

Opinion

by

Prof. Dr. Vasil Georgiev

on competition procedure for obtaining the academic position "associate professor" in professional direction 9.1. National Security (Combating Money Laundering and Financing of Terrorism and Proliferation), published in the State Gazette (Darzhaven vestnik), no. 81/11.10.2022

Basis for drafting the opinion:

Ordinance No. 67/18.01.2022 of the Rector of the Higher School of Security and Economics - Plovdiv

Plovdiv
2023

1. General presentation of the procedure and the candidate

Assistant Doctor Gergana Dimitrova Yordanova has been born on 22.07.1983 in the city of Svishtov. In 2006, she graduated from the "Dimitar A. Tsenov" Academy of Economics - Svishtov, with educational qualification degree bachelor, specialty "Finance" and second specialty "Economic Pedagogy" with an acquired pedagogical competence. In 2007, she graduated from the "Dimitar A. Tsenov" Academy of Economics – Svishtov with educational qualification degree Master, majoring in "State and Municipal Finances" . In 2011, she graduated from the Military Academy "Georgi S. Rakovski"-Sofia , with educational qualification degree master, specialty "National and International Security" .

In 2013 Dr. Gergana Yordanova successfully defended her doctoral dissertation at the "Georgi S. Rakovski" Military Academy - Sofia, scientific specialty "Military-political problems of security", with a dissertation work entitled "Sovereign debt modeling in the context of the national security policy of the Republic of Bulgaria".

The candidate has significant academic experience at the New Bulgarian University - Sofia Department of National and International Security from October 2020 to now - initially - from October 2020 to February 2021. as a part-time teacher, and from March 2021 until now - as a full-time assistant . Assistant Dr. Yordanova is a member of the Program Board of the Department of National and International Security from October 2021 until now. She was also a head of the Laboratory for Specialized Research of risks and security (February – October 2022).

The candidate has knowledge in spoken and written English, Spanish, German and Greek.

The biography of the candidate for the competition procedure and the presented evidence on her scientific and teaching activities illustrate her deep expertise and proven practical capacity in areas related to the requirements of the procedure. The candidate possesses the qualities of a young, contemporary educated researcher and university teacher.

2. Correspondence of the quantitative results of the candidate's scientific and teaching activities with the minimum national requirements for occupying the academic position of "associate professor" in the professional direction "National Security"

Submitted candidate's works for review include issues related to the field of financial security, countering money laundering, countering the financing of terrorism and proliferation.

The works proposed for review were published after the candidate's doctoral dissertation. They study significant scientific and scientific-applied problems related to financial security and, in particular, to countering money laundering, countering terrorist financing, countering proliferation.

The references, diplomas and other documents attached to the procedure certify the fact that the candidate, Dr. Gergana Yordanova, has met the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria /LDASRB/, related to the occupation of the academic position of "associate professor" under professional direction 9.1. "National Security".

The candidate has submitted evidence of completed lecturing activity in a higher school that exceeds the minimum required period under Art. 24, para. 1, item 2 of the LDASRB.

The candidate has submitted evidence of a dissertation work, with which she has certified the fulfillment of the requirement of Art. 24, para. 1, item 1 of the LDASRB and of indicator A of the minimum national requirements for occupying the position of "associate professor" (Requirements).

In order to prove the fulfillment of indicators B and D of the minimum national requirements for holding the position of "associate professor", the candidate submitted for review 13 publications that were not used for the obtaining the educational and scientific degree "doctor".

The publications that are proposed by the applicant for an opinion can be classified as follows:

- Habilitation thesis - published monograph - 1 item, which certifies the fulfillment of Art. 24, para. 1, item 3 of the LDASRB and criterion B of the Requirements;

- Published book based on a protected dissertation work for the award of the educational and scientific degree "Doctor" - 1 item.

- Articles and reports published in scientific publications, referenced and indexed in world-renowned databases with scientific information (as sole author, in English) - 1 item;

- Articles and reports published in non-refereed peer-reviewed journals or published in edited collective volumes or in specialized publications for classified information (as sole author, in English) – 3 items;

- Articles and reports published in non-refereed peer-reviewed journals or published in edited collective volumes or in specialized publications for classified information (as sole author, in Bulgarian) - 7 items;

Submitted publications exceed the minimum national requirements of LDASRB Implementing Regulations according to indicator D (205 points compared to the minimum required 200).

The applicant has submitted a Reference for citations, from which it is clear that the presented citations exceed the minimum national requirements of the LDASRB Implementing Regulations under indicator D (105 points compared to the minimum required 100).

In summary, the evidences presented by the applicant prove the fulfillment of the national minimum requirements, according to the requirement of Art. 24, para. 1, item 4 of the LDASRB.

The works presented are the original work of the author and plagiarism or unreliability of the scientific data presented in the scientific works is not established, nor has it been established by law, which complies with the requirements of Art. 24, para. 1, item 5 LDASRB

From the above, supported by the reference submitted by the candidate it can be concluded that the candidate, Dr. Gergana Dimitrova, has fulfilled the requirements of the ŽRASRB and the minimum required points by groups of indicators for the academic position "associate professor" in professional direction 9.1. National security

3. Evaluation of scientific achievements and contributions in the submitted for review works

3.1 Evaluation of the monographic work

Doctor Gergana Yordanova participated in the competition for "associate professor" at VUSI - Plovdiv in the professional direction 9.1. National security with an author's monographic work entitled "Hawala. Essence. Typologies of Money Laundering, Terrorist Financing and Proliferation", Security Library, No. 33. Sofia: Institute for National and International Security Foundation, 2023. ISBN 978-619-7143-14-0.

The subject of monograph study is the etymology, essence and functional characteristics of the informal Arab system of money transfer with settlement of the "Hawala" type, without physical cash transfer of money.

The monographic work has a volume of 178 pages and is structured in an introduction, three chapters, conclusion and a bibliography.

The research topic is relevant, given the problems related to the impossibility of control over informal payment systems, and in particular - the "Hawala" system. This is a risk factor in countering the financing of terrorism, countering money laundering and proliferation.

The monograph is focused in the following areas: formation and etymology of the Hawala system, cybernetic principles and financial-accounting features, as well as its possible "dual" use both for legal and illegal transactions. The main functional criteria for questionable transactions, operations, customers and types of businesses related to the Hawala system as a typology for money laundering and financing of terrorism and proliferation are investigated.

The monograph discusses the possible regulatory regimes in which the Hawala system could be placed pursuant to the recommendations of the International Financial Action Task Force against Money Laundering (FATF) on the legalization, regulation and control of informal, unregulated, non-bank money transfer systems funds, as well as the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation (February 2012, the so-called "Revised FATF Recommendations"), in relation to the cross-border flow of settlement operations of the "Hawala" type.

The monograph explores the possible desecuritization of the securitized money laundering problem money and the financing of terrorism and proliferation through the Hawala system, through more efficient and faster cross-border cooperation between competent authorities and enhanced international coordination

Chapter One, **Origins, Conceptualization and *Modis Operandi* of the Hawala** System, systematizes key points in the historical development of the Hawala as a means of transferring money over a distance without the physical transfer of means of payment. The research also traces the possible connection of the financing of the operations from 11.09.2001 through the "Hawala" system. The main functional characteristics of Hawala as an alternative system and informal method of money transfer, without physical delivery, are outlined. The main financial and accounting elements and the procedural approach to the operation of cash settlement operations of the Hawala type have been clarified. The roles and meanings of the main actors in this ancient mechanism – the transferor, the transferee and the hawaladar(s) – ie. the intermediary(s) in carrying out the transaction.

In the second chapter, entitled "**The Hawala System as a Typology of Money Laundering**", those practical areas which, according to the researcher's thesis and assumptions, have the most significant impact on the risk of potential laundering terrorist and proliferation financing are investigated. The profile of four main participants (actors) and their roles in potential money laundering through the Hawala system is revealed: controller, collector, coordinator and transferor. On this basis, four basic money laundering typologies have been identified respectively.

Chapter Three, "**The Hawala System as a Typology of Terrorist Financing and Proliferation**" explores the application and role of the Hawala system in financing terrorism and proliferation. A content analysis of five main typologies of terrorist financing and proliferation was conducted, according to open sources: Khalid Sheikh Muhammed's US 9/11 financing, Osama bin Laden's US 9/11 financing, and "Al- Qaeda, financing of the Islamic State (Daesh), financing of terrorism (case study from Spain, 2015) and financing of terrorism (case study from Bulgaria, 2019)

In the conclusion, "**Modus vivendi: Money laundering and terrorist financing through the Hawala system as a securitized problem. Desecuritization**", options for potential desecuritization of the securitized problems under consideration are proposed. It is emphasized that the fight against financial abuse, fraud, money laundering and the provision of funds for the commission of terrorist crimes and the financing of the proliferation of nuclear weapons and any weapons of mass destruction technology, through informal, unregulated, non-banking cash settlement systems of the "Hawala" type, requires a new holistic and synergistic approach for sustainable development in security and society, integrating within itself both the successful models for prevention, countermeasures and detection of these crimes, as well as new ones not used until now, incl. clinical and experimental, methods from other professional fields.

3.2. Assessment of contributions in other submitted publications

In addition to the monographic work, the candidate submits for assessment 12 more publications that were not submitted for the obtaining of the educational and scientific degree "doctor".

A published monograph based on a defended dissertation work for the award of the educational and scientific degree "Doctor" is presented, entitled Sovereign Debt Management Model . In: Security Library, No. 32. Sofia: Institute for National and International Security Foundation, 2022. ISBN 978-619-7143-15-7.

The monograph summarizes a scientific study developed on the basis of the author's dissertation work for the obtaining of the educational and scientific degree "doctor", in the field of higher education 9. Security and defense, professional direction 9.1. National security, defended at the Military Academy "Georgi Stoykov Rakovski" - Sofia in January 2016.

The monograph explores an innovative model for the Bulgarian practice for managing sovereign debts, based on some weaknesses in the current model applied in the Republic of Bulgaria. The subject of research are the active investment operations carried out on the site and their dynamics, interpolated/extrapolated in relation to current economic security. The monograph analyzes the sovereign debt by revealing and proving its neglected synergistic effects on the financial and economic security of Bulgaria and on the national security. The thesis that the monograph defends is that there are prerequisites for the emergence of risks and threats to the national security of the Republic of Bulgaria due to ignorance, misunderstanding of sovereign debt as a factor of the national security system.

The publications correspond to the subject of the professional direction 9.1. National Security (Countering Money Laundering and Countering the Financing of Terrorism and Proliferation).

The candidate's research papers are aimed at investigating substantive scientific problems in an already existing scientific field such as financial security, with a focus on its interdisciplinary aspect related to national security. The main scope of the candidate's publications are related to countering money laundering, terrorist financing and proliferation. An important part of the candidate's research is her publications on sovereign debt as an element of national security.

In another part of the presented publications, the candidate presents problems related to the study of financial rules, institutes and institutions based on the postulates of the Islamic religion (Islamic finance) , studied from the perspective of financial security issues.

'3.3 Evaluation of additional scientific-research and scientific-applied characteristics relevant to the present procedure (citation; expert activity, etc.)

The candidate has significant practical and professional experience from 2007 until now in the field of the financial system of the Republic of Bulgaria and the European Union, as well as in the field of consulting. Dr. Yordanova has worked at the Bulgarian National Bank, the European Central Bank, the Financial Supervision Commission, and since 2020 she is the manager and co-founder of "Kartal Business

Group" EOOD, which provides consultations, training and analysis in relation to countering money laundering and terrorist financing.

Dr. Yordanova's activity as an established researcher was also recognized through the awards she had received, such as the award of the Union of Scientists in the Republic of Bulgaria in 2016 in the Competition for High Scientific Achievements in Protected Ph.D. dissertations , the Dr. Ilko Eskenazi Memorial Fund Award (2008) and the International Foundation "St. St. Cyril and Methodius" in the competition for the best economic development , as well as the "Burov" scholarship of the "Atanas Burov" Foundation (2005),

It can be summarized that there are in-depth research experiences and accumulated expertise and results, rich expertise and pedagogical experience, which can be the basis for pedagogical and scientific achievements in the future and be used with high usefulness by the Higher School of Security and Economics.

3. 4. Evaluation of the candidate's pedagogical preparation and activity

There is considerable experience of the candidate Dr. Gergana Yordanova as a teacher in higher education institutions in the period from 2020 until now and described in the autobiographical reference and supported by evidence.

According to the presented 3 certificates from the New Bulgarian University, Dr. Gergana Yordanova has developed and is the holder of the following academic courses: "Perspectives in security", "Levels of security", "Security as a political and legal category" , "Violence", "Public service in security systems", 'Management of special services', 'Economic crimes', 'Penitentiary pedagogy', 'Pedagogy of deviant behaviour', 'Building and management of security systems', 'Terrorism and Islamic fundamentalism' and 'Organization of anti-terrorist defense of strategic objects of national security".

The candidate has experience in teaching abroad, at the Istanbul School of Central Banking at the Central Bank of the Republic of Turkey , where since March 2020 she has been a guest lecturer with practical courses "Introduction to Islamic Finance" and "Financial Crimes ".

From the stated facts, it can be concluded that the candidate has accumulated significant professional and teaching experience and that her accumulated experience corresponds to the requirements for the academic position of "associate professor" in the field of higher education in "Security and Defense", professional direction 9.1. National security .

4 . Evaluating scientific and practical contributions

The works presented, in addition to a significant contribution to the enrichment of theory in the field of security, also have a high practical value, in view of the significance of the challenges related to the researched issues. From this position, I can confidently note the clearly expressed significance of the scientific works proposed for review.

Among the scientific developments with a marked contribution to security, the following can be supported, distributed by fields of contribution:

- Islamic Finance Research;
- Research in the field of financial security;
- Anti-money laundering, counter-terrorist financing and counter-proliferation research;

The following important scientific contributions of Dr. Gergana Yordanova's research can be noted.

First of all, the acquisition of new theoretical knowledge about the nature of the Hawala money transfer system and its impact on security/uncertainty. The monograph is the first study to analyze the Hawala system from a financial security perspective, as well as its potential for use in money laundering and terrorist financing and proliferation operations.

Secondly, the research and systematization of the methods of money laundering, terrorism financing or proliferation through the use of the "Hawala" system - alone and in combination with the use of other methods or other legal entities carrying out financial operations - is a contribution.

From a scientific and applied point of view, the following contributions of Dr. Gergana Yordanova can be highlighted:

First, a new system of knowledge is structured in the form of a methodology for assessing and managing risk in the course of Hawala cash settlement operations (following the derived signs and criteria), in cases where the same is used as a typology for money laundering and terrorist financing and proliferation, which can be successfully used to protect national and international financial security.

Secondly, materials were developed for the introduction of a new study discipline "Islamic Finance" for the preparation of students or specialists in courses for subsequent professional training and qualification of employees of security services.

5. Personal impressions of the candidate

I do not know the candidate in the competition personally, but looking at her overall scientific activity, I am convinced that she is an established and recognized scientist with excellent prospects for further development.

6. Recommendations and notes to the candidate

I have the following recommendations and scientific-methodical considerations for the candidate Dr. Gergana Yordanova:

Although there is publication activity in English-language editions, it should be strengthened, insofar as the problems investigated by Dr. Gergana Yordanova are of interest not only to the Bulgarian scientific community.

It is necessary to expand the scientific application of the candidate's research, as well as to include it more widely in the studied academic disciplines of the specialties at the Higher School of Security and Economics.

The specified recommendations do not affect the merits of the reviewed works and do not affect the scientific contributions, but will contribute to their more precise disclosure.

7. Reasoned proposal

1. On the basis of the findings and conclusions developed above in the review, I accept that the candidate's works submitted for evaluation fully correspond to the subject matter of the announced competition for the academic position "associate professor" in professional direction 9.1. National Security.

2. I believe that the candidate, Dr. Gergana Dimitrova Yordanova, possesses the necessary qualifications, work and professional competence, and personal qualities and meets the requirements of the Law on the Development of the Academic Staff and the Regulations for its Application for successful work in the academic position "docent" in the indicated professional direction.

3. In view of the above, with complete conviction I express a completely positive assessment of the candidacy of Dr. Gergana Dimitrova Yordanova, I propose to the respected scientific jury to choose the candidate for the academic position of "associate professor" according to the competition .

07.02. 2023

Plovdiv

Prof. Dr. Vasil Georgiev

Signature: