



Invest Bulgaria – your success is our mission

Business Forum – May 14th, 2024

Julian Balchev
Secretary General

Bulgaria

TOTAL AREA – 110 994 km²

POPULATION – 6.4 million

CAPITAL CITY – Sofia

CURRENCY – Bulgarian Lev

MEMBER OF EU, NATO, IMF, WTO



Strategic and geopolitical location

- Member of the European Union, NATO, IMF, WTO;
- “Made in the EU” commercial label;
- Not only nearshoring but a friendlyshoring destination;
- 5 international road corridors pass through the country;
- Access to 1,3 Billion customers – Europe & Middle East;
- Pending access to the Schengen area;
- Pending accession to the Eurozone.



Why Bulgaria

PEOPLE

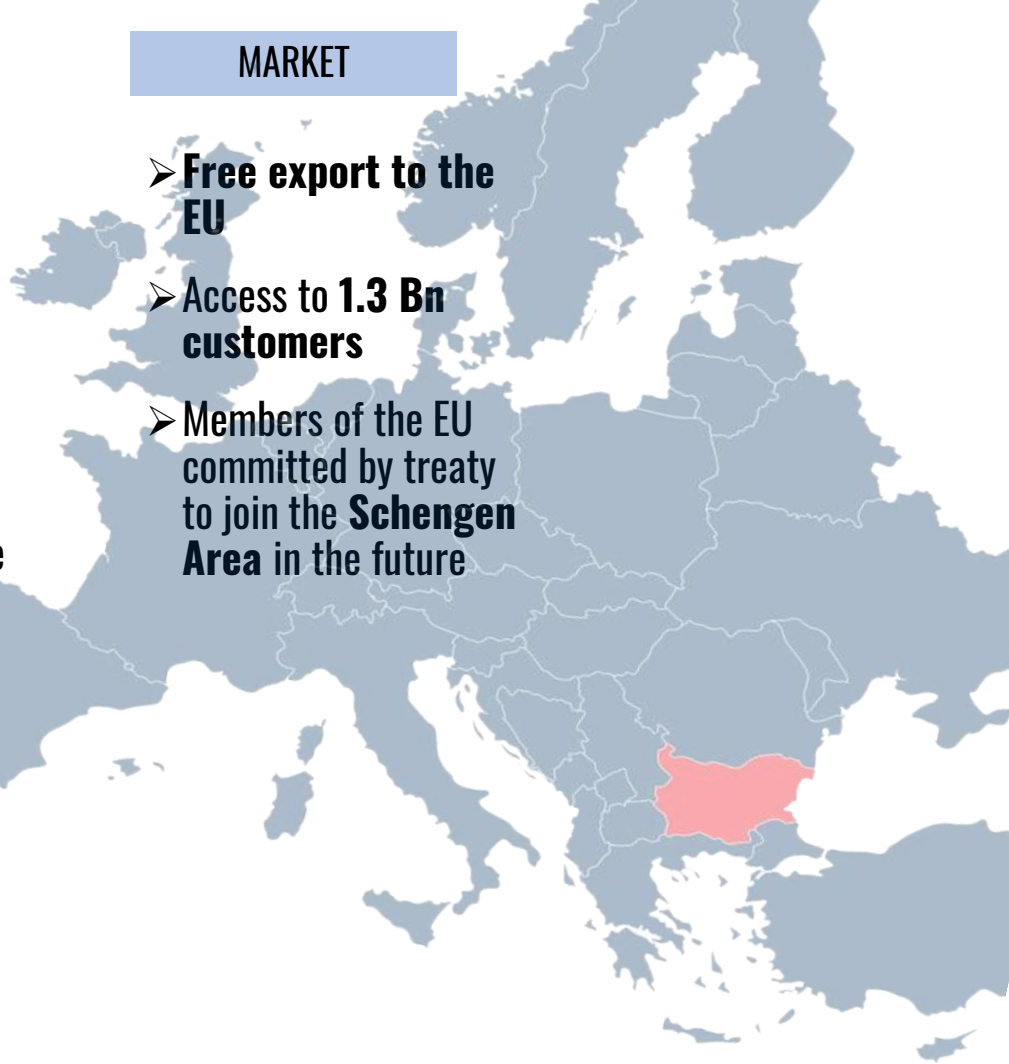
- One of the **strongest IT and engineering talent pools** in EU
- **50%** speak at least **one foreign language**
- Labour force – 3,3 mln people

COMPETITIVENESS

- **Innovations and technology transfer**
- **Access to national and EU funding:** Recovery and Resilience Plan, Operational programs
- **Resilient infrastructure and low operational costs**

MARKET

- **Free export to the EU**
- Access to **1.3 Bn customers**
- Members of the EU committed by treaty to join the **Schengen Area** in the future



Macroeconomic stability and constant growth

1,6% ↑
GDP
(Q4 2023)

€ 3,37 Bn
Increase of
28% FDI
(Jan-Dec 2023)

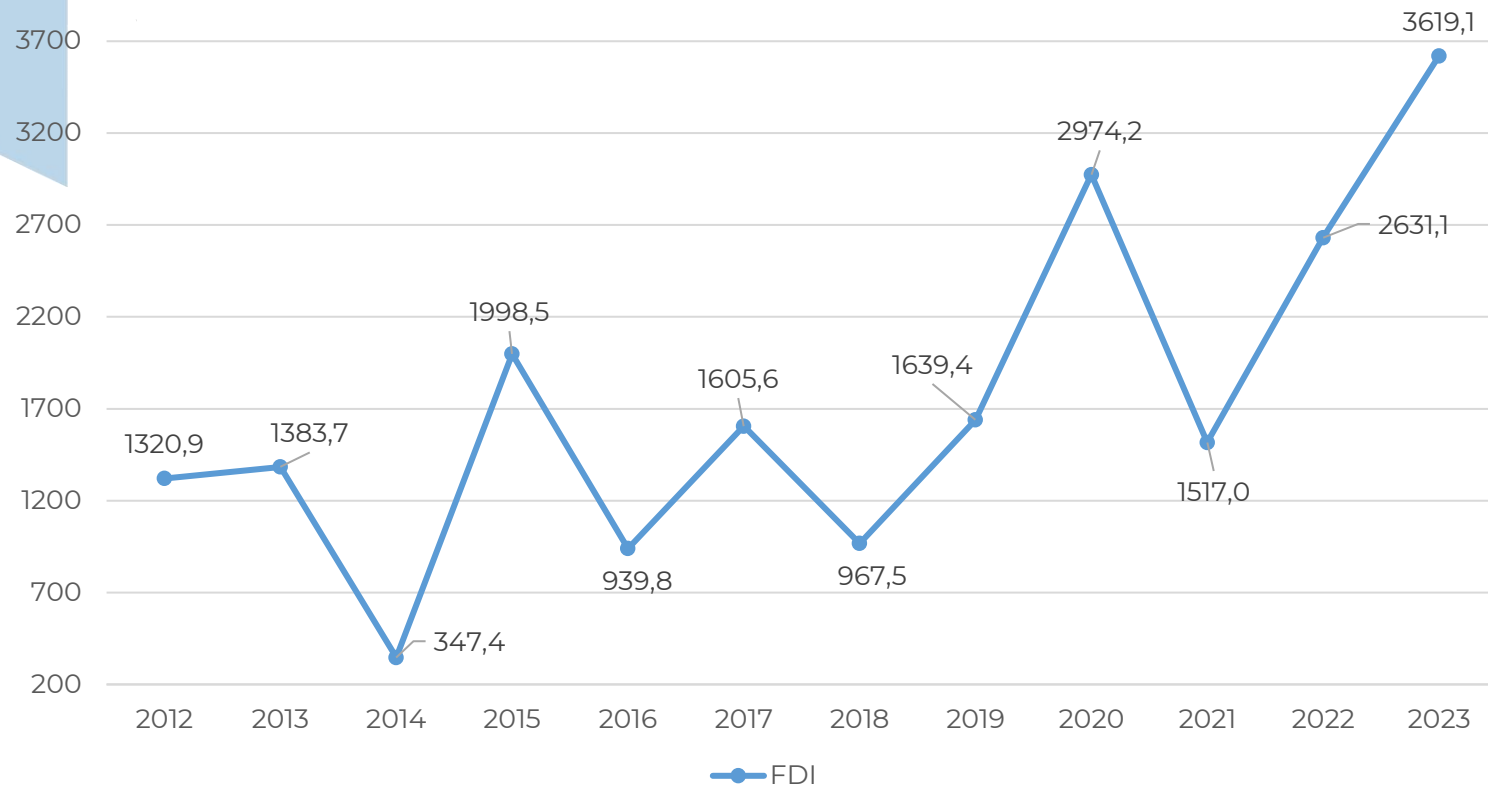
21,6%
Government
debt to GDP
ratio (2023)

4,2%
Unemployment
rate
(Q4 2023)


- **Currency stability** – the Bulgarian lev is pegged at a fixed rate against the euro: EUR 1=BGN 1,95583;
- **Free export** to the EU;
- **Attractive taxation system** – 10% flat rate of Corporate and Personal Income Tax; 5% Withholding tax rate;
- **Competitive operating costs** - resilient electricity and gas supply at one of the most competitive prices in the EU; favorable office rents and low cost of utilities.

Flow of foreign direct investment (2012-2023)

Million
€



Certified investment projects

	2022	2023
	25 certificates	31 certificates
	BGN 437,967 million	BGN 660,4 million
	2 885 new jobs	2 353 new jobs

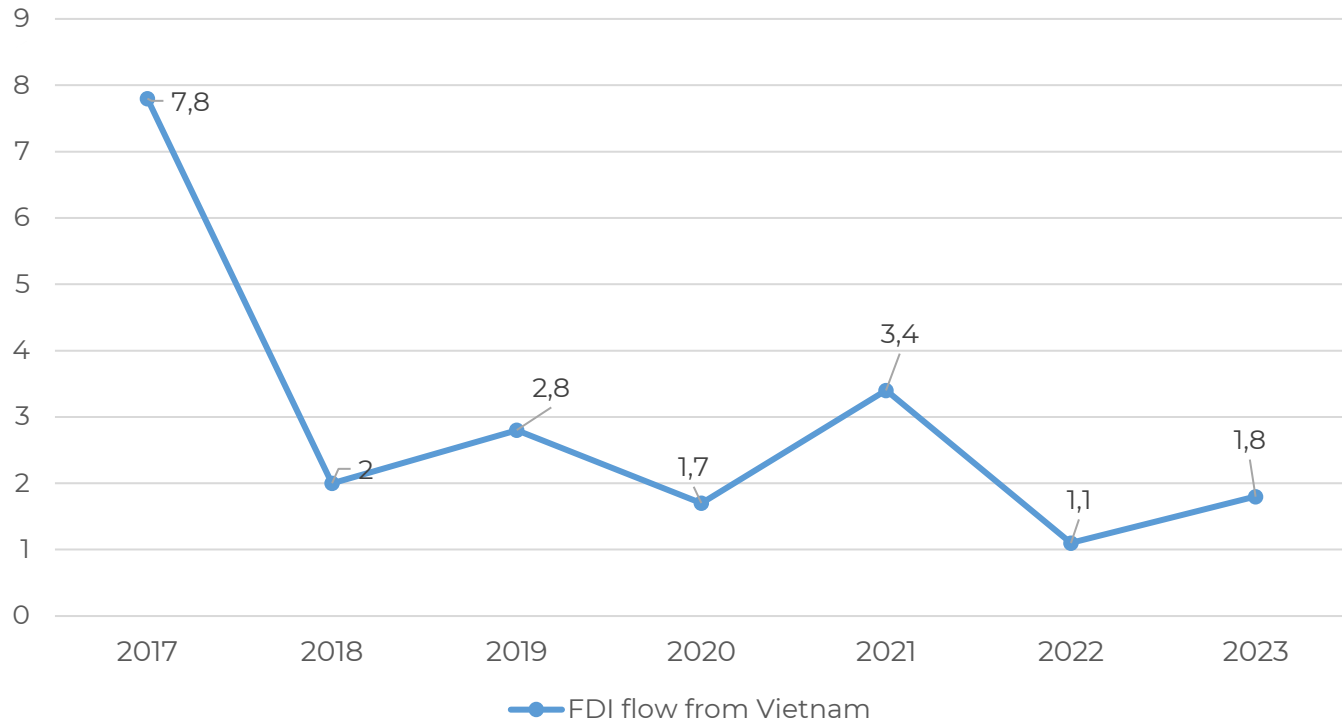
➤ Sectors: Manufacturing, IT, Balneology

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Investments from Viet Nam



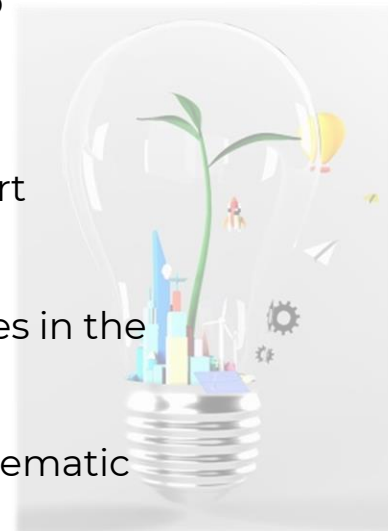
Million EUR



Total amount of investment from Viet Nam is EUR 20,6 million

Fast growing technology and innovation hub

- Initiative for making Southeast Europe an innovation hub
- Favorable conditions for startups and investing in R&D
- Aim to attract talents, encourage partnerships, build smart specialization and technological capacity
- Establishing partnership agreements with all the countries in the SEE region
- Cooperation can be based around smart specialization thematic areas and trends such as IT and ICT, mechatronics and microelectronics, biotech and clean techs



Fast growing technology and innovation hub



Bulgarian companies can apply for DIANA (Defense Innovation Accelerator in the North Atlantic)



Bulgaria joined NASA's Artemis Accords which define the basic principles for global cooperation in outer space



Signed cooperation agreement with Intel in the field of artificial intelligence

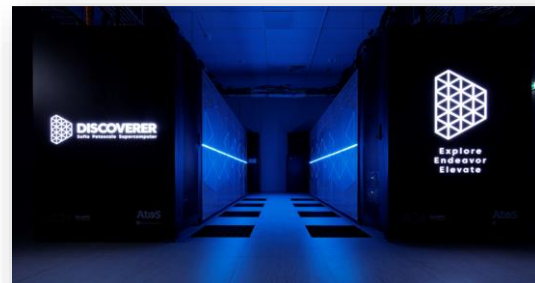
Fast growing technology and innovation hub

INSAIT

Institute for Computer Science,
Artificial Intelligence and Technology

The first world-class AI research and deep-tech institute in Eastern Europe

- ✓ World-class academic standards, industry support and scientist;
- ✓ PhD students, researchers, deep-tech IP, start-ups creation and exchanges.



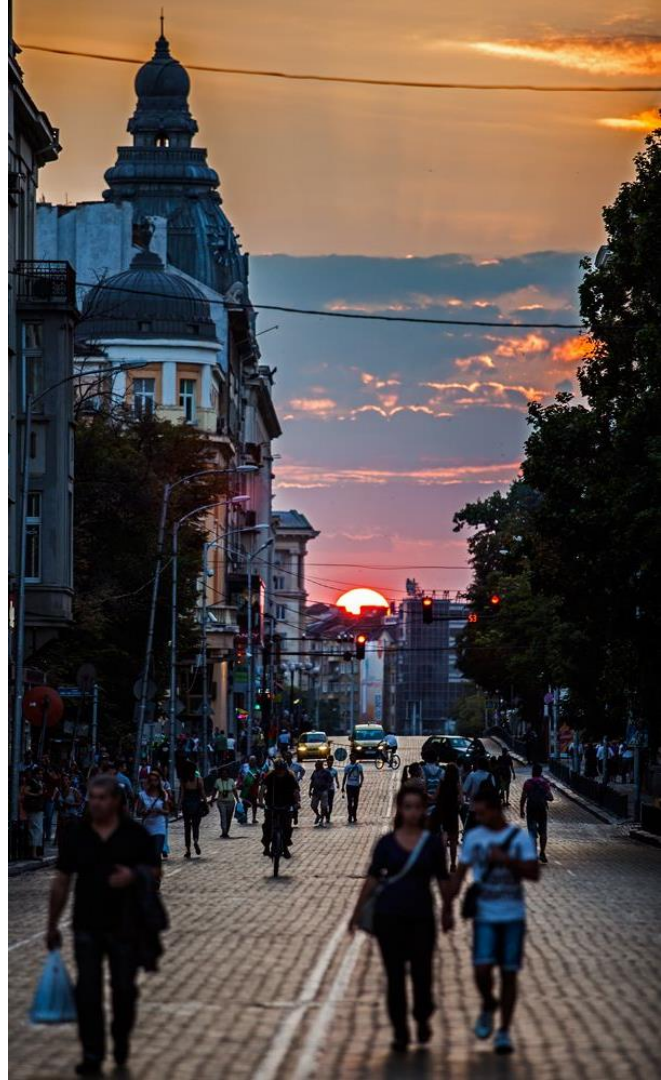
Located in Sofia Tech Park, Discoverer is a Petascale supercomputer capable of executing more than 4,2 Petaflops Rmax and over 6 petaFLOPS Rpeak

Talent

- One of the strongest engineering talent pools in the EU;
- Strong local IT talent - Bulgaria ranks 3rd in terms of IT specialists per capita;
- Capacity to think out of the box
- Women in leading management positions;
- 50% speak at least one foreign language;
- 25% of the population hold university degree;
- 100 000 students per year;
- Bulgarian Olympiads are at the top of the world rankings in mathematics, informatics and physics;
- Labor force – 3,3 million people.

Quality of life

- Security of living in Bulgaria;
- Good international schools;
- Private and public healthcare;
- Active cultural life;
- Fervent international community;
- Friendly people open to foreigners;
- Rich historic and cultural heritage;
- Beautiful nature – mountains, seaside and plains with continental climate and;
- Winter, summer, spa, cultural, religious and medical tourism.





Access to national and EU funding

- Recovery and Resilience Plan
- Operational programs:
 - ✓ Innovation and competitiveness;
 - ✓ Research, innovation and digitalization for smart transformation;
 - ✓ Development of the Regions;
 - ✓ Human Resources Development;
 - ✓ Environment etc.



Certification criteria

Under the Investment Promotion Act (IPA)



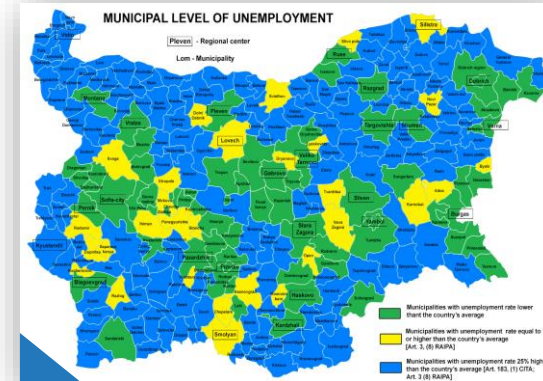
EMPLOYMENT ESTABLISHMENT

Creating new working places is within the requirements for receiving certificate by the investor.



ECONOMIC ACTIVITY

The targeted sectors are defined by the State and high-tech, high-value-added projects are prioritized.



LOCATION

Locations with higher unemployment rates are prioritized and more incentives could be provided by the State.

Government Incentives

Financial Incentives

Non-financial incentives



Provision of Tailor-made Incentive package for Priority Investment Projects

	PRIORITY CLASS	CLASS A	CLASS B
THRESHOLDS	€ 25.56-51.13 M	€ 1.02 M – 5.11 M	€ 260 K – 2.56 M
INCENTIVES	50 – 150 JOBS	25 – 150 Jobs	10 – 100 Jobs
SHORT CUT ON ADMINISTRATIVE TERMS	✓	✓	✓
NO TENDER – NO COMPETITION FOR ACQUISITION OF STATE / MUNICIPAL LAND	✓	✓	✓
FINANCING VOCATIONAL TRAINING	✓	✓	✓
SOCIAL SECURITY CASH BACK	✓	✓	✓
FINANCING TECHNICAL INFRASTRUCTURE	✓	✓	
INDIVIDUAL SERVICES	✓	✓	
BUYING PUBLIC LAND ON FAVOURABLE PRICES	✓		
NO TAXES ON CHANGING LAND STATUS	✓		
CASH GRANT	✓		
PUBLIC-PRIVATE PARTNERSHIP	✓		



About us

- **One-stop-shop**
- **Promoting Bulgaria as attractive business destination**
- **Providing in-depth information about Bulgarian business environment**
- **Assisting investors during their country assessment process, connecting business with the government institution**
- **Certification procedure and Incentives application**
- **Support in the implementation process of the investment project, post-investment support**

InvestBulgaria Agency

📍 23 Vrabcha Str., Sofia 1000, Bulgaria

✉ iba@investbg.government.bg

☎ +359 2 985-5500

www.investbg.government.bg

THANK YOU!



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AGENCY