

Svetoslav Iliev

*PhD Candidate*

Department of Regional Development, Faculty of Geology and Geography, Sofia University "St. Kliment Ohridski", Sofia, Bulgaria

**Corresponding author:**

**e-mail:**

[svetoslaviliev1991@gmail.com](mailto:svetoslaviliev1991@gmail.com)

**ORCID:**

<https://orcid.org/0009-0006-9577-1925>

**Published First Online:**

26.06.2026

**Pages:** 41-55

**DOI:**

<https://doi.org/10.37075/JOMSA.2026.1.03>

# INDUSTRIAL PARKS AS INSTRUMENTS OF REGIONAL DEVELOPMENT POLICY IN BULGARIA

## ABSTRACT

This study examines the role of industrial parks as instruments of regional development policy in Bulgaria. The growing importance of industrial infrastructure is closely linked to contemporary challenges associated with regional disparities, territorial cohesion, investment attraction, and sustainable economic development. Despite the increasing policy relevance of industrial parks, relatively limited academic attention has been devoted to their role as instruments of regional development policy in Bulgaria. This research addresses this gap and contributes to the growing discussion on industrial infrastructure as a tool for balanced territorial development.

The paper analyzes the relationship between industrial park development, regional economic performance, investment attraction, and employment dynamics within the context of regional disparities in Bulgaria. The research applies qualitative policy analysis combined with comparative regional analysis and secondary statistical data analysis.

The findings indicate that industrial parks support economic activity, investment attraction, and regional competitiveness; however, their effectiveness depends significantly on infrastructure accessibility, labor market conditions, institutional capacity, governance quality, and broader regional development factors. The study contributes to the existing literature by examining industrial parks not only as investment promotion mechanisms but also as instruments supporting

territorial cohesion and balanced regional development. The Bulgarian case provides additional evidence regarding the opportunities and limitations of industrial parks as tools for addressing regional economic disparities in emerging European economies.

**KEYWORDS:** industrial parks; regional development; regional policy; economic disparities; Bulgaria

**JEL:** R11, R58, O18, L52

## INTRODUCTION

Regional disparities remain among the most significant socio-economic challenges in Bulgaria. Economic activity, industrial production, investment concentration, and innovation capacity are unevenly distributed across the country, with a substantial concentration in Sofia and several major urban centers. The continuing deepening of the socio-economic differences between the different regions of the country shows that the well-developed administrative-territorial units are limited compared to the lagging regions in the country (Ivanov, M. 2021). Peripheral and economically weaker regions continue to experience structural problems including demographic decline, labor shortages, low investment activity, and insufficient infrastructure. Furthermore, the influence of climate change and its effects on the development of peripheral and less developed regions are gaining increasing importance, as climate change, given its multifaceted nature by amplifying existing vulnerabilities. This necessitates the incorporation of environmental dimensions into strategic assessments for security sector reform, both in the

security sector and in the field of regional development, particularly regarding the planning process for industrial parks. Regions experiencing severe climate events are increasingly susceptible to conflicts driven by resource depletion and intensified competition for scarce resources. It is important to note that low-income nations and those with significant income disparities are most adversely impacted by extreme weather phenomena, particularly in the long term. This disparity makes it more difficult for socially disadvantaged groups to adapt, thereby exacerbating social inequality in the regions and, concurrently, acts as a prerequisite for the development of industrial infrastructure and the attraction of investment in underdeveloped regions (Ivanov, M. et. al, 2025). Also attention should also be paid to natural resource management plays a crucial role in regional development as it affects the social, economic and environmental aspects of the region. Effective management of natural resources can contribute to the sustainable development of a region by ensuring the long-term availability of resources and by protecting the environment. An important aspect is promoting sustainable practices in the use of natural resources (Naydenov, Kl., 2024). The ongoing development of industrial parks can also be examined from the perspective of implementing green economy principles, as the green economy combines economic growth with the sustainable management of natural resources, aims to achieve social inclusion and combat climate change. It seeks innovations and solutions that reduce negative environmental impacts while providing economic benefits (Zhechkova, N., Naydenov, Kl., 2025) and economic growth. Economic growth is presupposed by the action of many different in nature, origin and type of factors, by some previously formed, objectively set or subjectively consciously provoked conditions. Their manifestation is differentiation in strength, degree and direction of impact on the economy and closely interrelated. By acting as causes or drivers of growth, they can actually both stimulate and localize, constrain macroeconomic activity, so as to predetermine cyclicity in the economy. These conditions and factors operate jointly and in combination; they form a single system rather than a mechanical assembly. It is very important for the modern and especially for the broader view of growth that some conditions and factors can be predicted, guided and indirectly controlled, while others are unpredictable (Berberova-Valcheva, T., Petrov, K., 2023).

Within this context, industrial parks have increasingly emerged as instruments of regional development policy. The development of industrial infrastructure is viewed as a mechanism for attracting investments, stimulating industrial activity, improving regional competitiveness, and generating employment opportunities. Industrial parks also facilitate business operations through infrastructure readiness, logistical connectivity, and administrative support.

The growing importance of industrial parks in Bulgaria is closely connected to broader European and national policy priorities related to territorial cohesion, industrial modernization, economic resilience, and sustainable regional development. European Union cohesion policy and national strategic frameworks increasingly emphasize the role of industrial infrastructure in promoting balanced territorial development and reducing regional economic disparities.

Despite the increasing policy focus on industrial parks, limited academic attention has been devoted to their effectiveness as instruments of regional development policy in Bulgaria. Existing studies frequently focus on investment promotion or infrastructure development without sufficiently examining their broader territorial and socio-economic implications.

The main research question addressed in this study is the following: How do industrial parks contribute to the implementation of regional development policy objectives in Bulgaria?

The objective of the study is to assess the role of industrial parks within Bulgaria's regional development policy framework and to evaluate their contribution to regional economic development and territorial cohesion. The study applies a mixed analytical approach combining qualitative policy analysis, comparative regional analysis, and secondary statistical data analysis.

## **1. LITERATURE REVIEW**

### **1.1 Regional Development and Territorial Disparities**

Regional development has long been associated with the uneven spatial distribution of economic activity, infrastructure, investment, and human capital. Economic growth is rarely territorially balanced, as capital, labor, and innovation tend to concentrate in regions with stronger economic fundamentals, better connectivity, and higher institutional capacity.

Perroux (1955) develops the concept of growth poles, arguing that economic development emerges around dynamic economic centers capable of generating spillover effects to surrounding regions. Similarly, cumulative causation theories explain how economically advanced regions continuously strengthen their competitive advantages, while lagging regions experience structural disadvantages and slower economic growth.

In Bulgaria, regional disparities remain particularly visible following the transition to a market economy and the country's integration into the European Union. Economic activity, investment, and industrial production remain concentrated in Sofia and several large urban centers, while peripheral regions continue to face demographic decline and lower investment intensity.

### **1.2 Industrial Parks as Instruments of Regional Development**

Industrial parks represent organized industrial territories equipped with technical and transport infrastructure designed to support business activity and investment attraction. The literature identifies several advantages associated with industrial parks:

- concentration of industrial activity;
- reduced investment costs;
- improved logistical efficiency;
- infrastructure readiness;
- attraction of domestic and foreign investment.

Industrial parks may also contribute to local economic development through indirect spillover effects such as supplier network formation, labor market expansion, and infrastructure improvements.

However, the effectiveness of industrial parks depends on regional conditions including transport accessibility, labor availability, governance quality, institutional coordination, and market proximity.

In the Bulgarian context, industrial parks have gained increasing strategic importance during the past decade. Nevertheless, academic research on their role as instruments of regional development policy remains relatively limited.

## **2. POLICY AND REGULATORY FRAMEWORK IN BULGARIA**

### **2.1 Regional Development Policy in Bulgaria**

Regional development policy in Bulgaria has undergone substantial transformation following the country's accession to the European Union. Contemporary regional policy increasingly focuses on reducing territorial disparities, improving regional competitiveness, and supporting balanced socio-economic development.

European Union cohesion policy represents one of the principal drivers of regional development interventions in Bulgaria. Through operational programs, territorial investment instruments, and infrastructure financing mechanisms, regional policy seeks to support economic modernization and territorial cohesion.

Industrial parks are increasingly perceived as strategic territorial instruments capable of supporting broader regional development objectives.

## **2.2 Legal and Institutional Framework of Industrial Parks**

The adoption of the Law on Industrial Parks established a legal framework regulating the establishment, management, development, and operation of industrial parks in Bulgaria.

The law defines industrial parks as territorially organized areas intended for industrial activities, logistics, technological development, and accompanying economic services.

Several public actors participate in industrial park development, including the Ministry of Economy and Industry, the National Company Industrial Zones, municipal authorities, and regional administrations.

The National Company Industrial Zones plays a central role in the planning and management of state-supported industrial zones and industrial parks.

Recent academic research has increasingly examined the relationship between industrial policy, institutional transformation, and industrial park development (Stein, 2020). The role of industrial parks in supporting sustainable regional development has also attracted growing scholarly attention (Borodavkina & Mukovnina, 2021). These studies reflect the increasing recognition of industrial parks as components of broader economic and territorial development policies.

## **2.3 Industrial Parks and European Regional Policy**

The development of industrial parks in Bulgaria is closely linked to broader European regional and industrial policy objectives related to industrial modernization, green transition, digitalization, and territorial resilience.

Industrial infrastructure projects are frequently supported through European structural and investment funds and the National Recovery and Resilience Plan.

Industrial parks are viewed as platforms for attracting high-value manufacturing activities, technological investment, and sustainable industrial development.

Recent academic research has increasingly examined the role of industrial parks within the broader context of sustainable territorial development and European industrial policy. Issues related to sustainability, territorial cohesion, and regional competitiveness have received growing scholarly attention in studies of industrial park development across Europe (Bogren et al., 2025). Furthermore, the integration of environmental and resource-efficiency considerations into industrial park planning has become an increasingly important component of contemporary policy frameworks (Kleshchov, 2024). These developments reflect the evolving role of industrial parks as instruments supporting both economic growth and long-term territorial resilience.

## **2.4 Challenges in the Bulgarian Context**

Several structural challenges continue to limit the effectiveness of industrial parks in Bulgaria. The majority of successful industrial parks are concentrated in economically stronger regions with developed transport corridors, larger labor markets, and higher investment attractiveness.

Peripheral regions frequently encounter difficulties related to inadequate transport connectivity, demographic decline, labor shortages, and limited investor interest.

Consequently, industrial parks should not be viewed as isolated policy instruments but rather as components of broader territorial development strategies.

Recent studies on regional development in Bulgaria have also emphasized the importance of integrated territorial approaches when addressing regional disparities and development challenges. Research has highlighted the growing significance of sustainable regional development, territorial competitiveness, and the adaptation of regional policies to contemporary economic and environmental transformations (Petrov & Tsonkov, 2022; Tsonkov & Petrov, 2024). Furthermore, the need for coordinated policy measures combining infrastructure development, investment support, and local capacity building has been increasingly recognized, particularly in rural and peripheral regions (Borisov, Petrov, & Tsonkov, 2024). These perspectives further support the view that industrial parks should be incorporated into broader regional development frameworks rather than implemented as standalone policy instruments.

## **3. METHODOLOGY**

### **3.1 Research Approach**

This study applies a mixed analytical approach combining qualitative policy analysis, comparative regional analysis, and secondary statistical data analysis.

The qualitative component focuses on the examination of strategic policy documents, legislative frameworks, and institutional mechanisms related to industrial park development in Bulgaria.

The quantitative component is based on comparative analysis of regional economic indicators associated with industrial development, investment activity, and labor market dynamics.

### **3.2 Research Objective**

The main objective of this study is to assess the role of industrial parks within Bulgaria's regional development policy framework and to evaluate their contribution to regional economic development and territorial cohesion. The research seeks to examine the relationship between industrial park development, investment attraction, employment generation, and regional competitiveness. Particular attention is given to the extent to which industrial parks can contribute to reducing regional disparities and supporting balanced territorial development in the Bulgarian context.

### **3.3 Research Methods**

The study applies policy analysis, comparative regional analysis, and secondary statistical analysis. The qualitative classifications presented in the comparative tables are based on the author's synthesis of regional statistical indicators, investment activity, infrastructure

accessibility, and industrial concentration data obtained from NSI and Ministry of Economy and Industry sources.

### **3.4 Data Sources**

The study utilizes data from the National Statistical Institute, Eurostat, Ministry of Economy and Industry, National Company Industrial Zones, OECD, World Bank, and European Commission sources.

### **3.5 Analytical Indicators**

The main analytical indicators include regional GDP, employment levels, unemployment rates, foreign direct investment, industrial production, business activity, infrastructure accessibility, and demographic dynamics.

### **3.6 Territorial Scope of the Analysis**

The analysis focuses on selected Bulgarian regions including Sofia, Plovdiv, Burgas, Ruse, and Vidin. These regions are selected due to their differing economic structures, infrastructure conditions, investment intensity, and levels of industrial concentration.

### **3.7 Research Limitations**

The study acknowledges limitations related to data availability, regional comparability, and the difficulty of isolating industrial park effects from broader regional economic processes.

## **4. RESULTS**

### **4.1 Spatial Distribution of Industrial Parks in Bulgaria**

The spatial distribution of industrial parks demonstrates significant territorial concentration. The most developed industrial zones are concentrated in Sofia, Plovdiv, Burgas, Varna, and Stara Zagora regions.

Peripheral regions continue to experience lower investment intensity and weaker industrial development. According to NSI regional labor market data, the unemployment rate in Northwestern Bulgaria remains significantly higher than in Southwestern Bulgaria, illustrating persistent territorial disparities between economically dynamic and peripheral regions.

The spatial distribution of industrial parks in Bulgaria demonstrates a clear concentration along major transport and economic corridors, particularly in the Sofia-Plovdiv-Burgas axis. Peripheral regions in Northwestern Bulgaria continue to demonstrate substantially lower levels of industrial concentration and investment intensity.

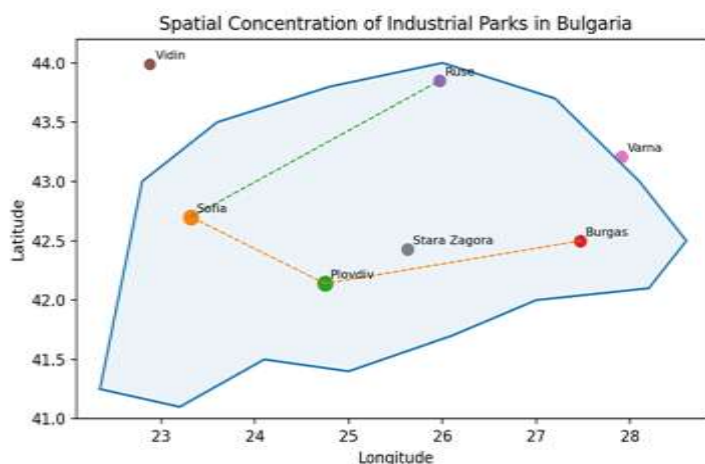
**Table 1.** Regional Distribution of Industrial Parks in Bulgaria

Region	Number of Industrial Parks	Main Economic Sectors	Infrastructure Accessibility	Development Intensity
Sofia	High	Manufacturing, logistics, technology	Very High	Very High
Plovdiv	High	Automotive, manufacturing, logistics	High	High
Burgas	Medium	Logistics, transport, manufacturing	High	Medium
Ruse	Medium	Manufacturing, river logistics	Medium	Medium
Vidin	Low	Light industry, logistics	Low	Low

*Source:* Own elaboration based on NSI and Ministry of Economy and Industry data.

The distribution presented in Table 1 demonstrates a clear spatial concentration of industrial parks in Bulgaria's most economically developed regions. Sofia and Plovdiv exhibit the highest levels of industrial park development, which corresponds with their stronger economic performance, higher investment attractiveness, and better transport connectivity. In contrast, regions such as Vidin continue to demonstrate limited industrial concentration despite their strategic geographic location. This pattern suggests that the development of industrial parks is strongly influenced by existing regional advantages, including infrastructure quality, labor market size, and institutional capacity. Consequently, industrial parks appear to support and reinforce existing economic dynamics, while their capacity to independently generate regional convergence remains limited.

**Figure 1.** Spatial Concentration of Industrial Parks in Bulgaria



*Source:* Own elaboration based on Ministry of Economy and Industry and NSI regional data.

## 4.2 Industrial Parks and Investment Attraction

Industrial parks contribute positively to investment attraction through infrastructure readiness, transport accessibility, simplified administrative procedures, and concentration of industrial activities.

The strongest investment results are observed in industrial zones located near major transport corridors and urban economic centers. Industrial regions around Sofia and Plovdiv continue to attract the largest concentration of manufacturing and logistics investments due to infrastructure accessibility, labor market concentration, and proximity to national and international transport corridors.

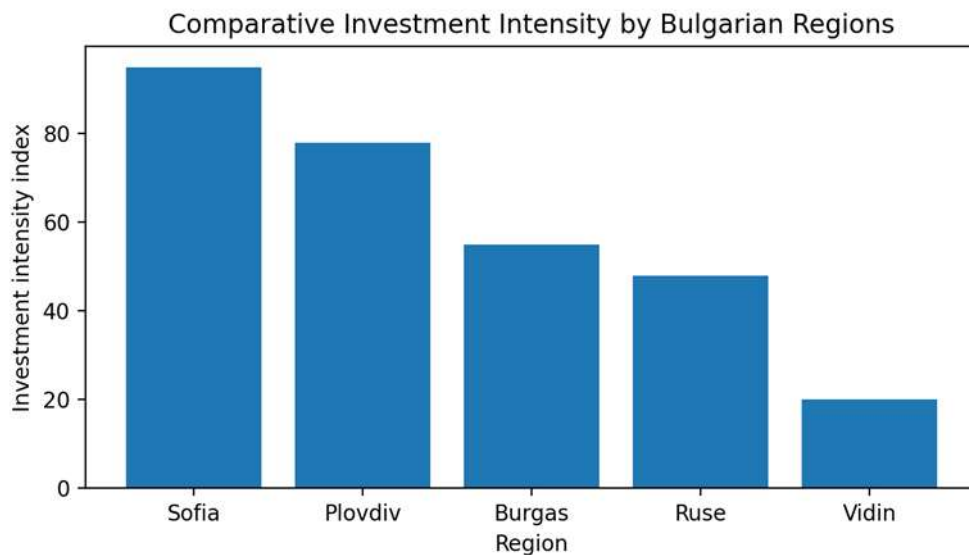
**Table 2.** Comparative Regional Economic Indicators

Region	GDP per Capita	Unemployment Rate	Investment Activity	Industrial Concentration
Sofia	Above national average	Approx. 2%	Very High	High
Plovdiv	High	Moderate	High	High
Burgas	Moderate	Moderate	Medium	Medium
Ruse	Moderate	Moderate	Medium	Medium
Vidin	Among the lowest in Bulgaria	Above 11%	Low	Low

*Source: Own elaboration based on NSI regional statistics.*

The comparative indicators presented in Table 2 reveal a clear association between industrial park development and regional economic performance. Regions characterized by higher investment activity and stronger industrial concentration also demonstrate more developed industrial park ecosystems. The case of Sofia and Plovdiv illustrates how transport accessibility, labor market availability, and business agglomeration effects may contribute to attracting industrial investment. At the same time, the relatively weaker performance of peripheral regions such as Vidin highlights the limitations of industrial parks as standalone development instruments. Their effectiveness remains closely linked to broader regional economic conditions and supporting infrastructure.

**Figure 2.** Comparative Investment Intensity Index by Bulgarian regions



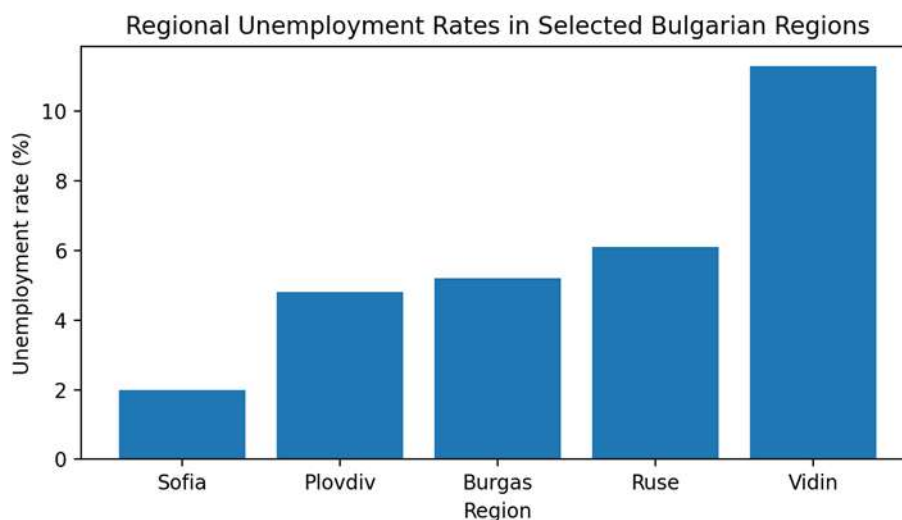
*Source: Own elaboration based on regional economic data.*

### 4.3 Employment and Regional Economic Effects

Industrial parks contribute to regional labor market development through employment generation and industrial diversification.

At the same time, labor shortages, demographic decline, and population aging increasingly affect industrial development sustainability. NSI demographic statistics demonstrate continued population decline and aging trends in peripheral regions, particularly in Northwestern Bulgaria, which negatively affect long-term labor market capacity and industrial competitiveness.

**Figure 3.** Regional Unemployment Rates in Selected Bulgarian Regions



*Source: Own elaboration based on NSI labor market statistics.*

**Table 3.** Main Structural Challenges Affecting Industrial Park Development

Challenge	Impact on Regional Development
Transport infrastructure disparities	Limits investment attractiveness
Demographic decline	Reduces labor availability
Labor shortages	Restricts industrial expansion
Institutional fragmentation	Slows project implementation
Uneven investment concentration	Reinforces territorial disparities
Energy and logistics costs	Increases operational uncertainty

*Source: Own elaboration.*

#### 4.4 Regional Disparities and Territorial Cohesion

The analysis demonstrates that industrial parks possess the potential to support regional development; however, their territorial impact remains uneven. Economically stronger regions continue to attract the majority of industrial investments, while weaker regions face structural barriers limiting their competitiveness.

This creates a policy paradox: regions with the greatest need for industrial investments often possess the weakest investment attractiveness, while regions already characterized by higher competitiveness continue to accumulate additional economic advantages.

**Table 4.** Comparative Characteristics of Selected Industrial Parks

Industrial Park	Region	Main Sectors	Strategic Advantages	Main Challenges
Trakia Economic Zone	Plovdiv	Automotive, manufacturing	Strong logistics and industrial ecosystem	Labor shortages
Industrial Park Sofia-Bozhorishte	Sofia Region	Manufacturing, logistics	Proximity to Sofia and transport corridors	High operational costs
Industrial Park Burgas	Burgas	Logistics and transport	Port connectivity	Competition for investments
Industrial Zone Ruse	Ruse	Manufacturing and logistics	Danube corridor access	Demographic pressures
Industrial Zone Vidin	Vidin	Light industry	Strategic border location	Weak labor market

*Source: Own elaboration based on regional development data.*

The comparison of selected industrial parks further illustrates the uneven territorial effects of industrial development in Bulgaria. Industrial parks located in economically dynamic regions tend to benefit from stronger business ecosystems, better infrastructure, and greater labor market availability. Conversely, industrial parks in peripheral regions often face structural constraints that reduce their capacity to attract investment and generate long-term economic spillover effects. These findings suggest that industrial parks can support regional development objectives, but their contribution to territorial cohesion depends on complementary measures addressing infrastructure deficits, demographic challenges, and institutional capacity at the regional level.

#### **4.5 Key Challenges and Structural Limitations**

Several structural challenges continue to limit the effectiveness of industrial parks in Bulgaria, including infrastructure disparities, demographic decline, institutional fragmentation, uneven investment concentration, and global economic uncertainty. These challenges demonstrate that industrial parks require complementary regional, transport, education, and labor market policies in order to generate sustainable territorial impact.

### **5. DISCUSSION**

The findings of the study indicate that industrial parks represent increasingly important instruments within Bulgaria's regional development policy framework; however, their territorial impact remains uneven and strongly dependent on broader regional economic conditions.

This conclusion corresponds with recent international research emphasizing the growing importance of industrial parks as instruments supporting regional economic development and territorial competitiveness. Previous studies have highlighted their potential contribution to sustainable regional development, investment attraction, and economic resilience, while also emphasizing the importance of broader institutional and territorial conditions for their effective development and operation (Borodavkina & Mukovnina, 2021; Lee et al., 2023).

A key conclusion emerging from the analysis is that industrial parks function most effectively in regions already characterized by relatively strong economic fundamentals, developed transport infrastructure, labor market concentration, and higher institutional capacity. This finding corresponds with broader European regional development trends, where industrial and innovation-oriented investments tend to concentrate in economically dynamic metropolitan and transport-connected territories.

Within the context of European Union regional policy, industrial parks are increasingly integrated into broader territorial development and cohesion strategies aimed at improving regional competitiveness, industrial modernization, and economic resilience. Similar approaches can be observed across several Central and Eastern European countries, including Poland, the Czech Republic, Hungary, and Slovakia, where industrial zones and special economic areas have played an important role in attracting foreign direct investments and supporting export-oriented manufacturing sectors.

However, comparative experience from Central and Eastern Europe also demonstrates that industrial infrastructure alone is insufficient to reduce long-term territorial disparities. In many cases, economically advanced regions continue to accumulate investment advantages due to stronger connectivity, better workforce availability, and more developed institutional ecosystems. This pattern is also clearly visible in Bulgaria, where regions such as Sofia and

Plovdiv demonstrate substantially stronger industrial dynamics compared to peripheral regions in Northwestern Bulgaria.

Similar observations have been reported in studies examining industrial parks and territorial development in Europe. Recent research has increasingly suggested that industrial parks are more effective when integrated into broader regional development strategies addressing infrastructure quality, innovation capacity, environmental sustainability, and institutional coordination (Bogren et al., 2025; Kleshchov, 2024). The Bulgarian experience presented in this study appears consistent with these broader European trends.

The findings therefore support the theoretical assumptions of agglomeration economics and growth pole theory. Economic activity tends to concentrate spatially around territories possessing cumulative development advantages. Industrial parks may accelerate regional development processes, but they do not independently eliminate structural regional inequalities.

At the same time, the study demonstrates that industrial parks can generate positive regional spillover effects when integrated into broader place-based development strategies. Such effects include infrastructure modernization, labor market activation, local supplier network formation, and increased municipal economic activity.

The analysis also highlights the importance of governance quality and institutional coordination. Successful industrial parks are typically associated with stronger cooperation between municipalities, national institutions, infrastructure operators, investors, and educational institutions. Fragmented governance structures and administrative inefficiencies may significantly reduce the effectiveness of industrial development initiatives.

The importance of institutional capacity and policy coordination has also been emphasized in the broader literature on industrial policy and industrial park development. Recent research has increasingly examined the relationship between institutional transformation, industrial policy, and industrial park development (Stein, 2020). This perspective is consistent with the findings of the present study, which highlight the significance of governance quality and institutional coordination in shaping the effectiveness of industrial parks as instruments of regional development.

Overall, the study confirms that industrial parks can contribute positively to regional competitiveness and economic development in Bulgaria, but their effectiveness remains conditional upon broader territorial, institutional, and socio-economic factors.

## **5.1 Comparative Perspective within Central and Eastern Europe**

The experience of Central and Eastern European countries demonstrates that industrial parks and special economic zones can significantly contribute to industrial modernization and export-oriented growth when integrated into broader national industrial strategies.

Poland, the Czech Republic, Hungary, and Slovakia have successfully utilized industrial zones and industrial clusters to attract foreign direct investments, particularly in automotive manufacturing, logistics, and high-value industrial production. These countries benefited from strong transport infrastructure, integration into European supply chains, and targeted industrial policy incentives.

At the same time, regional disparities within these countries remain substantial, particularly between metropolitan growth centers and peripheral territories. This demonstrates that industrial infrastructure alone cannot fully compensate for structural territorial inequalities.

The Bulgarian case reflects similar dynamics. Industrial parks located within economically dynamic regions such as Sofia and Plovdiv demonstrate substantially stronger investment

performance compared to peripheral territories. Consequently, Bulgarian regional policy should combine industrial infrastructure development with broader territorial cohesion measures.

## **5.2 Theoretical Implications**

The findings of the study support several major theoretical approaches within regional economics and territorial development.

First, the results confirm the assumptions of growth pole theory developed by Perroux (1955). Industrial and investment activity tends to concentrate around economically dynamic territories capable of generating cumulative regional advantages and spillover effects.

Second, the study supports agglomeration theory and New Economic Geography approaches associated with Krugman (1991). Regions possessing stronger infrastructure accessibility, labor market concentration, and economic density demonstrate greater capacity to attract industrial investments and economic activity.

Third, the analysis confirms the importance of cluster-based regional development emphasized by Porter (1990). Industrial parks function most effectively when integrated into broader industrial ecosystems characterized by institutional cooperation, supply-chain integration, and regional specialization.

Finally, the findings correspond with contemporary place-based development approaches within European regional policy. Effective territorial development requires differentiated policy instruments adapted to the specific economic, demographic, and institutional characteristics of each region.

## **5.3 Policy Recommendations**

The findings of the study demonstrate that industrial parks should be integrated into broader territorial development strategies rather than treated as isolated infrastructure projects. Several policy measures may improve the effectiveness of industrial parks as instruments of regional development policy in Bulgaria:

- Strengthening transport and logistical infrastructure in peripheral regions;
- Expanding workforce qualification and vocational education programs;
- Increasing targeted investment incentives for economically weaker territories;
- Supporting innovation-oriented industrial ecosystems;
- Improving institutional coordination between national and regional authorities;
- Integrating industrial parks into smart specialization and green transition strategies;
- Enhancing digital and energy infrastructure supporting industrial competitiveness.

## **5.4 Research Limitations and Future Research Directions**

Several limitations should be acknowledged. First, the availability of region-specific statistical data directly related to industrial parks remains limited. In many cases, industrial park effects cannot be fully isolated from broader regional economic processes.

Second, the study does not apply longitudinal econometric analysis capable of measuring causal relationships between industrial park development and regional economic growth.

Third, territorial heterogeneity across Bulgarian regions creates difficulties in direct regional comparison due to differences in demographic structure, infrastructure accessibility, institutional capacity, and economic specialization.

Future research may focus on econometric analysis of industrial park effects, GIS-based territorial analysis, comparative studies between Central and Eastern European countries, industrial resilience and green transition, and smart specialization and regional innovation ecosystems.

## CONCLUSIONS

Industrial parks have become increasingly important instruments within Bulgaria's regional development policy framework. The study demonstrates that industrial parks can contribute positively to regional economic development by improving infrastructure readiness, facilitating investment processes, supporting industrial activity, and generating employment opportunities.

At the same time, the analysis reveals that the effectiveness of industrial parks varies considerably across Bulgarian regions. The findings indicate that industrial parks alone cannot eliminate regional disparities. Their territorial impact depends on broader socio-economic conditions and complementary regional development measures.

The research demonstrates that industrial infrastructure is most effective when integrated into broader territorial development strategies combining transport connectivity, workforce qualification, innovation policy, institutional coordination, and targeted regional investment support.

Comparative analysis with Central and Eastern European countries further confirms that industrial parks can support regional competitiveness and export-oriented industrial growth; however, they cannot independently compensate for structural territorial inequalities.

Overall, industrial parks represent valuable instruments of regional development policy in Bulgaria, particularly when implemented within integrated territorial development frameworks capable of addressing long-term regional economic disparities and strengthening regional resilience.

## REFERENCES

- Berberova-Valcheva, T., & Petrov, K. (2023). MODERN ECONOMIC GROWTH - CONDITIONS AND FACTORS OF DEVELOPMENT. *Journal of Management Sciences and Applications*, 2(2), 206–218. Retrieved from <https://jomsa.science/index.php/jomsa/article/view/56>
- Bogren, M., Sörensson, A., Faith-Ell, C., Lindvert, M., & Jansson, A. M. (2025). Industrial parks in Europe: Challenges for sustainable territorial development. In *Strategies for Sustainable Territorial Development* (pp. 301–322). IGI Global Scientific Publishing.
- Borisov, P., Petrov, K., & Tsonkov, N. (2024). Integration perspectives for improving regional policy in rural areas of Bulgaria. *Agricultural and Resource Economics: International Scientific E-Journal*, 10(1), 260–283.
- Borodavkina, N., & Mukovnina, E. (2021). The role of industrial parks in ensuring sustainable development of the region. In *E3S Web of Conferences* (Vol. 291, p. 01004). EDP Sciences.
- European Commission. (2021). *Cohesion policy 2021-2027*. Brussels, Belgium: European Commission. Retrieved May 18, 2026, from <https://ec.europa.eu>
- European Commission. (2021). *Recovery and Resilience Facility regulation*. Brussels, Belgium: European Commission. Retrieved May 18, 2026, from <https://ec.europa.eu>

- European Commission. (2022). Eighth report on economic, social and territorial cohesion. Brussels, Belgium: European Commission. Retrieved May 18, 2026, from <https://ec.europa.eu>
- Eurostat. (2024). Regional economic statistics. Luxembourg: Publications Office of the European Union. Retrieved May 18, 2026, from <https://ec.europa.eu/eurostat>
- Farole, T. (2011). Special economic zones in Africa: Comparing performance and learning from global experience. Washington, DC: World Bank.
- Ivanov, M. (2021). Impact of socio-economic disparities on regional planning as a result of the COVID-19 pandemic. Proceedings of the International Scientific Conference GeoBalcanica, 545–552. <https://doi.org/10.18509/GBP210545i>
- Ivanov, M., Naydenov, K., & Atanasova, A. (2025). Risks to the development of agriculture in Bulgaria in the context of climate change. *Bulgarian Journal of Agricultural Economics and Management*, 70(4), 44-60.
- Kleshchov, A. (2024). Policy framework to cover eco-industrial parks pillars. *Economics, Finance and Management Review*, (3(19)), 14–21.
- Krugman, P. (1991). *Geography and trade*. Cambridge, MA: MIT Press.
- Law on Industrial Parks. (2023). State Gazette No. 21/2023.
- Lee, Y. H., Kao, L. L., Liu, W. H., & Pai, J. T. (2023). A study on the economic resilience of industrial parks. *Sustainability*, 15(3), 2462.
- Ministry of Economy and Industry. (2023). Law on Industrial Parks. Sofia, Bulgaria.
- Ministry of Regional Development and Public Works. (2021). National Development Program Bulgaria 2030. Sofia, Bulgaria.
- Ministry of Regional Development and Public Works. (2022). National Strategy for Regional Development 2021-2027. Sofia, Bulgaria.
- National Company Industrial Zones. (2024). Annual activity report. Sofia, Bulgaria.
- National Statistical Institute. (2024). Regional statistics database. Sofia, Bulgaria. Retrieved May 18, 2026, from <https://www.nsi.bg>
- Naydenov, K. (2024). Natural resource management in the context of regional development. *International Multidisciplinary Scientific GeoConference: SGEM*, 4(2), 411-419.
- Neumark, D., & Kolko, J. (2010). Do enterprise zones create jobs? Evidence from California's enterprise zone program. *Journal of Urban Economics*, 68(1), 1-19. <https://doi.org/10.1016/j.jue.2010.01.002>
- OECD. (2019). *Making decentralisation work: A handbook for policy-makers*. Paris, France: OECD Publishing. <https://doi.org/10.1787/g2g9faa7-en>
- OECD. (2020). *OECD regions and cities at a glance 2020*. Paris, France: OECD Publishing. <https://doi.org/10.1787/959d5ba0-en>
- OECD. (2021). *Regional development policies in OECD countries*. Paris, France: OECD Publishing.
- Perroux, F. (1955). Note sur la notion de pôle de croissance. *Economie appliquee*, 8, 307-320.
- Petrov, K., & Tsonkov, N. (2022). Regional aspects and development opportunities in Bulgaria in the context of the European Green Deal. *European Integration Studies*, (16), 97–109.
- Porter, M. E. (1990). *The competitive advantage of nations*. New York, NY: Free Press.
- Porter, M. E. (1998). Clusters and the new economics of competition. *Harvard Business Review*, 76(6), 77-90.
- Rodriguez-Pose, A. (2018). The revenge of the places that don't matter. *Cambridge Journal of Regions, Economy and Society*, 11(1), 189-209. <https://doi.org/10.1093/cjres/rsx024>
- Rodriguez-Pose, A., & Crescenzi, R. (2008). Research and development, spillovers, innovation systems, and the genesis of regional growth in Europe. *Regional Studies*, 42(1), 51-67. <https://doi.org/10.1080/00343400701654186>

- Stein, H. (2020). Industrial policy, institutional transformation, and the development of industrial parks. In *The Oxford Handbook of Industrial Hubs and Economic Development* (pp. 98–116). Oxford University Press.
- Tsonkov, N., & Petrov, K. (2023). Specifics and problems in the spatial development of Stara Zagora municipality. *Journal of Management Sciences and Applications*, 2(1), 88–102. Retrieved from <https://jomsa.science/index.php/jomsa/article/view/30>
- Tsonkov, N., & Petrov, K. (2024). Global challenges for regional policy and development. *Vanguard Scientific Instruments in Management*, 20, 196–207.
- United Nations Industrial Development Organization. (2020). *Industrial parks and special economic zones in the context of sustainable development*. Vienna, Austria: UNIDO.
- World Bank. (2021). *Bulgaria systematic country diagnostic*. Washington, DC: World Bank. Retrieved May 18, 2026, from <https://www.worldbank.org>
- Zhechkova, N., & Naydenov, K. (2025). CAPACITY BUILDING FOR SUSTAINABILITY: EDUCATING FUTURE LEADERS FOR A GREEN ECONOMY. *International Multidisciplinary Scientific GeoConference: SGEM*, 5(1), 737-742.