



New Bulgarian Ambassador heads for London British Bulgarian Chamber of Commerce (BBCC) Business Breakfast

On 6th March Members and Friends of the BBCC entertained Ambassador Konstantin Dimitrov, new Bulgarian Ambassador to the United Kingdom, to a Business Breakfast. Amongst the host group was Ambassador Jonathan Allen, recently appointed British Ambassador to Bulgaria. Bill Drysdale, BBCC Chairman, introduced Mr Dimitrov, who has since 2009 been Deputy Minister of Foreign Affairs with responsibility for Europe. For the previous ten years his appointments included close involvement with Bulgaria's NATO membership, and from 2000 to 2002 he was Ambassador to Belgium, Luxembourg and NATO. He has served both as a Member of the European Parliament, and as a Deputy in the Bulgarian National Assembly. In the current Government Mr Dimitrov, whose political allegiance is to the Blue Coalition, serves as an expert in Foreign Affairs.

The BBCC regards the current year, with new Ambassadors in post for both our countries, as a very prospective time for developing new two-way business initiatives and investment opportunities. Ambassador Allen stressed that the door is open for an unprecedented bilateral relationship, with the City of London acting as the conduit for a considerable proportion of financings for major deals in Bulgaria including those from many other countries. He personally will devote priority time to helping British investors succeed in Bulgaria. The BBCC is actively promoting the attraction to Bulgaria of a British Bank, which would be an added catalyst to bringing in new UK investors.

Ambassador Dimitrov traced the four key areas of value in his goals for London: solid development of political trust; ongoing security relations; the importance of the Bulgarian community in the UK; and promotion of trade and investment. A starting point is that with growing Bulgarian exports, the UK ranks 13th largest export market for Bulgaria. UK importers rank 17th in Bulgaria. As a direct investor the UK ranked No 4 from 2004 to 2008 but with too much emphasis on real estate which has led to subsequent losses during the global economic crisis. The Ambassador challenged the BBCC to help him grow the volume of business on all the above fronts. He pledged to lobby for improved fairness and consistency in the Bulgarian legal and justice systems, and he will, once settled in London, seek to encourage a rising flow of Bulgarian holiday makers coming to the UK.

Mr Dimitrov spoke of the main sectoral priorities in Bulgaria at the present time which presented prime opportunities for attraction of investors. They included decommissioning of nuclear power plants, building new energy capacities, deep sea gas exploration, management of the water sector, development of a GPS road toll, concessions of airports and sea ports, the defence sector, pharmaceuticals, and tourism (to attract UK holiday makers). He stressed the importance in all

sectors of the philosophy of the current government: low levels of taxation and budget deficit, fiscal stability and prudent banking regulation. He encouraged the BBCC to assist, in partnership with the InvestBulgaria Agency, in promotion of Bulgaria's financial health and stability against the current turmoils across Europe.

The British Ambassador added a word both of caution and encouragement. He sees some crucial factors which will determine the attitudes of future investors: tax, infrastructure, the justice system, and the ability to enforce law and reduce corruption. He favours constructive use of the EU Co-operation and Verification Mechanism to move forward as soon as possible in the above areas and to achieve membership of Schengen.

In response the Bulgarian Ambassador heralded a major Investment Forum to be held this year in London. He shares concerns about the justice system, and will seek facilitation by the Ministry of Justice to improve protection for property investors and developers. Overall he is anxious to help promote good stories about Bulgaria. Tim Buisseret, UK Commercial attaché in Bulgaria, was struck by how the Ambassador's view on priorities coincides with UK policy here. He added light industry to the areas ideally suited to British investors, and encouraged partnership in education in Bulgaria by the UK's top universities and business schools, including post-graduate involvement in corporate workforce training.

Concluding his presentation, Ambassador Konstantin Dimitrov pledged to work with the Organisation of Bulgarian Students in the UK, seeking their help to improve the image of Bulgaria, and offering them all possible Consular support – not least in relation to lobbying for gaining earlier access for them to the British workforce than the current waiting period till the beginning of 2014. Another special group of Bulgarians in Britain is professionals in the City of London: there is a strong community of Bulgarian financial and management experts who are members of the Bulgarian City Club, and it is hoped that cooperation between them and the BBCC will be mutually beneficial. Finally, we must not forget the good facilities for teaching Bulgarian language in a selection of London schools, which will receive warm encouragement from the new Ambassador.

A lively Q & A session and discussion followed Ambassador Dimitrov's presentation. Topics covered included PPPs, investment promotion, green investments, lessons in infrastructure development from the London 2012 Olympics, the new UK Bribery Act and compliance of investors with it, the need for Bulgaria to clean up business practices, improving information and promotion of opportunities in Bulgaria for British investor companies, and the forthcoming visit to London of Bulgarian Foreign Minister Nickolay Mladenov.

Thanking Ambassador Dimitrov for his presentation and enthusiasm to work with the BBCC and the British Embassy in Sofia, Bill Drysdale re-iterated the favourable macro-economic environment in Bulgaria today, which gives the United Kingdom an excellent opportunity, against the background of uncertainty in some other Southern European countries, to capitalise on the many openings for investment here and across the Balkan countries now in the pipeline for ultimate EU accession.