

# MERGER NOTIFICATION AND PROCEDURES TEMPLATE

## COMMISSION ON PROTECTION OF COMPETITION BULGARIA

JULY 2015

Website: <http://www.cpc.bg/Competence/ConcentrationsDescription.aspx>

**IMPORTANT NOTE:** This template is intended to provide background on the jurisdiction's merger notification and review procedures. Reading the template is not a substitute for consulting the referenced statutes and regulations.

[PART 1: LEGISLATION, GUIDELINES AND JURISDICTION \(Questions 1 – 4\)](#)

[PART 2: PRE-NOTIFICATION, NOTIFICATION AND DECISION \(Questions 5 – 14\)](#)

[PART 3: CONFIDENTIALITY, TRANSPARENCY AND INTERAGENCY MERGER COOPERATION \(Questions 15 – 17\)](#)

[PART 4: SANCTIONS \(Question 18\)](#)

[PART 5: POST-REVIEW MATTERS/JUDICIAL REVIEW \(Questions 19 – 23\)](#)

QUICK LOOK SUMMARY	
<b>Mandatory or voluntary regime?</b>	<input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Voluntary
<b>Power to review non-notifiable transactions?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>What are the time limits for review?</b>	Initial review / Phase I <input type="text" value="25 working days"/> Extended review / Phase II <input type="text" value="Within four months"/>
<b>Substantive merger test?</b>	<input checked="" type="checkbox"/> Dominance <input type="checkbox"/> Significant impediment to effective competition <input type="checkbox"/> Substantial lessening of competition <input type="checkbox"/> Other <input type="text"/>

## PART 1: LEGISLATION, GUIDELINES AND JURISDICTION

### 1. Legal authority and guidance: Merger notification and review

(please provide title(s), popular name(s), effective date and citation(s)/web address)

#### Statutory law

<b>A. Notification provisions</b>	<p>Law on Protection of Competition (promulgated in SG, Issue 102 of 28.11.2008, in force as of 02.12.2008) (“LPC”)</p> <p>Home page address: <a href="http://www.cpc.bg">www.cpc.bg</a></p> <p>Languages: Bulgarian, English</p> <p>The Law on Protection of Competition is available on the homepage:  <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> (in Bulgarian)</p> <p>and</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> (in English)</p>
<b>B. Substantive merger review provisions</b>	Chapter 5 of the LPC
<b>C. Implementing regulations</b>	Chapter 10 of the LPC
<b>D. Notification forms or information requirements</b>	<p>Article 79 of LPC sets out the information which shall be provided in the notification form</p> <p>Notification Form for Concentration and Instructions for its completion - adopted by Decision of CPC (20.01.2009)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation - Concentrations notification form</b></p>

#### Agency guidance

<b>E. Guidance on merger notification process (e.g., regarding the calculation of thresholds, etc.)</b>	<p>Instructions for completing the notification form under Article 70 of the LPC - adopted by Decision of CPC (20.01.2009)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - Secondary legislation - Concentrations notification form</p> <p>Methodology on Investigation and Definition of the Market Position of Undertakings in the Relevant Market - adopted by</p>
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	<p>Decision of CPC (21.04.2009)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<b>F. Guidance on substantive assessment in merger review</b>	<p>Methodology on Investigation and Definition of the Market Position of Undertakings in the Relevant Market - adopted by Decision of CPC (21.04.2009)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<b>G. Guidance on merger remedies</b>	<p>Rules on imposing remedies, necessary to maintain the effective competition - adopted by Decision of CPC (20.12.2011)</p> <p><a href="http://www.cpc.bg/Competence/ConcentrationsLegislation.aspx">http://www.cpc.bg/Competence/ConcentrationsLegislation.aspx</a> - (in Bulgarian)</p>
<b>H. Guidance on the submission of information, especially regarding economic evidence or data, or electronic information</b>	<p>Instructions for completing the notification form under Article 70 of the LPC - adopted by Decision of CPC (20.01.2009)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - Secondary legislation - Concentrations notification form</p>
<b>I. Guidance or statements regarding the treatment of confidential information and/or domestic laws/regulations on third-party or public access to information provided during the review process (e.g., transparency regulations or freedom of information provisions)</b>	<p>Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law - adopted by Decision of CPC (19.02.2009) and amended by Decision of CPC (13.03.2013)</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p> <p><b>See also Article 55 (Access to file) of the LPC</b></p>
<b>J. Guidance on pre-notification consultations</b>	<p>There is no formal guidance, but it is possible to consult with the CPC regarding the information that should be contained in the Notification under Article 79 of the LPC.</p>
<b>K. Other relevant notices, policy statements, interpretations, rules, or guidance on aspects of merger review or the agency's decision-making process</b>	<p>No.</p>
<b>L. If available, please provide a link to statistics on annual notifications received, clearances, prohibitions etc.</b>	<p>Annual reports on the activities of the CPC</p> <p><a href="http://www.cpc.bg/General/Publications.aspx">http://www.cpc.bg/General/Publications.aspx</a></p>

## 2. Agency or agencies responsible for merger enforcement

<b>A. Name of agency. If there is more than one agency, please describe allocation of responsibilities.</b>	Commission on Protection of Competition (CPC)
<b>B. Address, telephone and fax (including country code), e-mail, website address and languages available.</b>	18 Vitosha Blvd. Sofia 1000 Bulgaria Tel: +359 2 935 61 13 Fax: +359 2 980 73 15 E-mail: <a href="mailto:cpcadmin@cpc.bg">cpcadmin@cpc.bg</a> <a href="http://www.cpc.bg">www.cpc.bg</a> in Bulgarian and English
<b>C. Agency contact information for jurisdiction/filing guidance (including possible pre-notification consultations).</b>	Before filing the Notification under Article 79 of the LPC the notifying party may consult with the CPC regarding the information that should be contained in it.  “Antitrust and Concentrations ” Directorate Head of “Concentrations” Unit Albena Dincheva  Tel: +359 2 935 61 19 Fax: +359 2 980 73 15 E-mail: <a href="mailto:dincheva@cpc.bg">dincheva@cpc.bg</a>

## 3. Jurisdiction: Covered transactions

<b>A. Definitions of potentially covered transactions (i.e., share acquisitions, asset acquisitions, mergers, demergers and combinations such as consolidations, amalgamations and joint ventures)</b>	Pursuant to Article 22 (1) and (2) of the LPC: (1) A concentration of undertakings shall be deemed to arise where there is a change of control on a lasting basis, which results from: 1. the merger or takeover of two or more independent undertakings, or 2. the acquisition, by one or more persons already controlling at least one undertaking, whether by purchase of securities, shares or assets, by contract or by any other means, of direct or indirect control of the whole or parts of other undertakings. (2) The creation of a joint venture performing on a lasting basis all the functions of an autonomous economic entity shall also constitute a concentration within the meaning of paragraph (1).
<b>B. If change of control is a determining factor, how is control defined and interpreted in practice?</b>	Pursuant to Article 22 (3) of the LPC control shall be constituted by rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising decisive influence on an undertaking, in particular by acquiring: 1. ownership or the right to use the entirety or part of the assets of the undertaking; 2. rights, including on the basis of a contract, which provide a possibility for decisive influence on the composition, voting or decisions of the organs of the undertaking.

<p><b>C. Are partial (less than 100%) interests/minority shareholdings covered? At what levels?</b></p>	<p>Yes, as long as the transaction is a concentration and meets the thresholds within the meaning of Article 24 (1) of the LPC.</p>
<p><b>D. If the notification requirements cover joint ventures, what types of joint venture are covered (e.g., production joint ventures)?</b></p>	<p>Yes. Article 22 (2) of the LPC provides that the creation of a joint venture performing on a lasting basis all the functions of an autonomous economic entity shall also constitute a concentration within the meaning of paragraph (1).</p>

#### 4. Jurisdiction: Thresholds for notification

##### Key threshold information

<p><b>A. What are the thresholds for notification? If the thresholds are subject to adjustment, state on what basis and how frequently (e.g., for inflation, annually)</b></p>	<p>Pursuant to Article 24 (1) of the LPC concentrations shall be subject to mandatory prior notification to the CPC where the aggregate combined turnover of all undertakings participating in the concentration in the territory of the Republic of Bulgaria in the preceding year exceeds BGN 25 million, and</p> <ol style="list-style-type: none"> <li>1. the turnover of each of at least two of the undertakings participating in the concentration in the territory of the Republic of Bulgaria during the preceding financial year exceeds BGN 3 million, or</li> <li>2. the turnover of the undertaking – subject to acquisition in the territory of the Republic of Bulgaria during the preceding fiscal year exceeds BGN 3 million.</li> </ol> <p>See also the Notification Form for Concentration and Instructions for its Completion - adopted by Decision of CPC (20.01.2009) <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation - Concentrations notification form</b></p>
<p><b>B. How is the nexus to the jurisdiction determined (e.g., sales or assets in the jurisdiction)?</b></p> <p><b>If based on an “effects doctrine,” please describe how this is applied in practice.</b></p>	<p>The nexus to the jurisdiction is determined by the turnover (sales) in the territory of Bulgaria.</p>
<p><b>C. Can a single party trigger the notification threshold (e.g., one party’s sales, assets, or market share)?</b></p>	<p>See 4A above.</p>
<p><b>D. Are any sectors excluded from</b></p>	<p>No.</p>

notification requirements? If so, which sectors?	
E. Are there special rules or exceptions/exemptions regarding jurisdictional thresholds for transactions in which both the acquiring and acquired parties are foreign (foreign-to-foreign transactions)?	No.
F. Does the agency have the authority to review transactions that fall below the thresholds or otherwise do not meet notification requirements? If so what is the procedure to initiate a review?	No.
<b>Calculation guidance and related issues</b>	
<p><b>G. If thresholds are based on any of the following values, please describe how they are identified and calculated to determine if notification is required:</b></p> <ul style="list-style-type: none"> <li><b>(i) the value of the transaction</b></li> <li><b>(ii) the relevant sales or turnover</b></li> <li><b>(iii) the relevant assets</b></li> <li><b>(iv) market shares</b></li> <li><b>(v) other (please describe)</b></li> </ul>	<p>See 4/A above. Furthermore, Article 25, para 1-3 of the LPC provides that:</p> <p>(1) The aggregate turnover shall include the net income from sales of an undertaking participating in the concentration during the preceding financial year, being the amounts derived from sale of products, goods and services, generated from the ordinary activities of the undertaking, reduced with commercial discounts, cutbacks, rebates and value added tax. Turnover shall not include income from sale of products, goods and services between undertakings belonging to the same economic group.</p> <p>(2) Where concentration comprises acquisition of part or parts of one or more undertakings, whether or not constituted as separate legal entities, only the turnover relating to the part or parts which are the subject of the concentration shall be taken into account.</p> <p>(3) For the purposes of this Article, turnover shall consist of:</p> <ol style="list-style-type: none"> <li>1. for credit or other financial institutions – the amount of the following revenue items after deduction of VAT and when necessary – other taxes related to these items: <ol style="list-style-type: none"> <li>a) interest income and other similar income;</li> <li>b) income from securities: income from shares and other variable yield securities; income from participating interests; income from shares in affiliated undertakings;</li> <li>c) commissions receivable;</li> <li>d) net profit on financial operations;</li> <li>e) other operating income;</li> </ol> </li> </ol> <p>the turnover of a credit or other financial institution in the Republic of Bulgaria includes the income items, as determined</p>

	<p>above received by their branches or divisions established in the Republic of Bulgaria;</p> <p>2. for insurance undertakings – the value of the gross premiums written, which shall comprise all amounts received and receivable in respect of insurance contracts, issued by or on behalf of the insurance undertakings, including outgoing re-insurance premiums after deduction of taxes and instalments or levies charged by reference to the amounts of individual premiums or the total volume of premiums.</p>
<p><b>H. Which entities are included in determining relevant undertakings/firms for threshold purposes?</b></p> <p><b>If based on control, how is control determined for notification purposes?</b></p>	<p>Pursuant to Article 25 (4) of the LPC the aggregate turnover of the undertaking shall be calculated as a sum of the respective turnovers of:</p> <ol style="list-style-type: none"> <li>1. the respective undertaking-participant;</li> <li>2. the undertakings controlled directly or indirectly pursuant to Article 22 paragraph (3) by the undertaking-participant;</li> <li>3. the undertakings controlling directly or indirectly the respective undertaking-participant pursuant to Article 22, paragraph (3);</li> <li>4. other undertakings controlled directly or indirectly pursuant to Article 22, paragraph (3) by an undertaking exercising control over the respective undertaking-participant;</li> <li>5. the undertakings jointly controlled by the undertakings mentioned in items 1 – 4.</li> </ol> <p>(5) When any of the undertakings under paragraph (4), items 1 - 4 exercises joint control over another undertaking, when calculating the aggregate turnover:</p> <ol style="list-style-type: none"> <li>1. no account shall be taken of the turnover resulting from the sale of products or the provision of services between the joint undertaking and the undertakings under paragraph (4) items 1 – 4;</li> <li>2. account shall be taken of the turnover resulting from the sale of products and the provision of services between joint undertakings and any third undertaking. This turnover shall be apportioned equally amongst the undertakings exercising joint control.</li> </ol> <p>See also the Methodology on Investigation and Definition of the Market Position of Undertakings in the Relevant Market – adopted by Decision of CPC n. 393/21.04.2009  <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<p><b>I. Are there special threshold calculations for particular sectors (e.g., banking, airlines, media) or particular types of transactions (e.g., joint ventures, partnerships, financial investments)? If yes, for which sectors and types of transactions?</b></p>	<p>Pursuant to Article 25 (3) of the LPC, in place of turnover the following shall be used:</p> <ol style="list-style-type: none"> <li>1. for credit or other financial institutions – the amount of the following revenue items after deduction of VAT and when necessary – other taxes related to these items: <ol style="list-style-type: none"> <li>a) interest income and other similar income;</li> <li>b) income from securities: income from shares and other variable yield securities; income from participating interests; income from shares in affiliated undertakings;</li> <li>c) commissions receivable;</li> <li>d) net profit on financial operations;</li> <li>e) other operating income;</li> </ol> </li> </ol> <p>the turnover of a credit or other financial institution in the</p>

	<p>Republic of Bulgaria includes the income items, as determined above received by their branches or divisions established in the Republic of Bulgaria;</p> <p>2. for insurance undertakings – the value of the gross premiums written, which shall comprise all amounts received and receivable in respect of insurance contracts, issued by or on behalf of the insurance undertakings, including outgoing reinsurance premiums after deduction of taxes and instalments or levies charged by reference to the amounts of individual premiums or the total volume of premiums.</p> <p>With regard to joint ventures see also the provision of Article 24 (5) of the LPC cited above.</p> <p>See also the Methodology on Investigation and Definition of the Market Position of Undertakings in the Relevant Market – adopted by Decision of CPC n. 393/21.04.2009  <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<p><b>J. Describe the methodology for calculating exchange rates.</b></p>	<p>Each of the undertakings that participate in the concentration must provide information of the turnover in BGN. Whenever the financial information for any of the undertakings is prepared using a different currency, it should be recalculated in BGN, based on the average annual exchange rate.</p>

## PART 2: PRE-NOTIFICATION, NOTIFICATION AND DECISION

### 5. Pre-notification

<p><b>A. If applicable, please describe the pre-notification procedure (e.g., time limits, type of guidance given etc.)</b></p>	<p>Not applicable.</p>
<p><b>B. If applicable, what information or documents are the parties required to submit to the agency during pre-notification?</b></p>	<p>Not applicable.</p>

### 6. Notification requirements and timing of notification

<p><b>A. Is notification...</b></p>	<p>Yes, it is mandatory.</p>
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<p><b>B. If parties can make a voluntary merger filing when may they do so?</b></p>	<p>Not applicable.</p>
<p><b>C. What is the earliest that a transaction can be notified (e.g., is a definitive agreement required; if so, when is an agreement considered definitive)?</b></p>	<p>Pursuant to Article 24 (2) of the LPC the undertakings shall be obliged to notify the CPC following the conclusion of the agreement, the public announcement of the bid or the acquisition of control, but before the undertaking of any actual actions to implement the transaction. In certain cases, upon request of the parties, the CPC may assess concentrations prior to conclusion of the agreement or the public announcement of the bid, where the parties provide sufficient evidence of their intentions to conclude an agreement or have publicly announced their intention to make a tender offer.</p>
<p><b>D. When must notification be made? If there is a triggering event, describe the triggering event (e.g., definitive agreement) and the deadline following the event. Do the deadline and triggering event depend on the structure of the transaction? Are there special rules for public takeover bids?</b></p>	<p>See 6C above.</p>
<p><b>E. If there is a notification deadline, can parties request an extension for the notification deadline? If yes, please describe the procedure and whether there is a maximum length of time for the extension.</b></p>	<p>No.</p>
<p><b>F. Are parties allowed to submit information beyond what is required in the initial filing voluntarily (e.g., to help narrow or resolve potential competitive concerns)?</b></p>	<p>Yes.</p>

## 7. Simplified procedures

<p><b>A. Describe any special procedures for notifying transactions that do not raise competition concerns (e.g., short form, simplified procedures, advanced ruling</b></p>	<p>Not applicable.</p>
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certificates, discretion to waive certain information requirements, etc.).

## 8. Information and documents to be submitted with a notification

<p><b>A. Describe the types of documents that parties must submit with the notification (e.g., agreement, annual reports, market studies, transaction documents, internal documents).</b></p>	<p>The CPC requires the submission of a number of supporting documents, including documents relating to the personal and corporate status of the undertakings concerned, copies of the most recent annual reports and accounts of all undertakings participating in the concentration, latest version of all relevant documents (e.g., preliminary contracts, agreements, letters of intent, copies of public tender bids, etc), analyses, reports, studies, polls, business plans and other relevant documents prepared for the purpose of the appraisal of the concentration in view of the market shares, competition conditions, competitors etc.</p>
<p><b>B. Is there a procedure for obtaining information from target companies in the case of hostile/ unsolicited bids?</b></p>	<p>No.</p>
<p><b>C. Are there any document legalization requirements (e.g., notarization or apostille)? What documents must be legalised?</b></p>	<p>Where the documents are in a language other than Bulgarian, such documents have to be supplied with a Bulgarian translation. Official documents issued by non-Bulgarian authorities need to be legalized in accordance with the instructions for completing the notification form under Article 70 of the LPC.</p>
<p><b>D. What is the agency's practice regarding exemptions from information requirements (e.g. information submitted or document legalization) for transactions in which the acquiring and acquired parties are foreign (foreign-to-foreign transaction)?</b></p>	<p>There are no such exemptions.</p>
<p><b>E. Can the agency require third parties to submit information during the review process? Can third parties voluntarily submit information or otherwise contact the agency to intervene?</b></p>	<p>Yes. Pursuant to Article 47 (4) of the LPC the persons requested to provide information should furnish it within a time limit determined by the CPC. Pursuant to Article 68 (1) and (3) of the LPC the CPC shall maintain an electronic register of the acts it has issued. Announcements of initiated proceeding for authorization of concentrations under Chapter Five and for investigations under Chapter Nine and Twelve shall also be published in the register. Pursuant to Article 80 (2) of the LPC within 7 days of the announcement under Article 68, paragraph (3) each interested third party may submit information or observations on the competitive effect of the concentration on relevant market.</p>

## 9. Translation

<b>A. In what language(s) can the notification forms be submitted?</b>	The notification forms should be submitted in Bulgarian.
<b>B. Describe any requirements to submit translations of documents:</b>  <b>(i) with the initial notification; and</b>  <b>(ii) later in response to requests for information.</b>  In addition:  <b>(iii) what are the categories or types of documents for which translation is required;</b>  <b>(iv) what are the requirements for certification of the translation;</b>  <b>(v) which language(s) is/are accepted; and</b>  <b>(vi) are summaries or excerpts allowed in lieu of complete translations and in which languages are summaries accepted?</b>	All documents in a foreign language should be supported by authorized translation. Instructions for completing the notification form are set out under Article 70 of the LPC.

## 10. Review periods

<b>A. Describe any applicable review periods following notification.</b>	<p>According Chapter Ten of the Law on Protection of Competition (LPC) the CPC starts assessment with so-called “<b>preliminary investigation</b>” which shall be completed within 25 working days starting from the working day following the initiation of the proceeding (Article 81 (1) LPC).</p> <p>An <b>in-depth investigation</b> of a concentration shall be carried out when, as a result of the assessment during the preliminary investigation, it is established that the concentration raises serious doubts that its implementation may result in the creation or strengthening of a dominant position and the effective competition on the relevant market would be significantly impeded. (Article 83 (1) LPC).</p> <p>The CPC shall complete the in-depth investigation and conclude the proceedings within four months of the publication of the decision in the electronic register. (Article 84 (1) LPC).</p>
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<p><b>B. Are there different rules for public tenders (e.g., open market stock purchases or hostile bids)?</b></p>	<p>No.</p>
<p><b>C. What are the procedures for an extension of the review periods, if any? Do requests for additional information suspend or re-start the review period?</b></p>	<p><b>The Preliminary Investigation of a concentration:</b>  Pursuant to Article 81 (3) of the LPC where additional information needs to be provided by the notifying undertakings, the time limits set out in paragraph (1) shall be suspended.  Upon a request by the notifying parties, the CPC may extend the time limits set out in Article 81 paragraph (1) with up to ten working days to allow drafting of proposals for changes to the concentration (Article 81 (4) LPC).  Notwithstanding whether the time limits set out in paragraph (1) have been extended on the grounds of paragraph (4), they shall be extended by another 10 working days from the day on which the notifying party submits to the CPC complete data on the proposed changes in the terms of the concentration.(Article 81 (5) LPC).</p> <p><b>The In-depth Investigation of a concentration:</b>  Pursuant to Article 84 (1) of the LPC the CPC shall complete the in-depth investigation and conclude the proceedings within four months of the publication of the decision in the electronic register under Article 68, paragraph (2). In cases of factual or legal complexity, the time limits may be extended by no more than twenty-five working days.</p> <p>Pursuant to Article 84 (2) in case of proposed remedies under Article 86, the time limits set out in paragraph (1) shall be further extended by fifteen working days. The extension of the time limits shall run from the day following the day, on which the CPC has received complete information with regard to the proposed remedies.</p>
<p><b>D. Is there a statutory or other maximum duration for extensions?</b></p>	<p>See 10C above.</p>
<p><b>E. Does the agency have the authority to suspend review periods? Does suspending a review period require the parties' consent?</b></p>	<p>In the preliminary investigation, pursuant to Article 81 (3) of the LPC where deficiencies of the notification are established and the notification is therefore stayed or additional information needs to be provided by the notifying undertakings, the time limits set out in paragraph (1) shall be suspended. The parties' consent is not required.</p>
<p><b>F. What are the time periods for accelerated review of non-problematic transactions, if any?</b></p>	<p>Not applicable.</p>
<p><b>G. What is the procedure for offering and assessing remedies and how does this</b></p>	<p>According to Article 86 (2) of the LPC, the CPC may also adopt remedies directly related to the implementation of the concentration, which are necessary to maintain effective competition and mitigate the negative impact of a concentration</p>

<p><b>impact the timing of the review?</b></p>	<p>on the affected market, which have been proposed by the parties. Pursuant to Article 84 (2) of the LPC, in case of proposed remedies under Article 86, the time limits to complete the in-depth investigation and conclude the proceedings shall be further extended by fifteen working days. The extension of the time limits shall run from the day following the day, on which the CPC has received complete information with regard to the proposed remedies.</p>
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## 11. Waiting periods / suspension obligations

<p><b>A. Describe any waiting periods/suspension obligations following notification (e.g., full suspension from implementation, restrictions on adopting specific measures) during any initial review period and/or further review period.</b></p>	<p>Pursuant to Article 82 (5) and Article 88 (2) of the LPC, while the decision of the CPC is pending, no actions in fact and in law related to the intended concentration shall be allowed. This prohibition shall not be applied in case of a bid or series of transactions with securities, listed on regulated markets in financial instruments, by which control is acquired under the meaning of Article 22, paragraph (3) by different sellers provided that the CPC is notified in accordance with Article 24, paragraph (2) without delay, as well as that the person who acquired the securities does not exercise the voting rights attached thereto, except to the extent necessary to preserve the value of the investment made.</p>
<p><b>B. Can parties request a derogation from waiting periods/suspension obligations? If so, under what circumstances?</b></p>	<p>No.</p>
<p><b>C. Are the applicable waiting periods/suspension obligations limited to aspects of the transaction that occur within the jurisdiction (e.g., acquisition or merger of local undertakings/business units)?</b></p> <p><b>If not, to what extent can the parties implement the transaction outside the jurisdiction prior to clearance (e.g., derogation from suspension, hold separate arrangements)?</b></p>	<p>No. There are no provisions regarding the implementation of the transaction outside the jurisdiction prior to the clearance.</p>
<p><b>D. Are parties allowed to close the transaction if no decision is issued within the statutory</b></p>	<p>No. See 11A above.</p>

period?	
<b>E. Describe any provisions or procedures available to the enforcement agency, the parties and/or third parties to extend the waiting period/suspension obligation.</b>	The review periods can be extended under the conditions stated in Article 81 (4), (5) and Art, 84, cited above.
<b>F. Describe any procedures for obtaining early termination of the applicable waiting period/suspension obligation, and the criteria and timetable for deciding whether to grant early termination.</b>	Not applicable.
<b>G. Describe any provisions or procedures allowing the parties to close at their own risk before waiting periods expire or clearance is granted (e.g., allowing the transaction to close if no "irreversible measures" are taken).</b>	There are no such provisions under the LPC. Parties must wait until the final decision of CPC.

## 12. Responsibility for notification / representation

<b>A. Who is responsible for notifying – the acquiring person(s), acquired person(s), or both? Does each party have to make its own filing?</b>	Pursuant to Article 78 (1) of the LPC the notification shall be submitted jointly by the undertakings that are parties to the merger or infusion, or have created a joint venture. In case of acquisition of sole control the notification shall be submitted only by the company acquiring control within the meaning of Article 22, paragraph (1), item 2 of the LPC.
<b>B. Do different rules apply to public tenders (e.g., open market stock purchases or hostile bids)?</b>	No.
<b>C. Are there any rules as to who can represent the notifying parties (e.g., must a lawyer representing the parties be a member of a local bar)?</b>	Article 18 (2) of the Administrative procedure code provides that the citizens and the organisation may be represented before the administrative bodies by a written power of attorney with notary certification of the signature and by other citizens or organisations. According to Article 14 of the Attorney Act when practising the profession in the Republic of Bulgaria, European Union lawyers shall have the rights and obligations of an attorney. European Union lawyers who are practising the profession of lawyer within the Republic of Bulgaria on a temporary basis shall

	have the rights and obligations of an attorney, excluding those rights and obligations that arise from being permanently established in the Republic of Bulgaria.
<b>D. How does the validity of the representation need to be attested (e.g., power of attorney)? Are there special rules for foreign representatives or firms? Must a power of attorney be notarized, legalized or apostilled?</b>	<p>The representative power of third person (not executive) shall be attested with power of attorney where shall be given the names, personal number, address and phone number of empowered person.</p> <p>A power of attorney from a foreign firm needs to be notarized/legalized or apostilled.</p>

### 13. Filing fees

<b>A. Are any filing fees assessed for notification? If so, in what amount and how is the amount determined (e.g., flat fee, fees for services, tiered fees based on complexity, tiered fees based on size of transaction)?</b>	<p>For requests to issue an authorization under Article 26 of the LPC the filing fee amounts 2000 BGN.</p> <p>For authorizations under Article 26 of the LPC the fee is in the amount of 0.1 per cent of the combined turnover of the undertakings participating in the concentration in the territory of Bulgaria in the preceding year but not more than 60 000 BGN. No fee for authorization is due where the CPC finds that the notified transaction does not constitute a concentration within the meaning of the LPC, does not fall within the scope of Article 24 of the LPC or where the CPC prohibits the concentration.</p>
<b>B. Who is responsible for payment?</b>	The fee shall be paid by the party/parties that filed the notification.
<b>C. When is payment required?</b>	<p>The fee for requests to issue authorization must be paid at the time of notification.</p> <p>The fee for authorizations must be paid after handing over of certified copy of the decision .</p>
<b>D. What are the procedures for making payments (e.g., accepted forms of payment, proof of payment required, wire transfer instructions)?</b>	The fee shall be paid by bank transfer or cash.

## 14. Process for substantive analysis and decisions

<p><b>A. What are the key procedural stages in the substantive assessment (e.g., screening mergers, consulting third parties)?</b></p>	<p>The investigation tools that are used are internal documents from the merging parties, request for information to competitors/customers/suppliers; taking oral statements; public sources (Internet); EU practice and NCA (international cooperation).</p>
<p><b>B. What merger test does the agency apply (e.g., dominance test or substantial lessening of competition test)?</b></p>	<p>The CPC applies the dominance test.</p>
<p><b>C. What theories of harm does the agency consider in practice?</b></p>	<p>In practice the criteria for evaluating a merger are in line with the new European Community Merger Regulation 139/2004 “significantly impede effective competition” test and focus on the effect of a merger on competition in the market rather than on the position of the merged group itself.</p>
<p><b>D. What are the key stages in the substantive analysis? Does this differ depending on the type of transaction (e.g., joint venture)?</b></p>	<p>Key stages include defining whether a concentration will substantially impede effective competition on the markets concerned for both unilateral conduct and coordinated conduct.</p>
<p><b>E. Are non-competition issues ever considered (in practice or by law) by the agency? If so, can they override or displace a finding based on competition issues?</b></p>	<p>No.</p>
<p><b>F. What are the possible outcomes of the review (e.g., unconditional/conditional clearance, prohibition, etc.)?</b></p>	<p><b>Conclusion of the assessment in the preliminary investigation</b></p> <p>Pursuant to Article 82 (3) of the LPC, the CPC at a closed sitting shall issue a decision, whereby it shall:</p> <ol style="list-style-type: none"> <li>1. pronounce that the operation does not constitute a concentration or does not fall within the scope of Article 24;</li> <li>2. authorise the concentration pursuant to Article 26, paragraph (1);</li> <li>3. authorise the concentration, taking into account the changes, proposed by the participants in the concentration.</li> <li>4. launch an in-depth investigation as laid out in Article 83.</li> </ol> <p><b>Conclusion of the assessment in the in-depth investigation</b></p> <p>Pursuant to Article 88 (1) of the LPC after hearing the parties, the</p>



	<p>CPC shall take a decision which shall:</p> <ol style="list-style-type: none"> <li>1. authorize the concentration;</li> <li>2. authorize the concentration under the condition that remedies, directly related to the concentration and necessary to maintain effective competition and mitigate any negative effects of the concentration on the relevant market, are implemented;</li> <li>3. prohibit the concentration.</li> </ol>
<p><b>G. What types of remedies does the agency accept in practice? How is the process initiated and conducted in practice?</b></p>	<p>Effective merger remedies come in a wide variety of shapes and sizes. The remedy should focus on preserving competition and resolve the competitive problem and needs to be based on a careful application of legal and economic principles to the particular facts of a specific case.</p> <p>In the case of horizontal mergers, if a competitive problem exists it is appropriate to impose structural remedies as well as in some vertical mergers.</p> <p>Mergers sometimes have both horizontal and vertical dimensions and sometimes effective remedies in these situations may require a combination of structural and conduct provisions affecting multiple markets.</p> <p>With regard to the process initiated and conducted by the CPC, see Rules on imposing remedies, necessary to maintain the effective competition, adopted by Decision of CPC (20.12.2011).</p>

**PART 3: CONFIDENTIALITY, TRANSPARENCY AND INTERAGENCY MERGER COOPERATION**

<p><b>15. Confidentiality</b></p>	
<p><b>A. To what extent, if any, does the agency make public the fact that a pre-merger notification filing was made or the contents of the notification? If applicable, when is this disclosure made?</b></p>	<p>The CPC publishes on its electronic register announcements of the notifications for planned concentrations it receives. Thus all interested parties are given an opportunity to make submissions, backed up with appropriate evidence, as concerns the contemplated transaction and its impact on effective competition in the relevant national market. The information thus received by the CPC is used in the assessment of concentrations.</p>
<p><b>B. Do notifying parties have access to the agency's file? If so, under what circumstances can the right of access be exercised?</b></p>	<p>Article 55 (1) of the LPC provides that the parties and constituted interested third parties in the proceedings shall have the right to access any evidence collected in the course of investigation with the exception of those containing production, trade or other secret, protected by law. No access shall be granted to internal documents of the CPC, including correspondence with the European Commission or with a national competition authority of a Member State of the European Union.</p> <p>After issuing a decision under Article 82 (3), Article 85 (2), item 1 of the LPC and Article 74 (1) item 1 of the LPC, notifying parties</p>

	<p>have the opportunity to access and get acquainted with the materials collected on the case file.</p> <p>After issuing a ruling under Article 74 (1), item 3 and Article 85 (2), item 2 of the LPC the parties and the interested third parties have the right of access to the file.</p> <p>See also the Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law - adopted by Decision of CPC (19.02.2009) and amended by Decision of CPC of 13.03.2013.</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<p><b>C. Can third parties or other government agencies obtain access to notification materials and any other information provided by the parties (including confidential and non-confidential information)?</b></p> <p><b>If so, under what circumstances?</b></p>	<p>Pursuant to Article 48 of the LPC any information, gathered in the course of an investigation, may be used only for the purposes of this Law.</p> <p>Access to non-confidential information may be obtained by interested third parties constituted by the CPC in the proceedings upon their substantiated request.</p> <p>See also 15B above.</p>
<p><b>D. Are procedures available to request confidential treatment of the fact of notification and/or notification materials? If so, please describe.</b></p>	<p>Article 55 (2) of the LPC provides that any person, submitting information to the CPC in the course of proceedings shall identify the materials that are claimed to contain production, trade or other secret, protected by law and which should, therefore, be treated by the CPC as confidential. In such cases the person shall substantiate its claim and shall submit the same materials in a version in which all data considered to be confidential has been erased. Whenever the CPC considers that certain information is not confidential, it shall issue a ruling in this regard and inform the person of it.</p> <p>The ruling shall be subject to appeal under the procedure set forth in Article 64, paragraph (2).</p> <p>Pursuant to Article 55 (3) of the LPC any material indicated to contain production, trade or other secret protected by law, may be disclosed and used by the CPC in case it is essential as evidence to the alleged infringement or in order to secure the right of defence of the respondent.</p> <p>See also the Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law - adopted by Decision of CPC (19.02.2009) and amended by Decision of CPC of 13.03.2013.</p> <p><a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<p><b>E. Can the agency deny a party's claim that certain information contained in notification materials is confidential? Are there procedures to challenge</b></p>	<p>Yes. Pursuant to Article 16 (2), 17 of the Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law in that case the CPC shall issue a ruling.</p>

<p><b>a decision that information is not confidential? If so, please describe.</b></p>	<p>Pursuant to Article 64 (2) of the LPC and Article 18 (3) of the Rules, the rulings are subject to appeal by the parties to the proceedings before the Supreme Administrative Court.</p>
<p><b>F. Does the agency have procedures to provide public and non-public versions of agency orders, decisions, and court filings? If so, what steps are taken to prevent or limit public disclosure of information designated as confidential that is contained in these documents?</b></p>	<p>See 15D above. Furthermore, according to Article 26.1. of the Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law the Commission deletes the information it considered confidential in the public version of the particular act and replaces it with (...).</p>

## 16. Transparency

<p><b>A. Does the agency publish an annual report with information about mergers? Please provide the web address if available.</b></p>	<p>The CPC publishes annual report which is published on the Internet at <a href="http://www.cpc.bg/General/Publications.aspx">http://www.cpc.bg/General/Publications.aspx</a>.</p>
<p><b>B. Does the agency publish press releases related to merger policy or investigations/reviews? If so, how can these be accessed (if available online, please provide a link)? How often are they published (e.g., for each decision)?</b></p>	<p>The CPC publishes announcements of initiated proceeding for authorization of concentrations under Chapter Five of the LPC in the register thus enabling all interested parties to make their written submissions, supported by due evidence, in respect of the contemplated transaction.</p> <p>Additionally, press releases are published when the CPC takes a decision. See the following link: <a href="http://www.cpc.bg/General/News.aspx">http://www.cpc.bg/General/News.aspx</a>.</p>
<p><b>C. Does the agency publish decisions on why it challenged, blocked, or cleared a transaction? If available online, provide a link. If not available online, describe how one can obtain a copy of decisions.</b></p>	<p>The CPC maintains an electronic register of the acts it has issued. All decisions of the CPC concluding the proceedings as well as all decisions to open an in-depth investigations of concentrations under Article 82, paragraph 3, item 4 of the LPC shall be published in the register. The decisions and rulings of the CPC are published in a full public version, including also the reasoning.</p>

## 17. Interagency Merger Cooperation

<p><b>A. Is the agency able to exchange information or documents with foreign</b></p>	<p>Pursuant to Article 54 (1) of the LPC the CPC shall cooperate with the European Commission and the other national competition authorities of the Member States, by receiving and rendering assistance and exchanging information under the</p>
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<b>competition authorities?</b>	procedure set forth in Regulation (EC) No. 1/2003 and Article 11, paragraph (6), Article 12 and Article 13, paragraph (5) of Regulation (EC) No. 139/2004.
<b>B. Is the agency or government a party to any agreements that permit the exchange of information with foreign competition authorities? If so, with which foreign authorities? Are the agreements publicly available?</b>	See 17A above. CPC has not signed agreements for such exchange of information with non-European countries.
<b>C. Does the agency need consent from the parties who submitted confidential information to share such information with foreign competition authorities? If the agency has a model waiver, please provide a link to it here, or state whether the agency accepts the ICN's model waiver of confidentiality in merger investigations form.</b>	Yes. The model waiver is published in Internet via - <a href="http://www.cpc.bg/Competence/ConcentrationsLegislation.aspx">http://www.cpc.bg/Competence/ConcentrationsLegislation.aspx</a> (in Bulgarian).

**PART 4: SANCTIONS**

<b>18. Sanctions/penalties</b>	
<p><b>A. What are the sanctions/penalties for:</b></p> <p><b>(i) failure to file a notification</b></p> <p><b>(ii) incorrect/misleading information in a notification</b></p> <p><b>(iii) failure to observe a waiting period/suspension obligation</b></p> <p><b>(iv) failure to observe or delay in implementation of remedies</b></p> <p><b>(v) implementation of transaction despite the prohibition from the agency?</b></p>	<p><b>Pecuniary sanctions</b></p> <p>Article 100, paragraph 1 of LPC provides that the CPC shall impose a pecuniary sanction in an amount not exceeding 10% of the total turnover in the preceding financial year on an undertaking or an association of undertakings for:</p> <ul style="list-style-type: none"> <li>- a concentration, implemented following failure of the parties to comply with the obligation under Article 24;</li> <li>- a concentration, implemented under conditions and in a manner, which differ from the ones which were taken into consideration in issuing the decision, pursuant to Article 82, paragraph (3), items 2 and 3; Article 85, paragraph (2), item 1 and Article 88, paragraph (1), item 1 and item 2;</li> <li>- a concentration implemented, despite its prohibition by the CPC under Article 88, paragraph (1), item 3.</li> <li>- a concentration, which being subject to mandatory prior notification under Article 24, was implemented prior to the decision of the CPC under Article 82, paragraph (3), Article 85, paragraph (2) item 1 and Article 88, paragraph (1), unless the hypotheses under Article 82, paragraph (5), second sentence and Article 88, paragraph (2), second sentence were</li> </ul>

	<p>present; - failure to comply with decisions or rulings of the CPC.</p> <p><b>Fines</b> Article 102. (1) of the LPC provides that natural persons who have assisted in the commitment of infringements of the provisions of this Law, where the act does not constitute a crime, shall be liable to a fine of BGN 500 to BGN 50,000 . Pursuant to Article 102 (2) of the LPC persons who fail to submit in time the evidence requested or fail to supply complete, accurate, trustworthy and not misleading information under Article 47, paragraph (5) shall be liable to a fine of BGN 500 to BGN 25,000.</p> <p>Pursuant to Article 102 (3) of the LPC the decision, whereby the fine referred to in paragraph (2) is imposed, shall state the time limits, within which the requested evidence and information should be presented. In case of failure to comply with the time limits to the person may be imposed a periodic fine to the amount of BGN 500 per day but not exceeding BGN 20,000.</p> <p>See also Methodology for setting fines under the Law on Protection of Competition - adopted by Decision of CPC n. 71/03.02.2009 and amended by Decision of CPC n.330/17.03.2011 <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<p><b>B. Which party/ies (including natural persons) are potentially liable for each of A(i)-(v)?</b></p>	<p>The undertakings who were obliged to submit a notification and the undertakings/persons which submitted incorrect or incomplete information may be liable.</p>
<p><b>C. Can the agency impose/order these sanctions/penalties directly, or is it required to bring judicial action against the infringing party? If the latter, please describe the procedure and indicate how long this procedure can take.</b></p>	<p>The CPC can impose sanctions directly.</p>
<p><b>D. Are there any recent or significant fining decisions?</b></p>	<p>No.</p>

## PART 5: POST-REVIEW MATTERS/JUDICIAL REVIEW

### 19. Ministerial intervention

<p><b>A. Is there possibility for any ministry or a cabinet of ministries to abrogate, challenge or change merger decisions issued by the agency or by a court? If yes, to which merger decisions does this apply (e.g., any decision, prohibitions, clearances, remedies)?</b></p>	<p>No.</p>
<p><b>B. What are the grounds for such ministerial intervention? Other policy goals? Are they defined? What guidance is available regarding such grounds?</b></p>	<p>Not applicable.</p>
<p><b>C. Describe the main elements of the ministerial intervention process and procedures, and indicate any guidance available</b></p>	<p>Not applicable.</p>

### 20. Administrative and judicial processes/review

<p><b>A. Describe the timetable for judicial and administrative review related to merger transactions.</b></p>	<p>According to Article 64 of the LPC the decisions of the CPC, unless otherwise provided for in the Law, may be appealed before the Supreme Administrative Court in respect of their conformity with the law by the parties to the proceedings or by any third person that has legal interest. Decisions shall be appealed within a term of 14 days, which shall start as of their notification in accordance with the procedure laid down in the Code of Administrative Procedure, and in respect of third parties – as of the date of their publication in the electronic register of the CPC.</p> <p>The rulings of the CPC for which this is provided in the Law, shall be subject to appeal by the parties to the proceedings before the Supreme Administrative Court, in respect of their conformity with the law. The rulings shall be subject to appeal within 7 days of their notification in accordance with the procedure laid down in the Code of Administrative Procedure.</p>
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	The court at first (three-member panel of supreme judges) and final instance (five member panel) shall pronounce a decision within one month period after the meeting in which has finished the consideration of the case (Article 172, par.1 and Article 221, par.2 of the Administrative Procedure Code).
<b>B. Describe the procedures for protecting confidential information used in judicial proceedings or in an appeal/review of an agency decision.</b>	<p>The information classified as confidential by the CPC shall be deleted from the non-confidential versions of the CPC's acts and shall be replaced by "....."</p> <p>See also the Rules on the access, use and storage of documents constituting production, trade or other secret, protected by law - adopted by Decision of CPC (19.02.2009) <a href="http://www.cpc.bg/General/Legislation.aspx">http://www.cpc.bg/General/Legislation.aspx</a> - <b>Secondary legislation</b></p>
<b>C. Are there any limitations on the time during which an appeal may be filed?</b>	See 20A above.

## 21. Additional filings

<b>A. Are any additional filings/clearances required for some types of transactions (e.g., sectoral or securities regulators or national security or foreign investment review)?</b>	No.
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## 22. Closing deadlines

<b>A. When a transaction is cleared or approved, is there a time period within which the parties must close for it to remain authorized? If yes, can the parties obtain an extension of the deadline to close?</b>	No.
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## 23. Post merger review of transactions

<b>A. Can the agency reopen an investigation of a transaction</b>	Pursuant to Article 82 (4) and 88 (3) of the LPC the CPC may revoke a clearance decision it has taken where this decision is based on incomplete, inaccurate, untrue or misleading
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**that it previously cleared or allowed to proceed with conditions? If so, are there any limitations, including a time limit on this authority?**

information as well as when the parties fail to implement the remedies specified in the decision of the CPC.

The LPC does not provide for any limitations, including a time limit on this authority.