

New Balkans Law Office

Investor Program for Residence and Citizenship

ABOUT US

New Balkans Law Office is a Bulgarian legal services provider, specialising in corporate and commercial law, with a particular emphasis on advisory and cross-border work and an interest in the technology and venture capital and private equity sectors. Founded in 2005, the firm has gone from strength to strength, providing advice primarily to international clients and diversifying its portfolio of practice areas. It also has a strong private client practice.

The firm is distinguished by its modern approach and international reach, with offices in both Sofia and London. A number of our lawyers are dual-qualified, particularly helpful when dealing with cross-border issues.

With lawyers experienced in the conduct of both local Bulgarian and international legal business, we are able to strike a balance between local and international demands. Our lawyers' professional experience and academic excellence set us apart from our peers.

CLIENT BACKGROUNDS

Our clients originate from a range of countries and industries. We serve large corporate and private clients alike. Since the firm's founding in 2005, we have acted for private investors, international think-tanks, multi-national venture capitalists and government bodies.

We advise both investors new to Bulgaria and those with previous experience. Our work includes the structuring of region-wide and international transactions which frequently makes use of Bulgaria's advantageous corporate and tax infrastructure.

FAST

We understand our clients' needs for a prompt and responsive service and the urgency for document production that can arise. At the same time, we remain committed to professionalism and attention to detail.

EFFICIENT

We provide specialist teams which rapidly respond to transactional demands. These small, flexible teams deal with your client matters efficiently.

INNOVATIVE

We supervise and train our junior and senior lawyers extensively and value international experience.

FLEXIBLE

We discuss at length each client's budgeting schedule, their prior experience of Bulgaria and manages the engagement in a way advantageous to the client.

AFFORDABLE

Our rates are very competitive and we strive to offer cost structures that are closely aligned with clients' internal budgeting processes and with what is of highest value to them.

Investor Program for Residence and Citizenship

Introduction to the Investor Program for Residence and Citizenship

A new business immigration program for residence and citizenship was introduced in 2009 by the amended Foreigners in the Republic of Bulgaria Act. It provided a fast and facilitated procedure for obtaining a residence permit for foreign investors who have invested in Bulgaria more than 1,000,000 BGN (€ 511.292).. These benefits have been outlined below. As a firm, New Balkans Law Office has a strong interest in the program and established links with both government and interested parties.

There are significant benefits the program offers to investors, and it compares favorably to similar programs offered in a limited number of countries, with shorter residence requirements for citizenship and smaller sums needing to be invested. The benefits have been listed below.

I. Benefits of the Program

Bulgaria being a member of the European Union provides potential investors with many unique benefits:

- Permanent residence in a EU Member State;
- Special exemption from physical residency;
- Fast and easy process of obtaining of a permanent residence permit (6 to 9 months according to law);
- Available bank financing of the investment;
- Free movement within Schengen countries starting 2011;

- Visa free travel for Bulgarian passport holders in more than 100 countries and territories worldwide;

- Favorable tax rates and free trade environment within EU;

- Highly-skilled labor force at Europe's lowest operational cost;
- Strategic geographic location, linking Europe to Asia, Middle East and Africa.

II. Qualification Requirements

The requirements which need to be fulfilled to obtain both citizenship and permanent residence in Bulgaria have been set out below. Overall, the procedure is fast and efficient.

A. Permanent Residence Permit

The legislative framework of the immigration investor program includes the Foreigners in the Republic of Bulgaria Act (FRBA), the regulations for its implementation and the Ordinance on the Conditions and Procedure for Issuance of Visas providing the rules for entering, residing and exiting from the Republic of Bulgaria applicable to the citizens of non - EU Members.

The procedure for obtaining of permanent residence permit consists of three stages and a list of legalized (apostilled) documents translated in Bulgarian must be filed with the competent authority at each stage:

First stage: Obtaining an investment certificate

Obtaining of an investment certificate issued by the Ministry of Finance evidencing that the applicant has invested at least BGN 1,000,000 (approximately EUR 511.292) in the financial instruments listed by the FRBA.

The applicant must submit the following documents with the Ministry of Finance:

- application;
- proof that the investment is made;
- copy of the applicant's passport;
- declaration of the source of the funds;
- other relevant documents.

Second stage: Obtaining a long-term visa

Obtaining of a long-term (Type D) visa. The following documents must be filed with the Bulgarian embassy or consulate in the respective country of residence:

- application;
- passport valid for at least 12 months;
- 2 photos;
- original of the investment certificate;
- certificate of clear criminal record issued in the country of residence;
- proof that the applicant has sufficient funds to cover living costs;
- insurance policy issued by an Insurance company licensed in a EU Member State with a minimum cover of EUR 30,000;
- other relevant documents.

Third stage: Obtaining of a permanent residence permit

To obtain a permanent residence certificate, the following documents must be submitted to the Migration Directorate of the Ministry of Interior:

- application;
- passport with a visa type D;
- CV;
- 2 photos;
- Investment certificate issued by the Ministry of Finance;
- certificate of clear criminal record;
- other relevant documents.

The statutory term for issuance of a permanent residence permit is two

How to obtain citizenship; Investment options outlined

months after submission of the documents. The permanent residence permit entitles its holder to enter and exit Bulgaria freely and to reside in the country for indefinite period of time. The holder also receives a Bulgarian Identity Card, Personal Identity Number and address of residence.

B. Citizenship

Foreign investors who have held permanent residence permits for at least 5 years may apply for Bulgarian citizenship. In order to qualify, investors must maintain a clean criminal record, and no active criminal proceedings against them.

However, the investor may also be granted citizenship on the basis of special merits to the Republic of Bulgaria in social and economic spheres or in the field of science, technology, culture or sports. In such cases, Bulgarian citizenship is granted personally by the president of the Republic by virtue of a decree issued on the grounds of a special proposal of the Minister of Justice after the completion of a statutory procedure. For more information, please request our Citizenship on the basis of Merit brochure.

III. Investment Options

The Ministry of Finance grants an investment certificate if it can be shown that the investment satisfies a number of criteria. To be qualified as applicants for permanent residence permit the participants in the business immigration program must choose from the following investment options to invest BGN 1,000,000 (EUR 511,292) in:

- shares of Bulgarian companies traded on the Bulgarian Stock Exchange;

- Governmental or municipal bonds with a maturity date not less than 6 months;

- ownership in a part of a Bulgarian company, more than 50 % of which is owned by the State or a municipality according to the Privatisation and Post-privatisation Control Act;

- shares owned by the State or municipalities in a Bulgarian company according to the Privatisation and Post-privatisation Control Act;

- Bulgarian intellectual property – objects of copyright and related rights, patented innovations, utility models, trademarks and industrial designs;

- rights related to concession agreements for the territory of the Republic of Bulgaria.

- investors may invest BGN 1,000,000 (EUR 511,292) in a licensed Bulgarian credit institution under an asset management agreement valid for not less than 5 years.

Other options

Alternatively, investors can invest at least BGN 6,000,000 (EUR 3,067,751) in the capital of a Bulgarian company not traded on the stock exchange.

In practice, although there is a set of options, these can be interpreted fairly broadly by an investor and invested in an option aligned with his own interests and priorities. New Balkans Law Office advises on the options which are most suitable to a client's particular needs.

Financing

There is an opportunity for investors to apply for a bank loan to finance the investment. In the latter case the investor must evidence that they have assets worldwide amounting to EUR 1,000,000 to secure the credit.

New Balkans Law Office Approach

The process of obtaining citizenship and collating the necessary documents can appear daunting. New Balkans Law Office will advise on the best solution for a client's needs, and offer support throughout the process ensuring that the correct and full set is filed from the start. Our in-depth knowledge and experience with citizenship applications ensures that clients acquire citizenship quickly and easily.

For more information, please contact us. Contacts of our London and Sofia offices can be found overleaf.

Where to find us

Our offices

CONTACT US

We are always available for consultations on recent developments in Bulgarian law.

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The main NBLO office is in central Sofia. It is fully capable of supporting the needs of the services that NBLO offers.

Our office located in London is a representative office which undertakes client liaison and allows the firm to serve all the needs of clients directly. You are always able to contact or meet us in London to discuss any issue which require an immediate conference or demand immediate attention in Europe's pre-eminent financial centre.

All types of work performed by our Bulgarian lawyers are supported and liaised on from London.