
Project Title: “PROMOTION OF MODERN FINANCIAL INSTRUMENTS IN THE CROSS-BORDER AREA”

Project Acronym: “FINANCIAL INSTRUMENTS”

Work Package 3:

Identification of Current Status in the Cross-Border Area/Networking Activities

Deliverable D.3.2.:

“Identification, Recording and Evaluation of all suitable existing SMEs located in the cross border area that can apply for funding from modern financial tools”

Delivered by the Regional Development Agency of Rodopi S.A. (LB)



and Approved by all Project Beneficiaries

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1 Executive Summary

2 Introduction

3 Presentation of the state of business in the EMTH area

3.1 Historical Data

3.2 Main business activities, geography, relevant stakeholders

3.2.2 Main business activities, geography, relevant stakeholders in Bulgarian region

Blagoevgrad region is part of the South-West planning region, bordering Greece and North Macedonia, with the regions of Pazardzhik, Smolyan, Kyustendil and Sofiyska. Its total area is 6,449 sq. km., which represents 5.8% of the country's territory. Administratively, the region is divided into 14 municipalities (Bansko, Belitsa, Blagoevgrad, Garmen, Gotse Delchev, Hadzhidimovo, Kresna, Petrich, Razlog, Sandanski, Satovcha, Simitli, Strumyani and Yakoruda), 96 town halls and 280 settlements.

The data on the number of non-financial enterprises in the Blagoevgrad region of the Bulgarian National Statistical Institute show a continuing downward trend - in 2021 their number reached 20,897 or a decrease of 0.5% compared to 2020 (21,008 enterprises). It is positive that the rate of decrease is slowing down, considering that in 2020 enterprises decreased by 832 enterprises or 3.9% compared to 2019 (21,840 enterprises), mainly as a result of the economic crisis caused by the Covid-19 pandemic. In addition, the number of non-financial enterprises relative to the population of the region remains far higher than the national average. Their structure is dominated by micro enterprises (up to 9 employees), which make up 93.5% of their total number. Small enterprises (from 10 to 49 employees) are 5.6%, medium enterprises (from 50 to 249 employees) – 0.8%, and large enterprises (over 250 employees) form 0.1% of all non-financial enterprises in the region.

In terms of the number of employed persons, 2021 saw some recovery of the jobs "lost" in the worst year of the pandemic. Thus, they grew by 1.9% (or 1,552 employed persons), reaching 84,789. For comparison, in 2019, employed persons were 89,026 and reached 83,237 in 2020, decreasing by as much as 6.5% or 5,789 employed.

A positive trend is observed in terms of production. In 2021, values higher than the period before the pandemic were recorded, reaching a value of BGN 5,748 million and catching up with the decline from 2020 of nearly 7.9%.

Table 1. Main economic indicators for Blagoevgrad region, 2018-2021

INDICATOR	2019	2020	2021
Non-financial enterprises (number)	21 840	21 008	20 897
Share of micro enterprises (%)	93,4	93,8	93,5
Share of small enterprises (%)	5,6	5,4	5,6
Share of medium enterprises (%)	0,9	0,7	0,8
Share of large enterprises (%)	0,1	0,1	0,1
Employees (number)	89 026	83 237	84 789
Produced output (million BGN)	5 639	5 194	5 748

Source: Bulgarian National Statistical Institute