



EUROPEAN **COVENANT OF COMPANIES** FOR CLIMATE AND ENERGY

Overview of Support Schemes
BULGARIA



INTRODUCTION

Context

The European Climate Law sets an ambitious emission reduction target of 55% by 2030 and the objective of becoming climate-neutral by 2050. Achieving these new 2030 energy and climate targets will require an ever more integrated approach to energy transition. It is thus essential to invite companies, in particular the less resourced SMEs, to join the energy and climate efforts of cities in order to develop mutually beneficial public-private partnerships at local level¹.

Aim of the Covenant of Companies

The European Covenant of Companies for Climate and Energy (EU CCCE) is a European Commission initiative to encourage and support companies to step up their contribution to a clean energy transition, energy savings and related climate objectives as set out in the European Green Deal. The initiative aims to provide practical, step-by-step guidelines and technical assistance to European companies to help them take concrete actions resulting in the decarbonisation of their businesses. The initiative is currently in a pilot phase for two years where concepts will be developed and tested to establish a strong foundation for the Covenant of Companies.

Overview of support schemes

With these documents the EU CCCE provides an overview of the European and national support schemes for energy efficiency and renewable energy, national financing tools for clean energy research and innovation projects, as well as available capacity building support for companies.

For the second phase of the project the Consortium has opted to create detailed overviews by narrowing the study down to eight focus countries: Belgium, Bulgaria, France, Ireland, Lithuania, Romania, Spain and Sweden. This document presents an overview of the financial support schemes in Bulgaria, the financing tools for research and innovation and available capacity building materials (non-financial support), at the national and European level. It further offers insights in the national context within which the support is provided.

Disclaimer

This document gives an overview of the available support schemes as of July 2022. It serves to give a general overview of existing material at the national level at this date. Although the Consortium has put considerable effort in collating the material presented, it cannot guarantee that the overviews are fully comprehensive and up-to-date.

¹Tender specification setting up and operating the Secretariat for the EU Corporate Covenant Initiative, p.6.

HIGHLIGHTS

- Bulgaria aims for a 31.67% reduction in final energy consumption, and a 27.09% increase in the share of renewables by 2030.
- The main role in reaching these goals is given to the Ministry of Energy who have to set the policies. Regions have a supporting role in this case.
- Support schemes for renewable energy are mainly managed by the Ministry of Energy, with the financing coming from EU-funds.
- Energy efficiency in all sectors, including industry, is supported primarily by EU funding programmes.
- Different public bodies are responsible for policies and support schemes. There isn't one single place that SMEs can turn to. There isn't a single website where information for all the schemes can be found. In general, most of the support schemes use EU-funds. For renewable energy and energy efficiency, the main source could be the website of the Ministry of Energy.
- Many support schemes are not specifically targeted towards SMEs and renewable energy projects. Some schemes support growth and competitiveness in SMEs (which could be used amongst other things, for energy-related projects), while others support clean energy and energy efficiency across multiple target groups including SMEs, but also covering homeowners, large businesses and/or the public sector.
- The main portal to find funding is the Information System for Management and Monitoring of EU Funds in Bulgaria (EUMIS).



OVERVIEW OF MAIN SUPPORT SCHEMES

A selection of financial and non-financial support schemes available to Bulgarian companies as of June 2023 for clean energy projects and R&D&I in clean energy.

Bulgaria														
SUPPORT SCHEMES	ENERGY SOLUTIONS COVERED							COSTS COVERED				STATUS		
	Scope	Category	Technology Readiness Levels (TRL)	Renewable energy utilisation	Energy efficient buildings	Energy Efficiency in processes and operations	Sustainable mobility	Circularity	Non-specific	Consultancy fee	Capital investments		Wages/labour costs	Other operational costs
Renewable energy														
Bulgarian Development Bank (BDB)	FIN	LOAN		✓							✓	✓	✓	
Feed-in tariff - Energy and water regulatory commission	FIN	OTH		✓							✓			
RES Installation and Storage	FIN	GRANT		✓							✓		✓	
Energy efficiency														
Bulgarian Development Bank (BDB)	FIN	LOAN			✓	✓					✓	✓	✓	
Energy Efficiency and Renewable Sources Fund	FIN	LOAN		✓	✓						✓	✓	✓	
Investment Climate Program – Energy efficiency	FIN	LOAN			✓	✓					✓	✓	✓	
Sustainable Mobility														
Investment Climate Program – Electric vehicles	FIN	LOAN					✓				✓	✓	✓	
Research & Innovation														
Support for the transition to a circular economy in enterprises	R&I	GRANT						✓			✓		✓	
Support for innovative SMEs awarded with the Seal of Excellence	R&I	GRANT							✓		✓		✓	
Program for public support for the development of industrial areas, parks and similar territories and for attracting investments ("AttractInvestBG")	R&I	GRANT		✓	✓	✓					✓		✓	
Program Competitiveness and innovation in enterprises	R&I	GRANT						✓	✓		✓		✓	✓
Program Scientific research, innovation and digitization for intelligent transformation	R&I	GRANT							✓		✓		✓	

LEGEND

Scope

FIN - Financial support scheme
R&I - Research & Innovation financing tool

Category

TAX - Tax benefit or incentive
GRANT - Grant

FUND - Fund
LOAN - Loan

GUAR- Guarantee

OVERVIEW OF MAIN SUPPORT SCHEMES

Capacity building material available to Bulgarian companies as of June 2023 for their clean energy transition:

Bulgaria										
CAPACITY BUILDING MATERIAL	TYPE		SCOPE							STATUS
Selected Capacity Building Material	Type of support	General information and examples	Emission inventory	Energy performance base line	Monitoring & reporting	Energy Audit	Clean energy plan or strategy	Implementation support	Networking	Specific for SMEs
BUILD UP Skills Bulgaria 2030	TOOL		✓	✓				✓		
Educational Programmes - National Trust EcoFund	TRAIN							✓		
Information days RES	TRAIN	✓						✓	✓	

LEGEND

Form of support

DOC - Guidance document
 EXP - Expert guidance / consultancy
 TRAIN - Course, training, workshop

PLAT - Platform or portal
 HD - Helpdesk

TOOL - Tool (web-based, template or other)
 OTH - Other

OVERVIEW OF MAIN SUPPORT SCHEMES AT EU-LEVEL

Selection of financial and non-financial support schemes available to European companies as of July 2022 for clean energy projects and R&D&I in clean energy.

EU																
MAIN LANDING PAGE		https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home														
Support schemes	GENERAL INFORMATION			ENERGY SOLUTIONS COVERED							COST COVERED					STATUS
Selected Support Schemes	Scope	Category	TRL levels	Renewable energy utilization	Energy efficient buildings	Energy storage	Sustainable mobility	Infrastructure and smart grids	Circularity	Non-specific	Consultancy fee	Capital investments	Wages/labour cost	Other operational costs	Description	Specific for SMEs
Horizon Europe - Relevant Missions																
Adaptation to Climate Change										✓	✓	✓	✓	✓	Operational costs are only covered when they can be attributed as direct costs. Indirect costs may sometimes fall under the grant, but will depend on the grant agreement for a specific project. See also: https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/aga_en.pdf#%5B%7B%22num%22%3A92%2C%22gen%22%3A0%7D%2C%7B%22name%22%3A%22XY2%22%7D%2C%2C59%2C722%2C0%5D	
Climate Neutral and Smart Cities										✓	✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.1	
Horizon Europe - Programme Innovative Europe																
EIC Pathfinder	R&I	FUND & GRANT	1 - 4		✓						✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.2	
EIC Transition	R&I	FUND & GRANT	4 - 5/6	✓				✓	✓		✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.2	
EIC Accelerator	R&I	FUND & GRANT	5/6 - 9		✓			✓			✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.2	✓
CINEA																
CEF Energy: Energy Infrastructure: Projects of Common Interest	FIN	GRANT						✓			✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.2	
CEF Energy: Energy Infrastructure: Cross-border renewable energy projects				✓							✓	✓	✓	✓	Annotated Grant Agreement - EU Grants - Art.6.2	
LIFE Clean Energy Transition	FIN	GRANT		✓	✓			✓			✓	✓	✓	✓	https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/call-fiche_life-2022-cet_en.pdf	
LIFE Circular economy	FIN	GRANT							✓		✓	✓	✓	✓	https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/call-fiche_life-2022-sap-env_en.pdf	
LIFE Climate Change Mitigation and Adaptation	FIN	GRANT		✓	✓		✓		✓		✓	✓	✓	✓	https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/call-fiche_life-2022-sap-clima_en.pdf	
Innovation Fund	R&I	GRANT		✓		✓		✓				✓			https://cinea.ec.europa.eu/system/files/2022-02/IF_flyer-2021%20.pdf	
EIF and EIB																
Invest EU	FIN/R&I	FUND		✓	✓	✓	✓		✓						The financing will typically take place through financial intermediaries that take equity participations, convertible loans and other equity-type financing. These intermediaries would typically be independent commercially-run fund managers that select companies with adequate return prospects, driven by a commercial logic when selecting companies in which to invest or provide other forms of financing. The InvestEU intervention will done on commercial terms and crowd in private investors.	✓

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OVERVIEW OF MAIN SUPPORT SCHEMES AT EU-LEVEL

Capacity building material available to European companies as of July 2022 for their clean energy transition

EU										
CAPACITY BUILDING MATERIAL	TYPE		SCOPE							STATUS
Selected Capacity Building Material	Type of support	General information and examples	Emissions inventory	Energy performance baseline	Monitoring & reporting	Energy audit	Clean energy plan or strategy	Implementation support	Networking	Specific for SMEs
LIFE close-to-market projects	PLAT	✓					✓		✓	
EIC Business Acceleration Services	PLAT	✓			✓				✓	
Invest EU - Advisory hub	EXP						✓	✓	✓	
Innovation Fund	EXP						✓	✓	✓	

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NATIONAL SUPPORT SCHEMES FOR CLEAN ENERGY PROJECTS

Renewable energy utilisation

Support schemes for renewable energy are mainly managed by the Ministry of Energy and are primarily supported by EU funds. The main portal to find funding is the Information System for Management and Monitoring of EU Funds in Bulgaria (**EUMIS**).

Local schemes are managed by the Bulgarian Development Bank. For instance, **Green Energy Financing** is a loan for SMEs for the construction of photovoltaic plants with a capacity of up to 1MW/p for business needs. **Feed-in tariffs** for renewable energy sources (RES) and high-efficiency co-generation are granted by the Energy and Water Regulatory Commission.

Additionally, grants from the EEA offer funding under cooperation agreements between Bulgaria, and Iceland, Liechtenstein & Norway. Here, there are currently no open calls. However, the Bulgarian government updates calls on the **national website** dedicated to these grants

Energy efficiency in buildings

Energy efficiency schemes are focused primarily on the public sector. EU programmes are the main source of funding. Through the EUMIS portal, for instance, the Ministry of Regional Development and Public Works grants subsidies for various **renovation schemes** funded through the Recovery and Resilience Mechanism.

Additionally, the Bulgarian Development Bank grants loans to SMEs increasing the energy efficiency of **industry and buildings**.

NATIONAL SUPPORT SCHEMES FOR CLEAN ENERGY PROJECTS Continued.

Sustainable mobility

The **Eco Fund Bulgaria** regularly posts calls for sustainable mobility, for example, the **Investment Climate Programme**, although this is currently closed. However, the website gets updated regularly and the call may be reopened in the future.

FINANCING TOOLS FOR RESEARCH AND INNOVATION

The **Ministry of Innovation and Development** is responsible for research, development, and innovation (R&D&I) policies and technology transfers, as well as for the funding of R&D&I programmes.

SMEs awarded with the **Seal of Excellence** by the European Innovation Council for the period 2018–2023 under programmes “Horizon 2020” and “Horizon Europe” can obtain a grant from the Ministry. The total amount of funding available from the European Union under these projects is BGN 118.5 million as part of EU’s recovery plan “NextGenerationEU” Additionally, the ministry allocates funding for the development of industrial areas, parks, and similar territories and for attracting investments (**AttractInvestBG**). Finally, SMEs can obtain a grant for scientific research and the implementation of innovative solutions for their own production processes under the programme **Competitiveness and Innovation in Enterprises**.

NATIONAL CAPACITY BUILDING MATERIAL

In addition to financial support, several capacity-building materials are available for companies. The Sustainable Energy Development Agency provides a roadmap for SMEs to upskill their staff in the field of renewable energy, via the BUILD UP Skills Bulgaria 2030 programme. The roadmap concentrates on the implementation of intelligent energy-efficient solutions in buildings in Bulgaria until 2030.

The Ministry of Economy and Industry published a National Strategy for Small and Medium-sized Enterprises 2021-2027 – **Small Business Act**. The ministry sets the vision for state policy in support of SMEs and includes a technical report with an in-depth analysis of SMEs in Bulgaria and preliminary recommendations for action guidelines.

MAIN SOURCES OF INFORMATION ON SUPPORT SCHEMES

Title	Description page	Link
Bulgarian Development Bank (BDB)	<p>The Bulgarian Development Bank (BDB) implements special mandates of the Bulgarian government, including the National Energy Efficiency Programme.</p> <p>For over 20 years, there has been a unique experience for the Bulgarian banking system in offering medium-term and long-term financing and risk sharing through guarantee-schemes.</p> <p>It is the only Bulgarian bank to provide direct financing as well as financing via other credit institutions.</p>	https://bbr.bg/en/about-us/summary-bbr/
ENERGY AND WATER REGULATORY COMMISSION (WERC)	<p>Independent regulator in the energy and water sectors in Bulgaria. Part of the obligations is to set yearly prices for energy and water including the feed-in tariffs for some of the power stations that are using RES.</p>	https://www.dker.bg/en/home.html
Ministry of Innovation and Growth	<p>The Ministry of Innovation and Growth works to build a competitive economy that will ensure growth and development of the regions in Bulgaria, promotion and acceleration of innovations and investments throughout the country and in all sectors of the economy.</p>	https://www.mig.government.bg
Energy Efficiency and Renewable Sources Fund	<p>The Energy Efficiency and Renewable Sources Fund (FEEVI), finances investment projects for energy efficiency, aims at reducing greenhouse gas emissions into the atmosphere, and supports the development of the energy efficiency projects market in Bulgaria.</p>	https://www.bgeef.com/bg/
EUMIS	<p>Support schemes for renewable energy are mainly managed by the Ministry of Energy and are primarily supported by EU-funds. The main portal to find funding is the Information System For Management and Monitoring of EU Funds In Bulgaria.</p>	https://eumis2020.government.bg/

NATIONAL INDUSTRIAL AND ENERGY POLICY FRAMEWORKS AND MAIN STAKEHOLDERS

With its **National Energy and Climate Plan (NECP)**, Bulgaria aims to increase energy efficiency targeting a reduction of 31.67% in final energy consumption (compared to the reference PRIMES 2007 scenario), and sets a 27.09% target for the share of renewables in the gross final consumption by 2030. The plan includes measures to encourage companies to increase their energy efficiency and take action to produce and cover their energy needs. Furthermore, it foresees the financing of energy audits and the adoption of energy management systems in SMEs.

National vs regional responsibilities

In Bulgaria, national-level energy and environmental policies are set by the ministries. Regional plans are set at the regional level by the municipalities, based on the national policies. Financing of the regions is mostly centralised. Only local taxes are a direct way of financing for Municipalities. Incentives for clean energy projects and for business R&D&I are offered at the national level.

Institutions

The **Ministry of Energy** is responsible for the national energy strategy and budget, energy infrastructure, the electricity market, promotion of renewable energies, and energy efficiency. There are different agencies and funds that fall under the governance of the ministry. The **Sustainable Energy Development Agency** is responsible for energy efficiency politics, for example.

The **Ministry of Economy and Industry** is responsible for industrial policy, competitiveness, funds and facilities for businesses, and support to SMEs. The **Ministry of Innovations and Development** is responsible for R&D&I and technology transfer. The **Ministry of Education, University, and Research** manages some R&D measures, and the **Bulgarian Development Bank** provides loans, equity, and advice to SMEs for innovation and growth, renewable energy and energy efficiency measures.

Other ministries responsible for policies on specific sectors include the Ministry of Regional Development and Public Works, the Ministry of Environment and Water, the Ministry of Food and Forests, and the Ministry of Transport and Telecommunications

INTERVIEW SOURCES

- MIB, May 2023
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[https://covenant-of-companies.ec.europa.eu/
#CovenantOfCompanies](https://covenant-of-companies.ec.europa.eu/#CovenantOfCompanies)

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