

REVIEW
of the dissertation (PhD thesis)

"Monitoring and subsequent evaluation of the impact of the EU cohesion policy in Bulgaria "

of the PhD student
Mariela Ivanova Savkova

Professional Field 3.3. Political Sciences
(European Studies - Economic Studies of the EU)

Scientific adviser: Associate Professor, DSc, Kaloyan Simeonov
Department of European Studies, Faculty of Philosophy,
Sofia University "St. Kl. Ohridski"

Reviewer: Prof. DSc. Dimitar Vesselinov Hadjinikolov,
UNWE, Department "International Economic Relations and Business", member of the
Scientific Jury appointed by Order No. RD-38-621/22.11.2022 of the Rector of Sofia
University "St. Kl. Ohridski"

1. General characteristics of the dissertation

The peer-reviewed work includes an introduction, 3 chapters, a summarizing discussion, a bibliography and 2 appendices. The total volume of the work, together with the appendices, is 263 pages, and without them 258 pages. The bibliography includes a total of 199 sources - 17 monographs and articles in Bulgarian, 67 author's works in English, 63 "other Internet sources" and 47 regulatory documents in Bulgarian and English. The dissertation includes 82 tables, 13 figures and 12 maps, which could also refer to the figures.

The relevance of the research is justified in the introduction. As arguments, the great importance of the European cohesion funds for the socio-economic development of our country and the weak development of the methodology for evaluating the effects of the EU's cohesion policy in our country have been cited. The hypothesis advocated by the author is that regional inequalities in Bulgaria are increasing after our country's membership in the EU due to the incorrect planning and implementation of the first multi-year financial framework. This thesis is generally defended throughout the study. The introduction also states the object of the study - the Cohesion policy of the EU and the subject of the study - the effectiveness of this policy, more precisely the effectiveness in the use of the European cohesion funds. The time span of

the research is limited to the period 2007-2015. And the methodology used is interdisciplinary, including separate tools of economic analysis.

The first chapter of the dissertation is devoted to the theoretical aspects of the EU cohesion policy. At the beginning, some of the evolutionary theories related to regional inequalities, growth and balanced territorial development of the economy are analysed. The author singles out two groups of concepts - one recommends the concentration of resources in the more developed regions and the overflow of development from them to the more lagging ones (spill-over effect), the other pleads for an even distribution of resources throughout the territory with the aim of more efficient implementation of common integration policies. Special attention is paid to regionalism in the EU, to the "Europe of the citizens" concept and to the issue of human capital. Further, in the first chapter, the development of the EU Cohesion Policy is traced. The interrelationship between several concepts that fall within the scope of cohesion policy such as "cooperation", "convergence", "catching up", the three types of cohesion in the EU - economic, social, and territorial - has been examined.

The second chapter presents a model of subsequent evaluation of the use in our country of European funds within the framework of the EU Cohesion Policy. The author applies a developed system of indicators, which she groups as "horizontal" and "vertical". Horizontal indicators are defined as those that assess the impact of the cohesion funds on the economy and society of the country, and as vertical, those that "evaluate the implementation of the four national priorities of Bulgaria, laid down in the National Strategic Reference Framework (2007-2013)". The group of horizontal indicators includes 11 indicators that are proposed to assess the effects on economic cohesion, respectively 10 indicators for social cohesion and 9 indicators for territorial cohesion. Some of the indicators are at the national level, some at the level of NUTS 2 regions. Three of the horizontal indicators for determining territorial cohesion (3.7. – 3.9.) are presented at the NUTS 3 level (municipalities). The author divided the vertical indicators as follows: 7 are designed to assess the effects of the use of cohesion funds for infrastructure development, 6 on human resources, 5 on the business environment and 4 on balanced territorial development. The assessment in this part of the study is mainly at the level of planning regions (NUTS 2). In some cases, only indicators at the national level are used, there are also results at the municipal level (NUTS 3).

The third chapter examines the degree of convergence of the countries of Central and Eastern Europe and of the countries in the Danube region in relation to some average parameters for socio-economic development reached in the EU. Main attention is given to synthetic indicators such as the size and dynamics of the gross domestic product per capita in nominal

terms and measured through the purchasing power of the local currency as well as the gross disposable income of households per capita. The similarities and differences in the tax system, business environment, access to the Internet, labour remuneration, poverty, some aspects of the current account of the balance of payments are additionally examined for the countries of the Danube region. The data are presented and analysed at the national and regional level, with the aim being to make a comparative analysis, mostly in relation to the regional level.

The author's recommendations are indicated at the end of the work. Most of them are addressed to the state administration, and the main one among them is to redirect resources from the developed to the lagging regions, which will reduce regional differences and create additional sustainability of the socio-economic development of Bulgaria. The author also suggests paying more attention to the public-private partnership as a source of additional investment for the regions. The recommendation to introduce a system for monitoring the effects of cohesion measures also deserves attention. Regarding the municipalities, the main recommendation is to strengthen the coordination of the different levels of government to ensure integrated territorial investments. Regarding business, the author emphasizes the need for its more active inclusion through cohesion measures in research and development activities.

In the conclusion, it is said that, unfortunately, the use in Bulgaria of the funds from the first multiannual financial framework "have a role in deepening regional inequalities". One reason for this result is that the funds "are distributed under unclear rules, very often as a result of the operation of powerful political lobbies in favour of the powerful of the day."

2. Evaluation of the abstract of the dissertation

The abstract presented by Mariela Savkova contains an accurate and comprehensive description of the structure and content of the dissertation. The points of contribution are indicated. There is also a list of scientific publications on the topic of the dissertation. Therefore, it can be concluded that the abstract meets the legal requirements for similar documents.

3. Evaluation of scientific and scientific-applied contributions

With some editing, most of the scientific and scientific-applied contributions formulated in the abstract can be accepted, namely:

1. An in-depth analysis of the most important theoretical statements and concepts related to the cohesion and cohesion policy has been made.

2. Evaluative criteria have been introduced for monitoring the "cohesion line" and "regional poverty line" in the EU.
3. A system of indicators has been prepared to assess the level of economic, social, and territorial cohesion of Bulgaria, incl. at the level of NUTS 2 and NUTS 3 regions.
4. A method for monitoring the cohesion of Bulgaria is proposed.
5. The structure of the distribution and absorption of cohesion funds during the period of the first MFF (2007-2013) was analysed, paying special attention to the territorial distribution of funds by NUTS 2 and NUTS 3 regions.
6. It has been proved that during the first MFF there was an unjustified concentration of project funding in South Bulgaria, particularly in the South-West planning region at the expense of insufficient project funding in Northern Bulgaria.
7. A comparative analysis of the level of cohesion of Bulgaria compared to the countries of Central and Eastern Europe and of the convergence between the countries of the Danube macro-region has been developed.
8. Useful recommendations have been made to the state, municipal administration and business for a more efficient use of the cohesion funds.

4. Other positive aspects of the study

In addition to the above-mentioned contributing points, it is necessary to note some additional positive aspects of the study:

- It is based on a logical deductive structural approach, beginning with an overview of the available theoretical concepts, and moving on to a quantitative analysis of the current state of the cohesion and cohesion policy in our country and in a wider territorial scope, which allows a full application of the comparative evaluation method.
- An analytical and critical spirit is felt everywhere in the dissertation, thanks to which the author has formulated several original conclusions and recommendations.
- The conclusion that there is an element of unfair competition in the territorial concentration of cohesion funds and other public investments in certain regions of the country and especially in the South-West region has been justified.

- The leadership of the public sector in creating conditions for investments with high added value, as well as the connection between the excessive concentration of economic activity in Sofia and the depopulation of the poorer regions of the country, has been correctly highlighted.
- It is also necessary to mention the huge amount of information that was processed when writing the dissertation and which is presented in numerous tables and graphs.

5. Scientific publications

Mariela Savkova presents 7 scientific publications related to the topic of the dissertation. Four of them are in Bulgarian and 3 in English. They are all scientific papers from conferences proceedings and meet the requirements for awarding of a scientific and educational degree "doctor".

Regarding the quality of the publications, I can share my personal impressions of the participation of the PhD student in the scientific conference of the Bulgarian European Studies Association, dedicated to the 65th anniversary of the signing of the Treaties of Rome. Mariela Savkova's topic was about the impact of the Covid-19 pandemic on regional differences in our country, and I can say that her participation was at a good scientific level. This gives me reason to assume that her other participations in the conferences she specified were also successful.

6. Critical comments, recommendations, and questions

Some notes and recommendations can be made for the PhD student to focus on in her future scientific activities.

- I cannot agree with the statement made on page 9 in the introduction, that there is a lack of any toolkit for subsequent assessment of the impact of the cohesion policy on the socio-economic development of Bulgaria. It would be more accurate to say that this toolkit is insufficient. For example, on the Internet page of the Ministry of Finance (Ministry of Finance: Macroeconomic effects of the absorption of EU funds (minfin.bg)) you can find reports containing an assessment of the macroeconomic effects of the implementation of the programs co-financed with EU funds. There are also some scientific studies in our country dedicated to this topic (see for example: 289 (unwe.bg)).
- Regarding the use of the term "territorial cohesion". The author uses it as a synonym for proper territorial distribution of investments and income, but in fact this term has a

different content. In the EU, it means the creation of a single system of transport connections, which will allow the implementation of transport services of the same quality within the entire single economic area. That is why the European transport corridors are mainly used. Recently, territorial cohesion has also referred to the creation of a single electricity and gas transmission network. With this note in mind, one can challenge the author's use of some indicators as indicators for assessing territorial cohesion, for example the indicator "Economic weight of the six planning regions level 2" or the indicator "Rate of return on European funds (2007-2015)", etc.

- The third chapter of the dissertation is called "Level of cohesion with the EU of the countries of Central and Eastern Europe and the Danube Macroregion". However, since cohesion is understood as the force of keeping together homogeneous objects, for example, such a force of keeping together EU member states or regions within a nation, it is not correct to speak of cohesion between EU member states and non-EU states. In this case, as in the case of the countries of the Danube macro-region (pp. 215 – 237), when the object of analysis includes member countries as well as candidate countries or associated countries, it is better to speak of "convergence" instead of "cohesion". Overall, this part of the thesis is useful, but it is a little off topic in the thesis. However, it could become a good basis for the author's future research.
- Some technical recommendations can also be made. First, it is necessary to avoid oversaturation of the text with information, which makes it difficult to concentrate on the key problems and theses. In the dissertation, 52 indicators are used, which I consider to be too many for this study

Question: In the study, two groups of indicators are distinguished - horizontal and vertical. In economic analysis, usually horizontal indicators or measures are those that affect all sectors of the economy, while vertical ones are those that affect only individual sectors. In the present study, a different approach was applied. Therefore, my request is for further clarification on the features that have been used to group the indicators as horizontal and vertical.

7. Conclusion

The dissertation on " Monitoring and subsequent evaluation of the impact of the EU cohesion policy in Bulgaria" is up-to-date and useful. The author has taken a very conscientious approach to a complex creative task, she has put in a lot of effort to collect and process a significant amount of information. The study contains important scientific, and scientific-applied contributions. All this gives me reason to support the awarding of the educational and scientific degree "doctor" to Mariela Ivanova Savkova

December 14, 2022, Sofia

Reviewer:

(Prof. Dimitar Hadjinikolov, D.Sc.)