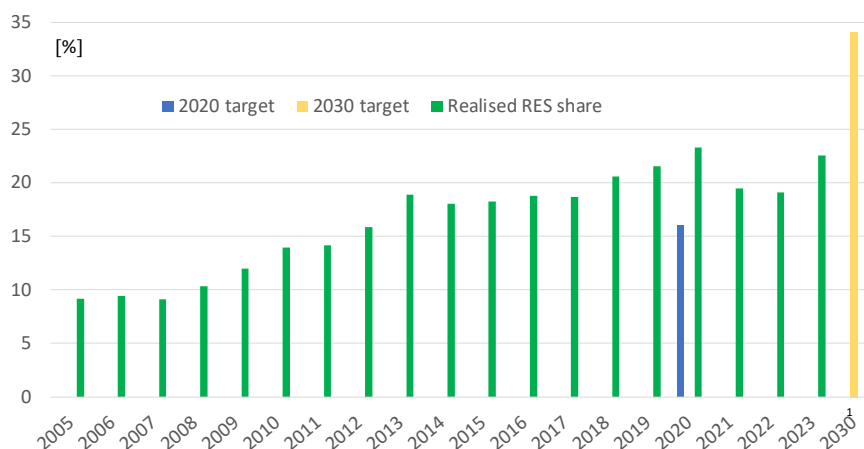


## Bulgaria

### Renewable energy status

Share of energy from renewable sources in total gross final energy consumption



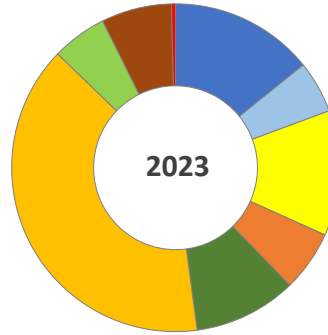
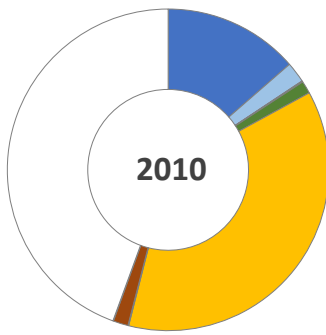
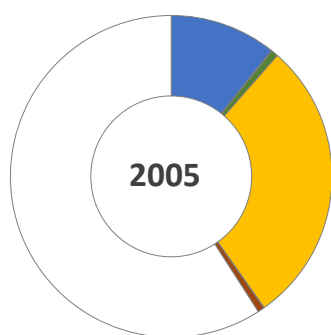
Source: Eurostat

#### Abbreviations used:

RES: renewable energy sources  
RES-E: renewable electricity  
RES-H/C: renewable heating/cooling  
RES-T: renewable transport fuels

#### Data for 2023

Overall RES share:	22,6%	Avoided fossil fuels:	2,8 [Mtoe]
Overall RES 2020 target:	16,0%	Avoided fuel expenses:	980,6[MEUR]
Overall RES 2030 target:	29,4%	RES Turnover:	2 020[MEUR]
Share RES-E in electricity:	8,1%	RES Employment:	39 400 [jobs]
Share RES-T in transport:	34,9%	RES imports <sup>2</sup> :	505,8 [MEUR]
Share RES-H/C in heating:	22,6%	RES exports <sup>2</sup> :	131,1 [MEUR]



■ Hydropower  
■ Wind power  
■ Solar PV and CSP  
■ Solid biofuels  
■ RES in transport  
■ Renewable heat consumed  
■ Renewable heat derived  
■ Heat pumps  
■ All other renewables  
□ Gap towards 2020  
Source: Eurostat

	2005	2010	2023		
	Energy in ktoe	Energy in ktoe	Energy in ktoe	Employment in FTE	Turnover in MEUR
Hydropower	270.4	342.7	348	800	50
Wind power	0.5	52	126	600	40
Solar PV, and CSP	0	1.3	303	18 100	920
Solid biomass	0	1.7	147	12 100	540
Ren. energy in transport <sup>3</sup>	18.0	31.7	249	4 900	310
Renew. heat consumed	723.2	928.9	962		
Renew. heat derived	0.7	1.9	133		
Heat pumps	16.7	37.8	170	1 100	60
All other renewables	0	1.3	10	1 800	100

Source: Eurostat, EurObserv'ER

FTE = Full time equivalent, PV=Photovoltaics, CSP=Concentrated Solar Power. Biofuels in transport only covers compliant fuels (employment and turnover additionally cover the non-compliant biofuels). Derived heat includes heat produced in main activity producer plants and heat sold produced in auto-producer plants. Its counterpart is the final heat consumption in the final consumption sectors (such as households).

<sup>1</sup> From Integrated National Energy Climate Plan

<sup>2</sup> Referring to the International Trade chapter from the publication: EurObserv'ER - *The State of Renewable Energy in Europe, 2024 edition*

<sup>3</sup> Employment and turnover are only referring to biofuels in transport.



## **CURRENT RENEWABLE ENERGY POLICY**

### **RES-E**

The Energy from Renewable Sources Act (ZEVI) is the main legal instrument governing public relations in the area of renewable energy. This act governs public relations in the renewable energy sector and transposes the requirements of the EU Directive on the promotion of renewable energy into national law. In Bulgaria, electricity from renewable sources is mainly promoted through feed-in premiums. As of 1 July 2018, feed-in tariff contracts with RES-E producers with an installation of at least 4 MW capacity were terminated and the RES producers who had access to feed-in tariffs have been offered to enter into a feed-in premium contract. New rooftop or facade photovoltaic installations with a maximum installed capacity of 30 kW and certain installations using combined cycle and indirect use of biomass are still eligible to a feed-in tariff as well. The premium tariff can apply to renewable energy installations with a capacity of at least 4 MW.

### **RES H&C**

The use of renewable energy for heating and cooling is promoted through a grant from the Bulgarian Energy Efficiency Fund and through an exemption for building owners from property tax. In general, all heating technologies are eligible for support. Buildings with a useful total built-up area (TBA) over 500 square meters and which are occupied by a public body or frequently visited by citizens are subject to an obligatory energy efficiency audit and have to provide an energy performance certificate. Any investment project for a new building with a total floor coverage of over 1000 m<sup>2</sup> must comply with the possibilities of using decentralised systems for the use of renewable energy. In these buildings, at least 15 percent of the total heating and cooling needed for the building shall have to be produced from renewable sources. Besides, the ZEVI provides incentives for renewable energy generation, including supporting heat transmission network construction in designated areas, small decentralized systems, connecting renewable heat generation to the network, and heat purchase from other producers.

### **RES-T**

The main support scheme for renewable energy sources used in transport is a biofuel quota system. This scheme obliges companies importing or producing petrol or diesel to ensure that biofuels make up a pre-defined percentage of their annual fuel sales. Furthermore, biofuels are supported through a tax credits mechanism: a reduced rate of excise duty is applied to unleaded petrol or gas oil if a share of more than 4% of bioethanol or biodiesel has been added.

**Table 1: Brief description of key policy instruments aimed at promoting RES in Bulgaria**

<b><i>Instrument</i></b>	<b><i>Description</i></b>
<b>Feed-in tariffs</b>	Guaranteed sale of renewable electricity at a pre-set preferential price during the support contract period via Act on Renewable Energy Sources (ERSA) for renewable energy plants with capacity below 4 MW. As of July 1, 2018, the obligation to purchase and dispatch electricity from renewable sources under the feed-in tariff system has been terminated. RES Producers with existing power purchase agreements (PPAs) and feed-in tariffs (FiTs) have the option to enter into Premium contracts with the ESSF before July 1, 2018.
<b>Feed-in premium</b>	From July 2018, all RES-E producers with a total installed capacity of at least 4 MW are obliged to sell their electricity on the exchange (Art. 33a Energy Act). The premium tariff is set annually as a difference between the current fixed feed-in tariff and the forecasted market price. Additionally, producers have the option to sell their electricity through a balancing group coordinator.
<b>Investment subsidies</b>	RES-H&C projects improving energy efficiency and utilising renewable energy in public, industrial, and residential buildings with are eligible for a grant from the Bulgarian Energy Efficiency and Renewable Sources Fund (EERSF) for well proven energy saving technologies. Half of the project's benefits should come from energy savings. In 2022, the Renewable Energy, Energy Efficiency, and Energy Security Programme provides grant financial assistance of approximately €1.7 million to six municipalities for implementing geothermal energy projects in state or municipal buildings.
<b>Tax credits scheme</b>	Renewable heating & cooling installations in buildings are eligible for a tax deduction or complete exemption from property tax for building owners. The tax incentives vary for buildings with different energy ratings and if RES are used.
<b>Biofuels quota scheme</b>	Persons introducing liquid fuels of crude oil origin for transportation shall be obliged to offer market fuels for diesel and petrol engines blended with biofuels, such as biodiesel or bioethanol. Importers/suppliers of transport fuels are subject to a renewable quota scheme for biofuels of 6-9%. Compliance based on sample testing rather than certificates-based. No (direct) incentives for other alternative transport fuels.

### ***For further information:***

CEER, 2023. Status Review of Renewable Support Schemes in Europe for 2020 and 2021.

[https://www.ceer.eu/wp-content/uploads/2024/04/RES\\_Status\\_Review\\_in\\_Europe\\_for\\_2020-2021.pdf](https://www.ceer.eu/wp-content/uploads/2024/04/RES_Status_Review_in_Europe_for_2020-2021.pdf)

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European Commission, 2020. Assessment of the draft integrated National Energy and Climate Plan of Bulgaria. SWD(2020) 225.

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Government of Bulgaria, 2020. INTEGRATED ENERGY AND CLIMATE PLAN OF THE REPUBLIC OF BULGARIA 2021-2030.

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International Energy Agency (IEA) database on policies and measures.

<https://www.iea.org/policies?country=Bulgaria>

Member State Progress Report, available at the Renewable Energy pages of the European Commission. <http://ec.europa.eu/energy/en/topics/renewable-energy>

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RES Legal database, <http://www.res-legal.eu/search-by-country/bulgaria/>

Republic of Bulgaria, 2022. Deputy Minister Petrova: Implementation Of Geothermal Energy Projects Will Increase The Share Of Renewable Energy In Municipalities

<https://www.me.government.bg/en/news/deputy-minister-petrova-implementation-of-geothermal-energy-projects-will-increase-the-share-of-renewable-energy-in-municipalities-2990.html?p=eyJwYWdlIjoyfQ==>

## ***What is meant by ...?***

Auctions for granting renewable energy support	An auction is a process of granting production or investment support to renewable energy projects based on the lowest bids by eligible project developers.
Feed-in tariff (FiT)	A support scheme which provides for a technology-specific remuneration per unit of renewable energy payable to eligible renewable energy producers. A proper, periodic review of FiT rates is often undertaken with the aim to prevent both too high FiTs so as to minimise regulatory rents, i.e. supra-normal returns and too low FiTs to preclude below-target market uptake because of FiT levels that are perceived by market participants to be less attractive. In addition, feed-in tariffs often include "tariff degression", a mechanism according to which the price (or tariff) ratchets down over time.
Feed-in premium (FiP)	A scheme which provides for a support level per unit of renewable energy to eligible renewable energy producers, typically for a period of 10-20 years, at a pre-set fixed or floating rate. The premium is typically adjusted periodically to exactly offset change in the average energy wholesale market price, based on a pre-specified benchmark market price. A floating FiP may move freely or may only be allowed to move within a pre-set interval.
Grants	Grants are non-repayable funds disbursed by one party (grant makers), often a government department, corporation, foundation or trust, to a recipient, often (but not always) a non-profit entity, educational institution, business or an individual. (Source: Wikipedia.org)
Green public procurement	In Green public procurement contracting authorities take environmental issues into account when tendering for goods or services. The goal is to reduce the impact of the procurement on human health and the environment. (Source: Wikipedia.org)
Renewable quota scheme (RQS)	A RQS mandates certain market actors (typically retail suppliers or large energy end-users) to respect a pre-set minimum share or amount of their total energy procurements from renewable sources of energy. Typically a tradable green certificate (TGC) scheme is operated to enable the obligated parties to prove their compliance with the prevailing renewable quota target by means of TGCs.
Sliding feed-in-tariff	A FiT scheme which pre-sets technology-specific declining feed-in tariffs for certain prospective vintages in line with the technology-specific learning curve, as projected by the National Regulatory Agency (NRA). Often a degression rate is used indicating the %/annum decrease in the rate level.
Soft loans	Loans at concessional (below market-based) terms, for example at sub-market-conform interest rates, made available in several Member States to stimulate certain renewable energy technologies.
Tax credits	These are amounts a tax paying entity is allowed to deduct when declaring payable taxes, for example company tax or income tax, to the tax authorities, for example the producer tax credits (PTCs) used in the United States to stimulate among others wind energy deployment.



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