



Bulgaria

National data

Total PV capacity
installed end 2010

18 MW

2010 market
Type of market

11 MW
Emerging

PV industry survey results

For several years, Bulgaria has been a focus of interest for many investors in the PV sector since it has been promising favourable conditions for developing PV systems. Nevertheless, the market has been growing at a very slow pace in recent years. Disproportionate administrative constraints are certainly the main reasons for such a slow take-off.

Summary of market segments

Until today most of the market development has been in the ground-mounted segment; disproportionate requirements for smaller segments have prevented these from growing.

The permitting application process for solar systems is particularly complex and time-consuming for small- and medium-sized systems involving different authorities as it does not distinguish from the procedure applying to larger systems.

In addition, the mandatory environmental impact assessment even if successfully admitted is often delayed and very time consuming.

The preliminary statement and contract to grid connection also depends on the different requirements of the DSOs.

Temporary governmental restrictions on RES systems add to the uncertainties of investors in the photovoltaic segment.

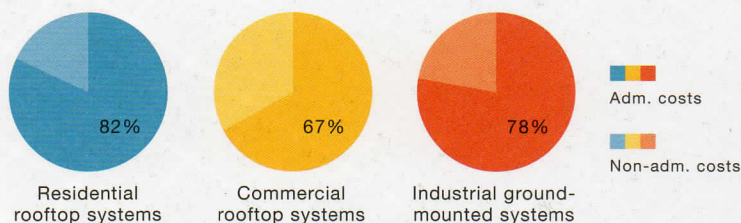


Figure A.1 - Share of administrative costs in total project development costs (excluding PV equipment)

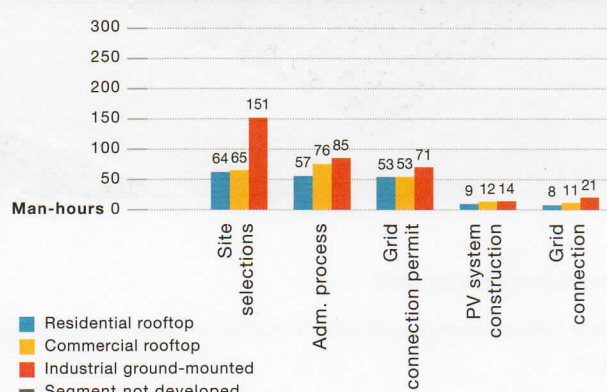


Figure A.2 - Breakdown of process administrative labour requirements (man-hours)

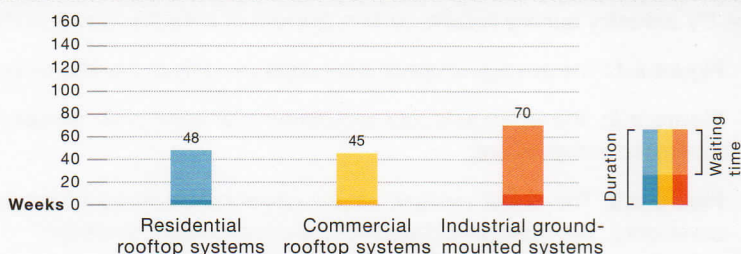


Figure A.3 - Overall project development duration and waiting times (weeks)

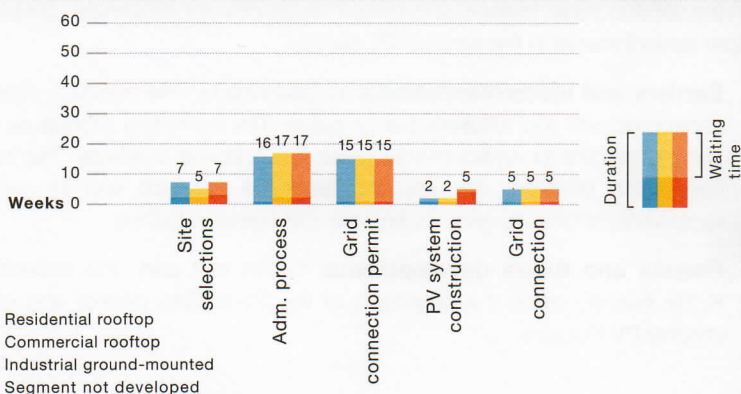


Figure A.4 - Breakdown of process duration and waiting times (weeks)

	Barriers	Recommendations
Permitting procedures	<ul style="list-style-type: none"> Non-transparent, complicated and lengthy permitting procedures, especially for rooftop systems. 	<ul style="list-style-type: none"> Shorten waiting time and cut the cost of the development of rooftop PV projects; introduce a simple notification procedure for rooftop systems.
	<ul style="list-style-type: none"> Specific procedures: environmental impact assessment delays the development of PV systems. 	<ul style="list-style-type: none"> Existing regulation should not be obligatory for all PV installations, only for those in the protected areas.
Grid connection rules & technical standards	<ul style="list-style-type: none"> No barriers identified. 	
Grid connection procedures	<ul style="list-style-type: none"> Priority access or guaranteed access for PV to the grid is not always provided by the DSOs. Unclear terms in grid connection contract (grid connection point). Unclear grid connection costs. 	<ul style="list-style-type: none"> Unify application form for grid connection.
Grid capacity issues	<ul style="list-style-type: none"> Virtual saturation of the grid/PV moratorium. 	<ul style="list-style-type: none"> Prevent speculation by introducing more deadlines and milestones into the grid connection process; financially binding commitments for investors. Grid operator should not refuse the issue of preliminary grid contract just because there is a lack of grid capacity, capacity issues should be evaluated on a case-by-case basis.

Results and future developments

Since the beginning of the PV LEGAL project, very little progress has been observed in Bulgaria; in some cases the situation has worsened.

In May 2011 a new RES Act (RESA) was adopted. Through this act some of the legal procedures for rooftop PV were simplified and shortened, but almost all of the old barriers are still in place. Moreover, some **new barriers have been created**:

- Concerning the grid connection of new projects, a **maximum yearly grid capacity has now been introduced**, which means that only certain projects can qualify for grid access.
- Grid connection provisions in RESA come into force as of 01.07.2012 and no transitional legal-administrative procedure is in place until then. In the meantime, **new PV projects will not have access to the electricity grid**.

Additionally, another major new barrier has been introduced by the amendment in May 2011 of the act for Protection of Agricultural Lands (PALA) where **a ban for the use of certain agricultural lands for PV has been introduced**. The affected territories amount to approximately 40% of the total agricultural land stock.

There are still several subordinate Acts to be adopted by the national authorities according to RESA and PALA. They have to clarify – or indeed, to introduce - many of the legal-administrative procedures regarding legalization, building and grid connection of PV.

The PV sector is clearly concerned about current developments in Bulgaria which largely contradict the provisions of the RES Directive as regards to administrative simplification and grid integration.