## **CHECKLIST**

## For reporting according to Regulation (EU) 1233/2011

I. Reporting country information

Reporting Country	Bulgaria
Submission Date	
Reporting Institution (Government	Bulgarian Export Insurance Agency (BAEZ)
Department, ECA)	

II. Reporting country legal and policy information

Mandate/Legal status of ECA	BAEZ is the export credit agency of the
	Republic of Bulgaria.
	The Agency's sole shareholder is the Republic
	of Bulgaria, represented by the Minister of
	Economy and Energy.
	The activity of BAEZ is regulated by the
	<u>following legal acts:</u>
	1) The Export Insurance Act regulates the
	activity on the account of the State. That
	activity has the purpose of carrying out the
	national strategy in the field of the foreign trade
	exchange, the realization of Bulgarian
	investments abroad and the improvement of the
	competitiveness of the Bulgarian export on the
	international markets.
	BAEZ provides insurance against export risks, listed under the Act, which are related to the
	production and export of Bulgarian goods and
	services or Bulgarian investments abroad as
	well as insurance of credits and financing,
	granted to small and medium-sized enterprises
	in accordance to Art. 3, para 4 of the Export
	Insurance Act.
	2) BAEZ provides insures <b>on its own account</b>
	as per the Insurance Code.
	The insurance activity on the account of BAEZ
	is performed for countries included in the List
	of the marketable risk countries, adopted with
	an Ordinance of the Council of Ministers of the
	Republic of Bulgaria.
Officially supported export credit	Export Credit Insurance
programs(in the sense of Article 5 of the	Short-term commercial and political
OECD Arrangement) during reporting	non-marketable risks
period	Medium-term commercial and
	political risks
	• Insurance of Investments (for
	investments in non-marketable
	countries)

	<ul> <li>Insurance of Export Guarantees (for non-marketable countries)</li> <li>Insurance of L/Cs (for non-marketable countries)</li> <li>Insurance of Credit and Financing, granted to SMEs</li> </ul>
Annual reports available on reporting year	The annual report for 2013 has been audited on March 26 <sup>th</sup> , 2014 and published in June 2014. It is publicly available at <a href="http://192.168.0.222/docs/Annual_Report_2013_EN.pdf">http://192.168.0.222/docs/Annual_Report_2013_EN.pdf</a>

III. Information on the reporting Member State's Export Credit policies:

General presentation of the reporting MS'
policies on export credits, including all
information that can help the Commission
in carrying out its evaluation regarding the
compliance of the Export Credit Agencies
with EU objectives and obligations (in the
sense of Article 3, Annex 1 of EU
Regulation1233/2011)

Special information on the following policies:

#### 1) Environment:

- Do apply the **OECD** a) you Recommendation on Common Approaches to the Environment Officially Supported Export Credits? (its successor instrument the OECD Recommendation Common on Supported Approaches on Officially Export Credits and Environmental and Social Due Diligence?)
- a) As Bulgaria is not an OECD member BAEZ does not yet implement the OECD Recommendation on Common Approaches to the Environment and Officially Supported Export Credits. BAEZ is open to start applying it if recommendations available.

#### b) any other relevant information

- 2) Human rights:
- a) Do you apply the Human Rights related aspects of the

Recommendation on Common

Approaches, on Officially Supported Export Credits and Environmental and Social Due Diligence?

b) any other relevant information?

a) As Bulgaria is not an OECD member BAEZ does not yet implement the Human Rights related aspects of the Recommendation on Common Approaches, on Officially Supported Export Credits and Environmental and Social Due Diligence. BAEZ is open to start applying it if recommendations available.

3) Anti-Bribery measures: **OECD** a) Yes, BAEZ applies OECD Recommendation a) Do you apply the Recommendation **Bribery** on Bribery and Officially Supported Export on and Officially Supported Export Credits? Credits. The insurance services consumers have the possibility to get acquainted with the "Antibribery initiative for raising the public awareness on combating bribery of public officials" on BAEZ's web site www.baez.bg. Prior to signing the insurance policy the applicants have to fill in the anti-bribery declaration, which is an integral part of the insurance application. BAEZ has also implemented a change in its General terms and conditions when providing an insurance cover on account of the State in terms, that it is a risk excluded from insurance coverage if the policyholder has breached clauses from the Criminal code of the Republic of Bulgaria, in particular Section IV, Art. 304, Para. 3 /Bribery, including bribery of foreign public officials/, acts of the Bulgarian Government or acts of other administrative bodies, related to the combat on bribery of foreign public officials in international business transactions, and where it is connected with the preparation, signing or execution of the export contract covered by BAEZ. b) Any other relevant information? b) BAEZ is in full compliance with the Act for money laundering prevention and the Act for terrorism financing prevention 4) Sustainable Lending Practices: a) Do you apply the OECD Principles and a) As Bulgaria is not an OECD member BAEZ Guidelines does not yet implement the OECD Principles to Promote Sustainable Lending Practices in the Provision of and Guidelines to Promote Sustainable Lending Official Export Credits to Low Income Practices in the Provision of Official Export Countries? Credits to Low Income Countries Even though BAEZ is open to start applying it if recommendations available. b) Any other relevant information? 1) Openness and confidentiality policy. <u>5</u>) Other policies BAEZ's aim is to provide openness and transparency to its overall activity. Its annual reports, business procedures, internal regulations, general conditions and applicable range of premiums and fees are available at the company's website. At the same time it is important to mention that

BAEZ	keeps	full	confidentiality	about
custome	rs' busin	ess and	transactions as	implied
in the In	surance (	Code, aı	t. 93.	

### IV. Annual Activity Report data:

Explanatory note:

"MS shall report, in accordance with their national legislative framework, on assets and liabilities, claims paid and recoveries, new commitments, exposures and premium charges." From Regulation 1233/2011, Annex 1.

Member States that have more than one ECA should do one single integrated report (reporting obligation is on the Member State as such, not the ECA). Where a MS offers at the same time different types of products (pure cover and direct lending), the reporting under chapter IV should however differentiate.

should however differentiate.		
• In case of official support is provided in the form of export credit guarantee or		
insurance ("pure cover") in the sense of Art 5 a 1) OECD Arrangement:		
Overview of assets	BGN 32,4 million (EUR 16,6 million)	
Overview of liabilities	BGN 32,4 million (EUR 16,6 million)	
Aggregate nominal risk exposure		
• 01-01-2013	BGN 527 million (EUR 269 million)	
• 31-12-2013	BGN 426 million (EUR 218 million)	
a.) nominal risk exposure under insurance		
policies issued	DCN 707 'II' (FUD 200 'II' )	
• 01-01-2013	BGN 527 million (EUR 269 million)	
• 31-12-2013	BGN 426 million (EUR 218 million)	
b.) nominal risk exposure under promises		
and notices of cover		
• 01-01-2013	n.a.	
• 31-12-2013	n.a.	
Premium Income	BGN 2,4 million (EUR 1,2 million)	
Recoveries	BGN 0,1 million (EUR 0,05 million)	
Claims paid	BGN 0,22 million (EUR 0,11 million)	
<ul> <li>In case official support is provide</li> </ul>	ed in the form of Official Financing Support in	
the sense of Arti	cle 5a2) OECD Arrangement:	
Overview of assets	n.a.	
Overview of liabilities:	n.a.	
a) nominal value of officially supported		
loan portfolio		
• 01-01-2013	n.a.	
• 31-12-2013	n.a.	
b) total value of off balance commitments	n.a.	
• 01-01-2013		
• 31-12-2013		
Interest received	n.a.	
Annual profit/loss	n.a.	

#### V. Contingent liabilities

Where contingent liabilities might arise	n.a.
from officially supported export credit	
activities, those activities shall be	
reported:	

# Evaluation and incorporation of environmental risks

Environmental risks:	n.a.
a) Number/exposure of transactions	n.a.
Category A	
b) Number/exposure of transactions	n.a.
Category B	
How are environmental risks, which can carry other relevant risks, taken into account in the officially supported export credit activities?	n.a.
credit activities:	