Bulgaria





Legal documents in Bulgaria

In Bulgaria, Article 8 of the Energy Efficiency Directive (EED) has been transposed in Article 57 of the Energy Efficiency Act (EEA), in force since 2015 (last amended in March 2021) and Regulation No. E-RD-04-05/08.09.2016 on the determination of energy consumption indicators, energy performance of enterprises, industrial systems and outdoor artificial lighting systems, as well as on the determination of the conditions and procedures for carrying out an energy audit and preparing an energy savings assessment and its annexes. Guidance on implementation is available in the form of a Frequently Asked Questions section published on the Sustainable Energy Development Agency (SEDA) website. In addition, the annual report on the implementation of the National Energy Efficiency Action Plan (NEEAP) provides annual information on the implementation of the EEA.



Involved actors in Bulgaria

The ministries responsible for the transposition of the EEA in Bulgaria are the Ministry of Energy, responsible overall for final energy consumption and the Ministry of Economy, in the area of improving energy efficiency in small and medium-sized enterprises (SMEs) as well as in the use of energy from industrial systems. AER is the national body responsible for monitoring and reporting on the implementation of national policies.

In order to identify the obliged companies, the ASER cooperates with the <u>Bulgarian Agency</u> for the <u>Promotion of Small and Medium-sized Enterprises</u> and branch organisations in the Industry sector.



Policy recommendation including relevant learnings from

interactions with key stakeholders

Taking into account the new requirements of the recast EED there are some actions that could be implemented in the field of energy audits:

- Carrying out information campaigns about the new requirements and benefits of energy audits, the energy management system or energy efficiency investments.
- Ensuring that all energy audits and energy management systems are carried out in the public sector in line with European or international standards.
- Establishing a national register of the companies obliged to perform energy audits.
- Determination of financial support for companies performing energy audits.

Concerning energy audits there is a legal requirement in the national legislation for non SME companies to carry out an energy audit every four years. There is also an energy threshold to include SMEs with high energy consumption.

The main challenge is that the process is very dynamic because of the criteria for current energy consumption or if the company is micro, small, medium or big enterprise. The status of companies according to these criteria could be changed at any moment and thus the register will not be accurate in real time. So the companies should be incentivised to inform national authorities if they fall into the group of SMEs.

The main feature of the policy is to promote the new EED and the benefits of energy audits, the energy management system or energy efficiency investments. Companies that are not legally obliged in this area could be encouraged to carry out energy audits and to implement energy efficiency measures, based on either informational instruments or financial incentives. Information can help to increase awareness and knowledge within the companies.

Auditors can be encouraged to consider National Enforcement Bodies when evaluating potential measures. They can provide additional arguments beyond merely financial savings. This can also help to support the follow-up process after the audit was carried out and to overcome inertia for moving towards action. This can be further enhanced if auditors link the identified measures to available funding schemes, and if the administrative parts of programs, in turn, are kept to the necessary minimum.

Also, a form of financial support should be determined. This can range from tax reductions to grants or funding schemes.

Outcome of meeting(s) organised with the National Authorities

- There is no a clear understanding among all companies of which official websites in Bulgaria to consult to obtain information on obligations, benefits and other aspects related to energy efficiency. Some of them are familiar enough and know where to look for the information. They share an opinion that the information published on the website of SEDA regarding the obligations under the Energy Efficiency Act is up-to-date and comprehensive. With regard to energy efficiency benefits, there are still no clearly developed and easy-to-use end-user accessible materials that provide sufficiently understandable and technically uncomplicated information, not only for businesses but also for domestic end-users. But there are also companies that share they are not familiar enough.
- There is currently no permanent incentive mechanism for energy audits, for SMEs as well as for large enterprises. Incidental interest appears when there are EU funding schemes. Since recently, such procedures do not imply an audit the interest is minimal, almost non-existent. In addition, large businesses obliged to do audits do not worry about fines, and subsequently postpone the required audits for the coming years. There are dozens of new large businesses NOT on the indicative lists and NOT interested in energy audits. Thus, a huge proportion of SMEs and Large Enterprises have virtually NO regular interest in energy audits, and respectively are NOT actively pursuing an energy savings policy.

- Regarding the existing incentive systems, a centralised information hub would be appropriate for information rather than a division of information availability between several subjects (e.g. State, Regions, Agencies, etc.). Perhaps there should be a centralised centre to cover both SMEs and Large Enterprises in Bulgaria. It should provide major updates on an annual basis. Systematizing the information and making it accessible would contribute significantly to them being better informed.
- Investments in energy efficiency have significant added value, but only when implemented correctly and as prescribed.
- The carbon footprint should be mandatory for companies obliged to carry out the energy audit.
- The risks associated with energy efficiency interventions should be thoroughly evaluated. The unassessed risks of implementing the measures can significantly affect a business.

Challenge	Identified solution strategies	Key actors recommendations and resources from the project
Identification of obliged companies. Self-declaration as an insufficient tool to identify all obliged companies.	 Assist in the self-declaration of companies. Consider a change to a database-centric mode. 	Key Recommendation #01: Overcome the information barrier by the creation of a central information hub at national or regional level depending on the EU MS specific characteristics

HIGH

Relevance to the new EED

Ensuring compliance and enhancing the uptake of measures. • Highlight the added value of audits. • Provide additional support for peer networks. • Provide additional support for peer networks. • Provide additional support for peer networks. • Provide additional support for the second peer networks. • Provide additional support for peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Provide additional support for the second peer networks. • Resource #01: Integration of support on the project • Use information tools to encourage SMEs to carry our audits and implement their results and to raise awareness of energy efficiency and support system to the encourage of the benefits that energy efficiency substitutes and equate financial support system. • Create appropriate indicators for the evaluation of implemented measures. • Resource #01: Integration of Multiple Benefits in Companies' Business Model • Resource #01: Integration of Multiple Benefits in Companies' Business Model • Resource #01: Integration of Multiple Benefits in Companies' Business Model • Resource #01: Integration of South Bu	Challenge	Identified solution strategies	Key actors recommendations and resources from the project		
Creation of support mechanisms. SMEs are often unaware of the benefits that energy efficiency can have for them. Lise information tools to encourage SMEs to carry out audits and implemented measures. SMEs are often unaware of the benefits that energy efficiency for the evaluation of implemented measures. Lise information tools to encourage SMEs to carry out audits and implement their results and to raise awareness of energy efficiency among SMEs Establish an adequate financial support system Create appropriate indicators for the evaluation of implemented measures. Resource #01: Integration of Multiple Benefits in Companies' Business Model Resource #02: Calculation of cost benefit analysis with integrated multiple benefits (available on request)	enhancing the uptake of	audits.Provide additional support for	Inform on Non-Energy Benefits (multiple benefits) related to energy efficiency • Key Recommendation #04: Carbon Footprint calculation associated to audit should be encouraged • Resource #01: Integration of Multiple Benefits in Companies' Business Model • Resource #02: Calculation of cost benefit analysis with integrated multiple benefits (available on		
solution strategies Precommendations and resources from the project It is information tools to encourage SMEs to carry out audits and implement their results and to raise awareness of energy efficiency among SMEs SMEs are often unaware of the benefits that energy efficiency can have for them. Establish an adequate financial support system Create appropriate indicators for the evaluation of implemented measures. SMEs are often unaware of the benefits that energy efficiency can have for them. Resource #01: Integration of Multiple Benefits in Companies' Business Model Resource #02: Calculation of cost benefit analysis with integrated multiple benefits (available on request)	Relevance to the new EED HIGH				
Creation of support mechanisms. • Use information tools to encourage SMEs to carry out audits and implement their results and to raise awareness of energy efficiency among SMEs • Establish an adequate financial support system • Create appropriate indicators for the evaluation of implemented measures. • Resource #01: Integration of Multiple Benefits in Companies' Business Model • Resource #02: Calculation of cost benefit analysis with integrated multiple benefits (available on request)	Challenge	solution	recommendations and resources		
benefit analysis with integrated multiple benefits (available on request)	mechanisms. SMEs are often unaware of the benefits that energy efficiency	 encourage SMEs to carry out audits and implement their results and to raise awareness of energy efficiency among SMEs Establish an adequate financial support system Create appropriate indicators for the evaluation of 	on Non-Energy Benefits (multiple benefits) related to energy efficiency • Key Recommendation #04: Carbon Footprint calculation associated to audit should be encouraged • Resource #01: Integration of Multiple Benefits in Companies' Business Model		
Relevance to the new EED MEDIUM	Deleverage to the way FFD	MEDIUM	benefit analysis with integrated multiple benefits (available on		

Challenge	Identified solution strategies	Key actors recommendations and resources from the project
Guiding SMEs to action.	 Provide a clear overview of available support schemes. 	Key Recommendation #03: Create a set of structured guidelines to clarify the relationships between energy obligations – or NON obligations – and sustainability
Many SMEs refrain from participating in energy programmes efficiency for fear of administrative burden.	Us active facilitation, such as technical support for project submissions.	 Resource #03: <u>Communication</u> <u>campaign plan and report</u> Resource #04: <u>Training documents</u>
Relevance to the new EED	HIGH	

Let's stay in touch!

Discover DEESME 2050!



DEESME 2050 is a continuation of the DEESME project and develops energy efficiency projects in SMEs for European 2050 targets, in the furniture sector.



Follow the project on <u>LinkedIn</u>, <u>Twitter</u> and find all the project's contents on our <u>website</u>.





Contact

Coordinator - Ivana Rogulj from IEECP: <u>ivana@ieecp.org</u>

