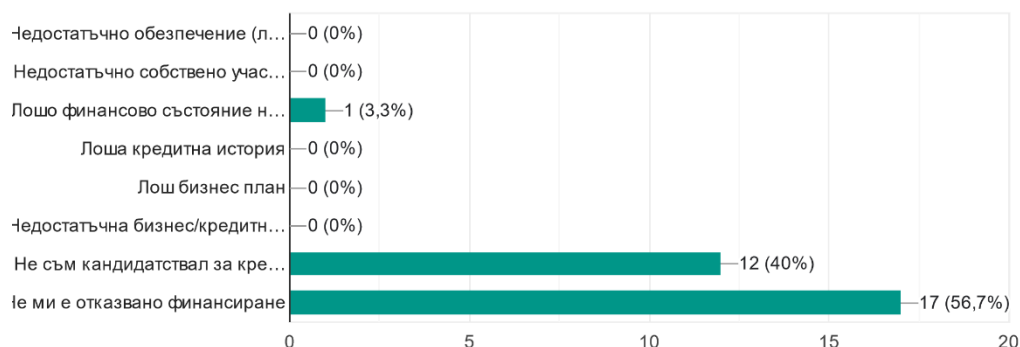


2.6. Ако сте кандидатствали и Ви е отказан кредит от банка, каква е била причината?

30 отговора

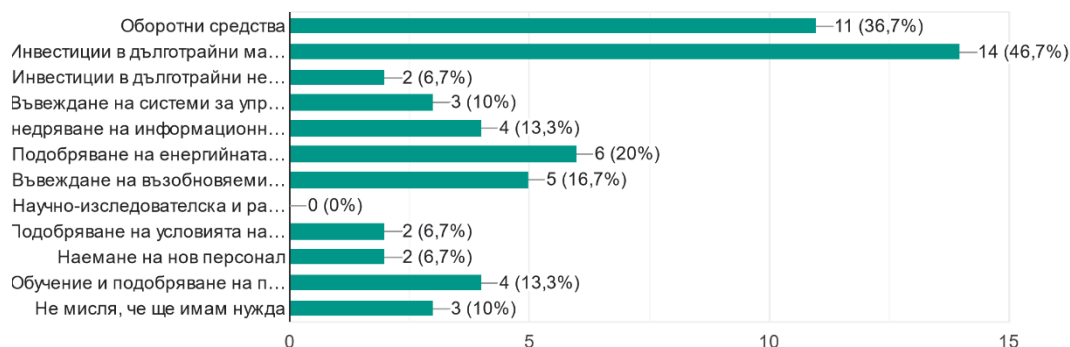


Only 1 respondent said that he was refused a bank loan, and the reasons for this was company's poor financial condition (eg high indebtedness). Every second company from the survey has successfully applied for bank loan (56,7%).

Q 2.7. If you are going to seek external funding (e.g. in the next 3 years) for what purposes will it be?

2.7. Ако Ви предстои да търсите външно финансиране (напр. в следващите 3 години), за какви цели ще бъде предназначено то?

30 отговора



Regarding the plans for the next 3 years, the respondents say that they will need it first of all for investments in fixed tangible assets (47%) and for working capital (37%). In contrast to the period 2020-2022, characterized by the consequences of the Covid-19 pandemic, the war in Ukraine and the associated ever-increasing operational costs, there is a shift in the focus of enterprises towards increasing resilience. Accordingly, intentions to increase non-energy efficiency and implementation of renewable energy sources are identified among a larger share of surveyed enterprises, as well as for the implementation of quality management systems and staff training.

In conclusion, the analysis of data related to business financing strongly indicates the need to diversify the sources of financing for enterprises, so that they can more easily and more efficiently not only meet the needs of their business, but also provide possibility for their growth and optimization, including in accordance with modern requirements for sustainable development and use of the opportunities provided by Industry 4.0. Moreover, the use of diverse sources of external financing will create conditions for starting new ones and improving local economic development. This can be achieved by providing additional information, promoting and encouraging the use of various sources of external funding, including number of financial instruments. It is here that the role of organizations in support of business stands out, including Bulgarian Chamber of Commerce and its regional organizations, which can provide information and advice to its members and to local business in general.

Section 3 “Research and Development Activity”

According to data for 2022, Bulgaria is once again in the penultimate place among the member countries in terms of its innovation performance. Moreover, the country's innovation performance is weaker than that of a number of candidate

countries for membership that do not have access to European structured funding, which Bulgaria mainly relies on to subsidize its science and innovation policy in recent years.

Q 3.1. Does your company conduct research and development?

3.1. Вашата организация/фирма извършва ли научно-изследователска и развойна дейност?

30 отговора



The survey among the companies from the region of Blagoevgrad found that only 13,3% of them shared that research and development activities are carried out in the organization. This is realized both through an internal team of researchers within the company and also through cooperation with universities or scientific research institutes. One of the respondents shared that he applies a combination of both methods mentioned above. In 75,0% of cases, innovations are implemented with external financing, most often from commercial banks and the Bulgarian Development Bank.

It is interesting to note that the majority of respondents believe that they do not need research and development activities - as many as 76,7%. Most often these are micro enterprises (70,0%), from the trade and services sector, with revenues for 2021 in the amount of up to EUR 50,000 (61,0%).

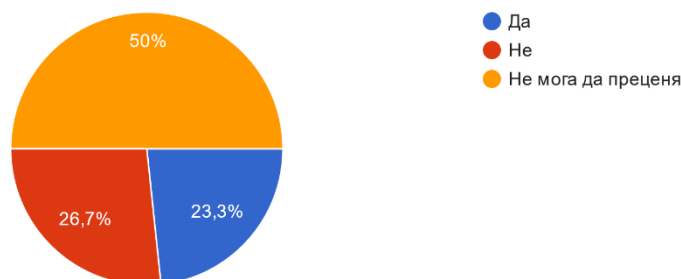
Another 10% of the surveyed companies share that they need research and development activities, but not the necessary funds. At the same time, the results of the previous section show that companies have not used in the last 3 years, and are not inclined to use external financing for such activities in the future. This unequivocally shows insufficient knowledge of the various possibilities for obtaining financing under various funds/instruments/programs, so that companies become more innovative and therefore competitive, including on international markets.

Next, when asked whether they expect in the next 3 years to have a need to collaborate with scientific research organizations to develop and implement innovative products, processes or services, the positive answers are 23% against 27% of the negative answers. Every second company says it cannot estimate.

Q 3.2. Do you think that in the next 3 years you will need to work with research organizations to develop and implement innovative products, processes or services?

3.2. Смятате ли, че през следващите 3 години ще имате необходимост от сътрудничество с научно-изследователски организации за разработ... на иновативни продукти, процеси или услуги?

30 отговора



It is clear from the data that a large number of companies are not sufficiently aware of the need to introduce innovations in every aspect of an enterprise's activity – at the product, process and/or service level. This is natural, taking into account the low levels of implementation of innovations in the Bulgarian economy, and enterprises from the Blagoevgrad region are no exception. At the same time, the proximity to two national borders - with Greece and the Republic of North Macedonia, as well as the presence of educational institutions in the region and the proximity of the capital Sofia, create serious

prerequisites for enterprises from the Blagoevgrad region to switch to a more innovative way of doing business by overcoming of established attitudes towards traditional production.

Section 4 "Firm's financing"

Q 4.1. In the event that in the next 3 years you think you will need external financing for the development of the company's activity, what would be its amount?

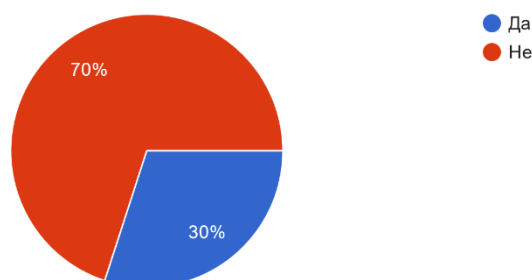
4.1. В случай, че през следващите 3 години смятате, че ще се нуждаете от външно финансиране за развитие на дейността на организацията/фирмата, в какъв размер би било то?
30 отговора



The results of the survey show that every third company expects to seek external financing for its activities in the amount of up to EUR 50,000. Another 10,0% expect to need financing between EUR 50,000 and 100,000, while for 26,7% the requested amount would be between EUR 100,000 and 250,000. Nearly 17,0% of companies believe that they will not need external financing for their activities at all.

Q 4.2. Have you applied for a grant to any of the operational programs funded by the EU in the period 2014-2022?

4.2. Кандидатствали ли сте за безвъзмездна финансова помощ по някоя от оперативните програми, финансирани от Европейския съюз в п...грама за развитие на селските райони и др.)?
30 отговора



Next, there is a low share of companies that have applied for grants under any of the operational programs financed by the European Union in the period 2014-2022 - only 30,0% of the respondents submitted a project proposal. At the same time, all these project proposals have been approved and financed, respectively, under one of the following financing programs:

- Operational program "Innovations and competitiveness", incl. on measures to overcome the consequences of the Covid-19 Pandemic
- Operational Program "Human Resources Development"
- Financial Mechanism of the European Economic Area

The difference with the results of section "SECTION 2. BUSINESS FINANCING IN THE LAST 3 YEARS" is due to the different period that is examined (respectively Question 2.2. and Question 4.2. of the questionnaire). At the same time, the comparison of the data shows that the companies that gave a positive answer applied with projects most often more than 3 years ago. Therefore, in conclusion, it can be said that the investigated companies from the region of Blagoevgrad not only have a low interest in applying for the various donor programs, but also their activity decreases over time. This is further proven by the next question in the questionnaire, namely whether they know the funding opportunities from the European Union in the new program period, to which more than half of the respondents gave a negative answer.