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**Council for Trade in Services
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REPUBLIC OF BULGARIA

Initial Offer on Services

The following initial offer has been received from the Republic of Bulgaria on 30 October 2003 with the request that it be circulated to the Members of the Council for Trade in Services.

The Republic of Bulgaria submits herewith its initial offer under the negotiations on trade in services, pursuant to paragraph 15 of the Doha Ministerial Declaration.

This initial offer is not a legal text and is submitted solely for the purpose of negotiation in the context of the Doha Ministerial Declaration, especially in the light of the need to achieve a balance in the outcome of all WTO negotiations. This offer is conditional and the Republic of Bulgaria reserves the right to withdraw or modify its initial offer on services and any subsequent conditional offer that could follow, in whole or in part, at any time during the negotiations on services. The Republic of Bulgaria further reserves the right to make any technical change or correction to this initial offer and any subsequent offer that could follow.

REPUBLIC OF BULGARIA – SCHEDULE OF SPECIFIC COMMITMENTS

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
I. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE ¹			
Capital Payments ²	1),2), 3),4) Payments and transfers abroad require the authorization of the Bulgarian National Bank when related to investments and state or state-guaranteed loans. ³	1),2), 3),4) None	
Services Relating to the Use of Nuclear Energy for Peaceful Purposes	1),2), 3),4) Unbound for services relating to the exploration, extraction, and processing of fissionable and fusionable materials or the materials from which they are derived, as well as to the trade therewith, to the maintenance and repair of equipment and systems in nuclear energy production facilities, to the transportation of such materials and the refuse and waste matter of their processing, to the use of ionising radiation, and on all other services relating to the use of nuclear energy for peaceful purposes (incl. engineering and consulting services and services relating to software, etc.).	1),2), 3),4) None	

¹ It is understood that the limitations “all sectors” are applicable to commitments taken in each sector/subsector individually listed in Part II “Specific Commitments Applicable to Individual Sectors and Subsectors” of the Schedule.

² There is a non-discriminatory system of foreign exchange controls over transfers and payments related to current transactions: (i) limitations on exports and imports of national or foreign currency in cash; (ii) limitations on acquisition of foreign exchange by resident nationals for personal purposes; (iii) foreign employees may purchase foreign currency up to 70 per cent of their labour remuneration; (iv) payments and transfers abroad in foreign currency are to be effectuated by banks; (v) unilateral transfers require the permission of BNB; (vi) payments on the territory of the Republic of Bulgaria are to be effectuated in BGL.

³ Foreign persons have the right to transfer abroad the following revenues and compensations that accrue from investments in the Republic of Bulgaria: returns received, compensation for expropriation of the investment for state purposes, proceeds from the liquidation or sale of all or part of the investment, the amount received in execution of a claim secured in currency by a pledge or a mortgage.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Subsidies		1),2), 3),4) Eligibility to or availability of granting and availing of subsidies will be reserved for Bulgarian juridical persons or Bulgarian citizens, respectively. The supply of a service, or its subsidization, within the public sector is not in breach of this commitment.	
Real Estate	3) None	3) Foreign natural and juridical persons (incl. through a branch) cannot acquire ownership of land. Bulgarian juridical persons with foreign participation cannot acquire ownership of agricultural land. Foreign juridical persons and foreign citizens with permanent residence abroad can acquire ownership of buildings and limited property rights ⁴ of real estate subject to the permission of the Ministry of Finance. The permission requirement does not apply to persons who have made investments in Bulgaria. Foreign citizens with permanent residence abroad, foreign juridical persons and companies in which foreign participation ensures a majority in adopting decisions or blocks the adoption of decisions, can acquire real estate property rights in specific geographic regions designated by the Council of Ministers subject to permission.	
Privatization	3) Unbound for participation in privatization through state external debt bonds and for services sectors and/or service suppliers not subject to privatization under the annual privatization programme.	3) Unbound for participation in the privatization through investment vouchers or other preferential privatization methods, where Bulgarian citizenship and permanent residence are required.	

⁴ The Bulgarian property law recognizes the following limited property rights: right to use, right to build, right to raise a superstructure and servitudes.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Commercial Presence	<p>3) The establishment of foreign service suppliers, joint ventures included, may only take the form of limited liability company or joint stock company with at least two shareholders. Establishment of branches is subject to authorization. Unbound for representative offices. Representative offices may not engage in economic activity. In enterprises where the public (state or municipal) share in the equity capital exceeds 30 per cent, the transfer of these shares to third parties needs authorization.</p>	<p>3) Foreign investments are registered with the Ministry of Finance for statistical and taxation purposes only.</p> <p>A foreign person or a company in which foreign participation ensures a majority in adopting decisions or blocks the adoption of decisions, directly or through other companies with foreign participation, is to obtain a permission for:</p> <ul style="list-style-type: none"> (i) distribution of weapons, munitions or military equipment; (ii) banking or insurance activities, or participation in banking or insurance companies; (iii) prospecting, development or extraction of natural resources from the territorial sea, continental shelf or the exclusive economic zone; (iv) acquisition of participation which ensures a majority in adopting decisions or blocks the adoption of decisions in a company engaged in any of the activities specified in (i), (ii) and (iii) above. <p>With respect to banking and insurance referred to in (ii) and (iv) the criteria for authorization or permission are prudential and are consistent with the obligation of Articles XVI and XVII of the GATS</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Entry and Temporary Stay of Foreign Natural Persons	<p>4) Unbound, other than for entry, temporary stay and work⁵ of the following categories of natural persons supplying services:</p> <p>(i) The temporary presence (residence permit and work permit required), as intracorporate transferee⁶, of natural persons in the following categories, provided that the service supplier is a juridical person and that the persons concerned have been employed by it outside the Republic of Bulgaria for at least the year immediately preceding such movement; the number of such transferees is not to exceed 10 per cent of the average annual number of the Bulgarian citizens employed by the respective Bulgarian juridical person (where less than 100 persons are employed, the number of intracorporate transferees may, subject to authorization, exceed 10 per cent):</p> <p>(a) one or more (but not exceeding 10 per cent of the total number of this category) persons working in a senior position within a juridical person, who primarily direct the management of the establishment, receiving only general supervision or direction from the board of directors or stockholders of the business or their equivalent, including</p>	<p>4) None for the categories indicated in "Market Access".</p>	

⁵ The terms, limitations and conditions related to the "entry, temporary stay and work" are governed by the relevant Bulgarian laws and regulations.

⁶ An "intra-corporate transferee" is defined as a natural person working within a juridical person other than a non-profit organization, established in the territory of a WTO Member, and being temporarily transferred in the context of the supply of a service through commercial presence in the territory of the Republic of Bulgaria; the juridical persons concerned must have their principal place of business in the territory of a WTO Member other than the Republic of Bulgaria, and the transfer must be to an establishment of that juridical person, effectively providing like services in the territory of the Republic of Bulgaria.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>directing the establishment or a department or subdivision of the establishment, supervising and controlling the work of other supervisory, professional or managerial employees, having the authority personally to hire and fire or recommend hiring, firing or other personnel actions, and who do not directly perform tasks concerning the actual supply of the services of the establishment;</p> <p>(b) persons working within a juridical person, who possess uncommon knowledge essential to the establishment's service, research equipment, techniques or management. In assessing such knowledge, account will be taken not only of knowledge specific to the establishment, but also of whether the person has a high level of qualification referring to a type of work or trade requiring specific technical knowledge, including membership of an accredited profession.</p> <p>The temporary stay for the categories of natural persons specified in (i) above is limited to an initial one-year period that may be extended for up to one additional year for a total term not to exceed three years.</p> <p>(ii) The temporary presence (a business visitor visa required) of natural persons in the following categories:</p>		

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(a) persons not residing in the territory of the Republic of Bulgaria, who are representatives of a service provider and are seeking temporary entry for the purpose of negotiating for the sale of services or entering into agreements to sell services for that service provider, where those representatives will not be engaged in making direct sales to the general public or in supplying services themselves;</p> <p>(b) persons working in senior positions, as defined in (i) (a) above, within a juridical person, who are responsible for setting up in the Republic of Bulgaria of a commercial presence of a service provider of a WTO Member when:</p> <ul style="list-style-type: none"> - the representatives are not engaged in making direct sales or supplying services, and - the service provider has its principal place of business in the territory of a WTO Member other than the Republic of Bulgaria and has no representative office, branch or subsidiary in the Republic of Bulgaria. <p>The temporary stay for the categories of natural persons specified in (ii) above is limited to a three-month period within one calendar year.</p>		

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. SECTOR-SPECIFIC COMMITMENTS			
<p>1. BUSINESS SERVICES</p> <p>A. <u>Professional Services</u>⁷</p> <p>(a) Legal services</p> <p>Foreign legal consultants' advisory services on international public law and law of jurisdiction (home country law) where the service supplier is a qualified lawyer⁸ (part of CPC 861)</p> <p>(b) Accounting, auditing and bookkeeping services</p> <p>Accounting services (CPC 86212 other than "auditing services", 86213, 86219)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	

⁷ General conditions for the supply of regulated professional services: official recognition of the education and the professional qualification of the supplier.

⁸ Consultancy on law does not include: legal representation in front of jurisdiction (judicial or non-judicial) and administrative bodies as well as preparation of legal documents for such procedures; expression of legal opinions concerning laws other than the law of the jurisdiction where the service supplier is qualified as a lawyer; and out-of-court legal representation related to the rights and obligations of Bulgarian nationals.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>Bookkeeping services, except tax returns (CPC 8622)</p> <p>(d) Architectural services (CPC 8671)</p> <p>(e) Engineering services (CPC 8672)</p> <p>(f) Integrated engineering services (CPC 8673)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1),2)None, except for the conditions specified in 4) below.</p> <p>3) Foreign persons are to provide the services only in partnership with, or as subcontractors of, local service suppliers where the project is of national⁹ or regional significance. This does not apply to projects which have been put up for international auction won by foreign service suppliers. Accreditation requirement: the main scope of the foreign person's activity to be the relevant services; experience in the field of construction; projects performed during the last two years; staff and technical capacity; bank references from a first rank foreign bank. Services must be supplied through employees under the conditions specified in 4) below.</p> <p>4) Unbound, except as indicated in the horizontal section. Access is limited to natural persons subject to recognition of their technical qualification and accreditation by a professional chamber in the Republic of Bulgaria. Accreditation is subject to following criteria: recognized technical qualification in Bulgaria; experience in the field of construction; projects performed during the last two years; staff and technical capacity.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	

⁹ Those which cover the needs of a significant part of the territory of the country.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(h) Medical and dental services (CPC 9312)	<p>1) Unbound</p> <p>2) None, except that public medical insurance, subsidization and compensation plans and programs do not cover the cost and expenses for medical and dental services provided to Bulgarian citizens abroad, as well as for medical and dental services provided to foreign persons in the territory of the Republic of Bulgaria.</p> <p>3) Access is granted only to foreign natural persons and exclusively for the conduct of private professional practice. Establishment of such suppliers is subject to conditions of permanent residence, official recognition of their education and professional qualification for the provision of the specific medical or dental services, including requirements related to professional experience. Registration and authorization based on economic needs test and consent by a professional organization.¹⁰</p> <p>4) Unbound</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None, except for a requirement for mandatory knowledge of the Bulgarian language confirmed through relevant examination.</p> <p>4) Unbound</p>	
(i) Veterinary services (CPC 932)	<p>1) Unbound*</p> <p>2) None</p> <p>3) Access is granted to natural persons exclusively for the conduct of private professional practice and under the conditions of: Authorization by the veterinary authorities. Economic needs test. Unbound for all services related to border veterinary controls, prevention, localization, curing, etc. of infectious and parasitic epizootic diseases and diagnostic analysis related thereto, and controls exercised over animal products.</p> <p>4) Unbound</p>	<p>1) Unbound*</p> <p>2) Unbound</p> <p>3) None, except those specified in 3) in the Market Access column.</p> <p>4) Unbound</p>	

¹⁰ Prices charged for private services are determined by professional organizations and approved by the Minister of Health Care.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>B. <u>Computer and Related Services</u> (CPC 84 except for CPC 8499) <i>Bulgaria subscribes to the “Understanding on the scope of coverage of CPC 84 - Computer and Related Services”</i></p> <p>(a) Consultancy services related to the installation of computer hardware (CPC 841)</p> <p>(b) Software implementation services</p> <p>Systems and software consulting services (CPC 8421)</p> <p>Systems analysis services (CPC 8422)</p> <p>Systems design services (CPC 8423)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Programming services (CPC 8424)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
Systems maintenance services (CPC 8425)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 5) Unbound, except as indicated in the horizontal section.	
(e) Data processing services (CPC 843)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(d) Database services (CPC 844)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(e) Other			
Maintenance and repair services of office machinery and equipment including computers (CPC 845)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
Data preparation services (CPC 8491)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Research and Development Services</u> (CPC 85)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
F. <u>Other Business Services</u>			
(a) Advertising services (CPC 871) ¹¹	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(b) Market research and opinion polling services (CPC 864)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(c) Management consulting services (CPC 865)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
(e) Technical testing and analysis services			
Technical testing and analysis services, except for services related to issuance of official certificates and similar documents. (part of CPC 8676)	1) Unbound 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	

¹¹ Prohibition on advertising alcohol, alcoholic beverages, medicines, tobacco and tobacco products.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(f) Services incidental to agriculture, hunting and forestry. Consulting services incidental to agriculture, hunting and forestry. (part of CPC 881)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(g) Services incidental to fishing. Consulting services incidental to fishing (part of CPC 882)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(h) Services incidental to mining. Services on contract basis for repair and dismantling of equipment in oil and gas fields (part of CPC 883)</p>	<p>1) Unbound* 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound* 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(i) Services incidental to manufacturing Services on contract basis for the installation, repair and maintenance of factory equipment. (part of CPC 885)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(n) Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)</p> <p>Repair services of personal and household goods (excl. jewellery) (CPC 63301, 63302, part of 63303, 63304, 63309)</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(o) Building cleaning services (CPC 874)</p>	<p>1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(p) Photographic services</p> <p>Photographic services, except for passport and aerial photography (part of CPC 87501, 87502, 87503, part of 87504, 87506, 87507)</p>	<p>1) None 2) None 3) None, except for the X-ray photo labs that are subject to licensing. 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(q) Packaging services (CPC 876)</p>	<p>1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>2. COMMUNICATION SERVICES</p> <p>C. <u>Telecommunication Services</u></p> <p>Measures Applicable to All Sectors in Communication Services:</p> <p>1. The setting up of public or private telecommunications networks is subject to licensing. All services have to be provided over licensed networks or over leased lines as part of licensed networks. Licences are issued by a Bulgarian authorized body to the applicant personally and cannot be transferred to a third party. Simple resale of telecommunication services is not permitted. The provision of telecommunication services is subject to individual license, general license or is free. General license is provided to each service provider who fulfils the relevant requirements for such a license. Subject to individual license are services which provision requires individually allocated scarce resources and the provision of fixed voice telephone service and/or universal service over fixed public telephone network. The number of licenses may be limited depending on the availability of scarce resources. The licensing procedure is transparent and non-discriminatory. Licenses are issued by a Bulgarian authorized body.</p> <p>2. The connection to a public network is permitted according to the licence conditions for the public network and depending on technical possibilities. Terminal equipment intended for direct or indirect connection to a public or private telecommunications network can be connected to a network termination point if it is type-approved by a Bulgarian authorized body. is assessed for conformity with essential requirements.</p> <p>3. Natural and juridical persons exercising statistical activity and setting up information systems are to use concepts, nomenclatures and classifications, which are compatible to those established by the National Statistical Institute.</p>			
<p>(j) On-line information and data base retrieval (part of CPC 75232)</p>	<p>1) None 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(l) Enhanced/ value-added facsimile services, incl. store and forward, store and retrieve (part of CPC 75232)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>(m) Code and protocol conversion (part of CPC 75231)</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>ALL SECTORS</p> <p>All sub-sectors</p> <p>(a) Voice telephone services (CPC 7521)</p> <p>Local/Long distance/ International (using any network technology, facilities-based)</p> <p>- <u>for public use</u></p> <p>- <u>for non-public use</u></p>	<p>The installation and usage of telecommunication equipment and networks and the provision of telecommunication services require a concession, licence, permission or registration from a Bulgarian authorised body.</p> <p>The number of licences may be limited depending on the availability of scarce resources and due to technical reasons (numbering capacity, temporary lack of access points).</p> <p>*BTC LTD – Bulgarian Telecommunications company LTD</p> <p>1) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for public voice telephony until 31 December 2002 None</p> <p>2) None</p> <p>3) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for public voice telephony until 31 December 2002 None</p> <p>4) Unbound except as indicated in the horizontal section</p> <p>1) Connection to the public telecommunications network is not allowed until 31 December 2004. None</p> <p>2) None</p> <p>3) Connection to the public telecommunications network is not allowed until 31 December 2004. None</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section</p>	<p>As annexed.</p>

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b) and (c) Packet and circuit-switched data transmission services (CPC 7523)	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	
(d) Telex services (CPC 7523)	1) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for telegraph and telex services until 31 December 2002 None 2) None 3) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for telegraph and telex services until 31 December 2002 None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	
(e) Telegraph services (CPC 7523)	1) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for telegraph and telex services until 31 December 2002 None 2) None 3) BTC Ltd has exclusive rights for facilities based services until 31 December 2004 and for telegraph and telex services until 31 December 2002 None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	
(f) Facsimile services (CPC 7521)	1) Only through the use of the international network of BTC Ltd. None 2) None 3) Only through the use of the international network of BTC Ltd. None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in horizontal section	
(g) Leased circuit services (CPC 7523)	1) BTC Ltd has exclusive rights for facilities based services until 31 December 2004. Sale and lease of capacity of leased circuits is not allowed. None 2) None 3) BTC Ltd has exclusive rights for facilities based services until 31 December 2004. Sale and lease of capacity of leased circuits is not allowed. None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(o) Other</p> <p><u>Mobile services</u></p> <ul style="list-style-type: none"> - Analogue cellular voice services - Digital cellular voice services - Paging services - Mobile data services <p><u>Satellite services</u></p> <p><u>VSAT-services</u></p> <ul style="list-style-type: none"> - <u>for public use</u> 	<ul style="list-style-type: none"> 1) Only through use of the international network of BTC Ltd. until 31 December 2002. None 2) Only through use of the international network of BTC Ltd. until 31 December 2002 and according to the international NMT450 and GSM agreements 3) Only through use of BTC Ltd. infrastructure until 31 December 2002, except in the case if BTC Ltd is not able to provide the necessary infrastructure in the limited period of time specified in the licence. None 4) Unbound except as indicated in the horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section 1) BTC Ltd has exclusive rights for public voice telephony until 31 December 2002 None 2) None 3) BTC Ltd has exclusive rights for public voice telephony until 31 December 2002 None 4) Unbound except as indicated in the horizontal section 1) BTC Ltd has exclusive rights for public voice telephony until 31 December 2002 None 2) None 3) BTC Ltd has exclusive rights for public voice telephony until 31 December 2002 None 4) Unbound except as indicated in the horizontal section 	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section 1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section 	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
- <u>for non-public use</u>	1) Connection to the public telecommunications network is not allowed until 31 December 2004. None 2) None 3) Connection to the public telecommunications network is not allowed until 31 December 2004. None 4) Unbound except as indicated in the horizontal section	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section	
E. <u>Telecommunications Related Services</u>			
Equipment rental services (CPC 7541)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
Equipment sales services (CPC 7542)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
Consulting services (CPC 7544)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>3. CONSTRUCTION AND RELATED ENGINEERING SERVICES</p> <p>A. <u>General Construction Work for Buildings</u> Construction work for buildings (CPC 512)</p> <p>B. <u>General Construction Work for Civil Engineering</u> Construction work for civil engineering (CPC 5131, 5132, 5135)</p> <p>C. <u>Installation and Assembly Work</u> Assembly work (CPC 514) Installation work (CPC 5161, 5162, 51641, 51643, 51644, 5165)</p>	<p>1) Unbound*</p> <p>2) None, except for the conditions specified in 4) below.</p> <p>3) Foreign persons are to provide the services only in partnership with, or as subcontractors of, local service suppliers where the project is of national or regional significance. This does not apply to projects which have been put up for international auction won by foreign service suppliers Accreditation requirement. The main scope of the foreign person's activity to be the relevant services; experience in the field of construction; projects performed during the last two years; staff and technical capacity; bank references from a first rank foreign bank. Services must be supplied through employees under the conditions specified in 4) below.</p> <p>4) Unbound, except as indicated in the horizontal section. Access is limited to natural persons upon recognition of their technical qualification and subject to accreditation by a professional chamber in the Republic of Bulgaria. Accreditation is subject to following criteria: recognized technical qualification in Bulgaria; experience in the field of construction; projects performed during the last two years.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>D. <u>Building Completion and Finishing Work</u> (CPC 517)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>4. DISTRIBUTION SERVICES</p> <p>Measures Applicable to All Sectors in Distribution Services</p> <p>1. Distribution services of tobacco and tobacco products, alcoholic beverages; pharmaceutical, medical and orthopaedic goods, weapons, munitions and military equipment; precious metals, precious stones and articles thereof; petroleum and petroleum products are excluded.</p> <p>2. The specific commitments do not include wholesale and commission agents' trade services supplied at commodity exchange markets operated on a permanent basis.</p> <p>3. Where establishment is subject to economic needs test, the main criteria are: the number and the impact on existing stores, population density, geographic spread, impact on traffic conditions.</p>			
<p>A. <u>Commission Agents' Services</u></p> <p>Sales on a fee or contract basis of building materials and industrial and technical chemicals. (part of CPC 62113)</p> <p>Sales on a fee or contract basis of machinery, industrial equipment (except for medical and surgical equipment and orthopaedic devices) and vehicles other than motor vehicles, bicycles and motorcycles. (part of CPC 62114)</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	
<p>Sales on a fee or contract basis of furniture, household goods, hardware and ironmongery. (CPC 62115)</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Sales on a fee or contract basis of textiles, clothing and footwear. (CPC 62116)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 	
B. <u>Wholesale Trade Services</u> (CPC 61111, part of 6113; 6121) (CPC 622 excluding 62211, 62213, part of 62226, 62228, part of 6225, part of 62265, 6227)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None other than: Limitations specified in the Measures Applicable to All Sectors in Distribution Services. Licensing for specialized wholesaling services. Economic needs test. 4) Unbound, except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section. 	
C. <u>Retailing Services</u> (CPC 61112, part of CPC 6113, part of 6121) (CPC 631 excluding 63107, 63108, 63211, part of 63292, 63927)	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None other than: Limitations specified in the Measures Applicable to All Sectors in Distribution Services. Licensing for specialized retail sales. Economic needs test for the establishment of department stores. 4) Unbound, except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) Unbound 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 	
D. <u>Franchising</u> (CPC 8929)	<ul style="list-style-type: none"> 1) Access is granted to juridical persons only. 2) None 3) Unbound 4) Unbound, except as indicated in the horizontal section. 	<ul style="list-style-type: none"> 1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section. 	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>5. EDUCATION SERVICES¹²</p> <p>A. <u>Primary Education Services</u></p> <p>Privately funded primary education services (part of CPC 921)</p> <p>B. <u>Secondary Education Services</u></p> <p>Privately funded secondary education services (part of CPC 922)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) Access is granted to privately funded primary schools constituted as juridical persons upon authorization by the Council of Ministers. Compliance with the state educational and health requirements is a condition. Unbound for natural persons and associations.</p> <p>4) Unbound, except as indicated in the horizontal section and in 3) above.</p> <p>1) Unbound</p> <p>2) None</p> <p>3) Access is granted to privately funded primary schools constituted as juridical persons upon authorization by the Council of Ministers. Compliance with the state educational and health requirements is a condition. Unbound for natural persons and associations.</p> <p>4) Unbound, except as indicated in the horizontal section and in 3) above.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Condition of Bulgarian citizenship. Foreign citizens may teach on the conditions of permanent residence, recognition of their education and professional qualification.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section. Condition of Bulgarian citizenship. Foreign citizens may teach on the conditions of permanent residence, recognition of their education and professional qualification.</p>	

¹² The commitments undertaken in this sector do not refer to state, municipal and private non-secular educational institutions.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
C. <u>Adult Education</u> Privately funded adult education services (part of CPC 924)	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
6. ENVIRONMENTAL SERVICES ¹³ (The commitments do not include environmental services supplied in the exercise of governmental authority) ¹⁴			
A. <u>Sewage Services</u> (CPC 9401)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
B. <u>Refuse Disposal Services</u> (CPC 9402)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	
C. <u>Sanitation and Similar Services</u> (CPC 9403)	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

¹³ The commitments do not apply to services related to the collection, transportation, storage, secondary use, recycling, restoration, use in the production of energy and materials, and disposal of dangerous waste, refuse and substances.

¹⁴ These are regulatory, administrative and control services by government and municipal bodies related to environmental issues.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>D. <u>Other</u></p> <p>Monitoring services of exhaust gases (part of CPC 9404)</p> <p>Noise pollution monitoring services (part of CPC 9405)</p> <p>Nature protection services (part of CPC 9406)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p> <p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>7. FINANCIAL SERVICES</p> <p><u>Measures Applicable to All Sectors and Subsectors in Financial Services</u></p> <p>1. Bulgaria undertakes commitments on Financial Services in accordance with the provisions of the "Understanding on Commitments in Financial Services".</p> <p>2. The MA commitments in respect of modes 1) and 2) apply only to the transactions indicated in paragraph B.3 and B.4 of the MA section of the Understanding respectively.</p> <p>3. The admission to the market of new financial services or products may be subject to the existence of, and consistency with, a regulatory framework aimed at achieving the objectives indicated in Article 2(a) of the Financial Services Annex.</p> <p>4. Insurance or banking activities, as well as securities trading and activities related thereto, are to be carried out separately by companies that are licensed for the supply of such services.</p> <p>5. As a general rule and in a non-discriminatory manner, financial institutions that incorporate in the Republic of Bulgaria must adopt the legal form of joint-stock companies.</p> <p>6. The specific commitments on financial services are subject to the general limitations contained in the horizontal section of the Schedule of Specific Commitments on Trade in Services of the Republic of Bulgaria (GATS/SC/122 as supplemented by GATS/SC/122/Suppl.1).</p>			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>A. <u>All Insurance and Insurance-Related Services</u></p> <p>(a) Life insurance services and pension fund services</p> <p>(b) Non-life insurance services (except deposit insurance and similar compensation schemes, as well as mandatory insurance schemes¹⁵)</p>	<p>1) Unbound, except for services supplied by foreign suppliers to foreign persons in the territory of the Republic of Bulgaria.</p> <p>2) Bulgarian natural and juridical persons, as well as foreign persons who conduct business activity in the territory of the Republic of Bulgaria, can conclude insurance contracts only with suppliers with respect to their activity in Bulgaria, which are licensed to conduct insurance activity in Bulgaria. Insurance compensation resulting from these contracts shall be paid in Bulgaria.</p>	<p>1) Unbound</p> <p>2) None</p>	

¹⁵ Exclusive service suppliers may be established or authorized with respect to mandatory insurance schemes.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>3) The insurance service suppliers cannot be set up for the supply of both life insurance and non-life insurance services. Foreign persons can supply insurance services only through participation in Bulgarian insurance companies with no limitation on equity participation, as well as directly, through a branch, with registered office in the Republic of Bulgaria, after 31 March 1998. The establishment of branches of foreign insurance companies is subject to licensing by the National Insurance Council. Financial Supervision Commission (FSC). For establishing a branch in Bulgaria to provide certain classes of insurance, a foreign insurer must have been authorized to operate in the same classes of insurance in its country of origin for at least five years. The branches of foreign insurance companies should satisfy the following requirements: specific guarantee and deposit requirements, a separate capitalization, and localization in the Republic of Bulgaria of the assets representing the technical reserves.</p> <p>For a 3-year period after the date of accession to the WTO companies in which foreign participation ensures majority in adopting decisions or blocks the adoption of decisions, directly or through other companies, cannot supply insurance services.</p> <p>1),3)Transport insurance, covering goods, insurance of vehicles as such and liability insurance regarding risks located in the Republic of Bulgaria may not be underwritten by foreign insurance companies directly. A foreign insurance company may conclude insurance contracts only through a branch.</p>	<p>3) Insurance funds raised by virtue of insurance contracts, as well as own capital, must be invested in the Republic of Bulgaria and may be transferred abroad only subject to a permission of the Ministry of Finance Financial Supervision Commission (FSC)</p> <p>Foreign suppliers cannot conclude insurance contracts with local natural and juridical persons through brokers.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(c) Reinsurance and retrocession</p> <p>Life and non-life reinsurance services</p>	<p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p> <p>1) None 2) Unbound 3) The reinsurance service suppliers cannot be set up for the supply of both life and non-life reinsurance services. Foreign persons can supply insurance services only through participation in Bulgarian insurance companies with no limitation on equity participation. Foreign reinsurance companies may supply directly reinsurance services through a branch, with registered office in the Republic of Bulgaria, after 31 March 1998. The establishment of branches of foreign insurance companies is subject to licensing by the National Insurance Council Financial Supervision Commission (FSC) For a 3-year period after the date of accession to the WTO companies in which foreign participation ensures majority in adopting decisions or blocks the adoption of decisions, directly or through other companies, cannot supply reinsurance services.</p> <p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p>	<p>4) Unbound, except as in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p> <p>1) None 2) Unbound 3) Reinsurance funds raised by virtue of reinsurance contracts, as well as own capital, must be invested in the Republic of Bulgaria and may be transferred abroad only subject to permission of the Ministry of Finance Financial Supervision Commission (FSC). Foreign suppliers cannot conclude reinsurance contracts with local natural and juridical persons through brokers.</p> <p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(d) Insurance Intermediation</p> <p>(e) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Only trade companies, registered in the Republic of Bulgaria under the Trade Law, and licensed by the National Insurance Council Financial Supervision Commission (FSC) may conduct intermediation activity. Services auxiliary to insurance have to relate to insurance. Unbound for the actuarial services</p> <p>4) Unbound</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>B. <u>Banking and Other Financial Services</u> (Excluding Insurance)</p> <p><u>Banking services as listed below:</u> Acceptance of deposits and other repayable funds from the public</p> <p>Lending, such as consumer credit, mortgage credit, factoring and financing of commercial transactions</p> <p>Payment and money transmission services</p> <p>- Guarantees, excluding guarantees of the State Treasury</p> <p>- Financial leasing</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Foreign banks that are to be established in the Republic of Bulgaria must be duly authorized under their national law and must not be prohibited from performing banking activities in their country of origin and in the countries where they operate. Unbound for caisses populaires.</p> <p>Acquisition, directly or indirectly, of shares representing 5 per cent or higher of the voting rights of an established bank is subject to an authorization by the Bulgarian National Bank. Criteria for authorization are prudential and are consistent with the obligations of Articles XVI and XVII of the GATS.</p> <p>The direct or indirect acquisition of participation in non-financial enterprise a company that is not a bank by a bank of more than 10 per cent of the capital of this enterprise is subject to the approval authorization of the Bulgarian National Bank.</p> <p>Exclusive service suppliers status may be granted as to deposit and money transmission services provided to budgetarily financed public institutions.</p> <p>Condition for permanent residence with respect to executive directors of the managing body who act on behalf and for the account of a bank.</p> <p>4) Unbound, except as in the Measures Applicable to All Sectors and Subsectors in Financial Services and in 3) above.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None, except for those in the Market Access column.</p> <p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p><u>Other financial services as listed below:</u></p> <p>Participation in issuance of securities, including underwriting of securities, excluding treasury bonds</p> <p>Trading for own and customers account of transferable securities</p> <p>Asset management (excluding pension fund management)</p>	<p>1) Unbound 2) Unbound 3) Bound for investment intermediaries, investment companies and stock exchanges established as joint stock companies licensed by the Securities and Stock Exchange Commission State (SSEC) Financial Supervision Commission (FSC). The grant of the relevant licence is related to the management and technical requirements as well as requirements related to the protection of investors.</p> <p><u>Stock exchange JSC:</u> Conditions of minimum capital (BGL 100 mln.) BGN 100 000; not less than 2/3 of the capital distributed among financial institutions (insurance companies, financial houses, investment intermediaries) institutional investors (banks, insurance companies, investment companies) and investment intermediaries; a 5 per cent ceiling of the capital of the Stock Exchange for direct or indirect participation by a shareholder.</p> <p><u>Investment intermediaries:</u> None for investment intermediary activities effected on the territory of the Republic of Bulgaria, unless otherwise permitted by SSEC Financial Supervision Commission (FSC).</p>	<p>1) Unbound 2) Unbound 3) None, except for those in the Market Access column.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>Provision and transfer of financial information and financial data processing and related software by suppliers of other financial services.</p> <p>Financial consultancy services</p>	<p>Condition for membership at the stock exchange for trading with securities at a stock exchange. The membership of an investment intermediary is limited to one stock exchange only in Bulgaria.</p> <p><u>Investment companies:</u> The activities of a bank, insurance company or of an investment intermediary are not to be conducted by an investment company.</p> <p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p> <p>1) None, except for the limitations and conditions relating to the use of telecommunications network listed in the respective sector of the Schedule of Specific Commitments on Trade in Services of the Republic of Bulgaria (GATS/SC/122 as supplemented by GATS/SC/122/Suppl.1).</p> <p>2) None, except as specified in 1) above.</p> <p>3) None, except as specified in 1) above.</p> <p>4) Unbound, except as in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p>	<p>4) Unbound, except as in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p> <p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the Measures Applicable to All Sectors and Subsectors in Financial Services.</p>	
<p>8. HEALTH RELATED AND SOCIAL SERVICES</p> <p>C. <u>Social Services</u></p> <p>Privately funded social services (part of CPC 933)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>9. TOURISM AND TRAVEL RELATED SERVICES</p> <p>A. <u>Hotels and Restaurants</u> (Including Catering)</p> <p>Hotels and Restaurants (incl. catering, except for alcoholic beverages serving services for consumption on the premises and for catering in the means of transportation by air, land and sea) (CPC 641, part of 642, part of 643)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None other than: The suppliers are to be established as companies incorporated in the Republic of Bulgaria with no foreign equity participation ceiling. Tourist service licence issued by the Committee on Tourism Minister of Economy. The number of foreign managers is not to exceed the number of the managers who are Bulgarian citizens, in cases where the public (state and/or municipal) share in the equity capital of a Bulgarian company exceeds 50 per cent. The provision of tourist guides' services is to be effected through authorized foreign persons.</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section, but taking into account the limitations on market access in 3) herein.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. <u>Travel Agencies and Tour Operators' Services</u> (CPC 7471)	1) Unbound* 2) None 3) None other than: The suppliers are to be established as companies incorporated in the Republic of Bulgaria with no foreign equity participation ceiling. Tourist service licence issued by the Committee on Tourism <i>Minister of Economy</i> . The number of foreign managers is not to exceed the number of the managers who are Bulgarian citizens, in cases where the public (state and/or municipal) share in the equity capital of a Bulgarian company exceeds 50 per cent. The provision of tourist guides' services is to be effected through authorized foreign persons. 4) Unbound, except as indicated in the horizontal section and in 3) above.	1) Unbound* 2) None 3) None 4) Unbound, except as indicated in the horizontal section, but taking into account the limitations on market access in 3) herein.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>10. RECREATIONAL, CULTURAL AND SPORTING SERVICES¹⁶</p> <p>A. <u>Entertainment Services</u></p> <p>Entertainment services (other than circus, amusement park and similar attraction services, ballroom, discotheque and dance instructor services, gambling and gambling related services, lotteries and other not specified elsewhere services) (CPC 96191, 96192, 96193)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>11. TRANSPORT SERVICES¹⁷</p> <p>C. <u>Air Transport Services</u></p> <p>(d) Maintenance and repair of aircraft (part of CPC 8868)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>Sales and marketing, including computer reservation systems</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	

¹⁶ Other than audiovisual services.

¹⁷ The transportation (incl. transit transportation) of waste and refuse, dangerous goods, substances and materials, military or paramilitary equipment, drugs and similar goods is governed by special rules and is excluded from the range of services that are subject of commitments in this sector. The same applies also to all services relating to such transportation.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>E. <u>Rail Transport Services</u></p> <p>(d) Maintenance and repair of rail transport equipment (part of CPC 8868)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>F. <u>Road Transport Services</u></p> <p>(d) Maintenance and repair of road transport equipment</p> <p>Maintenance and repair services of motor vehicles (CPC 6112, part of 8867)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	
<p>H. <u>Services Auxiliary to All Modes of Transport</u></p> <p>(b) Storage and warehouse services</p> <p>Storage and warehouse services auxiliary to road transport (part of CPC 742)</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	<p>1) Unbound*</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound, except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
c),d)Freight transport agency services and other supporting and auxiliary transport services, excluding local pack up and delivery (CPC 748 and part of CPC 749)	1) None other than commercial presence required 2) None other than commercial presence required 3) None other than: Foreign persons can supply services only through participation in Bulgarian companies with 49 per cent limitation on equity participation and through branches. 4) Unbound, except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound, except as indicated in the horizontal section.	

ANNEX

ADDITIONAL COMMITMENTS SCHEDULE OF COMMITMENTS ON BASIC TELECOMMUNICATIONS REPUBLIC OF BULGARIA

SCOPE

The following are definitions and principles on the regulatory framework for the basic communications services.

DEFINITIONS

Users mean service consumers and service suppliers.

Essential facilities mean facilities of a public telecommunications transport network or service that

- (a) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (b) cannot feasibly be economically or technically substituted in order to provide a service.

A major supplier is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for basic telecommunications services as a result of:

- (a) control over essential facilities; or
- (b) use of its position in the market.

1. COMPETITIVE SAFEGUARDS

1.1. Prevention of anti-competitive practices in telecommunications

Appropriate measures shall be maintained for the purpose of preventing suppliers who, alone or together, are a major supplier from engaging in or continuing anti-competitive practices.

1.2. Safeguards

The anti-competitive practices referred to above shall include in particular:

- (a) engaging in anti-competitive cross-subsidization;
- (b) using information obtained from competitors with anti-competitive results; and
- (c) not making available to other services suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide services.

2. INTERCONNECTION

2.1. This section applies to linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier, and to access services provided by another supplier, where specific commitments are undertaken.

2.2. Interconnection to be ensured

Interconnection with a major supplier will be ensured at any technically feasible point in the network. Such interconnection is provided:

- (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subscribers or other affiliates;
- (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and cost-oriented rates that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
- (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.

2.3. Public availability of the procedures for interconnection negotiations

The procedures applicable for interconnection to a major supplier will be made publicly available.

2.4. Transparency of interconnection arrangements

It is ensured that a major supplier will make publicly available either its interconnection agreements or a reference interconnection offer.

2.5. Interconnection: dispute settlement

A service supplier requesting interconnection with a major supplier will have recourse, either:

- (a) at any time or
- (b) after a reasonable period of time which has been made publicly known

to an independent domestic body, which may be a regulatory body as referred to in paragraph 5 below, to resolve disputes regarding appropriate terms, conditions and rates for interconnection within a reasonable period of time, to the extent that these have not been established previously.

3. UNIVERSAL SERVICE

Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anti-competitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member.

4. PUBLIC AVAILABILITY OF LICENSING CRITERIA

Where a license is required, the following will be made publicly available:

- (a) all the licensing criteria and the period of time normally required to reach a decision concerning an application for a license and
- (b) the terms and conditions of individual licenses.

The reason for the denial of a license will be made known to the applicant upon request.

5. INDEPENDENT REGULATORS

The regulatory body is separate from, and not accountable to, any supplier of basic telecommunications services. The decisions of and the procedures used by regulators shall be impartial with respect to all market participants.

6. ALLOCATION AND USE OF SCARCE RESOURCES

Any procedure for the allocation and use of scarce resources, including frequencies, numbers and rights of way, will be carried out in an objective, timely, transparent and non-discriminatory manner. The current state of allocated frequency bands will be made publicly available, but detailed identification of frequencies allocated for specific government uses is not required.

THE REPUBLIC OF BULGARIA - LIST OF ARTICLE II (MFN) EXEMPTIONS

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Audiovisual Services - Production and Distribution of Cinematographic Works and Television Programmes	Measures based upon government-to-government framework agreements and bilateral and plurilateral agreements on co-production of audiovisual works, which confer national treatment to audiovisual works covered by these agreements, in particular in relation to distribution and access to funding.	All countries with which cultural co-operation may be desirable or already exists, and with which such agreements are already concluded or in the process of conclusion	Indefinite	Promotion of cultural links between the countries concerned, as well as promotion of greater diversity of foreign audiovisual works in the Bulgarian market.
Audiovisual Services - Production and Distribution of Cinematographic and Other Audiovisual Works, and Radio and Television Programmes.	Measures taken for the implementation of, and in conformity with, preferential agreements and financial and/or other support programmes such as the Convention on Transfrontier Television of the Council of Europe, the Action Plan for Advanced Television Services, MEDIA or EURIMAGES, which treat works and programmes of European origin, where these works or programmes meet certain linguistic and origin criteria, in such a way that they enjoy national treatment with respect to support and/or access to broadcasting or similar forms of transmission.	European countries	Indefinite	Promotion of cultural exchanges within Europe, which are based upon traditional cultural links.
Passenger and Freight Transportation on Internal Waterways	Measures taken under existing or future agreements which govern access and/or traffic rights and the terms of conduct of this kind of economic activity in the territory of the Republic of Bulgaria or between the countries which are parties to the corresponding agreements including agreements relating to the use of the Rhine-Main-Danube system.	All countries with which agreements are or will be in force	Indefinite	Protection of the integrity of the infrastructure, as well as environmental protection, and regulation of traffic rights in the territory of the Republic of Bulgaria and between the countries concerned.

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Passenger and Freight Transportation by Rail	Measures taken under existing or future agreements which govern access and/or traffic rights and the terms of conduct of this kind of economic activity in the territory of the Republic of Bulgaria or between the countries which are parties to the corresponding agreements.	All countries with which agreements are or will be in force	Indefinite	Protection of the integrity of the infrastructure, as well as environmental protection, and regulation of traffic rights in the territory of the Republic of Bulgaria and between the countries concerned, taking account the regional specificity of this kinds of services.
Road Passenger and Freight Transportation	Measures taken under existing or future agreements which reserve and/or restrict the supply of these kinds of transportation services and specify the terms and conditions of this supply, incl. transit permits and/or preferential road taxes, in the territory of the Republic of Bulgaria or across the borders of the Republic of Bulgaria.	All countries with which agreements are or will be in force	Indefinite	Protection of the integrity of the infrastructure, as well as environmental protection, and regulation of traffic rights in the territory of the Republic of Bulgaria and between the countries concerned.
Road Passenger and Freight Transportation	Vehicle tax and VAT-exemption on the basis of conventions or on the grounds of de facto reciprocity limited to the countries indicated in column 3.	Austria and other European countries	Indefinite	Reciprocity. Historical links and specific regional aspects.
Maritime Transport	Preferential treatment of national lines belonging to countries which are parties to the UN Convention on a Code of Conduct on Liner Conference.	The parties to the UN Convention on a Code of Conduct on Liner Conference.	Indefinite	International agreement.
Maritime Transport: Cargo Sharing between Bilateral Partners	Equality in freight liftings originating in the ports of partners to the agreement and equality in freight earnings.	India and other countries with which bilateral cargo sharing agreements are or will be concluded	Indefinite	Bilateral international agreements in the context of overall trade relations.

Sector or subsector	Description of measure indicating its inconsistency with Article II	Countries to which the measure applies	Intended duration	Conditions creating the need for the exemption
Sales and Marketing Services for Air Transport, Including CRS	The obligations relating to transport services shall not apply where equivalent treatment of Bulgarian suppliers of like services is not accorded in the country of origin of the foreign service supplier.	All countries	Indefinite	The aim of the application of such a measure is to guarantee equal access to the market of other countries for Bulgarian suppliers of such kinds of services.
Cargo-Handling Services and Storage and Warehouse Services in Sea and River Harbours, Including Services Relating to Containers and Goods in Containers	The right to supply these kinds of services is granted upon a reciprocity basis and under bilateral agreements with the countries concerned.	All countries	Indefinite	The aim of the application of such a measure is to guarantee equal access to the market of other countries for Bulgarian suppliers of such kinds of services
Legal Services	Full national treatment on the establishment and operation of companies, as well as on the provision of services by foreign citizens, may be extended only to companies established in, and citizens of, the countries listed in column 3.	Countries with which preferential arrangements are or will be concluded	Indefinite	Obligations under international agreements.
Medical and Dental Services	Public medical insurance, subsidization and compensation plans and programs, which cover the cost and expenses relating to medical and dental services provided to foreign citizens in the territory of the Republic of Bulgaria, are granted on the basis of reciprocity in the framework of bilateral agreements.	Countries with which such bilateral agreements are or will be concluded.	Indefinite	Obligations under international agreements.

**UNDERSTANDING ON THE SCOPE OF COVERAGE OF CPC 84 –
COMPUTER AND RELATED SERVICES**

(i) *CPC 84 covers the basic functions used to provide all computer and related services: computer programs defined as the sets of instructions required to make computers work and communicate (including their development and implementation), data processing and storage, and related services, such as consultancy and training services for staff of clients. Technological developments have led to the increased offering of these services as a bundle or package of related services that can include some or all of these basic functions. For example, services such as web or domain hosting, data mining services and grid computing each consist of a combination of basic computer services functions.*

(ii) *Computer and related services, regardless of whether they are delivered via a network, including the Internet, include all services that provide:*

- *consulting, strategy, analysis, planning, specification, design, development, installation, implementation, integration, testing, debugging, updating, support, technical assistance, or management of or for computers or computer systems; or*
- *computer programs defined as the sets of instructions required to make computers work and communicate (in and of themselves), plus consulting, strategy, analysis, planning, specification, design, development, installation, implementation, integration, testing, debugging, updating, adaptation, maintenance, support, technical assistance, management or use of or for computer programs; or*
- *data processing, data storage, data hosting or database services; or*
- *maintenance and repair services for office machinery and equipment, including computers; or,*
- *training services for staff of clients, related to computer programs, computers or computer systems, and not elsewhere classified.*

(iii) *Computer and related services enable the provision of other services (e.g., banking) by both electronic and other means. However, there is an important distinction between the enabling service (e.g., web-hosting or application hosting) and the content or core service that is being delivered electronically (e.g., banking).*

In such cases, the content or core service is not covered by CPC 84.
