

Commercial representative office as grounds for obtaining a Type D visa and a residence permit for the Republic of Bulgaria

Any foreign legal entity authorized to carry on business under its own national law can open a commercial representative office in Bulgaria. Such commercial representative office must be listed in the Unified Trade Register of the Bulgarian Chamber for Commerce and Industry (BCCI); following that it will be entered in the BULSTAT Register of the Registry Agency and issued a unified identification code (BULSTAT).

Pursuant to the imperative provision of article 24 of the Investment Promotion Act, a commercial representative office is not a legal entity in its own right and is therefore not allowed to carry on business on its own behalf. Its functions are purely representative, serving the needs of the foreign legal entity to develop, expand and promote its business operation in Bulgaria: it is allowed to take part in, or organize, promotional campaigns, exhibitions, or training seminars, and to advertise products or services. Any agreements as may be entered into by the commercial representative office are deemed to be in the name, and on behalf, of the foreign legal entity. The commercial representative office may hire personnel on employment contract and is mandated to pay any taxes and social security benefits of its employees pursuant to the requirements of Bulgarian law.

Irrespective of such restrictions, commercial representative offices perform an important function in furthering economic ties between Bulgarian and foreign businesses. Therefore, the person in charge of a commercial representative office has the right to apply for a Type D visa and, based upon it, to apply for, and be granted, a long-term residence permit for the territory of the Republic of Bulgaria. A long-term residence permit can be granted to no more than three representatives of any foreign business. That possibility is explicitly regulated by article 24 of the Foreigners in the Republic of Bulgaria Act.

To be initially listed in the Unified Trade Register of the BCCI, a commercial representative office must file an application in standard form; if the applicant will not seek to be issued a certificate, i.e., if the person in charge of the commercial representative office will not file for a long-term residence permit for the territory of the Republic of Bulgaria, the application for registration must be supported by the following documents:

1. An official certificate of current legal status of the foreign entity issued by the relevant competent authority of its country of registration in accordance with its national law, authenticated either by the consular office of the Embassy of the Republic of Bulgaria in the respective country; or by the consular office of the Embassy of that country in the Republic of Bulgaria; or by another consular office representing the interests of the country of

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registration to the Republic of Bulgaria;

2. A decision of the governing body of the foreign entity to open a commercial representative office in the Republic of Bulgaria;
3. A notarized original copy of power of attorney or a notarized transcript of said power of attorney, issued by an authorized representative of the foreign entity in its country of registration, whereby a person is authorized to register and/or manage the commercial representative office of said entity in the Republic of Bulgaria, stating the scope and extent of that person's powers of representation; the document must be authenticated as described in item 1 herein above;
4. Notarized specimens of the original signatures of the representatives of the commercial representative office in the Republic of Bulgaria.

In case where the person in charge of the commercial representative office will seek to obtain a long-term residence permit for the territory of the Republic of Bulgaria, a certificate needs to be issued by the BCCI for the registration of the commercial representative office and the following additional documents must be provided:

5. A declaration in standard form approved by the BCCI, signed by each person in charge of the Commercial Representative Office, stating the functions performed by that person on his/her official capacity as such as included in the annual plan for the preceding year.
6. An original copy (or notarized transcript) of (a) document(s) in evidence of the fact that the commercial representative office of the foreign legal entity has access to office space providing normal conditions for its operation, e.g.: a lease agreement or another agreement for use, against payment or free of charge, of such office space bearing the notarized signatures of the parties, in effect for no less than one year as from the date of the application for certificate, or a title deed attesting to the foreign entity's ownership of the property in question.

All of the documents referred to herein above must be submitted in their official Bulgarian translation. If an official document is issued by a state party to the Convention on Abolishing the Requirement of Legalization for Foreign Public Documents (the Hague Convention), it must have an apostille placed on it. No apostille is necessary if the document is issued by a country with which Bulgaria has in place a mutual legal assistance treaty, and bears the original signature and seal of the relevant competent authority.

The application for registration of a Commercial Representative Office is filed by a person

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authorized for the purpose, who can be either the person in charge of the representative office or a third party, including an attorney at law. The power of attorney must be notarized. After reviewing the application, the BCCI will adopt a decision to register the commercial representation office. Based upon said decision, the representation office will also be entered in the BULSTAT Register. Then, upon request by the commercial representation office, the BCCI may issue a certificate of registration and compliance with the requirements of the law. Said certificate issued by the BCCI has a term of validity of 1 month from its date of issue and must be enclosed with the application for a Type D visa and a residence permit.

Following its registration, the commercial representative office must submit on an annual basis to the BCCI documents in evidence of the performance of activities scheduled in its plan, a certificate that the foreign entity does not have any unpaid taxes for the preceding two calendar years, and a certificate that the foreign entity has been carrying on business in the preceding two years.

The procedure for initial registration is described also at the website of the BCCI – <https://www.bcci.bg/tradereg-repres-bg.html>