

REVIEW

of the dissertation "Trade Flows and Transport Services in the Balance of Payments of the Republic of Bulgaria: Trends and Evidence of Economic Recovery"

by PhD Candidate Anatoli Filipov Velkovski, Doctoral No. D010221236,
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Prepared by Prof. Stoyan Prodanov, PhD scientific specialty 05.02.05 "Finance, Monetary Circulation, Credit, and Insurance," registered with NACID since 01.12.2018.

Doctoral Study Form: Full-time doctoral candidate

Supervising Department: Department of "Finance and Credit" at the Faculty of Finance

Academic Supervisor: Prof. Andrey Zahariev, PhD

Doctoral Program: "Finance, Monetary Circulation, Credit, and Insurance" (Finance)

Honorable Members of the Scientific Jury,

The dissertation topic of Doctoral Candidate Anatoli Filipov Velkovski is "Trade Flows and Transport Services in the Balance of Payments of the Republic of Bulgaria: Trends and Evidence of Economic Recovery." This review has been developed in accordance with the requirements of the Law on the Development of the Academic Staff in the Republic of Bulgaria (LDASRB), the Regulations for the Implementation of LDASRB, and the Internal Regulations of the D. A. Tsenov Academy of Economics.

1. General Information about the Doctoral Candidate

Doctoral candidate Anatoli Filipov Velkovski has pursued a doctoral program at the Department of "Finance and Credit" at D. A. Tsenov Academy of

Economics in the scientific specialty "Finance, Monetary Circulation, Credit, and Insurance (Finance)."

2. General Presentation of the Dissertation, Evaluation of Its Format and Structure

The dissertation consists of 213 standard pages and follows a classical structure comprising three chapters. It includes an introduction, three chapters, a conclusion, a bibliography, and appendices. The bibliography consists of 177 sources, while the dissertation contains 26 tables and 29 figures. The conclusion presents the main results of the research. The bibliography is formatted according to APA style, and all requirements for bibliographic citation and description have been correctly followed. A declaration of originality has been attached.

3. Scientific and Content Evaluation of the Dissertation

The object of the dissertation is the balance of payments of the Republic of Bulgaria. The subject is the identification of measured trends in economic recovery through the trade flows and transport services in the balance of payments between Bulgaria and the rest of the world. The selection of these components is driven by Bulgaria's strategic geographic position between two continents and the expectations for economic recovery and growth following recent multiple crises. The goal of the dissertation is to conduct a theoretical and applied analysis of the dynamics and trends in export trade flows and transport services in the balance of payments of Bulgaria. The analysis focuses on assessing the correlation and seasonal dependency of these factors relative to GDP, using them as indicators of economic recovery during and after periods of multiple crises.

Research Tasks:

1. Review of the existing literature on trade flows and transport services in the context of the balance of payments.
2. Development and justification of an analytical framework for studying trade flows and transport services in Bulgaria's balance of payments, incorporating quantitative and qualitative methods for assessing economic trends.

3. Identification and evaluation of structural changes in Bulgaria's trade flows, with emphasis on changes in geographic and product structure and competitiveness in key export sectors.
4. Detailed analysis of the transport services sector in Bulgaria, including its contribution to the balance of payments and examination of maritime, air, and land transport subsectors.
5. Analysis of export dynamics for goods and transport services during 2020-2023, with a focus on post-COVID-19 developments on a quarterly basis.
6. Assessment of economic recovery indicators through the analysis of export trade flows, transport services, and GDP, identifying trends and perspectives for sustainable economic growth.

Research Hypotheses

1. Despite the impact of the 2020 pandemic, the Bulgarian economy remains open and continues contributing to GDP, with adjustments in import and export values across key product groups.
2. In the context of the fundamental principles of EU law (acquis communautaire) ensuring the free movement of goods, services, and capital, indicators and measurement methods for the transport services sector (via the balance of payments) are crucial in determining economic development trends in Bulgaria and the EU.
3. Seasonal analysis of selected balance of payments components in Bulgaria can determine the correlation between trade flows, transport services, and GDP in an open economy.

The research thesis of this dissertation formulates that by examining the seasonality and dynamics of exports of goods and transport services in the balance of payments, it is possible to identify trends and evidence of Bulgaria's economic recovery as an EU member state. Economic recovery itself, in the context of successive crises, requires support through targeted interventions by the executive branch to assist the economy, including EU-level mechanisms such as the Recovery and Resilience Plan.

The dissertation sets forth the following key research tasks, which shape the relevant structure of the study. These tasks include:

- i. To analyze various perspectives on the role of taxes in the modern world and their macroeconomic impact during economic shocks, as a basis for their positioning within tax and fiscal policy.
- ii. To examine the practices of European countries in addressing the long-term consequences of the Covid-19 pandemic and, based on this, to evaluate the national measures taken to counter the crisis in Bulgaria.
- iii. To analyze trends in tax revenue changes in the EU, assessing the impact of the Covid-19 pandemic on them through macroeconomic, fiscal, and structural indicators.
- iv. To develop an econometric model to assess the factors influencing tax revenues in EU countries in a dynamic socio-economic environment.
- v. To forecast future tax revenues in the EU based on the identified factors and to provide recommendations for tax policy planning.

From a methodological perspective, the study is based on the application of comparative analysis, deduction and induction methods, seasonal projection, graphical methods, statistical analysis, descriptive statistics, regression, and correlation analysis, among others.

4. Dissertation Content

The introduction develops the research problem, covering relevance, object, subject, thesis, objectives, research hypotheses, and methodology. Chapter One explores the theoretical, methodological, and applied aspects of the current account in the balance of payments, with a focus on trade in goods and its impact in both Bulgaria and the European Union. Chapter Two presents a detailed discussion and analysis of transport services in the balance of payments of Bulgaria and the EU. Chapter Three focuses on econometric modelling, correlation analysis, descriptive statistics, and seasonal projections examining the relationship between export trade flows, transport services, and GDP dynamics.

The conclusion summarizes the research findings, and the author provides recommendations and directions for future research.

5. Scientific and Applied Contributions

The dissertation "Trade Flows and Transport Services in the Balance of Payments of the Republic of Bulgaria" is an important academic work that explores the role of trade and transport services in Bulgaria's economic recovery. It provides valuable insights into the impact of crises on trade flows and presents seasonal and structural analyses of the country's balance of payments. The research highlights key economic indicators and identifies early signs of economic recovery.

6. Evaluation of Publications

The doctoral candidate has published three works related to the dissertation, including two articles and a conference paper, demonstrating the ability to disseminate research findings in the academic community.

7. Evaluation of the Dissertation Abstract

The dissertation abstract provides a concise and well-structured summary of the research. It demonstrates the candidate's ability to analyze, synthesize, and systematize key findings and recommendations.

8. Critical Remarks and Questions

I have no significant critical remarks on the dissertation. However, I have two questions for the doctoral candidate:

1. What are the long-term structural dependencies between the dynamics of transport services and export trade flows in Bulgaria's balance of payments? To what extent can these dependencies be used as indicators of the country's economic resilience in the post-crisis period?
2. What are the key macroeconomic and institutional factors affecting the competitiveness of Bulgaria's transport sector within the European Union, and

what policies can be implemented to optimize its contribution to economic growth and the balance of payments?

9. Conclusion and Final Evaluation

In conclusion, the dissertation demonstrates significant academic contributions and represents a valuable addition to research in the fields of the balance of payments, trade flows, and transport services. The study is well-structured, methodologically sound, and analytically robust, making it useful for both academic and professional communities.

The dissertation meets the quantitative and qualitative requirements of the D. A. Tsenov Academy of Economics for awarding a PhD degree. The candidate has demonstrated in-depth theoretical knowledge and research capacity. I strongly support the awarding of the PhD degree to Anatoli Filipov Velkovski.

Date: 21.02.2025

Reviewer:

Prof. Stoyan Prodanov, PhD