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## Energising Bulgaria

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Bulgaria's newly elected conservative President Rosen Plevneliev will take the reins at the end of January 2012. Bulgaria being a parliamentary republic with the head of state charged with largely ceremonial and representative functions, you might ask what did the election outcome in October 2011 signal to Europe? The recently held elections showed that the incumbent ruling party Citizen's for the European Development of Bulgaria (GERB) solidified its hold over both presidential and municipal levels, despite evident [waning party support](#). The new president pledges to boost economic growth and employment and improve the business environment. He vows to step up judicial reforms and tackle corruption to better Bulgaria's image, essentially sounding somewhat like a prime ministerial speech.

For the EU, who's had its eyes on Bulgaria's elections, the continuation is good news. Firstly, they can rely on Bulgaria to take on a stronger coordinating role in [the EU's strategy for the Balkans](#). Plevneliev specifically noted that Bulgaria has a ["responsibility towards democracy, stability, peace and prosperity in the region."](#) Secondly, it means closer cooperation with Brussels rather than drifting eastwards to Moscow. Nevertheless, Bulgaria once again finds itself shoulder to shoulder with US and EU interests on the one hand and Russian interests on the other particularly in the field of energy security.

### Plevneliev: President of Energy Independence

One of the major issues brought up during the short campaigning period and reiterated in his winning speech was energy diversification. Plevneliev proclaimed he would be the president of [energy efficiency, energy independence and energy liberalization](#). We have yet to see what direction these statements will take and what energy independence will mean for both Bulgaria and the rest of Europe?

The EU is looking to create a future marked by energy security via energy diversification, particularly following the Ukraine-Russia gas debacle. The EU being highly dependent on Russia for gas imports is searching for viable new sources and routes, something that is also aligned with Bulgaria's political agenda. Moreover, Bulgaria has been one of the countries that suffered most in recent years as a result of its gas dependence on Russia. Thus, the EU's 2020 strategy sets out its ambitions in the energy sector, ambitions that include Bulgaria as a strategic actor, and designates considerable financial resources for supporting diversification as well as replacing network equipment.

### Traditional or Non-Traditional?

Essentially reliant on coal and nuclear energy, it is still uncertain whether Bulgaria will head down the road of traditional or [nontraditional sources of energy](#). Unlike many other smaller countries, Bulgaria finds itself on the strategic pathway for the construction of various pipelines connecting the Caucasus or the Middle East and Europe. Projects such as the EU's baby, the Nabucco pipeline, which aims to secure independence from Russia and tap into the Caspian Sea reserves, and the South stream will give Bulgaria opportunities. Furthermore, in recent years the Prime Minister Boyko Borissov turned to the [US Department of Energy for alternatives](#) that would allow Bulgaria to move away from its Russia-centered energy policy, something that Russia has not been all too happy about. The former President Georgi Parvanov (independent but with a socialist background) has often been known to encourage energy ties with Russia.

With regard to non-traditional resources, Bulgaria finds itself amidst a changing geopolitical order based on the availability of new technologies that will be able to extract natural gas and petrol from non-traditional sources. The shale gas debate has gained considerable momentum in Bulgaria. [Potential reserves](#) are estimated to be between 300 billion to 1 trillion cubic metres of shale gas. In June 2011, the US company Chevron won a five-year contract for shale gas exploration in northeastern Bulgaria. According to the Minister of Energy, Traicho Traikov, the opportunity will potentially secure Bulgaria's energy independence from Russian imported gas. Plevneliev is still to take a clear stance on the issue of shale gas exploration and extraction, being one of the possible directions for Bulgaria, clearly supported by the US ambassador to Bulgaria James Warlick. During Plevneliev's campaigning in the northeastern part of Bulgaria, he promised citizens that in case there was proof of environmental risk, he would enforce his [veto](#). This may no longer be needed.

Over the past months Bulgaria was shook by a series of protests against shale gas exploration in the particularly fruitful land of Dobrudzha. There is fear that even exploration could lead to the contamination of underground water in a region that fuels Bulgaria's agriculture industry. The protests culminated on January 14, 2012 when protests across 12 major Bulgarian cities brought together thousands in opposition. The call for a moratorium on shale gas exploration due to the possibility of environmental risks was answered several days later by a law banning both exploration and extraction.

## What about Renewables?

Another direction for Bulgaria has been renewable energies. With Bulgaria's accession, the EU asked that Bulgaria ensure an 11% and [16% share of energy from renewable sources by 2010 and 2020](#) respectively. In 2011, [Bulgaria's government and the Producers of Ecological Energy Association announced differing figures](#) of the share of electricity produced by RE – 15% and 7.3%, a difference not to be ignored. Bulgaria is also stalling its first progress report on meeting the 2020 targets. Moreover, the Bulgarian government introduced a [law on renewable energy](#) in mid-2011 that essentially cools the surge of investments in green energy in the country. According to the government, the ageing power grid is threatened to be overwhelmed by solar and wind projects, yet there is little talk about its renovation and upgrade.

Last year, [Ernst and Young](#) placed Bulgaria among the top destinations for investments in green energy, while the [EUObserver sets Bulgaria at 12<sup>th</sup> place](#) in the EU by share of RES. For Bulgaria, that rarely tops the charts at anything, this is good news. Yet if Bulgaria is doing so well it is unclear why the government wishes to stifle the country's potential for development, despite its calls for energy independence. Even Germany's investments, 5<sup>th</sup> in ranking in the country, are falling. Many of Germany's companies, half of which deal with green technologies, are pulling out of Bulgaria. The government has said they have fulfilled their 2010 quota and period. It is difficult to imagine passing up such an opportunity for development and sustainability simply due to an ageing electricity grid.

What is certain is that various interests abound tugging at Bulgaria from directions upside and downside up. It is yet unclear whether Bulgaria will be able to break away from Russia's energy grip and how it will do so with the help of its EU partners in the years to come.

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