



Bulgaria - Gateway to the European Union



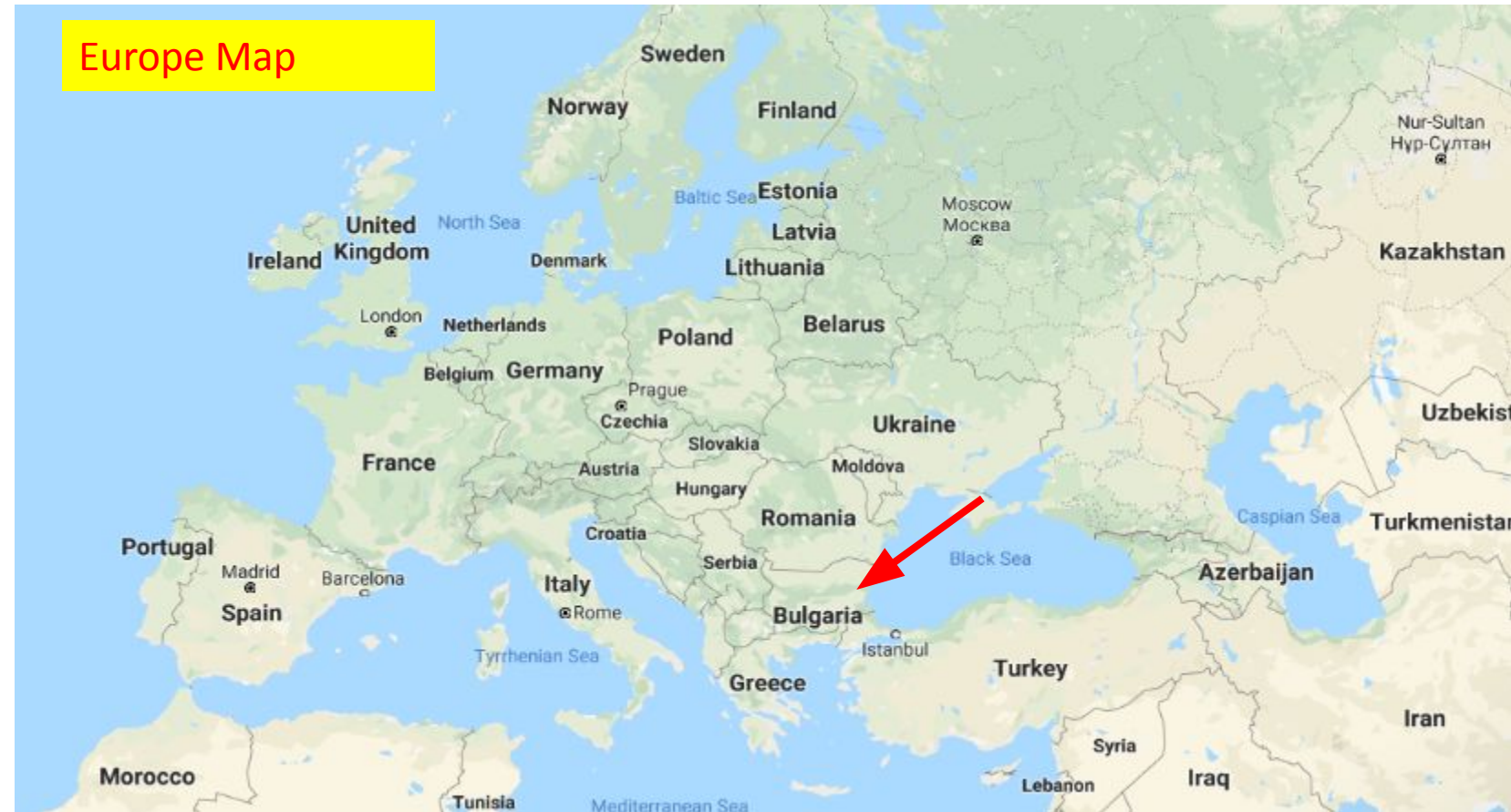


Bulgaria – Your Gateway to Europe

Situated in the South Eastern part of the Balkan Peninsula, Bulgaria is located in the strategic crossroads of Europe, the Middle East, Russia and the former Soviet Republics.

Bulgaria is a member of the EU since 2007. It is also a member of NATO and WTO.

For Indian companies looking for business expansion to the European Union market, as well as other promising regions nearby, Bulgaria can be considered as an ideal location and gateway.





Bulgaria – Quick Statistics

Population, Geography, Language, Religion	
Population	7.4 Million
Capital	Sofia
Total Land Area	110993.6 sq. km
Climate	Temperate
Urban Population	73 %
Language	Bulgarian – 85.2 % Turkish – 9.1 % Roma – 4.2 %
Religion	Christian Orthodox – 76 % Muslim – 10 % Other – 14 %
Government Type	Parliamentary Democracy

Economy	
Currency	Lev (BGN)
Fixed Exchange Rate	1 Euro = BGN 1.95583
Corporate Income Tax	10%
Personal Income Tax	10%
VAT (Standard)	20%
GDP (US \$) (Nominal) (2018)	\$ 64.96 Billion
Per Capita Income (US \$) 2018 (Nominal)	\$ 9267
Exports (2017)	\$ 29.08 billion
Imports (2017)	\$ 31.43 billion



Why Bulgaria ?

- Political and Business Stability
- Locational Advantage (Access to Markets)
- Strategic Location with good transportation and communication links
- Stable Economic Growth
- Low Cost of Doing Business
- High Quality Human Resources





Strengths of the Bulgarian Market

Political and Business Stability

- EU Member
- Currency pegged to Euro
- Low budget deficit and government debt

Low Cost of Doing Business

- Lowest Corporate & Income Tax in the EU (10%)
- Lowest Cost of Labour within the EU
- Favourable Office Rents and Low Cost of Utilities

Market Strengths

- Excellent Air Links, transport connections
- English language widely spoken
- Skilled Multilingual Labour

Strategic Location

- Strategically located in the crossroads of Europe, Africa, Eurasia, Middle East and Russia



Locational Advantage (Access to Markets)

Due to its location Bulgaria provides direct access to the following key markets:

European Union - zero tariff market with population of 500 million

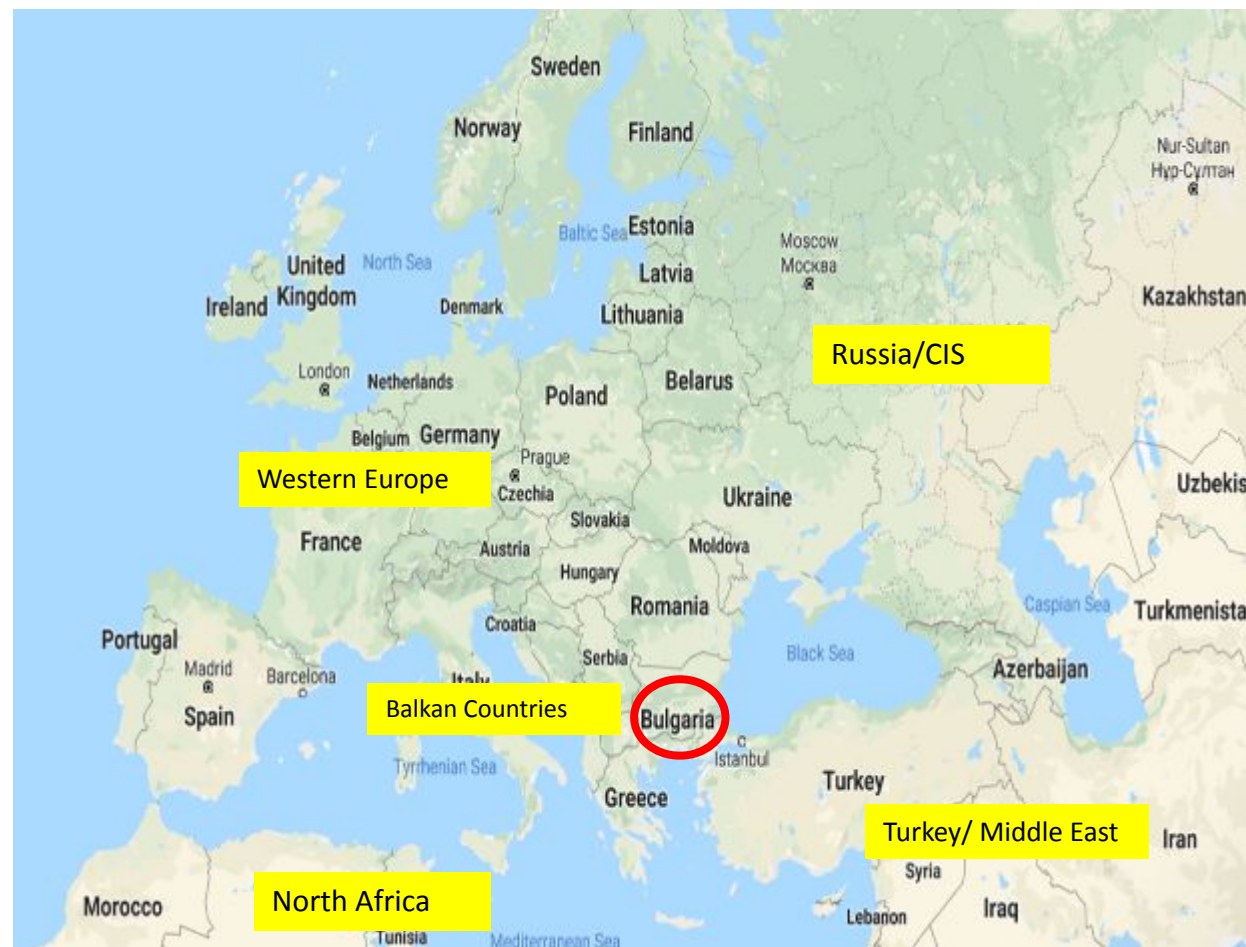
CIS – still not well penetrated market with a high potential

Turkey - zero tariff market of near 80 million population

Middle East – a market with high purchasing power

North African market

Balkan Countries





Strategic Location

Located at the heart of the Balkan Peninsula, Bulgaria is a strategic logistics hub. Ease of transportation of cargo is provided by:

- Five Pan-European corridors (IV, VII, VII, XI, X), which pass through the country
- Transport program TRACECA (Transport Corridor Europe-Caucasus-Asia), which connects Europe with Caucasian and Central Asian region
- Four major airports: Sofia, Plovdiv, Bourgas and Varna
- Two main seaports: Varna and Bourgas
- Numerous ports at the Danube River



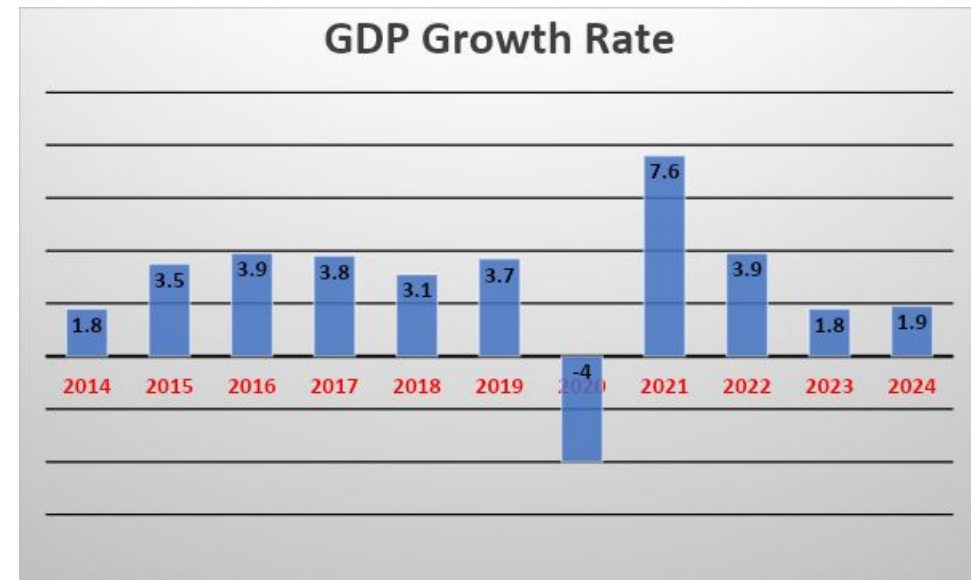


Stable Economic Growth



Bulgaria has evolved from a highly centralized, planned economy (pre-1991 era) to an open, market-based, upper-middle-income economy today, which is securely anchored in the European Union (EU).

The Bulgarian economy has been growing steadily over the past few years. It has picked up pace since 2015 and has been averaging + 3 %. This is above the overall EU growth rate of about 2 % for the past few years.



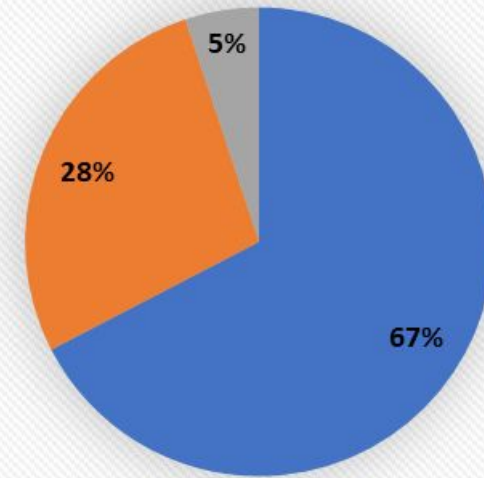


Bulgaria - Economy

The Services sector dominates the Bulgarian economy with a 67 % contribution to the GDP. This is followed by Industry at 28 % and Agriculture at 5 %.

The size of the labour force is 3.357 million. 66.6 % of the labour force is engaged in the services sector, 26.6 % in industry and 6.8 % in agriculture.

Bulgaria's GDP by Sector



■ Services ■ Industry ■ Agriculture



Low Cost of Doing Business



Lowest Corporate and Individual Tax (10%) in the European Union ▼



Electricity
0.069(€/kWh)



Gas
0.032(€/kWh)



Water
1.09(€/1m³)



Industrial Rents(Sofia)
From 2.5 € (m²/month)



Office Rents(Sofia)
From 12 € (m²/month)



Competitive Cost of Labor
Salary(Min.) - 215 €
Salary(Avg.) - 468 €

Country	Income Tax (%)		Social Security (%)		VAT (%)
	Corporate	Individual	Employer	Employee	
Bulgaria	10	10	17.9-18.5	12.9	20
Serbia	15	10-20	16.9	16.9	20
Romania	16	16	28.45	16.5	24
Hungary	10 / 19	16	28.5	18.5	27
Czech Rep.	19	22	34	11	21
Poland	19	18/32	22.14	13.7	23
Turkey	20	15-35	27	15	18
Slovakia	23	19-25	34.8	13.4	20
UK	23	0-45	13.8	12	20
Italy	27.5	23-43	30	10	21
Spain	30	24, 75-52	29.9	6.35	21
Germany	30-33	14-45	19.7	20.6	19
France	33.33	5.5-41	50	20	19.6
Cyprus	12.5	20-35	7.8	7.8	19



High Quality of Human Resources



- Bulgaria has a literacy rate of 99%.
- On average, there are more than 10000 Bulgarian students majoring in computer science, electrical engineering, mathematics, physics, and biotechnology.
- The Bulgarian software developers are ranked #12 on the listing with best developers in the world. Java and Python developers from Bulgaria rank #2 and #3 in the countries with best developers by domain expertise.
- Bulgaria's advanced education was ranked 5th amongst all countries in sciences and 11th in mathematics, according to The World Bank and The Economist, in 2005. Ranking 2nd in the world in IQ tests (MENSA International), Bulgaria also ranks 2nd in the world in SAT scores.
- Bulgaria has been traditionally strong in mathematics and applied sciences. Important to note is that women make up 44.6 per cent of the workforce in the country's booming technology sector — the second-highest proportion in the EU.
- More and more Bulgarians are now adopting English as their second language. Today approx. 30 % of the population speak English.



Some Facts about Bulgaria



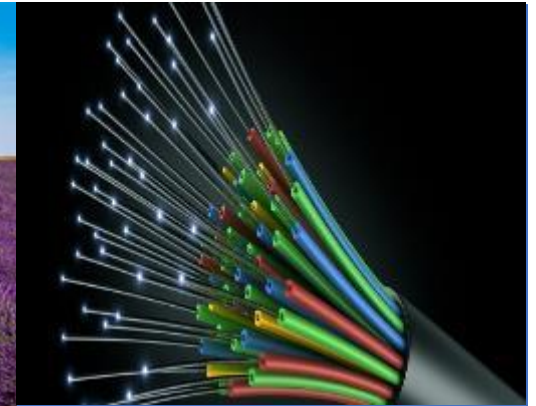
Bulgaria is one of the Best Outsourcing Destination in Europe



80% of the cars in Europe have parts, produced in Bulgaria.



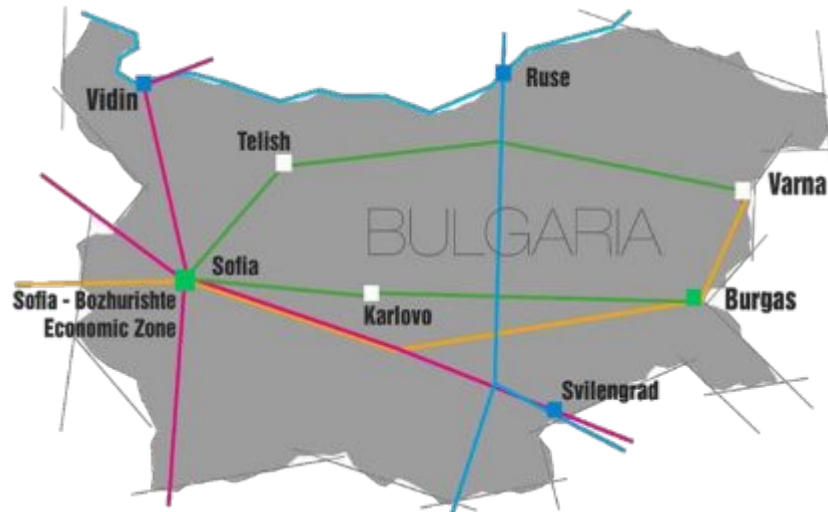
Largest Lavender producer in the World



Fast Internet Speed. Bulgaria is among the top 10 in the world



Industrial Zones



A total of 9 projects

- 6 804 095 m² total area
- 76 409 m² built-up area
- 240 500 m² open-air warehouses

Four operating zones

- Free Zone **Ruse**
- Free Zone **Vidin**
- Free Zone **Svilengrad**
- **Transit Trade Zone** – Varna

Two newly constructed zones

- **Sofia – Bozhurishte** Economic Zone
- Industrial & Logistics Park – **Burgas**

Three zones under development

- Industrial Zone **Karlovo**
- Industrial Zone **Telish** /Pleven/
- Industrial Zone **Varna** West



Investment Criteria

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 ones are with preference and therefore with lowered financial requirements for the investment.
Location of the Project	Establishment of the project in a region with high unemployment will reflect in doubling the period of reimbursement of social security payments. Additionally it will result in 0% corporate taxation rate.



Economic and Trade Relations between India and Bulgaria



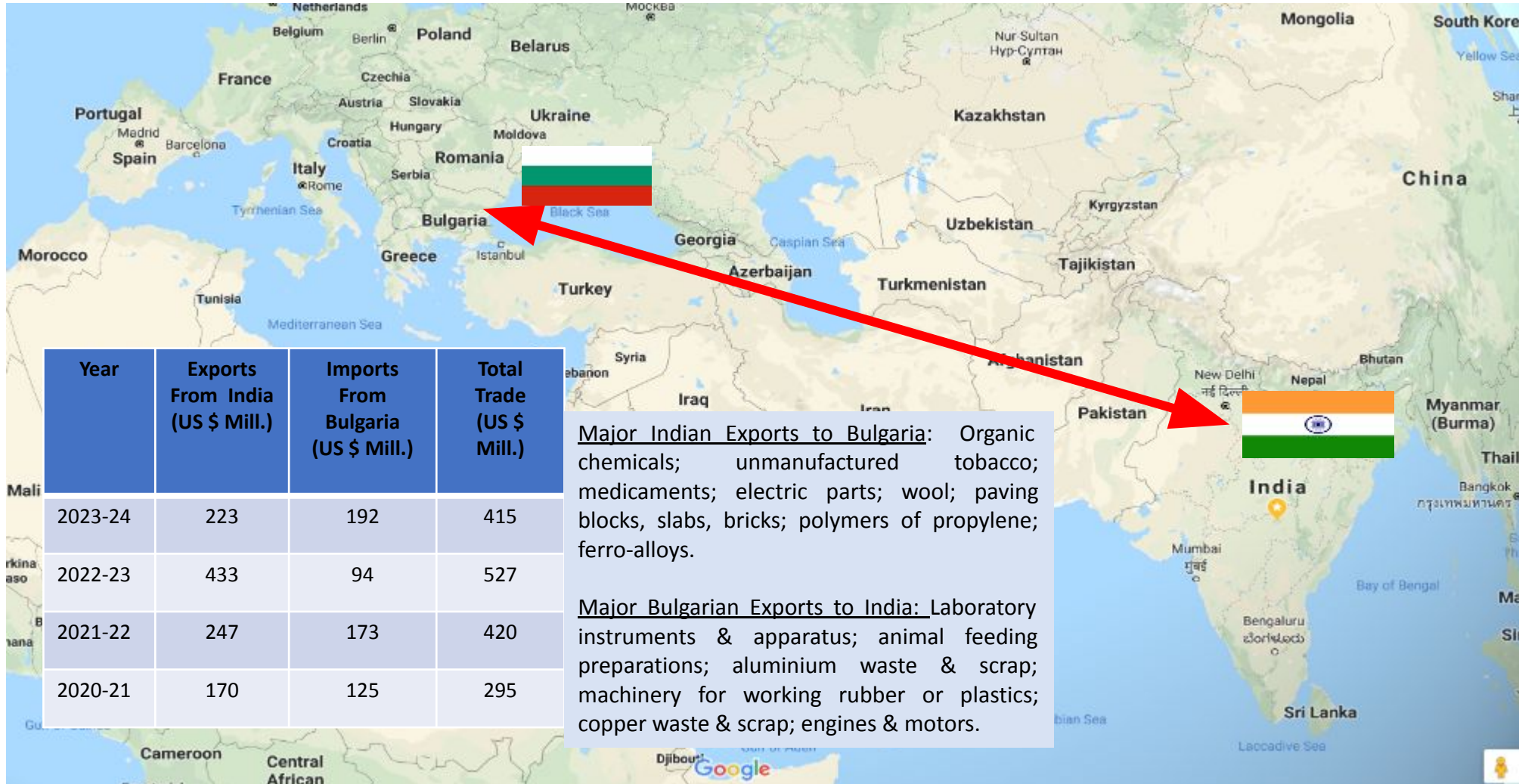
The relations between both countries was further enhanced by the official visit of the Hon'ble President of India, Shri Ram Nath Kovind to Bulgaria on 4-6 September, 2018.

Bilateral relations between India and Bulgaria spans six decades. It has been strong and friendly and has been sustained by close contacts between our leaders in the past. Defense cooperation between the two countries has also contributed significantly to the bilateral relationship over the years. Today it is set to expand into other sectors such as IT, BPO, Tourism and Agriculture.





Trade between India and Bulgaria





Promising Sectors in Bulgaria

- Entertainment Industry



Of late, many Hollywood, Bollywood, and South Indian films have been shot in Bulgaria, due to cost-effectiveness and choice of several picturesque locations.

Films such as Dilwale, Bahubali, Shivaay, Brahmastra, Masss (Tamil), etc have been shot in Bulgaria.



SRK and Kajol on Vitosha boulevard downtown Sofia



SRK and Kajol in front of the National theatre



Varun and Kriti at Bolyana studios



Promising Sectors in Bulgaria

Information Technology / BPO



Bulgaria appeared on the global outsourcing map about 10 years ago. Today it ranks among the top outsourcing destinations in the world in terms of attractiveness.

The four main pillars of Bulgaria's large outsourcing sector are:

- geographic proximity to large European countries with no time zone issues;
- availability of highly talented, multi-lingual individuals;
- low labor costs; and
- favorable macro-economic and political environment.

Major Companies Present in Bulgaria



Coca-Cola HBC



SONY



60K



Promising Sectors in Bulgaria

Automotive Components



The auto components sector is one of the fastest growing sectors of the Bulgarian economy. The sector manufactures components and spare parts for over 100 foreign automotive brands and contributes 3.5 percent, or 1.6 Billion Euros to the Bulgarian GDP. Bulgaria produces components for such brands as Tesla, Lamborghini and Porsche. 90 % of the bag sensors in European cars are manufactured in Bulgaria. Bulgaria also makes sensors for air conditioning systems, aluminum parts, disc-based brake system, water and oil pumps. The sector is characterized by the predominance of small and medium-sized enterprises and by a combination of strong engineering skills and low-cost production.



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Promising Sectors in Bulgaria

Agriculture



- Unique natural conditions for the cultivation of a wide variety of crops, fruits and vegetables.
- 50 % of the country's territory is farming land
- Ecologically clean and fertile soil.
- Very high health and environmental protection standards make Bulgarian food products fully prepared to meet the highest quality standards.
- Bulgaria is the largest producer of lavender oil and the 2nd largest for rose oil.
- Long standing established distribution channels to the European Union and CIS.
- Very high quality of organic products.
- Bulgaria ranks 2nd in terms of existing, developed and certified mineral water springs.
- About 72 % of Bulgarian exports of agricultural produce goes to the EU, Russia, Ukraine, Turkey and Middle East.



Promising Sectors in Bulgaria

Dairy Sector/Wine



- Bulgaria is among the top 15 producers of milk in the world.
- Bulgarian yogurt, which is a staple diet in Bulgaria, is world famous due to its anti aging properties.
- Bulgaria is one of the largest producers and exporters of wine in the world. Germany, UK, USA and Eastern Europe are major markets.
- Bulgaria has more than 220 industrial wineries with a total capacity of 710 million litres.





Promising Sectors in Bulgaria Tourism



Bulgaria offers a unique experience for travellers.

Vibrant cities with many art galleries, festivals concerts, museums

Emerging world class golf courses

Beautiful coastline with white and golden sand beaches

Numerous spa resorts

Fine cuisine and boutique wineries





About Indo-Asia Bulgarian Chamber of Commerce (IABCC)

IABCC was set up in 2017 with the support of the Bulgarian Government and the Embassy of Bulgaria in India. The chamber is based in Gurugram.

Our Mission:

To act as a catalyst in promoting economic, business and cultural growth between the two countries

To protect and promote the collective bilateral need and interests of the Indo-Bulgarian business community





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