

ICT Cooperation Perspectives in Bulgaria

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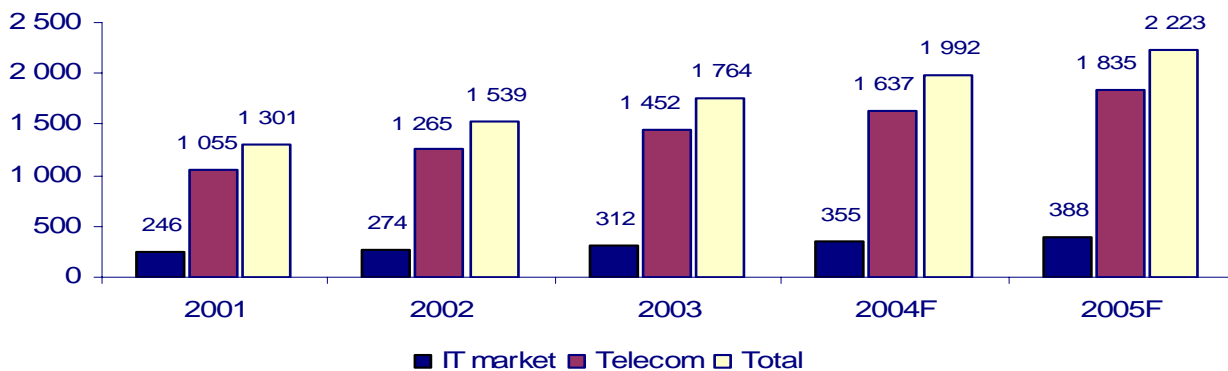
1. ICT industry market of Bulgaria

Overview

The macroeconomic data shows that Bulgaria has a stable growth in GDP of 5% for a period of 7 years. The amount of FDI in telecommunications from 1998 to June 2004 is \$1.049 billion, which is 14% of total FDI. One of the biggest deals in the region was the \$1.94 billion buyout of one of the Bulgarian mobile operators MobilTel by Telekom Austria in July 2005. The inflation rate of about 4% for 2004, no budget deficit, no currency fluctuations (since the Bulgarian lev is pegged to the Euro) and attractive corporate taxation of 19,5% with tendency to reach 15% imply excellent environment for business activities in the sector.

The overall size of the Bulgarian ICT market for 2005 is expected to be EUR 2,662 million, which is a declining growth of 11.6% compared to the previous years. The trend shows that the telecommunications segment grows faster than the IT sector. The \$1.94 billion MobilTel/Telekom Austria deal was not taken into consideration at the time of the above expectations.

ICT market in Bulgaria, EUR million



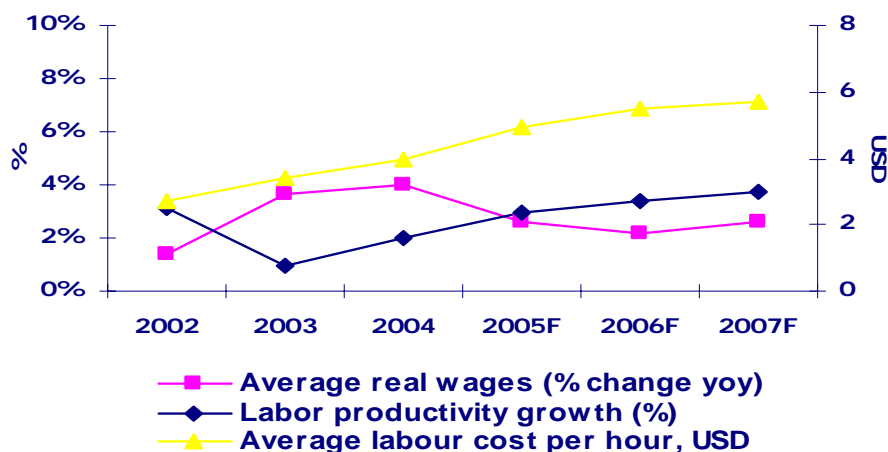
The year 2005 will be marked by a severe competition between the major telecommunication companies, both in the fixed line and mobile market segments especially after the liberalization of the market for fixed telephone networks in January 2003. The government's influence over the sector is only regulatory through the Communications Regulation Commission, since state is not a major stockholder in biggest corporations. The year of 2005 will be also remembered for the appearance of 3G service operators after the issuance of three licenses in April 2005. B2B solutions dominate in the software segment. Cable TV providers are still not considered major competitors for the Internet service providers. The trend in the hardware computer market is towards branded than assembled PCs with a growth in mobile configurations as well as servers.

Business Process Technology

Bulgaria is the leader in the field of outsourcing among the countries in East Europe according to the research of *CIO* (Chief Information Officers, published by *CXO Media Inc.*) and *Meta Group Inc.* More than 1,000 small and medium sized IT enterprises are currently operating in Bulgaria. There are over 100 ICT companies certified under the ISO 9001 and 15 companies certified under the ISO 14000. The major activities are in the areas of developing software – computer system software, networking software and web-design, CAD/CAM/CAE software, telecommunications and wireless development software, application software, firmware, hardware – computer and systems assembling, digital and analog printed circuits design, PCB manufacture, analog mixed engineering, microelectronics – design ASIC’s, front-end and back-end microelectronic activities, and automation – systems for industrial automation.

An adequate technical training, years of experience in the development of hardware, software, and electronic products, and good language skills are the basis for a large and attractive pool of workforce in the Bulgarian business process technology sector. The key factors are: more than 20% of the population speaks a foreign language, close to 5,000 university and college students enroll in IT degree programs annually, Bulgaria employs about 20,000 ICT professionals and ranks 3rd in world for certified IT professionals per capita as well as 8th in the world in terms of absolute numbers. In addition, there are 110 CISCO academies in the country. In 2003, Bulgaria won 2 of 6 world CISCO annual awards: “Best project” and “Best student”.

The average monthly gross salary for the software industry in Bulgaria is: junior software developer \$ 363- 726, senior software developer \$ 726- 1210, project leader €1,210- 1,815.



The fact that the exported software products developed in Bulgaria are free of VAT led to the situation where more than 50% of the export is contributed by software developing companies, with an average annual growth of 55%, reaching around \$ 42.3 million in 2003. Not surprisingly, two of the major foreign investors in the sector, *SAP* and *Tumbleweed Communications* (NASDAQ:TMWD), are expanding their operations in Bulgaria.

Communications Technology

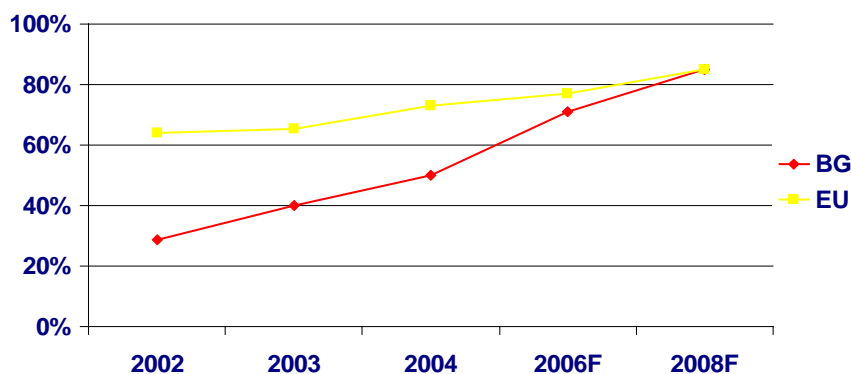
The telecommunications in Bulgaria is a USD 1,835 million business that has a compound growth rate of 14.8% for the last four years. The development of the market was boosted after the privatization of the incumbent Bulgarian Telecommunications Company (BTC) in 2003 and the IPO of 34% of the state owned BTC shares on Bulgarian Stock Exchange at the beginning of January 2005.

The fixed-line market is dominated by BTC, however there are 13 other companies licensed to offer voice telephony. Despite the licenses, only Vestitel BG (subsidiary of Overgas), Netera and BTC have their own fixed infrastructure developed. The rest of the companies primarily offer VoIP services and have signed interconnectivity agreements. Since Bulgaria has one of the highest penetration rates in Eastern Europe of about 30% and the profitability in the sector is high, the leadership of BTC is about to be challenged by the major players in mobile telephony Mobitel and GloBul that have already filed requests for fixed line certification. Both new entrants showed interest in serving primarily the corporate clients of BTC rather than households subscribers. One of the most significant problems of BTC that requires large investment is the low (about 45%) rate of digital phone lines.

	2000	2001	2002	2003	2004	2005
Telephone main lines ('000)	2,928	2,963	3,232	3,333	3,339	3,274
Telephone main lines (per 100 pop)	36.9	37.5	41.3	42.8	43.2	42.6
Mobile subscribers ('000)	738	1,585	2,537	3,362	4,708	5,238
Mobile subscribers (per 100 pop)	9.3	20.1	32.4	43.2	60.9	68.2
Internet users ('000)	380	631	1,568	1,871	2,186	2,338
Internet users (per 100 pop)	4.8	8.0	20.0	24.0	28.3	30.4
Personal computers (stock per 1,000 pop)	40	53	70	90	111	135

Sources: Pyramid Research; IDC; Economist Intelligence Unit.

The penetration rate of the mobile segment is about 50% and is expected to reach 75% by the end of 2008. Currently, the operating mobile service providers are Mobitel (82.7% of the profits on the market), Cosmo Mobile Bulgaria operating under the trade name GloBul (15%), Mobikom (analog mobile telephony provider owned by BTC with roughly 100,000 subscribers and 2.3% profits as part of the total segment) and just recently launched third GSM provider again in possession of BTC. The Communications Regulation Commission



Mobile subscribers

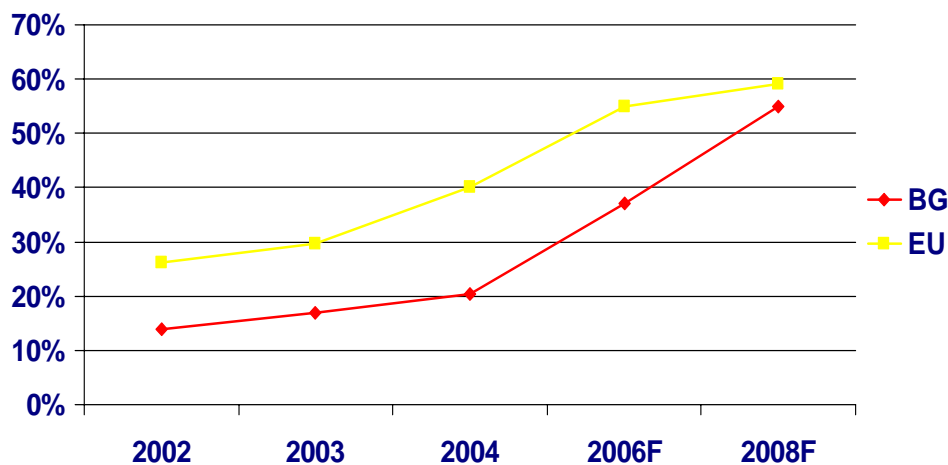
held a tender for 3G mobile network services licenses in April 2005.

Mobiltel financial results for the first half of 2004 showed that the market share of Mobiltel has decreased from 73.1% to 67%, however the net income was \$129.5 million and the EBIT margin has reached 65%. On the other hand, GloBul operated at a loss of \$ 9.44 million in 2004, which is however 65% decrease compared to \$ 26.7 million loss in 2003.

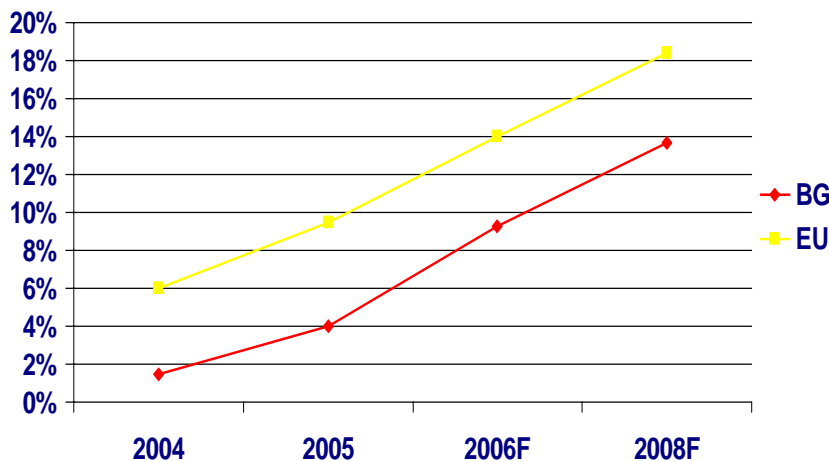
Bulgaria's telecommunications regulator issued three 20-year licenses for third generation mobile networks in April 2005. The licenses allow the companies to operate a third-generation mobile phone network in the country using UTM. Bulgaria's largest mobile operator, Mobiltel was issued a 20-year license to operate a high-capacity UTM network. The company will pay \$48.3 million levs for it. Greek-owned Cosmo Bulgaria Mobile and the Bulgarian Telecommunications Co. got low-capacity licenses for a fee of \$26.1million each.

In a most recent step forward, the two major operators Mtel and BTC cooperate to establish a joint platform for high speed internet in the country. Together with a number of leading companies in this sector like HP, Microsoft, Siemens, etc., they will develop a master plan to be approved by the government. The plan will envision establishment of the broadband infrastructure by the end of 2006, increase of broadband coverage from present 6% to 50% in 2-3 years, and increase in 3- years of the broadband facilitated and ICT generated GDP by 1% (200 million Euro annually).

The forecasted users of Internet for 2005 are over 2 million., largely concentrated in the major cities and only about 2% in the villages. The Internet service market is dominated by three large firms, holding roughly 80% of the total \$ 24 million revenues for 2003: BTC-Net Ltd (35%), Bioterm Group (24%) and Orbitel (20.5%). There is, however, a large number of small providers that are in a process of consolidation. After the increase in dial-up service prices, there is a tendency of migrating to LAN and Cable TV Internet providers. BTC has provided ADSL services since 2004. While the ADSL penetration on the market is low, BTC is creative towards lowering ADSL prices. Wireless network coverage starts to take a segment on the market too. The optical transmission lines installed are over 3000 km.



Internet Penetration



Broadband, ADSL + cable, % of population

There are about 500 cable TV providers with 1,020,000 subscribers or 53.6% of the households. Some of the major operators are CableTel, EuroTour SAT and Centrum Grup.

DIGITAL EQUIPMENT & SYSTEMS

In 2004 around 120,000 PC's were sold for the total amount of \$108.9 million with an annual growth of 20%. The market for PC's includes three segments – desktops 81%, laptops 16.5%, and servers 2.5%, with a tendency of a shrinking market share of the desktops for the account of a growing market share of the laptops. In the segment of the laptops, IBM, HP, Dell, Toshiba, and Fujitsu-Siemens were the main brands preferred, while in the desktop segment assembled PC's hold about 80% of the market share. In the laptop segment the leader is HP with 32.8% market share, followed Fujitsu-Siemens on the second and Toshiba on the third place. HP, IBM, and NEC are the desktop brands that were preferred by the Bulgarian consumer. The leader HP holds 50.3% market share, followed by IBM and NEC.

FUTURE PROSPECTS

There is potential for entry of large international software companies because of the 0% export tax, low salaries and the prior expertise of the local workforce. Typical example is SAP Sofia (the fastest developing subsidiary for SAP worldwide) and Tumbleweed Communications (decided to close location in Bangalore, India and open office in Sofia). Both fixed and mobile segments of the Bulgarian ICT market still have high growth potential that is about to be explored by the new market entrants. Large investments are expected in both segments. There are opportunities for participation in tenders for sale of computers and peripherals for government procurements where the key factors are price, quality and after-sale support.

SOME MORE FIGURES

In Bulgaria operate actively over 4,000 ICT companies. The Telecom sector is on 1st place in revenues, and 5th in profits in the country. The growth in the IT sector will continue on an upward trajectory through 2009, according to research companies. The IT market is growing at a rate of 12.4% and will reach EUR 460 million by 2009. Software spending today represents 16% of the total IT spending market in Bulgaria. The Bulgarian software market (EUR 44 million in 2004) registered 14.1% growth for 2004 and the software R&D accounting for EUR 17.3 m (growth of 3.6% YoY), as 70% of the production is exported. System integration in 2004 reached 30.7% YoY growth; and 2004 revenues in this domain are EUR 70 million.

2. ICT policy – perspectives and challenges

State Agency for Information Technology and Communications pursues the state policy in the field of Information Society and Communications as to implement electronic services, information technologies and electronic communications that will enhance the social and economic development of the country.

SAITC is a specialized body at the Council of Ministers which takes national level decisions for Information Society development, monitoring and coordinating mutual interests, needs and activities of all state bodies in implementing the goals and tasks of national Strategies and Programs.

The ultimate goal is to remove existing barriers and establish an internationally compatible framework for Information Society and facilitate the national integration in the global digital economy.

The following are the key operational areas:

- Development of ICT infrastructure for wide public access to electronic services, through Telecenters, Internet cafes and Community information centers. This includes further development of the National State Network for communication between ministries, regional authorities, municipal administrations, etc..
- Building an effective information environment and developing interoperability standards in order to ensure consistency, security and interoperability among different end users. This includes a consistent technical infrastructure.
- Information security. The strengthening of infrastructure security and critical applications security is underlined by plans for an International Cyber Security Center.
- Intense collaboration in ICT research and innovation-encouraging world class performance in ICT research and development and further support to participants in R&D processes.

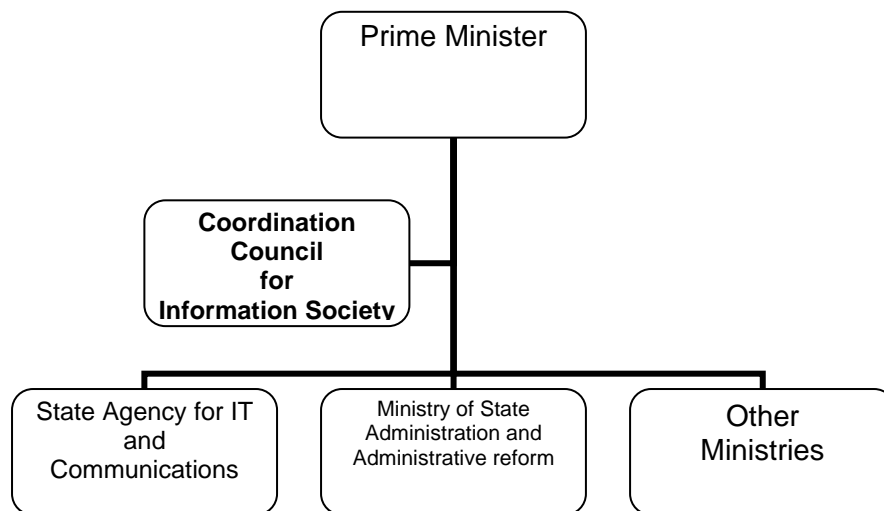
The Telecommunications Sector Policy is to ensure access of businesses and citizens to inexpensive world class communications infrastructure and wide range of services through convergence of telecommunications, media and information technologies. The effort lies in:

- The betterment of the legal and regulatory framework.
- Telecommunications sector development, incl. expansion of broadband infrastructure.
- Management of spectrum resources incl. non-discriminatory assignment and coordination of positions in international forums for numbers, addresses and names.

- Licensing and development of markets for third generation mobile communications, broadband digital technologies for data transmission, etc..

The accelerated development of Information Society in Bulgaria has been a strategic target for the Government of the Republic of Bulgaria for a number of years. Control and management of the IS in Bulgaria has been entrusted to the reinstated

Coordination Council for Information Society at the Council of Ministers.



The Council coordinates and consults the implementation of Bulgarian ICT Competitiveness Strategy and Information Society Development Strategy, as well as all other strategies in the sectors of information technologies and the information society.

Some of its major activities are:

- assigns the development, update and presentation at the Council of Ministers of strategies for ICT and IS as well as their implementation plans.
- coordinates the implementation of the above strategies and plans by state authorities.
- coordinates the implementation of contemporary ICT in the state administration.
- assists in providing administrative, financial and technological support to IT projects of major significance for Bulgaria.
- supports public-private partnerships when implementing government policy for ICT development.
- approves projects from European and international programs in the field of ICT competitiveness.
- selects annually the priority activities to be funded by the state budget, etc.

Within the Coordination Council a CIO Council has been recently established to move forward the tasks of:

- effective and efficient management of information resources of state institutions;
- introduction of best practices and innovations in the management and implementation of ICT in state institutions;
- supports the development and coordination of ICT projects in different ministries and agencies;
- approves strategies, programs and action plans in the ICT sector;

- supports and submits for approval to the Coordination Council of participations in European and international programs for ICT development.

Regulatory legislation in ICT

One of the most important legislative achievements of the last years was the change of the Copyright Law. Now it completely faces the need for protection regarding software usage. One indicative fact - the change in the copyright law was one of the reasons Microsoft decided to open a local office in Bulgaria five years ago.

Not only is the copyright for software, music and films protected, but also for some technical innovations. A special Law for the Topology of Electronic Circuits is taking care of the hightech innovations.

Another very significant legislative act was the enforcement of the Electronic Document and Electronic Signature Act. It was voted in parliament in 2001. Bulgaria became one of the first countries having special legislation regarding digital signatures. At the moment digital signatures can be used for several government services such as changing one's current address, submitting VAT tax declarations, etc. There are three certification authorities that provide digital certificates for digital signatures of the highest level. Three other modern laws are taking care for the information – the most valued asset for companies, government and all other types of organizations.

The personal information protection act gives protection for individuals, as they are often using computers and Internet for submitting personal data, especially when it comes to registrations and electronic payments. Another two laws – the Public Information Access Law, and the Classified Information Protection Law, promise maximum security for non-personal data that is sensitive and confidential. Another very significant achievement in Bulgarian ICT legislation was the change in the Criminal Code regarding computer crimes. A whole new section was introduced to help fighting the PC-enabled stealing of data, harming PC data, hacking, as well as child pornography on the Web. The changes were made in compliance with the European convention for fighting cybercrime. The Criminal-Penal Code was also amended to apply to the new phenomena and the European convention respectively.

What's coming?

The new Bulgarian Electronic Communications Law is currently being prepared. It will apply the European Communications Framework aquii 2002. The text had already been prepared by an expert group and is awaiting it's voting in parliament.

An E-commerce Law is also prepared and awaiting it's voting. Several other legislation acts are on the way too. Among them there are some texts regarding changes in taxation legislation.

On a macro scale the policy priorities for 2004 – 2006 are: development of broadband and e-services deployment; development of research and innovation infrastructure; adoption of EU electronic communications regulatory framework. And looking towards 2008: sustained full range of e-services for economic and social challenges and well regulated PPP for investment in ICT and innovation.

3. International cooperation in the ICT field

The international cooperation venues of Bulgaria naturally relate mainly to initiatives and projects of the European Community institutions, namely those in the ICT sector.

The summary of Bulgarian participation shows the importance of European ICT priorities which have been adopted by Bulgaria through partnerships and in-country development and implementation teams from institutes of government, academia and NGO's.

Along this venue, traditional cooperation is in force with major international institutions like UNDP and the World Bank. Concurrently, new partnerships are being formed on a bilateral basis like the one with India.

The major EU programs are:

Sixth Framework Programme - Thematic priority Information Society Technologies (2002 – 2006)

Bulgaria joined the Program in 2003.

32 projects with Bulgarian participation negotiated or retained for negotiation. Prevailing development sectors are knowledge based society and information society technologies.

EC contribution: 4 840 000 EUR

eContent - Multiannual Community programme to stimulate the development and use of European digital content on the global networks and to promote linguistic diversity in the Information Society (2001-2004)

5 projects with Bulgarian participation financed. EC contribution: 370 000 EUR

Bulgaria joined to the Programme in 2003 and prepares to join eContentplus - Multiannual Community Programme to make digital content in Europe more accessible, usable and exploitable (2005 - 2008)

Specific priority is also given to the geographic information systems, learning content, digital libraries and networking.

Safer Internet - Multiannual Community Action Plan on promoting safer use of the Internet and new online technologies by combating illegal and harmful content primarily in the area of the protection of children and minors (2003-2004)

One proposal under action line 1.1 "Creating a European network of hotlines" retained for negotiations. EC contribution: 100 000 EUR

Bulgaria joined the programme in 2004 and prepares to join Safer Internet plus - Multiannual Community Programme on promoting safer use of the Internet and new online technologies (2005-2008)

eTEN – in 2005 Bulgaria signed a MoU between the European Community and the Republic of Bulgaria concerning Bulgaria's participation in the European Community programme designed to help the deployment of telecommunication networks based services with a trans-European dimension (2002 - 2006)

Current UNDP sponsored programs in information and communication technology:

SUPPORT to e-Government initiatives based on Free/Open Source Software at local (municipality) level in SEE. This project based in Bulgaria seeks to assist countries in the Southeast European region in harnessing then potential of FOSS to increase implementation of successful e-Government tools in local governance practices.

NATIONAL research network: development of information society technologies in Bulgaria. Focuses on the establishment and development of a National Research and Educational Network.

ESI Center/Bulgaria – Regional Center for Eastern Europe of the European Software Institute. The project is focused on the establishment and development of Regional center of ESI.

T-CENTERS. A broad-based network of public telecenters is being established to provide services to small or economically underdeveloped communities.

i-GOVERNMENT PROJECT. One year project to train civil servants in basic IT skills through training courses at local level, followed by e-learning and distance learning.

Major World Bank supported programs:

The Property Registration and Cadastre Project is to improve coverage, completeness, accuracy and responsiveness of the cadastre and real property registration systems, thus contributing to the development of secure tenure of real property and efficient real property market.

The Health Sector Reform Project supports the implementation of a fundamental reform of the health sector as to improve access to quality services, especially of disadvantaged and from remote areas people, and to ensure financial and operational sustainability.

Current bilateral agreements, India case:

In May 2006, a Memorandum of Understanding for ICT was signed between the State Agency for IT and Communications of Bulgaria and the Ministry for Communications and IT of India for ICT research, establishment of Techno-parks, facilitation of cooperation of private businesses.

4. International cooperation and relationship with Korea

Active cooperation with institutions from the Republic of Korea in the field of ICT originated some four years ago, when several Bulgarian experts were invited and admitted to the global informatization course conducted by KADO. This first step was followed by other courses to be attended by Bulgarian ICT experts from various public institutions – ministries, agencies, regional authorities.

The annual alumni meeting organized by KADO keeps participants effectively updated on latest organizational and professional developments.

In the years to pass more than 15 graduates of KADO training school formed a team of specialists familiar with the advanced Korean technology and with the benefits of its application. This, and the fact of the global leadership of Korean ICT industry facilitated the development of business relations including some pilot projects between Bulgaria and Korea. The next paragraph lists a number of projects in the pipeline up to present times.

Further, a substantial boost to bilateral business activity has been given by the recent Korea-Bulgaria ICT Forum with the participation of Prime Ministers of Republic of Korea and Bulgaria.

As of current year, the incumbent Coordination Council for Information Society and Communications and its Chairman Dr. Plamen Vatchkov and Secretary Dr. Roumen Trifonov are the responsible institute for the development and institutionalization of the international cooperation initiatives in the ICT sector in Bulgaria.

5. Experience with Korean policies, products or solutions

1. BULGARIA-KOREA INTERNET PLAZA

Minister of transport and communication Nikolay Vassilev and the director of ICT Officially opened on 20th December 2004 in the presence of the then Vice-Premier and Development Agency – Orlin Kouzov, with special guests from Korea: representatives of the Korean national agency KADO – lead by their president Yong Ji Son, the director of MIC Yong he Choi, and other managers from some of the biggest South Korean corporations in the area of information technology - Samsung, LG, Hyundai, etc.

The initiative is part of the KADO strategy to help the development of information society. Partners on Bulgarian side are the State Agency for Information Technology and Communications and the iCentres Project (www.icentres.net).

BKIP is an accredited centre for European Software Institute Certification and training.

BKIP has 3 halls with 60 work places:

- a hall for free access where any citizen can use the internet for free for 45 minutes, as well as make a choice among 27 e-services, such as plane ticket and hotel bookings, paying bills and taxes, getting information from web sites of state institutions, etc.;
- a seminar hall;
- a multimedia hall.

The resources of BKIP are used to train information technology teachers, teaching computer skills to Bulgarian State Railways personnel, seminars for E-Banking with representatives from international finance corporations (Telekurs Finansial). As part of the iCentres Project, the Bulgaria-Korea Internet Plaza offers its resources for the joint initiative - Bulgarian State Administration IT Training - launched by UNDP Bulgaria, the Ministry of State Administration and Administrative Reform and the State IT Agency. The one year project aims to train 10000 civil servants in basic IT skills through delivery of training courses.

The final round of the programming competition of PC Magazine Bulgaria and Musala Soft was held on 10th May 2005 in BKIP. The competition was won by Petko Minkov, who took home the big price – a computer, provided by the ICT Development Agency. In the year 2006, for the second time, BKIP hosted the event on 10th May. This year's winner, Angel Dzhigarov, also received a computer, provided by the State Agency for Information Technology and Communications, general sponsor of the contest's final round.

Using the experience of the BKIP, a network of more than 100 public iCentres will be established by the end of 2006 to provide services to the widest possible range of users in small or economically underdeveloped communities. For Bulgaria, iCentres are considered a

strategic project as they are seen as facilitating ICT and helping engender a positive attitude towards the benefit of information technology and its application to every-day activities, among them on-line contact with administrative authorities and on-line administrative services (e-Government), distance working, information enquiries, learning, affordable communications, etc.

Expected is an updated Business Plan for the future expansion of BKIP.

2. NETPIA TECHNOLOGY AND BULGARIA PERSPECTIVE

The technology developed by P.J.Lee some 12 years ago allows the use of natural names in a country's mother language when entering a name in a browser and allows addressing various sites with their natural names. Thanks to our cooperation with NETPIA, Bulgaria became the first country in Europe to implement the related technology and test use and support an own server for natural names locally. What is upcoming is the negotiation and development of the necessary business model.

This project is successful in its development in Korea, Japan, China, and recently the consortium of implementing states consisted of 16 members, including Bulgaria.

It is planned to involve UN in the global distribution process.

3. SEOUL'S OPEN ADMINISTRATION IN VARNA CITY

During their visit to Korea members of CCICMT and the district government of Varna identified OPEN System of Seoul as a working example of a mechanism to increase transparency in the local administration. Open System of Seoul is recommended by the Division of Public Economics and Public Administration of United Nations to its member countries for implementation, and the related software is available at no cost.

In the spring of 2003 an Agreement for Technical Cooperation and Assistance was signed between Korea and Bulgaria. The parties on both sides were – Ministry of Information and Communication for Korea and Ministry of Transport and Communication of Bulgaria.

In the second half of 2003 a number of Bulgarian officials participated in Korea-sponsored training courses – for CIO's (Chief Information Officers) and for HR development. Bulgaria participants were from Ministry of Transport and Communication, Coordination Center for Information, Communication and Management Technologies (CCICMT) at the Council of Ministers and UNDP, Deputy Regional Governor of Varna Mr. Farashev, others.

One of the outcomes of these visits to Korea was getting to know the OPEN System of Seoul – a system to provide services to citizens in a transparent way and hence fight corruption.

The OPEN System was developed and implemented in the City of Seoul by a team led by Dr. Bae, and with the strong support of the Mayor at that time - Mr. Goh, Kum.

Currently Dr. Bae is a professor at the Seoul Sang-Myung University and an implementer of OPEN.

Bulgaria took a decision to implement the OPEN system in line with the E-Government Strategy of Bulgaria. A project proposal for OPEN System implementation in Varna was developed and implemented on a pilot basis.

4. KOREA-BULGARIA ICT FORUM PILOT PROJECTS.

Business talks at the Forum have identified the following topics as viable pilot projects for Bulgaria:

- Feasibility study on eGovernment infrastructure to be organized by the National Computerization Agency of Korea;
- WiBro pilot project to be planned in cooperation with LG;
- RFID pilot project to be planned for the Bulgarian transportation network.

It has also been suggested that a Bulgarian-Korean Cooperation Commission be set up to monitor and facilitate the bilateral cooperation process.

5. IT DISTRIBUTION SECTOR FACTS

In the distribution sector, the average annual growth of the distribution segment in Bulgaria is about 50% for 2005, according to a recent Computerworld BG research among the companies, accomplished in December. This means that last year is among the most successful ones for the distributors in the country, may be even the best as a whole. There is almost no company with growth less than 20% for the period Q1-Q3'2005, and many of respondents report growth even higher than 50%.

LG Electronics. At the very beginning of 2006 the Korean giant opened its representative office in Bulgaria. It will provide marketing support for all local LGE distributors and dealers.

Samsung. The representative office of the other Korean giant works since July 1st, 2005. Its main goals include market monitoring, marketing and channel support.

6. Conclusion: opinion for future international cooperation in the ICT field

1. Further development of cooperation projects like:
OPEN System
NETPIA system
2. Successful completion of pilot projects from the Bulgaria –Korea ICT Forum-
June, 2006
3. Further training of Bulgarian ICT experts in advances of Korean technology.
4. Future expansion of BKIP according to the updated Business Plan.
5. Establishment of a joint Bulgarian-Korean Cooperation Commission to facilitate and encourage ICT relations between the two countries.