

Amendments to the Emergency Measures and Actions Act

At a plenary session held on April 6, 2020, the Parliament of the Republic of Bulgaria amended the State of emergency Act, which was adopted on March 23, 2020. Those changes affect different aspects of daily life and the business world during the state of emergency. Except for certain provisions, the amendments will come into force as of the date of their promulgation in the State Gazette. The changes having an essential effect on business-related matters are summarized in the following:

Commercial and administrative contracts

The suspension of the effects of late performance of the obligations of individuals and private entities (interest and penalties, acceleration clauses, contract cancellation and seizure of property) shall only apply to credit and leasing contracts and other forms of financing (factoring, forfeiting) and not, as before, to all contracts.

The state and municipality authorities are allowed to remit or reduce the rents and the charges for the use of state and municipal property, paid by tenants or users who have discontinued or restricted their employment or business activity due to the state of emergency.

Compensations to employers

The State of emergency act stipulates that the state aid for employers shall also include the respective part of the social security liability of the employer, in addition to 60% of the insurance income of the employee. In this regard, changes to the Government Decree on the measure are expected in the next days.

Procedural rules

Resumption of the procedural terms for certain civil, administrative and criminal judicial proceedings, amongst which are proceedings for:

- Interim measures and securing evidences;
- Suspension and provisional enforcement of administrative acts,
- Appeal of orders in administrative cases;
- Expropriation of private property for state and municipal needs;
- Appeal of acts establishing public claims;

- Appeal of construction permits and detailed development plans;
- Cases under the Public Procurement Act, the Concessions Act and the European Structural and Investment Funds Management Act.

The suspension of the prescription periods and other periods, on expiry of which rights are terminated or extinguished or obligations arise for individuals and private entities, is repealed. Those periods shall be renewed in 7-days term of the promulgation of the State of Emergency Act.

Initially, the law stipulated that the terms expiring during the state of emergency should be automatically extended by one month after its termination. There are now exceptions to this rule, including the terms in the following proceedings:

- Public procurement, concession procedures, operational programs;
- Proceedings under the Protection of Competition Act;
- Expropriation of private property for state and municipal needs;
- T Proceedings under the Farmers Support Act;
- Ownership and Use of Agricultural Land Act, Forestry Act;
- The Law on Spatial Planning.

This amendment shall become effective in 7 days after its promulgation in the State Gazette.

Should you need any additional information or assistance in the implementation of the new regulations, please contact Mr. Vladimir Natchev at natchev@anglaw.com or Ms. Svetlana Ganeva at ganeva@anglaw.com