Parliament http://www.parliament.bg

Vith the support of the

European Union

Bulgarian scientists

outstanding research

Research Mobility

Portal enables Bulgar

an scientific circles to

make part of the

pan-European

Portal.

nmunication Strategy for the Accession of Bulgaria to the European Union

Government -

http://www.government.bg Ministry of Foreign Affairs -

www.mfa.government.bg Official sites of Bulgarian institutions http://www.portal.government.bg

Bulgarian National Bank -

http://www.bnb.bg Bulgarian SMEs Promotion Agency -

www.sme.government.bg Invest Bulgaria Agency -

http://investbg.government.bg/ National Statistical Institute -

www.nsi.bg EC Delegation to Bulgaria -

www.evropa.bg www.econ.bg - Business protal

www.lex.bg - Legal portal

www.bgagro.com - Catalogue of agricultural business in Bulgaria

www.stat.bg - Reliable, update and accessible economic, financial and socio-demographic data for Bulgaria



Bulgaria ... A marvel-

ous piece of land,

cuddled in the Balkan

Peninsula, amongst the

rich folds of Stara

planina mountain and

the undulations of the

vast Danube valley, the

majestic mountains of

Rila, Pirin and Rodopi

and the infinite Thra-

cian lowlands ...

Astonishing land-

scapes and hospitality

you just cannot imag-

ine unless you have

experienced it!

What's so special

about it?

Why would you like to

come here?

What possibly can you

expect to see and feel?

Bulgaria - new face in Europe

heritage sites.

tourist industry has emerged as a Cinderella success story, being identified by the WTO as one of the most appealing 'new faces' in international tourism. In 2005 over 4.6 million tourists visited Bulgaria. The strength of the industry was demonstrated during 2002; a year in which tourists flow decreased internationally, yet Bulgaria recorded a 20 percent rise in visitor

The EU countries are the largest market for the

Bulgarian tourism: a competitive sector in the

At present, Bulgaria is one of the least populated European states. Bulgaria is approximately the size of England, but with a population of only eight million people. As well as eleven blue flag beaches, Bulgaria has 354 km of Black Sea Coastline, 37,000 km of hiking paths in the mountains and a series of almost unpublicised Roman, Greek and Thracian historical attractions, including nine UNESCO world

Over the last years the Bulgarian numbers.

In 2005 the income from touristsm exceeded EUR 1,8 billion and the share of tourism in the Gross Domestic Product reached 13 per cent. Half a million persons are directly involved in tourism. For the period 1998 till 2005 the number of foreign tourists in Bulgaria has doubled and from 2 million it increased to more than 4 million. According to the World Tourism Organization (WTO) the number of foreign tourists in Bulgaria will exceed 20 million in 2020.

Bulgarian tourist services

Bulgarian economy

number of tourists from Czech Republic and Poland is also increasing acknowledging the return of Bulgaria on the tourist market of the Central European countries. The largest number of tourists is from Turkey (886 118), Romania, Greece, Germany, United Kingdom, Macedonia, Serbia and Monte Negro, Russia. The Bulgarians traveling abroad have also increased. After the drop in 1995-2000, in the last years the number of Bulgarians traveling abroad has increased by 9 percent compared to previous years and reached 4, 234 866 million. Bulgarians travel mainly in Turkey (more than 1.659 million Bulgarians have visited our Southern neighbor) followed by Greece, Germany, Serbia and Monte Negro, Italy, Spain, Switzer-

The number of tourists from UK,

Ireland, France, Austria and

Germany grew considerably The

by 23 per cent compared to 2004. Specialized infrastructure

land, UK etc. In 2005 revenues from

nights spent are estimated at EUR

247 million accounting for a growth

In the last few years, the specialized infrastructure is developing with extreme dynamism. For the period 1996-2005 the available accommodation (hotels, motels, huts) has increased by 70 per cent. In some Black Sea regions the supply of accommodation doubled, Bulgaria disposes of 190 Thousand beds. located in more than 300 sites. The specialized infrastructure is being permanently modernized and renovated. Two and three star hotels are prevailing though higher category sites are being built in the

The resources ...

Bulgarian seaside resorts offer surfing, water skiing, diving,

underwater fishing, underwater archaeology, paragliding, parachuting. The yacht ports and marinas in Balchik, Varna, Nessebar and Bourgas offer opportunities for yachting.

TOURISM

Routes have been devised for pedestrian, biking and horseback tourism, photo- and eco-tourism, visiting natural, archaeological and cultural landmarks, etc.

Convenient ski runs and facilities for skiing tourism and winter sports are on offer in the mountains of Rila, Pirin, Rhodope, Vitosha, and Stara Planina, The ski-season duration in the high-altitude mountain resorts is up to 190 days.

The Pamporovo, Borovets, Bansko and Aleko resorts have year-round functioning accommodation premises and winter sports infrastructure (lifts, Alpine skiing and ski-running runs). In response to modern demand - new ski tourism centres are also getting established in Smolvan, Chepelare, Dobrinishte, Malyovitsa, Semkovo, Velingrad, Gabrovo, etc. During the summer season, mountains in Bulgaria offer diverse options for active tourism. Programmes are on offer for pedestrian, biking and horseback tourism, hang-gliding and motor hanggliding, parachuting, aquatic sports, rock climbing, spelaeology tourism, orientation competitions, scout camps, etc.

Spa tourism is a traditional component of Bulgaria's image as a tourist destination. There are 600 mineral water springs in the country 75 with warm to hot water Bulgaria's thermal mineral water is distinguished for its great chemical and curative diversity. There are 22 spa resorts of national and 43 of regional importance. At the moment mineral water resource utilization is

less than 40%, so there is a big potential for development of spa tourism market in Bulgaria

Cultural tourism - there are over 30,000 historic monuments in Bulgaria (7 of which are included in the UNESCO world culture heritage list), 36 culture reserves, 160 monasteries, 330 museums and galleries. There is a plenitude of monuments from different historic epochs: Thracian tombs, finds from the Ancient Greek times. Roman fortresses, historical monuments from the time of the First and the Second Bulgarian Kingdom. architectural attractions from the National Revival period, which have shaped fully or partially the face of Bulgarian towns.

Ecological tourism - Bulgaria's countryside avails exceptional capacities to diversification of the Bulgarian tourist product and new types of tourism. The network of 3 national and 11 natural parks, 89 reserves and 2.234 natural landmarks preconditions various types of specialized tourism: cognitive and nature-science tourism, photosafari, observing birds and plants, rock climbing, alpinism, speleology tourism, etc.

Opportunities for rural tourism are offered in a number of villages in the Rhodopes, Pirin, Rila, the Balkan range, and the Strandia Mountain as well as in the Dobroudia Plain with well preserved traditional crafts, architecture, and folklore.

Come and discover all this treasure for yourself!

tional Statistic Institute, Bulgaria Bulgarian State Agency for Tourism Bulgarian Foreign Investment

The Bulgarian Academy of Sciences -

The Bulgarian Academy of Sciences has strengthened its authority as a national scientific research centre in the fields of the natural, engineering, social, medical and agro-biological sciences and the humanities and social sciences. During the last 5 years the share of

in various fields, e.g. ASER sounding of the atmosphere for the European Lidar Network, Space space and on aircraft, radiation environment dosimeter; Method for torsional impact on working environments. The creation of the

Bulgarian science and the

Bulgaria was involved in Community programmes already at the time when the Fourth Framework Programme for research and development was operative. A total of 129 projects under the Fourth FP included at least one Bulgarian

the face of Bulgarian science

compared to the total number of the projects developed by Bulgarian Academy of Sciences has increased. For the year 2001 it is 54% and for 2005 - 64%. During 2005 the Independent Scientific Departments of Bulgarian Academy of Sciences have worked over 3304 scientific and scientific-applied projects. Of these projects 2141 received additional financing from the National Science Fund, Ministries, national and international organizations and companies. The scientific achievements are in the field of: physics and astronomy, chemistry, information technologies, biology and medicine, ecology and environment, engineer ing, etc. Some of the projects are: new-developed antivirus programs, programs for multi-criteria analysis, laser systems for medical treatment, methods and equipment for biogas production by anaerobic digestion of organic waste, new standards for wireless communication and their implementation in medicine, new

European Union

based organizations. A great stride

the additionally financed projects

space experiments and many others.

participation of Bulgarian partnering organizations more than doubled reaching 271 projects and the number of projects coordinated by Bulgarian-based organizations tripled to 42. Most of the projects with

participant. Fourteen of the projects

were coordinated by Bulgarian-

was made in the Fifth FP, in which the

Bulgarian participation were in the field of Energy, environment and sustainable development (EESD) and User-friendly information society (IST), Since February 2003, Bulgaria has been fully associated with the Sixth Framework Programme for research and technological development and with the Sixth Euratom Framework Programme. Until September 2006 130 projects with Bulgarian participation were registered on the Cordis web site. An innovation strategy aimed at increasing the competitiveness of Bulgarian industry and stimulating research and technological development in enterprises was adopted in

Some facts instead of conclusions Bulgarian secondary education is

among the best in the world - ranked 5th in the world in sciences and 11th in 2. Strong technical education - 41

universities, 45 colleges, 3600 schools 3. Bulgarians rank second in international IQ tests Bulgarians are among the top

university students world-wide - 2nd in the world in SAT scores 5. More than 5,000 students graduating in computer science, more than 5,000 graduating in engineering sciences, more than 20,000 IT professionals

employed in the IT sector

Chamber of Commerce

and Industry Vratsa

Euro Info Center

The project "Bulgaria - New Face in Europe" is funded within the implementation of the Communication Strategy for the Accession of

Bulgaria to the European Union.

Additional information on all aspects related to the accession process of Bulgaria to the EU can be found on the following internet sites:

www.evroportal.ba www.mfa.government.bg

The project "Bulgaria - New Face in Europe" is implemented by the Chamber of Commerce and Industry Vratsa and the Euro Info Center BG808 Vratsa





Chamber of Commerce and Industry Euro Info Cetnre BG808 Vratsa

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With an area of 110,910 sq. km (42,822 sq. miles) and a population of 7 718 550 inhabitants Bulgaria is one of the small countries in Europe.

If we consider the gross added value of its economy, 59% of GAV come from the service sector, 29% from industry and 12% from agriculture.

It is worth noting that 15 % of the population are University graduates.

The country is a member of NATO and the WTO, and on the 1st January 2007 it is expected to join the European Union.

In 1991, Bulgaria chose the road to a rapid and radical economic reform. The country had to cope with grave problems and its major objectives were to curb inflation, slow down the decline of economy, achieve relative stability of the national currency and encourage private sector rapid annual growth. Macro-economic stabilization and structural reform were the key elements of economic reform,

In 1995 Bulgaria has applied for EU membership and in 1998 the Commission has prepared the first Regular Report on Bulgaria's progress towards accession. Since that time a period of economic revival and resumption of growth followed which led to unparalleled economic parameters in comparison to the preceding years.

A number of traditional industries such as building materials, textiles, leather, clothing, wood products, chemicals, metal products. casting, transport equipment, food and beverage, mechanical engineering gradually began to regain their place in the national economy, and by introducing European standards to the manufacturing process reached high quality of products. New sectors have rapidly developed due to the world industrial development and nowadays Bulgaria emerges as a preferred knowledge and skill base for leading edge ICT product development, systems integration, projects and outsourcing. Although traditional, the tourist sector made overwhelming strides ahead and competes to offer one of the best destinations together with worldfamous Greek and Turkish resorts. Telecommunications are also making a fast progress and today we have three mobile operators,

which cover almost the whole of

Bulgaria.

Eight years after the First Progress Report, in its Comprehensive monitoring report on the state of preparedness for EU mem-

bership of Bulgaria and Romania for the year 2005, the European Commission concluded that Bulgaria complied with the criterion of being a functioning market economy, and the continuation of the current pace of its reform path should enable Bulgaria to cope with competitive pressure and market forces within the Union. The country "continued to show relatively favourable economic developments". Real GDP growth, which is 5.6% for Bulgaria, "was strong in 2004 and this trend broadly continued in the first half of 2005. Inflation remained fairly low in Bulgaria". The 2005 report showed that "considerable progress has been made" in several areas, such

as privatisation of state-owned enterprises and the liberalisation of telecommunications in Bulgaria. "Figure-clad", the economic growth speaks for itself. In 2005 GDP more than doubled and reached USD 26 648,2 compared to 1996 (USD 10 368). GDP real growth rose from /-9,4/ in 1996 to 5,5 in 2005

The **export** of goods and services has increased gradually through the years, from EURO 499 million in 1996 to EURO 13 041 million in 2005. the real growth percentage being

four times - from EURO 450 million to EURO 16 590.9 million, which is the result of activation in international trade and relations. Astonishing progress was made

regarding inflation: in 1998 it was

18,7% and fell down to 5,0% in

Import has also increased about

Unemployment rate fell to 11,46% in 2005, whereas in 1998 it was

12,17%, and through the year it has surpassed 15% in some periods.

An outstanding performance can be noticed in the industrial sales pace: in 2001 there was a 2,9% increase, which in 2005 soar to 53,9% increase (as a basis is taken the year 2000). Industrial manufacturing marks also significant progress with 52,3% increase in

2005 compared to 2000.

732 in 1998 to EURO 1 235 in 2005. It is worth mentioning that the greatest increase can be attributed to work salaries, Income from savings rose also to a great extent.

Personal income rose from EURO

As a consequence of the increased income the average expenditure per capita almost doubled during the period 1998 - 2005. The depositing capacity of the population also increased twice.

Foreign Direct Investments

reached EURO 2 727 million in 2004

in comparison to EURO 605 million in 1998. After a slowdown of the FDI inflow in 2005, the year 2006 is expected to be quite successful again, as the amount of the FDIs for the period January-May 2006 is nearly EURO 1 200 million. This is due to macroeconomic stability and the stability of the financial sector that Bulgaria reached. Another factor is the higher interest rates in our country in comparison to the interest rates internationally, Worth noting are investments made by: Knauf (Austria), Solvay (Belgium), Lindner (Germany), Nestle (Swit-zerland), Sisecam (Turkey), Lifton Industries (Great Britain), Umicore (Belgium), Billa (Austria), Miroglio (Italy), Rollmann (Germany). All of them are success stories which can be found on the web site of the Invest Bulgaria

Agency (investbg.government.bg).

According to the Bulgarian Interna tional Business Association, sustaining macroeconomic stability coupled with a sound financial sector, improvement of the investment climate, elimination of administrative barriers, and simplification of licensing procedures will foster the increase of capital inflow to Bulgaria.

Despite of its small size. Bulgaria has struck outstanding economic results on its way for EU member ship preparation. During the transitional period it has achieved significant outcomes that it can boast with, thanks to its own merits: Highly-skilled, multilingual work-

 Stable and predictable business and political environment The lowest operational costs and tax rates in a Europe

• 15 % corporate income tax rate (2007 expected rate: 12 %) VAT exemption on equipment imports for investment projects over EURO 5 million

• Annual depreciation rate of 30%

for machinery & equipment, 50% for new equipment used in entirely new investment or expansion and 50% for software and hardware Acquisition of land and property through Bulgarian registered company with 100% foreign

• 58 treaties for avoidance of double taxation • 56 agreements on mutual protection and promotion of foreign investment • Excellent climate, natural scene-

ry, food and hospitality

· Fast administrative services

through Invest Bulgaria Agency

ownership

Figures are taken from the web sites of the Ministry of Economy and Energy and the Nationa



GENERAL DATA SHEET

Location

Neighboring countries: Geographic peculiarities

Population Ethnical groups Currency: State government Capital: Administrative division:

Date for accession to the EU:

Inflation

Executive power

Legislative power

(June 2006, Source: NSI)

Bulgaria is situated in the South-Eastern Europe, between Romania and Turkey. It has an outlet on the Black Sea 110,910 km2 Greece, Macedonia, Romania, Serbia and Montenegro, Turkey Bulgaria has a strategic location as regards the Turkish straits and the significant roads from

Europe to the Near East and Asia 7 718 550 Bulgarian 83.6%, Turkish 9.5%, Roma 4.6%, Others 2.3% Christian Orthodox 83.8%, Muslims 12.1%, Christian Catholics 1.7%, Jews 0.1%, others 2.3%

Bulgarian lev (pegged by a fixed rate of exchange to the Euro) Parliamentary democracy 28 districts President, Prime Minister Council of Ministers

EUR 21 228 million (2005) GDP growth: 5.5% (2005) EU, EFTA, CEFTA, Free trade agreements: Macedonia, Turkey, Israe

One-house Parliament



