

IV. BUDGET

CRC budget implementation for 2017

The Communications Regulation Commission is a primary administrator of budget.

By the Law on State Budget of the Republic of Bulgaria for 2017, the Ministry of Finance has determined for the CRC:

- Revenue in amount of BGN 60 000 thousand;
- Expenses in amount of BGN 9 318 thousand.

The Commission administers revenue pursuant to Art.51, para.1 of the LEC and Art.62 of the PSA.

In 2017 the revenue earned from fees, penalty notices and interest amounted to BGN 54 509 thousand which was 91 % fulfilment of the annual plan. Regardless of the public consultations on the prospects of using the available resource in the 1.5 GHz, 2 GHz, 2.6 GHz and 3.6 GHz radio frequency bands, it was not used, which resulted in non-fulfilment of the annual task.

On the other hand, the Commission continued to apply the following good practices to increase the revenue collection while expanding and supplementing them in order to facilitate the undertakings' activity.

- Information about the terms and the methods of fees payment was published every quarter on the Commission's website.
- E-mails about the terms and the methods the terms and the methods of fees payment were generated automatically.
- Personalized e-mails about the specific obligations of the undertakings in case of delay were sent.
- E-invoices were issued on request.
- Personalized e-mail about the fees to be paid was sent when issuing and/or amending or supplementing an authorization for use of individually assigned scarce resource.

Additional actions for increasing the revenue collection undertaken by CRC:

- Issuance of acts for establishment of public state receivables when public debts to CRC had not been paid
 - Sending of enforcement of unexecuted acts for establishment of public state receivables and penal decrees to the National Revenue Agency by which in 2017 additional revenue amounted to BGN 30 thousand was collected.

The structure of the revenue part of the CRC budget for 2017 was as follows:

Table 12

Type of revenue	Value in BGN thousand	Share (%)
1. Own revenue approved with the CRC budget for 2017	60 000	
2. Revenue realised for 2017, incl.:	54 509	100.00
- one-off fees under the LEC	1 027	1.88

- one-off fees under the PSA	7	0.01
- administrative annual charge-control	4 532	8.31
- charges for the use of an individually assigned scarce resource – radio frequency spectrum	37 386	68.59
- charges for the use of an individually assigned scarce resource – positions on a geostationary orbit assigned for the Republic of Bulgaria according to international agreements	144	0.27
- charges for the use of an individually assigned scarce resource following tender calls	2 375	4.36
- charges for the use of an individually assigned scarce resource – numbers from the National Numbering Plan (NNP)	7 402	13.58
- fines and property sanctions	752	1.38
- interest	884	1.62

Distribution of revenue receipts and costs incurred in 2017

The revenue received at CRC in 2017 was allocated pursuant to Art. 148 of the LEC and Art.64 of the PSA in revenue to the state budget (SB), MTITC and the budget of the CRC as follows:

Table 13

No.	ALLOCATION LINES	DEDUCTIONS ON ITEMS (BGN thousand)	SHARE (%)
A.	TOTAL REVENUE ASSIGNED TO THE STATE BUDGED, INCL. BY:	11 896	21.82
1	Annual charges for the use of an individually assigned scarce resource – radio frequency spectrum	9 347	78.57
2	Annual charges for the use of an individually assigned scarce resource – positions on a geostationary orbit assigned for the Republic of Bulgaria according to international agreements	101	0.85
3	One-off fees for additional use of radio frequency spectrum and renewal of authorisation to use radio frequency spectrum	184	1.55

4	Charges for the use of an individually assigned scarce resource following tender calls	1 662	13.97
5	Fines and property sanctions	601	5.05
6	One-off fees under the PSA	1	0.01
B.	TOTAL REVENUE ASSIGNED TO MTITC, INCL.:	13 784	25.29
1	Annual charges for the use of an individually assigned scarce resource - radio frequency spectrum	13 085	94.93
2	Annual charges for the use of an individually assigned scarce resource – positions on a geostationary orbit assigned for the Republic of Bulgaria according to international agreements	36	0.26
3	One-off fees for additional use of radio frequency spectrum and renewal of authorisation to use radio frequency spectrum	65	0.47
4	Charges for the use of an individually assigned scarce resource following tender calls	594	4.31
5	One-off fees under the PSA	4	0.03
C.	TOTAL REVENUE ASSIGNED TO THE CRC BUDGET, INCL.:	28 829	52.89
1	One-off administrative fees for issue of authorisation and for administrative services	765	2.65
2	One-off fees for additional use of radio frequency spectrum and renewal of authorisation to use radio frequency spectrum	13	0.05
3	Administrative annual control fee	4 532	15.72
4	Annual charges for the use of an individually assigned scarce resource - radio frequency spectrum	14 954	51.87
5	Annual charges for the use of an individually assigned scarce resource – positions on a geostationary orbit assigned for the Republic of Bulgaria	7	0.02

	according to international agreements		
6	Charges for the use of an individually assigned scarce resource following tender calls	119	0.41
7	Annual charges for the use of an individually assigned scarce resource – NNP numbers	7 402	25.68
8	Fines and property sanctions	151	0.52
9	Interest	884	3.07
10	One-off fees under the PSA	2	0.01
	TOTAL DEDUCTIONS TO ALLOCATION LINES	54 509	100.0

The Communication's budget funds were spent on financing its activities, for participation in BEREK work and to ensure effective and efficient control.

Structure of expenses for 2017 is as follows:

Table 14

Type of expenses	Value (BGN thousand)	Share (%)
Salaries	4 024	46.34
Social security contributions	1 069	12.31
Other remunerations and payments	181	2.09
Operative costs	1 650	19.00
Membership fee	71	0.82
Capital expenditure	1 688	19.44
Total expenses	8 683	100.00

In 2017 the budgetary funds spending was carried in strict compliance with financial discipline and the principles of legality, appropriateness, effectiveness and efficiency. Projects, assigned to the CRC by legislative acts were implemented of priority.

The implementation of CRC investment policy enabled the updating of the applied radio monitoring service, which increased the efficiency of the radio frequency spectrum monitoring. It

was purchased a system for measuring the coverage, QoS and speed of data transfer of the mobile terrestrial networks.

Information service

In 2017 CRC continued its activity on construction of its internal and external information systems in order to improve the quality of the administrative employees' work, to make easier the citizens and business access to information and electronic administrative services provided. The activities concerning the Commission participation in e-Government projects in the Republic of Bulgaria are the following:

- Support and operation of an information system "Licensing and registers", providing 39 on-line administrative services to the citizens and business. The Information system was elaborated and financed from Operational Programme "Administrative capacity" and certified under the Ordinance on the general requirements for interoperability and information security. The information system "Licensing and registers" assists the management of information processes on CRC electronic registers maintenance and the provision of public on-line access, in compliance with the requirements of the LEC, the Law on electronic documents and electronic signature (LEDES) and the PSA. The system is connected with document processing system in order "Eventis" to get incoming numbers of he received documents through "Licensing and registers, resolutions etc.

- Operation of Document Portal to the document processing system "Eventis" enabling the citizens and business to send digitally signed documents and receive electronic statements by CRC.

- Creating of organizational, communication and information environment for efficient and transparent operation of CRC administrative staff which shall meet the Government strategy for development of the electronic management in the Republic of Bulgaria for the period 2014-2020.

The implementation of these activities will contribute to reducing the costs, improving the services provided and transparency in CRC activities. In 2017 the work on renewal and development of CRC website continued, as well as the internal system of contents management. The new website will allow the users to have easier access and use of different terminal devices.