



# SUPPORTING BULGARIAN FINTECH SMEs

---

Georgi Penev  
Director @  
Bulgarian Fintech  
Association

Supported by:



РЕПУБЛИКА БЪЛГАРИЯ  
Министерство на икономиката



BULGARIAN SMALL AND MEDIUM  
ENTERPRISES PROMOTION AGENCY



INVESTBULGARIA  
AGENCY

# AGENDA

---

1

**WHO ARE WE**

2

**WHAT, WHY AND HOW**

3

**BG FINTECH ECOSYSTEM**





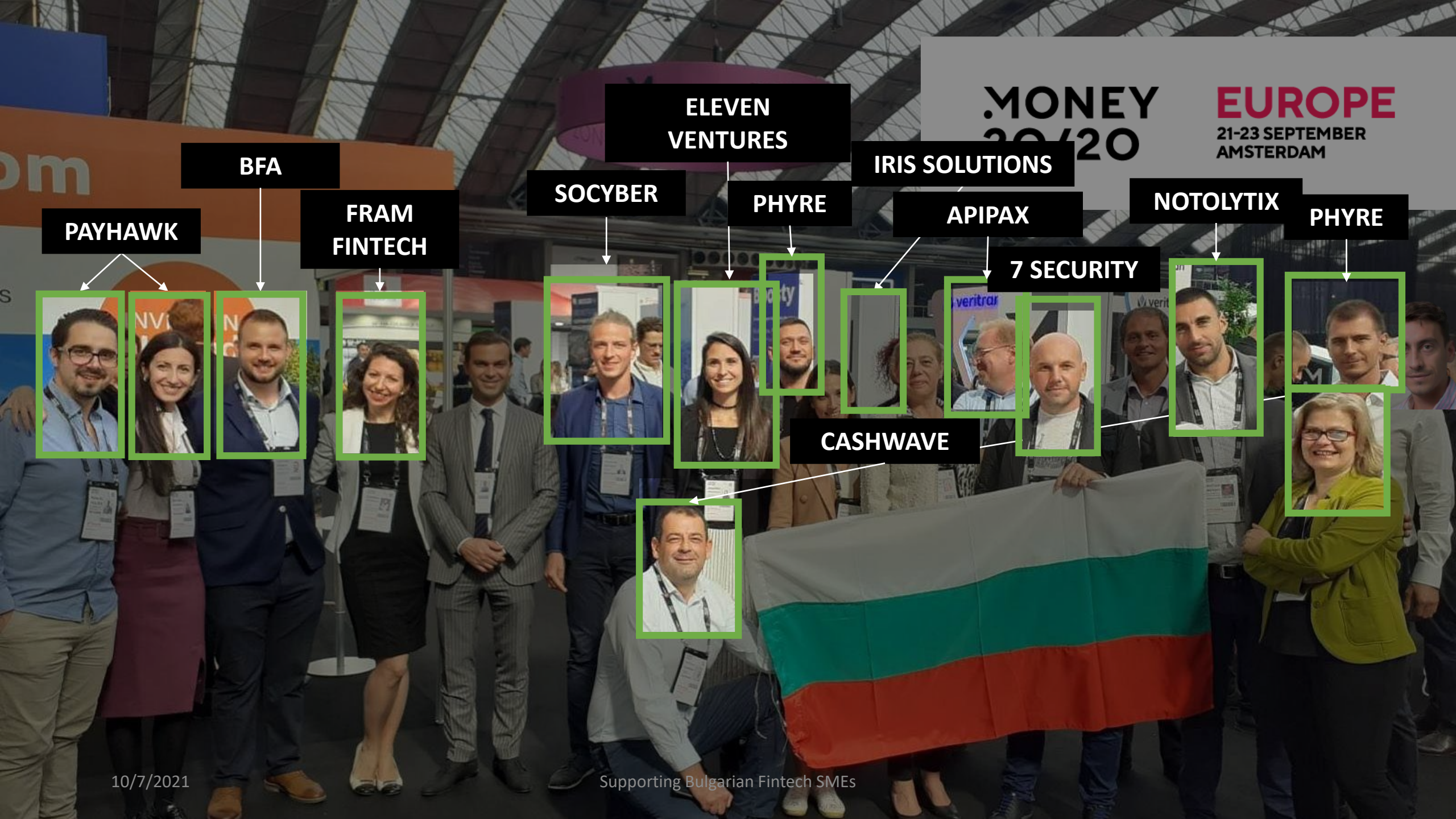
**.MONEY  
20/20**

**EUROPE**  
21-23 SEPTEMBER  
AMSTERDAM

10/7/2021

Supporting Bulgarian Fintech SMEs





PAYHAWK

BFA

FRAM  
FINTECH

SOCYBER

ELEVEN  
VENTURES

PHYRE

IRIS SOLUTIONS

APIPAX

7 SECURITY

NOTOLYTIX

PHYRE

CASHWAVE

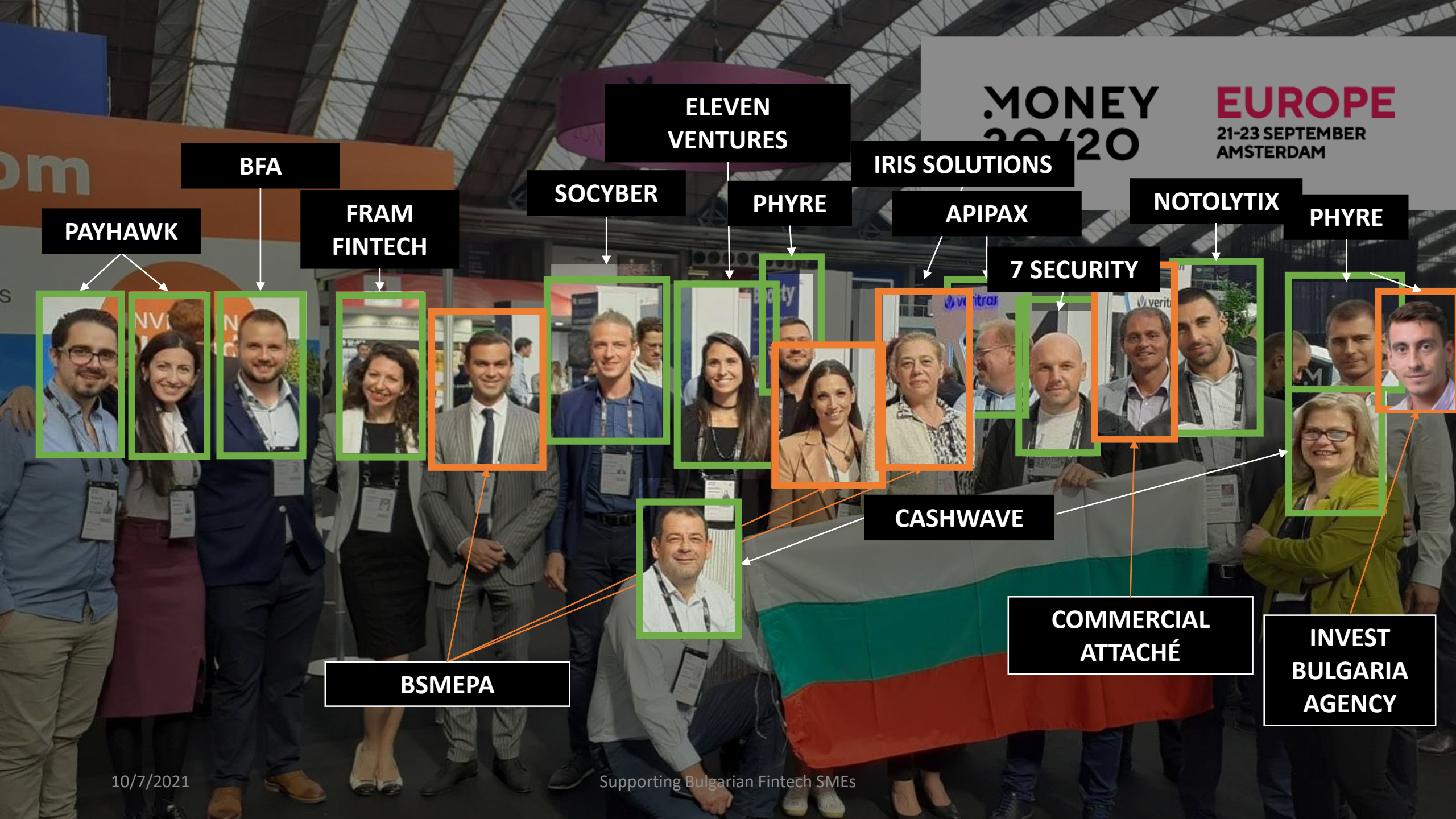
MONEY  
20/20

EUROPE  
21-23 SEPTEMBER  
AMSTERDAM

10/7/2021

Supporting Bulgarian Fintech SMEs





**MONEY**  
20/20

**EUROPE**  
21-23 SEPTEMBER  
AMSTERDAM

**ELEVEN  
VENTURES**

**IRIS SOLUTIONS**

**BFA**

**SOCYBER**

**PHYRE**

**NOTOLYTIX**

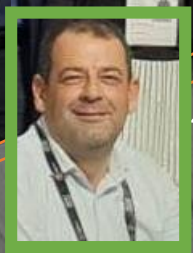
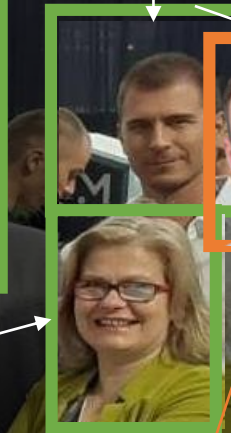
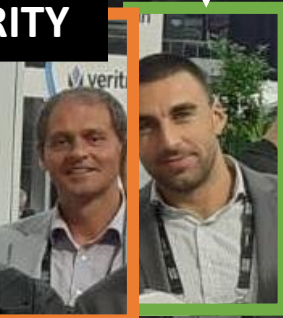
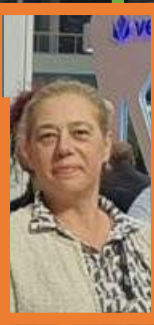
**PHYRE**

**FRAM  
FINTECH**

**PAYHAWK**

**APIPAX**

**7 SECURITY**



**CASHWAVE**

**COMMERCIAL  
ATTACHÉ**

**INVEST  
BULGARIA  
AGENCY**

**BSMEPA**

# BULGARIAN DELEGATION

**MONEY  
20/20**

**EUROPE**  
21-23 SEPTEMBER  
AMSTERDAM

## Public Sector:



РЕПУБЛИКА БЪЛГАРИЯ  
Министерство на икономиката



BULGARIAN SMALL AND MEDIUM  
ENTERPRISES PROMOTION AGENCY



INVESTBULGARIA  
AGENCY

## Private Sector:



FRAM  
FINTECH



CASHWAVE



payhawk



SoCyber  
makes you feel secure

one  
of 11



FINTECH  
BULGARIA

**\*NOTE:** Eleven Ventures and Bulgarian Fintech Association were not beneficiaries of the governmental support



# WHO ARE BFA



**Cluster organization**, gathering Private, Public and Academia stakeholders



**54** members;  
**7,400** employed in the industry



**Co-founder** of European Digital Finance Association



**Affiliate Member** to International Financial Education Network to OECD



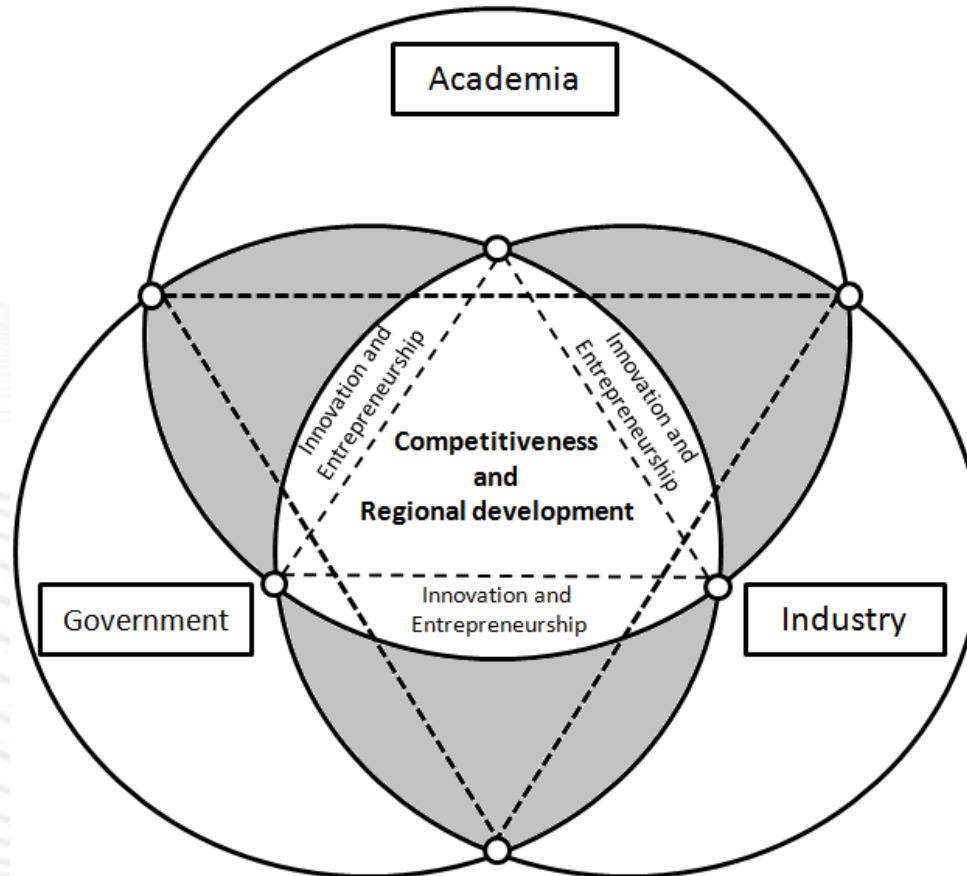
FINTECH  
BULGARIA

BRINGING THE BULGARIAN FINTECH SECTOR  
TOGETHER

# STRATEGIES WE APPLY

---

## Triple Helix Model







Representing the industry's  
interests before regulators



Building a Fintech  
community



Showcasing  
Bulgarian Fintechs



Attracting Bulgarian  
Diaspora



Establishing Bulgaria as  
a leading Fintech Hub



Promoting Fintech  
education

An aerial night view of Sofia, Bulgaria, featuring the Alexander Nevsky Cathedral in the foreground. The city is illuminated with streetlights and building lights. A complex network of blue and red lines is overlaid on the image, connecting various points across the city, suggesting a digital or financial network.

# WHAT, WHY AND HOW

10/7/2021

Supporting Bulgarian Fintech SMEs



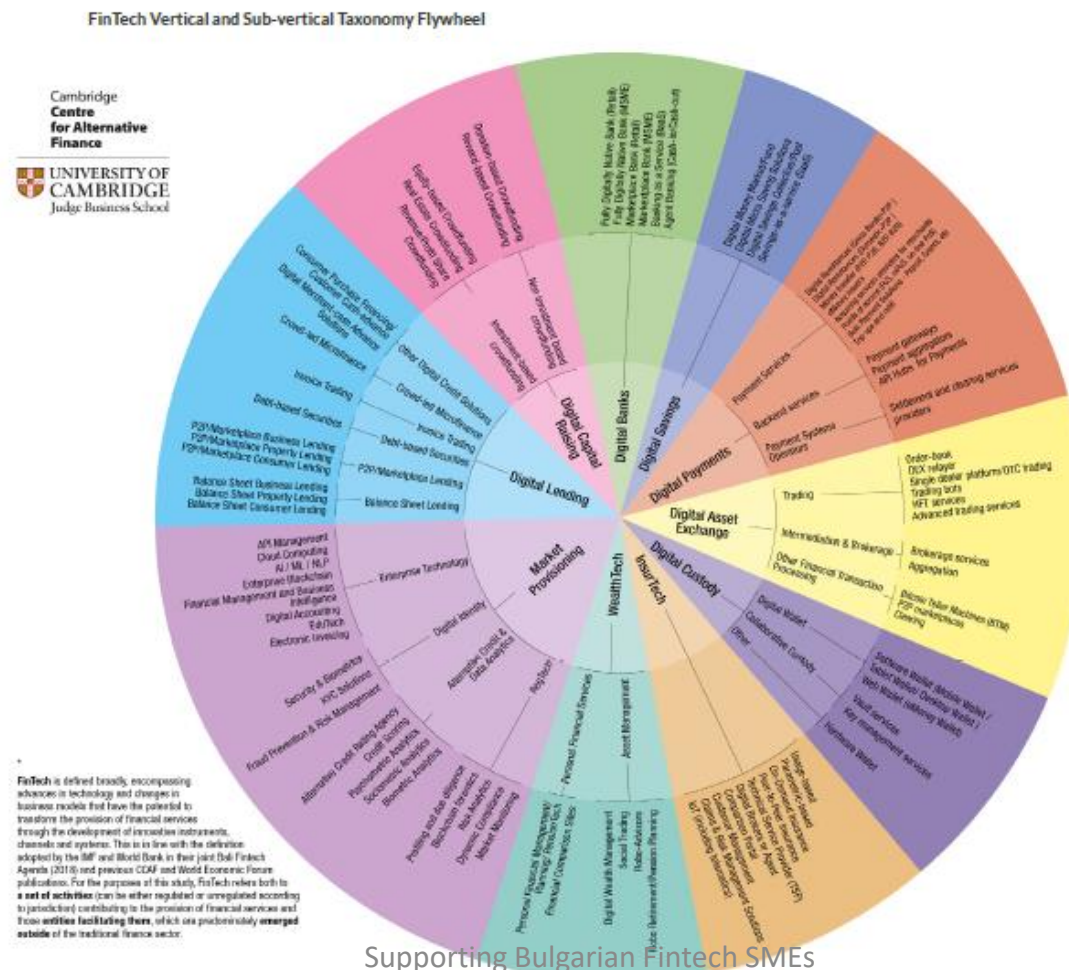
# WHAT IS FINTECH ?



## FINANCE



## TECHNOLOGY



# WHY IS FINTECH IMPORTANT ?

WORLD  
ECONOMIC  
FORUM

---

COMMITTED TO  
IMPROVING THE STATE  
OF THE WORLD

**WEF:**

“By 2022, 60% of  
global GDP will  
be digitised”



An aerial night view of Sofia, Bulgaria, featuring the Alexander Nevsky Cathedral in the foreground. The city is illuminated with various lights, and a complex network of blue and red lines is overlaid on the image, suggesting a digital or financial network.

# WHY FINTECH IN BULGARIA

10/7/2021

Supporting Bulgarian Fintech SMEs



# FINTECH – NEW ECONOMIC OPPORTUNITY

**The world's first real-time  
fintech index, covering:**

250+ cities

83 countries





# FINTECH – NEW ECONOMIC OPPORTUNITY



# FINTECH – NEW ECONO



## OUT WITH THE OLD

Top 20 global financial centres  
v global fintech hubs

2020

	Global Financial Centers Index 2019	Global Fintech Index 2020	Change
New York	1	3	▼ -2
London	2	2	► ±0
Hong Kong	3	11	▼ -8
Singapore	4	4	► ±0
Shanghai	5	31	▼ -26
Tokyo	6	17	▼ -11
Beijing	7	23	▼ -16
Dubai	8	58	▼ -50
Shenzhen	9	80	▼ -71
Sydney	10	13	▼ -3
Toronto	11	12	▼ -1
San Francisco	12	1	▲ +11
Los Angeles	13	6	▲ +7
Zurich	14	38	▼ -24
Frankfurt	15	39	▼ -24
Chicago	16	14	▲ +2
Paris	17	15	▲ +2
Boston	18	8	▲ +10
Melbourne	19	32	▼ -13
Montreal	20	48	▼ -28





OUT WITH THE OLD  
Top 20 global financial centres  
v global fintech hubs

2020

2021

## CITY RANKING

92	▲ +9	Sofia	Bulgaria	Europe
----	------	-------	----------	--------

## COUNTRY RANKING

39	▲ +17	Bulgaria	Europe
----	-------	----------	--------

An aerial night view of Sofia, Bulgaria, featuring the Alexander Nevsky Cathedral in the foreground. The city is illuminated with various lights, and a complex network of blue and red lines is overlaid on the image, suggesting a digital or financial network.

# BULGARIAN FINTECH ECOSYSTEM

10/7/2021

Supporting Bulgarian Fintech SMEs



# 'SILICON VALLEY' OF THE SEE REGION



TOP STORIES MEDIA CENTER TV RADIO

GERMANY BREXIT WORLD BUSINESS SCIENCE ENVIRONMENT

EUROPE

## Bulgarian capital Sofia becomes Silicon Valley

Bulgaria's IT industry is booming and women are playing a key role. People working in the country's technology sector are women for startups — with a female touch.

## Bulgaria attracts record tech investment

Country has emerged as one corner of south-eastern Europe's tech hub.  
<https://www.ft.com/content/c533ee07-6190-47e3-97b6-78c3e>

Nov 29, 2015, 02:00pm EST

## 10 Top Cities Around The World To Launch Your Startup



Amy Guttman Contributor  
Entrepreneurs

Forbes

This article is more than 4 years old.



FINANCIAL TIMES

myFT

World Tech Founders podcast

+ Add to myFT

## Bulgaria reverses the IT brain drain

Centre for production of IT hardware for Soviet

## TOP 10 FINTECH LOCATIONS OF THE FUTURE 2019/20 – COST EFFECTIVENESS

RANK	CITY	COUNTRY
1	Sofia	Bulgaria
2	Vilnius	Lithuania
3	Bucharest	Romania
4	Hanoi	Vietnam
5	Kuala Lumpur	Malaysia
6	Warsaw	Poland

<https://www.fdiintelligence.com/article/75404>

# BULGARIA SKILLED PERSONNEL & EDUCATION



180 000+ university students<sup>1</sup>



**8,000+**

students majoring ICT at  
any given time<sup>1</sup>



**30+**

private software  
schools<sup>1</sup>



**50+**

Higher Education  
Institutions<sup>1</sup>



**English Proficiency**

Bulgaria is 24/100  
countries<sup>2</sup>



FINTECH  
MASTER  
DEGREE

Source:

1. Ministry of Education and Science  
of the Republic of Bulgaria

2. Outsourcing-destinations.org



# ANNUAL FINTECH REPORT 2020

- Market analysis + Survey of Fintech Bulgaria
- Fintech Ecosystem Mapping
- Investments in Fintech
- Fintech Regulation Review
- Southeastern Fintech Landscape



**PRESENT AND FOSTER THE DEVELOPMENT  
OF THE FINTECH SECTOR IN BULGARIA**



# KEY FINDINGS



**€650 million**  
Operating revenue  
in 2019<sup>1</sup>



**1.14%**  
of Bulgarian GDP  
in 2019<sup>1</sup>



**7,800 +**  
employed in Fintech  
in 2019<sup>2</sup>

**\*NOTE:** The analysis focusses on Fintech and does not include banks operating in Bulgaria

Source:

1. Commercial Register of Bulgaria, 2020
2. National Insurance Institute, 2020



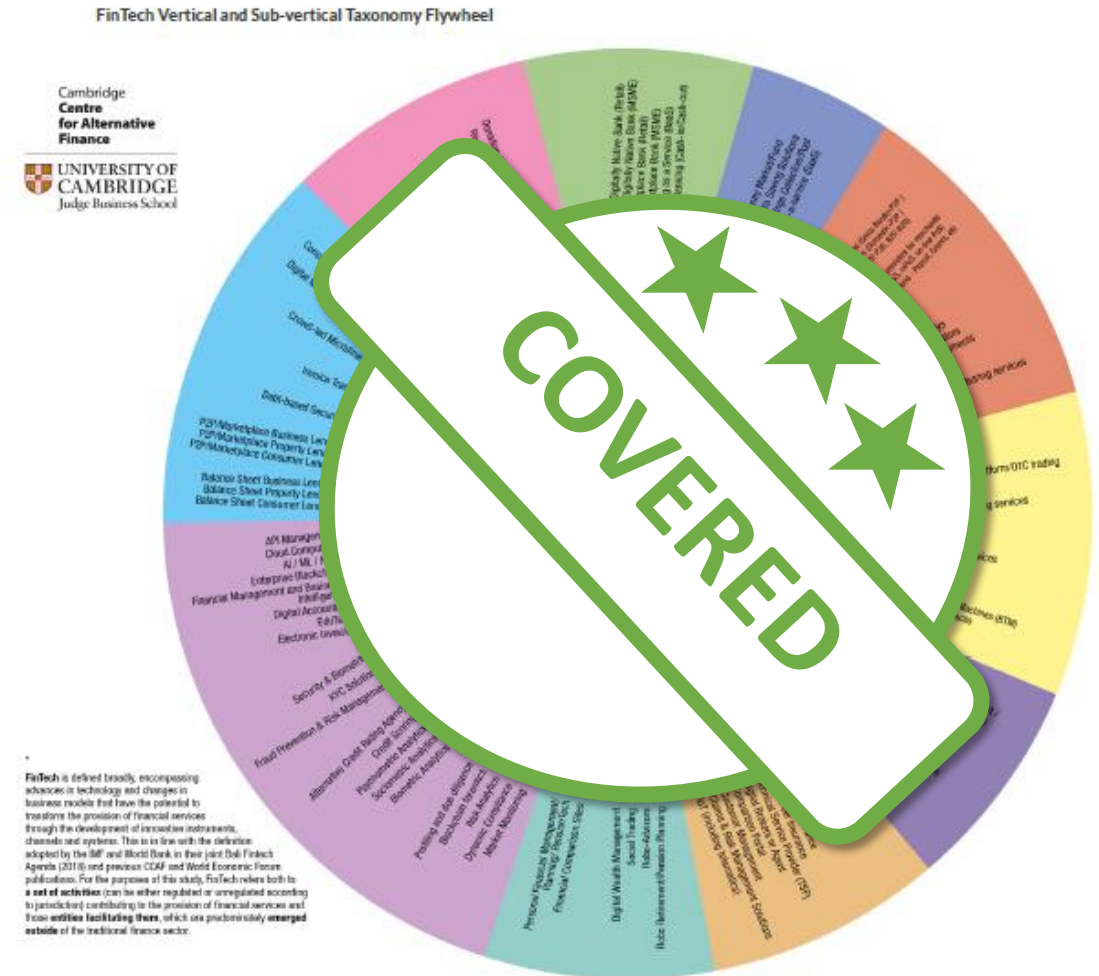
# BULGARIA'S FINTECH MAP



# BULGARIAN FINTECH ECOSYSTEM

### Key Parameters in 2021:

- 131 Fintechs
- 90% SMES
- The leading sub-sector - Payments segment
- 90+ Fintech Supporting companies



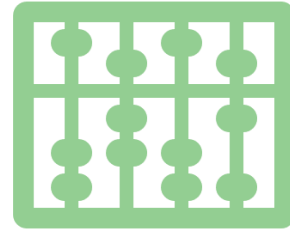


# FINTECH BULGARIAN COMPANIES



**91 companies**

Bulgarian-owned  
companies <sup>1</sup>



**€ 390+ mln**

Operating revenue  
In 2019 <sup>1</sup>



**48%**

Exporting  
Potential <sup>2</sup>

Source:

1. Commercial Register of Bulgaria,  
2020

2. BFA analysis, 2021

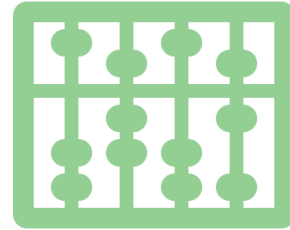
# FINTECH

## FDIs

---



**40 companies**  
FDIs <sup>1</sup>



**€ 260+ mln**  
Operating revenue  
In 2019 <sup>1</sup>



**90%**  
Exporting  
Potential <sup>2</sup>

Source:

1. Commercial Register of Bulgaria,  
2020

2. BFA analysis, 2021



WHO IS  
HERE



tide



Paysafe:

DEGIRO



10/7/2021

Supporting Bulgarian Fintech SMEs

# FINTECH INVESTMENTS



**6 Fintech-  
active  
VC funds <sup>1</sup>**



**1/3 of all VC  
investments in  
2019 = € 4,1  
mln<sup>1</sup>**



**72% in pre-seed  
and seed-stage  
companies <sup>1</sup>**

Source:

1. BFA analysis, 2020



# KEY FINDINGS 2020-2021



**48% of employees**  
in Fintech are women



**53% of Fintech companies**  
serve business clients



**90%+ of Fintech**  
companies prefer to  
cooperate with other  
players in the ecosystem



**€ 2125 (▲ 13%, 2019)**  
Average gross salary €750



**30-39 predominant age**  
of Fintech customers



**70% of Fintech founders**  
come from Finance

Source:

1. BFA survey 2021  
10/7/2021

Supporting Bulgarian Fintech SMEs

An aerial night view of Sofia, Bulgaria, featuring the illuminated Alexander Nevsky Cathedral in the foreground. The city is covered with a complex network of glowing blue and red lines, suggesting a digital or financial network. The text 'THE CHALLENGES' is centered in white.

# THE CHALLENGES

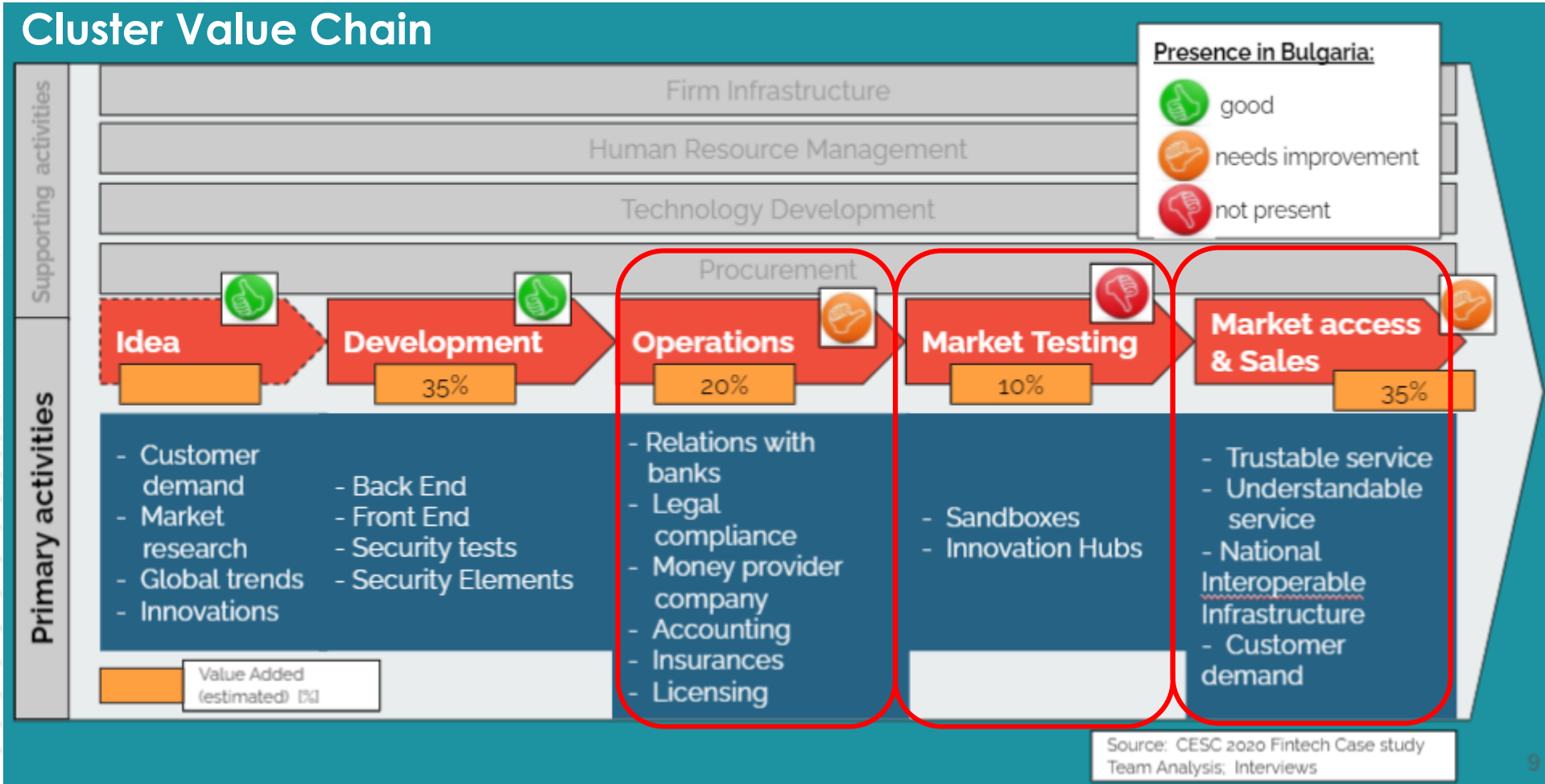
10/7/2021

Supporting Bulgarian Fintech SMEs



# ANALYSIS OF BG FINTECH CLUSTER

## Cluster Value Chain



An aerial night view of Sofia, Bulgaria, featuring the Alexander Nevsky Cathedral in the foreground. The city is illuminated with various lights, and a complex network of blue and red lines is overlaid on the image, suggesting a digital or financial network.

# THE HOW (WHAT CAN WE DO)

10/7/2021

Supporting Bulgarian Fintech SMEs



# PROPOSAL TO BOOST FINTECH IN BULGARIA

---



**INTERNATIO-  
NALISATION**



**INNOVATION  
INFRASTRUCTURE**



**EDUCATION**



# INTERNATIONALISATION

## I. Events outside BG

### I. Work with Investment Bulgaria Agency

### II. Bulgarian Small and Medium Enterprises Promotion Agency

A. Money 20/20

### III. Work with the Ministry of Foreign Affairs

A. Events with the embassies and chambers in Sofia 

B. Events with the Bulgarian embassies in foreign countries 

### IV. Work with the Ministry of Economy

A. Events with the Bulgarian Commercial Attaches in the US and EU 

B. Fintech part of Ministry of Economy trade agreements 

## II. Local events

### I. Women in Fintech Summit 2021

### II. Release of Annual Fintech Report 2021

# INNOVATION INFRASTRUCTURE

---

## I. Innovation Hubs

- A. **BNB + Strategy for development of Fintech**
- B. **FSC – Promotion Fintech in the new FSC Strategy**
- C. **Commission for Personal Data Protection**
- D. **National Interoperable Infrastructure – eID – together with CPDP**

## II. Regulatory Sandbox

- A. **BNB**
- B. **FSC**
- C. **Commission for Personal Data Protection**

## III. Establish Digital Economy Taskforce

- I. **Headed by the Ministry of Finance to create a Fintech strategy**



# EDUCATION

---

- I. Financial Literacy Framework
  - A. **Include Digitalisation as main priority**
  - B. **Assign a Deputy Financial Minister to finalize the Financial Literacy framework for youngsters**
- II. Improve Digital Finance awareness
  - A. **Ministry of Finance and Ministry of Education to join Working group on Digital Financial Literacy at the OECD**
- III. Explore Euro funds and programmes
  - I. **To fund and provide with expertise all of the above**

# AGREE ? Q&A

---



## Mail us at:

[georgi@fintechbulgaria.org](mailto:georgi@fintechbulgaria.org)  
[yanina@fintechbulgaria.org](mailto:yanina@fintechbulgaria.org)  
[info@fintechbulgaria.org](mailto:info@fintechbulgaria.org)



## Follow us

[www.fintechbulgaria.org](http://www.fintechbulgaria.org)



Bulgarian Fintech Association