



Quantitative Export Factsheet (QEF)

Disclaimer: These Quantitative Export Factsheets have been developed by workshop participants within the framework of the Aid for Trade in Central Asia Phase V project funded by the United Nations Development Programme (UNDP). The content does not represent the view of the International Trade Centre (ITC) or UNDP.



Quantitative Export Factsheet

Export of Float Glass to Bulgaria

March 2023



Introduction

This Quantitative Export Factsheet provides essential and strategic information about exporting Float Glass HS code 70 05 29 from Kyrgyzstan to Bulgaria. With recent data from trusted sources and a forward-looking view, this document describes market behaviors and regulations to comply with in order to get access to it by seizing - where available - any existing trade preferences.

Product	Opportunity summary
	<p>Bulgaria and Kyrgyzstan both stays close in the world on the export of float glass. According to the analysis, the potential for export is smaller at the moment of research. Nevertheless, analysis provides opportunity to see the opportunity of export float glass to Bulgaria.</p>
Total national production in 2019	28.6 mln. m2 (http://www.stat.kg/ru/opendata/category/3996/)
Total national exports in 2021	87 770 thousand USD
Annual growth in value between 2020 and 2021:	218% p.a.

Float glass is a sheet of glass made by floating molten glass on a bed of molten metal which gives the sheet uniform thickness and very flat surfaces.

Float glass is manufactured using a melt process, where recycled glass, silica sand, lime, potash and soda are melted in a furnace and floated onto a bed of molten tin.

Applications

Building industry

Float glass is used for smaller windows in domestic housing, whereas larger windows are made from toughened glasses. Glass is used for windows for both aesthetic and functional purposes, allowing the occupants to see out and at the same time allowing light in.

Commercial Glazing

Float glass is becoming more and more popular in commercial applications. It allows structures to be constructed and gives the impression of being outside with the benefits of being inside protected from the elements (except the sun).

Displays

Based on its transparency, hardness and ease of cleaning, glass is often used for display cases in retail outlets and countertops.

Mirrors

Car Windows

Glass furniture

In many cases, float glasses are not processed as single panes: Multiple glazing made from several float glass panes is mostly used for windows, doors and facades.

Key Properties of Float Glass:

- High degree of light transmission
- Ability to be produced in a range of colors
- Ability to be produced in a range of opacities
- Good chemical inertness
- Attacked by hydrofluoric (HF) acid.

Export potential:

The markets with greatest potential for Kyrgyzstan's exports of 700529 Float glass, n.e.s., in non-wired sheets are Kazakhstan, Uzbekistan and Tajikistan. Kazakhstan shows the largest absolute difference between potential and actual exports in value terms, leaving room to realize additional exports worth \$13 mn.

Potential export into Bulgaria is estimated USD 372,6k

Total Export potential is \$76 mn and Actual exports reached \$37 mn.

Unrealized potential remaining in individual countries \$39 mn.

Total trade in goods with World \$2.1 bn

Target market



Capital city:	Sofia
Major cities:	Plovdiv, Burgas, Varna
Population:	6,520,314 for 2021
Currency:	Lev
Languages:	Bulgarian
Main trade facts on imports of this product:	The Float glass import is 0.3 % of world import. Float glass in the total import is 0,02%, while in export 0,21%. Surprisingly Bulgaria exports more this product rather than imports it.
Dynamism of investment :	Bulgaria foreign direct investment for 2021 was \$2.12B , a 41.61% decline from 2020.
Country profile at:	https://www.coface.com/Economic-Studies-and-Country-Risks/Bulgaria

Target product

HS code:	700529
HS description:	Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excluding wired glass or glass coloured throughout the mass ""body tinted"", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer)

National tariff code:	<p><u>7005292500</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer)": of a thickness not exceeding 3.5 mm</p> <p><u>7005293500</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer)": of a thickness exceeding 3.5 mm mm but not exceeding 4.5 mm</p> <p><u>7005298000</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer)": of a thickness exceeding 4.5 mm</p>
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National tariff code in Bulgaria	<p><u>70052980</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked, of a thickness of > 4,5 mm (excl. horticultural glass or wired glass or glass coloured throughout the mass "body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer)</p> <p><u>70052900</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass "body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer) + detailed label not available +</p> <p><u>7005291000</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass "body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer) + detailed label not available +</p> <p><u>7005298000</u> FLOAT GLASS AND SURFACE GROUND AND POLISHED GLASS, IN SHEETS, BUT NOT OTHERWISE WORKED, OF A THICKNESS OF > 4,5 MM (EXCL. HORTICULTURAL GLASS OR WIRED GLASS OR GLASS COLOURED THROUGHOUT THE MASS "BODY TINTED", OPACIFIED, FLASHED OR MEREL</p> <p><u>7005299080</u> Float glass and surface ground and polished glass, in sheets, but not otherwise worked (excl. wired glass or glass coloured throughout the mass "body tinted", opacified, flashed or merely surface ground, or glass having an absorbent, reflecting or non-reflecting layer) + detailed label not available +</p>
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Trade potential at the macro level

Exporters of float glass (700529) can realize exports of:

- USD 372.6 k to Bulgaria by 2028, out of which 100% is still unrealized (USD)

In addition, exporters can realize exports of:

- 33 mn to Kazakhstan by 2028, out of which 13 mn is still unrealized (USD)
- 373k to Bulgaria by 2028, out of which 100% is still unrealized (USD)

Size of the Market

In 2021, Bulgaria imported USD 9 935 000 of float glass from the world and was the 65th country in world imports of that product. Its total imports represented 0.3% of world imports of the product. Bulgaria has not imported float glass from Kyrgyzstan.

Dynamism of the Market

Over the last five years, the value of Bulgaria's imports from the world of float glass (700529) decreased by 16% per annum. This market performance was worse than the world's growth in imports of float glass (700529), which on average was 3% per annum.

If we review the largest importers: China's import grew by 10%, Korea by 17% and UK by 20%. So Bulgaria share in world imports of float glass (700529) has been decreasing if we compare five year trend, however for 2020-2021 there was increase in imports for 29%.

There is no import of float glass to Bulgaria from Kyrgyzstan.

It might be due to the fact that the Bulgaria itself exports float glass to the world. Nevertheless, there is possibility to have trade with flat glass.

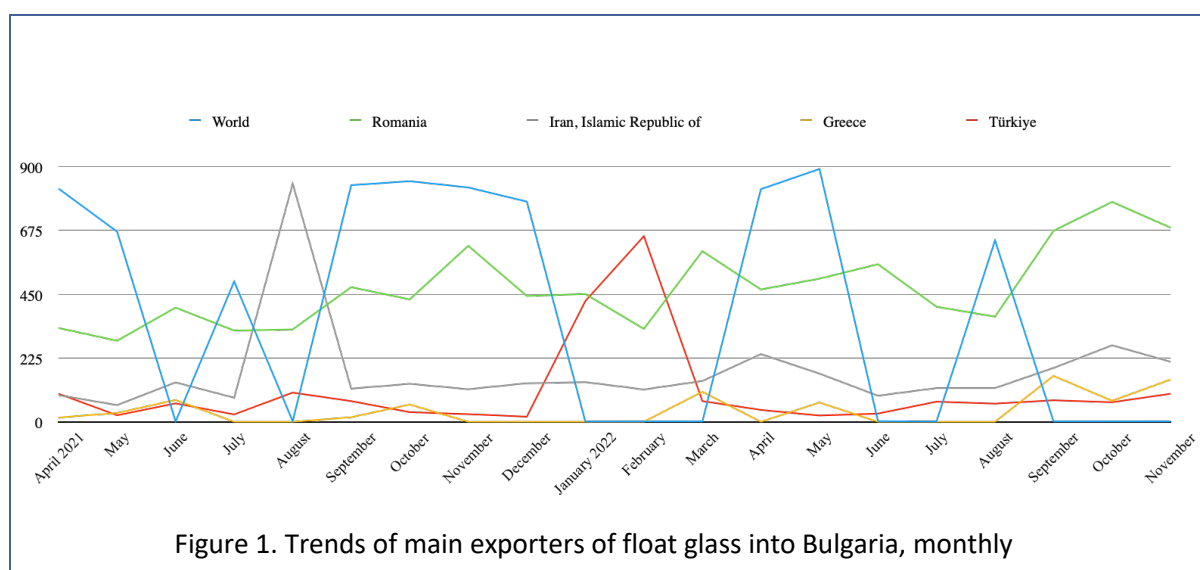


Figure 1. Trends of main exporters of float glass into Bulgaria, monthly

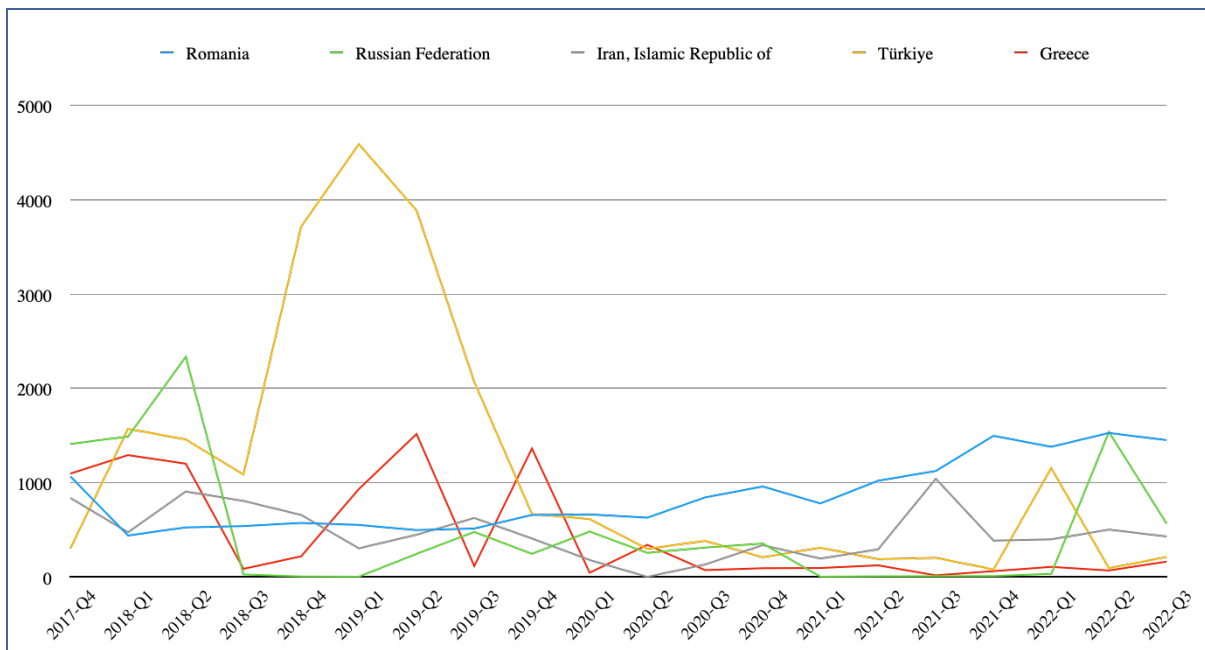


Figure 2. Trends of main exporters of float glass into Bulgaria, quarterly

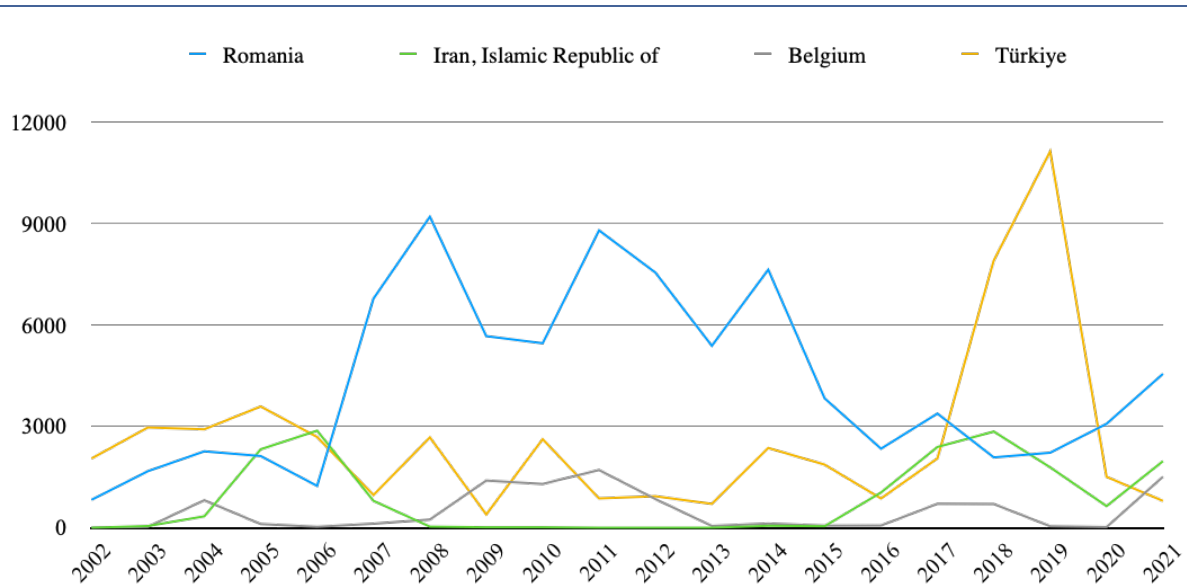
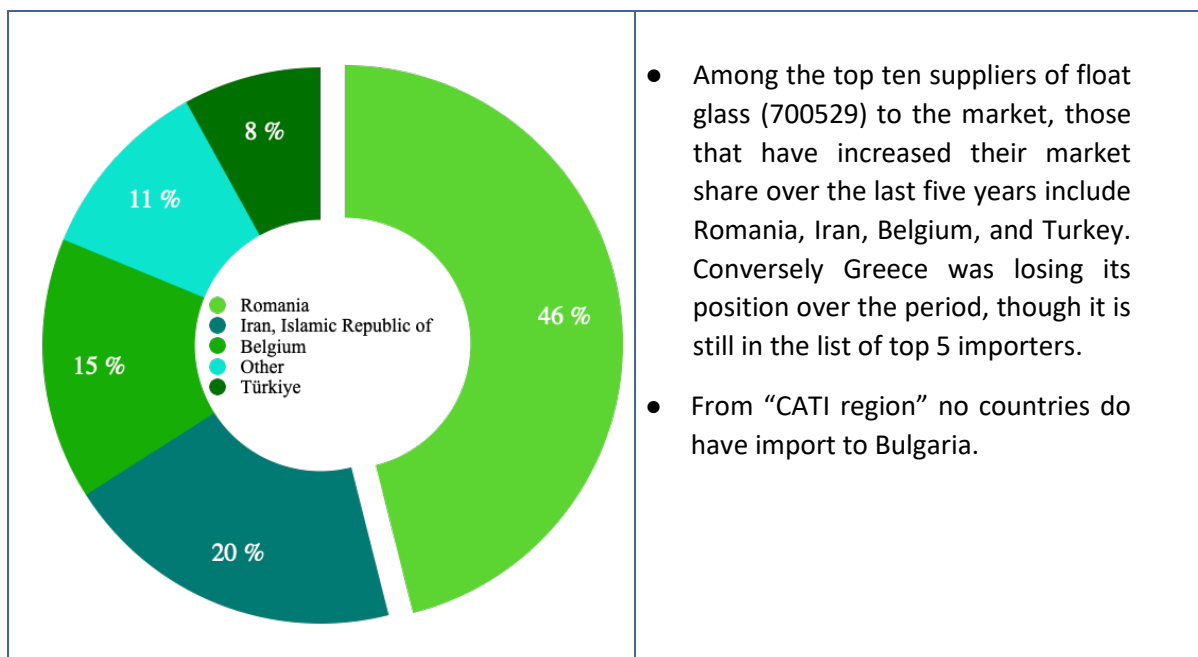


Figure 3. Trends of main exporters of float glass into Bulgaria, annual

According to the graphics, there is seasonality within the year and within the months. But it clearly shows that COVID has decreased the export flow for all countries.

Competition

Supply to Bulgaria's market for float glass (700529) is concentrated, with the top three exporters, Romania, Iran, and Belgium having market shares of 46%, 20% and 15% respectively.



Unit Value

Situation of Bulgaria’s import versus world’s imports

The average unit value of Bulgaria’s imports of float glass (700529) in 2021 was 411 USD/ton. This was less than the world unit value, in particular for China, for the product, which was of 1412 USD/ton.

Over the last five years, Bulgaria’s unit value has been fluctuating, appreciating at some years and depreciating in another. Indeed, the annual growth in value over this period (-18%) was slower than the annual growth in quantity (-9%). The trend was similar at global level, as the world unit value for float glass (700529) was appreciating and depreciating during this period.

Situation of Kyrgyzstan’s exports to the Bulgaria

With respect to the top ten suppliers, considering the wide range between the highest unit value of 660 USD/ton when trading with Belgium and the lowest unit value of 294 USD/ton when trading with Iran, we can presume that the float glass (700529) market in Bulgaria is rather heterogeneous.

The heterogeneity may be a result of differences in the quality, variety and/or branding of the product.

Market Access

Kyrgyzstan can benefit from preferential market access in Bulgaria for float glass (700529).

Relevant preferential trade agreements include: EU for GSP+ Countries and Preferential tariff for countries beneficiary of the incentive arrangement for sustainable development.

The following table shows the tariffs applied to Kyrgyzstan compared with those applied to the main competitors in Bulgaria.

NTLC	NTLC description	Tariff regime	Applied Tariff	AVE
7005292500	<= 3,5 mm	MFN duties (Applied)	2 %	2 %
7005292500	<= 3,5 mm	Preferential tariff for countries beneficiary of the incentive arrangement for sustainable development	0 %	0 %
7005293500	> 3,5 mm but <= 4,5 mm	MFN duties (Applied)	2 %	2 %
7005293500	> 3,5 mm but <= 4,5 mm	Preferential tariff for countries beneficiary of the incentive arrangement for sustainable development	0 %	0 %
7005298000	> 4,5 mm	MFN duties (Applied)	2 %	2 %
7005298000	> 4,5 mm	Preferential tariff for countries beneficiary of the incentive arrangement for sustainable development	0 %	0 %

- Kyrgyzstan has a preferential tariff advantage over non-EU competitors in Bulgaria for float glass (700529).
- Apart from the top three suppliers, other competitors having preferential tariffs in Bulgaria include: Turkey and Egypt.

Certificate of origin:

To benefit from preferential market access to Bulgaria, exporters from Kyrgyzstan must comply with Rules of Origin of the preferential trade agreement.

Manufacture from materials of any heading, except that of the product or Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product

APPLICABLE CRITERION: CTH or RVC 30%

EU for GSP+ Countries related Rules of Origin are accessible at this

https://findrulesoforigin.org/documents/pdf/itc00842_roo.pdf.

CUMULATION - Cross-Cumulation
DE MINIMIS - Included (15%)
ROLL-UP - Included
DUTY DRAWBACK - Not Included
OUTWARD PROCESSING - Not Included
ACCESSORIES, SPARE PARTS AND TOOLS - Included
WHOLLY OBTAINED PRODUCTS - Provided
NON-QUALIFYING OPERATIONS - Provided
VALUE-ADDED CALCULATION - Import Content
INDIRECT MATERIALS - Included
DIRECT TRANSPORT - Included
PRINCIPLE OF TERRITORIALITY - Included
PACKAGING - Included
FUNGIBLE MATERIALS - Materials Only
SETS - Included (RVC 85%)
EXHIBITIONS - Included
Provisions Certificate of Origin
CERTIFICATION - Authorized Body
EXEMPTION OF CERTIFICATION - Included (Less Than EUR 500)
APPROVED EXPORTER - Included
COMPETENT AUTHORITY - Provided
PERIOD OF VALIDITY - 10 Months
RETENTION PERIOD - 3 Years
REFUND OF EXCESS DUTIES - Included
SUPPORTING DOCUMENTS - Provided
THIRD PARTY INVOICING - Not Provided
VERIFICATIONS - Indirect
PENALTIES - Provided
ADVANCE RULINGS - Provided
MINOR ERRORS - Provided
APPEALS - Provided

Institutions in Bulgaria who can provide assistance, advise, or verify the eligibility:

1. **Bulgarian Chamber of Commerce and Industry**, Sofia 1058, 9 Iskar Str (+359 2) 8117 400, 987 26 31, <https://www.bcci.bg/english/>, bcci@bcci.bg
2. **InvestBulgaria**, <http://www.investbulgaria.com/ContactUs.php>, contact@investbulgaria.com
3. **InvestBulgaria Agency**, 31 Aksakov Street, +359 2 9855505, <http://www.investbg.government.bg/>, iba@investbg.government.bg
4. **Bulgarian Small and Medium Enterprises Promotion Agency**, SOFIA - 1000, 2-4 Lege Street, <https://www.sme.government.bg/>, office@sme.government.bg

To export float glass (700529) to Bulgaria, exporters from Kyrgyzstan need to comply with compulsory market access requirements (non-tariff measures). Details are summarised as follows:

Import requirements applied to this product - Total measures 4

- B7 - Product quality, safety or performance requirement
- Product quality, safety or performance requirement
 - Product quality, safety or performance requirement
- B83 - Certification requirement 2
- Certification requirement
 - Certification requirement

Export requirements applied to this product - Total measures 3

- P330 - Licensing, permit or registration requirements to export (2)
- Licensing, permit or registration requirements to export

Legislation title : "Law of Kyrgyz Republic of January 23, 2003 No. 30 «About export control»

Legislation summary : It is required to have a license in order to export products subject to export control

Implementation authority: Commission on military and technical cooperation and export control / Ministry of Economy of Kyrgyz Republic

- Licensing, permit or registration requirements to export

(Legislation title : Decision of April 21, 2015 No 30 About Non-tariff Measures

Legislation summary : In order to export human organs, blood and alike materials, minerals, wild animals and plants, endangered species, national treasures of artistic, historic or archaeological value, encryption tools,

Implementation authority : Ministry of economy of Kyrgyz Republic

- P700 - Measures on re-export (1)

Export requirements applied to all goods - Total measure 1

- P150 - Labelling, marking, or packaging requirements

Could you maybe list the most recent ones with the date of the notification?

Furthermore, there are some recent updates on new non-tariff measures notified by the World Trade Organisation (WTO) members:

- WTO notifications: 7 - Draft national technical regulation on Products, Goods of Building Materials from Viet Nam - G/TBT/N/VNM/246
Date of notification 10/02/2023
Date of comment 11/04/2023
<https://epingalert.org/en/Search?freeText=700529&viewData=G%2FTBT%2FN%2FVNM%2F246>

Sustainability and voluntary standards

Private standards for environmental protection, worker and labour rights, economic development, quality, and food safety, as well as business ethics might be of interest for final consumers in Bulgaria the same as applied for the EU regulation.

Here are some of the standards recognized in the target markets based on <https://www.standardsmap.org/en/identify?origin=Bulgaria>

BRCGS Ethical Trade and Responsible Sourcing

In 2019, BRCGS launched the Ethical Trade and Responsible Sourcing Program (ETRS) which is made up of a Global Standard and a separate ETRS Risk Assessment. The Standard's requirements span six principles, giving sites a framework on which they can build their own ethical trade and responsible sourcing management system. This enables them to ensure their legal obligations are fulfilled, their premises are safe, healthy and do not harm those working in or visiting them and that their staff's employment and human rights are respected, whether they are temporary or permanent. The ETRS Risk Assessment is designed to be a diagnostic 'health check' against the five vital signs of ethical trade and responsible sourcing which are drawn from the Global Standard.

Together for Sustainability AISBL (TfS)

- Network of chemical business leaders in Europe, China, Japan, Singapore, India, US & Brazil
- Member-driven organisation: members contribute and drive TfS initiative forward Peer-to-peer network: Chief Procurement Officers and TfS community share best practice
- Five topic-oriented global Work Streams:
 1. Governance and Partnerships
 2. TfS Assessments
 3. TfS Audits
 4. Communications & Supplier Training
 5. GHG Scope 3 Emissions TfS local and regional teams
- An agent of change in chemical companies, to improve a company's CSR processes and performance, identify common areas of importance and share best practice. A strong lever to deliver globally applicable solutions with key partners (EcoVadis, TfS-approved audit companies).
- TfS delivers strong and independent due diligence procedure in the supply chain and evaluates suppliers against CSR principles including social issues, environmental and governance practices. It provides the necessary shared infrastructure to conduct assessments and audits, resulting in supply security, resilience and pro-active management of reputational and regulatory risks.
- Global framework and tools Groundbreaking, globally applicable and harmonised framework with robust tools. Assessments & Audits measure CSR/ sustainability performance of chemical companies and their suppliers. CAPs (Corrective Action Plans) enable concrete improvements of the sustainability performance. TfS Key partners are EcoVadis for TfS Assessments and TfS-approved auditors from SGS, Intertek, DQS and ERM for TfS Audits. <https://tfs-initiative.com/at-a-glance>

UN Guiding Principles on Business and Human Rights -

The "Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework" were endorsed by the Human Rights Council in 2011. The Guiding Principles are founded on three pillars:

1. The State duty to protect human rights against abuse by third parties, including business, through appropriate policies, legislation, regulations and adjudication;

2. The corporate responsibility to respect human rights, meaning to act with due diligence to avoid infringing on the rights of others and address adverse impacts with which they are involved;

3. The need for greater access to effective remedy, both judicial and non-judicial, for victims of business-related human rights abuse. The steps defined in the Guiding Principles empower companies to know and show that they are advancing adequately in their efforts to meet this responsibility. The expectation that companies should know and show how they are progressing in their human rights performance has reinforced calls for more and better corporate reporting in this regard. <https://www.ungpreporting.org/resources/the-ungps/>

Potential Business Partners

CATI Portal and TradeMap provide contact details and information on companies that import float glass (700529) in Bulgaria. Some examples are provided below: *You can find some information under the 70-chapter level in Trade Map*

Company name	City	Website
UniCredit Bulbank AD	Sofia	https://www.unicreditbulbank.bg/en/individual-clients/
Bulgarian Small and Medium Enterprises Promotion Agency	Sofia	https://www.sme.government.bg/
Bulgarian Chamber of Commerce and Industry	Sofia	https://www.bcci.bg/english/

Visit <https://catiportal.org/en/export-700529-from-kg-to-bg/business-partners> for more details and additional companies.

Other partners in Kyrgyzstan can provide support: Kyrgyz Agency of Development And Investment <https://export.gov.kg/ru>

Other promising markets by 2028

- In the Central Asian region:

According to the Export potential map for the float glass export Kazakhstan and Uzbekistan have high potential. For Kazakhstan due to closeness and membership in EAEU makes it highly attractive market. The second potential export destination is Uzbekistan as being part of CIS. Another factor is the population and economic dynamics. As it is predicted that Uzbekistan will be the leading country in CA.

- In the world:

Among other countries - Turkey - as Kyrgyzstan has preferential margin (2%) and also unrealized potential for 1 mln. Also, China is the potential market with 3.5 mln unrealized export potential.

Additional information

Though Bulgaria is promising destination for export, Kyrgyzstan should first look to the closest export destinations such as Kazakhstan, Uzbekistan, China and Turkey.

Data sources

- CATI Portal <https://catiportal.org>
- ITC Trade Map - <https://www.trademap.org>
- ITC Market Access Map - <https://www.macmap.org>
- ITC Export Potential Map – <https://exportpotential.intracen.org/en/>
- ITC Standards Map - <https://standardsmap.org/en/home>

More questions on opportunities in the CATI region

The Central Asian Trade Intelligence Portal provides a network of resources in 4 partner countries which, in association with local institutions, provide information to trade-related enquiries. Visit www.catiportal.org

For more information,
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