

Introduction

Bulgaria is located in Southern Europe, situated on the eastern Balkan Peninsula. It is a mostly mountainous country surrounded by Greece, Macedonia, Romania, Serbia, and the Black Sea. Bulgaria has strategic access to the Turkish Straits and controls key land routes to Europe and to the Middle East. The government system is a parliamentary republic; the chief of state is the president, and the head of government is the prime minister. Bulgaria has transitioned to a market economic system in which the prices of goods and services are determined in a free price system. Bulgaria is a member of the European Union (EU).



Location: Eastern Europe

Capital City: Sofia (+2 GMT)

Chief of State: President Rumen Radev

Head of Govt.: Prime Minister Dimitar Glavchev

Currency: Bulgarian lev (BGN)

Major Languages: <p>Bulgarian (official) 76.8%, Turkish 8.2%, Romani 3.8%, other 0.7%, unspecified 10.5% (2011 est.)</p>

Primary Religions: <p>Eastern Orthodox 59.4%, Muslim 7.8%, other (including Catholic, Protestant, Armenian Apostolic Orthodox, and Jewish) 1.7%, none 3.7%, unspecified 27.4% (2011 est.)</p>

Calling Code: 359

Voltage: 230

Key Websites

Main Government Page: government.bg

Export Promotion Agency: sme.government.bg

Investment Promotion Agency: investbg.government.bg

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developed
GDP, PPP (current international \$):	\$217.11 billion (2022)
GDP growth (annual %):	3.36% (2022)
GDP per capita, PPP (current international \$):	\$33,582.28 (2022)
External debt stocks, total (DOD, current US\$):	\$44,942,637,186.30 (2021)
Manufacturing, value added (% of GDP):	14.37% (2018)
Current account balance (BoP, current US\$):	-\$0.59 billion (2022)
Inflation, consumer prices (annual %):	15.33% (2022)
Labor force, total:	3,130,364 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.40% (2022)
Imports of goods and services (current US\$):	\$60.32 billion (2022)
Exports of goods and services (current US\$):	\$61.03 billion (2022)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	77 / 178
EY Globalization Index	22 / 60
Global Competitiveness Index	48 / 141
Global Enabling Trade Index	53 / 136
Global Services Location Index	16 / 60
Index of Economic Freedom	31 / 176
International Logistics Performance Index (LPI)	52 / 160
Inward FDI Potential Index	59 / 139
KOF Index of Globalization	34 / 185
Networked Readiness Index (NRI)	69 / 139
Open Budget Index	16 / 114

Risk Assessment (Provided by Coface)

Country rating: B - Political and economic uncertainties and an occasionally difficult business environment can affect corporate payment behavior. Corporate default probability is appreciable.

Business Climate rating: A3 - The business environment is relatively good. Although not always available, corporate financial information is usually reliable. Debt collection and the institutional framework may have some shortcomings. Intercompany transactions may run into occasional difficulties in the otherwise secure environments rated A3.

Strengths

- Diversified productive base (Bulgaria is a main producer and exporter of cereal and mostly independent of food imports from abroad)
- Low public debt
- Tourism potential
- Low production costs and good price competitiveness
- Monetary stability, the Bulgarian Lev is in a peg with the Euro

Weaknesses

- Corruption and organized crime (No. 78 in the Corruption Perception Index 2021, vs. No. 69 in 2020, making it, with Hungary, the most corrupt country in the EU)
- Inefficient public services and the judicial system (influenced from the business community)
- Fragmented political landscape makes the founding of a stable government complicated
- Lack of skilled labor
- Declining and relatively poor population (GDP per capita = 24% of the EU average in 2021, i.e., the lowest in the EU)
- Strong informal economy

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