



# E-COMMERCE FOR START-UPS

EXPORT REGULATIONS. FUNDING SOURCES. SELLING PRICE

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Secondary Vocational School of Economics  
“Prof. Dr. Dimitar Tabakov”  
Sliven, BULGARIA

Co-funded by the  
Erasmus+ Programme  
of the European Union



HUMAN  
RESOURCE  
DEVELOPMENT  
CENTRE



We are students from The Secondary Vocational School of Economics “Prof. Dr. Dimitar Tabakov”- Sliven, Bulgaria.

Our company

**ENERGY FOR LIFE**

focuses on high quality and innovative functional products. Following the global trends, the brand offers new, healthy and practical solutions to meet the needs of a dynamic person.



# *Our mission, vision and values*



- Our company aims to produce a healthy and delicious product, which is a combination of dried fruit and nuts from the orchards in our region.
- This sweet, but diet-friendly temptation contains nothing but natural, unprocessed ingredients of organic foods and is handmade.





# *What are Healthy Bites?*



- **Healthy Bites** are trend in healthy eating in between meals to replace the harmful sweet food and satisfy the hunger.
- **Healthy Bites** are 100% natural, raw, gluten-free, dairy-free, vegan, non-GMO, and no added or refined sugars.







# Variety of Healthy Bites



We offer our customers 3 types of **Healthy Bites**:



**HEALTH BITES**

**COCONUT + ALMOND**



**ENERGY BITES**

**BLUEBERRY + CHIA**



**POWER BITES**

**APRICOT + SUNFLOWER SEEDS**

# *Selling products in the EU*

- Prior to bringing goods onto the EU market, you must **ensure that your products meet the EU requirements** to protect human and animal health, the environment and consumers rights.
- This could be rules and specifications that are harmonised within the EU or those managed by each EU country but recognised by the EU, known as **mutual recognition**.





# Identifying product requirements



- **EU-wide standards and technical specifications** exist for a number of product categories.
- Where no EU-wide rules exist, different specifications might apply in different EU countries. In such cases, you must only comply **with the rules valid in your EU country.**



# EU product requirements

- You can check the requirements for your product in **the Trade Helpdesk database**.
- It offers information on the:
  - ✓ Rules and regulations for your product;
  - ✓ Competent authorities you can contact for specific product requirements;
  - ✓ VAT and excise duty rates applied to your product in the EU country of sale.



The screenshot shows the European Commission Trade Helpdesk website. At the top, there is a header with the European Commission logo and the text "TRADE HELPDESK". Below this, a navigation bar lists various topics: "The European Market", "Requirements", "Import Duties", "Internal taxes", "Rules of Origin", "Statistics", and "Help". The main content area is titled "EU product rules and Member states' taxes". It features a large heading "I want to check the rules and taxes for my product". Below this, there are two input fields: "EU Member State:" with a dropdown menu and "Product:" with a text input field. A blue button labeled "Find my product code" is positioned to the right of the product input field. Below these fields, a yellow button labeled "View requirements" is visible. A section titled "On this page you can check three elements:" lists the following: 1. the EU requirements for your product, 2. who is responsible for dealing with a specific product requirement in a specific EU country, and 3. the internal taxes, i.e. VAT and excise duty rates applying in each EU country. At the bottom, there is a small world map icon and a link to a search form for users outside the EU.





# *The Trade Helpdesk database*




- The Trade Helpdesk database is structured around **custom codes**: to view requirements for your product you will first have to identify its customs code.
- If you do not know the customs code, you can search for it with your **product's name** with the built-in search engine.



- For our product - **mixture of nuts and dried fruit** the custom code is 08 13 50.
- There are no specific requirements and internal taxes for this product.




**TRADE HELPDESK**

European Commission / Trade / EU Trade Helpdesk / My Export

[The European Market](#)
[Requirements](#)
[Import Duties](#)
[Internal taxes](#)
[Rules of Origin](#)
[Statistics](#)
[Help](#)

**My Export**

Edible fruit and nuts; peel of citrus fruit or melons	08
Fruit, dried, other than that of headings 0801 to 0806; mixtures of nuts or dried fruits of this chapter	08 13
Apricots	08 13 10 00 00
Prunes	08 13 20 00 00
Apples	08 13 30 00 00
Other fruit	08 13 40 00 00
<b>Mixtures of nuts or dried fruits of this chapter</b>	<b>08 13 50 00 00</b>

**Product requirements**

**Product-specific requirements for EU market access 0813500000**  
 No specific requirement.  
 Please check also possible subproducts.

- To find out which technical rules apply to specific products in each EU country or the details of competent authorities within that EU country you can contact the **Product Contact Points**
- Product Contact Points respond free of charge and within 15 working days of receiving the information requests covered by the mutual recognition regulation.

How to export  
from  
Bulgaria

The contact information of Product Contact Points is provided based on the request of the data subject and is made public to facilitate citizens and companies wishing to contact them.

	Country	Name	Phone (p), fax (f)	Email	WWW
[+] ]	Austria	-	(p) +43 1 71100-805555	<a href="mailto:service@bmdw.gv.at">service@bmdw.gv.at</a>	<a href="#">website</a> (and <a href="#">EN version</a> )
[+] ]	Belgium		(p) + 32 (0)2/277 53 36	<a href="mailto:belspoc@economie.fgov.be">belspoc@economie.fgov.be</a>	<a href="#">website</a>
[+] ]	Bulgaria	NIKIFOROVA VELICHKOVA Jana (Ms)	(p) +359 2 940 7336; +359 2 940 7580; +359 2 940 7565 (f) +359 2 987 8952	<a href="mailto:infopointBG@mee.government.bg">infopointBG@mee.government.bg</a>	-
[+] ]	Croatia	-	(p) +385 1 6109762	<a href="mailto:pcp@mingo.hr">pcp@mingo.hr</a>	<a href="#">website</a>

# *E-commerce rules in Europe*

- E-commerce offers many advantages, but it also entails certain obligations under EU rules.
- The main piece of EU legislation regulating E-commerce is the **E-Commerce Directive 2000/31/EC**.





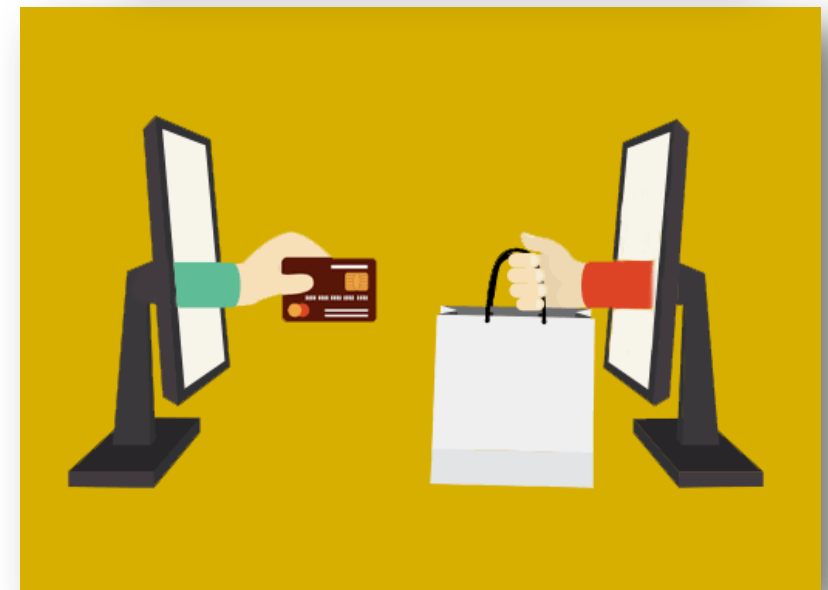
# *E-Commerce Directive*

- The key elements of the Directive include:
  - ✓ The e-retailer must have **access to all 28 Member States**;
  - ✓ The e-retailer must make basic information available to the public and authorities (including **name, address and contact details**) and ensure transparency and provide information about commercial communications and electronic contracts.



# Data protection

- Since 25 May 2018, the new **General Data Protection Regulation** is applied in the EU.
- Some of the key principles are:
  - ✓ **Data Minimization:** only relevant data should be collected and processed;
  - ✓ **Security:** It must be processed in a way that ensures appropriate security of the personal data.



# Value-Added Tax (VAT)

- If your business is based in the EU, you have **different VAT obligations** depending where you buy from or sell to.
- For example, if you sell a product to an EU-VAT registered business operating in another EU country, you don't charge VAT on that sale. If the same product is sold to the final consumer within the EU, you may need to charge VAT at the rate applicable in their country.





# *Advance information to customers*



- The price of the goods or services - including any additional charges, such as **taxes, delivery costs and postage.**
- Acceptable **means of payment.**
- If you wish to charge the customer for using a specific means of payment, such as **a credit card**, the fee cannot be higher than what it actually costs you to process the payment.





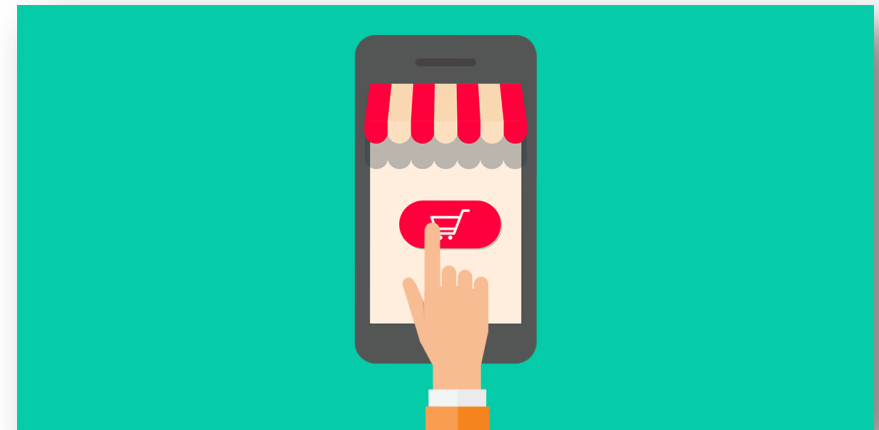


# *Advance information to customers*



Just before the customer places their order (clicks on a pay/buy button) you must also clearly and prominently indicate the:

- **Main characteristics of the goods or services.**
- **Total price, including additional charges.**



# *New EU rules on E-commerce*

The EU has worked on:

- The revised Payment Services Directive and new rules on cross-border parcel **delivery services** that are already in force;
- New rules to stop unjustified **geo-blocking**;
- Revised **consumer protection** rules that will enter into force in 2020;
- New **VAT rules** for online sales of goods and services that will enter into force in 2021.



- E-commerce, distance and off-premises rules do not cover transactions in the area of **food & drink supplied by regular delivery to a customer's home or workplace.**
- In some EU countries the rules do not apply to off-premises contracts for **a value of less than 50 Euro .**



## Import Documentation:

- The documentation procedures require that a **commercial invoice** and **bill of lading or airway bill** accompany all commercial shipments.
- Depending on the type of product, importers may be required to submit a **Certificate of Origin**.
- **Phytosanitary certificates** are necessary for food and agricultural imports.







# *EU financial support*



- EU Funding is available for all types of companies of any size and sector including entrepreneurs, start-ups, micro companies, small and medium-sized enterprises, and larger businesses.
- A wide range of financing is available: **business loans, microfinance, guarantees and venture capital.**
- Every year the EU supports more than 200 000 businesses.





# Access to EU Finance



- The site **YOUR EUROPE** will help you to apply for loans supported by the European Union.



Your Europe

Help and advice for EU nationals and their family

Life and travel >

Practical guide to doing business in Europe

Doing business >

↑

български	Lietuvių
čeština	magyar
Dansk	Malti
Deutsch	Nederlands
Eesti	polski
Ελληνικά	português

# Getting EU funding

- The **decision** to provide EU financing will be **made by the local financial institutions** such as banks, venture capitalists or angel investors.
- The exact financing conditions – the amount, duration, interest rates and fees – are determined by these financial institutions.



For the South-East region in Bulgaria, where is situated Sliven, are displayed **3** financial intermediaries and **the type, amount and sources of finance they offer:**

- UniCredit Bulbank
- United Bulgarian Bank
- DSK Bank

Your Europe > Business > Finance and funding > Getting funding > Access to finance

Running a business | Taxation | Selling in the EU | Human resources | Product requirements | **Finance and funding** | Dealing with customers

Select region  
 БЪЛГАРИЯ (BULGARIA) | СЕВЕРНА И ЮГОИЗТОЧНА БЪЛГАРИЯ (SEVERNA I YUGOIZTOCHNA BULGARIA) | ЮГОИЗТОЧЕН (Yugoiztochen)

Company category  
 Show all

Amount of finance  
 Show all

Type of finance  
☒ Loan/ Guarantee ☐ Equity/ Venture capital



Investment focus  
 Start-up, early stage x

Sources of finance  
 Choose some options

Keyword search

Search PDF

Displaying 3 results

Financial Intermediaries	Region Of Activity	Type Of Finance	Amount Of Finance	Investment Focus	Additional Information	Sources Of Finance
UniCredit Bulbank A.D.		Loan/ Guarantee	< 150 000 €	All sectors/ general, Start-up, early stage		COSME, EFSI
United Bulgarian Bank AD 		Loan/ Guarantee	> 25 000 € < 7 500 000 €	Research, development, innovation, Start-up, early stage		InnovFin, EFSI
DSK Bank EAD 		Loan/ Guarantee	> 25 000 € < 7 500 000 €	Research, development, innovation, Start-up, early stage		InnovFin, EFSI





# *Business plan of ENERGY FOR LIFE*



- **Legal form** of company existence – LTD.
- The company will employ **three workers** with estimated social security income – 1000 BGN/511 EURO
- **The capital** of the company is 320,000 BGN/163 613 EURO - of which 300,000 BGN /153 387 EURO is equity capital and 20,000 BGN/10 225 EURO is a bank loan for the company's working needs.





# Equity capital of **ENERGY FOR LIFE**



## Fixed assets

Assets	Number	Unit cost BGN	Cost BGN	Cost EURO
Building	1	250 000	250 000	127 822
Minibus	1	10 000	10 000	5 112
Office equipment	1	1 500	1 500	767
Computer	2	1 000	2000	1 022
Money			10 000	5 112
Manufacture equipment			5 000	2 556
Software			1 000	511
<b>Total:</b>			<b>279 500</b>	<b>143 000</b>





# Equity capital of **ENERGY FOR LIFE**

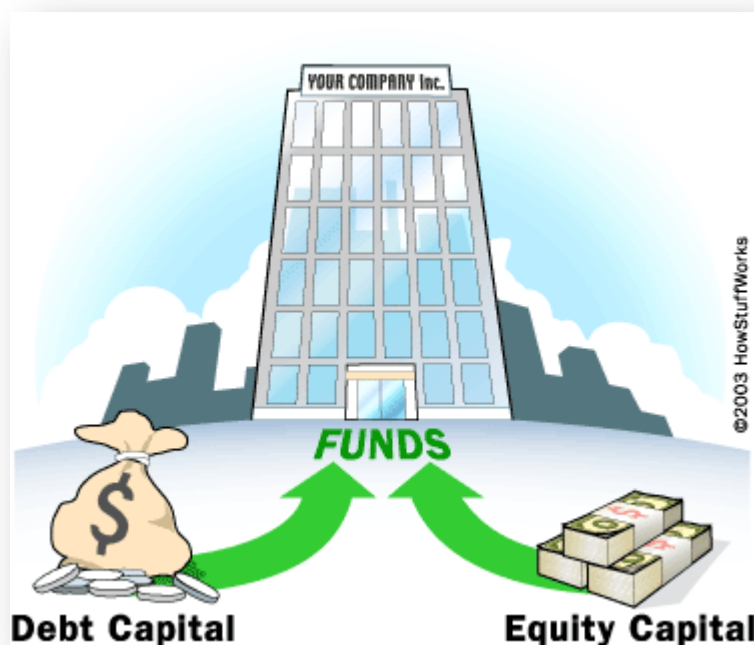


## Short-term assets

Assets	Cost BGN	Cost EURO
Manufacture equipment	10 500	5 368
Money in a bank account	20 000	10 225
Cash	5 000	2 556
<b>Total:</b>	<b>35 500</b>	<b>18 150</b>



- **ENERGY FOR LIFE** uses a **bank loan** of 20 000 BGN/10 225 EURO at a **fixed interest rates** of 5%.
- The loan is for **5 years**. The bank is **UniCredit Bulbank**.



Year of repayment	The rest of the principal BGN	Interest BGN	Repayment BGN	Repayment installment BGN
1	20 000	1 000	4 000	5 000
2	16 000	800	4 000	4 800
3	12 000	600	4 000	4 600
4	8 000	400	4 000	4 400
5	4 000	200	4 000	4 200
Repaid principal			20 000	23 000



# *Costs of production*

- **The costs of production** include the costs of materials plus all expenses for production and sales.
- **The costs of materials** are: raw materials and packaging /box + cellophane + ribbon/.

## **Time & Costs**



# Costs of materials

Energy bites	Grams	Cost for 1 kg BGN	Cost BGN	Package BGN	Material costs BGN	Material costs EURO
Blueberries	0,004	9,50	0,04			
Figs	0,012	10,00	0,124			
Raisins	0,012	5,50	0,07			
Chia	0,005	7,00	0,04			
Walnuts	0,004	16,50	0,07			
Oats	0,006	2,50	0,02			
Honey	0,005	5,00	0,03			
Lemon juice	0,001	3,00	0,01			
<b>For 3 bites</b>			<b>0,37</b>	<b>0,25</b>	<b>0.62</b>	<b>0.32</b>

Health bites	Grams	Cost for 1 kg BGN	Cost BGN	Package BGN	Material costs BGN	Material costs EURO
Prunes	0,008	7,50	0,06			
Dates	0,008	4,00	0,03			
Brown raisins	0,008	5,50	0,04			
Desiccated coconut	0,009	9,75	0,09			
Almonds	0,005	11,00	0,06			
Grounded linen seeds	0,005	2,50	0,01			
Honey	0,005	5,00	0,03			
Cinnamon	0,001	24,00	0,03			
<b>For 3 bites</b>			<b>0,34</b>	<b>0,25</b>	<b>0.59</b>	<b>0.30</b>

Power bites	Grams	Cost for 1 kg BGN	Cost BGN	Package BGN	Material costs BGN	Material costs EURO
Apricots	0,016	11,00	0,18			
Yellow sultanas	0,008	8,00	0,06			
Sunflower seeds	0,010	2,50	0,03			
Sesame	0,004	6,50	0,03			
Wheat germs	0,005	2,20	0,01			
Honey	0,005	5,00	0,03			
<b>For 3 bites</b>			<b>0,33</b>	<b>0,25</b>	<b>0.58</b>	<b>0.30</b>

The charts present the costs of the raw materials of the 3 types of **HEALTHY BITES**.

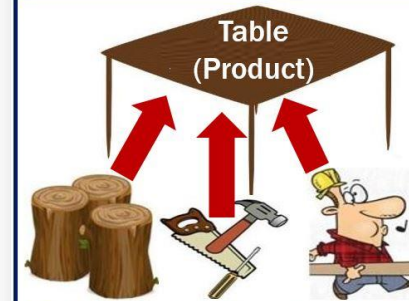


# Costs of production

**The costs of production are direct and indirect:**

- The direct ones are related to the main production, and the indirect ones are the expenses for management and sales.
- The costs of production include: **depreciation and salary costs, social and health insurance, electricity, water, fuel, sanitary materials and other unforeseen expenses.**

## What are Costs?



**Costs are the resources used to make a product. It is expressed in monetary terms.**



# Depreciation of the fixed assets

## Depreciation of the direct costs

Assets		Unit cost	Cost	%	BGN	EURO
Building	1	250 000	250 000	5%	12 500	6 391
Minibus	1	10 000	10 000	10%	1 000	511

## Depreciation of the indirect costs

Assets		Unit cost	Cost	%	BGN	EURO
Office equipment	1	1 500	1 500	15%	225	115
Computers	2	1 000	2 000	50%	1 000	511
Software	1	1 000	1 000	50%	500	256
<b>Total:</b>			264 500		15 225	7 784



# DEPRECIATION



## Salary, social and health insurance paid by the employer

	Number of employees	Salary BGN	State social insurance BGN	Occupational accident and disease BGN	Additional obligatory pension insurance BGN	Health insurance BGN	Total for 1 month BGN	Total for 1 year BGN	Total for 1 year EURO
			10,92%	0,40%	2,80%	4,80%			
1	Employee	1 000	109,20	4,00	28,00	48,00	189,20	2270,40	1160.84
2	Employee	1 000	109,20	4,00	28,00	48,00	189,20	2270,40	1160.84
3	Employee	1 000	109,20	4,00	28,00	48,00	189,20	2270,40	1160.84
	<b>Total:</b>	3 000	327,60	12,00	84,00	144,00	567,60	6811,20	<b>3482.51</b>



# Direct costs

Direct costs	BGN	EURO
Depreciation	13 500.00	6 902.00
Salary	36 000.00	18 406.00
Social and health insurance	6 811.20	3 482.00
Electricity	2 400.00	1 227.00
Water	1 440.00	736.00
Raw materials, fuels, sanitary	3 600.00	1 840.00
Others	500.00	256.00
<b>Total</b>	<b>64 251.20</b>	<b>32 851.00</b>



# Indirect costs

Indirect costs	BGN	EURO
Depreciation	1725	882
Electricity	600	307
Water	120	61
Materials, fuels, sanitary	100	51
Interest rates of bank loan	600	307
Others	200	102
<b>Total</b>	<b>3 345</b>	<b>1 710</b>



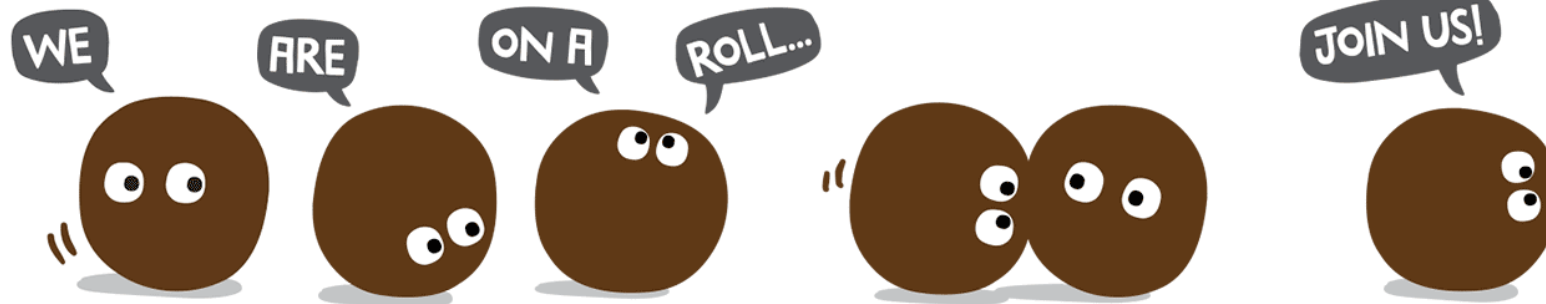




# Selling price of **ENERGY BITES**



	Number	BGN	EURO
Materials + direct and indirect costs		217 248.80	111 077.55
Planned production for the 1 <sup>st</sup> year	300 000		
Prime cost of a package		0.72	0.37
Profit from one package		0.78	0.40
Planned profit for the 1 <sup>st</sup> year of the business activity		155 167.47	79 335.87
<b>Price for a package of 3 bites</b>		<b>1.50</b>	<b>0.77</b>







# Our brochure



## ENERGY FOR LIFE

focuses on high quality and innovative functional products. Following the global trends, the brand offers new, healthy and practical solutions to meet the needs of a dynamic person.

## HEALTHY BITES

- ☺ Combination of dried fruits and nuts;
- ☺ Give the body a lot of essential vitamins, minerals, fibers, healthy unsaturated fats, proteins and antioxidants;
- ☺ Perfect quick snack in between meals;
- ☺ A quick energy boost before and after workouts.



## Project: E-commerce for Start –ups

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## ENERGY FOR LIFE



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## HEALTHY BITES



Co-funded by the  
Erasmus+ Programme  
of the European Union



Handmade  
WITH LOVE



# Our brochure



## HEALTH BITES

3 balls X 16 g

**Ingredients:** 18.75% coconut, 16.66% prunes, 16.66% dates, 16.66% brown raisins, 10.42% almond, 10.42% linen seeds, 10.42% honey, cinnamon for taste.



COCONUT + ALMOND



## ENERGY BITES

3 balls X 16 g

**Ingredients:** 25% figs, 25% raisins, 12.5% oat, 10.42% chia, 10.42% honey, 8.33% blueberry, 8.33% walnuts, lemon juice for taste.



BLUEBERRY + CHIA



## POWER BITES

3 balls X 16 g

**Ingredients:** 33.33% apricots, 20.84% sunflower seeds, 16.66% yellow sultanas, 10.42% wheat germs, 10.42% honey, 8.33% sesame.



APRICOT + SUNFLOWER SEEDS

HEALTHY NEVER TASTED SO GOOD !



WE ARE ON A ROLL....JOIN US !



# Our E-commerce web site



ENERGY FOR LIFE ▾



<https://energylifebg.com/>





# *Students from The Secondary Vocational School of Economics - Sliven, BULGARIA*



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