

Bulgaria Says South Stream Deal With Russia Does Not Break EU Law

By [The Moscow Times](#)

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The South Stream gas pipeline, which is expected to cost about \$40 billion, will carry Russian gas to central Europe via the Black Sea.

SOFIA — Bulgaria did not breach EU law when it signed deals for the construction of the Russian-led South Stream gas pipeline, the government has said, dismissing Brussels' objections to a project that has spurred tensions between Moscow and the West.

South Stream, expected to cost about \$40 billion, will carry Russian gas to central Europe via the Black Sea, bypassing Ukraine and reducing that country's importance as a transit route.

Earlier this month, the European Commission asked EU member Bulgaria to halt work on its section of the planned pipeline on the grounds that the project broke EU law.

The commission, the EU's Brussels-based executive arm, says South Stream violates the bloc's competition law because it offers no access to third parties. It also counters EU

policy of diversifying supply sources to reduce dependence on Russia.

Bulgaria, historically close to Russia and heavily dependent on its gas, is a strong supporter of the pipeline, though Bulgarian Prime Minister Plamen Oresharski has told parliament the work will not resume until Sofia gets the EU's green light.

In its statement Wednesday, the government said it had approved its official position on the legality of the pipeline.

"With its position the government presents arguments and motives in support of the decisions the Bulgarian nation has taken and which were the subject of concern at the EU Commission," the statement said.

Bulgaria will submit these arguments to the commission, which must then decide whether to accept them or to reject them — a move that could end in full infringement proceedings and possible fines against Sofia.

Austria, another strong defender of the pipeline, defied the commission on Tuesday by giving its final approval to the project during a visit to Vienna by Russian President Vladimir Putin.

The commission's warning to Bulgaria comes as the EU threatens more economic sanctions against Russia over its annexation of Ukraine's Crimea region and its links to pro-Russian separatists battling Kiev's forces in eastern Ukraine.

The South Stream pipeline would travel across Russia, under the Black Sea and then through Bulgaria, Serbia, Hungary and Slovenia to Austria. Another branch may be built to Italy.

See also:

[Bulgaria Halts Work on Gazprom's South Stream Pipeline](#)

[Russian Energy Minister Accuses EU of Pressuring South Stream Partners](#)

[Austria Pipes Up for South Stream](#)

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