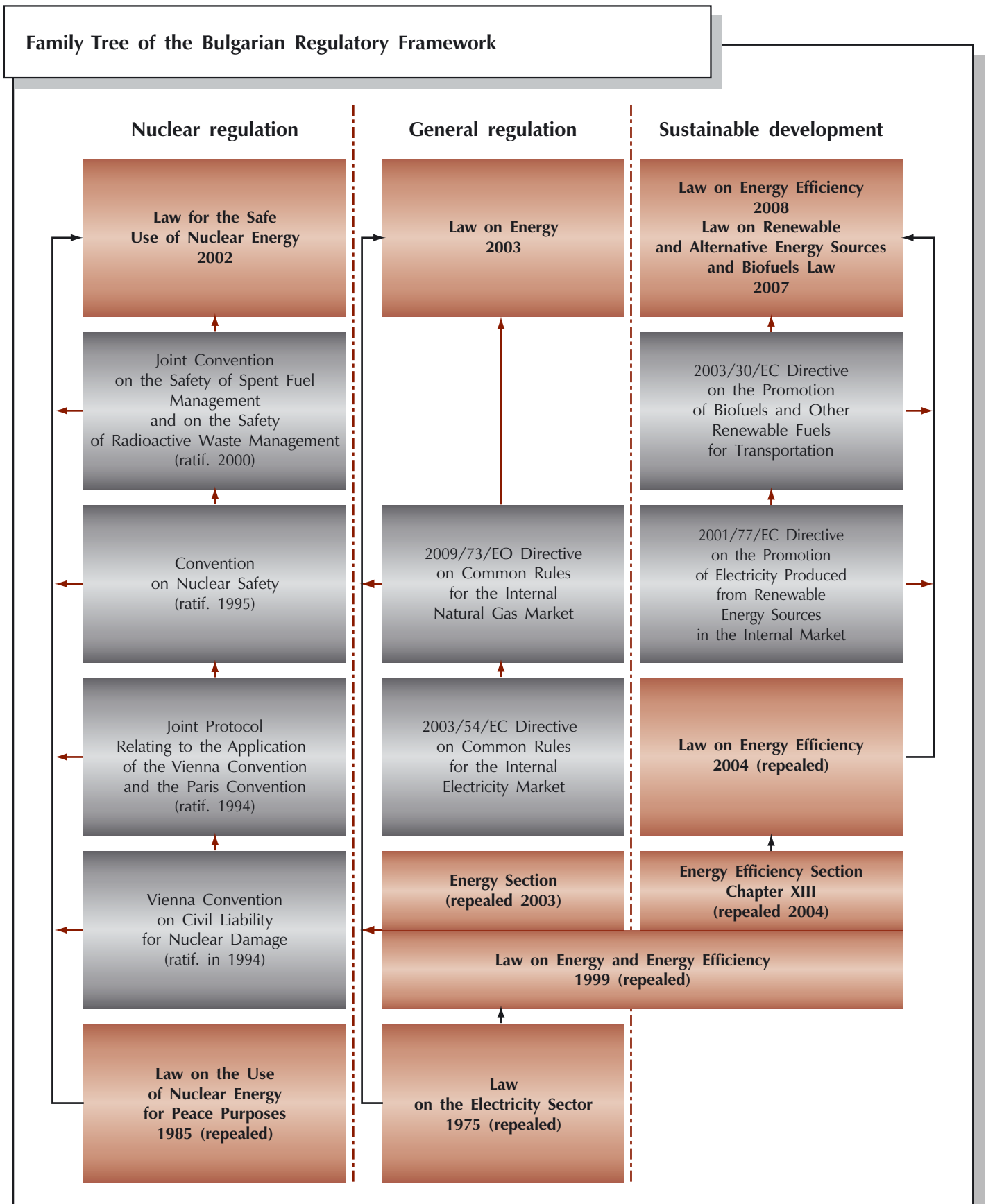


ANNEX 1. FAMILY TREE OF THE BULGARIAN REGULATORY FRAMEWORK



ANNEX 2. THRESHOLDS FOR PUBLIC PROCUREMENT FOR SECTOR CONTRACTORS

Thresholds for Public Procurement for Sector Contractors

CONSTRUCTION		
	From	To
Public Procurement Law (thresholds)	2,150,000	unlimited
Ordinance on the Award of Special-purpose Public Procurements (thresholds)	200,000	2,150,000
Three-offer thresholds	45,000	200,000
No procedure (with invoice)	0	45,000
DELIVERY		
	From	To
Public Procurement Law (thresholds)	180,000	unlimited
Ordinance on the Award of Special-purpose Public Procurements (thresholds)	50,000	180,000
Three-offer thresholds	15 000	50,000
No procedure (with invoice)	0	15,000
SERVICES		
	From	To
Public Procurement Law (thresholds)	110,000	unlimited
Ordinance on the Award of Special-purpose Public Procurements (thresholds)	50,000	110,000
Three-offer thresholds	15,000	50,000
No procedure (with invoice)	0	15,000
CALL FOR PROJECTS		
	From	To
Public Procurement Law (thresholds)	110,000	unlimited
Ordinance on the Award of Special-purpose Public Procurements (thresholds)	30,000	110,000
Three-offer thresholds	0	30,000
No procedure (with invoice)	0	30,000

Note: The amounts are in leva (BGN) excl. VAT as of 1.1.2009 and the projects are implemented in the country.

ANNEX 3. PUBLIC PROCUREMENT CONTRACTS IN THE ENERGY SECTOR IN 2008 – 2009

Public Procurement Contracts in the Energy Sector in 2008 – 2009

No.	Energy Sector	Name of Contractor	2008					2009				
			Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts		Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts	
						cur- rency	value				cur- rency	value
	Electricity				222	BGN	85,798,723			157	BGN	106,877,313
1		Kozloduy Nuclear Power Plant	353	244	26	EUR	77,430,507	353	144	20	EUR	24,604,484
					-	USD	-			-	USD	-
2		Brikel EAD, Galabovo	758	3	2	BGN	1,904,772	758	5	3	BGN	64,500
					1	EUR	518,402			-	EUR	-
3		Kozloduy Nuclear Power Plant	1,281	6	3	BGN	261,583	1,281	2	1	BGN	6,595,000
					-	EUR	-			1	EUR	98,000
4		EVN Bulgaria EP (EVN Bulgaria Elektrorazpredelenie AD)	143	59	123	BGN	2,937,259	143	66	166	BGN	72,068,374
					1	EUR	0			-	EUR	-
5		EVN Bulgaria Toplofikatsia Plovdiv EAD	129	2	1	BGN	0	129	-	-	BGN	-
6		Electricity System Operator EAD	1,379	121	140	BGN	57,459,136	1,379	102	108	BGN	29,854,974
					5	EUR	1,902,167			4	EUR	1,901,265
7		Electricity Distribution Pleven AD	924	-	-	BGN	-	924	-	-	BGN	-
8		Electricity Distribution Sofia Oblast AD	155	-	7	BGN	739,342	155	-	-	BGN	-
9		Electricity Distribution Stolichno AD, Electricity Distribution Sofia Oblast AD, Electricity Distribution Pleven AD	695	-	27	BGN	0	695	-	16	BGN	0
10		Electricity Distribution Stolichno AD	542	-	4	BGN	1,512,411	542	-	-	BGN	-
					104	BGN	31,983,190			73	BGN	20,708,532
11		Enel Maritsa Iztok 3 AD	15	137	45	EUR	15,591,343	15	56	45	EUR	11,210,371
					-	GBP	-			-	GBP	-
					1	USD	2,050,000			1	USD	1,797,000
12		Energopro Bulgaria EAD	992	1	-	BGN	-	992	-	-	BGN	-
13		E.ON Bulgaria Grid AD	609	42	83	BGN	33,129,760	609	16	23	BGN	9,279,496
14		E.ON Bulgaria Sales AD	225	-	60	BGN	2,971,559	225	-	41	BGN	12,734,542
15		ESO EAD, Network Operational Region – Ruse	1,379	1	1	BGN	202,985	1,379	-	-	BGN	-
					86	BGN	84,266,195			47	BGN	46,278,755
16		National Electric Company EAD	26	110	14	EUR	13,958,632	26	52	9	EUR	19,530,505
					-	USD	-			-	USD	-
17		National Electric Company EAD – Beleno NPP	26	-	-	BGN	-	26	-	-	BGN	-
18		National Electric Company EAD – Rila Hydro Power Group, Sofia	26	5	6	BGN	523,778	26	1	3	BGN	211,263
19		National Electric Company EAD – High Voltage Networks Enterprise	26	-	-	BGN	-	26	-	-	BGN	-
20		National Electric Company EAD – Trafoelectroinvest, Sofia	26	-	10	BGN	2,296,034	26	-	6	BGN	1,225,963
21		National Electric Company EAD – Dams and Cascades, Sofia	26	3	2	BGN	113,158	26	2	3	BGN	165,709

**Public Procurement Contracts in the Energy Sector in 2008 – 2009
(continued)**

No.	Energy Sector	Name of Contractor	2008					2009				
			Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts		Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts	
						cur- rency	value				cur- rency	value
22	Electricity	Bobov Dol TPP	217	38	36	BGN	11,531,901	217	12	25	BGN	7,536,093
					-	EUR	-			1	EUR	58,000
23		Varna TPP EAD, Ezerovo	123	62	55	BGN	8,492,512	123	30	49	BGN	8,552,717
24		Maritsa Iztok 3 TPP, Dimitrovgrad	460	1	1	BGN	0	460	2	2	BGN	147,200
25		Maritsa Iztok 2 TPP EAD	246	234	306	BGN	204,375,748	246	133	225	BGN	80,513,323
					-	EUR	-			1	EUR	6,419,200
26		Toplofikacia Varna EAD	421	-	-	BGN	-	421	-	-	BGN	-
27		Toplofikacia Pleven EAD	305	15	11	BGN	1,540,086	305	6	9	BGN	1,046,131
28		Toplofikacia Rousse EAD	678	30	22	BGN	2,461,579	678	22	18	BGN	2,417,738
					-	EUR	-			-	EUR	-
29		Toplofikacia Sliven EAD	198	7	6	BGN	2,744,389	198	3	3	BGN	1,724,729
30		Toplofikacia Sofia EAD	277	75	93	BGN	14,521,159	277	56	84	BGN	6,610,199
					2	EUR	664,197			2	EUR	1,093,752
31	CEZ Distrubution Bulgaria AD	1,467	41	93	BGN	12,080,439	1,467	45	76	BGN	15,182,454	
32	Production, transmission and distribution of natural gas and heating	Balkangaz 2000 AD, Botevgrad	967	2	1	BGN	41,040	967	-	-	BGN	-
33		Brikel EAD, Galabovo	758	-	-	BGN	-	758	-	-	BGN	-
34		Bulgargaz EAD	428	-	-	BGN	-	428	-	-	BGN	-
					-	EUR	-			-	EUR	-
35		Bulgargaz EAD	1,352	1	1	BGN	213,000	1,352	1	-	BGN	-
					69	BGN	10,974,843			43	BGN	9,684,433
36		Bulgartransgaz EAD	1,351	99	6	EUR	1,739,474	1,351	43	2	EUR	2,402,600
					1	USD	1,612,000			-	USD	-
37		EVN Bulgaria Toplofikatsia EAD	129	4	5	BGN	1,675,880	129	14	15	BGN	5,319,288
					-	EUR	-			1	EUR	1,699,000
38		E.ON Bulgaria Grid AD	609	-	-	BGN	-	609	-	-	BGN	-
39		Kavarna Gas, LLC	1,567	1	-	BGN	-	1,567	-	-	BGN	-
40		Nevrokop Gas AD	1,955	-	-	BGN	-	1,955	2	2	BGN	4,314,046
41	National Electric Company EAD – High Voltage Networks Enterprise	26	-	-	BGN	-	26	1	-	BGN	-	
42	Svilengrad Gas AD	1,951	-	-	BGN	-	1,951	2	2	BGN	2,945,538	
43	Electricity Distribution Stolichno AD	542	-	-	BGN	-	542	-	-	BGN	-	
44	Sigas, Silistra	1,576	1	1	BGN	42,790	1,576	-	-	BGN	-	
45	Maritsa Iztok 2 Thermal Power Plant EAD	246	-	-	BGN	-	246	-	-	BGN	-	
46	Toplofikacia Varna EAD	421	-	-	BGN	-	421	-	-	BGN	-	
47	Toplofikacia Pernik EAD	305	15	11	BGN	1,540,086	305	6	9	BGN	1,046,131	
48	Toplofikacia Rousse EAD	678	30	22	BGN	2,461,579	678	22	18	BGN	2,417,738	
				-	EUR	-			-	EUR	-	
49	Toplofikacia Sliven EAD	198	7	6	BGN	2,744,389	198	3	3	BGN	1,724,729	
50	Toplofikacia Sofia EAD	277	75	93	BGN	14,521,159	277	55	84	BGN	6,610,199	
				2	EUR	664,197			2	EUR	1,093,752	
51	Toplofikacia Shumen EAD	1,184	-	-	BGN	-	1,184	-	-	BGN	-	

**Public Procurement Contracts in the Energy Sector in 2008 – 2009
(continued)**

No.	Energy Sector	Name of Contractor	2008					2009				
			Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts		Con- tractor account	Public Procurement Contracts (count)	Number of signed contracts	Total value of the signed contracts	
						cur- rency	value				cur- rency	value
52	Exploration and extrac- tion of coal and other solid fuels	Causto-Gold AD, Kyustendil	552	4	3	BGN	2,480,259	552	-	-	BGN	-
53		Zdravetz Mine EAD (be- ing currently liquidated)	592	3	2	BGN	259,620	592	2	2	BGN	261,200
54		Pirin EAD Mine, Simitli	323	-	-	BGN	-	323	-	-	BGN	-
55		Mini Maritsa Iztok EAD, Radnevo	265	182	198	BGN	197,326,213	265	85	132	BGN	65,511,032
				5	EUR	620,731	265		2	EUR	27,688,016	
56	Exploration or extraction of natural gas or oil	Mini Maritsa Iztok EAD, Radnevo	265	1	9	BGN	3,161,871	265		1	BGN	500,000
57		Oil and Gas Exploration and Production AD, Sofia	1,123	1	-	BGN		1,123	2	-	BGN	-
					-	EUR				1	EUR	200,000
58		Rusgeokom BG AD	1,754	1	1	EUR	915,000	1,754	2	1	EUR	18,590

Notes:

1. The figures for "Number of signed contracts" and "Total value of signed contracts" include calls for projects.
2. The information is based on the data available at PPA as of 11.01.2010.
3. Some contractors appear in different energy sectors because in the document (notice or information on the contract) the contractor has indicated more than one core business.
4. The column for "Public procurement contracts (count)" includes public procurement contracts opened in the current year.
5. The columns for "Public procurement contracts (count)" and "Total value of contracts" include the contracts signed during the respective year.

Source: Public Procurement Agency, 2010.

ANNEX 4. EXTRACTIVE INDUSTRY TRANSPARENCY INITIATIVE

The Extractive Industry Transparency Initiative (EITI) is a relatively new initiative, announced for the first time at the World Summit on Sustainable Development in Johannesburg, South Africa in September 2002. Its principles for increasing transparency over financial transactions between extractive companies and governments in resource rich countries were agreed in 2003. Some new possibilities of expanding the initiative from extractive industries to transport and transit of fossil fuels are presently under discussion in the EITI framework. Ukraine and Bulgaria, as two major transit countries, are expected to pioneer in this endeavor. By publicly endorsing the initiative in 2003, the World Bank has now been assigned a specific role, as a leading international institution, to openly advocate for structuring the transparency of revenues.

In order to fulfill the EITI's global standard minimum and accede to the initiative, candidate countries should meet a set of criteria and indicators applied by EITI. Basic indicators in the preparation process and the EITI implementation phase are:

- Official public declaration stating the will of the government to participate in the initiative;
- Eagerness of the government to cooperate with the companies and civil society organizations on matters related to EITI;
- Active participation of all stakeholders in the process;
- Formation of a multi-stakeholder group – government, businesses, and civil society organizations;
- Development and publication of an Action Plan for candidacy and implementation of EITI (including budget, risk management strategy, etc.);
- Preparation of methodology for monitoring and reporting on the extractive/transit industry revenues;
- Consensus over the selection of a reconciler in the EITI implementation process;
- Government-guaranteed transparency over the activities of all relevant extractive industry companies;
- Provision of accurate data of companies, verified by independent external audit of these companies

- Guaranteed access for the reconciler to the data on all participating extractive industry companies in the country and to the account books of state revenues in the sector;
- Proven match between data on payments and revenues submitted by both companies and state agencies;
- Broad publicity of the payment and revenues verification by the independent reconciling organization.