

# Privatization and Post-privatization Control Act

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\*Note: An update of the English text of this Act is being prepared following the amendments in SG No. 64/3.08.2018, effective 3.08.2019

Text in Bulgarian: Закон за приватизация и следприватизационен контрол

## Chapter One GENERAL PROVISIONS

### Article 1

- (1) This Act regulates the terms and procedure for privatization and post-privatization control.
- (2) Privatization shall constitute a transfer by sale to Bulgarian natural or juristic persons wherein the State and/or a municipality holds an interest in the capital not exceeding 50 per cent or to non-resident persons of:
  1. any interests or shares owned by the State or the municipalities in any commercial corporation;
  2. (new, SG No. 18/2010, effective 5.03.2010) any interests or shares owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent in other commercial corporations;
  3. (renumbered from Item 2, SG No. 18/2010, effective 5.03.2010) any self-contained parts of the property of commercial corporations wherein the State and/or a municipality holds an interest in the capital exceeding 50 per cent;
  4. (new, SG No. 18/2010, effective 5.03.2010) any self-contained parts of the property of commercial corporations

whose capital is owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent;

5. (new, SG No. 18/2010, effective 5.03.2010, supplemented, SG No. 89/2010) properties constituting private state property with a tax valuation exceeding BGN 10,000;

6. (renumbered from Item 3, SG No. 18/2010, effective 5.03.2010) any municipal non-residential properties which are not incorporated into the property of municipal commercial corporations and which are used for business (retail establishments, repair establishments, warehouses, service stations, workshops and other such), as well as any projects of construction in progress which are not incorporated into the property of municipal commercial corporations.

(3) Post-privatization control shall constitute verification of compliance with the obligations assumed by the buyer under a contract for privatization.

(4) (Amended, SG No. 31/2003) This Act shall not apply to:

1. (amended, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 54/2012) the privatisation of any medical treatment facilities referred to in Items 3 and 3b of Article 10 of the Medical Treatment Facilities Act, as well as of any non-residential properties accommodating any such medical treatment facilities;

2. (effective 23.03.2002, SG No. 46/2003) any transactions for disposition of state-owned interests in banks;

3. (new, SG No. 18/2010, effective 5.03.2010) sale of properties constituting private state property:

(a) granted to the Ministry of Defence to manage;

(b) which are state-owned residential properties, studios or garages;

(c) in case of co-ownership under the Ownership Act;

(d) of political parties;

(e) of investors having obtained an investment class certificate, and of investors to perform priority investment projects under the Investment Promotion Act;

(f) (new, SG No. 89/2010) granted to state-owned enterprises for management or acquired by state-owned enterprises in accordance with Article 62 (3) of the Commerce Act;

4. (new, SG No. 18/2010, effective 5.03.2010) sale of properties owned by sole proprietor commercial corporations wherein the State holds an interest in the capital or owned by commercial corporations whose capital is owned by sole proprietor commercial corporations wherein the State holds an interest, where such properties are requisite for the implementation of investment promotion measures under the Investment Promotion Act;

5. (new, SG No. 23/2013, effective 8.03.2013) transfer by means of sale of interests and shares - property of the state or of municipalities in commercial companies, where such commercial companies are performing activities under projects, implemented based on effective inter-governmental agreements, to which the Republic of Bulgaria is party;

6. (new, SG No. 23/2013, effective 8.03.2013) transfer by means of sale of interests and shares - property of commercial companies with more than 50% of state interest in the capital into other other commercial companies, where such other commercial companies are performing activities under projects, implemented based on effective inter-governmental agreements, to which the Republic of Bulgaria is party.

## **Article 2**

(1) (Amended, SG No. 65/2008, effective 22.07.2008) This Act is intended to create conditions for transparent and economically effective privatisation, extending equal treatment to investors.

(2) (Amended, SG No. 65/2008, effective 22.07.2008) This Act is intended to ensure completion of the privatisation process and implementation of post-privatisation control.

## **Article 3**

(1) (Amended, SG No. 30/2003) The state-owned participating interest in the capital of all commercial corporations shall be presumed to be put up for privatization as from the time of entry of this Act into force, with the exception of the

corporations included in the list under Schedule 1 to this Act.

(2) The municipal-owned participating interest in the capital of all commercial corporations shall be presumed to be put up for privatization as from the gazetting of a list adopted by the competent Municipal Council within two months after the entry of this Act into force. A list of municipal-owned participating interests, which shall be put up for privatization according to the procedure established by Item 2 of Article 3 herein, shall be gazetted within the same time limit.

(3) In any cases other than such coming under Paragraph (1) and sentence one of Paragraph (2), a decision on privatization shall be adopted by:

1. (supplemented, SG No. 65/2008, effective 22.07.2008, amended, SG No. 8/2018) the National Assembly, acting on a motion by the Council of Ministers, in respect of any commercial corporations, wherein the State holds an interest in the capital exceeding 50 per cent, as included in the list referred to in Paragraph (1), including of their self-contained parts or separate self-contained parts of the property of any commercial corporations included in the list referred to in Paragraph (1), with the exception of self-contained parts of medical treatment facilities included in the list referred to in Paragraph (1), whereto Article 28 (10) herein shall apply;

2. (amended, SG No. 18/2010, effective 5.03.2010) the municipal councils, in respect of any commercial corporations wherein the municipality holds an interest in the capital, as included in the list referred to in Paragraph (2), sentence two, any self-contained parts of the property of commercial corporations wherein a municipality holds an interest in the capital exceeding 50 per cent, and items of property referred to in Item 6 of Article 1 (2) herein;

3. (supplemented, SG No. 65/2008, effective 22.07.2008, amended, SG No. 18/2010, effective 5.03.2010) the Privatisation and Post-privatisation Control Agency, in respect of:

(a) self-contained parts of the property of any commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent, with the exception of the self-contained parts included in the list referred to in Item 1;

(b) self-contained parts of medical treatment facilities included in the list referred to in Item 1: under the terms established by Article 28 (9) herein;

(c) interests or shares owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent, as well as by the commercial corporations included in the list referred to in Item 1, in other commercial corporations;

(d) self-contained parts of the property of any commercial corporations whose capital is owned by other commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent;

(e) (supplemented, SG No. 89/2010) properties constituting private state property with a tax valuation exceeding BGN 10,000.

(4) (Supplemented, SG No. 18/2010, effective 5.03.2010) In the cases of any newly formed corporations wherein the State or a municipality holds an interest, decisions on privatisation shall be adopted by the Privatisation and Post-privatisation Control Agency unless any such corporations be included in the list referred to in Paragraph (1), or by the municipal councils.

(5) (New, SG No. 18/2010, effective 5.03.2010) A resolution on privatisation of self-contained parts of the property of commercial corporations wherein another commercial corporation holds more than 50 per cent of state-owned interest in the capital shall be adopted upon a proposal by the competent managing body of the company whose property the self-contained part is.

(6) (New, SG No. 18/2010, effective 5.03.2010, amended, SG No. 89/2010) A resolution on privatisation of properties with a tax valuation exceeding BGN 10,000 constituting private state property shall be adopted by the Privatisation and Post-privatisation Control Agency upon a proposal by the head of the department managing the property or by the Regional Governor in the events set out in Article 18 (1) of the State Property Act.

(7) (Renumbered from Paragraph 5, SG No. 18/2010, effective 5.03.2010) A decision on privatisation of self-contained parts of the property of any commercial corporations whereof the State or a municipality is not the sole owner of the capital shall be adopted solely after a proposal by the competent management body of the corporation affected.

(8) (Renumbered from Paragraph 6, SG No. 18/2010, effective 5.03.2010) Any decisions covered under Paragraphs (3) and (4) shall be promulgated in the State Gazette and shall be inserted in at least two national daily newspapers.

(9) (Renumbered from Paragraph 7, SG No. 18/2010, effective 5.03.2010) The Council of Ministers shall present strategies for privatisation of specific sectors or corporations to the National Assembly for approval.

#### **Article 4**

(1) (Supplemented, SG No. 18/2010, effective 5.03.2010) The privatisation of the state-owned interest in the capital of any commercial corporation, as well as of any self-contained part of the property of commercial corporations wherein the State holds an interest exceeding 50 per cent, shall be effected by the Privatisation and Post-privatisation Control Agency.

(2) (New, SG No. 18/2010, effective 5.03.2010) The privatisation of interests, shares and self-contained parts owned by commercial corporation wherein the State holds an interest in the capital exceeding 50 per cent in other commercial corporations shall be performed by the Privatisation and Post-privatisation Control Agency after consultation with the authority exercising the rights of the State in the capital of the corporation, and after a resolution is adopted by its competent managing body.

(3) (New, SG No. 18/2010, effective 5.03.2010, supplemented, SG No. 89/2010, amended, SG No. 66/2013, effective 26.07.2013, SG No. 98/2014, effective 28.11.2014, SG No. 13/2017) The privatisation of properties constituting private state property with a tax valuation from BGN 10,000 to BGN 500,000 shall be performed by the Privatisation and Post-privatisation Control Agency after consultation with the Minister of Finance.

(4) (Renumbered from Paragraph 2, amended, SG No. 18/2010, effective 5.03.2010) The privatisation of the municipal-owned interest in the capital of any commercial corporation, of any self-contained part of the property of commercial corporations wherein a municipality holds an interest exceeding 50 per cent, as well as of any item of property referred to in Item 6 of Article 1 (2) herein, shall be effected by the municipal councils or by authorities thereby designated.

(5) (New, SG No. 89/2010) The privatisation of properties constituting private state property with a tax valuation exceeding BGN 500,000 shall be performed by the Privatisation and Post-privatisation Control Agency following a Council of Ministers decision. The Council of Ministers Decision shall specify the method and conditions for the privatisation of the property.

#### **Article 5**

(Amended, SG No. 94/2008, effective 1.01.2009, supplemented, SG No. 98/2008, effective 15.12.2008, amended, SG No. 24/2009, SG No. 13/2016, effective 15.04.2016, SG No. 96/2017, effective 1.01.2018) (1) In cases of a share sale by public offering, the Privatisation and Post-privatisation Control Agency or the municipal councils shall commission investment intermediaries, selected by a competitive procedure, to prepare and conclude a privatisation transaction.

(2) The Privatisation and Post-privatisation Control Agency and the municipal councils may commission third parties to carry out expert activities related to the preparation for privatisation or to post-privatisation control, including representation by counsel, under terms and according to a procedure established by the Council of Ministers. Independent valuers shall be commissioned to prepare valuations according to the Independent Valuers Act.

#### **Article 6**

(1) The Privatisation and Post-privatisation Control Agency shall prepare annual action plans which shall identify the priorities for the operation of the Agency during the relevant period and shall be published. The said annual plans shall furthermore include a projection of revenues and expenses, which shall be presented to the Council of Ministers for approval prior to the adoption of the State Budget Act for the relevant year.

(2) The municipal councils shall prepare and publish annual action plans of contents under Paragraph (1).

(3) The adoption of the annual action plans referred to in Paragraphs (1) and (2) shall not be a precondition for decision making and for the validity of the privatization transactions as concluded.

(4) The privatizing authorities shall disclose the reasons for any change of their practice.

(5) The decisions of the privatizing authorities shall be reasoned.

#### **Article 7**

(1) All natural and juristic persons shall be eligible to participate in privatization on equal terms.

(2) No natural and juristic persons, nor any member of the management and supervisory bodies of any juristic persons

included in the list under the Act on Information Regarding Non Performing Loans shall be admitted to participation in privatization unless they have redeemed the obligations thereof.

(3) The natural persons and the representatives of the juristic persons shall submit a declaration on the origin of the resources which they invest in privatization.

(4) The information which must be disclosed in the declaration referred to in Paragraph (3) and the standard form of the said declaration, as well as the procedure and authorities which shall verify the particulars as declared, shall be determined by the Council of Ministers.

## **Article 8**

(Supplemented, SG No. 31/2003, amended and supplemented, SG No. 65/2008, effective 22.07.2008, amended, SG No. 99/2009, effective, 1.01.2010)

(1) The cash proceeds from the privatisation of the state participation in the capital of commercial companies, as well as of detached shares of the property of sole proprietor commercial companies with state participation in the capital, including the proceeds from the privatisation of the state participation in the capital of medical treatment institutions under Article 10a, paragraph 2, sub-paragraph 1, shall be paid into and reported under the central budget and shall be fully allocated to the benefit of the State Fund for Guaranteeing the Stability of the State Pension System.

(2) (Amended, SG No. 18/2010, effective 5.03.2010) The cash proceeds or part of the cash proceeds from the privatisation of self-contained parts of the property of sole proprietor commercial corporations wherein the State holds an interest in the capital, as well as from the privatisation of self-contained parts of the property of commercial corporations whose capital is owned by other sole proprietor commercial corporations wherein the State holds an interest in the capital may be transferred to the account of the corporation upon a resolution of the Privatisation and Post-privatisation Control Agency after consultation with the authority exercising the rights of sole owner of the capital, and shall remain property of the corporation.

(3) (Amended, SG No. 18/2010, effective 5.03.2010) The cash proceeds from the privatisation of self-contained parts of the property of commercial corporations wherein the State is not the sole owner of the capital, as well as from the privatisation of self-contained parts of the property of commercial corporations whose capital is owned by other commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent, shall be transferred to the account of the corporation and shall remain its property.

(4) (New, SG No. 18/2010, effective 5.03.2010) The cash proceeds from the privatisation of interests and shares owned by sole proprietor commercial corporations wherein the State holds an interest in the capital in other commercial corporations shall be allocated in accordance with the procedure provided for by Paragraph (1) and the capital of the sole proprietor commercial corporation shall be reduced subject to the provisions of the Commerce Act. The cash proceeds or part thereof may be transferred to the account of the corporation upon a resolution of the Privatisation and Post-privatisation Control Agency after consultation with the authority exercising the rights of sole owner of the capital, and shall remain property of the corporation.

(5) (New, SG No. 18/2010, effective 5.03.2010) The cash proceeds from the privatisation of interests and shares owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent in other commercial corporations shall be transferred to the account of the commercial corporation and shall remain its property.

(6) (New, SG No. 18/2010, effective 5.03.2010, supplemented, SG No. 89/2010) The cash proceeds from the privatisation of properties constituting private state property with a tax valuation exceeding BGN 10,000 shall be paid into and reported under the central budget. Upon a resolution of the Privatisation and Post-privatisation Control Agency, after consultation with the Minister of Finance, the cash proceeds or part thereof may be transferred to the budget of the relevant competent authority in accordance with the applicable laws.

(7) (New, SG No. 18/2010, effective 5.03.2010) In the cases referred to in Paragraphs (3), (4) and (5), the costs incurred by the Privatisation and Post-privatisation Control Agency for the purposes of the privatisation procedure shall be paid respectively by the commercial corporation whose property the self-contained part is, or by the commercial corporation whose property the interests or shares being the subject of the privatisation sale are.

(8) (Renumbered from Paragraph 4, amended, SG No. 18/2010, effective 5.03.2010) The cash proceeds from activities accompanying the process of privatisation performed by the Privatisation and Post-privatisation Control Agency, as well as the forfeits under the privatisation agreements concluded, shall be allocated as follows:

1. the cash proceeds from memoranda, tender and bidding documentation, deposits retained as a sanction for failure to

conclude contracts in the event of participation in a tender or competition, and other similar amounts, shall be paid as revenue into the budget of the Privatisation and Post-privatisation Control Agency;

2. the amounts from fines, pecuniary sanctions and forfeits related to the privatisation process shall be transferred to and reported under the central budget and shall be fully allocated to the benefit of the State Fund for Guaranteeing the Stability of the State Pension System.

(9) (New, SG No. 18/2010, effective 5.03.2010, amended, SG No. 15/2013, effective 1.01.2014) Cash proceeds from legal advice fees awarded in favour of the Privatisation and Post-privatisation Control Agency shall be included and reported in the central budget and shall be fully allocated to the State Fund for Guaranteeing the Stability of the State Pension System.

(10) (New, SG No. 89/2010) In the event of privatisation of properties constituting private state property the buyer shall pay the Privatisation and Post-privatisation Control Agency overheads in the amount of two percent of the price; the Agency shall transfer these to the budget of the regional governor competent for the location of the relevant property or to the budget of the ministry or department which has managed the property.

## **Article 9**

(Amended, SG No. 65/2008, effective 22.07.2008, SG No. 99/2009, effective 1.01.2010, amended and supplemented, SG No. 18/2010, effective 5.03.2010, supplemented, SG No. 19/2011, effective 8.03.2011, amended, SG No. 38/2012, effective 1.07.2012, SG No. 15/2013, effective 1.01.2014)

Expenditures related to privatisation and post-privatisation control shall be incurred through the budget of the Privatisation and Post-privatisation Control Agency.

## **Article 10**

(Supplemented, SG No. 62/2006, effective 22.07.2008, SG No. 99/2009, effective 1.01.2010, amended, SG No. 18/2010, effective 5.03.2010, SG No. 15/2013, effective 1.01.2014)

(1) Cash proceeds from the privatisation of municipal stakeholdings in commercial companies, self-contained parts of the property of single-member commercial companies in which a municipality holds share capital, or any property referred to in Article 1(2)(6), shall be allocated to the municipal budget and spent as per the procedure set out in Article 127(3) of the Public Finance Act.

(2) Where the municipality has established a municipal guarantee fund for small and medium-sized enterprises, up to 10 per cent of the proceeds referred to in Paragraph 1 may be used for the purposes of the guarantee fund.

(3) Cash proceeds from any activities ancillary to the privatisation of commercial companies with municipal stakeholding, self-contained parts of the property of companies in which a municipality holds more than 50 per cent of the share capital, or any property referred to in Article 1(2)(6), including damages under the relevant privatisation contracts, shall be allocated to the municipal budget.

(4) Cash proceeds from the privatisation of any self-contained parts of the property of commercial companies in which the sole shareholder is not a municipality shall be transferred to the account of the company and shall remain its property.

(5) Any resources under Paragraph 2 that remain temporarily uncommitted may be used for the purpose of municipal co-financing and pre-financing of projects under programmes financed from the European Union funds and under other international programmes and agreements.

## **Article 10a**

(New, SG No. 65/2008, effective 22.07.2008)

(1) The cash proceeds from the privatisation of self-contained parts of the medical treatment facilities wherein the State or a municipality holds an interest but whereof the State or a municipality is not the sole owner shall be credited to the account of the medical treatment facility, shall remain property thereof, and may be used solely for investments directly related to the objects, after authorisation by the owner of the capital of the said facility.

(2) The cash proceeds from the privatisation of self-contained parts of any medical treatment facilities whereof the State is the sole owner shall be credited as follows:

1. (amended, SG No. 99/2010, effective 1.01.2010) twenty percent - to the central budget;
  2. eighty per cent: to an account of the medical treatment facility, which shall remain property thereof and may be used solely for investments directly related to the objects, after authorisation by the owner of the capital of the said facility.
- (3) The cash proceeds from the privatisation of self-contained parts of medical treatment facilities whereof a municipality is the sole owner shall be credited as follows:
1. (amended, SG No. 15/2013, effective 1.01.2014) twenty per cent: to the budget of the municipality;
  2. eighty per cent: to an account of the medical treatment facility, which shall remain property thereof and may be used solely for investments directly related to the objects, after authorisation by the owner of the capital of the said facility.

## **Article 11**

- (1) (Amended and supplemented, SG No. 31/2003, SG No. 105/2006, redesignated from Article 11, SG No. 65/2008, effective 22.07.2008) The Council of Ministers, acting on a motion by the Privatisation and Post-privatisation Control Agency, shall adopt and promulgate a list of commercial corporations wherein the State holds an interest in the capital, in the privatisation whereof non-cash instruments shall be eligible as a medium of payment. The said list shall specify the portion of the capital of the respective corporation in respect of which such payment shall be permissible. This list may be amended, but corporations in respect of which a decision determining the method for the sale has been adopted may not be excluded from the said list.
- (2) (New, SG No. 65/2008, effective 22.07.2008) Annually, the Privatisation and Post-privatisation Control Agency shall prepare an analysis and shall submit a motion to the Council of Ministers for an amendment of the list referred to in Paragraph (1).
- (3) (New, SG No. 65/2008, effective 22.07.2008) Payment with non-cash instruments shall be impermissible upon privatisation of medical treatment facilities and self-contained parts of medical treatment facilities.

## **Chapter Two**

**(Repealed, SG No. 18/2010, effective 5.03.2010)**

## **PRIVATISATION AGENCY**

### **Article 12**

(Repealed, SG No. 18/2010, effective 5.03.2010).

### **Article 13**

(Repealed, SG No. 18/2010, effective 5.03.2010).

### **Article 14**

(Amended, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 42/2009, repealed, SG No. 18/2010, effective 5.03.2010).

### **Article 15**

(Amended, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 42/2009, repealed, SG No. 18/2010, effective 5.03.2010).

### **Article 16**

(Repealed, SG No. 18/2010, effective 5.03.2010).

## **Article 17**

(Repealed, SG No. 18/2010, effective 5.03.2010).

## **Chapter Three**

**(Repealed, SG No. 18/2010, effective 5.03.2010)**

### **POST-PRIVATISATION CONTROL AGENCY**

## **Article 18**

(Amended, SG No. 31/2003, repealed, SG No. 18/2010, effective 5.03.2010).

## **Article 19**

(Supplemented, SG No. 31/2003, amended and supplemented, SG No. 105/2006, supplemented, SG No. 24/2009, repealed, SG No. 18/2010, effective 5.03.2010).

## **Article 20**

(Amended, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 42/2009, repealed, SG No. 18/2010, effective 5.03.2010).

## **Article 21**

(Amended, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 42/2009, repealed, SG No. 18/2010, effective 5.03.2010).

## **Article 22**

(Amended and supplemented, SG No. 31/2003, repealed, SG No. 18/2010, effective 5.03.2010).

## **Chapter Three "a"**

**(New, SG No. 18/2010, effective 5.03.2010)**

### **PRIVATISATION AND POST-PRIVATISATION CONTROL AGENCY**

## **Article 22a**

(New, SG No. 18/2010, effective 5.03.2010)

(1) A Privatisation and Post-privatisation Control Agency shall be established.

(2) (Supplemented, SG No. 96/2017, effective 1.01.2018) The Privatisation and Post-privatisation Control Agency shall be an administrative authority with the Council of Ministers to implement privatisation and post-privatisation control in the cases provided for in this Act. Other functions as well, defined by a law, may be entrusted to the Privatisation and Post-privatisation Control Agency.

(3) The Privatisation and Post-privatisation Control Agency shall be a legal entity funded by the central budget and having its seat in Sofia.

(4) The central budget funding of the Privatisation and Post-privatisation Control Agency shall be separate from the



income accruing from and the expenses incurred for privatisation and post-privatisation control.

(5) The Privatisation and Post-privatisation Control Agency shall have the following governing bodies:

1. a Supervisory Board;
2. an Executive Board.

## **Article 22b**

(New, SG No. 18/2010, effective 5.03.2010)

(1) The Privatisation and Post-privatisation Control Agency shall organise and implement the process of privatisation in the cases provided for by this Act.

(2) In performing its functions referred to in Paragraph (1), the Privatisation and Post-privatisation Control Agency:

1. shall collect the requisite information regarding all privatisable items of property within its competence;
2. shall carry out marketing activities;
3. shall commission third parties to perform activities according to Article 5;
4. shall prepare and conclude the privatisation transactions.

(3) The Privatisation and Post-privatisation Control Agency shall exercise post-privatisation control over privatisation contracts as concluded by empowered government authorities.

(4) In performing its functions referred to in Paragraph (3), the Privatisation and Post-privatisation Control Agency shall:

1. take steps to claim and collect the forfeits, interest, compensations provided for in the contracts, draw bank guarantees, claim amounts from trustee accounts and other actions in case of default;
2. control and receive all payments under privatisation contracts, including those concluded in accordance with the procedure provided for by the Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act, as repealed;
3. require information in case of receipt of tip-offs on default on privatisation contracts;
4. verify compliance with the obligations assumed under privatisation contracts at the location of the privatised items of property;
5. grant permission, consent and approval on behalf of the seller where so provided for in privatisation contracts;
6. have the right to take steps to rescind privatisation contracts under which ownership has been transferred where there are grounds for such rescission;
7. issue certificates of payments made and, upon request, of performance of other obligations assumed under privatisation contracts;
8. conclude arrangements or agreements to reschedule liabilities assumed under privatisation contracts in the cases provided for by this Act;
9. (new, SG No. 89/2010) can lodge claims for liabilities in cash or expressed in cash, undertaken by virtue of contracts for privatisation, for the failure to implement which no forfeit or compensation is envisaged in the corresponding contract for privatisation;
10. (new, SG No. 89/2010, amended, SG No. 96/2017, effective 1.01.2018) may bring actions related to or arising from concluded privatisation contracts, or from agreements concluded, or an arrangement referred to in Item 8 in conjunction with Paragraphs (5) to (8), or from contracts for trust accounts, bank guarantees or other transaction documents, and may be a respondent in such actions before a court or arbitration.

(5) (Supplemented, SG No. 96/2017, effective 1.01.2018) Upon request by buyers under contracts for privatisation of corporations which are not undergoing bankruptcy or liquidation proceedings and in respect whereof the Privatisation and Post-privatisation Control Agency has receivables attributable to forfeits and/or receivables for a price awarded by an effective judgment of court or for which a writ of execution has been issued, the Privatisation and Post-privatisation

Control Agency may conclude with them an arrangement or agreement to reschedule such receivables, subject to availability or proof of security covering the amount of the receivables and the interest due for the period over which the receivables have been rescheduled.

(6) The period over which receivables have been rescheduled in accordance with Paragraph (5) may be up to 5 years long, starting on the date when the arrangement or agreement is signed, provided that upon the signing of such arrangement or agreement the buyer has paid at least 5 per cent of the liability.

(7) In case an arrangement or agreement as referred to in Paragraph (5) is concluded, a payment schedule shall be drawn up, which shall specify the amounts of instalments within the period over which the receivables have been rescheduled and the maturity dates of the instalments. Should the buyer delay the payment of three instalments, or, accordingly, any of the latest three instalments, the whole of the liability shall become immediately payable on the maturity dates specified in the payment schedule.

(8) As of the day when the arrangement or agreement referred to in Paragraph (5) is concluded, enforcement proceedings initiated for collection of the receivables being the subject of the arrangement or agreement shall be suspended, and in case the buyer delays the payment of three instalments, or, accordingly, any of the latest three instalments, after the maturity dates specified in the payment schedule, the proceedings shall be resumed upon request by the Privatisation and Post-privatisation Control Agency. The period in which the enforcement proceedings have been suspended shall not be taken into account for the purpose of application of Item 8 of Article 433 (1) of the Code of Civil Procedure.

(9) The Privatisation and Post-privatisation Control Agency shall implement its powers referred to in Paragraphs (3) and (4) even in the cases of privatisation transactions concluded in accordance with the procedure provided for by Item 5 of Article 32 (1), where the buyer has assumed additional obligations other than payment of the purchase price.

(10) Where a privatisation contract does not provide for a time limit within which the power referred to in Item 5 of Paragraph (4) may be exercised, the Privatisation and Post-privatisation Control Agency shall exercise such power until all obligations provided for in the contract are fully and finally discharged.

## **Article 22c**

(New, SG No. 18/2010, effective 5.03.2010)

(1) The Supervisory Board shall consist of 7 members, who shall be elected and dismissed by the National Assembly. Every parliamentary group may nominate up to three members of the Supervisory Board, who shall hold a university degree.

(2) A member of the Supervisory Board shall be dismissed in case:

1. such member has committed a violation of this Act or of a statutory instrument of secondary legislation on the application of this Act;
2. such member has been effectively convicted of a premeditated indictable offence;
3. such member is unable to perform his or her duties for a period exceeding 6 months;
4. (amended, SG No. 7/2018) entry into force of an act which ascertains a conflict of interest under the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act.

(3) The members of the Supervisory Board shall elect a Chairperson from amongst their number.

(4) The Chairperson of the Supervisory Board shall:

1. convene and preside over the meetings of the Board;
2. determine the agenda;
3. require information from the competent authorities and officials in connection with the Board's functions.

(5) The Chairperson of the Privatisation and Post-privatisation Control Agency shall be paid basic monthly remuneration amounting to 90 per cent of the basic monthly remuneration of a chairperson of a standing committee with the National Assembly, and the members of the Supervisory Board shall be paid 95 per cent of the basic monthly remuneration of the Chairperson of the Supervisory Board of the Privatisation and Post-privatisation Control Agency.

## **Article 22d**

(New, SG No. 18/2010, effective 5.03.2010)

- (1) The Executive Board shall consist of three members: an Executive Director and two Deputy Executive Directors, who shall be appointed and dismissed by the Council of Ministers. Eligibility for appointment to the Executive Board shall be limited to holders of a university degree.
- (2) A member of the Executive Board shall be dismissed in case:
  1. such member has committed a violation of this Act or of a statutory instrument of secondary legislation on the application of this Act;
  2. such member has been effectively convicted of a premeditated indictable offence;
  3. such member is unable to perform his or her duties for a period exceeding 6 months;
  4. (amended, SG No. 7/2018) entry into force of an act which ascertains a conflict of interest under the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act.
- (3) The Executive Director shall represent the Privatisation and Post-privatisation Control Agency and shall organise and direct the operation of the Executive Board.
- (4) The Executive Board shall present to the Supervisory Board quarterly and annual reports on the operation of the Privatisation and Post-privatisation Control Agency.
- (5) The Executive Director of the Privatisation and Post-privatisation Control Agency shall be paid basic monthly remuneration amounting to 90 per cent of the basic monthly remuneration of a chairperson of a standing committee with the National Assembly, and the Deputy Executive Directors shall be paid 95 per cent of the basic monthly remuneration of the Executive Director of the Privatisation and Post-privatisation Control Agency.
- (6) Any decision of the Executive Board shall require the affirmative vote of the Executive Director and at least one Deputy Executive Director.

## **Article 22e**

(New, SG No. 18/2010, effective 5.03.2010)

- (1) The Supervisory Board shall:
  1. control the operation of the Privatisation and Post-privatisation Control Agency;
  2. prepare and present to the National Assembly semi-annual and annual reports on the implementation of the privatisation and post-privatisation control process;
  3. adopt the draft rules of organisation of the Privatisation and Post-privatisation Control Agency;
  4. approve the draft budget, as well as the report on the implementation of the annual operational plan of the Privatisation and Post-privatisation Control Agency;
  5. approve privatisation transactions exceeding the value specified in the rules of organisation of the Privatisation and Post-privatisation Control Agency and concluded through competitive bidding after a public invitation to tender or through public auction, with regard to the legal conformity of the said transactions and to the compliance thereof with the strategies referred to in Article 3 (9) as approved by the National Assembly;
  6. (amended, SG No. 38/2012, effective 1.07.2012) endorse general terms and conditions for the appointment and pay of the staff of the Privatisation and Post-privatisation Control Agency;
  7. adopt the quarterly and annual reports of the Executive Board on the operation of the Privatisation and Post-privatisation Control Agency;
  8. approve the motion of the Privatisation and Post-privatisation Control Agency referred to in Article 11 prior to the tabling of the said motion before the Council of Ministers.
- (2) Should the Supervisory Board fail to pronounce on any privatisation transaction within 15 days after submission of the said transaction for consideration, the approval referred to in Item 5 of Paragraph (1) shall be deemed granted.

(3) The Supervisory Board shall give directions to the Executive Board as to the application of this Act and of the statutory instruments of secondary legislation.

#### **Article 22f**

(New, SG No. 18/2010, effective 5.03.2010)

The Council of Ministers shall approve rules of organisation of the Privatisation and Post-privatisation Control Agency, as adopted by the Supervisory Board.

### **Chapter Four**

#### **CONFLICT OF INTEREST**

#### **Article 23**

(1) For the duration of the incumbency thereof and within one year thereafter, no member of the Supervisory Board or of the Executive Board of the Privatisation and Post-privatisation Control Agency, nor any municipal councillor or member of a management or supervisory body of the specialised privatisation-implementing bodies of the municipal councils, nor any family member thereof, shall have the right to acquire any property or participating interests or shares in any commercial corporation privatised by a transaction prepared and concluded with the participation of the said person, save upon entry in centralised public auctions.

(2) For the duration of the incumbency thereof and within one year thereafter, no member of the Supervisory Board or of the Executive Board of the Privatisation and Post-privatisation Control Agency, nor any family member thereof, shall have the right to acquire any property or participating interests or shares in any commercial corporation wherein the State holds an interest, save upon entry in centralised public auctions, nor be a member of management and supervisory bodies of any privatised commercial corporations subject to post-privatisation control.

#### **Article 24**

(Amended, SG No. 31/2003)

No person other than such covered under Article 23 herein, who has been commissioned by the Privatisation and Post-privatisation Control Agency or by the Municipal Councils to conduct auctions and competitive bidding, to prepare legal status analyses, privatisation appraisals and other activities under Article 5 (2) herein, nor any family member thereof, shall have the right to acquire any property or participating interests or shares in the relevant privatised item of property within one year after the conclusion of the privatisation transaction, save upon entry in centralised public auctions.

#### **Article 25**

(1) In the cases where any person covered under Article 23 (1) and Article 24 herein participates in the preparation and/or implementation of a privatization transaction wherein the said person or any family member thereof holds a commercial, financial or any other interest, the said person shall be obligated to disclose this circumstance and to discontinue the participation thereof in the discussion and decision-making on conclusion of the said privatization transaction.

(2) (Amended, SG No. 42/2009, SG No. 7/2018) In the cases where any member of the Executive Board of the Privatisation and Post-privatisation Control Agency participates in the exercise of post-privatisation control under a contract for privatisation wherein the said member or any person closely linked thereto within the meaning of Item 15 of § 1 of the Supplementary Provisions of the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act holds a commercial, financial or any other interest, the said member shall be obligated to disclose this circumstance and to discontinue the participation thereof in the work and the decision-making on the particular case.

### **Chapter Five**

# INFORMATION RELATING TO THE PRIVATISATION PROCESS AND POST-PRIVATISATION

## CONTROL

(Heading supplemented, SG No. 65/2008, effective 22.07.2008)

### Article 26

(1) (Amended and supplemented, SG No. 31/2003, supplemented, SG No. 65/2008, effective 22.07.2008) The Privatisation and Post-privatisation Control Agency and the municipal councils may commission the preparation of legal status analyses of the privatisable items of property which shall be conducted by qualified lawyers designated according to the procedure established by Article 5 (2) herein. Preparation of a legal status analysis shall be mandatory upon the sale of any shares and interests owned by the State or municipalities in any commercial corporations wherein the State or a municipality holds an interest in the capital exceeding 50 per cent, upon the sale of any shares or interests owned by the State or the municipalities in any medical treatment facilities, regardless of the proportion of the state-owned or municipal participating interest in the capital thereof, as well as upon privatisation of self-contained parts of any medical treatment facilities. The truthfulness of the information contained in any such analyses shall be certified by the persons representing the privatising commercial corporation.

(2) (Amended and supplemented, SG No. 65/2008, effective 22.07.2008, amended, SG No. 98/2008, effective 15.12.2008) The Privatisation and Post-privatisation Control Agency and the municipal councils may commission the preparation of privatisation appraisals of the privatisable items of property which shall be conducted by independent valuers in accordance with the Independent Valuers Act. Preparation of a privatisation appraisal shall be mandatory upon the sale of any medical treatment facilities or self-contained parts thereof. The conclusions and proposals of the appraisal reports shall be non-binding.

(3) (Amended and supplemented, SG No. 31/2003, supplemented, SG No. 65/2008, effective 22.07.2008, amended, SG No. 82/2009, effective 16.10.2009, SG No. 14/2015) Preparation of a privatisation appraisal shall be mandatory upon privatisation of any commercial corporation holding any rights whereof the accrual or place of performance is within the territory of another State, and any such appraisal shall be adopted by the privatising authority. Upon adoption of any such appraisal, the privatising authority shall notify the Minister of Finance and the Minister of Economy in writing of the rights whereof the accrual or place of performance is within the territory of another State, as reflected in the appraisal as adopted.

(4) The legal status analyses and the privatization appraisals shall not constitute an official secret, they may be disclosed and included in the public register, with the exception of any documents, facts and circumstances which constitute a trade secret of the privatizing corporation.

(5) (Amended, SG No. 98/2008, effective 15.12.2008) The methods, the scope and the terms and conditions for the effecting of privatisation appraisals, as well as the contents of the legal status analyses shall be determined by the Council of Ministers.

(6) (Repealed, SG No. 72/2006).

(7) (New, SG No. 72/2006, amended, SG No. 65/2008, effective 22.07.2008) State and municipal bodies shall render assistance to the privatising authorities, by issuing any documents required thereby as shall be necessary for the preparation and conclusion of privatisation transactions, within the statutory time limits, and if there are no such time limits, within time limits prescribed by the privatising authorities. State and municipal bodies shall render assistance to the privatising and post-privatisation control authorities, by issuing any documents required thereby as shall be necessary for the preparation and conclusion of privatisation transactions and post-privatisation control, within the statutory time limits, and if there are no such time limits, within time limits prescribed by the privatising and post-privatisation control authorities.

(8) (New, SG No. 72/2006) The respective minister in charge of exercising the rights of the state, shall advise the Privatisation and Post-privatisation Control Agency of any newly-established companies with state interest in their capital.

### Article 27

(1) The Council of Ministers shall determine the mandatory information which must be disclosed to the persons who have

expressed interest in participation in privatization.

(2) The Council of Ministers shall determine which documents and information relating to the preparation and the effecting of privatization transactions constitute an official secret.

## **Article 28**

(1) (Amended, SG No. 72/2006, supplemented, SG No. 105/2006, SG No. 18/2010, effective 5.03.2010) Any commercial corporation wherein the State or a municipality holds an interest in the capital exceeding 50 per cent, and any commercial corporation whose interests or shares are property of a commercial corporation wherein the State holds an interest in the capital exceeding 50 per cent, with the exception of any such corporation which is included in the list referred to in Article 3 (1) herein or, respectively, in the list referred to in sentence two of Article 3 (2) herein, shall be prohibited from effecting any transactions for disposition of fixed assets of the corporation, from concluding any contracts for acquisition of a participating interest, for lease, for joint activity, for credit, for securing of receivables, as well as from incurring any obligations arising under bills of exchange, unless permitted by the Privatisation and Post-privatisation Control Agency or by the municipal council, as the case may be.

(2) (Amended, SG No. 31/2003, supplemented, SG No. 18/2010, effective 5.03.2010) The prohibition under Paragraph (1) shall have effect upon the adoption of an express decision on prohibition by the Privatisation and Post-privatisation Control Agency and by the municipal councils. Any such decision shall be adopted simultaneously with the commissioning of a preparation of a legal status analysis.

(3) (Amended, SG No. 72/2006, SG No. 105/2006) In respect of any commercial corporation, included in the list referred to in Article 3 Paragraph (1) herein, the prohibition under Paragraph (1) shall have effect as of the date of adoption of a decision for privatization by the National Assembly.

(4) Any decision referred to in Paragraph (2) shall be gazetted and shall be inserted in at least two national daily newspapers.

(5) The effect of the prohibition under Paragraph (1) shall lapse in the cases of a resumption of bankruptcy proceedings under § 5 (3) of the Supplementary Provisions of the Commerce Act.

(6) (Supplemented, SG No. 18/2010, effective 5.03.2010) Any commercial corporation wherein the State holds an interest in the capital exceeding 50 per cent shall be transformed or dissolved solely with the consent of the Privatisation and Post-privatisation Control Agency, save upon adjudication in bankruptcy.

(7) (Amended, SG No. 72/2006, supplemented, SG No. 18/2010, effective 5.03.2010) Outside the cases referred to in Paragraph (8), in any commercial corporation wherein the State or a municipality holds an interest in the capital, a reduction of the said interest shall not be permissible without the consent of the Privatisation and Post-privatisation Control Agency or, respectively, of the municipal council.

(8) (New, SG No. 72/2006, supplemented, SG No. 18/2010, effective 5.03.2010) Pending fulfilment of the obligations assumed by the buyer under the contract for privatisation, in any commercial corporation wherein the State or a municipality holds an interest in the capital, a reduction of the said interest shall not be permissible without the consent of the Privatisation and Post-privatisation Control Agency or, respectively, of the municipal council, which shall be issued within three months after receipt of such request. This authorisation must be produced upon re-registration of the corporation.

(9) (New, SG No. 65/2008, effective 22.07.2008, supplemented, SG No. 18/2010, effective 5.03.2010) The sale of any corporeal immovables by the corporations included in the list referred to in Article 3 (1) herein shall be effected after a decision of the Council of Ministers or of the Privatisation and Post-privatisation Control Agency on a motion by the authority exercising the rights of ownership to the capital in the commercial corporations, submitted to the Council of Ministers or to the Privatisation and Post-privatisation Control Agency. In case the decision on sale has been adopted by the Council of Ministers, the sale shall be effected by the commercial corporation. In the rest of the cases, the sale shall be effected by the Privatisation and Post-privatisation Control Agency according to the procedure established by this Act.

(10) (New, SG No. 65/2008, effective 22.07.2008) The procedure referred to in Paragraph (9) shall furthermore apply to the sale of self-contained parts of medical treatment facilities which are included in the list under Annex 1 to Article 3 (1) herein.

## **Article 29**

(1) The privatizing authorities and the post-privatization control authorities shall create and maintain public registers on the privatization process and on post-privatization control, inter alia accessible on the Internet.

(2) The particulars registrable under Paragraph (1) shall be determined by an ordinance of the Council of Ministers and shall contain the terms and conditions offered by all potential buyers. The said particulars shall mandatorily include the restitution claims, as well as the portion of interests and shares belonging to the owners of nationalised corporeal immovables and land.

(3) The privatizing authorities and the post-privatization control authorities shall create conditions for accessibility of the information contained in the registers.

### **Article 30**

On a monthly basis, The Privatisation and Post-privatisation Control Agency and the municipal councils shall cause the State Gazette promulgation and shall include in the public registers referred to in Article 29 (1) herein particulars of any sales as effected (items of property sold, buyers, price, time limit and terms of payment, agreed amount of investments and number of jobs).

## **Chapter Six PRIVATIZATION METHODS**

### **Article 31**

(1) The method whereby a privatization shall be effected shall be determined by a decision of The Privatisation and Post-privatisation Control Agency or of the municipal councils.

(2) (New, SG No. 65/2008, effective 22.07.2008) In respect of any medical treatment facilities wherein the State holds an interest in the capital exceeding 50 per cent, the privatisation method shall be determined after consultation with the Minister of Health.

(3) (Renumbered from Paragraph (2), SG No. 65/2008, effective 22.07.2008) The decision referred to in Paragraph (1) shall be promulgated in the State Gazette and shall be inserted in at least two national daily newspapers.

### **Article 32**

(1) (Supplemented, SG No. 18/2010, effective 5.03.2010) Any shares owned by the State and the municipalities in commercial corporations as well as shares owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent in other commercial corporations shall be sold by:

1. public offering;
2. public auction;
3. competitive bidding with public invitation to tender;
4. centralised public auction;
5. (supplemented, SG No. 31/2003) acceptance of a tender offer under the terms established by Articles 149, 149a and 149b of the Public Offering of Securities Act.
6. (new, SG No. 105/2006) negotiations with the buyer of the majority stake - in cases under Article 35b, Paragraph(1), second sentence.

(2) (Supplemented, SG No. 18/2010, effective 5.03.2010) Any interests owned by the State and the municipalities in limited liability companies as well as interests owned by commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent in other commercial corporations shall be sold by:

1. public auction;

2. competitive bidding with public invitation to tender.

(3) (Amended, SG No. 18/2010, effective 5.03.2010) Any self-contained parts of the property of any commercial corporations wherein the State or a municipality holds an interest in the capital exceeding 50 per cent, as well as any items of property referred to in Items 4, 5 and 6 of Article 1 (2) herein, may furthermore be sold by:

1. public auction;

2. competitive bidding with public invitation to tender.

(4) The terms and procedure for the organisation and conduct of the public auctions, competitive bidding with public invitation to tender and centralised public auctions shall be established by ordinances of the Council of Ministers.

(5) (Supplemented, SG No. 24/2009) It shall be inadmissible to renegotiate any obligations assumed by privatisation contracts, including such obligations assumed under the Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, except in the cases provided for in this Act.

(6) (New, SG No. 31/2003, supplemented, SG No. 18/2010, effective 5.03.2010) The amount of the fees charged by the Privatisation and Post-privatisation Control Agency for provision of services in connection with the conduct of centralised public auctions shall be determined by a Rate Schedule adopted by the Council of Ministers.

### **Article 32a**

(New, SG No. 31/2003)

Prior to taking action to rescind any contract for privatization, all damages due thereunder shall mandatorily be presented.

### **Article 32b**

(New, SG No. 24/2009)

(1) The Post-privatisation Control Agency may reschedule liabilities assumed under privatisation contracts through the conclusion of an additional written agreement, subject to approval by a decision of the Council of Minister.

(2) The rescheduling of liabilities under Paragraph (1) shall be in keeping with the purposes of the privatisation or the purposes underlying the privatisation strategy.

(3) The agreement concluded under the procedure established by Paragraph (1) shall be recorded in the registers referred to in Article 29.

(4) In case of default on the obligations under the agreement, such agreement shall be rescindable.

### **Article 32c**

(New, SG No. 89/2010)

Damages owed under contracts for privatisation, including under contracts signed in accordance with the repealed Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act, may not be reduced on the grounds that they are unreasonably great

## **Chapter Seven**

## **TRANSFER OF RIGHTS UPON PRIVATIZATION**

### **Article 33**

(1) The transfer of any physical shares according to the procedure established by this Act shall be effected by endorsement. The rule of Article 185 (2) of the Commerce Act shall not apply, and the transfer shall have effect in respect of the corporation as from the time of endorsement of the shares or of the interim certificates, as the case may be.



(2) The transfer of any dematerialised shares according to the procedure established by this Act shall be effected by registration of the transaction at the Central Depository.

#### **Article 34**

(1) The transfer of any interests in commercial corporations according to the procedure established by this Act shall be effected in writing. Notarisation of the signatures shall not be required.

(2) Upon transfer of any interests in commercial corporations according to the procedure established by this Act, the buyer of the said interests shall be deemed to be a member of the company as from the time of transfer of ownership of the interests according to the contract for privatization.

#### **Article 34a**

(New, SG No. 72/2006)

Where under a privatization contract an obligation was assumed to make investments, they must be listed by type, amount and deadlines. In such a case, the privatization contract must provide for a penalty in case of non- performance of the obligation for making investments. Security for payment of such penalty shall be lodged.

#### **Article 34b**

(New, SG No. 65/2008, effective 22.07.2008)

(1) Upon privatisation of any medical treatment facilities, the privatised commercial corporation shall be obligated to perform at least of the therapeutic activities listed within the meaning given in Article 2 (1) of the medical treatment Facilities Act. The types of activities implemented by the privatised medical treatment facility may not be fewer than those specified in the National Health Map.

(2) Upon the sale of shares or interests in the privatised corporation, the transferee shall assume the obligation referred to in Paragraph (1).

(3) The immovable property of the privatised medical treatment facilities shall retain the assigned use which the said property had at the time of declaration of the privatisation procedure.

(4) Upon non-fulfilment of the obligation referred to in Paragraph (1) or of other obligations assumed by the buyer in the contract for privatisation or by the person referred to in Paragraph (2), the contract for privatisation or the contract for sale shall be rescinded and the buyer shall be liable for damages to the amount of 100 per cent of the purchase price. The said damages may not be reduced on the grounds that they are unreasonably great.

#### **Article 35**

The transfer of any rights in rem over corporeal immovables shall be effected in writing. Notarisation shall not be required. Recording shall be exempt from fees.

### **Chapter Seven "a"**

**(New, SG No. 20/2003)**

## **PRIVATIZATION OF COMMERCIAL CORPORATIONS RELEVANT TO THE NATIONAL SECURITY OF THE REPUBLIC OF BULGARIA**

#### **Article 35a**

(1) The requirements of this Chapter shall apply to privatization of any commercial corporations wherein the State holds an interest in the capital exceeding 50 per cent, which are relevant to the national security of the Republic of Bulgaria,

which have privatization strategies approved by the National Assembly, and which are included in the list under Schedule 2 to this Act.

(2) The provisions of this Chapter shall apply where more than 50 per cent of the capital of any commercial corporation referred to in Paragraph (1) is subject to sale.

### **Article 35b**

(1) (Supplemented, SG No. 105/2006) Privatization under Article 35a herein shall be effected through competitive bidding with public invitation to tender. When subject of the competitive bidding with public invitation to tender is the sale of less than 100 percent of the company capital, the residual package of shares may be offered to the buyer of the majority package, if so envisaged by the strategy under Article 35a, Paragraph (1). In these cases, sale of the residual package of shares shall take place under terms and procedure, specified in the strategy.

(2) (Amended, SG No. 65/2008, effective 22.07.2008) The Privatisation and Post-privatisation Control Agency shall prepare a reasoned proposal for ranking of the tenders which have been admitted to evaluation and ranking and which have been submitted for entry in the competitive bidding procedure in accordance with the evaluation criteria as announced in advance, after examination of the tenders or of the explanations therewith, as the case may be. The reasoned proposal shall furthermore contain the material terms and conditions of the contract for privatisation.

### **Article 35c**

(1) Any proposal by The Privatisation and Post-privatisation Control Agency, referred to in Article 35b (2) herein, shall be laid before the Council of Ministers.

(2) By a reasoned decision, the Council of Ministers shall determine:

1. the entrant who of which has won the competitive bidding procedure;
2. the time limit for submission of a declaration under Article 7 (3) herein;
3. the time limit for conclusion of a contract for privatization;
4. the material terms and conditions of the contract for privatization.

(3) (Repealed, SG No. 65/2008, effective 22.07.2008).

(4) Should the Council of Ministers do not determine an entrant who of which has won the competitive bidding procedure, the privatization procedure shall be terminated.

### **Article 35d**

(Article declared unconstitutional by Constitutional Court

Judgment No. 5/2003, promulgated, SG No. 39/2003)

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(1) Any Council of Ministers decision referred to in Article 35c (2) herein shall be submitted to the National Assembly for approval.

(2) The Council of Ministers shall lay the decision thereof before the National Assembly together with the documentation on the competitive bidding procedure as conducted.

(3) Should the National Assembly do not approve any Council of Ministers decision referred to in Article 35c (2) herein, the privatization procedure shall be terminated.

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### **Article 35e**

(1) (Amended, SG No. 65/2008, effective 22.07.2008) The Privatisation and Post-privatisation Control Agency shall negotiate the text of the contract for privatisation with the entrant who of which has won the competitive bidding procedure proceeding from the draft attached to the rules for conduct of the competitive bidding procedure. Any such contract shall mandatorily include the conditions whereunder the competitive bidding procedure has been won, as well as the terms and conditions referred to in Item 4 of Article 35c (2) herein.

(2) Upon conclusion of the negotiations referred to in Paragraph (1), the draft of a contract for privatization shall be submitted to the Supervisory Board of The Privatisation and Post-privatisation Control Agency for approval.

(3) Once approved by the Supervisory Board of the Privatisation and Post-privatisation Control Agency, the draft of a contract shall be laid before the Council of Ministers for approval.

(4) The contract shall be concluded within the time limit set by the decision under Article 35c (2) herein.

### **Article 35f**

(Article declared unconstitutional by Constitutional Court

Judgment No. 5/2003, promulgated, SG No. 39/2003)

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(1) Any decision by The Privatisation and Post-privatisation Control Agency regarding any commercial corporations included in the list referred to in Article 35a (1) herein shall be unappealable and unprotestable according to the procedure established by the Supreme Administrative Court Act and the Administrative Procedure Act in respect of:

1. requests for explanations and for curing non-conformities in the provisional tenders;
2. selection of entrants admitted to entry in the conclusive stage of the competitive bidding procedure, and endorsement of rules for conduct of the conclusive stage;
3. requests for explanations and for curing non-conformities in the tenders;
4. non-examination and non-admission of a tender to evaluation and ranking;
5. ranking of the tenders admitted to evaluation and ranking.

(2) Any decision by the Supervisory Board of The Privatisation and Post-privatisation Control Agency under Article 35e (2) herein, as well as any Council of Ministers decisions under Article 35c (2) and (4) and Article 35e (3), shall be unappealable and unprotestable according to the procedure established by the Supreme Administrative Court Act and the Administrative Procedure Act.

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### **Article 35g**

In case the contract for privatization be not concluded within the time limit as appointed through the fault of the entrant who or which has won the competitive bidding, the deposit paid thereby shall be forfeited.

## **Chapter Eight**

### **GRANT OF LICENCES UPON PRIVATIZATION**

**(Heading amended, SG No. 96/2017, effective 1.01.2018)**

### **Article 36**

(Amended, SG No. 36/2006, supplemented, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 96/2017, effective 1.01.2018).

### **Article 37**

(Amended, SG No. 36/2006, supplemented, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 96/2017, effective 1.01.2018).

### **Article 37a**

(New, SG No. 36/2006, repealed, SG No. 96/2017, effective 1.01.2018).

### **Article 38**

(Amended, SG No. 36/2006, repealed, SG No. 96/2017, effective 1.01.2018).

### **Article 39**

(Amended and supplemented, SG No. 18/2010, effective 5.03.2010)

A licence for performance of an activity shall be granted without an auction or competitive bidding to any wholly state-owned commercial corporation subject to an initiated privatisation procedure, where the grant of a licence will be provided for in the privatisation strategy referred to in Article 3 (9) herein, as approved by the National Assembly. The motion to grant the licence shall be made by the Privatisation and Post-privatisation Control Agency in consultation with the authority who exercises the rights of a sole owner of the capital.

## **Chapter Nine**

### **ADMINISTRATIVE PENALTY PROVISIONS**

### **Article 40**

(1) Any holder of office at a commercial corporation wherein the State and/or a municipality holds an interest in the capital, who shall fail to perform or who shall breach the duties thereof to disclose information to the Privatisation and Post-privatisation Control Agency and to the municipal councils within the time limit set thereby, as well as any duties arising from statutory instruments of subordinate legislation for the application of this Act, will be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 5,000, unless the act shall constitute a criminal offence.

(2) The fine referred to in Paragraph (1) shall furthermore be imposed on any office holder and employee in the administrations of ministries and any other central-government departments, who shall fail to submit to the Privatisation and Post-privatisation Control Agency the information and documentation in their possession in connection with the preparation and conclusion of any privatization transaction.

(3) Where any violation referred to in Paragraphs (1) and (2) has resulted in the conclusion of a legally non-conforming privatization transaction, the penalty shall be a fine of BGN 2,000 or exceeding this amount but not exceeding BGN 10,000.

### **Article 41**

(Amended, SG No. 72/2006)

Any office holder, who shall fail to perform the duties thereof under Article 25 (7) herein, will be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 5,000.

### **Article 42**

Any holder of office at privatized commercial corporations, who shall obstruct the exercise of post-privatization control, will be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 10,000.

### **Article 43**

Any person covered under Articles 23 and 24 herein, who shall breach the relevant prohibition, as well as any person referred to in Article 25 herein, who shall fail to disclose the existence of interest and who shall fail to discontinue the participation thereof in the decision-making on conclusion of a privatization transaction, will be liable to a fine of BGN 5,000 or exceeding this amount but not exceeding BGN 10,000.

### **Article 44**

(1) (Amended, SG No. 18/2010, effective 5.03.2010) The written statements under this Chapter shall be drawn up by officers designated by the Executive Director of the Privatisation and Post-privatisation Control Agency and by the municipal councils.

(2) (Amended, SG No. 18/2010, effective 5.03.2010) The penalty decrees shall be issued by the Executive Director of the Privatisation and Post-privatisation Control Agency and by the municipality mayors or by persons thereby empowered.

### **Article 45**

The ascertainment of violations, the drawing up of written statements, the issue and appeal against penalty decrees shall follow the procedure established by the Administrative Violations and Sanctions Act.

## **SUPPLEMENTARY PROVISIONS**

§ 1. Within the meaning of this Act:

1. "Self-contained part" shall be a structure within a commercial corporation which can carry on business independently (a retail establishment, a repair establishment, a ship, a workshop, a restaurant, a hotel and other such), as well as a project of construction in progress which is owned by the commercial corporation.

2. (New, SG No. 65/2008, effective 22.07.2008) "Self-contained part of a medical treatment facility" shall be any part which is not directly related or wherethrough the therapeutic activity of the same medical treatment facility and which can carry on business independently, a corporeal immovable, as well as any projects of construction in progress owned by the medical treatment facility.

3. (Renumbered from Item 2, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 42/2009).

§ 2. (1) (Previous text of § 2, supplemented, SG No. 31/2003, amended, SG No. 61/2015\*) Any compensation notes, any housing compensation notes and interim certificates issued under Article 6 (8) of the Indemnification of Nationalised Property Owners Act, any registered compensation vouchers issued under the Agricultural Land Ownership and Use Act and under the Act Restoring Ownership of Forests and Forest Stock Land Tracts, any long term government bonds issued against the internal and external debt of the Republic of Bulgaria, and any investment vouchers referred to in Article 44 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, shall be eligible as mediums of payment for privatization transactions in any corporations included in the list referred to in Article 11 herein, as well as for privatization transactions concluded according to the procedure established by the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, where the contracts have stipulated a possibility for payment of the entire or part of the purchase price with non-cash instruments.

(2) (New, SG No. 31/2003) Upon rescission or declaration of the nullity of any privatization transactions on which payment has been effected with compensation notes, housing compensation notes and interim certificates issued under Article 6 (8) of the Indemnification of Nationalised Property Owners Act and registered compensation vouchers, the lev equivalent of the said instruments shall be restored as determined according to the weighted average price thereof on the regulated securities market for a three-month period prior to the day of rescission of the contract or declaration of the

nullity or, should the said instruments are not traded, for the last three-month period wherein they have been traded. In the cases where payment has been effected with other non-cash instruments covered under Paragraph (1), upon rescission or declaration of nullity of any privatization transactions, the lev equivalent of the said instruments shall be restored as determined by an act of the Council of Ministers.

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*\*This amendment concerns new spelling of a Bulgarian word which does not affect the English version.*

**§ 3.** The municipal councils, which have resolved on the establishment of municipal guarantee funds for small and medium sized enterprises, shall adopt regulations for the operation of the said funds which shall be published.

**§ 4.** Newly formed corporations within the meaning of Article 3 (4) herein shall be commercial corporations wherein the State or a municipality holds an interest, transformed according to the procedure established by the Commerce Act or under 10 of the Transitional and Final Provisions of this Act after the entry of this Act into force.

**§ 5.** (Amended, SG No. 105/2005) At the request of The Privatisation and Post-privatisation Control Agency, the collection of public state receivables shall be suspended within seven days after adoption of a decision on a method on the direction of the revenue bodies according to the procedure established by the Tax and Social Insurance Procedure Code for a period of six months. The proceedings for collection of public government claims shall be resumed within seven days after completion of the privatization transaction.

**§ 6.** Any fixed-term contracts of lease, tenancy, or joint activity whereof the subject is a corporeal immovable owned by a municipality or by a commercial corporation wherein the State or a municipality holds an interest exceeding 50 per cent, shall be deemed to have been concluded for a term of indeterminate duration as from the date of the gazetting of the decision referred to in Article 28 (2) herein. Any lessee or tenant shall be given a notice period of not more than six months to finalise any activity commenced lest the said lessee or tenant sustain any detriment from the termination of the contract before the expiry thereof.

**§ 7. (1)** (Previous text of § 7, SG No. 31/2003) Where any shares are offered for privatization according to the procedure established by this Act, the provisions of the Public Offering of Securities Act shall be inapplicable save in the cases under Items 1 and 5 of Article 32 (1) herein.

**(2)** (New, SG No. 31/2003) Any share issues, in respect of which a decision has been made on the sale thereof in whole or in part according to the procedure established by Item 1 of Article 32 (1) herein and which have not been recorded according to the procedure established by the Public Offering of Securities Act, shall be recorded proprio motu on the initiative of The Privatisation and Post-privatisation Control Agency or persons referred to in Article 5 (1) herein, empowered by the said Agency.

**(3)** (New, SG No. 31/2003) According to the procedure established by Paragraph (2), the relevant issues shall be recorded in the register of the Central Depository and shall be admitted to trading on the stock exchange.

**(4)** (New, SG No. 31/2003) The shares referred to in Paragraph (2) shall be dematerialised, and sentence two of Article 185 (2) of the Commerce Act shall not apply thereto without a need to record the changes in the articles of association of the corporations.

**(5)** (New, SG No. 31/2003) The procedure established by Paragraphs (2) to (4) shall apply in the cases where not less than 5 per cent of the capital of the relevant corporation is offered for sale.

**§ 7a.** (New, SG No. 31/2003) (1) In the cases of privatization under Item 5 of Article 32 (1) herein, the privatizing authority shall have the right to do the following within the time limits established under Article 151 (1) of the Public Offering of Securities Act:

1. to set additional conditions for acceptance of the tender offer to the offeror and the commission;
2. to ask that the tender offer be accepted by means of signing of a contract for privatization incorporating the conditions referred to in Item 1.

(2) Offering according to the procedure established by Paragraph (1) shall not be a condition precedent for approval of the tender offer by the Financial Supervision Commission.

**§ 8.** (Amended, SG No. 94/2008, effective 1.01.2009, supplemented, SG No. 24/2009, repealed, SG No. 13/2016, effective 15.04.2016, new, SG No. 96/2017, effective 1.01.2018) The provisions of the Public Procurement Act shall not apply upon commissioning under Article 5 (1) and (2) herein.

**§ 9.** (Amended, SG No. 31/2003, repealed, SG No. 18/2010, effective 5.03.2010).

**§ 10.** (1) A transformation of any state-owned enterprise into wholly state-owned commercial corporations according to the provisions of the Commercial Code by means of distribution of the property allocated to the said enterprise into shares or interests, shall be effected by the Council of Ministers or an authority designated thereby.

(2) Articles 72 and 73 of the Commercial Code shall be inapplicable to any non-cash assets contributed by the State or a municipality to a corporation wherein the State or a municipality holds an interest exceeding 50 per cent. Any non cash assets contributed by the State shall be valued under terms and according to a procedure established by the Council of Ministers, and the financial fixed assets shall be valued at the accounting value thereof.

(3) Upon transformation of any state-owned enterprise into a wholly state-owned commercial corporation, the property allocated to the said enterprise for stewardship shall pass into the ownership of the said corporation by the act of transformation, unless otherwise provided by the said act.

**§ 11.** (1) (Amended, SG No. 61/2015\*) In the cases of a concluded privatization transaction, as well as in the cases where the assets of any commercial corporation wherein the State or a municipality holds an interest exceeding 50 per cent incorporate any corporeal movables and/or immovables owned by title holders under the Indemnification of Nationalised Property Owners Act and under the Agricultural Land Ownership and Use Act, the said title holders shall be indemnified by shares and interests in the corporation according to the procedure established by the Indemnification of Nationalised Property Owners Act. Should the shares or interests owned by the State or a municipality prove insufficient to satisfy the claims of the title holders, the said title holders shall be indemnified by compensation notes in respect of the portion of the claim which cannot be satisfied by interests and shares.

(2) (Amended, SG No. 61/2015\*) In respect of any commercial corporation included in the lists referred to in Article 3 (1) herein and in sentence two of Article 3 (2) herein, the title holders under the Indemnification of Nationalised Property Owners Act, under the Agricultural Land Ownership and Use Act, and under Article 18 of the Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded shall be indemnified solely by compensation notes.

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*\*This amendment concerns new spelling of a Bulgarian word which does not affect the English version.*

**§ 11a.** (New, SG No. 31/2003) In the cases where a privatization transaction has been concluded on terms of payment by instalments under Article 25 (3) of the Privatization of State Owned and Municipal-Owned Enterprises Act as hereby superseded, the requirements of Items 3, 4 and 5 of Article 25 (3) and Article 25 (4) and (5) of the said Act shall continue to apply in respect of the buyers.

**§ 11b.** (New, SG No. 72/2006, amended, SG No. 59/2007, SG No. 18/2010, effective 5.03.2010) In respect of the instalments of the purchase price payable and due or forfeits payable and due under privatisation contracts not paid within one month after the period for voluntary execution granted, the Privatisation and Post-privatisation Control Agency, respectively the authorities referred to in Article 4 (2) herein, may order for the issuance of an immediate enforcement order in accordance with the procedure established by Article 418 of the Code of Civil Procedure based on a document or an abstract of the books of account of said Agency and authorities.

**§ 11c.** (New, SG No. 72/2006, amended and supplemented, SG No. 18/2010, effective 5.03.2010) On the basis of a reasoned written request of the Executive Board of the Privatisation and Post-privatisation Control Agency and of the authorities referred to in Article 4 (4) herein, the National Revenue Agency shall provide tax and social-insurance

information under Items 1, 4 and 5 of Article 72 (1) of the Tax and Social Insurance Procedure Code.

**§ 11d.** (New, SG No. 72/2006) Any buyer, who or which has failed to fulfil the obligations thereof under any contract for privatisation to pay the purchase price and to make the investments, or who or which has not settled conclusively any overdue public liabilities of the privatised corporation, as well as any overdue liabilities for payment of labour remunerations, may not transfer any shares or interests in the capital of the privatised corporation as acquired under the contract without authorisation of the Privatisation and Post-privatisation Control Agency or of the municipal council, as the case may be.

**§ 11e.** (New, SG No. 72/2006) (1) In order to secure the fulfilment of obligations under a contract for privatisation, the privatising authorities or, respectively, the Privatisation and Post-privatisation Control Agency, may take the necessary steps to establish a mortgage, pledge or another security interest.

(2) (Amended and supplemented, SG No. 65/2008, effective 22.07.2008) The mortgage referred to in Paragraph (1) may only be legal. The legal mortgage shall be inscribed on the basis of a request by the privatising authority or, respectively, by the Privatisation and Post-privatisation Control Agency, whereto the contract for privatisation shall be attached. In such cases, certification of obligations under Article 264 (1) of the Tax and Social-Insurance Procedure Code shall not be required. Recordation and cancellation from the records of any such legal mortgage shall be exempt from stamp duty.

## **TRANSITIONAL AND FINAL PROVISIONS**

**§ 12.** This Act shall supersede the Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act (promulgated in the State Gazette No. 38/1992; amended and supplemented in No. 51/1994, Nos. 45, 57 and 109/1995, Nos. 42, 45, 68 and 85/1996; corrected in No. 86/1996; amended in Nos. 55, 61, 89, 98 and 122/1997, No. 39/1998; corrected in No. 41/1998; amended in No. 70/1998, No. 12/1999; modified by Constitutional Court Judgment No. 8/1999, promulgated in No. 47/1999; amended in Nos. 56, 84 and 96/1999, Nos. 20, 99 and 108/2000, No. 42/2001).

**§ 13.** (1) Within two months after the entry of this Act into force, the Council of Ministers shall adopt the statutory instruments of subordinate legislation for the application thereof.

(2) The statutory instruments of subordinate legislation, issued in pursuance of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, shall apply until the issuing of the respective new statutory instruments in so far as not conflicting with this Act.

(3) The Council of Ministers shall adopt regulations regarding the procedure for the exercise of the rights of the State in the commercial corporations wherein the State holds an interest in the capital.

(4) (Supplemented, SG No. 115/2004) The Council of Ministers shall establish the terms and a procedure for the formation of the wage bill in the commercial corporations wherein the State or a municipality holds an interest in the capital exceeding 50 per cent.

(5) The contracts and documents on any privatization transactions as concluded shall be preserved by the competent state and municipal bodies or other designees for a period of 50 years.

**§ 14.** (1) The entry of this Act into force shall terminate the powers of the Executive Board of The Privatisation and Post-privatisation Control Agency. The Executive Board of the Privatisation and Post-privatisation Control Agency shall continue to perform the functions thereof until appointment of a new Executive Board.

(2) The members of the Supervisory Board of The Privatisation and Post-privatisation Control Agency, who have been elected in pursuance of Article 12 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, shall exercise the powers of a Supervisory Board under this Act.

(3) Within seven days after the entry of this Act into force, the Council of Ministers shall appoint an Executive Board of the Privatisation and Post-privatisation Control Agency and an Executive Board of the Post privatization Control Agency.

(4) Within one month after the entry of this Act into force, the National Assembly shall elect the members of a Supervisory Board of the Post- privatization Control Agency.



**§ 15.** (Supplemented, SG No. 84/2003) The Privatisation and Post-privatisation Control Agency shall assume all rights and duties in connection with the exercise of post-privatisation control over privatisation contracts concluded by empowered state bodies according to the procedure established by the Privatisation of State-Owned and Municipal-Owned Enterprises Act as hereby superseded after the entry into force of the rules of organisation of the said Agency. Any court proceedings pending at the 19th day of March 2002 shall be continued by the Privatisation and Post-privatisation Control Agency until the close thereof in all instances, and any proceedings terminated on the grounds of a lacking succession shall be resumed by the court ex officio.

**§ 16.** Within one month after the entry of this Act into force, the Privatisation and Post-privatisation Control Agency shall prepare a list of the commercial corporations wherein the State holds an interest in the capital, which have been put up for privatization by the entry of this Act into force, and the said list shall be gazetted and inserted in two national daily newspapers.

**§ 17.** (1) In the cases where, at the date of entry of this Act into force, a privatization procedure has been initiated by an authority covered under Article 3 (1) of the Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, a decision on the manner of sale has been promulgated and a buyer has been selected, the privatization procedure shall be completed according to the hitherto established procedure by the competent authority. Any procedures initiated by The Privatisation and Post-privatisation Control Agency and the municipal councils, whereat no buyer has been selected, shall be completed by the said authorities according to the procedure established by this Act.

(2) In the cases where, at the date of entry of this Act into force, a decision has been made on the sale of shares or a common interest on preferential terms to any persons covered under Article 5 (2) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, and a time limit has been set for payment of the purchase price, the sale procedure shall be completed according to the hitherto effective procedure by the competent authority.

(3) In the cases where, at the date of entry of this Act into force there shall be a pending lawsuit or an effective judgment of court on revocation of an express or tacit refusal to accept an offer of a sale without an auction or competitive bidding according to the procedure established by Article 35 of the Transformation and Privatization of State Owned and Municipal-Owned Enterprises Act as hereby superseded, the sale procedure shall be completed according to the hitherto effective procedure by The Privatisation and Post-privatisation Control Agency or by the municipal councils, whichever is the competent authority.

(4) In the cases where any privatization contracts concluded according to the procedure established by the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act as hereby superseded include the right of the buyer to purchase additionally shares or interests which have remained unacquired by title holders covered under Article 5 (2) and/or Article 18 of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, the said right shall be declared to The Privatisation and Post-privatisation Control Agency or to the competent municipal council within three months after the entry of this Act into force. Any shares and interests unclaimed by the buyers shall be sold according to the standard procedure.

(5) In the cases where, at the date of entry of this Act into force, actions have been taken, motions have been introduced or decisions have been made for the award of a concession under 5a, 5b or 5c of the Supplementary Provisions of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act as hereby superseded, the said actions, motions or decisions shall retain the validity thereof and shall be admitted accordingly in the procedures under Article 36 and 37 of this Act.

(6) (Amended, SG No. 20/2003, SG No. 105/2005) In the cases of privatization contracts concluded at the date of entry of this Act into force, the provisions of 6a of the Transitional and Final Provisions of the Transformation and Privatization of State Owned and Municipal-Owned Enterprises Act as hereby superseded shall apply to the claims of any private-law creditors to the privatized enterprise.

(7) (Repealed, SG No. 31/2003).

(8) Any licences issued under Article 16 (1) of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act as hereby superseded shall continue in effect.

**§ 17a.** (New, SG No. 31/2003) (1) In the cases where any state-owned enterprise held the rights covered under 5a and 5b of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act as hereby superseded and

the said enterprise has been privatized without the Council of Ministers having adopted a decision on the award of a concession without an auction or competitive bidding, the competent minister shall make a proposal for the adoption of such decision according to the procedure established by Article 36 (2) herein not later than the 30th day of June 2003. In case such a proposal is not made, the corporation shall have the right to declare its wish to obtain a concession without an auction or competitive bidding before the Council of Ministers not later than the 30th day of September 2003.

(2) In the cases referred to in Paragraph (1), the contract of concession shall enter into force as from the date of transfer of ownership under the contract for privatization and the concessionaire shall owe concession royalties for the relevant period, save as where the concession is for use of subsurface resources and the corporation proves payment of quarrying fee under the Local Taxes and Fees Act.

(3) In the cases where no proposal has been made to the Council of Ministers by the competent minister and no declaration has been made within the time limits established under Paragraph (1), the right of the privatized corporation to obtain a concession without an auction or competitive bidding shall be extinguished and the concession shall be awarded according to the standard procedure.

(4) The procedure established under Paragraph (1) shall not apply in the cases where the item of property used is referred to in Article 38 herein.

**§ 18.** In the cases where, at the date of entry of this Act into force, an application for indemnification has been submitted according to the procedure established by Article 18 of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act as hereby superseded, the title holders shall be indemnified according to the hitherto effective procedure, save in the cases under 11 (2) herein.

**§ 19.** In the cases where, at the date of entry of this Act into force, a decision on privatization has been gazetted and a prohibition has been imposed on the effecting of any transactions for disposition covered under Article 21 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded, the provision of Article 28 (1) herein shall have effect as from the entry of this Act into force, without making a decision under Article 28 (2) herein.

**§ 20.** (1) Within three months after the entry of this Act into force, the authorities referred to in Item 1 of Article 3 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded shall deliver to the Privatisation and Post-privatisation Control Agency the entire documentation in their possession related to the privatization of items of property under this Act and necessary for the keeping of the public register.

(2) Within three months after the entry of this Act into force, the authorities referred to in Items 1 and 2 of Article 3 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded shall deliver to the Post-privatization Control Agency the entire documentation as shall be necessary for exercise of post-privatization control and for the keeping of the public register.

**§ 21.** (1) The Centre for Mass Privatization is hereby closed down as a body of the Council of Ministers.

(2) Within one month after the entry of this Act into force, the Council of Ministers shall settle the relations in connection with the closure of the Centre for Mass Privatization.

**§ 22.** (Amended, SG No. 31/2003, SG No. 55/2004) The entry of this Act into force shall discontinue the issuance of investment vouchers referred to in Article 44 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act as hereby superseded. The term of validity of any investment vouchers issued shall expire on the 30th day of June 2005.

**§ 23.** The Value Added Tax Act (promulgated in the State Gazette No. 153/1998; corrected in No. 1/1999; amended in Nos. 44, 62, 64, 103 and 101/1999, Nos. 63, 78 and 102/2000, No. 109/2001) shall be amended and supplemented as follows:

1. In Article 44, the words "the transactions in enterprises or in self-contained parts thereof according to the procedure established by the Transformation and Privatization of State Owned and Municipal-Owned Enterprises Act, with the exception of such covered under 10 of the said Act" shall be replaced by "the items of property covered under Article 1 (2) of the Privatization and Post-privatization Control Act".

2. In Item 2 of Article 81 (5), the words "any privatization transaction according to the procedure established by the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act, with the exception of such covered under 10 of the Transitional and Final Provisions of the said Act" shall be replaced by "any privatization transaction according to the procedure established by the Privatization and Post-privatization Control Act".

**§ 24.** In the Access to the Records of the Former State Security and of the Former Intelligence Agency of the General Staff Act (promulgated in the State Gazette No. 63/1997; modified by Constitutional Court Judgment No. 10/1997, promulgated in No. 89/1997; amended in No. 69/1999, No. 24/2001; modified by Constitutional Court Judgment No. 14/2001, promulgated in No. 52/2001), in Littera (g) of Item 1 of 2a of the Supplementary Provisions, the words "member of the Supervisory Board or of the Executive Board of the Privatisation Agency" shall be replaced by "member of the Supervisory Board or of the Executive Board of the Privatisation Agency, member of the Supervisory Board or of the Executive Board of the Post-privatisation Control Agency".

**§ 25.** In Item 17 of Article 8 (1) of the Public Internal Financial Control Act (promulgated in the State Gazette No. 92/2000), after the words "the Privatisation Agency" there shall be inserted "the Post-privatisation Control Agency".

**§ 26.** In the Protection of Competition Act (promulgated in the State Gazette No. 52/1998; modified by Constitutional Court Judgment No. 22/1998, promulgated in No. 112/1998; amended in No. 81/1999), Item 3 of Article 7 (2) shall be amended to read as follows:

"3. hand down opinions on projects for transformation and privatization of any commercial corporations wherein the State or a municipality holds an interest in the capital exceeding 50 per cent or of self-contained parts of any such corporations, as requested by the competent central and local government bodies, where this Act may be violated;"

**§ 27.** In the Concessions Act (promulgated in the State Gazette No. 92/1995; modified by Constitutional Court Judgment No. 2/1996, promulgated in No. 16/1996; amended in No. 44/1996, Nos. 61 and 123/1997, No. 93/1998, Nos. 23, 56, 64 and 67/1999, Nos. 12, 64 and 97/2000), Paragraph 4 of Article 6 shall be repealed.

**§ 28.** In the medical treatment Facilities Act (promulgated in the State Gazette No. 62/1999; amended in Nos. 88 and 113/1999; corrected in No. 114/1999; amended in Nos. 36, 65 and 108/2000; modified by Constitutional Court Judgment No. 11/2001, promulgated in No. 51/2001), Section II of Chapter Thirteen shall be repealed, and the privatization procedures initiated according to this procedure shall be terminated.

**§ 29.** In the Small and Medium-Sized Enterprises Act (promulgated in the State Gazette No. 84/1999; amended in Nos. 80 and 92/2000, No. 42/2001), Item 7 of Article 13, and Articles 21, 22, 23 and 24 shall be repealed.

**§ 30.** In the Local Taxes and Fees Act (promulgated in the State Gazette No. 117/1997; amended in Nos. 71, 83, 105 and 153/1998, No. 103/1999, Nos. 34 and 102/2000, No. 109/2001), in Item 8 of Article 48 (1), the words "the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act" shall be replaced by "the Privatization and Post-privatization Control Act."

**§ 31.** In the Local Self-Government and Local Administration Act (promulgated in the State Gazette No. 77/1991; amended in Nos. 24, 49 and 65/1995, No. 90/1996, No. 122/1997, Nos. 33, 130 and 154/1998, Nos. 67 and 69/1999, Nos. 26 and 85/2000, No. 1/2001), there shall be inserted the following new article:

"Article 58a. (1) By resolution of the Municipal Council, a municipal guarantee fund for small and medium-sized enterprises may be established in the municipality.

(2) The resources in the municipal guarantee funds for small and medium-sized enterprises referred to in 3 of the Transitional and Final Provisions of the Privatization and Post privatization Control Act shall be used to cover part of the credit risk to an amount not exceeding 50 per cent of the value of the loans. The municipal councils shall adopt and publish regulations establishing terms and a procedure for appropriation of the resources in the said funds."

**§ 32.** The Indemnification of Nationalised Property Owners Act (promulgated in the State Gazette No. 107/1997;

modified by Constitutional Court Judgment No. 4/1998, promulgated in No. 30/1998; amended in Nos. 45, 88 and 135/1998, No. 12/1999, No. 9/2000; corrected in No. 10/2000; amended in No. 99/2000, No. 25/2001) shall be amended and supplemented as follows:

1. In Article 2, Paragraph (2) shall be repealed.

2. In Article 4:

(a) Paragraph (2) shall be amended to read as follows:

"(2) Any compensation notes referred to in Paragraph (1) shall be eligible as a medium of payment for privatization transactions for the purchase of shares or interests in commercial corporations included in the list referred to in Article 11 of the Privatization and Post-privatization Control Act, as well as to be used in the cases provided for in another statutory instrument."

(b) Paragraphs (2a) and (2b) shall be repealed.

3. In Article 7 Paragraphs (2) and (3) shall be repealed.

4. In Article 8:

(a) Item 1 of Paragraph (1) shall be repealed;

(b) Paragraph (2) shall be repealed;

(c) Item 1 of Paragraph (6) shall be repealed;

(d) Paragraph (7) shall be repealed.

**§ 33.** In the Public Disclosure of Senior Public Official's Financial Interests Act (promulgated in the State Gazette No. 38/2000), Item 13 of Article 2 (1) shall be amended to read as follows:

"13. the members of the Executive Board and of the Supervisory Board of the Privatization Agency, as well as the members of the Executive Board and of the Supervisory Board of the Post privatization Control Agency".

**§ 34.** The Public Offering of Securities Act (promulgated in the State Gazette No. 114/1999; amended in Nos. 63 and 92/2000), § 10 of the Transitional and Final Provisions shall be amended and supplemented as follows:

1. In Item 1 of Paragraph (1), the words "Items 2, 3, 4 and 5 of Article 25 (1) of the Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act" shall be replaced by "Items 2, 3 and 4 of Article 32 (1) of the Privatization and Post-privatization Control Act".

2. In Item 1 of Paragraph (2), the words "Article 25 of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act" shall be replaced by "Article 32 (1) of the Privatization and Post-privatization-Control Act".

3. Paragraph (4) shall be repealed.

4. In Paragraph (5), the words "Item 5 of Article 25 (1) of the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act" shall be replaced by "Article 32 (1) of the Privatization and Post-privatization Control Act".

**§ 35.** In the Agricultural Land Ownership and Use Act (promulgated in the State Gazette No. 17/1991; corrected in No. 20/1991; amended and supplemented in No. 74/1991, Nos. 18, 28, 46 and 105/1992, No. 48/1993; modified by Constitutional Court Judgment No. 12/1993, promulgated in No. 64/1993; amended in No. 83/1993, No. 80/1994, Nos. 45 and 57/1995; modified by Constitutional Court Judgments Nos. 7 and 8/1995, promulgated in No. 59/1995; amended in No. 79/1996; modified by Constitutional Court Judgments No. 20/1996, promulgated in No. 79/1996; amended and supplemented in No. 104/1996, Nos. 62, 87, 98, 123 and 124/1997, Nos. 59, 88 and 133/1998, No. 68/1999, Nos. 34 and 106/2000), Paragraph (2) of Article 10b shall be repealed.

**§ 36.** In the State Receivables Collection Act (promulgated in the State Gazette No. 26/1996; amended in No. 104/1996, No. 51/1997, No. 59/1998, No. 103/1999; modified by Constitutional Court Judgment No. 2/2000, promulgated in No. 29/2000; amended in No. 63/2000, No. 111/2001), Article 86 shall be repealed.

**§ 37.** The Act to Settle Non-Performing Loans Contracted by 31 December 1990 (promulgated in the State Gazette No. 110/1993; amended in No. 112/1995, No. 55/1997, Nos. 12, 90, 103 and 111/1999, No. 1 and 92/2000) shall be amended and supplemented as follows:

1. Article 7 shall be repealed.

2. In Article 12a:

(a) Paragraph (2) shall be amended to read as follows:

"(2) A proposal for a write-off under Paragraph (1) shall be submitted by the Privatisation Agency to the Council of Ministers after consultation with the Minister of Finance regarding any commercial corporation wherein the State holds an interest in the capital exceeding 50 per cent, which is subject to an initiated privatization procedure, prior to making a decision under Article 31 of the Privatization and Post privatization Control Act.";

(b) in Paragraph (3), the words "under Article 20 of the Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act" shall be replaced by "under Article 31 of the Privatization and Post privatization Control Act".

**§ 38.** In the Foreign Investments Act (promulgated in the State Gazette No. 97/1997; corrected in No. 99/1997; amended in Nos. 29 and 153/1998, No. 110/1999), Item 4 of Article 12 (1) shall be amended to read as follows:

"4. right of ownership to self-contained parts of commercial corporations wherein the State or a municipality holds an interest in the capital exceeding 50 per cent, within the meaning of the Privatization and Post-privatization Control Act".

**§ 39.** The Commerce Act (promulgated in the State Gazette No. 48/1991; amended and supplemented in Nos. 25/1992, Nos. 61 and 103/1993, No. 63/1994, No. 63/1995, Nos. 42, 59, 83, 86 and 104/1996, Nos. 58, 100 and 124/1997, Nos. 52 and 70/1998, Nos. 33, 42, 64, 81, 90, 103 and 114/1999, No. 84/2000) shall be amended and supplemented as follows:

1. In § 4 of the Supplementary Provisions, the words "the Transformation and Privatization of State-Owned and Municipal Owned Enterprises Act shall not apply with the exception of Item 4 of Article 2 (2) thereof" shall be replaced by "the Privatization and Post-privatization Control Act shall not apply".

2. In § 5 of the Supplementary Provisions, Paragraph (1) shall be amended to read as follows:

(a) Paragraph (1) shall be amended to read as follows:

"(1) A decision determining a method for the sale of shares or interests in any commercial corporation wherein the State or a municipality holds an interest in the capital exceeding 50 per cent, which is subject to instituted bankruptcy proceedings, may be adopted prior to the date of the judgment of the bankruptcy court approving the list of claims as allowed under Article 692 herein;"

(b) Paragraph (4) shall be amended to read as follows:

"(4) The cash proceeds from the privatization of any commercial corporation subject to instituted bankruptcy proceedings shall be distributed according to the procedure established by Section I of Chapter Forty-Seven of this Code. The sum remaining after satisfaction of the creditors shall be distributed according to the procedure established by Articles 8 and 10 of the Privatization and Post-privatization Control Act. "

**§ 40.** The 2002 National Budget of the Republic of Bulgaria Act (promulgated in the State Gazette No. 111/2001) shall be amended as follows:

1. 5 of the Transitional and Final Provisions shall be amended to read as follows:

"5. The proceeds from privatization credited to the special budgetary account under Item 1 of Article 8 (1) of the Privatization and Post-privatization Control Act shall be used to finance the budget deficit and for debt restructuring and debt management operations."

2. Schedule No. 4 to 8 shall be amended as follows:

(a) Item 2 shall be amended to read as follows:

"2. Privatization Expense Recovery Fund with the Privatisation Agency: Privatization and Post-privatization Control Act";

(b) in Item 6, the words "Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act" shall be replaced by "Privatization and Post-privatization Control Act";

(c) Item 7 shall be amended to read as follows:

"7. Municipal privatization and post-privatization control expense recovery fund: Privatization and Post-privatization Control Act";

(d) In Item 8, the words "Transformation and Privatization of State-Owned and Municipal-Owned Enterprises Act" shall be replaced by "Privatization and Post-privatization Control Act".

§ 41. The implementation of this Act shall be entrusted to the Council of Ministers.

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This Act was passed by the 39th National Assembly on the twenty first day of February in the year two thousand and two and on the thirteenth day of March in the year two thousand and two, and the Official Seal of the National Assembly has been affixed thereto.

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ACT TO AMEND AND SUPPLEMENT THE PRIVATIZATION  
AND POST-PRIVATIZATION CONTROL ACT

(Promulgated, State Gazette No. 20/2003)

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§ 6. In cases where a decision on privatization of any corporation satisfying the conditions under Article 35a (1) and (2) of the Privatization and Post-privatization Control Act has been adopted at the date of entry of this Act into force, the procedures shall be completed according to the hitherto established procedure. In the rest of the cases under Article 35a (1) and (2) of the Privatization and Post-privatization Control Act, the Privatisation Agency shall prepare a proposal for ranking of all tenders submitted in due course and the explanations therewith, and the procedures shall be completed according to the procedure established by Article Seven A of the Privatization and Post-privatization Control Act.

TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Privatization and Post-privatization Control Act

(Promulgated, State Gazette No. 31/2003, effective 4.04.2003)

§ 21. In cases where a decision has been adopted by the Privatisation Agency on privatization of a self-contained part of a commercial corporation prior to the inclusion of the said corporation in the list under Article 3 (1) of the Privatization and Post-privatization Control Act, Item 1 of Article 3 (3) of the Privatization and Post-privatization Control Act shall not apply.

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FINAL PROVISIONS

of the Supplement Act to the Privatization and Post-Privatization Control Act

(Promulgated, State Gazette No. 46/2003)

§ 2. The provision of Item 2, Article 1 (4) shall apply as of March 23, 2002.

## FINAL PROVISIONS

of the Amendment and Supplement Act to the Code of Civil Procedure

(Promulgated, State Gazette No. 84/2003)

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§ 18. This Act shall come into force on the date of publication in the State Gazette of the European Convention on Recognition and Enforcement of Decisions Concerning Custody of Children and on Restoration of Custody of Children of 1980, correspondingly of the Hague Convention on the Civil Aspects of International Child Abduction of 1980, with the exception of § 2, 3, 4, 5, § 8 - concerning Art. 423a, para 1, § 12, 15, 16, and 17 and of § 10, which shall come into force on the date of entry into force of the Amendment and Supplement Act to the Civil Procedure Code (SG No. 105/2002).

TRANSITIONAL AND FINAL PROVISIONS to the Concessions Act

(State Gazette No. 36/2006, effective 1.07.2006, amended and

supplemented, SG No. 53/2006, effective 1.07.2006, SG No. 105/2006)

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§ 4. (1) (Amended, SG No. 105/2006) In the cases referred to in § 17a of the Transitional and Final Provisions of the Privatisation and Post-Privatisation Control Act, not later than the 31st day of March 2007 the competent government ministers shall introduce a motion for the award of a concession to a corporation which has submitted after the privatisation thereof but not later than the 30th day of September 2003 an application to a state body for the award of a concession. Where the said corporation has been transformed after the privatisation thereof according to the procedure established by Chapter Sixteen of the Commerce Act or the enterprise thereof has been transferred according to the procedure established by Article 15 of the Commerce Act, the concession shall be granted to the successor to the said corporation or to the transferee of the enterprise. The concession shall be awarded without auction or competitive bidding according to the procedure established by the Concessions Act as hereby superseded.

(2) (New, SG No. 53/2006) Rights under Paragraph (1) shall furthermore be held by commercial corporations or successors thereto which held a right but submitted a declaration to a state body after the expiry of the time limit referred to in sentence two of § 17 (1) of the Transitional and Final Provisions of the Privatisation and Post-Privatisation Control Act but not later than the 30th day of June 2004.

(2) (Renumbered from Paragraph (2), SG No. 53/2006) When submitting a motion to award a concession under Paragraph (2), the competent government minister need not apply the analyses referred to in Article 6 (3) of the Concessions Act as hereby superseded. By the motion thereof, the government minister shall justify the conditions and the principal rights and obligations under the concession proposed.

(4) (Renumbered from Paragraph (3), SG No. 53/2006) The concession shall be awarded under the terms and according to the procedure established by § 17a (2) of the Transitional and Final Provisions of the Privatisation and Post-Privatisation Control Act and in compliance with the following additional conditions:

1. payment by the concessionaire of the legal interest on the concession royalties due for the period from the transfer of ownership under the contract for privatisation until the conclusion of the concession agreement;
2. determining the amount of the concession royalties on the basis of an approved methodology or of an independent expert appraisal, guaranteeing a market level of the concession royalties.

§ 4a. (New, SG No. 105/2006) Not later than the 31st day of March 2007, the competent government ministers shall submit a motion for the award of a subsurface resources extraction concession under Article 2 of the Subsurface Resources Act under the terms and according to the procedure established by § 4 (1) to (4) herein to each privatised state-owned or municipal-owned enterprise which has performed extraction at the date of conclusion of the contract for privatisation, as well as to any buyer of a self-contained part of each privatised state-owned or municipal-owned enterprise, which in technological terms is directly linked with the use of subsurface resources or, respectively, to the successors to any such enterprise or buyer.

§ 4b. (New, SG No. 105/2006) (1) Not later than the 31st day of March 2007, the persons or the successors thereto, whereto the ownership to a corporeal immovable has been restored according to the procedure established by the Act Restoring Ownership of Nationalised Corporeal Immovables and the use of the said immovable is directly related to extraction of subsurface resources under Article 2 of the Subsurface Resources Act, shall submit an application to the competent government minister for the award of a concession without an auction or competitive bidding procedure according to the procedure established by the Concessions Act as hereby superseded.

(2) Together with the application referred to in Paragraph (1), the persons shall also present the analyses referred to in Article 8 of the Regulations for Application of the Concession Act (promulgated in the State Gazette No. 111 of 1995.; amended in No. 15 of 1997, No. 39 of 1998, No. 27 of 2002, Nos. 13 and 101 of 2004, Nos. 10, 78, 83 and 96 of 2005; repealed in No. 54 of 2006) as hereby superseded.

(3) Within three months after the submission of the application referred to in Paragraph (1), the competent government minister shall lay before the Council of Ministers a motion for the award of a concession without an auction or competitive bidding to the commercial corporation wherein the persons whereto the ownership has been restored or the successors to the said persons hold the entire capital, subject to the condition that the subsurface resource specified in the application is not subject to a prospecting and exploration permit, nor a commercial find has been registered, nor an extraction concession by a third party has been awarded.

(4) The concession agreement shall enter into force as from the date of conclusion thereof.

(5) A concession in the cases referred to in § 2 of the Transitional and Final Provisions of the Subsurface Resources Act shall likewise be awarded according to the procedure established by Paragraphs (1) to (3). In such cases, the concession agreement shall enter into force as from the 15th day of March 1999. The concessionaire shall owe concession royalties for the period from the entry into force of the concession agreement until the conclusion of the said contract together with the legal penalty interest, unless the said concessionaire proves the payment of a fee for quarrying under the Local Taxes and Fees Act.

(6) Where the reserves of the subsurface resource specified in the application referred to in Paragraph (1) are not included in the National Balance of Resources, the applicant or, respectively, the persons reserved to in Paragraph (3), shall be issued a prospecting and exploration permit valid for six months, whereafter the concession shall be awarded according to the procedure established by the Subsurface Resources Act.

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TRANSITIONAL PROVISIONS

to the Act Amending and Supplementing the Privatization and Post-Privatization Control Act

(Promulgated, SG No. 72/2006, amended, SG No. 65/2008, effective 22.07.2008, amended and supplemented, SG No. 18/2010, effective 5.03.2010, amended, SG No. 34/2015)

§ 8. (Amended, SG No. 65/2008, effective 22.07.2008, amended and supplemented, SG No. 18/2010, effective 5.03.2010, repealed, SG No. 34/2015).

§ 9. The provisions of § 11e herein shall furthermore apply to any concluded privatisation contracts whereunder the ownership has not been transferred at the date of entry into force of this Act.

TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement

the Privatisation and Post-Privatisation Control Act

(Promulgated, SG No. 65/2008, effective 22.07.2008)

§ 26. Any pre-existing contracts for subsurface resources extraction concession according to the procedure established by Article 36 of the Privatisation and Post-Privatisation Control Act shall enter into force as from the day of entry into force



of this Act.

§ 27. (1) The provision of Article 3 (3) of the Privatisation and Post-Privatisation Control Act shall not apply upon the sale of any items of property of National Sports Facilities EAD, Sofia, which are not included in the list under Annex 1 to Article 3 (1) of the Privatisation and Post-Privatisation Control Act shall. In such cases, the decision shall be adopted by the Privatisation Agency and the cash proceeds from the privatisation of any such items of property shall be credited to an account of the company.

(2) The provision of Article 3 (3) of the Privatisation and Post-Privatisation Control Act shall not apply, either, upon the sale of self-contained parts of any medical treatment facilities which are included in the list under Annex 1 to Article 3 (1) of the Privatisation and Post-Privatisation Control Act. In such cases, Article 28 (9) of the Privatisation and Post-Privatisation Control Act shall apply.

§ 28. The municipal-owned interest in the capital of any medical treatment facilities shall be considered to be put up for privatisation as from the State Gazette promulgation of a list adopted by the competent Municipal Council.

§ 29. Within three months after the entry into force of this Act, the Council of Ministers, acting on a motion by the Minister of Health, shall establish the fund referred to in Item 1 of Article 10a (2) of the Privatisation and Post-Privatisation Control Act with the Minister of Health for investment purposes, inter alia for acquisition of tangible fixed assets for the medical treatment facilities.

§ 30. Any Municipal Council, which has passed a resolution on privatisation of a municipal-owned interest in the capital of any medical treatment facilities according to the procedure established by § 28 herein, shall establish the fund referred to in Article 10 (2) of the Privatisation and Post-Privatisation Control Act with the Minister of Health for investment purposes, inter alia for acquisition of tangible fixed assets for the medical treatment facilities, and shall adopt rules of operation of the said fund.

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ACT to Amend and Supplement

the Privatisation and Post-Privatisation Control Act

(SG No. 18/2010, effective 5.03.2010, amended and supplemented, SG No. 89/2010)

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Supplementary Provision

§ 19. Elsewhere in the Act the words "the Privatisation Agency", "the Post-privatisation Control Agency" and "the Privatisation Agency, the Post-privatisation Control Agency" shall be replaced by "the Privatisation and Post-privatisation Control Agency".

Transitional and Final Provisions

§ 20. (1) The Privatisation Agency and the Post-privatisation Control Agency shall be transformed through merging into the Privatisation and Post-privatisation Control Agency.

(2) The operation, assets, liabilities, archive and the other rights and obligations of the Privatisation Agency and of the Post-privatisation Control Agency shall be transferred to the Privatisation and Post-privatisation Control Agency.

(3) The employment and official relations with the employees of the Privatisation Agency and of the Post-privatisation Control Agency shall not be terminated and shall be transferred to the Privatisation and Post-privatisation Control Agency in accordance with Article 123 of the Labour Code and Article 87a of the Civil Servants Act.

(4) Within three months after this Act's entry into force the Council of Ministers shall adopt rules of organisation of the Privatisation and Post-privatisation Control Agency.

§ 21. (1) Within 7 days after this Act's entry into force the Council of Ministers shall appoint the members of the Executive Board of the Privatisation and Post-privatisation Control Agency.

(2) Until the members of the Executive Board of the Privatisation and Post-privatisation Control Agency are appointed, the existing members of the Executive Board of the Privatisation Agency and of the Executive Board of the Post-privatisation Control Agency shall continue to exercise their powers.

(3) Within one month after this Act's entry into force the National Assembly shall elect the members of the Supervisory Board of the Privatisation and Post-privatisation Control Agency.

(4) Until the members of the Supervisory Board of the Privatisation and Post-privatisation Control Agency are elected, the existing members of the Supervisory Board of the Privatisation Agency and of the Supervisory Board of the Post-privatisation Control Agency shall continue to exercise their powers.

§ 22. (1) Within one month after this Act's entry into force the corporations wherein the State holds an interest in the capital exceeding 50 per cent, as well as those included in the list referred to in Article 3 (1), shall provide the Privatisation and Post-privatisation Control Agency with detailed information on the commercial corporations wherein they hold interests, as well as on the self-contained parts of the property of commercial corporations wherein they hold interests.

(2) Within three months after this Act's entry into force the regional governors shall provide the Privatisation and Post-privatisation Control Agency with a complete list of the properties constituting private state property. Within the time limit referred to in the first sentence, the regional governor competent for the location of the relevant property shall provide the Privatisation and Post-privatisation Control Agency with detailed information and the available documents concerning the properties.

(3) (Amended, SG No. 89/2010) The information referred to in Paragraphs (1) and (2) and related to properties constituting private state property with a tax valuation exceeding BGN 10,000 shall be updated at least once per annum.

(4) (Amended, SG No. 89/2010) The Privatisation and Post-privatisation Control Agency shall publish a list of the items referred to in Paragraph (1) and Paragraph (2) - for properties constituting private state property with a tax valuation exceeding BGN 10,000.

§ 23. (1) Any procedures launched by the Privatisation Agency and the Post-privatisation Control Agency and pending as at the date of this Act's entry into force shall be completed in accordance with the hitherto applicable procedure by the Privatisation and Post-privatisation Control Agency.

(2) Any court and arbitration proceedings and enforcement procedures pending as at the date of this Act's entry into force shall be continued by the Privatisation and Post-privatisation Control Agency until they are finalised in all instances or, respectively, until the enforcement procedures are finalised.

§ 24. (1) (Previous text of § 24, supplemented, SG No. 89/2010) Any sales of properties constituting private state property with a tax valuation exceeding BGN 10,000 launched in accordance with the procedure provided for by the State Property Act and by the Investment Promotion Act shall be completed in accordance with the hitherto applicable procedure.

(2) (New, SG No. 89/2010) The sale referred to in Paragraph (1) shall be considered started where:

1. a decision is adopted by the management body of the state-owned enterprise under Article 62 (3) of the Commerce Act;
2. an order is issued by the regional governor for launching a tender procedure;
3. a Council of Ministers Decision is adopted.

§ 25. (1) Within three months after this Act's entry into force the Council of Ministers shall adopt amendments and supplements to the statutory instruments of secondary legislation on the application of this Act.

(2) Until the amendments and supplements referred to in Paragraph (1) are adopted, the existing statutory instruments shall apply, insofar as they do not run counter to this Act.

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TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Conflict of Interest Prevention and Disclosure Act

(SG No. 97/2010, effective 10.12.2010)

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§ 53. In the Privatization and Post-Privatization Control Act (promulgated, State Gazette No. 28/2002, supplemented, SG No. 78/2002, amended and supplemented, SG No. 20/2003, No. 31/2003, modified by Constitutional Court Judgment No. 5/2003, promulgated, SG No. 39/2003; supplemented, SG No. 46/2003, No. 84/2003, amended, SG No. 55/2004, supplemented, SG No. 115/2004, amended, SG No. 28/2005, SG No. 39/2005, SG No. 88/2005, SG No. 94/2005, SG No. 103/2005, SG No. 105/2005, amended and supplemented, SG No. 36/2006, SG No. 53/2006, SG No. 72/2006, SG No. 105/2006, amended, SG No. 59/2007, SG No. 36/2008, amended and supplemented, SG No. 65/2008, amended, SG No. 94/2008, amended and supplemented, SG No. 98/2008, amended, SG No. 110/2008, amended and supplemented, SG No. 24/2009, SG No. 42/2009, SG No. 82/2009, amended and supplemented, SG No. 99/2009, SG No. 18/2010, SG No. 50/2010, SG No. 89/2010) throughout the text the phrase "Conflict of Interest Prevention and Disclosure Act" shall be replaced by "Conflict of Interest Prevention and Ascertainment Act".

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FINAL PROVISIONS

to the Act to Amend and Supplement

the Privatisation and Post-Privatisation Control Act

(SG No. 19/2011, effective 8.03.2011)

.....

§ 4. This Act shall enter into force as of the day when it is promulgated in the State Gazette.

TRANSITIONAL AND FINAL PROVISIONS to the Forestry Act

(SG No. 19/2011, effective 8.03.2011)

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§ 24. In the Privatization and Post-Privatization Control Act (promulgated, State Gazette No. 28/2002, supplemented, SG No. 78/2002, amended and supplemented, SG No. 20/2003, No. 31/2003, modified by Constitutional Court Judgment No. 5/2003, promulgated, SG No. 39/2003; supplemented, SG No. 46/2003, No. 84/2003, amended, SG No. 55/2004, supplemented, SG No. 115/2004, amended, SG No. 28/2005, SG No. 39/2005, SG No. 88/2005, SG No. 94/2005, SG No. 103/2005, SG No. 105/2005, amended and supplemented, SG No. 36/2006, SG No. 53/2006, SG No. 72/2006, SG No. 105/2006, amended, SG No. 59/2007, SG No. 36/2008, amended and supplemented, SG No. 65/2008, amended, SG No. 94/2008, amended and supplemented, SG No. 98/2008, amended, SG No. 110/2008, amended and supplemented, SG No. 24/2009, SG No. 42/2009, SG No. 82/2009, amended and supplemented, SG No. 99/2009, SG No. 18/2010, SG No. 50/2010, SG No. 89/2010, SG No. 97/2010) in Shedule 1 to Article 3, paragraph 1, in "III Ministry of Agriculture and Food" are inserted items 14 - 19:

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§ 42. This Act shall enter into force one month after the day when it is promulgated in the State Gazette, except:

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## TRANSITIONAL AND FINAL PROVISIONS

to the Act to Amend and Supplement the Civil Servants Act

(Promulgated, SG No. 38/2012, effective 1.07.2012)

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§ 84. (Effective 18.05.2012 - SG No. 38/2012) Within one month after the promulgation of this Act in the State Gazette:

1. the Council of Ministers shall bring the Classifier of Positions in the Administration into conformity with this Act;
2. the competent authorities shall bring the organic acts of the respective administration into conformity with this Act.

§ 85. (1) The legal relationships with the persons of the administrations under the Radio and Television Act, the Independent Financial Audit Act, the Electronic Communications Act, the Financial Supervision Commission Act, the Access to and Disclosure of the Documents and Announcing the Affiliation of Bulgarian Citizens with the State Security Service and the Intelligence Services of the Bulgarian Popular Army Act, the Criminal Assets Forfeiture Act, the Conflict of Interest Prevention and Ascertainment Act, the Social Insurance Code, the Health Insurance Act, the Agricultural Producers Support Act and the Roads Act shall be settled under the terms established by § 36 of the Transitional and Final Provisions of the Act to Amend and Supplement the Civil Servants Act (State Gazette No. 24 of 2006).

(2) The act on appointment of the civil servant shall:

1. award the lowest rank designated in the Classifier of Positions in the Administration for occupation of the position, unless the servant holds a higher rank;
2. fix an individual monthly basic salary.

(3) The additional resources required for social and health insurance contributions of the persons referred to in Paragraph (2) shall be provided within the limits of the expenditures on salaries, remunerations and compulsory social and health insurance contributions under the budgets of the spending units concerned.

(4) The Council of Ministers shall effect the requisite modifications under the off-budget account of State Fund Agriculture arising from this Act.

(5) The governing bodies of the National Social Security Institute and of the National Health Insurance Fund shall effect the requisite modifications under the respective budgets arising from this Act.

(6) Any unused leaves under the employment relationships shall be retained and shall not be compensated by cash compensations.

§ 86. (1) Within one month after the entry into force of this Act, the individual monthly basic salary of the servant shall be fixed in such a way that the said salary, net of the tax due and the compulsory social and health insurance contributions for the account of the insured person, if they were due, would not be lower than the gross monthly salary received theretofore, net of the compulsory social and health insurance contributions for the account of the insured person, if they were due, and the tax due.

(2) The gross salary referred to in Paragraph (1) shall include:

1. the monthly basic salary or the monthly basic remuneration;
2. supplementary remunerations which are paid constantly together with the monthly basic salary or monthly basic remuneration due and which are contingent solely on the time worked.

§ 87. This Act shall enter into force as from the 1st day of July 2012 with the exception of § 84 herein, which shall enter into force as from the day of promulgation of the Act in the State Gazette.

## FINAL PROVISION

to the Act to Amend and Supplement the Law on Privatization

(SG No. 15/2013, effective 15.02.2013)

§ 3. This Act shall enter into force on the day of its publication in the "State Gazette".

TRANSITIONAL AND FINAL PROVISIONS to the Public Finance Act

(SG No. 15/2013, effective 1.01.2014)

§ 108. The Law on Privatization (promulgated, SG No. 28/2002, amended, SG No. 78/2002, SG No. 20 and 31/2003, Decision No. 5 of the Constitutional Court of 2003 - SG No. 39/2003, amended, SG No. 46 and 84/2003, SG No. 55 and 115/2004, SG No. 28, 39, 88, 94, 103 and 105/2005, SG No. 36, 53, 72 and 105/2006, SG No. 59/2007, SG No. 36, 65, 94, 98 and 110/2008, SG No. 24, 42, 82 and 99/2009, SG No. 18, 50, 89 and 97/2010, SG No. 19 and 98/2011, SG No. 20, 38, 54, 60/2012) is amended as follows:

§ 123. This Act shall enter into force on 1 January 2014 with the exception of § 115, which came into force on 1 January 2013, and § 18, § 114, § 120, § 121 and § 122, which came into force on February 1, 2013.

TRANSITIONAL AND FINAL PROVISIONS

to the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act

(SG No. 7/2018)

§ 33. The Privatisation and Post-privatisation Control Act (promulgated in the State Gazette No. 28 of 2002; amended in No. 78 of 2002, Nos. 20 and 31 of 2003; [modified by] Constitutional Court Decision No. 5 of 2003, [promulgated in] No. 39 of 2003; amended in Nos. 46 and 84 of 2003, Nos. 55 and 115 of 2004, Nos. 28, 39, 88, 94, 103 and 105 of 2005, Nos. 36, 53, 72 and 105 of 2006, No. 59 of 2007, Nos. 36, 65, 94, 98 and 110 of 2008, Nos. 24, 42, 82 and 99 of 2009, Nos. 18, 50, 89 and 97 of 2010, Nos. 19 and 98 of 2011, Nos. 20, 38, 54 and 60 of 2012, Nos. 15, 23, 66 and 68 of 2013, No. 98 of 2014, Nos. 14, 34, 41 and 61 of 2015, Nos. 13 and 60 of 2016 and Nos. 13, 58 and 96 of 2017) shall be amendeded as follows:

2. In the Act, the words "the Conflict of Interest Prevention and Ascertainment Act" shall be replaced passim by "the Counter-Corruption and Unlawfully Acquired Assets Forfeiture Act".

TRANSITIONAL PROVISION

to the Act Amending and Supplementing the

Privatization and Post-Privatization Control Act

(SG No. 8/2018)

§ 2. The procedures under Article 3 (3), Item 1, started before the entry into force of this Act by the Privatisation and Post-privatisation Control Agency, shall be completed under the new regulations.

**Annex 1**

to Article 3 (1)

(Supplemented, SG No. 78/2002, amended and supplemented,  
SG No. 20/2003, SG No. 31/2003, effective 4.04.2003,  
supplemented, SG No. 46/2003, SG No. 28/2005, effective 1.04.2005,  
amended, SG No. 39/2005, SG No. 88/2005, SG No. 94/2005,  
effective 25.11.2005, SG No. 103/2005, amended and supplemented,  
SG No. 53/2006, effective 30.06.2006, amended, SG No. 36/2008,  
amended and supplemented, SG No. 65/2008, effective 22.07.2008,  
SG No. 18/2011, effective 8.03.2011, SG No. 98/2011,  
effective 13.12.2011, amended, SG No. 20/2012, effective 9.03.2012,  
SG No. 60/2012, amended and supplemented,  
SG No. 15/2013, effective 15.02.2013,  
amended, SG No. 66/2013, effective 26.07.2013,  
SG No. 68/2013, effective 2.08.2013,  
SG No. 98/2014, effective 28.11.2014,  
amended and supplemented, SG No. 14/2015,  
supplemented, SG No. 41/2015, effective 5.06.2015,  
SG No. 60/2016, amended, SG No. 58/2017, effective 18.07.2017)

List of Commercial Corporations or Self-Contained Parts Thereof Wherein  
the State Holds an Interest in the Capital Exceeding 50 Per Cent

I. (Amended, SG No. 66/2013, effective 26.07.2013, SG No. 98/2014,  
effective 28.11.2014) Ministry of Regional Development and Public Works

1. Water Supply and Sewerage EOOD, Blagoevgrad
2. Water Supply and Sewerage EAD, Kurdjali
3. Water Supply and Sewerage OOD, Varna
4. Yovkovtsi Water Supply and Sewerage OOD, Veliko Turnovo
5. Water Supply and Sewerage EOOD, Vidin
6. Yovkovtsi Water Supply and Sewerage OOD, Vratsa
7. Yovkovtsi Water Supply and Sewerage OOD, Gabrovo
8. Water Supply and Sewerage EOOD, Dobrich
9. Water Supply and Sewerage OOD, Kurdjali
10. (Repealed, SG No. 18/2011, effective 8.03.2011)
11. Water Supply and Sewerage OOD, Lovech
12. Water Supply and Sewerage OOD, Montana
13. (Repealed, SG No. 65/2008, effective 22.07.2008)
14. Water Supply and Sewerage OOD, Pernik
15. Water Supply and Sewerage EOOD, Pleven
16. Water Supply and Sewerage EOOD, Plovdiv

17. Water Supply and Sewerage OOD, Isperih
18. Danube Water Supply EOOD, Razgrad
19. Water Supply and Sewerage OOD, Rousse
20. Water Supply and Sewerage OOD, Silistra
21. Water Supply and Sewerage OOD, Sliven
22. Water Supply and Sewerage EOOD, Smolyan
23. Water Supply and Sewerage EOOD, Stara Zagora
24. Water Supply and Sewerage OOD, Turgovishte
25. Water Supply and Sewerage OOD, Dimitrovgrad
26. Water Supply and Sewerage EOOD, Haskovo
27. Water Supply and Sewerage OOD, Shoumen
28. Water Supply and Sewerage EOOD, Yambol
29. Water Supply and Sewerage EOOD, Sofia
30. Geohazards Protection EOOD, Varna
31. Geohazards Protection EOOD, Pernik
32. Pleven Geohazards Protection EOOD, Pleven
33. National Centre for Regional Development EAD, Sofia
34. Research Institute of Construction-NISI EOOD, Sofia
35. (Repealed, SG No. 19/2011, effective 8.03.2011)
36. (Repealed, SG No. 65/2008, effective 22.07.2008)
37. (Repealed, SG No. 65/2008, effective 22.07.2008)
38. (Repealed, SG No. 65/2008, effective 22.07.2008)
39. (New, SG No. 20/2003) Avtomagistrali EAD, Sofia
40. (New, SG No. 31/2003) Geoplanproekt EAD, Sofia
41. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)
42. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)
43. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)
44. (New, SG No. 31/2003, repealed, SG No. 19/2011, effective 8.03.2011)
45. (New, SG No. 31/2003) Construction Materials Research Institute

EOOD, Sofia

46. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 19/2011, effective 8.03.2011)

47. (New, SG No. 19/2011, effective 8.03.2011) Kyustendilska voda EOOD, Kyustendil

48. (New, SG No. 19/2011, effective 8.03.2011) Water Supply and Sewerage EOOD, Pazardzhik

49. (New, SG No. 19/2011, effective 8.03.2011) Fund for Local Authorities

and Governments - FLAG EAD, Sofia

II. (Amended, SG No. 88/2005, SG No. 19/2011, effective 8.03.2011)

Ministry of Transport, Information Technology and Communications

1. Bulgarian State Railways (BDZ) EAD, Sofia
2. Sofia Airport EAD, Sofia
3. (Repealed, SG No. 65/2008, effective 22.07.2008)
4. (Repealed, SG No. 65/2008, effective 22.07.2008)
5. Gorna Oryahovitsa Airport EAD, Gorna Oryahovitsa
6. Plovdiv Airport EAD, Plovdiv
7. (Repealed, SG No. 14/2015)
8. Rousse Airport EOOD, Rousse
9. Port of Rousse Authority EAD, Rousse
10. Port Complex Lom EAD, Lom
11. Port of Vidin EOOD, Vidin
12. Port of Varna EAD, Varna
13. Port of Bourgas EAD, Bourgas
14. (Repealed, SG No. 65/2008, effective 22.07.2008)
15. Bulgarian Posts EAD, Sofia
16. (New, SG No. 42/2009) Bulgarian Maritime Training Centre EAD, Varna
17. (New, SG No. 42/2009) Transport Diagnostics and Consultation Centre

EOOD, Burgas

18. (New, SG No. 42/2009) General Hospital for Active Treatment - Varna

EOOD, Varna

19. (New, SG No. 14/2015) "Contactless Multiplexing Systems" - EOOD, Sofia

III. (Amended, SG No. 36/2008, SG No. 65/2008, effective 22.07.2008,

SG No. 58/2017, effective 18.07.2017) Ministry of Agriculture, Food and Forestry

1. Irrigation Systems EAD, Sofia
2. Agrolesproekt EOOD, Sofia
3. (Repealed, SG No. 65/2008, effective 22.07.2008)
4. Sevlievo Irrigation and Land Reclamation EAD, Sevlievo
5. (Repealed, SG No. 65/2008, effective 22.07.2008)
6. (Repealed, SG No. 65/2008, effective 22.07.2008)
7. (Amended, SG No. 65/2008, effective 22.07.2008) Kabiyuk State-Owned

Enterprise, Shoumen

8. (Repealed, SG No. 65/2008, effective 22.07.2008)
9. (Repealed, SG No. 65/2008, effective 22.07.2008)
10. Vrana EAD, Sofia



11. (New, SG No. 31/2003) Agrovodinvest EAD, Sofia
12. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)
13. (New, SG No. 65/2008, effective 22.07.2008) Zeminvest EAD, Sofia
14. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The North-Western State Enterprise

15. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The North-Central State Enterprise

16. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The North-Eastern State Enterprise

17. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The South-Eastern State Enterprise

18. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The South-Western State Enterprise

19. (New, SG No. 19/2011, effective 9.04.2011, amended, SG No. 60/2012)

The South-Central State Enterprise

20. (New, SG No. 98/2011, effective 13.12.2011) Fisheries stock EOOD, Sozopol

IV. Ministry of Defence

1. TEREM Military Repair Factories EAD, Sofia
2. (Repealed, SG No. 98/2011, effective 13.12.2011)
3. MoD Procurement and Trade EOOD, Sofia
4. Triarmstroyinvest EOOD, Sofia
5. PRONO EOOD, Sofia
6. (New, SG No. 31/2003) Supply Services EAD, Sofia
7. (New, SG No. 65/2008, effective 22.07.2008) MOBA - EOOD, Sofia
8. (New, SG No. 42/2009) Vita General Hospital for Further and Prolonged

Treatment and Rehabilitation EOOD, Velingrad

- V. (Amended, SG No. 19/2011, effective 8.03.2011, SG No. 68/2013, effective

2.08.2013) Ministry of Education and Science

1. Student Canteens and Hostels EAD, Sofia
2. Education and Science EAD, Sofia
3. (Amended, SG No. 53/2006, repealed, SG No. 50/2010)
4. (Amended, SG No. 53/2006) Uchenicheski otdih I sport EAD, Sofia
5. Unique Devices and Systems EOOD, Sofia
6. (New, SG No. 53/2006, repealed, SG No. 50/2010)

- VI. (Title supplemented, SG No. 28/2005, amended, SG No. 94/2005) Ministry

of Culture

1. (Repealed, SG No. 65/2008, effective 22.07.2008, new, SG No. 41/2015,

effective 5.06.2015) National Agency "Music" EOOD, Sofia

2. (New, SG No. 31/2003) Restoration EAD, Sofia

3. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008,

new, SG No. 41/2015, effective 5.06.2015) Audiovideo Orpheus EAD, Sofia

4. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

5. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

6. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

7. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

8. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

9. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

10. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

11. (New, SG No. 31/2003, repealed, SG No. 65/2008, effective 22.07.2008)

12. (New, SG No. 31/2003, amended, SG No. 65/2008, effective 22.07.2008,  
repealed, SG No. 15/2013, effective 15.02.2013)

13. (New, SG No. 46/2003, repealed, SG No. 98/2011, effective 13.12.2011)

14. (New, SG No. 46/2003) Vreme Film Studio EOOD, Sofia

15. (New, SG No. 53/2006) Alliance EOOD, Sofia

#### VII. Ministry of Health

1. National Complex of Specialised Rehabilitation Hospitals EAD, Sofia

2. Kamena Hydrotherapy Centre EAD, Velingrad

3. (New, SG No. 31/2003) BB - NCIPD EOOD, Sofia

4. (New, SG No. 31/2003, amended, SG No. 54/2012) Kiten Recreation

Centre EAD, Kiten

5. (New, SG No. 65/2008, effective 22.07.2008) Specialised  
Rehabilitation Hospital - Touzlata EOOD, Balchik, Touzlata Locality

6. (New, SG No. 65/2008, effective 22.07.2008) Specialised  
Rehabilitation Hospital - Marikostinovo EOOD, Marikostinovo, Petrich  
Municipality

7. (New, SG No. 65/2008, effective 22.07.2008) Specialised  
Rehabilitation Hospital - Bourgaski Mineralni Bani EAD, Bourgas

8. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)  
Specialised Hospital for Further and Prolonged Treatment and Rehabilitation -  
Kotel EOOD, Kotel

9. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)  
Specialised Internal Diseases Hospital for Further and Prolonged Treatment  
and Rehabilitation - Mezdra EOOD, Mezdra

10. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)

11. (New, SG No. 65/2008, effective 22.07.2008) St Sophia Specialised Hospital for Active Treatment of Pulmonary Diseases EAD, Sofia
12. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment of Pulmonary Diseases - Gabrovo EOOD, Gabrovo
13. (New, SG No. 65/2008, effective 22.07.2008) Children's Specialised Hospital for Further and Prolonged Treatment of Pulmonary Diseases - Tryavna EOOD, Tryavna
14. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 54/2012)
15. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Further and Prolonged Treatment of Pneumological and Phthisiological Diseases and for Rehabilitation - Radountsi EOOD, Radountsi Village, Muglitzh Municipality, Stara Zagora Region
16. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Further and Prolonged Treatment of Pulmonary Diseases - Roman EOOD, Roman
17. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment of Pulmonary Diseases - Pernik EOOD, Pernik
18. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment of Pulmonary Diseases - Troyan EOOD, Troyan
19. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) Saint Petka of Bulgaria Specialised Pneumological and Phthisiological Diseases Hospital for Further and Prolonged Treatment and Rehabilitation - Velingrad EOOD, Velingrad
20. (New, SG No. 65/2008, effective 22.07.2008) King Ferdinand Specialised Hospital for Further and Prolonged Treatment and Rehabilitation of Pneumological and Phthisiological Diseases EOOD, Iskrets Village, Sofia Region
21. (New, SG No. 65/2008, effective 22.07.2008) Prof. Boicho Boichev Specialised Hospital for Active Treatment in Orthopaedics EAD, Sofia
22. (New, SG No. 65/2008, effective 22.07.2008) Academician Ivan Penchev Specialised Hospital for Active Treatment in Endocrinology EAD, Sofia
23. (New, SG No. 65/2008, effective 22.07.2008) Maichin Dom Specialised Hospital for Active Treatment in Obstetrics and Gynaecology EAD, Sofia
24. (New, SG No. 65/2008, effective 22.07.2008) Alexandrovska General University Hospital for Active Treatment EAD, Sofia
25. (New, SG No. 65/2008, effective 22.07.2008) National Specialised

Hospital for Physical Therapy and Rehabilitation EAD, Sofia

26. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)

St Ekatherina Specialised Hospital for Active Treatment of Cardiovascular Diseases EAD, Sofia

27. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment of Children with Oncohaematological Diseases - Sofia EOOD, Sofia

28. (New, SG No. 65/2008, effective 22.07.2008) St Nahum Specialised Hospital for Active Treatment in Neurology and Psychiatry EAD, Sofia

29. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment in Oncology EAD, Sofia

30. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment of Paediatric Diseases EAD, Sofia

31. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) Queen Giovanna General University Hospital for Active Treatment - ISUL - EAD, Sofia

32. (New, SG No. 65/2008, effective 22.07.2008) Dr Georgi Stranski General University Hospital for Active Treatment EAD, Pleven

33. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) St John of Rila General University Hospital for Active Treatment EAD, Sofia

34. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) General University Hospital for Active Treatment - Stara Zagora EAD, Stara Zagora

35. (New, SG No. 65/2008, effective 22.07.2008) St Marina General Hospital for Active Treatment EAD, Varna

36. (New, SG No. 65/2008, effective 22.07.2008) St George General University Hospital for Active Treatment EAD, Plovdiv

37. (New, SG No. 65/2008, effective 22.07.2008) Prof. Ivan Kirov Specialised Hospital for Active Treatment of Infectious and Parasitic Diseases EAD, Sofia

38. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) General Hospital for Active Treatment - National Heart Hospital EAD, Sofia

39. (New, SG No. 65/2008, effective 22.07.2008) Specialised Hospital for Active Treatment in Facio-Maxillary Surgery EOOD, Sofia

40. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) Specialised Orthopaedic Hospital for Active Treatment - BUL-PRO EAD, Sofia

41. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) Specialised Hospital for Active Treatment of Oncological Diseases - Sofia Region EOOD

42. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)

Mental Health Centre - Sofia EOOD

43. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012)

Specialised Hospital for Active Treatment of Pneumological and Phthisiological Diseases - Sofia Region EOOD

44. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for

Active Treatment - Blagoevgrad AD, Blagoevgrad

45. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for

Active Treatment - Bourgas AD, Bourgas

46. (New, SG No. 65/2008, effective 22.07.2008) St Anna General Hospital

for Active Treatment - Varna AD, Varna

47. (New, SG No. 65/2008, effective 22.07.2008) Dr Stefan Cherkezov

General Hospital for Active Treatment - Veliko Turnovo AD, Veliko Turnovo

48. (New, SG No. 65/2008, effective 22.07.2008) St Petka General

Hospital for Active Treatment AD, Vidin

49. (New, SG No. 65/2008, effective 22.07.2008) Hristo Botev General

Hospital for Active Treatment AD, Vratsa

50. (New, SG No. 65/2008, effective 22.07.2008) Dr Tota Venkova General

Hospital for Active Treatment AD, Gabrovo

51. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for

Active Treatment - Dobrich AD, Dobrich

52. (New, SG No. 65/2008, effective 22.07.2008) Dr Atanas Dafovski

General Hospital for Active Treatment, Kurdjali

53. (New, SG No. 65/2008, effective 22.07.2008) Dr Nikola Vassiliev

General Hospital for Active Treatment, Kyustendil

54. (New, SG No. 65/2008, effective 22.07.2008) Prof. Dr Paraskev

Stoyanov General Hospital for Active Treatment AD, Lovech

55. (New, SG No. 65/2008, effective 22.07.2008) Dr Stamen Iliev General

Hospital for Active Treatment AD, Montana

56. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for

Active Treatment - Pazardjik AD, Pazardjik

57. (New, SG No. 65/2008, effective 22.07.2008) Rahila Angelova General

Hospital for Active Treatment AD, Pernik

58. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for

Active Treatment - Plovdiv AD, Plovdiv

59. (New, SG No. 65/2008, effective 22.07.2008) St John of Rila General

Hospital for Active Treatment - Razgrad AD, Razgrad

60. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for Active Treatment - Rousse AD, Rousse
61. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for Active Treatment - Silistra AD, Silistra
62. (New, SG No. 65/2008, effective 22.07.2008) Dr Ivan Seliminski General Hospital for Active Treatment AD, Sliven
63. (New, SG No. 65/2008, effective 22.07.2008) Dr Bratan Shoukerov General Hospital for Active Treatment AD, Smolyan
64. (New, SG No. 65/2008, effective 22.07.2008) St Ann General Hospital for Active Treatment AD, Sofia
65. (New, SG No. 65/2008, effective 22.07.2008) Prof. Dr Stoyan Kirkovich General Hospital for Active Treatment AD, Stara Zagora
66. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for Active Treatment - Turgovishte AD, Turgovishte
67. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for Active Treatment AD, Haskovo
68. (New, SG No. 65/2008, effective 22.07.2008) General Hospital for Active Treatment - Shoumen AD, Shoumen
69. (New, SG No. 65/2008, effective 22.07.2008) St Pantheleymon General Hospital for Active Treatment - Yambol AD, Yambol
70. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 54/2012)
71. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 54/2012) Specialised Hospital for Active Treatment of Haematological Diseases EAD, Sofia
72. (New, SG No. 54/2012) Specialised Hospital for Active Treatment of Pneumological and Phthisiological Diseases - Shumen OOD, Shumen
- VIII. (Supplemented, SG No. 31/2003, SG No. 46/2003, amended, SG No. 65/2008, effective 22.07.2008) Ministry of Foreign Affairs
1. (Amended, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 98/2011, effective 13.12.2011)
- IX. (Amended, SG No. 65/2008, effective 22.07.2008, SG No. 82/2009, effective 16.10.2009, SG No. 14/2015) Ministry of Economy
1. LB Bulgaricum Trading Company EAD, Sofia
  2. Bulgarska Rosa State Laboratory EOOD, Sofia
  3. (Repealed, SG No. 19/2011, effective 8.03.2011)
  4. Eco-Medet EOOD, Panagyurski Kolonii Village
  5. (Repealed, SG No. 65/2008, effective 22.07.2008)
  6. Bulgarian Export Insurance Agency EAD, Sofia

7. (New, SG No. 78/2002, amended, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 15/2013, effective 15.02.2013, new, SG No. 60/2016) NITI EAD, Kazanlak

8. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 24/2009, new, SG No. 60/2016) Vazovski Mashinostroitelni Zavodi EAD, Sopot

9. (New, SG No. 65/2008, effective 22.07.2008, amended, SG No. 24/2009, repealed, SG No. 14/2015, new, SG No. 60/2016) Kintex EAD, Sofia

10. (New, SG No. 65/2008, effective 22.07.2008) Ecoengineering EOOD, Sofia

11. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 24/2009)

12. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 14/2015)

13. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 24/2009)

14. (New, SG No. 65/2008, effective 22.07.2008) ECO ANTHRACITE EAD,

Dimitrovgrad

15. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No. 24/2009)

16. (New, SG No. 65/2008, effective 22.07.2008, repealed, SG No.

19/2011, effective 8.03.2011)

17. (New, SG No. 65/2008, effective 22.07.2008) Training and Consulting

Complex EOOD, Berkovitsa

18. (New, SG No. 24/2009) Certification EAD, Sofia

19. (New, SG No. 24/2009) National Wine and Spirituous Beverages

Research Institute EAD, Sofia

20. (New, SG No. 24/2009, amended, SG No. 19/2011, effective 8.03.2011)

State Consolidation Company EAD, Sofia

21. (New, SG No. 42/2009) National Company for Industrial Zones EAD,

Sofia

22. (New, SG No. 15/2013, effective 15.02.2013) Sofia Tech Park EAD, Sofia

23. (New, SG No. 14/2015) Stara Zagora Airport EAD, Stara Zagora

X. Ministry of Finance

1. (Repealed, SG No. 65/2008, effective 22.07.2008)

2. (Repealed, SG No. 65/2008, effective 22.07.2008)

3. (Repealed, SG No. 65/2008, effective 22.07.2008)

4. (Repealed, SG No. 65/2008, effective 22.07.2008)

5. (Repealed, SG No. 65/2008, effective 22.07.2008)

6. (Repealed, SG No. 65/2008, effective 22.07.2008)

7. Information Services AD, Sofia

8. (Repealed, SG No. 65/2008, effective 22.07.2008, new, SG No. 98/2011,

effective 13.12.2011) National Palace of Culture - Sofia Convention Centre -

EAD, Sofia

9. (Repealed, SG No. 31/2003)

10. (Repealed, SG No. 39/2005)

11. (Repealed, SG No. 39/2005)

12. (Repealed, SG No. 65/2008, effective 22.07.2008)

XI. (Amended, SG No. 31/2003, SG No. 103/2005, SG No. 50/2010, SG

No. 68/2013, effective 2.08.2013) Ministry of Youth and Sports

1. (Supplemented, SG No. 65/2008, effective 22.07.2008) National Sports

Facilities EAD, Sofia, as well as the following self-contained items of the

company:

(a) Belmeken High-Mountain Sports Complex

(b) Vassil Levski National Stadium

(c) Diana National Sports Complex

(d) Sport Palace National Sport Centre, Varna

(e) Serdika Velodrome, Sofia

(f) National Canoeing Centre, Kurdjali

(g) Tsar Samouil National Sports Centre, Petrich

(h) Sofia Hall

(i) Rakovski National Sports Halls

2. (Repealed, SG No. 65/2008, effective 22.07.2008, new, SG No. 50/2010,

amended, SG No. 20/2012, effective 9.03.2012) Academica 2011 - EAD

3. (New, SG No. 50/2010, repealed, SG No. 20/2012, effective 9.03.2012)

4. (New, SG No. 19/2011, effective 8.03.2011) Specialised Traumatology,

Orthopaedics and Sports Medicine Hospital for Active Treatment EAD, Sofia

XII. (New, SG No. 31/2003) Ministry of Interior:

1. (Repealed, SG No. 14/2015)

2. Radioelectronic Systems EOOD, Sofia

3. Proinvex EOOD, Sofia

XIII. (New, SG No. 14/2015) Ministry of Energy

1. Bulgarian Energy Holding EAD, Sofia

2. Minproekt EAD, Sofia

## **Annex 2**

to Article 35a (1)

(New, SG No. 20/2003,

amended, SG No. 65/2008, effective 22.07.2008,

SG No. 110/2008, effective 1.01.2009,



List of Commercial Corporations Wherein the State Holds an Interest in  
the Capital Exceeding 50 Per Cent, Relevant to the National Security of the

Republic of Bulgaria

1. (Repealed, SG No. 110/2008, effective 1.01.2009);
2. (Repealed, SG No. 65/2008, effective 22.07.2008);
3. (Repealed, SG No. 65/2008, effective 22.07.2008);
4. (Repealed, SG No. 65/2008, effective 22.07.2008);
5. (Repealed, SG No. 65/2008, effective 22.07.2008);
6. (Repealed, SG No. 65/2008, effective 22.07.2008);
7. (Repealed, SG No. 65/2008, effective 22.07.2008);
8. (Repealed, SG No. 65/2008, effective 22.07.2008);
9. (Repealed, SG No. 65/2008, effective 22.07.2008);
10. (Repealed, SG No. 60/2016);
11. (Repealed, SG No. 65/2008, effective 22.07.2008);
12. (Repealed, SG No. 15/2013, effective 15.02.2013);
13. Navigation Maritime Bulgare EAD, Varna;
14. (Repealed, SG No. 65/2008, effective 22.07.2008);
15. (Repealed, SG No. 65/2008, effective 22.07.2008).