

RESULTS OF PRIVATISATION OF STATE-OWNED ENTERPRISES IN TOURISM IN THE PERIOD FROM 1 JANUARY 1993 TO 31 DECEMBER 2001

The results of the activities of the privatising authorities and the Privatisation Agency (PA) in the sphere of tourism are as follows:

1. Number of privatisation transactions

In the period from 1 January 1993 to 31 December 2001, the total number of privatisation transactions concluded by all privatising authorities under Article 3 of the Transformation and Privatisation of State-Owned and Municipal-Owned Enterprises Act (Privatisation Act) is 509, or 10.8% of the total (4,730) privatisation transactions concluded by the end of 2001.

Shares and interests in 113 enterprises and 396 self-contained parts were sold, with the number of transactions peaking in 1999 at 205 (of which 38 on blocks of shares and interests in enterprises, and 167 self-contained parts).

The Privatisation Agency concluded (from the start of the privatisation process to the end of 2001) a total of 151 transactions, or 16.3% of all (929) transactions conducted by the PA. Blocks of shares and interests in 40 enterprises and 111 self-contained parts were sold. The largest number of transactions were concluded in 1999 – 48 (20 blocks of shares and interests in enterprises, and 28 self-contained parts), 36 in 1998 and 33 in 1996. In 2001 the PA sold minority interests through centralised auctions in two enterprises (Sokolets Borovets AD in the resort of Borovets, and Sinite Kamuni Tourist AD in Sliven) and 19 self-contained parts of Sunny Beach AD, Nessebar.

At the end of December 2001, the Privatisation Agency held three successful auctions on self-contained parts of Sunny Beach; the privatisation contracts on two of those sell-offs have already been signed, and the third contract is due to be finalised by the end of January 2002. The PA Supervisory Board is due to approve a contract of sale of Intertravelservice AD, Sofia, after an auction held in November 2001.

2. Transactions with foreign investors in tourism

From the start of the privatisation process to the end of 2001, all privatising authorities under Article 3 of the Privatisation Act concluded 16 transactions with foreign investors, or 10% of the total (158) transactions concluded with foreign investors.

Of them the Privatisation Agency concluded 10 transactions with foreign buyers—seven on majority interests in enterprises, one on minority interests, and two on self-contained parts.

Agreed payments in transactions with foreign investors, concluded by all privatising authorities under Article 3 of the Privatisation Act from 1 January 1993 to 31 December 2001, total 91.1 million leva, and agreed investments, 43.3 million leva.

Agreed payments in transactions concluded by the Privatisation Agency with foreign investors amount to 62 million leva (approximately 68% of aggregate payments agreed in transactions with foreign investors in tourism), and agreed investments, 33.6 million leva (78% of investments agreed in transactions with foreign investors in tourism, concluded by all privatising authorities under Article 3 of the Privatisation Act).

3. Agreed investments and debts assumed (the figures apply to the PA)

The aggregate investments agreed in privatisation transactions in tourism concluded by the Privatisation Agency (from 1 January 1993 to 31 December 2001) amount to 169 million leva. The debts assumed are 3.4 million leva.

4. De-etatized fixed assets

By end December 2001, all privatising authorities under Article 3 of the Privatisation Act had de-etatized a total 52.49% of the fixed assets of state-owned enterprises (580 million leva at balance sheet value by 31 December 1995) and 79.48% of the assets subject to privatisation (383 million leva), including assets de-etatized in the first wave of mass privatisation).

The assets de-etatized through privatisation in tourism amount to 3.71% of aggregate state assets (580 million leva) and 5.61% of state assets subject to privatisation (383 million leva). (The figures on de-etatized assets do not include the assets of about 70 sold off self-contained parts, on which no data on balance sheet value by 1995 are available).

5. Resources for privatisation

After 1 January 2002, 11 corporations in tourism are due to be de-etatized, including Sunny Beach AD, Nessebar, self-contained parts of which will be offered for sale in 2002 too.