

# REGULATIONS FOR IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT

*In force from 21.09.2017*

*Prom. SG. 76/21 Sep 2007, Amend. SG. 20/17 Mar 2009, Amend. SG. 93/24 Nov 2009, Amend. SG. 62/10 Aug 2010, Amend. SG. 24/12 Mar 2013, Amend. SG. 62/12 Jul 2013, Suppl. SG. 2/7 Jan 2014, Amend. SG. 36/25 Apr 2014, Suppl. SG. 94/14 Nov 2014, Amend. SG. 40/2 Jun 2015, Amend. SG. 88/13 Nov 2015, Amend. SG. 86/27 Oct 2017, Amend. SG. 41/18 May 2018, amend. SG. 70/24 Aug 2018*

## Chapter one. GENERAL PROVISIONS

Art. 1. (1) (Former text of Art. 1 – SG, 20/09, in force from 17.03.2009, amend. – SG, 24/13, in force from 12.03.2013) The Rules provide for the conditions and procedure for implementation of the Investment Promotion Act (IPA) on promotion of investments in long-term material and non-material assets and opening new jobs as a result of these investments, the activity of the state bodies in the area of investment Promotion, as well as their protection.

(2) (New – SG, 20/09, in force from 17.03.2009, amend. – SG, 88/15, in force from 13.11.2015) The Rules provisions on investment promotion shall apply in implementation of the requirements of Commission Regulation (EU) No 651/2014 of 17 June 2014, declaring certain categories of aid compatible with the internal market in application of Art.s 107 and 108 of the Treaty (OJ, L 187/1 of 26 June 2014), called hereinafter Regulation (EU) N 651/2014, Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Art.s 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ, L 352 of 24.12.2013), called hereinafter Regulation (EU) N 1407/2013 and the conditions for notification of state aid under Art. 108, Para. 3 of the Treaty on the Functioning of the European Union

Art. 2. (Amend. – SG, 20/09, in force from 17.03.2009) (1) (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015) Under the Rules, investments in the economic activities shall be encouraged under Art. 12 and Art. 22f of IPA, as a scheme for multy-sectoral regional investment aid and scheme for aid for training in compliance with the requirements of Regulation (EU) N 651/2014.

(2) (Amend. – SG, 62/10) The economic activities under Para. 1, defined according to the Statistic classification of the economic activities in the European community (NACE Rev. 2) and its direct application in the Republic of Bulgaria through the Classification of the economic activities, called hereinafter "CEA 2008" with the relevant codes are:

1. (amend. – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015) of the industrial sector for investments of class A, or class B – processing industry (code C 10-33.2) with the exception of the economic activities under Chapter I, Art. 1, Para. 3, letter "a" – "d" and Chapter III, Art. 13, letters "a" – "c" of Regulation (EU) N 651/2014, described in Para. 5 and under the conditions of Para. 6;

2. (amend. – SG, 62/10) of the sector of services for investments class A or class B:

a) (amend. – SG, 24/13, in force from 12.03.2013) issuance of programme products (code J58.2); activities in the area of information technologies (code J 62); information services (code J 63);

b) (amend. – SG, 24/13, in force from 12.03.2013) accountancy and auditor's activities; tax consultations (code M 69.2);

c) (amend. – SG, 24/13, in force from 12.03.2013) professional activities in central offices (code 70.1); architecture and engineering activities; technical tests and analyses (code M 71); scientific research and development activity (code M 72);

d) (amend. – SG, 24/13, in force from 12.03.2013) education (code P85);

e) (amend. – SG, 24/13, in force from 12.03.2013) human healthcare and medical-social cares with placement (codes Q 86 and 97);

f) (new – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015) storage and keeping loads (code H 52.1);

g) (new – SG, 24/13, in force from 12.03.2013) administrative and assisting office activities, activities of call centres for services and assisting services of economic activity, non-classified elsewhere (codes N82.1, 82.2 and 82.99);

3. (new – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015) all economic activities for priority investment projects under Art. 22f of IPA and under Chapter Eight with exception of the economic activities under Chapter I, Art. 1, Para. 3, letters "a" – "d" and Art. 13, letters "a" – "c" of Regulation (EU) N 651/2014, described in Para. 5 and under the conditions of Para. 6.

(3) (Amend. – SG, 88/15 in force from 13.11.2015) The classification of economic activities under Para. 2, in which the investment is realized, shall be defined on the basis of the planned for production of products (goods and services) corresponding to the economic activity, whose revenues must be at least 80% of the future total revenues as a result of realization of the investment.

(4) (Amend. – SG, 88/15 in force from 13.11.2015) The products under Para. 3 shall be defined according to the current classification of products of economic activities of the CPA (with nomenclature PRODCOM/NACE for projects in the service sector), or its direct application in the Republic of Bulgaria through the classification of the products of economic activities, called hereinafter "CPEA – 2015".

(5) (Amend. – SG, 88/15 in force from 13.11.2015) No investment shall be encouraged under Art. 13a, p. 2 and 3 of IPA on sectors, indicated in Art. 1, Para. 3, letters "a" – "d" and Art. 13, letters "a" – "c" of Regulation (EU) N 651/2014;

1. in the sector of fisheries and aquacultures, provided by the Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013 on the common organization of the markets in fishery and aquaculture products, amending Council Regulations (EC) No 1184/2006 and (EC) No 1224/2009 and repealing Council Regulation (EC) No 104/2000 (OJ, L 354, 28.12.2013, p. 1);

2. in the primary production and trade of farm products;

3. in coal mining sector;

4. in steel production sector;

5. ship construction sector;

6. in production of synthetic fibers;

7. in transport sector and related infrastructure and shipment of goods on pipelines;

8. in production and distribution of electric power and energy infrastructures, production and distribution of gas, vapor and climatization;

9. in closure of non-competition able coal mines in compliance with Council Decision 2010/787/EU (OJ, L 336, 21.12.2010);

10. (amend. - SG 70/18) for implementation of contracts for concession for use under the Concession Act, for concession for for extraction of natural resources under the revoked Concession Act or for extraction of natural resources under the Underground Natural Resources Act, including activities of the production industry under Section B of NACE Rev. 2;

11. for implementation of privatization contracts under the Privatization and Post-Privatization Control Act;

12. in implementation of compensatory (offset) agreement.

(6) (Amend. – SG, 88/15, in force from 13.11.2015) The investments in activities, related to processing of farm products shall be encouraged and aid shall be provided, if the following conditions have been met;

1. the amount of the aid has not been defined on the basis of the price or quantity of these products, which are bought from primary producers or are offered on the market by the relevant undertakings, and

2. the aid is not bound to the obligation to be transferred partially or thoroughly to the primary

producers, and

3. aid shall not be provided, if for the same admissible costs, the investor has received support on programmes and measures, administered by Agriculture State Fund, coordinated with the fund.

(7) (New – SG, 88/15, in force from 13.11.2015) Where the investor in admissible sectors under Para. 2 exercises also an activity in in the excluded sectors, indicated in Para. 5, p. 1 and 2 and Para. 6, under these Rules only investments in the admissible sectors shall be encouraged, where the investor should keep separate accountancy activity, which should guaranty separation of the activities and/or differentiation of the costs, so that the excluded sectors are not subject to promotion.

(8) (Former Para. 7 – SG, 88/15, in force from 13.11.2015) Classifications of economic activities and products under Para. 2, 4 and 5 shall be announced on the [internet site](#) of the Bulgarian Investment Agency, called hereinafter "the Agency".

(9) (New – 62/10, amend. – SG, 36/14, in force from 25.04.2014, former Para. 8 – SG, 88/15, in force from 13.11.2015). The investments under Para. 1 shall be encouraged, where they meet the conditions of Art. 12 – 13a of the IRA, certified by the produced documents under Para. 4.

Art. 2a. (New - SG, 88/15, in force from 13.11.2015) (1) No investments of an undertaking under Art. 13a, p. 1 of the IPA shall be encouraged, which is:

1. (amend. – SG, 41/18, in force from 18.05.2018) an undertaking against which exists unfulfilled recovery order, following a previous Commission decision declaring the aid illegal and incompatible with the internal market

2. undertaking in a difficult situation.

(2) Under the Rules no aid shall be provided for Promotion of investments which under Chapter I, Art. 1, Para. 2, letters "c" and "d" of Regulation (EU) N 651/2014 are:

1. aid, linked to export of activities – aid, which is directly linked to exported quantities with building up and functioning of distribution network or with other current costs, linked to the export;

2. aid, depending on use of local goods at the expense of imported goods.

Art. 3. (Amend. – SG, 20/09, in force from 17.03.2009) (1) The minimal amount of investments in one object under Art. 12, Para. 2, p. 5 of IPA shall be:

1. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) for the economic activities of industrial sector under Art. 2, Para. 2, p. 1 – processing industry (code C 10-33.2):

a) for class A – BGN 10 million;

b) for class B – BGN 5 million;

2. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) for the economic activities of the service sector under Art. 2, Para. 2, p. 2, letters "f" and "g":

a) for class A – BGN 3 million;

b) for class B – BGN 1,5 million.

(2) The minimal amount of investments in one object in the cases under Art. 12, Para. 2, p. 5, letter "a" and under § 1, p. 10. letter "a" of the Additional Provisions of IPA, where the investment is realized thoroughly in the administrative limits of municipalities, which for the previous year before the current one has unemployment level, equal or higher than the average for the country shall be:

1. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) for class A – BGN 4 million;

2. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) for class B – BGN 2 million;

(3) (Amend. - SG, 24/13, in force from 12.03.2013) The minimum amount of investments in one object in the high-technological activities of the industrial sector of economy under Para. 5, in relation to Art. 12, Para. 2, p. 5, letters "b" of IPA shall be:

1. for class A – BGN 4 million;

2. For class B – BGN 2 million.

(4) (Amend. – SG, 24/13, in force from 12.03.2013) The minimal amount of the investments in one object in the high-technological activities of the service sector under Art. 2, Para. 2, p. 2, letters "a" – "e", in the cases under Art. 12, Para. 2, p. 5, letter "c" of the IPA shall be:

1. for class A – BGN 2 million;
2. for class B – BGN 1 million.

(5) (Amend. – SG, 62/10) The high-technological activities of the processing industry under Apra. 3 are defined by Eurostat under § 1, p. 11, letter "a" of the Additional Provisions of IPA, which with the names of the positions and codes on CID 2008 are:

1. production of chemical products (code C20) with the exception of production of artificial and synthetic fibers (code C 20.6) in relation to Art. 2, Para. 5;
2. production of drug substances and products (code C 21);
3. production of computer and communication techniques, electronic and optical products (code C26) and related to them installment, repair and maintenance (coded C 33.13 and 33.20);
4. production and repair of electrical facilities (code C 27) and related to them installment, repair and maintenance (codes C 33.14 and 33.20);
5. production of machines and equipment with general and special purposes (code C 28) and related to installment, maintenance and repair (codes C 33.12 and 33.20);
6. production of automobiles, trailers and half-trailers and other vehicles (codes C 29 and C 30) and related to them installment, maintenance and repair (codes C 33.11-17 and 33.20), with exception of construction and repair of sailing vessels (codes C 30.1 and 33.15) including in relation to Art. 2, Para. 5;
7. production, repair and maintenance of vehicles, without automobiles (codes C 30, C 33.11-17 and 33.20) with the exception of construction and repair of sailing vessels (codes C 30.1 and C 33.15);
8. production of medical and dentist instruments and items (code C 32.5) and related installment, maintenance and repair (codes C 33.12 – 14 and 33.20);

(6) (Amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) High technological and intensive based on knowledge services under Para. 4 are those, defined by Eurostat under §1, p.11, letter "b" of the Additional Provisions of IPA and those, indicated in Art. 2, Para. 2, p. 2, letters "a" – "e".

(7) Where the investment falls simultaneously in the cases under Para. 2 and 4, the investor shall have the right to choose the variant, more favorable to him for minimal amount of the investment.

(8) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The list of municipalities under Para. 2 shall be offered annually by the Minister of Labor and Social Policy and shall be confirmed by the order of the Minister of Economy. The order shall be published in the State Gazette and shall be announced on the internet site of the [Ministry of Economy](#) and the [Bulgarian Investment Agency](#).

(9) (New – SG, 24/13, in force from 12.03.2013) The amount of the investments for issuance of a certificate class B under Art. 22h of IPA shall not exceed the minimal amounts of Class B under Para. 2.

Art. 3a. (New – SG, 24/13, in force from 12.03.2013) (1) Where the investment project plans establishment and maintenance of jobs in the meaning of Art. 12, Para. 2, p. 7 of IPA at full employment under the conditions and procedure of the Labour Code, the amount of the investments under Art. 3, Para. 1 shall be decreases under Art. 12, Para. 2, p. 5, letter "d" of the IPA, depending on the number of the planned for creation and maintenance new work places and shall be:

1. for the economic activities of the industrial sector under Art. 2, Para. 2, p. 1:
  - a) for class A – BGN 4 million if 150 new jobs are established;
  - b) for class B – BGN 2 million if 100 new jobs are established;
2. for the economic activities of the service sector under Art. 2, Para. 2, p. 2:
  - a) for class A – BGN 1 million if 150 new jobs are established;
  - b) for class B – BGN 0.5 million if 100 new jobs are established.

(2) Where the investment project is realized thoroughly in the administrative borders of

municipalities, which for the previous year before the current one have level of unemployment, equal or higher than the average one for the country, under Art. 12, Para. 2, p. 5, letter "a" and under § 1, p. 10, letter "a" of the Additional Provision of IPA, the established and maintained employment under Art. 12, Para. 2, p. 7 of the IPA is not less than:

1. 25 new jobs – for class A;
2. 10 new jobs – for class B.

(3) Where the investment project is realized in the high technological activities of the industrial sector of economy under Art. 3, Para. 5 in relation to Art. 12, Para. 2, p. 5, letter "b" of the IPA, the established and maintained employment under Art. 12, Para. 2, p. 7 of the IPA is not less than:

1. 25 new jobs – for class A;
2. 10 new jobs – for class B.

(4) Where the investment project is realized in the high technological activities of the service sector under Art. 3, Para. 6 in relation to Art. 12, Para. 2, p. 5, letter "c" of IPA, the established and maintained employment under Art. 12, Para. 2, p. 7 of IPA is not less than:

1. 50 new jobs – for class A;
2. 25 new jobs – for class B.

(5) Where the investment project falls simultaneously in the cases under Para. 2 and 4, the investor shall have the right to choose the more favorable variant for him.

Art. 3b. (New – SG, 88/15, in force from 13.11.2015) Investments in the economic activities, defined under the Statistical classification of the economic activities in the European community (NACE Rev. 2) and its direct application in the Republic of Bulgaria through the Classification of the economic activities, called hereinafter "CEA 2008" with code 55.1. Services and hotels and similar accommodation places shall be encouraged with the measures under Art. 15, Para. 1, p. 1 - 4 of the IPA and in a minimum amount of investments in one site under Art. 3, Para. 1, p. 1.

## **Chapter two.**

### **PROCEDURE OF ISSUANCE OF CERTIFICATE FOR CLASS INVESTMENT (TITLE, AMEND. – 36/14, IN FORCE FROM 25.04.2014)**

#### **Section I.**

##### **Application form and accompanying documents**

Art. 4. (1) (Suppl. – SG, 20/09, in force from 17.03.2009, suppl. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013, suppl. – SG, 36/14, in force from 25.04.2014, amend. - SG, 86/17, in force as of 27.10.2017) For issuance of an investment class certificate under Art. 14, Para. 2 and 3 of the IPA, the investor shall submit an application in accordance with Annex No. 1 and other required additional documents as specified in the application to the Executive Director of the Bulgarian Investment Agency prior to the start of the investment project.

(2) (Amend. – SG, 36/14, in force from 25.04.2014) The application form under Para. 1 shall contain the investment project under Art. 18, Para. 2 of the IPA, meeting the conditions of Art. 12, of IPA.

(3) (New – SG, 36/14, in force from 25.04.2014, suppl. – SG, 88/15, in force from 13.11.2015, amend. – SG, 86/17, in force from 27.10.2017, amend. – SG, 41/18, in force from 18.05.2018) Documents, certifying lack of monetary obligations to the state, or to the municipality under Art. 13, Para. 1, p. 4 of the IPA and lack /availability of non-paid labor remunerations to workers and employees, established by an enforced penal decree under Art. 13, Para. 1, p. 5 of the IPA, shall be provided officially by the National Revenue Agency, the municipalities and by General Labor Inspection Executive Agency, upon request of the Agency.

(4) (New – SG, 36/14, in force from 25.04.2014) To the application form under Para. 1, the investor shall produce an opinion by a competent body on environment about the admissibility of the investment

project to the regimes, defined in confirmed plans for management of river basins and in plans for risk management from floods, as well as in relation to the admissibility to the regime of the activities in protected zones and/or protection territories, as well as about the applicable procedure under Chapter Six of the Environment Protection Act and/or under Art. 31 of the Biological Diversity Act.

(5) (New -SG, 88/15, in force from 13.11.2015) With submission of the application under Para. 1, the investor shall indicate which data may be found in the public registers. The investors shall not be obliged to produce documents – originals and copies, which have been produced to the agency in other procedures.

Art. 5. (Repealed – SG, 36/14, in force from 25.04.2014).

Art. 6. (Repealed – SG, 36/14, in force from 25.04.2014).

Art. 6a. (New – SG, 20/09, in force from 17.03.2009) (1) (Amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 88/15, in force from 13.11.2015). The application forms and the documents under Art. 4, Para. 1, shall also represent an application for aid with stimulating effect for the implementation of the investment project, representing according to the conditions of Art. 12, Para. 1 and Para. 2, p. 1 of the IPA, an initial investment in the meaning of Art. 2, p. 49, letter "a" of Regulation (EU) N 651/2014 and § 2c of the Additional Provisions, where the conditions in the meaning of Art. 6 of Regulation (EU) N 651/2014 have been fulfilled.

(2) (Suppl. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014). In case that the applicant under Art. 4, Para. 1 is a natural person, or a partnership of natural and/or legal persons, a legal person shall be envisaged to be established obligatorily in the meaning of Art. 17 of IPA, where the newly established legal person shall be bound to the application and the investment project, submitted by the natural person or by the partnership. The newly established legal person shall be entered in the certificate under Art. 16.

(3) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 62/10, repealed – SG, 36/14, in force from 25.04.2014).

(4) (New – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014) The documents under Art. 4, Para. 1 may be checked officially or to be required from the investor their certification with a relevant document while:

1. (amend. – SG, 88/15, in force from 13.11.2015) applying the schemes of state aid for Promotion the investments, including during the monitoring under Chapter II, Art. 12 of Regulation (EU) N 651/2014;
2. signing a contract under the Rules or agreement/memorandum under Art. 67;
3. realizing the control of the signed contracts under the Rules;
4. performing control of the implemented investment projects under Art. 69 and 70.

(5) (New – SG, 88/15, in force from 13.11.2015) The check under Para. 4 for compliance with the conditions of the scheme for regional investment aid and the scheme for aid for training shall be carried out on the basis of an Assessment methodology for compliance of investment projects and training projects, confirmed by an order of the Minister of Economy, or an authorized by him official from the administration under him.

(6) (New – SG, 88/15, in force from 13.11.2015) In the cases under Para. 2, the legal person, which is to be established, may also be established after submission of the application under Art. 4, Para. 1, but not later than the moment of drawing up the opinion under Art. 13, Para. 1, where it must be notified about this by some of the persons under Art. 11, Para. 2.

Art. 7. (Amend. – SG, 62/10) (1) (Amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The investors shall provide documents and information to the Agency executive director, to the Minister of Economy or another administrative body in the following ways:

1. on paper and electronic media or in electronic way without using electronic signature;
2. in electronic way with using a unique electronic signature under the Electronic Document and Electronic Signature Act.

(2) (Amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The electronic documents

shall be submitted at the indicated addresses of the official internet sites of the [Agency](#), the [Ministry of Economy](#) or another administrative body, where its acceptance and confirmation shall be made under the Electronic Government Act.

(3) (Amend. – SG, 36/14, in force from 25.04.2014) The documents under Art. 4, Para. 1, which are in a foreign language shall be produced with translation in the Bulgarian language.

## **Section II.**

### **Investment project (Repealed - SG, 36/14, in force from 25.04.2014)**

Art. 8. (Repealed - SG, 36/14, in force from 25.04.2014).

Art. 9. (Repealed - SG, 36/14, in force from 25.04.2014).

Art. 10. (Repealed - SG, 36/14, in force from 25.04.2014).

## **Section III.**

### **Rules for assessment of the documents. Issuance of certificate. Refusal for issuance**

Art. 11. (1) (Repealed - SG, 36/14, in force from 25.04.2014). With receiving the documents under Art. 4, Para. 1, they shall be registered in the Agency registry office, indicating the date of submission of the application, the sequence number, data of the applicant (company/names, central office and management address/permanent address).

(2) (Suppl. – SG, 62/10) The executive director of an official, authorized by him shall assign to the agency officials, who shall assess the application and the compliance documents with the requirements of the IPA and of the Rules, in case that the activity is not made by an organized structure under the Rules of Procedure of the Bulgarian Investment Agency.

(3) (Amend. – SG, 36/14, in force from 25.04.2014) The assessment under Para. 2 shall also include a compliance check between the costs for the investment project and the financial possibilities of the investor, and sources of financing, certifies by the application and the documents under Art. 4, Para. 1, as well as with the conditions under Art. 12 and Art. 13a, p. 2 and 3 of the IPA.

(4) (Amend. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014) In case that the officials under Para. 2 find incompliance and/or incompleteness in the application and the documents under Art. 4, Para. 1, the investor shall be notified in writing about them and a term of 2 months shall be defined from the submission of the application for their removal.

(5) The notification of the investor shall be made by the Agency executive director, or by an official, authorized by him, by sending on paper or electronically in one of the following ways:

1. a recommended letter with return receipt;
2. on paper under p. 1 and in e-mail without using electronic signature;
3. electronically with using electronic signature.

(6) If the notification is not accepted by the person at the indicated by him address, the notification shall be considered as made with its placement at a special place in the Agency building.

Art. 11a. (New – SG, 36/14, in force from 25.04.2014) (1) After receiving the application under Art. 11, Para. 1, the executive director, or an official, authorized by him shall issue for the applicant a certificate according to a standard form under Annex N 2.

(2) With production of the certificate under Para. 1, the bodies of the executive power and their administrations shall be obliged to give complete assistance to the investor for receiving documents, needed for issuance of the certificate for class investment and to notify the Agency for the assigned employees/units for provision of information service according to the information, indicated in the certificate.

Art. 12. (1) (Amend. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014) Where in

assessment of the application and the documents under Art. 4, Para. 1, it is needed a consideration to be made by the competence of another body, the Agency executive director shall send the investment project and shall require production of an opinion in the cases, where:

1. an estimation is need for a specific economic activity or produced products for realization of the investment project;

2. (Amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) preliminary estimation is needed of the possibilities for application of the measures for Promotion of the investments under Art. 22, 22a, 22b, 22c, 22e, or Art. 22f, Para. 2 of the IPA;

3. (amend. – SG, 41/18, in force from 18.05.2018) the procedures of Chapter Five of the State Aid Act are to be applied.

(2) The competent bodies shall produce their opinions within 14 day term from receiving the request with the exception of the cases, where a special act provides otherwise.

Art. 13. (1) (Amend. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.3014) After making an assessment of the application and the documents under Art. 4, Para. 1, the officials under Art. 11, Para. 2 shall draw up an opinion for issuance of a certificate for an investment class.

(2) (Amend. – SG, 93/09, in force from 24.11.09, amend. and suppl. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) On the basis of the drawn-up opinion, the executive director or an official, authorized by him shall produce to the Minister of Economy a grounded proposal for issuance of refusal of issuance of a certificate within 30-day term from receiving the application or from removal of incompliance and/or incompleteness under Art. 11, Para. 4.

(3) The proposal under Para. 2 shall contain:

1. complete and exact estimation with motives for issuance of a certificate for an investment class in compliance with the requirements of IPA and of the Rules, or

2. reasons for refusal of issuance of a certificate for an investment class under Art. 19a of IPA.

(4) (Amend. – SG, 36/14, in force from 25.04.2014) The proposal shall contain the application and the documents under Art. 4, Para. 1.

(5) Where incompliance and/or incompleteness have been found under Art. 11, Para. 4, the term under Para. 2 shall start to run from the date of their removal.

(6) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) In case of found incompliance and/or incompleteness under Art. 11, Para. 4, and where they have not been removed within the term of 6 months from the date of submission of the application, the executive director shall notify the Minister of Economy under Para. 2 about the expiry of the term.

Art. 14. (1) (Suppl. – SG, 20/09, in force form 17.03.2009, amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The Minister of Economy or an official, authorized by him shall examine the proposal under Art. 13, Para. 2 and shall:

1. (amend. – SG, 62/10) issue or refuse the issuance of a certificate for class A, or class B within 14-day term from receiving the proposal, or

2. (new – SG 62/10, amend. – SG, 24/13, in force from 12.03.2013) introduce the proposal to the Council of Ministers for issuance of a certificate for a priority investment project under Art. 68, Para. 1 within the term of 30 working days form receiving the proposal, or

3. (former p. 2 - SG, 62/10) return the proposal and the documents, attached to it for a repeated assessment in the cases of incompliance with some of the requirements of the IPA and the Rules.

(2) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The Minister of Economy or an official, authorized by him shall refuse issuance of a certificate under the Administrative – procedure Code in the cases under Art. 19a of the IPA.

(3) (New – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The Minister of economy may extend to 2 years the term of the



issued certificates under Para. 1 in compliance with the requirements of Art. 20a of IPA under the conditions and procedure of their issuance.

(4) (New – SG, 94/14, in force from 14.11.2014, amend. – SG, 40/15) The Minister of Economy shall submit a copy of the issued certificate for class A or B for a priority investment project under Para. 1 or 3 to the mayor of the Municipality upon the location of the investment, by notifying him about the applied promotion measures.

Art. 15. (1) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The officials of the Ministry of Economy, of the Agency, as well as other officials of the central and territorial executive power performing administrative functions in relation to implementation of the measures for promotion of the investments, shall be obliged not to disclose the information, become known to them in relation to performing their official duties, related to the investment project and the attached documents to the application.

(2) In the restriction under Para. 1, the information about the following shall not be subject to it:

1. the general presentation of the investor and of the investment project, containing information about the size and type of the investment;

2. the produced products and services, intended for the internal market or for external markets;

3. the location and terms for implementation of the project;

4. (amend. – SG, 62/10) the number of the jobs, as well as the number of trained persons and financial parameters of the project for training;

5. the objectives, contents and concrete parameters of the measures for promotion of the investments under IPA in relation to the requirements for publicity and transparency of the provided aid for realization of the investment project, comprising from the European Community law and of the Republic of Bulgaria in the area of state aid:

6. the data under Art. 17, Para. 3.

#### **Section IV.**

##### **Certificate for class investment**

Art. 16. (1) (Amend. – SG, 93/09, in force from 24.11.2009, suppl. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) For the investments of class A and class B and for priority investment project, a certificate shall be issued according to a form, proposed by the Agency executive director and confirmed by the Minister of Economy, or an official, authorized by him.

(2) The certificate shall contain the following requisites:

1. a sequential number;

2. name and location of the investment project and the economic activity, in which it is realized;

3. (amend. – SG, 36/14, in force from 25.04.2014) the information under Part I, Section 1A, p. 1 – 5 and 7 of the application under Art. 4, Para. 1;

4. the investment class;

5. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 36/14, in force from 25.04.2014) the rights of the investor for using the measures for Promotion of the investments under Art. 15, Para. 1 and 2 of the IPA in the cases, where they have declared the intention to use them in the application under Art. 4, Para. 1;

6. date of issue and validity term;

7. grounds for issuance;

8. (amend. – SG, 93/09, in force from 24.11.2009, suppl. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) a signature of the Minister of Economy or an official, authorized by him and a stamp for the investment class A, or class B, or a signature and stamp of the Minister of Economy and another authorized person/s according to the Council of Ministers decision under Art. 68, Para. 1 and 2 for priority investment project.

(3) (Amend. – SG, 24/13, in force from 12.03.2013). The certificate validity shall not exceed 3 years from the date of its issuance with the exception of the cases, provided by Art. 20a of IPA.

(4) (Amend. and suppl. – SG, 20/09, in force from 17.03.2009, amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The certificate shall be issued in 2 copies in the Bulgarian language – one copy shall be stored at the Ministry of Economy, and the other – shall be provided to the investor. In case that the investor is a foreigner, or the Bulgarian investor wishes so – the certificate shall be issued also in the English language.

Art. 17. (1) (Suppl. – SG, 62/10) The issued certificates shall be entered in the electronic data base of the Agency.

(2) The electronic data base under Para. 1 shall contain the following information:

1. N and date of the application of issuance of a certificate;

2. N, date of issuance and validity term of the certificate;

3. (amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 88/15, in force from 13.11.2015) the information under Part I, Section IA;

4. amount and the investment class;

5. economic activities in which the investment is realized and major products;

6. location of the investment;

7. the applied measures for promotion of the investment while observing the requirements for monitoring and transparency of the information in the area of the state aid;

8. (amend. – SG, 36/14, in force from 25.04.2014) other information from the application under Art. 4, Para. 1.

(3) (Amend. and suppl. – SG, 20/09, in force from 17.03.2009, amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The public part of the electronic data base under Para. 1 shall be publicly accessible on the internet sites of the [Ministry of Economy](#) and of the [Agency](#) and shall contain the information under Art. 16, Para. 2, including the applied measures under IPA.

(4) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) The issued certificate, the application, the documents under Art. 4, Para. 1 and the grounded proposal under Art. 13, Para. 2 shall be stored at the Ministry of Economy under the requirements of the State Aid Act and the National Archive Fund Act.

(5) The Agency shall store certified copies of the documents under Para. 4.

(6) (New – SG, 24/13, in force from 12.03.2013) Under Art. 22a, p. 8 of the IPA for the purposes of the annual report and in relation to Art. 22i, p. 7 of the IPA, the Municipality mayor shall maintain in the electronic data base the following information:

1. updated list with free terranes and other immovable properties, which the Municipality has decided to provide for realization of investments;

2. forms and standard forms for application for receiving a certificate for investment class B and using the Promotion measures under the Ordinance under Art. 22h, Para. 1;

3. information about the issued certificates for class B investment by the Municipality, containing at least the following data:

a) N and date of the application for issuance of a certificate;

b) N, date of issuance and validity term of the certificate;

c) (amend. – SG, 36/14, in force from 25.04.2014) the information under Part I, Section 1A, p. 1 – 5 and 7 of the application under Art. 4, Para. 1;

d) amount and investment class;

e) economic activities in which the investment is implemented and major products;

f) location of the investment;

g) the applied measures for promotion of the investment while observing the requirements for

monitoring and transparency of the information in the area of state aid.

Art. 18. (Amend. – SG, 20/09, in force from 17.03.2009, amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 62/10, suppl. – SG, 24/13, in force from 12.03.2013) The electronic data base under Art. 17, Para. 1 shall be maintained by officials, assigned by the Agency executive director and/or by an organization structures under the Rules of Procedure of the Bulgarian Investment Agency, where the data shall be updated annually with the information, received under Art. 19a. The electronic data base under Art. 17, Para. 6 shall be maintained by officials, assigned by the Municipality mayor.

Art. 19. (1) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) In case of a change in the circumstances, entered in the electronic data base, the investors shall be obliged to submit an application in the Ministry of Economy through the Agency within 14-day term from occurrence of the change.

(2) The application under Para. 1 shall have attached the documents, certifying the change.

(3) With the occurred succession to the undertaking or the production – subject to the investment, the new person shall produce the documents under Para. 2, as well as:

1. (amend. – SG, 20/09, in force from 17.03.2009, repealed – SG, 36/14, in force from 25.04.2014)

2. (amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 88/15, in force from 13.11.2015) report on the implementation of the initially applied investment project, approved by the executive director and published on the Agency internet site.

(4) (Suppl. – SG, 62/10) Entry of the change shall be made under Art. 13 and 14 after estimation of the produced documents in term of up to 14 days from receiving the application.

(5) The entry shall be made under the conditions that the requirements of Art. 13 and 13a of IPA have been observed.

(6) Where the change of circumstances, entered in the electronic data base, leads to change in the entered data in the certificate, a new certificate shall be issued, which shall express the change in the circumstances. The new certificate shall be provided after returning the one, previously issued.

(7) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15) In case that the initially issued certificate has been lost or destroyed, the Minister of economy shall issue a duplicate of the certificate after submitted application by the investor with enclosed written declaration for the circumstances, in which it is lost or destroyed.

(8) (New – SG, 24/13, in force from 12.03.2013) In case of a change in the circumstances, entered in the electronic data base under Art. 17, Para. 6, the investors shall be obliged to submit an application to the Municipality mayor within 14-day term from occurrence of the change, in which the occurred change shall be described, and the relevant documents, certifying the change shall be attached.

Art. 19a. (New – SG, 20/09, in force from 17.03.2009, suppl. – SG, 24/13, in force from 12.03.2013) At the end of every year in the validity term of the certificate and in the period of maintenance of the investment and the employment under Art. 12, Para. 2, p. 7 and 8 of the IPA, the certified investors shall submit to the Bulgarian Investment Agency executive director information about the development of their investment project, including data about the volume of the input funds, according to their investment plan, observation of the schedule, created jobs, used Promotion measures under IPA and provided state aid.

### **Chapter three.**

## **PROCEDURE FOR INDIVIDUAL ADMINISTRATIVE SERVICE BY THE BULGARIAN INVESTMENT AGENCY AND THE TERRITORIAL BODIES OF THE EXECUTIVE POWER (TITLE, AMEND. – SG, 62/10)**

Art. 20. (1) (Suppl. – SG, 62/10) Individual administrative service shall be provided by the Agency employees before the central bodies of the executive power upon request of an investor, received certificate for class A investment or for priority investment project.

(2) (Suppl. – SG, 62/10) The request shall be submitted to the Agency by the investor or a person, authorized by him under Art. 7, Para. 1.

(3) The request shall be registered in an entry register, indicating the date of its receiving.

Art. 21. (1) (Amend. - SG, 62/2010) The individual administrative service shall be performed by officials, determined under a list, confirmed by the Agency executive director, in case that the activity is not performed by organization structure/s under the Rules of Procedure of the Bulgarian Investment Agency.

(2) Under each registered request, the Agency executive director shall determine the officials under Para. 1, who will realize the individual administrative service, needed for implementation of the relevant investment project.

Art. 22. (Amend. - SG, 62/2010) While performing individual administrative service, the officials under Art. 21, Para. 1 shall be obliged:

1. to provide clear, exact, reliable and complete information to investors in issued of the Agency competence and to assist at solving of concrete issues, which occur in the process of realization of the investment;

2. to respond to inquiries in relation to the needed procedures and to direct them to the administrative bodies, competent on the relevant issue;

3. to realize contact with other bodies of the executive and local power and to assist in organization of meetings between the investors and the relevant competent bodies.

(2) The investor may authorize the officials under Art. 21, Para. 1;

1. to submit and receive form the relevant competent bodies all the required documents for realization of the investment project, or

2. to participate with representatives of the investors in all the activities, related to required documents for realization of the investment project.

(3) The investor shall assist the Agency officials, by providing the needed documents, including documents for paid charges.

(4) The individual administrative service shall be provided free by the Agency. The charges, established by a normative act, for issuance of documents and/or for performing administrative service shall be at the expense of the investor.

Art. 23. (1) (Former text of Art. 23, suppl. - SG, 62/2010) Apart from the cases under Art. 20, Para. 1, individual administrative service shall be provided by official, of the territorial bodies of the executive power before the relevant competent bodies upon request of an investor, received certificate for investment class A or certificate for priority investment project.

(2) (New - SG, 62/2010) The request under Para. 1 shall be submitted by the investor or a person, authorized by him under Art. 7, Para. 1 through the Agency or directly to the relevant territorial body of the executive power.

(3) (New - SG, 62/2010) The request shall be registered in an entry register, while noting the date of its receipt.

(4) (New - SG, 62/2010) While performing individual administrative service, the officials under Para. 1 shall be obliged:

1. to provide clear, exact, reliable and complete information about the needed procedures, needed for realization of the project, which shall include:

a) correct name of the administration;

b) central office and address, as well as the addresses of the territorial units, if any;

c) correspondence data: telephone N, e - mail address and internet site;

d) working time of the unit for administrative service in the administration;

e) normative legislation on the provision of the administrative service;

2. to answer to inquiries in relation to the needed procedures and to direct the questions in

competence to the administrative bodies, competent on the relevant issue;

3. to explain the requirements, which the application or the request must meet for performing the administrative service, complaint, protest, signal or proposal of the relevant procedure;

4. to provide to the investor:

a) complete and exact information for the needed documents, terms and charges under the special acts;

b) standard forms of documents, which are filled in for provision of the administrative service;

c) information about the term of action of the individual administrative act, for whose issuance an application is submitted;

5. to realize contact and to assist for issuance and receiving from the relevant competent bodies of all the needed documents for realization of the relevant investment and for performing the related economic activity.

(5) (New - SG, 62/2010) The investor may authorize the officials under Para. 1 and give the needed aid under Art. 22, Para. 2 and 3.

(6) (New - SG, 62/2010) The individual administrative service shall be provided free by the territorial bodies of the executive power under Para. 1. The charges, established by a normative act for issuance of documents and/or for performing an administrative service shall be at the expense of the investor.

Art. 24. (1) The Agency executive director shall notify the relevant territorial body of the executive power of location of the investment about the intention of the investor to use individual administrative service, indicated in the application under Art. 4.

(2) The notification under Para. 1 shall also include a request for determining by the relevant territorial executive power body the officials, who will perform the individual administrative service of the investor.

(3) (Repealed - SG, 62/2010).

Art. 25. (Amend. - SG, 62/2010) All the bodies of the executive power shall be obliged to give aid to the officials, performing individual administrative service.

Art. 26. (Suppl. - SG, 62/2010) The individual administrative service shall be provided for the term of realization of the investment of class A, or priority investment project and the related economic activity, but for the term, not longer than the validity term of the certificate.

Art. 27. The administrative service under this Section shall be performed while observing the principles and procedure of the Administration Act, the Administrative – procedure Code and the normative acts on their implementation.

#### **Chapter four.**

### **SALE AND PAID ESTABLISHMENT OF RESTRICTED PROPERTY RIGHT TO IMMOVABLE PROPERTY – PRIVATE STATE PROPERTY, PRIVATE MUNICIPAL PROPERTY, OR PROPERTY OF A SOLE TRADER COMPANIES WITH STATE OR MUNICIPAL PARTICIPATION (TITLE, AMEND. – SG, 62/2010)**

Art. 28. (1) Sale, or paid establishment of a restricted property right over immovable property under Art. 22a of the IPA shall be performed in the presence of the following conditions:

1. (Amend. - SG, 62/2010) the investor has provided a request to the relevant competent body under Art. 22a, Para. 1 or 10 of the IPA and

2. (Amend. - SG, 62/2010) the investor has been issued an investment certificate of class A, class B or for priority investment project.

(2) (Amend. - SG, 62/2010) The request under Para. 1, p. 1 must contain the investor's company, N

and date of the certificate for class investment and the determined immovable property with the indicated location in the investment project with an issued certificate and the approved Council of Ministers decision agreement/memorandum for a priority investment project.

(3) (Amend. And suppl. - SG, 20/2009, in force from 17.03.2009, amend. - SG, 24/2013, in force from 12.03.2013 amend. - SG, 36/2014, in force from 25.04.2014) To the written request under Para. 1, p. 1, the application under Art. 4, Para. 1, the documents under Art. 16, p. 4 and 5 of the IPA and the relevant documents for the established legal person under Art. 17 of IPA, in case that it is registered, shall be attached.

(4) Buildings and other sites, which have been funded by EU funds, shall not be subject to the request under Para. 1, p. 1 and of the contract under Art. 31, apart from the cases, where the 10 -year term form the finalization of the construction has expired by the renewal of the request.

(5) (New - SG, 62/2010, amend. and suppl. - SG, 88/2015, in force from 13.11.2015) Sale of paid establishment of a restricted property right over an immovable property for priority investment projects under Art. 22a, Para. 9 – 10 of the IPA and in the cases of application of the measure under Art. 22a, Para. 11 of the IPA shall be performed while observing also all the conditions of Chapter Seven for provision of regional investment aid in compliance with the requirements of Regulation (EU) N 651/2014.

Art. 29. (1) (Amend. - SG, 62/2010) After receiving the written consent of the bodies and persons under Art. 22a, Para. 1 or 10 of the IPA, the relevant competent body shall authorize officials, who should conduct negotiations with the investor for signing a contract for sale or paid establishment of restricted property right over an immovable property with the investor.

(2) While conducting the negotiations, the relevant competent body may in writing require from the investor additional information in relation to the application of the measure under Art. 22a of IPA, by giving a suitable term for provision of additional information.

(3) (New - SG, 62/2010) The body or the persons under Para. 1 may assign compliance assessment of the size of the property, needed for implementation of the investment project under Art. 22a, Para. 2 of the IPA.

Art. 30. (1) (Former text of Art. 30 – SG, 62/10) The assessment of the immovable property or of a restricted property right shall be performed while observing the following requirements:

1. before starting the negotiations under Art. 29, Para. 1, the procedure under Art. 22a, Para. 2 of IPA shall apply in view to formation of a market price, based on commonly accepted market indicators and standards on assessments, which is considered as minimal purchase price;

2. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) the procedure under Art. 22a, Para. 2, Art. 22h, Para. 3, p. 3 and Art. 22i, p. 5 of the IPA shall apply by independent assessors with at least 3 years professional experience for assessment of immovable properties

(2) (New - SG, 62/2010, amend. – SG, 41/18, in force from 18.05.2018) In case of sale or establishment of limited property rights over immovable properties at prices, lower than the market ones for promotion of priority investment projects:

1. in the assessment under Para. 1, the difference between the market price and the sale price shall be written down, where the latter shall not be lower than the tax assessment of the property; the market and tax assessment of the property must be updated on the date of performing the ordering deal with the property under Art. 31;

2. the defined difference under p. 1 is the gross grand-equivalent of the state aid for implementation of the requirements for provision of regional investment aid under Art. 53 and shall be entered in the contract under Art. 31, Para. 1;

3. the aid shall be considered as transparent in the meaning of Art. 5, Para. 2, letter "k" of Regulation (EU) N 651/2014.

(3) (New - SG, 62/2010) The assessment by independent assessor shall also be performed in the cases of application of the measure for letting under Art. 22a, Para. 11 of the IPA for priority investment

projects.

Art. 31. (1) For the sale or the paid establishment of a restricted property right over an immovable property under Art. 22a of the IPA and the implementation of the investment project, a contract shall be signed between:

1. the investors and/or the persons under Art. 17, Para. 1 of the IPA, on one side and
2. (amend. - SG, 62/2010) the relevant competent body under Art. 22a, Para. 1 or 10 of the IPA;
3. (repealed - SG, 20/2009, in force from 17.03.2009)

(2) (Amend. – SG, 62/10, suppl. – SG, 88/15, in force from 13.11.2015) The contract under Para. 1 shall contain all the requirements of the IPA in relation to the investment project of the investor, as well as the conditions and requirements for provision of state aid under a scheme for regional investment aid in the cases under Art. 28, Para. 5:

1. contract subject;
2. contract sides;
3. name of the investment project;
4. basic rights and obligations;
5. type and amount of the investment;
6. term of implementation of the investment project and term for maintenance of the investment under Art. 12, Para. 2, p. 8 of the IPA;
7. description of the property – subject of the sale or of the established restricted property right under the requirements of the Cadaster and Property Register Act;
8. the property price or of the restricted property right, where in the cases of sale at a price, lower than the market one for priority investment projects, the difference, defined under Art. 30 Para. 2 shall be reflected obligatorily as a state aid under the scheme for regional investment aid;
9. term and conditions for transfer of the property or for establishment of the property right;
10. prohibition for ordering and burdening the property with real burdens, as well as for transfer of the restricted property right over the immovable property to another person under Art. 22a, Para. 7 of the IPA;
11. establishment of a mortgage in the cases of transfer of the property, and in the remaining cases – another guaranty;
12. conditions for exercising of the right over the mortgage;
13. (amend. - SG, 88/2015, in force from 13.11.2015) way and term for accounting the implementation of the investment project while taking in consideration the admissible costs for the investments under Art. 54;
14. type and size of the responsibility for non-fulfillment of the obligations on the contract;
15. control on the implementation of the obligations of the parties;
16. way for settling the disputes between the parties;
17. (amend. - SG, 24/2013, in force from 12.03.2013) grounds for pre-term termination or cancellation of the contract, including under the conditions of Art. 22a, Para. 3 and 13 of the IPA, or in case of finding delay in the meaning of Art. 16, Para. 1, p. 5 of the IPA, unless the payments due are paid in a suitable term for the parties, as well as the rights of the wrongful party;
18. other elements, on which consent has been reached between the parties;
19. amend. - SG, 88/2015, in force from 13.11.2015) the amount of the state fees due in case of change of the purpose of the farm land for non-farm needs, which will not be paid, where this size is a gross grant-equivalent of the aid, for performing the priority investment projects under Art. 22a, Para. 1 of the IPA, as well as the user of this aid in view to estimation for presence or absence of an element of state aid under the scheme for regional investment aid.

(3) The investment project is inseparable part of the contract under Para. 1.

(4) The contract under Para. 1 shall be signed in a written form and shall be entered upon an order

of the record judge upon the location of the property.

(5) The costs of the sale of the immovable property or of the establishment of the restricted property right shall be at the expense of the investor.

(6) (Amend. - SG, 62/10) Establishing a mortgage shall be for a term, not shorter than 5 years for large undertakings and technological parks and 3 years for SMEs, starting from the date of realization of the investment project, in compliance with the requirements of Art. 22a, Para. 7 of the IPA.

(7) (New – SG, 62/10, suppl. – SG, 88/15, in force from 13.11.2015). The coordination by the competent bodies under Art. 22a, Para. 10 of IPA shall be performed after presenting the assessment under Art. 30 and the draft contract under Para. 1 with all required documents and evidence for check of the implementation of the requirements in case of application of the scheme for regional investment aid for the priority investment projects.

(8) (New – SG, 62/10) The relevant competent body under Para. 1 shall submit to the Agency the contract in a 7-day term from its signing under Art. 22a, Para. 5 of IPA.

(9) (New – SG, 62/10, suppl. – SG, 88/15, in force from 13.11.2015) The competent body under Para. 1, providing regional investment aid for priority investment projects, shall fulfill the regulation function of administrator of aid under the State Aid Act and the Rules for its implementation.

(10) (New – SG, 2/14) In the cases of transfer of the property by sole trader companies with state participation or by trade companies, whose capital is ownership of sole trader companies with state participation, whose basic subject of activity is related to attraction of investments, in the contract under Para. 2, p. 11, the company may negotiate provision of another type of equal compensation, laying care of a good trader.

Art. 31a. (New - SG, 62/10) For letting immovable property by sole trading companies with state participation under Art. 22a, Para. 11 of the IPA for the implementation of a priority investment project, a contract shall be signed in compliance with the legislation in force between:

1. the investor and/or persons under Art. 17, Para. 1 of the IPA, fulfilling priority project – on one part and
2. the persons, representing the company.

Art. 32. (1) With selling or establishing a restricted property right over immovable property with the contract under Art. 31, Para. 1 may be provided special obligations in public interest, which are related to the land and buildings, but not with the buyer, or with his trade activity, under the condition, that from every potential buyer it is required that he is in a condition to fulfill the special obligations, notwithstanding whether he performs activity or what the nature of the activity is.

(2) The funds, needed for implementation of the obligations of the owner of the immovable property, comprising from the law, shall not be deducted from the selling price (for example: care for the land and buildings and their maintenance as a part of the usual social obligations of the owners, tax payment and similar costs).

Art. 33. (1) (Amend. - SG, 88/15, in force from 13.11.2015) Where the conditions of this Chapter are not present, the competent bodies of the local executive power shall notify the European Commission while observing the procedure order of the State Aid Act about their intention to perform transfer of the right to ownership, or about establishing of restricted property right.

(2) The notification under Para. 1 shall be realized under the State Aid Act.

(3) (New – SG, 88/15, in force from 13.11.2015). By ordering a positive decision by the European Commission, the transfer of the right to ownership or for establishing restricted property right, as well as starting works on the investment project shall not be admissible and is a reason for cancellation of the contract.

Art. 33a. (New - SG, 24/13, in force from 12.03.2013) (1) (Suppl. - SG, 36/14 in force from 25.04.2014) In the Ordinance under Art. 22h, Para. 1 of the IPA for Promotion of the investments with



municipal significance and issuance of certificates of class B under Art. 22h of the IPA, provisions shall be included for the application of the Promotion measure under Art. 22h, Para. 2, p. 3 of the IPA for acquiring of the right to ownership or restricted property rights over properties – private municipal ownership under Art. 22a, Para. 1, p. 2 and 4 of the IPA, while observing the conditions of Art. 22a, Para. 2 - 8 and 13 of the IPA.

(2) (Amend. - SG, 36/14, in force from 25.04.2014) The measure under Art. 22h, Para. 3, p. 3 of the IPA may apply only where it has not been declared by an investor under Art. 18, Para. 1 of the IPA with issuance of a certificate for investment class A, class B or for priority investment project for the same property – private municipal ownership.

(3) (Suppl. - SG, 36/14, in force from 25.04.2014) The rights over the properties under Art. 22h, Para. 3, p. 3 of the IPA may be transferred or established only if the amount of the planned investment under Art. 22h of the IPA as costs for acquiring long-term material assets is 5 times larger than the market assessment of the property under Art. 30, Para. 1, p. 2. Failure to fulfill this requirement shall be included in the relevant contract with the investor as a reason for its cancellation.

(4) The Ordinance under Art. 22h, Para. 1 of the IPA shall introduce conditions for application of the measure under Art. 22h, Para. 3, p.3 of the IPA in compliance with the conditions under this Chapter.

(5) The measure under Art. 22h, Para. 3, p. 3 of the IPA shall apply while observing the normative provision in the area of state aid.

(6) (New – SG, 88/15, in force from 13.11.2015) The investments with municipal significance and a certificate of class B shall be encouraged under Chapter Six and Chapter Seven.

### **Chapter five.**

## **FINANCIAL AID FOR CONSTRUCTION OF ELEMENTS FOR TECHNICAL INFRASTRUCTURE**

Art. 34. (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG 40/15) The Minister of Economy shall introduce to the Council of Ministers a proposal for promotion of one or more investment projects with the measure under Art. 22b of IPA in the presence of the following conditions:

1. (amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 62/10, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) received a request to the Ministry of Economy in one of the ways under Art. 7, Para. 1 on behalf of:

a) investor with an issued certificate for investment of class A, or

b) (suppl. - SG, 62/10) two, or more investors with issued certificate for class investment with location of the investment in an industrial zone, called hereinafter "the investor", or

c) (new - SG, 62/10) investors, realizing a priority project under Chapter Eight of the Rules;

2. (suppl. - SG, 62/10) produced project, approved by the owner of the technical infrastructure and contracting authority under Public Procurement Act (PPA) (idea, technical or work) with a quantity-value account for construction of the elements of the technical infrastructure, which according to the requirements of Art. 142 of the Territory Planning Act may serve for issuance of a permit for construction and for assigning a construction under the PPA;

3. (suppl. - SG, 20/09, in force from 17.03.2009, suppl. - SG, 62/10, amend. - SG, 24/13, in force from 12.03.2013, amend. - SG, 36/14, in force from 25.04.2014) produced documents under Art. 16, p. 4 and 5 of the IPA, the relevant documents for established legal person under Art. 17 of the IPA, in case that it has been registered and a declaration according to a standard form, confirmed by the Agency executive director, for received state aid during the last 3 years, including the current one by the investor or the persons under Art. 17 of the IPA in the cases apart from Art. 36;

4. (suppl. - SG, 20/09, in force from 17.03.2009) approved for promotion of investment project after conducted competition procedure under Art. 35, where applicable;

5. conducted checkup of the conditions under Art. 36 - 38.

Art. 35. (1) The competition procedure shall be conducted for assessment and selection of the investment projects for promotion on the basis of the documents under Art. 34, p. 1 – 3.

(2) (Amend. - SG, 62/10) The assessment under Para. 1 shall be performed at the beginning of every quarterly in 4 sessions during the calendar year by the time the funds under IPA are spent, provided by the State Budget Act of the Republic of Bulgaria for the relevant year.

(3) (Amend. - SG, 62/10) For every session of the assessment the remainder of the planned funds under Para. 2 shall be taken in consideration of after deduction of the funds on the signed contracts or decisions of the Council of Ministers for projects, which will be funded during the current year.

(4) (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) The competition procedure shall be conducted on the basis of methodology for performing assessment, confirmed by the Minister of Economy and announced on the [website](#) of the Ministry of Economy.

(5) The assessment shall be performed on the basis of the following criteria and priorities:

1. amount of the investments in the investment project, realized for 3-year period;  
2. (amend. - SG, 20/09, in force from 17.03.2009) amount of the state funds for construction of the technical infrastructure under the project of Art. 34, p. 2;

3. realization of investments in highly technological industries and services under Art. 3, Para. 5 and 6;

4. realization of investments in municipalities under Art. 3, Para. 2.

(6) On the basis of the criteria and of the priorities under Para. 5, rating of the requests for promotion shall be performed.

(7) (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) The Minister of Economy shall introduce to the Council of Ministers a proposal under Art. 34 while observing the order of rating, where the total amount of the requirements must be in the frames of the provided funds under Para 3.

(8) (Amend. - SG, 62/10) The proposals, dropped from the rating under Para. 7 shall participate in the following session for assessment, but not in more than 6 sessions.

(9) The proposal shall be introduced to the Council of Ministers under Art. 34 without applying the procedure for selection and rating only in the cases, where the total amount of all received requests is up to the amount of the funds under Para. 3.

(10) (Amend. - SG, 93/09, in force from 24.11.2009, suppl. - SG, 62/10, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) The assessment and rating of the requests shall be performed by officials, authorized by the Minister of Economy and/or by an organization structure, under the Rules of the Procedure of the Ministry of Economy.

Art. 36. (Amend. - SG, 20/09, in force from 17.03.2009) (1) (Amend. – SG, 41/18, in force from 18.05.2018) The financial aid shall not be state aid for undertaking under § 1, p. 7 of the Additional Provision of the State Aid Act in case that cumulatively the following conditions have been met:

1. (suppl. - SG, 88/15, in force from 13.11.2015) the financial support is for construction of elements of public (state or municipal) technical infrastructure, which is not used (operated) in economic way and is by the property borders, where the investment is implemented;

2. (amend. - SG, 62/10) the funds are provided to an executive power body, public undertaking or trader in his capacity of an owner of the infrastructure under p. 1, which person is contracting authority under Art. 7 of the PPA for design and construction of the infrastructure;

3. (amend. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013) the public procurements are awarded under the Public Procurement Act (PPA);

4. user of the infrastructure is not only the person under Art. 34, p. 1, but also all existing and potential users in equal and non-discriminatory conditions.

(2) (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14, in force from 25.04.2014,

amend. - SG, 40/15) In case of implementation of the conditions under Para. 1, the Minister of Economy shall introduce the proposal under Art. 34 to the Council of Ministers.

(3) (New – SG, 41/18, in fore from 18.05.2018) Apart from the cases under Para. 1, p. 1 to 4, the financial aid shall not constitute state aid also when it is provided in accordance with other provisions of the EU law.

Art. 37. (1) (Amend. and suppl. - SG, 20/09, in force from 17.03.2009, amend. - SG, 93/09, in force from 24.11.2009, amend. – SG, 40/15, amend. – SG, 88/15, in force from 13.11.2015). Where the conditions under Art. 36, the Minister of Economy or an official, authorized by him shall assess the compliance of every rated project for financial support of construction of the infrastructure with the requirements of Regulation (EU) N 1407/2013.

(2) (Amend. - SG, 20/09, in force from 17.03.2009, amend. - SG, 93/09, in force from 24.11.2009, amend. – SG, 40/15, amend. – SG, 88/15, in force from 13.11.2015). In the cases, where with the value of the financial support, provided in the Republic of Bulgaria to one and the same undertaking, the BGN equivalence of EUR 200 000 or of EUR 100 000 for an undertaking, which realizes land load carriages for someone else's expense or for remuneration, for the last 3 successive calendar years – the 2 previous and the current year and the support meets all the conditions of the Regulation under Para. 1, the Minister of Economy shall introduce the proposal under Art. 34 to the Council of Ministers.

Art. 38. (Amend. - SG, 20/09, in force from 17.03.2009, amend. - SG, 93/09, in force from 24.11.2009, amend. – SG, 40/15, amend. – SG, 88/15, in force from 13.11.2015). (1) Where the conditions of Art. 36 and 37 are not available, the Minister of Economy may provide state aid for construction of infrastructure in the form of ad hoc aid, coordinated with the provisions of Regulation (EU) N 651/2014.

(2) The aid under Para. 1 shall be provided in compliance with the State Aid Act, where the conditions of the aid shall be individualized in the act of its providing.

Art. 39. (1) (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15, amend. – SG, 41/18, in fore from 18.05.2018). Where the conditions under Art. 36 – 38 are not available, the Minister of Economy, or an official, authorized by him shall prepare the needed information for notification of the European Commission about the intention for granting financial support for construction of elements of the technical infrastructure under Art. 22 of the State Aid Act.

(2) (Amend. - SG, 88/15, in force from 13.11.2015) By ordering a positive decision by the European Commission, the funds for financial support of constructing elements of the technical infrastructure shall not be provided, and the operation under the investment project shall not be able to begin.

Art. 40. (Amend. - SG, 62/10) (1) (Amend. - SG, 24/13, in force from 12.03.2013) The funds for financial support for construction of technical infrastructure under Art. 22b of the IPA shall be provided under Art. 15, Para. 5 of the IPA on the basis of the approved by the Council of Ministers contracts under Art. 41.

(2) (Amend. - SG, 88/15, in force from 13.11.2015) In case that the circumstances under Art. 39 are present, the decree shall be adopted and the funds under Para. 1 shall be granted after issuing a positive decision by the European Commission for provision of the financial support and if the work on the investment project has not begun before issuing the decision.

(3) The funds under Para. 1 shall be granted in implementation of not less than 50% of the defined minimal amount of the investment for issuance of the relevant certificate for class investment and in the term by the 3rd year of the initiation of the work/activity on the investment project.

(4) (Amend. – SG, 41/18, in force from 18.05.2018) In the cases, where the investor or the owner of the public technical infrastructure carries out at his own expense the construction of the infrastructure under a preliminary approved project and contract by the Council of Ministers under this Chapter, the funds shall be recovered in the term by 60 days after provision of the needed accountancy documents on the

approved contract and under the conditions that the requirements of Para. 3 have been fulfilled.

Art. 41. (1) (Amend. - SG, 93/09, in force from 24.11.2009, suppl. - SG, 62/ 2010, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) The Council of Ministers decision shall approve the draft contracts and shall authorize the Minister of Economy to sign contracts:

1. with the investor and/or with the persons under Art. 17, Para. 1 of the IPA, as well as
2. (amend. - SG, 24/13, in force from 12.03.2013) with the person, who awards under the PPA the design and construction of the elements of the technical infrastructure, related to the realization of the investment project, to the property borders.

(2) With the contract under Para.1, p. 1 the investor shall be obliged to fulfill the investment project, and the state to provide funds for construction of elements of the technical infrastructure from the closest constructed element to the property borders under the project of Art. 34, p. 2.

(3) The contract under Para. 1, p.1 shall contain obligatorily:

1. subject of the contract;
2. parties of the contract;
3. name of the investment project;
4. basic rights and duties;
5. type and amount of the investment;
6. term for implementation of the investment project and term for maintenance of the investment;
7. description of the elements of the infrastructure with characteristics and parameters;
8. term for construction of the infrastructure in stages and provision of the funds;
9. type and amount of the guaranty for fulfillment of the obligations under the contract;
10. way of accounting the implementation of the investment project;
11. type and size of the responsibility for failure to implement the obligations under the contract;
12. control of the implementation of the obligations of the parties;
13. way for settling disputes between the parties;
14. (amend. - SG, 24/13, in force from 12.03.2013) grounds for pre-term termination or cancellation of the contract and the right of the wrong party;
15. other elements, on which there is consent between the parties.

(4) The investment project shall be inseparable part of the contract under Para. 1, p. 1.

(5) (Amend. - SG, 24/13, in force from 12.03.2013) With the contract under Para. 1, p. 2, the relevant person shall be obliged to provide the design and construction of the elements of the technical infrastructure, defined between the parties in the contract under Para. 1, p. 1 through conducting procedures under the PPA.

(6) The contract under Para. 1, p. 2 shall obligatorily contain:

1. subject of the contract;
2. term of implementation of the infrastructure site;
3. stages of construction of the site and the money funds, provided for every stage;
4. basic rights and obligations;
5. type and amount of the guaranty for implementation of the obligations under the contract;
6. type and amount of the responsibility for failure to implement the obligations under the contract;
7. control of implementation of the obligations of the parties;
8. way for settling disputes between the parties;
9. (suppl. - SG, 24/13, in force from 12.03.2013) grounds for pre-term termination or cancellation of the contract and the rights of the wrong party;
10. other elements, under which achievement of consent between the parties has been reached.

(7) The project under Art. 34 p. 2 shall be inseparable part of the contract under Para. 1, p. 2.

(8) The contracts under Para. 1 shall come into force after the positive decision of the European Commission for provision of financial support, if the circumstances under Art. 39 are present.

(9) (New - SG, 62/10, amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15) Standard forms of contracts under Para. 1 shall be announced on the [website](#) of the Ministry of Economy on the basis of approved by the Council of Ministers contracts for granting funds.

## **Chapter six.**

### **FINANCIAL SUPPORT FOR TRAINING OF ACQUIRING PROFESSIONAL QUALIFICATION**

#### **Section I.**

##### **Proposal for granting funds for training**

Art. 42. (1) (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14 in force from 25.04.2014, amend. - SG, 40/15) The Minister of Economy shall introduce to the Council of Ministers a proposal about promotion of an investment project with the measure under Art. 22c of the IPA in case that the following conditions are present:

1. (amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14 in force from 25.04.2014, amend. - SG, 40/15) A received request to the Ministry of Economy by an investor with an issued certificate for investment of class A, class B or for priority investment project;

2. an investment project, which:

a) is implemented in highly technological activities under Art. 3, Para. 5 or 6, or

b) is realized in the municipalities under Art. 3, Para. 2 and

c) meets the remaining requirements under Art. 22c, Para. 1 of the IPA;

3. (suppl. - SG, 20/09, amend. - SG, 36/14 in force from 25.04.2014, amend. - SG, 40/15, amend. - SG, 88/15, in force from 13.11.2015) a project has been presented for training with information for the stimulating effect of the measure in the meaning of Art. 6 of Regulation (EU) N 651/2014;

4. (suppl. - SG, 20/09, in force from 17.03.2009, amend. - SG, 24/13, in force from 12.03.2013, amend. - SG, 36/14, in force from 25.04.2014) the documents under Art. 16, p. 4 and 5 of the IPA have been produced, the relevant documents for established legal person under Art. 17 of IPA, in case that it is registered, a declaration under a standard form, confirmed by the Agency executive director, for received state aid during the last 3 years, including the current one, by the investor or the persons under Art. 17 of the IPA;

5. (suppl. - SG, 20/09, in force from 17.03.2009) approved for promotion investment project after concluded competition procedure under Art. 43, where applicable;

6. (new - SG, 20/09, in force from 17.03.2009) conducted checkup of the conditions under Section II or III of this Chapter.

(2) The training project under Para. 1, p. 3 must meet the following requirements:

1. (amend. - SG, 62/10, amend. - SG, 88/15, in force from 13.11.2015) under Art. 22c, Para. 1 of IPA for acquiring professional qualification of not less than 30 persons, including students from higher schools, having occupied the new jobs, opened with the realization of the investment;

2. (repealed. - SG, 24/13, in force from 12.03.2013)

3. under Art. 44.

Art. 43. (1) The competition procedure for assessment and selection of the investment projects for Promotion of the measure under Art. 22c of the IPA shall be conducted on the basis of the documents under Art. 42, Para. 1, p. 1 – 4.

(2) The assessment of Para. 1 shall be performed under Art. 35.

(3) The assessment shall be performed on the basis of the following criteria:

1. amount of the investments under the investment project, realized for a 3-year period;

2. amount of the state funds for implementation of the project for training under Art. 42, Para. 1, p.

3;

3. (amend. - SG, 62/10, amend. - SG, 62/13, in force from 03.07.2013) the quality of the training

project according to an opinion of the Minister of Education and Science in the cases, where the acquired professional qualification is not only for implementation of the investment project and a document under Art. 44, p. 7 shall be issued.

(4) (Amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 36/14 in force from 25.04.2014, amend. - SG, 40/15) The Minister of Economy shall introduce a proposal to the Council of Ministers under Art. 42 while observing the order of rating, where the total amount of the requirements must be in the frames of the envisaged funds under Art. 35, Para. 3.

Art. 44. (Amend. - SG, 62/10, amend. - SG, 88/15, in force from 13.11.2015) The training project under Art. 42, Para. 1, p. 3 and Para. 2, applying for financial support for acquiring professional qualification shall refer to training in the meaning of Art. 31 of Regulation (EU) N 651/2014 and shall contain information about:

1. the purpose and term of training, including forecast dates (month, year) of beginning and finalization of the training;
2. The organization form and place of training;
3. detailed curriculum, including with subjects and number of classes;
4. number of workers/employees in total and in basic groups of professions and positions;
5. training organization or individual training by the investor;
6. account of the planned costs under the project – in total and on years;
7. a document for professional qualification, issued under the Vocational Education and Training Act, if the training is conducted not only for fulfillment of the investment project.

Art. 45. (Amend. - SG, 20/09, in force from 17.03.2009, amend. - SG, 93/09, in force from 24.11.2009, amend. - SG, 62/10) (1) (Amend. - SG, 36/14, in force from 25.04.2014, amend. - SG, 40/15, amend. - SG, 88/15, in force from 13.11.2015) The Minister of Economy or an official authorized by him shall coordinate the produced training project, while requiring a written opinion from:

1. (amend. - SG, 62/13, in force form 03.07.2013) The Minister of Education and Science, where acquiring a vocational qualification is envisaged not only for implementation of the investment project, and the document under Art. 44, p. 7 shall be issued;

2. (amend. - SG, 88/15, in force from 13.11.2015) the Agency executive director on the employment for assessment of compliance of the produced training project with the requirements of Regulation (EU) N 651/2014 and in relation to the follow up control of the contract for the implementation of the training project and the obligations of the investor, related to employment.

(2) The opinions under Para. 1 shall be produced within the term of 14 days after the date of receiving the training project.

(3) The materials shall be considered coordinated without remarks, where in the term of Para. 2 not opinion has been received.

## **Section II.**

### **Conditions, in which no preliminary notification of the European Commission is required (Title, amend. – SG, 20/09, in force from 17.03.2009)**

Art. 45a. (1) (Amend. - SG, 88/15, in force from 13.11.2015) Individual aid, granted under an aid scheme for training, which fulfills all the conditions of Chapter I and Chapter III, Section V of Regulation (EU) N 651/2014 shall be compatible with the internal market in the meaning of Art. 107, Para. 3 of the Treaty on the Functioning of the EU and shall be exempt from the obligation for notification under Art. 108, Para. 3 of the Treaty on the Functioning of the EU.

(2) (Amend. – SG, 88/15, in force from 13.11.2015). Every measure for individual aid, granted under Regulation (EU) N 651/2014 should contain explicit reference to the concrete provisions of Chapter III of Regulation (EU) N 651/2014 and of the national legislation, on which the individual aid is based and

shall be expressed in the relevant act for granting the aid under Art. 49 and in the contract of the receiver of the aid under Art. 50, Para. 2.

(3) (Amend. - SG, 88/15, in force from 13.11.2015) Granting aid shall not be re-negotiated, or the amount of the granted aid shall not be increased, after that this has been provided by the relevant act for granting the aid and/or in the contract with the receiver of the aid.

Art. 46. (1) (Amend. - SG, 88/15, in force from 13.11.2015) The funds for financial support shall be granted for covering the following admissible costs on the training project:

1. costs for training staff for the classes, during which the training staff participates in the training;
2. (amend. and suppl. – SG, 41/18, in force from 18.05.2018) operative costs of the training persons and the trained persons, which are directly related to the training project, like travelling expenses, accommodation expenses, materials and consumables, directly related to the project, tax amortization of instruments and equipment, as far as they are used exclusively for the training project;
3. costs for consultation services, related to the training project;
4. costs for trained staff (the proportional part of the costs for remunerations, paid to the trained person, for the hours, which he has spent for the training, where there are any) and total indirect costs (the relevant part of administrative costs, rents and overheads, made by the receiver of the aid, directly related to the training project) for the hours, in which the trained persons participate in the training.

(2) (Suppl. – SG, 20/09, in force from 17.03.2009) The costs under Para. 1 are before taxes and charges.

(3) (Amend. – SG, 20/09, in force from 17.03.2009, amend. – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015) The amount of the funds for financial aid under this Section shall not exceed 25% of the admissible costs for training in relation to Art. 31, Para. 4 of Regulation (EU) N 65/2014.

(4) (Amend. – SG, 20/09, in force from 17.03.2009, amend. – SG, 62/10) The intensity of the aid under Para. 3 may be exceeded:

1. by 10% points, if the aid for training is for disabled workers, or for disadvantaged workers;
2. by 10 % points, if the aid is provided to medium enterprises and by 20%, if the aid is provided to small enterprises.

(5) (New – SG, 20/09, in force from 17.03.2009, amend. – SG, 88/15, in force from 13.11.2015) For calculation of the intensity of aid, paid in several contributions, the aid and the admissible costs shall be discounted to their value at the moment of provision of the aid while using the discount interest rate, applicable to the moment of provision of the aid.

(6) (New – SG, 88/15, in force from 13.11.2015) Aid shall not be granted in the cases, in which the training is conducted in the enterprise in view to observing the mandatory national training standards.

Art. 47. (Amend. – SG, 88/15, in force from 13.11.2015) The total amount of the funds for financial aid, received under this Section and under financing with other public resource or EU resource, in relation to a concrete training project, shall not exceed the amount of the BGN equivalence to EUR 2 million, and the intensity of the aid, received from all the sources shall not exceed 50% of the admissible costs on the concrete project, or exceeded to 70% under the conditions of Art. 46, Para. 4, p. 1 and 2, if applicable.

### **Section III.**

#### **Financial aid, which is subject to preliminary notification of the European Commission**

Art. 48. (1) (Amend. – SG, 20/09, in force from 17.03.2009, amend. – SG, 93/09, in force from 24.11.2009, suppl. – SG, 62/10, amend. – SG, 36/14, in force from 25.04.20014, amend. – SG, 40/15, amend. and suppl. – SG, 88/15, in force from 13.11.2015, amend. – SG, 41/18, in force from 18.05.2018). In case that the funds for financial aid of a training project under this Chapter and under financing with other state resource or EU resource for the same admissible costs, including in the form of de minimis aid shall be

in the amount above the BGN equivalence of EUR 2 million, or the training project fails to meet the conditions of Section II, the Minister of Economy shall prepare a notification about the intention to provide financial aid under Art. 22 of the State Aid Act. The maximum value under sentence one shall not be circumvented by artificial division of project of similar nature, objectives or beneficiaries.

(2) The funds for financial aid shall be provided only after positive decision on behalf of the European Commission.

(3) (New – SG, 88/15, in force from 13.11.2015) Where financing from the EU, managed centrally by the institutions, agencies, joint ventures or other EU bodies, which is not directly or indirectly under the control of the Member State, has been combined with state aid, only this state aid shall be taken in consideration in view to establishing whether the thresholds have been observed for notification and the maximum intensities of the aid or the maximum amount of the aid, under the conditions, that the total amount of public financing, provided in relation to the same admissible costs does not exceed the most favorable percent of financing, established in the applicable rules of the EU legislation.

#### **Section IV.**

##### **Procedure for granting the funds**

Art. 49. (1) (Amend. – SG, 24/1413, in force from 12.03.2013) The funds for financial aid for training under Art. 22c of the IPA shall be provided under Art 15, Para. 5 of the IPA on the basis of the approved contracts by the Council of Ministers under Art. 50.

(2) (Suppl. – SG, 62/10) In case that the circumstances under Art. 48 are present, the decree shall be adopted and the funds shall be granted after the positive decision of the European Commission for provision of financial aid.

(3) (New – SG, 62/10) The funds shall be granted in cumulative fulfillment of the following conditions:

1. in fulfillment of not less than 50% of the defined minimal amount of the investment for issuance of the relevant certificate for class investment;

2. (amend. – SG, 88/15, in force from 13.11.2015) for recovery of the spent funds for performed training of not less than 30 persons, according to the training project under Art. 44 and the signed contracts under Art. 50.

Art. 50 (1) (Amend. – SG, 93/09, in force from 24.11.2009, suppl. – SG, 62/10 amend. -SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15). The Council of Ministers, with a decision shall approve the draft contracts and shall authorize the Minister of Economy to sign contract/s:

With the investor and/or with the persons under Art. 17, Para. 1 of IPA,

2. with training organization under Art. 22c, Para. 2 of IPA, where the investor-employer does not fulfill independently the training project.

(2) (Amend. – SG, 88/15, in force from 13.11.2-15) With the contract under Para. 1, p.1 the investor-employer shall be obliged to fulfill the investment project and the training project, and the state to provide funds for the admissible costs on the training project under the conditions of this Chapter.

(3) (Suppl. – SG, 62/10) The contract under Para. 1, p. 1 shall obligatorily contain all the requirements of the IPA in relation to the investment project and the investor, as well as the condition and requirements for provision of financial means in the scheme of state aid for training:

1. subject of the contract;

2. parties of the contract;

3. name of the investment project;

4. basic rights and obligations;

5. type and amount of the investment;

6. term of fulfillment of the investment project and term for maintenance of the investment;

7. number of employees, who will be trained;



8. contents of the training and the provided means, which will be used;
9. the date, from which the relevant number of employees will be trained or re-qualified;
10. amount of the training costs;
11. type of costs and provided means;
12. the amount and the period, for which the financial aid will be provided;
13. way and term of spending the training means;
14. obligation for returning the provided means or part of them, if they are not spent completely in the contractual period, or if more means are provided than the needed ones, as well as the period and condition for returning of the financial aid;
15. way of accounting the fulfillment of the training project;
16. type and amount of the guaranty for fulfillment of the obligations under the contract;
17. type and amount of the responsibility for failure to fulfill the obligations on the contract;
18. control of the fulfillment of the parties' obligations;
19. way of settling disputed between the parties;
20. (suppl. – SG, 24/13, in force from 12.03.2013) grounds for pre-term termination or cancellation of the contract and the rights of the wrong party;
21. other elements, on which agreement between the parties has been reached.

(4) The investment project and the training project shall be inseparable part of the contract under Para. 1, p. 1.

(5) With the contract under Para. 1, p. 2 the training organization, selected on a competition principle shall be obliged to fulfill the training project or part of it.

(6) The contract under Para. 1, p. 2 shall obligatorily contain:

1. subject of the contract;
2. parties of the contract;
3. name of the training project;
4. basic rights and obligations;
5. number of the employees, who will be trained or requalified;
6. contents of the training and the provided means, which will be used;
7. the date, from which the relevant number of employees will be trained or requalified;
8. (amend. – SG, 88/15, in force from 13.11.2015) amount of the admissible costs on the training project;
9. type of costs and provided means;
10. the amount and period for which the financial aid will be provided;
11. way and term of spending the training means;
12. obligation for returning the provided means or part of them, if they have not been spent completely in the contractual period or if more means have been provided than the needed ones, as well as the period and conditions for returning the financial aid;
13. way of accounting the implementation of the training project;
14. type and amount of the collateral for fulfillment of the obligations under the contract;
15. type and amount of the responsibility for failure to fulfill the obligations under the contract;
16. control on the implementation of the obligations of the parties;
17. ways for settlement of the dispute between the parties;
18. (suppl. – SG, 24/13, in force from 12.03.2013) grounds for preterm termination or cancellation of the contract and the rights of the wrong party;
19. other elements, on which consent is agreed between the parties.

(7) The training project is inseparable part of the contract under Para. 1, p. 2.

(8) The contracts under Para. 1 shall come into force after the positive decision of the European Commission for provision of the financial aid, if the circumstances under Art. 48 are present.

(9) (New – SG, 62/10, amend. – SG, 36/14, in force from 25.04.2014, amend. – SG 40/15) Forms

of contracts under Para. 1 shall be announced on the [internet site](#) of the Ministry of Economy on the basis of approved by the Council of Ministers contracts for granting means.

(10) (New – SG, 88/15, in force from 13.11.2015) Within the term up to 6 months from the date, on which the competent body – the Minister of Economy has provided the aid through signing the contract under Para. 1, he shall prepare information under Annex No 3, which shall be published on the internet site under Art. 9 of Regulation (EU) N 651/2014.

## **Section V. Transparency and observation**

Art. 51. (Suppl.- SG, 62/10, amend. and suppl. – SG, 88/15, in force from 13.11.2015) The investor shall certify the made admissible costs on the training project with costs-approving documents in the term of up to 3 months from the realization of the training project or under the contract of Art. 50. The admissible costs shall be supported with document evidences, which shall be clear, concrete and updated.

Art. 52. (Amend. – SG, 93/09, in force from 24.11.2009, amend. – SG, 62/10) (1) The control on the implementation of the contract/s of Art. 50 shall be realized by:

1. (amend. - SG, 36/14, amend. – SG, 40/15) an authorized by the Minister of Economy official under Art. 69 in relation to the investment project;

2. an authorized by the Minister of Labor and Social Policy official in relation to implementation of the training project and implementation of the parameters of the investment project, related to employment.

(2) (Amend. – SG, 36/14, in force from 25.04.2014, amend. – SG, 40/15, suppl. – SG, 88/15, in force from 13.11.2015, amend. – SG, 41/18, in force from 18.05.2018) The Minister of Economy, or an official, authorized by him under Para. 1 shall maintain, store the whole information and the accompanying documentation for performing activities under the provided financial aid in the terms and for objectives, provided by the State Aid Act. The information for provision under this Chapter means for financial aid shall be stored for a period of 10 years from the date of provision of the financing or from the date of provision of the last aid on the scheme, whichever of the two occurs later.

(3) (New – SG, 88/15, in force from 13.11.2015, amend. – SG, 41/18, in force from 18.05.2018) Upon request of the European Commission, the Minister of Economy shall provide through the Minister of Finance the whole information and the accompanying documentation, which the European Commission considers as needed for the purposes of the monitoring on the implementation of Regulation (EU) N 651/2014. The information and the documentation shall be provided to the Minister of Finances in the term of 15 work days, unless the request of the European Commission, or the instructions of the Ministry of Finances define some other term.

## **Chapter seven.**

### **CONDITIONS FOR PROMOTION OF THE INVESTMENTS IN REGIONAL AID (TITLE, AMEND. – SG, 20/09, IN FORCE FROM 17.03.2009)**

#### **Section I.**

#### **Conditions, in which no preliminary notification of the European Commission is required (Title, amend. – SG, 20/09, in force from 17.03.2009)**

Art. 52a. (New – SG, 20/09, in force from 17.03.2009) (1) (Amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015) The scheme for regional investment aid, which fulfills all the conditions of Chapter I and Chapter III, Art. 13 and 14 of Regulation (EU) N 651/2014 shall be compatible with the internal market in the meaning of Art. 107, Para. 3 of the Treaty on the Functioning of the EU and shall be exempt from the obligation for notification under Art. 108, Para. 3 of the Treaty on the Functioning of the EU.

(2) (Amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015)

The annual budget of the scheme for regional investment aid shall not exceed EUR 150 million per year. If the average annual budget of the scheme exceeds this sum, the Ministry of Economy shall prepare a plan for assessment of the scheme, which shall be sent to the European Commission in the term of 20 days from the enforcement of the amendment of the budget. In these cases, the scheme for regional investment aid shall be applied for the term of 6 months from the enforcement of the amendment of the budget for the scheme. After estimating the assessment plan, the European Commission may decide Regulation (EU) N 651/2014 to apply for a longer period of time in relation to the scheme or change of the scheme, which cannot influence its compatibility with Regulation (EU) N 651/2014, or which cannot substantially influence the approved assessment plan.

(3) (Amend. – SG, 88/15, in force from 13.11.2015) Every provision of individual aid under the scheme for regional investment aid should contain explicit reference to concrete provision of Chapter III of Regulation (EU) N 651/2014 and to the national legislation, on which the individual aid is based and is reflected in the relevant act for provision of the aid and in the contract with the receiver of the aid.

(4) (New – SG, 88/15, in force from 13.11.2015) Provision of aid shall not re-negotiated, or the amount of the provided aid cannot be increased, after this has been provided by the relevant act for provision of the aid and/or in the contract with the receiver of the aid.

Art. 53. (Amend. – SG, 20/09, in force from 17.03.2009) (1) (Amend. – SG, 88/15, in force from 13.11.2015) The intensity of the regional investment aid, expressed in a current gross grant-equivalent shall not exceed the intensity of the regional aid, which is in force at the moment of granting the aid for the relevant region under Art. 14, Para. 12, of Regulation (EU) N 651/2014, under the approved regional map for the period of 2014 – 2020 in the amount of 25% in the South-west region of planning and 50% in the remaining regions of planning, where:

1. (amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015) under the Map of the regional aid for Bulgaria, applicable from 1 July 2014 to 31 December 2020 (OJ C 209, 23.07.2013, p. 1) the basic intensity of 50%, or 25% for The South-west region of planning, calculated as current gross grant equivalent, may be exceeded by to 20% points for the investment aid, granted to small enterprises, with the exception of the aid, granted in favor of large investment projects, and the aid for activities in processing agricultural products, where this increase shall not violate the requirement of Art. 12, Para. 2, p. 6 of the IPA;

2. (suppl. – SG, 88/15, in force from 13.11.2015) for calculation of the aid intensity, all used data shall be taken before deduction of taxes or other charges; where the aid is granted in the form, other than grant, the amount of the aid shall be grant equivalent to the aid. The admissible costs shall be supported by document evidences, which shall be clear, concrete and updated.

(2) (Suppl. – SG, 62/10, amend. – SG, 24/13, in force from 12.03.2013, amend. – SG, 88/15, in force from 13.11.2015) The total amount of the gross grant equivalent of the regional aid from all sources, received for one and the same admissible costs and for one and the same project, shall not exceed the defined individual threshold under Chapter I, Art. 4, Para. 1, letter "a" of Regulation (EU) N 651/2014, namely, the corrected amount of the aid, calculated under the mechanism, defined by Art. 2, p. 20 of Regulation (EU) N 651/2014 for an investment with admissible costs EUR 100 million.

(3) (New – SG, 88/15, in force from 13.11.2015) Where a single investment project is a large investment project, the total amount of the aid for the single investment project shall not exceed the corrected amount of the aid for large investment projects.

(4) (New – SG, 88/15, in force from 13.11.2015) The maximum value under Para. 2 shall not be bypassed through artificial division of project of similar characteristics, objectives or beneficiaries.

(5) (New – SG, 88/15, in force from 13.11.2015) Where investment are supported in activities, related to processing agricultural products, the total amount of the gross grant equivalent of the regional aid from all the sources, received for one and the same costs and for one and the same project, shall not exceed EUR 12 million, and the admissible costs shall not exceed EUR 25 million.

Art. 54. (1) (Amend. – SG, 88/15, in force from 13.11.2015) The admissible material assets shall be restricted to assets, contained of land, buildings, facilities, machines and equipment, and the non-material – to assets, which have no physical or financial expression, as patents, licenses, know-how or other intellectual ownership.

(2) (Amend. – SG, 88/15, in force form 13.11.2015) Admissible shall be costs for acquiring non-material assets, which:

1. are used only in the undertaking (economic object) – receiver of the aid;
2. are depreciable;
3. are bought under market conditions from third countries, not related to the buyer;
4. are included in the assets of the undertaking, receiving the aid and remain related to the project, for which the aid is granted, for the term of at least 5 years or in SME – for the term of at least 3 years;
5. are new.

(3) In the SMEs, all the costs for investment in non-material assets shall be taken in consideration.

(4) (Amend. – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015) IN the large undertakings the costs under Para. 2 shall be admissible to 50% of the total amount of the admissible costs on the project.

(5) (New – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015) Admissible shall be the costs for acquiring material assets, which:

1. are used exclusively in the undertaking – receiver of the aid;
2. (amend. – SG, 88/15, in force from 13.11.2015) are bought in market conditions form third countries, not related to the buyer;
3. (amend. – SG, 88/15, in force from 13.112015) are included in the assets of the undertaking, receiving the aid and remain related to the project, for which the aid is granted, for the term at least of 5 years or in SMEs – for the term at least of 3 years;
4. are new.

(6) (New – SG, 62/10, amend. – SG, 88/15, in force from 13.11.2015, suppl. – SG, 41/18, in force from 18.05.2018) For aid, granted to large enterprises for basic change of the industrial process, the admissible costs must exceed the tax amortization of the assets, related to the activity, which is to be modernized, during the previous 3 financial years. For aid, granted for diversification of existing undertaking, the admissible costs must exceed at least by 200% of the balance value of the assets, which are used for the second time, as they have been accounted during the financial year before beginning of the work on the project.

Art. 55. (1) (Amend. – SG, 88/15, in force from 13.11.2015) The defined under Art. 53, Para. 1 ceilings shall refer to the intensity of aid, calculated as a percent of the admissible costs for material and non-material assets under Art. 54 for the investment, or a percent of the forecast costs for labor remunerations of the employed persons for the period of 2 years for the work positions, directly created by the investment project.

(2) Both methods of calculation under Para. 1 may be combined, under the condition, that the aid does not exceed the most favorable sum, received during the separate application of every method.

(3) (Amend. – SG, 88/15, in force from 13.11.2015) For calculation of the intensity of aid, payable at several contributions, the aid and the admissible costs should be accounted to their value at the moment of granting the aid in using the accounted interest percent, applicable at the moment of the granting of the aid.

Art. 56. (1) The costs on acquiring assets in leasing conditions, with the exception of land and buildings, shall be taken only under the condition, that the leasing is in the form of financial leasing and includes obligation for buying the assets in expiry of the leasing term.

(2) Leasing for land and buildings must have continuity of at least 5 years or 3 years for SMEs after the expected date of finalization of the investment project.

Art. 57. (1) (Amend., SG, 20/2009, in force as of 17.03.2009, previous text of Art. 57 - SG, 24/13,

in effect from 12.03.2009, amended, SG, 88/15, in force from 13.11.2015) In cases where the aid is calculated on the basis of wage costs, the employment shall cumulatively meet the conditions under Chapter III, Art. A 14, Para. 9 of Regulation (EU) No 651/2014:

1. (Suppl., SG 24/13, in force from 12.03.2013, amend., SG, 88/15, in force as of 13.11.2015) it shall be directly related to the realization of the investment project in the meaning of Art. 2, p. 62 of Regulation (EU) No 651/2014;

2. (suppl. - SG, 24/13, in force as of 12.03.2013, amend. and suppl. - SG, 88/15, effective from 13.11.2015) the investment project shall lead to a net increase of the average number of personnel within the meaning of § 1, item 16 of the Additional Provisions of the Rules and Art. 2, p. 32 of Regulation (EU) No 651/2014 to the number of employees in the respective enterprise / organization compared with the average number of employees during the previous 12 months, which means that the number of jobs created during this period are deducted the closed jobs;

3. shall ensure that the employment created is maintained for a minimum period of 5 years in the case of a large enterprise and for a minimum period of 3 years in the case of small and medium-sized enterprises

(2) (New, SG, 24/13, in force from 12.03.2013, amend., SG, 88/1915, in force from 13.11.2015) The expenses for labor remunerations according to Art. 2, p. 31 of Regulation (EU) No 651/2014 shall be the total amount actually paid by the beneficiary of the aid in respect of the relevant jobs, including:

1. the gross remuneration before taxation and
2. obligatory contributions for social and health insurance.

Art. 58. (Amend. – SG, 88/15, in force from 13.11.2015) This Section shall not apply in relation to:

1. (amend. – SG, 41/18, in force from 18.05.2018) to beneficiaries, who have performed moving to the enterprise, in which the initial investment is to be made during the two years preceding the application for aid as beneficiaries shall be committed not to do this for a period of up to two years after the closure of the initial investment, applied for;

2. projects giving priority to domestic preferential goods as well as investments in export-related activities to third countries or for other Member States of the European Union which are directly related to export quantities with the establishment and operation of distribution networks or other current expenditure related to the export activity

## **Section II. Accumulation**

Art. 59. (1) (Amend. - SG, 88/15, in force from 13.11.2015) The ones determined under Art. 53, Para. 1 aid ceilings refer to the total amount of public support for the assisted project, whether this support is funded by municipal, regional or national sources or EU sources.

(2) (Amend. - SG, 88/15, in force from 13.11.2-15, amend. – SG, 41/18, in force from 18.05.2018) Regional investment aid, which meets the conditions of this Chapter, shall not accumulate with any other state aid as well as with minimal aid within the meaning of § 1, p. 15 of the Additional Provision of the State Aid Act for the same eligible costs, if as a result of this cumulation the aid intensity or the amount of the aid exceeds the values determined under Art. 53, Para. 1 and 2.

(3) (New, SG, 88/15, in force from 13.11.2015) Where the European Union funding managed centrally by the institutions, agencies, joint ventures or other bodies of the European Union which is not directly or indirectly under the control of the Member State, is coupled with State aid, only that State aid is taken into account in order to establish whether the notification thresholds and the maximum aid intensities or the maximum aid amounts have been respected, provided that the total amount of public funding, provided in connection with the same eligible costs does not exceed the most favorable rate of funding laid down in the applicable rules of European Union legislation.

### **Section III.**

#### **Aid, subject to prior notification to the European Commission**

Art. 60. (1) (Amend., SG, 88/15, effective from 13.11.2015) Prior notification shall be granted to aid for large investment projects under this Chapter if the total amount of aid from all sources exceeds the corrected amount aid calculated in accordance with the mechanism, set out in Art. 2, Para. 20 of Regulation (EU) No 651/2014 for an investment with eligible costs of EUR 100 million.

(2) (Repealed - SG, 20/09, in force from 17.03.2009)

(3) (Amend., SG 93/09, in force as of 24.11.2009, amend., SG, 62/10, amend., SG, 36/14, in force from 25.04.2014, amend., SG, 40/15, amend. – SG, 41/18, in force from 18.05.2018) The individual notification of the commission under para 1 shall be carried out by the Minister of Economy or by an official authorized by him under Art. 69, p. 1 or by another executive authority granting the aid. The notification shall be made in accordance with Art. 22 of the State Aid Act.

### **Section IV.**

#### **Transparency and monitoring**

Art. 61. (1) (Amend., SG, 93/09, in force from 24.11.2009, suppl., SG, 62/10, amend., SG, 36/14, in force from 25.04.2014, amend., SG 40/15, SG, 88/15, in force as of 13.11.2015) Within six months from the date where the competent authority - the Minister of Economy or the Executive Director of the Agency or other executive body has provided the assistance, the authority shall prepare information according to Annex No 3, which shall publish on the website under Art. 9 of Regulation (EU) No 651/2014.

(2) (Amend., SG, 88/15, in force from 13.11.2015) The information under para. 1 shall be sent to the Ministry of Finance in accordance with the State Aid Act and the Rules on its implementation.

(3) (Amend., SG, 93/09, in force as of 24.11.2009, amend., SG, 62/10, amend., SG, 36/14, in SG, 40/15, amend. – SG, 41/18, in force from 18.05.2018) The Minister of Economy or a person authorized by him or another body of the executive power providing the assistance shall provide information to the Minister of Finance under the State Aid Act concerning the aids granted under this Chapter, including information on the status of the enterprise.

(4) (Amend., SG, 88/15, in force from 13.11.2015, amend. – SG, 41/18, in force from 18.05.2018). The information under para. 3 shall be retained for 10 years after the date on which the individual aid was granted under this scheme or the date on which the last aid was granted under the scheme, whichever is the later. At the request of the European Commission, the Minister of Economy provides through the Minister of Finance all the information and supporting documentation that the European Commission considers necessary for the purposes of monitoring on the implementation of Regulation (EU) No 651/2014. The information and documentation shall be submitted to the Minister of Finance within 15 working days, unless otherwise specified in the request of the European Commission or in the instructions of the Ministry of Finance another term is set.

(5) (Amend., SG, 93/09, effective from 24.11.2009, amend., SG, 62/10) The competent body under para. 3 or an official authorized by it shall draw up a report on the implementation and fulfillment of the conditions of this Chapter for each calendar year or part of the calendar year by publishing the full text of the aid scheme and communicating to the Commission the e-mail address to which it is published.

(6) The report shall be submitted to the Commission under the State Aid Act.

### **Chapter seven "a".**

#### **FINANCIAL ASSISTANCE FOR PARTICULAR RECOVERY OF THE INVESTOR FOR HIS ACCOUNT MANDATORY INSURANCE AND HEALTH CONTRIBUTIONS (NEW – SG, 24/13, IN FORCE FROM 12.03.2013)**

## **Section I.**

### **Requirements to the project (New - SG, 24/13, in force from 12.03.2013)**

Art. 61a. (New, SG 24/13, in force from 12.03.2013, amend., SG 36/14, in force as of April 25, 2014) The investment project applying for receiving financial support for established employment must meet the requirements of Art. 22e IPA:

1. the investment should have a certificate for Class A, Class B or a priority project;
2. the employment, established by the realization of the investment project, defined as the average number of the personnel within the meaning of § 1, p. 16 of the Additional Provisions, should meet the conditions under Art. 12, Para. 2, p. 5 and p. 7, letters "a" and "b" of the IPA;
3. (Amend., SG 36/14, in force as of 25.04.2014) the necessary information should be provided in Part III, Section 6 of the application under Art. 4, Para. 1;
4. the new jobs, established with the investment project under the conditions and procedure of the Labor Code in full-time must be revealed before the expiry of the issued certificate but not later than 3 years from the date of commencement of work on the investment project;
5. (Supp., SG 36/14, in force as of 25.04.2014) the annual labor remuneration of the employees under an employment relationship in the enterprise of the investor is higher than the national average for the respective economic activity, in the implementation of the investment project, according to data of the National Statistical Institute for the period of maintenance of the employment under Art. 12, Para. 2, p. 7, letter "c" of the IPA;
6. the investment and the established employment should be maintained for a minimum period of 5 years for large enterprises and 3 years for small and medium-sized enterprises as of the date of its completion, respectively from the date of the opening of each workplace.

## **Section II.**

### **Proposal for allocation of funds (New, SG 24/13, in force from 12.03.2013)**

Art. 61b. (New, SG 24/13, in force as of 12.03.2013, amend., SG 36/14, in force as of 25.04.2014, amend., SG, 40/15, amend. - SG, 88/15, in force as of 13.11.2015) The Minister of Economy shall submit to the Council of Ministers a proposal for the promotion of an investment project with the measure under Art. 22e of the IPA when the requirements of Regulation (EU) No 651/2014 have been met and subject to the following conditions:

1. (amend., SG 36/20, in force from 25.04.2014, amend., SG, 40/15) a filed request in the Ministry of Economy by an investor with an investment certificate issued by class A, class B or for a priority investment project;
2. (amend., SG 36/14, in force from 25.04.2014) submitted documents under Art. 16, p. 4 and 5 of the IPA, the relevant documents for an established legal person under Art. 17 of the IPA, in the event that it is registered and a declaration in a form approved by the Executive Director of the Agency for receiving state aid during the last 3 years, including the current one, by the investor or the persons under Art. 17 IPA;
3. an approved investment Promotion project following a competitive procedure under Art. 61c, where applicable;
4. performed check of the conditions under Chapter Seven;
5. (amend., SG 88/15, in force from 13.11.2015) a proved the incentive effect of the measure in the meaning of Art. 6 of Regulation (EU) No 651/2014.

## **Section III.**

### **Competition procedure (New - SG, 24/13, in force from 12.03.2013)**

Art. 61c. (New, SG - 24/13, in force from 12.03.2013) (1) The competitive procedure for

assessment and selection of the investment projects for promotion with the measure under Art. 22e IPA shall be conducted on the basis of the documents under Art. 61b, p. 1 and 2.

(2) The assessment under Para. 1 shall be carried out under the conditions and by procedure of Art. 35.

(3) The assessment shall be based on the following criteria:

1. amount of investments in the investment project for a period of 3 years and / or the amount of estimated wage remuneration costs for a period of two years for the persons assigned to the jobs directly created by the implementation of the investment project (the higher size shall be taken);

2. the amount of state funds claimed for the implementation of the measure;

3. realization of investments in high technology production and services under Art. 3, Para. 5 and 6;

4. realization of investments in municipalities under Art. 3, Para. 2.

5. (New – SG, 41/18, in force from 18.05.2018) a measure, used during the previous years under Art. 22e of the IPA for promotion of another certified investment project of the enterprise-applicant or another enterprise, with which it forms a group of enterprises.

(4) (Amend., SG 36/20, in force from 25.04.2014, amend., SG 40/15). The Minister of Economy shall submit a proposal to the Council of Ministers under the procedure of Art. 61b, observing the ranking order, the total amount of the requests must be within the envisaged funds under Art. 35, Para. 3.

#### **Section IV.**

#### **Determination of the amount of funds for financial support (New, SG - 24/20, in force from 12.03.2013)**

Art. 61d. (New, SG - 24/13, in force as of 12.03.2013) (1) (Amend. and suppl., SG – 88/15, in force as of 13.11.2015) The funds for financial support shall be granted up to the amount actually paid by the investor on his behalf as an employer, the obligatory social security contributions to the funds of the state public insurance, the supplementary compulsory pension insurance and the obligatory health insurance for the workers and employees, having occupied the new jobs under the contract under Art. 61f and Para. 7. Opening of a job means the date on which a worker, or employee has been recruited for the first time at the workplace.

(2) For the implementation of the measure under Para. 1, the newly created jobs must be occupied by Bulgarian citizens, citizens of the Member States of the European Union, the countries of the European Economic Area Agreement, the Swiss Confederation or persons under Art. 18, Para. 3 of the Employment Promotion Act.

(3) (Suppl. – SG, 41/18, in force from 18.05.2018) The release of the funds under Para. 1 shall be carried out after the employment appointment of at least 30 per cent of the corresponding number of employees required for the issuance of the respective investment class certificate under Art. 3a, or after fulfillment of not less than 50 per cent of the determined minimum investment amount for issuing the respective investment class certificate under Art. 3, or for a priority investment project under Art. 63 and within the third year of commencement of the work / activity of the investment project.

(4) (Amend., SG 88/15, in force as of 13.11.2015, amend. – SG, 41/18, in force from 18.05.2018) The funds under Para. 1 shall be granted as follows:

1. once a year during the period of application of the measure and the date of granting shall be after March 31 of the current year for reimbursement of the contributions actually made for the previous year under Para. 1 subject to the provisions of Art. 22e, Para. 1, p. 3 - 5 and Para. 2 of the IPA, or

2. once after the end of the period of application of the measure, where the date of granting is after 31 March of the current year, for reimbursement of the real made contributions, made for the previous years for application of the measure under Para. 1 while observing the provisions of Art. 22e, Para. 1, p. 3 – 5 and Para. 2 of the IPA.

(5) (Amend., SG, 88/15, in force from 13.11.2015) The funds under Para. 1 shall not be granted if the person carrying out the investment project has a non-fulfillment of contracts concluded under programs, measures and training under the Employment Promotion Act or the same eligible costs have received funds



from other public sources of financing.

(6) (Amend., SG, 88/15, in force as of 13.11.2015, suppl. – SG, 41/18, in force from 18.05.2018) For the allocation of the funds under Para. 1 the investor shall certify the eligible expenses for the respective calendar year for remuneration and compulsory insurance contributions for the created work places under the project by 31 March of the following year – in the cases under Para. 4, p. 1, or of the year of single granting of funds – in the cases under Para. 4, p. 2, and according to a procedure, determined by the contract under Art. 61f.

(7) (New, SG, 88/15, in force from 13.11.2015) Funds for reimbursement of the costs for the respective insurance contributions made by the investor may be granted:

1. for a period of not more than 24 months from the opening of the relevant workplace - for projects in the manufacturing and high-tech service activities that are carried out in the administrative boundaries of municipalities which for the preceding year before the current have a level of unemployment, higher than the country average;

2. for a period not exceeding 12 months - in other cases.

(8) (New – SG, 41/18, in force from 18.05.2018) The funds under Para. 1 shall be granted with priority to a beneficiary (at a group level) which by the moment have not used the measure under Art. 22e of the IPA for fulfillment of other their certified projects.

Art. 61e. (New, SG, 24/13, in force as of 12.03.2013) The necessary funds for financial support under Art. 61d for application of the measure under Art. 22e IPA shall be provided according to Art. 15, Para. 5 of the IPA on the basis of contracts, approved by the Council of Ministers under Art. 61f.

Art. 61f. (New, SG, 24/13, in force from 12.03.2013) (1) (Amend., SG, 36/14, in force as of 25.04.2014, amend. - SG 40/15) The Council of Ministers shall approve the drafts of contracts by a decision and shall authorize the Minister of Economy to conclude a contract with the investor and / or with the persons under Art. 17, Para. 1 IPA.

(2) (Amend., SG, 88/15, in force from 13.11.2015) With the contract under Para. 1 the employer investor shall be obliged to carry out the investment project and to maintain the investment and the employment created for its realization for a minimum period of 5 years for large enterprises and 3 years for small and medium enterprises from the date of its completion, respectively from the date of the opening of each work place and the state to provide funds for the reimbursement of eligible project costs under this Chapter and Chapter Seven.

(3) ) The contract under Para. 1 obligatory shall contain all the requirements of the IPA, regarding the investment project and the employment established with its implementation, as well as the conditions and the requirements for granting of funds under the regional aid scheme:

1. subject of the contract;

2. parties if the contract;

3. name of the investment project;

4. basic rules and obligations;

5. type and size of the investment;

6. term of execution of the investment project and term for maintaining the investment;

7. number of new jobs opened with the implementation of the investment, on positions and professions with an indicative timetable for the opening of each job;

8. indicative cost amount over a period of 24 months from the opening of the relevant workplace, including: the amount of gross remuneration, pre-tax and statutory social security contributions, supplementary compulsory retirement insurance at the expense of the employer and statutory sickness insurance at the expense of the employer;

9. the amount and period for which financial assistance will be granted;

10. (Amend., SG, 88/15, in force from 13.11.2015) an obligation to repay the provided funds or part of them if the established employment is not maintained for the minimum determined period and under

the terms of the appointment , as well as the period and conditions for the return of financial aid; the aid shall be subject to repayment when the employment has not been established and maintained at the amount for issuing a certificate according to the application under Art. 18 of the IPA and the investment is not maintained within the deadlines required by Regulation (EU) No 651/2014;

11. way of reporting the implementation of the project in relation to employment;
12. type and amount of collateral for implementation of the contract obligations;
13. type and amount of liability for non-performance of contract obligations;
14. control on the implementation of the parties' obligations;
15. way of settlement of disputes between the parties;
16. grounds for early termination of the contract and the rights of the wrongful party;
17. other elements, on which agreement between the parties has been reached.

(4) The investment project is an integral part of the contract under Para. 1.

(5) Amend., SG, 36/14, amend., SG, 40/15) Samples of contracts under Para. 1 shall be announced on the [website](#) of the Ministry of Economy on the basis of contracts for the award of funds approved by the Council of Ministers.

### **Chapter eight.**

#### **PRIORITY INVESTMENT PROJECTS (NEW – SG, 62/10)**

Art. 62. (New, SG, 62/10) (1) The priority investment projects under Art. 22f, Para. 1 IPA shall be implemented in all economic activities in accordance with Art. 2, Para. 2, p. 3 and Para. 5 - 6.

(2) The classification of economic activities under Para. 1 and the produced products as a result of the investment shall be determined by the procedure of Art. 2, Para. 3 and 4.

(3) The priority investment projects under Para. 1 and the applicant investors must meet the following requirements:

1. (Amend., SG, 24/13, in force from 12.03.2013) the investment, which meets the conditions under Art. 12 of IPA, in a single object within the meaning of § 1, p. 7 of the Additional Provisions of the IPA, should be of a minimum size as defined in Art. 63, taking into account the possibilities for reducing the amount of the investment under the conditions under Art. 64;

2. they should create and maintain employment directly established by the investment project in accordance with Art. 12, Para. 2, p. 7 of the IPA, with the minimum number of employed persons determined under Art. 64, Para. 1-4;

3. they should meet the specific requirements relating to investment projects for industrial zones and technology parks;

4. (Amend., SG, 36/14, in force from 25.04.2014) the applicants - investors of the priority projects, shall meet the conditions under Art. 13 - 13a IPA and submit the documents under the terms and conditions of Chapter Two, Section 1, also certifying the requirements set out in this Chapter;

5. (Amend. and suppl., SG, 88/15, effective from 13.11.2015) they should implement the measures for the promotion of investment projects, so that fulfill all the conditions of the State Aid Training Scheme and the Scheme for regional investment aid in accordance with the requirements of Regulation (EU) No 651/2014.

Art. 63. (New, SG, 62/10) (1) (Amend., SG, 36/14, in force from 25.04.2014) The minimum amount of the investments in one site shall be BGN 100 million, with the exception of the cases under Para. 2 - 6.

(2) The minimum amount of investments in one site shall be BGN 50 million in cases where the priority investment project is implemented

1. in the administrative boundaries of municipalities which for the preceding year before the current one have a level of unemployment equal to, or higher than the average for the country, determined on the list according to Art. 3, Para. 8;

2. (amend., SG 36/14, in force from 25.04.2014) in the economic activities of the industrial sector under Art. 2, Para. 2, p. 1 - manufacturing industry (code C 10-33.2).

(3) (New, SG, 36/14, in force from 25.04.2014) The minimum amount of investments in one site shall be BGN 30 million in the high-tech activities of the manufacturing industry defined under Art. 3, Para. 5.

(4) (Former Para. 3, SG, 36/14, in force from 25.04.2014) The minimum amount of the investments shall be BGN 20 million in one site in the high-tech and knowledge-based services under Art. 3, Para. 6.

(5) (Amend., SG, 24/13, in force from 12.03.2013, previous Para 4, SG, 36/14, in force since 25.04.2014) The minimum amount of investments in one site for priority investment project for construction of an industrial zone and its development in an industrial park by attracting investments shall be BGN 15 million, where:

1. in the investment amount shall be included:

a) (repealed, SG, 36/14, in force from 25.04.2014)

b) (Suppl., SG, 36/14, in force from 25.04.2014) investments in land and technical infrastructure for the construction of the industrial zone and other investments in tangible and intangible fixed assets; clearance and preparation costs of the construction site shall also be eligible in the case of unused old buildings or work in progress or environmental contamination, or for leveling the terrain;

c) (amend., SG, 36/20, in force from 25.04.2014) investments in the high-tech and knowledge-based services under para. 4 shall also be admissible;

d) other, that may add up to the minimum investment amount to no more than 10 per cent of the minimum size set;

2. in determination of the investments in the economic activities and their combination for the construction of an industrial zone and its development in an industrial park shall also be taken into account the requirements for the design of production areas, designated as "purely production" or "mainly production" under Art. 24 and 25 of Ordinance No. 7 of 2003 on the rules and norms for the construction of the different types of territories and development zones (prom., SG, 3/04, amend. and suppl., 10/05, Decision No. 653 of the Supreme Administrative Court of 2005 - No. 11/05, amend. and suppl., SG, 51/05, Decision No. 7028 of the Supreme Administrative Court of 2005 - 63/05, amend. and suppl., 41/ 08), according to § 1, p. 12 of the Additional Provisions of the IPA.

(6) ( Former Para. 5, amend., SG, 36/14, in force from 25.04.2014) The minimum amount of investments in one site for the priority investment projects for the establishment of a technology park shall be BGN 15 million, where:

1. the amount of the investments shall include:

a) at least 30 percent investment in research and development activity, information technology and services, in education and human health under Art. 3, Para. 6, for technology transfer and innovation;

b) (Amend., SG, 36/14, in force from 25.04.2014) investments in start-up innovative enterprises in the production sphere in the economic activities in the sectors of the industrial sector - processing industry in the sectors under Art. 3, Para. 1, p.1, letter "a", as well as for other economic activities in the sector with code J - "Professional activities and research"; Code M - "Creation and dissemination of information and creative products, telecommunications", defined as high-tech and intensive knowledge-based services;

c) investments for land, buildings and technical infrastructure for the construction of the technology park; clearance and preparation costs of the construction site shall also be eligible in the case of unused old buildings or construction work in progress or environmental contamination or leveling of the site;

2. the definition of investments in economic activities and their combination for development of a technological park shall also be taken into account the requirements for spatial development of "high technology production area" (technological parks, etc.) under Art. 26 of Ordinance No. 7 of 2003 on the rules and norms for the planning of the different types of territories and development zones according to § 1, p. 13 of the Additional Provisions of the IPA.

(7) (Former Para. 6, amend., SG, 36/14, in force from 25.04.2014) When the investment for a

priority project falls simultaneously in the cases under Para. 2 - 6, the investor shall have the right to choose a more favorable option for the minimum amount of the investment, and the other conditions under Art. 64.

Art. 64. (New, SG, 62/10) (1) (amend., SG 24/03, in force from 12.03.2013) Priority investment projects shall establish and maintain employment, where the minimum annual number of employees, calculated as an average number of the staff, as of the date of completion of the investment, shall be:

1. (Suppl., SG, 36/14, amend., SG, 88/15, in force from 13.11.2015) one hundred and fifty employed in Art. 63, Para. 1 and Para. 2, p. 2;

2. (Amend., SG, 24/13, in force from 12.03.2013, suppl., SG, 36/14, in force as of 25.04.2014) a hundred persons engaged for investments in the municipalities with high unemployment and high-tech productions under Art. 63, Para. 2, p. 1 and Para. 3;

3. . (new, SG, 24/13, amend., SG, 36/14, in force from 25.04.2014) fifteen employees for construction investments of industrial zones under Art. 63, Para. 5;

4. (former p. 3 – SG, 24/13, amend., SG, 36/14, in force from 25.04.2014) fifty employees in high-tech and intensive knowledge-based services under Art. 63, Para. 4;

5. (new, SG, 36/14, in force from 25.04.2014) 50 persons employed in the technological parks under Art. 63, Para. 6.

(2) (Amend., SG, 24/13, in force since 12.03.2013) In cases where the investment project envisages a higher employment than the one referred to in Para. 1, p. 1 and 2, for each 100 employees, the required minimum investment amount shall be reduced by 10 per cent.

(3) (Amend., SG, 24/13, amend., SG, 36/14, in force from 25.04.2014) In cases where the investment project envisages more employment than the one referred to in Para. 1, p. 4, for every 50 employees the required minimum investment amount shall be reduced by 10 per cent.

(4) (Amend., SG, 36/14, in force from 25.04.2014) Established employment shall be maintained for a period of 5 years for large enterprises, industrial zones and technological parks and 3 years for small and medium-sized enterprises from the date of implementation of the investment project.

(5) (Repealed, SG, 24/13, in force from 12.03.2013)

(6) (Repealed, SG, 24/13, in force from 12.03.2013)

Art. 65. (New, SG, 62/10) (1) The applicant - an investor, applying for a certificate for a priority investment project shall submit to the Bulgarian Investment Agency all documents according to the terms and conditions of Chapter Two, certifying and the requirements set out in Para. 2 - 5.

(2) (Amend., SG 36/20, in force from 25.04.2014, amend., SG, 88/15, in force as of 13.11.2015) Right to apply for issuance a certificate for a priority investment project for construction of an industrial zone and for its development in an industrial park shall have an applicant, holding a certifying document (s) for the engagement of a person (s) who should make allowable investments in the area, subject to the criteria for size and employment, determined by the Rules.

(3) (Amend., SG, 36/14, in force from 25.04.2014) Right to apply for a certificate of priority investment project for the construction of a technological park shall have an applicant, holding a certifying document/s for a commitment to carry out activity on the territory of the technology park by at least one of the following persons, with whom they shall jointly submit the application, according to a model under Annex No 1:

1. (Amend., SG, 36/14, in force from 25.04.2014) Bulgarian higher education schools, which have received a final valid assessment under institutional accreditation of not lower than 6,00 per ten-point system, according to Chapter Ten of the Higher Education Act or Foreign Higher Education Schools;

2. The Bulgarian Academy of Sciences and its institutes and units;

3. The Agricultural Academy and institutes to it;

4. foreign or Bulgarian experimental laboratories and / or research institutes under Art. 60 of the Administration Act;

5. foreign or Bulgarian scientific organizations within the meaning of § 1, p. 1 of the Additional

Provision of the Promotion of Scientific Research Act.

(4) (Amend., SG, 36/14, in force from 25.04.2014) Commitment under Para. 2 and 3 may also be expressed by the interested bodies of the territorial executive on the location of the investment and / or by the sole-owned companies with state or municipal participation in the capital.

(5) (Amend., SG, 36/14, effective from 25.04.2014) Certificate of engagement under Para. 2 and 3 may be a contract for acquisition of an immovable property right on the territory of the industrial zone, a preliminary contract for the acquisition of a real estate right on a terrain of the industrial zone, a lease, a memorandum, an agreement or a joint statement of intent, mentioning the engagement, or establishment of a company under Art. 357 of the Obligations and Contracts Act, a company contract, statute, other applicable constitutive document.

(6) (New, SG, 24/13, in force as of 12.03.2013, amend., SG, 36/14, in force as of 25.04.2014, amend., SG, 88/15, in force from 13.11.2015). In the cases of an applicant under Para. 2 in the memorandum or in the agreement under Art. 67 the name of the attracted investor (s) and the parameters of his investment project may also be mentioned.

(7) (Former Para. 6, suppl., SG, 24/13, in force as of 12.03.2013, amend., SG, 36/14, in force from 25.04.2014) In the cases of an applicant under Para. 3 in the memorandum or agreement under Art. 67 the persons under Para. 3, p. 1 to 5 shall also be indicated.

(8) (Former Para. 7, SG, 24/13, in force from 12.03.2013, revoked - SG 36/14, in force from 25.04.2014)

Art. 66. (New – SG, 62/10) (1) Priority investment projects may be promoted with a package of measures under Art. 22f, Para. 2 of the IPA, which shall include:

1. shortened terms for administrative service under Art. 21 IPA;
2. individual administrative services necessary for the implementation of the investment project under the conditions and by the order of Art. 22 IPA and Chapter Three of the Rules;
3. acquisition of property rights or limited real rights over properties without tender or competition, including at prices lower than market prices - by tax assessment, as well as exemption from state fees upon change of the purpose of the land under the conditions and by the order of Art. 22a IPA and Chapters Four and Seventh of the Rules;
4. financial support for building elements of the technical infrastructure under Art. 22b IPA and Chapter Five of the Rules;
5. (Amend., SG, 24/13, in force from 12.03.2013) financial support for:
  - a) training for acquiring professional qualification, including interns from the higher schools in the country, who have taken up the new jobs related to the investments under Art. 22c IPA and Chapter Six of the Rules;
  - b) partial reimbursement of the obligatory social security contributions, made by the investor at his expense for the state public insurance, for the supplementary compulsory pension insurance and for the compulsory health insurance for newly appointed employees under the procedure of Art. 22e IPA and Chapter Seven "a" of the Rules;
6. institutional support under Art. 22g, Para. 1 IPA, by creating the interdepartmental working group for administrative support of a priority investment project for the term of validity of the certificate in a composition determined by the decision of the Council of Ministers under Art. 68, Para. 3;
7. (amend. - SG 70/18) partnerships with districts and municipalities, with higher education schools and other organizations from the academic community, as well as with sole-owned companies with state or municipal participation or with budget enterprises, which may be co-founders for the formation of a commercial company within the meaning of Art. 22g, Para. 2 of the IPA when complying with the requirements of this Chapter and, where applicable, Chapters Four and Seven of the Rules;
8. provision of grants of financial aid for priority investment projects in connection with Art. 22f, Para. 2, p. 1, letter "b" of the IPA in the following cases and under the following conditions:

a) up to 50% of the maximum intensity of the aid for investment in education and scientific research (with codes R 85 and M 72 in 2008) with implementation of not less than 25 per cent of the defined minimum investment amount for the priority projects under Art. 63, Para. 3 or 5 and within the third year of commencement of the work / activity of the investment project;

b) (amend., SG, 88/15, effective from 13.11.2015) for investments in the manufacturing industry according to Art. 2, Para. 2, p. 1 and Para. 5 and 6, which are executed within the administrative boundaries of municipalities, which for the preceding year before the current have an unemployment rate higher than the average for the country - up to 10 per cent of the applicable minimum threshold for certification under Art. 63, Para. 2 or 3; the aid shall be granted for investments for the establishment of a new enterprise in fulfillment of not less than 50 per cent of the determined minimum investment amount for the priority projects under Art. 63, Para. 1, 2 or 3 and within the third year of commencement of the work / activity of the investment project;

c) (amend., SG, 88/15, effective from 13.11.2015) the aid intensity provided under letters "a" and "b" shall be calculated as a percentage of the eligible costs for tangible and intangible assets under Art. 54 for the investment in accordance with the requirements of Art. 14, Para. 4, letter "a" of Regulation (EU) No 651/2014;

d) (amend., SG, 88/15, effective from 13.11.2015) fulfillment of all other conditions for the granting of regional aid under the terms of Chapters One and Seven of the Rules in accordance with the requirements of Regulation (EU) No 651/2014.

(2) In case of participation of Bulgarian legal persons under Para. 1, p. 7, which are sole-owned companies with state or municipal participation or budget enterprises under Art. 22g, Para. 2 of the IPA, the prior consent of the owner of the capital or the decision of the relevant competent authority shall be required in accordance with the applicable legislation.

(3) The Council of Ministers shall determine the priority investment projects and the measures under Para. 1, with which they are encouraged, by the decision for the approval of the memorandum or the agreement under Art. 67.

(4) (Amend., SG, 24/13, in force from 12.03.2013) The resources from the state budget, necessary for the implementation of the measures under Para. 1, shall be provided annually with the State Budget Act of the Republic of Bulgaria on the basis of the memoranda / agreements, approved by the Council of Ministers.

(5) (Amend., SG 36/20, in force from 25.04.2014, amend., SG, 40/15) On proposal of the Minister of Economy, the Council of Ministers may grant funds for implementation of the financial measures for the promotion of priority investment projects under Para. 1, p. 4, 5 and 8 according to the approved memorandum or the agreement under Art. 67.

(6) (Amend., SG, 36/14, in force as of 25.04.2014) The financial resources under Para. 5 shall be provided within the framework of the annual funds planned for the implementation of the financial measures under Art. 15, Para. 5 of the IPA after the competitive procedure under the conditions and procedure of Art. 35 and 43, as in the methodology under Art. 35, Para. 4 shall also include the cases under Para. 1, p. 8 with quantifiable criteria.

(7) (Amend., SG, 24/13, in force from 12.03.2013, suppl., SG, 88/15, in force from 13.11.2015) The priority investment projects may also be promoted under the Corporate Income Tax Act, the Value Added Tax Act, the Employment Promotion Act, and the the of Farm Land Ownership and Use Act if they meet the conditions laid down therein.

Art. 67. (New, SG, 62/10) (1) (Amend., SG, 36/14, in force as of 25.04.2014, amend., SG, 40/15.) The Minister of Economy shall introduce to the Council of Ministers a proposal for the approval of a memorandum or agreement between the government of the Republic of Bulgaria and the investor - applicant for the implementation of a priority investment project.

(2) The memorandum or agreement under Para. 1 shall contain:

1. parties and subject of the memorandum/agreement;
2. name of the investment project;
3. major rights and obligations;
4. type and amount of the investment;
5. term of execution of the investment project and term for maintaining the investment;
6. description of measures to promote the investment;
7. (amend. and suppl., SG, 88/15, in force from 13.11.2015) size and parameters of the property under Art. 66, Para. 1, p. 3 with maximum and final amounts of the state aid under Chapter Four where regional investment aid is applicable in accordance with the requirements of Regulation (EU) No 651/2014;
8. indicative deadlines and parameters of the project for the construction of the infrastructure and provision of the funds;
9. (amend., SG, 88/15, in force from 13.11.2015) indicative term and parameters of the project for specific training for acquiring of professional qualification of not less than 30 persons, including trainees from the higher schools, and an indicative time limit for the provision of the funds in fulfillment of all state aid for training requirements under Chapter Six;
10. (suppl., SG 88/2015, in force from 13.11.2015) indicative values for the financial support under Art. 66, Para. 1, p. 8, the order and the manner of allocation of funds in fulfillment of all the requirements of the regional investment aid scheme in accordance with the Rules;
11. type and amount of collateral for performance of obligations;
12. way of accounting the implementation of the investment project;
13. type and size of liability for non-fulfillment of the obligations;
14. control on performance of obligations;
15. ways of settling disputes between the parties;
16. (suppl., SG 24/13, in force from 12.03.2013) grounds for early termination or cancellation and rights of the wrong party;
17. other elements on which agreement has been reached by the parties.

(3) An integral part of the memorandum / agreement under Para. 2 shall be:

1. the investment project;
2. draft/s of contract/s as a basis for negotiation between the parties, if proposed by the parties.

(4) (Amend., SG, 36/14, in force from 25.04.2014, amend., SG, 40/14) Samples of drafts of a memorandum, agreement or contracts shall be published on the websites the [Ministry of Economy](#) and the [Agency](#).

Art. 68. (New – SG, 62/10) (1) (Amend. – SG, 24/13, in force from 12.03.2013) On the basis of the decision of the Council of Ministers on approving a memorandum or an agreement, a certificate shall be issued for a priority investment project which shall include the requisites under Art. 16, Para. 2.

(2) (Amend. – SG, 36/14, in force from 25.04.2014, amend. - SG 40/15) The certificate for a priority investment project shall be signed by the Minister of Economy and another authorized person/s, including a regional Governor or a Mayor, representing an academic community organization for technology parks, according to the Decision of the Council of Ministers under Para. 1.

(3) In case of a declared measure for the institutional support under Art. 66, Para. 1, p. 6, the Decision of the Council of Ministers shall also approve the order for the composition of the interdepartmental working group with the concrete persons from the central and territorial executive at the location of the investment, by the academic community, including non-profit legal persons, established and registered under the Non-profit Legal Entities Act(NPLEA). In the case of the development of a technology park, legal persons under NPLEA shall have their main activity in the field of science, technology and technology development.

## Chapter nine.

## **CONTROL ON IMPLEMENTATION OF THE INVESTMENT PROJECTS (NEW - SG, 62/10)**

Art. 69. (New, SG, 62/10, amend., SG, 24/13, in force as of 12.03.2013) (1) The control over the implementation of the investment projects, which have received a certificate for class A and class B investment shall be performed by:

1. (amend., SG 36/20, in force from 25.04.2014, amend., SG, 40/15) the Minister of Economy or an official authorized by him from the administration under him or by another executive body providing the incentive measure;

2. empowered official by the Minister of Labor and Social Policy with regard to the implementation of a contract with the investor for provision of funds for the training and implementation of the investment project parameters, related to employment.

(2) The control under Para. 1, p. 1 shall be carried out with regard to the implementation of the investment as a minimum amount and / or minimum number of created new jobs and a term in the respective economic activity.

(3) The amount of the investments performed shall be certified for the reporting period with an annual / interim financial statement in accordance with the Accountancy Act. The statement of financial statement shall be based on a reference template, in which the assets of the major economic activity and their value shall be described. The reference shall be prepared in accordance with the rules for the recognition of tangible / intangible fixed assets (current / non-current), established in International accounting standards (IAS), (NSFSSME) and shall be certified by a registered auditor in accordance with the Independent Financial Audit Act. The costs of the auditor's activity shall be at the expense of the investor. For the purposes of assessing whether the assets, described in the reference relate to the principal economic activity of the investor or other supplementary activity, the controlling authority referred to in Para. 1 may also carry out a factual check.

(4) The number of full-time employees under the conditions and procedure of the Labor Code, occupying newly created jobs shall be certified for the reported period by a document from the National Revenue Agency, copies of the labor contracts, copies of acts for termination of the employment relationship and notifications according to the Labor Code, a declaration according to a standard form for the paid security contributions to the funds of the state public security, the supplementary compulsory pension security and the National Health Fund, a copy of payroll or reference for the means, paid for remuneration of hired persons – their names and with other relevant documents.

(5) The control over the implementation of the investment projects of municipal significance with an issued class B certificate under Art. 22h of the IPA shall be carried out by the Mayor of the Municipality or by an official authorized by him under this Chapter.

(6) The Mayor of the Municipality or an official authorized by him shall draw up an annual report on the issued Class B investment certificates and the incentive measures provided, which he shall submit to the regional Governor and to the Executive Director of the Bulgarian Investment Agency and the Agency shall include it in its annual report on investments in the country under Art. 11b, p. 5 of the IPA.

Art. 70. (New, SG, 62/10) The control over the implementation of the priority investment projects shall be carried out by:

1. the body, determined by a Decision of the Council of Ministers, or

2. (Amend., SG, 36/14, in force from 25.04.2014, amend., SG, 40/15) the Minister of Economy or an authorized by him / her a second level budgetary spending unit under him/her, or another executive body, granting the aid;

3. empowered a person by the Minister of Labor and Social Policy with regard to the implementation of the project for the training and implementation of the investment project parameters, related to employment.



## **Additional provisions**

§ 1. In the meaning of the Rules:

1. "Identification N" is:

a) the unified identification code of the commercial register - of the persons entered in the Commercial Register;

b) the unified BULSTAT identification code of the persons entered in BULSTAT register;

c) the unified citizen number or the personal number of a foreigner - of the natural persons who are not entered in the Commercial Register, respectively in the BULSTAT Register;

d) the office number under Art. 84, Para. 3 of the Tax Social - Security Procedure Code for persons other than those under letters "a" - "c" and who are liable persons under the Tax and Social-Security Procedure Code.

2. "Collateral" means any guarantee, guarantee, pledge, mortgage or statement that provides for the performance of an obligation under the contracts provided by these Rules.

3. (amend. and suppl., SG, 20/09, in force from 17.03.2009, amend., SG, 88/15, in force from 13.11.2015) "Large investment project" is an investment under Art. 12 IPA with eligible costs with a BGN equivalence of more than EUR 50 million, calculated at prices and exchange rates on the date of granting the aid, including a single investment project; any investment under Art. 12 of the IPA, initiated by the same beneficiary (group level) within three years from the date of commencement of work on another aid investment in the same level 3 region of the Common classification of territory units for statistical purposes shall be considered as a part of a single investment project

4. (Amended, SG, 88/15, effective from 13.11.2015) "Aid intensity expressed in current gross grant equivalent" is the discounted value of the aid, expressed as a percentage of the discounted value of the eligible costs at the time the aid is granted at the applicable discount rate set by the European Commission.

5. "Market price" means the price at which the sale of the immovable property or the creation of a limited right in rem should be executed under a private agreement between the seller and the applicant-buyer on the valuation day, provided that the property is publicly offered, that the market conditions allow for a normal transfer and that there is a normal period of time for conducting sales negotiations tailored to the nature of ownership

6. (repealed, SG, 88/15, in force as of 13.11.2015)

7. (repealed, SG, 88/15, in force as of 13.11.2015)

8. (Amend., SG, 20/09, amend., SG, 88/15, in force from 13.11.2015) "Small and medium-sized enterprises" are the establishments meeting the criteria set out in Annex I to Regulation (EU) No 651/2014.

9. (new - SG 20/09, in force from 17.03.2009, amend., SG, 88/15, in force from 13.11.2015) "Large enterprises" shall mean enterprises which do not meet the criteria set out in Annex I to Regulation (EU) No 651/2014.

10. (new - SG 20/09, in force from 17.03.2009, amend., SG, 88/15, in force from 13.11.2015) "Enterprise in difficulty" is an undertaking in respect of which at least one of the following circumstances is fulfilled:

a) (a) in the case of a "limited liability company" (which is not an SME that exists for less than three years or, for the purpose of eligibility for risk-based financing aid, an SME which has made its first commercial sale before the most recent, for 7 years and qualifying for venture capital investments, based on financial and legal analysis performed by the selected financial intermediary) when its subscribed share capital has decreased by more than half, due to accumulated losses; this is the case where the deduction of accumulated losses from reserves (and all other elements that are generally considered to be part of the company's equity) leads to a negative cumulative result, that exceeds half of the subscribed share capital; for the purposes of this provision, the term "limited liability company" means in particular the types of a company listed in Annex I to Directive 2013/34 / EC of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain

types of undertakings and amending Directive 2006/43 / EC of the European Parliament and of the Council and repealing Council Directives 78/660 / EEC and 83/349 / EEC, and the term "share capital" includes, where appropriate, share premiums;

b) in the case of a company where at least some partners have unlimited liability for the company's obligations (which is not an SME that exists for less than three years, or, for the purpose of eligibility for risk-based financing aid, an SME that has carried out its first commercial sale not more than 7 years and eligible for risk-based investment, based on the financial and legal analysis performed by the selected financial intermediary, when the capital recorded in the company's balance sheet decreased by more than half, due to accumulated losses; for the purposes of this provision, the term 'company in which at least some of the partners bear unlimited liability for the company's liabilities is understood, in particular, to be the types of company listed in Annex II to Directive 2013/34/EU;

c) where an enterprise is in collective insolvency proceedings or meets the criteria of its domestic law to be the subject of collective insolvency proceedings at the request of its creditors;

d) when the enterprise has received rescue aid and has not yet recovered the loan or has not terminated the guarantee or has received restructuring aid and is still subject to a restructuring plan;

e) when the enterprise is not an SME and over the last two years:

aa) the debt/equity ratio of the entity was greater than 7,5, and

bb) the enterprise's interest-rate ratio, calculated on EBITDA basis, was less than 1.0.

11. (new - SG 20/09, in force from 17.03.2009, amend., SG 88/15, in force from 13.11.2015) "Aid intensity" is the gross grant amount, expressed as a percentage of the eligible costs, before deduction of taxes or other charges.

12. (new - SG 62/10) "Bodies of the executive power", "central and territorial bodies of the executive power" are those defined in Art. 19 of the Administration Act.

13. (new - SG 62/10) "Administrative authority" is the body that belongs to the system of the executive power, as well as any holder of administrative powers, authorized on the basis of an act within the meaning of § 1, p. 1 of the Additional Provision of the Administrative Procedure Code

14. (new, SG, 62/10) "Investor" means any natural person or organization applying for an investment class certificate or performing a project that has received an investment class certificate under the Investments Promotion Act.

15. (new - SG 62/10) "Organization" is a legal person or an association of legal or natural persons, which is organizationally separate, within the meaning of § 1, p. 2 of the Additional Provision of the Administrative Procedure Code.

16. (new, SG, 62/10, amend., SG, 24/13, in force from 12.03.2013) "Average number of staff" is the created and maintained employment for the respective financial year, determined according to the methodology for calculation of the list and average number of staff of the National Statistical Institute and reflected in the annual activity report under the Statistics Act, the Corporate Income Tax Act and the Natural Persons Income Tax Act.

17. (new, SG, 62/10, amend., SG, 24/13, in force from 12.03.2013, amend., SG, 88/15, in force from 13.11.2015) For the calculation of the state aid intensity payable in several installments, the aid and eligible costs should be discounted to their value at the time the aid is granted using the discount rate, used for the purposes of state aid. The current discount rate for state aid needs is available at: <http://stateaid.minfin.bg/bg/page/424>. According to the methodology for setting the discount rate in the "Commission Communication on the revision of the method for setting reference and discount rates" (OJ C 14/02, 19.01.2008), in order to take account of significant and sharp changes, periodic update is made.

18. (new - SG 88/205, in force from 13.11.2015) "The same or similar activity" is an activity falling within the same class (four-digit code) of the statistical classification of economic activities NACE Rev. 2, established by Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Rev. 2 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical

domains (OJ L 393, 30.12.2006, p.1).

19. (new - SG 88/205, in force from 13.11.2015) "Gross Grant- equivalent Grant" shall be the amount of the aid if it was granted to the beneficiary in the form of a grant before the deduction of the taxes or other charges.

20. (new, SG 88/15, in force from 13.11.2015) "Disabled worker" means any person who:

a) is recognized as a disabled worker under national law, or

b) has a permanent physical, mental, intellectual and sensory impairment which, in interaction with various obstacles, could prevent his full and effective participation in the working environment on equal terms with the other workers.

21. (new – SG, 88/15, in force from 13.11.2015) "A disadvantaged worker" shall be a person who:

a) has not been in regular paid job for the past 6 months, or

b) is between the age of 15 and 24, or

c) has not completed the upper level of the general education or professional qualification (International Standard Classification of Education 3) or has completed a maximum of two years from completing the full-time course of study and who has not yet reached regular paid job; or

d) is over 50 years of age, or

e) lives alone and has one or more dependents, or

f) works in a sector or profession in a Member State where the gender imbalance is at least 25% higher than the average gender imbalance for all economic sectors in the Member State concerned and belongs to the less well represented gender, or

g) is a representative of an ethnic minority in a Member State and needs to improve their language or professional qualifications or to enhance their work experience to improve their prospects of gaining access to durable employment.

22. . (new, SG, 88/15, in force from 13.11.2015) "Corrected amount of the aid" is the maximum allowable amount of the aid for a large investment project, calculated according to the formula "maximum aid amount" =  $R (A + 0,50 B + 0 C)$  where "R" is the maximum aid intensity applicable in the region concerned included in an approved regional aid map in force on the date the aid is granted, excluding the increased aid intensity for SMEs; "A" are the initial eligible costs - € 50 million; "B" is the part of the eligible costs between € 50 and 100 million ; "C" is the part of eligible costs over € 100 million.

23. (new, SG, 88/15, in force from 13.11.2015) "Evaluation plan" is a document that contains at least the following minimum elements: the objectives of the aid scheme under assessment, the issues for the evaluation, the performance indicators, the envisaged evaluation methodology; requirements relating to data collection; the proposed time frame for evaluation, including the date of submission of the final evaluation report, the description of the independent body making the assessment or the criteria to be used for its selection and the options for ensuring the publicity of the evaluation

24. (New, SG, 88/15, in force from 13.11.2015) "Aid" means any measure that fulfills all the criteria set out in Art. 107, Para. 1 of the Treaty on the Functioning of the European Union.

25. (new - SG 88/2015, in force from 13.11.2015) "Single investment project" shall mean any investment under Art. 12 of the IPA initiated by the same beneficiary (group level) within three years from the date of commencement of work on another assisted investment in the same region of level 3 of the Common Classification of Territories for statistical purposes.

26. (amend., SG No. 41/1918) "Relocation" means the transfer of the same or a similar activity or part thereof by an enterprise in one of the contracting parties to the EEAA (initial undertaking) to the undertaking in which the assisted investments are carried out in the territory of another contracting party to the EEAA (the assisted undertaking). A transfer occurs when a product or service in the original and in the assisted undertaking at least partially pursues the same objectives and responds to the demand or needs of the same customers and leads to the loss of jobs in the same or similar activity in one of the beneficiaries undertakings in the EEAA.

27. (new - SG 41/18, in force from 18.05.2018) "Group of enterprises" are linked enterprises within

the meaning and under the terms of Annex 1 to Regulation (EU) No 651/2014.

§ 2. (Amend., SG, 20/09, in force from 17.03.2009) The economic activities, determined by codes according to the Statistical classification of economic activities in the European Community (NACE Rev. 1.1) to which the National Classification of economic activities ("NCEA - 2003") until 1 January 2008 under § 7 are:

1. Manufacturing industry:

a) (Suppl., SG, 20/09, in force from 17.03.2009) "D" manufacturing sector (subsectors "DA" to "DN" inclusive), the high-tech industries under Art. 3, Para. 5);

b) production of chemical products "D 24";

c) (repealed – SG, 20/09, in force from 17.03.2009)

d) manufacture of machinery, equipment and household appliances "D 29";

e) manufacture of office and electronic computing equipment "D 30";

f) manufacture of electrical machinery and apparatus not classified in other places, "D 31";

g) production of radio, television and telecommunication equipment "D 32";

h) manufacture of medical, precision and optical apparatus and instruments; manufacture of watches "D 33";

i) manufacture of motor vehicles, trailers and semitrailers "D 34";

k) manufacture of motor vehicles, except automobiles "D 35", excluding construction and repair of vessels "35.1";

l) (repealed – SG, 20/09, in force from 17.03.2009);

m) (repealed - SG 20/09, in force from 17.03.2009).

2. generation of electricity from renewable energy sources with code "E 40";

3. (suppl., SG 20/09, in force from 17.03.2009) from the service sector - the high technology processes under Art. 3, Para. 6:

a) activities in the field of computer technologies "K 72";

b) research and development activity "K 73";

c) education "M 80";

d) human health "N 85.1".

§ 2a. (New, SG, 20/09, in force from 17.03.2009) The economic activities and the products under Art. 2, Para. 5 and 6 under Regulation No 800/2008 are:

1. "processing of agricultural products" means any processing of an agricultural product resulting in a product which is also agricultural, with the exception of the operations carried out on the holding necessary for the preparation of an animal or plant products for first sale;

2. "trade of agricultural products" means storage or display for sale, offering for sale, delivery or any other means of placing on the market, except for the first sale by the primary producer of the traders or processors and any preparation activity for the first sale; sale by a primary producer to end-users is considered to be a marketing if it is carried out in a separate room designated for that purpose as "agricultural product" means:

a) (Amend., SG, 62/10) the products listed in Annex I of the EC Treaty with the exception of fishery and aquaculture products covered by Regulation (EC) No 104/2000;

b) products falling within Combined Nomenclature codes 4502, 4503 and 4504 (cork products);

c) products intended for imitation or substitution of milk and milk products as referred to in Council Regulation (EC) No 1234/2007;

3. "activities in the steel sector" which are linked to the production of one or more of the following products:

a) cast iron of blocks and ferro-alloys: cast iron for the production of steel, foundry cast iron and other cast iron for the production of steel, spigeleisen (iron-manganese alloys) and high carbon iron-manganese alloys, not including other ferro-alloys;

b) raw and semi-finished products of iron, ordinary steel or special steel: cast steel, whether or not blocked, including blocks for forging semi-finished products: billets, rods and slats; sheets and sheets of tin; hot-rolled coils, except for the production of cast steel for casting by small and medium-sized foundries;

c) finished products after hot working of iron, ordinary steel or special steel: rails, sleepers, prefabricated panels, single panels, sections, heavy sections of 80 mm thick and over, rolled plates, sections and sections of a thickness of less than 80 mm and planes thinner than 150 mm, wire, circular cross-section and other shapes, hot-rolled strips and strips (including strip strips), flat-rolled products and sheets of 3 mm or more, flat-rolled products with a universal design of a thickness of 150 mm or more, with exception of wire and wire products, bright bars and iron castings;

d) finished products after cold working of iron: tinplate, matte sheet, black sheet, galvanized or other types of sheet metal sheet, cold rolled sheets, electrolytic sheets, tinplate strips, cold-rolled sheets, in the form of coils or strips;

e) tubes: all seamless steel tubes, welded steel tubes with a diameter exceeding 406,4 mm;

4. "production of synthetic fibers" means:

a) extrusion / texturing of all basic types of yarns and yarns based on polyester, polyamide, acrylic or propylene, irrespective of their intended use, or

b) polymerisation (including polycondensation) when integrated into the extrusion process in the light of the equipment used, or

c) all ancillary processes related to the simultaneous installation of extrusion / texturing capacities by the potential recipient or another company belonging to the same group and which, for the particular type of business, are usually integrated into those capacities in the light of the equipment used.

5. (new – SG, 62/10) the activities in the coal sector are determined in accordance with Council Regulation (EC) No 1407/2002 according to recital 13 of the Preamble to Regulation N 800/2008;

6. (new, SG, 62/10) the activities and products of the "shipbuilding sector" are defined in the Framework for State Aid for Shipbuilding (OJ C 317/2003) according to recital 14 of the Preamble to Regulation No 800/2008

§ 2b. (New, SG, 88/15, in force from 13.11.2015) The economic activities and the products under Art. 2, Para. 5 and 6 under Regulation (EU) No 651/2014 are:

1. "steel sector" means all activities related to the production of one or more of the following products:

a) cast iron for foundries and ferro-alloys - cast iron for the production of steel, foundry cast iron and other cast iron for the production of steel, spigeleisen (iron-manganese alloys) and high carbon iron-manganese alloys, not including other ferro-alloys;

b) raw and semi - finished products of iron, ordinary steel or special steel - cast steel, whether or not blocked, including blocks for forgings of semi - finished products: blooms, rods and sheets, sheets and sheets of tin, hot - rolled coils, excluding cast steel for casting from small and medium foundries;

c) finished products after hot-working of iron, ordinary steel or special steel - rails, sleepers, prefabricated panels, single panels, profiles, heavy sections 80 mm thick and larger, rolled plates, sections and sections of a thickness less than 80 mm and thinner than 150 mm, wire, circular cross-section and other shapes, hot-rolled strips and strips (including tube bands), flat-rolled products and sheets of 3 mm or more, flat-rolled products of universal intended for use with a thickness of 150 mm or more, wire and wire products, polished bars and iron castings;

d) finished products after cold working of iron - tinplate, matte sheet, black sheet, galvanized or other types of sheet metal sheet, cold rolled sheets, electrolytic sheets, tinplate strips, cold rolled panels, in the form of coils or bands;

e) tubes - all seamless steel tubes, brazed steel tubes with a diameter exceeding 406.4 mm;

2. "synthetic fiber manufacturing sector" means:

a) extrusion / texturing of all basic types of fibers and yarns based on polyester, polyamide, acrylic

or propylene, irrespective of their intended use, or

b) polymerisation (including polycondensation) when integrated into the extrusion process in the light of the equipment used, or

c) all ancillary processes that involve the simultaneous installation of extrusion / texturing capacities by the potential beneficiary or another company belonging to the same group and which, for the particular type of business, are usually integrated into those capacities in the light of the equipment used;

3. "transport sector" means the carriage of passengers by air, sea, road or rail and inland waterway or freight services for hire or reward; in particular, "transport sector" means the following NACE Rev. 2 activities:

a) NACE 49: Land transport and pipeline transport excluding NACE 49.32 Taxi transport, 49.42 Removal services, 49.5 Pipeline transport;

b) NACE 50: Water transport;

c) NACE 51: Air transport excluding NACE 51.22 Space transport;

4. "trading of an agricultural product" means holding or displaying for sale, offering for sale, supplying or placing on the market in another way, with the exception of the first sale by the primary producer of resellers or processors, and any preparation activity for that product first sale? the sale by a primary producer to end-users is considered to be trade if it is carried out in separate premises, provided for that purpose;

5. "primary agricultural production" means the production of the soil and livestock products listed in Annex I to the Treaty without any further operations changing the nature of those products;

6. "processing of agricultural products" means any operation on an agricultural product from which also an agricultural product is obtained, except for the activities carried out on the spot on the farm which are necessary for the preparation of an animal or plant product for the first sale; preparation of the first sale product includes one or a combination of activities related to cleaning, preparation for storage, storage, sorting, marking, packaging and transportation of agricultural products, milking, harvesting, harvesting and threshing of cereals or egg packing and other similar activities;

7. "agricultural product" means products listed in Annex I to the Treaty, with the exception of the fishery and aquaculture products listed in Annex I to Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013;

8. "coal" means high, calorific and low-calorie coal of category A and C within the meaning of the International Coal and Steel Coding System set up by the United Nations Economic Commission for Europe and as clarified in the Council Decision of 10 December 2010 on State aid for facilitating the closure of uncompetitive coal mines

§ 2c. (New – SG, 88/15, in force from 13.11.2015) (1) The investments in tangible and intangible assets for the creation of a new enterprise, the expansion of an existing enterprise / activity, the diversification of (diversification) of the production of the enterprise / activity with new products or a substantial change in the overall production process of an existing enterprise / activity under Art. 12, para. 2, item 1 of the IPA shall be encouraged by the order of the law and these Rules, taking into account the notion "establishment" within the meaning of Art. 2, p. 49, letter "a" of Regulation (EU) No 651/2014, respectively the term "business site" in the official translation in Bulgarian of Art. 2 p. 49, letter "a" of Regulation (EU) No 651/2014, provided that it relates to the investment (the investment project) - the object of the assistance.

(2) The terms "enterprise" and "undertaking" within the meaning of Art. p.2, 18 and 24 of Regulation (EU) No 651/2014 with their respective translation into Bulgarian as "enterprise" and the term "undertaking" in Art. 3, Para. 2 of Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Art.s 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24.12.2013) with its corresponding translation into Bulgarian as "enterprise" refers to the entity, receiving the aid and is distinguished from the notion "enterprise" under Art. 12, Para. 2, p. 1 of the IPA, which is the object of the aid.

## **Transitional and concluding provisions**

§ 3. (1) Investment projects that have received an investment class certificate under the repealed Rules on the implementation of the Investment Promotion Act shall be encouraged until the investment is made but for a period not exceeding 3 years from the date of issuance of the certificate.

(2) The investment projects under Para. 1 with a first-class investment certificate may be encouraged with financial support to build up the technical infrastructure components under the existing procedure, if they meet cumulatively the following conditions:

1. the request under Art. 34, p. 1 shall be filed within 3 months from the entry into force of the Act, Amending and Supplementing the Investment Promotion Act (SG, N 42/07);

2. (Amend., SG, 62/10) the requirements of Regulation No 800/2008 as regards a regional aid scheme for the granting of aid and the conditions of Chapter Seven are fulfilled, or

3. approval must have been received from the European Commission for the compatibility of planned state aid under the State Aid Act in the cases of Chapter Seven.

(3) The investment projects under Para. 1 with a first-class investment certificate shall be encouraged by a transfer of right to ownership, or by the incorporation of a limited right of ownership under the previous procedure in compliance with the existing state aid legislation.

§ 4. The received applications by the enforcement of the Act, Amending and Supplementing the Investment Promotion Act, (SG No. 42/07), for issuance of a certificate for class investment, shall be considered under the current procedure.

§ 5. All aid, granted in violation of the State Aid Act and not complying with the regulations of the Regulations, indicated in the Rules, shall be subject to reimbursement under the Tax and Social Security Procedure Code in accordance with Council Regulation (EU) 659/1999 of 22 March 1999, laying down detailed rules for the application of Art. 88 of the Treaty, Establishing the European Community.

§ 6. (Amend., SG, 20/09, in force from 17.03.2009) The regional aid scheme according to the provisions of Commission Regulation (EC) No 1628/2006 for the application of Art. 87 and 88 of the Treaty as regards national regional aid (OJ L 302, 1.11.2006) shall be applicable until the entry into force of the Decree, and Commission Regulation (EC) No 68/2001 on the application of Art. 87 and 88 of the Treaty Establishing the European Community in respect of training aid shall be in force until 31 December 2008.

§ 7. Until the entry into force on 1 January 2008 of Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation No 3037/90 , as well as certain Community Regulations on specific statistical domains (OJ L 393, 30.12.2006), sector / sub-sector codes and Sections referred to in Art. 2 and 3 are those of the EC Statistical Classification of Economic Activities (NACE Rev. 1.1) to which the National Classification of Economic Activities (NACE - 2003) corresponds under § 2.

§ 8. (Amend., SG, 93/09, in force from 24.11.2009) Within 3 working days from the entry into force of the Rules, the Minister of Economy, Energy and Tourism shall prepare information on the Chapter Training Scheme under Chapter Six in the form according to Annex 1 to Art. 3, Para. 2 of the Rules on the application of the State Aid Act.

§ 9. (Amend., SG, 93/09, in force from 24.11.2009) The Minister of Economy, Energy and Tourism, or an authorized by him / her official shall, within 3 working days from the entry into force of the Rules, draw up summary information on the scheme for promoting investments in the form, according to Annex N4 to Art. 6, Para. 2 of the Rules on the application of the State Aid Act.

§ 10. (Amend., SG, 93/09, in force from 24.11.2009) Within 3 months from the entry into force of

the Rules, the Minister of Economy, Energy and Tourism shall approve the methodology under Art. 35, Para. 4.

§ 10a. (New – SG, 94/14, in force from 14.11.2014) After 30 June 2014, the granting of unlawful state aid shall be subject to the provisions of:

1. Art. 2, Para. 2-8, Art. 3 and 3a - when conducting the procedure for issuing an A or B investment certificate under the procedure of Chapter Two.
2. Chapter Five with the exception of Art. 38.

§ 10b. . (New – SG, 94/14, in force from 14.11.2014) In the cases under § 10a the bodies, carrying out the procedure under Chapter Two or under Chapter Five shall assess for compliance with the legislation in the field of state aid.

§ 10c. (New - SG, 88/15, in force from 13.11.2015) By aligning the Rules with the provisions of Regulation (EU) No 651/2014, the provisions of Chapter One, Art. 38 of Chapter Five, Chapter Six, Chapter Seven and Chapter Seven "a" shall be in force and shall apply until the end of the implementation of Regulation (EU) No 651/2014

§ 11. The Rules shall be adopted on the basis of § 28 of the Transitional and Concluding Provisions of the Act, Amending and Supplementing to the Investment Promotion Act (SG, 37/04).

**Transitional and concluding provisions**

**TO DECREE NO 55 OF 6 MARCH 2009 AMENDING AND SUPPLEMENTING THE RULES ON IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL. - SG, 20/09, IN FORCE FROM 17.03.2009)

§ 38. The provisions of Chapters One, Five, Sixth and Seventh shall be in force until 31 December, 2013 unless Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid, compatible with the common market in application of Art. 87 and 88 of the Treaty (General Block Exemption Regulation) (OJ L 214 of 09.08.2008) is amended before that date by a new Regulation.

§ 39. The Decree shall enter into force on the day of its promulgation in the State Gazette.

**Concluding provisions**

**TO DECREE № 268 OF 12 NOVEMBER 2009 ON THE ADOPTION OF RULES OF PROCEDURE OF THE MINISTRY OF ECONOMY, ENERGY AND TOURISM**

(PUBL. - SG, No 93 of 2009, IN FORCE AS OF 24.11.2009, CORR. IN THE SG, 95/09, AMEND. - SG, 4/12)

§ 39. In the Rules on Implementation of the Investment Promotion Act, adopted by Decree No. 221 of the Council of Ministers of 2007 (prom., SG, 76/07, amend. and suppl., 20/09), the words "the Minister of Economy and Energy" shall be replaced by "the Minister of Economy, Energy and Tourism" and the words "Ministry of Economy and Energy" shall be replaced by "Ministry of Economy, Energy and Tourism".

.....

§ 94. (Amend., SG, 95/09, repealed by Decision No. 15898 from 01.12.2011 of the SAC in the part "with the exception of § 93, p. 1, which shall enter into force on 01.11.2009 "- SG, 4/12) The Decree shall enter into force on the day of its promulgation in the State Gazette.

**Transitional and concluding provisions**



**TO DECREE No 159 OF 29 JULY 2010 ON AMENDMENT AND SUPPLEMENT OF THE RULES ON THE APPLICATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL. - SG, 62/10)

§ 56. Investors who have received a Class A or Class B investment certificate under the current procedure, may apply the minimum investment amounts for projects in the economic activities governed by the Decree for the duration of their certificate.

§ 57. After the entry into force of the Decree, the Minister of Economy, Energy and Tourism shall prepare information on the amendments concerning the regional aid under scheme N<sup>o</sup> X426 / 2009 and training aid under scheme N<sup>o</sup> X427 / 2009, communicated to the European Commission under, and within the term of Art. 9 of the State Aid Act, in conjunction with Art. 9 of Regulation No 800/2008.

§ 58. The Minister of Economy, Energy and Tourism shall approve up to 3 months from the entry into force of the Decree the updated methodology under Art. 35, Para. 4 with the assessment procedure for the priority investment projects according to Art. 66, Para. 6.

**Transitional and concluding provisions**

**TO DECREE NO 57 OF 6 MARCH 2013, AMENDING AND SUPPLEMENTING THE RULES ON THE IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL., SG, 24/13, IN FORCE FROM 12.03.2013)

§ 41. The provisions of Chapter Seven "a" shall be in force until 31 December 2013, unless Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the Common market in application of Art.s 87 and 88 of the Treaty (General Block Exemption Regulation) (OJ L 214, 9.8.2008) is amended before that date by a new Regulation.

§ 42. Investors, who have received a Class A or Class B investment certificate or a priority project under the previous procedure, may, for the duration of the certificate issued, apply the minimum investment amounts under Art. 3, regulated by the Rules, in the respective economic activities.

§ 43. The Minister of Economy, Energy and Tourism shall prepare information on the amendments to the regional aid under Schedule X 351/10, communicated to the European Commission under the procedure and within the term under Art. 9 of the State Aid Act, in connection with Art. 9 of Regulation No 800/2008.

§ 44. The Minister of Economy, Energy and Tourism shall update the methodology under Art. 35, Para. 4. within three months of the entry into force of the Decree, with the assessment procedure for the certified investment projects claiming the use of the financial support measure for partial reimbursement of the obligatory insurance and health contributions, made by the investor at his / her expense under Chapter Seven "a".

§ 45. The Decree shall enter into force from the day of its promulgation in the SG.

**Transitional and concluding provisions**

**TO DECREE NO 142 OF 8 JULY 2013 ON THE ADOPTION OF RULES OF PROCEDURE OF THE MINISTRY OF YOUTH AND SPORTS**

(Prom., SG, 62/02, in force from 03.07.2013)

§ 83. In the Rules on Implementation of the Investment Promotion Act, adopted by Decree No 221 of the Council of Ministers of 2007 (prom., SG 76/07, amend. and suppl., SG, 20 and 93/09, 62/10 and 24/13), everywhere the words "education, youth and science" shall be replaced with "education and science".

.....

§ 91. The Decree shall come into force from 3 July, 2013.

**Transitional and concluding provisions**

**TO DECREE NO 305 OF 21 DECEMBER 2013 ON SUPPLEMENTATION TO THE RULES ON THE IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL. - ДВ, 2/14)

§ 2. The provision of Chapter One and Six shall be in force by 30 June 2014.

§ 3. The provisions of Chapters Fifth, Seventh and Seventh "a" shall be in force until 31 December 2013 and provided that the European Commission approves an extension or does not object to an extension of the Regional Aid Map 2007 - 2013 for the Republic of Bulgaria, adopted by Decision No 1 of the European Commission of 2007, these provisions shall be in force and will apply until 30 June 2014 in accordance with the terms of the European Commission act on the extension of the Regional Aid Map 2007 - 2013 for the Republic of Bulgaria.

§ 4. In the case under § 3, the Minister of Economy and Energy shall publicly announce the terms of the European Commission act concerning the extension of the Regional Aid Map 2007 - 2013 for the Republic of Bulgaria on the website of the Ministry of Economy and Energy.

§ 5. The extension of the provisions on regional investment aid and regional employment aid under Scheme X 351/10 (amended to SA.36402 (13 / X) and financial support for training for acquisition of vocational qualification under Schedule X 350 / 2010 (as amended on SA.31505 (13 / X)) shall be deemed to have been notified to the European Commission, pursuant to Art. 2 of Commission Regulation (EU) No 1224/2013 of 29 November 2013, amending Regulation (EC) No 800 / 2008 as regards the period of its implementation (OJ L 320/22 of 30 November 2013).

§ 6. Proposals for issuance or refusal to issue a certificate under Art. 13 Para. 2 and applications for the implementation of promotional measures for projects whose work started or will commence before 1 July 2014 shall be submitted to the Minister of Economy and Energy respectively, submitted to the Ministry of Economy and Energy no later than 30 April 2014.

**Transitional and concluding provisions**

**TO DECREE NO 85 OF 17 APRIL 2014 AMENDING AND SUPPLEMENTING THE RULES ON IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL. - SG, 36/14, IN FORCE FROM 25.04.2014)

§ 30. The applications for issuance of a certificate for an investment class or for a priority investment project that have been submitted prior to the entry into force of this Decree shall be considered under the previous procedure. The opinion under Art. 4, Para. 4 RPIA shall also be presented in these cases.

§ 31. When applying the measure under Art. 22e of IPA in conjunction with Art. 61d RAIPA funds for reimbursement of contributions actually made under Art. 61d, Para. 1 RAIPA for January-June 2014, if available, may also be paid in the period July - December 2014, subject to the other requirements of Art. 61d

and Chapter Seven "a" RAIPA and within the limits provided for by the State Budget Act for 2014, funds under Art. 15, Para. 5 of the IPA, signed with an investor by 30 June, 2014 (within the time limit under § 5 of the Transitional and Final Provisions of Decree No 305 of the Council of Ministers of 2013 to supplement the Rules on the Application of the Promotion Investment Act, adopted by Decree No 221 of the Council of Ministers of 2007 (SG, 2/14).

§ 32. Everywhere in the Rules, the words "the Minister of Economy, Energy and Tourism", and "the Ministry of Economy, Energy and Tourism" shall be replaced by the "Minister of Economy and Energy" and "Ministry of Economy and Energy".

§ 33. The Decree shall enter into force on the day of its promulgation in the State Gazette.

#### **Concluding provisions**

### **TO DECREE NO 358 OF 5 NOVEMBER 2014, ON ADDITION OF THE RULES ON THE IMPLEMENTATION OF THE INVESTMENT PROMOTION ACT, ADOPTED BY DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007.**

(PUBL., SG, 94/14, in force from 14.11.2014)

§ 3. The Decree shall enter into force on the day of its promulgation in the State Gazette.

### **DECREE № 128 OF 26 MAY 2015, ON AMENDMENT AND SUPPLEMENTATION OF THE LEGISLATIVE ACTS OF THE COUNCIL OF MINISTERS**

(PUBL. - SG, 40/15)

§ 25. In the Rules on Application of the Investment Promotion Act, adopted by Decree No 221 of the Council of Ministers of 2007 (prom., SG, 76/07, amend. and suppl., SG 20 and 93/09) (Amen., SG, 62/10, 24 and 62/13, and 2, 36 and 94/14), the following amendments shall be made:

.....

2. Everywhere the words "the Minister of Economy and Energy", and "the Ministry of Economy and Energy" are replaced by "the Minister of Economy", and the "Ministry of Economy" respectively.

#### **Transitional and concluding provisions**

### **TRANSITIONAL AND CONCLUDING PROVISIONS TO DECREE NO 302 OF 6 NOVEMBER 2015 ON THE AMENDMENT AND SUPPLEMENTATION OF THE RULES ON APPLICATION OF THE INVESTMENT PROMOTION ACT, ADOPTED DECREE NO 221 OF THE COUNCIL OF MINISTERS, 2007**

(PUBL., SG, 88/15, IN FORCE FROM 13.11.2015)

§ 51. Everywhere in the Rules, the words "acceptable" are replaced by "eligible" respectively.

§ 52. The Minister of Economy shall, within 3 working days of the entry into force of the Decree, prepare the information in the form in accordance with Annex II to Regulation (EU) No 651/2014 concerning the regional investment aid and the training scheme to be submitted to the European Commission of Art. 9 of the State Aid Act.

§ 53. For investment projects, for which by the enforcement of the Decree, an application has been submitted, or an investment certificate of class A, class B or priority investment project has been issued, the state aid support measures shall apply, if the conditions of Regulation (EU) No 651/2014 have been fulfilled, and the work on the investment project or on the training project has not commenced before the entry into force of the Decree, for which investors submit a specific declaration.

§ 54. The Decree shall enter into force from the day of its publication in the State Gazette.

**Annex № 1 to Art. 4, Para. 1**

(New, SG, 36/14, in force from 25.04.2014, amend. SG, 88/15, in force from 13.11.2015, amend., SG, 86/17, in force from 27.10.2017, amend. and suppl., SG, 41/18, in force from 18.05.2018)

TO THE DIRECTOR OF  
BULGARIAN INVESTMENT AGENCY

n ..... /DATE .....

APPLICATION

under Art. 18, Para. 1 of the IPA

by .....

(name/company of applicant)

DEAR SIR/MADAM EXECUTIVE DIRECTOR,

I ask to be issued:

- Investment certificate class A
- Investment certificate class B
- Certificate for priority investment project


according to the requirements of the Investment Promotion Act (IPA) for promotion of the investment project

" .....

(name of the investment project)

With planned amount of investment - .....

Expected N pf new jobs - .....,

Which will be implemented in the town/village/Municipality .....

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Section I. INFORMATION ABOUT THE APPLICANT

Section 1A. Information about the applicant, if the applicant is legal person, sole trader or branch of a foreign legal person:

1. Name:

2. UIC:

3. Identification data under national legislation of the foreign legal person – Applicant

3.1. Legal form:

3.2. Reg. N:

3.3. Central office and management address:

3.4. Subject of activity:

3.5. Names of persons, representing the applicant under the legal registration:

4. Correspondence address (if other than the management address):

Section 1B. Information about the applicant, if natural person:

1. Full name:

2. UCN/PNF/identification N under national legislation:

3. Permanent address:

Section 2. Other information about the applicant (if 1.A is filled in)

	%
Data about the persons, having more than 10% in the registered capital of the company applicant (name, UIC/UCN/PNF/reg, N of a foreign legal person)	

Section 3. Contact person:

1. Full name:

2. Position:

3. Tel. N:

4. Fax N:	
5. e-mail:	

Section 4. Economic data of the applicant for the last 3 years in EUR/BGN (in case that the applicant is registered provides data form the date of his/her registration)

	201...	20...
1. Total assets in EUR/BGN		
2. Total sales in EUR/BGN		
3. Financial results in EUR/BGN		
4. Number of jobs		

Section 5. Consolidated data for economic or other establishment – if any membership

1. Name of group:		
2. State of central office:		
	201...	20...
3. Total assets in EUR/BGN		
4. Total sales in EUR/BGN		
5. Financial result in EUR/BGN		
6. Number of jobs		

Section 6. Category of enterprise

1. SME



The enterprise meets the requirements for a small and medium-sized enterprise under Annex I of Commission I direct application under the Small and Medium-Sized Enterprises Act.

Please, fill in details of the enterprise category in the Declaration of Circumstances under Art. 3 and 4 of the Law on Enterprises (defined as "Small and Medium Enterprises" on the basis of the data for the previous financial year) newly formed enterprises whose financial statements are not yet approved, the value of the indicators for the cu

2. Large enterprise



The enterprise is large and does not meet the requirements for a small and medium-sized enterprise under Annex I of Commission Regulation (EC) No 651/2014 or its direct application under the Small and Medium Enterprises Directive

Section 7. Other information:

1. Information on completed investment projects commensurate with the submitted project, if available
2. Other information with enclosed copies of documents: quality certificates, product and technology innovation awards

In relation to information in Section, pls. attach:

For applicant – legal person, branch and sole trader:

For an individual:

A criminal record (if it can be issued in Bulgaria or an EU Member State) or a sworn statement (in other cases) issued not earlier than 3 months before the deadline for its delivery (original or notarized copy) for foreign citizens:

- sole owners of capital;
- Managers;
- members of the management bodies and, in case members are legal persons, about their representatives in the management body.

*Criminal records for Bulgarian citizens falling within the above categories are collected by officially*

1. Copy of identity document
2. Document, certifying lack:
  - a) of monetary liabilities related to the contributions
  - b) of taxes in accordance with the legal obligations of the applicant is established
3. Criminal record, issued not earlier than 3 months before its submission in cases where the applicant is a Bulgarian citizen. *In cases where the applicant is a Bulgarian citizen, criminal records are collected by official means*

Section II. INFORMATION ABOUT THE LEGAL SUBJECT, IMPLEMENTING THE INVESTMENT PROJECT

When the legal entity for the implementation of the investment project and for the use of measures to promote investment under Art. 17 IPA, is different from the applicant, please enter the data

under Section I for this legal subject.

1. In case the applicant is a natural person or an association of natural and / or legal persons, the investment project is implemented by the establishment of a legal person within the meaning of Art. 17 of the IPA and the newly created legal entity is bound by the investment project submitted by the individual or the grouping

2. Persons under Art. 17 IPA are legal entities in which the investor whose investment project is certified provides the registered capital.

3. When applying for the issuance of a certificate of priority investment project for industrial zone development or industrial park, a document certifying the commitment of a person (s) to be carried out in the territory of the zone of admissible investments in compliance with the criteria for amount and employment, defined in the rules: contract for acquisition of land from the territory of the industrial zone, preliminary contract for acquisition of real right on land of the industrial zone, memorandum, agreement or joint statement of

intent mentioning the engagement or establishment of a company under Art. 357 of the

Obligations and Contracts Act, company contract, statute, another applicable establishment document.

3. When applying for the issuance of a certificate for a priority investment project for the development of a technology park by persons: Bulgarian Higher Education Institutions who have received the last valid evaluation at institutional accreditation according to the ten-point system according to Chapter Ten of the Higher Education Act or foreign higher schools, the Bulgarian institutes and units, the Agricultural Academy and Institutes to it, foreign or Bulgarian experimental laboratories, Art. 60 of the Administration Act, foreign or Bulgarian scientific organizations within the meaning of § 1, p. 1 of the

Additional Provision of the Promotion of Scientific Research Act.

5. In the cases referred to in p. 3 and 4, a document of commitment from the interested bodies of the territory of the investment and / or from sole-owned companies with state or municipal participation in the capital may be presented.

Section III. investment project under Art. 12 and Art. 18, Para. 2 of IPA

Section 1. Type and purpose of the investment in new durables and / or intangible assets for:

1. Establishment of a new enterprise

2. Extension of existing enterprise/activity

4. Diversification (differentiation) of production into an existing enterprise / activity with the addition of new products

Substantial change of the whole production process in existing enterprise/activity

You can mark more than one, according to the instructions in § 2c of the Additional provisions:

Investments in tangible and intangible assets for the creation of a new enterprise, the expansion of an existing enterprise, the diversification of the production of the enterprise / activity with new products or a substantial change in the overall production of the existing enterprise / activity under Art. 12, Para. 2, p.1 of the IPA shall be encouraged

under the terms of the IPA and the RAIPA, taking into account the notion "establishment" within the meaning of Regulation (EC) No 651/2014, respectively the term "business site" in the official translation



in the Bulgarian of Art. 2, p. 49, letter (a) of Regulation (EU) No 651/2014, provided that it relates to the investment project - the object of the assistance. The terms "enterprise" and "undertaking" in the sense of Art. 2, item 49, letter "a" of Regulation (EU) No 651/2014 respectively the term "business site" in the official translation in Bulgarian of Art. 2 (49) (a) of Regulation (EU) No 651/2014 relates to the investment (the investment project) - the object of the assistance. The terms "enterprise" and "undertaking" in Art. 2, p. 2. 18 and 24 of Regulation (EU) No 651/2014 with their respective translation into Bulgarian as "enterprise" and "undertaking" within the meaning of Art. 3 (2) of Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Article 107(1) of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352, 24.12.2013 ) with its corresponding Bulgarian as "enterprise" refers to the entity receiving the aid and is distinguished from the notion "enterprise" in the IPA, which is the object of the assistance.

**INVESTMENT PROJECT**

Please describe the investment project by including information about its nature, schedule of project activities, intangible fixed assets planned for acquisition and other information:

.....

**Section 2. Planned amount of investment (in thousand BGN)**

	201...	201...	201...
1. Costs for acquiring long term assets			
1.1. Land			
1.2. Buildings			
1.3. Machines and equipment			
2. Costs for acquiring long term non-material assets			
2.1. Licenses			
2.2. Patents			
2.3. Know-how			
2.4. Non-patent technical knowledge			
<b>IN TOTAL</b>			

**Section 3. Planned volume of funds on sources for financing of investment for 3-year period (in thousand BGN)**

Own funds	Bank loans	Private loans	State aid (national and from EU)*	Financial leasing

*\* In these cases, if you apply for an IPA measure that has the character of state or minimum aid, please describe the same investment project you have applied for (source, expected size, applicable act at national and European level).....*

*In the case of aid already granted for the same investment project and for the same eligible costs, please fill out Section 3.4, p. 3 of the RAIPA.*

*In relation to information in Section 3, pls. attach:*

For legal persons, branches and sole traders

For natural persons

1. Documents, certifying financial status of the person:

a) Annual financial statement for the last finished calendar year

Pls. note here, if these documents are available in the Trade register of the Registry Agency. They will be collected officially.

b) interim financial statement, where the person has performed activity during less than a year.

2. Documents, certifying possibilities and sources for financing the project:

a) own funds;

b) loan contracts;

c) bank and other guarantees;

d) financial leasing contract;

e) declaration for taking commitments for financing the project;

f) other documents for financing, or guarantees.

*Pls. attach the relevant evidence documents under p.2.*

Documents certifying the possibilities and sources for financing the investment project

a) Own funds;

b) loan contracts;

c) bank and other guarantees;

d) financial leasing contracts;

e) declaration for commitment for financing the project;

f) other documents for financing or guarantee.

*Pls. attach the relevant evidence documents.*

Section 4. Financial-economic plan of investment for 5-year period (in thousand BGN)

	201...	201...	201...	201...
1. Schedule for expected revenues				
1.1. Total				
1.2. In basic products/services				
1.3. From other products/services				
2. Schedule for expected costs:				
2.1. Total for the activity				
2.2. In types:				
- staff				
- financial				
- other costs in relation to products/services under p. 1 and 2.				
3. Schedule of expected net money flows under p. 1 and 2				

Main conclusions for the economic stability and profitability of the investment project:

*The information is to be filled in for 3 or 5 years, depending on the type of investor. For investors - large enterprises - for 5 years. For other investors - for 3 years.*

Section 5. Programme of the activity in the frames of 5- year period

1. Description of the planned construction of new production buildings, warehouses, administrative buildings of the project readiness and / or the intention to buy or rent an existing building:

2. Machines, equipment and facilities, related to the investment

Type and number	Description	State of production


Description of the production / technological process / process of providing the service in the enterprise to be created / modernized with the project implementation:

For projects in the sectors processing of farm products:

a) description of the farm products, which will be used as raw materials in the enterprise – receiver of aid:...

b) description of the operations to be carried out on farm products in the recipient enterprise ...

c) description of the farm products to be received as a result of the operations carried out in the recipient enterprise ...

d) If the investor engages in primary production of farm products and / or preparation of an animal or plant product in an agricultural holding, including first sale of resellers and processors, a description of how to divide the activities ensures that the aid is not used for the primary production and / or preparation for first sale of the farm product.

#### 4. Economic activity and produced products:

Name and code of the product / service to be produced / supplied by an enterprise created / upgraded with the acquisition of assets under Section 5, p. 1 and 2	Planned revenue from the sale of the product / service after project implementation	Percentage of total planned revenue from products / services under Section 4, item 1 to be produced / provided
1.		
2.		
3.		
4.		
5.		

#### *Instructions for submission:*

*Column 1: The product / service name and the product / service code are indicated according to the current activity in the European Community (CPA) (with PRODCOM / NACE nomenclature or CPA nomenclature) with direct application in the Republic Bulgaria through the Classification of Products by Economic Activity, which is used by the Bulgarian Investment Agency.*

*Column 4: The code and the name are indicated according to the Statistical Classification of Economic Activities (NACE Rev. 2) and its direct application in the Republic of Bulgaria through the Classification of Economic Activities on the website of the Bulgarian Investment Agency.*

*For a Class A or B certificate, at least 80 percent of future total revenue should be from products / services from economic activities:*

*a) Manufacturing (code C 10 - 33.2) excluding the economic activities under Chapter I, Art. 1, Para. 3., letter a) of Regulation (EU) No 651/2014 as described in Art. 2, Para. 5, and under the conditions of Para. 6 of the Regulation;*

*(b) the issuing of software (code J 58.2); information technology activities (code J 62); information services (code J 63);*

*c) accounting and auditing activities; tax advice (code M 69.2);*

*d) professional activities at headquarters (code 70.1); architectural and engineering activities; technical testing and analysis; research and development (code M 72);*

*e) education (code P 85);*

*f) human health and medical-social care with accommodation (codes Q 86 and 87);*

*g) warehousing and storage of goods (code N 52.1);*

*h) administrative and auxiliary office activities, telephone call centers and auxiliary services to business enterprises;*

5. Stages in building construction and delivery of equipment by years with planned start and end date (month/year)

6. Licenses / permits / other administrative acts necessary to start the production process / provision of the service:

7. Scheduled date of commencement of production / provision of the service: .....

8. Year in which planned production capacity is reached: ...

9... Period of maintenance of the investment in the region concerned by location from the date of its implementation: ...  
 medium-sized enterprises, 5 years for large enterprises:...

10. Products / services to be produced / provided after project completion:...

.

Product/service	Volume (unit/year)

Section 6. Employment

	20...	20...	20...	20...
1. New jobs, established with the project				
2. Transfer of jobs from existing production (services)				
3. average salary per job before tax, including compulsory securities				
4. Educational profile of new workers/employees				
- with higher education				
- with high school education				
- with basic education				
<p>Where the issue of a certificate is claimed on the basis of a number of new jobs (Art. 3a of the RAIPA) and the measure for partial reimbursement of expenses for social security contributions is declared, for each job Labor Code under the conditions and by the procedure of the Labor Code are presented:</p> <p>a) information about the post identical to those indicated in the National Classification of Occupations and Professions (NCPP);</p> <p>b) a draft job description, which contains information on the activities performed for the job;</p> <p>c) estimated amount of the employee's basic monthly salary;</p> <p>d) the estimated amount of the investor's expenses for mandatory social security contributions for the state pension, obligatory pension insurance and for the obligatory health insurance.</p>				
Section 7. Training of staff				
1. Expected amount of staff training costs under Section 6, p. 1 and 2 (in Euro / BGN).				
2. Place of training: ...				
3. Estimated number of trained newly recruited by occupations / positions employees / workers.				
4. Estimated start and end dates				
5. Description of the training envisaged: ...				

Section 88. Location of the production activity / provision of the service; technical parameters:

1. Management address: ...

2. Address (district, municipality, settlement, street) and cadastral data on the location of the establishment and construction, location of equipment (identifier and boundaries for landed properties, respectively identifier and boundaries) and the way of permanent use of the property and the projections of the enacting plans for the territory.

3. Total area of the planned construction (in square meters):

3.1. for production/services;

3.2. for storage;

3.3. for transport needs;

3.4. for administrative premises;

3.5. other.

4. Planned infrastructure (with indication of the relevant units of measurement):

4.1. water;

4.2. pipe;

4.3. electricity;

4.4. gas;

4.5. telecommunications;

4.6. other.

5. Information about the ownership of the built or unconstructed terrain / terrains to be implemented

5.1. If the site (s) are / are own, please provide a document (s) certifying / certifying your rights.

5.2. In case you envisage acquiring rights or hiring, please provide the document (s) on which the investor has the right to use the property and the location data, the size of the land, the type of property, preliminary contracts etc.

Section 9. Impact of the investment on the environment

*Please attach an opinion to the competent environmental authority on the eligibility of the investment project to the approved river basin management plans and flood risk management plans as well as on the eligibility of activities in the protected areas, as well as the applicable procedure under Chapter Six of the Environmental Protection Act and the Biological Diversity Act.*

Section IV. INCENTIVE MEASURES

Section 1. Intention to use incentive measures

1. Reduced terms for administrative services under Art. 21 IPA.

2. Individual administrative services necessary for the implementation of the investment project under Art.

3. Acquisition of right of ownership or limited real rights over real estates under Art. 22a of IPA.

If the measure under Art. 22a IPR, please describe and attach:

3.1. For sale / establishment of limited real rights / replacement / rent:

3.1.1. documents containing the data of Section III, Section 8;

3.1.2. a document, certifying the prior consent of the competent authority for the property - private state property  
decision of the municipal council or a document from the mayor of the municipality for preliminary agreement  
- private municipal property;

3.1.3. the opinion of the competent authority on the feasibility of implementing the measures in relation to the  
Land Ownership and Use Act, the Forestry Act and the Protected Areas Act.

3.2. For Sale / Creation of Limited Real Rights / Replacement / Rental Prices Lower than Market (Only for  
Investment Projects):

The consent under 3.1.2 must include an indicative value of the difference between the market price and the  
transaction price (not lower than the tax assessment).

3.3. To exempt from a state fee for land use change (only for priority investment projects):

Indicative value of the fees that will not be paid: ...

4. Financial support for the construction of elements of the technical infrastructure necessary for carrying out  
investment projects under Art. 22b.

When declaring on this measure, please indicate:

4.1. Description of the infrastructure elements to be built from the closest built infrastructure element to  
the property boundaries.

4.2. The owner of the infrastructure after its construction (it should be a state or municipal public owned

4.3. Infrastructure users after commissioning.

4.4. Estimated cost of the necessary resources and stage of the project readiness for the construction of the infrastructure  
such information is available.

5. Financial assistance for training for acquiring professional qualification of persons, including interns from  
schools in the country, who have taken the new jobs related to the investments under Art. 22c.

The number of employees taking part in the training should be greater than 30 persons.

Please indicate the amount of aid requested: ...



5. Financial support for partial reimbursement of the obligatory social security contributions for the state social insurance, supplementary mandatory pension insurance and for the compulsory health insurance for newly recruited employees by the investor on his behalf as an employer under Art. 22e.

When requesting this measure, please describe:

6.1. Estimated number of staff to be employed on a full-time basis under the terms and procedure of the Labor Law (total and by positions).

6.2. Estimated costs of the investor for labor remunerations:

6.2.1. planned amount of the average annual salary per employee in the respective economic activity in which the investment takes place and by main groups of professions

6.2.2. projected costs of the investor for compulsory social security contributions for the state public insurance, supplementary compulsory pension insurance and compulsory health insurance for newly recruited workers for the next 5 years;

6.2.3. the estimated amount of the requested financial aid.

7. Creation of an inter-ministerial working group (IWG) for institutional support of a priority investment project. When requesting this measure, please provide the basic expected procedures (if not mentioned in Section III, Section 5, p. 5), for which co-operation is expected.

8. Providing grants for priority investment projects under Art. 66, Para. 1, p. 8 of the RAIPA:

8.1. Up to 50% maximum aid intensity for investment in education and research (R 85 and M 72 codes under the RAIPA)

8.2. Up to 10 percent maximum aid intensity for investment in the manufacturing industry.

When state aid incentives are claimed, which are state aid, please fill out State Aid Statement under Art. 34, p. 10 of the RAIPA.

*Please provide an internal analysis / business plan for the implementation of the assisted project upon receipt and without it, with the relevant quantifiable indicators justifying that the project would not be implemented on the territory of the Republic of Bulgaria or in the relevant region or not it would be profitable for the beneficiary in the region (in case of investment aid) that the project is not being implemented in order to comply with mandatory national training and research projects; and the aid will substantially increase the scope of the project or the total amount spent on the project, the speed of project implementation that the project is not artificially separated from another such project, implemented in the same time.*

*In the case of registered trade marks which are regional investment aid type, for the purpose of the verification of the supported projects falling under the definition of a single investment project, please provide details whether your company belongs to a "group", respectively the identification data of the companies in the group. Group of companies as defined in Art. 2 of Directive 2013/34 / EC of the European Parliament and of the Council means a parent undertaking and its subsidiaries, as "parent undertaking" means an undertaking controlling one or more subsidiaries and, respectively "subsidiary" controlled by a parent, including a subsidiary of an end parent.*

*"Single investment project" means any investment under Art. 12 of the IPA initiated by the same beneficiary within three years from the date of commencement of work on another assisted investment in the same region or*

*Order for evaluation of documents*

*The Bulgarian Investment Agency shall assess the application and the attached documents for compliance requirements of the IPA and its implementing regulations.*

*The assessment shall also include verification of compliance between the costs of the investment project and the capacity of the investor and the sources of financing certified by the documents referred to in Section III, Section IV. If inconsistencies and / or incompleteness are found, you will be notified.*

*The notification shall be made in writing or electronically.  
If the notification is not accepted at the address you specified for correspondence and / or email address, the notification is deemed to have been made by placing it at a designated place in the Agency building.*

Section V. DECLARATION OF CIRCUMSTANCES

1. For me / the company I represent, the circumstances referred to in Art. 13 and 13a IPA are not present:

I, the undersigned/s .....  
(names)

Holder of /identity card № ....., issued by MI, town/village .....

In my capacity of .....  
(Manager/s, Executive Director/s, another representative)

.....  
(name of applicant on Section I)

UIC/BULSTAT .....

Declare that:

1. The applicant /represented by me is not the subject of an unfulfilled order to recover unlawful aid following a previous Commission decision, declaring the aid illegal and incompatible with the common market and within the meaning of of Art. 2, p. 18 of Regulation (EU) No 651/2014.
2. The origin of the funds to be used for the investment is:.....
3. I have the obligation to notify the Minister of Economy through the Executive Director of the Agency for the circumstances under Art. 13 or 13a of the IPA, as well as for a change in the circumstances under Art. 12 of IPA.
4. This application is submitted before the start of the work on the submitted investment project within the meaning of the Supplementary Provisions of the LI and in connection with Chapter I, Art. 6 of Regulation (EU) No 651/2014.
5. I undertake to submit information annually to the Agency in connection with Art. 19a of the RAIPA
6. The jobs revealed by the project and the reported costs of compulsory social and health insurance, for which will not be funded under any other project, program or any financial scheme funded by national budget, EU budget

7. The applicant shall not rent persons exposed by him or by affiliated enterprises within the meaning of the

Small and Medium-Sized Enterprises Act, at a time not less than 12 months from the submission of the app

8. In connection with Art. 3, p.13 and Art. 4 of the Economic and Financial Relations with Companies Act, r jurisdictions, the persons related to them and their real owners:

8.1. the applicant we represent is not registered in preferential tax jurisdiction and is not related to persons re preferential tax treatment, or

8.2. the applicant represented by me / us falls within the exclusion of Art. 4, p. \_\_\_\_\_ and the entries under

Art. 6, Para. 1 - 3 of the Economic and Financial Relations with Companies Act, registered in preferential ta to them and their actual owners, on the account of the company / companies.....

9. The applicant / us, which we represent, confirms that he has not carried out a transfer within the meaning Supplementary Provisions of the Regulation for the implementation of the Investment Promotion Act to the ent investment is to take place. seeks assistance during the two years preceding the application for assistance and u of up to two years after the completion of the initial investment for which aid is requested.

10. There is no irrevocable agreement on the implementation of the project between the represented by me/u and the contractors involved.

List of attached documents:

Town/village

Signature and stamp:

Date:

Name and position:

**Annex N 2 to Art. 11a, Para. 1**

(New - SG, 36/14, in force from 25.04.2014)

THE REPUBLIC OF BULGARIA

Bulgarian Investment Agency (BIA)

CERTIFICATE

N .... / ..... year.

For entry in the BIA Register

Pursuant to Art. 11a, Para. 1 of the Rules on the Application of the Investment Promotion Act, the Bulgarian Invest

.....

(applicant information)

Has submitted and Application for issuance of Certificate for investment class A/classB/priority investment project (underlined) under the Investment Promotion Act, entr. N..... year.

3for the investment project:

"....."

(name of investment project as in Application)

With planned amount of investment

.....

.....

With expected number of jobs

.....

.....

Which will be implemented in the town of/village

.....

Municipality

.....

.....

This certificate is issued to serve the applicant before the relevant executive authorities.

Upon presenting this certificate, please provide full assistance to the investor to obtain the documents required for investment class certificate.

Upon presenting this certificate, please identify the relevant employees / units in your administration and inform the Agency to jointly provide the necessary information service to the applicant.

This certificate is not a prior opinion on the application for an investment class certificate.

The certificate is valid for 6 months from the date of issue.

EXECUTIVE DIRECTOR: .....

(name, signature, stamp)

**Annex N 3 към Art. 50, Parar. 10 and Art. 61, Para. 1**

(Former Annex to Art. 61, Para. 1, amend. - SG, 36/14 in force from 25.04.2014, amend. - SG, 88/15, in force from 13.11.2015)

Form for provision of short-listed information about every individual aid, granted to a certain enterprise under the Rules:

1. Name of beneficiary.
2. Identity code of beneficiary.
3. Type of enterprise (SME / large enterprise) at the date of granting the aid.
4. Region of location of beneficiary - NUTS II.
5. Field of activity of the beneficiary at NACE group level.
6. Aid element, expressed as a whole value in national currency.
7. Aid Instrument (grant / interest rate subsidy, loan / repayable advances / reimbursable grant, guarantee, tax advantage or tax exemption, risk financing, other (please specify)).
8. Date of granting.
9. Aid purpose.
10. Granting body.
11. Ref. N of aid measure (if applicable).