

To the Members of the American Chamber of Commerce in Bulgaria

5th December 2016

Fellow AmCham Members, Dear Friends,

I am asking for your support as a candidate for the Board of Directors of the American Chamber of Commerce in Bulgaria at the General Assembly meeting on December 7th 2016.

Here is what I stand for:

Mission to Expand the American Economic Footprint in Bulgaria

A Rather Modest American Economic Presence in Bulgaria

There are a handful of great American corporations which have located a meaningful size of assets in the country. There is virtually zero investment in sectors where the US is a world leader, such as financials, defense, media, healthcare, engineering, oil & gas. That's a shame. The rather meek American economic footprint creates a number of deficits – a public relations deficit when it comes to discussing specific US projects in the country, a political leverage deficit requiring a much more heavy-handed approach on the part of the US government when a greater political issue is at stake, and a cultural exchange and social interaction deficit, as commerce brings people and nations closer. This needs to change.

The Financial Sector – a Gateway to the Wider Economy

Banks and non-banking financial institutions are specialized in evaluating risks. They accumulate vast amounts of information which they process and analyze in order to create an investment product or make an investment decision. They are the intelligence agencies of the business world. They often advise their clients and share the risks with them in entering new markets or in acquiring assets. Coming from such a firm, I must say I am disappointed with the lack of US financial firms' presence in Bulgaria. Without their banking partners, financial investors and advisors, the large US corporations will not take a chance to risk it in the Bulgarian market. And the opposite is also true – if we have a well-established presence of US banks and investment firms locally, taking a decision to invest and commit business resources in Bulgaria would be a much smoother process for any American corporation. I intend to dedicate a large part of my time to attracting the interest of American financial sector players. I believe this is the shortest road to enlarging the US economic footprint in Bulgaria. Currently, there are a number of Bulgarian commercial banks looking for new owners – some of them are small players in the field, others are among the top five by asset size. Some of them have local shareholders; others are part of international groups. There are other financial institutions of systemic importance, such as pension fund managers, which are also for sale. The insurance sector badly needs additional capital – there are picks on the table there as well. American banks, asset managers and insurers are among the world leaders in their fields. We need to get them interested to come into our market. American management over billions in capital flow – in terms of both credit and investment – will also dramatically alter the business landscape in Bulgaria. It will change bad habits and practices, increase efficiency, transparency and competitiveness, and ultimately generate fresh economic growth, fueled by innovation and entrepreneurship. This would be a priority for me.



Larger Economic Footprint Leads to Larger Political Footprint

A larger American economic presence in Bulgaria, championed by a larger financial sector presence, would definitely make things easier for any new or existing American initiative – be it private or government sponsored. I know many AmCham members have had difficulties dealing with government agencies in Bulgaria. The “I-don’t-give-a-s***-about-you-and-your-business” attitude of some administrators will melt overnight into a warm “what can I do for you”, once there are enough jobs, fiscal revenues and credit/investment cashflows generated or controlled by American businesses. The frustration of many Bulgarian politicians who now have trouble explaining to the general population in a hot and contested media environment why the country seemingly obediently does the US government’s bidding to the perceived detriment of national interests, will also be alleviated.

Changing the Rules of the Game – Bringing Best Practices and Fighting Corruption

Perhaps the greatest benefit of increased American economic presence in Bulgaria will be something at the core of AmCham’s charter – the promotion of American ethical standards and codes of doing business. The transfer of management and technological know-how will be certainly of great added value. However, the more important long-term strategic effect would be (hopefully) the gradual change in the way business is done in Bulgaria. American best business practices and a general attitude of intolerance to shady affairs is what is most needed around here. This is what American investment brought about in other places in Central and Eastern Europe, such as Poland and the Czech Republic.

Mission to Deepen the Involvement of AmCham in Policy Making

Navigating the Executive Branch

I will draw on my experience as a deputy-minister at two ministries which are both very important to the business community – the Ministry of Economy and the Ministry of Transport and Communications. Apart from having direct personal contacts there, I believe I can help AmCham modify its message and the way it is transmitted to the administration, so it is heard loud and clear, and not only heard but quickly acted upon. I know what makes the Bulgarian administration tick. I know what they like, and what they especially dislike. I understand both the bureaucratic technicalities and the political considerations. I believe I will be a valuable contribution to the board in dealing with all levels in the administration and the political establishment.

Working with Parliament

AmCham could probably deepen its interaction with the Bulgarian Parliament and its committees. More often than not, regulatory initiatives affecting the business environment are born there. Members of parliament are becoming more and more active lately, either as conduits of special interests or on their own account. That is where the draft legislation coming from the Cabinet also ends up to be digested and often twisted beyond recognition. Parliamentary committees are a much more accessible venue than ministries and executive agencies. Efforts made in that direction will have a much greater effect. AmCham’s members will benefit from having established communication channels with key members of Parliament, committee chairpersons and regular clerks moving draft legislation and opinions around. This is also an important second line of defense against hostile regulation coming from the executive branch. As stated in my resume, I have ample experience in pushing legislation through Parliament and defending it in the relevant committees. I believe I can help AmCham create or expand its network and presence there.

Working with the Media

We have all seen the massive media presence of other Bulgarian business organizations lately. Sometimes it feels almost as if they are laying siege to the Cabinet. They are quite vocal on many issues (in fact on most issues) and have come to exert great influence over the decisions of the executive power through the media outlets. I do not advocate the same approach to be taken by AmCham. However, I believe AmCham should probably strengthen its presence in the mainstream media. Board members in particular should be more active in voicing opinions and attending special events. This has become the norm in the country, it is expected by the government and will not be perceived as odd. Rather the contrary – the absence of AmCham’s voice of reason from major political discussions and initiatives may be looking rather strange. In fact, the conspicuous absence from the media of organizations such as AmCham creates room for other marginal “business unions” which quickly expand their media presence and are able to influence the political realities much more than their capabilities and representativeness should afford. I would be ready to invest time and efforts to increase AmCham’s media profile.

Tapping into Diplomatic Channels

As an affiliate of the US Chamber of Commerce and a partner of the US Commercial Service, the American Chamber of Commerce in Bulgaria is uniquely positioned to exploit the communication resources and clout of the American diplomatic services. While understandably the main concerns of the US Commercial Service are promoting American exports and investment into the United States, I believe enlisting their support for attracting American investors into the Bulgarian financial sector, for example, will not contradict their mission. And a proper endorsement, introduction or a meeting, organized through diplomatic channels, could sometimes be what it takes to start the ball rolling in the right direction. I can be the initiator of such interactions and communication exchanges.

Here is what I bring to the table:

Diverse Background, Combining Management Positions in the Private Sector, Senior Political Experience and a Successful Entrepreneurial Career

Rising through the Ranks of Multinational Corporations

I had the privilege of being trained and mentored by my expatriate superiors at companies like Kraft and Solvay, where I spent the first formative years of my career. My business ethics, management skills and professional experience in general were put together and polished by people with 30+ years of international management experience at companies which were world leaders in their industries. I proudly wear the “scars” of those early days with me still.

Working in the Cabinet of Simeon Saxe-Coburg-Gotha

The most dynamic part of my career was my tenure as a deputy-minister in the cabinet of Simeon Saxe-Coburg-Gotha. These are probably the days when most of you know me from. I was recruited as a technocrat by my friend and colleague Nikolay Vassilev first at the Ministry of Economy, and was later transferred to the Ministry of Transport and Communications. Apart from gaining intimate knowledge of the inner workings of the government administration, this unique experience allowed me to influence many policy decisions directly. At the Ministry of Economy I was in charge – among other things – of work with NGO's and business organizations with the aim of improving the business environment, strengthening local competitiveness, and generating more local and foreign investment. I also had overall responsibility for industrial policy development and domestic markets regulation. At the Ministry of Transport and Communications I was responsible for the supervision over the government corporate entities in the sectors of transport and communications. My main responsibilities included also administration and control over the process of concessioning away public infrastructure (ports and airports) and other PPP projects

intended to attract private investment into the public transportation sector. The first concessions of ports and airports in the country date from my time at that ministry.

Founding Partner at Expat Capital

After four years as a technocrat in the government I founded Expat Capital in 2006 with a couple of friends. Today the company is the largest wealth management business in Bulgaria with global outreach and an established outstanding track record, covering more than 50 markets and servicing clients from more than 20 countries. The firm provides the full spectrum of asset management services to private individuals and institutional clients, managing hundreds of individual investment accounts, three mutual funds, a real estate investment trust and the ETF on the SOFIX index of the Bulgarian Stock Exchange – Sofia. The entrepreneurial side of my career shows I like to break barriers into new territories. I would gladly help those who take risks and create new things – technologies, products, ideas, jobs. We need more such people in this country.

Ivy League Education

The English Language School in Plovdiv

Seemingly ages ago now, the Plovdiv English Language School was an important cradle where one received an elite high-school education on par with the best institutions in the world. The broad and robust foundation I was given at the Plovdiv ELS allowed me to successfully continue my academic endeavors at an Ivy League college later.

Cornell University

I had the privilege of attending one of the great Ivy League universities of the United States – Cornell. That outstanding liberal arts education was an excellent platform to build my life and career on. It still provides me with the right set of analytical tools and a coordinate system to successfully navigate the dynamics of the modern fast-pace environment in all respects – business, personal growth and fulfillment, family life. I would like to bring some of that unique perspective into the work of the Board at AmCham.

Why you should support me:

After spending 10 years developing Expat Capital from a start-up into a successful company, I am already in a position where I can devote more time to important NGO causes, like AmCham's. I believe board members at AmCham should be more than just representatives of their corporate employers. The superior ability of multinational corporations to contribute financially to AmCham's causes is no doubt of great value, but a broad and versatile personal skill set, successful entrepreneurial background and the right motivation of the board members are more important. I believe my extensive experience in managing people, processes and risks can help me serve your interests and the interests of the AmCham community as a whole through an open, pro-active, higher-profile overall approach.

Thank you in advance for your support, I hope to be able to work with you soon!

Yours sincerely,



Nicola Yankov

Managing Partner, Expat Capital