

A fixed corporate tax regime agreement that will apply to ICGB - the operator of the gas interconnection between Bulgaria and Greece for 25 years from the start of commercial operations has been ratified by the Bulgarian Parliament.

The agreement also determines the income of Greece and Bulgaria from the project based on the length of gas pipeline on each of the two countries' territory. The planned length of the pipeline is 182 kilometers, of which 151 will be laid in Bulgaria, while 31 kilometers will be laid in Greece. The two countries signed the tax regime agreement in October 2019, after the European Commission cleared the agreement under its state aid rules in November 2018. Bulgaria-Greece gas interconnection is designed with the capacity between 3 and 5 billion cubic meters of gas per year, but it could be extended up to 10 billion cubic meters in case of commercial interest and economical justification. The construction of gas interconnection officially started on 22 May 2019.