**Ordinance on the terms and conditions for issuing, extending and revoking a certificate for a high-tech and/or innovative project called a “Startup Visa”**

**Chapter One**

**GENERAL PROVISIONS**

**Art. 1.** The ordinance defines the conditions and procedure for issuing, extending and revoking a certificate for a high-tech and/or innovative project, called "Startup visa", in accordance with the requirements of the Law on foreigners in the Republic of Bulgaria, hereinafter referred to as "the certificate ".

**Art. 2.** The certificate is issued by the Minister of Innovation and Growth.

**Art. 3.** The certificate provides an opportunity for foreigners to start and develop projects involving high-tech and/or innovative activities in the country, and is one of the mandatory documents for obtaining a long-term residence permit under Art. 24p, para. 1 of the Law on foreigners in the Republic of Bulgaria.

**Chapter two**

**EXPERT COUNCIL**

**Art. 4. (1**) For the issuance of the "Startup Visa" certificate for each application received, the Minister of Innovation and Growth form an Expert Council as an advisory body.

**(2)** The members of the Expert Council do not receive remuneration for their participation.

**(3)** The members of the Expert Council observe confidentiality rules in the process of considering the received applications.

**(4)** The expert council issues an opinion on:

1. submitted projects applying for the issuance or extension of a certificate for a high-tech and/or innovative project;

2. requests to make changes to approved projects.

**(5)** The members of the Expert Council for each individual case is determined by order of the Minister of Innovation and Growth.

**(6)** Representatives of the Ministry of Education and Science, the Patent Office, the academic community, the Bulgarian Academy of Sciences, branch organizations, professional and other business organizations may participate in the composition of each Expert Council, and two representatives must be invited of non-profit legal entities uniting and directly related to start-up companies and equity and risk investment funds

**(7)** In case of necessary and depending on the direction of the specific project, the chairman of the Expert Council can invite to his work external experts in the relevant field without the right to vote in the evaluation of the projects.

**Chapter Three**

**CONDITIONS AND PROCEDURE FOR ISSUING A CERTIFICATE FOR A HIGH-TECH AND/OR INNOVATIVE PROJECT**

**Art. 5.** To issue a certificate for a high-tech and/or innovative project, foreigners submit electronically to the Ministry of Innovation and Growth a sample application and the relevant attachments to it according to the appendix.

**Art. 6. (1)** In the application under **Art. 5** applicants provide:

1. basic information about the applicant:

a) name;

б) type and number of an identity document;

в) country of origin;

г) permanent or current address;

д) telephone number; email;

е) education;

ж) workplace;

2. basic information about the company: name, company registration number - UIC or equivalent, headquarters and country in which the company is registered, if applicable;

3. basic information about the high-tech and/or innovative project:

a) title/name;

б) presentation of the activity, product and/or service;

в) financial calculations/analyses and forecasts for the approximate amount of production and for the growth of income and expenses for the next 3 years from the date of submission of the application;

г) market analysis, sales, customers and partnerships;

д) information on human resources.

**(2)** The attachments to the application are:

1. a copy of the identity document with the photo and personal data of the applicant;

2. business plan and presentation of the project;

3. a document for a valid patent for an invention or a valid certificate of registration of a utility model for the EU, the USA or member states of the Organization for Economic Cooperation and Development, in connection with the project, when applicable;

4. an investment contract with a specialized international equity and risk investment fund for no less than BGN 100,000, as well as a recommendation issued by the relevant fund for the applicant's contribution to the project, when applicable;

5. contract or letter of intent for investment from a fund for equity and risk investing in the Republic of Bulgaria for no less than BGN 100,000, when applicable;

6. project quality certificate (Seal of Excellence) under the Horizon 2020 or Horizon Europe programs, when applicable;

7. proof that the project has been awarded at a specialized competition or competition in the field of innovation and entrepreneurship organized by the European Commission or the European Space Agency, when applicable;

8. proof of at least two published scientific articles in the upper quartiles Q1 or Q2 in the international databases Scopus or Web of Science, when applicable;

9. a document for a completed degree of education, when applicable;

10. bank or equivalent document certifying the availability of personal funds of the applicant for at least 30 consecutive days before the date of the application, covering the amount of at least three minimum wages in the Republic of Bulgaria;

11. information on realized sales related to the activity, product or service, proven by contracts, expense justification documents and bank statements for a minimum of BGN 100,000 for the last two years, when applicable;

12. letters of intent or partnership agreements with Bulgarian partners, when applicable.

**(3)** The information from the application under para. 1 is filled in according to the template according to Appendix No. 1 in Bulgarian or English.

**(4)** When the documents under para. 2, items 1 and 3-12 are not provided in original, they are presented in the form of a copy, certified with "True with the original" and signed by the applicant or a person authorized by him.

**(5)** The applications under para. 2, items 1 and 3-12, certifying the declared circumstances, as well as the application under para. 2, item 2 and the application under Art. 6, when they are developed or completed in English, they should be translated into Bulgarian with a legalized translation.

**(6)** The application and the annexes to it shall be submitted electronically as specified in Art. 5 way and receives an incoming number from the records system of the Ministry of Innovation and Growth.

**Art. 7. (1)** The application and the documents attached to it are considered by the Expert Council within 30 days after the submission of the application.

**(2)** In the case of established incompleteness and/or inaccuracies in the submitted documents, the applicant is notified of the need to remove them and is given a period of 14 days from the receipt of the notification for their removal.

**(3)** When irregularities are not remedied in time, the Minister of Innovation and Growth issue a reasoned decision to refuse the issuance of a certificate.

**(4)** The decision under para. 3 is reported within 7 days of its issuance and may be appealed in accordance with the Administrative Procedure Code.

**(5)** The presented information is considered according to the following criteria for expert assessment:

|  |  |  |  |
| --- | --- | --- | --- |
| № | Criteria | Attached documents/method of authentication | Number of points |
| 1. | Sufficient means of subsistence | Attached is a bank or equivalent document certifying the availability of the applicant's personal funds for at least 30 consecutive days prior to the application date, covering the amount of at least three minimum wages in the Republic of Bulgaria. | маx  3 |
| 2. | Financial projections and capital | Duly developed, comprehensive and realistic financial projections for the project for 3 years from the date of submission of the application are submitted, which have information on a monthly basis for revenue, direct costs, operating costs and net profit and which assume revenue growth over a period of three years from the date of submission of an application for a Startup visa. | маx  3 |
| 3. | Client network | Availability of sales, evidenced by contracts, expenditure justification documents and bank statements as a minimum BGN 100,000 for the last 2 years. | маx  1 |
| 4. | Investments | A copy of an investment contract or letter of intent to invest with an equity and venture fund is submitted or a contract or letter of intent for an investment from an equity and risk investment fund for no less than BGN 100,000. | маx 1 |
| 5. | A valid patent or a valid utility model registration certificate | A document for a valid invention patent or a valid utility model registration certificate for the EU, US or member states of the Organization for Economic Co-operation and Development has been submitted in relation to the project | маx  1 |
| 6. | Business plan and presentation | - Unrealism/realism of the assumed hypotheses, forecasts and plans.  - Willingness to reach the market and generate revenue after 6 months.  - Absence/presence of projected scalability of the project.  - Lack of opportunity/opportunity to develop a team and hire a team of up to 10 employees in the first year.  - Absence/presence of export potential. | маx  5 |
| 7. | Minimum and maximum number of points |  | Маx  14  Min 8 |

**Art. 8. (1)** Within one month from the removal of the irregularities, the Expert Council shall carry out an inspection and evaluation of the application and the documents attached to it according to the criteria under Art. 7, para. 5 and submits to the Minister of Innovation and Growth a report that contains a motivated proposal for issuing or refusing to issue a certificate for a high-tech and/or innovative project.

**(2)** The reasoned proposal under para. 1 contains:

1. a complete and accurate assessment with reasons for issuing the certificate, or

2. grounds for refusal to issue the certificate.

**Art. 9. (1)** The Minister of Innovation and Growth pronounces on the report with a decision on:

1. issuance of a certificate for a high-tech and/or innovative project, valid for a period of 1 year from the date of its issuance;

2. refusal to issue a certificate for a high-tech and/or innovative project.

**(2)** The decision under para. 1 is reported within 7 days of its issuance and may be appealed in accordance with the Administrative Procedure Code.

**Art. 10**. The certificate for a high-tech and/or innovative project is issued in the name of the applicant, and the same can name two more participants in the project development and implementation team, after presenting the documents under Art. 6, para. 2, items 1 and 2, as the need for their participation is justified in the business plan and presentation.

**Art. 11. (1)** The Ministry of Innovation and Growth create and maintain an electronic database for all those who applied for the issuance of a certificate for a high-tech and/or innovative project and for the projects that received such a certificate.

**(2)** The electronic database under para. 1 contains the following information:

1. number and date of the application for issuing the certificate, as well as the electronically attached documents;

2. number and date of issue of the certificate.

**(3)** Access to the electronic database under para. 1 have the Ministry of Internal Affairs, the Ministry of Foreign Affairs and the National Security State Agency.

**Art. 12.** (1) In the case of a change in the data and circumstances declared in the application for issuing a Certificate for a high-tech and/or innovative project and in the attached documents referring to Art. 6, para. 1 and para. 2, item 2, the applicant is obliged to submit an application electronically to the Ministry of Innovation and Growth within 7 days of the change occurring.

**(2)** To the application under para. 1, the documents certifying the change are applied.

**Chapter Four**

**EXTENDING THE PERIOD OF ISSUED CERTIFICATE FOR HIGH-TECH AND/OR INNOVATIVE PROJECT**

**Art. 13. (1)** Within one month before the expiry of the certificate under Art. 9, para. 1, item 1, the applicant submits electronically to the Ministry of Innovation and Growth information on the work done so far in accordance with the submission under Art. 6 application and its annexes, including in connection with the implementation of the provisions of art. 24p, para. 1 of the Law on Foreigners in the Republic of Bulgaria regarding his participation as a partner or shareholder in a Bulgarian commercial company and the ownership of not less than 50 percent of the capital of the company, whose subject of activity is the one stated when issuing the certificate.

**(2)** Within one month of receipt of the information under para. 1 The expert council submits to the Minister of Innovation and Growth a report that contains an opinion on the fulfillment of the requirements for issuing the certificate for a high-tech and/or innovative project according to this regulation and the Law on Foreigners in the Republic of Bulgaria.

**(3)** The Minister of Innovation and Growth pronounces on the report by issuing a decision on:

1. extension of the term of the issued certificate for a high-tech and/or innovative project by another two years;

2. refusal to extend the issued certificate in case of non-compliance with the provisions of Art. 24p of the Law on Foreigners or of this Ordinance.

**(4)** The decision under para. 3 is communicated within 7 days of its issuance and may be appealed in accordance with the procedure of the Administrative procedure code.

**(5)** The decision under para. 3 is entered in the electronic database under Art. 11.

**Art. 14.** No fees are charged for issuing a certificate for a high-tech and/or innovative project or for extending its term.

**Chapter Five**

**Revoking a certificate for a high-tech and/or innovative project called a “Startup Visa**

**Art. 15. (1)** The certificate for a high-tech and/or innovative project shall be revoked by reasoned decision of the Minister of Innovation and Growth:

1. when it is established that for the issuance or extension of the certificate, the foreigner has declared false data and/or has not notified the Ministry of Innovation and Growth about the changes in data and circumstances under Art. 12 within 7 days of their occurrence;

2. when the changed circumstances under Art. 12 hinder the implementation of the project, the implementation of the provisions of Art. 24p of the Law on Foreigners in the Republic of Bulgaria or the fulfillment of the requirements for issuing the certificate according to this regulation;

3. after established violations of Bulgarian legislation, about which a competent state body has notified the Ministry of Innovation and Growth with a reasoned letter, and which relate to circumstances that prevent the implementation of the project, the implementation of the provisions of Art. 24p of the Law on Foreigners in the Republic of Bulgaria or the fulfillment of the requirements for issuing the certificate according to this regulation.

**(2)** The decision under para. 1 is communicated within 7 days of its issuance and is subject to appeal in accordance with the Administrative Procedure Code.

**(3)** The decision under para. 1 is entered in the electronic database under Art. 11.

**Art. 16.** The Ministry of Innovation and Growth notifies of the decisions under Art. 7, 9, 13 or 15, as well as for any change in the circumstances of the issued certificate for a high-tech and/or innovative project, leading to non-fulfillment of the requirements for issuing the certificate, which is grounds for revoking the granted right of residence, the Ministry of the Interior works, Ministry of Foreign Affairs and State Agency "National Security".

**ADDITIONAL PROVISION**

**§ 1.** Pursuant to this ordinance:

1. "Foreigner" is a person within the meaning of Art. 2 of the Law on Foreigners in the Republic of Bulgaria.

2. "Project" is the application for the issuance of a certificate for a high-tech and/or innovative project called "Startup Visa", together with all the attached documents.

3. "Prototype" is an original model (or test situation) that includes all the technical characteristics of the new product or process.

4. "Minimum Viable Product" (MVP) refers to a development technique where a new product is created with enough features to satisfy early users. The final feature set is designed and developed only after considering feedback from the product's original users. A minimum viable product usually has high enough value that users are willing to use or buy it, demonstrates enough future benefits to retain early adopters, provides feedback to guide future development.

5. "High-tech" is a project based on the use of high technologies for the production of new high-tech products and/or services. High technologies are those characterized by a high degree of complexity and for the use of which specialized knowledge and skills are required.

6. "Innovative" is a project based on technology, the result of scientific progress and the latest scientific discoveries in the relevant field and/or the implementation of new, hitherto unknown models, methods, practices. Such a project has the potential to make a significant difference to the current situation and be a catalyst for change in a given sector or market. The project ensures innovativeness and market applicability of the respective innovation, fulfilling at least one of the following conditions:

a) the innovation is protected by a valid invention patent;

b) the innovation is protected by a valid utility model registration certificate;

c) the proposed innovation is new on the world/European market and is superior to alternative solutions.

7. "Fund/funds for equity and risk investment" are legal entities that manage and invest foreign and/or own funds for the purpose of investing these funds in risk/equity high-income assets.

**FINAL PROVISIONS**

**§ 2.** The Ordinance is adopted on the basis of Art. 24p, para. 3 of the Law on Foreigners in the Republic of Bulgaria.

**§ 3.** The Minister of Innovation and Growth declares the administrative service provided by him electronically through the Integrated Information System of the State Administration to be entered in the Register of Services within 7 days of the entry into force of this regulation.

Annex 1 to Article 5

To the attention of:

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**APPLICATION FORM**

**FOR A START-UP VISA**

From .........................................................................................................................................................

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permanent or current address, city/town, street…………………………………………………………….…………..........................................................................................................................................

tel. ...................................................................................., fax........................................................

e-mail address ……………..............................................................................................................

Herewith I would like to apply for the opening of an administrative procedure for granting of a certificate for a high-tech and/or innovative project called Startup Visa for

[Project Name] .........................................................................................................................................................

The service is provided by………………………………………………………………………………... ........................................................................................................................

(specify the authority competent to issue the administrative act)

I declare my wish to receive the individual administrative act issued:

By a licensed postal operator at the address: .........................................................................................................................................................

I declare that the postage is at my own expense, payable upon receipt of domestic mail, and I agree that the documents may be carried for official purposes. Individual administrative act to be sent:

by internal registered mail

as internal courier mail

as international registered mail

personally from the Centre for citizens’ administrative services to the competent authority

electronically to an e-mail address

Attached documents:

Application Form to the competent authority in the form approved by it for the service concerned.

Attachments to the Application.

Date:

City/town ................................................................

Signature:

(...........................)

**APPLICATION FORM**

**FOR A START-UP VISA**

**1. Basic information about the applicant**

Complete the fields below with information about the person(s) submitting the project.

|  |  |
| --- | --- |
| Applicant's name: | Type and number of a document for identity: |
| Country of origin: | Address registration: |
| Phone number: | E-mail: |
| Education: | Job: |
| If applicable: | |
| Company name: | Company registration number (UIC): |
| Headquarter: | Country of company’s registration: |

**2. Presentation of the activity, product and/or service**

2.1. Please describe your product or service. What valuable features does your product/service provide to customers? What problems does your product/service solve and/or needs does it satisfy?

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|  |

2.2. What makes your product/service innovative, unique or different compared to your competitors' products?

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2.3. What technology is your product/service based on? Describe its technology, maturity level, evidence of effectiveness and functionality.

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2.4. Which manufacturing or service sector does your product/service belong to?

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2.5. Is a prototype or minimum viable product of your product/service delivery available? If applicable, please provide a description or evidence of this. What is the selling price for a single product/service?

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2.6. Do you have intellectual property rights protection for your product/service such as a patent for an invention or utility model? If applicable, provide as evidence a copy of documents certifying this and an official translation by a sworn translator, according to the requirements of art 6 of this Ordinance.

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**3. Production, costs and finance**

3.1. What is the approximate amount of your monthly production/supply of services? What are your expectations for product/service delivery over the next 3 years?

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3.2. What are the implementation costs of your project? What are the costs of production, service delivery, marketing, management, etc.?

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3.3. Please provide financial calculations/analyses of your projections of revenue and expenditure growth over the next 3 years. The information for future value provided must be for the period from the date of submission of your Start-up Visa Application. Please, provide information on project funding as well as key growth indicators (KPIs).

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**4. Market analysis, sales, customers and partnerships**

4.1. What is the size of the market for your product/service? What segments/markets do you aim to enter with your product? What is the profile of your potential customers? Describe your main competitors in your market segment? What is the market potential for your product/service over the next 5 years? Please provide in your business plan a marketing strategy for the product/service development.

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4.2 Have you made sales of your product/service? What sales channels do you use to access the market? How do you create and maintain feedback from your customers? If applicable, please describe or provide evidence of what sales revenue has been generated from the start of your project to date and over one-month period?

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4.3. Please specify your main customers and their number? If applicable, please provide evidence or copies of contracts and invoices that verify the existence of actual customers and sales of the product/service.

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4.4. Please provide information about your current and potential business partners and suppliers. If applicable, please provide copies of letters of intent for business partnerships or copies of contracts with business partners and suppliers.

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**5. Human resources**

5.1. Please describe the team of people involved in your project. Please include information on the number of your employees. Describe their role in your team, their experience, valuable competences and skills in the industry/service area to which your project belongs.

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I declare that I am the co-author of the project and own the rights to it.\*

I consent to the processing of my personal data with regard to my application for a Startup Visa, including the publication of my name and the name of my project in accordance with the Data Protection Act.\*

I acknowledge that I am aware that: the administrator of the personal data I have provided is the Ministry of Innovation and Growth, with address. 12 Alexander I Str., 1000, Sofia, Bulgaria; my personal data will be processed solely for the purpose of conducting the evaluation for the Startup Visa; the provision of data is voluntary, but refusal to provide information may result in the impossibility to evaluate the applicant.

\* compulsory fields

Copy of the applicant's identity document with photo and personal data (compulsory);

Business Plan and Project Presentation (compulsory);

Copy of a valid invention patent for the high-tech and/or innovative project (if applicable);

Copy of a valid utility model registration certificate for the high-tech and/or innovative project (if applicable);

Copy of an investment agreement with a specialised international equity and venture capital fund for not less than BGN 100 000 and a recommendation issued by the relevant fund on the applicant's contribution to the project (if applicable);

Copy of the contract or letter of intent for investments from a private equity and venture capital fund in the Republic of Bulgaria (if applicable);

Copy of the Seal of Excellence under Horizon 2020 or Horizon Europe for the project (if applicable);

Evidence that the project has been awarded in a specialised innovation and entrepreneurship competition or contest organised by the European Commission or the European Space Agency (if applicable);

Evidence of at least 2 scientific articles published in the upper quartiles Q1 or Q2 in the international databases Scopus or Web of Science (if applicable);

Bank or equivalent document certifying the availability of the applicant's personal finances for at least 30 consecutive days prior to the date of application in the amount of at least three minimum monthly salaries in the Republic of Bulgaria;

Copies of invoices or other supporting documentation for sales made related to the activity, product or service (if applicable);

Copies of letters of intent or partnership agreements with Bulgarian partners (if applicable).