



Republic of Bulgaria
ECONOMIC
AND SOCIAL COUNCIL

OPINION

on:

**“The economic consequences of the spread of COVID-19 in Bulgaria and
measures to overcome them”**

(own-initiative opinion)

Sofia, June 2021

The Economic and Social Council of the Republic of Bulgaria (ESC) included in its Action Plan in 2021 the elaboration of an opinion on the topic: “The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them”.

Drafting of the opinion was assigned to the Economic Policy Commission and the Social Policy Commission. The Economic Policy Commission was appointed as the leading commission for the preparation of the draft opinion and Ivelin Zhelyazkov, Vanya Grigorova and Georgi Georgiev were appointed rapporteurs.

At the plenary session of 30 June 2021 ESC adopted the opinion.

1. Conclusions and recommendations

1.1. ESC takes into account the forecasts for the next waves of the COVID-19 pandemic and in this regard believes that measures to support businesses and employment should be updated and adapted to the new realities. Analysis of the already implemented measures has revealed some weaknesses that need to be addressed in order to spend the limited public funds more efficiently.

1.2. ESC recommends the creation of measures for fair, timely and effective support for all affected citizens and economic entities with clear rules and equal treatment of beneficiaries as well as optimally simplified administrative rules and use. There is also a need to focus on measures to support families, especially in order to preserve children in families and prevent separation in families and the institutionalization of children.

1.3. ESC believes that measures to maintain employment need to be refined and targeted only at companies that really need support, which are part of sectors of key importance to the national economy. In addition, the design of the basic measure for the payment of compensation to employees should be amended, covering the budget according to the level of income.

1.4. Next, it should be borne in mind that employers should be exempted from labour costs during a period when their employees are not working. At the same time, the practice of receiving compensation for companies that are not experiencing difficulties should be discontinued. ESC believes that the balance between direct support and financial instruments for companies must be ensured, and that employees should have the right to self-initiative when due to anti-epidemic restrictions they are left without income to be able to apply for compensation.

1.5. According to ESC, it is necessary to introduce a measure to support the fixed costs of enterprises within the limits set by the European Commission (with a decrease in sales revenue by more than 30% – up to 90% for small and up to 70% for large and medium enterprises).

1.6. ESC draws attention to the fact that in recent years access to unemployment benefits has been limited with each change in insurance rules. There is an increase of the minimum daily allowance from BGN 9 to BGN 12 and some short-term concessions for some of the registered unemployed entitled to benefits, but these steps are insufficient in a period of unprecedented economic crisis. ESC believes that Bulgaria should adapt its policy in this area by expanding the possibility for unemployed people to receive unemployment benefits in more cases and for longer periods¹.

1.7. ESC notes that some state-owned enterprises, whose activities have a high potential in a pandemic situation², not only did not take advantage of it, but also used compensation to maintain the employment of their employees. This is a consequence of the long-term neglect of the

¹ According to the monthly bulletin for June 2020 of the Employment Agency, 35.2% of those who started working in June 2020 in fact, they have returned to their old job. Upon leaving by mutual consent, this means that these citizens have received a minimum unemployment benefit for two months, which deprives them of the right to receive normal benefits for the next three years.

² Such as "Bulgarian Posts" EAD.

companies in question and their position on the Bulgarian market, which requires urgent measures to exploit the existing potential in the public interest.

1.8. ESC insists on the creation of an effective mechanism for planning, management and monitoring of anti-crisis economic measures with the participation of social partners and structures of organized civil society, in order to use their experience and expertise, including to ensure transparent management of public funds by monitoring the implementation and monitoring the effect of individual measures.

1.9. ESC insists that, in case of development of new support measures, some of them should be specifically aimed at the social economy and social service providers, regardless of their legal form, which in a serious health crisis were on the front line, along with health workers and did not have any means to provide protection measures.

1.10. With a view to caring for citizens and enhancing their well-being, it is appropriate to establish special measures aimed at supporting the mental health of citizens, including the creation of special measures for front-line health care workers.

1.11. ESC considers it appropriate and encourages the creation of special measures to support the process of overcoming the crisis for all micro, small, medium enterprises, the self-employed, NGOs and institutions directly affected by temporary closure. These measures can be financial, but also soft in the form of vouchers to improve capacity and more³.

1.12. ESC notes that the cost of the basic diagnostic test, which detects the presence of coronavirus infection and locates outbreaks, in order to be able to take measures to limit the spread, which in turn will allow for a rapid recovery of economic life – PCR test was not regulated administratively. This has led to an increase in the cost of diagnostics, which in most cases is borne by citizens⁴, refusal to test and miss the opportunity to resume production activities in a short time. ESC recommends imposing a price cap for performing a PCR test and expanding the possibility of diagnosis through the National Health Insurance Fund (NHIF).

1.13. ESC recognizes the right to a minimum income for workers in cases where they cannot work due to anti-epidemic measures and in this regard notes that in the case of forced transition to unpaid leave compensation should not be lower than the net minimum wage salary. At the same time, all workers should be guaranteed all health insurance and pension rights.

1.14. ESC takes into account the pressure that the health care system has endured, both in terms of personnel and finances. At the same time, it notes the key role of the financial sustainability of healthcare in returning to the normal functioning of the economy and society, which is why steps

³ Such measures may be: accelerated introduction of e-government; subsidies to compensate for lost turnover of companies and self-employed persons, closed by a government decision; "Restart" assistance for the self-employed through targeted one-off support; reduction of social security contributions for employees; accelerated tax depreciation.

⁴ By the end of 2020 90% of the tests performed are at the expense of households.

should be taken towards more sustainable financing of healthcare and limiting the draining of the NHIF and the state budget. ESC believes that the application of a market approach to health care deprives Bulgarian citizens of the necessary funds for treatment.

1.15. In order to maintain the scope of health insurance, especially in a situation of global health crisis, the condition to pay omitted health insurance contribution for a period of five years in order to restore health insurance rights, which does not exist in any European country, should be abolished⁵.

1.16. ESC recommends the adoption of emergency legislation to allow a rapid response of the executive power in pandemic situations such as the current one. This will avoid some omissions that have been made in the last year due to the fact that no state of emergency had ever been declared in Bulgaria before.

1.17. In the future, policies will be needed to increase financial sustainability by structural means. Such policies include programs for financial education in the workplace or for directly promoting the financial sustainability of households. There are many examples of such policies implemented around the world that aim to increase the level of financial preparedness and financial literacy in a structural way. It has been shown that there is a strong correlation between financial literacy and the financial stability of households.

2. Introduction

When trying to assess the impact of the COVID-19 pandemic on the economy of our country and on society as a whole, we must keep in mind two extremely important circumstances. The first is that the pandemic is a global phenomenon and the damage it inflicted must also be seen in a global context. For this reason, ESC is trying to assess the impact of the pandemic on Bulgaria, the Bulgarian economy and Bulgarian society in comparison, especially with other countries of the European Union (EU) and the United Kingdom.

The second circumstance is that despite our ability today to “quantify” many of the effects of the pandemic and to measure our damage, we must not forget that our misfortune is above all a huge psychological trauma and many of its effects will remain hidden in the abyss of the human subconscious. Whether this will lead to generational traumas remains to be seen, but the traumatic nature of what is happening is beyond doubt.

It must be explicitly emphasized that the mass traumatic conditions have already led to changes in the course of history, and at the same time – very unfavourable. Such are the cases of trauma and post-traumatic stress from the First World War, as well as from the Great Depression.

⁵ Penkova, D., Public Expenditures on Health Care in Bulgaria and the European Union, 2020. https://bulgaria.fes.de/fileadmin/user_upload/documents/publications/Publicichni_razhodi_za_zdraveopazvane_v_Bulgaria_i_v_ES_WEB_BG.pdf

The overall effect of today's COVID-19 pandemic is on the scale of the Great Depression, and it was “achieved” much more abruptly, over a much shorter period of time. Therefore, it would be very good to consider the “bright prospects” that are yet to be “revealed” to us as a consequence of the damage inflicted by the COVID-19 pandemic. Even the episodic fact of the summer protests in Bulgaria in 2020 is to some extent a consequence of the shock of the pandemic and social isolation.

3. Economic consequences of the spread of COVID-19 in Bulgaria

3.1. Employment during the first lockdown in April 2020 and the perception of the situation by the citizens of Bulgaria – maximum frustration within the EU.

From the presented comparative data for the EU 27 and the United Kingdom, it can be estimated that in April 2020 the situation in Bulgaria looks very alarming against the background of the overall picture.

The most worrying fact is that in Bulgaria things are extremely alarming in terms of permanent job losses. In this category, Bulgaria is the absolute leader in two of the age groups. It ranks first in permanent job losses in the age groups of 18 to 34 years, for both sexes and from 35 to 50 years, for both sexes⁶.

The situation is slightly more favourable for the age group of people over 50 years of age, in total for both sexes, where Bulgaria is in the “more favourable” fourth place. After all, when it comes to the whole set of men and women aged 18 to over 50 who have lost their jobs permanently, Bulgaria is again in the first place.

These data should worry us seriously, because such a convincing “leadership” speaks of the traumatic nature of what happened. While in many other European countries the maximum levels are reached for men and women who have lost their jobs temporarily and Bulgaria is lagging behind in this respect, Bulgaria is leading in terms of permanent job losses.

What is even more unpleasant is that the blow has been borne to the greatest extent by young people and middle-aged people. Bulgaria generally has problems with youth unemployment and is one of the European leaders in the share of the so-called NEETs – young people who are neither in education, nor in employment or vocational training. Previously, we had some excuses for being leaders in NEETs because of their very structure, including the significant proportion of young people from ethnic minorities that are part of this group. But now we are talking only about lost jobs and Bulgaria is a leader in permanently lost jobs in the midst of the pandemic, with a special focus on young people and middle-aged employees.

⁶ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 3-19, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

This situation may even lead to a further radicalization of public sentiment as the deadline for payment of unemployment benefits approaches (where there are any).

It can also be seen that in a comparative European plan, the blow we have suffered and which has obviously not been significantly mitigated by the otherwise numerous measures in support of business and employment, has been so strong that it sends Bulgaria to the forefront of the general aggregation.

When looking at men and women together, aged 18 to over 50, who have lost their jobs both permanently and temporarily, Bulgaria ranks fifth (5) out of a total of 28 countries. This is a percentage that is very worrying – 37.4%. Also, it should be borne in mind that Bulgaria is occupying the fifth, not say the third place, mainly due to the huge number of temporary jobs lost in Greece and Cyprus, due to the collapse of tourism in these countries. Again, in comparative terms, we can guess that industries in which in other countries people lose their jobs temporarily, in our country jobs are lost permanently. **This should also lead us once again to discuss and analyse the measures taken to support businesses and employment.** Unfortunately, empirical data on job losses, which in turn reflect the extent to which a number of economic activities have fallen into trouble, show that the positive effect of the measures is not what we would all like.

3.2. The picture of job losses during the pandemic, a year later – July 2021

Again, in the spring of 2021, one year after the start of the closure of various economic activities in the EU countries, including a full lockdown in Bulgaria, job losses showed no signs of recovery. Europe-wide, 10% of respondents who had jobs before the pandemic had lost their jobs. This was a 2% increase in unemployment in a pan-European context compared to the summer of 2020 and twice greater when compared to the spring of 2020 (In the summer of 2020, the unemployment rate had risen by 8%, while in the spring of the same year the increase was 5%)⁷.

It can be seen that in the spring of 2021, the number of people who lost their jobs in Bulgaria has increased significantly. After the summer of 2020, just under 1% of those who lost their jobs in the spring of 2020 managed to return to work, in the spring of 2021, the share of those who lost their jobs during the pandemic is already in the range of 14%⁸.

The official data published on the website of the National Statistical Institute (NSI), which come from the Employment Agency (EA), show that the newly registered unemployed in the period 30 December 2019 – 20 June 2021 are 558,887. For the same period, a total of 373,218 people entered

⁷ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 24-26, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

⁸ Ibid.

employment. This means that 185,669 jobs⁹ have been lost in Bulgaria during the state of emergency and the epidemiological situation.

Indeed, there is a group of countries – Cyprus, Spain, Lithuania and Greece, where the situation is much worse and more worrying, but in its group of countries with similar indicators, Bulgaria is in the worst situation. Bulgaria can be included in the group with “medium” job losses due to the pandemic in the spring of 2021, and in this group comprises: Latvia, Austria, Hungary, Slovakia, Croatia, Poland, Portugal, Ireland and Bulgaria. Unfortunately, in this group Bulgaria has the largest loss of jobs.

Thus, in the framework of the empirical study of “Eurofound”, in the spring of 2021, Bulgaria occupies the fifth place in terms of permanent job losses, and compared to the EU-27 average, the Bulgarian “result” is higher by about 40%¹⁰.

One might consider whether there is a connection between this result of job losses in Bulgaria and the fact that it is at the negative pole in the EU-27 in terms of the use of telework.

In the spring of 2021, most people work entirely from home in Ireland – 48%. Fewest people work remotely from home in Croatia – 9% and in Bulgaria – 10%. This in itself is bad news, because Bulgaria is in a more favourable position than a number of countries in terms of speed and price of the Internet¹¹.

3.3. Difficulties in the personal finances of the citizens arising in the course of the pandemic.

During the first lockdown in April 2020, empirical research found much evidence of widespread economic uncertainty among respondents, especially in the area of personal finance.

In July 2020, Bulgaria remained with the largest share of respondents, answering that their financial situation has deteriorated – 49%. At the same time, Bulgaria, Italy and Slovenia marked the largest decrease in the share of people with deteriorating financial situation compared to April 2020. The decrease in percentage points is 10 for Bulgaria, 13 for Italy and 11 for Slovenia.

In general, it can be concluded that in April 2020, the shock and anxiety in Bulgaria were so great that 59% of respondents reported a deterioration in their financial situation¹².

⁹ The data can be found on the NSI website <https://www.nsi.bg/node/18150>

¹⁰ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 24-26, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

¹¹ Ibid.

¹² Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 27-28, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

By the way, the group of countries with the darkest feeling of the respondents about their financial situation in July 2020 are the “usual suspects”: Portugal (40%), Slovakia (41%), Cyprus (42%), Greece (43%), Spain (44%), Romania (44%), Hungary (46%), Croatia 47%), Poland (49%) and Bulgaria (49%)¹³.

It is significant that in both April and July 2020, one in ten respondents within the EU had delayed payments of some obligation. Among the different categories of employment statuses, the worst was the situation of the unemployed (which is quite logical and without a pandemic) and the self-employed. It is significant that the share of people in arrears among the self-employed is many times higher than that among people who are at work and retirees. It is also significant that among the unemployed, the share of people who had delayed their formal or informal obligations increased in July compared to April¹⁴.

About 50% of respondents surveyed during a pandemic can be classified as finding themselves in a “financially fragile” situation, in the sense that if they do not have a regular income, their savings will not allow them to maintain their usual standard of living for more than three months¹⁵.

If in the case of “financial fragility” the differences are the most contrasting between the different socio-economic groups, then when we talk about the subjective assessment of the respondents answering the question whether they “make ends meet”, the differences between different EU Member States become very visible. The difference between the final values is really very big – if in Denmark in the spring of 2021 14% of respondents said that their households find it difficult to “make ends meet”, while in Croatia 74% of respondents face similar difficulties¹⁶.

Bulgaria is not in a favourable position in this “cut”. There are more persons complaining about difficulties with “making ends meet” only in Croatia, Slovakia and Greece. The indicators of all four countries for April 2020, July 2020 and spring 2021 are much more unfavourable than the European Union average¹⁷.

In our country, the share of those who think that it is difficult to “make ends meet” in the spring of 2021 is about 67% – as much as it was in April 2020. The improvement in July 2020, when this figure fell to 61%, was short-lived.

In the spring of 2021, Bulgaria continues to lead in the share of respondents who believe that their financial situation has deteriorated. It turns out that in April 2020, 58% of respondents in Bulgaria reported a deteriorating financial situation. In July 2020, their share was 49%, and in the spring of

¹³ Ibid.

¹⁴ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 27-28, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

¹⁵ Ibid., pp. 28-29.

¹⁶ Ibid., pp. 32.

¹⁷ Ibid.

2021 – 42%. Throughout the period, Bulgaria is the leader in terms of the share of respondents who feel that their financial situation has deteriorated. Only in the summer of 2020 – in the month of July – Bulgaria caught up with Poland, but in the spring of 2021, our country was again the sole leader. The closest to us are Slovakia, Greece and Cyprus¹⁸.

Things look a little better for Bulgarians in terms of their expectations for the future. If, in terms of their current situation, Bulgarians continue to be the “dark leaders” in the EU, in terms of future expectations, they are ahead of at least three European countries – Greece, Slovakia and Poland. Also, in the spring of 2021, the negative financial expectations in Bulgaria, Hungary and Croatia were equalized¹⁹.

3.4. Deterioration of the mental well-being of all social groups.

Everyone agrees that the health and economic crisis caused by the COVID-19 pandemic has had a huge impact on people's mental well-being, with young respondents and the unemployed suffering the worst impact.

In most countries, after the initial shock from the pandemic, which undoubtedly affected the WHO-5 index and led to its unprecedented decline, there has been a slight improvement. One of the most significant improvements in the period April-July 2020 is exactly in Bulgaria. In April 2020 the index of mental well-being in Bulgaria decreased to 47, but in July it improved to 55²⁰.

The latter is impressive because it puts Bulgaria in a forward position in terms of mental well-being while the country finds itself outside the zone of those directly threatened with depression. In July 2020, the WHO-5 index for Bulgaria is higher than the EU average of 53²¹.

After the summer of 2020 there has been a significant overall deterioration in mental health in all age groups, with the WHO-5 index being lower than in the spring of 2020, during the first lockdown²².

3.5. Collapse of basic health services.

According to various sources, the pandemic has disrupted the delivery of various public services across Europe, including in the areas of basic health care, disease prevention and mental health. Despite the fact that the provision of health care has been restored relatively quickly in most countries, in different parts of Europe, including Bulgaria, there are problems with their provision.

¹⁸ Ibid., pp. 34.

¹⁹ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 35, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

²⁰ Ibid., pp. 36-37.

²¹ Ibid.

²² Ibid., pp. 39-40.

On average for the EU-27, more than a fifth of respondents – 21% – missed a medical examination or treatment during the pandemic. This share is maintained in the summer of 2020 and in the spring of 2021²³.

Of course, in the meantime, in some countries there was an increase in the level of unmet health care needs, and in others – a decrease in this level. For example, the sharpest improvement in the health care shortage situation during the summer 2020 pandemic – in the spring 2021 – is reported in Lithuania. In the summer of 2020 in Lithuania, about 39% of respondents reported unmet health care needs. For comparison, at the same time in Bulgaria about 18% of the respondents report unmet needs for health care²⁴.

In the spring of 2021, the indicators of the two countries have practically levelled off. In Lithuania, the respondents reporting such problems are about 26.5%, and the problems in Bulgaria have meanwhile increased according to the data of the respondents and in our country the share of unmet health care needs has reached 26%.

Thus, the “leaders” in this non-prestigious indicator in the spring of 2021 are Hungary with 36%, Portugal with 34.5%, Latvia with 29% and Romania with 28.5%. Lithuania and Ireland have 26.5% each, Bulgaria has 26%, Spain and Croatia have 25% each, Slovenia and Greece have 24.5% each. In fact, after the group of countries with the biggest problems in providing health care during the pandemic – Hungary, Portugal, Latvia, Romania and Poland, comes a second group with significantly more moderate difficulties, which includes Bulgaria. This is the group of Lithuania, Ireland, Bulgaria, Spain, Croatia, Slovenia and Greece²⁵.

One year later, the difficulties for the Bulgarian healthcare have significantly increasing and although it is not in the most critical group, Bulgaria is in the second “package” of countries in terms of its difficulties related to the inability to meet health care needs. This speaks of a loss of valuable time in the summer and autumn of 2020.

4. Employment measures

Due to the expected higher number of people who will lose their jobs and apply for unemployment benefits, with amendments to the State Social Security Budget Act for 2020 (amended, number 34 of 9 April 2020, effective from 9 April 2020) the expenses and transfers under the budget of the Unemployment Fund have been increased by 1 billion BGN (from 438,291.3 thousand BGN to 1438,291.3 thousand BGN). Part of these funds, in addition to cash unemployment benefits, can

²³ Dechev, T., Auxiliary Report to the Opinion of the Economic and Social Council of R. Bulgaria on the topic "The economic consequences of the spread of COVID-19 in Bulgaria and measures to overcome them", Sofia, June 2021, p. 41, http://www.ised.bg/wp-content/uploads/2021/06/2021_06_21_Pomoshten_doklad_kam_Stanovishte_na_ISS_za_COVID-19.pdf

²⁴ Ibid., pp. 42.

²⁵ Ibid.

be spent on measures related to maintaining employment under certain regime and conditions determined by the Council of Ministers.

4.1. During the state of emergency, the measure that was envisaged **to maintain employment** was the so-called measure “60/40”, implemented by Council of Ministers Decree № 55 and valid until 30 June 2020. Subsequently, it was substantially modified, entered into force on 1 July 2020, regulated in CMD № 151 and continued until 30 September, when it was amended in CMD № 278 until 31 December 2020, and thereafter with CMD № 416 with a term until 31 until March 2021.

4.1.1. Council of Ministers Decree 55 – the measure was enshrined in the Law on Measures and Actions during the State of Emergency, announced by a decision of the National Assembly of 13 March 2020. In its final version, the emergency legislation was promulgated on 24 March 2020. The final version includes enterprises from all sectors (excluding a very small part of economic activities) that meet certain conditions – to have registered a decline in sales revenue by at least 20%, to have no liabilities to the NRA and municipalities, to there are no penal decrees in force for violations of the Labour Code or the Law on Labour Migration and Labour Mobility.

Results: under CMD № 55 were paid 186.5 million BGN of the targeted 1 billion BGN in the Unemployment Fund of the National Social Security Institute. 8987 companies received funds from the state budget.

4.1.2. CMD № 151 is the second stage of the measure “60/40”. One of the differences is in the insurance income, the basis of which is the insurance income from May, due to which the daily insurance income is already higher, hence the compensations are higher. But the main difference is that the compensation is paid to companies that operate, generate revenue and profit, respectively. CMD 151 is a direct grant from the state budget to the private sector.

Results: Under CMD 151 were paid 345.8 million BGN of the transferred at the beginning of the state of emergency 1 billion BGN in the Unemployment Fund of the National Social Security Institute. 4938 companies have been covered. Their number is half of the companies that received funds in the previous period under CMD No 55.

4.1.3. CMD № 278 – The purpose of adopting this decree, which again refers to the measure “60/40” in its second version, is to extend the measure until 31 December 2020, change of the month, which is the basis for determining the insurance income per person (from May to August) and adding another economic activity from which companies can apply.

Results: 6864 companies received funds for the period October-December 2020 under this decree. An increase compared to the previous period July-September is reported. The compensations amount to 311.2 million BGN.

4.1.4. CMD № 416 – This is another extension of “60/40” from 1 January to 31 March 2021. For the first time, companies whose activities have been limited due to the pandemic crisis since June 2020 have been given the opportunity to apply here, and the deadline has been extended to 31 December 2020.

Results: Under CMD № 416 funds until 15 April 2021 have been received by 6542 companies. The paid compensations amount to 272.6 million BGN.

4.1.5. Results of measure 60/40 for all CMDs:

The majority of companies have used the 60/40 measure under more than one decree. By 20 April 2021 under all decrees a total of 12,841 companies have received funds. The compensation paid is a total of 1.116 billion BGN. The total number of employees who received compensation was 288,884.

On average, 1.5% of all supported employers (those with 250 or more insured persons in the month of receiving the support) received 42.5% of all funds, while about 58% of employers (those with less than 10 insured persons in the month of receiving support) are directed to a little over 6% of all disbursed funds.

Nearly 84% of the funds are concentrated in five economic activities, incl. “Manufacturing” (42.5%), “Hotels and restaurants” (13.3%), “Commerce; Repair of motor vehicles and motorcycles” (11.5%), “Transportation, storage and post” (8.7%) and “Mining and quarrying” (8.0%).

Nearly 67% of the funds are concentrated in five districts of the country, incl. Sofia (36.1%), Stara Zagora (13.5%), Plovdiv (6.5%), Burgas (5.6%) and Varna (5.5%).

4.2. Measure “Protect me” under CMD № 325

The measure was adopted on 26 November 2020, in view of the fact that the government closed a number of businesses on the next day. Pursuant to CMD No 325 of 2020 compensations of BGN 24 are paid daily to employees in affected sectors if they have taken unpaid leave. The amount of the compensation is twice the daily minimum unemployment benefit.

By CMD № 418 of 30 December 2020 the amount of compensation of BGN 24 has been changed to 75% of the person's insurance income. This amount in some cases – for example at the minimum wage (MW), is actually smaller than the net amount of the compensation.

Results in total for both CMDs:

By 3 June 2021 13,333 applications were submitted by companies, of which 12,062 were approved and 1,271 were rejected. A total of 57,274 people have been covered, some of them have participated more than once.

4.3. Measure “80/20”

Under this measure, BGN 290 were paid to each approved candidate, but it was permissible to combine it with the “60/40” measure, yet the support could not exceed 80% of the employee's insurance income. The measure was directed to the sectors of Tourism, Hospitality and Transportation. The mechanism and scope of this support were first defined in Council of Ministers Decision 429 of 26 June 2020, and subsequently the possible support period was extended from 6 months to “no later than 31 March 2021” by Decision of the Council of Ministers 982 of 31 December 2020. This amount included taxes, social security and health insurance contributions at the expense of the employee and the employer, due to which the net amount that reaches the employee is BGN 189.

In order to receive these benefits, the employer must report at least a 20% reduction in income. Municipal companies can also be included under this scheme. The second decision of the Council of Ministers stated that the funds would be reimbursed from the operational programme “Human Resources Development”. The financial resource under the measure 80/20 amounted to 80 million BGN.

By 3 June 2021 3838 applications were submitted, of which 3393 were approved for 44 539 workers and self-employed persons.

4.4. “Employment for you”

Under this programme, employers have the opportunity to hire unemployed people for which they receive funds from a European project. The provided grant covered costs for subsidized employment in the amount of the minimum wage established for the country and the costs for the due social security and health insurance contributions at the expense of the employer on the minimum wage. The maximum period of support was 6 months. Of the total amount of the funds – 160 million BGN, a quota of 50 million BGN has been set aside for the tourism, hotel and restaurant sectors.

Results:

Under the procedure, more than 19,643 applications were submitted by employers for the creation of 50,000 jobs. There is no information with what part of them and for how many workers contracts have been signed, as well as about the funds spent under the programme.

4.5. Interest-free loans

The decision to grant interest-free loans to persons on unpaid leave and self-insured persons was taken on 14 April 2020. For this purpose, the capital of the Bulgarian Development Bank (BDB) was increased and 200 million BGN were provided for these loans.

At the end of 2020 the deadline for applying for an interest-free loan was extended until 30 June 2021. Its amount was also increased from BGN 4,500 to BGN 6,900. The loans have a maximum repayment period of up to 5 years, with a minimum of 6 months and a maximum of 24 months grace period.

Results:

As of 10 May 2021, under the Natural Persons Programme, BDB has confirmed loan guarantees for BGN 208,973,013.

4.6. A clear downward trend in the approval of the measures taken within the EU-27 to support and assist in the context of the COVID-19 pandemic

From the summer of 2020 until now, the public approval and satisfaction with the support and assistance measures taken has significantly decreased within EU Member States. In the summer of 2020, 16% of all respondents agreed that getting support was easy and efficient. By the spring of 2021, this share had melted to 10%. Meanwhile, the share of respondents who believe that support measures reach those who need them falls the most from 20% to 12% over the same period.

The decline in the adoption of measures as transparent and fair is even more drastic – the share of respondents who believe that the measures are fair and transparent has fallen from 25% to 15%, while the share of respondents who believe that the measures are fair has fallen from 22% to 12%, which means a collapse of almost 50%.

A review of data from the spring of 2021 shows significant differences in the level of approval of measures in individual EU Member States. It can be seen that apart from the fact that the approval of the measures is low and decreasing over time, the differences between the individual countries are significant.

Particularly low levels of approval are observed in Germany, Spain, Slovakia, Poland, the Czech Republic and Portugal. In these six countries, none of the above-mentioned assessments (clarity and transparency; ease and efficiency; honesty; support for those most in need) reached 15% approval. At the other end are Denmark, Estonia, Ireland, Lithuania, Luxembourg, Malta and Slovenia, where all four estimates are always equal to or greater than 15%.

Bulgaria, Latvia, the Netherlands and to some extent – Italy, form a kind of subgroup of countries with similar results. Italy differs from the other listed countries in the very high assessment of the respondents for the correct targeting of the measures. Empirical studies show that 18% of respondents in Bulgaria believe that the rules for implementing measures in a pandemic are clear and transparent. Also, 10% of respondents believe that the aid reaches the beneficiaries easily and efficiently. About 13.5% of the respondents believe in the honesty of the measures, and the fact that the support reaches those who need it the most is shared by 10%.

Although Bulgaria is not among the most dissatisfied, the assessment given by the respondents is not flattering either in terms of the “architecture” of the measures, nor the way they are implemented. The latter certainly had an impact on both public tensions in the summer of 2020 and on the election results in 2021.

Data from the International Monetary Fund until April 2021²⁶ on the amount of public expenditures, in implementation of the undertaken economic measures, as a percentage of GDP on average for the EU are 10.6% and respectively for Bulgaria – 8.4%, confirm the validity of the skepticism of Bulgarian citizens, found in empirical studies.

5. Support for businesses

The economic measures for businesses, during the already declared state of emergency, were among the first to be discussed after the imposed partial restrictions in Bulgaria. Here we focus on the possibilities for receiving grants, interest-free loans, special measures for tourism and restaurants.

The main problem with these measures, as well as the measures to protect employment, is the fact that it was allowed to support companies that subsequently make profits, to distribute dividends and bonuses to their top management, instead of using these funds to support citizens, the healthcare system, the self-insured.

5.1. Gratuitous payments

Although options for supporting businesses were discussed at the outset of the crisis, they were not implemented immediately. Only some large companies could survive financially with reduced or even completely suspended production activity. However, all the others do not have significant reserves, which is why timely support for them was vital.

5.1.1. Measure “3-10” – under this measure were granted between BGN 3 and 10,000 to micro and small enterprises without the need to meet complex requirements. The funds for this support come from the Operational Programme “Innovation and Competitiveness” 2014-2020, BG16RFOP002-2.073 “Support to micro and small enterprises to overcome the economic consequences of the COVID-19 pandemic”. The received grants could finance all activities of the company, except for those that were completed before February 2020. The total amount of funds allocated under the procedure is 173 million BGN.

The biggest problem with this measure was the limited resource. With 414,000 micro and small companies operating in Bulgaria, the funds could reach only 57-58,000 companies, if they all receive the minimum amount of aid – 3 thousand BGN. The procedure started on 14 May 2020 with a delay, the website went down under the huge pressure of interested persons. On the same day, were registered almost 13,000 proposals for over 106 million BGN, which is why the Ministry of Economy immediately started looking for a way to increase the budget. Another 52 million were provided BGN from Operational Programme Innovations and Competitiveness, the correction of irregular documents by the companies is facilitated.

²⁶ IMF, Fiscal Monitor Database of Country Fiscal Measures in Response to the COVID-19 Pandemic, April 2021 <https://www.imf.org/en/Topics/imf-and-covid19/Fiscal-Policies-Database-in-Response-to-COVID-19>

By 7 June 2021 contracts were signed with 23,603 companies with a total value of 191.8 million BGN

5.1.2. Measure “30-150” – this scheme is similar to the support for micro and small enterprises, but it is directed to medium enterprises. The financing was between BGN 30 and 150 thousand. The funds were from Operational Programme Innovations and Competitiveness, BG16RFOP002-2.077 “Support for medium-sized enterprises to overcome the economic consequences of the COVID-19 pandemic”. The call for proposals started in early August and lasted until 24 August 2020. The total amount of funds is 200 million BGN, as 30 million BGN are national co-financing. By 2 June 2021 contracts were already been signed with 1550 companies with a total value of BGN 213,116,104.04.

The review of the companies that have received grants under the operational programme shows that the access to these funds is not well specified.

1) *Transport companies* – as already mentioned, this sector has been given the most funds under the measure. It is worth noting that the transport companies, in addition to 60/40, had the opportunity to receive an additional BGN 290 per employee, as the measure became 80/20.

2) *Real estate companies* – one of the main criteria for access to these funds was that the company registered a decrease of 20% in turnover for one of the calendar months in the period from 1 February 2020 to the month preceding the month of application, compared to the turnover for the same month in 2019.

The presence of a decline in a month does not mean that the company is not able to cope. Especially with regard to real estate companies, there was a decline in the first and second quarters, followed by a recovery.

3) *Courier companies* – these are the companies that not only did not lose, but also gained from the crisis, as large stores were closed and a significant part of sales were made online. However, such companies are also among the beneficiaries of European funds.

4) *Hospitals, including Specialised Hospitals for Rehabilitation* – for the part of the activity for which they have a contract with the National Health Insurance Fund, the hospitals received unconditionally 85% of the reported in January 2020 value, even if they have not earned it. Some hospitals have applied for and received support under this operational programme, although they are not declining, but an increase in hospitalized patients by clinical pathways.

5.1.3. Percentage of turnover

This support was introduced at the end of 2020. The funds for some measures are still being paid. In December 2020 the Association of Industrial Capital in Bulgaria and the Confederation of Independent Trade Unions in Bulgaria proposed that the support amount to 20% of turnover and be paid to all companies with a certain, provable decline in sales revenue.

1) *Grants for bus and coach carriers* – transport is one of the sectors that has suffered the most from the imposed restrictions both in the country and abroad. The support is under Operational Programme Innovation and Competitiveness, BG16RFOP002-2.079 “Support for SMEs operating bus services to overcome the economic consequences of the COVID-19 pandemic”. The budget is 30 million BGN, as 25.5 mln. BGN are European funds. So far, 580 companies have been supported under this measure with a little over 29 million BGN. About 10% of all beneficiaries received more than BGN 100,000.

2) *Operational capital* – two new procedures for recruiting candidates are currently underway. One is for small businesses with a turnover of over 500 thousand BGN (BG16RFOP002-2.089). Here the support amounts to BGN 50,000. The total budget is 78 million BGN. The funds are distributed by economic sectors, with the largest share being allocated to sector G “Trade; repair of motor vehicles and motorcycles”.

The other procedure is for SMEs that have been affected by the last (since November 2020) restrictions imposed (BG16RFOP002-2.095). The total available budget for it is 156 million BGN. The maximum amount of grants is 150 thousand BGN for the enterprises closed by an act of a state body until 31 January 2021 and 300 thousand BGN for those imprisoned by order until 31 March 2021. According to the economic activity of the enterprise, the maximum possible aid is 10% or 20% of the turnover without VAT.

3) *Support to SMEs from the tourism sector* – the funds are allocated under OPIC, BG16RFOP002-2.080 “Support for SMEs from the tourism sector to overcome the economic consequences of COVID-19 by implementing a support scheme from the Ministry of Tourism (MT)”. The beneficiaries are 720 companies, the total budget is 70 million BGN. The disbursed funds vary from BGN 51.94 up to 370 thousand BGN

4) *State subsidy for charter flights* – after approval by the EC at the end of July 2020 the measure for the payment of state subsidies in the amount of 35 euros per seat with a minimum of 100 filled seats on air flights was launched. According to a report sent by the Ministry of Finance to the Temporary Committee in the National Assembly for control of the expenditures of public funds related to overcoming the consequences of the spread of Covid-19, it can be seen that were spent 3.5 million BGN of a total budget of 55 million BGN.

5.2. Preferential loans

Half a month after the beginning of the state of emergency, the Council of Ministers adopted a decision authorizing the increase of the state's shareholding in the capital of the Bulgarian Development Bank by 700 million BGN. These funds should be used to issue portfolio guarantees to banks, which will allow them to provide more flexible conditions for business loans. Subsequently, part of these funds in the amount of 200 million BGN are set aside for interest-free loans for people who are on unpaid leave due to the crisis. (item 4.5)

The measure was initially targeted only at micro, small and medium-sized enterprises in all sectors. The commercial bank granting the loan is obliged to reduce its standard interest rate by 0.8%. The maximum possible loan amount is BGN 300,000. The programme was expected to allocate 2 billion BGN loans guaranteed by BDB at 80%, i.e. amounting to 1.6 billion BGN.

In November 2020 with a decision of the Council of Ministers, large enterprises also became eligible to benefit from preferential loans. The amount of the possible bank loan for one beneficiary is also increased: 1 million BGN for SMEs and up to 2 million BGN for a large enterprise. The measure was extended until the end of June 2021, and the expectations for the utilized loans were reduced to 1.25 billion BGN.

As of 10 May 2021, under the Programme for Enterprises, at the request of commercial banks – partners BDB AD has confirmed for guarantee transactions for only BGN 235,374,534.

6. Social measures

6.1. One-time assistance for parents of children up to 12 years of age in the amount of BGN 375.

This support was introduced at the end of April 2020. – more than a month after the introduction of the state of emergency in Bulgaria.

Under this measure the Ministry of Labour and Social Policy allocated 20 million BGN. Complaints have been lodged with the Commission for Protection against Discrimination due to the imposition of requirements that make the measure inoperable and even discriminatory against people who have switched to part-time work and also lost income.

To make the measure more effective, in early May 2020 it could now be applied to parents of children up to the age of 14, and the requirement to use all paid leave was abolished. Only 3,800 families received a one-time allowance of BGN 375. The funds paid as of 31 December 2020 are in the amount of only BGN 2,941,583 of the planned 20 million BGN.

6.2. Monthly allowance for parents of children up to 14 years of age who are unemployed or on unpaid leave due to the closure of kindergartens and nurseries and the transition of schools to distance learning. This social assistance is provided with the adoption of a new Article 16b of the Regulations for the implementation of the Social Assistance Act, the change was published in the State Gazette on 17 August 2020. The content of the regulations is as comprehensive as possible, and the amount of assistance was increased, which for one child is now BGN 610, and for two – BGN 915. Its efficiency is increased by the fact that the support is no longer a one-off lump sum, but a monthly one and is paid whenever the children switch to distance learning. Further changes were made to this article at the end of November, restricting access, but the measure still retains its high potential.

As of 31 December 2020, with this assistance, an average of 22,854 families were supported per month and funds in the amount of BGN 18,596,995 were paid. As of 31 March 2021, the assistance

was provided on average to 19,325 families on a monthly basis, for which funds in the amount of BGN 26,451,206 were paid. 85 million have been allocated for the measure BGN.

The measure with the highest potential does mark a significant increase in the citizens covered by it, but it is also the most controversial mechanism due to the non-transparency of decision-making, the lack of public information on the results, the reasons for refusal and the change of the rules by instructions, which the court could declare illegal.

6.3. Financial support for food products in the amount of BGN 120 for pensioners with pensions from BGN 300.01 to BGN 369.

According to the provisions of Art. 64 of the State Budget of the Republic of Bulgaria for 2021 Act it is envisaged that in 2021 pensioners with pensions from BGN 300.01 to BGN 369 will receive BGN 120 each. The fact that the most vulnerable pensioners – those with a pension of up to BGN 300.00, were not supported, provoked a wide public reaction. It is not clear why the supplement of BGN 50 (see item 6.5.a) for pensioners, presented as an anti-crisis measure, was granted even to pensioners with a maximum pension, while food support was denied for pensioners with pensions below BGN 300 and equal to this amount.

6.4. Within the framework of the implemented procedure “Patronage care for the elderly and persons with disabilities” emergency teams have been established to provide services: delivery of food, food and basic necessities, incl. medicines, payment for household accounts, requesting and receiving urgent administrative services; transport of the personnel providing the services from/to the homes of the persons; providing personal protective equipment and disinfectants for persons providing services to people with disabilities or incapacity for self-care who are most at risk from COVID-19, as well as to persons who remain in their homes during the quarantine period. The total amount of the agreed funds under the component is 45 million BGN. The funds are directed to 208 municipalities and 18 districts of Sofia Municipality. The support is expected to cover 24,668 people.

“Patronage Care +” provides an opportunity to provide hourly social and health services at home to elderly people aged over 65 years who are unable to care for themselves, people with disabilities or quarantined due to COVID-19. They can rely on Patronage Care + teams to deliver food, medicines and basic necessities purchased with their own funds, as well as to assist in urgent administrative services. Through the provided support of 85 million BGN, it is expected that at least 53,000 people with disabilities, elderly people unable to care for themselves, people over 54, other vulnerable groups, incl. persons quarantined in connection with COVID-19.

So far, 112 municipalities have approved project proposals, as the concluded contracts are 90 and their value amounts to over 32 million BGN, and the persons included in the social services are over 21,000. Under the procedure, all municipalities on the territory of the country are given the opportunity to apply, and the deadline for this was 31 May 2021.

6.5. Other social measures presented as anti-crisis are either established policies or represent an increase in payments that have been withheld for many years. This applies both to the standard support for people with disabilities and to the increase in the salaries of personal assistants, the assistance for the beginning of the school year for children in I and VIII grade. The increase in the tax relief for children has nothing to do with the crisis. In reality, this increase will be felt by working parents only in 2022, because then the taxes for the previous year will be returned. In addition, the increased tax relief for children will be valid for only one year, as Art. 22c of the Personal Income Tax Act, which regulates the rules for tax relief for children, was not amended. The increase was made in paragraph 9 of the Transitional and Final Provisions of the State Budget Act for 2021, i.e. its effect applies only to the current year. The increase in both the minimum wage and the minimum pension was part of the coalition agreement during the last term.

1) The monthly supplement of BGN 50 for pensioners it was pre-election rather than anti-crisis, as pensioners are not among the groups of citizens who have lost income. The measure was extended several times. The amounts are not of a social nature, as they are paid to all pensioners, regardless of the amount of their pension or the sum of their pensions, including pensioners who receive a maximum pension.

2) Unemployment benefits have been increased from BGN 9 to BGN 12, after years of both nationally representative unions insisting on benefits that would guarantee at least a minimum wage income. Even with this increase in the minimum wage, it is far below the minimum wage. It was publicly stated that the deadline for receiving the minimum benefit for unemployment, which is 4 months, will be extended by another 3 months. But in fact, this only applies to a small proportion of people who receive minimal compensation.

In summary, the creation and maintenance of a significant group of people at risk of poverty and social exclusion in the country and the consistent alienation of these citizens from political processes create preconditions for electoral influence over those groups on part of those in power, which influence is exerted by one-time attention to these vulnerable voters at a suitable moment, not by a coherent, long-term policy.

7. Healthcare

The health care system in Bulgaria is chronically underfunded, despite the annually increasing funds for health care. Obviously, changes are also needed to limit leaks in the system and to overcome the obvious disparities in the financing of the various activities. Health expenditures as a share of the gross domestic product in the country are about 5% for 2019, while the EU average is 7% of GDP. Patient co-payments are the highest in the European Union. They cover 46.6% of current health expenditure, compared to the EU average of 15.8%. Underfunding leads to traditionally low salaries for health professionals, and hence to the shortage of specialists. In a pandemic, but not only, this can be a decisive factor for mortality.

7.1. 1000 BGN for first line workers

Funds were provided in the amount of 240 million BGN for additional remunerations of BGN 1000 monthly to the medical and non-medical staff in hospitals, Regional Health Inspectorates and others “first-line workers”, directly engaged in the implementation of activities related to the measures for prevention and control of COVID-19. Part of these funds were also intended to ensure the availability of protective equipment. The funds came from the project BG05M9OP001-1.099-0001 “Support of employees in the health care system in conditions of threat to public health from COVID-19” under the Operational Programme “Human Resources Development” 2014-2020, co-financed by the European Union through the European Union social fund.

There is no methodology to regulate the manner of allocating the project funds to the medical institutions and specific criteria to determine which employee will receive the additional remuneration under the operational programme. The possibility was created for directors to allocate the funds in ways different from the real workload of the staff.

The main problem, however, remains the traditionally low remuneration of health professionals. There are still medical establishments in which the provisions about minimal levels of remuneration of the collective labour agreement of 2018 have not been fulfilled. That is why hospitals have to periodically look for volunteers for whom pay is not a matter of survival.

7.2. Payment of 85% of the base value determined on the one reported in January 2020 – by agreement between the NHIF and the Bulgarian Medical Union, on 6 April 2020 a Methodology for determining the amount paid by the NHIF to providers of medical care, dental care and medical-diagnostic activities for work under unfavourable conditions on the occasion of a declared epidemic situation was developed. Pursuant to this methodology, the NHIF pays to all medical institutions that have a contract with the fund, the difference between the amounts for the implemented activities and 85% of the basic values for 2020. These surcharges apply to virtually every medical institutions, performers of diagnostic activities, dentists and medical specialists who have contracts with the NHIF. The reason is the strong restriction of medical activities outside those involved in controlling the pandemic, which does not allow them to fulfil the agreements with the fund.

By the end of the previous year, BGN 278 million were paid under this methodology. To compensate for 85% of the activities that cannot be performed due to the restrictions, were paid BGN 206 million. Medical specialists from only 7 districts received 85% of the base value for January 2020, the remaining 21 districts were paid more funds, with Sofia city in the first place.

7.3. PCR test

Several decisions of the Council of Ministers indicate the delivery prices of PCR tests purchased by the government – between BGN 13.30. and BGN 16.50. The market price of a PCR test in the first months of the pandemic was between BGN 90 and 120, while the express ones reached BGN 190. The surcharge of laboratories is significant.

For the period April – December 2020, the NHIF paid for a total of 111,193 PCR tests. As of 31 December 2020, the registered PCR tests performed in the country are 1,133,846. i.e. the citizens have paid for more than 90% of the performed diagnostic activities for establishing the presence of infection in them and their relatives. The total money spent for this is a little over 122 million BGN²⁷. More than half of these funds are surcharge that private laboratories have determined themselves, thanks to the fact that there is no cap on the cost of PCR tests. We note that the so-called rapid tests, which were used as a more accessible, albeit less accurate, alternative to PCR, are not included in this calculation.

Results:

- 1) The authorities did not impose a cap on the cost of PCR tests, which can only confirm or rule out the disease.
- 2) Patients were forced to pay for tests to be admitted to hospital. According to the information requested and received under the Access to Public Information Act by the Medical Supervision Executive Agency, inspections were carried out for such violations and only one hospital – Nadezhda Hospital – was fined.
- 3) Workers often refused to be tested. Firstly, because this means that when the infection is detected, they have to stop working, and thus lose the additional payments, which often reach 50% of their basic salary. Secondly, because the high cost of the test is a barrier to a large part of the population.
- 4) Large private laboratories generated significant profits (over 60 million BGN only from PCR tests) in a pandemic period due to the lack of a price cap.
- 5) Some of the tests purchased by the Ministry of Health in the initial period of the crisis, just when production was difficult worldwide and a stable supply chain had not yet been formed, were also provided to private laboratories.

In the context of the results, it can be argued that there is a drain on the state budget and household budgets, which has conducted and continues to be conducted through the key procedure for detecting the presence of the virus in the human body – the PCR test. And the deep reason for this is the long-term withdrawal of the state from basic activities such as health care, prevention and monitoring of morbidity, which also led to the shortage of staff, equipment and infrastructure in public health care. Difficult access to tests is also at the heart of the widespread use of COVID-19 in the country, which has a human, social and economic cost.

/signed/

Zornitsa Roussinova

PRESIDENT OF THE ECONOMIC AND SOCIAL COUNCIL

²⁷ At an average price of BGN 120 per test.