

NOTICES FROM MEMBER STATES

DECISION No 485

of 6 August 2019

opening a procedure for granting authorisation for the prospection and exploration of oil and natural gas, being underground natural resources as defined in Article 2(1)(3) of the Underground Natural Resources Act, in 'Block 1-26 Tervel', located in the exclusive economic zone of the Republic of Bulgaria in the Black Sea, and announcing that authorisation will be granted on the basis of a competitive bidding procedure

(2020/C 102/06)

REPUBLIC OF BULGARIA COUNCIL OF MINISTERS

Pursuant to Articles 5(2), 7(2)(8), 42(1)(1) and 44(3) of the Underground Natural Resources Act, and Articles 4(1)(1) and 16 of the Regulation on the conduct of bidding and tendering procedures for granting authorisation for the prospection and/or exploration of, and awarding concessions for the production of, underground natural resources as defined by the Underground Natural Resources Act, adopted by Council of Ministers Resolution No 231 of 11 October 2010, and a reasoned proposal by the Minister for Energy:

THE COUNCIL OF MINISTERS HAS DECIDED AS FOLLOWS:

1. A procedure shall be opened for granting authorisation for the prospection and exploration of oil and natural gas in 'Block 1-26 Tervel', located in the exclusive economic zone of the Republic of Bulgaria in the Black Sea, having an area of 4 032 km² and defined by coordinates 1 to 7 as specified in the Annex.
2. The authorisation referred to in point 1 shall be granted on the basis of a competitive bidding procedure under which bidders are not present when the bids are considered.
3. The authorisation period for prospection and exploration shall be set at five years from the date on which the prospection and exploration agreement enters into force, with a right to extend this period pursuant to Article 31(3) of the Underground Natural Resources Act.
4. The deadline for purchasing the bidding dossier shall be 17.30 on the 120th day following the publication of this Decision in the *Official Journal of the European Union*.
5. The deadline for submitting applications to take part in the competitive bidding procedure shall be 17.30 on the 140th day following the publication of this Decision in the *Official Journal of the European Union*.
6. The deadline for submitting bids in accordance with the bidding dossier shall be 17.30 on the 155th day following the publication of this Decision in the *Official Journal of the European Union*.
7. The bidding dossier price shall be BGN 10 000. The bidding dossier is to be obtained from the Ministry of Energy at: ul. Triaditsa 8, Sofia, by the deadline specified in point 4 upon presentation of a payment order.
 - 7.1. The amount specified in point 7 shall be paid into the bank account of the Ministry of Energy:
BIC of the BNB for payments in Bulgarian currency (BGN) – BNBGBGSD;
SWIFT code of the BNB for payments in foreign currency – BNBGBGSF;
IBAN – BG94 BNBG 9661 3000 1421 01, BNB headquarters.
 - 7.2. The following should be recorded on the payment order: 'For the bidding dossier for 'Block 1-26 Tervel' purchased on behalf of the applicant' whose name must be written on the payment order.
 - 7.3. The person receiving the bidding dossier shall sign a declaration on behalf of the applicant, undertaking to protect the confidentiality of the information contained therein.
8. Applicants wishing to participate in the bidding procedure must fulfil the requirements specified in Article 23(1) of the Underground Natural Resources Act.
9. The applicant or where the applicant is a grouping, each of its members, must provide a declaration confirming the absence of the circumstances under Article 2 in conjunction with § 1 of the Additional Provisions of the Act on economic and financial relationships with companies registered in preferential tax regime jurisdictions, entities controlled by them and their beneficial owners (ZIFODRYUPDRKTLTDS) (SG No 1, 2014) or evidence of the existence of circumstances under Article 4 of ZIFODRYUPDRKTLTDS.

10. The applicant enterprise or grouping must possess at least the minimum managerial capabilities required for carrying out prospection and exploration activities. As proof of such capabilities, all the following conditions must be met:
 - 10.1 the applicant or, where the applicant is a grouping, each of its members, must provide original references from business partners and
 - 10.2 the applicant or, where the applicant is a grouping, at least one of its members, must provide evidence of professional expertise and experience obtained in managing at least one project for the offshore prospection and/or exploration, or production of mineral resources – oil and natural gas.
 - 10.3 The applicant may prove managerial capabilities by reference to the capabilities of connected third parties, whether natural or legal persons, provided the applicant presents evidence of the use of the capabilities of these third parties, as well as documents proving their professional expertise and management experience. Proof of the capabilities of third parties shall be furnished through the presentation of documents as specified in the bidding dossier.
11. The applicant enterprise or, where the applicant is a grouping, at least one of its members, must have generated a minimum of EUR 150 000 000 (one hundred and fifty million) total net sales revenue for the three preceding financial years (depending on the date of its establishment). Where the applicant is a grouping which is not a legal person, the requirement set out in this point applies to the grouping as a whole;

or

 - 11.1 the applicant or, where the applicant is a grouping, at least one of its members, must provide a reference from a bank or other financial institution certifying that it has the necessary financial means at its disposal to implement the oil and natural gas prospection and exploration activities in 'Block 1-26 Terve';

or
 - 11.2 the applicant or where the applicant is a grouping, at least one of its members, must submit a letter of intent from a bank or other financial institution regarding the provision to the applicant of the funds necessary for the implementation of the oil and natural gas prospection and exploration activities in 'Block 1-26 Terve'.
 - 11.3 Evidence of financial resources may be provided by reference to the resources of connected third parties, whether natural or legal persons, provided the applicant can prove that these resources will be made available to it, specifying their amount in BGN. Proof of the capabilities of third parties shall be furnished through the presentation of documents as specified in the bidding dossier.
12. Applicants' bids shall be evaluated on the basis of the proposed work programmes, resources devoted to environmental protection and bonuses, as provided for in the bidding dossier.
13. The deposit for participation in the competitive bidding procedure shall be set at BGN 15 000, payable by the deadline specified in point 5 into the bank account of the Ministry of Energy:

BIC of the BNB for payments in Bulgarian currency (BGN) – BNBGBGSD;

SWIFT code of the BNB for payments in foreign currency – BNBGBGSF;

IBAN – BG75 BNBG 9661 3300 1421 03, BNB headquarters.
14. Applicants who are not admitted to the competitive bidding procedure shall have their deposits reimbursed within 14 days from the date on which the selection board's decision not to admit them comes into effect.
15. The successful bidder's deposit shall be reimbursed within 14 days from the entry into force of the agreement, and the other bidders' deposits shall be reimbursed within 14 days from the publication in the State Gazette of the Council of Ministers' decision to grant authorisation for prospection and exploration.
16. Applications to take part in the competitive bidding procedure and bids under the competitive bidding procedure shall be submitted to the Registry of the Ministry of Energy at: ul. Triaditsa 8, Sofia, in Bulgarian, in accordance with Article 46 of the Underground Natural Resources Act.
17. Bids shall comply with the requirements and conditions specified in the bidding dossier.
18. The competitive bidding procedure shall take place even if only one applicant is admitted to take part in it.
19. The Minister of Energy is authorised to:
 - 19.1 send this Decision for publication in the *Official Journal of the European Union*;

- 19.2 organise and conduct the competitive bidding procedure.
20. This Decision shall be published in the State Gazette and on the Council of Ministers website.
21. Appeals against this Decision may be addressed to the Supreme Administrative Court within 14 days of its publication in the *Official Journal of the European Union*.

Prime Minister
Boyko BORISOV

Secretary-General of the Council of Ministers
Veselin DAKOV

Secretary-General
Tatyana SEKULOVA

*Director of the Directorate for Legal Affairs,
Administrative Services and Human Resources of The
Ministry of Energy*
Miroslava HRISTOVA

ANNEX

Register of boundary point coordinates of 'Block 1-26 Tervel'

(WGS84 coordinate system)

No	Longitude E	Latitude N
1	29°07'28,85"	42°48'47,00"
2	30°34'10,00"	42°48'03,00"
3	29°58'30,00"	42°33'27,00"
4	29°49'36,00"	42°29'24,00"
5	29°34'20,00"	42°26'24,00"
6	29°20'45,00"	42°14'28,00"
7	29°07'32,31"	42°11'22,71"