



**REPUBLIC OF BULGARIA**  
**MINISTER OF TRANSPORT,**  
**INFORMATION TECHNOLOGY AND COMMUNICATIONS**

**TO**  
**ALL INTERESTED PERSONS IN THE PROCEDURE FOR**  
**GRANTING A CONCESSION FOR SERVICE FOR THE OBJECT**  
**“CIVIL AIRPORT FOR PUBLIC USE SOFIA”**

**RE:** *Received questions concerning the procedure for granting a concession for service for the object “Civil airport for public use Sofia”*

**DEAR SIR/MADAM,**

In connection with questions received from interested party concerning the procedure for granting a concession for service for the object “civil airport for public use Sofia” – public state property, we inform you as follows:

<b>Nº</b>	<b>Ref. document</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>
1.	DP – 6.2.1& 6.4.1	Criteria for selection	It is mentioned that the airport operator should have a "leading role" in the consortium with a "prevailing" percentage of participation in it. Can you please clarify the exact meaning of "prevailing". Is it for example possible for the airport operator to hold less than 50% of the shares as long as it's operational control and influence on the airport operations are contractually assured (e.g. through super minority rights for decisions related to the management and operation of the airport)?	Prevailing percentage of participation means that the participant in the association, who will prove the experience of participants in the opened procedure as an airport operator should have percentage of participation bigger than the sum of the percentages of all other participants in the association. This prevailing percentage of participation should also allow the participant in the association, who proves experience as an airport operator to have a crucial role in making decisions in the General Assembly of the established for the purposes of the concession agreement project company related to the management and operation of the airport.
2.	DP – 6.4.1	Criteria for selection	We understand that the bidders in the consortium shall maintain their percentages as well as the control over the management, except with the written consent of the concession grantor. Is it possible to contractually agree prior to bid submission on a list of scenarios / criteria and if they are met, the concession grantor will agree not to withhold its approval. This is in	There is no such possibility. According to Art. 6.4.4. in case of selecting for a concessionaire a participant in the procedure, who has applied as an association which has no legal personality of its own, the concession is granted to a newly established capital commercial company registered under the Commercial Law of the Republic of Bulgaria, or a person registered as a merchant under the laws of the state - member of the European Union or other state

			line with transactions where consortia members are added or replaced as long as they meet the grantor's criteria.	- party to the Agreement on the European Economic Area in which the participants in the association have total capital in the proportion of their Unification Treaty and the participants should retain its percentage shareholding in the company - concessionaire, rights aloud in the General Assembly as well as the control in managing it throughout the period of the concession, except with the express written consent of the grantor. The preliminary introduction of scenarios/criteria, the implementation of which the grantor in advance to agree that it will give its consent, can be understood as an amendment of the Documentation for participation in the procedure for granting a concession.
3.	CA – 3.18	Regulated return	Is our understanding correct, that the new concessionaire will adjust the tariffs in direct negotiations with the airlines, in order to always achieve the 20.6% combined pre-tax return (concession fee plus regulated return)?	Airport charges of Sofia Airport are determined by Methodology for setting the airport charges collected by the airport operator at an airport with annual traffic of over 5 million passenger movements or by the airport operator with the highest passenger movements in the Republic of Bulgaria (Airport - Sofia) - published as Appendix № 1 of the Ordinance for the fees. The methodology contains information on the structure of costs attributable to airport charges. In establishing airport charges in accordance with the principles of the Convention on International Civil Aviation (adopted on December 7, 1944 and ratified by Decree № 596 of August 4, 1966 the Presidium of the National Assembly for accession - SG. 62 1966) and the terms and conditions of Chapter X "B" (Art. 122e - Art. 122t) of the Civil Aviation Act, to the cost for introducing the necessary standards ensuring safety and safe landing and parking of aircraft the expense for servicing and security of the passengers and the expense for concession payment is added also a percentage of regulated rate of return proposed in the offer of the participant selected as a concessionaire in accordance with the following condition - the sum of the percentages of the regulated rate of return and the concession payment should be equal to 20.6%.
4.	DP - XIII	Value of concession	Will you make available the detailed model and assumptions of calculating the value of the	All available information on determining the value of the concession referred to in Section XIII of the Documentation for participation

			concession? If so, by when and in what format?	in the procedure. In this regard, please also keep in mind also Article 8 "Threshold and a method for calculating the estimated value of the concessions" of Directive 2014/23/EC of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts.
5.	PI	Financial Statements	From the financial statements 2015 we understand that BGN 81m of airport fees were collected by the state (not by the airport) and BGN 48m have been paid to the airport for financing its operations. After concession start all airport fees will be collected directly by the airport (no longer by the state) and the airport company will in return pay a yearly concession fee of 7% of total revenues to the state. Can you confirm our understanding? Are there any other revenue streams directly to the state to be considered?	The participant selected as a concessionaire will receive the right to collect all airport fees, revenue from ground handling activities that it performs as well as revenue from carrying out economic activities. The concessionaire will have the obligation to pay annual concession payment in the amount determined according its tender, as a percentage of net revenue of the concessionaire for the year determined according the offer of the concessionaire, but not less than 7 percent of total net revenues from all activities for the current year that are related to the use of the object of concession. The amount of the annual concession payment can not be less than 9.957 million leva, VAT excluded.