council of Ministers.

The courts require the transcription of deeds when documents are enclosed to the file. They may be submitted also in a transcript, certified by the party, but in this case on demand the party will be obliged to submit the original of the document or an officially certified transcript thereof.

The transcription costs for all deeds are as follows:

For issuing of a certified transcription by the Court, according to Point 19, letter b) Tariff No 1 thereto Law for State Charges, transcription fee is 1.50 BGN (0.76 euro) for the first page and 1.00 BGN (0.51 euro) for each following page.

For issuing of a certified transcription of a document by the Registry Agency (for documents available in the agency archives), according to Tariff for State Charges, collected by the Registry Agency, transcription fee is set by the Tariff for Notary Fees thereto the Law for Notaries and Notary Activity:

This transcription fee is 2 BGN (1.02 euro) for the first page and 1.00 BGN (0.51 euro) for each following page.

For issuing of an uncertified copy of a document, the transcription fee is 1.00 BGN (0.51 euro) for each page (according to Tariff for State Charges, collected by the Registry Agency, art. 1, para. 2).

Also the amount of the cost is calculated in a flat fee and depends on the types (court's deeds or notary's deeds) of the documents pages. The accepted methods of payment for court proceedings are a bank transfer/cash and the applicant is responsible for payment of the transcription cost..

3 Lawyers' consulting and representation fees

3.1 General

In civil judicial proceeding there is not an obligation to have a registered lawyer. But there are some cases (as example - in case of contradiction in the interests between the represented person and the representative), when the court will appoint a registered lawyer as special representative. In this case the lawyer will be appointed by the court in accordance the Legal Aid Act and the remuneration will be paid by the Nation Legal Aid Bureau.

In cases of cross-border litigation the citizen of a foreign country is allowed to use lawyers living in their country of residence together with a Bulgarian attorney. This is possible in the cases when this is stipulated by an agreement between Bulgaria and the respective foreign country, or on mutual basis. A preliminary request for this to the Chairman of the Supreme Attorney Council must be submitted. The Minister of Justice determines the countries with which there is a mutual agreement upon request of the Chairman of the Supreme Attorney Council

According to the Civil Procedure Code from 1952 (Art. 16) the underage persons may conduct their cases personally only in relation to disputes on labour legal relations. All the other legal procedural actions may be performed personally but with the consent of their legal representatives - of their parents and etc. The same is valid for the restrictedly disabled persons or custodians.

The minors, the persons placed under total judicial disability, those tracelessly missing and those declared absent shall be represented by their legal representatives. If the party in the civil proceeding litigation does not have to have a registered lawyer, she/he will not have to pay for the lawyer's remuneration. In cases when the parties in litigation have a registried lawyer, the lawyer shall have right to remuneration for his work. The regulation that defines the lawyers' fees is Art. 36, Para 2 of Attorney Law and the "Ordinance 1 for a minimal measurement of attorney remuneration" adopted by the Supreme Attorney Council on 09.07.2004.

According to the Law "The amount of the remuneration shall be determined in a contract between the attorney and the client. This amount must be fair and

grounded and cannot be lower than the amount, determined in ordinance of the Supreme Attorney Council for the respective kind of work”. The remuneration can be defined as absolute sum and/or percentage of the defined interest with regard to the outcome of the case except for the remuneration for defence in punitive cases and in civil cases with non-material interest. The lawyers have the right to receive fees for consultation, representation before the court, for preparation of contracts, notary deeds and other papers.

3.2 Fees depending on the nature of the litigation

The amount of the lawyers’ fees depends on

- The material interest, which will be defended in the litigation;
- Complexity of the case;
- Lawyer’s efforts and the time necessary for preparation and solving of the case. Particular circumstances may occur which may have impact on the remuneration. Most often this is the quickness necessary for completion of a certain action.

The remuneration determined in minimum in The Ordinance 1 of The Supreme Attorney Council is as follows:

1. FAMILY LAW

Divorce -The average cost is about 82.04 Euro, which is calculated from the:

Representation fee -100 BGN (51,28 euro) Art.7, Para.1, point 2

Cases' survey fee - 30 BGN (15.38 euro) Art.6, point 3

Consulting fee- 30 BGN (15.38 euro) -Art.6, point 1 and 2

Children Custody Right -The average cost is 71.78 Euro, which is calculated from the:

Representation fee - 80 BGN (41.02euro BGN Art.7, Para.1, point 4

Cases' survey fee- 30 BGN (15.38 euro) Art.6, point 3

Consulting fee- 30 BGN (15.38 euro) Art.6, point 1 and 2

Alimony

According to Art.5, Point. 2 the alimony cases could be free for the claimant, but some lawyers take Representation fee of about 40 euro. In Art.7, Para.1, point 6 it is determined that the minimum lawyer's remuneration paid by the defender is in amount of 30 BGN (15.38 Euro).

2. LABOUR LAW- The average cost is about 56.40 Euro, which is calculated as average sums from the:

Representation fee -50 BGN (25,64euro) - Art.7, Para.1, point.1

Cases' survey fee-30 BGN (15.38euro) Art.6, point 3

Consulting fee- 30 BGN (15.38 euro) Art.6, point 1 and 2

According to Art.5, point.1 it could be free for the claimant in certain cases. In practice some lawyers take representation fee amounting to the minimum remuneration which is about 56.40 euro.

3.COMMERCIAL LAW- the remuneration is determined in absolute sums for the cases' survey fee and consulting fees by virtue of Art.6, point 1, 2 point 3 of the Ordinance 1 in amount of 60 BGN (30.76 Euro).

The representation fees are determined in accordance with Art.7, Para 2, point up 1 to 4 of the Ordinance 1 for the lawyer's remuneration and it is depended of the material interest on the claim. The tariff determined the amount of minimum fees as follows:

Up to 1000 BGN (512.82 Euro) -The fee will be calculated in 10% of the claimed sums, but not lees than 40 BGN (20, 51 Euro);

From 1000 BGN (512.82 Euro) to 5000 BGN (2564.10 Euro) - It will be 100 BGN in flat sums (51.28 Euro) + 6% of the amount exceeding 1000 BGN (512.82 Euro);

From 5000 BGN (2564.10 Euro) to 10000 BGN (5128, 21 Euro) - the flat sum is 340 BGN (174.35 Euro) + 4% of the amount exceeding 5000 BGN (2564.10 Euro);

For claims above 10 000 (5128. 21 Euro) - 540 BGN (276, 92 Euro) + 2% of amount exceeding 10 000 BGN (5128, 21 Euro).

Payment for a commercial or services agreement, Goods or services not in accordance, Litigation between associates, Mandates and agents also on all estimated claims, regardless the nature of proceeding the minimum remuneration will be determined in respect of this table.

3. Also in the CIVIL LAW's cases on estimated claims regards to:

- Consumers protection;
- Liability;

4. In the PROPERTY LAW's cases regards to

- The Ownership and co-ownership rights
- Lease;

The remuneration is determined in accordance with Art.7, Para 2, point from 1 to 4 of the Ordinance 1 for the lawyer's remuneration and it depends of the material interest on the claim.

Up to 1000 BGN (512.82 Euro) -The fee will be calculated in 10% of the claimed sums, but not less 40 BGN (20, 51 Euro);

From 1000 BGN (512.82 Euro) to 5000 BGN (2564.10 Euro) - It will be 100 BGN in flat sums (51.28 Euro) + 6% of the amount exceeding 1000 BGN (512.82 Euro);

From 5000 BGN (2564.10 Euro) to 10000 BGN (5128, 21 Euro) - the flat sum is 340 BGN (174.35 Euro) + 4% of the amount exceeding 5000 BGN (2564.10 Euro);

For claims above 10 000 (5128. 21 Euro) - 540 BGN (276, 92 Euro) + 2% of amount exceeding 10 000 BGN (5128, 21 Euro).

On claim for legal partition the remuneration will be determined in accordance with the above-mentioned decrees of Art.7of the Ordinance, but it shall not be less than 200 BGN (100 Euro).

The lawyer's consultation and representation fees will be not different in the cases of the cross-border disputes and the amount of remuneration will be determined according to this schedule.

5. In cases regarding CIVIL STATUS the fee is determined in flat sums by virtue of Art.7, Para 1, points 2 and 4.

On unestimated claims - such as a claim, raised by one of the spouses against the other, claiming that there is or there is no matrimonial relationship and the claims for the name after the divorce, the fee will be determined in flat sums in the amount of 80 BGN (41 Euro).

On claims for ascertaining or contesting of origin the fees is determined in the amount of 100 BGN (51 Euro).

6. For preparation of contracts, notary deeds and other papers the fees as follows:

-to compose a testament - 50 BGN (25 EURO)

-to compose contracts, notary deeds, out-courts /voluntary/ partition - a fee is based on estimated interest:

Up to 100 BGN - 15 BGN (7.69 Euro);

From 100 BGN (51.28 Euro) to 1000 BGN (512.82 Euro) -15 BGN (7.69 Euro) + 1, 5% of the amount exceeding 100 BGN (51.28 Euro);

From 1000 BGN (512.82 Euro) to 10 000 BGN (5128.20 Euro) - 28, 50 (14.61 Euro) +1% of the amount exceeding 1000 (512.82 Euro);

Up 10 000 BGN (5128.20 Euro) to 50 000 BGN (25 641Euro) - 118, 50 BGN (60.79 Euro) + 0, 5 of the amount exceeding 10 000 BGN (5128.20 Euro);

Up 50 000 BGN (25 641Euro) to 100 000 BGN (51 282 Euro) - 318, 50 BGN (163 Euro)
+ 0, 2 of the amount exceeding 50 000 BGN (25 641Euro);

Above 100 000 BGN (51 282 Euro) - 418 BGN (214.35 Euro) + 0, 1% of the amount
exceeding 100 000 BGN (51 282 Euro);

Registration of companies- up 50 BGN (25.64 Euro) to 250 BGN (128.20 Euro)

In practice the minimal remuneration is usually increased two or three times. The
lawyers have not right to take remuneration under the one regulated by the
Supreme Attorney Council.

3.3 Fees depending on the type of lawsuit or proceedings

In the fast proceedings, security proceeding, proceeding for the issue of writ
execution, under Art.237, subpara. c) - h) the fees collected by the lawyers are one
half of the claimed sum (according to the fees, determined in Art.7 of The
Ordinance 1).

According to art. 9 for preparation /drawing up/ of an appealed or cassation
petition /without the actual representation in the court/ the remuneration is
amounting to one half of the remuneration under art. 7 and 8.

Art.10. The remuneration for the defence under an execution case is:

1. for filing of an execution case - 20 BGN(10.54 Euro);
2. for representation under an execution case and completion of an action for
payment of monetary takings - 1/2 of the relevant remunerations pointed out under
art.7, para.2;
3. for representation under an execution case with subject somebody to be put into
or out of the possession of a real property - 1/2 of the relevant remunerations
pointed out under art.7, para.2, on base of the value of the real property;
4. for completion of execution actions not written above - 20 BGN (10.54 Euro)

3.4 Fees depending on the value of the claim

The amount of the lawyers' minimum remuneration will be changed for the civil law cases (as possession of property and real estate). This will be done as a result of the increase of the amount/value of the claim, according to Art. 69, Para 2, 4 of the new Civil Procedure Code.

In accordance with Art.80, letter "b" of the Civil Procedure Code passed in 1952 under/within the jurisdiction of the district court as a first instance will be the claims for civil cases which amount/value is over 5128 Euro (10 000 BGN). Starting 01.03.2008 the amount/value of the similar law cases adjudicated by the district court as a first instance will be raised to 12 820.51 Euro (25 000 BGN) - this rate shows difference in the range of 150 %, which will lead to raise in the lawyers' remuneration.

In the both cases the ground and method for calculation will be Art.7, Para2, point 4:

"in accordance with the material interest: up to 5128.21 Euro (10 000BGN) - 276,92 Euro (540 BGN) + 2% of the amount for sums above 5128.21 Euro (10 000BGN) " of the Ordinance 1 for the minimal measurement of the attorney remuneration, adopted by the Supreme Attorney Council.

At the moment the lawyers' remuneration will be determined in the amount of 379.49 Euro (740BGN) and after 01.03.2008 it will be in the amount of 430.76 Euro (840 Euro). The increase of the amount of the lawyers' remuneration will be with 13.52 % after 01.03.2008.

3.5 Fees depending on the jurisdiction

The fees do not depend on the jurisdiction, but for each instance the lawyers are entitled to receive the due remuneration. The minimum amount of the consulting and representation fees in the ADR institutions, Appellate Court, Supreme Court is calculated in accordance with "Ordinance 1 for a minimal measurement of attorney remuneration" adopted by the Supreme Attorney Council on 09.07.2004. The remuneration is due to the lawyer for each jurisdiction.

According to Art. 218a, Para 1, Letter a) and b) of the Civil Procedure Code in force from 1952 subject to appeal before the Supreme Cassation Court shall not be:

- the decisions of the district courts on claims for cash receivables with a price of the claim up to 5 000 BGN(2564 Euro)
- the decisions of the courts of appeal on claims for cash receivables under commercial cases with a price of up to 25 thousand BGN (12 820 Euro).

Now in practice each decision of the district court or the court of appeal with exception of the decisions on: claims for support; the decisions on matrimonial claims and on claims for cash receivables with a price of the claim up to 5 000 lev; claims under art. 11, para 2 of the Law for the ownership and tenure of agricultural lands and claims under art. 13, para 2 of the Law for restoration of the ownership of the forests and the lands of the forest fund and on claims for cash receivables under commercial cases with a price of up to 25 thousand BGN (12 820 Euro) and under art. 17, para 2 of the Law for the settlement of the collective labour disputes are appealed before the Supreme Cassation Court, which in Bulgaria is the third instance.

This means that except for the due courts fee in the amount of 2% of the appealed part of the decision which has to be paid for each appealed instance, the parties make costs for lawyers remuneration in the minimum amount of 2 % for every instance.

The amount of the lawyers' cost is evaluated on one half of the claimed sum as in table "Lawyers' fees according to the_nature of the litigation" Art.7, Para 2 as follows:

From 5000 BGN (2564.10 Euro) to 10000 BGN (5128, 21 Euro) - the flat sum is 340 BGN (174.35 Euro) + 4% of the amount exceeding 5000 BGN (2564.10 Euro).

The changes that are going to be in effect from 01.03.2008 by virtue of Art.280, Para 2 of the Chapter twent and two"CASSATION APPEAL" of the Civil Procedure Code from 2007 shall reduce indirectly the lawyer's fees for this instance.

According to this regulation subject to appeal before the Supreme Cassation Court shall not be the decisions of the district courts on claims for cash receivables with a price of the claim up to 1 000 BGN (500 Euro).

- The change of this provision aims decrease of the number of the cases that may be appealed before the Supreme Cassation Court and coming into force of the second instance decisions on one hand and on the other hand decrease of the justice expenditures and lawyers' remunerations due for the third cassation instance particularly for the cases with low material interest.

3.6 Payment

One half of the remuneration usually is paid after the consultation and the remainder after the filing of the case in the court. The client can pay the remuneration into the lawyer's bank account for clients or in cash. However, it is possible the lawyer and his/her client to stipulate another way of payment.

The lawyers' fee defined as an absolute sum and/or percentage of the defined interest will be calculated in the contract between the lawyer and the client. The pecuniary resources, which the client concedes for spending to the attorney, can be paid into the lawyer's bank account for clients. In the lawyers' bank account can be transferred sums for payment of expenses, state fees and taxes of the client; payment of remunerations to persons, different from the attorney.

By virtue of Art. 39, Para 2 of the Attorney Law:

“The attorney shall have the right to deduct from the resources, received by his client, the sum for his expenses as far as they are not covered by received advances but he shall be obliged to present account to the client”.

In “Ordinance 1 for a minimal measurement of attorney remuneration” adopted by the Supreme Attorney Council on 09.07.2004 only the minimum remuneration is fixed. It is difficult to determined the average percentage and average lawyers' fees per hour, because each lawyer determines his remuneration and the way of its payment -in flat sum above the minimum in the Ordinance 1 or per hour.

Since 01.01.2007 VAT in the amount of 20 % has been applicable to lawyers, private enforcement agents and notary activities according to Art.3, Para.2, sentence 1 of the Law for VAT. The National Ombudsman has litigated this article in The Constitutional Court of the Republic of Bulgaria. On 24.04.2007 the Constitutional Court abrogated Art.3, Para 2, sentence 1 as anti-constitutional and after the

promulgation of the judgement on 08. 05. 2007 in the State Gazette, VAT is not applicable to lawyer activity.

3.6.1 Retainers

The attorneys have to ascertain their identity and assignment by a power of attorney signed by the party or its representative. The attorney's three names, exact address and telephone number must be indicated in this power of attorney.

An explicit power of attorney is needed for lodging claims regarding the party's civil status, including marriage claims - According to Art. 21 of the Civil Procedure Code

The amount and way of payment are determined in the contract between the lawyer and the client and in the power of attorney:

- Payment of the total amount for the work fulfilled
- Payment per hour
- Monthly fee.

The system of a concrete remuneration is preferred upon assignment of a separate and clearly specified task regarding their quantity.

The payment per hour has its advantages when the work is prolonged and concerned deferent law branches and assignment of different tasks. In Bulgaria this payment is preferred by companies who sign contracts with their lawyers.

Monthly payments is payment of the lawyers' remuneration per month and its amount cannot less than 200 BGN (100 Euro). For the contract period of validity the lawyer has to complete the entire legal servicing of the company /the client/. As per the Ordinance 1 for a minimal measurement of attorney remuneration" adopted by the Supreme Attorney Council on 09.07.2004, for representation in the court a separate remuneration has to be paid to the lawyers with contracts providing monthly payment. This kind of payment is suitable in cases of long lasting cooperation between the client and the lawyer and it is used mainly by commercial companies and traders.

4 Bailiff fees

4.1 General

In Bulgaria there are two branches of bailiffs - state executive magistrates and private enforcement agents. The only difference in the statute will be that the private ones are entrepreneurs, businessmen, whereas the others are public servants and are salaried.

The Law on Private Enforcement Agents was adopted on May 10, 2005 and entered into force on September 1. This law was necessary for the public in view of the huge internal indebtedness and the obvious impossibility to collect these debts within reasonable time-lines.

Furthermore, the norms of the current Civil Procedure Code from 1952 allow many of the bailiffs' actions to be disputed. So, in a way the judgment enforcement becomes second claim proceedings. This interferes with the social relations, with the national economy as a whole. When litigation has been going on for 5 or 6 years, finally the parties have obtained a judgment and the moment for its execution comes, then new hard proceedings start. The judgment cannot be enforced, and when it comes to trade companies this may lead to bankruptcy. So, the judgment enforcement reform was necessary, and the first step in it was the adoption of the private enforcement. The substance of the reform was the assignment of state functions concerning the enforcement of court judgments to private persons. Bulgaria has chosen the mixed model of enforcement of court decisions that allows parallel operation of the state executive magistrates and private enforcement.

The amount of the bailiff's fees is determined in both tariffs:

- Letter C of Tariff 1 thereto the Law for State Charges collected by the state executive magistrates
- and Tariff of the fee and expenses on enforcement pursuant to the law on the private enforcement agents.

The amount of fees in both tariffs is the same. But the bailiffs charges collecting the additional fee at the amount of 50 % of the fee for the respective action by the

private enforcement agent in non-working days and on holidays and for sending subpoenas by mail, copy of the complaint, notification and papers.

The sums collected by the state executive magistrates will go in the state budget, the budget of the judiciary respectively, while the sums collected by the private enforcement agents will go for the maintenance of their office, staff and the formation of profit whereby they will support their families.

The changes that are going to be in effect from 01.03.2008 by virtue of the Civil Procedure Code from 2007 in the executive proceeding have not been made in the Country Report. Furthermore the comparative examination of this and the regulation of the executive proceeding by virtue of Code from 1952 can be subject to detached comparative analysis after the Tariff for state charges and fees, collected by the bodies of the judicial will be passed by the Council of Ministers.

According to the legal requirements of item 4 paragraph 2 from the Transitional and closing provisions of the new Civil Procedure Code:

” The Council of Ministers should pass a bill for Tariff under article 73, paragraph 3, section 2 “State charges and fees” of the new CPC effective from 24.07.2007 and also the latest date for promulgation of this tariff is 24.01.2008.

4.2 Ante judgment

The circumstance which is prior to a judicial proceeding that the intervention of a bailiff required by law is regulated in Civil Procedure Code from 1952:

According to Art. 238. of the Civil Procedure code:

(1) The court shall rule on the preliminary implementation of the decision, when it adjudges support money, remuneration for work and indemnification.

(2) The court may admit, at the request of the claimant, the preliminary implementation of the decision also:

a) where it adjudges a receivable, based on an official document;

b) where it adjudges a receivable, which has been acknowledged by the defendant, and

c) where the late implementation may cause considerable and irreparable damages to the claimant or the implementation itself would become impossible or would be considerably impeded.

(3) In the cases of the previous paragraph the court may oblige the claimant to present in advance a due security.

The costs of bailiff notifications are follows:

- 20 BGN (10.23 euro) - for commencement of the case;
- 50 BGN (25.64 euro)-for the overall study of the property status of the debtor, obtaining of data, documents, papers and others;
- 5 BGN (2.53 euro)- for a one check of the debtor's status and his property;
- 10 BGN (10.25 euro) - to send by mail a subpoena, copy of a complaint, notification and papers. Only private enforcement agents, acc.to p.4 section, collect the subpoena's sum.

The fees shall be paid in advance, when the enforcement case is formed and before the accomplishment of the executive action.

For periodical payments, (incl.support money), the fee is calculated every six months on the total amount of the due sums and it is collected after dedication of the fees already paid for past obligations.

4.3 During proceedings

Accordence to Art.237 Subject to compulsory implementation shall be:

a) ... Conviction decisions of the appellate courts....

Art. 218b. (2) The cassation claim on conviction decisions shall not stop their fulfilment.

(3) The claimant can request stopping of the fulfillment of the decision. In this case he shall be obliged to present due security. The size of the security shall be determined:

- a) on decisions for cash receivables - the adjudged sum;
- b) on decisions regarding real rights on chattel - the price of the claim;
- c)(amend. SG 36 2000) on decisions regarding real rights on real estates - 1/4 of the value on which the price of the claim has been determined

In all other cases the court shall determine the size of the security

The costs of bailiff deeds notifications in these cases are collected:

- To prepare an inventory of movable and immovable property, incl. Securities-1.5 % of the sum of the claim, but not less than 50 BGN (25.64 Euro).
- To seize and submit movables, incl. pledged property under Law of the Registered Pledges -2 % of the value of the chattel, yet not less than 50 BGN (25.64 Euro).
- To perform a public sale, as well as a sale of pledged property pursuant the Law of the Registered Pledges-1 % of the value of the property, yet not less than 200 BGN (102.56 Euro).
- For a request to the registration judge or to withdraw a foreclosure - 1,5% of the sales price, but not less than 50 BGN (25.64 Euro) and not more than 3 000 BGN (1538 Euro)
- For commencement of an executive cases, to hand a subpoena, a copy of a complaint and notification and papers 20 BGN (10.54 Euro);
- To conducts a certain action 50 BGN (25.64).

The fees shall be paid in advance by the appellant, when the enforcement case is formed and before the accomplishment of the executive action.

For periodical payments, (incl.support money), the fee is calculated every six months on the total amount of the due sums and it is collected after dedication of the fees already paid for past obligations.

4.4 Post proceedings

Subject to compulsory implementation by the virtue of Art.237. Civil Procedure Code from 1952 shall be:

- a) The enforced decisions and rulings of the courts. The court agreement protocols... as well as the decisions of the arbitration courts of law and the agreements on arbitrary cases, concluded before them;
- b) The decisions of foreign courts of law, on which implementation has been allowed by a Bulgarian court;
- c) The documents and the excerpts of the accounts by which receivables of the banks, the Central Administration of the National Health Insurance Fund and the regional health insurance funds, the state institutions and municipalities have been ascertained, if the obligation has not been fulfilled;

- d) The documents and abstracts from the accountancy books establishing the obligations of the employers for receivables of workers and employees ensuing from legal terms of employment;
- e) The rulings of the administrative bodies, on which the allowance of the fulfillment has been assigned to the civil courts of law;
- f) The promissory notes, bills of exchange and other securities issued to order, that are equal to them, as well as the bonds and coupons for interest on them;
- g) The notaries acts with regard to the obligations, contained therein, for payment of money amounts or other replaceable objects, as well as obligations for the transfer of possession of certain objects;
- h) Agreements and other contracts with notaries certification of the signatures with regard to the obligations contained therein for the payment of money amounts or other replaceable objects, as well as obligations for delivering certain objects and;
- i) The abstracts from the register of the registered pledges for registered sale contracts with retaining the ownership until the payment of the price and leasing contracts regarding the return of the sold or leased properties;
- j) Other documents, on the grounds of which the law admits the issue of a writ of execution.
- k) The enacted acts for establishing private state and municipal takings when the fulfillment is by the order of this code.

The costs of bailiff deeds notifications in these cases are collected:

- To prepare an inventory of movable and immovable property, incl. Securities-1.5 % of the sum of the claim, but not less than 50 BGN (25.64 Euro).
- To seize and submit movables, incl. pledged property under Law of the Registered Pledges -2 % of the value of the chattel, yet not less than 50 BGN (25.64 Euro).
- To perform a public sale, as well as a sale of pledged property pursuant the Law of the Registered Pledges-1 % of the value of the property, yet not less than 200 BGN (102.56 Euro).
- For a request to the registration judge or to withdraw a foreclosure - 1,5% of the sales price,
but not less than 50 BGN (25.64 Euro) and not more than 3 000 BGN (1538 Euro)
- For commencement of an executive cases, to hand a subpoena, a copy of a complaint and notification and papers 20 BGN (10.54 Euro);

-To conducts a certain action 50 BGN (25.64).

The fees shall be paid in advance by the appellant, when the enforcement case is formed and before the accomplishment of the executive action.

For periodical payments, (incl.support money), the fee is calculated every six months on the total amount of the due sums and it is collected after dedication of the fees already paid for past obligations.

4.5 Payment

Notwithstanding the fact whether the appellant choose to start the execution proceeding before a state executive magistrate or a private enforcement agent, he has to pay in advance one and the same fee written in the both tariffs. The payment must be fulfilled before the accomplishment of the execution action. When the execution proceeding is fulfilled the fees and costs paid by the appellant have to be repaid by the debtor.

4.5.1 Retainer

The bailiff shall proceed to the execution on application of the interested party on the grounds of a presented writ of execution or another deed, subject to execution.

According to Art. 69. The expenses for the execution shall be for the account of the debtor, except in the cases:

- a) where the case is terminated in accordance with art. 330 and
- b) where the execution actions are abandoned by the appellant or revoked by the court.

5 Expert fees

5.1 General

Regulation of court testimony is provided in Chapter eighteen of the Judicial System Law. According to its provisions:

Art. 200a. Testimony in court shall be assigned by the bodies of the judicial system for clarifying circumstances related to the cases, requiring special knowledge and skills.

Art. 200b. (1) A list of the specialists approved for experts shall be made for each magisterial precinct.

Art. 200c. (1) The lists under art. 200b shall be models. Where necessary as experts may be appointed specialists not included in these lists.

(2) Where the needs of the respective body of the judicial system so require it may appoint an expert from the lists of other magisterial precincts.

The commission approving the list of experts in the regional and district courts consists of: The chairman of the appeal court or by a person authorized by him, the appeal prosecutor or a person authorized by him, the chairman of the district court, the district prosecutor and the director of the district investigation service. Each chairman of the appeal court sends the list for the concrete magisterial precinct of the appellate court to the Minister of Justice for promulgation in the State gazette and for announcement through Internet.

The Supreme Cassation Court, the Supreme Administrative Court, the Supreme Cassation Prosecution, the Supreme Administrative Prosecution and the National Investigation Service will approve, when it is necessary, an individual list for the purposes of their activity. This list of experts will be approved by a commission consisting of: the chairman of the Supreme Cassation Court, the chairman of the Supreme Administrative Court, the chief prosecutor and the director of the National Investigation Service.

Proposal for amendments and supplements in the approved lists of experts will be made by the end of September of the respective calendar year. By the end of

October the commissions update the lists. By November 15th the lists will be sent to the Minister of Justice for promulgation in the State gazette and shall be announced through Internet. Changes in the lists may be made during the year as well.

The information about the experts is easily accessible because the public list of experts contains the full name of the specialist, his home address, his telephone number for connection and data for his education, specialty, place of employment, occupied position, length of service, service as expert and additional qualification.

5.2 Fees (medical experts, technical transports experts...)

According to of the Art.200k of the Judicial System Law:

(1) The size of the remuneration for the performed expertise shall be determined by the body having appointed the expertise, taking into account the complexity of the task, the requirements for qualification, the duration, the time consumption of the job and other conditions affecting the payment of the performed job.

(2) The Supreme Judicial Council shall issue an ordinance for the conditions and the order of determining the remuneration of the experts.

(3) The ordinance under para 2 shall also determine the terms and the order of determining and payment of the expenses of the medical establishments for court expertise.

According to Art. 62 of the Civil Procedure Code: The court in view of the work done and the expenses incurred will determine the experts' remuneration.

The accredited experts' charges are not higher than those of the regular experts.

By virtue of the Ordinance for the conditions and the order of determining the experts' remuneration - in civil, commercial, family law, inheritance and estate property law the experts' remuneration can be not less than 30 BGN (15.38euro). It may be increased with 100 percent in comparison with the minimal remuneration, when the task is specific and very complicated and an expert with high qualification is required (Art.15, Para 1 of the Ordinance for the conditions and the order of determining the experts' remuneration.)

According to the legislation the remuneration depends on the complexity of the task, the requirements for the qualification, the duration, the time for the fulfillment of the assignment and on other conditions affecting the payment of the performed assignment, including the incurred expenses.

However in practice the experts' remuneration is vastly increased. In regional courts it is about 100BGN (50 Euro). And in district courts for the same complexity of the task, the requirements for expert's qualification, the duration of the task, the time consumption of the job and other conditions affecting the payment of the performed job it may be increased with 200 to 300 BGN (100- 150 Euro).

5.3 Payment

The VAT is not applicable to these fees - the same is valid for all the fees collected in the litigations.

The accepted by the experts' method of payments is a bank transfer into a special court account (deposit account for experts' and witnesses' remunerations). There are no different expert compensation systems. The fees are calculated in a flat fee and the average amount of this fee can vary from about 50 Euro paid per expert to 500 Euro paid for a task fulfilled by three experts.

In cases when no charges and expenses for the proceedings will be deposited, the expenses for the proceedings will be paid from the funds specified for that purpose in the state budget. If the claim is granted, the charges due and the expenses paid shall be assigned to the convicted party.

5.3.1 Retainers

The amount of the fees and the term of payment are specified in the court ruling. In the ruling for appointment of experts the court indicates: the subject matter and the task of the investigation; the materials, which are submitted to the expert ; the name, education, specialty, place of work and position of the expert.

5.4 Legal aid cases

In the budget of the National Legal Aid Bureau the funds necessary for the expert fee are not explicitly procured. The person entitled to legal aid may apply to the court for exemption of the due fees, according to Art. 63, Para 1, subpara. b). In case of exemption the expenses for the experts will be paid from the funds allocated for that purpose in the state budget.

5.5 Reimbursement of experts' fees

The defendant commensurate to the granted part of the claim shall pay all or part of the charges and expenses for the proceedings paid by the claimant including the experts' remuneration.

5.6 Practical questions

The list of experts is a model. When it is necessary specialists not included in these lists may be appointed as experts. In order to become an expert accredited by the court one condition must be fulfilled - a Ministry, administrative body, establishment, municipality, professional and other organization and scientific institute to make a proposal for inclusion of a specialist in the lists of experts. The proposals must be sent to the chairmen of the respective district courts. The specialists can also propose themselves for inclusion in the lists of experts by sending an application to each of the heads of the respective court.

The list of experts is approved by a commission consisting of the chairman of the appeal court or by a person authorized by him. The chairman of the appeal court shall send the lists for the magisterial precinct of the appellate court to the Minister of Justice for promulgation in the State Gazette and for announcement through Internet. The experts must not take any exams. In Bulgaria the certified expert's report is valid only for a concrete judicial dispute. It is valid for the particular case and it cannot be submitted to other courts or institutions.

The report is necessary for clarification of some matters arisen in a particular case and when special knowledge, which the court does not have, is needed in the sphere of science, arts, and crafts. The conclusion must be signed by the expert and must be presented in the case file at least five days prior to the court session. In case of complexity of the subject matter of the examination, the court may appoint three experts - each of the parties shall point one person and the court shall determine the third one.

At the time of preparation and submission of this report in Bulgaria there is no regulation that enables an accredited or certified before the Bulgarian courts the expert to be automatically accredited before the courts of another Member State.

6 Translation and interpretation fees

6.1 General

The documents presented to the court in a language different from Bulgarian should be accompanied by a correct translation in Bulgarian language. If the court cannot ascertain the correctness of the translation, it shall appoint an expert for examination. The legislation in the sphere of the translation fees is:

- 1) The Hague Convention No 12 from October 5th, 1961, in force since April 30th, 2001, which is applicable in the countries who signed it.
- 2) Particular provisions about translation are provided in Part Seven “ Special Rules in the Civil Proceedings regarding the effectiveness and validity of the European Union Law“, Articles 608-633 of the Civil Procedure Code from 2007 in respect to:
 - Council Regulation (EC) No. 1348/2000 from 29 May 2000 on the service in the Member States of judicial and extrajudicial documents in civil or commercial matters.

According to Art.610, Para 2 of the new Civil Procedure Code, the documents that will be served directly by post/special authority at the courts in Bulgaria must be in Bulgarian language or must be accompanied by a correct translation. They can be written in another Member States language in case that the recipient of the documents is the citizen of this State.

- Council Regulation (EC) No. 1206/2001 of 28 May 2001 on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters;

In accordance with Art. 618 of the Civil Proceeding Code from 2007 - the request for transmission of evidences taking /collecting/ in The Republic of Bulgaria must be:

- in Bulgarian language
- or if written in other language must be accompanied with a translation into Bulgarian language and submitted to the regional court.

3) Bulgaria has signed some treaties for legal aid in relation to civil cases. The list of countries with which Bulgaria signed treaties is published on the website of The Ministry of justice. Before its EU membership Bulgaria has concluded treaties for legal aid with the following Member States - Austria, Belgium, Cyprus, Czech Republic, France, Hungary, Poland, Romania, Slovenia and Slovakia).

4) The rules for legalizations, certification and translations of documents and other papers, published by the Ministry of Foreign Affairs and The fees for documents' legalization, certification and translation are applicable to all State with which Bulgaria has not concluded treaties for legal aid in relation to civil cases and if these states have not signified the Hague Convence No 12 from October of 5, 1961.

The information about the translation fees is disseminated per Internet or at the translation offices;

On the website of The Ministry there is information about the accredited translation and interpretation agencies. Until the end of March in Bulgaria there are about 1500 accredited by The Ministry of Foreign Affairs translation agencies.

The regulation that is applicable to interpreters is Art. 105 of the Law for Judicial System and Art. 5 of Civil Procedure Code from 1952:

According to the legislation “the court language is Bulgarian”. When a participant in the proceedings does not know Bulgarian, the court appoints an interpreter with whose help this person shall perform the legal procedural actions and the actions of the court shall be explained to him. The expenses for the interpreter in penal cases of general nature and in administrative cases for granting refugee status are at the expense of the court”.

6.2 Translation fees

The translation fees depend on the tariff for translation of each translation agency, which is different. It also depends on the language, the size of the text and its complexity.

In some translation agencies the prices vary from 0.05 to 0.15 Euro per word, in others they vary from 10 to 20 Euro per standard page with 1800 symbols. Translations include proofreading as well stamping of the text by a sworn translator.

The 20% VAT is applicable to the translation fees.

The VAT for these fees is not applicable, when the court appoints a translator as an expert in the litigation for examination the correctness of the translation.

The information on translation fees is disseminated per Internet or at the translation offices;

6.3 Interpretation fees

In reality the interpretation fees depend on the tariffs for interpretation and translation of each interpretation and translation agency which are different. The facts that impact on interpretation fees except the litigation are:

- The language of the interpretation. The fees are higher, when fewer interpreters know the language.
- The nature of the interpretation. There are different tariffs for consecutive and simultaneous interpretation at workshops, presentations, and negotiations.

Interpretation may be charged per hour or on daily basis depending on the time of the interpreter's occupancy. It is also agreed in conformity with the specific nature of the interpretation (sphere, terminology, audience and so on).

6.3.1 Retainer

The court will determine the interpreter's remuneration in view of the work fulfilled and the expenses incurred. In the ruling by which the court appoints the translator or interpretator as an expert shall be indicated the amount of the remuneration and the terms in which the party shall pay the interpretator or translator. After payment of a deposit into the court's account for experts and submission of evidence to the case's file that the party has no duties, the court shall summoned the expert for the next hearing. The translator/interpreter has the right to obtain his remuneration after the court's hearing in which he has been summoned. If somebody needs this information, he has to visit or call a translator or an interpretation agency and to ask about the fees. This is the only way to learn the amount of the agencies' interpretation fees, because there is lack of information about these costs. There is no regulation concerning the determination of the interpretation fees.

In my opinion there is no transparency of the interpretation fees. Most of the agencies want to be contacted in person for information in respect to praises. There are more than 1000 agencies accredited by the Ministry of Foreign Affairs. Everyone may get information when he visits or calls some of them but if it is not done with a particular purpose it may be just waste of time and money.

I have found in Internet the interpretation's tariff on the agency Eclipse (<http://eclipse.atspace.org>), based in Varna. The fees published by this agency are per hour as follows:

For simultaneous interpretation - 60 BGN (30.79 Euro)

For consecutive and simultaneous interpretation at workshops, presentations, and negotiations - 35 BGN (17.94 Euro)

The amount of the interpretation fees for phone's conversation per 10 minutes is 5 BGN (2.56 Euro).

Almost all accredited by the Ministry of Foreign Affairs translation agencies offer interpretation services too. Also per Internet the people have easy access to the interpretation and translation agencies accredited by the Ministry of Foreign Affairs, but they have no access to the names of the interpreters working at each agency. The client cannot engage directly these interpreters. He must sign a contract with the accredited agency for interpretation. After this the agency will bring the client into contact with the accredited interpreter.

6.4 Payment

The principle is that the sums for experts' expenses (in case of appointed translator/ interpreter), even if the translation is carried out on the initiative of the court, must be paid by one of the parties or by them both, according to the circumstances. If the claimant is exempt from charges and expenses for the proceedings, these fees will be paid from the funds allocated for that purpose in the state budget. If the court does not grant the application for exemption of the due fees, the claimant shall pay all the fees (including the translation fees).

Generally the accepted by interpretation and translation agencies methods of payments is cash payment, wire transfer and bank transfer. The 20% VAT is applicable to these fees.

6.5 Practical questions

Not any translator can produce a certified translation. Every one who knows the language can translate the document but he cannot certify the translation before the Ministry of Foreign Affairs.

Only an accredited translator that is appointed by a translation agency might make the certified translation. Every translator hired by an accredited agency submits two notary-certified declarations to the agency. The translator declares that he will not disclose any investigation secrets and will not make any deliberate mistranslations (counterfeit the meaning of any translated document deliberately.) He is responsible for the congruity of any translated documents and papers and of there untranslated counterparts. His name and a sample of his signature are filed in

The Consulates Relations Directorate of the Ministry of Foreign Affairs. The Ministry does not provide licensing to single translators but only to agencies.

The documents that are used in court proceedings have to be translated by an accredited translator. In practice when somebody already has a document translated by an accredited translator there is no obstacle a photocopy certified with “Apostille” according The Hague convention No 12 to be used. According to Art. 154 of The Civil Procedure Code from 1952 - if a document must be enclosed to a court file, it may also be submitted in a transcript certified by the party. But in this case on judge’s demand the party is obliged to submit the original of the document or an officially certified transcript thereof. The party must have the original of the document and to present it at request for verification. If the party fails to do so, the submitted transcript shall be excluded from the evidence of the case.

In the litigation the condition that must be fulfilled so someone to be a translator or interpreter accredited by a court is he to be appointed as expert for a particular case. The expert shall be appointed for clarification of the case if the court panel has no knowledge of the language and cannot ascertain alone the correctness of the translation.

The accreditation proceeding is the same as the accreditation of the experts. If in the model expert’s list a translator/ interpreter who knows the language is included, the court will appoint him/her in the proceeding as expert. In the ruling by which the expert is appointed the following shall be indicated: the subject matter and the task of the investigation; the materials that are submitted to the expert; the name, education, specialty, place of work and position of the expert. The appointed by the court translator or interpreter must not take any exams. The accreditation of a translator before the courts of one Member State does not automatically accredit him in Bulgaria.

6.6 Legal aid cases

The costs covered by legal aid in internal disputes are costs for attorney fees. In the budget of the National Legal Aid Bureau the funds necessary for the

interpretation fee are not explicitly procured.

Only in cross-border disputes the cost for interpretation and for translation of documents required by the court or by another competent body will also be covered. For example in case that:

- 1.The property status of the person who wants legal aid (the citizens of the European Union or the people legally staying in a Member State of the European Union) does not exceed the social level;
2. The competent Bulgarian institutions must recognize or admit for execution in Bulgaria a court decision pronounced on a respective case in another Member State

6.7 Reimbursement

In case of a favorable decision for the party that has paid the translation and interpretation fees in litigation, the court can order the losing party to pay for these fees, according to Art.64 CPC.

In case that a part of the claim is lost and another is granted the fees and expenses will be born by the parties in conformity with the granted or the lost part.

7 Witness Compensation

7.1 General

In each court in Bulgaria there are boards which provide information about the witnesses' rights. In the regional courts (113 in Bulgaria) and in the district courts (28 in Bulgaria) the citizens can read a free brochure named "Road-guide to judicial procedures".

This brochure is also available on-line in the web site www.court-bg.com.

The Regulation applicable to witnesses and their compensation is the following articles of the Civil Procedure Code from 1952, in force until 01.03.2008:

Art. 133. (1) Witness testimony shall be allowed in all cases, unless it refers to:

- a) ascertaining of legal transactions, for whose validity the law requires a written act;
- b) confutation of the contents of an official document;
- c) ascertaining circumstances, for the proving of which the law requires a written act, as well as for ascertaining contracts at a value over 1 000 leva, unless they are concluded between spouses or relatives by a direct line of descent, by lateral branch up to the forth degree and by marriage up to the second degree inclusive.
- d) acquittal of money liabilities, ascertained by a written act;
- e) ascertaining of written agreements, in which the party that demands the witnesses, has participated, as well as for their amendment or revocation;
- f) confutation of the contents of a private document, outgoing from the party;

(2) In the cases of subparagraphs "c", "d", "e" and "f" witness testimony shall be allowed only upon explicit consent of the parties.

Art. 135. (1) No one shall have the right to decline testifying, except for:

- a) the relatives of the parties by a direct line of descent, the spouse, the brothers and sisters and the relatives by marriage of first degree;
- b) the persons, that with their answers could cause to themselves or to their relatives, set out in subparagraph "a", immediate damage, defamation or penal prosecution and
- c) the persons that with their answers could reveal a state secret.

(2) (New - Izv., No 90 of 1961) The witnesses to the case cannot be fiduciaries of the parties to the same case.

7.2 Fees

Art. 59. The sums for expenses for the summoning of witnesses (...) shall be deposited with the court in advance by the party that requested them, at an amount, determined by the court.

According to **Art.61** of the Civil Procedure Code from 1952: “the compensation of the witnesses shall be determined by the court”.

The law gives only possibility for witnesses' remuneration which will be determined by the court to be received and it does not specify how it will be calculated. Until 1997 the witnesses' remuneration was calculated as a compensation for the lost working days and compensation for the incurred expenses. This rule for determination of the witnesses' remuneration will be applicable again after 01.03.2008, when the new Civil Procedure Code, adopted in 2007 will come in force. The witness shall have the right to receive remuneration by virtue of Art. 168 of the new Civil Procedure Code, if she/he claims the remuneration until the end of the hearing for which they are summoned.

Now by virtue of the Civil Procedure Code from 1952 the average amount of this compensation per day will be determined in the amount:

- From 0 % (when the witnesses is brought by the party to the court session)
- to 15 Euro (in vary rare cases when the witness is summoned by the court).

In Art. 49, Para 1 point 3, Chapter eight" Peculiarities of the legal services provided in international disputes" of the Legal Aid Act, the following is settled:

In cases of cross-border disputes a compensation of the witnesses' travel costs will be given, where the attendance of the witnesses is obligatory and required at the court session in Bulgaria.

The paid fees and expenses for the witnesses are born by the party who loses the case. In case that a part of the claim is lost and another is granted the fees and expenses will be born by the parties in conformity with the granted or the lost part of the claim.

7.3 Payment

The 20%VAT is not applicable to this compensation.

The way of witnesses' payment is a bank transfer into a court's bank account, which is only for summoning and remuneration of witnesses and experts.

7.4 Practical questions

Also:

Everyone can be a witness but the testimony:

- of relatives;
- of those that are involved in a civil or penal dispute with the opposite party or with its relatives;
- as well as of anyone else who is interested in the benefit or detriment of one of the parties; shall be assessed by the court.

The court organizes the authentication proceeding. Before the interrogation of the witness the court shall ascertain his identity and shall remind him of his responsibility before the law in case of perjury and the witness has to promise to tell only the truth.

The testimonies are collected orally. In cases where the law requires a written document, a witness testimony shall be allowed if it is proved that the document has been lost / destroyed not at the party's fault.

Only the bodies of the judicial system are competent to collect testimonies.

In internal disputes when the evidences are placed out of the region of the court before which the case is pending and their collection must not be executed immediately, the judge may assign their collection to a local regional judge with a commission area where the evidences are located. The court shall notify the assigned judge for the term within which the evidences should be collected and if possible for the date of the following session of the case. This regulation may also be applicable to testimony

In cross-border disputes since 24.07.2007 the "Council Regulation (EC) No 1206/2001 of 28 May 2001" is applicable on cooperation between the Member States' courts for collecting and taking of evidences in civil and commercial trials."

The evidence will be taken in accordance with the Council Regulation (EC) No 1206/2001, which is incorporated into Art. 614-618, Part Seven "Special Rules in Civil Cases Proceedings upon validity of the European Union Law" of the new Civil Procedure Code.

The Regulation provides two ways of taking of evidences between Member States:

1. direct transmission with requests between the courts;
2. and direct taking of evidence by the requesting court.

The request for direct transmission regarding taking of evidences in The Republic of Bulgaria shall be in Bulgarian language or if written in other language must be accompanied with a translation into Bulgarian language and submitted to the regional court, where the evidence will be taken.

The permission for direct taking of evidence in Bulgaria will be given by the district court in which district the evidence will be taken.

8 Pledges and security deposits

8.1 General

At any stage of the case, until the court judgment comes into force, the claimant may require by the court before which the case is pending, to admit a security of the claim. The security may be admitted for all types of claims and litigation.

According to Art.218b, Para 2 of the Civil Procedure Code the cassation claim on conviction decisions shall not stop their fulfillment. When the claimant can request stopping of the fulfillment of the decision, she/he is obliged to present due security

The request for cessation the fulfilment of the decision must be submitted to The Cassation Court of Republic of Bulgaria and it is necessary a guarantee at the size determined by the court in accordance with the Obligation Civil Law to be deposited. The Supreme Court of Cassation shall consider and decide in a closed session the request for stopping the fulfillment and the size of the security that must be given.

8.2 Fees

The security deposit shall be admitted if without it it will be impossible for the claimant to realize his rights granted by the court decision and also if the claim is supported by written evidence and a guarantee in the amount determined by the court in accordance with art. 180 and 181 of the OCL is deposited. The amount of the pledges and security deposits shall be increased by 20 per cent above their market price.

The size of the security shall be determined:

- On decisions for cash receivables - the adjudged sum;
- On decisions regarding ownership rights on chattel - the price of the claim;
- On decisions regarding ownership rights on real estates - 1/4 of the value on which the price of the claim has been determined.

In all other cases the court shall determine the size of the security.

When a security is given for fulfillment of a decision regarding ownership rights on real estates or chattel it shall be withheld if within 15 days from leaving the cassation claim without consideration by the court, the bearer of the taking submits a claim for compensation of the damages caused by the delay of the fulfillment.

8.3 Payment

The pledge contract shall be valid only if the pledge chattel is handed over to the creditor or to a third person pointed out by the parties. When a claim /legal takings/ is pledged, the pledger is obliged to deliver to the pledge creditor the documents which prove the pledged claim.

8.4 Practical questions

The regulation under which party requests a security deposit from another party is Art.180 and 181 of Obligation Civil Law.

A security deposit in a bank may be set up for security of obligation claims. According to the Obligation Civil Law money, securities and mortgages may be deposited in the court before which the case is pending as pledges or security deposits. The amount of the pledges and security deposits shall be increased with 20 per cent above their market price.

The pledge contract shall be valid only if the pledge chattel is handed over to the creditor or to a third person pointed out by the parties. When a claim /legal takings/ is pledged, the pledger is obliged to deliver to the pledge creditor the documents which prove the pledged claim.

Circumstances under which a security deposit automatically is requested in the litigation are as follows:

The court before the case is pending at any stage of the case, until the decision comes into force may admit a security of the claim. In the application for security the security measure and the price of the claim should be indicated. The application shall be settled at a closed session on the day of its filing.

Securities of claims for monetary receivings shall not be admitted against state institutions and municipalities, as well as medical establishments subsidised by the republican and/or municipal budgets.

9 Court decisions

According to Art. 219 of Chapter twenty of the Civil Procedure Code from 1952 the following decisions shall enter into force:

Those which are not subject to appeal;

Against which no appeal or cassation complaint/petition has been lodged within the term, specified by the law, or the lodged complaint/petition has been withdrawn.

In the later case the decision shall be enacted on the day of enactment of the determination by which the case is terminated;

On which the lodged cassation complaint / petition has not been granted.

The decision shall enter in force only between the same parties, for the same demand and on the same grounds. The decision shall enter in force also with regard to the demands and objections for improvements and set offs, settled by it.

In these cases the parties due fees for obtaining and verification of the decisions.

9.1 Cost of obtaining an authenticated decision

The cost for obtaining of a decision in force (including the attachments) in civil law is 3 BGN (1.53 euro) paid for issuing of a writ for execution.

In the commercial law these fees will be calculated in the amount of:

3 BGN (1.53 euro) + 2% of the contracted sum, but not less than 5 BGN (2.56 euro) for issuing of a writ for execution, based on the value of the promissory notes, bills of exchange and other securities.

The party shall pay to the bailiff the fee provided in *Letter C of* Tariff No 1 thereto the Law for State Charges or Tariff of the fee and expenses on enforcement pursuant to the law on the private enforcement agents. The fees are one and the same. The only deference is that the sums collected by the state executive magistrates will go in the state budget, the budget of the judiciary respectively, while the sums collected by the private enforcement agents will go for the maintenance of their office, staff and for profit. The collected fees are in amount of 20 BGN (10.25 euro) of commencement of an enforcement case. The cost of an overall study of property status of a debtor is determined in amount of 50 BGN (25.64 euro).

For sending documents /attachments/ without preparation of an inventory, including when these documents are sent when commercial companies' shares are pledged under Art.398b, par. 1 of the CPC the amount of the bailiff's fee is 15BGN (7.69 EURO).

The bailiffs' collected fee in civil enforcement claims is in the amount of 1.5 % of the sum of the claim, but not less than 50 BGN (25.64 euro). The fee in the commercial law enforcement cases is determined in the amount of 2% of the sum of the claim, but not less than 50 BGN (25.64 euro).

The party that has obtained a favorable decision for monetary receivings against the state institutions and municipalities, as well as medical establishments subsidised by the republican and/or municipal budgets has not right to bring an enforcement proceeding against these institution. In these cases they should take the decision in the accountant's office of the state institutions and municipalities, subsidised by the republican and/or municipal budgets. This institution shall be explicitly procured in its budget the funds necessary for payment in respect to the decision.

The budgetary organisations send their favourable decisions against citizens and legal entities to The State Receivables Collection Agency, who appoints the private enforcement grants to collect the state receivables. In these cases the fee that are collected by the private bailiffs are in the amount of:

- 20 BGN (**10.25 euro**) for commencement of an enforcement case);
- 50 BGN (**25.64 euro**) for an overall study of property status of a debtor;
- 15BGN(**7.69 EURO**) for sending of documents /attachments/without preparation of an inventory, including when these documents are sent when commercial companys' shares are pledged under Art.398b, par. 1 of the CPC.

The collected seizure costs in the seizure proceedings are as follows:

In the civil and commercial proceeding:

The security deposit shall be admitted if without it it will be impossible for the claimant to realize his rights granted by the court decision, also if the claim is supported by written evidence and a guarantee in the amount determined by the court in accordance with art. 180 and 181 of the OCL is deposited. The amount of the pledges and security deposits shall be increased with 20 per cent above their market price.

fees that are collected by the bailiffs for Compulsory sale are:

In Civil law cases:

- To perform a public sale - 1.5% of the sale price, but not less than 50 BGN (**25.64 euro**) and not more than 3000 BGN (**1538,46euro**).
- To provide documents and information -20 BGN (**10.25 euro**)

In Commercial cases:

- To perform a sale of pledges pursuant to the Law of the Registered Pledges (LRP)- 1.5% of the sale price, but not less than 50 BGN (25.64 euro) and not more than 3000 BGN (1538,46 euro)
- To provide documents and information for the sale under LRP-20 BGN (10.25euro)

The steps and costs of obtaining an attachment (pre-judgment proceeding whereby a plaintiff creditor seeks to seize the property of the debtor to ensure that such property will not disappear before the judgment is rendered as follows:

The court hearing expenditures shall be determined in a closed session on a request for Issue of a writ for execution. The fees in civil litigation will be determined in flat sums in the amount of 3BGN(1.53 euro). In the commercial litigation the fees for Issue of a writ for execution are based on a court decision.

The Issue of a writ for execution can be based on promissory notes, bills of exchange and other securities in cases when the issue of writ for execution in the civil or commercial law will be executed ex lege in accordance with Art, 237 of the CPC from 1952. The costs for Issue of a writ for execution, based on promissory notes, bills of exchange and other securities will be 3 BGN (1.53 euro) + 2% of the contracted sum, but not less than 5 BGN (2.56 euro).

The documents by which presence the court can issue a writ for execution is regulated in Art.237 of the CPC as follows:

- The documents and the excerpts of the accounts by which receivables of the banks, the Central Administration of the National Health Insurance Fund and the regional health insurance funds, the state institutions and municipalities have been ascertained, if the obligation has not been fulfilled;
- The documents and excerpts from the accountancy books establishing the obligations of the employers for receivables of workers and employees ensuing from legal terms of employment;

-The rulings of the administrative bodies, on which the allowance of the fulfillment has been assigned to the civil courts of law;

-The promissory notes, bills of exchange and other securities issued to order, that are equal to them, as well as the bonds and coupons for interest on them;

-Agreements and other contracts with notaries certification of the signatures with regard to the obligations contained therein for the payment of money amounts or other replaceable objects, as well as obligations for delivering certain objects;

-The abstracts from the register of the registered pledges for registered sale contracts with retaining the ownership until the payment of the price and leasing contracts regarding the return of the sold or leased properties;

-Other documents, on the grounds of which the law admits the issue of a writ of execution.

- The enacted acts for establishing private state and municipal takings when the fulfillment is by the order of this code.

- The notaries acts with regard to the obligations, contained therein, for payment of money amounts or other replaceable objects, as well as obligations for the transfer of possession of certain objects.

At the moment of this analysis made in October 2007, the state charges are gathered according to Tariff No 1 there to the Law for State Charges.

By the opposition of debtor, he/she shall produce a guarantee at the size determined by the court in accordance with the Obligation Civil Law. The amount of the pledges and security deposits shall be determined in an **amount increased with 20 per cent above the claimed /contracted sum or market price.**

Bailiff hiring:

The fees in civil and commercial steps are as follows:

- 20 BGN (10.25 Euro) for commencement of an enforcement case;
- 50 BGN (25.64 Euro) for an overall study of property status of a debtor;

The Attachment costs are collected for:

- 15 BGN (**7.69 Euro**) to impose an attachment without preparing an inventory, including of a part of a commercial company
- 20 BGN (**10.25 euro**) to provide documents and information.

The steps and costs of operating a seizure on debtors' assets (post-judgment proceeding whereby a plaintiff creditor seeks to reach the property of the debtor who is not willingly complying with the decision against him or her):

The court hearing expenditures shall judge in a closed session on the request for Issue of a writ for execution. The fees in civil litigation will be determined in flat sums in the amount of 3BGN(1.53 euro). In the commercial litigation the fees for Issue of a writ for execution are based on a court decision.

By the opposition of debtor, he/she shall produce a guarantee at the size determined by the court in accordance with the Obligation Civil Law. The amount of the pledges and security deposits shall be determined in an **amount increased with 20 per cent above the adjudged sum or market price of estates.**

Bailiff hiring:

The fees in civil and commercial steps are as follows:

- 20 BGN (**10.25 Euro**) for commencement of an enforcement case;
- 50 BGN (**25.64 Euro**) an overall study of property status of a debtor;

Seizure proceedings:

The fees in civil and commercial steps are as follows:

- 15 BGN (**7.69 Euro**) for request to the registry judge or withdrawal of mortgages in case of foreclosures /the crossing out of the registry books/;
- 1.5 % of the sum of the claim, but not less than 50 BGN (**25.64 Euro**) to prepare an inventory of movable/immovable property, incl. Securities;
- 2% of the value of the chattel, but not less than 50 BGN (**25.64 Euro**) to seize and submit movables, incl. pledged property under Law of the Registered Pledges;

Compulsory sale:

The collected by the bailiffs cost is 1.5% of the sale price, but not less than 50 BGN **(25.64 Euro)** and not more than 3000 BGN **(1538 Euro)**.

The steps and costs of obtaining a garnishment (post-judgment proceeding whereby a plaintiff creditor seeks to reach the property of the debtor):

The court hearing expenditures shall judge in a closed session on the request for Issue of a writ for execution. The fees in civil litigation will be determined in flat sums in the amount of 3BGN(1.53 euro). In the commercial litigation the fees of Issue of a writ for execution are based on a court decision.

Bailiff hiring:

The fees in civil and commercial steps are as follows:

- 20 BGN **(10.25 Euro)** for commencement of an enforcement case;
- 50 BGN **(25.64 Euro)** for an overall study of property status of a debtor

Garnishment proceedings:

The fees in civil and commercial steps are as follows:

- 15 BGN **(7.69 euro)** for request to the registry judge or withdrawal of mortgages in case of foreclosures /the crossing out of the registry books/;

Opposition of third parties:

- 5 BGN **(2.56 Euro)** for appeal in the court of the executive action of the bailiff;
- 4 % of the amount of the claimed sum, or 1/4 of the value of the estates for filing of a claim in the court against a debtor and a creditor;

Garnishment costs:

- 1.5 % of the sum of the claim, but not less than 50 BGN **(25.64 Euro)** to prepare an inventory of movable/immovable property, incl. Securities;
- 2% of the value of the chattel, but not less than 50 BGN **(25.64 Euro)** to seize and submit movables, incl. pledged property under Law of the Registered Pledges;

Compulsory sale:

The collected by the bailiffs cost is 1.5% of the sale price, but not less than 50 BGN **(25.64 Euro)** and not more than 3000 BGN **(1538 Euro)**.

10 Civil Legal aid

10.1 General

. The legal services shall be provided to natural persons on the grounds as enlisted in Act on legal aid and in other acts such the Act on Social Support.

The Act on legal aid shall settle legal support in penal, civil and administrative cases before all court institutions. The legal services under this Act shall be provided by attorneys-at-law and shall be funded by the State. The purpose of the Act is to guarantee equal access to the jurisdiction for the persons by ensuring and providing effective legal services.

Funds for the legal supports are provided from the state budget.

Chapter Eight Peculiarities Of Legal Services Providing In International Disputes(*) of Act on Legal Aid regulated the provision for providing of legal services in international disputes upon civil and trades cases before all court instances. The legal aid in cross-border litigation shall not refer to penal and administrative cases.

Art.41, Para 2 of this act determined the " international dispute" as a dispute:

- in which the party applying for legal support is a citizen of a Member State of the European Union,
- or in which the party applying for legal support is a person legally staying in a Member State of the European Union,
- and the dispute shall be settled by a competent body of another Member State of the European Union.

The applications for legal aid in cross-border disputes shall be submitted in standard forms, as adopted by the European Commission.

The regulation of Act on Ligal Aid is available online under the web site on the National Ligal Aid Bureau in Bulgarian and in English languages www.nbpp.government.bg

10.2 Conditions of grant

Material /property/ status of entitled persons:

1. The persons that have right of receiving social support have right to legal aid for consultation with the purpose to achieve a settlement before initiation of court procedures or filing a case and preparation of documents for filing a case. The circumstances for receiving social support in the amount up to 35 Euro (70 BGN) are certified with the order of the Director of the "Social Support" Directorate. The person that has not exercised his/her right of monthly social support submit to the NLAB a certificate proving the right of monthly social support to be received issued by the director of the "Social Support" Directorate.
2. Persons lodged in the specialized institutions providing social support. This circumstance is certified with the lodging order of the director of the "Social Support" Directorate. They have right to legal aid for consultation with the purpose to achieve a settlement before initiation of court procedures or filing a case and preparation of documents for filing a case.
3. The party in civil and administrative cases that has no funds to pay attorney fee has right to legal aid for representation before the courts. On the base of the submitted evidences from the respective competent bodies (a declaration for material, property and family status - in the form of affidavit; an ordinance for old-age pension) the court shall assess these circumstances. It shall formed assessment, taking into consideration - the incomes of the person or the family, the persons' health and employment status, the age and other material circumstances.

Cases whereas ex lege obligatory attorney representation is required:

1. In case of **contradiction in the interests between the represented person and the representative** (claims for ascertaining or contesting of origin, claims for revocation of adoption, claims for placing under judicial disability), the court will appointed a registered lawyer as special representative to defend the interest of the represented person.

In this case the entitled person has right to legal aid for consultation with the purpose to achieve a settlement before initiation of court procedures or filing a case and preparation of documents for filing a case. She/he has right to legal aid in type of representation before the courts.

2. The court will appoint a registered lawyer as special representative to defend the interest of **the persons with unknown place of residence**. The type of legal aid in this case is representation of the person in the litigation.

3. The adopting family or the family taking care of a child with a special permission of the competent authorities, the relatives of the child taking care of them or close persons, where a child is lodged under the order of the Act on Protection of the Child. The entitled person has right to legal aid support for consultation with the purpose to achieve a settlement before initiation of court procedures or filing a case and preparation of documents for filing a case. She/he has right to legal aid in type of representation before the courts.

Type of litigation (civil, administrative and panel and cross-border litigation):

The **party in a penal, civil or administrative case that has not funds to pay attorney**, wishes to have an attorney and the interests of the jurisdiction required so.

The legal aid shall be granted to entities other than a natural person in cross-border litigation when:

- the entitled person is a citizen of the European Union;
- the person is legally staying in a Member State of the European Union.

The application for providing of legal services and the documents evidencing that the person meets the requirements for legal aid must be submitted at the Ministry of Justice. It will be translated in Bulgarian language or in another official language of the European Communities' institutions, which language the Republic of Bulgaria has pointed as acceptable before the European Commission. It is not necessary these documents to be legalized.

The condition for granting the legal aid in all types of litigation is - the property status of the people seeking legal aid not to exceed the social level or if it exceeds the social level, they must not have the possibility to pay the expenses covering the case. Legal aid is granted also to nationals involved in a cross-border case and where the competent court is located in another Member State than the Member State of residence of the national person. In this case the applicant - a Bulgarian citizen, who lives on the territory of the Republic of Bulgaria, may submit the application together with the translated documents by The Ministry of Justice documents. She/he may attach evidences that he/she meets the requirements of legal services providing, directly to the competent body of the respective Member

State of the European Union, or through the Ministry of Justice of the Republic of Bulgaria.

For civil and administrative cases legal services shall be provided when there are evidences issued by competent bodies and submitted to the court which convinced the court that the party has no funds to pay the attorney fee. The decision for providing legal support shall be taken by the Chairperson of NLAB within 14-days period from the submission of the order, the court decision or the certificate, issued by the director of the Directorate "Social Support" that the person meets the requirements to receive monthly social support. The refusal shall be subject to appeal under the Law of the Administrative Procedures.

According to Art.1 of the Act on Legal Aid-the legal aid shall be settled before all court institutions. The attorney on duty shall continue performance of legal support at all stages of the proceedings.

According to § 2 of the additional provision of the Act of Legal Aid:

“The legal services in civil cases shall include also legal services in subsequent enforcement procedure, which is started within one year from the court decision enters in force, if no change occurs in the circumstances, which existed during the hearing of the application for legal services”.

10.3 Strings attached

By virtue of Art. 24 of the Act on Legal Aid the Legal services shall not be provided:

1. Whereas the legal services provided are not reasoned from the point of view of the benefit, which it could bring to the person, applying for legal services;
2. Whereas the claim is obviously groundless, not grounded or inadmissible;
3. in trade cases and fiscal cases under the Tax Procedure Code

10.4 Practical questions

The costs covered by legal aid in internal disputes are costs for attorney fees.

In cross-border disputes there are also cost for interpretation, for translation of documents, required by the court or by another competent body and the travel expenses in the cases, where the attendance of witnesses at the court session is obligatory required.

According to Art.1 of the Act on Legal Aid-the legal aid shall be settled before all court institutions. In the Act there are no rules and proceeding, which enable the covering of the ADR decision.

In accordance to Art. 64,Para 6 of the CPC from 1952 if the claim of the person who had obtained legal services is recognized, the due fees and paid expenses shall be awarded to the National Legal Aid Bureau commensurate to the recognized part of the claim.

In case of enforcement decision, the person who had obtained legal services shall owe expenses commensurate to the dismissed part of the claim." In Bulgaria the person who is entitled to legal aid support is the one whose material and property status does not exceed the social level or if his status exceeds the social level, he/she has no possibility to pay the expenses covering the case. He will be exempted by the court panel from all charges and expenses in accordance with Art.63, letter b of the Civil Proceeding Code; Due to the written above when the person, receiving legal aid, obtains a favourable decision in the amount of 28 200 BGN (10 000 pounds), the court will adjudge in the decision a refund to be paid but will not state its exact amount. In these cases the party will receive legal aid only for defence /lawyer's remuneration/ and so the refund will be only for this remuneration.

The National Legal Aid Bureau is the institution competent to calculate and determine the concrete lawyer's remuneration by virtue of Art. 25 of the Ordinance for Payment of Legal Support. In cases with determined material interest (a claim for 10 000 pounds), the remuneration for defense will be determined by the Bureau from BGN 100(50.28 euro) to 300(153.84 euro).

If some legal aid organization grants to a person legal support, the refundable part of the lawyers' fee will be calculated in accordance with the "Ordinance 1 for a minimal measurement of attorney remuneration" adopted by the Supreme Attorney Council. It will also be determinated in a contract between the person and the legal aid organization. In this case the lawyer's remuneration will not be less than

904BGN (2550 pounds). The legal aid organization shall pay the court charges in the amount of 4% of the claimed sum that is 28 200 BGN (10 000 pounds). So the paid by the legal aid organization charges will be in the amount of 1128 BGN (400 pounds). And the person will have to refund about 3000 pounds to this organization.

11 Insurances to cover risks of litigation

Legal Expenses Insurance is regulated in Art. 217 and follows of the Taxation Procedure Code.

A Contract for Legal Expenses Insurance shall be concluded:

1. Separately from the contract for cover of other risks, or
2. As a separate part of a contract for cover of other risks, in which part the premium's amount and the type of the legal expenses covered shall be specified.

The Contract for Legal Expenses Insurance shall explicitly indicate:

1. The manner of settlement of the claims, adopted by the insurer;
2. The rights of the insured person under Art. 219 (Right to Choose) and Art. 220 (Out-of-Court Settlement of Disputes) of the Taxation Procedure Code.

The Right to choose is included at their own choice - persons insured shall have the right to authorize a lawyer or another person, entitled to provide legal counsel or to carry out representation in the proceedings in compliance with the law in force at the place where the body before which the proceedings are to take place is located.

By Out-of-Court Settlement of Disputes the insured person shall have the right to refer to an objective and impartial body in all cases of disagreement with the insurer in connection with the contract for insurance of legal expenses. The right to claim before the court is not restricted.

Under the contract for insurance of legal expenses, the insurer shall undertake the expenses of the insured person in relation to participation in court, pre-court,

administrative and arbitration proceedings, and for other services, directly related to the insurance coverage, more specifically where:

1. there are claims for indemnity of damages caused by the person insured or
2. Is represented or defended in connection with any claims brought against the person insured.

The provisions of the Legal Expenses Insurance shall not apply:

1. In cases of legal disputes and risks ensuing from or in connection with the use of sea vessels;
2. In case of defence and representation of the insured person in connection with a contract for Third Party Liability Insurance, which an insurer provides for defence of its interests as well.

The insurance of liabilities for payment of fines, confiscation or other penalty sanction within the meaning of the penal or administrative and penal provisions shall not be allowed.

The insurance contract is signed with a period of validity - 1 /one/ year for Bulgaria /the country where the contract has been signed/ and for international disputes the insurance contract is signed for a period from four days to three months. The amount of the insurance compensation is stipulated for each separate insurance event.

12 Personal experience

In my career, I have not been confronted directly with cross-border issues where the costs of justice were too expensive for my clients, because I have no practise in the cross-border litigation.

Bulgaria as new Member State adopted the European legislation in the Part Seven “ Special Rules in the Civil Proceedings regarding the effectiveness and validity of the European Union Law“, Articles 608-633 of the Civil Procedure Code from 2007 (“Специални правила по граждански дела при действието на правото на

Европейския съюз”). This part is effective from 24.07.2007. With the european regulation in force the courts and lawyers will be involved in cross-border trials.

At the moment if the proceeding is in another Member State, it is quite possible the cost of justice for cross-border issues to be too expensive for my clients because the average salary in Bulgaria is between 100 and 500 Euro per month. In this case I will consult my client to submit to The Bulgarian Ministry of Justice an application together with translated documents and also to attach to it evidences that he/she fulfill the requirements necessary for receiving legal services support. The same application I will consult him/her to submit directly to the competent body of the respective Member State.

In my opinion in cases when the court is located in another Member State the clients can be confronted with cross-border issues and situations where it would be difficult or it would be impossible to evaluate clearly the costs of justice. In respect to this project I have tried to find out information about the cost of justice in other Member States. I was not able to find out any information about the state charges and fees and was not able to evaluate it, because there is lack of information.

In my opinion the transparency will be achieved if there is evident regulation and determination of each cost in the proceeding either in flat sums or in per cent which could be equal and applicable in each Member State.

In internal disputes my practice covers consultation and representation before the courts as well as special representative before all the court instances for cases concerning legal aid.

The Act on Legal aid has been entered in force on 1st of January 2006 - due to this the system of legal services covers 90% of the cases, whereas ex lege obligatory attorney defense or representation is provided. Also in most cases the permanent address of the defender is unknown. The other per cent of legal aid cases covered the cases with contradiction in the interests between the represented person and the representative (claims for ascertaining or contesting of origin, claims for revocation of adoption, claims for placing under judicial disability). To my knowledge and practice in the representation before the courts, there is no cases or if there is any they are vary rare, whereas on the base of submitted evidences from the respective competent bodies the court assesses that the party has no

funds to pay attorney fee. In my opinion the persons that have right on legal aid do not know his/her rights. At the moment the court is not obligated to inform parties about these rights. With the entry into force of the new Civil Procedure Code in March 2008 the court will be obliged to give directions to the parties and so the legal aid will covered cases when the party has not financial resource to pay the lawyers' fees..

13 Case studies

13.1 Case study 1 Family law - Divorce (excluding division of matrimonial property)

Case A - National situation: when a couple gets married and later separates and both the spouses agree to a divorce they shall pay an initial court fees in the amount of 10 BGN (5.12 euro). After the decision the court will determined the final court fees in the amount of up to 15 BGN (7.69 euro). For transcription of documents the parties shall pay a transcription fees about 5-10 BGN (up 2.56 to5.12 Euro). Also the average amount of the court's fees in this case will be in the amount of about 18 Euro. To this amount the couple will pay bank transfer fees in the amount of about 10 Euro.

The agreement for divorce can be subject to ADR. The average cost in out-court proceeding will be about 60 Euro

When the couple has a lawyer the representation the fee is not less than 100 BGN (51.28 euro);

For consulting fee 30 BGN (15.38 euro). The average cost shall be not less then 82 euro.

Because the claim is only on agreement of divorce, if the couple does not have a matrimonial property, no expert is necessary.

The legal aid is applicable when on the base of the submitted evidences (income between 15-92 euro per month), the court shall assess if the party has no funds to pay the attorney fee.

The support will be granted only for lawyer fees, which will be paid by NLAB after the proceeding in amount of up 40 to 150, Euro. There is not possibility for total support.

By divorce agreement the expenses shall be born by each party as it has incurred them.

The costs which are never reimbursed is the cost of the attorney's remuneration in the amount of up 40 to 150 Euro if the claim is dismissed - the person who obtained the legal aid owes the lawyers expenses to NLAB.

In Case B - Transnational situation: when two nationals from a same Member State (Member State A) get married and the marriage is registered in Member State A.

And after the wedding, the couple moves to live and work in another Member State (Member State B - which is Bulgaria) where they establish their residence. By agreement of divorce the fee will be the same as in the Case A- (the due court's fees will be in the amount of about 18 Euro). The remuneration of attorney will be in the same amount of 84 Euro. On the base of the submitted evidences, the court shall assess if the party has funds to pay the attorney fee and if there are no funds - an option to legal aid support is given. In this case the women shall submit with the application on divorce agreement **the translated matrimonial certificate. The cost of translation will be average about -30 BGN (15.38 euro)**. When the both or one of the spouses do not speak the language B, **the court will appoint an interpreter. The interpretator's remuneration will be not less than 60 BGN (30.76 euro) per court session.**

13.2 Case Study 2 - Custody of the children (excluding alimony questions)

Case A - National situation: when two persons have lived together unmarried for a number of years and they have a three-year-old child when they separate. A court decision grants custody of the child to the mother and a right of access to the father. But the mother sues to limit the father's right of access.

The fees will be as follows:

Court's fee - The initial fee paid by the claimant will be determined by the judge up to 30 BGN (15.38 euro), but not less than 5 BGN (2.51 euro). After the court decision shall be paid about 5-10 BGN (2.56- 5.12 euro) transcription fee. When the claim will be appealed in district court the appellant shall pay a state charge in amount of 15 BGN (7.69 euro).

This case can be subject to ADR. In some mediation centers the proceeding can be free of charge for people, with income under 150 BGN (76.92 euro) per month, in the other the centers fee is not more than 100 BGN (51.28 euro).

Lawyer's remuneration fees: when the party has a lawyer the representation fee will be not less than 82 euro.

Bailiff's fees: In this case there is not fees for bailiffs, because the claim is on limit of access' right.

Expert: Free of charge social report issued by the Directorate Social Support.

Witness compensation: when the party brings the witness to the court session the court will be not determined the fees for summoning and witness' remuneration. When the witness is summoned by the court the court will be determined the fee for summoning in amount of about 30 BGN (15 euro) and compensation for the witness in the amount of 20 BGN (10 Euro).

Legal aid:

By the submitted evidences, the court shall assess whether the party has funds to pay the attorney fee. The condition for granting the support is one of the parties to have not financial resources and her income per month to be up 30 to 90 euro. There is not possibility for total support. The support concerning lawyers fees.

Because by this claim there is a contradiction in the interests between the represented person (the child) and the representative (the mother), the court shall

be appointed the special representative of the child. The lawyer remuneration will be paid by the NLAB.

Reimbursement:

The claimant has the right to receive the paid sums commensurate to the granted part of the claim. The defendant (the father in this case) has the right to receive the paid sum commensurate to the rejected part of the claim. The party which loses the case shall reimburse the lawyer's remuneration, paid by NLAB.

In Case B - Transnational situation where I am a lawyer in Member State A: when two persons have lived together unmarried in a Member State (Member State B) for a number of years and they have a child together but separate immediately after the child's birth. And the court decision in Member State B gives the child's custody to the mother with a right of access to the father. The mother and the child move to live in another Member State (Member State A) as authorized to do so by the Court decision and the father remains in Member State B. A few years later, the mother sues in Member State A to change the father's right of access.

The amount of cost in Case A (national situation) and Case B (transnational situation) are the same for state charges and lawyer's remuneration, except the fee for summoning of a father in the Country B in accordance with the Council Regulation (EC) No. 1348/2000. The amount of summoning can be about up to 10 - 15 Euro. If the father's address is unknown, he will be summoned with the publication in the State Gazette. The amount of this cost will be about 30 BGN (15 euro). The court will appoint the special representative for the father in the case that his address is unknown or he has no funds to pay the attorney's remuneration.

The child in both situations will be represented by the special representative, because of the contradiction between the interests of the child - to be an access with his father and the mother, which she is suing to change the father's right of access.

The claimant (the mother) shall submit with the claim on change the father's right of access the translated court decision in Member State B from language B into language A. The translation fees will be about 40 BGN (20 euro). When both or one of the parents do not speak Bulgarian language the court will appoint an interpreter. The interpreter's remuneration will be in the amount of not less than 60 BGN (30 euro) per court session.

13.3 Case Study 3 - Family law - Alimony

Case A - National situation: when two persons have lived together unmarried for a number of years and they have a three-year-old child when they separate. A court decision grants custody of the child to the mother. The only outstanding dispute relates to the amount of the alimony owed to the mother by the father for the support and education of the child. The mother sues on this.

The fees will be as follows:

1. Court's fee - the proceeding of alimony is free of charge. in some mediation centers - for people whose income is under 150 BGN(about 75 Euro) per month;

2. Lawyer's remuneration fees: if the claimant want to have a lawyer the remuneration will be not less than 80 BGN (40 euro). The representation of the father is compulsory if the father's address is unknown and he has been summoned in The State Gazette. The lawyer's remuneration will be up 50 to 100 BGN(25-50 euro),paid by The NLAB.

3.Expert: free of charge a position on social official in the custody of child.

4.Bailiffs fees: the bailiff's post judgement cost will be in the amount of about 30 BGN (15 euro).

5.Witnesses compensation: when the witness is took by the party to the court session the court will not determinat a sums for summoning and remuneration. If the witness is summoned by the court the determined amount of summoning will be about 30 BGN (15 euro).

6.Legal aid: By the submitted evidences, the court shall assess whether the party has funds to pay the attorney fee; the fees are paid by the NLAB after the court session. The remuneration will be in a maximum amount of 150 euro.

7.Reimbursement: The claimant has the right to receive the paid sums commensurate to the granted part of the claim.The defendant has the right to receive the paid sum commensurate to the rejected part of the claim.

In Case B - Transnational situation where you are a lawyer in Member State A: when two persons have lived together unmarried in a Member State (State B) and they have a three-year-old child. After the separation a court decision in Member State B gives the child's custody to the mother and with the agreement of the father, the mother and the child move to live in another Member State (Member State A) where they establish their residence. An outstanding dispute remains. This relates to the amount of the alimony owed to the mother by the father for the support and education of the child.

The cost of justice of mother's suits on this in Member State Bulgaria will be the same in the internal and cross-border litigation, except the translation cost for the translation of decision which amount will be about about - 40 BGN (20 euro). When the both or one of the parents do not speak a Bulgarian language the court will appointed an interpretator and his remuneration will be in the amount of not less than 60 BGN (30 euro) per court session.

In cross-border litigation before to filing of claims on alimony or on change the rights of access the claimant shall issued to Bulgarian court the recognition of court decisions. The claim on recognition of decision will be prejudicial claim. After the recognition of decisions in accordance Council Regulation 2201/2003/EC of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility and the rules of Civil Procedure Code from 2007 Art.621-624 can be filing the new cases. In this proceeding the claimants will due state charges in amount of 50 Euro.

13.4 Case Study 4 - Commercial law - Contract

Case A - National situation: when a company delivered goods worth 20.000 euros. The seller has not been paid because the buyer considers that the goods do not conform to what was agreed. The seller believes that the goods conform to what was agreed and asks for payment in full because he asserts that the goods were purpose made and he will not be able to sell them to someone else.

The seller decides to sue to obtain the full payment of the price.

The state charges:

1. charge to filing the case - 4% of the amount of the claimed sum- 20 000 euro. The fee is 800 euro. The transcription cost is in the amount of about 5-10 BGN (2.5 -5 euro). If the claim will be appealed the amount of fee will be on the half of the first state charge in amount of 400 euro. The ADR cost will be 1/3 cheaper than the cost in Tariff 1: The amount will be about 300 euro.

Lawyer's fees: The representation in the court by registried lawyer is not compulsory. If the claimant is represented by the lawyer in the court proceeding or in ADR proceeding the remuneration will be in the amount not less than than 570 euro.

Bailiff's fees:

Pre-judgment costs and Post-judgment cost: about 1400 euro

Expert's cost: about 300 BGN (150 euro), but not less than 30 BGN (15 euro)

Witness compensation: In this case the witness testimony shall not be allowed, because the amount of the contract is over 1 000 BGN (512 euro).

Legal aid: No, According to Act on lugal aid in the commercial cases, the lugal aid is no granted.

Reimbursement: The claimant has the right to recieve the paid sums commensurate to the granted part of the claim (50-100%).

In the Case B - Transnational situation: A company whose head office is located in Member State B delivers goods worth 20.000 euros to buyer in Member State A. The contract is subject to Member State B's law and written in Member State B's language. This seller has not been paid because the buyer located in Member State A considers that the goods do not conform to what was agreed. The seller believes that the goods conform to what was agreed and asks for payment in full because he asserts that the goods were purpose made and he will not be able to sell them to

someone else. The seller decides to sue in Member State A to obtain full payment of the price as provided under the contract with the buyer.

The state charges:

1. charge to filing the case - 4% of the amount of the claimed sum - 20 000 euro. The fee is 800 euro. The transcription cost is in the amount of about 5-10 BGN (2.5 -5 euro). If the claim will be appealed the amount of fee will be on the half of the first state charge in amount of 400 euro. The ADR cost will be 1/3 cheaper than the cost in Tariff 1: The amount will be about 300 euro.

Lawyer's fees: The representation in the court by registered lawyer is not compulsory. If the claimant is represented by the lawyer in the court proceeding or in ADR proceeding the remuneration will be in the amount not less than than 570 euro.

Bailiff's fees:

Pre-judgment costs and Post-judgment cost: about 1400 euro

Expert's cost: about 300 BGN (150 euro), but not less than 30 BGN (15 euro)

Witness compensation: In this case the witness testimony shall not be allowed, because the amount of the contract is over 1 000 BGN (512 euro).

Legal aid: It is possible in commercial law only in cross-border dispute under condition in chapter eight of the Act for Legal Aid. In this case is covered lawyer fees, translation and interpretation fees.

Reimbursement: The claimant has the right to receive the paid sums commensurate to the granted part of the claim (50-100%).

Translation and interpretation fees: The contract can be translated in Member State B. The average translation fees will be 15 euro per page. The court will appoint an interpreter. The interpreter's remuneration will be in the amount of not less than 60 BGN (30 euro) per court session.

13.5 Case Study 5 - Commercial law - Responsibility

Case A - National situation: A heating equipment manufacturer delivers a heater to an installer. The installer on-sells (and installs) the heater to a customer to equip his/her house. The house catches fire shortly thereafter. Every participant (heating equipment manufacturer, installer, and end-customer) is insured. The origin of the fire is contested. Nobody wants to compensate the customer.

The customer decides to sue for full compensation the heating equipment manufacturer, the heating equipment installer and the insurance companies.

The state charges:

1. charge to filing the case - 4% of the amount of the claimed sum. The transcription cost is in the amount of about 5-10 BGN (2.5 -5 euro). If the claim will be appealed the amount of fee will be on the half of the first state charge in amount of 2%. The ADR cost will be 1/3 cheaper than the cost in Tariff 1.

Lawyer's fees: The representation in the court by registered lawyer is not compulsory. If the claimant is represented by the lawyer in the court proceeding or in ADR proceeding the remuneration will be depended on the amount of the claimed sum. Average remuneration in a minimum can vary up 150 to 3000 BGN (75-1500 euro).

Bailiff's fees:

Post-judgment cost: about 100 BGN (50 euro) for comensurment of the execution of decision. The fees depend on the amount of the executive actions too.

Expert's cost: about 300 BGN (150 euro), but not less than 30 BGN (15 euro)

Witness compensation: In the case the witness testimony shall not be allowed, because the amount of the claim will be over 1 000 BGN (512 euro).

Legal aid: By the submitted evidences, the court shall assess whether the party has funds to pay the attorney fee. The support covers the lawyer's remuneration, which will be paid by the NLAB, after the court's decision. The lawyer's remuneration, paid by the NLAB will be not higher than 150 euro.

Reimbursement: The claimant has the right to receive the paid sums commensurate to the granted part of the claim (50-100%).

In the Case B - Transnational situation: A heating equipment manufacturer in a Member State B delivers heater to an installer in a Member State C. The installer on-sells the heater (and installs) the heater to a customer in Member State A to equip his/her house. The house catches fire shortly thereafter. Each participant (heating equipment manufacturer, installer, end-customer) is insured by an insurance company in its own Member State. The origin of the fire is contested. Nobody wants to compensate the customer.

The customer decides to sue in Member State A for full compensation the heating equipment manufacturer, the heating equipment installer and

The state charges:

1. charge to filing the case - 4% of the amount of the claimed sum. The transcription cost is in the amount of about 5-10 BGN (2.5 -5 euro). If the claim will be appealed the amount of fee will be on the half of the first state charge in amount of 2%. The ADR cost will be 1/3 cheaper than the cost in Tariff 1.

Lawyer's fees: The representation in the court by registered lawyer is not compulsory. If the claimant is represented by the lawyer in the court proceeding or in ADR proceeding the remuneration will be depended on the amount of the claimed sum. Average remuneration in a minimum can vary up 150 to 3000 BGN (75-1500 euro).

Bailiff's fees:

Post-judgment cost: about 100 BGN (50 euro) for comensurment of the execution of decision. The fees depend on the amount of the executive actions too.

Expert's cost: about 300 BGN (150 euro), but not less than 30 BGN (15 euro)

Witness compensation: In the case the witness testimony shall not be allowed, because the amount of the claim will be over 1 000 BGN (512 euro).

Legal aid: By the submitted evidences, the court shall assess whether the party has funds to pay the attorney fee. The support covers the lawyer's remuneration, which will be paid by the NLAB, after the court's decision. The lawyer's remuneration, paid by the NLAB will be not higher than 150 euro.

Reimbursement: The claimant has the right to receive the paid sums commensurate to the granted part of the claim (50-100%).

Translation and interpretation fees: The contract can be translated in Member State B. The average translation fees will be 15 euro per page. The court will appoint an interpreter. The interpreter's remuneration will be in the amount of not less than 60 BGN (30 euro) per court session.