



Policy Forum

Promoting Constructive Capital in Bulgaria: Unlocking Bulgarian Regions' Potential for Private Sector Innovation

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Good afternoon everyone,

I am very pleased and honored to be with you today, very pleased that the weather sort of seems to be cooperating, but it's really an honor to be here. I have a long history with the Center for International Private Enterprise, having served on the Board twice. I know of no other American organization that does more to link the critical importance of private enterprise and democracy than this organization – CIPE. We are not alone in these efforts, in the United States we are very proud of the associations with the US Chamber of Commerce and the National Endowment for Democracy, with whom we work every day in close proximity and cooperation. Speaking on behalf of the Board, we very much appreciate CIPE's long standing work with the Center for the Study of Democracy. CIPE is honored to call CSD a long standing partner, and we are pleased to work with its leadership to support the work of strengthening the environment of constructive capital in Bulgaria and the region.

I would specially like to thank CSD's Chairman, Ognian Shentov for partnering with us. CIPE has been CSD's longest US partner in ushering Bulgaria on the road of market based democracy. We started back in 1990 when private sector development was at the very least very weak. We then moved on to developing an investment network in Bulgaria and to establishing the new business associations and business support organizations. In the late 1990's and the early 2000' CIPE helped CSD develop a comprehensive anti-corruption agenda in Bulgaria. We also established a regional good governance civil society and private sector network in South East Europe which is still active to this day. Specifically, we helped establish the Sofia Economic Council as a flagship initiative on constructive capital. Our aim was to strengthen the capacity of private sector actors, particularly SMEs and regional chambers, to lead on initiatives for strengthening the investment environment for constructive capital. This is crucially important – creating and environment for constructive capital, not only opens the

pathways to enhanced prosperity for everyone, it also supports a Rule of Law environment and adherence to democratic norms.

I am happy that we can continue the cooperation by setting up a Constructive Capital Agenda with the Three Seas Initiative. When I was Executive Vice-president at the Heritage Foundation, I worked with our staff on the Three Seas Initiative and I am very pleased and happy indeed to continue that work with CIPE and CSD. It will help Bulgaria and the Three Seas region to leverage public EU recovery and resilience funding, to attract more private investors from the United States and Europe. This is important because the US and the European Union abide by the highest ethical and business standards. The Initiative will reinforce the Bulgarian Government and President Radev's efforts to uphold the Rule of Law and establish a strong good governance rule in Bulgaria. In this respect, I would like to thank the Enterprise Europe's Bulgarian branch at the CSD's sister organization – the Applied Research and Communications Fund, which is Europe's largest business support organization. I'd like to thank as well Bulgarian businesses for sharing their input on the Agenda over the past six months. Let me conclude by thanking President Radev, for his vision and his initiative and including our work on constructive capital in the Three Seas Initiative's agenda. We believe that this Initiative has great potential in upgrading the region's technological base, digitalizing its economies and supporting energy transition. President Radev and his team has demonstrated their commitment to upholding higher governance standards not only in Bulgaria, but in Europe. And we at CIPE are more than happy to support these efforts in private sector engagement.

We are aware, Mr. President, that it's been a difficult time, that you have taken the responsibility to carry through Bulgaria through these difficult times and it's not only the pandemic but it's also other issues of the caretaker government and you've had to deal with and in spite of all of that you've stayed true to this mission. We recognize that and we very much appreciate it. We wish you all the best in your success in these efforts and we look forward to taking the constructive capital initiative to the next level of implementation. So thank you, Mr. President, and all of you for what you've done and thank you for welcoming us to Bulgaria! Thank you!