



MEMORANDUM

PAC/RESO/1072

To: All Members, Passenger Agency Conference
Accredited Representatives

From: Director, FSDS Operations, GDC

Date: 30 October 2025

Subject: **MAIL VOTE (A703)**
PAC2 (Mail A703)
Changes to Local Financial Criteria Bulgaria- update to currency change

Background Information

Submitted by APJC Bulgaria

Following the decision by the Council of the European Union to welcome Bulgaria into the Eurozone as of January 1, 2026, on July 8, 2025, the Council of the EU adopted the final legal acts approving Bulgaria's accession to the euro area.

The last amendment to [Council Regulation \(EC\) No 2866/98](#) was [Council Regulation \(EU\) 2025/1409 of 8 July 2025](#), which established the conversion rate for the [Bulgarian lev](#) to the euro for when Bulgaria adopts the euro. This amendment sets the conversion rate at 1,95583 Bulgarian lev per 1 euro, effective on January 1, 2026.

APJC Bulgaria agreed that the Local Financial Criteria (LFC) should reflect amounts in EUR instead of BGN.

In accordance with the provisions of the "Introduction to EUR in Bulgaria Act" issued by the Bulgarian Ministry of Finance, and specifically Article 28, all BGN amounts must be converted to EUR using the official rate communicated by the Council of the European Union.

APJC Bulgaria unanimously agreed, via mail vote held on 18–19 September, to convert all amounts in the LFC to EUR with effective date 1st of January 2026.

Effective Date

The proposed effective date of these changes is 1 January 2026.

Proposed Action

Conference to adopt the changes to the Local Financial Criteria as shown in Attachment 'A'.
The timetable for this Mail Vote is as follows:

Voting Period: 30 October-13 November 2025

Filing Period: 14 - 28 November 2025

Effectiveness: 1 January 2026

To cast a vote, Members are asked to access the application from the following link:
<https://forms.office.com/e/X2tmmeakQK>.

Please note that no other form of voting will be accepted. Voting will conclude at close of business MAD time on **Thursday, 13 November 2025**. Votes not cast by that deadline will be deemed to be affirmative.

In conformity with the Mail Vote procedure endorsed by PAcConf in October 2009, this Mail Vote has been provided in advance to representatives of the agency associations ECTAA, UFTAA and WTAAA for review and/or comment.

No comments were received.

Any Member seeking clarification on any aspect of the mail vote or the mail vote process is invited to contact the IATA Passenger Governance team by email to pac-gov@iata.org.

A handwritten signature in black ink, appearing to read 'J. Rodriguez', with a large, sweeping flourish above it.

Juan Antonio Rodriguez
Director – FSDS Operations, GDC

BULGARIA

(Effective ~~1 September 2024~~ 1 January 2026, MV/A703)

1. GENERAL RULE

1.1 Documents required for New Applicants

New Applications will only be accepted from entities that:

- Have one year trading history

The following documents are required:

1. Balance sheet, Cash Flow and Profit & Loss account duly certified by an outside certified accountant covering the 12 months period prior to application submission.
2. Statements of sales, verified by airlines or IATA agencies.
3. Tax Office Certificate (Удостоверение за липса на задължения и данъци) showing that at the time of the application the agent has no outstanding payments to the State.

1.2 Documents required for existing Agents

Financial evaluation of existing Agents against the criteria in Section 2 is performed by IATA on an annual basis. The following documents, submitted electronically no later than 6 months after each financial year end, are required:

1. Balance Sheet for the past financial year prepared according to the National Tax and Accounting standards and duly certified by a certified accountant.
2. Tax Office Certificate (Удостоверение за липса на задължения и данъци) issued after the end of the financial year in review.

Such action can be requested only by IATA office and conclusions of such review will be treated in a strictly confidential way.

2. CRITERIA FOR THE EVALUATION OF AGENTS' ACCOUNTS

The established criteria for financial evaluation of new and existing Agents are:

1. Rate of Liquidity = Current Assets/Current Liabilities, must be greater than 1.2.
2. Rate of Solvency = Total Capital (Общо Собствен Капитал)/Total Liabilities (Общо задължения), must be greater than 0.5.
3. Net equity = Total assets – Total Liabilities, must be greater than 0
4. Agent has had no outstanding payments to the State for the past financial year

An Applicant/Agent will pass the Financial Review if all the above financial tests are met.

3. FINANCIAL SECURITY

3.1 General Principles

An Agent will not be accredited or will not continue to be accredited until a any Financial Security required is to be provided to IATA has been received by IATA and confirmed to IATA by way of written confirmation received directly from the third party supporting the Financial Security that the Financial Security was issued by that third party and is valid.

3.2 Sales At Risk

For each Agent IATA individually determines the "Sales At Risk" using the following formula:

3.2.1 For Agents within their 6 months of operation as IATA Accredited Agent:

$$\text{"Sales At Risk"} = \frac{\text{"Days' Sales at Risk"} \times \text{Estimation of annual sales as per the Statement of Sales}}{360}$$

3.2.2 For Agents between their 6 and 12 months of operation as IATA Accredited Agent:

$$\text{"Sales At Risk"} = \frac{\text{"Days' Sales at Risk"} \times \text{BSP Cash Turnover in the latest 6 months period}}{180}$$

3.2.3 For Agents after their 48 months of operation as IATA Accredited Agent:

$$\text{"Sales At Risk"} = \frac{\text{"Days' Sales at Risk"} \times \text{BSP Cash Turnover in the latest 12 months period}}{360}$$

- Days' Sales at Risk, applicable to the formula above, are 20.
- Days' Sales at Risk: 7 days billing period + 8 days from the end of billing period to remittance day + 5 days until Default declaration = 20 days.

3.3 Level of Financial Security

3.3.1 All Agents, during the first two (2) years as an IATA Accredited Agent, must provide a Financial Security covering the amount at risk as defined in 3.2 above, but not less than ~~BGN 30,000~~ the minimum amount specified in Section 3.4.

3.3.2 Existing Agents

3.3.2.1 Agents with Risk Status A

- Agents with Risk Status A, are required to provide a Financial Security covering 30% of their Amount at Risk calculated as per Section 3.2.3, or, ~~BGN 30,000~~, the minimum amount specified in Section 3.4, whichever is higher.

3.3.2.2 Agents with Risk Status B

- Agents with Risk Status B are required to provide a Financial Security covering 100% of their Amount at Risk calculated as per Section 3.2.3, or ~~BGN 30,000~~, the minimum amount specified in Section 3.4, whichever is higher.

3.3.2.3 Agents with Risk Status C

- Agents with Risk Status C are required to provide a Financial Security covering 100% of their Amount at Risk calculated as per Section 3.2.3, or ~~BGN 30,000~~, the minimum amount specified in Section 3.4, whichever is higher.

3.3.3 If an existing Financial Security is insufficient to cover the Amount at Risk, the amount of the Financial

Security required will be increased to cover the Amount at Risk.

3.4. Minimum Financial Security

The minimum financial security amount for any form of security established before 1 January 2026 is 15'338.76 EUR (converted from the applicable BGN amount). For any security established or renewed on or after 1 January 2026, the minimum amount is EUR 15,000.