

OPINION

by Assoc. Prof. Victor Ivanov Yotzov, PhD

"Macroeconomics" Section, Economic Research Institute at the BAS

Regarding the materials submitted for participation in the competition for the academic position of "Associate Professor" at the Institute in Professional field 3.8 Economics of Investments and Infrastructure Development at the Territorial and Sectoral Level Announced in the State Gazette, Issue No. 44 dated May 19, 2023

By order No. 366 dated July 18, 2023, issued by the Director of the Economic Research Institute (ERI) at the Bulgarian Academy of Sciences (BAS), I have been appointed as a member of the scientific jury for the competition for the academic position of "Associate Professor" within the needs of the Section of Regional and Sectoral Economics at the Institute. For participation in the announced competition as a sole candidate, the documents have been submitted by Chief Assistant Professor Dr. Yana Tsvetanova Kirilova.

1 *Brief Introduction of the Candidate*

The candidate holds a master's degree in international Economic Relations from the University of National and World Economy (UNWE). After completing a regular doctoral program at the ERI at the BAS, Yana Kirilova defended her doctoral dissertation on the topic of "*Municipal Investments in Bulgaria and Their Sources of Financing*," earning her the title of "Doctor of Science" (Ph.D.). Since 2008, she has consistently held positions as an assistant and chief assistant in the field of Regional and Sectoral Economics. She has extensive experience as a consultant for Club "Economy 2000 " and "Sofia Consult Group," where she participated in numerous projects related to regional economics, local government, and public finances and budgets. Both her educational background and accumulated professional experience make her highly suitable for the position of "Associate Professor."

2 *Overview of the Candidate's Works*

The candidate has submitted a reference table confirming compliance with the minimum national requirements according to the Law and the regulations governing its application. In this competition, the candidate has presented 12 publications (2 monographs, a book based on the doctoral work, one study, 6 articles, and 2 independent chapters from a collective monographic work), all of which were produced after obtaining the Ph.D. degree and were not used in previous competitions. All the submitted publications correspond to the theme of the competition and demonstrate the candidate's high level of professionalism.

The publications primarily address issues related to public and local finances with a clear practical application. In her habilitation work, financial instruments are examined from the perspective of their role as a source of financing for public entities. The essence, content,

and development of financial instruments in both European and national contexts are outlined, and an empirical assessment is made of the place of financial instruments among the sources of financing municipal investments in Bulgaria. The methodology developed and applied to assess the position of each analyzed source within the overall investment activity of municipalities is particularly noteworthy. Another publication analyzes the financial capacity and potential resources of municipalities to co-finance investment projects. One of the publications offers an empirical analysis of municipal investments in Bulgaria during the period 1994-2006, encompassing two sub-periods – before and after the fiscal decentralization reform in 2003. This publication also addresses challenges and potential solutions related to municipal investments in Bulgaria.

The proposed study for review explores important methodological questions concerning the impact of the financial discount factor on key indicators used in cost-benefit analysis when evaluating public investment projects. The well-known "cost-benefit" analysis, commonly applied in the evaluation of public investment projects in EU countries, is practically implemented.

The candidate's remaining publications also cover various aspects of public finances and demonstrate her strong theoretical background.

3 Significance of Contributions to Science and Practice

The candidate has provided a self-assessment report of their scientific and scientifically applied contributions, specifying them for each individual publication. I accept the candidate's self-assessment and have summarized the most important contributions as follows:

Contributions with a primarily theoretical-methodological nature:

- The essence, content, and development of financial instruments provided through operational programs in Bulgaria have been systematized.
- A methodology has been developed to assess the advantages and disadvantages of financing sources for municipal investments in Bulgaria.
- A system of indicators for evaluating the financial condition of water supply and sewage operators and municipalities in Bulgaria has been structured and tested.
- An algorithm for applying the requirements of the Law on the Regulation of Water Supply and Sewerage Services to assess the social acceptability of prices for water supply and sewage services for the population has been created.
- A methodological toolkit has been developed for studying the impact of the pension system on the labor market.

Contributions with a primarily applied nature:

- An evaluation and ranking of sources of financing for municipal investments aimed at improving and developing public facilities have been carried out.
- A financial discount factor has been calculated for environmental investment projects in Bulgaria using a specific model developed.
- The indicative financial resource has been determined, and specific cases in the indicative available resource for certain separate territories have been examined.
- Fundamental challenges in financing infrastructure projects for the development of public water supply and sewage systems have been defined, and the social acceptability of prices for water supply and sewage services for the population has been assessed.

4 *Critical Remarks and Recommendations*

I have no significant critical remarks. I recommend that the candidate deepen their scientific research and attempt to publish in international journals.

5 *Conclusion*

The documents and materials presented by the sole candidate, Senior Assistant Professor Dr. Yana Kirilova, meet the minimum requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (LDASRB), the Regulation for the Implementation of LDASRB, and the corresponding Regulation of the Institute of Economics at the Bulgarian Academy of Sciences (BAS).

The candidate in the competition has submitted a sufficient number of scientific works published after the materials used for the defense of the Ph.D. degree. In the candidate's works, scientific and scientifically applied contributions can be found. The theoretical developments of the candidate have practical applicability, with a significant portion directly oriented towards the activities of municipalities in Bulgaria. The scientific qualification of Senior Assistant Professor Dr. Yana Kirilova is at the required level. The results achieved by the candidate in scientific research correspond to the specific requirements of the Institute of Economics at BAS, adopted in connection with the Regulation of the Higher Attestation Commission (HAC).

After reviewing the materials presented in the competition and the scientific works, analyzing their significance and the scientific and scientifically applied contributions contained in them, I find it justified to give my positive assessment and recommend to the Scientific Jury to prepare a report-proposal to the Scientific Council of the Institute of Economics at BAS for the selection of Senior Assistant Professor Dr. Yana Kirilova for the academic position of "Associate Professor."

15.09.2023

Asso. Prof. Victor Yotzov, PhD