

**01 December 2025**

**Positive preliminary assessment of the satisfactory fulfilment of milestones and targets related to the third payment request submitted by Bulgaria on 1 October 2025, transmitted to the Economic and Financial Committee by the European Commission**

**Executive summary**

In accordance with Article 24(2) of Regulation (EU) 2021/241, on 1 October 2025, Bulgaria submitted a request for payment for the third instalment of the non-repayable support. The payment request was accompanied by the required management declaration and summary of audits.

To support its payment request, Bulgaria provided due justification of the satisfactory fulfilment of 48 out of 50 milestones and targets of the third instalment of the non-repayable support, as set out in Section 2.1.1. of the Council Implementing Decision of 4 May 2022 on the approval of the assessment of the recovery and resilience plan for Bulgaria <sup>1</sup>.

For one target and three milestones covering a large number of beneficiaries, in addition to the summary documents and official listings provided by Bulgaria, Commission services have assessed a statistically significant sample of individual files. The sample size has been uniformly set at 60, with 3 additional units for specific cases, which corresponds to a confidence level of 95% or above in all cases.

In its payment request, Bulgaria has confirmed that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed. The Commission does not have evidence of the contrary. Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. Based on the information provided by Bulgaria, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of 48 out of 50 milestones and targets.

The milestones and targets positively assessed as part of this payment request demonstrate significant steps in the implementation of Bulgaria's Recovery and Resilience Plan. They notably highlight the continuation of the reform momentum in key policy areas. This includes, among others, the entry into force of the Law on the Promotion of Research and Innovation ("R&I Act"), legal acts introducing a CO2 emissions cap for lignite and coal fired power plants, the assignment of radio frequency spectrum, legislation on anti-money laundering, a reform of the minimum income scheme and a reform to improve the attractiveness of the healthcare profession. The milestones and targets also confirm progress towards the completion of investment projects related to industrial parks, financial support for small and medium sized enterprises (SMEs), support for new capacities for electricity production from renewable sources and electricity storage, and investments into the energy efficiency scheme, railways, air ambulances and the digital TETRA system.

By the transmission of this positive preliminary assessment and in accordance with Article 24(4) of Regulation (EU) 2021/241, the Commission asks for the opinion of the Economic and Financial Committee on the satisfactory fulfilment of the relevant milestones and targets.

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<sup>1</sup> ST 8091/22; ST 8091/22 ADD1.

## Contents

<b>Number and name of the Milestone:</b> 24 Entry into force of legal act(s) on research and innovation .....	4
<b>Number and name of the Milestone:</b> 25 Legal act(s) related to research and innovation .....	9
<b>Number and name of the Milestone:</b> 29a Signature of contract .....	14
<b>Number and name of the Milestone:</b> 31 Measures for the Joint Innovation Centre.....	16
<b>Number and name of the Milestone:</b> 32 Quantum key distribution optical route .....	18
<b>Number and name of the Target:</b> 36 Selection of industrial parks or zones.....	20
<b>Number and name of the Target:</b> 42 Operations approved by the InvestEU Investment Committee .....	26
<b>Number and name of the Target:</b> 47 Budget execution – transfer of at least EUR 120 million for technological modernisation .....	29
<b>Number and name of the Milestone:</b> 53 Approved Projects .....	32
<b>Number and name of the Target:</b> 58 Finance or investment operations approved by the InvestEU Investment Committee. ....	36
<b>Number and name of the Milestone:</b> 59 Approved Projects .....	39
<b>Number and name of the Milestone:</b> 64 Entry into force of legal act(s) establishing the National Fund for Decarbonisation .....	43
<b>Number and name of the Milestone:</b> 70 Signature of contracts for the energy efficiency renovation of buildings .....	46
<b>Number and name of the Target:</b> 84 One-stop shops designated .....	49
<b>Number and name of the Target:</b> 88 Increase of maximum monthly net cross-border transmission capacity by 1600 MW .....	51
<b>Number and name of the Milestone:</b> 90 Entry into force of legal act(s) on the green hydrogen value chain.....	54
<b>Number and name of the Milestone:</b> 115 Entry into force of legal act(s) introducing a CO2 emissions cap for lignite and coal fired power plants .....	58
<b>Number and name of the Milestone:</b> 122 Signature of contracts for electricity storage facilities.	61
<b>Number and name of the Milestone:</b> 131 Adoption of the National Action Programme.....	63
<b>Number and name of the Milestone:</b> 139 Entry into force of decision(s) by the Communications Regulation Commission assigning rights in the 700 MHz and 800 MHz spectrum bands .....	65
<b>Number and name of the Milestone:</b> 149 Delivery of equipment based on the TETRA standard..	68
<b>Number and name of the Milestone:</b> 164 Market assessment on the scope of public service obligation .....	70
<b>Number and name of the Milestone:</b> 184 Signature of contracts for the purchase of zero-emission railways rolling stock.....	73
<b>Number and name of the Target:</b> 200 Construction of metro line 3 in Sofia.....	78
<b>Number and name of the Milestone:</b> 229 Measures on the insolvency framework .....	81

<b>Number and name of the Milestone:</b> 230 Strategy and roadmap for the introduction of Building Information Modelling (BIM) .....	88
<b>Number and name of the Milestone:</b> 233 Entry into force of legal act(s) on electronic governance .....	90
<b>Number and name of the Milestone:</b> 237 Compliance of the composition of the management boards of large state-owned enterprises.....	92
<b>Number and name of the Milestone:</b> 240 Capacity and capabilities of supervisors.....	98
<b>Number and name of the Milestone:</b> 244 Public Procurement Agency’s methodology.....	115
<b>Number and name of the Milestone:</b> 245 Standard eForms for public procurement .....	119
<b>Number and name of the Milestone:</b> 255 Entry into force of legal act(s) on distance working ...	123
<b>Number and name of the Milestone:</b> 263 Information and communication infrastructure at the Public Prosecutor’s Office .....	126
<b>Number and name of the Milestone:</b> 267 Acquisition of body cameras .....	129
<b>Number and name of the Milestone:</b> 284 Update or release of video guides.....	130
<b>Number and name of the Milestone:</b> 288 Entry into force of legal act(s) related to the minimum income scheme .....	135
<b>Number and name of the Milestone:</b> 291 Entry into force of legal act(s) on the National Map of Social Services .....	141
<b>Number and name of the Milestone:</b> 303 Signature of contracts for the Social Assistance Agency territorial structures.....	144
<b>Number and name of the Milestone:</b> 307 Entry into force of legal act(s) on the National Culture Fund .....	146
<b>Number and name of the Milestone:</b> 312 Methodology and standards for the digitisation of content.....	149
<b>Number and name of the Milestone:</b> 322 Upgrade of the National Health Information System (NHIS) .....	153
<b>Number and name of the Milestone:</b> 323 Entry into force of legal act(s) concerning funding for medical personnel.....	158
<b>Number and name of the Milestone:</b> 324 Entry into force of legal act(s) on healthcare .....	164
<b>Number and name of the Milestone:</b> 336 Signature of contract(s) for the delivery of helicopters to the air ambulance system .....	172
<b>Number and name of the Milestone:</b> 339 Signature of contract(s) for the development of the National Digital Platform for Medical Diagnostics.....	175
<b>Number and name of the Milestone:</b> 347 Legal act(s) designating and establishing responsible bodies.....	178
<b>Number and name of the Milestone:</b> 350 Membership of the PICASSO Platform .....	180
<b>Number and name of the Milestone:</b> 356 Call(s) for selection of projects .....	182

**[Non-repayable support]**

**ANNEX I**

**Number and name of the Milestone:** 24 Entry into force of legal act(s) on research and innovation

**Related Measure:** C2.R1 Common policy for research and innovation

**Qualitative Indicator:** Provisions in the legal act(s) indicating the entry into force

**Time:** Q2 2025

**1. Context:**

Milestone 24 is part of Reform C2.R1 “Common Policy for research and innovation”. The objective of this reform is to support policy coordination in research and innovation.

Milestone 24 covers the entry into force of legal act(s) on research and innovations. The legal act(s) shall define the purpose, principles and scope of the state policy for research and innovation, as well as its sources of funding; regulate the responsibilities of the Ministry of Education and Science, the Ministry of Innovation and Growth, the Council of Ministers, the Innovation and Research Council, the Scientific Research Fund, and the National Innovation Fund in the field of research and innovation; and define the instruments or mechanisms for policy in the field of research and innovation. Further, with regards to technology transfer policy, the legal act(s) shall define the principles for activities and funding supporting technology transfer.

Milestone 24 is the first milestone of the implementation of Reform C2.R1. It is followed by milestone 25 related to the publication of regulations.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Decree No 129 of 29 April 2024 (published in State Gazette No 39 of 1 May 2024)	Copy of the publication in the State Gazette of the Research and Innovation Act. Decree No. 129 of 29 April 2024 of the President of the Republic of Bulgaria provides for the publication of the Law on the Promotion of Research and Innovation (“R&I Act”) in the State Gazette. Link to publication in State Gazette No 39 on 1 May 2024: <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=214107">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=214107</a>

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) on research and innovation. Furthermore, in line with the description of the measure, the reform consists in the entry into force of legal act(s) on research and innovation.**

The Bulgarian Parliament adopted the Law on the Promotion of Research and Innovation (hereinafter referred to as "R&I Act") on 24 April 2024, which was published in the State Gazette No. 39 on 1 May 2024 and which entered into force three days after their publication in the State Gazette in line with Article 5(5) of the Constitution, that is on 5 May 2024 (*evidence no. 2*).

**The legal act(s) shall:**

**(i) define the purpose, principles and scope of the state policy for research and innovation, as well as its sources of funding;**

This constitutive element is fulfilled by reference to Articles 3, 4, 5, 6, 23, 24, 48, 49, 50, 51 in the R&I Act (*evidence no. 2*).

Article 3 specifies the purpose of the R&I Act, including enabling the promotion and development of research and innovation activities, increasing the efficiency and competitiveness of the country's economy, as well as ensuring an enabling environment for access to and optimal use of research infrastructure.

Article 4 defines research and innovation as a national priority and strategic importance, and the principles for publicly funded research and innovation are set out, including freedom of implementation, equality, impartiality, partnership, and compliance with ethical standards and data protection policy.

Article 5 promotes open science, defining it as knowledge transfer by providing access to research data and wide dissemination of research results for which public funding has been provided.

Article 6 provides for the scope of public policy for promoting research and innovation, including financial promotion of research and innovation with public funds, exploitation of research and innovation potential, protection of intellectual property, and international cooperation. Article 6 also specifies that the Minister for Education and Science and the Minister for Innovation and Growth are responsible for allocating and coordinating approved funds by activity and strand.

Articles 23 and 24 are relevant to defining the state policy for the financing of research. Article 23 specifies the sources of funding for research, including the State budget, European Union funds, and international programmes, and specifies the activities that can be financed, such as national science programmes, research infrastructure, and competitive research projects. Article 24 provides more details on the promotion of research through funding from the State budget, including the conditions and procedures for allocation.

Articles 48, 49, 50, and 51 are relevant to defining the state policy for the financing of innovation. Article 48 specifies the promotion of innovation, including the financial and non-financial

instruments and mechanisms used to support it, and Article 49 specifies the sources of funding for innovation, including the State budget, European Union funds, and international programmes. Article 50 specifies the innovation activities that can be financed from the State budget, and Article 51 defines the channelling of funding from the State budget for innovation activities.

**(ii) regulate the responsibilities of the Ministry of Education and Science, the Ministry of Innovation and Growth, the Council of Ministers, the Innovation and Research Council, the Scientific Research Fund, and the National Innovation Fund in the field of research and innovation;**

This constitutive element is fulfilled by reference to Articles 8, 11, 12, 13, 14, 17, 20, 23, 25 – 45, 50, 52 – 69, 81, 85, 86, 87, 88 in the R&I Act (*evidence no. 2*).

- Ministry of Education and Science

Articles 8, 12, 14, 23, 81, 85, and 87 regulate the responsibilities of the Ministry of Education and Science. According to Article 12, the Minister of Education and Science conducts and coordinates the state policy for the promotion of research by developing and proposing national strategies and is responsible for monitoring and reporting on its implementation. Additionally, the Minister, in cooperation with the Minister of Innovation and Growth, develops and submits the Framework Programme for Research and Innovation, ensures and coordinates the country's participation in the European Union Framework Programme through a national network of experts, as specified in Article 14. The Ministry also maintains a public register for research activities (Article 81), issues rules for monitoring and evaluating of research activities (Article 85), and supervises the activities of the Scientific Research Fund (Article 87).

- Ministry of Innovation and Growth

Articles 8, 13, 14, 50, 86, and 88 regulate the responsibilities of the Ministry of Innovation and Growth. According to Article 13, the Minister of Innovation and Growth conducts and coordinates state policy to promote innovation by developing and proposing the Innovation Strategy for Smart Specialization, national programmes in the field of innovation, and submitting for approval reports to the Council of Ministers. Article 13 also provides that the Minister establishes and awards prizes for innovation contributions and achievements. In cooperation with the Minister of Education and Science, the Minister of Innovation and Growth develops and submits the Framework Programme for Research and Innovation, ensures and coordinates the country's participation in the European Union Framework Programme through a national network of experts, as specified in Article 14. Additionally, the Minister of Innovation and Growth assesses the operation of the National Innovation Fund (Article 86) and supervises its activities, including monitoring the operation of the Fund, carrying out controls, adopting annual activity reports, and releasing the composition of the executive board and the manager of the National Innovation Fund in the event of infringements of the provisions of this Act (Article 88).

- Council of Ministers

Articles 8 and 9 regulate the responsibilities of the Council of Ministers. According to Article 8, the Council of Ministers, along with the Minister of Education and Science and the Minister of Innovation and Growth, conducts the state policy for the promotion of research and innovation. As detailed in Article 9, the Council of Ministers conducts this policy by adopting the National Strategy for the Development of Scientific Research, the Innovation Strategy for Smart Specialisation, the Framework Programme for Research and Innovation, the National Roadmap for Research Infrastructure, national science and innovation programmes, and other strategic documents in line

with the objectives and priorities of the European Research Area and other Community policies. The Council of Ministers also has the authority to update the National Roadmap for Research Infrastructure, as stated in Article 11.

- Innovation and Research Council

Articles 17 and 20 regulate the responsibilities of the Innovation and Research Council. According to Article 17, the Innovation and Research Council participates in the development of national R&I strategy papers and programmes, gives opinions on Bulgaria's participation in international scientific cooperation, and makes recommendations on Bulgaria's participation in the European Research Area and on the implementation of the European Innovation Agenda. The Council also gives opinions on draft regulations and strategic documents in the field of research and innovation, participates in monitoring the implementation of the Innovation Strategy for Smart Specialisation, and gives opinions on other matters related to research and innovation at the request of the Minister of Education and Science and the Minister of Innovation and Growth.

- Scientific Research Fund

Articles 23, 25 - 45 and 85 regulate the responsibilities of the Scientific Research Fund. The Scientific Research Fund's activities are detailed in Chapter 3, Section 2 (Articles 25-45) of the R&I Act. The Scientific Research Fund finances projects and programmes and activities for the promotion and development of research and research infrastructure, as well as for the career development of scientists, and financially supports the participation of research organisations and higher education institutions in European and other international research programmes, projects and bilateral agreements and funds the participation of Bulgarian scientific collectives in them (Article 26 (1)). Further, the Scientific Research Fund financially supports the implementation of the National Strategy for the Development of Scientific Research, the disseminating of scientific knowledge, organising and holding fora related to the exchange of scientific knowledge, the acquisition and maintenance of intellectual property rights resulting from research, the construction and maintenance of research infrastructure, and supporting young scientists, postdoctoral students, and collectives of scientists from higher education institutions or research organizations (Article 33, (1)).

- National Innovation Fund

Articles 52 - 69 regulate the responsibilities of the National Innovation Fund. The National Innovation Fund supports cooperation and joint programmes between higher education institutions, research organizations, and businesses in research, innovation, and technology transfer, finances projects, programmes and activities to promote and develop innovation in accordance with national innovation policy, supports participation in European and international research and innovation programmes, and works in coordination with other research and innovation funding organizations (Article 53 (1)). Further, the National Innovation Fund financially supports innovative projects, technology transfer, and research infrastructure, start-ups, small and medium-sized enterprises, science-business cooperation, and acquiring and maintaining intellectual property rights resulting from innovation activities (Article 59 (1)).

**(iii) define the instruments or mechanisms for policy in the field of research and innovation policy.**

This constitutive element is fulfilled by reference to Articles 1, 25, 26, 33, 34 48, 52, 53, 59, 60 in the R&I Act (*evidence no. 2*).

Article 1 specifies that the R&I Act regulates, among other elements, the mechanisms and instruments for the implementation of state policy for the promotion of research and innovation in the Republic of Bulgaria.

The R&I Act establishes that each, the Ministry of Education and Science and the Ministry of Innovation and Growth, has its own structure funding with public funds, through the Scientific Research Fund (Article 25-26) and the National Innovation Fund (Article 52-53), respectively. The Scientific Research Fund financially supports research projects of research organisations and higher education institutions. The National Innovation Fund financially supports innovation projects and supports the cooperation and joint programmes between higher education institutions, research organisations and business in research, innovation, and the development of new technologies.

Article 48 (1) establishes that the promotion of innovation is carried out through financial and non-financial instruments and mechanisms under the conditions and procedures laid down in the R&I Act and under the conditions and in accordance with the relevant special laws and regulations. Paragraph (2) defines that the financial and non-financial mechanisms and instruments referred to in paragraph 1 include grants, subsidies, collective schemes, vouchers, loans and loan guarantees, incentive measures and prizes, administrative measures and other.

**With regard to technology transfer policy, the legal act(s) shall define the principles for activities and funding supporting technology transfer.**

This constitutive element is fulfilled by reference to Articles 59, 60, 70, 71, 72, 73, 74, 75 in the R&I Act (*evidence no. 2*). The activities for the promotion of technology transfer are described in Chapter 5 of the R&I Act, covering Article 70 - 75.

Article 59, paragraph (1) defines that the resources of the National Innovation Fund are spent, amongst others, on funding innovation and technology transfer projects and support to the network of technology transfer units. Article 60, paragraph (1) specifies that the National Innovation Fund supports projects through targeted financial resources allocated on the basis of a competitive procedure. Paragraph (2) establishes that in certain cases, funding can be provided without competition for specific initiatives, including technology transfer activities. The allocation of these financial resources is subject to the conditions outlined in the Framework for State aid for research and development and innovation, as well as EU Regulation No 651/2014.

The activities for the promotion of technology transfer are described in Chapter 5 of the R&I Act, covering Article 70 - 75. Article 70, paragraph (1) specifies that the promotion of technology transfer includes activities that enable the development of the lifecycle of the technology from the idea of its creation to its industrial and market deployment. Paragraph (2) sets out that the promotion of technology transfer also includes public funding as well as measures for the protection of intellectual property and its commercialisation. Article 71 covers the beneficiaries from the measures provided for in order to promote technology transfer under the conditions and in accordance with the procedure laid down in the R&I Act.

Article 74, paragraph (4) establishes the existence of rules or technology transfer rules and of a structure for the realisation of research results and other intellectual property objects are conditions for receiving public funds for technology transfer from the National Innovation Fund.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled



**Number and name of the Milestone:** 25 Legal act(s) related to research and innovation

**Related Measure:** C2.R1 Common policy for research and innovation

**Qualitative Indicator:** Entry into force of legal act(s)

**Time:** Q2 2025

### 1. Context:

The objective of this reform is to support policy coordination in research and innovation and it consists in the entry into force of legal act(s) on research and innovation.

The milestone requires that seven legal act(s) related to Research and Innovation entered into force.

Milestone 25 is the second and final milestone of the reform, and it follows the completion of milestone 24 related to the entry into force of legal act(s) on research and innovations.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary note duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Publication of the rules of the organisation and procedure of the Innovation and Research Council in the State Gazette. Published on 04.07.2025. Entry into force 08.07.2025 (State Gazette No. 54).	The rules of the organisation and procedure of the Innovation and Research Council have been published under the following link: <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp;jsessionid=A53C1FC14DE5FC29FF49C454977D7B22?idMat=235696">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp;jsessionid=A53C1FC14DE5FC29FF49C454977D7B22?idMat=235696</a>
3	Publication of the regulation of the Scientific Research Fund, Decree No. 81, in the State Gazette. Published on 06.06.2025. Entry into force 10.06.2025 (State Gazette No.46).	The regulation of the Scientific Research Fund have been published under the following link: <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=235285">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=235285</a>
4	Publication of the regulation of the National Innovation Fund, Decree No. 132, in the State Gazette. Published on 25.07.2025. Entry into force	The regulation of the National Innovation Fund has been published under the following link: <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=236237">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=236237</a>

	25.07.2025 (State Gazette No.60).	
5	Publication of the procedure for publishing and storing data and publications on the Bulgarian open science portal, Ordinance No. 1, in the State Gazette. Published on 11.03.2025. Entry into force on 15.03.2025 (State Gazette No.20).	The procedure for publishing and storing data and publications on the Bulgarian open science portal have been published under the following link:  <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=233335">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=233335</a>
6	Publication of the terms and conditions for keeping the register of research activities in the Republic of Bulgaria, Ordinance No. 2, in the State Gazette. Published on 25.03.2025. Entry into force on 29.03.2025 (State Gazette No.25).	The terms and conditions for keeping the register of research activities in the Republic of Bulgaria have been published under the following link:  <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=233603">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=233603</a>
7	Publication of the rules for monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund, in the State Gazette. Published on 17.12.2024. Entry into force 21.12.2024 (State Gazette No. 106).	The rules for monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund have been published under the following link:  <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=231245">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=231245</a>
8	Publication of the regulation for monitoring and evaluation of the activities of the Nation Innovation Fund, in the State Gazette. Published on 19.09.2025. Entry into force 19.09.2025 (State Gazette No.77).	The regulation for monitoring and evaluation of the activities of the Nation Innovation Fund have been published under the following link:  <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp;jsessionid=28B681312C22D2679A3551DC2DCB1994?idMat=237393">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp;jsessionid=28B681312C22D2679A3551DC2DCB1994?idMat=237393</a>

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Furthermore, in line with the description of the measure, this measure consists in the entry into force of legal act(s) on research and innovation.**

**Legal act(s) shall enter into force on:**

- **the organisation and procedure of the Innovation and Research Council;**

The rules of the organisation and procedure of the Innovation and Research Council were published in the State Gazette No. 54 of Bulgaria on 4 July 2025 (evidence no. 2). The rules of the organisation and procedure of the Innovation and Research Council entered into force three days after their publication in the State Gazette, in accordance with Article 5(5) of the Constitution, that is on 8 July 2025. As specified in Article 1 of the rules of the organisation and procedure of the Innovation and Research Council, their scope includes among others the organisation and procedure of the Innovation and Research Council.

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

- **the Scientific Research Fund;**

The regulation on the Scientific Research Fund were published in the State Gazette No. 46 of Bulgaria on 6 June 2025 (evidence no.3). The regulation of the Scientific Research Fund entered into force three days after their publication in the State Gazette in accordance with Article 5(5) of the Constitution, that is on 10 June 2025. As specified in Article 1 of the regulation on the Scientific Research Fund, their scope includes among others the rules regulating the organisation and activities of the National Science Fund.

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

- **the National Innovation Fund;**

The regulation of the National Innovation Fund were published in the State Gazette No. 60 of Bulgaria on 25 July 2025 (evidence no.4). According to its paragraph 1 of the final provisions the regulation of the National Innovation Fund entered into force on 25 July 2025. As specified in Article 1 of the regulation of the National Innovation Fund, their scope includes among others the regulations on the management, organization and activity of the National Innovation Fund.

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

- **the procedure for publishing and storing data and publications on the Bulgarian open science portal;**

The procedure for publishing and storing data and publications on the Bulgarian open science portal was published in the State Gazette No. 20 of Bulgaria on 11 March 2025 (evidence no.5). The procedure for publishing and storing data and publications on the Bulgarian open science portal entered into force three days after their publication in the State Gazette in accordance with Article 5(5) of the Constitution, that is on 15 March 2025. As specified in Article 1 of the procedure for publishing and storing data and publications on the Bulgarian open science portal, their scope includes among others the procedure for publication and storage of data and

publications resulting from scientific research, which are fully or partially financed by public funds, of the higher education institutions and scientific organizations in the Bulgarian Open Science Portal.

*The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.*

- **the terms and conditions for keeping the register of research activities in the Republic of Bulgaria;**

The terms and conditions for keeping the register of research activities in the Republic of Bulgaria were published in the State Gazette No. 25 of Bulgaria on 25 March 2025 (evidence no.6). The terms and conditions for keeping the register of research activities in the Republic of Bulgaria entered into force three days after their publication in the State Gazette in accordance with Article 5(5) of the Constitution, that is on 29 March 2025. As specified in Article 1 of the terms and conditions for keeping the register of research activities in the Republic of Bulgaria, their scope includes among others the conditions and terms for keeping the Register of Scientific Research Activities in the Republic of Bulgaria (the Register).

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

- **the monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund;**

The rules for monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund were published in the State Gazette No. 106 of Bulgaria on 17 December 2024 (evidence no.7). The rules for monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund entered into force three days after their publication in the State Gazette in accordance with Article 5(5) of the Constitution, that is on 21 December 2024. As specified in Article 1 of the rules for monitoring and evaluation of the research activities carried out by higher education institutions and scientific organizations, as well as of the activities of the Scientific Research Fund, their scope includes among others the rules regulating the organization and functioning of the system for monitoring and evaluation of the research activities carried out by higher education institutions (HEIs) and scientific organizations, as well as of the activities of the Scientific Research Fund.

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

- **the monitoring and evaluation of the activities of the National Innovation Fund.**

The regulation for monitoring and evaluation of the activities of the National Innovation Fund were published in the State Gazette No. 77 of Bulgaria on 19 September 2025 (evidence no.8).

According to its paragraph 4 of the final provisions the regulation for monitoring and evaluation of the activities of the National Innovation Fund entered into force on 19 September 2025. As specified in Article 1 of the monitoring and evaluation of the activities of the National Innovation Fund, their scope includes among others the regulations regulating the criteria, conditions and procedure for monitoring and evaluating the activities of the National Innovation Fund.

The Commission services accessed the link provided by the authorities on 15 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 29a Signature of contract

**Related Measure:** C2.I1 Programme to support research and innovation

**Qualitative Indicator:** Signed contract

**Time:** Q2 2025

### 1. Context:

Milestone 29a is part of Investment C2.I1 “Programme to support research and innovation”. The objective of this investment is to support Bulgaria’s research and innovation performance, technology transfer and information-sharing.

Milestone 29a requires the signature of a contract with one university. The preceding Target 29 required the signature of contracts with nine higher education institutions selected by a committee in the Ministry of Education and Science.

Milestone 29a, together with target 29, is the first step of the implementation of the investment, and will be followed by target 30, which requires final reports of each of the research higher education institutions. The investment furthermore comprises of target 28, related to projects by small and medium-sized enterprises and higher education institutions.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2	Signed contract BG-RRP-2.013-0001-C01/08.04.2024 with the “Angel Kanchev” University of Ruse signed on 8 April 2024.	Copy of the signed contract between representatives of the Education Programme Executive Agency and representatives of the higher education institution “Angel Kanchev” University of Ruse on 8 April 2024.
3	Supplementary agreements to contract BG-RRP-2.013-0001-C01/08.04.2024 with the “Angel Kanchev” University of Ruse signed on 1 October 2024.	Copy of the supplementary agreement which amends the original contract to make its implementation contingent on the provision of financing under the National Recovery and Resilience Plan. It has been signed between representatives of the Education Programme Executive Agency and representatives of the higher education institution “Angel Kanchev” University of Ruse on 1 October 2024.

### **3. Analysis:**

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

#### **Signature of contract with one university.**

The contract for financing with reference number BG-RRP-2.013-0001-C01 with the research higher education institution (“Angel Kanchev” University of Ruse) (*evidence no. 2*) was signed on 8 April 2024 by representatives of the Education Programme Executive Agency and representatives of the higher education institution “Angel Kanchev” University of Ruse. The Supplementary agreement to the contract (*evidence no. 3*) was signed by both parties on 1 October 2024.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 31 Measures for the Joint Innovation Centre

**Related Measure:** C2.I2 Investment in the Bulgarian Academy of Sciences

**Qualitative Indicator:** Employment contracts signed; Order signed by the president of the BAS; link to electronic portal

**Time:** Q2 2025

### 1. Context:

The objective of this investment is to support the innovation capacity of the Bulgarian Academy of Science (BAS). The investment consists in refurbishing the BAS, measures for the Joint Innovation Centre and a quantum key distribution optical route. Milestone 31 covers measures for the Joint Innovation Centre. It is the first step of the implementation of the investment. It is accompanied by milestone 32 related to a quantum key distribution optical route between the A1 Data Centre Lift and the Institute of Robotics at the Bulgarian Academy of Science (IR-BAS), and will be followed by milestone 33 related to the refurbishment of research buildings and the delivery of research equipment as well as research projects in the field of green and digital transition.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Copy of five signed employment contracts (signed 24.03.2023-19.09.2024)	Copy of five signed employment contracts between the BAS and five experts, one for each of the following areas of expertise: (commercialisation; intellectual property; technology transfer with a focus on green and digital technologies; information technology; coordinator of relations with business and representatives of the innovation ecosystem)
3	Contract for the electronic portal for the BAS, signed 07.02.2023	Signed contract between the BAS and RS4ME EOOD for the electronic portal for the BAS
4	Final acceptance protocol of the electronic portal for the BAS (Окончателен приемо-предавателен протокол) signed on 28.04.2023	Final acceptance protocol proofing final acceptance of the implementation of the electronic portal for the BAS and link to the portal ( <a href="https://jic.bas.bg/">https://jic.bas.bg/</a> )
5	Order No. I-73 of 28.03.2023	Order No. I-73 of 28.03.2023 signed by the



	signed by the president of BAS	president of BAS, which determines the composition of the three Scientific and Innovation Councils and the term for holding their first meetings
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Furthermore, in line with the description of the measures, this measure consists in [...] measures for the Joint Innovation Centre [...].**

**The measures for the Joint Innovation Centre shall cover:**

- a) Five employment contracts signed, one for each of the following areas of expertise:**
- commercialisation
  - intellectual property,
  - technology transfer with a focus on green and digital technologies,
  - information technology,
  - coordinator of relations with business and representatives of the innovation ecosystem

Five employment contracts were signed, one for each of the following areas of expertise: i) commercialisation, ii) intellectual property, iii) technology transfer with a focus on green and digital technologies, iv) information technology and v) coordinator of relations with business and representatives of the innovation ecosystem (evidence no. 2).

- b) A order shall be signed by the president of the BAS on the members of three Science and Innovation Councils.**

Order No. I-73 dated 28 March 2023 signed by the President of the BAS determines the composition of the members of the three Science and Innovation Councils: (1) Council on Innovative Materials and Green Technologies, (2) Council for Resource Efficiency and Circular Economy, and (3) Information and Communication Technology Council and the term for holding their first meetings (evidence no. 5).

- c) An electronic portal for the BAS is accessible and online.**

The final acceptance protocol signed by the contractor and the contracting authority, demonstrates final acceptance of the implementation of the electronic portal for the BAS (evidence no. 3 and no. 4, respectively). Moreover, the link to the portal (evidence no. 4) demonstrates that the electronic portal is accessible and online. The Commission services accessed the link provided by the authorities on 20 October 2025 to verify that the electronic portal is accessible and online. This check was completed successfully, confirming that the electronic portal is accessible and online.

### 4. Commission Preliminary Assessment: Satisfactory fulfilled

**Number and name of the Milestone:** 32 Quantum key distribution optical route

**Related Measure:** C2.I2 Investment in the Bulgarian Academy of Sciences

**Qualitative Indicator:** Work on the quantum key distribution optical route carried out

**Time:** Q2 2025

### 1. Context:

The objective of this investment is to support the innovation capacity of the Bulgarian Academy of Science (BAS). The investment consists in refurbishing the BAS, measures for the Joint Innovation Centre and a quantum key distribution optical route.

Milestone 32 requires that the work on the quantum key distribution optical route between the A1 Data Centre Lift and the Institute of Robotics at the Bulgarian Academy of Science (IR-BAS) has been carried out and is the second step of the implementation of the investment.

It is accompanied by milestone 31 on measures for the Joint Innovation Centre and will be followed by milestone 33 related to the refurbishment of research buildings and the delivery of research equipment as well as research projects in the field of green and digital transition.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Certificate on the quantum key distribution optical route signed between the contractor and competent authority on 22.11.2023 and an Annex to the certificate signed on 22.11.2023	Certificate and Annex to the certificate on the quantum key distribution optical route between the A1 Data Centre Lift and the Institute of Robotics at the Bulgarian Academy of Science (IR-BAS) certifying that the work has been completed successfully.
3	Letter by the Director of the public relations and protocol directorate of the Ministry of Defence of the Republic of Bulgaria on the appointment of the Bulgarian representative in the EuroQCI working group signed on 31.05.2023	Letter by the Director of the public relations and protocol directorate of the Ministry of Defence of the Republic of Bulgaria on the appointment of the Bulgarian representative in the EuroQCI working group.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Furthermore, in line with the description of the measure, this measure consists in [...] a quantum key distribution optical route.**

**Work on the quantum key distribution optical route between the A1 Data Centre Lift and the Institute of Robotics at the Bulgarian Academy of Science (IR-BAS) has been carried out.**

A certificate and its Annex, signed by the contractor and the competent authority, namely the Bulgarian representative in the EuroQCI Board, national coordinator for the implementation of the National QCI Plan of Bulgaria and research manager of QUASAR Center of Competence at the IR-BAS, certifying the successful completion of the work on the quantum key distribution optical route between the A1 Data Centre Lift and the Institute of Robotics at the Bulgarian Academy of Science (IR-BAS) (evidence no. 2 and no.3, respectively).

**4. Commission Preliminary Assessment:** Satisfactory fulfilled

**Number and name of the Target:** 36 Selection of industrial parks or zones.

**Related Measure:** C3.I1 Programme for industrial parks and zones (“AttractInvestBG”)

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 10

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to create favourable conditions for investors in the industrial parks or zones.

Target 36 requires that the Ministry of Innovation and Growth selects ten industrial parks or zones for grant support, with the total funding for the approved projects of at least EUR 98 million.

Target 36 is the first step of the implementation of the investment. It will be followed by target 38 related to completed infrastructure projects in the industrial parks or zones.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone.
2	Results to the evaluation process published on the Website of the Ministry of Innovation and Growth on 11 June 2023 and a link to the results <a href="#">spisuk-odobreni-3.007.pdf</a>	Official results of the selection process indicating 11 parks and zones selected.
3	Copy of a letter by Director of Madara AD of the Madara Schumen Industrial Park to the Ministry of Innovation and Growth of 29 January 2025	Letter certifying that the contract for Madara Schumen Industrial Park was terminated.
4	Extract from the Management and Monitoring of EU Funds in Bulgaria (UM-UMIS 2020)	Extract from the UM-UMIS 2020 system confirming that one contract with Madara Schumen Industrial Park was terminated.
5	Criteria and Methodology to assess proposals of final recipients for the	The evaluation and assessment criteria used for the selection of eligible projects.

	implementation of investments under the selection procedure BG-RRP-3.007 “Public support programme for the development of industrial districts, parks and similar areas and for attracting investment (‘AttractInvestBG’)” published on the website of the Information System for Management and Monitoring of EU Funds in Bulgaria 2020 (UMIS 2020) on 3 June 2023 and a link to the documents for information and application <a href="#">EUMIS 2020</a>	
6	Information on compliance with the ‘Do no significant harm’ principle of the grant scheme BG-RRP-3.007 “Public support programme for the development of industrial areas, parks and similar territories and for attracting investments” published on the website of the Information System for Management and Monitoring of EU Funds in Bulgaria 2020 (UMIS 2020) on 3 June 2023 and a link to the documents for information and application <a href="#">EUMIS 2020</a>	Guidelines for applicants on compliance with the ‘Do no significant harm’.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**Selection of industrial parks or zones. Furthermore, in line with the description of the measure, the investment consists of a grant scheme for the provision of infrastructure in the industrial parks or zones.**

Pursuant to Article 3, paragraph 2, item 1 of the Council of Ministers Resolution No. 112/2022 on the provision of funds for final recipients from the Recovery and Resilience Facility, the grant scheme for the provision of infrastructure in the industrial parks or zones was launched by means of a selection procedure.

According to the information provided on the website of the Information System for Management and Monitoring of EU Funds in Bulgaria 2020 (UMIS 2020), the authorities launched the selection procedure “BG-RRP-3.007 Programme for public support programme for the development of

industrial districts, parks and similar areas and for attracting investment ('AttractInvestBG')" for industrial parks or zones on 2 June 2023 with a deadline on 2 November 2023. The Commission services accessed the link provided by the authorities on 10 October 2025 to verify that the information provided in the link corresponded to the information transmitted as evidence. This check was completed successfully, confirming that the selection procedure was launched and closed with the relevant documents for information and application attached to the procedure. As stated in the announcement of the selection procedure, the grants for selected industrial zones or parks are awarded for the construction, reconstruction and rehabilitation of infrastructure of the industrial zones or parks.

The authorities also provided a link to the results of the evaluation process (hereinafter "results of the evaluation process"), published on the website of the Ministry of Innovation and Growth on 11 June 2024. The Commission services accessed the link provided by the authorities on 10 October 2025 to verify that the published results corresponded to those transmitted as evidence. This check was completed successfully, confirming that the information on the evaluation results for industrial zones or parks was complete.

**The Ministry of Innovation and Growth shall select ten industrial parks or zones for grant support.**

The results of the evaluation process, published on 11 June 2024, confirm that 11 parks or zones were selected in the evaluation process. The results included the following information on the parks or zones selected: i) the project reference number; ii) the name of the industrial park or zone; iii) the title of the investment; iv) the total number of points scored in the evaluation process by each industrial park or zone selected; v) the project category: micro, average or big; vi) the amount of the facility (grant); vii) the amount of the co-financing by the operators; viii) the total cost of the project.

The list of the selected zones or parks includes:

- Rogen Industrial Park
- Industrial and Logistics Park – Burgas
- Sliven Industrial Park
- Shumen Industrial Park
- Balkan Industrial Park
- Danube Industrial Technology Park – Svishtov
- Industrial Park LVZ
- Vidin-South Industrial Park
- Madara Shumen Industrial Park
- Industrial Park – Targovishte
- Zagoré-Elenino Industrial Zone

The authorities also provided additional information explaining that of the 11 industrial parks or zones selected in the evaluation process, one operator requested to terminate the contract, resulting in ten parks selected. In a letter from 29 January 2025 by the Director of Madara AD of the Madara Shumen Industrial Park to the Ministry of Innovation and Growth, the operator

explained that based on a further analysis of the economic situation in the region and the company's capacity, the operator was no longer in position to benefit from the grant by the Ministry. Extracts from UMIS 2020 confirm that the contract for Madara Schumen Industrial Park was terminated.

**The eligibility criteria shall include a criterion on location in Northern Bulgaria.**

The Criteria and Methodology to assess proposals for the implementation of investments under the selection procedure "BG-RRP-3.007 Programme for public support programme for the development of industrial districts, parks and similar areas and for attracting investment ('AttractInvestBG')" (hereinafter the "Criteria and Methodology") were published as part of the procedure information and application documents on 2 June 2023 on the website of UMIS 2020. The Commission services accessed the link provided by the authorities on 10 October 2025 to verify that the information provided in the link corresponded to the information transmitted as evidence. This check was completed successfully, confirming that the selection procedure was launched and closed with the relevant documents for information and application attached to the procedure.

The Criteria and Methodology set out a list of eligibility criteria for the selection of investment projects, divided into 4 sections in the following order:

- i. Section 1. Criteria for administrative compliance of proposals for the implementation of an investment;
- ii. Section 2. Eligibility criteria for applicants;
- iii. Section 3. Criteria for assessing the eligibility of proposed activities;
- iv. Section 4. Criteria for the technical and financial evaluation of proposals for the implementation of investments.

Section 4, criterion number 11 is a criterion on location in Northern Bulgaria. The criterion reads "Industrial zones and parks in Northern Bulgaria (NUTS2 North-East, Severen central and North-West Planning Regions): the industrial zone/park that applied for support under the application procedure is located in the territory of Northern Bulgaria". According to the Criteria and Methodology, the evaluation criterion on location in Northern Bulgaria is assigned a maximum score of 12 points in the evaluation process.

**In order to ensure that the measure complies with the 'Do no significant harm' Technical Guidance (2021/C58/01), the eligibility criteria shall exclude the following list of activities: (i) activities related to fossil fuels, including downstream use; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks; (iii) activities related to waste landfills, incinerators and mechanical biological treatment plants.**

The procedure information and application documents, published on 3 June 2023 on the website of UMIS 2020, contain a document entitled "The Information on compliance with the 'Do no significant harm' principle of the grant scheme BG-RRP-3.007 "Public support programme for the development of industrial areas, parks and similar territories and for attracting investments"" (hereinafter referred to as "The Information on compliance with the 'Do no significant harm' principle"). The information on compliance with the 'Do no significant harm' principle is read as a guideline for applicants on the application of the 'Do no significant harm' principle.

Page 2 of The Information on compliance with the 'Do no significant harm' principle explains that the grant procedure is conducted in compliance with the 'Do no significant harm' principle under the Recovery and Resilience Facility Regulation (2021/C58/01). Pages 2-3 provide that in line with the Regulation the following activities will not be supported under grant procedure:

- i. activities and assets related to fossil fuels, including downstream uses;
- ii. activities and assets under the EU Emissions Trading System where projected greenhouse gas emissions are not lower than the relevant reference values;
- iii. activities and assets related to landfills, waste incineration plants and mechanical biological treatment plants;
- iv. activities and assets where long-term waste disposal may cause damage to the environment.

Furthermore, the Criteria and Methodology include a number of criteria concerning the 'Do no significant harm' principle, such as i) criterion number 8 of section 1 requires that the project application submitted by operators includes a self-assessment form on compliance with the 'Do no significant harm' principle; ii) criterion number 5 of section 3 requires that the application submitted by the operator includes a declaration that the proposal for investment is in line with the 'Do no significant harm' principle; iii) criterion number 6 of section 3 requires that the application form provided by the operator contains information that the activities under the proposal do not include/do not concern the same activities listed above under points (i) to (iv).

**The total funding for the ten approved projects shall be at least EUR 98 million.**

The results of the evaluation process contain the information on the total funding for each project selected. According to the results, the total funding for the ten approved projects sum up to BGN 193 264 967, which is EUR 98 816 324.

**The grant support to each industrial park or zone shall cover a maximum of 80% of the proposed investment.**

The Criteria and Methodology, Section 4 Criteria for the technical and financial evaluation of proposals for the implementation of investments contains a subsection on the financial constraints resulting from the application constraints and the intensity of aid. Points 11-13 of the subsection include the requirement that the maximum grant amount for the actions supported by the grant for the provision of infrastructure in the industrial parks or zones cannot exceed 80% of the proposed investment. These actions include:

- i. Action 1 Construction, reconstruction and/or rehabilitation of bringing technical infrastructure to the industrial park/zone;
- ii. Action 2 Construction, reconstruction and/or rehabilitation of internal technical infrastructure, within the boundaries of the industrial park/zone;
- iii. Action 4 Aid for the construction of solar battery charging stations for electric vehicles.

In addition, the results of the evaluation process contain, for each of the ten industrial parks or zones selected, the information on the amount of grant allocated by the Ministry of Innovation and Growth and the total amount of the investment. The information confirms that for each of the industrial parks or zones selected the grant contribution does not cover more than the maximum 80% of the proposed investment.



**The remaining share of the investment shall be provided by the industrial park/zone operators.**

The Criteria and Methodology, Section 4 Criteria for the technical and financial evaluation of proposals for the implementation of investments contains a subsection on the financial constraints resulting from the application constraints and the intensity of aid. Point 10 of the subsection includes the requirement that at least 25% of the total eligible expenditure under the proposal to implement the investment shall be co-financed either by the applicant's own resources or external sources excluding any public support.

In addition, the results of the evaluation process contain for each of the ten selected industrial parks or zones the information on the amount provided by the operator (co-financing) as well as the total amount of the investment. The information confirms that for each of the industrial park or zones selected the remaining share (of at least 25%) of the total investment is provided by the operator.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Target:** 42 Operations approved by the InvestEU Investment Committee

**Related Measure:** C3.I2 Economic transformation programme Investment 2.1a – Guarantee instrument for growth

**Quantitative Indicator:** % (Percentage)

**Baseline:** 0

**Target:** 100

**Time:** Q2 2025

### 1. Context:

The objective of the Economic Transformation programme is to support growth and innovation in Bulgaria by providing access to finance for businesses and to foster the green and digital transition.

The investment consists in three funds, including Fund 1 Growth and Innovation, Fund 2 Green Transition and Circular Economy and Fund 3 Climate Neutrality and Digital Transformation.

Fund 1 includes the guarantee instrument for growth.

Target 42 concerns operations amounting to 100% of the EU Guarantee under the Bulgarian Member State Compartment, excluding related costs and fees, approved by the InvestEU Committee based on the contribution agreement signed between the European Commission and Bulgaria referred to in milestone 40.

Target 42 is the second target of the investment, and it follows the completion of milestone 40 related to the signature of contribution agreement between the European Commission and the Government of Bulgaria. It will be followed by target 42a regarding operations amounting to 100% of the EU Guarantee under the Bulgarian Member State Compartment, excluding related costs and fees, approved by the InvestEU Committee based on the supplementary contribution agreement.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	2023 Annual Report on the implementation of InvestEU Member State Compartment for Bulgaria signed on 28 June 2024	The annual report includes a financial chapter prepared by the Commission, as well as an operational chapter provided by the European Investment Fund regarding the approved InvestEU operations as at the end of 2023.

3	Minutes of the InvestEU Investment Committee adopted on 17 April 2024	The minutes confirm the approved InvestEU operations as at the end of 2023.  <a href="https://investeu.europa.eu/investeu-operations/investeu-operations-list/framework-operation-23-sustainability-guarantee-bulgaria-Investeu-member-state-compartment-capped_en">https://investeu.europa.eu/investeu-operations/investeu-operations-list/framework-operation-23-sustainability-guarantee-bulgaria-Investeu-member-state-compartment-capped_en</a>
4	2023 EIF Annual Report on InvestEU Member State Compartment Bulgaria	The annual report confirms the approved InvestEU operations as a the end of 2023, and contains signatures with financial intermediaries.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

#### **Operations approved by the InvestEU Investment Committee.**

**Operations amounting to 100% of the EU Guarantee under the Bulgarian Member State Compartment, excluding related costs and fees, approved by the InvestEU Committee based on the contribution agreement signed between the European Commission and the Government of Bulgaria referred to in milestone 40.**

The Minutes of the Investment Committee of the InvestEU Fund that were adopted on 17 April 2024, confirm that in the meeting no 14 of 27-28 April 2023, the Investment Committee approved the EU the SME Competitiveness Guarantee under the Bulgaria Member State Compartment amounting to EUR 70 821 530, excluding related fees and costs amounting to EUR4 178 470, which is the total (100%) of operations under the Guarantee according to Clause 10.2 (III) of the Contribution Agreement signed between the European Commission and the Government of Bulgaria on 7 November 2022, ratified by the Government of Bulgaria on 5 January 2023 and published in the State Gazette No. 4 dated 13 January 2023 (as referred to in milestone 40). The minutes state that the Investment Committee unanimously approved the coverage of the Guarantee, in the presence of all members and with no conflict of interest declared.

Furthermore, the InvestEU 2023 Annual Report on the Contribution Agreement signed between Bulgaria and the European Union in Respect of the Member State Compartment dated June 2024, confirm that the amount allocated to the European Investment Fund, approved on 10 August 2023, under the SME Competitiveness Guarantee product (outlined as the Guarantee Instrument for Growth in the Contribution Agreement between the EU and Bulgaria signed on 7 November 2022) was EUR 70 821 530. The Annual Report confirms that the amount of EUR 70 821 530 excluded the related costs and fees.

What concerns the related costs and fees, the Annual Report states that they amounted to EUR 8 356 940 for two Guarantee Products, including i) the Sustainable Guarantee Product (presented as the Guarantee instrument for energy efficiency and renewable energy in the Contribution

Agreement between the EU and Bulgaria) and ii) the SME Competitiveness Guarantee product (presented as the Guarantee Instrument for Growth in the Contribution Agreement between the EU and Bulgaria). The related costs and fees were distributed equally between the two guarantee products, hence, the costs and fees for the Guarantee instrument for growth amounted to EUR 4 178 470.

The Annual Report by EIF in respect of the InvestEU Member State Compartment Bulgaria of June 2024 further confirms that the operations amounting to 100% of the EU Guarantee under the Bulgaria Member State Compartment, excluding related costs and fees, were approved and signed on 22 and 28 December 2023 with the following financial intermediaries ProCredit Bank, Eurobank, UniCredit, United Bulgaria Bank.

The amounts presented in the InvestEU Annual Report, the InvestEU Committee Minutes and the EIF Annual Report correspond to the amounts in the Contribution Agreement between the EU and Bulgaria signed on 7 November 2022, ratified by the Government of Bulgaria on 5 January 2023 and published in the State Gazette No. 4 dated 13 January 2023, stated In Article 10.2(III) on the Guarantee Instrument for Growth.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Target:** 47 Budget execution – transfer of at least EUR 120 million for technological modernisation

**Related Measure:** C3.I2 Investment 2.1.c Grant scheme for technological modernisation

**Quantitative Indicator:** EUR million

**Baseline:** 0

**Target:** 120

**Time:** Q2 2025

### 1. Context:

The objective of this measure is to support the innovation and growth of Bulgarian businesses, in particular by fostering their green and digital transition.

The investment consists of supporting Bulgarian small and medium-sized enterprises and mid-caps through financial instruments and grants. The programme consists of three funds: Fund 1 - Growth and Innovation; Fund 2 - Green Transition and Circular Economy; Fund 3 - Climate Neutrality and Digital Transformation. Investment 2.1c belongs to Fund 2 and is a grant scheme providing support to SMEs for technological modernisation.

Target 47 is the second and last target of investment 2.1c, and it was preceded by milestone 46, related to the publication of the selection procedures.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	A spreadsheet with a list of completed projects	Annex 1 includes a table with a list of all completed projects and for each project a unique identifier, the amount of funding received, and a brief description.
3	Letters of completion for each of the completed projects issued by the Ministry of Innovation and Growth	The letters include the results of the checks carried out by the Ministry in compliance with the applicable management and control systems
4	Application package for procedure BG-RRP-3.004 "Technological modernization", including	The application package includes the Guidelines for Applicants, which outlines the rules for eligibility of applicants and their projects.

	the Guidelines for Applicants, Execution Conditions for Project Implementation by Final Recipients, and annexes (published on 22 July 2022)	
5	A spreadsheet with payments made during the period 2023–2025 to final recipients	The spreadsheet is an automated extraction from the Ministry of Innovation and Growth’s accounting system

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**Transfer of at least 120 million to recipients for technological modernisation. Furthermore, in line with the description of the measure, the investment consists of a grant scheme for the implementation of projects by SMEs.**

The grant scheme for the implementation of projects related to technological modernisation BG-RRP-3.004 „Technological modernization” was launched by means of a competitive selection of projects pursuant to Article 3, paragraph 2, item 1 of the Council of Ministers Resolution No. 114/2022 of 8 June 2022, laying out the rules for provision of funds to SMEs from the Recovery and Resilience Facility, with a deadline for application of 21 September 2022.

The Bulgarian authorities have provided Guidelines for Applicants (evidence no.4), which were published on 22 July 2022 on the Ministry of Innovation and Growth’s website and in the Information System for the Management and Monitoring of EU Funds in Bulgaria (EUMIS 2020).

According to Section 7 of the Guidelines for Applicants (evidence no.4), the total amount of available funding under the grant scheme is BGN 260 000 000 (approximately EUR 132 935 400 – using the fixed exchange rate of 0.51129).

Furthermore, section 13.1, Point 2, “*Activities Eligible for Funding*” of the Guidelines for Applicants (evidence no.4) specifies that eligible activities under the investment consist in the acquisition of new technologies with a focus on the digitalisation of production processes with a view to expanding production capacity and/or diversifying the products and services on offer. On this basis, the investments acquired may aim at achieving market advantage, product customisation, originality, flexibility and efficiency of production processes.

The Bulgarian authorities submitted an automated extraction from the Ministry of Innovation and Growth’s accounting system (evidence no.5), showing that the total amount disbursed by the Ministry to the recipients of the grant scheme implemented through procedure BG-RRP-3.004 “Technological modernization” exceeds BGN 234.7 million (EUR 120 million).

The extract consists of a spreadsheet containing information on payments made to recipients of the grant scheme during the period 2023–2025 and includes, for each transaction, the document number (used as the unique identifier), the date of the document, the name of the recipient, the disbursed amount in local currency (BGN), and the unique number of the procedure launched by the

Ministry of Innovation and Growth for the call, namely BG-RRP-3.004 “technological modernisation” as specified in the Guidelines for Applicants.

Following the selection of a random sample of 60 units, the Commission services conducted an on-the-spot check on 10 November 2025 to verify on the Ministry of Innovation and Growth’s accounting system that the disbursed amounts in local currency (BGN) for all the 60 sampled units matched the corresponding amounts recorded in the automated extraction provided by the Bulgarian authorities. This check was completed successfully, confirming that the requirement of the milestone on the transfer of at least 120 million to recipients for technological modernisation have been met.

**4. Commission Preliminary Assessment:** Satisfactory fulfilled

**Number and name of the Milestone:** 53 Approved Projects

**Related Measure:** C3.I2 Investment 2.2.a - Grant scheme for investments in renewable electricity sources for own use with local storage facilities

**Qualitative Indicator:** Published list of projects approved for funding

**Time:** Q2 2025

### 1. Context:

The objective of this measure is to support the innovation and growth of Bulgarian businesses, in particular by fostering their green and digital transition.

The investment consists of supporting Bulgarian small and medium-sized enterprises and mid-caps through financial instruments and grants. The programme consists of three funds: Fund 1 - Growth and Innovation; Fund 2 - Green Transition and Circular Economy; Fund 3 - Climate Neutrality and Digital Transformation. Investment 2.2.a belongs to Fund 2 and is a grant scheme providing support to businesses for renewable energy installations combined with local storage.

Milestone 53 relates to the publication of approved projects.

Milestone 53 is the first milestone related to investment 2.2a, and it is followed by target 55 related to the installed capacity from the completed projects.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Guidelines for applicants, Rules for implementation and relevant Annexes.	Annex 1 includes the full documentation of the procedure that sets out the eligibility criteria for compliance of the applicants, the activities and the costs, as well as a description of the selection procedure and the rules for implementing the awarded projects.
3	A spreadsheet containing a list of selected projects and a link to list of approved projects, which was published on 31 August 2023, and is available on the website of the Ministry of Innovation and Growth:	The spreadsheet includes a unique identifier, the name of the beneficiary, the category of the enterprise, the location, the NACE sector/s in which it is active, a



	<a href="https://www.mig.government.bg/nacionalen-plan-za-vazstanovyavane-i-ustojchivost/podkrepa-za-investiczii-za-kombinirane-na-vazobnovyaemi-iztochniczi-za-elektricheska-energiya-sas-saorazheniya-za-lokalno-sahranenie/">https://www.mig.government.bg/nacionalen-plan-za-vazstanovyavane-i-ustojchivost/podkrepa-za-investiczii-za-kombinirane-na-vazobnovyaemi-iztochniczi-za-elektricheska-energiya-sas-saorazheniya-za-lokalno-sahranenie/</a>	project description, period for implementation, amount of funding awarded to the project, amount of funding covered by the beneficiary for each project.
4	Extracts of the official documents containing the eligibility criteria that ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) of selected projects, as specified in the CID Annex	This document gathers the relevant extracts from the official national documents that set out the eligibility criteria ensuring that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01), as required in the CID Annex
5	An extract of the official documents containing the eligibility/selection criteria that ensure compliance with intervention field 033 of Annex VII to Regulation (EU) 2021/241.	This document provides extracts from the official national documents showing the eligibility and selection criteria that ensure the selected projects comply with intervention field 033 of Annex VII to Regulation (EU) 2021/241.
6	Report of the evaluation committee	The report assesses the submitted applications against the call's requirements, showing that the selection was carried out in an open and competitive manner.
7	Description of the Management and Control System established by the Ministry of Innovation and Growth for grant scheme implementation, including the internal act confirming its operation.	This document outlines the management and control system set up by the Ministry of Innovation and Growth for the implementation of grant schemes, providing evidence that the system is established and operational.

#### Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### Published list of projects approved for funding

**The total funding to approved projects shall be at least EUR 52 million. Furthermore, in line with the description of the measure, the investment consists of a grant scheme for the implementation of projects related to energy storage facilities.**

According to Section 7 of the Guidelines for Applicants, the total amount of available funding under the grant scheme is BGN 200 000 000 (approximately EUR 102 258 000 – using 0.51129 as the fixed exchange rate). In addition, according to the list of all approved projects that the Bulgarian Authorities provided as evidence under Annex 2, the total amount of funding allocated for the

approved projects stands at BGN 118 552 824 (approximately EUR 60 614 873 – using the fixed exchange rate of 0.51129).

The list of approved projects was published on the website of the Ministry of Innovation and Growth on 31 August 2023. The Commission services accessed the link provided by the authorities on 20 October 2025 to verify that the approved projects were publicly available and that the total amount of funding allocated corresponds to the figures reported. This check was completed successfully, confirming that the requirements related to the publication of the list of projects approved for funding and the total funding minimum of EUR 52 million in total funding to approved projects have been satisfactorily fulfilled.

The grant scheme for the implementation of projects related to energy storage facilities BG-RRP-3.006 “Construction of new renewable electricity sources for own consumption in combination with local facilities for energy storage in enterprises” was launched by means of a competitive selection of projects pursuant to Article 3, paragraph 2, item 1 of the Council of Ministers Resolution No. 114/2022 of 8 June 2022, laying out the rules for provision of funds to final recipients from the Recovery and Resilience Facility, with a deadline for application of 15 May 2023.

**The call shall require that:**

- **the beneficiaries shall be SMEs, small mid-caps and mid-caps;**

The Bulgarian Authorities have provided a Guideline for Applicants, which was published for public consultation in 2022 on the Ministry of Innovation and Growth’s website and in the Information System for the Management and Monitoring of EU Funds in Bulgaria (EUMIS 2020). This step was taken to maintain transparency and allow for public consultation before the official launch of the procedure.

The Guideline for Applicants specifies that during assessment of administrative compliance and eligibility of investment proposals under the procedure, verification will ensure that:

- the investment proposals correspond to the announced selection procedure;
- all documents submitted and completed in accordance with point 21 of the Guidelines for Applicants are provided; and
- based on the application form and submitted documents, the applicants and their proposed activities satisfy the eligibility criteria established in the Guidelines for Applicants.

According to Section 11.1, point 2 ("Criteria for Eligibility of Applicants") of the Guidelines for Applicants, only micro, small, medium-sized, small mid-caps or mid-caps enterprises were eligible applicants. This eligibility criterion is defined in accordance with articles 3 and 4 of the Law on Small and Medium Enterprises and Annex I to Commission Regulation (EU) № 651/2014 concerning the definition of micro, small and medium-sized enterprises, as well as small mid-caps and mid-cap.

- **the selected projects shall support the construction of new photovoltaic installations with a capacity of up to 1 MW for the production of energy from renewable sources for self-consumption and shall include local storage facilities;**

Section 13.1, point 2 ("Eligible Activities") of the Guidelines for Applicants specifies that the eligible activity under the measure is “Construction of new photovoltaic installations up to 1 MW for the production of energy from renewable sources for self-consumption in combination with local energy storage facilities (batteries).”

- **the beneficiaries shall be companies in all NACE sectors except for D – Electricity, steam and gaseous fuels generation and distribution and A – Agriculture, Forestry and Fisheries;**

According to Section 11.2, point 2 ("Criteria for Ineligibility of Applicants") of the Guidelines for Applicants, eligible applicants shall not carry out their main economic activity in the NACE sectors A "Agriculture, Forestry and Fisheries" and D Electricity, steam and gaseous fuels generation and distribution"

- **the grant financing does not exceed 50% of the total eligible investment costs;**

According to Section 10 ("Percentage of co-financing") of the Guidelines for Applicants, the maximum grant financing of the applicant is 50% of the total investment costs.

- **the proposals comply with the 'Do no significant harm' Technical Guidance (2021/C58/01)**

Section 5 ("Objectives of the grant received under the procedure and expected results") of the Guidelines for Applicants specifies that investments under the procedure shall respect the requirements of the 'do no significant harm' principle on the environment, contributing to the green transition of businesses' operations.

In addition, according to Section 14, point 3 ("categories for costs eligible for funding") of the Guidelines for Applicants, the procedure will not finance costs for:

- activities and assets related to fossil fuels, including downstream uses;
- activities and assets under the EU Emissions Trading System;
- activities and assets related to landfills, waste incineration plants and mechanical biological treatment plants;
- activities and assets where long-term disposal of waste may cause damage to the environment.

Furthermore, in line with Annex 13 to the Guidelines for Applicants, recipients are subject of monitoring that has to certify the compliance of the investments with the principle of "Do no significant harm" Technical Guidance (2021/C58/01).

#### **4. Commission Preliminary Assessment: Satisfactory Fulfilled**

**Number and name of the Target:** 58 Finance or investment operations approved by the InvestEU Investment Committee.

**Related Measure:** C3.I2 Economic transformation programme Investment 2.2b – Guarantee instrument for energy efficiency and renewable energy

**Quantitative Indicator:** % (Percentage)

**Baseline:** 0

**Target:** 100

**Time:** Q2 2025

### 1. Context:

The objective of the Economic Transformation programme is to support the innovation and growth of Bulgarian businesses, fostering their green and digital transition. The investment consists in supporting Bulgarian small and medium-sized enterprises and mid-caps through financial instruments and grants.

The investment consists in three funds, including Fund 1 Growth and Innovation, Fund 2 Green Transition and Circular Economy and Fund 3 Climate Neutrality and Digital Transformation.

Fund 2 includes the guarantee instrument for energy efficiency and renewable energy.

Target 58 consists in finance or investment operations approved by the InvestEU Committee amounting to 100% of the EU Guarantee under the Bulgarian Member State Compartment, excluding related costs and fees.

Target 58 is the final target. It follows the completion of milestone 56 related to the signature of contribution agreement to InvestEU between the European Commission and the Government of the Republic of Bulgaria, with the EIF as an implementing partner.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	2023 Annual Report on the implementation of InvestEU Member State Compartment for Bulgaria signed on 28 June 2024	The annual report includes a financial chapter prepared by the Commission, as well as an operational chapter provided by the European Investment Fund regarding the approved InvestEU operations as at the end of 2023.
3	Minutes of the InvestEU Investment Committee adopted on 17 April 2024	The minutes confirm the approved InvestEU operations as at the end of 2023.

		<a href="https://investeu.europa.eu/investeu-operations/investeu-operations-list/framework-operation-23-sustainability-guarantee-bulgaria-Investeu-member-state-compartment-capped_en">https://investeu.europa.eu/investeu-operations/investeu-operations-list/framework-operation-23-sustainability-guarantee-bulgaria-Investeu-member-state-compartment-capped_en</a>
4	2023 EIF Annual Report on InvestEU Member State Compartment Bulgaria	The annual report confirms the approved InvestEU operations as at the end of 2023, and contains signatures with financial intermediaries.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Finance or investment operations approved by the InvestEU Investment Committee.**

#### **Finance or investment operations approved by the InvestEU Investment Committee amounting to 100% of the EU Guarantee under the Bulgaria Member State Compartment, excluding related costs and fees.**

The Minutes of the Investment Committee of the InvestEU Fund that were adopted on 17 April 2024, confirm that in the meeting no 14 of 27-28 April 2023, the Investment Committee approved the EU Sustainability Guarantee under the Bulgaria Member State Compartment amounting to EUR 70 821 530 excluding related fees and costs amounting to EUR 4 178 470, which is the total (100%) of operations under the Guarantee according to Clause 10.2(IV) of the Contribution Agreement signed between the European Commission and the Government of Bulgaria on 7 November 2022, ratified by the Government of Bulgaria on 5 January 2023 and published in the State Gazette No. 4 dated 13 January 2023. The minutes state that the Investment Committee unanimously approved the coverage of the Guarantee, in the presence of all members and with no conflict of interest declared.

Furthermore, the InvestEU 2023 Annual Report on the Contribution Agreement signed between Bulgaria and the European Union in Respect of the Member State Compartment dated June 2024, confirm that the amount allocated to the European Investment Fund, approved on 10 August 2023, under the Sustainability Guarantee product (outlined as the Guarantee instrument for energy efficiency and renewable energy in the Contribution Agreement between the EU and Bulgaria signed on 7 November 2022) was EUR 70 821 530. The Annual Report confirms that the amount of EUR 70 821 530 excluded the related costs and fees.

What concerns the related costs and fees, the Annual Report states that they amounted to EUR 8 356 940 for two Guarantee Products, including i) the Sustainable Guarantee Product (presented as the Guarantee instrument for energy efficiency and renewable energy in the Contribution Agreement between the EU and Bulgaria) and ii) the SME Competitiveness Guarantee product (presented as the Guarantee Instrument for Growth in the Contribution Agreement between the EU and Bulgaria). The related costs and fees were distributed equally

between the two guarantee products, hence, the costs and fees for the Guarantee instrument for energy efficiency and renewable energy amounted to EUR 4 178 470.

The Annual Report by EIF in respect of the InvestEU Member State Compartment Bulgaria of June 2024 further confirms that the operations amounting to 100% of the EU Guarantee under the Bulgaria Member State Compartment, excluding related costs and fees, were approved and signed on 22 and 28 December 2023 with the following financial intermediaries ProCredit Bank, Eurobank, UniCredit, United Bulgaria Bank.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 59 Approved Projects

**Related Measure:** C3.I2 Investment 2.2.c - Grant scheme for the support of businesses in the transition to a circular economy

**Qualitative Indicator:** Published list of projects approved for funding

**Time:** Q2 2025

### 1. Context:

The objective of this measure is to support the innovation and growth of Bulgarian businesses, in particular by fostering their green and digital transition.

The investment consists of supporting Bulgarian small and medium-sized enterprises and mid-caps through financial instruments and grants. The programme consists of three funds: Fund 1 - Growth and Innovation; Fund 2 - Green Transition and Circular Economy; Fund 3 - Climate Neutrality and Digital Transformation. Investment 2.2.c belongs to Fund 2 and is a grant for the support of businesses in the transition to a circular economy.

Milestone 59 relates to the publication of approved projects.

Milestone 59 is the first milestone related to investment 2.2c, and it is followed by target 60 related to a transfer of EUR 83 million for projects in circular economy.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Guidelines for applicants, Rules for Condition for the Execution of the investments and relevant Annexes.	Annex 1 includes the full documentation of the procedure that sets out the eligibility criteria for compliance of the applicants, the activities and the costs, as well as a description of the selection procedure and the rules for implementing the awarded projects.
3	A spreadsheet listing the selected projects and a link to the list of approved projects, published on 13 <sup>th</sup> February 2024, and available on the website of the Ministry of Innovation and Growth: <a href="https://www.mig.government.bg/nacionalen-plan-">https://www.mig.government.bg/nacionalen-plan-</a>	The spreadsheet includes a unique identifier, the name of the beneficiary, the category of the enterprise, the location, the NACE sector/s in which it is active, a project description, period for implementation, amount of funding awarded to the project, amount of funding covered by the beneficiary for each project.

	<a href="#"><u>za-vazstanovyavane-i-ustojchivost/podkrepa-za-prehoda-kam-kragova-ikonomika-v-predpriyatiyata/</u></a>	
4	A reserve list of projects	403 proposals were included in the list of reserve projects, which was published on 13 <sup>th</sup> February 2024 on the website of the Ministry of Innovation and Growth at the following link: <a href="https://www.mig.government.bg/nacionalen-plan-za-vazstanovyavane-i-ustojchivost/podkrepa-za-prehoda-kam-kragova-ikonomika-v-predpriyatiyata/">https://www.mig.government.bg/nacionalen-plan-za-vazstanovyavane-i-ustojchivost/podkrepa-za-prehoda-kam-kragova-ikonomika-v-predpriyatiyata/</a> .
5	Extracts of the official documents containing the eligibility criteria that ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) of selected projects, as specified in the CID Annex	This document gathers the relevant extracts from the official national documents that set out the eligibility criteria ensuring that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01), as required in the CID Annex.
6	An extract of the official documents containing the eligibility/selection criteria that ensure compliance of selected projects with intervention field 033 of Annex VII to Regulation (EU) 2021/241.	This document provides extracts from the official documents showing the eligibility and selection criteria applied to the selected projects to ensure compliance with intervention field 033 of Annex VII to Regulation (EU) 2021/241.
7	Report of the evaluation committee	The report assesses the submitted applications against the call's demands, showing that the selection was carried out in an open and competitive manner.
8	Copy of a Description of the Management and control system put in place by the Ministry of Innovation and Growth for the implementation of grant schemes and a copy of the internal act establishing the management and control system and confirming that this is operational.	A document outlining the Ministry of Innovation and Growth's management and control system for implementing grant schemes, along with the internal act that establishes this system and confirms its operational status.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.



**Published list of projects approved for funding.**

**The total funding to approved projects shall be at least EUR 83 million. Furthermore, in line with the description of the measure, the investment consists of a grant scheme for the implementation of projects by SMEs.**

According to Section 7 of the Guidelines for Applicants, the total amount of available funding under the grant scheme is BGN 180 000 000 (approximately EUR 92 032 000 – using 0.51129 as the fixed exchange rate).

According to the list of all approved projects that the Bulgarian Authorities provided as evidence under Annex 2, the total amount of funding allocated for the approved projects stands at BGN 170 741 048 (approximately EUR 87.298.190 – using 0.51129 as the fixed exchange rate), thus satisfying the requirement of the target.

The list of approved projects, which was published on 13 February 2024, is also available on the website of the Ministry of Innovation and Growth. The Commission services accessed the link provided by the authorities on 20 October 2025 to verify that the approved projects were publicly available and that the total amount of funding allocated corresponds to the figures reported. This check was completed successfully, confirming the publication of the list and that the requirement for a minimum of EUR 83 million in total funding to approved projects has been satisfactorily fulfilled.

**The call shall require that:**

- **the beneficiaries shall be SMEs and large companies in the NACE sector C – Processing industry;**

The Guideline for Applicants specifies that during assessment of administrative compliance and eligibility of investment proposals under the procedure, verification will ensure that:

- the investment proposals correspond to the announced selection procedure;
- all documents submitted and completed in accordance with point 21 of the Guidelines for Applicants are provided; and

According to Section 11.1, point 3 ("Criteria for Eligibility of Applicants") of the Guidelines for Applicants (evidence no. 2), only micro, small, medium-sized, and large companies were eligible applicants. This eligibility criterion is defined in accordance with articles 3 and 4 of the Law on Small and Medium Enterprises and Annex I to Commission Regulation (EU) № 651/2014 concerning the definition of micro, small and medium-sized enterprises. In addition, section 11, points 6 of the Guidelines for applicants specifies that the procedure does not allow the applicant to claim support for more than one economic activity code, which in this case must necessarily fall under sector C - Processing industry.

- **the selected projects shall support companies in introducing circular economy production methods, which shall support waste reduction, limiting single-use plastics, use of bio-resources, improving environmental performance and energy efficiency of products;**

Section 13.1 ("Eligible Activities") of the Guidelines for Applicants specifies that selected projects shall support the "acquisition of new technologies to introduce circular models in enterprises" which shall contribute to:

- reducing waste generation
- restricting the use of single-use plastic products

- using resources of biological origin
- improving the environmental performance standards of products
- improving the energy efficiency of products
- Introducing other circular economy models

The call text refers to “other circular economy models,” which includes production methods such as using recyclable materials, reducing inputs, improving product durability, and enhancing recyclability. These measures effectively cover the CID requirement to introduce circular economy production methods.

- **the projects shall be in compliance with intervention field 047 and 047bis of Annex VII to the RRF Regulation;**

Section 13.1 (“Eligible Activities”) of the Guidelines for Applicants (evidence no. 2) specifies that the eligible activities consist of investments and measures supporting the introduction of circular economy models in SMEs and large enterprises operating in NACE sector C (“Processing Industry”). These activities are therefore in line with intervention field 047 (“Support to environmentally-friendly production processes and resource efficiency in SMEs”) and 047bis (“Support to environmentally-friendly production processes and resource efficiency in large enterprises”) as defined in Annex VII to the RRF Regulation.

- **the grant financing does not exceed 50% of the total eligible investment cost;**

According to Section 10 (“Percentage of co-financing”) of the Guidelines for Applicants (evidence no. 2), the maximum grant financing of the applicant is 50% of the total investment costs.

- **the proposals comply with the ‘Do no significant harm’ Technical Guidance (2021/C58/01)**

Section 5 (“Objectives of the grant received under the procedure and expected results”) of the Guidelines for Applicants (evidence no. 2) specifies that investments under the procedure shall respect the requirements of the ‘do no significant harm’ principle on the environment, contributing to the green transition of businesses’ operations.

In addition, according to Section 14, point 3 (“categories for costs eligible for funding”) of the Guidelines for Applicants, the procedure will not finance costs for:

- activities and assets related to fossil fuels, including downstream uses;
- activities and assets under the EU Emissions Trading System;
- activities and assets related to landfills, waste incineration plants and mechanical biological treatment plants;
- activities and assets where long-term disposal of waste may cause damage to the environment.

Furthermore, in line with Annex 13 to the Guidelines for Applicants, recipients are subject of monitoring that has to certify the compliance of the investments with the principle of “Do no significant harm” Technical Guidance (2021/C58/01).

#### **4. Commission Preliminary Assessment: Satisfactory fulfilled**

**Number and name of the Milestone:** 64 Entry into force of legal act(s) establishing the National Fund for Decarbonisation

**Related Measure:** C4.R1 Establishment of a National Fund for Decarbonisation

**Qualitative Indicator:** Provision in legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The objective of this reform is to establish the National Fund for Decarbonisation. The measure consists in an assessment of the national energy efficiency regulatory framework and in the entry into force of legal act(s) establishing the National Fund for Decarbonisation.

Milestone 64 is the second milestone of the reform and concerns the entry into force of legal act(s) for the establishment of the National Fund for Decarbonisation, and it follows the completion of milestone 63 related to an assessment of the national energy efficiency regulatory framework published by an independent expert panel. It will be followed by milestone 65 related to contract signature and adoption of operating rules.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled, with appropriate links to the underlying evidence.
2	Copy of Act amending and supplementing the Energy Efficiency Act published in the State Gazette of the Republic of Bulgaria No 97 of 14.11.2025	Act amending and supplementing the Energy Efficiency Act published in the State Gazette of the Republic of Bulgaria No 97 of 14.11.2025.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) for the establishment of the National Fund for Decarbonisation. Furthermore, in line with the description of the measure, the measure consists in [...] the entry into force of legal act(s) establishing the National Fund for Decarbonisation.**

The Act amending and supplementing the Energy Efficiency Act (hereinafter referred to as 'the Act') was published in the State Gazette of Bulgaria on 14 November 2025 (evidence 2). According to paragraph (§) 27 of the Final Provisions of the Act, the Act entered into force on the date of its publication in the State Gazette, that is on 14 November 2025. The Act amends the

entire Chapter IV of the Energy Efficiency Act, including its articles 78-88. Chapter IV is re-titled to National Fund for Decarbonisation and its articles 78-88 lay down detail the purpose, structure, functioning and other aspects related to the Fund.

**The legal act(s) shall define:**

**(i) the purpose of the Fund, including to finance energy efficiency and renewable energy measures in buildings;**

Article 78 (1) of the Act defines the purpose of the Fund, whereby “the National Decarbonization Fund shall finance the implementation of activities and measures to increase energy efficiency and promote activities for the production and consumption of energy from renewable sources in buildings”. The explicit statutory definition under Article 78 (2) confirms that the Fund’s legal purpose encompasses financing the energy efficiency and renewable energy measures in buildings, thereby fully satisfying the requirement.

**(ii) the eligible uses of the Fund’s resources, including for the provision of (a) financial instrument(s), for example credit lines, guarantees and/or a combination of them with a grant component, and (b) technical assistance for the preparation of projects.**

Article 82 (1) of the Act lays down a six-point list of eligible uses of the Fund’s resources. In line with Article 82 (1), point 4, the Fund’s resources shall be used for the provision of financial instruments, including credit lines and guarantees and/or a combination of both, with a grant component included. In line with Article 82 (1), point 5, the Fund’s resources shall be used for the provision of technical assistance for projects development and advice under the financial instruments referred to in points 1 to 4.

**(iii) the bodies of the Fund and their competencies.**

Article 83 of the Act defines the three bodies of the Fund, namely a general assembly of donors, a management board, and a fund manager.

Article 84 (2) defines the competencies of the general assembly of donors, including adopting the operating rules of the Fund and approving the annual activity report of the Fund. Article 86 defines the competencies of the management board as the body that carries out the general management of the activities of the Fund and the control of the operational management of the Fund, including by concluding agreements with donors, adopting reports by the fund manager, and selecting a fund manager. Article 88 (1) defines the competencies of the fund manager as the body responsible for carrying out the operational management of the Fund, including by representing the Fund, preparing a business plan, providing technical assistance, monitoring and evaluating projects, and conducting information and communication activities.

**(iv) the Fund Manager as a legal person or a consortium of legal persons.**

According to Article 87 (1) of the Act, the Fund Manager shall be a legal person or a consortium of legal persons.

**Furthermore, the legal act(s) shall provide for the chairperson of the management board to perform the functions of the fund manager until the selection of the first fund manager following the establishment of the National Fund for Decarbonisation.**

According to § 21 (1) of the Final Provisions of the Act, the management board shall elect the first fund manager by 30 April 2026. In line with § 21 (2) of the Final Provisions of the Act,

until the election of the Fund Manager referred to in § 21 (1), the chairperson of the management board shall perform the functions of the fund manager.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 70 Signature of contracts for the energy efficiency renovation of buildings

**Related Measure:** C4.I1 Support for the renovation of building stock

**Qualitative Indicator:** Signed contracts

**Time:** Q2 2025

### 1. Context:

The objective of the measure is to increase the energy efficiency of the building stock. The measure consists in three sub-measures for energy efficiency renovation of residential buildings, non-residential public buildings and non-residential buildings in the fields of manufacturing, trade and services respectively.

The milestone requires the signature of contracts for the energy efficiency renovation of buildings by the Ministry of Regional Development and Public Works and final beneficiaries and/or municipalities on behalf of final beneficiaries.

Milestone 70 is the fourth milestone of the investment, and it follows the completion of milestone 68 on the establishment of the support scheme, and milestones 69 and 72 on the publication of calls for proposals. It will be followed by target 71 and target 75, related to energy efficiency renovations being carried out for 2.15 million square meters of residential buildings (target 71) and for at least 354 non-residential public buildings and at least 170 non-residential buildings in manufacturing, trade and services (target 75).

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Link to publication of call for proposals BG-RRP-4.023: <a href="https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/dbc86350-ccd-414a-a175-a1d440952525">https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/dbc86350-ccd-414a-a175-a1d440952525</a> and approved application guidelines "Support for sustainable energy renovation of the residential building fund - stage I", of 20 December 2022	Call for proposals BG-RRP-4.023 and corresponding application guidelines for sub-measure 1: renovation of residential buildings. Both call for proposals and application guidelines have been assessed under Milestone 69
3	annex-1-contracts-68d640194ac12.xlsx	Excel table containing a list of 579 contracts with unique identifiers for energy efficiency renovations under sub-

		measure 1: renovation of residential buildings
4	Link to publication of call for proposals BG-RRP-4.020: <a href="https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/7656ebb9-a693-4b93-9175-6318308782a5">https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/7656ebb9-a693-4b93-9175-6318308782a5</a> and approved application guidelines "Support for sustainable energy renovation of public building fund for administrative service, culture and sport", of 19 December 2022	Call for proposals BG-RRP-4.020 and corresponding application guidelines for sub-measure 2: renovation of non-residential public buildings. The call for proposals and application guidelines have been assessed under Milestone 72
5	annex-3-contracts-4-020-public-buildings-68d640199419f.xlsx	Excel table containing a list of 277 contracts with unique identifiers for energy efficiency renovations under sub-measure 2: renovation of non-residential public buildings
6	Link to publication of call for proposals BG-RRP-4.022: <a href="https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/d3959649-881a-46fa-b8a8-62f44b65f698">https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/d3959649-881a-46fa-b8a8-62f44b65f698</a> and approved application guidelines "Increasing the energy efficiency in public buildings of the Bulgarian Academy of Sciences", of 3 October 2022	Call for proposals BG-RRP-4.022 and corresponding application guidelines for sub-measure 2: renovation of non-residential public buildings, in relation to the Bulgarian Academy of Sciences. The call for proposals and application guidelines have been assessed under Milestone 72
7	annex-5-contracts-4-022-contracts-bas-68d640197cd63.xlsx	Excel table containing a list of 12 contracts with unique identifiers for energy efficiency renovations under sub-measure 2: renovation of non-residential public buildings, in relation to the Bulgarian Academy of Sciences
8	Link to publication of call for proposals BG-RRP-4.021: <a href="https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/7037c9e4-0e51-4268-b8d5-3bc1660dccb4">https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/7037c9e4-0e51-4268-b8d5-3bc1660dccb4</a> and approved application guidelines "Support for sustainable energy renovation of buildings in the sphere of production, trade and services, including the tourism sector ", of 30 January 2023	Call for proposals BG-RRP-4.021 and corresponding application guidelines for sub-measure 3: renovation of non-residential buildings in manufacturing, trade and services. The call for proposals and application guidelines have been assessed under Milestone 72
9	annex-4-contracts-4-021-enterprises-68d64019693d4.xlsx	Excel table containing a list of 257 contracts with unique identifiers for energy efficiency renovations under sub-measure 3: renovation of non-

		residential buildings in manufacturing, trade and services
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Signature of contracts for the energy efficiency renovation of buildings by the Ministry of Regional Development and Public Works and final beneficiaries and/or municipalities on behalf of final beneficiaries.**

Following the selection of a random sample of 63 units, Bulgaria submitted energy efficiency contracts for renovations of residential buildings (Evidence 3), public buildings (Evidence 5), the Bulgarian Academy of Sciences (Evidence 7), and non-residential buildings in manufacturing, trade and services (Evidence 9). The milestone requires examining individual contracts to ensure that contracts covering energy efficiency renovations have been signed. The evidence provided for a sample of 63 units confirmed that the requirements of the milestone have been met. All contracts were signed by a representative of the Ministry of Regional Development and Public Works and the respective beneficiaries except contracts under sub-measure 1 (Evidence 3). Contracts under sub-measure 1 were signed by municipalities on behalf of final beneficiaries. The respective application guidelines for the call for proposals under sub-measure 1 (Evidence 2), assessed under milestone 69, specified the requirement for municipalities to sign on behalf of final beneficiaries. All contracts were signed after February 2020. All contracts cover energy efficiency renovations. All contracts include a reference to their respective call for proposals and application guidelines (Evidences 2, 4, 6, and 8). Calls for proposals and application guidelines were assessed under milestones 69 and 72 as part of payment request 2 (BG-PR2). Application guidelines listed energy efficiency renovation measures that were eligible under the call for proposals. Since each contract refers to its corresponding call for proposals, which in turn refers to application guidelines, the scope of eligible works is defined through this chain of documentation.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**



**Number and name of the Target:** 84 One-stop shops designated

**Related Measure:** C4.R5 One-Stop Shops for energy efficiency renovations

**Baseline:** 0

**Target:** 21

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to reduce administrative burden linked to the energy efficiency renovation process.

The measure consists in the designation of one-stop shops for energy efficiency renovations in the country and the establishment of 6 pilot one-stop shops.

Target 84 requires legal act(s) to designate 21 regional information centres as one-stop shops for energy efficiency renovations.

Target 84 is the second and last target of the reform and follows the completion of milestone 83, related to the establishment of 6 pilot one-stop shops.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	Decision of the Council of Ministers No. 623 of 14 September 2023	Decision of the Council of Ministers designating the regional information points that provide information on EU Funds as one stop shops for energy efficiency renovations.
3	Decision of the Council of Ministers No. 755 of 5 November 2025	The decision amends the Council of Ministers Decision No.623 of 14 September 2023 designating the regional information points that provide information on EU Funds as one stop shops for energy efficiency renovations.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**One-stop shops designated. Furthermore, in line with the description of the measure, the measure consists in the designation of one-stop shops for energy efficiency renovations in the country**

**Legal act(s) shall designate 21 regional information centres as one-stop shops for energy efficiency renovations**

The Council of Ministers Decision No. 623 of 14 September 2023 (evidence no. 2), which served as the basis for assessing the previous milestone of this reform relating to the establishment of six pilot one-stop shops in the country, was amended on 5 November 2025 to include the full list of regional information centres designated as one-stop shops – 21 regional information centres designated as one-stop shops as well as the six pilot one-stop shops (evidence 3), as explained below.

Paragraph 1 of the Council of Ministers Decision No. 623 of 14 September 2023 designates the regional information centres referred to in Article 20(1) of the Act on the Management of European Funds under Shared Management (EFSU) as one-stop shops. The Council of Ministers Decision No. 755 of 5 November 2025 (evidence no. 3) amends Council of Ministers Decision No. 623 of 14 September 2023 (evidence no. 2) and provides a list of the 21 regional information centres designated as one-stop shops in its Annex 1.

In its paragraph 1, the original Council of Ministers Decision No. 623 of 14 September 2023 (evidence no. 2) specifies that the one-stop shops shall provide advice and information on all aspects of the renovation process, especially when carrying out energy efficiency improvements.

**4. Commission Preliminary Assessment: Satisfactory fulfilled**

**Number and name of the Target:** 88 Increase of maximum monthly net cross-border transmission capacity by 1600 MW

**Related Measure:** C4.I4 Digital transformation of the electricity transmission grid

**Quantitative Indicator:** Megawatts (MW)

**Baseline:** 0

**Target:** 1600

**Time:** Q2 2025

### 1. Context:

The objective of this investment is to increase the share of renewable energy sources, flexibility in the management and monitoring of the electricity system as well as the net cross-border transmission capacity at borders with Member States (i.e., Romania and Greece).

The investment consists in a programme for the digital transformation of the Electricity System Operator.

Target 88 provides that 1 600 MW of additional maximum monthly net cross-border transmission capacity with Romania and Greece, compared to 2020 levels, shall be made available to the market, as evidenced by data from ENTSO-e Transparency platform.

Target 88 is the second target of the investment and follows the completion of milestone 85 related to the signature of contracts or the commencement of works for the upgrade of the national transmission systems. It will be followed by target 89, related to the integration of production capacity from renewable sources in the electricity system.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	Extracts from the JAO auction website <a href="#">Auctions   JAO S.A. Leading service provider for TSOs</a>	Data from JAO (Joint Allocation Office), which is the Single Allocation Platform (SAP) for all European Transmission System Operators (TSOs) that operate in accordance to EU legislation. The platform allocates cross-border transmission capacity via explicit auctions across multiple timeframes on behalf of TSOs (including the Romanian, Bulgarian and Greek

		TSOs). The data shows auction results of interconnector capacities between RO, EL and BG, allocated monthly and yearly.
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

#### **Increase of maximum monthly net cross-border transmission capacity by 1 600 MW**

**1 600 MW of additional maximum monthly net cross-border transmission capacity with Romania and Greece, compared to 2020 levels, shall be made available to the market, as evidenced by data from ENTSO-e Transparency platform.**

The Council Implementing Decision required that 1 600 MW of additional maximum monthly net cross-border transmission capacity with Romania and Greece, compared to 2020 levels, shall be made available to the market, as evidence based on data from the Transparency platform of the European Network of Transmission System Operators for Electricity (hereinafter referred to as “ENTSO-e Transparency Platform”). This platform coordinates and represents Europe’s electricity transmission grid operators.

To demonstrate the satisfactory fulfilment of the target, Bulgaria provided data from JAO – Joint Allocation Office (hereinafter referred to as “JAO”), a platform that offers transmission capacity to market participants on behalf of European Transmission System Operators, which includes Romanian, Bulgarian and Greek transmission system operators in recurring auctions. The net cross-border transmission capacity of interconnectors between Romania and Bulgaria and between Greece and Bulgaria is communicated by the Bulgarian transmission system operator (ESO EAD) to JAO and sold in auctions with different timeframes, which are available on the platform as yearly, monthly and daily. The different timeframes correspond to decisions of the transmission system operator (hereinafter referred to as “TSOs”) to portion the capacity of the physical transmission lines in different time horizons to accommodate different preferences of market participants; some decide to reserve part of the capacity on a yearly basis, others monthly, and some daily.

In monthly auctions, the offered capacity therefore corresponds to the net cross-border transmission capacity minus the capacity that has been sold in yearly auctions. As a result, the maximum monthly cross-border transmission capacity that is made available to the market corresponds to the maximum of monthly capacities that are auctioned off by JAO, plus the yearly capacities that have previously been sold by JAO on behalf of TSOs. Yearly capacities are reserved for the entire year but available every month, per the yearly reserved amount. Net cross-border transmission capacities are minimum technical values communicated by TSOs to JAO that correspond to physical constraints, accounting for maintenance needs; these values are communicated to JAO. Once made available to the market in JAO auctions, the terminology changes and they become offered capacities rather than net cross-border transmission capacities, and when sold, allocated capacities (evidence no. 2).

The Commission services accessed the link to the JAO platform provided by the authorities on 24 November 2025 to verify the net cross-border transmission capacity of interconnectors between

Romania and Bulgaria and between Greece and Bulgaria. This check was completed successfully, confirming that 1 600 MW of additional maximum monthly net cross-border transmission capacity with Romania and Greece, compared to 2020 levels, has been made available to the market.

In 2020 (evidence no. 2), for the Bulgaria – Romania cross-border transmission capacity, the maximum capacity allocated in yearly auctions from Bulgaria to Romania and from Romania to Bulgaria amounted to 250 MW – available every month of the year (250MW every month). For monthly auctions, the maximum reached 520MW. Therefore, in 2020, the maximum monthly net cross-border transmission capacity between Romania and Bulgaria therefore was 770MW. In 2025, the maximum capacity allocated in yearly auctions from Bulgaria to Romania and from Romania to Bulgaria amounted to 600 MW. For monthly auctions, the maximum for monthly auctions reached 1383MW. Therefore, in 2025, the maximum monthly net cross-border transmission capacity between Romania and Bulgaria was 1983 MW. The monthly net cross-border transmission capacity between Romania and Bulgaria that was made available to the market increased by 1213 MW between 2020 and 2025.

In 2020 (evidence no. 2), for the Bulgaria – Greece cross-border transmission capacity, the maximum capacity allocated in the yearly auctions from Bulgaria to Greece and from Greece to Bulgaria amounted to 150 MW – available every month of the year (150MW every month). For monthly auctions, the maximum for monthly auctions reached 570MW. Therefore, in 2020, the maximum monthly net cross-border transmission capacity between Greece and Bulgaria was 720MW. In 2025, the maximum capacity allocated in the yearly auctions from Bulgaria to Greece and from Greece to Bulgaria amounted to 400 MW. For monthly auctions, the maximum reached 770MW. Therefore, in 2025, the maximum monthly net cross-border transmission capacity between Romania and Bulgaria was 1170 MW. The monthly net cross-border transmission capacity between Romania and Bulgaria that was made available to the market increased by 450MW between 2020 and 2025.

Bulgaria submitted that a total additional cross-border transmission capacity of 1663 MW has been made available to the market relative to 2020 levels, corresponding to an increase of 1213 MW on the Bulgarian–Romanian border and the increase of 450 MW on the Bulgarian–Greek border. The Commission verified that the target of 1600 MW has been achieved.

Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision for the data to be evidenced by the ENTSO-e transparency platform, the evidence provided by Bulgaria relies on independent data that shows the results of auctions and therefore maximum monthly net cross-border transmission capacity with Romania and Greece, compared to 2020 levels, made available to the market. As a result, the data submitted by Bulgaria and evidenced by the JAO platform proves that 1663 MW of additional maximum monthly net cross-border transmission capacity has been made available to the market. Beyond the evidence submitted by the authorities, this data matches the data on explicit allocations which is publicly available on the ENTSO-e transparency platform, which correspond to offered and allocated transfer capacities between bidding zones.

As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the investment that the target represents. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

**4. Commission Preliminary Assessment:** Satisfactory fulfilled

**Number and name of the Milestone:** 90 Entry into force of legal act(s) on the green hydrogen value chain.

**Related Measure:** C4.R7 Supporting the green hydrogen value chain

**Qualitative Indicator:** Provision in the legal act(s) indicating the entry into force

**Time:** Q2 2025

**1. Context:**

The objective of the reform is to support the green hydrogen value chain. The reform consists in the entry into force of legal act(s) on the green hydrogen value chain.

Milestone 90 is the only milestone of this reform and is related to supporting the green hydrogen value chain.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Ordinance No.99 of 18 July 2023 amending the Ordinance on the Structure, Safe Operation, and Technical Supervision of Pressure Equipment (HYBETHCH) State Gazette No. 61 of 18 July 2023, entered into force on 18 July 2023 (Article 2)	The Ordinance regulates technical supervision of pressure vessels, including those for hydrogen storage, addressing safety and operational requirements.
3	Ordinance No. RD-02-20-2 of 28 September 2020 on the Conditions and Procedures for Designing, Constructing, Commissioning, and Controlling Hydrogen Fuelling Stations, State Gazette No. 86 of 6 October 2020	The Ordinance establishes the regulatory framework for hydrogen fuelling stations, incorporating European standards to support transport infrastructure. It provides a regulatory environment for the design, construction, commissioning and control of filling stations for vehicles powered by gaseous hydrogen fuel in the Republic of Bulgaria.
4	Ordinance of 12 December	The Ordinance follows EU Directive 2022/2407 to

	2023 amending Ordinance N.40 on the Conditions and Procedures for Road Transport of Dangerous Goods, State Gazette No. 103 of 12 December 2023	ensure safe hydrogen transport by road, reducing administrative barriers.
5	Ordinance of 17 October 2023 amending the Renewable Energy Sources Act (ЗЕВН), State Gazette No. 86 of 13 October 2023	The amendments facilitate green hydrogen integration into gas networks, providing for non-discriminatory access and mandatory purchase by suppliers. The amendments also define "green hydrogen" (§ 1, item 24e) and exempts certain producers from contributions to the Electricity System Security Fund (Article 36e), supporting production.
6	Ordinance No. E-RD-04-2 of 1 May 2024 on the Guarantees of Origin for Energy from Renewable Sources, State Gazette No. 32 of 9 April 2024	The Ordinance introduces guarantees of origin for green hydrogen and biogas, aligning with CEN-EN 16325 standards to enhance transparency and bankability.
7	Ordinance of 29 October 2024 amending Ordinance No. Iz-1971 on Construction and Technical Rules for Fire Safety, State Gazette No. 91 of 29 October 2024	The amendments update fire safety standards for facilities handling hydrogen, addressing safety across the value chain.
9	Ordinance of 7 November 2023 amending Ordinance No. i-45 of 24 March 2000 on the Registration, Reporting, Suspension, Activation, Temporary Withdrawal, Termination, and Restoration of Registration of Motor Vehicles and Trailers Towed by Them, and the Procedure for Providing Data on Registered Road Vehicles, State Gazette No. 93 of 7 November 2023	The amendments update registration procedures for motor vehicles, including hydrogen-powered vehicles, facilitating their integration into the transport sector by providing for regulatory clarity and data provision. The amendments remove administrative barriers to registering hydrogen vehicles, supporting their deployment in the transport sector.

### **3. Analysis:**

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Entry into force of legal act(s) on the green hydrogen value chain.**

Legal act(s) concerning the green hydrogen value chain have entered into force as follows.

##### Production:

The Ordinance amending and supplementing the Energy Act (hereinafter referred to as “the Amended Act”) was published in the State Gazette No. 86 of 13 October 2023. According to Article 5(5) of the Constitution of the Republic of Bulgaria, which states that all legislative acts enter into force three days after their publication in the State Gazette, unless another term is specified in them, the Ordinance amending and supplementing the Energy Act entered into force on 17 October 2023. Article 36e of the Amended Act provides for the reduction of the financial burden for green hydrogen producers by exempting them from contributions to the Electricity System Security Fund, thus incentivizing green hydrogen production.

The Ordinance No. E-RD-04-2 of 2 April 2024 on Guarantees of Origin for Energy from Renewable Sources was published in the State Gazette No. 32 of 9 April 2024. According to paragraph 7 of its final provisions, the Ordinance entered into force on 1 May 2024. Article 1 to Article 27 of the ordinance introduce guarantees of origin for energy from renewable sources, encouraging green hydrogen production in energy-intensive industries.

##### Storage:

The Ordinance No. 99 of 10 July 2023 amending and supplementing the Ordinance on the device, safe operation and technical supervision of pressure equipment was published in State Gazette No. 61 of 18 July 2023 of Bulgaria. According to paragraph 96 of its transitional and final provisions, the Ordinance entered into force on the date of publication in the State Gazette. The amended Article 2 includes provisions to address safe green hydrogen storage by regulating the technical supervision of pressure vessels.

##### Transport:

The Ordinance No. RD-02-20-2 of 28 September 2020 on the Conditions and Procedures for Designing, Constructing, Commissioning, and Controlling Hydrogen Fuelling Stations was published in the State Gazette No. 86 of 6 October 2020. According to paragraph 3 of its final provisions, the Ordinance entered into force three months after the publication of the State Gazette, on 7 January 2021. Article 1 to Article 40 of the ordinance regulate the design, construction and commissioning of refuelling stations for green hydrogen-fuelled vehicles.

The Ordinance amending and supplementing Ordinance No. 40 of 14 January 2004 on the Conditions and Procedures for Road Transport of Dangerous Goods was published in the State Gazette No. 103 of 12 December 2023 of Bulgaria. According to paragraph 11 of its final provisions, the Ordinance amending and supplementing Ordinance No. 40 of 14 January 2004 entered into force on the date of publication of the State Gazette. The amended Paragraph 10 includes provisions to align national legislation with EU Directive 2022/2407 to ensure safe green hydrogen transport by road, reducing administrative barriers.



The Ordinance amending and supplementing Ordinance No. I-45 of 24 March 2000 on the Registration, Reporting, Suspension, Activation, Temporary Withdrawal, Termination, and Restoration of Registration of Motor Vehicles and Trailers Towed by Them, and the Procedure for Providing Data on Registered Road Vehicles was published in the State Gazette No. 93 of 7 November 2023. According to paragraph 10 of its previous and final provisions, the Ordinance amending and supplementing Ordinance No. I-45 of 24 March 2000 entered into force on the same day of the publication of the State Gazette. By amending and supplementing Article 12 on the first registration of new vehicles of categories M, N, O and L produced in small series or using new technologies and concepts, the Ordinance facilitates registration of green hydrogen-powered vehicles.

Distribution:

The Ordinance amending and supplementing the Energy Act (hereinafter referred to as “the Amended Act”) was published in the State Gazette No. 86 of 13 October 2023. According to Article 5(5) of the Constitution of the Republic of Bulgaria, which states that all legislative acts enter into force three days after their publication in the State Gazette, unless another term is specified in them, the Ordinance amending and supplementing the Energy Act entered into force on 17 October 2023. Article 2 is amended by including provision to create conditions for blending green hydrogen into the networks for transmission and distribution of natural gas.

Consumption:

The Ordinance amending and supplementing to Ordinance No. IZ-1971 of 29 October 2009 on Construction and Technical Rules for Fire Safety was published in the State Gazette No. 91 of 29 October 2024. According to paragraph 3 of its final provisions, the Ordinance amending and supplementing to Ordinance No. IZ-1971 of 29 October 2009 entered into force on the same day of publication of the State Gazette. The Amended Ordinance amends and supplements Article 76 of Ordinance No. IZ-1971 of 29 October 2009 which updates fire safety standards, increasing facility safety and thus supporting green hydrogen industrial applications.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 115 Entry into force of legal act(s) introducing a CO2 emissions cap for lignite and coal fired power plants

**Related Measure:** C4.R10 Decarbonisation of the energy sector

**Qualitative Indicator:** Provision in the legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The objective of this reform is the reduction of carbon dioxide emissions associated with power generation.

The reform consists in (i) a target for the reduction of the carbon dioxide emissions associated with electricity generation, and (ii) entry into force of legal act(s) on decarbonisation, including a regulatory cap on carbon dioxide emissions from existing lignite and coal fired power plants. The milestone requires the entry into force of legal act(s) that prohibit the construction and operation of new coal and lignite power plants, place an overall limit on carbon dioxide (CO2) emissions of existing coal and lignite power plants, and establish a methodology to calculate such emissions.

Milestone 115 is the first step of the implementation of the reform. It will be followed target 120, related to the overall limit of carbon dioxide emissions for existing coal and lignite power plants.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Cover note	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Link to the adopted law on limiting climate change <a href="https://www.parliament.bg/bg/parliamentarycommittees/3600/reports/21329">https://www.parliament.bg/bg/parliamentarycommittees/3600/reports/21329</a>	Text of the law amending the Climate Change Reduction Act
3	Publication in the official State gazette SG 81/2025 (October 3 2025)	Official publication of the Law on Limiting Climate Change

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) introducing a CO<sub>2</sub> emissions cap for lignite and coal fired power plants. Furthermore, in line with the description of the measure, the reform consists in: [...] (ii) entry into force of legal act(s) on decarbonisation, including a regulatory cap on carbon dioxide emissions from existing lignite and coal fired power plants.**

**Entry into force of legal act(s) which shall:**

The law on limiting climate change (evidence 2) amending the Climate Change Reduction Act was published in the State gazette of Bulgaria on 3 October 2025 (SG 81 / 2025 - evidence 3). According to article 72 of the law on limiting climate change, article 55 entered into force on the day of its publication in the State Gazette – 3 October 2025. All constitutive elements of the milestone are covered by paragraph 55 of the law on limiting climate change.

- a. **include a prohibition to build and operate new installations for production of electricity from coal or lignite**

Paragraph 55 of the law on limiting climate change (evidence 2) introduces a new article 70e in the Climate Change Reduction Act, which explicitly prohibits the construction and operation of new coal or lignite-fired power plants.

- b. **place an overall limit on the annual amount of carbon dioxide (CO<sub>2</sub>) emissions for existing coal and lignite fired power plants (“Emission Cap”). The Emission Cap shall be applicable as of 1 January 2026.**

Paragraph 55 of the law on limiting climate change (evidence 2) introduces a new article 70f(1) in the Climate Change Reduction Act, which places an overall limit on annual carbon dioxide emissions for existing coal and lignite fired power plants from 1 January 2026.

**The Emission Cap shall require that yearly emissions of all existing lignite and coal fired power plants do not cumulatively exceed 10 983 000 tonnes of CO<sub>2</sub> until the coal and lignite phase out.**

Paragraph 55 of the law on limiting climate change (evidence 2) introduces a new article 70f(2) in the Climate Change Reduction Act, which specifies that the overall limit on annual carbon dioxide emissions for all existing coal and lignite fired power plants, referred to in 70f(1) and applicable from 1 January 2026, shall be 10 983 000 tonnes of carbon dioxide until coal and lignite phase out.

**The annual Emission Cap shall apply as follows:**

- **In 2026, the Emission Cap of 10 983 000 tonnes of CO<sub>2</sub> shall apply to the CO<sub>2</sub> emissions in 2026;**
- **In 2027, the Emission Cap of 10 983 000 tonnes of CO<sub>2</sub> shall apply to the average CO<sub>2</sub> emissions in 2026 and 2027;**
- **As of 2028, the Emission Cap of 10 983 000 tonnes of CO<sub>2</sub> shall apply to average CO<sub>2</sub> emissions over a rolling three-year period comprising the year concerned and the two previous years.**

Paragraph 55 of the law on limiting climate change (evidence 2) introduces a new article 70f(3) in the Climate Change Reduction Act, which specifies that the annual Emission Cap shall apply to average carbon dioxide emissions over a rolling three-year period comprising the year concerned and the two previous years.

Article 69 of the law on limiting climate change (evidence 2) introduces a new article 73 in the Climate Change Reduction Act, which specifies that for 2026 the limit referred to in article 70f(3), i.e. Emission Cap, shall be 10 983 000 tonnes of carbon dioxide emissions, and for 2027 it shall be the average of carbon dioxide emissions for 2026 and 2027.

**The legal act(s) shall also provide for the annual CO2 emissions to be calculated in accordance with the annual cycle for monitoring, reporting and verification of emissions under the EU ETS.**

Paragraph 55 of the law on limiting climate change (evidence 2) introduces a new article 70f(4) in the Climate Change Reduction Act, which specifies that carbon dioxide emissions referred to in paragraph 70f(1) shall be calculated in accordance with the annual cycle for monitoring, reporting and verification of emissions under the EU ETS.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 122 Signature of contracts for electricity storage facilities

**Related Measure:** C4.I8 National infrastructure for storage of electricity (RESTORE)

**Qualitative Indicator:** Signature of contracts

**Time:** Q2 2025

**1. Context:**

The objective of the investment is to support electricity storage facilities. The investment consists in the installation of electricity storage facilities.

Milestone 122 concerns the signature of contracts for electricity storage facilities. It follows the completion of Milestone 97, related to the amendment of the national legislative framework, and precedes Milestone 125, related to the installation and grid connection of battery energy storage facilities with a total usable capacity of 3000 MWh.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Contracts for funding under selection procedure BG-RRP-4.034 National infrastructure for storage of electricity from renewable sources (RESTORE)	70 contracts for funding under selection procedure BG-RRP-4.034 National infrastructure for storage of electricity from renewable sources (RESTORE) signed by the Minister of Energy of Bulgaria and beneficiaries.
3	Conditions for applications for receiving grant support under selection procedure for the implementation of investments by final recipients in relation to BG-RRP-4.0034 "National Infrastructure for Storage of Electricity from	<a href="https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/5ec491ab-50e7-4bf7-9757-2290e3ef33f3">https://eumis2020.government.bg/bg/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/5ec491ab-50e7-4bf7-9757-2290e3ef33f3</a>

	Renewable Sources" (RESTORE)	
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Signature of contracts for grant support for electricity storage facilities.**

The Bulgarian authorities provided a total of 70 contracts for funding under the selection procedure for national infrastructure for storage of electricity from renewable sources (RESTORE) that was launched on 21 August 2024 and ran until 5 September 2024 (evidence 2, evidence 3). All contracts follow a standard template and are electronically signed by the contracting parties, which include the Minister of Energy, including in his function as Head of the monitoring and reporting structure for Investment C4.I8 of the Recovery and Resilience Plan, as well as the Head of the Finance and Property Management Directorate at the Ministry of Energy, and the respective grant recipient. The contracts were signed between August 6 2025 and September 2 2025, based on the signature timestamps on the last page of each contract.

Clause 1 of the contracts lays down the subject of the contract and names the contracting parties. In line with clause 1, the contracts are concluded in relation to the implementation of investment C4.I8 "National Infrastructure for Storage of Electricity from Renewable Sources (RESTORE)" under the Recovery and Resilience Plan of Bulgaria. Clause 2 of the contracts lays down the agreement between the contracting parties regarding aspects related to the grant support, including implementation conditions, payment conditions, and applicable completion deadlines for the selected projects. More specifically, clause 2.1 specifies the amount of grant support that is to be made available to the grant recipient by the Head of the monitoring and reporting structure for the purpose of designing, constructing and commissioning of an electricity storage facility under the selection procedure BG-RRP-4.034 national infrastructure for storage of electricity from renewable sources (RESTORE). Furthermore, point 2.2.1 states that the initial application for grant support submitted by the grant recipient is considered an integral part of the contract.

#### **The selection procedure shall require a discharge period of at least 2 hours and a capacity of at least 10 MW.**

The selection procedure was launched via the publication of the conditions for applications document on the Information System for the Management and Monitoring of EU Funds in Bulgaria on 21 August 2024 (evidence 3). In line with section 2 of the conditions for applications document, the selection procedure is in relation to the implementation of Investment 8 "National infrastructure for storage of electricity (RESTORE)" (C4.I8) of the Recovery and Resilience Plan. Section 13.1 lists the requirements in order for projects to be considered as eligible under the selection procedure. In line with point 6 of section 13.1, applications shall foresee the construction of electricity storage facilities with a discharge period of at least 2 hours and a capacity of at least 10 MW.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 131 Adoption of the National Action Programme

**Related Measure:** C6.R1 National Action Programme

**Qualitative Indicator:** Adoption by the Council of Ministers

**Time:** Q2 2025

**1. Context:**

The objective of the measure is to contribute to the objectives of the Farm to Fork Strategy 2030. Milestone 131 requires that the National Action Programme for contributing to the achievement of the objectives of the Farm to Fork Strategy 2030 shall be adopted. Milestone 131 is the first and final step of the implementation of the reform.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	National Action Programme	A copy of the National Action Programme for contributing to the achievement of the objectives of the Farm to Fork Strategy by 2030, as adopted by the Council of Ministers on 13 December 2024
3	Decision of the Council of Ministers No. 857 of 13 December 2024	A copy of the Council of Ministers Decision adopting the National Action Programme

**3. Analysis:**

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Furthermore, in line with the description of the measure, this measure consists in adopting the National Action Programme.**

**The National Action Programme for contributing to the achievement of the objectives of the Farm to Fork Strategy 2030 shall be adopted.**

The Bulgarian authorities provided a copy of the National Action Programme for contributing to the achievement of the objectives of the Farm to Fork Strategy 2030, as well as a copy of the decision by the Council of Ministers adopting the National Action Programme (evidence no. 2 and 3, respectively).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled



**Number and name of the Milestone:** 139 Entry into force of decision(s) by the Communications Regulation Commission assigning rights in the 700 MHz and 800 MHz spectrum bands

**Related Measure:** C7.R2 Assignment of radio frequency spectrum

**Qualitative Indicator:** Provision in the decision(s) indicating the entry into force

**Time:** Q2 2025

**1. Context:**

The objective of the reform is to address the challenges of 5G readiness and promote the accelerated rollout of 5G networks. The reform consists in reducing spectrum fees and assigning spectrum rights in several bands.

Milestone 139 requires the entry into force of decision(s) by the Communications Regulation Commission assigning rights of use to operators in the 700 MHz and 800 MHz spectrum bands.

Milestone 139 is the third and last milestone of the reform, and it follows the completion of milestone 137, related to the entry into force of the decree on the reduction of radio spectrum fees, and milestone 138, related to the notification of assignment of the rights of use to operators in the 26 GHz band.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2	Decision No. 343 of the Communications Regulation Commission, adopted on 28 November 2023, entered into force on 28 November 2023	Decision of the Communications Regulation Commission to issue 1 permit in the 700 MHz range and 1 permit in the 800 MHz range to A1 Bulgaria EAD
3	Decision No. 344 of the Communications Regulation Commission, adopted on 28 November 2023, entered into force on 28 November 2023	Decision of the Communications Regulation Commission to issue 1 permit in the 700 MHz range and 1 permit in the 800 MHz range to Vivacom Bulgaria EAD
4	Decision No. 345 of the Communications Regulation Commission, adopted on 28 November	Decision of the Communications Regulation Commission to issue 1 permit in the 700 MHz range and 1 permit in the 800 MHz range to Yettel Bulgaria EAD

	2023, entered into force on 28 November 2023	
5	Copies of permits for rights of use in the 700 MHz and 800 MHz spectrum bands	Permits No. 02550 of 28 November 2023, No. 02551 of 28 November 2023, No. 02552 of 28 November 2023, No. 02553 of 28 November 2023, No. 02554 of 28 November 2023, No. 02555 of 28 November 2023 (Annexes 7-12)

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Entry into force of decision(s) by the Communications Regulation Commission assigning rights of use to operators in the 700 MHz and 800 MHz spectrum bands.**

The decisions assigning rights of use of radio frequency spectrum to three operators in the 700 MHz and 800 MHz bands were adopted by the Communications Regulation Commission on 28 November 2023 and entered into force on the same date, in accordance with point 3 of each of the decisions (Decision No. 343, Decision No. 344 and Decision No. 345), which order preliminary execution.

With **Decision No. 343**, the Communications Regulation Commission issued to operator A1 Bulgaria EAD the following permits for the use of radio frequency spectrum for a terrestrial network, allowing the provision of electronic communications services, with national coverage, for a period of 15 years, from 28 November 2023 to 28 November 2038:

- Permit No. 02550 of 28 November 2023 for the use of radio frequency spectrum in the 700 MHz range (radio frequency bands 703-713 MHz/758-768 MHz) for a terrestrial network, allowing the provision of electronic communications services, with national coverage;
- Permit No. 02553 of 28 November 2023 for the use of radio frequency spectrum in the 800 MHz range (radio frequency bands 832-842 MHz/791-801 MHz) for a terrestrial network allowing the provision of electronic communications services, with national coverage.

With **Decision No. 344**, the Communications Regulation Commission issued to operator Vivacom Bulgaria EAD the following permits for the use of radio frequency spectrum for a terrestrial network, allowing the provision of electronic communications services, with national coverage, for a period of 15 years, from 28 November 2023 to 28 November 2038:

- Permit No. 02551 of 28 November 2023 for the use of radio frequency spectrum in the 700 MHz range (radio frequency bands 713-723 MHz/768-778 MHz) for a terrestrial network, allowing the provision of electronic communications services, with national coverage;
- Permit No. 02554 of 28 November 2023 for the use of radio frequency spectrum in the 800 MHz range (radio frequency bands 842-852 MHz/801-811 MHz) for a terrestrial network allowing the provision of electronic communications services, with national coverage.

With **Decision No. 345**, the Communications Regulation Commission issued to operator Yettel Bulgaria EAD the following permits for the use of radio frequency spectrum for a terrestrial network, allowing the provision of electronic communications services, with national coverage, for a period of 15 years, from 28 November 2023 to 28 November 2038:

- Permit No. 02552 of 28 November 2023 for the use of radio frequency spectrum in the 700 MHz range (radio frequency bands 723-733 MHz/778-788 MHz) for a terrestrial network, allowing the provision of electronic communications services, with national coverage;
- Permit No. 02555 of 28 November 2023 for the use of radio frequency spectrum in the 800 MHz range (radio frequency bands 852-862/811-821 MHz) for a terrestrial network allowing the provision of electronic communications services with national coverage.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 149 Delivery of equipment based on the TETRA standard

**Related Measure:** C7.I2 TETRA system and radio relay network

**Qualitative Indicator:** Equipment delivered

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to increase the national coverage of the TETRA network.

The milestone consists in the delivery of equipment based on the TETRA standard.

Milestone 149 is the second and last milestone of the investment, and it follows the completion of milestone 148, regarding the award of contracts for development of the TETRA system and radio relay network.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2	Acceptance protocol No. 5290p-18030 of 21 September 2023	The acceptance protocol is signed by the contractor and the responsible authority (the Ministry of Interior) and certifies that 13 300 end user devices based on the TETRA standard have been delivered by the contractor in accordance with the specifications in the public procurement procedure and the related contract.
3	Acceptance protocol No. 5290p-701 of 11 January 2024	The acceptance protocol is signed by the contractor and the responsible authority (the Ministry of Interior) and certifies that 700 handheld terminals based on the TETRA standard have been delivered by the contractor in accordance with the specifications in the public procurement procedure and the related contract.
4	Acceptance protocol No. 5290p-13586 of 12 July 2024	The acceptance protocol is signed by the contractor and the responsible authority (the Ministry of Interior) and certifies that 47 new base stations based on the TETRA standard have been delivered by the contractor in accordance with the specifications in the public

		procurement procedure and the related contract.
5	Acceptance protocol No. 5290p-25333 of 31 December 2024	The acceptance protocol is signed by the contractor and the responsible authority (the Ministry of Interior) and certifies that 62 new base stations based on the TETRA standard have been delivered by the contractor in accordance with the specifications in the public procurement procedure and the related contract.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

#### Delivery of equipment based on the TETRA standard

Acceptance protocols shall be provided proving the delivery of:

##### - 14 000 end user devices based on the TETRA standard;

Acceptance protocol No. 5290p-18030 of 21 September 2023 certifies that 13 300 end user devices based on the TETRA standard (12 000 handheld terminals and 1 300 mobile terminals) have been delivered.

Acceptance protocol No. 5290p-701 of 11 January 2024 certifies that 700 handheld terminals based on the TETRA standard have been delivered.

The two acceptance protocols demonstrate that a total of 14 000 end user devices have been delivered.

##### - 109 base stations based on the TETRA standard.

Acceptance protocol No. 5290p-13586 of 12 July 2024, signed by the contractor and the Ministry of Interior, certifies that 47 base stations based on the TETRA standard have been delivered.

Acceptance protocol No. 5290p-25333 of 31 December 2024, signed by the contractor and the Ministry of Interior, certifies that 62 base stations based on the TETRA standard have been delivered.

The two acceptance protocols demonstrate that a total of 109 base stations based on the TETRA standard have been delivered.

### 4. Commission Preliminary Assessment: Satisfactorily fulfilled

**Number and name of the Milestone:** 164 Market assessment on the scope of public service obligation

**Related Measure:** C8.R1 Strategic transport framework

**Qualitative Indicator:** Publication of the market assessment on the website of the Ministry of Transport and Communications

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to increase the sustainability of transport in Bulgaria. The reform consists in adopting a national plan, taking capacity building measures and awarding a new public service contract for the provision of public rail transport services. Milestone 164 consists in the publication of a market assessment on the scope of public service obligation. The aim of this milestone is to prepare the ground, through the market assessment, for a new public service contract for rail transport.

Milestone 164 is the third milestone of the reform, following milestone 161 related to the entry into force of the National Plan for the Development of Combined Transport in Bulgaria by 2030 and milestone 162 related to strengthening the capacity to manage and implement TEN-T railways projects. The final milestone of the reform is milestone 165 related to the signature of the new public service contract.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	164U1-Annex1_Market assessment_railways	Market assessment for the railway sector, determining the scope of the public service obligation for the new public service contract for rail transport, published on 21 June 2024. The report was prepared by the company ZZD "Railway Transport", with the participation of the company "Popov, Arnaudov and partners" and Global Metrix EOOD.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

### **Publication of the market assessment on the website of the Ministry of Transport and Communications**

**Market assessment on the scope of the public service obligation for the new public service contract (PSC) shall be published. Furthermore, in line with the measure description, the reform consists in [...] the publication of a market assessment [...].**

The consultant ZZZD “Railway Transport”, with the participation of the company “Popov, Arnaudov and partners” and Global Metrix EOOD issued a market assessment for the rail transport (evidence No. 2), determining the scope of the public service obligation under the new public service contract for rail.

The document is a market assessment as it systematically analyses the current state, structure, and potential of Bulgaria’s passenger rail market. It assesses the rail market from the side of its supply and demand, structure of the Bulgarian railway market (existing operators, competition) and regulatory and institutional conditions, efficiency, and policy alignment. Through data-driven comparisons and evaluation of alternative service models, it provides the evidence base for determining how Bulgaria’s passenger rail market should be organised under future public service contracts.

The market assessment prepares the award process of a new public service contract for the provision of the rail transport services on the territory of the Republic of Bulgaria, as required by Regulation (EU) 2016/2338 of the European Parliament and of the Council of 14 December 2016 amending Regulation (EC) No 1370/2007 concerning the opening of the market for domestic passenger transport services by rail. This frames the document as a market assessment tool aimed at informing policy decisions. The market assessment indicates how to improve the quality and efficiency of rail passenger services, increase the share of rail transport compared to other modes of transport, ensure users’ rights of rail passengers, make the public transport more cost-effective as well as assess which services could be provided by open access/commercial operators.

The market assessment is intended to assist the national authorities in determining the scope of the public service obligation (PSO) for the new public service contract, which is covered by the subsequent milestone 165. The document evaluates two main organisational scenarios. Under option 1, the authorities would assign the PSO to a single operator covering the entire national railway network. Under option 2, the PSO would be limited to specific routes or regions (evidence No. 2, pp. 138–145).

The comparative analysis included in the market assessment (evidence No. 2, pp. 140–147) assesses the trade-offs of two options and provides a rating. Option 1 (“Award of a public service obligation in one package for the entire rail network”) and Option 2 (“Award of a public service obligation for specific routes/areas of the network”) (evidence No. 2, pp. 143–153).

The assessment was based on a multi-criteria framework structured around three dimensions. The first dimension related to quality and accessibility of passenger services, for example by including the cost of travel, the capacity and comfort of trains, travel time and frequency, accessibility for various population groups and small settlements, protection of passenger rights, the availability of information and digital tools for journey planning. The second dimension related to economic efficiency covering, for example, investment costs related to rolling stock and infrastructure,

operating expenses and infrastructure charges, the creation of added value for the national economy and regional development. The third dimension related to sustainability.

The market assessment was published on 21 June 2024 on the website of the Bulgarian Ministry of Transport and Communications. The Commission services accessed the link provided by the authorities on 14 October 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

**The market assessment shall indicate whether a less distortive measure than a PSC award can be used.**

The market assessment also examined whether a less distortive measure than awarding a Public Service Contract (PSC) for rail services could be used to meet Bulgaria's public transport policy objectives. This analysis was carried out in line with Article 3(2) of Regulation (EU) No 1370/2007 which states that compensation must always meet the same standard. For this purpose, two options have been compared: option 1 ("Award of a public service obligation in one package for the entire rail network") and option 2 ("Award of a public service obligation for specific routes/areas of the network") (evidence N.2, pp. 143–153).

The market assessment concludes that, under current conditions, no alternative approach would effectively achieve the same policy goals. According to the market assessment, applying a "less distortive measure" would not promote further liberalisation of Bulgaria's rail market and could rather undermine the State's ability to guarantee essential public transport services. Moreover, such an approach would require changes to the legal framework, since the existing one does not allow public service obligations to be imposed through general rules, but it specifically requires that they be established through a contract awarded via a public procurement procedure (evidence No. 2, pp. 146–148).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled



**Number and name of the Milestone:** 184 Signature of contracts for the purchase of zero-emission railways rolling stock

**Related Measure:** C8.I1 Railways rolling stock

**Qualitative Indicator:** Contracts signed

**Time:** Q2 2025

**1. Context:**

The objective of the investment is to increase the uptake of the zero-emission railways rolling stock. It consists in the procurement of rolling stock.

Milestone 184 consists in the signature of contracts for the purchase of at least 12 zero-emission electric multiple-units, 20 single-deck zero-emission electric multiple-units, and nine battery shunting locomotives with digital remote control for the Bulgarian railways.

Milestone 184 is the first milestone of the investment and will be followed by Target 186 related to the signature of report(s) of findings and acceptance protocols for (part of) the ordered rolling stock.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the target and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Decision for the selection of BULEMU for the supply of 35 single-deck zero-emission multiple units	Decision by the Minister of Transport and Communications for the selection of a tenderer for 35 single-deck zero-emission electric multiple units of 6 March 2025
3	Contract for the award of a public supply contract having as its object:  "Supply of 35 single-deck zero-emission electric multiple units, with a capacity of at least 200 seating positions, maintenance over 15 years and training of staff"	Contract between the Ministry of Transport and Communications and BULEMU, signed on 25 April 2025
4	Decision for the selection of SKODA for the supply of 20 single-deck zero-emission multiple units	Decision by the Minister of Transport and Communications for the selection of a tenderer for 20 single-deck zero-emission electric multiple units of 9 August 2024

5	Contract between the Ministry of Transport and Communications and Škoda Transportation and Škoda Vagonka Consortium for the supply of 20 single-deck zero-emission multiple units	Contract between the Ministry of Transport and Communications and Škoda Transportation and Škoda Vagonka Consortium, signed on 4 September 2024
6	Decision for the selection of Express Service OOD for the Supply of 9 electric shunting locomotives (out of a total of 18 shunting locomotives)	Decision by the Minister of Transport and Communications for the selection of a tenderer for 9 electric shunting locomotives of 7 December 2023
7	Contract between the Ministry of Transport and Communications and Express Service OOD for the supply of 9 electric shunting locomotives	Contract between the Ministry of Transport and Communications and Express Service OOD, signed on 22 February 2024
8	Procurement notice for 18 electric shunting locomotives, dated 1 September 2023, and its amendment notice, dated 1 November 2023	Procurement notice for publication in the Official Journal of the EU
9	Procurement notice for 20 single-deck zero-emission multiple units, dated 18 July 2024	Procurement notice for publication in the Official Journal of the EU
10	Procurement notice for 35 single-deck zero-emission multiple units, dated 22 January 2024	Procurement notice for publication in the Official Journal of the EU
11	Decision for termination of the procurement process for 35 single-deck zero-emission multiple units, dated 18 April 2024	Decision by the Minister of Transport and Communications
12	Annex to Contract for the award of a public supply contract having as its object: “Supply of 35 single-deck zero-emission electric multiple units, with a capacity of at	Annex, signed on 25 April 2025, setting out that a minimum of 12 units of the agreed 35 units of trains be manufactured by 31 August 2026 and at least one of them be in operation in Bulgaria

	least 200 seating positions, maintenance over 15 years and training of staff”	
13	Technical specification of the battery shunting locomotives	The document outlines and illustrates the technical specifications of the battery shunting locomotives

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Signature of contracts for the purchase of zero-emission railways rolling stock. Furthermore, in line with the measure description, the investment consists in the procurement of railways rolling stock.**

**Contract(s) shall be signed [...] for the purchase of:**

**- At least 12 zero-emission electric multiple units with a minimum capacity of 200 seats, equipped with ERTMS on-board equipment [...]**

On 6 March 2025, the contracting authority, which is the Ministry of Transport and Communications (hereinafter referred to as the ‘MTC’), issued a decision (evidence No. 2) to select BULEMU Consortium for the “Supply of 35 single-deck zero-emission electric multiple units with a capacity of at least 200 seats, maintenance for a period of 15 years and training of staff”. The contract was signed on 25 April 2025 (evidence No. 3). On the same date, the annex to the contract (No. DS-6 of 25 April 2025) was signed, according to which the contractor agrees to produce a minimum of 12 units of the agreed 35 units of trains in a condition which can be accepted by the contracting authority by 31 August 2026 and at least one of them to be in operation in Bulgaria (evidence No. 12).

The contract signed (evidence No. 3) includes specifications of the ordered rail vehicles. Article 1 of the contract refers to ‘35 zero-emission electric multiple units’ (hereinafter referred to as “EMUs”). The technical specifications, under Annex 2 to the contract, state in Section 1 that the EMUs shall have a capacity of at least 200 seats, excluding folding seats. Section 9 requires that the EMUs are equipped with ERTMS on-board equipment, for the construction of which the most recent set of specifications shall be used. These technical specifications apply to all 35 EMUs and therefore include the subset of 12 EMUs that are subject to this milestone.

**[...] - 20 single-deck zero-emission electric multiple unit trains with a capacity of at least 300 seats, equipped with ERTMS on-board equipment; [...]**

On 9 August 2024, the MTC issued a decision (evidence No. 4) to select Škoda Transportation and Škoda Vagonka Consortium for the “Supply of 20 single-stage zero-emission electric trains, with a capacity of at least 300 seats, maintenance for a period of 15 years and training of staff”. The contract was signed on 9 September 2024 (evidence No. 5).

The contract signed (evidence No. 5) includes specifications of the ordered rail vehicles. Article 1 of the contract refers to ‘20 zero-emission electric multiple units’ (EMUs). The technical specifications, under Annex 2 to the contract, state in Section 1 that the zero-emission EMUs ‘shall have a capacity

of at least 300 seats (with folding seats)'. Section 9 requires that the zero-emission EMUs are equipped with ERTMS on-board equipment, for the construction of which the most recent set of specifications shall be used.

**[...] - 9 battery shunting locomotives with digital remote-control [...]**

On 7 December 2023, the MTC issued a decision (evidence No. 6) to select Express Service OOD for the "Supply of 9 electric shunting locomotives for shunting in non-electrified depots, maintenance for a period of 15 years and training of staff". The contract was signed on 22 February 2024 (evidence No. 7).

The contract signed (evidence No. 7) includes specifications of the ordered rail vehicles. Article 1 of the contract refers to '9 electric shunting locomotives'. Annex 2 to the contract provides for further technical specifications that state that the locomotives shall be equipped with a battery for self-propelling and outline the utilisation of remote radio control. Further technical specifications on the shunting locomotives' configuration show that the used telegram format for transmitting signals is digital (evidence No. 13).

The 12 zero-emission electric multiple units, 20 single-deck zero-emission electric multiple unit trains and 9 battery shunting locomotives represent vehicles that will operate on train tracks and therefore form part of the railways rolling stock.

**[...] following public procurement procedure(s) [...]**

The public procurement procedure for "Supply of nine electric shunting locomotives for shunting in non-electrified depots, maintenance for a period of 15 years and training of staff" (evidence No. 8) was opened on 6 September as an open procedure. It was closed on 16 November 2023. The public procurement procedure for "Supply of 20 single-deck zero-emission electric trains, with a capacity of at least 300 seats, maintenance for a period of 15 years and training of staff" (evidence No. 9) was opened on 22 July 2024 as an open procedure. It was closed on 2 August 2024. The Bulgarian authorities provided links to the two tender procedures which Commission services accessed on 14 October 2025 to verify that the procedures had been published. This check was completed successfully, confirming that the public procurement procedures had been published.

The public procurement procedure for "Supply of 35 single-deck zero-emission electric multiple units with a capacity of at least 200 seats, maintenance for a period of 15 years and training of staff" was initially launched as an open procedure by decision No. F469474 of 22 January 2024 (evidence No. 10). By Decision No. D32585377 of 18 April 2024 (evidence No. 11) the procurement was terminated because the evaluation commission found that all tenders submitted by the participants were not in compliance with the technical specification and the requirements for the performance of the procurement. The participants were proposed for exclusion from participation in the public procurement.

Thereafter, the procedure for "Supply of 35 single-deck zero-emission electric multiple units with a capacity of at least 200 seats, maintenance for a period of 15 years and training of staff" was relaunched on 30 April 2024 as a negotiated procedure, closed on 21 May 2024. The Bulgarian authorities provided a link to the tender procedure which Commission services accessed on 14 October 2025 to verify that the procedure had been published. This check was completed successfully, confirming that the public procurement procedure had been published.

**[...] The contracts shall specify that the Bulgarian Ministry of Transport and Communications shall become the owner of the rolling stock.**

The technical specifications of the contracts for the 35 and 20 EMUs, respectively, state under their corresponding Section V (Technical conditions), point 5.2 (Final acceptance and registration [...]) that “the Contracting Authority and the Contractor shall then sign a final transactional report certifying the transfer of ownership in the name of the Contracting Authority and shall also serve to register the multiple units in the name of the Contracting Authority, and the Contracting Authority will authorise the Contractor to carry out this activity” (evidence No. 3 p. 44, and evidence No. 5 p. 42).

The contract for the shunting locomotives states under Section V (Technical conditions), point 6.6 ([...] signature of a final acceptance report [...]) that ‘the contracting authority and the contractor shall sign a final acceptance report certifying the transfer of ownership in the name of the contracting authority.’ (evidence No. 7 p. 12).

The contracting authority is the Ministry of Transport and Communications, as the signee of the respective contracts. Furthermore, the Ministry of Transport and Communications is explicitly named as the contracting entity on the procurement notices (evidence No. 8, 9 and 10).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Target:** 200 Construction of metro line 3 in Sofia

**Related Measure:** C8.I6 Sofia metro line 3

**Quantitative Indicator:** Percentage (%)

**Baseline:** 0

**Target:** 60

**Time:** Q2 2025

### 1. Context:

The investment refers to the construction of the Sofia metro line 3. Target 200 consists in reaching 60% of the construction work, as certified by a supervision report.

Target 200 is the first target of the investment, and it follows the completion of Milestone 199 (signature of contracts on the construction works). It is followed by Target 201, related to the final number of kilometres and metro stations in the Sofia metro.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all its constitutive elements, as set out in the description of the target and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Supervision report issued by "METROKONT BG" EOOD", dated June 2025 and signed by M. Savova, on the progress of construction	Engineer's progress report on the design and construction of Sofia Metro Line 3, providing a detailed account of works completed, financial disbursements, quality and safety controls, and overall project status as of June 2025.
3	Certificate of entry in the register of consultants for assessment of conformity of investment projects and/or exercise of construction supervision	Official authorisation issued by the Bulgarian National Construction Control Directorate under the Spatial Planning Act, which registers MetroConsult BG EOOD as a consultant qualified to carry out assessment of the conformity of investment projects and/or exercise construction supervision, valid until 2 August 2029.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**Construction works of the metro line 3 in Sofia shall reach 60%, as certified by supervision report.**

The company Engineer-Consultant METROCONSULT BG Ltd (hereinafter referred to as “the consultant”) is in charge of the supervision of the works as laid down in Contract No. 236 signed on 30 September 2021 between Metropoliten JSC and MetroConsult BG EOOD on the design and construction of Sofia Metro Extension, Line 3, Stage III - Section under "Vladimir Vazov" blvd. from km 4+340,00 to km 1+280,00 with three metro stations. The official authorisation of the consultant as supervisor is evidenced by the certificate of entry in the register of consultants for assessment of conformity of investment projects and/or exercise of construction supervision.

The consultant checked the progress of the construction based on the lots that were tendered (evidence No. 2):

- **First separate position (Lot 1).** metro section from km 2 + 581.20 to km 1 + 280.00 with one underground metro station (MC2), inter-station ventilation system (VU) and turning section. Works are carried out by "HSS MONOLIT SOFIA" DZZD.
- **Second separate position (Lot 2).** metro section from km 3 + 645.00 to km 2 + 581.20 with one underground metro station (MC3) and inter-station ventilation system /VU. Works are carried out by 'TRACE GROUP HOLD' AD.
- **Third separate position (Lot 3).** metro section from km 4 + 340.00 to km 3 + 645.00 with one underground metro station (MC4). Works are carried out by "G.P. GROUP" AD.

According to the evidence provided, Bulgaria completed 80.76% of construction works on the metro line 3 of the Sofia metro, thus exceeding the goal of 60% by 20.76 percentage points. The engineer’s report on the works of the Sofia metro line 3 (evidence No. 2) confirms that the construction works had exceeded the required 60% completion by 20.76 percentage points.

In the summary section, the report states the cumulative progress for each of the three main contracts. By the end of June 2025, the overall completion of the metro extension reached 80.76% (evidence No. 2). The same section of the report notes equally that the three contractors working on distinct lots had each achieved between 77% and 87% completion by June 2025, as follows:

- Lot 1 implemented by HSS-Monolit SOFIA DZZD shows a completion rate of **77.69%**,
- Lot 2 implemented by Trace Group Hold AD shows a completion rate of **79.34%**,
- Lot 3 implemented by GP Group AD shows a completion rate of **86.98%**.

The section in the report on the progress of the construction contains detailed figures for specific technical areas such as tunnels, metro stations, ventilation, electricity, and mechanical systems, for example:

- Lot 1: the tunnel section recorded at 70.28%, the metro station reached 72.81%, and the ventilation systems 68.98%.
- Lot 2: the metro station reached 87.13%, the tunnels 82.00%, and heating, ventilation and air conditioning systems 70.20% completion.

- Lot 3: the metro station was completed at 83.09%, the tunnel at 94.61% and the traction and control works at 75.31%.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled



**Number and name of the Milestone:** 229 Measures on the insolvency framework

**Related Measure:** C10.R4: Measures concerning the insolvency framework

**Qualitative Indicator:** 1. Trainings organised; 2. Electronic tool(s) upgraded; 3. Entry into force of legal act(s) and adoption of guidelines; 4. Publication of statistical data

**Time:** Q2 2025

### 1. Context:

Milestone 229 is part of reform C10.R4, whose objective is to introduce measures aimed at increasing the efficiency of insolvency and restructuring procedures.

Milestone 229 requires measures to reform the insolvency framework, including organising trainings, upgrading electronic tool(s), entry into force of legal act(s) on the different procedures, as well as statistical data publication.

Milestone 229 was preceded by milestone 228 that required the entry into force of legal acts to provide for early warning tools, facilitating the insolvency and restructuring procedures, duties of the directors in case of likelihood of insolvency, a possibility for electronic exchange of information, and stricter regulation of the profession of insolvency practitioners.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2	A letter from the National Institute of Justice regarding the schedule of the trainings.	The letter from the National Institute of Justice includes the title of the four trainings, the instructor's name and position and the dates of the four trainings. The letter is sent in reply to a letter of 27 October 2023 on the amendments to the insolvency and restructuring framework and is signed by the director of the National Institute of Justice.
3	A letter from the National Institute of Justice regarding the trainings, which took place on the amendments to the insolvency and restructuring framework.	The letter concerns the topics of the four trainings, which took place in 2023. The letter is dated 4 June 2024 and is signed by the director of the National Institute of Justice.
4	List of judges and judicial assistants who have participated in the trainings	The document is structured in four tables, corresponding to the four training sessions for different regional courts, with the name,

	on the new insolvency framework and have received a certificate of participation.	position, court, title of training, dates, unique identification number for each participant and their certificate number and completion status. The document is annexed to the letter from the National Institute of Justice, dated 4 June 2024 (see evidence 3).
5	Annual Programme for trainings of insolvency practitioners for 2023.	The Annual programme for trainings of insolvency practitioners in 2023 includes information on the content of the training, which focuses on the amendments to the insolvency and restructuring procedures in the Commercial Law published in the State Gazette No. 66 of 1 August 2023. The Annual programme is dated 13-17 November 2023 and specifies the lecturer of the trainings.
6	Letter from the Ministry of Justice on the trainings of insolvency practitioners, including as annexes: (i) Order (СД-06-23/18.09.2023) by the Minister of Justice for approval of the Annual programme for training of insolvency practitioners for 2023; (ii) Order (РД-16-1096/05.10.2023) by the Minister of Economy and Industry for approval of the Annual programme for training of insolvency practitioners for 2023; (iii) Attendance list of insolvency practitioners who participated in trainings; (iv) Presentation and study material for the five-days training.	The letter from Ministry of Justice replies to letter (ref. 03-00-231/20/13.10.2023). It includes the title of the training, the instructors' names and positions and the dates for the five-day trainings. The letter contains lists of participants in each training and the signature of the participants.
7	Order (ЛС-04-17/17-01-2024; РД-16-37/16.01.2024) by the Minister of Justice and the Minister of Economy for approval of the Methodology for assessing the training needs of insolvency	The Methodology outlines preparation steps for the trainings of insolvency practitioners, the types of trainings, the profile of lecturers, and methods for gathering feedback from participants.

	practitioners	
8	Contract No. SJC-59Z2/05.04.2022 between the Supreme Judicial Council and Information Services AD	The contract concerns the upgrade of the Single e-Justice Portal to ensure electronic means of communication in proceedings.
9	Technical specifications, applicable to Contract No. SJC-59Z2/05.04.2022.	The technical specifications include more details on the requirements for the upgrade of the Single e-Justice Portal, which include, among others, creating the possibility for citizens and businesses to access and exchange electronic documents with the judicial system in electronic form.
10	Copy of the publication in the State Gazette No. 100 of 01.12.2023 of the Ordinance No. H-5 of 24 November 2023 on the approval of templates under Article 693a of the Commercial Law.	The ordinance, issued by the Minister of Justice, determines relevant templates to be used in insolvency proceedings.
11	Practical guidelines for the preparation of a restructuring plan.	The guidelines specify the requirements for the different elements of a restructuring plan. The guidelines are approved on 17 January 2024 by the Minister of Justice and the Minister of Economy (see evidence 12).
12	Order (РД-14-15/17.01.2024; ЛС-04-18/17-01-2024; РД-16-45/17.01.2024) by the Minister of Justice and the Minister of Economy for approval of Practical Guidelines for Preparation of a Restructuring Plan.	The order concerns the approval of the Practical guidelines for the preparation of a restructuring plan.
13	Ordinance No. 9 of 30 October 2023 on the terms and conditions for the provision by the Supreme Judicial Council of the information referred to in Article 24(2) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015	This ordinance, issued by the Supreme Judicial Council, regulates the provision of the information concerning insolvency, restructuring and discharge of debt.

	on insolvency proceedings	
14	Contract No. 93-00-38/25.04.2023 between the Ministry of Justice and "Perfect Plus" EOOD.	The contract concerns the development of the Automated Information System for Insolvency and Restructuring Proceedings.
15	Order No. LS-04-63/01.03.2024 of the Minister of Justice	The order concerns the beginning of operation of the Automated Information System for Insolvency and Restructuring Proceedings.
16	Statistical data on insolvency, restructuring and discharge of debt for the period 1 January 2024 to 31 December 2024 and a link to the data: <a href="https://aistn.mjs.bg/statistics-and-reports/46884f5d-a033-49ea-a533-7200f8e83834">https://aistn.mjs.bg/statistics-and-reports/46884f5d-a033-49ea-a533-7200f8e83834</a> .	The table, compiled by the Supreme Judicial Council, with the relevant data, was published on the website of the Automated Information System for Insolvency and Restructuring Proceedings (AISIRP) on 21 August 2025.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities covers all constitutive elements of the milestone.

#### Measures on the insolvency framework

**The measures shall cover the following elements: 1. Organisation of trainings on the insolvency framework.**

The National Institute of Justice conducted a series of trainings, entitled "Legislative changes in insolvency proceedings and restructuring" on the changes to the Commercial Law, published in the State Gazette No. 66 on 1 August 2023, as evidenced by the letter of the National Institute of Justice of 4 June 2024, as follows:

- (i) On 26 and 27 October 2023, a training was held in the municipalities of Varna and Burgas.
- (ii) On 2 and 3 of November 2023, a training was held in the municipality of Veliko Tarnovo.
- (iii) On 9 and 10 of November 2023, a training was held in the municipality of Plovdiv.
- (iv) On 30 November and 1 December 2023, a training was held in the municipality of Sofia.

The four trainings, entitled "Legislative changes in insolvency proceedings and restructuring", in the period between October and December 2023, were structured to cover the following topics:

- (i) Legislative changes in commercial insolvency;
- (ii) Insolvency of an entrepreneur;
- (iii) Discharge of debt of an entrepreneur and sole trader;
- (iv) Legislative changes in restructuring proceedings.

Furthermore, a new Annual programme of thematic training courses for insolvency practitioners for 2023 was approved by Order No. SD-0b-23/18.09.2023 of the Minister of Justice and Order No. RD-16-1096/05.10.2023 of the Minister of Economy and Industry.

In line with this programme, the Ministry of Justice organized trainings for insolvency practitioners, as evidenced by the letter from the Ministry of Justice, replying to letter ref. 03-00-231/20/13.10.2023, and more specifically the annexed attendance list of insolvency practitioners who participated in trainings, which took place from 13 to 17 November 2023, on the following topics: (i) “Entry into force of the legislative amendments to the Commercial Law with regard to insolvency and restructuring proceedings”, and (ii) “Particularities of insolvency proceedings for sole traders. Current issues and case law on insolvency”.

## **2. Upgrade of electronic tool(s) to ensure electronic means of communication can be used by parties in insolvency and restructuring proceedings.**

Parties may use electronic means of communication during insolvency and restructuring proceedings provided by the Single e-Justice Portal (hereinafter referred to as the “SEJP”). The SEJP can be used by the parties to the proceedings, the insolvency specialist and the court.

In accordance with Contract No. SJC-5932/05.04.2022 between the Supreme Judicial Council and Information Services AD, the Single e-Justice Portal was optimised to create conditions for increasing the access of citizens and legal persons to e-justice cases. The technical specifications of the contract require the upgrade of the SEJP to create the possibility for citizens and businesses to access and exchange electronic documents with the judicial system online/in electronic form for the initiation of civil and commercial cases, as well as to submit documents in already existing court cases. Although insolvency and restructuring proceedings are not mentioned explicitly, this possibility applies to them, as it does for all other commercial cases.

The Commission services conducted an on-the-spot check on 31 January 2025 to verify that the functionalities of the Unified e-Justice Portal ensure that electronic means of communication can be used by parties throughout insolvency and restructuring proceeding. This check was completed successfully, confirming that electronic tools were upgraded to ensure electronic means of communication can be used by parties in insolvency and restructuring proceedings. Specifically, the parties are able to perform by use of electronic means of communication the following set of actions: (a) filing of claims; (b) submission of restructuring or repayment plans; (c) notifications to creditors; (d) lodging of challenges and appeals.

## **3. Entry into force of legal act(s) and adoption of guidelines concerning restructuring, insolvency or discharge of debt.**

Ordinance No. H-5 of 2023 on the approval of templates under Article 693a of the Commercial Law was adopted by the Minister of Justice and promulgated in State Gazette No. 100 of 1 December 2023. The ordinance regulates the claim application forms (templates), which are standardized forms for the parties in insolvency proceedings. The ordinance also governs templates of documents to be prepared by the insolvency practitioner, namely documents under Article 686(1) and 688(1) and (3) of the Commercial Law, the monthly reports under Article 659(2) of the Commercial Law and the insolvency practitioner's report under Article 664(1) of the Commercial Law, the declaration and consent of the insolvency practitioner under Article 656(1) and (2) of the Commercial Law, and the journal under Article 659(1) of the Commercial Law.

The Practical Guidelines for the Preparation of a Restructuring Plan were approved by Order No. LS-04-18/17.01.2024 of the Minister of Justice, the Minister of Economy and Industry and the Minister of Innovation and Growth. The guidelines are adopted pursuant to Article 770(9) of the Commercial Law and are intended to assist parties and insolvency practitioners in restructuring proceedings. The guidelines specify the elements of a restructuring plan, such as information about the trader, assets and collateral, business activities, legal and arbitration cases and enforcement proceedings, property

transactions, employee data, creditors and creditor classes, liabilities with maturity within 12 months, as well as the terms of the restructuring plan.

Ordinance No. 9 of 30 October 2023 on the terms and conditions for the provision by the Supreme Judicial Council of the information referred to in Article 24(2) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (hereinafter referred to as the “Ordinance on sharing information concerning insolvency proceedings”) was adopted by a decision of the Plenum of the Supreme Judicial Council and promulgated in State Gazette No. 93 of 7 November 2023. In line with paragraph 2 of its Transitional and Final Provisions, the Ordinance on sharing information concerning insolvency proceedings enters into force on the date of its publication in the State Gazette, that is on 7 November 2023. Pursuant to Article 4(1) of the Ordinance on sharing information concerning insolvency proceedings, it specifies the mandatory information subject to registration and public disclosure, such as the date on which the insolvency proceedings were opened, the responsible court and case number, information on the debtor, the time limit for the lodging of claims, the closing date of the main insolvency proceedings, and the court before which an appeal may be lodged. Furthermore, in line with Article 5(1) of the Ordinance on sharing information concerning insolvency proceedings, information shall also be collected and summarised annually on restructuring, insolvency and discharge of debt proceedings, disaggregated by type of proceedings, for the number of proceedings applied for, opened, pending or closed, as well as the average duration of the proceedings, and the number of applications for restructuring proceedings that have been declared inadmissible, rejected or withdrawn.

#### **4. Statistical data published concerning restructuring, insolvency and discharge of debt.**

In line with Article 6 of the Ordinance on sharing information concerning insolvency proceedings, the Supreme Judicial Council provides the Ministry of Justice with data on insolvency cases through automated data exchange by integrating the automated court case management systems used in the courts of the Republic of Bulgaria and the information systems of the Ministry of Justice. Article 5 of the Ordinance on sharing information concerning insolvency proceedings, specifies that the statistical data subject to automated data exchange covers the restructuring, insolvency and discharge of debt procedures.

In accordance with public procurement contract No. 93-00-38/25.04.2023, the Automated Information System for Insolvency and Restructuring Proceedings (hereinafter referred to as the “AISIRP”) was developed. The AISIRP was approved by virtue of Order No. LS-04-63/01.03.2024 of the Minister of Justice and includes statistical data on insolvency and restructuring proceedings, as well as information on individual proceedings.

Statistical data on insolvency, restructuring and discharge of debt was published on the website of the AISIRP on 21 August 2025 and concerns the period 1 January 2024 to 31 December 2024. The Commission services accessed the link provided by the authorities on 24 November 2025 to verify that statistical data was published concerning restructuring, insolvency and discharge of debt. This check was completed successfully, confirming that the table with statistical data published concerns these types of procedures. In particular, the table is split into sections on insolvency (lines 8 to 20), on restructuring (lines 21 to 33) and on discharge of debt (lines 37 to 42). There are also columns specifying the different stages of the procedures. For example, for insolvency procedures, there are 461 applications submitted, 268 open procedures, 508 pending procedures, and 274 finalised procedures in 2024.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**



**Number and name of the Milestone:** 230 Strategy and roadmap for the introduction of Building Information Modelling (BIM)

**Related Measure:** C10.R5: Digital reform of the Bulgarian construction sector

**Qualitative Indicator:** Strategy and roadmap approved

**Time:** Q2 2025

### 1. Context:

The measure aims to lay the foundation for the digital transformation of the construction sector in Bulgaria. The reform consists in the approval of a strategy and a roadmap to introduce the Building Information Modelling (hereinafter referred to as “BIM”).

Milestone 230 requires that the Council of Ministers approves a strategy and a roadmap for the introduction of BIM level 2.

Milestone 230 is the first and only milestone of this reform.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2	Decision No. 270 of 6 April 2023 of the Council of Ministers	Decision No. 270 of 6 April 2023 of the Council of Ministers approving the National Strategy for Digital Transformation of the Construction Sector 2030 and Roadmap for its Implementation, also accessible at the following link: <a href="https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/">https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/</a>
3	Annex 1 to Decision No. 270: National Strategy for Digital Transformation of the Bulgarian Construction Sector 2030	National Strategy for Digital Transformation of the Bulgarian Construction Sector 2030, also accessible at the following link: <a href="https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/">https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/</a>
4	Annex 2 to Decision No. 270: Roadmap for the implementation of the National Strategy for Digital Transformation of the Construction Sector 2030	Roadmap for the implementation of the National Strategy for Digital Transformation of the Construction Sector 2030, also accessible at the following link: <a href="https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/">https://www.mrrb.bg/bg/proekti-nbsp-nbsp-br-po-npvu/investicii-po-npvu/cifrova-transformaciya-na-bulgarskiya-stroitelens-ektor/</a>



### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**The Council of Ministers shall approve a strategy and a roadmap for the introduction of building information modelling (BIM) level 2. Furthermore, in line with the description of the measure, the reform consists in the approval by the Council of Ministers of a strategy and a roadmap to introduce the Building Information Modelling.**

The Council of Ministers approved by Decision No. 270 of 6 April 2023 (evidence no. 2) the National Strategy for Digital Transformation of the Construction Sector 2030 (hereinafter referred to as the “National Strategy”) (evidence no. 3) and the Roadmap for the implementation of the National Strategy for Digital Transformation of the Construction Sector 2030 (hereinafter referred to as the “Roadmap”) (evidence no. 4). The National Strategy and the Roadmap are annexed to Council of Ministers’ Decision No. 270 of 6 April 2023.

The Bulgarian legal framework does not require the publication in the State Gazette of decisions of the Council of Ministers (see Article 4(1), point 8 of the Law on the State Gazette). Council of Minister’s Decision No. 270 of 6 April 2023, the Strategy and the Roadmap are accessible through the website of the Ministry of Regional Development and Public Works. The Commission services accessed the link provided by the authorities on 18 October 2024 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

The Section V of the National Strategy sets out two main strategic objectives:

- Enabling the digitalisation of the construction sector. This includes (i) creating conditions for effective electronic administrative services in the investment process and (ii) optimising the design process and improving the quality of construction by introducing level 2 of BIM in investment design and construction; and
- Creating a sustainable and competitive construction sector. This includes (i) developing digital capacities and skills in the construction sector, (ii) supporting activities related to innovation in the construction sector and (iii) ensuring awareness and active participation of the construction sector in the digital transformation process.

The Strategy sets the objective to introduce BIM level 2 within 10 years of the implementation of the strategy, with a long-term goal of achieving BIM level 3. BIM level 2 allows to use 3D-modelling for the creation of projects and to share documents, engineering networks, 3D structural and architectural elements within all disciplines with a view to enhancing coordination.

The Roadmap sets out key steps and a timeline for the implementation of BIM level 2. Key milestones include the introduction of the requirement to use BIM in public procurement activities in two phases between 2027 and 2030 (page 10 of the Roadmap).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 233 Entry into force of legal act(s) on electronic governance

**Related Measure:** C10.R6 Registry reform to unlock the potential of eGovernment

**Qualitative Indicator:** Provisions indicating the entry into force of legal act(s)

**Time:** Q2 2025

### 1. Context:

The objective of this reform is to support the organisation, quality, and security of registers in the public administration, the potential of eGovernment and the reduction of administrative burden on citizens.

Milestone 233 concerns the entry into force of legal act(s) (i) introducing an obligation for administrative authorities to maintain databases and registers entrusted to them by law in an electronic format and (ii) the provision, free of charge, of information relating to circumstances of birth, marriage and death to the public authorities needed for electronic administrative services.

Milestone 233 is the last milestone of the reform, and it follows the completion of milestone 231 related to the legislative amendments to the Electronic Governance Law and milestone 232 related to the legislative amendments to the Law on Cadastre and Property Register.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2	Copy of the publication in the State Gazette No. C80 of 19 September 2023 of the Law amending and supplementing the Electronic Governance Law, entry into force on 19 September 2023	The amending law introduces legislative changes to the Electronic Governance Law requiring that administrative bodies maintain registers in an electronic form.  The amending law also introduces legislative changes to the Law on Civil Registration ensuring that circumstances relating to birth, marriage and death are provided free of charge between the relevant administrative authorities.
3	Copy of Council Decree No. 232 of 20 November 2023 published in State Gazette, C98 of 24 November 2023, entry into force on 24 November 2023.	Council Decree No.232 sets out the schedule for gradually bringing registers in line with the new requirements of the Electronic Governance Law.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) on electronic governance. Furthermore, in line with the measure description, the reform consists in legal act(s) concerning electronic registers.**

The Law amending and supplementing the Electronic Governance Law was published in the State Gazette C80 of Bulgaria on 19 September 2023. According to its amendment § 42, the Electronic Governance Law entered into force on the same day, with the exception of amendment § 5 concerning article 4a, sub-paragraph 2, which enters into force on 31 March 2024.

**The legal act(s) shall introduce an obligation:**

- **for administrative authorities to maintain registers entrusted to them by law in an electronic format.**

The amendments to the Electronic Governance Law introduce an obligation for administrative authorities to maintain the registers and databases entrusted to them by law in an electronic format (Article 4a, sub-paragraph 2, introduced by amendment § 5 of the Law Amending and Supplementing the Electronic Governance Law).

Pursuant to the final provisions of the Law Amending and Supplementing the Electronic Governance Law (amendment §40), the registers of administrative bodies have to comply with these obligations by 31 March 2025. With Council Decree No.232 of 20 November 2023, a timetable was adopted for gradually bringing registers in line with the requirements of the Electronic Governance Law until Q1 2025.

- **To provide free of charge data available in an electronic format in the Unified System for Civil Registration and Administrative Service of the Population (ESGRAON) relating to birth, marriage and death, to other administrative authorities providing electronic administrative services**

The Law amending and supplementing the Electronic Governance Law (amendment § 31), which introduced the legislative amendments in the Law on Civil Registration, was published in the State Gazette C80 of Bulgaria on 19 September 2023. According to its amendment § 42, the Electronic Governance Law entered into force on the same day.

In accordance with the amendments to the Law on Civil Registration, data available in an electronic format in the Unified System for Civil Registration and Administrative Service of the Population (ESGRAON) shall be provided free of charge to the providers of electronic administrative services and as an internal electronic administrative service in accordance with the Electronic Governance Law (Article 106, sub-paragraph 6 of the Law on Civil registration). This concerns data and circumstances related to birth, marriage and death which according to Article 1 of the Law on Civil Registration falls within its scope of application.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 237 Compliance of the composition of the management boards of large state-owned enterprises

**Related Measure:** C10.R7 Governance framework for state-owned enterprises

**Qualitative Indicator:** Information on management boards published by the Public Enterprises and Control Agency

**Time:** Q2 2025

### 1. Context:

The objective of this reform is to improve the governance of state-owned enterprises.

The reform consists in the publication by the Public Enterprises and Control Agency of information on the composition of the management boards of large state-owned enterprises.

Milestone 237 requires that the management board positions of large SOEs shall have been filled following i) a competitive procedure; ii) have a competitive procedure open or iii) have been filled with a temporary appointment not exceeding 6 months. The published information shall cover the relevant information and be supported by links or references to documentary evidence.

Milestone 237 is the third and last milestone of the reform, and it follows the completion of milestone 234 related to the adoption of the state ownership policy and milestone 235 related to the adoption of annual summary reports on the activities of state-owned enterprises.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone.
2	Annual Summary Report 2023 published on 27 May 2025 with a link <a href="https://appk.government.bg/bg/55">https://appk.government.bg/bg/55</a>	The Annual Summary Report includes Enclosure 1, which lists all large SOEs in Bulgaria as of 31 December 2023.
3	Information on the management board positions of all large SOEs published on the website of the Public Enterprises and Control Agency on 18 November 2023: <a href="https://appk.government.bg/bg/54">https://appk.government.bg/bg/54</a> .	The publication includes information on the selection procedures of all large SOEs in Bulgaria.
4	Excel file with information on the management board positions of all large SOEs.	In a tabular form, the file includes the informational on the management board positions as published on the website of the Public Enterprises and Control Agency. It includes links and embedded documents to the

		documentary evidence.
5	The Accountancy Act amended and supplemented with a decision no. 26/27.03.2025 and effective as of 1 January 2025 with a link <a href="https://appk.government.bg/bg/25">https://appk.government.bg/bg/25</a>	The Accountancy Act includes information concerning the criteria and requirements for the categorisation of SOEs according to their size (small, medium, large).
6	Announcement of the competitive procedure in the SOE "Montagi EAD" with a link <a href="#">Резултати от търсенето за "МОНТАЖИ" – "Държавна Консолидационна Компания" ЕАД</a> and documentation concerning (closed) competitive selection procedure for management board positions, including the list of nominated candidates.	The documentation includes a published announcement on the website of State Consolidated Company EAD, showing that a procedure was opened, with and outline of the different steps of the procedure, as well as protocols and/or decisions demonstrating the list of nominated and selected candidates.
7	Announcement of the competitive procedure and documentation concerning (closed) competitive selection procedure for management board positions, including the list of nominated candidates, in SOE "UMBAL BURGAS EAD" with a link <a href="https://www.mh.government.bg/bg/konkursi/119">https://www.mh.government.bg/bg/konkursi/119</a> .	The documentation includes a published announcement on the website of Ministry of Health, showing that a procedure was opened, with an outline of the different steps of the procedure, as well as protocols and/or decisions demonstrating the list of nominated and selected candidates.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Compliance of the composition of the management boards of large state-owned enterprises**

On 18 November 2025 (evidence no. 4), Bulgaria submitted information on the management board positions of large state-owned enterprises (hereinafter referred to as "SOEs") to demonstrate that the composition of management boards of large SOEs complies with one of three categories of procedures defined in the milestone, namely i) closed competitive procedures; ii) open competitive procedures; iii) temporary appointments not exceeding 6 months. Based on the information, the Commission has verified that the composition of management boards of large SOEs have been filled based on one of the three specified categories of procedures as explained below.

**Information on management boards published by the Public Enterprises and Control Agency. Furthermore, in line with the description of the measure, the reform consists in the publication by the Public Enterprises and Control Agency of information on the composition of the management boards of large state-owned enterprises.**

The Public Enterprises and Control Agency (hereinafter referred to as "PECA") published on 18 November 2025 information on the management boards of large SOEs on the Agency's website. The Commission services accessed the link provided by the authorities on 18 November 2025 (evidence no. 3) to verify that it contains information on management boards of large state-owned enterprises.

This check was completed successfully, confirming that that the evidence corresponded with the publication.

**The management board positions of all large SOEs, as listed in the annual summary report on state-owned public enterprises by the Public Enterprises and Control Agency, shall:**

The Council Implementing Decision required that the information on the management board positions of all large SOEs, as listed in the annual summary report on state-owned public enterprises by the Public Enterprises and Control Agency shall be published. The Annual Summary Report on State-Owned Public Enterprises for 2023 (hereinafter “Annual Summary Report”) was approved by the Council of Ministers by decision no. 318 of 21 May 2025 and published on the website of the Public Enterprises and Control Agency (hereinafter referred to as “PECA”) on 27 May 2025. The Annual Summary Report (evidence no. 2) lists 50 large SOEs in Bulgaria as of 31 December 2023. The 50 large SOEs listed in the Annual Summary Report are covered in the information on the management board positions of all large SOEs published on PECA’s website on 18 November 2025 (evidence no. 3). The Commission services accessed the link provided by the authorities on 18 November 2025 (evidence no. 3) to verify that the 50 SOEs covered in the Annual Summary Report are covered in the published information. This check was completed successfully, confirming that the evidence corresponded with the publication.

For transparency and accuracy purposes, on 18 November 2025, the authorities published on PECA’s website the latest available information at the time of the assessment, which comprises the information on the management board positions of all large SOEs. The published information on the management board positions therefore covered a list of 60 SOEs, including 56 SOEs that are currently considered large and 4 SOEs that are no longer considered large as initially listed in the annual summary report, but medium, after a reassessment that was done following the amendments to the Accountancy Act, Section 1, Article 5, points 1-3. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, it does not affect the progress towards the achievement of the reform that the milestone represents, given that the published information covers all large SOEs listed in the Annual Summary Report as well as additional SOEs that following the amendments to the Accountancy Act have been reclassified as large. This provides for a more accurate information, allowing for a comprehensive assessment of the management positions in all large SOEs at the date of assessment. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

To assess whether the published information on the management board positions of the 60 SOEs includes information on all positions in the management board for each of the 60 SOEs, it was verified that the positions covered are in line with the following provisions in Bulgarian law:

- i) Article 22(2) of the Law on Public Enterprises, which states that “(Supplemented, SG No. 85/2020, in force from 02.10.2020) The boards of directors and supervisory boards of public enterprises, categorized as "large", shall consist of at least five members, with the exception of the boards of directors of state and municipal medical institutions for hospital care, to which the provision of Article 63, para. 2, second sentence of the Law on Medical Institutions applies”;
- ii) Article 63(2) of the Law on Medical Institutions, which states that “(Supplemented, SG No. 102/2018, in force from 01.01.2019, amended, SG No. 85/2020, in force from

- 02.10.2020) State and municipal medical institutions – sole proprietorship joint-stock companies, shall have a one-tier management system. The Board of Directors of the state and municipal medical institutions for hospital care consists of three members”;
- iii) Article 84(1) of the Safe Use of Nuclear Energy Act, which states that “The Management Board of the Company shall consist of three members, including the Executive Director”;
  - iv) Article 53c The Managing Board shall consist of three members, including the Director General, who shall be appointed by the Minister of Transport and Communications for a period of five years”;
  - v) Article 13(1) of the Railway Transport Act, which states that “The Management Board shall consist of three members, appointed by the Minister of Transport, Information Technology and Communications for a term of 5 years”;
  - vi) Article 115p (New, SG No. 104/2005, in force from 27.12.2005) The Managing Board shall consist of three members, including the Director General, who shall be appointed by the Minister of Transport and Communications for a period of 5 years.”;
  - vii) Article 169(1) of the Forest Act, which state that “The management board of a state enterprise shall be comprised of three members, including the director of the enterprise”.
  - viii) Article 135, paragraph 1 of the Commerce Act, which, with respect to sole enterprises with limited liability/limited liability companies, states that there should be at least one managing director. The number of positions is stated in the Articles of Association/Memorandum of Incorporation of the relevant SOEs.

The number of board members for each SOE in the published information on management board positions of all large SOEs is in line with the respective provisions stated above. The total number of board member positions in the listed 60 SOEs is 210.

The published information on the management board positions of all large SOEs also includes information on the first and the last name of each of the board members for each of the 60 SOEs, with the exception of one position for an independent member in the SOE Holding BDZ EAD Sofia, which has been identified as vacant, where no permanent or temporary member has been appointed, but where a competitive procedure for an appointment of the independent member has been launched on 12 November 2025.

**i) have been filled following a competitive procedure; or**

According to the published information on the management board positions of all large SOEs, of the 210 board member positions in total, 194 positions have been filled following a competitive procedure. A (closed) competitive procedure is distinguished by the following information, as presented in evidence no. 4: i) the announcement of the procedure with a date and accompanying information concerning the selection procedure; ii) the results of the procedure in the form of a final list of nominated candidates and/or an order appointing the selected candidate; iii) the results of the procedure registered in the commercial registry.

The Council Implementing Decision required that the management board positions of all large SOEs, as listed in the annual summary report on state-owned public enterprises by the Public Enterprises and Control Agency, shall i) have been filled following a competitive procedure (...). As stated above, Bulgaria has provided the information and evidence demonstrating that 194 positions of the 210 positions in total have been filled following a competitive procedure. According to the published information (evidence no. 4), for 6 positions out of the 194 positions filled following closed competitive procedures, the contract signed for the 6 the selected members of the board had run to

its end. However, the authorities provided additional evidence (evidence no. 6 and 7), demonstrating that as of 13 November 2025, for those 6 positions, a competitive procedure had been opened and completed with the appointments of all new members of the boards. These positions belong to 2 of the 4 SOEs that are no longer considered large. The Council Implementing Decision required the publication by PECA. Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, PECA only publishes the information related to the large SOEs. For these cases, the appointments have been published on the respective websites of the Ministry of Health as well as the Consolidated Company EAD, and the list of candidates nominated and selected for the positions, demonstrated through relevant protocols, has been verified by the Commission against the published registration of the appointed board members in the Commercial register and register for non-profit companies of Bulgaria, where this information is publicly available. As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**ii) have a competitive procedure open; or**

According to the published information on the management board positions of all large SOEs, of the 210 board member positions in total, seven positions have a competitive procedure open. An open competitive procedure is distinguished by the following information, as presented in evidence no. 4: i) the announcement of the procedure with a date and accompanying information concerning the selection procedure; ii) the results of the procedure in the form of a final list of nominated candidates and/or an order appointing the selected candidate may or may not exist yet, as the procedure is still ongoing, following the different selection stages; and/or iii) the results of the procedure are not yet registered in the commercial registry.

**iii) have been filled with a temporary appointment not exceeding 6 months at the time of publishing of the below information.**

According to the published information on the management board positions of all large SOEs, of the 210 board member positions in total, nine positions have been filled with a temporary appointment not exceeding 6 months at the time of publishing of the below information. A temporary appointment not exceeding 6 months is distinguished by the following information, as presented in evidence no. 4: i) the appointment of the temporary member of the board with a date; ii) a contract signed with stated date of expiry and/or duration.

**For closed competitive procedures, the Public Enterprises and Control Agency shall publish information on the composition of the management boards of large state-owned enterprises that shall cover the date of the announcement of the procedure and a list of nominated candidates, supported by links or references to the documentary evidence.**

PECA published information on the composition of the management boards of large SOEs on the Agency's website on 18 November 2025 (evidence no. 3).

Bulgaria submitted all information on the composition management boards of large SOEs, including the 4 SOEs that are no longer considered large, including the underlying documentary evidence (evidence no. 4). An additional document was submitted by Bulgaria concerning one position, namely documentary evidence to demonstrate the list of nominated candidates, supplementing the decision confirming the appointment of the candidate to the management board (evidence no. 4).



Following the selection of a random sample of 60 units, Bulgaria submitted information on 18 November 2025. Out of the sample of 60 units 58 units concern closed competitive procedures. The evidence provided for a sample of 60 (evidence no. 3 and no. 4) confirm that for closed competitive procedures, the Public Enterprises and Control Agency published information on the composition of the management boards of large state-owned enterprises that covers the date of the announcement of the procedure and a list of nominated candidates, supported by links or references to the documentary evidence.

**For open competitive procedures, the published information shall specify the date of the announcement of the procedure, supported by links or reference to the documentary evidence.**

Following the selection of a random sample of 60 units, Bulgaria submitted information on 18 November 2025. Out of the sample of 60 units, one unit concerns an open competitive procedure. The evidence provided for a sample of 60 (no. 3 and no. 4) confirm that for open competitive procedures, the published information specifies the date of the announcement of the procedure, supported by links or reference to the documentary evidence.

**For temporary appointments, the published information shall specify the date of appointment, supported by links or reference to the documentary evidence on the date of appointment.**

Following the selection of a random sample of 60 units, Bulgaria submitted information on 18 November 2025. Out of the sample of 60 units, one unit concerns a temporary appointment. The evidence provided for a sample of 60 (evidence no. 3 and no. 4) confirm that for temporary appointments, the published information shall specify the date of appointment, supported by links or reference to the documentary evidence on the date of appointment.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 240 Capacity and capabilities of supervisors

**Related Measure:** C10.R8: Measures concerning the anti-money laundering framework

**Qualitative Indicator:** 1. Adoption or revision of supervisory strategic documents; 2. Adoption or revision of amendments to the supervisory procedures or manuals; 3. Adoption of guidance on the approach to politically exposed persons; 4. Provisions in the law indicating the entry into force of the amendments

**Time:** Q2 2025

### 1. Context:

The aim of this reform is to introduce new measures as part of the anti-money laundering framework.

The objective of milestone is to adopt or revise the supervisory strategies and supervisory procedures of the Financial Intelligence Directorate of the State Agency for National Security, the Bulgarian National Bank, the Financial Supervision Commission and the National Revenue Agency, as well as to adopt a guidance on the approach to politically exposed persons.

Milestone 240 is the last step in the implementation of this reform, following milestones 238 and 239, which aimed at adopting an action plan to mitigate the money laundering and terrorist financing risks identified in the national risk assessment and at adopting an update to the national risk assessment of money laundering and terrorist financing.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone, and of the corresponding measure in the Council Implementing Decision annex.
FID-SANS supervisory strategic documents		
2	Allocation of resources of the Control department of the Financial Intelligence Directorate of the State Agency for National Security, approved by the Chairman of the State Agency for National Security on 20 December 2021	The document contains an information about the planning of the resources according to the risk profile of the inspected obliged entity.

3	Methodology for planning on-site inspections of the obliged entities under Article 4 of the Law on the Measures against Money Laundering, approved by the Chairman of the State Agency for National Security on 15 December 2023	The document, specifically sections III and IV, helps FID-SANS set targets for supervision of the obliged entities and a performance reporting procedure on their implementation.
BNB supervisory strategic documents		
4	Strategic plan 2023 – 2027 regarding prevention of money laundering and terrorist financing in the banking sector, approved by the Deputy Governor of the department “Banking Supervision” on 9 February 2023	The document represents the Bulgarian National Bank’s strategy for supervision of the obliged entities falling under its competence for the period 2023 - 2027.
FSC supervisory strategic documents		
5	Strategy of the Financial Supervision Commission for the period 2022 – 2024, approved on 16 December 2021 by the Financial Supervision Commission	The document represents Financial Supervision Commission’s strategy for supervision of the obliged entities falling under its competence for the period 2022 - 2024.
6	Protocol of the Financial Supervision Commission No. 94 of its session on 16 December 2021	The document proves the approval of the strategy by the Financial Supervision Commission on 16 December 2021.
7	Strategy of the Financial Supervision Commission for the period 2025 – 2027, approved on 3 December 2024 by the Financial Supervision Commission	The document represents Financial Supervision Commission’s strategy for supervision of the obliged entities falling under its competence for the period 2025 - 2027.
8	Protocol of the Financial Supervision Commission No. 74 of its session on 3 December 2024	The document proves the date of adoption of the Strategy of the Financial Supervision Commission for the period 2025 – 2027.
9	Common manual on risk-based supervision for the prevention of money laundering and terrorist financing of the Financial Supervision Commission, approved by the Chairman of the Financial Supervision Commission on 31 March 2023	The document represents the supervisory manual of the Financial Supervision Commission, applicable to its three divisions – “Investment activity supervision”, “Insurance supervision” and “Social insurance supervision”.
10	Order No. 3-91 of 31 March 2023 of the Chairman of the Financial	The document proves the approval of the “Common manual on risk-based

	Supervision Commission	supervision for the prevention of money laundering and terrorist financing” by the Chairman of the Financial Supervision Commission on 31 March 2023.
11	Supervisory plan for 2023 of the Directorate “Supervision of investment activity”, approved on 5 April 2023, and amended on 1 November 2023, by the Chairman of the FSC	The supervisory plan exemplifies how companies carrying out investment activities are distributed across different categories based on their risk profile.
12	Internal rules for financial management and control in the Financial Supervision Commission, approved by Order No. Z-45/24.02.2021, and amended by Order No. Z-10/11.01.2022, of the Chairman of the Financial Supervision Commission	The document includes the performance reporting procedure on the implementation of targets for supervision.
NRA supervisory strategic documents		
13	Strategy with regard to prevention of money laundering and terrorist financing for the period 2024 – 2027, approved on 1 July 2024 by the National Revenue Agency	The document represents the National Revenue Agency’s strategy for supervision of the obliged entities falling under its competence for the period 2024 - 2027.
14	Order of the Executive Director of the National Revenue Agency No 3-ЦУ-1359/1.07.2024	The document proves the approval of the “Strategy with regard to prevention of money laundering and terrorist financing for the period 2024 – 2027” on 1 July 2024.
15	Working Procedure No. HXXД6 of 22 August 2024 on supervision by applying a risk-based approach to gambling operators and exchange bureaus of the National Revenue Agency	The document includes information on the performance reporting procedure for the implementation of targets for supervision.
FID-SANS supervisory procedures or manuals		
16	Manual for carrying out inspections under Article 108(3) of the LMML approved on 13 August 2021, revised on 10 March 2023, of the Financial Intelligence Directorate at the State Agency for National Security	This document contains texts that ensure consistent approach to monitoring, including rules on record keeping of the files and documents examined during on-site inspections.

BNB supervisory procedures or manuals		
17	Manual of the Banking Supervision Process approved on 16 September 2021 by the Executive Board of the Bulgarian National Bank	The document concerns the supervision of credit institutions and among others, includes rules on record keeping of the files and documents examined during on-site inspections and follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations.
18	Decision No. 295 of the Executive Board of the Bulgarian National Bank of 16 September 2021	The document concerns the approval of the “Manual of the Banking Supervision Process”.
19	Rules and procedures for the operation of the department “Prevention of Money Laundering in the banking system and other specific supervisory activities” approved on 23 December 2021 by the Executive Board of the Bulgarian National Bank	The document concerns the operation of the department “Prevention of Money Laundering in the banking system and other specific supervisory activities” and includes implementing provisions applicable to this department.
20	Decision No. 442 of the Executive Board of the Bulgarian National Bank of 23 December 2021	The document concerns the approval of the “Rules and procedures for the operation of the department “Prevention of Money Laundering in the banking system and other specific supervisory activities”.
NRA supervisory procedures or manuals		
21	Procedure No. УДДЗ of 17 June 2022 “Record keeping of documents” of the National Revenue Agency	The document describes the processes in record keeping in the NRA, such as storage of electronic and paper documents, registering in an archive, and updating the files, as well as the division of responsibilities.
22	Guidance N20-00-35 of 24 February 2021 on carrying out mandatory inspections of persons with a license under the Gambling Law of the National Revenue Agency	The document includes, among others, rules on follow-up actions to ensure that gambling operators comply with their anti-money laundering obligations.
23	Guidance N20-00-71 of 5 May 2021 on the scope of actions when carrying out inspections for compliance with the Law on Measures Against Money	The document includes rules on inspections and on the measures taken vis-à-vis gambling operators and

	Laundering of the National Revenue Agency	exchange bureaus.
24	Instruction K9.11 of 24 June 2021 "Performance of inspection of compliance with the Gambling Law" of the National Revenue Agency	The document includes, among others, rules on follow-up actions to ensure that gambling operators comply with their anti-money laundering obligations.
25	Procedure FK9 of 27 May 2021 "Performing checks in facilities in which gambling is organized" of the National Revenue Agency	The document includes, among others, rules on follow-up actions to ensure that gambling operators comply with their anti-money laundering obligations.
26	Instruction K38.5 of 24 June 2021 „Inspections at exchange offices“ of the National Revenue Agency	The document includes, among others, rules on follow-up actions to ensure that exchange offices comply with their anti-money laundering obligations.
Guidance on PEPs		
27	Guidelines of 22 May 2023 for obliged entities on identifying politically exposed persons, persons closely linked to them and establishing the source of their wealth of the Financial Intelligence Directorate of the State Agency for National Security	The document, adopted on 22 May 2023, specifies which persons are politically exposed persons, how does an enhanced due diligence take place, and how to establish the source of funds of such persons.
28	Common Guidelines of 14 July 2021 on commercial banks regarding the LMML's requirements to clients who are politically exposed persons or persons related to them of the Bulgarian National Bank and the Financial Intelligence Directorate of the State Agency for National Security	The document, adopted on 14 July 2021, specifies the good practices regarding politically exposed persons, specifically when it comes to clients of credit institutions (commercial banks), potential risks and actions to be taken under different circumstances.
29	Guidelines Reference No. 22-00-33, approved on 6 March 2024 by the National Revenue Agency	The document concerns the scope of the activities of the revenue authorities when monitoring compliance with the LMML and includes guidance on identification and identification of a

		client as a politically exposed person (PEP) or a related person to such a person.
30	Guidelines Reference No. 92-00-1300 approved on 23 May 2024 by the National Revenue Agency	The document concerns the application of the provisions of the LMML upon identification and establishment of a client as a politically exposed person (PEP) or a related person by the organizers of gambling games who have obtained a license to organize gambling games and by the persons who professionally carry out transactions with currency in cash in exchange offices.
Legislative amendments		
31	Legislative amendments to the Law on the Measures against Money Laundering, as published in the State Gazette No. 60 of 14 July 2023	The document includes the amendments, which provide for verification procedures for prevention of money laundering of persons providing professional company services.
32	Legislative amendments to the Law on the Measures against Money Laundering, as published in the State Gazette No. 85 of 6 October 2023	The document includes the amendments, which provide for verification procedures for prevention of money laundering of persons providing professional company services.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**The Financial Intelligence Directorate of the State Agency for National Security, the Bulgarian National Bank, the Financial Supervision Commission and the National Revenue Agency, in their capacity as supervisory authorities under the Law on the Measures against Money Laundering, shall in respect of the obliged entities under their supervision:**

**adopt or revise supervisory strategic documents to set targets for supervision of the obliged entities, to allocate resources for the supervision of the obliged entities in accordance with their risk profile and to set up a performance reporting procedure. Furthermore, in line with the measure description, the reform consists in adopting or revising supervisory strategies and procedures [...].**

The Financial Intelligence Directorate of the State Agency for National Security, the Bulgarian National Bank, the Financial Supervision Commission and the National Revenue Agency, in their

capacity as supervisory authorities under the Law on the Measures against Money Laundering, have in respect of the obliged entities under their supervision, adopted supervisory strategies, or where appropriate, other documents to set targets for supervision of the obliged entities, to allocate resources for the supervision of the obliged entities in accordance with their risk profile and to set up a performance reporting procedure.

- **The Financial Intelligence Directorate of the State Agency for National Security**

The Financial Intelligence Directorate of the State Agency for National Security (hereinafter referred to as the “FID-SANS”) adopted one new document and amended another document, which together fulfil the functions of a supervisory strategy. Specifically, FID-SANS amended the document “Methodology for planning on-site inspections of the obliged entities under Article 4 of the Law on the Measures against Money Laundering” (evidence no. 2) to set targets for supervision of the obliged entities and to set up a performance reporting procedure. In addition, FID-SANS adopted the document “Allocation of the resources of the Control department of FID-SANS” (evidence no. 3) to allocate resources for the supervision of the obliged entities in accordance with their risk profile. Unlike the other supervisory authorities under Article 108(6) of the Law on the Measures against Money Laundering (hereinafter referred to as the “LMML”), which supervise certain obliged entities in a specific sector, the FID-SANS is a supervisory authority in a broader sense vis-à-vis all the forty categories of obliged entities as it carries out the overall supervision for application of the LMML (Article 108(1), (2) and (3) of the LMML). Given the broadness of the scope of the obliged entities supervised, the two documents fulfilling the functions of a supervisory strategy allow the FID-SANS to set out the overall framework of supervision (by regular procedures on setting and monitoring the targets for supervision). This is more suitable for a supervisory body overseeing a wider range of obliged entities of different sectors, which do not have common characteristics and do not follow common identifiable long-term trends. This allows a more dynamic and versatile approach for the supervision carried out by the FID-SANS and is in line with the internal procedures of the Member State.

*Setting targets for supervision of the obliged entities*

Given the broader powers of FID-SANS vis-à-vis a wide scope of obliged entities, the setting of targets for the supervision of the obliged entities is done on a biannual basis. For this purpose, the Methodology for planning on-site inspections of the obliged entities under Article 4 of the Law on the Measures against Money Laundering (hereinafter referred to as the “Methodology for planning on-site inspections”), initially adopted on 17 December 2019, was amended by FID-SANS. The amendment was approved by the Chairman of the State Agency for National Security on 15 December 2023 and entered into force on the day of the approval. Section III “Planning of the Control Activities” of the Methodology for planning on-site inspections (evidence no. 2) specifies that at the end of each calendar year, based on an analysis of the information from the statistical surveillance questionnaires, the specific subjects for inspections are determined by FID-SANS. The six-month plans contain:

- (i) Aims for determining the target groups for inspections;
- (ii) Specific reasons for determining the exact obliged entity;
- (iii) Identification data of obliged entity;
- (iv) Type of obliged entity, according to the LMML;
- (v) Period for carrying out the inspection;
- (vi) The team that will perform the inspection;
- (vii) Type of inspection;
- (viii) The aim of the inspection.



Prior to the amendment, the Methodology for planning on-site inspections did not require that at the end of each calendar year, the target groups for inspections to be determined based on the identified risk factors, and that based on these target groups, statistical surveillance questionnaires are sent, which in turn inform the analysis which specific subjects for inspections are determined. The improved procedure contributes to the risk-based approach by including new steps in the process of setting targets for supervision. Furthermore, prior to the amendment, the Methodology for planning on-site inspections did not specify that the content of the biannual reports would include aims for determining the target groups for inspections and specific reasons for determining the exact obliged entity. The inclusion of this information in the inspection plan improves transparency and ensures the targets for supervision are set on the basis of clear aims and reasoning.

#### *Allocating resources for the supervision of the obliged entities in accordance with their risk profile*

The FID-SANS prepared the document “Allocation of the resources of the Control department of FID-SANS”, which was approved by the Chairman of the State Agency for National Security on 20 December 2021 and entered into force on the day of approval. The document “Allocation of resources of the Control department of FID-SANS” (evidence no. 3) provides that the allocation of resources should be proportionate to the risk profile of the respective sectors as a whole and to that of the obliged entities. More concretely, the table on p. 3 provides the following allocation of resources (indicative number of employees for an inspection per obliged entity and the time necessary), depending on the risk identified of the obliged entity:

- (i) high risk – 2-3 employees, up to 20 days;
- (ii) medium to high risk – 2 employees, 10 – 15 days;
- (iii) medium to low risk – 2 employees, up to 10 days;
- (iv) low risk – 2 employees, up to 5 days.

#### *Setting up a performance reporting procedure*

The Methodology for planning on-site inspections (evidence no. 3), adopted on 17 December 2019 and amended on 15 December 2023, also sets up a performance reporting procedure on the implementation of the strategy, that is on the implementation of the targets set for supervision of the obliged entities. Specifically, Section IV “Reporting of control activities” provides that by 15 July and 15 January of each year, a report containing the information on the control activity is prepared, which contains:

- (i) Number and type of inspections carried out for the period by type of obliged entity;
- (ii) Number and type of completed inspections for the period by type of obliged entity;
- (iii) Number of delivered mandatory instructions under the LMML;
- (iv) Number and type of established violations with information on the type of the obliged entity;
- (v) Number of voluntary agreements/ penal decrees/ resolutions served;
- (vi) Number of appealed penalties;
- (vii) Total amount of the received amount of imposed sanctions;
- (viii) Number of statistical risk-based surveillance questionnaires sent.

Prior to the amendment, the Methodology for planning on-site inspections did not specify the content of the biannual reports. Following the amendment of 15 December 2023, the clearly specified content allows the set-up of performance reporting procedure concrete, which includes concrete information on the outcomes of the supervision carried out, including the number of inspections, established violations, appeals, and imposed sanctions.

- **The Bulgarian National Bank**

The Bulgarian National Bank (hereinafter referred to as the “BNB”), specifically the Deputy Governor of the department “Banking Supervision”, approved on 9 February 2023 a supervisory strategy (evidence no. 4) for 2023 - 2027 (hereinafter referred to as the “BNB Supervisory Strategy”). BNB Supervisory Strategy applies to the obliged entities under the BNB’s supervision in line with Article 108(6) point 1 of the LMML (page 3, Section I of the BNB Supervisory Strategy).

*Setting targets for supervision of the obliged entities*

Section III (pages 6-8) of the BNB Supervisory Strategy lists the following targets for supervision of the obliged entities for the period of 2023 - 2027:

- (i) Regular updating of the national risk assessment and the sectoral bank assessment;
- (ii) Providing the BNB with the required resources for performance of the supervision tasks, including technical and information support, sufficient number of staff and training;
- (iii) Increasing or retaining the number of comprehensive on-site inspections – the frequency and intensity of the inspections must be aligned with the identified risks, established for the banking sector;
- (iv) Increase of the number of theme-based inspections performed;
- (v) Compliance with the legal requirements for conducting customer due diligence in the banking sector;
- (vi) Regular cooperation with banks, FID-SANS, other supervision bodies, the European Banking Authority, and the Anti-Money Laundering Agency;
- (vii) Ensuring the training for the banking sector, information materials, circular letters, guidelines and instructions on the application of the legislation and the international standards;
- (viii) Annual reporting on the anti-money laundering activities and the accomplishment of the targets.

*Allocating resources for the supervision of the obliged entities in accordance with their risk profile*

The BNB Supervisory Strategy for 2023-2027, specifically Section 2.3 (pages 9-10) includes a table, which provides the allocation of resources for supervision in accordance with their risk profile (indicative number of employees for an inspection per obliged entity and the time necessary):

- (i) high risk – 3 employees, up to 30 days;
- (ii) heightened risk – 2-3 employees, up to 25 days;
- (iii) medium risk – 2-3 employees, up to 20 days;
- (iv) low risk – 2 employees, up to 15 days.

*Setting up a performance reporting procedure*

The BNB Supervisory Strategy for 2023-2027, Section III (pages 6-8) includes performance indicators (for example, updating documents and plans) for each of the targets for supervision set out, as well as frequency of the reporting (for example, on annual basis or ongoing basis). In addition, the final supervisory target in the BNB Supervisory Strategy is reporting on the anti-money laundering activities by the BNB’s Directorate for Specific Supervisory Activities to the Deputy Governor in charge of the Banking Supervision Department twice a year.

- **The Financial Supervision Commission**

The Financial Supervision Commission (hereinafter referred to as the “FSC”) adopted on 16 December 2021 its Supervisory Strategy for the period 2022 – 2024 (hereinafter referred to as the “FSC Supervisory Strategy for 2022 - 2024”). The FSC Supervisory Strategy for 2022 – 2024 (evidence no. 5) applies to the obliged entities under the FSC’s supervision in line with Article 108(6), point 2 of the LMML – obliged entities in the investment, insurance and pension-insurance sectors (page 4 of the FSC Supervisory Strategy for 2022 - 2024).

Furthermore, the FSC adopted on 3 December 2024 its Supervisory Strategy for the period 2025-2027 (hereinafter referred to as the “FSC Supervisory Strategy for 2025 - 2027”). The FSC Supervisory Strategy for 2025 – 2027 (evidence no. 7) applies to the obliged entities under the FSC’s supervision in line with Article 108(6), point 2 of the LMML – obliged entities in the investment, insurance and pension-insurance sectors (page 8 of the FSC Supervisory Strategy for 2025 - 2027).

#### *Setting targets for supervision of the obliged entities*

The FSC Supervisory Strategy for 2022 - 2024, specifically when it comes to the priority to implement effective risk-based supervision of the non-banking financial sector and sustaining stability of the financial markets (p. 7-9), sets the following targets for supervision of the obliged entities:

- (i) Compliance of the supervisory activity with the relevant common policies and standards;
- (ii) Early identification, analysis and assessment of the risks associated with the activities of supervised persons;
- (iii) Enhancing of the supervision on the market behavior of supervised persons;
- (iv) Implementation of effective joint actions in connection with the supervision of the non-banking financial sector through the exchange of information and close cooperation between national, European and international authorities and institutions.

The targets for supervision in the FSC Supervisory Strategy for 2025 - 2027 are presented on pages 13-14, and also include compliance with the relevant common policies and standards, early identification, analysis and risk assessment, as well as expanding the oversight over the market behaviour of the subjects under supervision.

#### *Allocating resources for the supervision of the obliged entities in accordance with their risk profile*

The FSC Supervisory Strategy for 2022 - 2024 specifies on page 7 that the FSC applies a risk-based approach in its supervisory activities and allocates its supervisory resources to supervising market participants which show higher levels of risk and focuses on the identification of potential risks for the purposes of risk mitigation. Such a commitment is included also in the FSC Supervisory Strategy for 2025 – 2027, which specifies that the prioritization of actions based on their relative importance, the prevention of unexpected situations, and the use of early warning indicators play a key role in the supervision, which allows the FSC to direct its efforts towards addressing those issues that pose the greatest risk to achieving supervisory objectives and financial stability.

More concretely, Section 3.4.3 of the Common manual on risk-based supervision for the prevention of money laundering and terrorist financing (hereinafter referred to as the “FSC Supervisory Manual”, evidence no. 9, page 30), adopted on 31 March 2023, provides that the three divisions of the FSC prepare annual anti-money laundering supervisory plans, which reflect the allocation of the resources to the obliged entities in accordance with their risk profile. The time period to be covered by the supervisory plan could be either one year or two years. As an example, the supervisory plan for 2023 of the Directorate “Supervision of investment activity” (evidence no. 11), approved on 5 April 2023, and amended on 1 November 2023, by the Chairman of the FSC, have been provided.

The supervisory plan provides information how risk categories are assessed depending on the risk profile of the companies carrying out investment activities and exemplifies how the companies are distributed across categories based on their risk profile for the purpose of risk-based supervision:

- (i) “Less significant”;
- (ii) “Moderately significant”;
- (iii) “Significant”;
- (iv) “Very significant”.

#### *Setting up a performance reporting procedure*

The FSC Supervisory Strategy for 2022 - 2024 includes two performance indicators for the priority to implement effective risk-based supervision of the non-banking financial sector and sustaining stability of the financial markets (page 23):

- (i) Consistency between the results of the analysis to determine the risk profile of supervised entities and subsequent supervisory actions based on it;
- (ii) Maximum implementation of annual supervisory plans.

The same indicators are included on page 31 of the FSC Supervisory Strategy for 2025 – 2027.

Regarding the performance reporting of the more concrete implementation of the targets, Article 5(3) and (5) of the Internal rules for financial management and control in the Financial Supervision Commission (evidence no. 12), specifies that the accomplishment of the targets in the supervisory strategy is achieved through development, performance and reporting on the annual action plan for the relevant year and requires that the heads of the administrative units prepare a performance report for the relevant year by January 15th of the next year.

- **The National Revenue Agency**

The National Revenue Agency (hereinafter referred to as the “NRA”) adopted on 1 July 2024 its Supervisory Strategy for the period 2024 to 2027 (hereinafter referred to as the “NRA Supervisory Strategy”). The NRA Supervisory Strategy (evidence no. 13) applies to the obliged entities under the NRA’s supervision in line with Article 108(6), point 3 of the LMML – gambling operators, and in line with Article 16(4) of the Currency Law - exchange offices (p. 4 of the NRA Supervisory Strategy).

#### *Setting targets for supervision of the obliged entities*

The NRA Supervisory Strategy sets the following targets for supervision of the obliged entities (pages 10-11):

- (i) Increasing the capacity and analytical capabilities of the revenue authorities in the area of measures against money laundering and terrorism financing;
- (ii) Supervisory and regulatory actions aimed at improving the risk-based approach in the supervision in relation to gambling operators and exchange offices;
- (iii) Supervisory actions aimed at enhanced cooperation between competent authorities and with competent authorities of other countries.

#### *Allocating resources for the supervision of the obliged entities in accordance with their risk profile*

The NRA Supervisory Strategy, on pages 15 and 16, allocates resources for the supervision of the obliged entities in accordance with their risk profile.

Specifically, for on-the-spot checks of gambling operators and exchange offices, the resources are allocated, as follows:

- (i) High risk – 3 employees, 2-7 hours on the spot, 30 days for the final report;
- (ii) Medium risk – 2-3 employees, 2-5 hours on the spot, 25 days for the final report;
- (iii) Low risk – 2 employees, 2-4 hours on the spot, 14 days for the final report.

For checks of gambling operators and exchange offices done only on the basis of documents, the resources are allocated, as follows:

- (i) High risk – 3 employees, 3-6 months for the check;
- (ii) Medium risk – 2-3 employees, 3-4 months for the check;
- (iii) Low risk – 2 employees, 1-3 months for the check.

#### *Setting up a performance reporting procedure*

The NRA Supervisory Strategy (page 9) provides that the monitoring of the progress in the implementation of the activities in the Strategy and the subsequent impact assessment will be carried out with the involvement of the stakeholders and the management of the NRA, a guarantor for the implementation of the set goals, publicity and transparency of the actions.

More concretely, NRA's Working procedure on supervision by applying a risk-based approach to gambling operators and exchange offices (evidence no. 15), which entered into force on 22 August 2024, provides on page 16, section 4.2.4, that the Head of the "AML and prevention" unit shall report once per year to the NRA executive director on the implementation of the objectives in the strategy.

**[...] adopt or revise their supervisory procedures manuals to ensure a consistent approach to monitoring, including rules on record keeping of the files and documents examined during on-site inspections and follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations.**

**FID-SANS** has adopted its Manual for carrying out inspections under Article 108(3) of the LMML (hereinafter referred to as the "FID-SANS Supervisory Procedures Manual") on 13 August 2021 and revised it on 10 March 2023 (evidence no. 16). As the FID-SANS Supervisory Procedures Manual applies to inspections under Article 108(3) of LMML, which concerns all obliged entities under Article 4 of LMML, the FID-SANS Supervisory Procedures Manual is applicable to all obliged entities, which are subject to FID-SANS's supervision.

FID-SANS Supervisory Procedures Manual ensures a consistent approach to monitoring by providing for:

- (i) rules on record keeping of the files and documents examined during on-site inspections, specifically Section 6 of the of FID-SANS Supervisory Procedures Manual provides what actions are carried out after finishing the on-site inspection, including compiling a folder for the collection of all documents received, numbering of the pages and recoding of each document in an inventory chronologically (point 2), as well as keeping all inspections files until the end of the process, including legal proceedings, and archiving it after finalization (points 15 and 16);
- (ii) follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations, specifically Section 6 of the of FID-SANS Supervisory Procedures Manual provides that a protocol of findings is issued with a reasoned conclusion on the obliged entity's fulfilment of the objective set out in the order, recommendations for improvement

and, where any anti-money laundering breaches, deficiencies and inefficiencies are identified, a plan for remedying the non-compliance, as well as a follow-up by the obliged person within a specific timeframe (points 3 and 13).

The **BNB** has adopted a Manual of the Banking Supervision Process (hereinafter referred to as the “BNB Supervisory Procedures Manual”) on 16 September 2021 (evidence no. 17). One of the legal bases relevant for the BNB Supervisory Procedures Manual (Part II, Section IV, Sub-section II “Main work processes”) is Article 108(6), point 1 of LMML, which specifies the obliged entities under the BNB’s supervision – credit institutions, to which the BNB Supervisory Procedures Manual applies (Part I, Section 7, “Supervisory Process”). Furthermore, the BNB has adopted Rules and procedures for the operation of the department “Prevention of Money Laundering in the banking system and other specific supervisory activities” (hereinafter referred to as the “BNB Internal Supervisory Rules”) on 23 December 2021 (evidence no. 19), which includes implementing provisions applicable to this department responsible for record keeping.

The BNB Supervisory Procedures Manual and the BNB Internal Supervisory Rules ensure a consistent approach to monitoring by providing for:

- (i) rules on record keeping of the files and documents examined during on-site inspections, specifically the BNB Supervisory Procedures Manual (Part II, Section IV, Sub-section II “Main work processes”, point 1. “On-site inspections”) requires that the final report is issued in two copies, signed on every page, with the same outgoing number from the BNB records management system, and that after all steps are finalised, the report and other documents on supervisory measures and sanctions are stored on the shared space and are available to directorates “Inspections” and “Distance supervision”. The BNB Internal Supervisory Rules include implementing provisions on record keeping of all documents reviewed during the inspection in section C. “Organization and storage of documents and information during inspections” (paragraphs 95 to 102) such as storing the documents on the shared space, filling in the register of the recommendations made in the context of that inspection, updating on the progress of the recommendations’ implementation, making a final list of all documents and finally archiving.
- (ii) follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations, specifically the BNB Supervisory Procedures Manual (Part II, Section IV, Sub-section II “Main work processes”, point 1. “On-site inspections”) requires the final report to contain a reasoned assessment of the money-laundering risks and the credit institution (bank)’s activities included in the scope of the inspection, as well as recommendations to the bank based on the findings of the inspection. Specifically, the aim is to assess bank’s activities with regard to money-laundering prevention, including internal rules for preventing their use for money laundering purposes, policies, procedures and rules for employee training and risk prevention systems. After the bank receives the final report, a period of 20 days is set for the preparation of a plan for the elimination of violations and the implementation of supervisory recommendations. After the inspection team receives the bank’s response to the measures taken, the head of the inspection monitors whether the response is acceptable. If necessary, additional letters can be exchanged between the parties. In case of taking supervisory measures, sanctions or fines against the inspected person, the process is coordinated with the Supervisory and Legal Activities Directorate and the Legal Directorate. The BNB Internal Supervisory Rules include some more implementing rules on these follow-up actions in section A. “Conformity assessment” (paragraphs 80 to 87)

on the aim of the meetings with the bank and on the assessment of the bank's action plan, as well as guidance on updating the register of the recommendations made with the progress observed (paragraph 97 to 99) and templates to use for this purpose (annex 8 of the BNB Internal Supervisory Rules).

The **FSC** has adopted a Common manual on risk-based supervision for the prevention of money laundering and terrorist financing on 31 March 2023 (hereinafter referred to as the "FSC Supervisory Procedures Manual"). The FSC Supervisory Procedures Manual (evidence no. 9) applies to the obliged entities under the FSC's supervision in line with Article 108 (6) of the LMML in the investment, insurance and pension-insurance sectors (page 6, section 2.1).

The FSC Supervisory Procedures Manual ensures a consistent approach to monitoring by providing for:

- (i) rules on record keeping of the files and documents examined during on-site inspections, specifically Chapter 6 "On-site inspections", Point 6.10. "Submission of the documents from the inspection for storage (archive)", describes the process of submission of the documents for storage. The experts who participated in the inspection prepare an inventory of the documents collected in the course of the inspection. The copy of the statement of findings, the plan of the inspection, the inventory and the documents collected in the course of the inspection in paper form shall be stored by the Records Management and Administrative Services Directorate;
- (ii) follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations, specifically after the investigation team issues a report with conclusions from the inspection, which establishes the degree of compliance of the inspected entity with the legislation in the field of prevention of money laundering, for example checks on beneficial ownership (Chapter 6 "On-site inspections, Point 6.7."), further steps are taken to review the implementation of the of the recommendations made, such as monitoring and reporting (Chapter 6 "On-site inspections", Point 6.11. "Follow-up actions").

The **NRA** has adopted several documents regulating supervisory procedures, which ensure a consistent approach to monitoring by providing for:

- (i) rules on record keeping of the files and documents examined during on-site inspections, specifically the Procedure "Record keeping of documents" (evidence no. 21), in force as of 17 June 2022, which describes the processes in record keeping in the NRA, such as storage of electronic and paper documents, registering in an archive, and updating the files, as well as the division of responsibilities;
- (ii) follow-up actions to ensure that obliged entities comply with their anti-money laundering obligations, specifically:
  - a. with regards to gambling operators:
    - i. Guidance N20-00-35 of 24 February 2021 on carrying out mandatory inspections of persons with a license under the Gambling Law, which in section 5. "Completion of the inspection" specifies the follow-up actions to be taken in case of established violations when it comes to gambling operators (evidence no. 22);
    - ii. Guidance N20-00-71 of 5 May 2021 on the scope of actions when carrying out inspections for compliance with the Law on Measures Against Money Laundering (evidence no. 23), which lays down obligations to publish information on the measures taken vis-à-vis gambling operators (section

- I.1.2.3.) and to inform FID-SANS when an administrative-criminal procedure has started (section I.1.2.4.);
- iii. Further specific actions are regulated in Instruction K9.11 "Performance of inspection of compliance with the Gambling Law" of 24 June 2021 (evidence no. 24) and Procedure FK9 "Performing checks in facilities in which gambling is organized" of 27 May 2021 (evidence no. 25).
- b. with regards to exchange offices:
  - i. Guidance N20-00-71 of 5 May 2021 on the scope of actions when carrying out inspections for compliance with the Law on Measures Against Money Laundering (evidence no. 23), which lays down an obligation to inform FID-SANS when specific circumstances have been identified vis-à-vis exchange bureaus (section II.3.);
  - ii. Further specific actions are regulated in Instruction K38.5 „Inspections at exchange offices“ of 24 June 2021 (evidence no. 26).

The adoption of these guidance documents and instructions ensures a consistent approach to monitoring by providing one common approach on aspects such as record keeping, where the general rules, applicable to all obliged entities, ensure consistency.

**The Financial Intelligence Directorate of the State Agency for National Security shall adopt guidance on how to deal with customers who are politically exposed persons. This guidance shall be applicable to all obliged entities under the supervision of the Financial Intelligence Directorate of the State Agency for National Security, the Financial Supervision Commission, the Bulgarian National Bank and the National Revenue Agency. The Bulgarian National Bank and the National Revenue Agency shall adopt additional guidance on how to deal with customers who are politically exposed, applicable to the obliged entities under their respective supervision.**

The FID-SANS has adopted on 22 May 2023 Guidelines for obliged entities on identifying politically exposed persons, persons closely linked to them and establishing the source of their wealth (hereinafter referred to as the "FID-SANS Guidance on PEPs"). The FID-SANS Guidance on PEPs (evidence no. 27) applies to the obliged entities under Article 4 of the LMML, which are under FID-SANS's supervision (page 4 of the FID-SANS Guidance), and therefore to all obliged entities under the supervision of the Financial Intelligence Directorate of the State Agency for National Security, the Financial Supervision Commission, the Bulgarian National Bank and the National Revenue Agency. The FID-SANS Guidance on PEPs specifies which persons are politically exposed persons, how does an enhanced due diligence take place, and how to establish the source of funds of such persons.

The BNB and FID-SANS have together adopted on 14 July 2021 Common Guidelines on commercial banks regarding the LMML's requirements to clients who are politically exposed persons or persons related to them (hereinafter referred to as "BNB and FID-SANS Guidance to commercial banks on PEPs"). The BNB and FID-SANS Guidance to commercial banks on PEPs (evidence no. 28) applies to commercial banks, which as credit institutions are under the supervision of the BNB (page 1 of the BNB and FID-SANS Guidance to commercial banks on PEPs). The BNB and FID-SANS Guidance to commercial banks on PEPs specifies the good practices specifically when it comes to clients of credit institutions (commercial banks), potential risks and actions to be taken under different circumstances.

The NRA has adopted on 5 May 2021 Guidance No 20-00-71 on the scope of actions when carrying out inspections for compliance with the Law on Measures Against Money Laundering (evidence no. 23), which, among others includes section II.2.1 on the exchange bureaus' approach to politically



exposed persons, that is definition and specific actions to be taken, as well as section III.1.2 on the specificities for gambling operators in their approach to politically exposed persons. In addition, the NRA has approved on 6 March 2024 the Guidelines Reference Number 22-00-33 (evidence no. 29), which concern the scope of the activities of the revenue authorities when monitoring compliance with the LMML and which in section 1.2. also includes guidance on identification and identification of a client as a politically exposed person (PEP) or a related person to such a person. Furthermore, the NRA has approved on 23 May 2024 the Guidelines Reference Number 92-00-1300 (evidence no. 30), which concern the application of the provisions of the LMML upon identification and establishment of a client as a politically exposed person (PEP) or a related person by the organizers of gambling games who have obtained a license to organize gambling games and by the persons who professionally carry out transactions with currency in cash in exchange offices.

**In addition, legislative amendments shall be adopted to provide for verification procedures for prevention of money laundering of persons providing professional company services, for example accountants and tax advisors.**

Legislative amendments to the LMML have been published in the State Gazette No. 60 of 14 July 2023 and according to paragraph 30 of the Transitional and Final Provisions of the law amending the LMML entered into force on the date of their publication in the State Gazette, that is on 14 July 2023 (evidence no. 31). Further amendments were made to Articles 9b and 9d of the LMML, which were published in the State Gazette No. 84 of 6 October 2023, which entered into force three days after their publication, that is on 10 October 2023, in line with Article 5(5) of the Constitution of the Republic of Bulgaria, which provides that laws enter into force three days after their publication in the State Gazette, unless another date of entry into force is envisaged in the law (evidence no. 32).

The newly introduced Article 9b of the LMML, in force as of 10 October 2023, provides that for carrying out activities under Article 4, point 16 of the LMML by occupation, it is necessary for the person to be entered in a public electronic register kept by the Minister of Justice with a minimum required information included.

The obliged entities under Article 4, point 16 of the LMML are the persons (or entities) who provide professional company services by occupation, more specifically:

- (i) registered office, correspondence address, office and/or other similar services for the purposes of registration and/or operation of a legal entity or other legal entity;
- (ii) services for the establishment, registration, organization of the activity and/or management of a trader or other legal entity, or other legal entity;
- (iii) trust management services for property or for an entity.

Furthermore, the newly introduced Article 9d of the LMML provides that any natural person who carries out the activities under Article 4, points 15, 16, 18, or 40, including a procurator, manager, member of a management or control body, or of a limited partner in a person who carries out, among others, the activities under Article 4, points 15 and 16, or the beneficial owner of a person who carries out these activities, has to fulfil certain criteria, more specifically:

- (i) to not have been convicted of an intentional crime of a general nature, unless they have been rehabilitated;
- (ii) to not have been a member of a management or supervisory body or a general partner in a company for which insolvency proceedings have been opened or in a company terminated due to insolvency, in the last two years preceding the date of the insolvency decision, if there are unsatisfied creditors;

- (iii) to not fall within the restrictions for occupying a senior management position under Article 124 of the LMML;
- (iv) to not be deprived of the right to hold a materially responsible position;
- (v) on the basis of the data collected about him or her, and the persons associated with him or her, there is nothing, which gives rise to doubts as to the person's reliability and suitability.

Article 4, point 15 of the LMML concerns the persons who carry out legal consultations by profession, when they:

- (i) assist or participate in the planning or execution of an operation, transaction or other legal or factual action of their client regarding:
  - a. the purchase and sale of immovable property or the transfer of an undertaking to a trader;
  - b. management of funds, financial instruments or other assets;
  - c. opening, managing or disposing of a bank account, savings account or financial instrument account;
  - d. obtaining funds for the establishment of a legal person or other legal entity, increasing the capital of a commercial company, granting a loan or any other form of obtaining funds for the implementation of the activities of a legal person or other legal entity;
  - e. the establishment, registration, organisation of the activity or management of a trust, trader or other legal person or other legal entity;
  - f. trust management of property, including trusts, trusts and other similar foreign legal entities, incorporated and existing under the law of jurisdictions permitting such forms of trust;
- (ii) act on behalf of and/or on behalf of their client in any financial transaction;
- (iii) act on behalf of and/or on behalf of their client in any real estate transaction;
- (iv) provide a registered office, correspondence address, office and/or other similar services for the purposes of registration and/or operation of a legal entity or other legal entity.

In addition, after the amendment, Article 101(2), points 13 and 14 of the LMML, in force as of 14 July 2023, requires that the internal rules on anti-money laundering and counter-terrorist financing of all obliged entities under Article 4 of the LMML contain, among others, policies and procedures for verification of professional competence and reliability in hiring and ongoing assessment of employees, whose official duties, could be related to the control and prevention of money laundering and terrorist financing, as well as the rules for the training of these employees, and for the purposes of the inspection a criminal record certificate or other similar document may be required for persons who are not Bulgarian citizens.

The legislative amendments to the LMML therefore provide for verification procedures for prevention of money laundering of persons providing professional company services (the activities under Article 4, points 15 and 16 of the LMML). This includes accountants and tax advisors, as well as any other persons carrying out the activities under Article 4, points 15 and 16 of the LMML.

The compliance of the obliged entities with these verification procedures is ensured by the relevant supervisory authority, which for the obliged entities under Article 4, points 15 and 16 of the LMML is FID-SANS (Article 108(2) of the LMML). Non-compliance with the relevant rules could therefore be established in the course of inspections carried out in line with Article 108(3) of the LMML.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 244 Public Procurement Agency’s methodology

**Related Measure:** C10.R10 Public Procurement

**Qualitative Indicator:** Changes to the methodology of the Public Procurement Agency

**Time:** Q2 2025

**1. Context:**

The objective of this reform is to increase transparency and competition in the public procurement process. The reform consists in the entry into force of legal act(s), increased controls, including ex-ante checks, penalties in case of violation of the rules, the introduction of eForms, trainings and a report analysing options for more centralisation in public procurement procedures.

Milestone 244 requires changes to the Public Procurement Agency’s methodology, namely the increase in the weighting of the risk factor for public procurement procedures supported by EU funds, the introduction of new risk factors for selecting procedures for checks, and the introduction of template(s) and a procedure for reporting and publication of the outcome of the checks.

Milestone 244 is the second milestone of the reform and is preceded by milestone 242, related to the entry into force of legislative amendments to the Law on Public Procurement to reduce negotiated procurement and single-tender contracts. It is accompanied by milestone 245, related to the introduction of eForms. It will be followed by milestone 245a, related to legal act(s), publication or report(s) and guideline(s) and trainings, and target 248, related to the reduction of the proportion of contracts awarded on the basis of a single bidder and negotiated procedures without prior publication.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the requirements of the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID annex) have been satisfactorily fulfilled.
2	Public Procurement Law, as published in State Gazette No. 61 of 29 July 2025	Law and its amendments guiding the application of public procurement procedures. In force since 15 April 2016.
3	Order No. RD-15/27.02.2019 of 27 February 2019 and annex	The order of 27 February 2019 determines the methodology, as set out in its annex, that defines the conditions under which a public procurement procedure is selected for checks. Under point 1.2-1.4, the methodology specifies that risk factors are the basis for the selection, to be updated yearly or

		more frequently if necessary. The order is an internal order of the Public Procurement Agency signed by its Executive Director. In line with point 1 of the order, it applied as of 1 March 2019.
4	Order No. RD-16/23.02.2021 of 23 February 2021 and annex	The order of 23 February 2021 and its annex amend the weights of risk factors used for the selection of control procedures under Article 232 of the Public Procurement Law. The order is an internal order of the Public Procurement Agency signed by its Executive Director. In line with point 1 of the order, it applied as of 1 March 2021.
5	Order No. RD-74/21.12.2021 of 21 December 2021 and annex	The order of 21 December 2021 amends the weights of risk factors used for the selection of control procedures under Article 232 of the Public Procurement Law. The order is an internal order of the Public Procurement Agency signed by its Executive Director. In line with point 1 of the order, it applied as of 1 January 2022.
6	Order No. RD-25/30.04.2024 of 30 April 2024 and annex	The order of 30 April 2024 introduces new risk factors for the selection of control procedures under Article 232 of the Public Procurement Law. The order is an internal order of the Public Procurement Agency signed by its Executive Director. In line with point 1 of the order, it applied as of 1 May 2024.
7	Order No. RD-64/12.12.2023 of 12 December 2023	The order of 12 December 2023 and its annexes set out the templates and procedure for issuing opinions on the results of checks, applicable as of 12 December 2023. The order is an internal order of the Public Procurement Agency signed by its Executive Director.
8	Order No. RD-71/01.10.2024 of 1 October 2024	The order of 1 October 2024 and its annexes set out the templates and procedure for issuing opinions on the results of checks, applicable as of 1 October 2024. The order is an internal order of the Public Procurement Agency signed by its Executive Director.
9	Order No. RD-24/30.04.2024 of 30 April 2024 and annex	The order of 30 April 2024 determines the methodology, as set out in its annex, that defines the conditions under which a public procurement procedure is selected for checks. The order is an internal order of the Public Procurement Agency signed by its Executive

		Director. In line with point 1 of the order, it applied as of 1 May 2024.
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Changes to the methodology of the Public Procurement Agency**

**The changes to the Public Procurement Agency’s methodology for controls shall [...] Furthermore, in line with the description of the measure, the reform consists in [...] increased controls, including ex ante checks.**

Article 232 of the Public Procurement Law, published in the State Gazette of Bulgaria No. 61 of 29 July 2025 (evidence No. 2), provides that controls on public procurement procedures shall be carried out in two stages. A first check is carried out before launching the procedure and a second check shortly after the launch of the procedure. It further specifies that the procurement procedures subject to random selection controls are determined on the basis of a methodology taking into account risk levels. Order No. RD-15 of 27 February 2019 of the Public Procurement Agency (evidence No. 3) sets out, in its annex, the methodology for the Public Procurement Agency under which a control procedure under Article 232 of the Public Procurement Act is chosen. The annex contains the following sections: general conditions, random selection system, risk factors, attribution of value to risk factor element, protection, and transitional rules. Under the section ‘risk factors’, it lists elements and indicators for six categories of risk factors: type of contracting authority, type of contracting entity, type of procedure, object of the contract, estimated value and source of funding. The changes to Order No. RD-15 of 27 February 2019 are explained in the sections below and took place after 1 February 2020. Order No. RD-24 of 30 April 2024 (Evidence No. 9) replaced Order No. RD-15 of 27 February 2019, while maintaining the changes explained in the sections below.

**[...] increase the weighting of the risk factor for procurement procedures supported by EU funds [...]**

By Order No. RD-74 of 21 December 2021 (evidence No. 5) of the Executive Director of the Public Procurement Agency, applicable as of 1 January 2022 in line with point 1 of the order, the weighting of the risk factor ‘Source of funding’ for public procurement procedures under Article 232 of the Public Procurement Act were adjusted.

The risk correction factor, which determines the weight of component “18.1.1. Procurement financed in whole or in part by European funds and programmes” under the risk factor ‘Source of funding’, changed from 10 under the previous Order No. RD-16 of 23 February 2021 (evidence No. 4) to 50 under Order No. RD-74 of 21 December 2021 (evidence No. 5). This increase in the weighting of the risk factor made it five times more likely that a procedure financed fully or in part by European funds would be chosen for checks. This leads to increased controls, including ex ante checks, for EU-funded procedures. Order No. RD-74 of 21 December 2021 has been replaced by Order No. RD-25 of 30 April 2024 (evidence No. 6), which maintains the increased risk correction factor of the risk factor “18.1.1. Procurement financed in whole or in part by European funds and programmes” at 50.

**[...] introduce new risk factors for selecting procedures for checks [...]**

By Order No. RD-25 of 30 April 2024 (evidence No. 6), further modifications to the risk assessment methodology under Article 232 of the Public Procurement Act (evidence No. 2) were adopted. Specifically, Order No. RD-25 of 30 April 2024 (Evidence No. 6) introduces the following new risk factors for selecting procedures for checks: 'Accelerated procedure', 'Envisaged options', 'Envisaged renewals' and 'Duration of the contract, framework agreement or dynamic purchasing system for more than 3 years'. The increased weighting of the risk factor for 'Source of funding', as outlined under the previous section, remains increased at 50 under Order No. RD-25.

**[...] introduce template(s) for reporting and a procedure for the publication of the outcome of the checks.**

Two excel-based reporting templates and a reporting procedure for the outcome of the checks were introduced by the Public Procurement Agency's Executive director under Order No. RD-64 of 12 December 2023 (evidence No. 7). The order was replaced by Order No. RD-71 of 01 October 2024 (evidence No. 8), which maintained and further developed both templates and the procedure.

The first template concerns the first stage of the checks before the launch of the tender procedure, while the second template concerns the second stage of the checks following shortly after the launch of the tender procedure.

The procedure to be followed by the Public Procurement Agency in connection with the preparation and publication of information on the results of the checks, is laid out under Annex 3 to Order No. RD-71 of 01 October 2024 (evidence No. 8). The procedure includes a defined timeline by which the Public Procurement Agency has to set out its opinion of the tender, based on the results of the outcomes of the checks conducted. The procedure also envisages that representatives of the Public Procurement Agency publish those opinions regularly on the Public Procurement Portal.

**4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 245 Standard eForms for public procurement

**Related Measure:** C10.R10 Public Procurement

**Qualitative Indicator:** Standard eForms are introduced

**Time:** Q2 2025

### 1. Context:

Milestone 245 is part of Reform C10.R10 “Public procurement”. The objective of this reform is to increase transparency and competition in the public procurement process. The reform consists in the entry into force of legal acts, increased controls, including ex-ante checks, penalties in case of violation of the rules, the introduction of eForms, trainings and a report analysing options for more centralisation in public procurement procedures.

Milestone 245 requires the introduction of standard eForms for contractors.

Milestone 245 is preceded by milestone 242 related to the entry into force of legislative amendments to the Law on Public Procurement to reduce negotiated procurement and single-tender contracts. It is accompanied by milestone 244 related to changes to the Public Procurement Agency’s methodology. It will be followed by milestone 245a related to additional legislative and other measures on public procurement, and target 248, requiring the reduction of the proportion of contracts awarded on the basis of a single bidder and negotiated procedures without prior publication.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the requirements of the milestone (including all its constitutive elements, as set out in the description of the milestone and of the corresponding measure in the CID annex) have been satisfactorily fulfilled.
2	Decree No. 191 of 5 October 2023 of the President of the Republic of Bulgaria providing for the publication of the Law amending and supplementing the Public Procurement in the State Gazette No. 88 on 20 October 2023	Decree No. 191 of 5 October 2023 of the President of the Republic of Bulgaria providing for the publication of the Law amending and supplementing the Public Procurement in the State Gazette No. 88 on 20 October 2023.  The decree is published under the following link: <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=200381">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=200381</a>
3	Acceptance protocol of the implementation of system integration under framework contract No PO-16 —	The acceptance protocol of the implementation of system integration under framework contract No PO-16 — 1466/16.11.2020, and application under line 20: ‘Building the CAIS EOP activity 4:

	1466/16.11.2020 signed on 22 December 2023	Development and implementation of new e-Forms' ( <i>regarding the adoption of e-forms E1 and from 4 to 24 inclusive, BG6, BG8 and BG9</i> );
4	Acceptance protocol of the implementation of system integration under framework contract No PO-16 — 1466/16.11.2020 signed on 14 June 2024	The acceptance protocol of the implementation of system integration under framework contract No PO-16 — 1466/16.11.2020, and application under line 20: 'Building the CAIS EOP activity 4: Development and implementation of new e-Forms' ( <i>regarding the acceptance of completed works for development of e-forms from 25 to 39 inclusive, BG7, BG5/E5</i> );
5	Acceptance protocol of the implementation of system integration under framework contract No PO-16 — 1466/16.11.2020 signed on 14 June 2024	The acceptance protocol of the implementation of system integration under framework contract No PO-16 — 1466/16.11.2020, and application under line 20: 'Building the CAIS EOP activity 4: Development and implementation of new e-Forms' ( <i>regarding the implementation of functionalities for changes and subsequent notice publications of procurements published prior to 24 October 2023</i> );
6	Public Procurement Law, as published in the State Gazette No. 61 of 29 July 2025	Law and its amendments guiding the application of public procurement procedures. In force since 15 April 2016.
7	Report by the Public Procurement Agency from December 2024	Report by the Public Procurement Agency on milestone 245 of the Bulgarian RRP from December 2024

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### Standard eForms for public procurement

**Standard eForms for contractors shall be introduced. Furthermore, in line with the description of the measure, the reform consists in [...] the introduction of eForms.**

eForms are an EU legislative open standard for publishing public procurement data, established under Commission Implementing Regulation (EU) 2019/1780, amended by Implementing Regulation (EU) 2022/2303 and Implementing Regulation (EU) 2023/2884.

The law amending and supplementing the Public Procurement Law (hereinafter referred to as "PPL"), was published in the State Gazette of Bulgaria No. 88 on 20 October 2023 (*evidence No. 2*). According to its paragraph 105 of the Transitional and Final Provisions, the law amending and supplementing the PPL entered into force two months after its promulgation in the State Gazette



No. 88, on 20 October 2023, with some exceptions (*evidence No. 2*). Therefore, most provisions of the law amending and supplementing the PPL entered into force on 22 December 2023. The exceptions, which relate to elements of the milestone, include paragraph 43, 59, 90 and 94 which entered into force on 1 February 2024.

Article 156 (1) of the amended PPL specifies the publication requirements for contracting entities in the European Union, stating that entities shall send several notices for publication in the Official Journal of the EU (*evidence No. 6*). Further, Article 156 (2) specifies that these notices under paragraph (1) shall be prepared according to templates approved by the European Commission (*evidence No. 6*). Article 156 (3) specifies that the notices shall also be published in the Public Procurement Register (hereinafter referred to as “the PPR”) according to the procedure established in Article 36 (*evidence No. 6*).

Paragraph 131 (5) of the transitional and final provisions in the PPL (*evidence No. 6*), amended through paragraph 90 in the provision (*evidence No. 2*), specifies that from 1 February 2024, in the cases under paragraph 131 (2) to (4), the required information shall be sent for publication in the Official Journal of the European Union using the online system for filling in electronic forms provided by the Publications Office of the European Union.

The Public Procurement Agency prepared a report explaining that in order to develop standard forms as set out in Implementing Regulation (EU) 2019/1780 – a working group has decided on eForms 4 – 9 for planning, eForms 10 – 24 for competition, 25 – 27 on direct award prenotification, eForms 29 – 37 on result, and eForms 38 – 29 on contract modification (*evidence No. 7*). Further, it is explained that ten national templates have been developed (BG1 – BG10) corresponding to the European ones.

The acceptance protocol of the implementation of system integration under framework contract No PO-16 – 1466/16.11.2020, and application under line 20: ‘Building the CAIS EOP activity 4: Development and implementation of new e-Forms’ has been signed on 22 December 2023 by representatives of the Public Procurement Agency and the contractor, and provides for the development and reception of eForms 4 to 24 inclusive, BG6, BG8 and BG9 (*evidence No. 3*).

The acceptance protocol of the implementation of system integration under framework contract No PO-16 – 1466/16.11.2020, and application under line 20: ‘Building the CAIS EOP activity 4: Development and implementation of new e-Forms’ has been signed on 14 June 2024 by representatives of the Public Procurement Agency and the contractor, and provides for the acceptance of the work carried out to develop eForms from 25 to 39 inclusive, BG7, BG5/E5. The protocol also certifies and provides that it was implemented and put into operation on 1 February 2024 (*evidence No. 4*).

The acceptance protocol of the implementation of system integration under framework contract No PO-16 – 1466/16.11.2020, and application under line 20: ‘Building the CAIS EOP activity 4: Development and implementation of new e-Forms’ has been signed on 14 June 2024 by representatives of the Public Procurement Agency and the contractor, and provides for the acceptance of modification functionalities and subsequent publications of contract notices/solutions published prior to 24 October 2023 (*evidence No. 4*). The acceptance protocol provides that the parties agree that the functionalities developed for changes and subsequent publications of contract notices/solutions published prior to 24 October 2023, from a request under line 20: ‘Building the CAIS EOP activity 4: Development and implementation of new e-Forms’ from the 2022

Plant-Schedule by 31 January 2024 has been implemented and put into operation on 1 February 2024.

The Commission services conducted an on-the-spot check on 22 October 2025 to verify that standard eForms for contractors have been introduced and are being used, for instance for publishing notices in the EU's Tender Electronic Daily (TED) database. This check was completed successfully, confirming that standard eForms for contractors have been introduced.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 255 Entry into force of legal act(s) on distance working

**Related Measure:** C10.R11: Entrepreneurial Bulgaria

**Qualitative Indicator:** Provisions in the legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The objective of this reform is to foster the development of the high-tech sector in the country and support entrepreneurship. Milestone 255 requires the entry into force of legal act(s) on distance work related to the organisation of the health and safety of the working conditions, the reporting of work, and the monitoring of working time for distance working.

Milestone 255 is the fourth and last milestone of the reform, and it follows the completion of milestone 251 (visa for start-up entrepreneurs), milestone 252 (personal bankruptcy law), and milestone 253 (new legal form of a commercial company).

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all its constitutive elements, as set out in the description of the target and of the corresponding measure in the CID Annex) was satisfactorily fulfilled.
2	Copy of the publication in the State Gazette No. 27 of 29 March 2024 of the legislative amendments to the Labour Code that entered into force 3 days after the publication.	The document includes the legislative amendments required by the milestone, as published in the State Gazette.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) on distance working. Furthermore, in line with the description of the measure, the reform consists in the entry into force of legal act(s) related to [...] distance work.**

The Law amending and supplementing the Labour Code was published in the State Gazette of Bulgaria on 29 March 2024 under the number No. 27/2024. It entered into force three days after its publication, in accordance with Article 5(5) of the Constitution, which provides that all legislative

acts enter into force three days after their publication in the State Gazette, unless another term is specified in them.

**The legal act(s) shall concern distance working in relation to health and safety of the working conditions, [...]**

The amendments to the Bulgarian Labour Code (evidence No. 2) concern safe and healthy working conditions for workers, namely in the framework of distance working. The amendments introduce an obligation for the employer to inform employees of the minimum health and safety requirements for remote workplaces (Article 107i(3), point 6, new). Moreover, under Article 107k(3), new, the employer must ensure that remote workplaces meet the minimum requirements for health and safety at work set out in the Law on Health and Safety at Work, as first published in the State Gazette No. 124 of 23 December 1997 and last amended by the Law amending and supplementing the Labour Code, published in the State Gazette No. 27 of 29 March 2024, at the beginning or in the context of a modification of the employment relationship. The amendments equally clarify the obligation of employees to immediately notify the employer of any accident at the workplace in accordance with a procedure agreed in advance (Article 107k(6), new).

Furthermore, the amendments introduce a provision for a reduction of employer liability in the event of employee misconduct (Article 201(2), amended) which states that if an accident occurs during remote work because the worker has not complied with prescribed rules, the employer cannot be held fully liable.

**[...] the reporting of work [...].**

The amendments to the Labour Code (evidence No. 2) introduce modifications to the framework for assigning, monitoring and reporting work, notably for distance working.

With the new Article 107h(9), amended, the legislation introduces an obligation for the employers to adopt rules for assigning and reporting remote work according to which such rules must define the content, scope, expected results, and other characteristics of the work that are relevant for reporting.

The amendments to the Labour Code also address the use of digital tools and algorithmic management systems in assigning and reporting work. Article 107h(10), new, specifies that if distance working is assigned and reported through an information system, the employer is obliged to provide the worker with written information about the type and volume of work-related data that is collected, processed and stored in the system. In addition, if the information system for algorithmic management of distance working is used, the employer must provide the employee with written information about the method of decision-making (Article 107h(11), new).

**[...] and the monitoring of working time.**

The amendments to the Labour Code (evidence No. 2) establish a framework for the monitoring of working time, particularly in the context of distance working.

The amendments repeal Article 107k(1), point 3 that required that an employee's working time during remote work match the working hours of those at the employer's premises.

The amendments also clarify the monitoring of working time in remote settings. Under Article 107l(6), new, employers may now implement automated systems for reporting actual working hours

as an alternative to the previous manual monthly templates. This change eases the administrative burden on both the employer and the employee as it allows for the time worked to be recorded automatically. In addition, employees must be given access to the data recorded about their working hours, ensuring transparency and protection of social insurance rights (Article 107I(6), new).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 263 Information and communication infrastructure at the Public Prosecutor’s Office

**Related Measure:** C10.I3 I information and communication infrastructure at the Public Prosecutor’s Office

**Qualitative Indicator:** Information and communication infrastructure at the Public Prosecutor’s Office upgraded

**Time:** Q2 2025

**1. Context:**

The objective of this investment is to increase the digitalisation and security of the information exchange within the Public Prosecutor’s Office.

Milestone 263 concerns the delivery or installation of hardware and software related to the information and communication system at the Public Prosecutor’s Office.

Milestone 263 is the only milestone of this investment.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Final acceptance protocol for the implementation of activities under contract No 37/27.04.2023.	The final acceptance protocol of 20 October 2023 certifies the delivery, testing and putting into operation of hardware and software relating to a system for identification, classification and protection of sensitive data. It has been signed by the contractor and the responsible authority (the Public Prosecutor’s Office).
3	Final acceptance protocol for the implementation of activities under contract No 47/07.06.2023.	The final acceptance protocol of 3 August 2023 certifies the delivery and installation of workstations. It has been signed by the contractor and the responsible authority (the Public Prosecutor’s Office).
4	Final acceptance protocol for the implementation of activities under contract No 47/07.06.2024.	The final acceptance protocol of 3 December 2024 certifies the delivery, installation, and putting into operation of hardware devices and software packages for hyperconverged infrastructure (HCI system). It has been signed by the contractor and the responsible authority (the Public Prosecutor’s Office).

5	Final acceptance protocol for the implementation of activities under contract No 48/08.06.2023.	The acceptance protocol of 29 December 2023 certifies the delivery, installation, configuration and putting into operation of hardware and software packages relating to event management and information security. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
6	Final acceptance protocol for the implementation of activities under contract No 49/08.06.2023	The acceptance protocol of 20 March 2024 certifies the delivery, installation, configuration and putting into operation hardware and software packages relating to a platform for protection from cyber-attacks. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
7	Acceptance protocols for the implementation of activities under contract No 50/08.06.2023	The eight acceptance protocols of 29 December 2023, 20 October 2023, 10 October 2023, 27 October 2023, 4 December 2023, 8 December 2023, 11 December 2023, 14 December 2023, 15 December 2023 certify the delivery, installation, configuration, testing, putting into operation of hardware and software relating to, for example, a data network, network equipment for accessing data sets, firewalls for internet and local network, electronic identity management and control system. Two protocols of 15 December 2023 and 18 December 2023 certify the migration procedure and functional testing carried out and a protocol of 20 December 2023 certifies the transfer of related technical documentation. The protocols have been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
8	Final acceptance protocol for the implementation of activities under contract No 51/08.06.2023	The final acceptance protocol of 6 June 2024 certifies the delivery, installation, configuration, testing, putting into operation of hardware and software relating to a data transmission network. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
9	Final acceptance protocol for the implementation of activities under contract No 56/19.06.2023	The final acceptance protocol of 24 October 2023 certifies the delivery, installation, and putting into operation of hardware and software relating to a system for data protection and data loss prevention. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
10	Final acceptance protocol for the implementation of activities under contract	The final acceptance protocol of 17 August 2023 certifies the delivery, installation, and putting into operation of hardware and software

	No 57/21.06.2023	relating to a technical vulnerabilities management system. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
11	Final acceptance protocol for the implementation of activities under contract No 130/21.11.2024	The final acceptance protocol of 22 November 2024 certifies the delivery of software licenses. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).
12	Final acceptance protocol for the implementation of activities under contract No 131/25.11.2024	The final acceptance protocol of 19 December 2024 certifies the delivery of workstations. It has been signed by the contractor and the responsible authority (the Public Prosecutor's Office).

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Hardware and software shall be delivered and/or installed related to the information and communication systems at the Public Prosecutor's Office**

The acceptance protocols for the delivery or installation of hardware and software, signed by the contractor and the responsible national authority (the Public Prosecutor's Office) demonstrate that hardware and software related to the information and communication systems at the Public Prosecutor's Office have been delivered or installed.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**



**Number and name of the Milestone:** 267 Acquisition of body cameras

**Related Measure:** C10.I4 Security services

**Qualitative Indicator:** Acceptance protocol(s)

**Time:** Q2 2025

### 1. Context:

The objective of the measure is to improve the quality and effectiveness of anti-corruption and security policies in Bulgaria.

Milestone 267 consists in the acquisition of 1146 body cameras.

Milestone 267 is the first step of the implementation of the investment. It will be followed by milestone 265, related to the upgrade of the intelligent national security system, integrated video surveillance systems and the acquisition of police vehicles.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Final acceptance protocol No 45483 of 26 August 2024 (hereinafter referred to as "Protocol") for the acquisition of body cameras	The acceptance protocol is signed by the contractor and the responsible authority (the Ministry of Internal Affairs) and it certifies that 1146 police body cameras and accessories have been delivered by the contractor in accordance with the specifications in the public procurement procedure and the related contract.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

#### **Acceptance protocol(s) for 1146 police body cameras**

The acceptance protocol signed by the contractor and the responsible national authority (the Ministry of Interior) demonstrates that 1146 police body cameras have been acquired and delivered in accordance with the specifications in the public procurement procedure.

### 4. Commission Preliminary Assessment: Satisfactorily fulfilled

**Number and name of the Milestone:** 284 Update or release of video guides

**Related Measure:** C10.I11 Information and administrative environment for the implementation of the recovery and resilience plan

**Qualitative Indicator:** Update and/or release of video guides

**Time:** Q2 2025

### 1. Context:

The objective of this investment is to improve the information and administrative environment for the implementation of the recovery and resilience plan of Bulgaria.

Target 284 requires that video guides on the Unified Management Information System shall be released and/or updated.

Target 284 is the sixth target of the investment, and it follows the completion of milestone 279, target 280, milestone 281, milestone 282 and target 283. It will be followed by target 285, related to trainings on the activities under the RRF.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2	List of updated and/or released 36 video guides	The list contains a short description of the video guides and links to the guides uploaded on YouTube.
3	Link to video guide Electronic Application – part 2 of 26 August 2025	Link: <a href="https://youtu.be/bA9Wp5avl1E">https://youtu.be/bA9Wp5avl1E</a> . The guide is on review and comments on procedures announced for public discussion and request for clarifications.
4	Link to video guide Electronic Application – part 3.1 of 26 August 2025	Link: <a href="https://youtu.be/ZTLj6-3l1Yk">https://youtu.be/ZTLj6-3l1Yk</a> . The guide is on creating a project proposal – general information.
5	Link to video guide Electronic Application – Part 3.2 of 26 August 2025	Link: <a href="https://youtu.be/4rj90CRfaog">https://youtu.be/4rj90CRfaog</a> . The guide is on Filling in a project proposal – general information, basic data, applicant, partners.
6	Link to video guide Electronic Application – Part 3.3 of 26 August 2025	Link: <a href="https://youtu.be/nXBJ6RJjHQw">https://youtu.be/nXBJ6RJjHQw</a> . The guide is on filling in a project proposal – budget, activities, and indicators.

7	Link to video guide Electronic Application – Part 3.4 of 26 August 2025	Link: <a href="https://youtu.be/N39KTjVLNgl">https://youtu.be/N39KTjVLNgl</a> . The guide is on filling in a project proposal – additional and automated information.
8	Link to video guide Electronic Reporting – Part 2.1 of 26 August 2025	Link: <a href="https://youtu.be/qOF6hsU5Rd4">https://youtu.be/qOF6hsU5Rd4</a> . The guide is on request for amendment.
9	Link to video guide Electronic Reporting – Part 2.2 of 26 August 2025	Link: <a href="https://youtu.be/k3m3CpNjLml">https://youtu.be/k3m3CpNjLml</a> . The guide is on contractor selection procedures and concluded contracts.
10	Link to video guide Electronic Reporting – Part 2.3 of 26 August 2025	Link: <a href="https://youtu.be/zPREyeUxVZU">https://youtu.be/zPREyeUxVZU</a> . The guide is on forecast for upcoming payments.
11	Link to video guide System Information – Part 2.1 of 26 August 2025	Link: <a href="https://youtu.be/Gn5DzeI83sY">https://youtu.be/Gn5DzeI83sY</a> . The guide is on creating a program.
12	Link to video guide System Information – Part 2.2 of 26 August 2025	Link: <a href="https://youtu.be/vo8yz6y-MX4">https://youtu.be/vo8yz6y-MX4</a> . The guide is on entering components.
13	Link to video guide System Information – Part 2.3 of 26 August 2025	Link: <a href="https://youtu.be/Gn5DzeI83sY">https://youtu.be/Gn5DzeI83sY</a> . The guide is on entering investment categories and pillars.
14	Link to video guide System Information – Part 2.4 of 26 August 2025	Link: <a href="https://youtu.be/l60MXF51SSs">https://youtu.be/l60MXF51SSs</a> . The guide is on entering milestones and goals per component.
15	Link to video guide System Information – Part 2.5 of 26 August 2025	Link: <a href="https://youtu.be/vXjlfYXD3uA">https://youtu.be/vXjlfYXD3uA</a> . The guide is on defining required documents and declarations per program.
16	Link to video guide System Information – Part 2.6 of 26 August 2025	Link: <a href="https://youtu.be/mtC5_-Sm5H0">https://youtu.be/mtC5_-Sm5H0</a> . The guide is on defining checklists per program.
17	Link to video guide System Information – Part 7.1 of 26 August 2025	Link: <a href="https://youtu.be/QG2WP3USC6c">https://youtu.be/QG2WP3USC6c</a> . The guide is on entering a procedure for reporting reforms.
18	Link to video guide System Information – Part 7.2 of 26 August 2025	Link: <a href="https://youtu.be/LE57TzIYxY">https://youtu.be/LE57TzIYxY</a> . The guide is on entering a procedure for provision of grants by monitoring structures.

19	Link to video guide System Information – Part 7.3 of 26 August 2025	Link: <a href="https://youtu.be/amk-EPdRyk">https://youtu.be/amk-EPdRyk</a> . The guide is on defining reporting documents for investments.
20	Link to video guide System Information – Part 8.1 of 26 August 2025	Link: <a href="https://youtu.be/LE57TzIYxY">https://youtu.be/LE57TzIYxY</a> . The guide is on entering a procedure for provision of grants by monitoring structures.
21	Link to video guide System Information – Part 8.2 of 26 August 2025	Link: <a href="https://youtu.be/5MNRWTEfisA">https://youtu.be/5MNRWTEfisA</a> . The guide is on structuring budget and indicators by procedures and linking with the grant provision procedure by monitoring structures.
22	Link to video guide System Information – Part 9.1 of 26 August 2025	Link: <a href="https://youtu.be/yFBNoXiyZHW">https://youtu.be/yFBNoXiyZHW</a> . The guide is on entering data for Monitorstat (NSI) and evaluation sheet structures.
23	Link to video guide System Information – Part 9.2 of 26 August 2025	Link: <a href="https://youtu.be/xRMG3nqpzC0">https://youtu.be/xRMG3nqpzC0</a> . The guide is on filling in checklists, announcing a procedure, and processing clarifications.
24	Link to video guide System Information – Part 10 of 26 August 2025	Link: <a href="https://youtu.be/JjUmmuVsIRU">https://youtu.be/JjUmmuVsIRU</a> . The guide is on structuring data required for reporting process and applicable documents.
25	Link to video guide Declarations and Documents for Monitoring Structures of 26 August 2025	Link: <a href="https://youtu.be/tKt6TWuL7Ds">https://youtu.be/tKt6TWuL7Ds</a> . The guide is on defining electronic declarations and attached documents from monitoring structures.
26	Link to video guide Evaluation of Project Proposals – Part 2.1 of 26 August 2025	Link: <a href="https://youtu.be/BogBzabEqSA">https://youtu.be/BogBzabEqSA</a> . The guide is on administration of evaluation session.
27	Link to video guide Evaluation of Project Proposals – Part 2.2 of 26 August 2025	Link: <a href="https://youtu.be/3ee284ny7k0">https://youtu.be/3ee284ny7k0</a> . The guide is on project evaluation.
28	Link to video guide Provision of Grants – Part 1.1 of 26 August 2025	Link: <a href="https://youtu.be/s8k7YGftb0A">https://youtu.be/s8k7YGftb0A</a> . The guide is on entering an operational agreement for investment.
29	Link to video guide Provision of Grants – Part 1.2 of 26 August 2025	Link: <a href="https://youtu.be/3D96Hh8riQ8">https://youtu.be/3D96Hh8riQ8</a> . The guide is on entering an operational agreement for reform.
30	Link to video guide Provision of Grants – Part 2.2 of 26 August 2025	Link: <a href="https://youtu.be/RKr3tUR0Jzs">https://youtu.be/RKr3tUR0Jzs</a> . The guide is on amending a grant agreement.

31	Link to video guide Provision of Grants – Part 3.2 of 26 August 2025	Link: <a href="https://youtu.be/JvmqAVnik_A">https://youtu.be/JvmqAVnik_A</a> . The guide is on forecast for upcoming payments.
32	Link to video guide Reporting Intermediate Milestones and Targets of 26 August 2025	Link: <a href="https://youtu.be/CvZvJVitqQ">https://youtu.be/CvZvJVitqQ</a> . The guide is on reporting intermediate milestones and performance targets.
33	Link to video guide E-procurement Procedures – Part 2 of 26 August 2025	Link: <a href="https://youtu.be/AP2zJVVVEKQ">https://youtu.be/AP2zJVVVEKQ</a> . The guide is on announcing a contractor selection procedure.
34	Link to video guide Electronic Reporting – Part 6 of 26 August 2025	Link: <a href="https://youtu.be/qma1_l_ATOM">https://youtu.be/qma1_l_ATOM</a> . The guide is on Joint Monitoring Table (End Recipient/Monitoring Structure).
35	Link to video guide System Information – Part 4.2 of 26 August 2025	Link: <a href="https://youtu.be/WO-DUYKTJhE">https://youtu.be/WO-DUYKTJhE</a> . The guide is on budget templates.
36	Link to video guide System Information – Part 8.3 of 26 August 2025	Link: <a href="https://youtu.be/QqDf2-jlx1k">https://youtu.be/QqDf2-jlx1k</a> . The guide is on creating an evaluation sheet structure.
37	Link to video guide Provision of Grants – Part 3.3 of 26 August 2025	Link: <a href="https://youtu.be/8KoCH2IFUlg">https://youtu.be/8KoCH2IFUlg</a> . The guide is on Joint Monitoring Table (National Fund/Monitoring Structure).
38	Link to video guide Monitoring and Financial Control – Part 2.1 of 26 August 2025	Link: <a href="https://youtu.be/a9T68lBvmsl">https://youtu.be/a9T68lBvmsl</a> . The guide is on actually paid amounts.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**Video guides on the Unified Management Information System shall be released and/or updated. Furthermore, in line with the measure description, the investment consists in [...] video guides.**

The national authorities released and/or updated video guides on the adaptation of the Unified Management Information System for the purpose of implementing the RRF. 34 video guides were released and two previously released video guides in 2020 (as assessed under milestone 280) were updated.

The Commission services accessed the links provided by the authorities on 28 October 2025 to verify that the released and/or updated video guides have been uploaded. The check was completed

successfully, also confirming that the video guides are related to the use of the Unified Management System on RRF implementation.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 288 Entry into force of legal act(s) related to the minimum income scheme

**Related Measure:** C11.R1 Reform of the minimum income scheme

**Qualitative Indicator:** Provisions in the legal act(s) indicating the entry into force of the amendments

**Time:** Q2 2025

**1. Context:**

The objective of the reform is to revise the criteria and expand the coverage of the minimum income scheme. The measure consists of an analysis and the entry into force of legal acts concerning the minimum income scheme.

Milestone 288 requires the entry into force of legal act(s) related to the minimum income scheme. Milestone 288 is the third and final milestone of the reform, and it follows the completion of milestone 286, related to the entry into force of the amendments to the secondary legislation of the Social Assistance Act and milestone 287, related to the finalisation of a report with evidence-based analysis and recommendations for the minimum income scheme.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Copy of the publication in the State Gazette No. 102 of 23 December 2022 of the Law amending and supplementing the Social Assistance Act, which entered into force on 1 June 2023.	The amendments to the Social Assistance Act relate to the milestone requirement on the introduction of automatic updates of the income threshold of the minimum income scheme
3	Copy of the publication in the State Gazette No. 44 of 19 May 2023 of the Council of Ministers Decree No. 74 of 15 May 2023 amending and supplementing the Regulations for the Implementation of the Social Assistance Act, which entered into force on 1 June 2023.	The amendments to the Rules for the implementation of the Social Assistance Act relate to revisions to the eligibility and work requirement criteria, introduction of incentives to uptake gainful employment, expansion of effective coverage and enhancing targeting of the minimum income scheme
4	Copy of the publication in the State Gazette No. 41 of 3 June 2022 of the Law amending and supplementing the Employment Promotion Act, which	The amendments to the Employment Promotion Act relate to the definition of “economically inactive” and activities for their activation

	entered into force on 3 June 2022.	
5	Copy of the publication in the State Gazette No. 6 of 20 January 2023 of the Council of Ministers Decree No. 486 of 22 December 2022 amending and supplementing the Regulations for the Implementation of the Employment Promotion Act, which entered into force on 30 January 2023.	The amendments to the Rules for the implementation of the Employment Promotion Act relate to the actions with the economically inactive persons are carried out by the labour offices
6	Copy of the publication in the State Gazette No. 45 of 3 June 2025 of the Council of Ministers Decree No. 78 of 30 May 2025 on determining the terms and conditions for receiving and exchanging information and for joint activities of the institutions under Art. 7a, para. 3 of the Employment Promotion Act, which entered into force on 3 June 2025.	The Council of Ministers Decree relates to specifying the activities for the activation of the 'economically inactive'
7	Copy of the publication in the State Gazette No. 68 of 17 August 2021 of the Decree No. 277 of 12 August 2021 amending the Methodology for determining the poverty line for the country, which entered into force on 17 August 2021.	The amendments to the Methodology for determining the poverty line relate to the harmonisation of the at-risk-of-poverty threshold with the EUROSTAT methodology
8	Instructions for the implementation of activities to identify, reach and activate the economically inactive persons as well as for the interaction of institutions and organizations in interdepartmental teams, which entered into force on 29 July 2025.	The instructions relate to the specification of the activities for activation of economically inactive
9	Copy of the publication in State Gazette No. 43 of 16 May 2023 of Decree No. 73 of 12 May 2023 for adoption of Organizational Regulations of the Employment Agency, which entered into force on 16 May 2023.	Organizational Regulations of the Employment Agency relate to the specification of the activities for activation of economically inactive

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) related to the minimum income scheme.** Furthermore, in line with the description of the measure, **the measure consists of an analysis and the entry into force of legal act(s) concerning the minimum income scheme.**



The Law amending and supplementing the Social Assistance Act (hereinafter referred to as “SSA”) (evidence no. 2), was published in the State Gazette No. 102 of 23 December 2022. According to paragraph 13 of the Final provisions, it entered into force on 1 June 2023, except for paragraph 12 of the Final provisions, which entered into force on the day of its publication in the State Gazette.

The Law amending and supplementing the Employment Promotion Act (hereinafter referred to as “EPA amendments”)(evidence no. 4), was published in the State Gazette No. 41 on 3 June 2022. According to paragraph 24 of its Final provisions, it entered into force on the same day of its publication in the State Gazette.

The Decree No. 74 of 15 May 2023 amending and supplementing the Regulations for the Implementation of the Social Assistance Act (RISSA) (hereinafter referred to as ‘Decree No. 74’) (evidence no. 3) was published in the State Gazette No. 44 of 19 May 2023. According to paragraph 17 of its Transitional and Final provisions, it entered into force on 1 June 2023.

The Decree No. 277 of 12 August 2021 on amending the Methodology for determining the poverty line for the country (hereinafter referred to Decree No. 277) (evidence no. 7) was published in State Gazette No.68 from 17 August 2021. According to paragraph 2 of its Final provisions, it entered into force on the same day of its publication in the State Gazette.

The Decree No. 78 of 30 May 2025 was published in the State Gazette No. 45 from 3 June 2025 (hereinafter referred to as Decree No. 78) (evidence no. 6). According to paragraph 8 of its Transitional and Final provisions it entered into force on the same day of its publication in the State Gazette.

The Decree No. 486 of 22 December 2022 amending and supplementing the Regulations for the Implementation of the Employment Promotion Act (hereinafter referred to as ‘RIEPA’ was published in State Gazette No. 6 from 20 January 2023 (evidence no. 5). According to paragraph 36 of its Final provisions it enters into force on the same day of its publication in the State Gazette.

Instructions for the implementation of activities to identify, reach and activate the economically inactive persons as well as for the interaction of institutions and organizations in interdepartmental teams (hereinafter referred to as “Instructions”) were approved by the director of the Employment Agency on 29 July 2025 (evidence no. 8). According to the national legal framework it enters into force on the same day of its publication in the State Gazette.

Decree No. 73 of 12 May 2023 for adoption of the Organizational Regulations of the Employment Agency was published in State Gazette No. 43 from 16 May 2023 (evidence no. 9). According to paragraph 2 of its Final provisions it enters into force on the same day of its publication in State Gazette.

**The amendments to the legal act(s) shall provide for:  
revisions to the eligibility and work requirement criteria related to the minimum income scheme,  
[...]**

The eligibility and work requirement criteria related to the minimum income scheme were revised with Decree No. 74 amending the RISSA (evidence no. 3), by removing or easing the eligibility conditions for support under the minimum income scheme, as follows:

Certain eligibility restrictions related to property, transactions, community service have been removed or eased (Amendment to Article10(1) of the RISSA). Some examples include:

- removal of additional conditions for persons and families to receive the monthly support on top of the condition that the dwelling occupied by them shall be their only one (article 10(1) point 1 of RISSA)
- removal of the requirement to not own movable and immovable property, except for the cases under Article 10(1) point 1 of RISSA (Article 10(1) point 4 of RISSA)

- The restriction that students in full-time education cannot benefit from social assistance has been removed (Amendment to Article 10(3) of the RISSA).
- The restriction that unemployed persons must not have refused the job offered to them or inclusion in public funded training courses in order to be eligible for receiving minimum income support has been removed (Amendment to Article 10(1) point 7 of the RISSA).
- The work requirement for minimum hours of community service per month for unemployed people of working age eligible to receive minimum income scheme was reduced from 4 hours per day for 14 days (56 hours in total) to 40 days (Amendment to Article 12(2) of the RISSA).

**[...] including reducing the required registration time at the employment services from 6 to 3 months, [...]**

Pursuant to Article 2(g) of the Decree No. 74, Article 10(1) point 7 of the RISSA is amended (evidence no. 3), thereby reducing the time of mandatory registration in the employment services from 6 to 3 months.

**[...] and introducing incentives to uptake employment, [...]**

The Decree No. 74, introduces the following incentives to uptake employment.

Pursuant to Article 4 of the Decree No. 74, the newly added Article 11a of the RISSA (evidence no. 3) states that when an unemployed person or an unemployed family member receiving monthly assistance under the minimum income scheme starts to work, the person will be entitled to targeted assistance for a period of 3 consecutive months within a calendar year starting from the month following the month of starting work.

To cover the initial needs of young people aged 18 to 21, who have used a social or integrated health-social service for residential care before reaching this age and are leaving it for the first time, targeted assistance in the form of a monthly allowance is granted in the amount of the poverty line for the relevant year (Article 16c (new) of the RISSA). The targeted financial assistance is aimed at helping the young people transition into the environment outside the respective social service or residential care facility, supporting them with financial assistance to cover the most immediate needs, whilst also incentivising to fully integrate into the society and uptake employment.

**- linking the Differentiated Minimum Income (DMI) to the annually updated at-risk-of-poverty threshold;** Paragraph 5 of the Law amending and supplementing the SSA (evidence no. 2) modifies Article 12(3) of the SSA by providing that the social benefits, part of which is the minimum income scheme according to Article 12(1) point 1 of the SSA, shall be determined on the basis of the level of the at-risk-of-poverty threshold (hereinafter referred to as “AROP threshold”) for the relevant year, which in turn is determined annually by a decree of the Council of Ministers according to the methodology for determining the poverty line for the country. The minimum income scheme introduces the link between DMI and the AROP threshold, compared to the previous version of the SSA where the Guaranteed minimum income was the basis for calculating the social benefits without the reference to the DMI and the AROP threshold.

On this basis, article 9(1) of the RISSA (evidence no. 3) was also amended to introduce the link to the DMI by providing that persons or families whose income for the previous month is lower than the level of the differentiated income for the respective category the persons or families fall are entitled to monthly assistance. Paragraph 1 of Decree 74 amends Article 9(2) of the RISSA by providing that the differentiated income is determined by the support base, the monthly amount of which is 30 percent of the poverty line for the relevant year, adjusted by the relevant percentage for the group.

**the at -risk -of-poverty threshold used for the indexation shall be harmonized with the EUROSTAT methodology.**

The Eurostat methodology for determining the at-risk-of-poverty line is laid out in the EU Statistics on Income and Living Conditions (EU-SILC) methodological framework. The methodology provides the definition and the calculation method for determining the at-risk-of-poverty threshold based on

a cross-sectional and longitudinal sample survey coordinated by EUROSTAT (EU-SILC). According to Article 2(2) of the Methodology for determining the poverty line for the country, the poverty line according to data from the EU-SILC survey is referred to as “PLSILC”.

Decree No. 277 (evidence no. 7) amended Article 2(2) of the Methodology for determining the poverty line for the country, which sets the formula for calculation of the at-risk-of-poverty line. The amendment deletes the reference to the price index of a small basket, announced by the Bulgarian National Statistical Institute. By deleting it, the new formula contains only one variable, the PLSILC, (Article 2(2) of the Methodology for determining the poverty line for the country). This makes the at-risk-of-poverty line harmonized with the EUROSTAT methodology because there is no other variable or factor applied to the variable than the EU-SILC, which means that any change to the Eurostat methodology for determining the at-risk-of-poverty line is laid out in the EU Statistics on Income and Living Conditions would automatically result in the same change to the Bulgarian methodology.

**- ensurance that for each target group of the scheme, the DMI is computed by multiplying a group-specific coefficient by an anchoring element, common to all target groups:**

**- for each target group, the group - specific coefficient shall not be lower than its 2021 value;**

**- the anchoring element shall be equal to at least 30% of the most recent AROP threshold;**

Decree No. 74 amends Article 9 of the RISSA (evidence no. 3), which stipulates the methodology for the calculation of the differentiated minimum income (hereinafter referred to as “DMI”).

The amended text in Article 9(2) of the RISSA provides for the DMI to be determined by the basis of the support, the monthly amount of which is 30% of the at-risk-of-poverty line for the relevant year, multiplied by the relevant percentage for the group to which the person belongs.

Furthermore, according to the amended text in Article 9(2) of the RISSA, the groups subject to social assistance have been consolidated, and the conditions for access and the coefficients that apply to each group have been revised. Based on these changes, none of the new coefficients is lower than its 2021 value. As the coefficients were revised in August 2021, for reference point it is used their highest level in any point in 2021, which is effectively the level after the abovementioned revision.

Article 9(2) of the RISSA sets the coefficients as follows for the different target groups:

- i) for a person living alone, the coefficient is set at 165%, where the 2021 value varied between 73% and 165% depending on the age)
- ii) for a person living with another person or family, and for each of the cohabiting spouses the coefficient is set at 100%, where the 2021 value was 66%.
- iii) for each child up to the age of 18, and if studying – until the acquisition of secondary education, but not more than 20 years of age the coefficient is set at 100%, where the 2021 value was 91%.
- iv) for pregnant women 45 days before childbirth and for a parent raising a child up to the age of 3 the coefficient is set at 120%, where the 2021 value was 110%.
- v) for a parent raising a child/children alone up to the age of 18, and if studying – until the acquisition of secondary education, but not more than 20 years of age the coefficient is set at 120%, where the 2021 value varied between 20% and 120% depending on the age of the child, education status and other factors.

The current coefficients ensure that regardless of the configuration in which a person/family falls, they will receive a higher individual rate than in 2021.

All above coefficients before the RISSA amendment in 2023 were multiplied by the Guaranteed Minimum Income (hereinafter referred to as “the GMI”). The current provisions do not include any reference to the GMI and replace it with 30% of the at-risk-of-poverty line as anchoring element.

**introduction of the legal definition of ‘economically inactive’;**

The EPA amendments introduce the new paragraph 3a in Article 1 of the Supplementary Provisions of EPA (evidence no. 4), which sets a definition of economically inactive as follows: *“3a. (New, SG No. 41/2022, effective 3.06.2022) “Economically inactive persons” means persons aged 16 to 65 who are not insured under Articles 4 and 4a and are not insurers under Article 5 of the Social Insurance Code, are not registered as jobseekers under this Act and are not in formal education or training”.*

**provisions specifying the activities for the activation of the ‘economically inactive’**

**The following amendments to the legal acts include provisions specifying the activities for the activation of ‘economically inactive’:**

The EPA amendments introduce a new Section IVa titled “Work with economically inactive persons”, which includes of Article 43b (evidence no. 4). Article 43b(2) specifies who is in charge for the activities for the activation of economically inactive persons with the following text: *“The Employment Agency, together with regional employment offices, contacts the economically inactive individuals to inform, consult, and guide them toward employment or registration with the Employment Agency”.*

The RIEPA (evidence no. 5), which provides the secondary legislation for implementation of EPA, introduces a new Section IIIa titled “Work with economically inactive persons” in the Regulations for the Implementation of the Employment Promotion Act, which consists of Articles 37b and 37c. According to Article 37c the activities with economically inactive persons are carried out by the territorial divisions of the Employment Agency.

Article 37c(2) of RIEPA requires that agreements between the territorial divisions of the Employment Agency and the regional employment authorities shall include specific activities for work with economically inactive persons adapted to the specifics of the region and to the needs of the individual persons.

Paragraph 3 of the Transitional and final provisions of Decree No. 78 stipulates that within two months of the entry into force of Decree No. 78, the Director of the Employment Agency must issue instructions for the implementation of activities to identify, reach and activate the economically inactive persons as well as for the interaction of institutions and organizations in interdepartmental teams.

Chapter VIII of the Instructions (evidence no. 8), specifies the following activities for the activation of the economically inactive persons, which could be organised by the local teams:

- i) group information meetings with the identified individuals to inform about services by competence (the risks of unregulated employment, human trafficking, professions in demand on the labor market at the regional level, training opportunities for acquiring and improving qualifications and/or key competencies, for social assistance, training institutions - secondary and higher schools, colleges, vocational training centers, etc.);
- ii) specialized events - open days, campaigns, job fairs, fairs, etc.;
- iii) individual meetings to get acquainted with the personal history of each inactive person, along with the reasons for inactivity;
- iv) preparation of a support plan with meeting goals (if a need for continued interaction is identified);
- v) inclusion of additional experts (after analysis of the information collected and depending on the set goal), etc.

Article 27 of the Organizational Regulations of the Employment Agency (evidence no. 9) provides that the organization of work in the Employment Agency, operational activities and document flow are regulated by internal rules, instructions and orders of the Executive Director, which are mandatory for the entities within their scope. Therefore, the Instructions (evidence no. 8) constitute a legal act.

**4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 291 Entry into force of legal act(s) on the National Map of Social Services

**Related Measure:** C11.R2 Reform of social services

**Qualitative Indicator:** Adopted National Map of Social Services

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to improve the provision of social services in Bulgaria, through the entry into force of legal acts, such as the Ordinance on the Quality of Social Services, and the adoption of the National Map of Social Services.

Milestone 291 requires that the National Map of Social Services covers the list of social services at the regional and municipal level funded from the state budget, as well as the maximum number of users of all social services, for which funding is provided fully or partly from the state budget.

Milestone 291 is the second and last milestone of the reform, and it follows the completion of milestone 290, related to the entry into force of the Ordinance on the Quality of Social Services.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	A copy of the publication in the State Gazette No. 68 of 13 August 2024 of the adopted National Map of Social Services	Publication in the State Gazette of the Decision approving the adoption of the National Map of Social Services.
3	Appendix to Decision No. 574 of the Council of Ministers of 8 August 2024 for the adoption of the National Map of Social Services - No. 68/2024	The Appendix includes the Map of Social Services.
4	Explanatory Note	The explanatory note was presented to the Commission as an additional piece of information, supporting the information presented in the National Map on Social Services, explaining that

		the Map was constructed based on the Analysis on Social Services and Integrated Social Services at the Municipal and Regional Level.
5	Analysis on Social Services and Integrated Health Services at the Municipal and Regional Level prepared and adopted by the Social Assistance Agency in 2023.	The analysis served as a basis to prepare the National Map of Social Services.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

#### **Entry into force of legal act(s) on the National Map of Social Services. Furthermore, in line with the description of the measure, the measure consists of entry into force of legal act(s) concerning social services**

The National Map of Social Services was elaborated pursuant to Articles 34 and 35 of the Social Assistance Act and Chapter Three of the Ordinance on the Planning of Social Services, which provide for the preparation, on the basis of an analysis, and adoption of the National Map of Social Services. The National Map of Social Services was published in the State Gazette of Bulgaria no 68 on 13 August 2024. It entered into force three days after its publication, in accordance with Article 5(5) of the Constitution, which provides that all legislative acts enter into force three days after their publication in the State Gazette, unless another term is specified in them.

#### **The National Map of Social Services shall cover:**

- **a list of social services at the municipal and district level funded fully or partly from the state budget**

The Administrative and Territorial Structure Act of the Republic of Bulgaria adopted on 17 September 1991 and last amended on 8 December 2023, establishes the territorial division of Bulgaria. According to Section I, Article 6 of the Act, Bulgaria is divided into 28 districts, while Section II provides the requirements for the territorial division into municipalities. According to the latest Administrative-territorial and Territorial Division of the Republic of Bulgaria published by the Republic of Bulgaria National Statistical Institute on 8 May 2025, as of 31 December 2024 the territory of Bulgaria was divided into 265 municipalities.

The National Map of Social Services contains a list of social services provided for each of the 28 districts of Bulgaria, divided by municipalities. For each of the 265 municipalities in Bulgaria, the Map provides a list of social services offered in the respective municipality. In addition, the Explanatory Note to the National Map of Social Services (hereinafter referred to as “the Explanatory Note”) as well as the Analysis on Social Services and Integrated Health Services at the Municipal and District Level (hereinafter referred to as “the Analysis”) further specify that the Map was prepared based on the 2021 Population and Housing Census data collected by the National Statistical Institute where all 265 municipalities were required to carry out detailed analysis of the

needs for social and integrated healthcare services. It included the analysis of the existing social services on offer in each municipality and region of Bulgaria.

For each district, the Map states that the social services listed are financed fully or partly by the state budget. Furthermore, the Explanatory Note and the Analysis specify that the Map follows Article 35 of the Social Services Act and the Ordinance on the Planning of Social Services, which regulate the planning of social services financed fully or partly by the state budget. The Explanatory Note states on page 1 that “the Map includes all social and integrated health-social services at municipal and regional level, for which full or partial state funding is provided”. The Analysis states on page 10 that “National planning is particularly important as it will be the basis for defining the package of social services at municipal and district level for which funding from the state budget should be provided”.

- **the maximum number of users for each social service for which funding is provided fully or partly from the state budget.**

For each municipality in each region in Bulgaria, the National Map of Social Services states the maximum number of users for each of the social services provided, which according to the analysis in the previous section corresponds to all social services for which state funding is provided. As an example: the region of Blagoevgrad is divided into 14 municipalities. For each of these municipalities, the Map states what is the maximum number of users for the social service of “Information, consultation and training on social rights and skills development to be provided for a period not exceeding two months”. Nine municipalities in the Blagoevgrad region do not provide this type of social service, and for the remaining five, the maximum number of users is as follows:

- i. 47 users in the municipality of Blagoevgrad
- ii. 16 users in the municipality of Gotse Delchev
- iii. 17 users in the municipality of Petrich
- iv. 10 users in Razlog municipality
- v. 12 users in Sandanski municipality

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 303 Signature of contracts for the Social Assistance Agency territorial structures

**Related Measure:** C11.I4 Renovation of the Social Assistance Agency

**Qualitative Indicator:** Signed contracts

**Time:** Q2 2025

### 1. Context:

The objective of this investment is to renovate the Social Assistance Agency territorial structures, including providing accessibility for persons with disabilities. The measure consists of renovation works and delivery of equipment.

Milestone 303 requires that in relation to the territorial structures of the Social Assistance Agency contracts are signed for renovation works or delivery of air-conditioning appliances or delivery of stair-climbing devices.

Milestone 303 is the first step of the implementation of the investment. It will be followed by target 304, related to the implementation of these contracts with the services and products being delivered.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Table with 147 signed contracts published Announcement TED EU.xlsx	A list of all 147 contracts signed under the investment
3	60 sampled contracts	Signed contracts for renovation works or delivery of air-conditioning appliances or delivery of stair-climbing devices

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Signature of contracts for the Social Assistance Agency territorial structures.**



**In relation to the Social Assistance Agency territorial structures, the contracts shall cover renovation works or delivery of air-conditioning appliances or delivery of stair-climbing devices.**

Bulgaria submitted a list of 147 contracts (evidence no. 2) that have been signed for provision of renovation works or delivery of air-conditioning appliances or delivery of stair-climbing devices for the territorial structures of the Social Assistance Agency.

Following the selection of a random sample of 60 units, Bulgaria submitted copies of 60 contracts (evidence no. 3), which contain detailed information about the services or products covered by them. The evidence provided for a sample of 60 units confirmed that the requirements of the milestone have been met. Each contract has been signed by a representative of a territorial structure of the Social Assistance Agency, as one party, and a service provider, as the other party. The contracts have been signed between 02 November 2023 and 10 May 2025.

All 60 contracts relate to territorial structures of the Social Assistance Agency as evidenced by the information in chapter I “Subject of the contract” in each contract. All 60 contracts covered either renovation works or the delivery of air-conditioning appliances or the delivery of stair-climbing devices as evidenced by the information in chapter I “Subject of the contract” in each contract.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 307 Entry into force of legal act(s) on the National Culture Fund

**Related Measure:** C11.I6 Support of the cultural and creative sectors

**Qualitative Indicator:** Provision in the legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to support the cultural and creative sectors in Bulgaria. The investment includes the entry into force of legal act(s) on the National Fund for Culture and the provision of grant support.

Milestone 307 is the first step of the implementation of the investment and concerns the entry into force of legal act(s). It will be followed by target 308 related to the provision of grant support for the cultural sector.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Copy of the publication in the State Gazette No. 101 of 29 November 2024 of Ordinance No. 6 of 21 November 2024 on the general conditions for conducting competitions for the provision of funds from the National Culture Fund, the eligibility of costs, the evaluation of projects and their implementation	This is a legal act contains provision on the competitions for the provision of funds from the National Culture Fund, the eligibility of costs, the evaluation of projects and their implementation
3	Copy of the publication in the State Gazette No. 109 of 28 December 2024 of the Decree No. 492 of 27 December 2024 on the adoption of the Rules of Procedure of the National Culture Fund	This is a legal act contains provisions related to the Rules of Procedure of the National Culture Fund

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

### **Entry into force of legal act(s) on the National Culture Fund**

The Law amending and supplementing the Protection and Development of Culture Law (hereinafter referred to as the “Culture law”) was published in the State Gazette No. 16 of Bulgaria on 23 February 2024. According to paragraph 27 of its Transitional and Final Provisions the Culture law entered into force on the same day, except for paragraph 2, item 2, which entered into force on 1 January 2025 and paragraphs 10 and 13 concerning Article 29, para. 1, which entered into force on 1 September 2024.

The Decree No. 492 of 27 December 2024 on the adoption of the Rules of Procedure of the National Culture Fund was published in the State Gazette No. 109 of 28 December 2024. According to paragraph 2 of its Final provisions it enters into force on the same day.

### **The legal act(s) shall provide for:**

- **a revision of the organisation and management structure of the National Culture Fund**

According to the newly added Article 24(4) of the Culture Law, the activity, structure, functions, organisation of work and the number of members of the National Culture Fund (hereinafter referred to as “the Fund”) are determined by organisational regulations adopted by the Council of Ministers upon a proposal by the Minister of Culture. The involvement of the executive power in the organisation of the Fund constitutes a change in comparison to the situation before the amendment, where the legislation provided that the governing body of the Fund adopts its own rules of procedures.

Following this requirement, decree No. 492 of 27 December 2024 on the adoption of the Rules of Procedure of the National Culture Fund (hereinafter referred to as the “Rules of Procedure”) was published in the State Gazette No. 109 of Bulgaria on 28 December 2024. According to paragraph 2 of its Final Provisions it entered into force on the same day.

Article 25(2) of the Culture Law provides new requirements for the organisation and management of the Fund by stipulating that the rules for the organisation of the Management board's work, including the measures to prevent conflicts of interest, are defined in the Rules of Procedure (Articles 5 and 6 of the Rules of Procedure).

Moreover, Article 29(1) of the Culture Law revises the organisation and management structure of the Fund by introducing a requirement that the executive director of the Fund is appointed by the Minister of Culture after a competition for a period of 4 years. The conditions and procedure for conducting the competition are defined in Article 12 of the Rules of Procedure as required in Article 29(2) of the Culture Law.

Finally, through the amendment of Article 26(1) of the Culture Law the composition of the Management Board of the Fund is revised, which now shall consist of a chairperson (the Minister of Culture) and 14 other members, compared to 10 other members before the amendment.

New Article 26(1) point 1 of the Culture Law provides that the four new members of the Management Board are representatives of the Ministry of Education and Science, Ministry of Tourism, Ministry of Foreign Affairs and Ministry of Innovation and Growth.

- **monitoring of the activities of the National Culture Fund.**

The Rules of Procedure include provisions on the process for monitoring the activities of the Fund. These provisions are set in different sections of the Rules of Procedure depending on the responsibilities of different participants.

Article 29(2) of the Rules of Procedure provides that the Fund's employees carry out documentary checks and mandatory on-site inspections to confirm the eligibility of the expenses incurred by the beneficiaries under the concluded contracts, as well as perform monitoring activities, which include observation, control, systematic collection of information and reporting on the progress and implementation of the contracts.

Article 18(1) point 1 of the Rules of Procedure provide that specialised administration in the Fund organizes, coordinates and participates in the preparation, updating, implementation, monitoring and evaluation of the programs. Article 18(1) point 10 of the Rules of Procedure provides that the specialized administration ensures that the performance data necessary for financial management, monitoring, checks, audits and evaluation are collected.

The monitoring responsibilities of the Executive director are provided for in Article 14 of the Rules of Procedure. The Executive director prepares draft annual report of the activities of the Fund and a financial report and submits them to the Management board and on the website (Article 14(1) point 7 of the Rules of Procedure) as well as exercises control over the procedures for the provision of funds from the Fund, and for the monitoring and evaluation of the implementation of the financed projects (new Article 29a(1) point 10 of the Culture Law). Besides, the control over the provided and spent financial resources and the implementation of the approved projects and programs shall be carried out by the Executive Director (Article 29(1) of the Rules of Procedure).

Article 7(1) of the Rules of Procedure provides that the Management Board assists the Minister of Culture in ensuring the transparency and monitoring of the Fund's activities, by:

- i) adopting an annual report on the Fund's activities and submitting it to the Minister of Culture (Article 7(1) point 4 of the Rules of Procedure);
- ii) approving the Fund's annual financial report and submitting it to the Minister of Culture (Article 7(1) point 5 of the Rules of Procedure).

Article 4 of the Rules of Procedure sets the responsibilities of the Minister of Culture in relation to the activities of the Fund, including by monitoring and analysing the activities of the Fund (Article 4(4) of the Rules of Procedure), adopting the Annual Financial Statement and the Annual Report on the Activities of the Fund (Article 4 point 5 of the Rules of Procedure), and exercising control through the Inspectorate under Article 46 of the Administration Act and the Internal Audit Unit of the Ministry of Culture (Article 4 point 6 of the Rules of Procedure).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 312 Methodology and standards for the digitisation of content

**Related Measure:** C11.I7 Digitisation of archives

**Qualitative Indicator:** Publication of the methodology and standards for the digitisation of content

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to digitise content of archives, provide access and allow for their preservation. The investment includes the publication of a methodology for digitisation, delivery of an e-platform and the digitisation of content.

Milestone 312 is the first step of the implementation of the investment and concerns the methodology for digitisation. It will be followed by target 314 related to the digitisation of content of museums, libraries and archives and their publication on the e-platform.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Uniform standards and methodology for the digitisation of museum, library and audiovisual content published on the website of the Ministry of Culture on 30 June 2023 with a link <u><a href="#">ЕДИННИ СТАНДАРТИ И МЕТОДОЛОГИЯ ЗА ДИГИТАЛИЗИРАНЕ НА МУЗЕЙНО, БИБЛИОТЕЧНО И АУДИОВИЗУАЛНО СЪДЪРЖАНИЕ ПО Проект 43 „Дигитализация на колекции на музеи, библиотеки и архиви“ (инвестиция С11.17 от Плана за възстановяване и устойчивост на Р България)</a></u>	Copy of the published methodology with a link to the publication.
3	Order of the Ministry of Culture endorsing the 'Uniform standards and methodology for the digitisation of museum, library and audiovisual	A copy of the Order of the Ministry of Culture on the adoption of the methodology published on 30 June 2023 with a link to the website where the decision can be accessed

	content' with a link <a href="#">Order of the Minister of Culture No. PD09-536/30.06.2023</a>	
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### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Publication of the methodology and standards for the digitisation of content. Furthermore, in line with the description of the measure, the measure consists in publication of a methodology.**

The Uniform standards and methodology for the digitisation of content of museums, libraries and archives (hereinafter “the uniform standards and methodology”) was approved by the Order of the Minister of Culture no. PD09-536 on 30 June 2023 and published on the website of the Ministry of Culture on the same day. The Commission services accessed the link provided by the authorities on 9 October 2025 to verify that the published standards and methodology corresponded to those transmitted as evidence. This check was completed successfully, confirming the content of the standards and methodology.

**The methodology shall cover the criteria for the designation of institutions as national coordinators**

Section IV.18 of the uniform standards and methodology defines the criteria for designating the national coordinators.

The criteria are:

- i) Expertise, which consists in the availability of qualified personnel and institutional expertise in digitising data on cultural heritage;
- ii) Experience in implementing digitisation projects of cultural heritage, which consists in track record in successfully implementing projects related to digitisation of cultural heritage;
- iii) Existence in the institution of statutory and/or statutory-management functions related to processing and storing of digital resources, which consists in the right level of experience and expertise among coordinating and management structures;
- iv) Experience in coordinating digitisation projects in partnership with other institutions/organisations, which consists in demonstrated experience in coordinating projects with other institutions in the field.

The uniform standards and methodology states that compliance with the above-stated criteria is evaluated by an expert group composed of two members from the Ministry of Culture and one member from the identified evaluation institutions within the Ministry. The institutions that are assessed to be national coordinators are evaluated on a scale of 100 points, with equal weight applied to each of the criteria. Following the assessment, an evaluation report is prepared for each institution, validated by the expert group. The report determines which institutions are designated as national coordinators.

As an additional criterion, the uniform standards and methodology states that the list of national coordinators shall include at least one institution with the following status i) library; ii) museum; iii)

art gallery; iv) archive; v) fund, to ensure expertise in the range of activities related to the different cultural content to be digitised.

**[...] and the criteria for the selection of content [...]**

Section IV.1.2 of the uniform standards and methodology defines the criteria to be used for the selection of content to be digitised, including:

- i) Cultural and historical significance, which is explained further in the methodology as giving preference to materials of high significance and historical value;
- ii) Public interest and demand, which is explained further in the methodology as giving preference to collections that are frequently used and of high interest to citizens and researchers;
- iii) Conditions and preservation risks, which is explained further in the methodology as giving preference to fragile materials that are at risk of loss;
- iv) Authenticity and uniqueness, which is explained further in the methodology as giving preference to original items over duplicates or poor-quality copies;
- v) Legal and copyright status, which is explained further in the methodology as giving preference to content owned by the institutions or that can be freely digitised.

Furthermore, sections IV.2.1., IV.2.2., IV.2.3. and IV.2.4. of the uniform standards and methodology describe how the prioritisation criteria are to be applied to different types of content, including:

- vi) collections, individual elements and other movable cultural property;
- vii) books, manuscripts, documents, maps and printed resources;
- viii) audiovisual content;
- ix) content in museums and art galleries.

**[...] as well as standards applicable to the content that shall be digitised.**

Section I of the uniform standards and methodology defines that, in the context of the digitisation of content, standards are understood as a core base of classes and descriptions to enable the presentation, search and sharing of digital resources. It also explains that the standards described in the uniform standards and methodology should be adapted to the needs of the different institutions to achieve visibility, accessibility, interoperability and reusability of digital copies.

To do so, the uniform standards and methodology establish a Unified Data Model (hereinafter “UDM”) that serves as the core standard for all metadata collected on the content that shall be digitised. UDM was established specifically for the digitisation of content of museums, libraries and archives, ensuring interoperability across these institutions. The main objective of the UDM is to integrate all metadata into one consistent model that is aligned with international and European fair practices. UDM is established as a single framework that sets the criteria for collecting data, using the following internationally recognized frameworks:

- i) Dublin Core used for descriptive metadata to make content easily identifiable;
- ii) Conceptual Reference Model used as a detailed framework for museum content to define relationships between different types of content;
- iii) Metadata Encoding and Transmission Standard used for structural metadata to ensure the right order of content;

- iv) Open Archives Initiative – Protocol for Metadata Harvesting used as a communication protocol that allows different digital systems to share and collect metadata automatically;
- v) European Data Model used to ensure compatibility with EU-level digital heritage platforms.

**The standards shall apply to the digitisation of the content of museums, libraries and archives.**

Section I of the uniform standards and methodology presents the overall objective, definitions, terminology and regulatory framework for the digitisation of content, specifying that the document is applicable to the content of different types of cultural institutions, including museums, libraries and archives. It states that the content of the uniform standards and methodology aims to define the recommended approaches for the implementation of digitisation activities for museums, libraries and audiovisual content.

Section III of the uniform standards and methodology entitled “Uniform standards for the digitisation of museum, library and audiovisual content” describes one by one, each of the standards used for the digitisation of content of museums, libraries and archives, as presented above in points (i) to (v).

Section IV of the uniform standards and methodology entitled “Unified methodology for coordinated digitisation” describes the approach for the digitisation of content. The section specifies the steps to uniformly and effectively carry out the digitisation of content of museums, archives, libraries, galleries and audiovisual content, with the application of the standards set out in the uniform standards and methodology.

**4. Commission Preliminary Assessment: Satisfactorily fulfilled**



**Number and name of the Milestone:** 322 Upgrade of the National Health Information System (NHIS)

**Related Measure:** BG-C[C12]-R[R2] – Development of e-health and of the National Health Information System

**Qualitative indicator:** Accessible services on the website of the NHIS

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to contribute to the development of e-Health. The measure consists in the entry into force of legal act(s) on e-Health and the upgrade of the National Health Information System (NHIS).

Milestone 322 concerns the upgrade of the National Health Information System (NHIS).

Milestone 322 is the second and last milestone of the reform, and it follows the completion of milestone 321 related to the entry into force of the amendments to the e-Health regulatory framework.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone was satisfactorily fulfilled
2	Links	Link to the website of the National Health Information System (NHIS) providing access to the upgraded system - <a href="https://his.bg/">https://his.bg/</a>  Link to the website of the National Health Information System (NHIS) providing access to personal electronic medical records of citizen - <a href="https://my.his.bg/login">https://my.his.bg/login</a>  Link to the website of the National Health Information System (NHIS) providing access to e-prescriptions - <a href="https://his.bg/erx/">https://his.bg/erx/</a>
3	Ministerial Order No. RD-02-298 of 9 December 2022	Ministerial Order for the creation of a commission to assess whether the activities performed by 'Information Services AD' according to Contract No. RD-11-333 of 22 July 2020 comply with the Terms of Reference
4	Supplementary agreement No. 6 of 31 May 2023 to	The agreement between the Ministry of Health and 'Information Services AD' on changes to the

	contract No. RD-11-333 of 22 July 2020	Technical Terms of Reference (Technical Specifications) of the contract. It contains as an annex the Terms of Reference for the development of the NHIS. It entered into force upon electronic signature by both parties on 31 May 2023.
5	Report by independent commission	Report on implementation by an independent commission appointed with an order of the Minister of Health (Ministerial Order No. RD-02-298 of 09 December 2022).
6	Acceptance protocol No. 92-02-4231 signed on 18 August 2023 between the Ministry of Health as contracting authority, and 'Information Services AD' as a contractor	With the acceptance protocol the contracting authority accepts the performance of the activities and functionalities as in line with the specification of Phase 2 under point 10.2 of the Technical Terms of Reference for contract No. RD-11-333 of 22 July 2020.
7	Contract No. RD-11-333 of 22 July 2020 signed on 22 July 2020 between the Ministry of Health as the Contracting Authority and 'Information Services AD' as the contractor	The contract for the creation of the new functionalities of the NHIS.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities covers all constitutive elements of the milestone.

#### Accessible services on the website of the NHIS

**The National Health Information System (NHIS) shall be upgraded by adding new functionalities [...]**

**Furthermore, in line with the description of the measure, the measure consists in [...] the upgrade of the National Health Information System (NHIS).**

The acceptance protocol No. 92-02-4231 to contract No. RD-11-333 of 22 July 2020 (evidence no. 6) (hereinafter referred to as "the Acceptance protocol") was signed on 18 August 2023 between the Ministry of Health as the Contracting Authority and 'Information Services AD' as the contractor, for acceptance of without comments or objections the implementation of the activities under contract No. RD-11-333 of 22 July 2020 (evidence no. 7).

Supplementary Agreement No. 6 to contract No. RD-11-333 of 22 July 2020 (evidence no. 4) was signed on 23 May 2023. It includes the Technical Terms of Reference related to this contract, laying out the technical descriptions of the planned interventions to upgrade the National Health Information System (NHIS).

Section 2 of the Technical Terms and Reference provides that the contract (evidence no. 7) will cover activities for "the completion of the National Health Information System - stage 1 and stage 2". The

word “completion” (доизграждане) means that the existent NHIS shall reach a more complete state than the one before the signature of the contract. As part of the completion of the NHIS and written in the acceptance protocol (evidence no. 6), a new unified health information portal his.bg has been developed, which provides public information related to the development of e-health and controlled access for citizens and users of medical services to their personal electronic health records and all documents registered in them. New functionalities were added including concerning electronic medical records, electronic prescriptions and referrals and the system for the collection of data from hospitals as per evidence no. 6. Therefore, the upgrade consists in the completion of the NHIS by the addition of new functionalities, within the meaning of the CID requirement.

The Terms of Reference to the contract identify specific activities as deliverables, including Activity 8.8 Creation of a single national electronic medical record (EMD)/Electronic Health Record (EPO)', 8.9 Creation of an electronic prescription and electronic delivery subsystem', and 8.10 Activity 8.10. Creation of a Hospital Information Collection Sub-System (PSIB)'. Each of these activities provide for the creation of a new functionality to the NHIS, which did not exist at the time of the signature of the contract. The acceptance protocol (evidence no. 6) certifies that the work of the contractor is in line with the terms of reference and satisfactory.

The Acceptance protocol (evidence no. 6) provides that the activities and functionalities are implemented without objection and within the deadline in accordance with Section 10, item 10.2 of the Terms of Reference.

Section 10, item 10.2 of the Terms of Reference provides that the activities and functionalities include:

- creation of a unified national electronic medical record (activity 8.8)
- creation of an e-prescription and e-referral modules (activity 8.9)
- creation of a system for collection of data from hospitals (activity 8.10)

Therefore, the acceptance protocol confirms that the abovementioned activities and functionalities have been implemented and delivered.

Following the abovementioned supplementary agreement, the functionalities of the NHIS were expanded as demonstrated in the sections below.

#### **[...] related to services concerning:**

##### **(i) electronic medical records of citizens**

The Commission services accessed remotely the link provided by the authorities (evidence no. 2) on 17 October 2025 to verify the functioning of the electronic medical records of citizens. This check included accessing the module for electronic records of citizens to prove its existence and public accessibility and was completed successfully, confirming that the expanded functionalities of the NHIS concerned the electronic medical records of citizens. Some examples are provided below.

Notably, services available through the website of the NHIS include access to the electronic medical records of citizens. The relevant links on the website of the NHIS are publicly accessible and lead to the login portal that allows for restricted access to one's own electronic medical records via electronic signature. The electronic medical record can be accessed both through the portal or through an eHealth mobile application that can be downloaded on the website.

Data in the electronic health record is organised into separate modules, according to the type of medical activity. For example, the module “Examinations” contains the electronic records of all e-examinations registered in NHIS by general practitioners (GPs) and specialists, regardless of the

source of funding be it under the National Health Insurance Fund or private insurance, while previously only the ones under the NHIF would be stored and accessible. Examinations are chronologically arranged in a list displaying, amongst others, examination date; specialty and name of the doctor who created the record. Each individual examination e-record contains, amongst others, data about main diagnosis, patient anamnesis, condition, prescribed treatment, performed medical-diagnostic activities during the examination, issued e-prescriptions, e-referrals.

Based on the information on the link of the website of the National Health Information System (evidence no.2), the electronic medical record has been gradually upgraded since 2020. New functionalities include, for example, 24/7 accessibility by patients, introduced in 2022. Further, the scope and range of modules was expanded over time. While modules related to prescriptions and vaccines were available in 2020, others were added in the following years. For example, a new module "Blood donation" has been added to the electronic medical record in 2023.

The Acceptance protocol (evidence no. 6) provides that the activities and functionalities are implemented without objection and within the deadline in accordance with Section 10, item 10.2 of the Terms of Reference.

Section 10, item 10.2 of the Terms of Reference provides that one of the activities and functionalities is creation of a unified national electronic medical record (activity 8.8). Point 8.8.2.2 of the Terms of Reference provides that each individual's electronic medical record must store at least the following types of data: (...) Blood donation: on what date and in which medical facility the blood was taken. This means that the acceptance protocol confirms that creation of the new functionality "Blood donation" module in the electronic medical record has been implemented and delivered.

#### **(ii) e-prescriptions and e-referrals modules**

The Commission services accessed remotely the link provided by the authorities (evidence no. 2) on 17 October 2025 to verify the functioning of the e-prescriptions and e-referrals. This check included accessing the e-prescriptions and e-referrals modules to prove its existence and public accessibility and was completed successfully, confirming that the expanded functionalities of the NHIS concerned the electronic prescriptions and electronic referrals. Some examples are provided below.

Notably, the services available through the website of the NHIS include e-prescriptions, which can be downloaded from the website itself. A dedicated module "Prescription" contains records of all written electronic prescriptions, divided into three categories: for execution, executed, invalid.

Similarly to the electronic medical record, the electronic prescription module was expanded over the years. In 2022, a new functionality was added to allow for preliminary checks by the pharmacy on the prescription, where the pharmacy software receives a warning message if there are errors in the prescription, which may be cause of non-reimbursement by the National Health Insurance Fund.

The module "Referrals" contains all e-referrals issued to the patient, for which the medical specialists have created records in the NHIS. In the module, they are divided into 3 groups: for implementation, executed and invalid. There are 5 different types of e-referrals in the NHIS: for laboratory tests (NHIF 4), for consultation (NHIF 3), for highly specialized activities (3A), for hospitalization (NHIF 7), for medical expertise (NHIF 6). For each e-referral in the module, its type and National Reference Number of the document are visible. In the referrals that are "for implementation", the expiration date is visible, and a special colour scale shows how much time remains until it ceases to be valid. For completed referrals, an execution date is visible. Referrals can be labelled as "Invalid" if have been cancelled, refused or have expired deadline for implementation.

Expanded functionalities such as the execution of an e-referral for hospitalisation, retrieval of an e-referral during a consultation in a doctor's office, refusal to execute an e-referral as well as access to e-referrals by patients were introduced in 2022.

The Acceptance protocol (evidence no. 6) provides that the activities and functionalities are implemented without objection and within the deadline in accordance with Section 10, item 10.2 of the Terms of Reference.

Section 10, item 10.2 of the Terms of Reference provides that one of the activities and functionalities covers the creation of an e-prescription and e-referral modules (activity 8.9). Point 8.9.1 of the Terms of Reference provides that the implementation of the activity includes the creation of a new module for e-prescription and e-referral as part of the NHIS.

The module will use the defined data exchange standards and interfaces of the existing NHIS systems, but will add functionalities that did not exist before, such as prescribing and dispensing of medicinal products, medical devices and dietary foods for special medical purposes as well as issuing, executing and reporting of referrals and prescriptions for medical and healthcare institutions. Therefore, these new functionalities represent an upgrade of the NHIS compared to its status before the implementation of the investment.

This also means that the acceptance protocol confirms that the creation of a new module for e-prescription and e-referral as part of the NHIS has been implemented and delivered.

### **(iii) a system for the collection of data from hospitals**

The Commission services accessed remotely the link provided by the authorities on 17 October 2025 to verify that functionalities of the NHIS were expanded including on data collection from hospitals. This check included accessing the system for the collection of data from hospitals to prove its existence and public accessibility and was completed successfully, confirming that the expanded functionalities of the NHIS concerned the system for the collection of data from hospitals. An example is presented below.

The Acceptance protocol (evidence no. 6) provides that the activities and functionalities are implemented without objection and within the deadline in accordance with Section 10, item 10.2 of the Terms of Reference.

Section 10, item 10.2 of the Terms of Reference provides that one of the activities and functionalities is the creation of a system for collection of data from hospitals (activity 8.10). Therefore, the acceptance protocol confirms that the creation of a system for collection of data from hospitals has been implemented and delivered. In a specific section of the portal his.bg, "Statistical Reports", one can explore daily updated statistical data entered into the National Health Information System by medical professionals. Information is presented in graphs and organised into thematic reports across different categories. Data is available from 2021 to present (latest check performed remotely by the European Commission on 17 October 2025).

## **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 323 Entry into force of legal act(s) concerning funding for medical personnel

**Related Measure:** BG-C[C12]-R[R3]– Improving the attractiveness of health professions and promoting a more balanced distribution of health professionals across the territory

**Qualitative indicator:** Provisions in the legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The aim of this reform is to contribute to reducing the shortages of health professionals and their uneven distribution across the country. The measure consists in the entry into force of legal act(s) and other actions.

Milestone 323 requires the entry into force of legal act(s) concerning additional funding to medical personnel, working in remote or hard-to-reach areas.

Milestone 323 is the first step of the implementation of the reform and it is accompanied by milestone 324 in the same payment request, related to the entry into force of legal act(s) concerning the distribution and availability of health professionals.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone was satisfactorily fulfilled
2	Law on the National Health Insurance Fund Budget (2025), State Gazette No. 25 of 25 March 2025, in force since 1 January 2025.	The law sets out the budget for the National Health Insurance Fund (NHIF) for 2025, how much revenue it will collect and how the funding will be distributed across providers and services.
3	Link to the published National Framework Agreement in the State Gazette; State Gazette No. 77 of 8 September 2023, in force since 1 September 2023. <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=19928">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=19928</a> <u>1</u>	The National Framework Agreement of 1 September 2023 between the National Health Insurance Fund (NHIF) and the Bulgarian Medical Association governs how medical services are contracted and financed from 2023 to 2025 across Bulgaria. It lays out the rights and obligations of the parties (NHIF, medical service providers, insured persons), the types and scope of covered medical services, financial frameworks, quality standards, and rules for contracting and reimbursement. It includes the

		methodology for outpatient and inpatient providers.
4	Link to the published Amendments to the National Framework agreement in the State Gazette; State Gazette, No. 48 of 13 June 2025, in force since 13 June 2025 <a href="https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=235286">https://dv.parliament.bg/DVWeb/showMaterialDV.jsp?idMat=235286</a>	Amendment to the National Framework Agreement for Medical Activities between the National Health Insurance Fund (NHIF) and the Bulgarian Medical Association, signed on 22 May 2025. It updates the financial allocations for health services covered by the NHIF for 2025 specifying amounts for outpatient and inpatient care, diagnostic services, and the provision of medicines and medical devices. It introduces amendments setting financial allocations for providers of primary and specialised outpatient care and diagnostic services, and for providers of inpatient care in remote areas.
5	Decision No. ПД-НС-04-78/09.09.2025 of the Supervisory Board of the National Health Insurance Fund (NHIF) for adoption of Rules supplementing the Rules for the National Health Insurance Fund, in force since 9 September 2025	Official act issued by the National Health Insurance Fund (NHIF) in Bulgaria. Adopts rules supplementing the rules adopted by Decision No. RD-NS-04-24 of 10 April 2025 and by Decision No. RD-NS-04-25 of 10 April 2025. It establishes a link between the distribution of funding and qualifications by amending the Transitional and Final Provisions Section in both decisions.
6	Rules for the National Health Insurance Fund on the number of appointed specialized medical activities and the value of appointed medical diagnostic activities; Annex to Decision No. RD-NS-04-24 of 10 April 2025, in force since 10 April 2025.	These rules establish the conditions and procedures for the National Health Insurance Fund (NHIF) to approve, on a quarterly basis for each District Health Insurance Fund, the contracts with primary outpatient care and specialised outpatient care providers regarding the package of medical and diagnostic activities as specified in the 2025 NHIF Budget Act.
7	Rules for terms and conditions for application of art. 4 (1), (2) and (3) from the budget law of the National Health Insurance Fund; Annex to Decision No. RD-NS-04-25 of 10 April 2025, in force since 10 April 2025.	These rules set out the rules for validating, allocating, and monitoring the annual and monthly budgets for hospital-related health insurance payments covering specific medicines, medical devices, and hospital services per hospital provider and per district, in accordance with the 2025 NHIF Budget Act and the Health Insurance Act.
8	Link to the website of the National Health Insurance Fund (NHIF) <a href="https://www.nhif.bg/bg/nrd/2023-2025/other">https://www.nhif.bg/bg/nrd/2023-2025/other</a>	Link to the page of the National Health Insurance Fund where the list of contracted healthcare providers meeting criteria under the methodologies is published and updated.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities covers all constitutive elements of the milestone.

**The legal act(s) shall:**

**Entry into force of legal act(s) concerning funding for medical personnel.**

**(i) provide for additional monthly funding for medical personnel working in remote or hard-to-reach settlements**

The Law on the National Health Insurance Fund's Budget (hereinafter referred to as "Law on the NHIF budget") was published in State Gazette No. 25 of 25 March 2025. It entered into force on 1 January 2025 according to paragraph 22 of its Transitional and Final Provisions.

The Law on the NHIF budget is ratified annually and it allocates the budget of the National Health Insurance Fund across activities and providers. Article 7(1) of the Law of the NHIF budget stipulates that the budget of the National Health Insurance Fund covers the costs for the "medical personnel" (Медицински персонал) of medical institutions that provide services in remote or hard-to-reach areas.

The National Framework Agreement No. RD-HS-01-2 of 1 September 2023 for Medical Activities between the National Health Insurance Fund and the Bulgarian Medical Association for 2023 – 2025 (hereinafter referred to as "National Framework Agreement") was published in State Gazette No. 77 of 8 September 2023. It entered into force on 1 September 2023 according to paragraph 2 of its Transitional and Final Provisions. It stipulates that the National Health Insurance Fund finances the medical personnel in medical institutions that carry out medical activities in remote, hard-to-reach areas and are 1) contractors of primary outpatient medical care, specialised outpatient medical care and medical-diagnostic activities (Article 217(1)) or 2) providers of hospital medical care (Article 398(1)). The inclusion of financing for the provision of medical personnel exclusively in medical institutions that carry out medical activities in remote, hard-to-reach areas was introduced for the first time in the National Framework Agreement for 2023-2025. It did not exist in the previous National Framework Agreements. This funding is an additional element to the monthly remuneration as per the individual labour contracts between medical personnel and medical institutions under the Labour Code, as well as additional element to the reimbursement from the NHIF for the medical services performed under Article 55 (2) point 3a.

The National Framework Agreement was amended and supplemented by Contract No. RD-NS-01-2-3 of 22 May 2025 for the amendment and supplementation of the National Framework Contract for Medical Activities between the National Health Insurance Fund and the Bulgarian Medical Association for 2023 – 2025 (hereinafter referred to as "Amendment to National Framework Agreement"). This was published in State Gazette No. 48 of 13 June 2025. It entered into force on the day of promulgation in the State Gazette (13 June 2025) according to paragraph 67 of its Transitional and Final Provisions.

**For outpatient care**, the Amendment to the National Framework Agreement added paragraphs 6 and 7 to Article 217 on the provision of funding from the budget of the National Health Insurance Fund for the provision of medical personnel in medical institutions that carry out medical activities in remote, hard-to-reach areas:

Article 217(6) defines the financial allocations to be distributed monthly for the period January - December 2025 by category as follows:



- for the providers of primary outpatient medical care - 750,000 BGN for January - March 2025 and 875,000 BGN for April - December 2025;
- for the providers of specialized outpatient medical care - 100,000 BGN;
- for the providers of medical-diagnostic services - 100,000 BGN.

Article 217(7) stipulates that no less than 90% of the funding received by providers of outpatient care in remote or hard-to-reach areas must be used to cover costs for medical personnel working in the relevant medical institution.

**For inpatient care**, Article 398 of the National Framework Agreement, as supplemented by the Amendment to National Framework Agreement, adds equivalent provisions on the financial allocation for 2025 (Article 398(5)), on its monthly distribution to providers over the period January-December 2025 (Article 398(6)) and on the minimum share of 90% of this funding that must be allocated to costs for medical personnel (Article 398(8)).

**(ii) set the methodology to compute the additional monthly funding that medical facilities distribute to the medical personnel working in remote or hard-to-reach areas. The methodology shall be based on factors including remoteness, difficult accessibility of settlements and number of hired medical personnel. (...)**

The methodology is set out in two different sections for outpatient and inpatient care: **for outpatient**, in Section VIII “Methodology for financing the provision of medical personnel in outpatient medical care facilities that perform medical activities in remote, hard-to-reach areas” of the National Framework Agreement (hereinafter referred to as “Section VIII”); **for inpatient**, in Section X “Methodology for financing the provision of medical personnel in medical institutions for hospital medical care, which carry out medical activities in remote, hard-to-reach areas, as well as in medical institutions for hospital care under Article 45, para. 2a of the Health Insurance Act” of the National Framework Agreement (hereinafter referred to as “Section X”).

Articles 217(2) and 398(2) of the National Framework Agreement stipulate that the funds are allocated according to the criteria as defined by the methodology in Section VIII and Section X of the National Framework Agreement itself for outpatient and inpatient providers respectively.

**For outpatient care**, the methodology in Section VIII is presented for the three different groups of providers (primary outpatient medical care, specialised outpatient medical care and medical-diagnostic services). For primary outpatient medical care, the methodology is covered from Article 220 to Article 223; from specialised outpatient medical care, the methodology is covered from Article 224 to Article 227; for medical-diagnostic services, this is covered from Article 228 to Article 230.

The methodology for each group of providers sets out a set of criteria and defines a specific number of points to be attributed to each criterion depending on its intensity. For example, in the methodology for providers of primary outpatient medical care according to Article 220 of the National Framework Agreement, one to three points are attributed to the criterion “Difficult Accessibility” depending on a ranking of such difficulty as per below:

- one point if the medical institution is in a settlement over 600 m above sea level;
- two points if the medical institution is in a settlement over 1000 m above sea level;
- three points if the medical institution is located in an area with unfavourable geographical terrain – mountainous or semi-mountainous, and/or with unfavourable road infrastructure and access time to the nearest medical institution for hospital care of more than 60 minutes.

According to Article 220, a number of points is associated to each criterion and criteria are as follows: 1. remoteness; 2. difficult accessibility; 3. are the only ones who perform the relevant activity in the municipality; 4. number of hired medical personnel. Only for primary outpatient medical care providers “dispersion” and “categories of serviced persons” are also included as additional criteria.

**For inpatient care**, a similar methodology is laid out in Section X from Article 398 to Article 404. Selection criteria are set out in Article 401, which also includes how to attribute points (as per the example above). The criteria are as follows: 1. remoteness; 2. difficult accessibility; 3. are the only ones who perform the relevant activity in the municipality; 4. number of hired medical personnel. Articles 402 and 403 set out how to calculate a score by medical institution and its monetary value by month.

The funding referred to in this element is the same as the one analysed in the first element of the milestone description. Therefore, the analysis of its additional nature remains valid for this element as well.

**(ii) (...) Each medical facility shall distribute at least 90% of its additional monthly allocation to personnel costs, according to the qualifications of the medical personnel.**

As mentioned above, Article 217, as supplemented by the Amendment to the National Framework Agreement with Article 217(7), defines the rules for the attribution of the additional funding. Article 217(7) stipulates that no less than 90% of the funding received by providers of outpatient care in remote or hard-to-reach areas, i.e. the funding introduced through Article 217(6) of the National Framework Agreement, must be used to cover costs for medical personnel working in the relevant medical institution. Article 398 as supplemented by the Amendment to the National Framework Agreement with Article 398 (8) stipulates the same for the funding newly introduced through Article 398(5) of the National Framework Agreement for providers of inpatient care.

Further, Decision No. ПД-НС-04-78 of 9 September 2025 of the Supervisory Board of the National Health Insurance Fund (NHIF) stipulates that the distribution of the additional funding must reflect the professional qualification of the medical personnel. Decision No. ПД-НС-04-78 of 9 September 2025 was adopted by the Supervisory Board of the National Health Insurance Fund on 9 September 2025 and entered into force on the same day in accordance with the national legal framework.

The funding referred to in this element is the same as the one analysed in the first element of the milestone description. Therefore, the analysis of its additional nature remains valid for this element as well.

**(iii) A list of the medical facilities that are eligible for additional funding under this methodology shall be published on the website of the National Health Insurance Fund (NHIF)**

The Commission services accessed the link provided by the authorities (see evidence 8) on 16 October 2025 to verify that a list of the medical facilities that are eligible for additional funding under this methodology was published on the website of the National Health Insurance Fund. This check was completed successfully, confirming that a list of medical facilities providing primary outpatient care, specialised outpatient care, diagnostic services and hospital care selected according to the respective methodology was published on the website of the National Health Insurance Fund . Indeed, two lists are published and updated monthly according to the methodology and criteria specific to outpatient and inpatient care as clearly indicated on the website.

The funding referred to in this element is the same as the one analysed in the first element of the milestone description. Therefore, the analysis of its additional nature remains valid for this element as well.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 324 Entry into force of legal act(s) on healthcare

**Related Measure:** C12.R3 Improving the attractiveness of health professions and promoting a more balanced distribution of health professionals across the territory

**Qualitative Indicator:** Provisions in the legal act(s) indicating the entry into force

**Time:** Q2 2025

### 1. Context:

The reform aims to contribute to reducing the shortages of health professionals and their uneven distribution across the country.

Milestone 324 requires the entry into force of legal act(s) related to fee-free education for nursing and midwifery students, personnel costs linked to the qualifications of health professionals, free training for those working in remote and hard-to-reach areas, as well as enabling nurses, midwives and related health professionals to establish private practices and ensuring their professional organisation is invited for participation in the negotiations with the National Health Insurance Fund.

Milestone 324 is the second and last milestone of the reform. It follows the completion of milestone 323 related to the provision of additional monthly income for health professionals working in remote or hard-to-reach settlements.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Copy of the publication in State Gazette No. 92 of 1 November 2024 of the Regulations amending and supplementing the Regulations on the organization and activities of the National Center for Training and Qualification in the Emergency Medical Care System, which entered into force on 4 November 2024.	This is a legal act which contains provisions on the activities of the National Center for Training and Qualification in the Emergency Medical Care System, which offer free training of health professionals who commit to work in an area with limited access to healthcare.
3	Copy of the publication in State Gazette No. 54 of 16 June 2020 of the Law	This is a legal act which contains provisions which allow certain health professionals to open private practices.

	amending and supplementing the Law on Medical Institutions, which entered into force on 1 January 2021.	
4	Copy of the publication in State Gazette No. 47 of 10 June 2025 of Decree No. 84 of 6 June 2025 on amending and supplementing normative acts of the Council of Ministers, which entered into force on 9 June 2025.	This is a legal act which contains provisions which relate to the abolishment of university fees for health care students in nursing and midwifery programmes.
5	Copy of the publication in State Gazette No. 70 of 24 August 2021 of Decree No. 283 of 10 August 2021 on the adoption of the List of professional areas and protected specialties under Art. 95, para. 7, item 8 of the Higher Education Act, which entered into force on 27 August 2021.	This is a legal act which contains provisions which relate to the abolishment of university fees for health care students in nursing and midwifery programmes.
6	Copy of the publication in State Gazette No. 89 of 24 October 2025 of Ordinance No. H-5 of 17 October 2025 on the approval of the medical standard "Health care" which entered into force on 27 October 2025.	This is a legal act which contains provisions related to the introduction of a methodology for determining the number of nursing and midwifery professionals required in different types of healthcare facilities.
7	Decision No. RD-NS-04-89/21.10.2025 of the Supervisory Board of the National Health Insurance Fund (NHIF) for adoption of Rules supplementing the Rules for the National Health Insurance Fund, which entered into force on 21 October 2025.	This is a legal act issued by the National Health Insurance Fund in Bulgaria, which establishes a link between the personnel costs of health professionals in providers of hospital and outpatient medical which have contracts with the National Health Insurance Fund and their qualifications.
8	Copy of the publication in State Gazette No. 25 of 25 March 2025 of Law on the Budget of the National Health Insurance Fund for 2025 which entered into force on 1 January 2025.	This is a legal act which relates to the establishment of a link between the personnel costs for health professionals in providers of hospital and outpatient medical care which have contracts with the National Health Insurance Fund and their qualifications;
9	Copy of the publication in State Gazette No. 97 of 14 November 2025 of Law amending and supplementing	This is a legal act which relates to the inclusion of the professional organisation of nurses, midwives and associated health professionals in the negotiation process with the National

	the Health Insurance Law, which entered into force on 17 November 2025.	Health Insurance Fund
10	Copy of the publication in State Gazette No. 69 of 16 August 2024 of Ordinance amending and supplementing Ordinance No. 9 of 2019 on determining the package of health activities guaranteed by the budget of the National Health Insurance Fund, which entered into force on 19 August 2024.	This is a legal act which contains provisions related to the introduction of health care services performed at home for newborns up to 6 months after discharge from the hospital in the package of outpatient care activities financed by the NHIF provided by nursing and midwifery professionals via their own private practice.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Entry into force of legal act(s) on healthcare. Furthermore, in line with the description of the measure, the measure consists in the entry into force of legal act(s).**

The following legal acts on healthcare have entered into force.

The Regulations amending and supplementing the Regulations on the organization and activities of the National Center for Training and Qualification in the Emergency Medical Care System (hereinafter referred to as the “the Regulations”) (evidence no. 2) were published in the State Gazette No. 92 of Bulgaria on 1 November 2024. The Regulations entered into force three days after their publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

The Law amending and supplementing the Law on Medical Institutions (hereinafter referred to as the “Medical Institutions law”) (evidence no. 3) was published in the State Gazette No. 54 of Bulgaria on 16 June 2020. According to paragraph 38 of its Transitional and Final Provisions the Medical Institutions law entered into force on the same day, except for paragraph 23, which entered into force on 1 January 2021.

Decree No. 84 of 6 June 2025 on amending and supplementing normative acts of the Council of Ministers (hereinafter referred to as “Decree No. 84”) (evidence no. 4) was published in the State Gazette No. 47 of Bulgaria on 6 June 2025. Decree No. 84 entered into force three days after its publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

Decree No. 283 of 19 August 2021 on the adoption of the List of professional areas and protected specialties under Article 95, para. 7, item 8 of the Higher Education Act (hereinafter referred to as “Decree No. 283”) (evidence no. 5) was published in the State Gazette No. 70 of Bulgaria on 24 August 2021. Decree No. 283 entered into force three days after its publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

Ordinance No. H-5 of 17 October 2025 on the approval of the medical standard “Healthcare” (hereinafter referred to as “Ordinance No. 5”) (evidence no. 6) was published in the State Gazette No. 89 of Bulgaria on 24 October 2025. Ordinance No. 5 entered into force three days after its publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

Decision No. RD-NS-04-89/21.10.2025 (hereinafter referred to as “Decision No. 89”) (evidence no. 7) was adopted by the Supervisory Board of the National Health Insurance Fund on 21 October 2025. Decision No. 89 entered into force on the same day in accordance with the national legal framework.

The Law on the Budget of the National Health Insurance Fund for 2025 (hereinafter referred to as “LBNHIF”) (evidence no. 8) was published in the State Gazette No. 25 of Bulgaria on 25 March 2025. According to paragraph 22 of its Transitional and Final Provisions the LBNHIF entered into force on 1 January 2025.

The Law amending and supplementing the Health Insurance Law (evidence no. 9) was published in the State Gazette No. 97 of Bulgaria on 14 November 2025. Law amending and supplementing the Health Insurance Law entered into force three days after its publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

The Ordinance amending and supplementing Ordinance No. 9 of 2019 on determining the package of health activities guaranteed by the budget of the National Health Insurance Fund (hereinafter referred to as “Amending Ordinance No. 9”) (evidence no. 10) was published in the State Gazette No. 69 of Bulgaria of 16 August 2024. Amending Ordinance No. 9 entered into force three days after its publication, in accordance with Article 5(5) of the Constitution of Republic of Bulgaria.

**The legal act(s) shall:**

- **introduce a methodology for determining the number of nursing and/or midwifery professionals, required in different types of healthcare facilities;**

Paragraph 1 of the Additional provisions of Ordinance No. 5 provides that for the purposes of Ordinance No. 5, a “healthcare specialist” is a person who has acquired a professional qualification in a nursing or a midwifery programme, which effectively means nursing and/or midwifery professionals as per the European Skills, Competences, Qualifications and Occupations classification

Point 1.1 of chapter IV of Ordinance No.5 provides that the number of nurses and/or midwives in outpatient care at regional and national level is determined based on the criteria for providing the population with healthcare specialists in outpatient care, included in the methodology under Article 29, para. 6 of the Law on Medical Institutions.

Point 1.2 of chapter IV of Ordinance No.5 provides that the number of nurses and/or midwives in hospital care at regional and national level is determined on the basis of the needs for the number of beds for hospital treatment and medical activities by type and level of competence of the relevant structures and standards for the needs of nurses and/or midwives.

The following provisions in chapter IV of Ordinance No. 5 provide a methodology which determines the number of nursing and/or midwifery professionals for each type of healthcare facility considering the following criteria as per point 1.1 and point 1.2 of Chapter IV of Ordinance No.5:

- iv) type of care provided - outpatient care facilities (point 2), inpatient care facilities (point 3) and other healthcare facilities (point 4).
- iv) type of medical activities performed – intensive care, pediatric care, therapeutical care, psychiatric care, neonatological care, surgery, long-term care, physiotherapy and rehabilitation, obstetric and gynecological care.
- iv) presence or lack of hospital beds

- iv) number of beds

Based on the abovementioned methodology, Ordinance No.5 provides the standards for number of nursing and midwifery professionals for each different type of healthcare facility. Some examples include:

- iii) Point 1.2.1.1 of Ordinance No. 5 provides that for structures with intensive care beds, the required number of nurses is based on a ratio of 1 nurse per 2 beds with a 24-hour continuous care regime. This example covers the requirements for a type of professional (nurse) and a type of healthcare facility (unit in a facility with intensive care beds).
- iii) Point 1.2.1.2.1 of Ordinance No. 5 provides that in neonatology hospital facilities, the required number of nurses and midwives in the structure is determined based on a ratio of 1 nurse or midwife per 6 patients served beds under a 24-hour continuous care regime. This example covers the requirements for a type of professional (nurse and midwife) and a type of healthcare facility (neonatology units in hospital facilities).
- iii) Point 2.1.3 of Ordinance No. 5 provides that specialized medical activities in outpatient care are carried out by a team including a specialist doctor and a nurse, except for specialized medical activities in obstetrics and gynaecology, which are to be carried out by a team including a specialist doctor in obstetrics and gynaecology and a midwife. This example covers the requirements for a type of professional (nurse and midwife) and a type of healthcare facility (general outpatient care facilities and in outpatient care facilities for obstetrics and gynaecology).

- **abolish university fees for students in nursing and midwifery programmes;**

Paragraph 2 of Decree No. 84 amends Decree No. 283 of 19 August 2021 of the Council of Ministers on the adoption of the List of professional fields and protected programmes under Article 95(7), item 8 of the Higher Education Act (hereinafter referred to as "Decree No. 283"). The amendment creates lines 27 and 28 in Article 1, Appendix No. 1 point 2 "Protected programmes" in Decree No. 283. The new lines are respectively: "27. Nurse" and "28. Midwife".

Article 2 of Decree No. 283 provides that the students admitted to the protected programmes included under Article 1 Appendix No. 1 of the same decree are exempt from paying tuition fees for the entire course of their university studies.

Thus, by adding the nursing and midwifery programmes in the List of professional fields and protected programmes, the university fees for students in these programmes are abolished.

- **provide that the personnel costs for health professionals in providers of hospital and outpatient medical care which have contracts with the National Health Insurance Health are determined according to their qualification;**

Point 1 of Decision No. 89 provides that it adopts as an Appendix to Decision No. 89 Rules supplementing the "Rules on the terms and procedure for approval by the National Health Insurance Fund for each Regional Health Insurance Fund and for each quarter to the contracts with the providers of outpatient primary and outpatient specialized medical care of the number of assigned specialized medical activities and the value of assigned medical-diagnostic activities" (hereinafter referred to as the "Rules for outpatient care").



Paragraph 1 of the Appendix under point 1 of Decision No. 89 provides that a new paragraph 9b is created in the transitional and final provisions of the Rules for outpatient care.

This new paragraph 9b of the transitional and final provisions of the Rules for outpatient care provides that outpatient care providers provide personnel costs for medical and health professionals working in the relevant medical facility, according to their qualifications.

Article 3 (3) of the LBNHIF provides that the Supervisory Board of the National Health Insurance Fund (NHIF) shall adopt rules on the conditions and procedure for implementing paragraphs 1 and 2 of Article 3 of NHIFBA.

Article 3 (1) of LBNHIF provides that NHIF shall approve the number and value of specialized medical activities assigned to its contracts with the providers of outpatient care. In this sense, the Rules for outpatient care relate providers of outpatient care which have contracts with the NHIF.

Paragraph 2 of the Appendix under point 1 of Decision No. 89 provides that the Rules for outpatient care enter into force on the day of their adoption.

Point 2 of Decision No. 89 provides that it adopts as an Appendix to Decision No. 89 Rules supplementing the Rules on the terms and procedure for the implementation of Article 4, para. 1, para. 2 and para. 3 of the LBNHIF (hereinafter referred to as the "Rules for hospital care").

Paragraph 1 of the Appendix under point 2 of Decision No. 89 provides that a new paragraph 7a is created in the transitional and final provisions of the Rules for hospital care.

This new paragraph 7a of the transitional and final provisions of the Rules for hospital care provides that inpatient care providers provide personnel costs for medical and health professionals working in the relevant medical facility, according to their qualifications.

Article 4 (4) of the LBNHIF provides that the Supervisory Board of the NHIF shall adopt rules on the conditions and procedure for implementing paragraphs 1, 2 and 3 of Article 4 of LBNHIF.

Article 4 (1) point 2b of the LBNHIF provides that the directors of the regional offices of the NHIF conclude contracts with hospital care providers in the territory served by the Regional office of the NHIF and purchases purchase from these providers volume of health activities within the values under item 1, letter "a" of LBNHIF. This effectively means that the Rules for hospital care cover providers of hospital care which have contracts with NHIF.

Paragraph 2 of the Appendix under point 2 of Decision No. 89 provides that the Rules for hospital care enter into force on the day of their adoption.

- **offer free training of health professionals who commit to work in outpatient clinics in regions with limited access to healthcare;**

Paragraph 3 point 1 (b) of the Regulations provides for the addition of new point 4(d) to Article 17(1) of the Regulations on the organization and activities of the National Center for Training and Qualification in the Emergency Medical Care System. This new point 4(d) includes the trainings of health professionals who work in outpatient care clinics in settlements in regions with limited access to healthcare to the list of trainings organised and conducted by the National Center for Training and Qualification in the Emergency Medical Care System (Article 17(1) point 4 of the Regulations on the

organization and activities of the National Center for Training and Qualification in the Emergency Medical Care System).

Paragraph 3 point 3 of the Regulations provides for the addition of new paragraph 3 to Article 17 of the Regulations on the organization and activities of the National Center for Training and Qualification in the Emergency Medical Care System. This new paragraph 3 of Article 17 provides that the training under Article 17(1) point 4(d) is free of charge for those who commit to work in outpatient care clinics in settlements in regions with limited access to healthcare.

- **introduce the possibility for nursing and midwifery professionals, rehabilitators and doctor's assistants to establish their own practice;**

Paragraph 6 of the Law amending and supplementing the Law on Medical Institutions amends Article 8 (1) point 5 by of the Law on Medical Institutions by adding new item a) "individual healthcare practice" to the list of healthcare outpatient clinics.

Paragraph 2 of the Law amending and supplementing the Law on Medical Institutions amends Article 3 of the Law on Medical Institutions by adding new paragraph 3 which provides that the medical institutions under Article 8(1), Item 5(a), i.e. the individual healthcare practices, shall be established by:

- ii) natural persons - physician assistants, nurses, midwives or rehabilitators;
  - ii) sole proprietors or sole proprietorships registered by physician assistants, nurses, midwives or rehabilitators; in cases where the medical institution is established as a sole proprietorship, the sole owner shall manage and represent the medical institution.
- **provide for the invitation for participation of the professional organisation of nurses, midwives and associated health professionals in the process of negotiations with the National Health Insurance Fund (NHIF).**

Article 54 (1) of the Health Insurance Law provides that the negotiations for preparation of the National Framework Contract for medical activities is carried out by 10 representatives of the National Health Insurance Fund and 10 representatives of the Bulgarian Medical Union.

Paragraph 3 of the Law amending and supplementing the Health Insurance Law provides that the following new sentence is added in Article 54 (1) of the Health Insurance Law: "In the process of negotiations the Bulgarian Medical Union invites for participation representatives of the Bulgarian Association of Health Care Professionals."

Article 2 (2) of the Law on the professional organisations of nurses, midwives and associated medical specialists, doctor's assistants, dental technicians and pharmacy assistants provides that the professional organization of nurses, midwives and associated medical specialists is within the Bulgarian Association of Health Care Professionals.

- **introduce health care services performed for newborns up to 6 months after discharge from the hospital in the package of outpatient care activities financed by the NHIF provided by nursing and midwifery professionals via their own private practice**

Article 1 of Ordinance No. 9 provides that the medical care package guaranteed by the budget of the National Health Insurance Fund contains health activities, services and goods, determined by type and scope, by individual medical specialties, by diseases or groups of diseases, according to Annexes No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12.

Paragraph 1 of Amending Ordinance No. 9 provides that in Annex No. 1 the first sentence of Article 1 is amended to include healthcare services for newborns up to 6 months after discharge from the hospital by nurses, midwives or physician assistants via their own private practice.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 336 Signature of contract(s) for the delivery of helicopters to the air ambulance system

**Related Measure:** C12.I4 Establishment of an air ambulance system

**Qualitative Indicator:** Signed contract(s)

**Time:** Q2 2025

**1. Context:**

The objective of the investment is to set up an air ambulance system. The measure consists in the purchase of helicopters and construction of hangars.

Milestone 336 concerns the signature of contracts, covering the delivery of seven helicopters to the air ambulance system and construction works for five operational sites with hangars.

Milestone 336 is the first step of the implementation of this investment. It will be followed by target 337 related to the delivery of the helicopters and construction of hangars for the air ambulance system.

**2. Evidence provided:**

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Copy of Contract No. RD-11-186/27.3.23 signed by the company LEONARDO S.P.A. and the Ministry of Health	The contract was signed on 27 March 2023 and concerns the purchase of helicopters for the air ambulance system, provided with the necessary equipment and apparatus for the needs of emergency medical care.
3	Copy of Appendix Contract No. RD-11-66/05.03.2024 signed by the company LEONARDO S.P.A. and the Ministry of Health	The contract was signed on 5 March 2024 and concerns the option to purchase two additional helicopters for the air ambulance system, including the same equipment as under Contract No. RD-11-186/27.3.23.
4	Request for the delivery of two additional helicopters for the air ambulance system under Appendix Contract No. RD-11-66/05.03.2024	The request for two additional helicopters was signed by the Ministry of Health on 22 May 2024 in accordance with clause 4 of Contract No. RD-11-66/05.03.2024.
5	Letter from the company LEONARDO S.P.A No.	The letter was signed on 27 April 2025, and it confirms that the delivery of the two additional

	BMOH007-LHD-25 addressed to the Ministry of Health	helicopters ordered in accordance with the Appendix contract No. RD-11-66/05.03.2024 will be no earlier than 1 April 2026, as specified in clause 4.4. of the Appendix contract.
6	Copy of Contract No. RD-11-268/23.07.2024 signed between the Ministry of Health and BELSTROY ENGINEERING AM	The contract was signed on 23 July 2024 and concerns the design, construction and supervision for the construction of operational bases - hangars and heliports for the needs of helicopter emergency medical services (hereinafter referred to as "HEMS") (for the Sofia operational base).
7	Copy of Contract No. RD-11-269/23.07.2024 signed between the Ministry of Health and BELSTROY ENGINEERING AM	The contract was signed on 23 July 2024 and concerns the design, construction and supervision for the construction of operational bases - hangars and heliports for the needs of HEMS (for the Sliven operational base).
8	Copy of Contract No. RD-11-270/23.07.2024 signed between the Ministry of Health and BELSTROY ENGINEERING AM	The contract was signed on 23 July 2024 and concerns the design, construction and supervision for the construction of operational bases - hangars and heliports for the needs of HEMS (for the Targovishte operational base).
9	Copy of Contract No. RD-11-271/23.07.2024 signed between the Ministry of Health and BELSTROY ENGINEERING AM	The contract was signed on 23 July 2024 and concerns the design, construction and supervision for the construction of operational bases - hangars and heliports for the needs of HEMS (for the Dolna Mitropolia operational base).
10	Copy of Contract No. RD-11-272/23.07.2024 signed between the Ministry of Health and BELSTROY ENGINEERING AM	The contract was signed on 23 July 2024 and concerns the design, construction and supervision for the construction of operational bases - hangars and heliports for the needs of HEMS (for the Gabrovnica operational base).

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

The measure consists in the purchase of helicopters and construction of operational sites with hungars as demonstrated below.

#### **Signature of contract(s) for the delivery of helicopters to the air ambulance system**

**The contracts shall cover the delivery of seven helicopters to the air ambulance system,**

- **which shall be classified as category A, class 1 or 2**

Contract No. RD-11-186/27.3.23 signed by the company LEONARDO S.P.A. and the Ministry of Health (evidence no. 2) covers the delivery of six helicopters for the air ambulance system (clause 1). As specified in clause 1.03 in Annex 1 to the contract, the helicopters to be delivered need to be classified as category A, class 1.

According to Contract No. RD-11-186/27.3.23 (clause 1.5), the Bulgarian authorities as the contracting authority have the option to request two additional helicopters with the same equipment as “Delivery 3” specified in the contract. According to Appendix Contract No. RD-11-66/05.03.2024 signed by the company LEONARDO S.P.A. and the Ministry of Health (evidence no. 3), the Bulgarian authorities have the option to purchase additional two helicopters of the same type, including the same type of equipment and training provided (clause 4.1). With the letter of 22 May 2024, addressed to LEONARDO S.P.A (evidence no. 4), the Ministry of Health of Bulgaria enforced the option and ordered two additional helicopters for the air ambulance system pursuant to clause 1.5 of Contract No. RD-11-186/27.3.23 and clause 4.3 of Appendix Contract No. RD-11-66/05.03.2024. The company LEONARDO S.P.A sent a letter signed on 27 April 2025 (evidence no. 5), confirming the delivery of the two additional helicopters ordered in accordance with the Appendix contract No. RD-11-66/05.03.2024, as specified in clause 4.4. of the Appendix contract. Together, the signed contracts of 27 March 2023, the Appendix Contract of 5 March 2024 and the subsequent letters of 22 May 2024 and 27 April 2025 are considered as a signed contract for the delivery of two additional helicopters.

In total, the signed contracts cover the delivery of eight helicopters for the air ambulance system. One of the helicopters subject to Contract No. RD-11-186/27.3.23 (Delivery No. 2) is to be funded from the European Regional Development Fund (clause 3.4.2) with a clear delineation as the RRF covers seven helicopters.

**- include medical equipment and ground equipment**

Contract No. RD-11-186/27.3.23 signed by the company LEONARDO S.P.A. and the Ministry of Health specifies that the delivery of each helicopter includes also medical equipment. The detailed list of all medical equipment for each helicopter features in Annex 2 to the contract. Contract No. RD-11-186/27.3.23 also includes the provision of ground equipment for each helicopter as set out in Annex 3 and Annex 4 to the contract.

Appendix Contract No. RD-11-66/05.03.2024 specifies that the same type of equipment, namely medical equipment, ground equipment, is covered for the two additional helicopters as in the main Contract No. RD-11-186/27.3.23 (clause 4.1).

**In addition, the contract(s) shall cover construction works for five operational sites with hangars for the air ambulance system**

The Bulgarian authorities submitted five contracts for construction works for operational sites with hangars in five separate locations (Sofia, Sliven, Targovishte, Dolna Mitropolia, Gabrovnica), signed on 23 July 2024 between the Ministry of Health and the contractor (BELSTROY ENGINEERING AM) (evidence no. 6-10). As specified in the five contracts, the operational sites with hangars will be constructed for the air health emergency medical services (HEMS).

**4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Number and name of the Milestone:** 339 Signature of contract(s) for the development of the National Digital Platform for Medical Diagnostics

**Related Measure:** C12.I5 National Digital Platform for Medical Diagnostics

**Qualitative Indicator:** Signed contract(s)

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to achieve a higher quality of IT infrastructure for medical diagnostic services. The measure consists in the establishment of a digital platform for medical diagnostics.

Milestone 339 requires the signature of contract(s) for the supply of the National Digital Platform for Medical Diagnostics.

Milestone 339 is the first step of the implementation of the investment. It will be followed by target 340, related to granting access to 20 health facilities to the Platform for Medical Diagnostics.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Contract RD-11-50/28-02-2025 between the Ministry of Health and Consortium "PAKS Systems - Bulgaria" signed on 28 February 2025	This evidence provides information with regards to contractual commitments for development of services as well as their main characteristics.
3	Appendix No. 1 - Technical Terms of Reference for the Development and Implementation of the National Digital Platform for Medical Diagnostics	This evidence provides information on the technical aspects of the services specified in the contract.

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Signature of contract(s) for the development of the National Digital Platform for Medical Diagnostics.**

Contract RD-11-50/28-02-2025 (hereinafter referred to as “the Contract”) between the Ministry of Health and Consortium "PAKS Systems - Bulgaria" was signed on 28 February 2025 in Sofia, Bulgaria. According to its Article 4(1), the Contract entered into force on the same day.

**The contract(s) shall cover the development of the National Digital Platform for Medical Diagnostics**

Article 1 of the Contract provides that the subject of the contract is the development and implementation of the National Digital Platform for Medical Diagnostics and implementation of the hardware structure for the operation of the National Digital Platform for Medical Diagnostics.

**with the following:**

- **the uploading of medical images;**

Article 1 of the Contract provides that the subject of the contract is development and implementation of the National Digital Platform for Medical Diagnostics and implementation of the hardware structure for the operation of the National Digital Platform for Medical Diagnostics in accordance with Appendix No. 1 - Technical Terms of Reference for the Development and Implementation of the National Digital Platform for Medical Diagnostics (hereinafter referred to as “Appendix No. 1”).

Point 3.1 of Appendix No.1 provides that the goal of the platform is to cover digital diagnostics in all medical specialties and to create the possibility of generating a database of digital images and its secondary processing using validated machine learning algorithms.

Point 8.1.2.2. of Appendix No. 1 (p.71) provides that the platform shall have the functionality that medical images such as X-rays, CT scans, magnetic resonance images and others can be uploaded in DICOM format.

The requirements for the main functionalities of the platform, described in point 3.1 on page 19 of Appendix 1, include supporting several standards for medical image data, including DICOM which stands for ‘Digital Imaging and Communications in Medicine’.

On this basis, it is considered that this constitutive element of the [milestone/target] is satisfactorily fulfilled.

- **the processing of the medical images by a machine learning algorithm.**

Point 8.3.2.1. of Appendix No. 1 (p.79) is called “Data Processing Tool Accessible in the System User Interface” provides that Jupyter Notebooks or an equivalent tool using machine learning should be used as the data processing tool, which will allow specialists from different medical fields to perform various analyses, processing of and experiments with medical imaging data. This data processing tool, which shall be part of the platform, shall have a module, which must be able to integrate with other modules and sub-modules and functionalities of the software system for processing medical



imaging data. This includes access to image data processing libraries, statistical analysis, machine learning or other additional tools that support data analysis (p.80).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 347 Legal act(s) designating and establishing responsible bodies

**Related Measure:** C13.R1 Governance framework for energy poverty and preparation of retail market liberalisation

**Qualitative indicator:** Adoption of legal act(s)

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to contribute to addressing energy poverty and protecting energy poor households and vulnerable customers, as well as to further facilitate the liberalisation of the retail market.

The measure consists in legal act(s) related to energy poverty.

Milestone 347 requires the adoption of legal act(s) to: (i) designate a responsible body for maintaining an information system of energy poor households and energy vulnerable customers; and (ii) establish a responsible body for designing measures tackling energy poverty in view of a retail electricity market liberalisation.

Milestone 347 is the first milestone of the reform and is followed by milestone 348 related to preparatory measures for the liberalisation of the retail market.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Copy of Council of Ministers Decision No. 766 of 7 November 2025 d	Designates a responsible body for maintaining an information system of energy poor households and energy vulnerable customers and establishing a Coordination Mechanism for the management and alleviation of energy poverty, also available through the website of the official information system of the Council of Ministers: <a href="https://www.strategy.bg/bg/pris/legal-information/reseniia/167884">https://www.strategy.bg/bg/pris/legal-information/reseniia/167884</a>

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the target.

**Adoption of legal acts. Furthermore, in line with the description of the measure, the measure consists in legal act(s) related to energy poverty.**

The Council of Ministers decision No. 766 (evidence no. 2) was adopted on 7 November 2025. The Bulgarian legal framework does not require the publication in the State Gazette of decisions of the Council of Ministers (see Article 4(1), point 8 of the Law on the State Gazette). Council of Minister's Decision No. 766 of 7 November 2025 is accessible through the website of the the website of the official information system of the Council of Ministers. The Commission services accessed the link provided by the authorities on 21 November 2025 to verify that the documents published corresponded to those transmitted as evidence. This check was completed successfully, confirming that the corresponding evidence has been made public.

**Legal act(s) acts shall:**

- **designate a responsible body for maintaining an information system of energy poor households and energy vulnerable customers;**

Point 12 of the Council of Ministers decision No. 766 of 7 November 2025 (evidence no. 2) designates the Ministry of Electronic Governance as the responsible body for developing and maintaining an information system of energy poor households and energy vulnerable customers on the basis of Article 38e (5) of the Energy Act.

- **establish a responsible body for designing measures tackling energy poverty in view of a retail electricity market liberalisation. The legal act(s) shall specify that the responsible body shall design a programme in relation to reducing energy poverty within the first six months of its establishment.**

Point 7(b) of the Council of Ministers decision No. 766 of 7 November 2025 (evidence no. 2) establishes a Coordination Mechanism for the management and alleviation of energy poverty, as the responsible body tasked with designing measures to tackle energy poverty in the context of retail electricity market liberalisation. The Coordination Mechanism is composed of representatives of various Bulgarian ministries, and co-lead by the Minister of Labour and Social Policy and the Minister of Energy. Point 7(d) of the Council of Ministers Decision No. 766 of 7 November 2025 (evidence no.2) also provides that the Coordination Mechanism shall design a programme in relation to reducing energy poverty within the first six months of its establishment.

**4. Commission Preliminary Assessment: Satisfactory fulfilled**

**Number and name of the Milestone:** 350 Membership of the PICASSO Platform

**Related Measure:** C13.R3 Functioning of the balancing market and enabling demand-response

**Qualitative Indicator:** Confirmed membership of ESO EAD in the PICASSO Platform

**Time:** Q2 2025

### 1. Context:

The objective of the reform is to support the functioning of the balancing market in Bulgaria. The measure consists in the accession of the Transmission System Operator ESO EAD to the Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation (PICASSO) and the adoption of an analysis and recommendations on demand-response measures.

Milestone 350 concerns the membership of ESO EAD of the PICASSO Platform. It will be followed by milestone 351, related to the publication of a report by the Energy and Water Regulatory Commission (EWRC).

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document	Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2	Copy of press-statement issued by the European Network of Transmission System Operators for Electricity (ENTSO-E) dated 13 February 2025 and published on its website: <a href="#">PICASSO_press_release_platform_accession_ESO.pdf</a>	Press-statement by ENTSO-E announcing ESO EAD's accession to the PICASSO platform: <a href="#">PICASSO_press_release_platform_accession_ESO.pdf</a>
3	Link to the official webpage of the Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation (PICASSO):	Official webpage of the Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation (PICASSO): <a href="#">PICASSO</a>
4	Copy of press-statement issued by the Electricity System Operator (ESO) EAD dated 10 February 2023 and publish on its website.	Press-statement issued by the Electricity System Operator (ESO) EAD: <a href="#">ESO.BG - Електроенергиен Системен Оператор</a>

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**The ESO EAD shall become a member of the PICASSO Platform. Confirmed membership of ESO EAD in the PICASSO Platform. Furthermore, in line with the description of the measure, the measure consists in the accession of the Transmission System Operator ESO EAD to the Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation (PICASSO) [...].**

The Bulgarian authorities provided an official press-statement issued by the European Network of Transmission System Operators for Electricity (ENTSO-E) dated 13 February 2025 and published on its website (evidence 2). The press-statement states that the Electricity System Operator (ESO) successfully accessed the Platform for the International Coordination of Automated Frequency Restoration and Stable System Operation (PICASSO) on 10 February 2025. This is further confirmed by the official webpage of the PICASSO, where Bulgaria is indicated as an operational member of PICASSO (evidence 3). The Commission services accessed the link to the webpage of PICASSO provided by the authorities on 18 November 2025 to verify that ESO EAD is listed as a member of the PICASSO Platform. This check was completed successfully, confirming that ESO EAD is a member of the PICASSO Platform. The Bulgarian authorities also provided an official press-statement issued by the Electricity System Operator (ESO) EAD dated 10 February 2025 and published on its website announcing the successful accession of ESO EAD to the PICASSO platform (evidence 4).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

**Number and name of the Milestone:** 356 Call(s) for selection of projects

**Related Measure:** C13.I4 Support for capacities for electricity generation from renewable sources and electricity storage

**Qualitative Indicator:** Publication of call(s)

**Time:** Q2 2025

### 1. Context:

The objective of the investment is to increase the share of clean energy in Bulgaria's energy mix. The measure consists in supporting the installation and connection to the grid of renewable power production capacity together with electricity storage.

The milestone requires the publication of call(s) for the selection of projects for the construction of production capacity of electricity from renewable sources (wind and solar power) collocated with electricity storage.

Milestone 356 is the first step of the implementation of the investment. It will be followed by target 357, related to the installation and connection to the electricity grid of 1 425 MW of production capacity of electricity from renewable sources collocated with electricity storage.

### 2. Evidence provided:

	Name of the evidence	Short description
1	Summary document duly justifying how the milestone was satisfactorily fulfilled	The summary document includes justifications on the fulfilment of the relevant elements of the milestone, as listed in the description of the milestone
2	Ministerial order No-E-PD-16-157 of the Ministry for Energy of 14 March 2024, and website where order was published: Bulgarian Ministry of Energy (2024), "The Ministry of Energy announced a selection of proposals to support new capacities for electricity production from renewable sources and electricity storage", available at: <a href="https://www.me.government.bg/themes/ministerstvoto-na-energetikata-obyavipodbor-na-predlojeniya-za-podkrepa-na-novi-moshtnosti-za-proizvodstvo-na-elektroenergiya-ot-vazobnovyaemiztochnici-i-sahranenie-na-elektroenergiya-2518-1643.html">https://www.me.government.bg/themes/ministerstvoto-na-energetikata-obyavipodbor-na-predlojeniya-za-podkrepa-na-novi-moshtnosti-za-proizvodstvo-na-elektroenergiya-ot-vazobnovyaemiztochnici-i-sahranenie-na-elektroenergiya-2518-1643.html</a>	Announcement of the Bulgarian Ministry of Energy concerning the calls for tender via website (procedures BG-RRP-4.032 and BG-RRP-4.033). The website contains links to the ministerial order launching the calls, the downloadable tender document packages ("Package of documents under procedure BG-RRP-4.032 / 4.033"), and the application platform (EUMIS 2020)

3	<p>Data package <i>Pokana_up to 2 MW.zip</i>, including <i>Pokana 1 RES+storage.docx</i>: “Supporting new renewable electricity generation and electricity storage capacities with an installed capacity of 200 kW to 2 MW”, published on 14 March 2024, available at:</p> <p><a href="https://www.me.government.bg/uploads/manager/source/VOP/NPVU/Pokana_up%20to%202MW.zip">https://www.me.government.bg/uploads/manager/source/VOP/NPVU/Pokana_up%20to%202MW.zip</a></p>	<p>Call for tender(s) including objectives, eligibility criteria, funding rules, evaluation methods, and application guidelines for renewable electricity generation and storage capacities with an installed capacity of 200 kW to 2 MW (“procedure BG-RRP-4-032”)</p>
4	<p>Data package <i>Pokana_over 200 kW.zip</i>, including <i>Pokana 2_RES+storage_over 200kW.docx</i>: “Supporting new renewable electricity generation and electricity storage capacities with an installed capacity of more than 200 kW”, published on 14 March 2024, available at:</p> <p><a href="https://www.me.government.bg/uploads/manager/source/VOP/NPVU/Pokana_over%20200%20kW.zip">https://www.me.government.bg/uploads/manager/source/VOP/NPVU/Pokana_over%20200%20kW.zip</a></p>	<p>Call for tender(s) including objectives, eligibility criteria, funding rules, evaluation methods, and application guidelines for renewable electricity generation and storage capacities with an installed capacity of more than 200 kW (“procedure BG-RRP-4-033”)</p>
5	<p>Information System for management and monitoring of EU funds in Bulgaria 2020: “BG-RRP-4.032 - “Support for new power generation capacities from renewable sources and electricity storage with an installed capacity of 200 kW to 2 MW” available at:</p> <p><a href="https://eumis2020.government.bg/en/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/69ab5d89-9eab-482a-9139-8eb47cb17240">https://eumis2020.government.bg/en/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/69ab5d89-9eab-482a-9139-8eb47cb17240</a></p>	<p>Official webpage of the scheme on the Government Information System for the Management and Monitoring of EU Funds in Bulgaria (EUMIS 2020) for procedure BG RRP-4.032</p>
6	<p>Information System for management and monitoring of EU funds in Bulgaria 2020: “BG-RRP-4.033 - “Support of new capacities for the production of electricity from renewable sources and storage of electricity with an installed capacity of more than 200 kW” available at:</p> <p><a href="https://eumis2020.government.bg/en/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/69ab5d89-9eab-482a-9139-8eb47cb17240">https://eumis2020.government.bg/en/s/800c457d-e8be-4421-8ed9-9e78d0a75c39/Procedure/InfoEnded/69ab5d89-9eab-482a-9139-8eb47cb17240</a></p>	<p>Official webpage of the scheme on the Government Information System for the Management and Monitoring of EU Funds in Bulgaria (EUMIS 2020) for procedure BG RRP-4.033</p>

### 3. Analysis:

The justification and substantiating evidence provided by the Bulgarian authorities cover all constitutive elements of the milestone.

**Call(s) for the selection of projects for the construction of production capacity of electricity from renewable sources (wind and solar power) collocated with electricity storage are published.**

Two calls for the selection of projects for the construction of production capacity of electricity from renewable sources (wind and solar power) collocated with electricity storage were published and launched on the Bulgarian Ministry of Energy website (Evidence 2) on 14 March 2024, namely data packages for procedure BG-RRP-4-032 (Evidence 3) and procedure BG-RRP-4-033 (Evidence 4). The ministry website included links to the official webpage of the scheme on the Government Information System for the Management and Monitoring of EU Funds in Bulgaria (EUMIS 2020) for procedure BG RRP-4.032 (Evidence 5) and procedure BG RRP-4.033 (Evidence 6). The publication on the Bulgarian Ministry of Energy website (Evidence 2) includes a reference to the ministerial order that (a) approves the launch of each respective call as per the application conditions, (b) orders the publication of the order and therefore launch of calls, and (c) provides for legal contestation within a period of one month of their publication.

The Commission services accessed the links provided by the authorities on 3 November 2025 to verify that the websites of the Bulgarian Ministry of Energy contain the data packages for procedures BG-RRP-4-032 and BG-RRP-4-033, including the documents for the calls for the selection of projects. This check was completed successfully, confirming that calls for the selection of projects for the construction of production capacity of electricity from renewable sources (wind and solar power) collocated with electricity storage were published.

Under procedure BG-RRP-4-032, Section 13.1.I.(8) of “Pokana 1 RES+storage.docx” (Evidence 3) specifies that installations producing electricity from solar and/or wind energy combined with a local electricity storage facility (hereinafter referred to as “LCC”) and with an installed capacity between 200 kW and 2 MW are eligible under this procedure. Section 13.1.I.(4) specifies that eligible proposals must concern the construction of new production capacity, either through entirely new installations for electricity generation from renewable sources and storage or through the extension or reconstruction of existing sites that result in an increase of installed capacity. Section 13.1.II further clarifies that only combined projects involving new installed capacity for solar and/or wind generation together with an LCC are considered eligible activities.

Under procedure BG-RRP-4.033, Section 13.1.II of “Pokana 2 RES+storage\_over 200kW.docx” (Evidence 4) specifies that installations producing electricity from solar and/or wind energy combined with an LCC are eligible under this procedure. Section 13.1.(4) further specifies that eligible proposals must concern the construction of new capacity, either through entirely new installations for electricity generation from renewable sources and storage or through the extension or reconstruction of existing sites that result in an increase in installed capacity. Section 13.1.II further clarifies that only combined projects involving new installed capacity for solar and/or wind generation together with an LCC are considered eligible activities.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled