

REGIONAL INVESTMENT CENTRE – VARNA



AKSAKOVO MUNICIPALITY INVESTMENT PROSPECTS

Project BG 2004/016-711.11.04 Coordinator
„Regional Agency for Entrepreneurship and Innovations - Varna”

	REGIONAL AGENCY FOR ENTREPRENEURSHIP AND INNOVATIONS - VARNA Project “Establishment of Regional One-Stop Investment Centre – Varna BG2004/016-711.11.04./ESC/G/PPP/B-034	
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Varna, 2007

GENERAL INFORMATION

STATISTICAL DATA AND CONTACT INFORMATION

Territory - 472 sq. km.

Number of settlements – 23.

Number of citizens - 18 573, registrated by permanent address, according to information from the National statistic institute as to 03.02.2007.

Administrative centre Aksakovo.

Address: Aksakovo, № 58 B “G. Petleshev” Str.

Postal code: 9154.

Mayor of Aksakovo municipality – eng. Atanas Stoilov /1999-2007/.

Office of the municipality mayor - tel./fax: 05113/ 20 40; 32 93.

Administration office- 05113/ 20 66.

e-mail: aksakovo@mail.orbitel.bg, web address: www.aksakovo.info

IMPORTANT DISTANCES FROM THE ADMINISTRATIVE CENTRE

Aksakovo – Varna -11 km /international airport – 1 km, sea port – 10 km/.

Aksakovo – Sofia /capital, international airport/ - 440 km.

Aksakovo – Ruse /the biggest Bulgarian river port, road connection with Roumania via Danube bridge/ - 190 km.

Aksakovo – Durankulak /BCP with Roumania/ - 97 km.

Aksakovo – Silistra /BCP with Roumania/ - 129 km.

Aksakovo – Burgas /the biggest sea port/ - 142 km.

Aksakovo – Malko Tarnovo /BCP with Turkey through Burgas / - 238 km.

Aksakovo – Kapitan Andreevo /BCP with Greece and Turkey - 345 km.

GENERAL OVERVIEW

Aksakovo Municipality is one of the municipalities located in Varna district. It is situated near Varna - key point in the transeuropean networks and systems, which favours the inland and international communication connections of the municipality. Aksakovo Municipality comprises of 23 settlements with municipality centre Aksakovo.

The village system is situated on the Dobrudja plateau and a small part on the valley of Batova river. The territory comprises 12.4% of the territory of Varna district, 8% of the territory of the Black sea coast and 0.42% of the territory of the country.

INFRASTRUCTURE

The strategic geographical position of Aksakovo municipality is combined with transport connections on land, air and water. Through the territory of the municipality passes the “Hemus” highway, connecting Varna city with the capital Sofia. Nearby are the ports of Varna-West - 12 km and Varna-East - 8 km, as well as the Ferryboat complex - 6 km. Aksakovo Municipality borders with seven municipalities – Beloslav, Devnya, Suvorovo, Valchi Dol, Dobrich, Balchik and Varna. Its unique disposition favours the economic, social and ecological development of the municipality. The municipality has an outlet on the Black sea – 4 kilometres stripe.

Varna airport /civil airport for country and international transport is the second biggest airport in Bulgaria/ and is located on the territory of the Aksakovo Municipality. During the summer season there are charter flights to all major airports in Europe and Asia. The land of the municipality includes also the terrain, on which the construction of a tourist airport in the resort complex Albena is planned.

The main lasting and continuous transport connection is between the municipal centre Aksakovo and Varna. This gives the opportunity for the settlements in the western part of the municipality, through the municipal center to use the transport network and possibilities of Varna municipality, and the rest of the settlements in the eastern part of Aksakovo Municipality, through the sea-side road Varna–Balchik, also to use the possibilities of the large transport center Varna.

Via its well developed transport infrastructure Aksakovo Municipality has a constant transport connection with the biggest resort complexes on the North Black Sea coast - Golden sands, Albena, Kranevo and Balchik. On the territory of the municipality only the automotive transport is developed. The immediate proximity of the municipality near the municipality of Beloslav allows the parallel usage of the transport scheme of the latter– railway transport and water transport.



There are no power-generating sources on the territory of Aksakovo Municipality. The power-supplying substations are as follows: Maksuda Substation, Zlatni Pyasatsi Substation, and Dobrich Substation.

The water supply infrastructure is well developed, as all settlements on the territory of the municipality are centrally water supplied.

Aksakovo Municipality has got a sufficient school network whose general education structure is optimal for the current educational needs. In view of the Municipality's proximity to the town of Varna its residents have sufficient access to professional and higher schools.

ECONOMIC CHARACTERISTICS

In the Aksakovo Municipality due to its nearness to the attractive tourist summer resorts by the sea: "St. St. Konstantin and Elena" Resort; "Golden Sands" Resort, as well as the main artery to "Albena" Resort, crossing the territory in its Northern part, there are conditions for development of rural, hunting and sport tourism. The industry in the municipality is poorly developed compared to the other municipalities from the region - Varna, Devnya, Beloslav.

The region of Aksakovo Municipality has strongly expressed agricultural character. In the region of Aksakovo the biggest green house complex in the district is found, which offers annual employment to a large part of the population. The potential of the arable land is considered as a prerequisite for the development of the municipality, as one of the priorities is connected with the formation of a modern agricultural sector. During the last 15 years the share of the stock-breeding is constantly diminishing. Most of the activities in the stock-breeding are not mechanised or the equipment is overaged.

A number of sub-branches of the light industry are being developed. Investors belong to different branches of the industry, ranging from the foodstuffs industry, the meat-processing industry, bio and environmental-friendly production, services and holiday homes, to golf courses. The nearness to the resorts – „St. St. Konstantin and Elena” and „Golden Sands” predispose to fostering the development of the furniture industry and the production of construction materials.

On the territory of Aksakovo Municipality two significant business zones are developed, where world wide well known companies from the automotive and light industry are presented. The proximity near Varna is a reason for the separating of industrial zones in the villages Yarebichna, Ignatievo, Kichevo and Slanchevo. The following large companies are located on Aksakovo Municipality territory: Varna Airport, "Bulit Glass" Bulgarian-Italian Co. Ltd. specialized in the production of bent glass and glass furniture, the "Famtex-T" Ltd. plant for packaging films in Aksakovo, the Swine Growing-Fattening Complex in the villages of Slanchevo and L. Karavelovo, the Poultry Plant in Slanchevo. The first considerable investment in the town of Aksakovo was made by "Famtex-T" Ltd. In 2004 the company successfully launched the first stage of the construction of the largest plant for the production of packaging films in Bulgaria. Being also the largest plant of its kind in Eastern Europe, it has a total built-up area of 8,000 sq. m. and provides jobs for over 100 people.

After the signing of the concession deal for Varna Airport, an international airport for home and international flights, another mega-investor appeared on the territory of Aksakovo Municipality, i.e. "Fraport" AG and their Bulgarian partners, "BM Star". The consortium has invested into the construction of a new airport terminal.

On the territory of Aksakovo Municipality also a number of small and medium businesses are functioning involved in the purchasing and processing of agricultural producers (slaughterhouses, sausage and yogurt producers), the manufacturing of aluminum and PVC doors and windows, concrete mixing plants, manufacturing of furniture, production of detergents, etc. On the territory of the municipality there are still a number of vacant plots which are suitable for investments due to their proximity to Varna Airport and Kranevo resort center.

In 2006 "Ford Moto-Pfohe" opened in the municipality its new showroom which is the company's largest showroom on the Balkans, and marked the beginning of the development of a new business-zone along the Hemus Highway. In close proximity is located the new production facility of the furniture producer "Rudi An" Co. Since the beginning of 2007, "Bulgarian Air Charter" has started the construction of a holiday center on an area of 6,000 sq. m, comprising of 27 semi-detached houses, to be used by the company's personnel. "Eurosilex Bulgaria" is to invest in two luxury holiday villages with private ponds and parks, a spa-centre, a golf school, shopping centres and an artificial beach.

As a result of a year-long monitoring, USAID has awarded Aksakovo Municipality a certificate in recognition that it is a municipality "Ready for Business".

Aksakovo Municipality has also opened its own Information and Service Centre for its citizens. The Centre offers "single counter" services, thus saving the clients' time, counteracting corruption practices and facilitating the communication

between the municipal administration, the citizens and the business.

CHARACTERISTICS OF THE SETTLEMENTS IN AKSAKOVO MUNICIPALITY

Aksakovo town **Contact** -05113/ 20 40; **Population** - 7,517 habitants

Structure defining sectors – light industry, trade, services. **Communications and infrastructure** – excellent connection with Varna district centre and the resorts; well developed urban infrastructure, gasification, gas stations, internet rooms; Post office, Bank branch, Employment office, tax office, building markets, industrial zone. **Investment opportunity** – light industry development, creation of the biggest business zone in Bulgaria, creation of new functioning enterprises, stimulating the development of the private sector, favourable environment for development of agriculture /plant-growing/.



Botevo village **Contact** -05117/220; **Population** -171 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network, phone coverage. **Investment opportunity** – favourable opportunities for the development of eco- and rural tourism, agricultural development.



Voditsa village **Contact** -05118/217; **Population** - 153 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road transport connection with municipal centre Aksakovo and the district centre Varna, good water supply network, phone coverage, Post office. **Investment opportunity** – favourable opportunities for development of agriculture, favourable climate for untraditional cultures.



Vaglen village **Contact** -052/ 671 342; **Population** -1,021 habitants

Structure defining sectors - agriculture; present: production of furniture, fish processing workshop. **Communication and infrastructure** – good road network; good water supply network, digital phone central. **Investment opportunity** – modernised regional depot for solid domestic waste, suitable terrains for development of stock-breeding.



General Kantardjievo village **Contact** -05115/212; **Population** - 403 habitants

Structure defining sectors – agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network, Post office. **Investment opportunity** – the village is situated near the resorts Albena, Kranevo and Balchik, suitable opportunities for the development of eco and rural tourism, favourable climate for the development of agriculture /with priorities – wine growing and plant-growing/.



Dobrogled village **Contact** -05119/ 21 28; **Population** - 44 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road-transport connection with the municipal centre Aksakovo and with the district centre Varna, good water supply network. **Investment opportunity** – favourable climate for the development of agriculture /wine-growing region/.



Dolishte village

Contact -051104/ 278; **Population** - 233 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, well developed water supply network, Post office, digital telephone. **Investment opportunities** – the settlement is situated near the resorts Albena and Kranevo, suitable opportunities or development of eco- and rural tourism, favourable climate for the development of agriculture.



Zasmjano village

Contact -05118/ 280; **Population** - 123 habitants

Structure defining sectors – agriculture. **Communications and infrastructure** – good road transport infrastructure connection with the municipal centre Aksakovo and the district centre Varna, good water supply network. **Investment opportunities** – favourable opportunities for the development of agriculture, favourable climate for untraditional cultures.



Zornitsa village

Contact -051108/ 366; **Population** - 59 habitants

Structure defining sectors - agriculture. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, well developed water supply network. **Investment opportunities** – favourable opportunities for the development of agriculture, suitable environment or untraditional cultures.



Ignatievo village

Contact -05119/ 21 10; **Population** - 4,175 habitants

Structure defining sectors - agriculture, services; present: workshop for the production of furniture, detergents and washing up liquid, oil bottling, greenhouse complex, seed plot, corn base. **Communications and infrastructure** – well developed road transport connection with the municipal centre Aksakovo and the district centre Varna; good phone coverage; good water supply and drainage network, internet room; Post office, gas station, fast food restaurants. **Investment opportunity** – favourable layout near „Hemus” motorway, Varna airport, ferryboat.



Izvorsko village

Contact - 051108/270; **Population** -848 habitants

Structure defining sectors - agriculture. **Communications and infrastructure** – good road network; good water supply network, digital telephone exchange. **Investment opportunity** – favourable position near main road Varna - Dobrich, good opportunities for the development of eco- and hunting tourism, favourable environment for the development of agriculture.



Kichevo village

Contact -052/ 673 272; **Population** -795 habitants

Structure defining sectors - agriculture, tourism, services; at hand: workshops for the production of detergents, vinegar and oil bottling, agricultural cooperation, poultry farm. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna; good phone coverage; good water supply network, Post office, gas station, garage, fast food restaurants. **Investment opportunity** – favourable position near Varna – Albena road, good opportunities for development of eco- and rural tourism, favourable environment for the development of agriculture.



Klimentovo village**Contact** -05115/270; **Population** - 144 habitants

Structure defining sectors – agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network. **Investment opportunities** – the village is situated near Albena and Kranevo Resort Complexes, favourable opportunities for the development of eco- and rural tourism, favourable environment for the development of agriculture.

**Krumovo village****Contact** -05116/237; **Population** - 140 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road transport infrastructure connection with municipal centre Aksakovo and district centre Varna, good water supply network. **Investment opportunities** – the settlement is positioned near the main road Varna-Dobrich, favourable opportunities for the development of eco- and rural tourism, favourable climate for the development of agriculture.

**Kumanovo village****Contact** -052/673 277; **Population** - 190 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** – good road transport connection with municipal centre Aksakovo and the district centre Varna, good water supply network, good phone coverage; energy saving street lights. **Investment opportunities** – the settlement is positioned near the main road Varna – Albena, good opportunities for the development of eco- and rural tourism, favourable climate for the development of agriculture.

**Ljuben Karavelovo village****Contact** -051103/255; **Population** -1,398 habitants

Structure defining sectors - agriculture, hunting tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna; good water supply network, Post office. **Investment opportunities** – favourable position near main road Varna – Dobrich, good opportunities for the development of eco- and hunting tourism, favourable climate for the development of agriculture.

**Novakovo village****Contact** -05116/215; **Population** -49 habitants

Structure defining sectors - agriculture. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network. **Investment opportunity** – the settlement is located near the main road Varna – Dobrich, good opportunities for the development of agriculture.

**Oreshak village****Contact** -052/675 217; **Population** - 106 habitants

Structure defining sectors – agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network, good phone coverage. **Investment opportunities** – the settlement is positioned near the main road Varna – Albena, favourable opportunities for the development of eco- and rural tourism, favourable climate for the development of agriculture.

**Osenovo village****Contact** -051106/220; **Population** -224 habitants

Structure defining sectors - agriculture, tourism. **Communications and infrastructure** - good road transport connection with the municipal centre Aksakovo and the district centre Varna, well developed water supply network, Post office, and digital phone exchange. **Investment opportunity** – the settlement is positioned near the resort complexes Albena, Kranevo and Balchik, good opportunities for the development of eco- and rural tourism, favourable climate for the development of agriculture.



Pripek village **Contact**-05119/2301; **Population** -43 habitants
Structure defining sectors – agriculture, tourism. **Communications and infrastructure** – good road transport connection with the municipal centre Aksakovo and the district centre Varna, well developed water supply network. **Investment opportunity** – the settlement is positioned near „Hemus” highway, favourable climate or the development of agriculture /wine-growing region/.



Radevo village **Contact**-05116/231; **Population** -24 habitants
Structure defining sectors - agriculture, tourism. **Communications and infrastructure** - good road transport connection with the municipal centre Aksakovo and the district centre Varna, well developed water supply network. **Investment opportunity** – favourable climate for the development of agriculture.



Slanchevo village **Contact** - 05119/2019; **Population** -634 habitants
Structure defining sectors - agriculture, tourism, services; at hand: Swine Growing-Fattening Complex, poultry breeding and processing combine, concrete node, two carpenter workshops. **Communications and infrastructure** - good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network, Post office, fast food restaurants. **Investment opportunity** – favourable position near „Hemus” motorway, good opportunities for the development of eco- and rural tourism, favourable climate for



Yarebichna village **Contact** -052/671341; **Population** -79 habitants
Structure defining sectors - agriculture, tourism, services. **Communications and infrastructure** - good road transport connection with the municipal centre Aksakovo and the district centre Varna, good water supply network, good phone network coverage. **Investment opportunity** – the settlement is positioned near the main road Varna – Albena, good opportunities for development of eco- and rural tourism, favourable climate for the development of agriculture.



STRATEGIC TARGET OF AKSAKOVO MUNICIPALITY

The achievement of steady rates of economic growth and higher living standards.

The strategic goal in the municipal development has been stated in the Municipal development plan 2007-2013. The development plan has been elaborated with respect to the specific long term objectives and priorities set in the Varna district development strategy 2007-2013 and the accepted by the Municipal council of Aksakovo– programme for protection of the environment and a strategy for agricultural development.

It is necessary to raise that the capacity of the Aksakovo Municipality for acquiring of the European funds. The application of the partnership principle is a mechanism for acquiring municipality funds.

STRATEGICAL PROJECTS AND OPPORTUNITIES TO ATTRACT FOREIGN INVESTMENTS

During the last years the Aksakovo Municipality has won a number of projects in the field of infrastructure and education. Projects still searching for investments: Aksakovo Municipality is looking for investments to improve its infrastructure, repair works in schools, kindergartens, municipal buildings; road repairs, improvement of the water supply and sewage and drainage system; gasification; improvement of the municipal road network.

MUNICIPAL CREDIT RATING

In October 2006 GLOBAL RATINGS AD assigned an initial BBB (stable outlook) long-term credit rating to Aksakovo Municipality. The assigned short-term credit rating of the municipality is “a-1”. GLOBAL RATINGS AD is a joint-stock credit

rating company founded in December 2005 aimed at rendering of expert, independent and objective assessment of the overall financial performance, market position and competitiveness of its clients. The rating represents an objective assessment of the solvency and creditworthiness of the municipality and its ability to settle its liabilities promptly and duly. The basic positive factors which have influenced the municipality's rating are as follows: zero debts for the period between 2003-2006; the municipal administration is not planning any medium-term debt emission; there has been an increase in the municipality's own revenues.

The municipality is capable of generating further revenues through additional measures for increasing the collectibility of local taxes and charges, through sale of state and municipal property, as well as through renting of municipal property. The municipal administration is aiming at reduction of expenses and increasing of its own revenues, and also at finding alternative funding sources.

The basic negative factors which have influenced the municipality's rating are as follows: insufficient flexibility, according to international standards, in the budget execution.

HUMAN RESOURCES

During the period 1985-1994 the population of the municipality grows with an average annual rate of 0.78%. The population of Aksakovo municipality until 03.02.2007 amounts to 18,573 habitants, of which 57.9% are within employability age, 20.2% are below employability age and 21.9% are above employability age.

The municipal centre Aksakovo is one of the few settlements with positive natural growth, stable growth of population and progressive age structure. Because of the attractive geographical position of the settlements in the municipality settling of Bulgarian and foreign citizens has been observed.

Aksakovo Municipality deploys sufficient labour resources. Statistical data shows that the unemployed in the municipality are with low educational qualification. Approximately 75% of them are with primary education and lower, which would suppose the creation of productions and activities, which imply lower level of education and professional qualification.

This is the characteristics by populated areas, excluding the town of Aksakovo, where 5% of the population is with higher education degree, with college education – above 3% and with high-school education – above 35% of the population.

The social-economic development of the Aksakovo Municipality and the monotype production /mainly agricultural development/ secures low employment of the population on its territory. That is why high mobility of the economically active population has been observed, measured with the daily work force transport outside the municipality.

As a whole the strategic resource for municipal development are young, educated people, who have high criteria for working conditions and are competitive.

ASSOCIATIONS, MEMBERSHIP, TOWN-TWINNING AND PARTNERSHIPS

Aksakovo Municipality is a member of the National Association of the Municipalities in the Republic of Bulgaria (NAMRB), the Association of the Bulgarian Black Sea Municipalities, the Economic Development Agency - Varna. Representations have been made for town-twinning with cities in the USA, Scotland, Italy, Greece, Poland, and Moldova.

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