

Costs

The idea of living and working in Bulgaria sounds tempting but also raises a heap of questions and doubts including: how much will it cost me to do business in Bulgaria, as well as live there for a period of time if not for good? Here are some figures, estimated on the average cost of doing business in Bulgaria, all quoted in Euro and exclusive of VAT (20%); this is merely a guideline to give you a general idea. Please bear in mind that the exchange rate of euro to the Bulgarian lev is 1.00 Euro for 1.95 levs.

At the beginning of every business project there are two major issues that need to be resolved: firstly your company office facilities and then the question of human resources. Here are some utility costs to guide you:

- to buy office space in any Bulgarian city you will have to spend an average of 200-600 Euros per sq.m.; to rent one 4-15 Euros per sq.m.
- the average cost of residential construction is 250 Euros per sq.m.; commercial construction 500 Euros per sq.m.
- electricity is charged at 0.56 Euros per Kilowatt Hour
- water is calculated on the basis of 0.43 Euros per cubic meter
- telephone maintenance fee is 5.23 Euros per month
- one litre of motor fuel (type 95 Unleaded) will cost you 0.9 Euros; one litre of diesel 0.7 Euros

To be competitive in the human resources market a businessman needs to be aware of the average salaries according to law and various positions in a company. Here are some figures to guide you:

- the average monthly salary in Bulgaria for the year 2005

- was estimated at 165 Euros
- the minimum monthly salary for Bulgaria by law is 75 Euros
- the total amount of all contributions paid by one employer for one employee (including health care, unemployment and social security contributions) is estimated at 32.2% of the base monthly salary

(that quoted in the employment contract)

- a Managing Director earns, on average, 1000-2000 Euros per month
- Accountant, 220-375 Euros per month
- Secretary, 150-240 Euros per month
- Network Administrator, 300-700 Euros per month
- Junior Programmer, 200-350 Euros per month
- Chemical Engineer, 280-390 Euros per month
- Painter and Decorator, 200-400 Euros per month

Once the business is up and running it's time to relax and savor the entertainment possibilities this country offers, of which there are plenty.

About to go out? Don't bother wondering how much money to take, just remember that a bottle of beer (Touborg, Beck's, etc) will cost you 0.75 Euros, and a lavish dinner for two will set you back just 10 Euros. If you want to take your date to the latest Hollywood movie you will spend 2.50 Euros for each cinema ticket; entry to a museum will cost just 0.50 Euros, and a full day of paintballing or horseback riding 15 Euros. And when, after all that fun, you need a lift home, a taxi will normally charge you 0.20 Euros per kilometre.

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Residence in Bulgaria

An essential issue for all foreign nationals wishing to live and work in Bulgaria is getting permission to stay in the country. According to present regulations citizens of most EU countries, by law, are allowed to stay in Bulgaria for 3 months out of every 6, whilst those from Great Britain and Ireland can only stay for one month out of 6. This regulation will supposedly change when Bulgaria enters the European Union, but for now cases are decided upon individually and there are many pitfalls to be aware of.

Most importantly, don't forget to register as soon as you enter the country. If you are staying in a hotel this will be done by the hotel authorities, but if you are staying in your own property or with a friend you'd better get a move on and register yourself within 48 hours, otherwise you will receive a fine. It's easy to register, just go to the nearest passport office and fill in a simple form with your passport details and the exact address of the place you are staying at.

Your residence will then be considered legal and you can start to put together the long list of documents required when you apply for a permanent stay permit.

If you are a pensioner, or have stated that you intend to start a business here, your permit will be issued after you have presented documents proving a steady flow of income outside the country; if you are a freelancer it will be much more difficult to get residency. Although the law allows for it in practice, permits of this kind require a large amount of documentation to be prepared in advance and take a lot of time. In all cases, however, it is better to check in advance which documents you will need, perhaps even before you arrive in Bulgaria, as you may be required to have something that can only be issued in your country. Then begins the process of applying for a Bulgarian ID card, which will save you the inconvenience of carrying around your passport and will make you feel more Bulgarian - good luck!



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