



SUCCESS STORY

Private Judgment Enforcement Earns People's Trust in Bulgaria

Lawyer Katilin Popov participated in all phases of the reform process



Photo: Katilin Popov Enforcement Officers

“All kinds of people request our services. Not only big business, but many small creditors come to us for enforcement on sums as small as \$150. We’ve never sent anybody away.”

—Katilin Popov, private enforcement agent.

A clean and spacious office in the heart of Bulgaria’s capital Sofia welcomes clients with a promise to serve them professionally and accountably. The energetic and positive person behind the newly established private enforcement practice is Katilin Popov.

While a young associate at the Sofia law firm Sabev and Partners, Popov helped draft the winning proposal of the American consulting firm Bearing Point for implementing the USAID Commercial Law Reform Project (CLRP). The project seeks to improve the business regulatory environment in the country. After Popov advised on the scope and budget of the project, the chief of party offered the young professional the opportunity to join his team.

Popov quickly established himself as the leading team member on all legal matters pertaining to enforcement of judgments. He helped with strategic planning for policy reform on key commercial law issues. The tiny team faced the daunting task of convincing decision makers of the need for a new legislative framework to streamline and reform the outdated system of state enforcement.

“The strongest side of CLRP is its team. After an initial period of getting to know each other, we became a highly motivated team that believes in its cause. We managed to define what we want to achieve,” recalls Popov. “This is how we overcame legislative inertia and lingering prejudice against private (non-state) actors in Bulgaria and brought about a change in people’s way of thinking.” As a result of the team’s diligent work with members of Parliament, government officials, different legal organizations and representatives of business, Parliament adopted a new law on private law enforcement in May 2005.

In the fall of 2006 Popov left the project to become a private enforcement officer, joining the new profession he and his colleagues had worked to create. “Having taken part in developing the concepts behind the laws helps me a lot in my work,” says Popov. The main services he offers are enforcement of judgments and commercial mediation. “This is an opportunity to build up an independent legal practice and at the same time tackle professionally challenging problems, which is very difficult if you’re working for one of the big law firms.”

In its first months of operation, “Katilin Popov – Enforcement Officers” finalized 4 cases through enforcement of judgments. Another 72 percent of cases were resolved through mediation and now debtors are paying in installments. On his website, Popov provides clients with an online tracking system where they can receive real-time information about the development of their cases 24 hours a day.

Prior to the reform introducing private judgment enforcement, the backlog of cases exceeded 360,000 with a total of more than \$1.2 billion in uncollected judgments. Thirty thousand cases were opened with private enforcement agents between May and November 2006. More than 3,500 of them have already been finalized, proving that private enforcement is gaining speed in Bulgaria. Popov is confident that commercial law reform in Bulgaria has been successful and the judgment enforcement system will soon become entirely private. “We have won the public trust and people respect us,” Popov opines. He has certainly contributed to that achievement.