

Gaining Trust

An Interview with Dr. Andrey Kovatchev, Member of the European Parliament

EDITORS' NOTE Dr. Andrey Kovatchev has held his current post since 2009. He is also a member of the Foreign Affairs Committee, the Security and Defense Subcommittee, the Delegation for relations with the United States, as well as Substitute of the Regional Development Committee and of the Delegation for relations with Southeast Asia and the Association of Southeast Asian Nations (ASEAN). Prior to this, he was Deputy Chairman Foreign Policy and European Affairs Commission with PP GERB. He has also been Regional Director with Elsevier BV, Territory Manager with John Deere International GmbH, and Sales Director Bulgaria for Tetra Laval Group. He received his Ph.D. from University of Saarland/Germany as well as a diploma in Biology.



Dr. Andrey Kovatchev

The global financial crisis has hit member states of the EU. How has Bulgaria performed in this environment? What type of macroeconomic policies have helped your country overcome the difficulties generated by this crisis?

Compared to other EU member states, Bulgaria is retaining its financial stability and economic growth in times of crisis. The good macroeconomic performance of the country is the result of focused fiscal policy measures of the Bulgarian government. The main recipe is, do not spend more than you earn. This is easy to say, but difficult to realize in a social market society where social services at a quality level must be guaranteed. Financial stability in Bulgaria refers also to cutting public expenditure and whitening a black economy by low corporate taxation, which brings money due back to the state budget.

What is the expected evolution of the Bulgarian economy as the danger of a return recession looms?

We need economic growth to raise the living standard and effective absorption of the EU funds. The Bulgarian Minister of Finance, Simeon Djankov, proposed the establishment of a Pact on Financial Stability. This is a set of financial instruments whose purpose is to ensure the long term fiscal sustainability of the state budget. One of the pact measures – the fiscal board – won the support of the National Parliament in June. Furthermore, the obligation for a limit to the budget deficit should be incorporated into the state constitution, which will guarantee no

accumulation of state budget deficit. This measure is the same as the one proposed recently by German Chancellor Merkel and French President Sarkozy to the Eurozone members. All this makes Bulgaria an attractive point for foreign investors who could rely on financial security for their businesses.

What role and issues is Bulgaria pursuing as a member of the European Union? What are the main opportunities generated by this membership status?

Over the past two years, Bulgaria has been steadily gaining the trust of its European partners and its fiscal policy is not the only reason for this. The absorption rate of the EU cohesion instruments is increasing, which is crucial for the economic development of Bulgaria but also counts toward the global competitiveness of the Union. These results are possible because of the energetic measures of the new Bulgarian government, which is carrying out administrative reforms aimed at creating the due capacity for effective absorption of the EU structural funds. Together with adequate economic and fiscal policies, these institutional reforms will finally allow the Bulgarian citizens to feel the benefits of EU integration in their everyday lives.

The proposal for electoral reform in the EU, including the introduction of a transnational European list, has been recently postponed. How do you think the debate will evolve over the period until the elections of 2014 and beyond?

I back the proposal made by my colleague, Andrew Duff. His idea will bind the elections for European Parliament (EP) with a real Euro-centered debate, and not just a national debate to assess national policy of governments and opposition. My expectation is that such lists will enhance the legitimacy of the European parties and will overturn the trend of withdrawal from participation in EP elections. The Bulgarian citizens, according to Eurobarometer, are one of the most pro-European and this makes me confident that the majority of our society will support such an integration. I consider the proposal of Mr. Duff only as a first step in this direction. I'm sure that if we take European integration seriously – and there is no other way if Europe wants to survive in the globalized world – sooner or later, this approach will be realized.

The accession process of Bulgaria and Romania to the Schengen area has stalled due

to opposition from several Western European countries. What measures is the Bulgarian government pursuing in order to improve the accession chances in the near future?

Although the two countries were declared reliable Schengen partners by the Council experts and also by the European Parliament, there are a few member states with some reservations related to the membership of Bulgaria and Romania. They are mainly related to internal political issues in the respective countries such as involvement of populists in the support for the government or expected elections where the immigration issue will be an important topic. The Bulgarian government adopted all Schengen acquis and is working on an upgrading program, which shows best practices on issues such as maritime border control and national strategy on migration.

Will you tell us about the reform of the Bulgarian diplomatic service in the context of the opening of the communist State Security Services' archives?

Bulgaria is a country whose transition was dominated by the former communist (now socialist) party elite and its State Security Services, in particular. This influence was viciously strong in all fields of public life – economy, justice, public administration – thus stopping society from taking the leading role in governance. In a way, we witnessed a dead-born “transition to democracy” in Bulgaria. Since its election two years ago, the new Bulgarian government was the first to begin a process of changing this model. Administrative reform making public service transparent, including diplomatic service, was launched with the credo that the reputability of the face of Bulgaria, i.e. the high ranked Bulgarian diplomats, should be impeccable. This excludes previous collaboration with the communist's State Security Services and, not surprisingly, provoked the reaction of those who were announced collaborators by the Special Secret File Commission and also the discontent of the party of the so-called Bulgarian “socialists” – the former communists.

What similarities and opportunities do you see between this process and the creation of a brand new diplomatic service of the EU?

The only similarity is that in both services, the employees should meet the highest standards of ability, efficiency, and integrity to the European democratic values, which excludes collaboration with the former communists' Secrete Police in the Central and Eastern EU member states. ●