

## REVIEW

From: *Prof. Rumen Yordanov Brussarski, PhD*

*Scientific specialty “Finance, Monetary Circulation, Credit and Insurance (Public Finance)”*

*UNIVERSITY OF NATIONAL AND WORLD ECONOMY*

Subject: Competition for academic position **“Associate Professor”** in “European Public Finance”, Professional field 3.8. Economics, Scientific field 3. Social, Economic and Legal Sciences

### **1. Information about the competition**

The competition has been announced for the needs of the “International Economy” section at the Institute for Economic Research (IER) at the Bulgarian Academy of Sciences (BAS) according to the Decision of the Scientific Council of the IER at the BAS – Protocol No. 9 of 26.06.2024. I participate in the scientific jury for the competition according to Order No. 426 / 05.07.2024 of the Director of the IER at the BAS.

### **2. Information about the candidates in competition**

The only participant in the competition is chief assistant professor Iana Vitanova Paliova, PhD, "International Economics" section at the IER at the BAS.

Iana Paliova holds an MA in Political Economy (1988) from Leningrad State University, Russia. From 1990 to 1995, she was a specialist at the National Statistical Institute (NSI). After that, for more than 14 years, Mrs. Paliova worked in the Ministry of Finance as an expert (1995 – 1996), Head of department (1997 – 2003) and Director of the State Treasury (2003 – 2009). Since 2009, she was an economist (2009–2017), senior economist (2017–2020) and consultant (2020 – present) at the International Monetary Fund (IMF). In 2017, she defended her thesis on “Fiscal incentives and effects of the European Structural Funds in Central and Eastern Europe” and obtained the Educational and Scientific Degree “Doctor” (PhD). From 2020 to 2021, Dr. Paliova is an assistant professor, and from 2021 to the present, a chief assistant professor in the “International Economics” section of the IER at the BAS. From 2021 to the present, she is a scientific secretary of the “International Economy” section at the IER at the BAS. Mrs. Paliova is fluent in English and Russian. She specialized in the Department of Economics of the University of Leicester, Great Britain (teaching exchange under the “Tempus” program), 1997 – 1999.

### **3. Fulfilling the requirements for holding the academic position**

The candidate fulfills the minimum requirements of the IER at the BAS for occupying the academic position “associate professor” in scientific field 3. Social, Economic and Legal Sciences, professional field 3.8. Economics, which are in accordance with the minimum national requirements (art. 2b, para. 1-4 of ZRASRB and art. 1a, para. 1 of PPZRASRB), as well as with the minimum requirements of the Regulations on the conditions and procedure for acquiring scientific degrees and for occupying academic positions at BAS – with a minimum threshold of 450 points, Chief assistant professor Paliova, PhD collects 575 points, including:

- Group of indicators A, Indicator 1: 50 points (at minimum threshold: 50 points);
- Group of indicators B, Indicator 2: 100 points (at minimum threshold: 100 points);
- Group of indicators D (D.4 – D.10), Indicator 3: 285 points (at minimum threshold: 230 points);
- Group of indicators D (D.11 – D.13), Indicator 4: 140 points (at minimum threshold: 70 points).

The additional requirements under the Regulations for the acquisition of scientific degrees and the occupation of academic positions at the IER at the BAS have been met.

#### **4. Brief description of the submitted scientific works / publications**

The candidate's research work after taking up the academic position of “chief assistant professor” in 2021 is mainly focused in the field of European public finance.

For participation in the current competition Chief assistant professor Paliova, PhD presents *16 scientific works* (publications), as follows:

- habilitation thesis (monograph) – 1 pc.;
- a published book based on a defended dissertation work for the acquisition of the Educational and Scientific Degree “Doctor” – 1 pc.;
- studies published in refereed journals (SCOPUS or Web of Science) – 2 pc.;
- studies published in non-refereed peer-reviewed journals or in edited collective volumes – 1 pc.;
- articles and reports published in non-refereed peer-reviewed journals or in edited collective volumes – 11 pc.

The habilitation thesis presented by the candidate (Paliova Iana (2024). The role of public finance for the transition to a green economy and sustainable development of Bulgaria in 2021 – 2027, University Publishing House “St.

Grigoriy Bogoslov”, VUZF, 203 pages, ISBN (print) 978-619-7622-63-8) is a serious scientific study of a theoretical and practical-applied nature.

*The object* of the scientific study “is the public finance of the EU member states with a focus on Bulgaria in the process of the transition to a green economy and sustainable development in the context of the European Green Pact and the goals of climate neutrality by 2050”, and *subject* – “the structure, features and mechanisms of impact of the European framework for the European Green Pact on the public finance of Bulgaria during the transition to a green economy and sustainable development.”

*The goal* of the monographic work is to “assess the role of Bulgaria's public finance for the implementation of the European Green Pact through the EU initiatives under the Multiannual financial framework for 2021 – 2027 and to evaluate the policies and the interrelationship of environmental taxes and public spending and reduction of greenhouse gas emissions, fiscal risks from state-owned enterprises in the energy and transport sectors, in the conditions of the new economic and social challenges of the ecological transition.” To achieve this goal, three main *research tasks* have been defined.

The author's *research thesis* is „that public finance can contribute to sustainable development in the transition to a green economy through fiscal policy for environmental taxes and public spending, as well as fiscal rules promoting sustainable public and private investment.“ Four hypotheses are formulated to prove the thesis.

In *the first chapter* of the habilitation thesis, an in-depth analysis of the emergence and development of the concept of green economy as a part of the theory of ecological economy and the concept of sustainable development and finance is made. The reasons for the delay in the transition to the green sectors of the Bulgarian economy through the initiatives of the previous EU program periods are analyzed. *Chapter two* presents the fiscal instruments of the new Recovery and Resilience Plan for Europe (NextGenerationEU) and the Investment Plan of the European Green Deal. The current levels of environmental taxes in the member states and the role of these taxes are analyzed, as well as the system for the sale of greenhouse emissions for the purposes of the ecological transition. Empirical studies on the impact of environmental taxes and investment subsidies to reduce greenhouse gas emissions in EU countries are reviewed. The results of an empirical study of the mutual relationship between fiscal policy (environmental taxes and public investment) and „reduction of greenhouse gas emissions“ and „net savings adjusted for natural resource depletion“ as indicators of sustainability are presented. *Chapter three* is dedicated to the impact of European sustainable development initiatives on fisc and debt. The behavior of the fiscal parameters for Bulgaria in an international comparison with the EU

member states under the challenge of COVID-19 and in the context of the new Multiannual Financial Framework (MFF) of the EU for the period 2021 – 2027 is evaluated. Deviations from the fiscal rules of the member states defined by the EU Stability and Growth Pact after the pandemic crisis are analyzed, as well as challenges for the fisc to promote the ecological transition and green investments in the period 2021 – 2027. Finally, *chapter four* assesses the fiscal risks of state-owned enterprises and the impact of their liabilities as contingent liabilities of the general government sector on the fiscal position and debt in the future. The approach for impact assessment of EU membership on the fiscal position on an accrual basis according to the European System of National and Regional Accounts (ESC'2010) was used, where to the fiscal position are added the revenues, expenses and liabilities of the state enterprises that meet of the institutional characteristics of the General Government Sector.

A careful reading of the monograph shows that Dr. Paliova presents a large-scale and in-depth study in the field of European public finance (with an emphasis on Bulgaria in the process of transition to a green economy and sustainable development). The object, the subject and the main goal of the scientific research are defined correctly. The structure and exposition are up to par. Modern research approaches and methods are used. A large amount of specialized literature was processed (studies, articles, monographs, normative documents, statistics and other materials). Useful conclusions, assessments and summaries are made. The research tasks have been completed and the main goal of the monograph has been achieved. The research thesis is proven.

In summary, the scientific production submitted for review is sufficient in volume and relevant in content to the announced competition.

## **5. Evaluation of the scientific and applied contributions**

The scientific and scientific-applied contributions of the candidate correspond to the requirements for occupying the academic position “associate professor” in the IER at the BAS. They can be summarized in several main directions:

- Role of Fiscal Multipliers and Fiscal Rules under the EU Stability and Growth Pact for Sustainable Development (Publications 2, 4, 7, 11, 14, 16)
- Development of the concept of green economy and its interrelationship with the concept of sustainable development (Publications 1, 3, 6 and 8).
- The new EU financial instruments under the Next Generation EU initiative, the Ready for Target 55 package, the European Green Deal Investment Plan, the Just Transition Mechanism, the RePowerEU Plan, as well as European funding in 2021-2027 for decarbonisation the economy,

- combating climate change and restoring economic growth and fiscal sustainability (Publications 1, 3, 8, 9, 10 and 12).
- The role of fiscal measures for climate change mitigation and adaptation in Bulgaria and the EU (Publications 1, 3, 8, 9 and 10).
  - Model and methodology for impact assessment of environmental taxes and public subsidies and investment costs on sustainability indicators “greenhouse gas emissions” and “net savings adjusted for natural resource depletion” for the EU-27, Bulgaria, Romania and Croatia (Publications 1, 13 and 15).
  - Model and methodology for impact assessment of green policies, financed with national and European funds for 2021 – 2027, on the fiscal deficit and government debt of Bulgaria. (Publications 1, 3, 9 and 10).
  - Model and methodology for impact assessment of European funding and the national contribution to the EU budget on the budget balance of Bulgaria (Publications 1, 2, 4, 11).
  - Model and methodology for impact assessment of European funds and means for additional economic growth of Bulgaria and member states of Central and Eastern Europe for the program period 2021 – 2027 (Publications 1, 2, 4, 11 and 16).

## **6. Description of the presented citations**

The candidate presents *16 citations* (including 9 items in foreign publications), as follows:

- Group of indicators D, Indicator 11. Citations or reviews in scientific publications, refereed and indexed in world-famous databases with scientific information or in monographs and collective volumes (SCOPUS and Web of Science) – 5 items;
- Group of indicators D, Indicator 12. Citations in monographs and collective volumes with scientific review – 2 items;
- Group of indicators D, Indicator 13. Citations or reviews in non-refereed journals with scientific review – 9 items.

## **7. Critical notes and recommendations**

I have no critical notes. I recommend the candidate to broaden the perimeter of his research interests in the field of public finance.

## **8. Conclusion**

Based on the findings made about the candidate's research activity, **I propose Chief assistant professor Iana Vitanova Paliova, PhD, for the**

**academic position “associate professor” at the “International Economy”  
section of the IER at the BAS in “European Public Finance”, Professional field  
3.8. Economics, Scientific field 3. Social, Economic and Legal Sciences.**

**21.08.2024**

**Sofia**

**Signature: .....**