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The Council of the European Union approved the Data Act
On 13 November 2023 the Council of EU adopted a new Regulation on harmonised rules on fair access to and use of data (Data Act). The Data Act puts obligations on manufacturers and service providers to let their users, be they companies or individuals, access and reuse the data generated by the use of their products or services. The regulation sets up new rules on who can access and use data generated in the EU across all economic sectors. It aims to:
- ensure fairness in the allocation of value from data among actors in the digital environment
- stimulate a competitive data market
- open opportunities for data-driven innovation, and
- make data more accessible to all

Final agreement on EU Digital Identity Wallet
The Commission welcomes the final agreement reached on 08 November 2023 by the European Parliament and the Council of the EU on the Regulation introducing European Digital Identity Wallets. This concludes the co-legislators' work implementing the results of the provisional political agreement reached on 29 June 2023 on a legal framework for an EU Digital Identity, the first trusted and secure digital identity framework for all Europeans. All EU citizens will be offered the possibility to have an EU Digital Identity Wallet to access public and private online services in full security and protection of personal data all over Europe. In addition to public services, very large online platforms designated under the Digital Services Act and private services that are legally required to authenticate their users will have to accept the EU Digital Identity Wallet for logging into their online services.
• **Draft bill amending and supplementing the Bulgarian Personal Documents Act**

The proposed amendments to the Bulgarian Personal Documents Act were entered into the National Assembly on 27 November 2023 and aim to increase the efficiency in issuance and usage of diplomatic and official passports and to implement into the national legislation the provisions of Council Directive (EU) 2019/997 of 18 June 2019 establishing an EU Emergency Travel Document. An explicit restriction is introduced that official passports can only be used when performing official functions abroad. The possibility of issuing diplomatic passports of regional governors is proposed, and for this category of persons the right is reserved to receive a service passport. Other proposed amendment is regarding the reconciliation of temporary passports, as the procedure for issuing temporary passports of adult Bulgarian citizens who have a valid ID card will be expedited.
Litigation

- **Ordinances of the Supreme Judicial Council for the activity of mediators and the judiciary mediation centers**

Two ordinances of the Supreme Judicial Council ("SJC") are adopted - Ordinance No. 10 of 30 October 2023 for the selection, status and operation of the mediators in the judicial centers for mediation and Ordinance No. 11 of 30 October 2023 on the structure and organization of the activity of judicial centers under mediation.

Ordinance No. 10 of 30 October 2023 regulates the relations connected with the conduct of mediation procedures for pending litigation cases in the judicial mediation centers, including selection, status and training of mediators to these centers. Ordinance No. 11 of 30 October 2023 regulates the relations related to the structure and organization of the activity of the judicial centers for mediation, the status and the duties of the judicial coordinator center as well as the collection of information and coordinating the activity of the centers. The regulations come into force on 1 July 2024, along with amendments to the Mediation Act and the Civil Procedure Code.
Two draft bills amending and supplementing the Labor Code

The proposed amendments to the Labor Code were entered in November 2023 in the National Assembly and provide new requirements in order to bring Bulgarian labor legislation into compliance with the European. The proposed amendments are related to the remote work regime, including the organization of health and safe working conditions, reporting of work and control of working hours; and equality in guaranteeing labor remunerations between posted workers and workers to which the Bulgarian labor law applies.

The other proposed draft bill amending and supplementing the Labor Code provides that in case of illegal dismissal the employee will have the right of compensation in the amount of his/her gross remuneration for the entire time during which he/she remained without a job because of this dismissal and the limiting period of 6 months for repayment of benefits in case of illegal dismissals is proposed to be removed.

Draft Order amending Order No. 8121h-156/05.02.2020 for determination of the amount of additional remuneration for science degree, for night work from 22.00 to 6.00h., and for employment during official holidays

On 7 November 2023 in the public portal for consultations was published draft of Order amending Order No. 8121h-156/05.02.2020 for determining the amount of the additional remuneration for scientific degree, for night working shifts and for employment during public holidays. In relation with the change in the minimum salary for the country effective from 1st of January 2024 and to comply with the provisions of art. 8 of the Ordinance for the structure and organization of work salary, the draft of the Order proposed the amount of the additional remuneration for each night hour worked to be changed from BGN 1.17 to BGN 1.40. The deadline for public consultations is 30-day and expires on 07.12.2023. The Order should take effect from 01.01.2024.
• The Council of Ministers adopted an update of the National plan for the introduction of the Euro in the Republic of Bulgaria
On 8 November 2023 the Council of Ministers adopted a decision for an update of the National Plan for the introduction of the euro in the Republic of Bulgaria (the "National Plan"). Some of the changes are related to the adjustment of the required time periods vs the new indicative date for membership in the Eurozone – 1 January 2025. The national plan envisages the implementation of a large-scale communication and information campaign that will introduce citizens to all practical aspects of the introduction of the euro as official currency by providing accurate, accessible and timely information. The national plan serves for management of the organization of the introduction of the euro, describing the main directions and activities that should be undertake as well as interactions between the institutions within this process.

• Draft bill amending and supplementing the Payment Services and Payment Systems Act
The proposed amendments to the Payment Services and Payment Systems Act were entered on 13 November 2023 in the National Assembly and provide new requirements for preparation of payment services and systems for the measures laid down in the National Plan for introduction of the Euro in the Republic of Bulgaria. The draft bill aimed to implement into the national law the requirements of Directive (EU) 2015/2366 of the European Parliament and of the Council on payment services in the internal market, and Directive 2009/110/EU of the European Parliament and of the Council on the taking up, pursuit and prudential supervision of the business of electronic money institutions. The draft bill in the part about introduction of the euro in Bulgaria will enter into force from the date of introduction of the euro in Bulgaria.
• Draft Bill on the Bulgarian National Bank Act
Due to the numerous changes to be made in connection with the adoption of the euro, an entirely new law has been drafted to replace the current Bulgarian National Bank Act. It is divided into sixteen chapters covering: general provisions, independence, accountability, capital and reserves, structure and management, currency, banknotes and coins, monetary policy, management of the reserve assets of the Bulgarian National Bank, management of foreign assets, relations with the State, relations with banks, relations with other persons, statistical activities, financial reporting and implementation of the budget of the Bulgarian National Bank, other provisions and administrative liability.
The draft bill regulates the status of the euro as a currency, the definition of the design of the national side of euro coins, the introduction and withdrawal from circulation, exchange and reproduction of euro banknotes and coins. The bill regulates the two fundamental principles on which every national central bank in the European System of Central Banks (ESCB) is based - the principles of independence and accountability.
The Council of EU and the EU Parliament strike provisional deal to reinforce the supply of critical raw materials

On 13 November 2023 the Council and the European Parliament reached a deal on the proposed regulation establishing a framework to ensure a secure and sustainable supply of critical raw materials, better known as the Critical Raw Materials Act. The agreement is provisional, pending formal adoption in both institutions. The agreement keeps the overall objectives of the original proposal but strengthens several elements. It includes aluminium in the list of strategic and critical materials, reinforces the benchmark of recycling, clarifies the permitting procedure for strategic projects, and requires relevant companies to perform a supply-chain risk assessment on their sourcing of strategic raw materials. It establishes a list of 34 critical raw materials and sets targets to increase the EU contribution of these substances. To achieve this, the proposal called for a quick and simplified permit procedure for strategic extracting projects, to be dealt by a single national contact point.

The revenue ceilings for electricity traders and producers and the compensations for the businesses are included in the draft bill for the State budget of the Republic of Bulgaria for 2024

The draft bill for the state budget of the Republic of Bulgaria for 2024, proposed by the Ministry of Finance, is about to be voted by the National Assembly and provides that emergency measures in the energy sector will remain valid in 2024, namely the revenue ceilings for electricity producers and traders as well as the compensations for business expenses above a certain limit. They were introduced in 2022 after the entry into force of Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices, which was adopted because of the sharp increase in the price of electricity stock markets in the European Union.
New amendments to the Energy Act

In the State Gazette, No. 96 of 17 November 2023 the Law on amendment of the Energy Act (the "Act") was promulgated, providing full liberalization of the electricity market for household consumers by 2026. The new amendments to the Act implement into the national energy law the provisions of Directive (EU) 2019/944 on the common rules for the internal market for electricity and of Reform "Liberalization of the market of electricity' (C4.R8) and Reform “Development of definition and criteria for "energy poverty" (C4.R3) from the Recovery and Resilience Plan of Republic of Bulgaria. Part of the implemented provisions are related to new market entrants of electrical energy - civil energy communities, active customers and aggregators. Measures to protect the consumers of energy services through opportunity for concluding contracts with a fixed term and on fixed price and on contracts with a dynamic price of electricity - for customers with installed smart commercial metering tool.
Healthcare

• Draft bill amending and supplementing the Medicinal Products in Human Medicine Act
The proposed amendments were entered on 08 November 2023 in the National Assembly and provide the opportunity for patients and doctors to access allergens testing products and therapies. The proposed amendments aim to expand the possibilities of diagnosis and treatment of patients by regulating the prescription, importation and enforcement of allergenic medicinal products with no license for use. An opportunity is created, at the discretion of medical specialist with a recognized disease profile specialty, for individual patients import in the country to be requested and to be appointed and conducted treatment or testing with allergenic products. The conditions for import and the application of such allergens should be arranged in by-law to ensure that their import and use in the country continues to be under the control of the state authorities.
• **Draft of the National Strategy for the Environment 2021 – 2030**
In the public consultation portal was published a draft of the National Environmental Strategy 2021 – 2030 adopted by Decision No. 765 of the Council of Ministers from 2 November 2023. According to the requirements of the Environmental Protection Act, the National environmental strategy contains a five-year action plan with specific institutional, organizational and investment measures, terms, responsible institutions, necessary resources and sources of financing. The National Strategy is a document that combines the political vision and priorities in the field of environment with a framework about actions for their realization. The strategy outlines the general understanding of positive change in the direction of future development while at the same time including the characteristics of an operational document for action in the form of a "road map" to achieve the defined goals and priorities. It presents an integrated vision for environmental policy, outlining the overall strategic framework for action in the field of environmental protection and management of the environment.

• **New Taxonomy regulations**
Outstanding Delegated Acts under the Taxonomy Regulation were published in the Official Journal of the EU on 21 November 2023. The new delegated acts will come into effect on 1 January 2024. This means that reporting entities will be required to report on all six environmental objectives for the current financial year 2023. For the financial year 2023, nonfinancial undertakings will be required to disclose only the portion of revenue, investment, and operating expenses that are eligible for environmental objectives 3-6 and the newly added economic activities in the climate delegated act. The complete taxonomy reporting (eligibility and alignment) for all six environmental objectives will be required starting from the fiscal year 2024.
Christmas discounts for Deloitte Legal trainings

Deloitte Legal Bulgaria provides online trainings of personnel on various compliance topics.

Our trainings include:

- **Personal data protection and compliance with the GDPR** – it is suitable for each organization acting as a controller/processor of personal data, especially for companies with numerous staff or processing large volumes of personal data such as shared service centers, IT companies, and others.

- **Overview of the Bulgarian regulatory regime of health and safety working conditions** – it is suitable for each organization and more specifically for companies operating in manufacturing, construction, oil and gas, energy, mining, and other industries where health and safety rules are of particular importance.

- **Employment/HR administration** - it is suitable for each organization and more specifically for companies with a large number of staff. It provides overview of legal requirements, as well as practical advice and guidance for compliance with applicable legislation in this field.

- **Other topics**, according to your needs, such as: overview of the Bulgarian regulatory regime of environment protection, applicable to the company’s activity; ESG regulations; Whistleblowing legislation; AML compliance; etc.

Why choose our trainings?

- We are glad to provide all subscribers to our Legal Newsletter a **discount of up to 30%** for each of our trainings (exact price depends on the chosen type and duration of the training). **Additional discount** would be provided if you opt for a training package with more than two trainings.

- Each training is conducted **online** with a duration of up to **2 hours**, which provides flexibility to your employees who can easily fit it into their work schedule.

- **Trainings can be conducted in Bulgarian or English**, according to your choice.

- Each training is followed by a **self-assessment questionnaire**, which helps employees check and practice their knowledge.

- A **certificate for participation** is issued to each employee who attends the training.

- Depending on your needs, trainings could be tailored for all **staff** or for employees responsible for **specific activities** (e.g., personal data processing activities; health and safety officer; HR responsible, etc.) for key management personnel.

- We can help your organization meet **legal requirements for training its personnel** on specific topics (e.g., personal data protection, health and safety, etc.), thus ensuring accountability and compliance with applicable law.

- Deloitte Legal is experienced in providing trainings to a large portfolio of local and international clients on various regulatory and compliance topics (references available upon request). Our presenters are qualified attorneys-at-law with significant practical experience and **international qualifications** (including CIPP/E, CIPM) and are regularly participating at seminars and conferences on legal and compliance topics. They are recognized experts on the legal market with publications in Bulgarian and foreign media.

- If you are interested in our trainings and wish to receive a discount, you can contact us until the end of December 2023 by sending an email to the following address: zfileva@deloittece.com

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Deloitte Legal is experienced in providing services to local and international clients with respect to personal data protection and the General Data Protection Regulation (Regulation (EU) 2016/679 – “GDPR”), tailored to your business needs.

Our services include:

- Sanity check assessment of compliance with GDPR requirements and evaluation of how effectively GDPR is being governed and monitored.
- Drafting internal data protection rules of the organization, or revision of existing rules considering the local and EU legislation, including GDPR.
- Assistance with determining the applicable legal grounds for personal data processing, analysis of the necessity of and conditions for obtaining data subjects’ consent and assistance with preparing GDPR compliant consent forms.
- Drafting privacy notice templates containing all necessary information to be provided to data subjects under GDPR.
- Staff training providing practical knowledge of the GDPR requirements to be applied in the day-to-day activities within the organization.
- Advice on personal data transfers to third countries and offering solutions in this respect.
- Preparation/implementation of binding corporate rules at intra-group level.
- Assistance with structuring/negotiating the contractual relations with data controllers, the data processors and joint controllers.
- Assistance with drafting records of processing activities.
• Supporting the Data Protection Officer (DPO), appointed by the data controller/ data processor, to perform their tasks under the GDPR, for example assistance regarding the compliance with GDPR and other data protection rules, communication with the supervisory authority, etc.

• Consultation on specific data protection matters, including with respect to privacy and whistleblowers protection, implementation of new technologies and artificial intelligence

• DPO as a service - providing independent DPO expertise and representation in front of the Bulgarian data protection authority, performed by a team of privacy experts

• Performing the functions of EU Representative of controllers/ processors not established in the EU

• GDPR stress test - assessing the current level of GDPR maturity within the company by testing its reactions to data privacy events/ issues

• CIPP/E and CIPM trainings - certification trainings in cooperation with the International Association of Privacy Professionals (IAPP)

• Supporting clients when communicating with the Commission for Personal Data Protection, other EU supervisory authorities and data subjects in the event of personal data breach

• Legal assistance and representation with respect to imposed sanctions, complaints, or court proceedings initiated by/against the organization

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