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BULGARIA

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# BULGARIA

Simplified  
methodology

## Overall assessment

### Bulgaria is rated F

Bulgaria has shown efforts in implementing policies, for example, by supporting renewables in electricity production. However, it still has a long way to go to develop into a low-carbon economy.

## Success stories

- As a concrete implementation of the European Energy Performance Building Directive (EPBD), a certification system for buildings has been introduced. In Bulgaria, certification is performed on new buildings and on buildings that are modernized or restructured. For public buildings certification is mandatory. Still, much work remains to be done, especially in the residential sector. The largest barrier is the lack of organisation of home owners.

### Victim of its own success

The relatively good levels of feed-in tariffs and the length of support to stimulate renewable energy in Bulgaria have led to tremendous investment interests. In solar PV alone, investments of over 1.6 GWp have been announced, and several thousand MW of wind power are currently being developed.

The grid, however, is not capable of dealing with these large amounts of fluctuating production. Further, it is clear that the conditions for the feed-in tariff will change, although it is not yet clear how. The government is trying to put a lid on the market, also in order to reduce increases in consumer energy prices. Although not formalized, the renewable electricity sector has therefore come largely to a standstill. Barriers introduced in the last half-year are described by some as a 'tacit moratorium'.

## Areas that need improvement

- An integrated long-term climate policy strategy is necessary to show a clear direction for Bulgaria.
- Policies covering all relevant sectors need to be developed and implemented to a much higher degree.
- There is a need for clear responsibilities of the state authorities on monitoring implemented policies.



Overview summary

- GENERAL
- ELECTRICITY SUPPLY
- INDUSTRY
- BUILDINGS
- TRANSPORT
- AGRICULTURE
- FORESTRY

	Renewables	Energy efficiency	Overarching
GENERAL			<ul style="list-style-type: none"> <li>No long-term integrated climate strategy <i>Up to 5% weight for the country</i></li> </ul>
ELECTRICITY SUPPLY	<ul style="list-style-type: none"> <li>The ambitious support policy was (temporarily) suspended due to uncertainty about the future strategy <i>More than 10% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No policy mechanism for cogeneration with RES to sell heat for district heating <i>Between 5% to 10% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No additional measures <i>Between 5% to 10% weight for the country</i></li> </ul>
INDUSTRY	<ul style="list-style-type: none"> <li>No policy for integration of RES in industry <i>Between 5% to 10% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No national funding for efficiency <i>Between 5% to 10% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No information on policies aimed at structural change <i>More than 10% weight for the country</i></li> </ul>
BUILDINGS	<ul style="list-style-type: none"> <li>Bulgaria is working on legislation to stimulate RES in buildings <i>Up to 5% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>Mandatory energy certification for public buildings <i>Up to 5% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No additional policies <i>Up to 5% weight for the country</i></li> </ul>
TRANSPORT	<ul style="list-style-type: none"> <li>Blending of biofuels is obligatory, but not for blending ethanol into petrol, and target is lower than EU requirements <i>Up to 5% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>Ecotax for import of second-hand cars from Western Europe <i>Up to 5% weight for the country</i></li> </ul>	<ul style="list-style-type: none"> <li>No overarching policies in place to reduce emissions from transport <i>Up to 5% weight for the country</i></li> </ul>
AGRICULTURE			<ul style="list-style-type: none"> <li>No integrated agricultural land development strategy <i>Up to 5% weight for the country</i></li> </ul>
FORESTRY			<ul style="list-style-type: none"> <li>No consistent land-use strategy implemented <i>Between 5% to 10% weight for the country</i></li> </ul>

Sectors in detail

ELECTRICITY SUPPLY



<b>Renewables</b>	<p>Bulgaria passed an ambitious RES legislation in 2008 and attracted a lot of potential investors applying for support (PV: 1.6 GWp). Unfortunately, the strategy for reaching the EU RES targets has not been well structured. This has resulted in a (temporary) suspension of the policy until the implications for the public budget are sorted out. Additionally, the national network operator has continued to control (and thus to limit) grid access of renewable electricity projects.</p>
<b>Energy efficiency</b>	<p>There is no policy mechanism in place that allows a small co-generation plant based on RES to sell its heat for district heating where available. Even though some support exists, it is unlikely that it will lead to a 5% share.</p>
<b>Overarching</b>	<p>No additional measures, such as a carbon tax, biomass or CCS projects are being considered.</p>

## INDUSTRY



<b>Renewables</b>	No policy for integration of RES in industry.
<b>Energy efficiency</b>	Voluntary agreements on efficiency in industry. However, this has not led to implementation.
<b>Overarching</b>	Energy efficiency is focusing predominantly on European funding and "market mechanisms" without indicating what these could look like.

## BUILDINGS



<b>Renewables</b>	The government is working on legislation to stimulate RES in buildings. Currently, there is no minimum requirement for RES use in buildings.
<b>Energy efficiency</b>	Energy Performance Buildings Directive and Ecodesign Directive requirements (efficient appliances) are implemented in Bulgaria.
<b>Overarching</b>	In Bulgaria, a certification system for energy efficient buildings has been implemented. The system is used mainly on new buildings or in the modernisation or reconstruction of existing buildings. For public buildings, certification is mandatory.

## TRANSPORT



<b>Renewables</b>	Blending of 4% biodiesel with conventional diesel has been obligatory in Bulgaria since March 2010. Nonetheless, this does not apply for blending ethanol into petrol. The target is lower than EU requirements.
<b>Energy efficiency</b>	No policies on the promotion of vehicle efficiency could be found.
<b>Overarching</b>	Bulgaria has an ecotax for the import of second hand cars from Western Europe. This import tax is controversial and opposed by the sellers of old vehicles. However, it is too low in order to have serious impact on the number of imported old cars. Bulgaria has also introduced a 50% rebate in road tax for cars which are equipped with a catalytic converter, aiming to encourage the use of this technology.

## AGRICULTURE



	Between 2000 and 2008, greenhouse gas emissions from agriculture decreased by almost 10%. As there is no integrated agricultural land development strategy in place, this effect cannot result from any sectoral policy. Two likely reasons are a) economic difficulties of agriculture in the post socialist restructuring of the economy and b) further restructuring challenges after joining the EU.
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## FORESTRY



	Bulgaria does not have a consistent land-use strategy in place. There is a short-term forestry development strategy, but this has not been implemented and is not mandatory yet.
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