



EUROPEAN COMMISSION
DIRECTORATE-GENERAL
REGIONAL AND URBAN POLICY
Administrative Capacity Building and South-East Europe
The Director

Brussels,
DG REGIO E.3/TsV/sd (2013)3406822

Dear Deputy-Minister,

Subject: Major project application "Bypass of Gabrovo – Phase I", CCI number 2013BG161PR001 and

Major project application "Kalotina-Sofia" Motorway - Lot 1 "Western arc of Sofia Ring Road (SRR)", CCI number 2012BG161PR005

On 26 September 2013 the Bulgarian authorities submitted via SFC 2007 to the Commission an application for the major project "Bypass of Gabrovo – Phase I", and on 30 September 2013 an application for the major project "Kalotina-Sofia" Motorway - Lot 1 "Western arc of Sofia Ring Road (SRR)". Both projects request a total Cohesion Fund contribution of EUR 131 584 097 under the priority axis 'Development of the road infrastructure along the Trans-European and the major national transport axes' of the Operational Programme Transport 2007-2013.

The Commission services are of the opinion that these major project applications **cannot be considered admissible**.

At an overall programme level, the Bulgarian authorities have not yet allocated sufficient Cohesion Fund budget to allow for the implementation of major projects which have already been approved by the European Commission. Some EUR 75 million need to be additionally provided for the railway projects for Septemvri-Plovdiv, (CCI 2011BG161PR003, Commission Decision C(2012) 23 as of 16.1.2012), and Parvomai-Svilengrad, (CCI 2010BG161PR004 Commission Decision C(2011) 9936 as of 22.12.2011).

Mr P. Kirov
Deputy-Minister for Transport, Information Technology & Communication
c/o Managing Authority OP Transport
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BULGARIA

According to our latest information, the Bulgarian authorities plan to obtain the EUR 75 million through an EIB loan. The Commission services fully respect this choice, but the last one year shows that it can take long time before the Bulgarian authorities have effectively taken the necessary actions to secure financing in this way.

In order to ensure sound financial management, the non-allocated Cohesion Fund budget needs to be kept under the programme as a reserve. In case that the plans for obtaining an EIB loan do not progress as planned, such a reserve could be transferred to the already approved major projects, that otherwise risk not being completed.

We therefore invite you to resubmit the major project applications in subject via SFC 2007, only after the EIB loan has actually been obtained and made available to the beneficiary of the above mentioned railway projects.

Yours faithfully



Vittoria Alliata-di Villafranca

C.c.: H.E. D. Tzantchev, Ambassador, Permanent Representation of Bulgaria to the EU
Ms Z. Zlatanova, Deputy Prime Minister responsible for the EU Funds
Ms D. Krasteva, Council of Ministers, Bulgaria