Outlook on Bulgarian ICT Industry

Development of Bulgarian Software Sector

Commemorating 65 Years of Diplomatic Relations:
Enhancing the Resilience of Indonesia – Bulgaria Economic Partnership
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"The ICT revolution holds the potential of transforming economies and societies and of addressing some of the most pressing global challenges of our time."

Global ICT Report, World Economic Forum
Bulgaria is already a Regional ICT Hub
Leading Software and IT Companies base R&D in Bulgaria

...and Bulgarian companies are becoming global players...

Global R&D

Fast growing

Strategic presence
Competitive advantages of Bulgaria
Why Global ICT Leaders and Countries invest in Bulgaria

- Talents
- Teams
- Processes
- Strategic location and political stability
- Traditions in ICT sector and vibrant ecosystem
- Developed IT network and infrastructure
- Competitive cost of doing business
About BASSCOM

- Established 2001
- 95+ software development companies
- 13,000+ employees
- 120+ associates
- Export oriented profile 80+%
Some BASSCOM history and activities

Projects & initiatives

Talent Management
Education, R&D and Innovation

Marketing Software Business
International & regional branding; export promotion of the BG software and IT Participation in European and other international projects

Partnering with local Government
Policy reforms, strategies elaboration -> e-Government strategy, IT penetration in all industries, etc.

Process Improvement
ESI CEE

Innovation and Entrepreneurship
Innovation and development of investment ecosystem in the software industry

Bulgarians Abroad Initiative
„ЗАвърщането“

Co-founder and active member
Bulgarian Employers’ Association Innovation Technologies (BRAIT)
SEE Region – ICT Forum Board
Europe – European Digital SME Alliance
Main Partners
Germany, France, UK, USA, Canada, Scandinavia ...

Partners for regional cooperation:
Germany, France, UK, USA, Canada, Scandinavia ...
What we can offer to our partners

- Competitive young workforce with excellent language skills
- Expertise in the most progressive technologies and trends
- Diverse domain know-how – business process modeling and improvement
- Flexible R&D pilots – short time-to-market
- Participation in all phases of the modern software process - analysis, design, architecture, implementation, quality control, maintenance and development
- Modern, innovative products and creative solutions for various of industries
- Collaboration for participation in EU funded projects
- Partnership for expanding the presence at the EU markets
The 18.4% revenue growth in 2019 with €306.4m (Operating Revenue €1,972.3m).

More than 80% of revenues are from export – mainly to the rest of EU and the US.

The offices of more than 50 global software brands already operate in BG.

Over 34,300 employees (most of them professional software engineers).

Highly qualified work force – wages are more than 3 times the average for BG.

Increasing share of products and high-value-added services.

Software is one of the fastest growing sectors in BG - continuous growth 5 times in 10 years, expected 3.8% from GDP in 2020 (f).

4,460+ software companies in different domains.

*12th edition est. 2008 with GTZ/GIZ support
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Type of services a foreign investor can find in BG?

Full scope of services – analysis, design, architecture, implementation, QA, maintenance & support, classical & digital marketing, consulting, sales with focus on special quality and added value based on specific domain knowledge.

More than 50 Western European and US-based companies found their partners and/or subsidiaries including SAP-Labs, Software AG, Nemetschek AG, DocuWare AG, Bosch, VMWare, CSC, DXC Technology, Visteon (former Johnson Controls), Experian, HP, Infragistics, Seeburger GmbH and many others.

How many foreign investors have already invested in BG software sector?
Frequently Asked Questions/Answers

How many people are involved in BG IT Sector?

Our estimate counts around 100,000 people from which around 60,000 are employed in 1st level outsourcing centers (BPO, ITO, Call Centers, Tech Support Centers, etc.) and around 35,000 as professional software engineers.

How many students are graduating annually in IT and IT-related specialties?

Around 2,000 in Bulgaria and another 1,000 in Western Europe (mainly Germany) and USA. BASSCOM is working closely with Bulgarian Government to establish EU Blue Cards working procedure and accommodate thousands of Western Balkans and ex-Soviet countries professionals.
Bulgarian software companies aren’t applying single fees tables as every deal is based on deep analysis on type of every project, duration, technology, business domain, team structure and management, maintenance and support, etc. Salary ranges are at least 3 times above average for BG.

Lowest taxation in EU – flat 10% taxes for both personal income and corporate profit. Best ratio price/quality for all communication lines – voice, data. Well developed office real estate market with competitive prices. Special Investment Promotion Act (well developed incentives for general sectors not for IT especially).
General terms – time zone, travelling, legal framework, IPR protection?

ToDo: Time zone GMT +2:00 – 1 hour difference with Germany. 10+ flights per day from major German Airports (Frankfurt, Munich, Dusseldorf, Cologne, Berlin) with max 2 hours duration. Legal framework fully synchronized with EU directives (incl. IPR protection).
Thank you!

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