

Bulgaria in 2007

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Institute for Market Economics (IME)

Non-governmental organization, established in 1993

IME analyzes current political and macroeconomic developments

IME provides advice to the government and private agencies, investment banks, local and foreign investors

IME conducts company analyses

IME provides case studies on individual enterprises and sectors

Major Moments

- Fall of communism – November 10, 1989
- Currency Board introduction – June 10, 1997
- NATO Accession – March 29, 2004
- EU Accession – January 1, 2007
- Euro adoption – target - 2010, most likely after 2011

Table 4.2: GDP growth and labor force participation rates (population age 15-64 years), percent in 2006

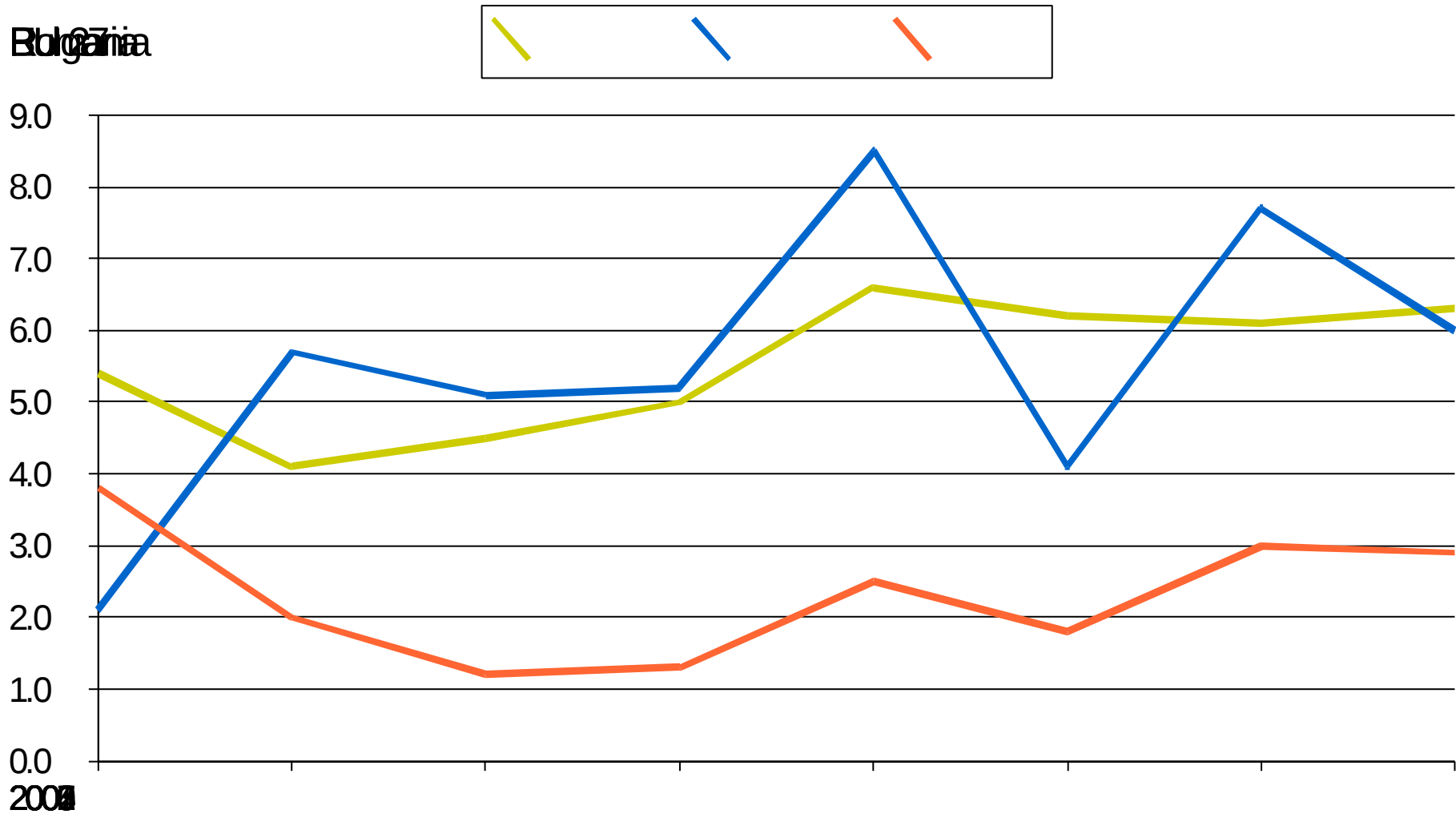
	Bulgaria	Romania	Estonia	Czech Republic	Hungary	Poland	Slovak Republic	EU15
GDP, average annual growth in 2000-2006	5.6	5.5	9.1	4.0	4.8	3.6	4.6	1.8
Per capita GDP (dollars), at PPP, 2005	9223	8785	16414	18341	16825	12994	16041	29332 *
LFP rate	64.5	63.6	72.4	70.3	62.0	63.4	68.6	71.6
Employment rate:	58.6	58.8	68.1	65.3	57.3	54.5	59.4	66.0
Male	62.8	64.6	71.0	73.7	63.8	60.9	67.0	73.5
Female	54.6	53.0	65.3	56.8	51.1	48.2	51.9	58.4
Youth (15-24)	23.2	24.0	31.6	27.7	21.7	24.0	25.9	40.1
Older workers (55-64)	39.6	41.7	58.5	45.2	33.6	28.1	33.1	45.3
Hours worked per week of full-time employment**	41.4	41.3	41.5	42.7	41.0	42.9	41.6	41.9
Average exit age from the labor force (years), 2005	60.2	63.0	61.7	60.6	59.8	59.5	59.2	61.1 (e)
Harmonized unemployment rate***	9.0	7.7	5.9	7.1	7.5	13.8	13.4	7.4
Male	8.6	6.5	6.2	5.8	7.2	13.0	12.3	6.5
Female	9.3	9.0	5.6	8.8	7.8	14.9	14.7	8.4
Youth (15-24)	19.5	16.3	12.0	17.5	19.1	29.8	26.6	16.1
Long-term unemployment rate****	5.0	4.3	2.8	3.9	3.4	7.8	10.2	3.1

Notes: (e) – estimate; * unweighted average for EU15 countries; ** spring 2006; *** aged 15-74; **** population 15 + unemployed 12 months and over as a percentage of the total active population

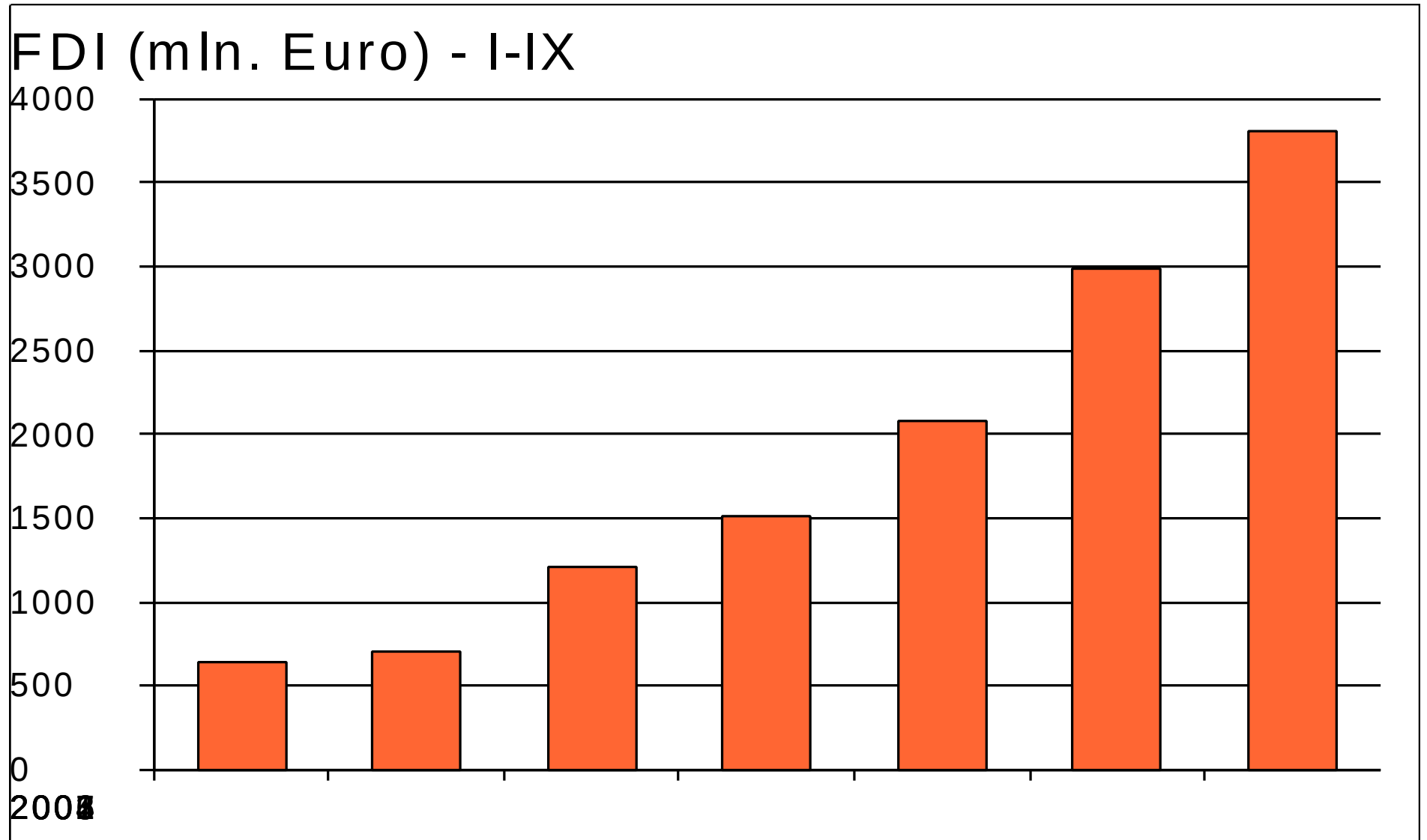
Source: Eurostat online database; IMF online database; OECD 2006.

GDP growth (%)

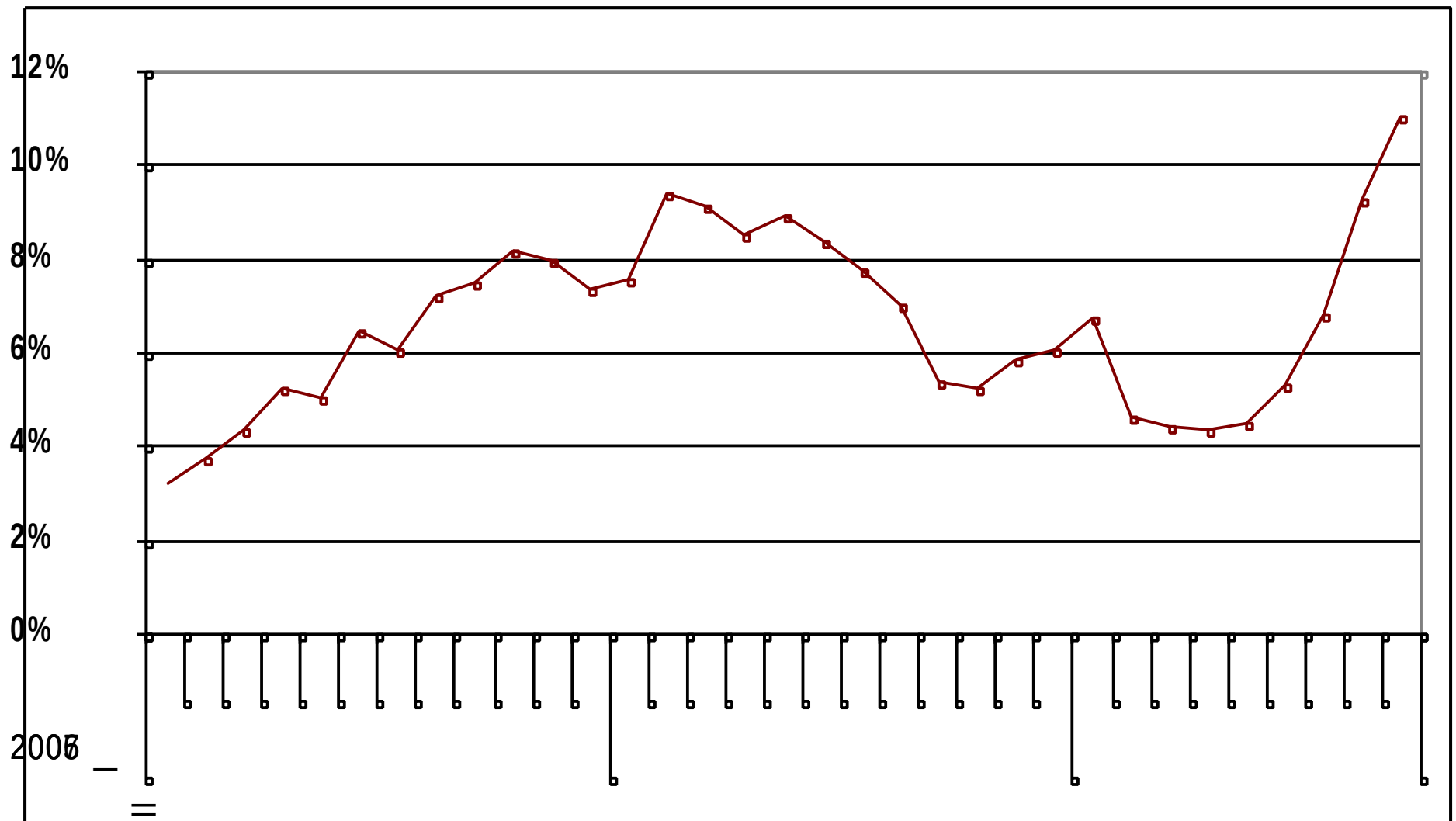
Bulgaria



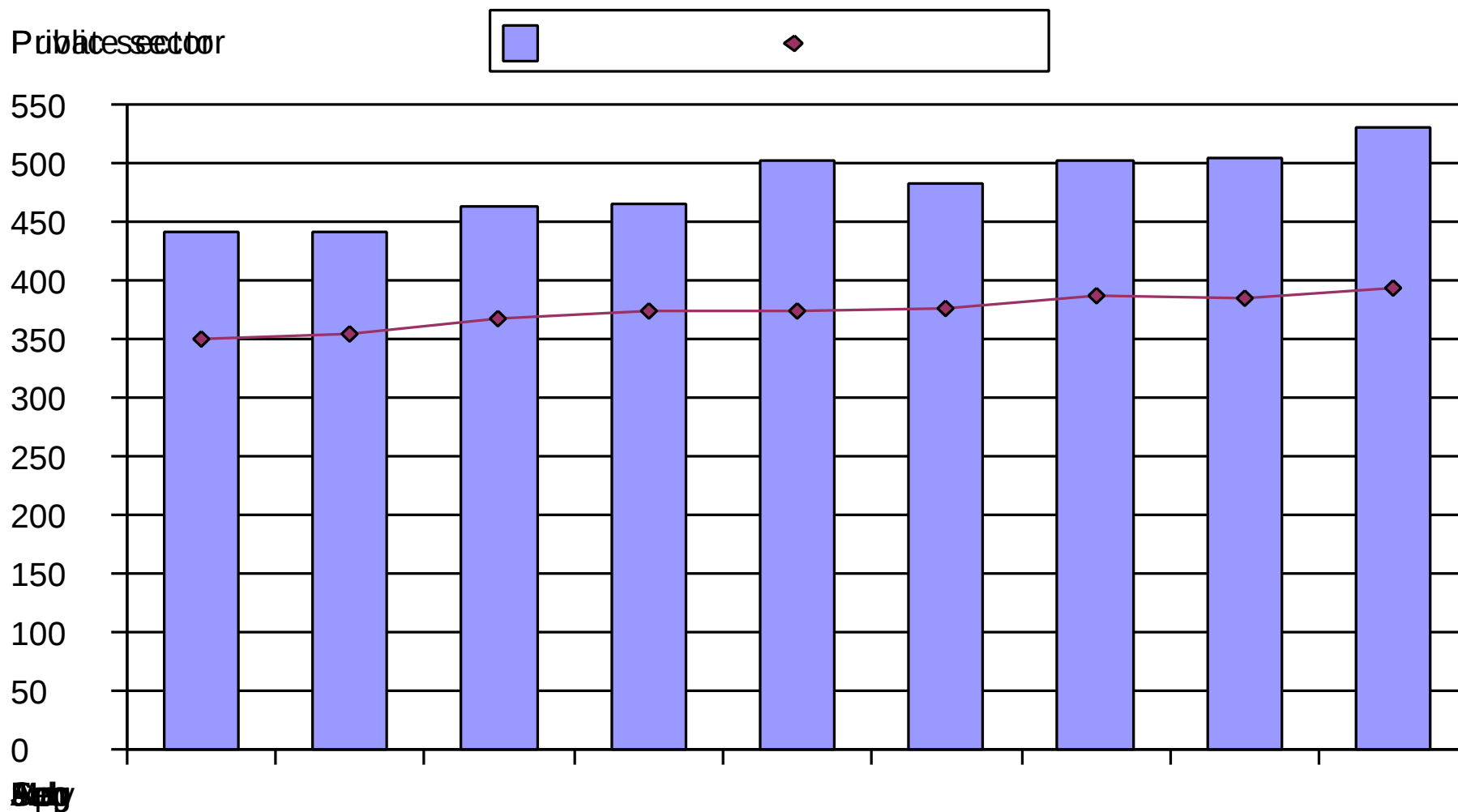
Investments



Harmonized index of consumer prices (annual change, %)



Average monthly wages of employees in 2007 (in BGN)



Unemployment rate (%), September

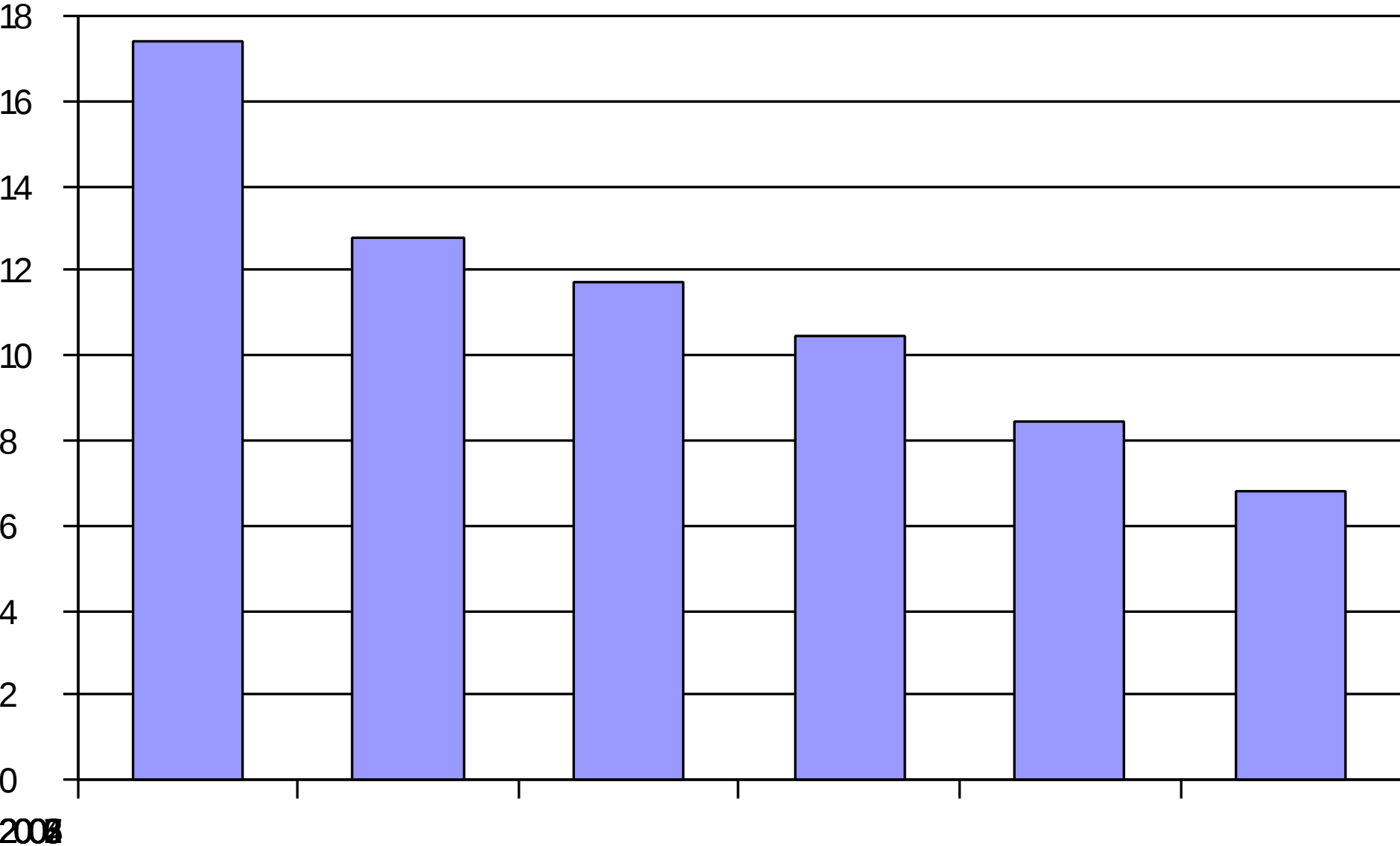
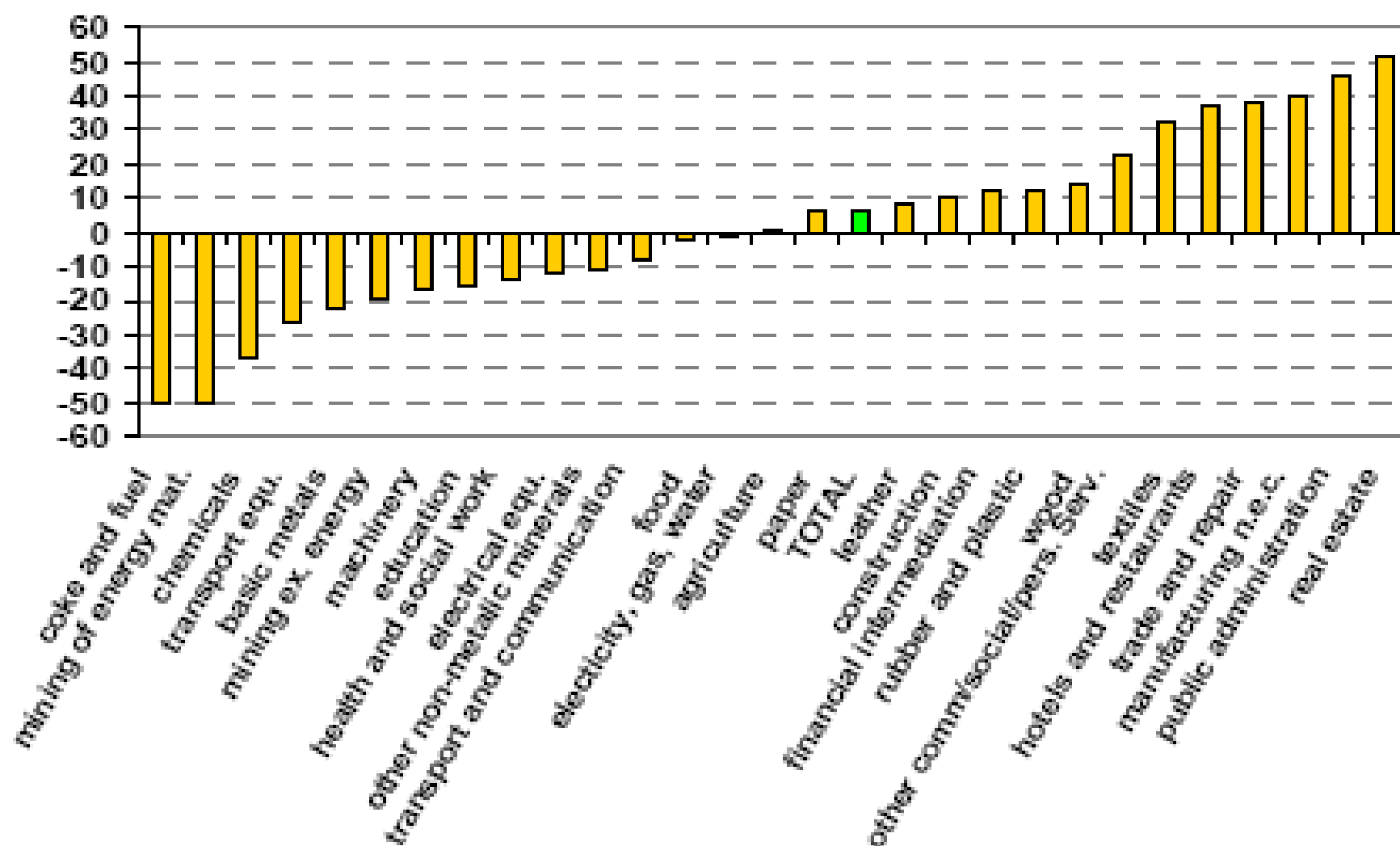
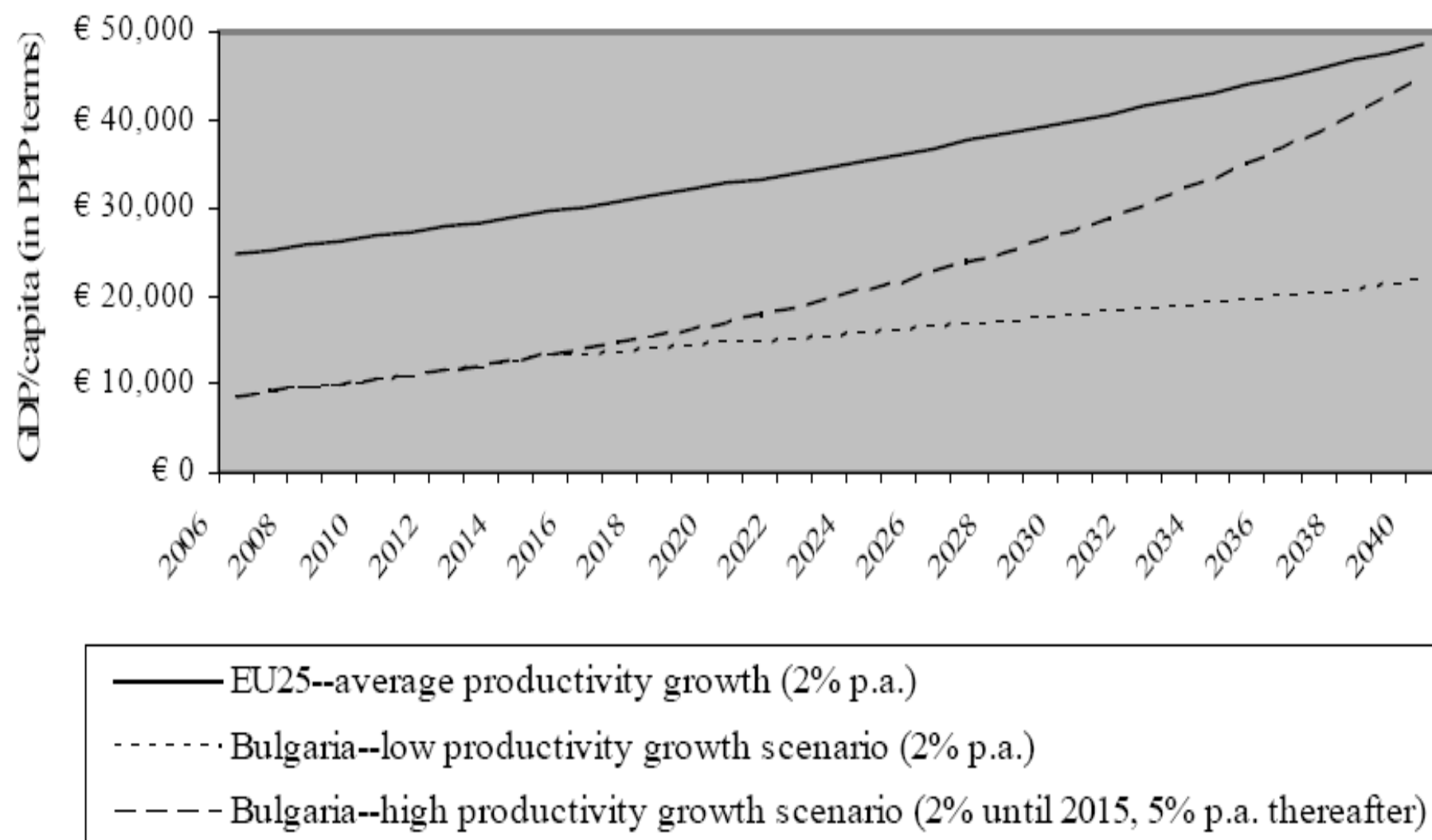


Figure 2.6: Cumulative Employment Growth by Sector in 2000-2005, %

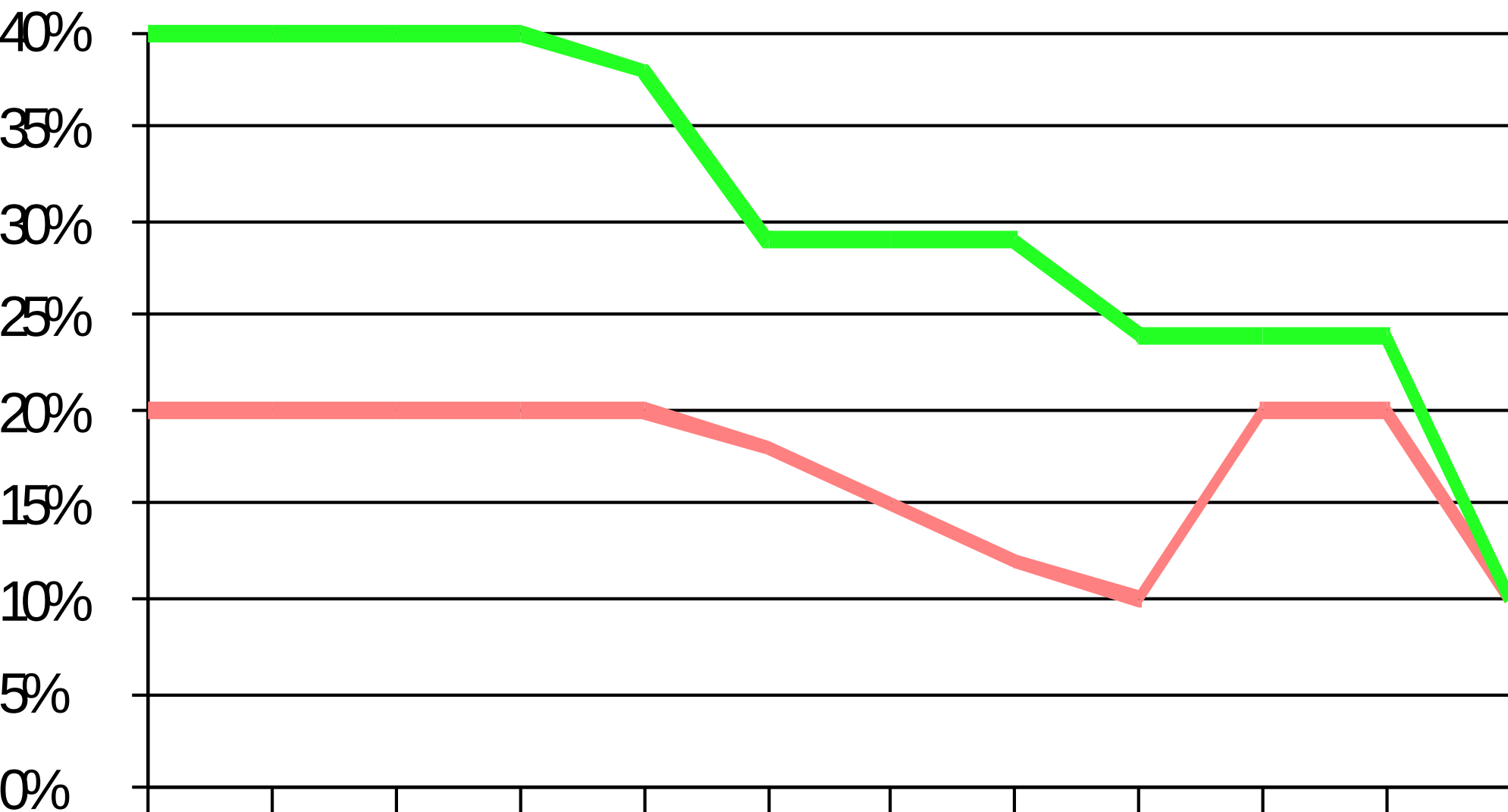


Source: NSI, Bank staff calculations.

Figure 1.1: Bulgaria's Convergence Challenge

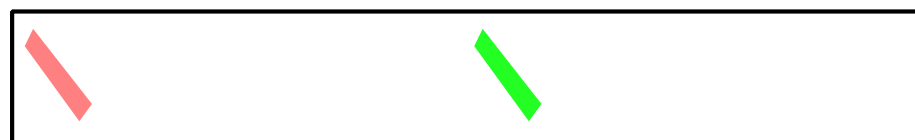


Income tax rates (%)

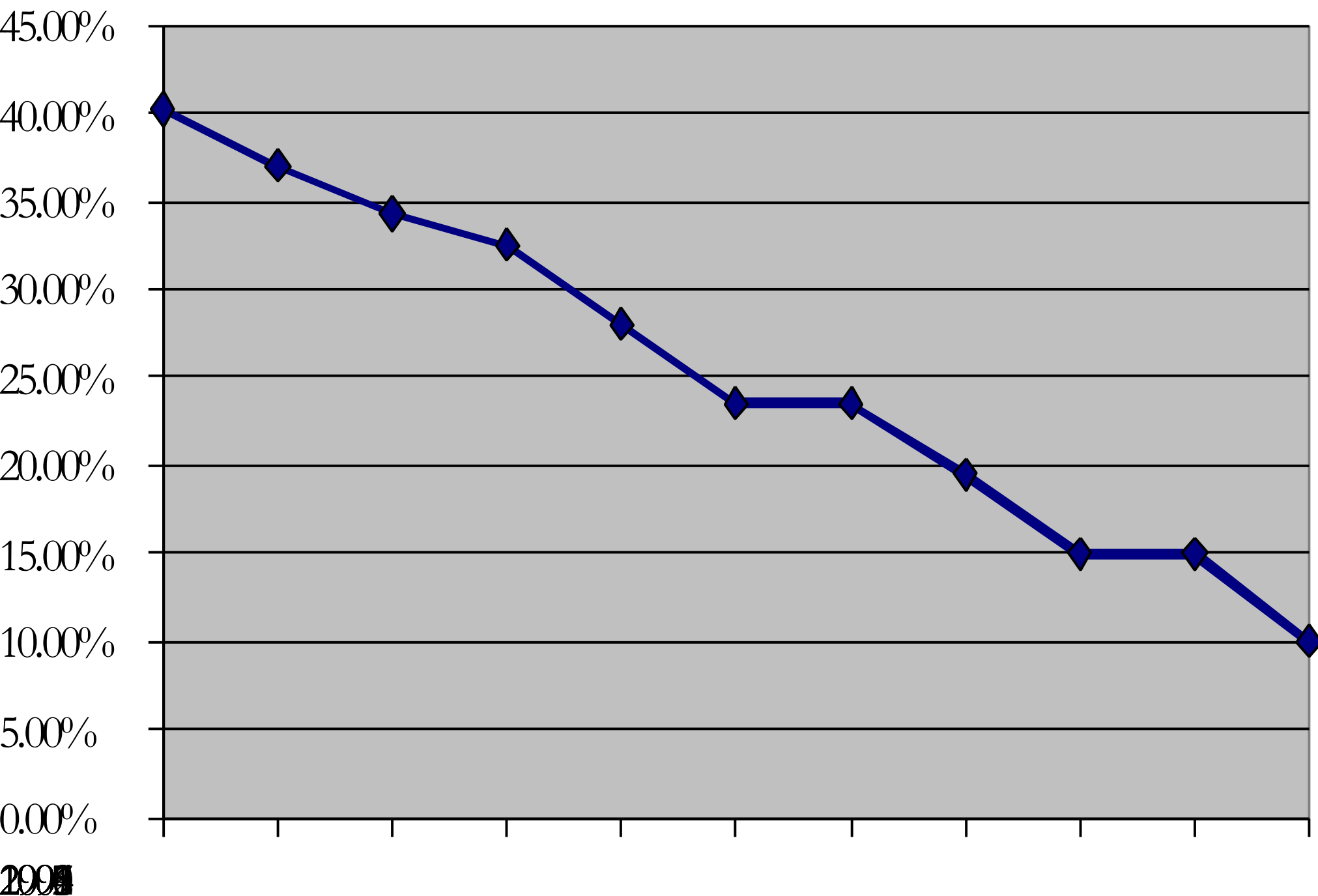


1991

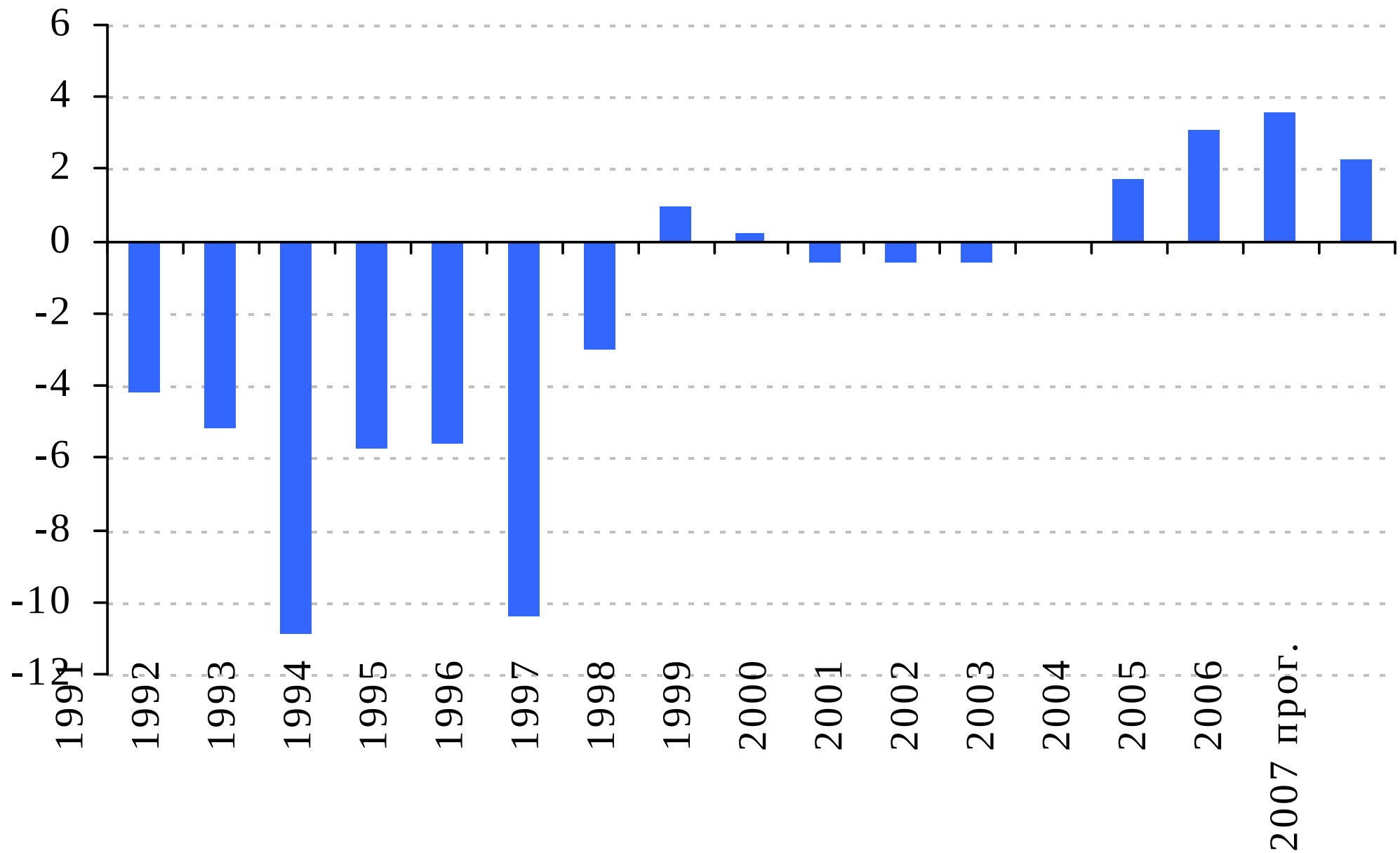
Maximum rate



Corporate tax rate (%)

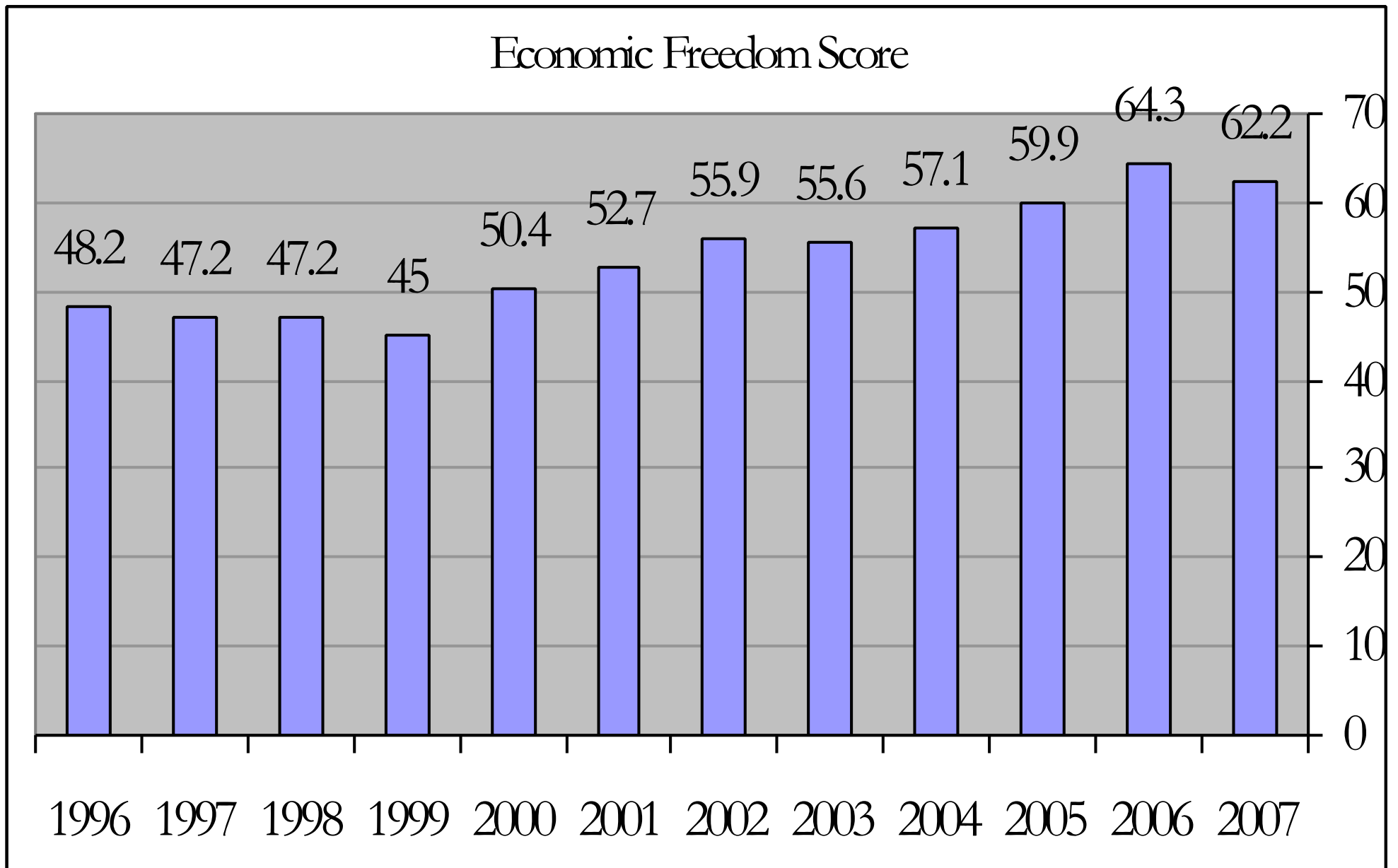


Budget Balance



Economic Freedom

(Heritage Foundation) – “moderately free”



Thank you!

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