



Bulgaria



- Location: Southeastern Europe, bordering the Black Sea, between Romania and Turkey
- Area: total - 110,910 sq km; land - 110,550 sq km; water - 360 sq km
- Natural resources: bauxite, copper, lead, zinc, coal, timber, arable land
- Population: 7,385,367 (July 2006)
- Languages: Bulgarian 84.5%, Turkish 9.6%, Roma, 4.1%, other 1.8%
- Legal system: Civil Law and criminal law based on Roman law
- Executive branch: Chief of state - President Georgi Parvanov, Prime Minister Sergei Stanishev,
- Political parties: Major and influential parties include Bulgarian Socialist Party, National Movement of Stability and Progress, Movement for Rights and Freedoms, Ataka, United Democratic Forces, Democrats for Strong Bulgaria,
- National elections: TBA

Executive Summary

- Bulgaria is facing a state of political uncertainty. The socialist party and the interior ministry have lost public confidence following recent corruption scandals and connections with organized crime. The European Commission has raised sharp criticism and threatened to withdraw EU funds and invoke safety clauses unless Bulgaria increases its efforts to curb corruption and organized crime. The socialist party won a no-confidence vote in April 2008 but the initiative to the vote shows that the coalition is fragile and the political situation in Bulgaria can contribute to a window of opportunity for the political opposition in the 2009 election.
- Corruption is serious and endemic in Bulgaria. The European Commission will release its monitoring report in July 2008 and it is expected that Bulgaria will show very limited if none progress in fighting corruption. Foreign governments (the United States) are reluctant to exchange certain information with the Bulgarian government due to fear that sensitive information will end up in the hands of criminal organizations.
- The Bulgarian secret service recruited and trained criminal professionals during the Cold War. Thus explaining their technical expertise and involvement in counterfeiting of credit cards, currency, and identification papers. Organized crime groups use physical violence and prominent figures have recently been executed in public.

Corporate Risks: Medium

