

STANDPOINT

By Assoc. Prof. Irina Petkova Kazandzhieva-Yordanova, Department of Finance, UNWE

In connection with a procedure for awarding the educational and scientific degree "Philosophiae Doctor" in the field of higher education "Social, economic and legal sciences",

professional area 3.8 Economics,

doctoral program "Finance, Insurance and Social Insurance" at

VUZF University - Sofia

Ph.D. Candidate: Tanya Mihaylova Genova

Thesis topic: FINANCIAL ASPECTS OF THE DEVELOPMENT OF ELECTRONIC PAYMENTS FOR INCREASING THE COMPETITIVENESS OF SMALL AND MEDIUM-SIZED ENTERPRISES

1. General description of the presented materials

By order № 32/30.01.2023 of VUZF Rector, Prof. Boris Velchev, Ph.D., DSc I was appointed as a member of the scientific jury in the procedure for awarding the educational and scientific degree "Philosophiae Doctor" (Ph.D.) in professional area 3.8 Economics, doctoral program "Finance, Insurance and Social Insurance" in VUZF to by the Ph.D. candidate Tanya Mihaylova Genova, dissertation thesis Financial Aspects of the Development of Electronic Payments for Increasing the Competitiveness of Small and Medium-Sized Enterprises. The presented materials by VUZF include all the necessary documents for opening a procedure, namely - Curriculum Vitae in English, dissertation, abstracts of the dissertation, abstracts of the articles, list of articles, notification for articles under print and reference for the minimum criteria for acquiring "Philosophiae Doctor" (Ph.D.) in professional area 3.8 Economics.

2. Brief information about the candidate

The Ph.D. candidate has a bachelor degree in International Economic Relations and a master degree in Business Administration from NBU. Currently, she works as director Business Development for Bulgaria, North Macedonia, Albania and Kosovo in MasterCard, which is indicative for the accu-

culated practical experience by her in the field of card payments, which definitely contributed to the dissertation.

3. Characteristics and Evaluation of the Candidate's Dissertation

The dissertation focusses on a topic that is of scientific interest and which undoubtedly needs thorough investigation, at least for the Bulgarian market – the effect of electronic payments on the SME competitiveness.

I consider the working hypothesis indicated in the Chapter 1 as being successfully defended by the Ph.D. candidate. The working hypothesis are as follows:

- The increase in the number of POS and the amount of card payments and electronic payments, used and accepted by the SMEs leads to increase of the SME's competitiveness;
- There is a potential for increase of the number of card and digital payments by the SMEs;
- The adoption of electronic means of payments of SMEs depends mainly by the level of digitalization of SMEs, the level of informal economy, the difference between the economic development of the regions in Bulgaria, servicing costs as well as the behavior and the attitude to the electronic payments.

For achieving the aims of the dissertation, the Ph.D. candidate uses the following scientific methods - analysis, summary and synthesis, induction and deduction, comparison, analogy. Statistical data are analyzed as well as a number of publication and local and European legal acts related with the topic. Questionnaire survey is performed and on the basis of the processed data from the survey an econometric analysis is done for proving the dissertation thesis.

The first chapter includes a very thorough and detailed description of the payments systems and payment instruments as the Ph.D. candidate also discusses the definitions for virtual currency, the difference between electronic money and payment cards as well as the innovations in card payments and term digitalization which according to the Ph.D. candidate are directly related the dissertation thesis. The Bulgarian and the European legal framework in the field of payments is thoroughly described in the first chapter. As a result of the review of the development and variety of the payments instruments and payment systems the Ph.D. candidate makes the conclusion that the implementation of innovative payment instruments and services in the process of digitalization of SMEs would lead to significant improvements for the Bulgarian economy as well as on the life quality.

The conditions for digitalization of SMEs in Bulgaria are analyzed in the second chapter. The effect of Covid crisis in 2020 on the SMEs is analyzed as the strength of that effect on the SMEs in Bulgaria and the SMEs in the EU is estimated. The conclusion that the Bulgarian SMEs are less stable

than their European counterparts in conditions of unfavorable environment and market downturns as digitalization and widening the scope of electronic payments could be one of the options for overcoming that vulnerability.

Based on statistical data analysis conclusions are made about the level of digitalization of SMEs, electronic payments, usage of POS by SMEs and innovative solutions. Some of the most significant conclusions made in Chapter 2 are that widening the usage of electronic payments is being delayed due to the significant slow down of the SMEs regarding different micro and macro indicators as well as less developed processes of digitalization, level of electronic payments and the implementation of innovative solutions compared to the average European levels. The level of digitalization varies significantly for the different SMEs as regarding micro enterprises that level is very low.

In Chapter 3 based on econometric analysis /the data for that analysis are collected by questionnaire survey for 5 regions in Bulgaria – Sofia, Varna, Burgas, Stara Zagora, Ruse and data including the remaining regions/ the following hypothesis are proved:

- Card payments on physical POS are the most widely used means of payment by the SMEs;
- Digital payments and usage of virtual POS are popular among small number of SMEs. For the different regions in the country different measures for encouraging the usage of electronic payments are appropriate and effective;
- Some of the SMEs in the country are still not ready to use card payments and do not have a positive attitude to the digitalization processes.

That chapter also discusses through the usage of econometric instruments the benefits of electronic payments for increasing the revenues from exercise duty and VAT.

4. Contributions and Significance of the Dissertation for the Science and Practice

Practical proposals are developed in the dissertation which could be implemented in a state programme for development of electronic payments by SMEs. Those proposals are related with business relief for SMEs in cases of implementation and usage of electronic payments and innovative solutions; measures and incentives for reduction or removal of fees for high speed Internet by SMEs and improvement of its maintenance; development of measures for incentives for the developing technologies and competition between banking and financial sector for providing financial services to SMEs; implementation of incentives provided by the state for installing POS and accepting card payments as the most widely used means of electronic payment at the moment; providing incentives and bonuses for the clients using electronic payments at the premises of sale; training of owners and managers of SMEs for the implementation and usage of the existing possibilities for participation in

the process of digitalization; providing free of charge educational and training programmes and media campaigns for the companies regarding the offered financial and payment services when accepting electronic payments; development of a system of measures for tax reliefs for SMEs when implementing and using electronic payments.

Eight scientific contributions are indicated as I consider them as being of scientific and practical nature. The second contribution should be more precise as it is formulated in a way which hinders its specification as a contribution. In fact, the lack of statistical information for SMEs is supplemented by questionnaire survey as the results from it are used for statistical analysis and for proving the working hypothesis in the dissertation.

A strong positive quality of the dissertation is its practical orientation, the focus on some main topics which are thoroughly and precisely investigated by the Ph.D. candidate as well as discussing issues which are not investigated, esp. in Bulgaria.

In that aspect, I would like to recommend the dissertation to be published which could be done in different topics and forms which could provide flexibility when choosing the type of scientific journals.

5. Evaluation of the publications related with the dissertation

The Ph.D. researchers has indicated three publications in scientific journals and conference proceedings and I consider the those publications as being related with the topic of dissertation. The three publications are in journals and conference proceedings issued by VUZF as there is one article under print /notification is provided/.

6. Evaluation of the performance of minimum national requirements

The reference provided by the candidate for fulfilment of the minimum requirements for acquiring educational and scientific degree "Philosophiae Doctor" in professional field 3.8. Economics are line with the requirements.

7. Abstract of the dissertation

The abstract of the dissertation is written in accordance with the good academic practices and it represents correctly the essence of the scientific research.

8. Critic and recommendations

I do not have significant critics on the dissertation and provided materials. I would recommend more precision in the formulation of the contributions in the dissertation, mainly regarding the second contribution, as I have indicated above. The Ph.D. researcher also speaks about expectations

related with some legal acts, e.g. the Second Payment Directive and considering the date of its implementation I think that those effects should have been evident yet.

CONCLUSION

The dissertation is a topical and interesting scientific research and it has undoubtedly practical orientation. The research fills the lack of investigations in that field being of very detailed and precise type regarding the role of electronic payments on the development of SMEs. I consider the dissertations being entirely in compliance with the requirements for scientific investigations of the type and it has undoubtedly scientific qualities.

On the basis of the above written I vote **POSITIVELY** for the work of the Ph.D. researcher Tanya Mihaylova Genova and I recommend her being awarded Ph.D. in the field of higher education "Social, Economic and Legal Sciences", professional area 3.8 "Economics".

24 march 2023

Opinion is prepared by:

Assoc. Prof. Irina Kazandzhieva