

Bulgaria

1. EU Competitiveness

Question 1	To what extent do you consider the European Commission's overall policy stance supportive of competitiveness and growth compared to 12 months ago?	Unchanged
Question 2	In light of the legislative changes introduced and implemented by the European Commission, how would you evaluate the evolution of administrative burden compared to a year ago?	Unchanged
Question 3	How do you think the EU investment environment is seen by global firms compared to 12 months ago?	Slightly worse
Question 4	What does your federation see as the three main challenges threatening the attractiveness of the EU as an investment environment vis-a-vis international competitors?	<ul style="list-style-type: none"> • Regulatory Environment • Innovation capacity • Demographic change

2. National Recovery and Resilience Plans

Question 8	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Dissatisfied
Question 9	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Satisfied
Question 10	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

3. Assessment of Country Specific recommendations 2023 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	<p>Wind down the emergency energy support measures in force, using the related savings to reduce the government deficit, as soon as possible in 2023 and 2024. Should renewed energy price increases necessitate new or continued support measures, ensure that such support measures are targeted at protecting vulnerable households and firms, are fiscally affordable and preserve incentives for energy savings. Ensure prudent fiscal policy, in particular by limiting the nominal increase in nationally financed net primary expenditure in 2024 to not more than 4,6 %. Preserve nationally financed public investment and ensure the effective absorption of grants under the Facility and of other Union funds, in particular to foster the green and digital transitions. For the period beyond 2024, continue to pursue a medium-term fiscal strategy of gradual and sustainable consolidation, combined with investments and reforms conducive to higher sustainable growth, in order to achieve a prudent medium-term fiscal position.</p> <p>16. Consolidation of public expenditures</p>	Important	Mixed	Additional costs for non-reformed sectors, such as: education, health care and others, which fact does not lead to increase of their effectiveness. This only increases the budget deficit and leads to future increase of the tax burden.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 2	<p>Ensure an effective governance structure and strengthen the administrative capacity in order to allow for a swift and steady implementation of its recovery and resilience plan. Swiftly finalise the REPowerEU chapter with a view to rapidly starting the implementation thereof. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.</p> <p>18. Public Investment</p>	Important	Mixed	The public investments are not executed. They serve as buffer to decrease deficit.
CSR 3	<p>Reduce reliance on fossil fuels and accelerate the energy transition through faster deployment of renewable energy sources, while ensuring storage capacities to increase the flexibility of the energy system. Strengthen the electricity grid infrastructure and improve the management thereof by streamlining the connection procedures and introducing smart grid elements. Continue efforts to increase interconnection with neighbouring countries. Accelerate building renovation in order to incentivise energy efficiency and address energy poverty. Promote new future-proof solutions in district heating and sustainable urban transport, and accelerate development of railway infrastructure. Step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition</p> <p>17. Public sector efficiency</p>	Important	Mixed	Too big state administration. No progress in implementing digital public services is observed.

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 4	(No official recommendation) 6. Sector, Specific regulation (telecom, energy)	Important	Mixed	A serious and efficient reform in the energy sector is needed.

4. Reform Progress in your Member State in 2023

How would you assess reform progress in 2023, for the following broad areas:

Taxation and Public Finances	Mixed
Business environment (regulation/access to markets)	Unsatisfactory
Labour market	Unsatisfactory
Innovation and skills	Unsatisfactory
Access to finance and Financial stability	Mixed

Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2024 Reform Barometer?

Incorrect normative determination of the minimum wage amount as 50% of the amount of the average yearly wage.

5. Reform priorities for 2024

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
Priority 1	Active labour market policies	Attracting additional working force.	yes
Priority 2	Wage bargaining and wage-setting policies	Regulation of the minimum wage in accordance with the EU and ILO rules.	yes
Priority 3	Pension and Health care reforms	Reform of the pension system for reducing the huge deficit.	yes
Priority 4	Public sector efficiency	Reducing the number of the employees in the state administration.	no
Priority 5	Business Environment – Regulatory barriers to entrepreneurship	Reducing the excessive administrative regulation.	yes
