

**AMERICA FOR
BULGARIA
FOUNDATION**

20¹0⁹ **Supporting ideas
that matter for 10 years**

Annual Report 2019



America for Bulgaria Foundation (ABF) is an independent, non-partisan and non-political American philanthropic foundation. Founded in 2008, ABF is a successor to the Bulgarian-American Enterprise Fund, an investment fund created under the SEED Act of 1989 through the U.S. Agency for International Development.

ABF works in partnership with Bulgarians to support the country's private sector and related democratic institutions. The philanthropic aid provided by ABF builds on the legacy of goodwill and friendship that exists between the American and Bulgarian people.

For more information, please visit: [**www.us4bg.org**](http://www.us4bg.org)

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Annual



**Good is More
Contagious
than the Virus**

letter

Dear Friends,

As this report was being prepared, the world was beginning to loosen restrictions as a result of the COVID-19 pandemic and many of us were seeking ways to assist those still struggling.

In Bulgaria, like everywhere in the world, doctors and medical staff were on the frontlines of the fight against the virus's advance. At the beginning of this battle, the **America for Bulgaria Foundation donated 300,000 levs** to two of the leading national hospitals: Pirogov Emergency Hospital and Alexandrovska University Hospital.

In order to unite and channel these efforts, the America for Bulgaria Foundation partnered with the Bulgarian Donors Forum, the US Embassy in Bulgaria, and the American Chamber of Commerce. We created an independent fund—United against Covid-19. This fund was embraced by Bulgarian and multinational businesses as well as generous individuals, collecting **more than 1 million levs** in aid of Bulgaria's response efforts. ABF matched lev-to-lev the first **100,000 levs** contributed and was pleased with the outpouring of generosity.

I have been inspired by how businesses have responded by adapting their production to assist with shortages and how many companies have reorganized their workflows, allowing employees to work from home.

But I have been nothing short of astounded and humbled by the work of the civil society sector and ABF grantees. Soon after the country declared a state of emergency, NGOs and citizen groups rearranged their activities and channeled their efforts toward responding to the crisis—whether by supplying protective gear and other vital supplies to hospital workers, ensuring elderly citizens and other vulnerable groups continued to receive food and medicine, or helping move Bulgarian education online.

In an incredibly short amount of time, innumerable initiatives sprung up to meet a wide variety of needs. This should give us all hope – that good is more contagious than the virus.

Since ABF's founding in 2009, we have prioritized the important role of philanthropy in a democratic society. In times of both health and economic challenges, we were gratified to see the NGO and corporate communities and individuals stepping up to meet the challenge. Whether donating directly to hospitals, converting business processes to make sanitary devices, or arranging online hack-a-thons against COVID-19, Bulgarians from all walks of life met the moment with selflessness and generosity.

Not only is this a virtuous circle, but this is grace. This is kindness. This is Bulgaria at its best.

As we reorient to living in these new circumstances, I am confident that Bulgarians from all walks of life will successfully face whatever challenges the future brings. The past several months has proved this to be true.

I am privileged to represent the America for Bulgaria Foundation and am humbled to play a small part in Bulgaria's long history of generosity.

Nancy Schiller
President and CEO
America for Bulgaria Foundation



About

ABF

Mission

The America for Bulgaria Foundation works in partnership with Bulgarians to support the country's private sector and related democratic institutions.

The America for Bulgaria Foundation seeks to enhance the longstanding legacy of goodwill and friendship between the American and Bulgarian people to promote US-Bulgaria people-to-people contacts. Through its grants and programs, the Foundation represents the generous spirit of the American people and embodies the highest standards of US ethical conduct, transparency, and core values.

Guiding Principles and Core Values



Partnership and Collaboration

We are not merely a sponsor or a funding mechanism. Our grant-making process presumes collaborative planning between ABF and its grantees since we understand that common solutions best lead to sustainable change. We also encourage partnership and synergy among our grantees to utilize to the highest degree experiences gained and lessons learned.



Local Initiative

We seek to remain focused on our overall mission and supporting strategy, and in so doing, we listen carefully to local needs to ensure that the endeavors we support have lasting impact and that local communities and organizations assume ownership upon project completion.



Innovation

We look for entrepreneurial organizations, innovative thinkers, and proactive leaders with a vision and capacity to promote change. We seek to advance creative ideas and novel solutions and are not afraid to take risks that other stakeholders might not assume, and to challenge convention and confront stereotypes.



Proactive Approach

We proactively develop distinct ABF operational competencies and initiatives. We do not just review applications but help build the institutional capacity of our grantees and support new organizations to ensure important needs are met in ABF's priority fields of work.



Ethics

We are committed to the highest ethical standards in our own governance and administration of our grant-making, to personal and professional integrity, and to transparency and accountability, and expect our partners and grantees to adhere to the same standards.



Philanthropy

We are committed to reviving philanthropy in Bulgaria and to encouraging its growth by example and by specific actions.



Evaluation

We are committed to using evaluation as a means to sharpen objectives and improve the effectiveness of our work. We understand that ABF's success will be measured over the long run, but we make every effort to ensure that, where appropriate, our grants have meaningful and measurable outcomes in a shorter time frame as well.



US-Bulgaria Cooperation

We seek to enhance the legacy of goodwill and friendship between the American and Bulgarian people and to promote US-Bulgaria people-to-people contacts and exchange of ideas. We encourage specific project recognition such that the American people receive appropriate credit for ABF efforts.

Our History



1989

In Europe, The Berlin Wall Falls.

On November 9, the Berlin Wall fell. The Iron Curtain lifted and opened the way to democracy and free markets for the countries from Central and Eastern Europe.

In the United States, The U.S. Congress Passes the SEED Act

On November 28, 1989, the US Congress passed the Support for Eastern European Democracy (SEED) Act, promoting the transition to free markets and democracy in former communist countries. In a way, the program had similarities to the Marshall Plan of 1948, but this time, the economic assistance would not be government to government. Instead, the US government grants would be managed by a novel and unique creation—enterprise funds, private US organizations that would work on the ground in selected countries and fund local initiatives through grants, loans, and other investments. The enterprise funds authorized under the SEED Act were funded with US tax money through the US Agency for International Development (USAID) but managed by independent, volunteer boards of directors comprised of US business executives and entrepreneurs. In all, ten funds were created in 17 countries across Central and Eastern Europe and Central Asia.

**WE STARTED OUR
WORK IN 2009.
BUT OUR CONNECTION
WITH BULGARIA DATES
BACK MORE THAN
25 YEARS.**




1991

The Bulgarian-American Enterprise Fund is Established

The Bulgarian-American Enterprise Fund (BAEF) was established, with capital of \$55 million. The Fund began investing in Bulgaria's emerging free-market economy by helping entrepreneurial Bulgarians create small and medium-sized businesses

1992 – 1995


The Bulgarian-American Enterprise Fund Invests in Bulgarian Businesses



Through BAEF's micro-lending, SME and Hotel Lending programs, in three years, the Fund made over 500 investments in businesses located in 130 cities, towns and villages across Bulgaria.

1996

The Bulgarian American Credit Bank is Established



The successful development of the Fund and its increased investment activities led to the establishment of the Bulgarian-American Credit Bank (BACB). BACB began by creating a Home Mortgage Lending Program and assisting with the passage of Bulgaria's Mortgage Bond Legislation. By 2001 and for several years to come, BACB was recognized as the most profitable and efficient bank in Bulgaria. Over the next ten years, BAEF and BACB invested in more than 5,000 Bulgarian businesses, which employed thousands of Bulgarians.



2007

Bulgaria Becomes a Member of the European Union

On January 1, 2007, Bulgaria entered the European Union. Having largely fulfilled its mission, BAEF began selling its assets.

2008

BACB is Sold

In August 2008, BAEF sold its majority ownership of BACB to Allied Irish Bank, allocating the proceeds of the sale together with other asset sales to form the America for Bulgaria Foundation's \$400 million corpus. The total investment returns positioned BAEF as the most successful of the ten SEED Act Enterprise Funds.

2009

The America for Bulgaria Foundation is Established

The proceeds were earned in Bulgaria thanks to the good management of investments and the work of the Bulgaria team. It was a natural decision for this capital to be put to continued good work to improve Bulgaria's business environment, the quality of education and the prosperity of society in all its dimensions. This vision was at the core of the 2009 founding of the America for Bulgaria Foundation. Each year ABF donates about \$20 million out of its \$400 million endowment. The corpus is invested to allow ABF to continue as a perpetual foundation in its four key areas of interest:

**Business,
Entrepreneurship,
and Technology**

**Business Enabling
Environment**

**Developing and
Retaining Human Capital**

**Cultural Heritage and
Nature Tourism**

How We Work

When making grants, we look for effective organizations, original thinking and relevance of the proposal to the development of the private sector. Our grant-making process presumes collaborative planning between ABF and its grantees.

We accept unsolicited applications but also proactively approach organizations that are independently identified by our staff; initiate projects ourselves; create new organizations; and on occasion announce Requests for Proposals.

Applications are considered throughout the year. If our review of the initial inquiry is favorable, the relevant program director contacts the applicant to discuss their ideas in greater detail and help shape a full proposal. If a proposal is to be considered for a grant, the approval process - which includes research, meetings, site visits, grant negotiations, legal review and presentation of the grant for approval - is generally completed within one month but can take longer.

America for Bulgarian Foundation works for the benefit of Bulgaria so the projects which we fund are primarily to Bulgarian organizations and take place all over the country.

We promote the US – Bulgaria people-to-people contacts and exchange of ideas and resources, so certain project activities take place in the United States and are administered by US organizations.

Making a difference matters to us. Every effort is made to be certain the programs ABF supports have meaningful and measurable outcomes. Evaluation is key to knowing we are doing the right thing in the right way. We are committed to using evaluation to sharpen our objectives, improve our effectiveness and is one of ABF's Guiding Principles.

We define our objectives before the program begins, determining the indicators and outcomes we expect for each grant. ABF closely monitors the project, working with our partners to collect data for analysis. Our largest investments are rigorously evaluated by either ABF's Impact and Evaluation team or by external independent evaluators. Our desire is to ensure the funds entrusted to ABF are put to the best possible use.

After a grant agreement is signed, we announce all the projects that we fund on our website. We provide information on the organization, the project title, grant amount, grant term and brief summary of the project.

OUR



**We Have Come
Thus Far
Because of You**

stories

ABF started working in 2009 in a very different economic and political environment than today's Bulgaria.

ABF set about its work charged with confidence and hope for the country's future. It was our partners that fueled our optimism—the many individuals and organizations that have, since 2009, helped make public institutions in the country more transparent, farms more productive, students more prepared to enter the 21st-century job market, and local businesses more engaged in their communities.

We were fortunate: we planted the seeds of optimism in a soil rich with potential. Everywhere we went, in every field, we found capable individuals and organizations, a source of continuing inspiration in our work. Ten years on, we are double the optimists, despite continuing challenges, precisely because of our partners. We are humbled by their insatiable thirst for knowledge, persistence, capacity for work, sacrifices, and creativity.

It is no coincidence that the individuals and groups we work with found their way into our tagline—"American optimism meets Bulgarian potential." Without them, our efforts would have been slow going. The following recognizes some of our earliest partnerships and the fruits of our collaboration in 2009 - 2019.

We speak of seed planting and fruits for a reason. One of the earliest programs ABF supported in Bulgaria was in agriculture. More than 190 agriculture professionals and researchers have been through our agriculture trainings to date and are now helping Bulgarian farms increase their productivity. Among them are Tsvetoslav Koynarski, who works in livestock infectious disease prevention, and Zvezdomir Zhelev, whose **Center for Integrated Plant Protection helps hundreds of farmers in Bulgaria** improve their yields and bottom lines through the application of climate data.

Teachers and principals have been at the forefront of educational reform in the country. It is through the vision of several such educators in 2009 that ABF began supporting the first renovations of school facilities—an effort that eventually grew into the largest program to help transform the educational environment in the country, the **Schools of the Future program**. As **Dora Rusinova from Topolitsa's Svetlina School** and **Diana Parvanova from Razgrad's Vasil Levski School** and many principals like them will tell you, students are happier coming to school and more eager to learn as a result.

Vasil Levski Elementary & Middle School, Razgrad



In higher education, the American University in Bulgaria has had an outsized impact on the country and the region: its graduates both create employment and become valued employees in various fields. AUBG alumni have gone on to establish innovative companies (the founders of the company with the largest exit in the region, Telerik, are AUBG grads), pursue public service careers, run civic organizations, and write for influential media. Recognizing AUBG graduates' impact, the Foundation has provided scholarship and other support since 2009.

When you apply the methods of entrepreneurship to art, you get surprising results: not only people benefit but economies as well. This is what we were shown by our many partners in the art world who helped bring about events such as the Night of Museums and Galleries in Plovdiv, the largest jazz festival in Bulgaria A to Jazz, and the Fortissimo Family classical music program. Successful cultural offerings can be consumer driven and should cater to the tastes and interests of those they are trying to engage. **A record 35,000 people attended the ninth edition of A to Jazz in July 2019.** A 2019 study on the effects of the festival suggests that it has a threefold return on investment for the local economy.

Despite their rich collections, ten years ago, Bulgaria's museums and galleries relied on outdated exhibition concepts, which held little appeal beyond niche audiences. By supporting the first children's corners and educational programs for families at museums in 2009, ABF set about changing that. Today, there is hardly a cultural institution or event that does not feature programs or activities developed specifically for children and their families. Not only are museums and galleries full of visitors again, but they also generate revenue by offering popular educational programs and activities.

ABF's media partnerships have also resulted in higher visitor numbers for the country overall. **An article series in Vagabond magazine** has promoted Bulgaria's cultural heritage to English-speaking audiences since 2009.

For over a quarter century, Capital weekly has offered objective reporting and news from the business world to readers in Bulgaria and abroad. ABF has supported Capital's award-winning journalism since 2009. The achievements of our partners in the NGO world with whom we have



Small-town Entrepreneurs at a Festival for Traditional Arts and Crafts

worked since 2009 are too many to list. Here's a far-from-exhaustive sample: Through the efforts of organizations like Amalipe and later through the **Trust for Social Achievement**, the school dropout rate among Roma children has decreased, and there are municipalities where kindergarten enrollment is at almost 100 percent today.

Monitoring by organizations such as Transparency International has helped make public procurement more transparent and shine a light on troublesome practices in public spending.

The Agora Platform's work has helped local businesses become more involved in the lives of their communities.

Economics and finance researchers no longer have to travel to where physical archives are located to determine what is available: nearly 3.6 bibliographic records from 40 libraries are just a click away thanks to NALIS, another project launched in 2009 with ABF support.

Finally, ten years ago, ABF started partnering with the Institute for Market Economics, whose analyses help to make government spending more effective and improve the environment for both employers and employed.

The list can go on. And 2009 was just the first of ten years of successful partnerships for ABF. The relationships forged in subsequent years give us great hope: Teach for Bulgaria, Bulgarian Young Leaders Program, TimeHeroes, Za istinata regional journalism platform, the Bulgarian Institute for Legal Initiatives, the Access to Information Programme, and the Bulgarian Donors Forum are some of the many initiatives whose impact can be felt today.

Going forward, we will build on the successes achieved thus far and address the challenges that lie ahead. Our hope is that, in the next ten years, the seedlings will grow into a local brand of optimism—the kind that will help transform Bulgarian potential into further action and sustain that action into the future.

For a listing of all ABF grants, go to [**https://us4bg.org/our-projects/**](https://us4bg.org/our-projects/)

Business, Entrepreneurship and Technology

A thriving market-based economy requires leaders, companies, and institutions that can develop and implement new ideas and business solutions. ABF supports programs that increase the productivity of small and medium-sized enterprises in Bulgaria and works to improve the competitiveness of businesses through innovation and technology adoption.

GOAL: Increased growth rates of the Bulgarian economy driven by small and medium-sized businesses, technology, and innovation.

We support initiatives that:

Build entrepreneurship and business skills. ABF supports the development of a thriving entrepreneurship ecosystem by providing training at different levels to inspire people to develop an entrepreneurial mindset and equip them with the tools to start and run a successful business.

Accelerate technology and innovation. The Foundation partners with professional organizations, universities, researchers, and industry leaders to drive change and speed the adoption of innovative practices and technology. ABF works to enhance the overall business environment but does not support individual business plans or private initiatives.

Not a Born Entrepreneur?

Try **BAS**

Vladislav Simov started his first company when he was only 18. When he was about to invest his family's entire savings in his first truck, the dealer asked him, "What kind of truck do you want?" "Well, um, blue," he replied.

Vladislav may have been lacking in experience and knowledge, but he had motivation aplenty, so success wasn't long in coming: a decade and a half later, his company owns more than 40 trucks and is one of the major hazmat carriers in the Balkans. His transportation company is one of several successful businesses he has built so far, among them Domestina, Bulgaria's largest online platform for cleaning services.

Stanimira Georgieva of Stanimira's Chocolate House started making chocolate after her husband mistakenly signed her up for a professional chocolate-making course instead of giving her a holiday tour of chocolate workshops in Belgium.

Georgi Hristov of Ailyak started brewing beer on the stovetop at home, and Lukan Chervenkov of Shushon sold his first merino wool socks to the three Fs: family, friends, and fools. It took both businesses a few years to break even.

Today, you don't need to rely on chance or luck, or hope to hit upon the right approach if you want to build a business. Starting a company is no longer the lonely undertaking it was years ago thanks to the **Business Academy for Starting Entrepreneurs - BASE**,

a free entrepreneurship program developed by the America for Bulgaria Foundation. The program connects aspiring entrepreneurs with business veterans like Vladislav, Stanimira, Georgi, and Lukan and helps them become a part of a network of individuals who want to make things happen and are willing to share their experience with others.

Inspired by US training programs for small-business owners, BASE shortens the distance from idea to implementation by relying on volunteer mentors with an entrepreneurship background and on learning by doing. During the three-month program, participants master the basics of starting a business, as outlined in ABF's Practical Handbook on Entrepreneurship: they learn how to develop their business ideas, why it is important to do a market study, how to talk to potential customers and suppliers, where to get start-up capital, how to price their goods and services, and much more. With the help of their mentors, they develop business plans that compete for funding at the program's end.

So far, 102 individuals have completed one of the five editions of the program, in Sofia, Mirkovo, Etropole, Panagyurishte, and Vratsa. Program participants presented 61 business plans and started or grew 58 small businesses as a result of the program. Among them is a bakery, a robotics course, a glassware workshop, a guest house, and a souvenir shop. About thirty mentors from different business fields have volunteered their time in the BASE program so far.

“Many of the participants already have a good idea, but they lack the knowledge to transform it into a functioning business, and sometimes also the courage to take the first step. BASE gives them the basic knowledge to get started and shows them that they are not alone. There are many like them who choose the path of entrepreneurship,” says Nadia Zaharieva, who manages the program for ABF and teaches the class on financial planning.

Mariya Tsacheva lived in the United States for many years and had never considered going into business by herself before she and her family moved back to Bulgaria in 2016. The BASE program encouraged her to give entrepreneurship a try. “The lecturers in the program were very interesting, and with their example, with the businesses they developed, they gave me moral support and the confidence that I could do it too,” she says. Currently, Mariya co-owns and manages a small bakery in the village of Chavdar.

Although she left the program more than a year ago, Mariya keeps in touch with some of her group members and mentors. “We succeed because we create a supportive community of entrepreneurs,” Nadia Zaharieva says.

Mariya’s bakery is Hristina Bairiakova’s first big client. The latter’s business plan won first prize in the Panagyurishte edition of the program in 2019. Hristina had been making cakes for friends for years but never mustered the courage to turn her hobby into a business. Thanks to BASE, this is about to change.

How do you know if entrepreneurship is right for you?

Vladislav Simov offers a good litmus test of entrepreneurship potential:

“An entrepreneur is someone who is not satisfied with something in their life and has decided to change it. An entrepreneur is not happy with the status quo. An entrepreneur is not scared to dream. Entrepreneurship is freedom. If you want to live a better life and have more freedom to follow your personal happiness and goals, rather than follow others’, then you are an entrepreneur.”

ABF works in partnership with the Trust for Social Achievement, Industrial Cluster Srednogorie, the National Association of Small and Medium Businesses, ABLE (Association of Bulgarian Leaders & Entrepreneurs) and corporate partners to bring BASE to communities around Bulgaria. Five new program editions were launched in the fall of 2019, two in Sofia and one each in Vratsa, Pleven, and the Srednogorie region.



Can Bulgaria Become a Game Development Hub?

To video game aficionados worldwide, it's probably no news that the most popular YouTube personalities are gamers. To the uninitiated, however, it may seem that even the top gamer channels feature nothing special: just videos of players' gaming exploits or walkthroughs of their favorite games. Yet, this is a popular pastime in the gaming world that generates hundreds of millions of views daily—and a ton of revenue.

Yes, people sign up to watch others play video games.

If this sounds incredible to anyone, they should just remember that a huge part of humanity enjoys watching people throwing and kicking balls around on fields.

The larger point here is that gaming is big—so big that it is now a spectator sport, too. And if numbers are to be trusted, video games are also a preferred means of entertainment globally. With about \$135 billion in revenues in 2018, the game development business made more money than the film, TV, and music industries together. Numbers that significant also speak to exciting career opportunities in one of the most dynamically developing industries worldwide. With ever more companies setting up shop or opening branches in Bulgaria to take advantage of local talent, and professional schools like ARC Academy opening doors to help train future game makers, the country looks set to benefit from these developments.

Perhaps to reflect the growing size and importance of the industry and the opportunities it provides, this year's edition of Sofia Game Jam—Bulgaria's largest game development event, held every year since 2014—expanded beyond the traditional two-day game-creation marathon. In 2020, Sofia Game Jam became Sofia Game Jam Week, with a variety of talks and educational events held between January 24 and February 2. Attendance this year peaked at 1,200, with the educational presentations and workshops prepared by event co-organizer ARC Academy attracting special interest.



Plamen Kokanov received an America for Bulgaria Foundation scholarship to study at ARC Academy from ARC Academy founder Anthony Christov and ABF President Nancy Schiller

Sofia Game Jam Week culminated with the traditional hackathon, in which developers had 48 hours to create a working video game. A total of 130 people split into 26 teams took part in the competition, with three of them receiving America for Bulgaria Foundation scholarships to continue their training at ARC Academy.

“It was an honor for ABF to be part of Sofia Game Jam Week 2020 and to once again support young, creative people in the country. For me personally watching you present the games you created was more fun than watching the Super Bowl game tonight. Thank you!” said Nancy Schiller, president and CEO of ABF, the event's main partner.

Hosting this year was provided by Sofia Tech Park and the Polish and French Institutes, with TELUS International, Chibi Phoenix, and the biggest game studios in Bulgaria offering support as well.

Video games are a great way for young people to develop their reflexes, logical thinking, concentration, and teamwork skills, according to Sofia Game Jam Week organizer and filmmaker Philip Tarpov, who is also an avid gamer. “Gaming helps you learn to solve problems and develop your social skills,” says Milin Djalaliev, an advertising guru and ARC Academy cofounder, adding that game development is a great career option. “The Bulgarian gaming industry is entering a phase in which it is beginning to create global titles. This places us on the gaming map in the region,” Djalaliev says.



ARC Academy was established a year ago by Djalaliev and former Pixar art director Anthony Christov to allow young Bulgarians to tap into opportunities in the gaming, filmmaking, and other creative industries. For the past year, ABF has partnered with ARC Academy in an effort to help young creatives find meaningful careers in their own country.

Here are a few more numbers to consider: Nearly 50,000 gamers took part in Global Game Jam in 2020. This year, the event took place in 934 cities in 118 countries around the world, making it the largest one yet. The participants in Global Game Jam, or jammers as they call themselves, represent some of the most amazing gaming talent worldwide. That the Sofia Jam has been around for seven of the hackathon's twelve-year existence is significant.

So, mark our words: it won't be long before the next big YouTube gamer's address is geocoded in Bulgaria!

Developing and Retaining Human Capital

Bulgaria faces the double challenges of migration of some of its most qualified citizens and insufficient training and education for the labor force that remains. Building a vibrant private sector and a just, durable democracy depends on extending quality education to all. ABF expects that each grant will introduce new educational practices, largely focused on STEEM (Science, Technology, Engineering, English, and Math).

GOAL: Adequately trained human capital supports the growth of the private sector.

We support initiatives that:

Support education leaders and upgrade the learning environment to teach 21st-century skills. Students need to be engaged, motivated, and equipped with the skills needed to compete and succeed in a 21st-century labor market.

Prepare students for jobs through STEEM education and extracurricular activities. To help bridge the gap between education and business, ABF will partner with businesses to create innovative models in STEEM education. By preparing students for jobs in high demand that offer a dignified livelihood, these partnerships will give young people the choice to remain in Bulgaria.

Narrow the achievement gap. ABF focuses its efforts on encouraging the economic participation of the most disadvantaged communities through early education, improved school readiness, and graduation rates leading to improved labor market participation.

Engage with the diaspora for investment, business expansion, and jobs. ABF has united efforts with the private sector to drive positive change in business development and strengthening civil society through diaspora outreach. We facilitate diaspora engagement and cross-border collaboration to bring experience, skills, and investments to Bulgaria.



There Is More Than One Way to RE:TURN

*Kalin Radev, Ivailo Gospodinov, Genoveva Christova,
Ivaylo Penchev and Maria Karaivanova at the
RE:TURN event in Seattle*

As art director at Pixar Studios, **Anthony Christov** has worked on films such as *Wall-E*, *Finding Nemo*, *Cars*, and *The Incredibles*.

Genoveva Christova's incredible success as an entrepreneur is proof not only that doing business in Bulgaria is possible without the support of influential relatives and friends but also that Bulgarian products can compete on global markets.

For the past 37 years, Anthony lived and worked in California, while Genoveva built her life and business entirely in Bulgaria. They met last fall, and their shared desire to shake things up in Bulgaria's creative industry fueled the idea for Ligna Creative Space—a place that would bring artists and creative entrepreneurs under the same roof.

The aim of **RE:TURN** is to forge partnerships like Anthony and Genoveva's. The two joined the initiative on its West Coast tour in March, and in a series of meetings with fellow Bulgarians, they talked about their work and plans and about the reasons Bulgaria is worth investing in.

RE:TURN, too, is the result of a partnership. In 2018, four organizations—**the Bulgarian Private Equity and Venture Capital Association (BVCA)**,

the America for Bulgaria Foundation, Solutions for the Future Foundation, and Bulgarian Entrepreneurship Center (BEC)—joined efforts to establish closer connections between Bulgaria and Bulgarians abroad. The initiative is the brainchild of BVCA, an association of investors and entrepreneurs working to improve the business environment and encourage innovation in the country. At a series of events called BVCA on Tour throughout 2017 and 2018, association members met with Bulgarians in several European cities and talked to them about the many investment and entrepreneurship opportunities Bulgaria offers.

In early March 2019, RE:TURN traveled to San Francisco, Los Angeles, and Seattle to meet with Bulgarians and friends of Bulgaria abroad. Over three evenings, investors and entrepreneurs from Bulgaria like Genoveva, Telerik cofounder Vassil Terziev, former Bulgarian president Rosen Plevneliev, and BVCA Chairman Evgeny Angelov talked about the positive changes in Bulgaria in recent years and urged their compatriots abroad to invest in Bulgarian companies and to support meaningful initiatives in the country.



ABF President Nancy Schiller presented the work of Bulgarian nonprofits striving to improve business conditions in the country and working for sustainable change in areas such as justice, media, and education.

“I ask you to contribute to better education for the country’s youth, encourage entrepreneurship, and fight economic decline in rural Bulgaria by donating to these organizations now. Acting now might just bring about the change that will make you want to return,” Schiller said.

RE:TURN attendees also learned about the newly established Bulgaria Innovation Hub, which will help Bulgarian tech startups get a foot in Silicon Valley’s door.

The events in San Francisco, Los Angeles, and Seattle gathered together more than 450 Bulgarians who have made the United States their permanent home. Some of them are recognizable names from the US tech industry such as **former Google vice president Bogomil Balkansky** and Momchil Kyurkchiev, CEO and cofounder of Leanplum, a leader in integrated mobile marketing. Attendees also included up-and-coming tech entrepreneurs such as Vince Gaydarzhiev, founder of Alcatraz AI, which produces facial authentication security software, and **Amazon Bound founder Nick Dimitrov** as well as designers, architects, engineers, pilots, and inventors.

Some attendees were there to learn more about RE:TURN, but the majority wanted to know: “How can I help? How can I get involved?” said Ivan Dimov, a Bulgarian who left a career in investment banking in New York to start Single Step, a foundation working to build an accepted, vibrant LGBTI community in Bulgaria. Ivan is also a Bulgaria Innovation Hub cofounder.

At the Seattle event, Genoveva met a young Bulgarian couple living in the United States, who told her they were thinking about returning to Bulgaria. **Genoveva’s story** was such an inspiration that they are considering making the move this year. Genoveva will also attend the couple’s wedding in Chernomorets, on the Black Sea coast, this summer.

Anthony, who moved back to Sofia in early 2018, started a professional school for movie animators and video game designers, ARC Academy, says, “What I set out to do is to make sure students would have connections and ideas about what they can do after they graduate. This way, they are less likely to leave Bulgaria.”

You Finally Get Math? Thank Khan Academy



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Достатъчно е да знаеш само едно:
Можеш да научиш всичко!



#KhanAcademyBg

If you have recently looked for help online with your algebra or biology homework or browsed for HTML tutorials, you may have come across the name Khan Academy. It is the source of many of the videos a Google search will pull up, whether you are trying to calculate the area of a triangle, learn how photosynthesis works, or align photos and text on a webpage.

Khan Academy videos are a fun, accessible way to learn geometry, physics, chemistry, computer science, and other subjects. Video lessons mostly cover course material for grades 1 through 12 but also feature topics for college students and preschoolers. The Academy's videos are a great resource for adult learners too. Suggested tasks for each topic will help you practice what you learned, and the system offers hints if you're struggling with a task. Before you know it, you'll be calculating perimeters for fun and brushing up on your world capitals with Khan Academy's geography tutorials.

Give it a try, and you will find out why Khan Academy has 70 million followers from 190 countries worldwide, and its video lessons on YouTube have been viewed billions of times.

The success of the world's largest learning platform hinges on its approach: the video tutorials are recorded by experts who communicate the information as conversationally and clearly as possible, using examples from everyday life. Doodles and animation further facilitate comprehension, and the video format lets you learn at your own pace. Video lessons are available in more than 30 languages, including Bulgarian. The content is completely free and accessible to anyone with an internet connection and an electronic device.



Nowadays, everyone can learn the difference between acids and bases and practice different methods of number division thanks to the vision of Khan Academy founder Salman “Sal” Khan, who believes everyone has the right to quality education regardless of their postal code or socioeconomic status.

Salman's is an American success story with an interesting twist. Born in the United States in an immigrant family (his father is from Bangladesh and his mother from India), he earned three bachelor's degrees from MIT, in mathematics, electrical engineering, and computer science, and an MBA from Harvard and got a good job in finance. In 2003, Salman began helping a cousin with her math homework online.

At first, they used Yahoo to chat, but then Salman realized she learned better on her own time: she was less anxious, especially if they had to repeat a lesson. Other relatives expressed an interest in the lessons as well, so Salman began recording the tutorials and uploading them to YouTube. More and more people started watching his videos, including the children of Bill and Melinda Gates, whose foundation, along with Google, later became the Academy's biggest supporter. In 2009, Salman quit his job to run Khan Academy full-time.

Even a great visionary like Sal Khan could not achieve his mission “to provide free, world-class education to everyone, anywhere” without the



Education without Backpacks team members with Sal Khan

thousands of supporters who have been creating, translating, editing, or adapting video content and exercises for over a decade. Among them are hundreds of Bulgarians who, inspired by Salman's vision, began translating and adapting video lessons into Bulgarian in 2011 or supported the endeavor through donations. A number of the most active volunteer translators came together and founded Education without Backpacks, Khan Academy's official partner in Bulgaria.

Thanks to the help of hundreds of volunteers, subject experts, and professional editors and the support of the America for Bulgaria Foundation as well as corporate and individual donors, the Bulgarian Khan Academy offers more than 5,000 tutorials in mathematics, computer science, and natural sciences today. For students' convenience, math lessons are arranged by topic and grade.

Starting this fall, learning with Khan Academy will be even easier thanks to the mobile application in Bulgarian, translated and adapted by the Education without Backpacks team. The application will serve not only students. The Khan Academy platform keeps both parents and teachers informed about learners' progress and allows teachers to develop individual study plans.

To remain free, Khan Academy depends on donations. If you wish to help more Bulgarian children receive quality education, please consider supporting Education Without Backpacks here:
<https://www.globalgiving.org/projects/educate-bulgarian-children-with-khan-academy/>

Find out what students and teachers think about the Bulgarian Khan Academy here:
https://www.youtube.com/watch?time_continue=63&v=gdSByOai7KM

Business Enabling Environment

Rule of law and transparent and accountable public institutions are essential contributors to the development of a healthy private sector and the growth of foreign direct investment.

For Bulgaria's businesses to thrive, the court system and law enforcement authorities must fairly and consistently apply the laws to ensure an environment where all have an equal opportunity to compete.

GOAL: An environment where all businesses have a fair and equal chance to compete and succeed.

We support initiatives that:

Improve the legal and regulatory environment. For the private sector and the general public to trust the legal system, the courts, the prosecutors' offices, and law enforcement must apply the laws honestly and fairly. We support programs that help increase professionalism in Bulgaria's judicial system.

Encourage the transparency of government institutions. Transparency in public spending and accountability of public institutions are proven deterrents to corruption. We support programs aimed at countering corruption and increasing accountability and transparency in public life.

Boost independent media. The free flow of information and ideas creates an environment in which the private sector can thrive. We support media outlets and journalists that abide by high ethical standards and support an environment that is conducive to freedom of expression and pluralism of opinion.

Foster civic engagement. A high level of civic engagement supports private sector growth, as vibrant civil society groups help advocate for quality public services, which contribute to developing and retaining the human capital that businesses need. ABF supports the development of civic organizations and promotes a culture of philanthropy and volunteerism.

Is Journalism Another Name for Problem Solving?

Joseph Pulitzer had once called on journalists to “get [problems] in the open, describe them, attack them, ridicule them in the press” in the belief that “sooner or later public opinion will sweep [these problems] away.”

Following this logic, traditional journalism focuses on the worst performers, on dearth, dire need, and disaster. Reporters expose the cities with the worst air quality, politicians’ most embarrassing failures, crime-ridden districts, underperforming schools, the most sluggish economic sectors. They shine a light on the sore parts and leave the treatment to the public and its representatives.

Solutions journalism takes a different approach: it actively looks for remedies. Identifying a problem isn’t the goal but a first step; next, it asks a crucial question: Is there anyone who’s doing a good job of handling this problem? Solutions journalism seeks out successful problem-solvers and examines their solutions.

“When people think that something can be done about a problem, they are far more receptive,” said David Boardman, of the Solutions Journalism Network, adding that solutions-based reporting may be better at galvanizing people into action than exposés alone, as Pulitzer believed. In fact, evidence he quoted shows that positive content is more viral than negative content and that, while negative messages spread faster than positive ones, positive ones reach larger audiences. Moreover, a number of digital news startups using a solutions approach receive considerable community support.

Solutions journalism is results oriented. Reporting by Cleveland.com identified common-sense fixes for lead poisoning that state authorities could easily adopt. The public education system in Seattle has benefitted from solutions proposed through The Seattle Times’ Education Lab project. A Minneapolis newspaper used a solutions approach to help fight ostracism and radicalization in the Somali American community in the city. At the very least, Boardman said, if government officials are confronted with solutions, they have no excuse to say, “Nothing can be done.”

Boardman spoke about solutions journalism at a daylong conference on November 4 organized by the Association of European Journalists – Bulgaria with support from the Friedrich Naumann Foundation. In addition to chairing the Solutions Journalism Network, Boardman is a dean at Temple University in Philadelphia and has served as executive editor and senior vice president of The Seattle Times, which won four Pulitzer Prizes under his leadership.

The conference also featured presentations by Lucie Černá, program coordinator at Transitions Online, a leading media organization in Central and Eastern Europe, and Nikita Poljakov, deputy editor-in-chief of Czech daily Hospodářské Noviny. Černá is working on a project promoting solutions journalism in Central and Eastern Europe, while Poljakov has used the solutions approach to report on disinformation and male suicides in the Czech Republic.

Poljakov was persuaded to give the solutions approach a try because traditional reporting was making readers “lethargic, unwilling to act.” Presenting workable solutions is one way to change that, he found, but he warned against offering solutions without rigorous examination. “A solution needs to be analyzed from all sides. You need to discuss the pros and cons of the solution, and think about the negatives [in particular],” he said. He talked about his own experience of wanting to believe solutions that didn’t stand up to scrutiny in the end.

“Solutions journalism is really just good journalism... You are not a good newspaper if you are not covering solutions,” Černá said. “Where they tell you there is no solution, that’s where you should dig deeper. You are sure to find a place that has a solution that could be replicated in your community.”

US Avvmbassador Herro Mustafa opened the conference by saying: “We all enjoy reading in the media about the good things that are happening in our communities, and oftentimes those stories get buried beneath all of the negative stories. I commend your commitment to showing that the good is out there while reporting objectively and fairly about the challenges that Bulgarians face and that the world faces... Good investigative reporting is something every country should support.”

Rainer Adam, regional director for Eastern Europe of the Friedrich Naumann Foundation, said: “We democracy promoters know that without freedom of the media, freedom of speech, freedom of expression, there cannot be any meaningful democracy. Authoritarians do not share our values of free societies. [So] we have to fight again and again for our values and the ideas of a free and open society.” Conference attendees included journalists, media professionals, students, public officials, and representatives of the NGO sector. The conference was followed by a hands-on workshop for journalists.

Founded in 2010, the Association of European Journalists – Bulgaria is a nonprofit association working to improve the media environment and support the work of independent journalists in the country. In 2018, with ABF support and in partnership with Fulbright Bulgaria, AEJ – Bulgaria launched a media literacy program in 30 Bulgarian high schools.

Pervasive Integrity is the Best Antidote to Corruption

Integrity is the opposite of corruption, according to Philip Gounev, and we can all fight corruption by not benefitting from or giving in to it, and by being ethical in all our dealings, personal or professional. Insignificant though it may seem, personal example does have an impact on the environment: over time, it makes it less tolerant of corrupt behavior. Pervasive integrity is the only lasting way to reduce corruption.

Philip Gounev is a leading expert in EU anticorruption measures and internal affairs and chairman of the board of the Bulgarian Anti-Corruption Fund (ACF), a nonprofit bringing together legal experts and journalists investigating corruption at all levels in the country. As deputy interior minister between 2013 and 2017, he was responsible for the establishment of an anticorruption coordination body at the Bulgarian Ministry of Interior and helped draft the country's anticorruption strategy.



Philip Gounev began his career in investment and finance in the United States. Back in Bulgaria, for almost a decade between 2003 and 2013, he worked at the Sofia-based Center for the Study of Democracy, where he headed the security and internal affairs research team. Between 2011 and 2014, he was a member of the European Commission's Expert Group on Corruption.

He has a doctorate in sociology from London School of Economics, a master's degree in international relations from Columbia University, and a BA from Eastern Nazarene College.

In an interview for the monthly newsletter of the America for Bulgaria Foundation, Philip Gounev talked about the Anti-Corruption Fund's work and the ways in which citizens can support it. Readers will also receive tips on fighting corruption in their daily lives.

What is the Anti-Corruption Fund and how does it work?

Corruption in Bulgaria is not a hidden phenomenon, and very often it is on the surface. In other words, very little effort is made to cover up schemes, perhaps because the state has been taken over by political and economic circles that have been working with impunity for decades. This type of corruption is not always understood by citizens, but if the dots are connected, the full picture emerges. The purpose of ACF is to help journalists, working in cooperation with experts, investigate and expose large corruption schemes.

Even if investigative institutions wanted to do their jobs, there would often be economic and political interests hindering them from doing so. But if public opinion went in the other direction [against inaction],

these circles would have to accept that sacrifices must be made and corruption punished. Even if this does not happen, the fact that corruption is exposed lets the political class know that behavior that would have gone unpunished ten years ago will no longer be tolerated today.

What is different today from ten years ago?

In the 1990s, you had to give a bribe to get a landline or running water or get the cop, doctor, customs officer, or anyone really to pay any attention to you. Gradually, the average person's experience with corruption has diminished. When you do not benefit from or are not a victim of corruption, you are less likely to tolerate your peers or elected officials taking advantage of it. When more and more individuals do business at real prices, and both companies and people try to be honest, and suddenly it emerges that some politicians saved a lot of taxes, ordinary people take notice and realize it is unacceptable.

Why is corruption so persistent in Bulgaria?

There are studies showing how shortages in the socialist system forced people to continually search for connections and build informal networks in order to get what they needed. Then, you start applying all these informal connections and networks and survival techniques in a market economy, in a democracy, and they become the soil in which corruption thrives.

Corruption in small island countries is usually very difficult to identify and the hardest to fight. Everyone knows everyone else; everyone is connected. It is very difficult to regulate these relationships and to have honesty, principled governance, and a lack of nepotism be the norm. In small countries and societies, these processes are very difficult to regulate.

I don't think that there is a country free of corruption. There is always an economic or political group taking advantage of its ability to divide resources unfairly. That is why I don't think we can eliminate corruption, but we should be able to keep it under control and reduce it over time.

And how does the Anti-Corruption Fund fit into this process?

We want to expose corruption cases and to encourage the prosecutor general's office and the interior ministry to investigate corruption. We are not a think tank that offers models and shows how the system should be organized, what judicial reform or interior ministry reform should look like. ACF's mission is more limited: we believe that corruption schemes should be exposed, that society should be aware of them and should not tolerate them, and that institutions should investigate them. Our mission is to stimulate these processes and make citizens uncompromising toward corruption. One of the areas in which we want to work is raising awareness of corruption among citizens and businesses. We want to conduct and support even more independent investigations. Partnering with independent journalists, by offering them funding or expertise, is part of our long-term mission.



Philip Gounev with ACF supporters in Boston

Last year, with the support of the Dutch government, we trained investigative journalists from Bulgaria and the Netherlands to build their capacity to conduct such investigations and work with information sources. It's not always easy to track offshore companies, work with public databases and information, and interpret your findings. We also had a project in several Bulgarian municipalities training local institutions and communities to take action against corruption. Now, with support from the Norwegian Financial Mechanism, we are expanding this work to ten more municipalities to help them become more transparent. We will work with local businesses and journalists to equip them to monitor and respond to cases of corruption more easily.

How is ACF funded?

ACF was established with funding from the America for Bulgaria Foundation, but over the last year, we have taken various steps to reach out to a wider range of donors. Our other major source of funding was the Open Society Foundation. We are now working on an international project funded by the Norwegian Financial Mechanism. Also, with the support of the Konrad Adenauer Foundation, we jointly developed a tool to monitor investigations of high-level corruption by the prosecutor general's office and other investigative bodies. The Friedrich Ebert Foundation is another source of support. We are also working on several joint initiatives with the Dutch government, one of which is a project to implement EU whistleblower protection legislation.

Virtually no one wants to fund journalistic investigations. Most donors focus on more positive and politically neutral activities. Therefore, the only way to finance investigations is either through specialized funds for investigative journalists or through independent donations. This year, we were able to attract small donations from citizens online. We do not want to be funded by private businesses in Bulgaria because this could very easily be interpreted as dependence, as if we were putting ourselves in their service. We are a politically independent organization, and we are also independent of private economic interests.

We had a big breakthrough during our trip to the United States in 2019, where we met with Bulgarians living there and Americans with ties to Bulgaria but who have no direct economic or political interests here. We were able to raise funds to support most of this year's investigations.

What are the costs associated with an investigation?

An investigation must support the independent journalist conducting it and cover the various costs involved: travel, filming, paid access to databases, etc.

How can ordinary individuals support the activities of the Anti-Corruption Fund?

We have all been confronted with small-scale corruption that affects us personally: traffic police bribery, administrative corruption. This type of malfeasance is widespread, but it is low level. We do not investigate petty corruption cases; we believe that administrative reform is the main way to combat petty corruption. Because the people who make the rules are usually behind the major corruption schemes, the only way to stop these is through investigations. Ordinary people do not know about them; business is sometimes aware of them. We have been alerted by companies that witnessed corruption while participating in public procurement tenders.

When ordinary citizens report cases of corruption, we offer guidance and direct them to the right institution, because they often do not know where to take their report. If you are asked for a bribe by a local traffic police officer and you report this to the local police department, there is always a risk that this will be covered up. However, if you take your report to the internal security department of the ministry of interior or the interior ministry inspectorate, or to the prosecutor's office, such a cover-up will be more difficult. Even companies are not always sure which institution to turn to.

Many citizens and companies think it is pointless to report corruption, often because they have no evidence or only suspect it. But the more reports there are, the more likely it is that there will be consequences. The only way to resist corruption is to report it. Politicians in Bulgaria have no interest in covering up small and medium-sized corruption. Only big corruption is concealed.



Philip Gounev and ABF directors emeriti Carl H. Pforzheimer and Gary MacDougal

In what other ways can one support ACF's work?

All online databases currently in existence, such as the land and property records databases and so on, help to analyze real estate and other acquisitions and to detect corruption schemes. We have many

ideas for IT tools that could be developed—such as software that could quickly search the property records database. If an IT company decided to donate 5 percent of its time to help us develop them, it would be really useful. Such support would really advance the cause [of fighting corruption].

What can each of us do to fight corruption?

When you encounter it, do not tolerate it—report it. Do not partake of it by paying a bribe. Very often, businesses give in to extortion. This is not corruption until you pay up. For example, if you are stopped for speeding in Bulgaria, the officer cannot ask you to pay a fine on the spot. They can give you a speeding ticket, which you will have to pay, but later. The only correct response in this case is: “If you caught me, I’ll get my speeding ticket in the mail then!” If they ask you for money, this is extortion. Both businesses and citizens fall prey to extortion often because they are not well informed.

When an individual or a business is a victim of an extortion attempt, first, they should try to resist it and refuse to pay. Second, they must report the incident to the right institution. Even if they do not catch the officer in question, because you have no evidence, if they receive five independent reports about Officer X, sooner or later he will be investigated and punished. Things were different years ago, but today corrupt behavior will attract attention.

You do pro bono work for ACF. Why spend so much time and energy without financial gain?

I am the chairman of ACF's board, which has a supervisory function. We are there to support the fund's work, offer ideas, and help the organization sustain itself financially.

Volunteering is something I have done for years. To me, this is work for the benefit of society, and corruption is the root of many social problems. For example, corruption in the traffic police costs human lives. Every year, people die because they get away with speeding. In general, corruption affects many aspects of personal and public life. For me this is a meaningful cause.

Can we beat corruption?

Let's say I'm a moderate optimist. I do not believe that corruption will disappear. For years, we have observed, in western societies as well, the state's takeover by political and economic elites, a trend that is likely to persist. What we have to do is oppose them and restrict their access to public resources. Bulgaria is getting richer—through economic growth and the growth of incomes. There is more for people, but there is also more to steal. The scales must be tipped in the public's favor.

Cultural Heritage and Nature Tourism

While relatively unknown outside its Black Sea resorts, Bulgaria offers unique historic and cultural attractions that can appeal to domestic and international tourists. ABF seeks to develop cultural heritage and nature tourism by improving select sites, helping communities design meaningful tourist experiences, and improving branding and outreach to tourist markets.

Tourism development is also a way to revitalize communities, empowering individuals, groups, and organizations to assume shared responsibility with business and government to solve community issues.

GOAL: Engaged communities contribute to economic development and vibrant community life through tourism development and other initiatives in order to overcome negative demographic trends.

We support initiatives that:

Boost tourism. ABF works to develop sustainable cultural heritage and nature tourism supported by the private sector, local authorities, and communities.

Use tourism development to enhance community involvement. Through tourism development, ABF hopes to improve the quality of life in supported communities and decrease migration.

Bishop's Basilica, a Symbol of Unity & Respect

17 centuries after it first opened doors, we will cut the ribbon on the restored Bishop's Basilica of Philippopolis. The building's main structure is now ready, and in Bulgaria, when a construction reaches the roof, we have a custom to shout out of the roof ridge to say thanks and wish for good luck. There is a similar rite in many other countries: the one in the United States is known as "topping out."

The first good-luck messages were delivered on June 11 by 16 foreign ambassadors to Bulgaria, who called for unity, understanding, respect, and equality.

Nancy Schiller, president and CEO of the America for Bulgaria Foundation, delivered a message on behalf of ABF:
"The beauty of Bulgaria's rich history will soon be revealed at the Bishop's Basilica of Philippopolis. Throughout the centuries, this site has welcomed worshippers from different faiths, different nations, and different ethnicities.

Bulgaria's history of tolerance is well known. It was codified in the Tarnovo Constitution of 1879. Article 61 made Bulgaria's position clear:

'Every slave, regardless of sex, faith and ethnos becomes free as soon as he steps on Bulgarian territory.'



Photo by Yuliyan Hristov

Saving the Bulgarian Jews from the Nazis revealed to the world the true character of the Bulgarian people. Bulgarians have never heeded to pressure about whom to hate.

Today, we gather Ambassadors from countries who share Bulgaria's values of acceptance, respect, and tolerance. Each will deliver their message of brotherhood and equality. The quotes will be permanently displayed on the staircase wall as a testament to our shared values.

I am honored and I am humbled to reveal the first quote. On July 25, 1872 Vasil Levski wrote to Lyuben Karavelov:

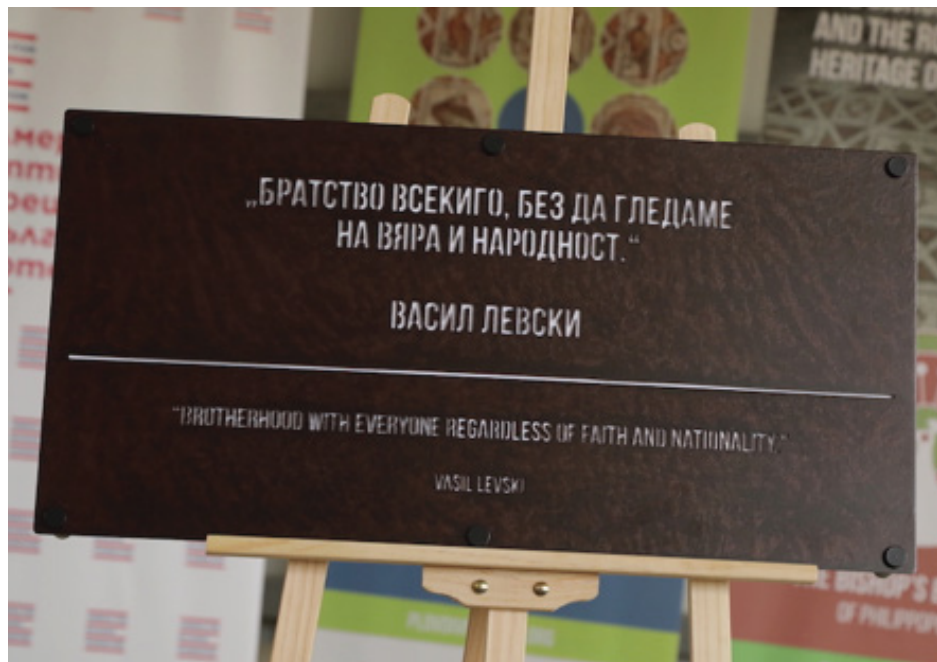


Photo by Yuliyana Hristova

‘Brotherhood with everyone regardless of faith and nationality’
Brotherhood is not a waiver of law or of one’s national identity.
Tessera by Tessera.
Hand in Hand.
Brotherhood is an extended hand to all.”
All messages, together with the timeless words of Vasil Levski, Bulgaria’s most important independence figure, will be engraved on a wall in the public space by the future entrance of the Bishop’s Basilica.

How TripAdvisor Discovered the Devetaki Plateau

In Spain, natural and manmade wonders are not the only places that attract tourism. Visitors also flock to the places that offer the best view of these sights—the so-called “miradores” or observatories (from “mirar,” Spanish for “to observe, to see”). It is not enough to visit the Alhambra Fortress in Granada; you have to go to the otherwise unremarkable San Nicolas square, better known as El Mirador de San Nicolas, to get the most amazing view of the Moorish masterpiece. As a bonus, you will see the fortress against the backdrop of the permanently snow-capped ridges of the Sierra Nevada. In tourist guides, the “miradores” are often as popular as the views they reveal.



Iva Taralezhkova. Photographer: Dobrin Kashavelov

It is this kind of “mirador” that Iva Taralezhkova and the Devetaki Plateau Association uncovered on the road between the villages of Krushuna and Karpachevo. Known locally as “The Turn” or “The Canyon,” the place was a dump before Iva took over, but despite its unappealing past and unremarkable names, “The Canyon” offers memorable views in three directions. The view of the rocky canyon to the southeast will take your breath away, and if you cross the road to the north, in clear weather, your eyes will feast on a panorama spanning a large section of the Danube Plain. Visitors lucky enough to look up at the right moment will see the only pair of black storks nesting on the Devetaki Plateau (and one of the few in Bulgaria) and their neighbors, a pair of golden eagles who have lived here for years.

A gazebo and gravel paths currently mark the spot, and tourist maps list it as Canyon Viewpoint. The Canyon’s makeover is representative of the transformation experienced by the entire Devetaki Plateau as a result of the work of the eponymous association. Before the latter started its activities in 2008, the Devetaki Plateau only existed as a concept in geography books. Today, the Plateau is a recognizable tourist destination with its own guidebooks and hundreds of reviews on travel sites.

It all began in 2006, when Iva and her coworker Velislava Chilingirova began touring the nine villages on the Plateau with the aim of drawing up a plan for the region’s development. They were surprised to find that people who had similar interests and lived in neighboring villages didn’t know each other. “We had to introduce hunt groups from neighboring villages,” Iva jokes. The villages on the Plateau belong to three different

municipalities, Lovech, Sevlievo, and Letnitsa, so there was no strategy for their joint development. Other than a small lodge sleeping 12, there were no places to stay in the area in 2006, and the three local attractions, Kakrina Inn, Krushuna Falls, and Devetaki Cave, were not very well managed. Visitors to the Plateau averaged 15,000 a year.



Devetaki Cave

Today, over a quarter of a million people visit Krushuna Falls and Devetaki Cave annually. Fifty guesthouses and many traditional restaurants are available to those who wish to spend more than one day in the area. For the rest of their stay, a wide variety of attractions

will be competing for their attention, among them the remains of a medieval castle near Kramolin, the smallest village on the Plateau, Tepava, whose crystal-clear air is said to heal, and Chukata Peak near the village of Brestovo, the Plateau's highest point and another magnificent "mirador."

There are at least a dozen caves to visit. Boninska Cave has the biggest underground lake in Bulgaria; Futyo's Cave has an inconspicuous entrance and is said to hide a treasure; and Stalbitsa Cave is a natural staircase. An annual jazz festival takes place near Garvanitsa (Raven's Cave) in June. The Devetaki Plateau Association's website offers a map of the area, event information, and a listing of local businesses.

Although the spectacular transformation of the region over a decade is not the work of any one person alone, the names of Iva and Velislava do stand out. Their hard work and untiring persistence in the face of challenges are the reason why Devetaki today has a vibrant community of local entrepreneurs, new residents, and a calendar of exciting events and why the region gets star ratings on sites like Tripadvisor.

Iva was born in nearby Gabrovo, but she visited the Plateau for the first time in 2000, years after moving to the capital. Once she discovered it, however, she never really left. Velislava lives in Troyan, another neighboring town. Their cooperation generated the vision for the region's development, which hinged on treating the Plateau and its nine villages as a single tourist destination. The active involvement of the local community was key to their success from the start. After the first meetings with locals throughout 2006, Iva and Velislava organized a Conference on the Future of the Devetaki Plateau in 2007, which brought together representatives of each of the villages. The challenge they posed—"Let's see what we can do together"—was greeted with enthusiasm all around.



With the foundations of the Devetaki Plateau Association now firmly in place, the real work could begin. Local legends and residents' memories helped identify the most interesting sites, and their stories were described in tourist guides. Teams were formed to clean and fix up the places, most of which were deteriorating or had become dumps.

Krushuna Falls

Signs were installed, hiking trails were secured, and bus stops and parking spaces were built. A tourist map, a cultural calendar, and a website for the Plateau were made. The projects were funded by European and American foundations, the EU, and the three municipalities, but as Iva says, "ideas and knowledge come from people, if you can get them to dream." Unlocking people's dreams is what she is proudest of and has been key to Devetaki's success. Many of the objectives identified in 2007 have already been achieved.

These include the annual jazz festival near Gorsko Slivovo, the open-air movie theater in Kakrina, and the folklore fair in Tepava in September. Some of the achievements have exceeded expectations: there are fifty, not three, guesthouses as originally planned, and visitors can choose from among dozens of opportunities for cultural and culinary tourism, outdoor recreation, and extreme sports. Today, the association has 140 individual members, making it one of the largest in the country.

Between 2012 and 2014, the America for Bulgaria Foundation provided funding for the association's activities, helping train nine local development teams and implement projects in each of the villages. Famous photographers took part in a traveling photography exhibition showing the beauty of the Devetaki Plateau, and every year since 2014 teams from all over the country have competed for the Devetaki Plateau Orienteering Cup.

Meanwhile, the number of tourists visiting the wonders and "miradores" of the Plateau is on the rise. One visitor, commenting on the Spanish Tripadvisor, wrote: "It is worth going to Lovech to visit Devetaki Cave. And there is lots more to discover there. What an experience!" And she is not the only one who gave her trip a five-star rating.

In the wake of Devetaki's success, Iva adapted the development model used there and helped set up local development teams in the regions of Blagoevgrad, Kardzhali, and Veliki Preslav. In 2018, Iva teamed up with ABF to help local communities in Vratsa, Gabrovo, and Razgrad chart a path for the development of their cities. ABF has donated nearly half a million Bulgarian leva to the three cities in support of local development initiatives.

What's in Store for ABF's Next 10 Years?



Chris J. Matlon, ABF Board Chairman



Nancy L. Schiller, ABF President

In 2019, the America for Bulgaria Foundation celebrated ten years of work in Bulgaria. What is ABF's role in the country, and how has that role evolved over the years?

N.L.S.: We are an independent, nonpartisan, and nonpolitical grant-making foundation, and we work in various fields to ensure Bulgaria offers good conditions for economic prosperity so that every citizen finds meaningful, dignified work and lives a happy, fulfilling life. While ABF has operated for ten years, our history goes back much further, to the beginning of the changes in 1989. We stand on the shoulders of our predecessor, the Bulgarian-American Enterprise Fund (BAEF).

The Fund was created in 1991 as part of the Support for Eastern European Democracy (SEED) Act passed in 1989 by the US Congress. Funded with US taxpayers' money through the US Agency for International Development, BAEF's management was entrusted to an independent, volunteer board. Its goal was to aid former communist countries' transition to democracy and a free-market economy. The Fund provided loans and training to early entrepreneurs in Bulgaria, helping spur private initiative at a time when funding and entrepreneurship knowhow were in scarce supply. Over the nearly two decades of its existence, the Fund invested in more than 5,000 Bulgarian businesses, creating thousands of jobs for Bulgarians.

Of the ten similar funds authorized by the US Congress, BAEF was one of the most successful, generating an 800% return on investment. It is that return that came to form the ABF's \$400 million endowment. The Foundation also took on the task of continuing the good work begun by the Fund—which involves improving lives, communities, economies, and businesses.

How do you approach your work?

C.J.M.: We are constantly studying Bulgaria's many indicators to determine how ABF can have the greatest impact. This means adjusting our areas of emphasis or streamlining our approach. After ten years, we've learned a great deal. We updated our strategy to reflect the country's current challenges and Bulgaria's competitive advantages. Our work is focused on four priority fields of work:

- **Business, Entrepreneurship, and Technology**
- **Developing and Retaining Human Capital**
- **Business Enabling Environment**
- **Cultural Heritage and Nature Tourism**

In **Business, Entrepreneurship, and Technology**, we look for projects that enhance the productivity of small and medium-sized businesses through innovation and technology.

Developing and Retaining Human Capital field seeks to improve training and education for Bulgaria's labor force through a strong emphasis on STEEM (Sciences, Technology, Engineering, English, and Math) education.

Independent media, rule of law, and transparent and accountable public institutions are essential contributors to the development of a vibrant private sector and the growth of foreign direct investment, so we will continue to support programs that ensure a **Business Enabling Environment**.

Lastly, we hope to revitalize local communities by supporting projects focused on Bulgaria's remarkable **Cultural Heritage and Nature Tourism**, which can become a magnet for tourists from Bulgaria and the world.

Our new strategy improves the way the whole organization works and encourages our staff to use their different expertise and experience in order to come up with common solutions to problems. Our goal is a more holistic approach to solving longstanding challenges in the country.

What have you learned after ten years of operations?

N.L.S.: That change takes time, but also great discipline and self-criticism.

We have learned that Bulgaria has a tremendous resource in its human capital. That Bulgarians love their country and want to make it a better place for all its citizens. We have met remarkable people often working in near anonymity to improve the quality of life in their village, town, city, and country. It is indeed a privilege to partner with such amazing people.

That said, it is essential that we are self-critical, which is why we monitor and evaluate the success of the programs we support. We also encourage our grantees to do the same. We undertook a thorough assessment of one of our flagship programs, the Schools of the Future program, to ensure the funds invested are put to the best possible use.

We also learned that we can't do it on our own. This is why we develop partnerships with others. The Bishop's Basilica is a good example of ABF working with regional and national government and businesses to help restore Bulgaria's cultural heritage. The corporate community and many private donors backed the Little Heroes initiative as well, which transformed Pirogov's children's clinics into a welcoming environment for all. We also partner with public institutions on projects in education and other fields.

Our investments in Bulgaria in ten years are sizable—more than \$200 million in nearly 900 projects in education, cultural heritage, civic

engagement, and private sector development—but they wouldn't have made the impact that they have without our partners and grantees' active commitment and their pitching in to share program cost.

How does ABF make money?

C.J.M.: ABF is structured as a perpetual foundation. Our endowment is invested by ABF's Investment Committee in various financial instruments. We fund grants and other operating expenses with the income from our investments, thus not spending down the endowment. We expect to be working in Bulgaria for a long time to come.

What will the Foundation's priorities be going forward?

C.J.M.: Our mission continues to be helping to create an environment in which every Bulgarian citizen can find a meaningful occupation and live a fulfilling life in his or her own country. This can only happen if the country has a vibrant private sector and strong institutions. At its core, our mission hasn't changed, but we approach it in a way that reflects the challenges Bulgaria faces today. Rather than targeting individual fields, we take an integrated approach and place a greater emphasis on common solutions to maximize impact. The Foundation's four key fields of work reflect our emphasis on comprehensive, integrated solutions.

How do you define private sector development? Are NGOs part of the private sector?

N.L.S.: In our definition, the private sector includes both for-profit private entities (businesses) and nonprofit entities such as NGOs, trade associations, foundations, and others, the latter serving the critical role of connecting business with the public sector (government and other public institutions) and citizens. NGOs are how businesses and citizens self-organize to ensure their concerns are heard and enter the public dialogue.

NGOs do vital work that underpins the work of the business community. At the level of associations, they represent business interests in front of public institutions in a way that individual businesses cannot do for themselves. NGOs are experts in their fields and generally act more quickly than government bureaucracies do, which makes them ideal testing grounds for innovative ideas. Because of their strict specialization, NGOs are critical in advancing citizen interests as well.

In a healthy private sector, all constituent parts function properly and support each other's work.

Is ABF support financial only?

C.J.M.: ABF is not a mere funding mechanism. We partner with the organizations from the project's very outset. That said, we defer to our

partners' expertise in their fields. In addition to money, we offer support to improve their organizational capacity in the fields we are experts in: financial planning, monitoring & evaluation, communication.

We are invested in our grantees and partners' success, so we provide support and advice for the duration of our partnership. We are also committed to sharing our knowledge and building the capacity of our partners in government, business, and the NGO community. As a result, our grantees and partners benefit from a variety of training opportunities and resources.

For example, at its annual all grantee forum, ABF organized various workshops on communications and digital marketing, fundraising, EU funding, media, and CSR. Representatives from the digital fundraising platform GlobalGiving trained grantees on how to utilize digital tools for raising funds for their work.

Our research suggests that Bulgarians living abroad want to be more engaged with their birth country; they just don't know how. So, together with BVCA – the Bulgarian Private Equity and Venture Capital Association, we conceived of the RE:TURN initiative, a large-scale attempt to encourage successful Bulgarian expats to invest in or otherwise support Bulgarian initiatives and businesses.

After interviewing more than 150 ABF grantees, the Center for Effective Philanthropy, an international consultancy advising foundations like ABF on how to give more effectively, found that what our grantees value particularly highly is our nonmonetary support.

How do you decide whom to support?

N.L.S.: Our process builds on the decision-making approach practiced by the Bulgarian-American Enterprise Fund, broadly termed character-based lending. That type of lending relied on staff members' making judgments not only about the business's viability but more importantly, about the potential and drive of the person/people running it. The Fund's team got to know their clients really well.

Our approach is very similar. What we look for in a potential partner or grantee is initiative, expert knowledge, creativity, ethics, and, above all, the spark and drive to succeed. As our grantees will tell you, we also encourage close collaboration and provide support as necessary, outside our grant agreement.

Impact is important. We want to ensure that our money makes a difference. As a grantee, you need to know what you want to achieve and how to measure your success before the project begins.

Do you support businesses?

N.L.S.: Not individual businesses, but we have worked and will continue to partner with business associations to improve practices and competitiveness in sectors like agriculture and encourage entrepreneurship.

How do you make sure your work makes a difference?

C.J.M.: We are committed to bringing about sustainable change in our fields of work. We use monitoring and evaluation to ensure our programs and projects achieve what they set out to do. Broadly speaking, this means defining what we want to accomplish, tracking progress, and assessing project outcomes. M&E allows us to determine when a program is on track and when adjustments are necessary. Continual learning helps us stay flexible and respond to dynamic challenges.

Evaluation has taught us a great deal about our partners' fields of work, and it has improved our own work significantly. We believe there is value in sharing this knowledge with our partners and grantees, which is why we develop and disseminate useful guides on a variety of subjects and organize training workshops with renowned experts in their fields. The Resources section on the ABF website is a good place to start if you need information about how to monitor and communicate the results of your work, get fundraising tips, and improve your CSR strategy.

How much control does ABF have over its grantees' work?

C.J.M.: ABF grantees are partners, and while we require that the funding we provide is spent in the best and most transparent way possible, we respect our grantees' expertise in their field of work and do not interfere with their decisions. That said, we communicate process-related or administrative concerns in a timely manner. Regular, meaningful communication with our grantees is one of our top priorities. Our grantees and partners can get monthly updates from us by subscribing to our newsletter, or they can follow us on our social media channels. We value face-to-face contact too, so for the past three years, our community has gotten together once a year to exchange information, learn from each other, and celebrate our achievements. We also encourage sincere feedback and get it. We listen, too! After every ABF community event, we ask for feedback and have implemented many of our grantees' recommendations.

One of your goals is encouraging philanthropy in Bulgaria. How have you done so far?

N.L.S.: This is our longest-term project in Bulgaria, requiring every Bulgarian citizen to realize that we are all responsible for making our societies better. This, unfortunately, cannot happen unless we are willing to pitch in, whether by giving money or time.

The perception among Bulgarians is that only large donations matter and giving a few levs will do nothing. This is not borne out by evidence. In fact, in the United States, individual donations add up to a lot more at the end of the day than corporate assistance.

One successful initiative started by ABF grantees is **BulgariaGives**, a platform that lists active campaigns and programs by reputable organizations around the country. BulgariaGives aims to facilitate charitable giving by matching potential donors to the right cause or organization. The platform's one-week fundraising campaign in March raised 50,000 levs from 2,700 individual donors.

Another grantee, **the Bulgarian Donors Forum**, has been instrumental in helping Bulgarian businesses give more effectively and smartly and expand their CSR programs and in encouraging individuals to give.

We also work with civil society organizations to improve their fundraising savvy. Last year, ABF invited representatives of one of the largest crowdfunding platforms in the world, GlobalGiving, to give several workshops in Sofia. Our partners in the NGO sector learned how to present their work effectively, make donor pitches, maintain communication with donors, and report on results.

The COVID-19 pandemic catalyzed unprecedented donor energy – donations by businesses and individuals, volunteer initiatives and individuals' motivation to contribute by giving the best of themselves. For the past 10 years in which ABF has operated in Bulgaria, I do not remember such mobilization in all sectors of society.

Your proudest achievement?

N.L.S.: There isn't any one that stands out, in particular, although we take incredible pride in Muzeiko and the transformed children's clinics at Pirogov Hospital. We celebrate every partner and grantee's achievement. Our 2019 forum was devoted to celebrating our grantees' successes, and **our new website highlights these accomplishments as well.**

What is the hardest part of your work?

N.L.S.: Having to say no to a really good project.

What are your plans for 2019/2020?

C.J.M.: Getting the **Bishop's Basilica of Philippopolis** ready to open is one of our priorities. I believe the early Christian basilica and its wonderful mosaics will be an incredible boon to the local economy and to Bulgaria's tourism industry once it recovers from the COVID-19 consequences. The restored Bishop's Basilica reveals stories from the past to inspire the generations of the future. It is a historic treasure that all Bulgarians can celebrate.

We are excited about several new partnerships and the expansion of youth programs such as **Telerik Academy** giving hundreds of Bulgarian kids and adolescents the opportunity to learn useful IT skills. The largest one-on-one mentorship program for high school students, **ABLE Mentor for the first time** offers online mentorship as well.

Through our partnership with **ARC Academy**, ABF is providing scholarships to young Bulgarians interested in learning game and animated movie design. Young Bulgarians are able to learn entrepreneurship through 25+ **Teenovator** clubs in Sofia, Varna, and Vratsa.

Moreover, our free academy for starting entrepreneurs, **BASE**, launched five new programs, two in Sofia and one each in Vratsa, Pleven, and the Srednogie region and will be expanding further after social distancing measures are lifted.

So, there is a lot going on, and we encourage our readers to be on the lookout for new opportunities by **subscribing for regular updates from us.**

GRANTS

**Approved
Grants in
2019**

2019



Approved Grants in 2019

	Approved (USD)	Approved (Number)
Business, Entrepreneurship, and Technology	\$ 971,959	7
Developing and Retaining Human Capital	\$ 8,276,821	14
Business Enabling Environment	\$ 1,288,955	11
Cultural Heritage and Nature Tourism	\$ 284,630	10
	\$ 10,822,366	42

2019 Active Grants

BUSINESS, ENTREPRENEURSHIP AND TECHNOLOGY

Name of Applicant	Project Name	Total Approved (USD)
Trakia University - Stara Zagora	Establishment of a National Center for Professional Training and Competence America for Bulgaria	544,348
Association of Beef Breeders In Bulgaria	Integration and Development of Electronic Herdbook Platform for Beef Breeders in Bulgaria	159,353
Institute of Agricultural Economics	"Strengthening the Analytical and Public Outreach Capacity of the Center for Agricultural Policy Analysis (CAPA) at the Institute of Agricultural Economics"	132,394
Bulgarian Food Bank Foundation	Further capacity building and expansion of services of Bulgarian Food Bank	125,807
Association of Bulgarian Leaders and Entrepreneurs	The ExpandABLEs 2018-2020	179,662
Single Step Foundation	Community & Youth Center: An Innovative Social Enterprise	171,719
LocalFood.bg Foundation	Pendara - center for training and events	73,427
Texas A&M Agrilife Extension Service	Bulgarian Agricultural Leadership 2019	118,600
Sdruzhenie "Arc Academy"	ARC Academy	216,709
Association of Bulgarian Leaders and Entrepreneurs	BASE Pilots (x2)	8,500
National Association of Small and Medium Business	BASE Program in the Northwest region - My business is my future!	129,980
Proznanie Foundation	Teenovator	8,500
Vratsa Software Community Association	Building the Nest coworking- the first shared work space in Vratsa	8,491
St. Nicholay Chudotvorets Foundation	"The wonderful garden"	8,460
Land-Source of Income Foundation	Entrepreneurship support in rural Plovdiv area	211,576
Bulgarian National Television	RE:TURN East Coast Documentary	25,195
Beef And Lamb Board Foundation	Development and implementation of a Beef and Lamb Quality Assurance Scheme (BLQAS)	156,047
Srednogie Industrial Cluster Association	BASE Srednogie	79,900

DEVELOPING AND RETAINING HUMAN CAPITAL

Name of Applicant	Project Name	Total Approved (USD)
Trakia University - Stara Zagora	Establishment of a National Center for Professional Training and Competence America for Bulgaria	544,348
Association of Beef Breeders In Bulgaria	Integration and Development of Electronic Herdbook Platform for Beef Breeders in Bulgaria	159,353
Institute of Agricultural Economics	"Strengthening the Analytical and Public Outreach Capacity of the Center for Agricultural Policy Analysis (CAPA) at the Institute of Agricultural Economics"	132,394
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Single Step Foundation	Community & Youth Center: An Innovative Social Enterprise	171,719
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Texas A&M Agrilife Extension Service	Bulgarian Agricultural Leadership 2019	118,600
Sdruzhenie "Arc Academy"	ARC Academy	216,709
Association of Bulgarian Leaders and Entrepreneurs	BASE Pilots (x2)	8,500
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Proznanie Foundation	Teenovator	8,500
Vratsa Software Community Association	Building the Nest coworking- the first shared work space in Vratsa	8,491
St. Nicholay Chudotvorets Foundation	"The wonderful garden"	8,460
Land-Source of Income Foundation	Entrepreneurship support in rural Plovdiv area	211,576
Bulgarian National Television	RE:TURN East Coast Documentary	25,195
Beef And Lamb Board Foundation	Development and implementation of a Beef and Lamb Quality Assurance Scheme (BLQAS)	156,047
Srednogorie Industrial Cluster Association	BASE Srednogorie	79,900

DEVELOPING AND RETAINING HUMAN CAPITAL

Name of Applicant	Project Name	Total Approved (USD)
Teach for Bulgaria Foundation	"Motivating Teachers for Every Child"	15,156,386
American University in Bulgaria	ABF Distinguished Scholarship Program FY 2016 & FY 2017	3,600,000
Center for Advanced Study Sofia Foundation	Advanced Academia Project 2016-2019	274,082
Trust for Social Achievement Foundation	Building Capital-Partnering with a Local Business to Zone and Legalize a Roma Neighborhood (Oreshaka)	698,386
Bulgarian-American Commission for Educational Exchange	Supporting English Language Training in Bulgarian High Schools	1,290,000
Association for shared learning ELA	"One School for All" - a Special Educational Needs (SEN) Program	1,556,374
Trust for Social Achievement Foundation	Institutional Support for the Trust for Social Achievement Foundation - continued	6,466,353
ABF-operated project: Educational Academy	ABF Academy for Educational Leadership	450,000
Bank Street College of Education	Training Educators within the ABF Education Academy	549,280
Teachers College Columbia University	Training Teachers and Technology Directors within the ABF Education Academy	705,729
American University in Bulgaria	ABF Distinguished Scholarship Program Class of 2021	1,623,080
Elizabeth Kostova Foundation	The Sozopol Fiction Seminars & Capital literature	91,693
Olympic Teams in Natural Sciences Association	Bulgarian Olympic Teams in Natural Sciences 2017-2020	672,247
Vratsa Software Community Association	Vratsa Software Academy	67,373
Telerik Academy Foundation	Telerik Academy Youth	682,594
Muzeiko EOOD	Continued operational support 2018-2020	1,836,322
CORPluS - Corpus for Education and Development Foundation	National English Spelling Bee Competition 2018-2020	208,044

DEVELOPING AND RETAINING HUMAN CAPITAL

Name of Applicant	Project Name	Total Approved (USD)
American University in Bulgaria	ABF Distinguished Scholarships Program Class of 2022	1,836,920
Burgas Municipality	Support for the Student Company at the New Professional High School of Computer Programming and Innovation	154,246
Astronomy Club - Vega Association	Astronomy and Astrophysics Summer School	36,252
Fortissimo Foundation	Fortissimo Class 2018-2020	124,422
Center for Informal Learning and Cultural Activity - Alos Association	Parallel Steps, Parallel Spaces 2018/2019	53,324
Bulgarian Private Equity & Venture Capital Association	Re:turn (inspired by BVCA on Tour)	150,200
Good Music Society Foundation	The Bridge Festival 2019	8,649
Nikiforov Art Association	Maryan Ballet Academy 2019	8,683
Varna Lit International Literary Festival Association	VarnaLit International Literature Festival	8,649
Union of Bulgarian Mathematicians Association	High School Student Institute of Mathematics and Informatics	28,594
Christian Takov Foundation	Scholarships for students with achievements in private law	5,757
Pro Rodopi Foundation	8th International Youth Theater Festival for Children and Youth Audience "Forbidden for Adults"	8,544
Bulgarian Private Equity & Venture Capital Association	RE:TURN East Coast	100,000
American University in Bulgaria	Support for the new strategic direction of AUBG	250,000
Bulgarian-American Commission for Educational Exchange	Supporting English Language Training in Bulgarian High Schools 2020-2023	1,318,600

BUSINESS ENABLING ENVIRONMENT

Name of Applicant	Project Name	Total Approved (USD)
Bulgarian Institute for Legal Initiatives Foundation	Moving Forwards: American Judges for Bulgaria Network	692,923
Reduta.bg Association	Consolidate Analytical Journalism	158,077
First June Association	I give to make a difference	162,457
Anti-Corruption Fund Foundation	Anti-Corruption Fund	481,014
Workshop For Civic Initiatives Foundation	Community Philanthropy Development Program	315,585
Pro Veritas Association	Platform for independent regional journalism	323,947
Satirist Foundation	'Starshel' and friends	74,801
Sofia Platform Foundation	Teaching Citizenship	132,023
Access to Information Programme Foundation	Transparency advice center	480,439
Info Space Foundation	Independent Journalism is a Mission Possible	853,928
Economedia AD	Protecting Quality Journalism	945,575
Zebra.BGN AD	Generation Z - the Voice of the Young Generation	75,567
Association for Free Media Association	Independent regional investigative journalism	103,426
Off Media Foundation	Support for independent journalistic investigations and analysis	71,912
Institute for Regional and International Studies Association	Empowering Local Business Communities for Human Potential Mobilization	273,138

BUSINESS ENABLING ENVIRONMENT

Name of Applicant	Project Name	Total Approved (USD)
Public Donations Fund For Vratsa NGO	"Support for Local Communities"	87,499
Program and Analytical Center for European Law Foundation	ngobg.info: The Portal to NGOs in Bulgaria	103,902
Community Donation Fund for Razgrad Foundation	Local community development program - Razgrad	87,622
Institute for Market Economics Foundation	Public Campaign for Tax Decentralization in Bulgaria	302,030
World Press Institute	WPI Fellowships for Bulgarian Journalists and Journalism Seminar and Training in Bulgaria	200,250
Free Speech International Foundation	High Beam: Spotlight on Bulgaria Continued	290,462
Bulgarian Donors Forum Association	Advance the philanthropy ecosystem of Bulgaria	286,431
Culture Association	Criticism and Duelism III	22,561
Global Web OOD	Gospodari.com, a socially engaged infotainment video content platform	101,615
Community Donors Fund Gabrovo Foundation	Support for local communities	85,607

CULTURAL HERITAGE AND NATURE TOURISM

Name of Applicant	Project Name	Total Approved (USD)
ABF-operated project: Bishop's Basilica	The Bishop's Basilica of Philippopolis	8,185,642
Musicartissimo Foundation	Days of Music at the Balabanov's House	114,124
Vola Open Mind Association	Vola Open Air Festival	8,785
Open Arts Foundation	Night/Plovdiv 2019	17,168
Key Events and Communication Ltd.	'Vratsa Open' for the creation of a tourism destination branding	46,229
Do Not Blink in Front of the Bulgarian Cinema Foundation	KИHO love 2019	6,928
KEY Events & Communication	Aniventure Comic Con 2019	8,649
House of Humour and Satire Museum	24 International Biennial of Humor and Satire in Art, Gabrovo	8,651
Art Office Foundation	Art on the Road	45,623
XX-Triola-Quintola Foundation	Fortisimo Fest 2019	74,137
European Development of the Bulgarian Village Association	The Brava Balkan Fest	8,460
A to Z Foundation	A to JazZ Festival 2020	60,000

FINANCIAL



**Standalone
Statements
of Financial
Position**

Statements

December 31, 2019 and 2018

in USD (000)

2019

2018

Assets

Cash and cash equivalents	4,484	10,107
Investments, at fair value		
ETF and public mutual funds	264,415	208,735
Private mutual funds	146,896	147,187
Equity investments	2,382	3,186
Bonds	3,846	3,803
Partnership investments	90	116
Total Investments	417,629	363,027
Dividends and interest receivable	330	249
Prepaid expenses and other assets	855	699
Fixed assets, net	2,657	2,691
Intangible assets, net	170	122
Investment in subsidiaries	9,885	10,706
Total Assets	436,010	387,601

December 31, 2019 and 2018

in USD (000)

2019

2018

Liabilities and Net Assets

Liabilities

Grants payable

7,636

6,276

Accounts payable and accrued payroll

435

312

Total Liabilities

8,071

6,588

Net Assets - without donor restrictions

427,939

381,013

Total liabilities and net assets

436,010

387,601



America for Bulgaria Foundation

Standalone Statements of Activities and Changes in Net Assets

Years Ended December 31, 2019 and 2018

Without Donor Restrictions

in USD (000)

2019

2018

Changes in net assets

Contributions received	77	3,033
Reversed Grants Income	1,157	651
Other Income / (Loss)	42	1
Investment income		
Interest income	2,218	2,472
Dividend income	7,301	7,084
Net realized gain / (loss) on investments	7,993	14,299
Net unrealized gain / (loss) on investments	52,334	(48,162)
Realized exchange rate gain / (loss)	33	(128)
Unrealized exchange rate gain / (loss)	(144)	121
Total Investment income/ (loss)	69,735	(24,314)
Less investment management fees	(944)	(994)
Investment income / (loss), net	68,791	(25,308)
Total Income / (Loss)	70,067	(21,623)

Years Ended December 31, 2019 and 2018

	Without Donor Restrictions	
in USD (000)	2019	2018
Grant Expenses	(12,171)	(16,671)
Program related and donation expenses	(4,841)	(1,230)
Management and general expenses	(4,204)	(4,375)
Depreciation and amortization	(159)	(113)
Total Expenses	(21,375)	(22,389)
Impairment loss on investment in subsidiary	(1,766)	(2,373)
Total Non-operating Expenses	(1,766)	(2,373)
Changes in net assets	46,926	(46,385)
Net assets, beginning of the year	381,013	427,398
Net assets, end of the year	427,939	381,013

**America
for Bulgaria
Foundation**

**Standalone
Statements
of Cash Flows**

Years Ended December 31, 2019 and 2018

in USD (000)

2019

2018

Cash Flows from Operating Activities

Contributions received	77	3,033
Grant payments	(10,755)	(18,162)
Grant refunds	1,157	287
Cash paid to suppliers and employees	(9,110)	(6,153)
Net cash used in operating activities	(18,631)	(20,995)

Cash Flows from Investing Activities

Proceeds from investments	99,423	100,043
Proceeds from dividends	7,219	7,735
Proceeds from interest	2,094	3,548
Proceeds from sale of fixed assets	46	-
Purchase of fixed assets	(112)	(2,666)
Purchase of intangible assets	(65)	-
Purchase of investments	(93,671)	(89,346)
Investments in subsidiaries	(945)	(950)
Investment fees paid	(935)	(962)
Net cash from investing activities	13,054	17,402

Years Ended December 31, 2019 and 2018

in USD (000)

2019

2018

Cash flows from Financing Activities

Loan to subsidiary	-	(198)
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Repayment from subsidiary	-	197
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Net cash used in financing activities	-	(1)
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Effect of exchange rate changes on cash	(46)	(37)
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Net increase / (decrease) in cash and cash equivalents	(5,623)	(3,631)
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Cash and cash equivalents at the beginning of year	10,107	13,738
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Cash and cash equivalents at end of year	4,484	10,107
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Leadership

Board of Directors

Ambassador Herro Mustafa, US Government Liaison
Chris J. Matlon, Chairman
Gail Buyske, Vice Chair
Nancy L. Schiller, President & CEO
Scott Carpenter
Brian Dailey
Michael M. Dunn
Melanie Kirkpatrick
Lyubomir B. Lozanov
Anthony R. Manno, Jr.
Marshall Lee Miller
Kenneth Vander Weele
Dimitar S. Voutchev

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Frank L. Bauer, President Emeritus
Joseph J. Borgatti (In memoriam)
Lynn M. Daft
Penko S. Dinev
R. Scott Falk (In memoriam)
Stephen W. Fillo
Leonard M. Harlan
Gary E. MacDougal, Co-Chairman Emeritus
Carl H. Pforzheimer III, Co-Chairman Emeritus

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Desislava Taliokova
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Krassimira Vangelova-Chocheva
Kristina Kosheva
Krum Karadakov
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Tsvetana Kasabova
Vanya Grigorova
Violeta Nedeva
Yuliana Decheva
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