

**For the attention of: INVESTORS, CONTRACTORS and ENTREPRENEURS**

**Subject: STARTING A BUSINESS IN BULGARIA**

We hope this basic information will be useful to invest in Bulgaria.

Let me introduce ourselves to you first. **V Consulting Bulgaria** is a professional consulting firm, based in Sofia, Bulgaria. We assist companies in starting and improving a business in Bulgaria and SE Europe. If you need more information about doing business in Bulgaria, you are welcome to contact us.

We provide first-class services to our Clients. It will be our pleasure to do entry market/business/tax research, to incorporate a company in Bulgaria, to get licenses and permits for you as well as to assist you in full-life company's business cycle - from beginning to closing a business. By the way, we do provide wide range of consulting services to develop your business: strategic planning and management, business plan creation, organizational design, consulting and legal advice, finance and accounting services, tax planning and tax protection consulting, marketing and marketing communications, HR assistance, contact management, training, team building that form company 's corporate culture.

Here is some **basic information that you have to know about Bulgaria.**

**Location:** Geographically Bulgaria is situated in Central Europe but its location is known as Southeastern Europe. The county is 520 Km long and 330 Km wide as the crow flies, has a wide outlet on the Black Sea and the river Danube. Bulgaria occupies the eastern part of the Balkan Peninsula; the area is 111.000 sq km. To the north it borders on Romania, to the west on the Republic of Macedonia and Serbia, to the east on the Black Sea, to the south on Greece and to the southeast on Turkey's European part. It is convenient crossroads between Europe and Asia.

**Water:** 0.32 %

**Lands under cultivation:** 45 %

**Forests:** 34 %

**Population:** The population of Bulgaria is currently 7.4 million made up mainly of Orthodox Christians (86.6%), 13% of population are Muslims.

**Density:** 69 people / Km<sup>2</sup>

**Urban population:** 70 %

**Political structure:** Bulgaria has been a parliamentary republic with democratic government since 1989.

“Bulgaria has undergone a significant transformation over the past three decades. It has changed from a highly centralized, planned economy to an open, market-based, upper-middle-income economy securely anchored in the European Union (EU). In its initial transition, the country went through a decade of slow economic restructuring and growth, high indebtedness, and a loss of savings.

However, the advancement of structural reforms starting in the late 1990s, the introduction of the currency board, and the expectation of EU accession unleashed a decade of exceptionally high economic growth and improved living standards.

Yet, a number of legacies from that early era, the global economic crisis of 2008, and a period of political instability in 2013–14 undid some of those gains. Now, in its pursuit of boosting growth and shared prosperity, Bulgaria is moving to address these issues.

Today, Bulgaria faces the two interrelated challenges of raising productivity and addressing the country’s rapid demographic change. Higher productivity growth is critical to accelerating convergence, as Bulgaria’s income per capita is only 47% of the EU average, the lowest in the EU.

Productivity will need to grow by at least 4% per year over the next 25 years if Bulgaria is to catch up to average EU income levels and boost shared prosperity.

Bulgaria Overview, World Bank report

Last Updated: Oct 11, 2018

### Gross Domestic Product GDP

Year	GDP (Billion EUR)	GDP growth	Annual inflation rate	Unemployment rate
2007	28.898	6.1%	8.4%	6.9%
2008	34.118	6.2%	12.3%	6.3%
2009	33.877	-5.0%	2.8%	9.1%
2010	36.052	0.4%	2.4%	9.2%
2011	38.504	1.8%	4.2%	10.4%
2012	39.962	0.6%	3.0%	11.4%
2013	40.451	0.9%	0.9%	11.9%
2014	42.824	1.8%	-1.4%	10.7%
2015	45.288	3.5%	-0.1%	10.0%
2016	48.128	3.9%	-0.8%	8.0%
2017	51.662	3.8%	2.1%	7.1%
2018			2.8%	6.1%

Source of information: Bulgarian National Bank, Bulgarian National Statistical Institute.

**Currency:** BGN pegged to EUR at 1.95583:1

**Tax:** 10% corporate income tax rate; 10% flat tax rate on personal income, 20% VAT.

Bulgaria has been a member state of the European Union since 2007

**Affiliations:** EU, NATO, WTO

**University degrees:** 22% of population

**Capital city:** The city of Sofia is capital of Bulgaria. Its population is approximately 1.2 million people.

**The big cities** in Bulgaria are: Plovdiv, Varna, Bourgas, Veliko Turnovo, Stara Zagora, Rouse, Pleven, Dobrich, Blagoevgrad, Shoumen.



**Language:** The official language is Bulgarian. English, German, French and Russian are mainly used for business.

**Alphabet:** Cyrillic.

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Phone prefix for Varna: 359 52

Phone prefix for Plovdiv: 359 32

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