



Bulgarian Presidency
of the Council of the European Union



CONFERENCE:
**“INNOVATIONS FOR COMPETITIVENESS.
THE BASIC INDUSTRIES – A DRIVE FOR
GROWTH”**

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Sofia
Bulgaria


eu2018bg.bg

Organizers:



EUROFER
The European Steel Association



EU INDUSTRY INDECES – WHERE IS BULGARIA

BULGARIAN BASIC PRODUCTS OCCUPY:

- 1st place sodium carbonate production
- 3rd place in **copper ore** mining
- 4th place in **gold-containing ore** mining
- 5th place in quantities of extracted **lignite**
- 9th place in **non-ferrous metals** production in value

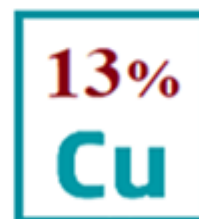
Relative share from the total EU production :



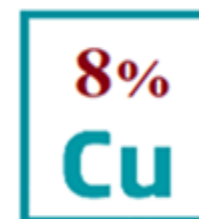
LEAD



ZINC



ANOD



CATHOD



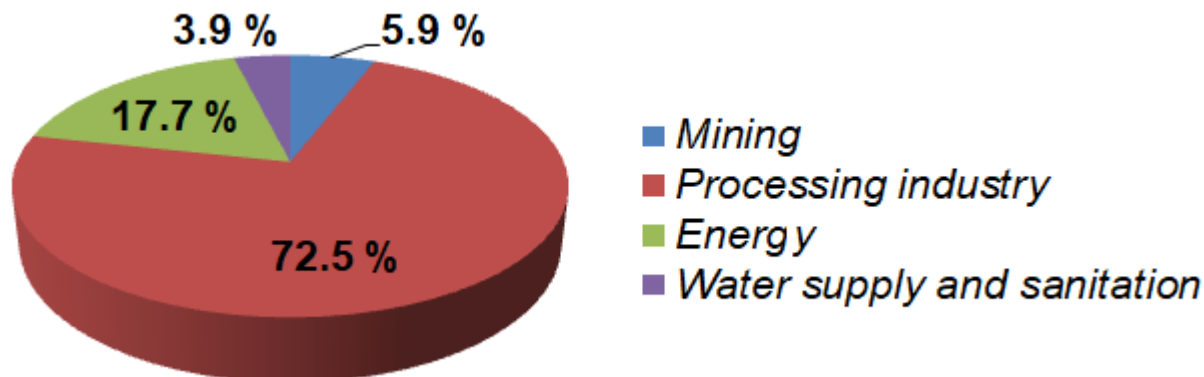
ECONOMIC GROWTH

- World economy – 3.1 %
- EU (28) economy – 1.9 %
- **Republic of Bulgaria – 3.4 %**

GDP and GVA-Bulgaria

- GDP, total – 94 130 million BGN (48 128 million EUR)
- GVA, total – 81 218 million BGN (41 544 million EUR), incl.
- **GVA industry, total – 19 254 million BGN, incl. (23.7 %)**

Distribution of GVA by industry sectors

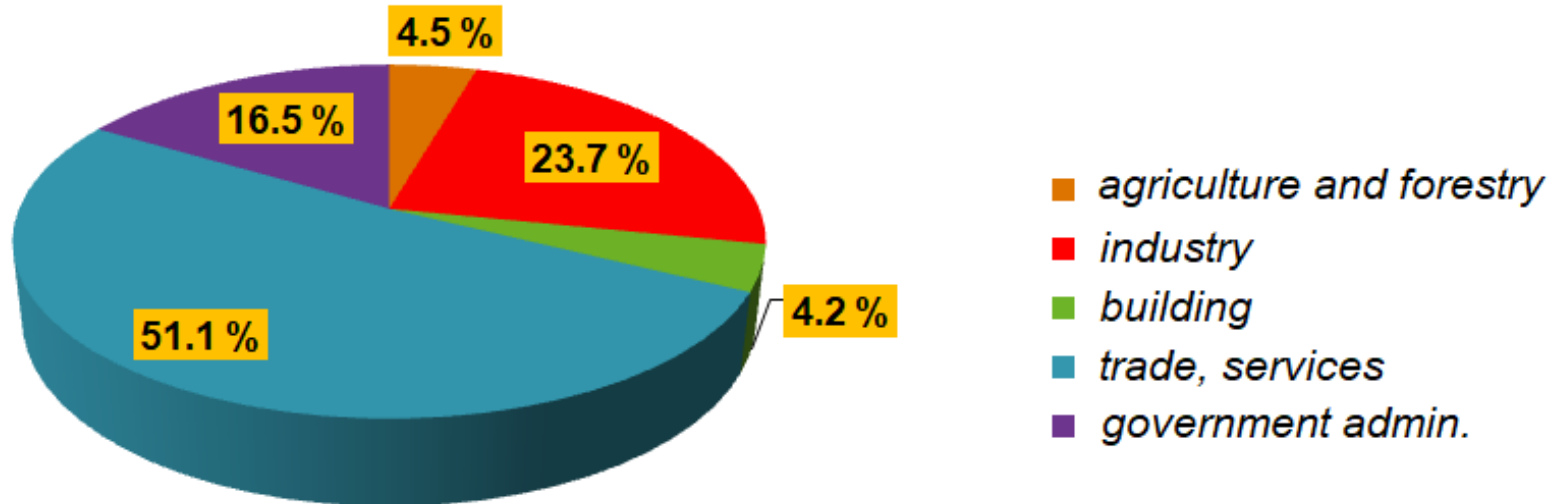


Industrial production accounts for **23.7%** of the gross value added and **20.4%** of the gross domestic product of the country.

ECONOMY IN 2016



Share of Gross Value Added by economic sectors in Bulgaria:



The share of the Bulgarian industry in the value added is **23,7 %**, 6 % above the EU average.

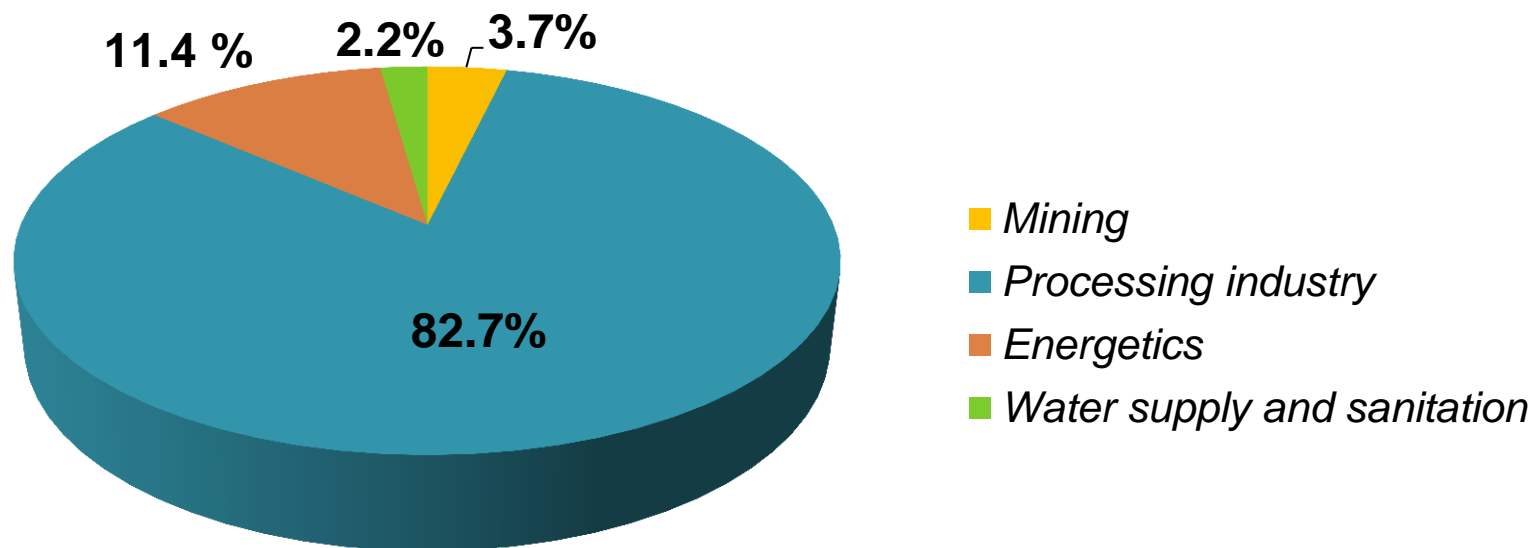
15.6 % is the value added of the EU(28) industry.

The value added of the processing industry is 72.5 % from this of the whole industry.

INDUSTRY IN BULGARIA IN 2016



INDUSTRIAL PRODUCTION TOTAL (67 milliard BGN)



The produced metals and chemical products (11.2 milliard BGN) represent:

- 17 % from the Bulgarian industrial production
- 20 % from the processing industry production

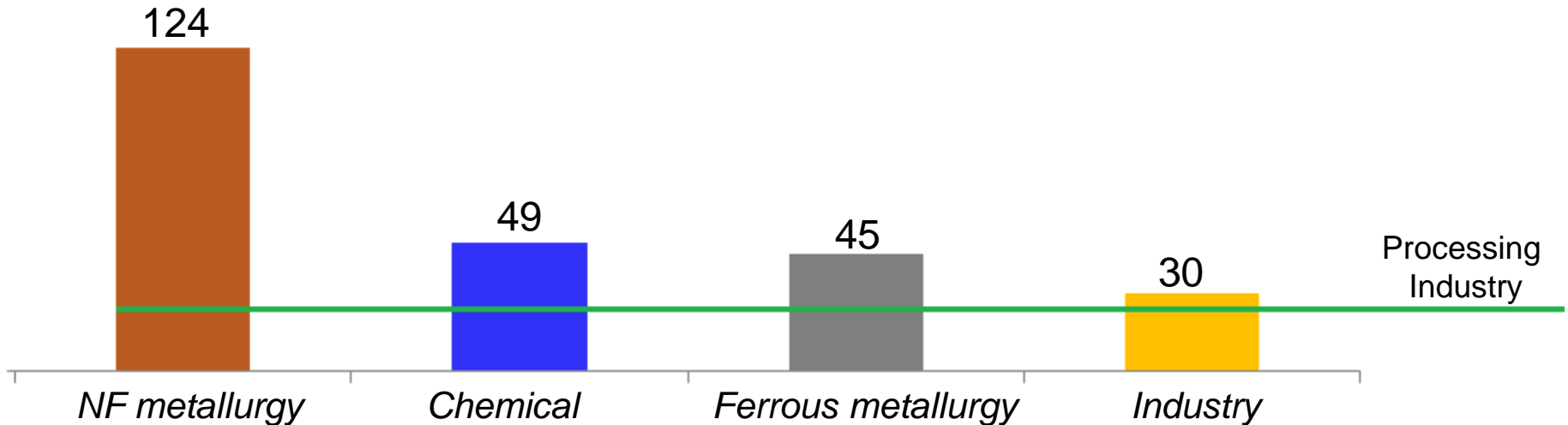
In Bulgaria modern capacities are available and **specialization in production of metals - basic materials for processing within the value chain in other industry sectors.**

PROCESSING INDUSTRY IN 2016



	employees		value added	
	In thousands	%	mil. BGN	%
Processing Industry	514.3	100	13954	100
<i>incl.</i> metals	12.8	2.5	846	6.1
chemical products	13.5	2.6	656	4.7

Value added per employee, thousand BGN



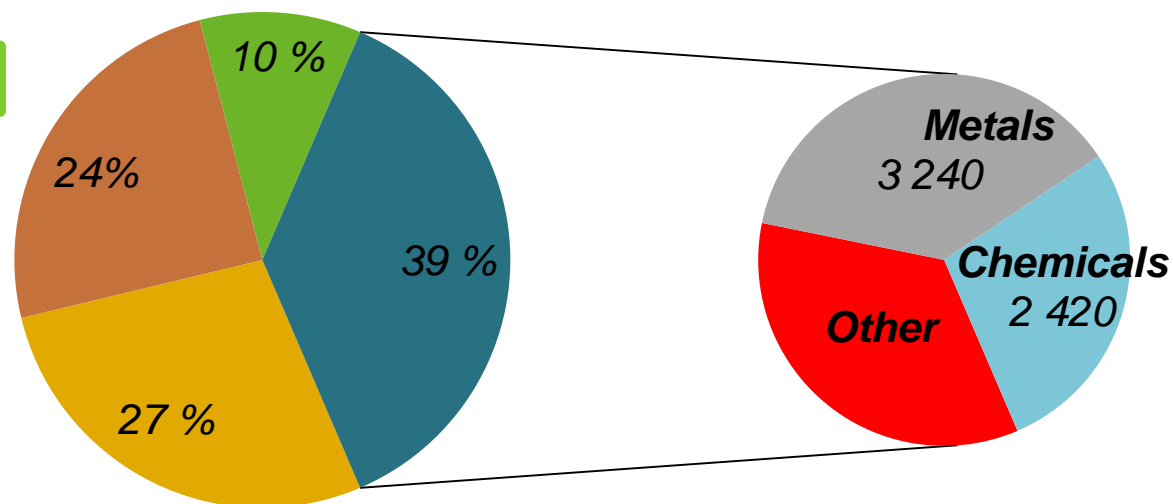
GVA per employee in the steel and chemical industries exceeds twice the average value accounted from the processing industry, in the non-ferrous metallurgy the value is ca. 5 times higher.

BG PROCESSING INDUSTRY IN 2016

Total Export, 24 126 million EUR

Export groups, in million EUR:

- Consumer goods 6 465
- Raw Materials 9 394
- Investment goods 5 764
- Energy commodities 2 456



Chemical substances, metals and their products are export goods, accounting for **ca. 25% of Bulgaria's export**.
More than 60 % of the Bulgarian export is for the EU market.

INNOVATIONS, INVESTMENTS, SUSTAINABLE GROWTH

Changes and achievements of the Bulgarian industry

THE EU STANDARDS AND REQUIREMENTS GAVE IMPETUS THE BULGARIAN INDUSTRY TO TRANSFORM TOWARDS COMPETITIVENESS AND GROWTH

The Bulgarian industry implemented reconstructing projects incl. modernization and best available equipment and technology.

INVESTMENTS:

In production of metals and metallurgical products – 2.3 milliard EUR

In production of chemical products – more than 2.0 milliard EUR

OBJECTS ACHIEVED:

- Technological development, automation/digitalization of processes and management
- High quality production, new products and goods
- Effective use of resources, growing use of wastes
- Reduced energy consumption per unit production – below 30%
- High standards for protection of nature and working environment
- Appropriate working environment, professional trainings and responsibility towards working staff

BUSINESS IN BULGARIA AND IN THE EU - CHALLENGES

- Liberalized foreign trade creating conditions on the EU market for **competitive pressure of goods from third counties** with unequal working environment, labor costs and social rights.
- Strong requirements and high standards for **production of ecological and healthy safe products**, for protection of nature and working environment
- Conditions for **growing of energy costs** as a result of the implementation of the measures related to the climate change policies
- Difficult **access to raw materials** from third countries, additional restrictions for EU imports from high risk-regions
- **Shortage of qualified staff**, alienation of young people from industry, reluctance to realization in manufacturing enterprises
- **Overtaking growth of economies in non-EU countries and regions**, operating in a non-market economy environment with state aids for industry (protectionist policies)

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THANK YOU FOR YOUR ATTENTION!

Anton Petrov

Chairman of the Board



Bulgarian Association of Metallurgical Industry