

REVIEW

By: *Prof. Rumen Yordanov Brussarski, PhD*
Field of higher education 3. Social, economic and legal sciences
Professional field 3.8. Economics
Scientific specialty "Finance, monetary circulation, credit and insurance (public finance)"
UNIVERSITY OF NATIONAL AND WORLD ECONOMY

Subject: competition of the Higher School of Insurance and Finance - Sofia for the academic position "professor" in the field of higher education 3. Social, economic and legal sciences, professional field 3.8. Economics, scientific specialty "Finance, monetary circulation, credit and insurance", announced in the State Gazette, issue 5 of 17.01.2025 with candidate guest professor Andrey Boyanov Zahariev, PhD from VUZF

1. General presentation of the materials received for review

By decision of the Academic Council and order of the Rector of the Higher School of Insurance and Finance – Sofia (VUZF) – member. cor. prof. d. juris. s. Boris Velchev I have been appointed as a member of the scientific jury for the competition. The competition was announced in the State Gazette, issue 5 of 17.1.2025 with a period of 2 months, as well as on the website of VUZF. Documents for participation in the procedure have been submitted by one candidate – guest professor Andrey Zahariev, PhD from VUZF. By decision of the first meeting of the scientific jury, I have been appointed as an external reviewer for the competition.

Guest Professor Andrey Zahariev, PhD has deposited the required materials for consideration and review in connection with the procedure, according to the internal rules of VUZF, as follows:

1. CV in European format;
2. Copy of the diploma for the educational and scientific degree "PhD";
3. Document for the academic position "Associate Professor" and "Professor" held;
4. Monograph with a summary;
5. List of publications after holding the academic position "Associate Professor" or defending a dissertation for the award of the scientific degree "PhD" and copies thereof;
6. Summaries in Bulgarian and English of publications after assuming the academic position of "associate professor" or defending a dissertation for the award of the scientific degree of "PhD";
7. Medical certificate (for external persons);
8. Certificate of criminal record (for external persons);
9. Certificate of the required experience under Art. 33, para. 1, item 2;
10. Separation protocols for joint publications (or footnotes for author pages);
11. Evidence of supervision of doctoral students appointed as lecturers in higher education;
12. Evidence of supervision of scientific projects and other research tasks;
13. Certificate of fulfillment of the minimum national requirements for holding the academic position of "professor";
14. Certificate of original scientific contributions in the works and citations (excluding self-citations);

Guest Professor Andrey Zahariev, PhD is among the most productive authors of scientific

publications in the scientific specialty of the competition for his generation. He has submitted 42 titles of them for the procedure. For the academic year 2024/2025, he also provides two financial disciplines for the purposes of the educational process in the Bachelor's Degree Program at VUZF.

2. Brief biographical data of the candidate

Guest Professor Andrey Boyanov Zahariev, PhD combines extensive experience in three areas – scientist-lecturer, academic administrator, consultant-practitioner and public figure in local self-government. The biography submitted for the competition allows us to derive the following data, facts and testimonies important for the review. The candidate in the competition graduated from the "D. A. Tsenov" Academic University (VFSI) in 1994, for which he holds a Diploma No. series A92/002641, with registration No. 23686 of 11.03.1994. He was enrolled as a doctoral student in a regular form of study, a state order in the scientific specialty "Finance, Monetary Circulation, Credit and Insurance" (Finance) in the period 28.01.1995 - 28.03.1998 at the Department of "Finance and Credit" at the "D. A. Tsenov" Academic University. During this period he was also an honorary lecturer and took part in the TEMPUS S-JEP 09543-95 project "Public Finance in Post-Communist-State" (1995-1998), where he specialized for one semester at the University of Leicester in 1996. After defending his dissertation before the SNC with Protocol No. 16/26.10.1999, he received a diploma with No. 26406/04.01.2000 from the Higher Attestation Commission. He joined the Department of Finance and Credit at the D. A. Tsenov University of Applied Sciences on 25.01.1999 as an "Assistant" and after defending his dissertation he was elected as a Chief Assistant (25.01.2000-30.10.2001). In a short period of time, he managed to prepare quality scientific production, which led him to a successful competition for "associate professor" at the end of 2001 in the scientific specialty 05.02.05 "Finance, money circulation, credit and insurance" (Certificate No. 21012/31.12.2001 at the Higher Attestation Commission). After a competitive procedure and selection by the Faculty Council of the Faculty of Finance, he was elected on 10.12.2012 to the academic position of "professor" at the "D. A. Tsenov" Academy of Economics (Diploma No. 2012049/13.12.2012) in the scientific specialty "Finance, Money Circulation, Credit and Insurance" (Finance). In November 2024, he joined the academic staff of VUZF, and according to the regulations, he appeared for the second time in a competition for the academic position of "professor", which logically conditioned participation in this procedure, where the deposited evidence and scientific production by guest professor Dr. Andrey Zahariev many times exceed the minimum national requirements.

The scientific production of the candidate in the competition, according to the personal profile in NACID, includes 276 registered titles (as of the date of the first jury on March 27, 2025) in the field of finance, administration and management, including over 80 titles in a foreign language - in English, Russian, Serbian, Turkish, Romanian and Ukrainian. Among the Bulgarian scientific periodicals registered with NACID, the candidate in the competition was editor-in-chief of the journal "Narodnostopanski arhiv" (nearly 15 years), deputy editor-in-chief of the journal "Narodnostopanski arhiv" (4 years), editor-in-chief of the journal "Annual Almanac of Scientific Research of Doctoral Students" (4 years), member of the editorial board of the electronic magazine "Dialogue" (4 years), as well as editor-in-chief of the electronic magazine "Dialogue" (1 year).

As an academic administrator, guest professor Andrey Zahariev, PhD has extensive experience in managing units in the higher education system, including as Vice-Rector for Master's and Doctoral Studies (one term), Deputy Chairman of the General Assembly (one term), Head of the Department of Finance and Credit (two terms), Dean of the Faculty of Finance (two terms). For over 25 years (from 1999 to 2024), the candidate in the competition had responsibilities as secretary and head of the Master's program "Financial Management", including since 2013 in its English version, and since 2017 for the double diploma program in "International

Financial Management" with Donetsk National University "Vasily Stus", Vinnitsa, Ukraine.

At various times in his career, the candidate has been a consultant on projects in Bulgaria for the American, Danish and Swiss agencies for international development. In the NGO sector, we note his active role and commitment to the Danube South Euroregion, National Association of Chairpersons of Municipal Councils in the Republic of Bulgaria (since 2004), Prof. Dr. Minko Roussenov Foundation (since 2017), the National Center for Distance Learning, etc. He was elected as Chairperson of the Municipal Council - Svishtov in the term 2003-2007, as well as a member of the Advisory Council for Financial Management and Control to the Minister of Finance according to Order No. ZMF-845/18.06.2008. He has managed, including currently, consulting companies for regional development and budget programming (since 2003).

CONCLUSION: *Guest Professor Andrey Zahariev, PhD has a rich professional biography, which balances scientific achievements in finance, a teaching career, academic administrative engagement, and responsibilities in the public sector of the economy. His scientific recognition is assessed with a Hirsch index of 5 in Scopus and a Hirsch index of 3 in Web of Science. He has been awarded the honorary titles "Doctor Honoris Causa" of the Donetsk National University "Vasyl Stus", Vinnitsa, Ukraine and "Professor Honorificus" of the Artifex University in Bucharest.*

3. General characteristics of the candidate's activities

The general characteristics of the candidate's activities are assessed in three areas - in relation to the minimum national requirements for holding the academic position of "professor", in a scientific and applied plan, as well as in a teaching and learning aspect.

3.1. Compliance with the minimum national requirements for participation in the competition

According to the minimum required points by groups of indicators for the academic position "professor" for the field of higher education 3 "Social, economic and legal sciences", professional direction 3.8 "Economics" specified in the PPZRASRB, The information presented in the references by the candidate has been exceeded many times. Guest Professor Dr. Andrey Zahariev participated in this competition with evidence of cumulative 3348.80 points. By groups of indicators from the PPZRASRB, the excess is reported as follows: group A – compliance of 50 points, group B – compliance of 100 points, group D – 363.41 points reported out of 200 points required, group E – 1530.00 points reported out of 100 points required, group E – 1305.39 points reported out of 100 points required.

3.2. Evaluation of the candidate's scientific and applied scientific activities

Guest Professor Zahariev, PhD has submitted 42 titles of scientific production for review under this competition, of which two monographs, thirty-four studies, articles and reports (of which ten titles are indexed in the international databases SCOPUS and/or Web of Science), one chapter of a collective monograph, five textbooks and teaching aids. Documents for leadership and participation in scientific projects (26 scientific and educational projects, including national and international, including as a team member and project manager), references with citations and reviews (12 citations in SCOPUS, 17 reviews for editorial boards of SCOPUS-indexed scientific journals of MDPI publishing house, 4 citations in monographs and 211 citations in non-refereed journals with scientific review), references for scientific supervision of 17 defended doctoral students, all of whom are registered in the National Center for Scientific Research and Development, for which relevant evidence with access to the profiles of the doctoral students has been presented. One of the doctoral students subsequently became an associate professor at VUZF.

The main habilitation work for the candidate's participation in the competition is "Financial Decentralization - Cross Analysis and Empirical Evidence", Publishing House

"Grigoriy Bogoslov", Sofia, 2025, 145 pp., ISBN 978-619-7622-67-6. The work was published after discussion in the department council with reviewers Prof. Verzhiniya Zhelyazkova, PhD (VZUF) and Prof. Borislav Borisov, PhD (UNWE). Object of research in the monographic The work is financial decentralization in Bulgaria, and its subject is the establishment through cross-analysis and empirical evidence of the current state, problems and prospects facing Bulgarian municipalities through the prism of the responsibilities and powers of local government bodies. The leading thesis in the monographic work is formulated as follows: financial decentralization is a multidimensional process of a strategic nature, combining delegation of powers with their resource provision to ensure the implementation of the provisions of the European Charter of Local Self-Government, in an environment of multiple crises and perspectives related to the country's membership in the Schengen Area and the Eurozone. The aim of the study is to examine financial decentralization in the period 2020-2025 as a process and current state, taking into account the impact of multiple crises, the depletion of sources of own revenue in municipal budgets and the prospect of accumulating positive effects from membership of the country in the Schengen area and the accession of Bulgaria to the Eurozone. In order to achieve the goal of the development and validation of the research thesis, working hypotheses have been formulated and research tasks have been set. The main conclusion from the scientific research on qualitative indicators collected through a questionnaire survey is that bridging the gap between the decentralization of responsibilities and the centralization of resources in the public sector of the economy requires constant debate and public interest. Bulgaria deserves its new fiscal model and a new perspective in the process of financial decentralization. The summarized opinion of the chairmen of the municipal councils since the beginning of 2025, cross-analyses, groupings by size of municipalities prove this.

The second monographic work in the competition is "Fiscal Decentralization and Financial Management of Municipalities in Bulgaria". Svishtov, AI "Tsenov", Library "Education and Science", vol. 13, 2012, 248 pp., ISBN 978-954-23-0742-6. With the indicated monograph, the candidate successfully participated in the habilitation procedure in 2012, for which he was awarded the academic title "professor". In it, through a critical review of the fiscal decentralization process in Bulgaria and a survey among a target group of respondents (chairmen of municipal councils in the 2007-2011 term), a set of weaknesses and omissions in the process were identified, leading to a serious deterioration in the financial stability of municipalities (especially during the period of the financial crisis of 2009-2011), combined with parallel processes of centralization of resources and decentralization of responsibilities. This leads to a tangible need to restore the practice of sharing basic income taxes as an element of gross value added and a tool for achieving a consensual rebalancing between the center and the regions. The object of study in the monograph is fiscal decentralization in Bulgaria, and its subject is the toolkit for financial management and development of the debt capacity of municipalities as a counterpoint to the policy of centralization of financial resources. The leading thesis in the monograph is formulated as follows: by motivating processes of fiscal decentralization and parallel implementation of techniques and tools for multi-year financial management and development of debt capacity, Bulgarian municipalities are able to ensure real implementation of the provisions of the European Charter of Local Self-Government, related to the provision of the necessary resources and means for the implementation of delegated powers and responsibilities. The purpose of the study is to examine the process of fiscal decentralization in the period 2007–2011 and to argue for innovative, multi-purpose instruments for municipal financial management, ensuring debt capacity and the budget process in Bulgarian municipalities. The developed content in eight chapters presents the author's rich experience in the field of local government with an emphasis on the tools for budget programming and financial management of Bulgarian municipalities.

Of all the titles submitted by the candidate in the competition, nearly 90% were written and published after the first habilitation procedure for professor in 2012, with over 25% of the

articles and studies submitted for review being indexed in Scopus/Web of Science.

3.3. Evaluation of the candidate's academic activity

Guest Professor Andrey Zahariev, PhD provides in the current semester of the academic year 2024/2025 the training of VUZF students in the Bachelor's degree program in "Fundamentals of Finance and Economic Theories" and "Financial Risk Management". The candidate has extensive teaching experience with numerous published textbooks and teaching aids. According to the biographical information in his academic career, he has participated as an author in providing teaching aids and textbooks for academic courses in: International Finance, Debt Management (independent course in Bulgarian and English), Financial Analysis (collective course in Bulgarian and independent course in English), Capital Management in the Company, Financial Management of Human Resources (independent course in Bulgarian and English), Municipal Budget Management, Currencies and Foreign Exchange Transactions, Introduction to Finance, etc.

For the purposes of the competition, he submits for evaluation the textbooks "Project Finance Techniques" (2021, stand-alone textbook); Capital Management (Theory and Practice) (2015); "Handbook on Circular Economy Challenges for Business and Society" (2024 in English); "Reference Book on Circular Economy for Teachers" (from 2023 in English), Financial Theory (2015) and the university textbook "Repertory on Circular Economy for Students" (2024 in English). All of them meet the best standards for academic textbook content.

As can be seen from the candidate's profile in NACID, the three English-language titles of textbooks and teaching aids have been translated into Bulgarian, Romanian, Turkish and Serbian and registered with ISBN by the respective national libraries. I appreciate the latter as solid evidence of international academic impact and ability to create team learning content in an Erasmus+ project led by the candidate in the competition.

CONCLUSION: *Guest Professor Dr. Andrey Zahariev fully meets all the minimum national and internal VUZF requirements in terms of scientific and teaching. His scientific output is of large volume and qualitative depth. Publication in a foreign language and within author teams presents the candidate as an accessible, recognizable and team scientist. His profile on the open science platform ResearchGate indexes nearly a quarter of a million reads, which is a respectable achievement among Bulgarian financial scientists. All scientific works are authentic and do not contain any compromises regarding originality standards.*

4. Scientific and applied scientific contributions of the candidate

The contributions stated in the relevant reference are grouped into five areas, which I consider to be successfully formulated. In an analytical section, these contributions are detailed as follows:

4.1. Contributions of a novel nature

First. Through a critical review of the fiscal decentralization process in Bulgaria and parallel surveys among target groups of respondents (chairmen of municipal councils) at two time points (2012 and 2025) and in two periods (2007-2011 and the period 2020-2024) a set of weaknesses and gaps in the process has been identified, leading to a deterioration in the financial stability of municipalities (especially during the financial crisis of 2009-2011), combined with parallel processes of centralization of resources and decentralization of responsibilities, motivating a tangible need to restore the practice of sharing basic income taxes as an element of gross value added and a tool for achieving a consensual restoration of the balance between the center and the regions. Extracting validated positive assessments from the group of respondents in 2025 for a favorable impact on the development prospects of Bulgarian municipalities from membership in the Schengen area, admission to the eurozone. Through cross-analytics and correlation graphs, specific relationships and dependencies for the depletion of capacity from

local sources of revenue, dependence on central funding and subsidies of municipalities, grouped into four categories, according to the number of municipal councilors under the LMSMA (Scientific Papers No. 1; 2; 7).

Second. On the basis of survey studies, within the scope of a large-scale international research network, a theoretical justification has been made with empirical establishment of a specific form of motivation of decisions for partial or complete "tax avoidance" as a form of protecting the return on earlier investments in individual human capital. Correlations have been revealed between policies among employers for the application of fixed-term employment contracts with regard to both the main categories of personnel and among the companies themselves in terms of the number of personnel and the absence/presence of trade union structures, with peak negative data for small and medium-sized companies. An argument has been made for the need to introduce minimum insurance thresholds with a view to forming remunerations on the lowest legally permitted levels in connection with achieving "reductions" in the due social security and fiscal payments when forming a parallel ("hidden") flow of undeclared remuneration from employers to employees. (Scientific papers No. 7; 33; 36; 40).

Third. Extraction of correlations and critical arguments for generating added value based on a representative survey among the stratified sample of CEOs in the Bulgarian banking, insurance and financial sector based on mutual influence and synergy between digitalization, human resources management, post-epidemic recovery and support for Corporate Social Responsibility policies, applicable both in the "Financial and Insurance Activities" sector and in the real sector as a whole (Scientific Papers No. 3; 10; 14; 15; 16; 17; 18; 34; 35).

4.2. Contributions of an enriching nature to existing knowledge

First. Further development of methodological solutions for the implementation of multi-year financial planning and management in municipalities through the justification of a new paradigm for strategic financial management of municipalities in Bulgaria. Formation of a conceptual model for managing the debt capacity of municipalities in the context of alternatives for providing resources for co-financing capital programs through a combination of "operating surplus", own revenues and alternative borrowings under the Municipal Debt Act, including bank loans, bond loans, financial leasing, as well as targeted bridge financing through the FLAG Fund. Testing the model through technical assistance and consulting in over 20 Bulgarian municipalities. Upgrading a software-developed, bilingual (in Bulgarian and English) internationally approved model for multi-year financial and budgetary management and forecasting the debt capacity of Bulgarian municipalities with new generation argumentation and application of the model with separation, information grouping and binding in the unified environment of the management database of new modules for "risk management"; "municipal balance sheet"; "municipal companies under the Commercial Law"; "municipal enterprises under the Public Procurement Act" and "municipal assets". Enriching resources for training in public sector economics and project management. Empirical national and international studies on the "shadow economy" and "tax evasion". (Scientific papers No. 1; 2; 7; 33; 36; 37; 40).

Second. Research, establishment and confirmation of the hedging effect of gold reserves among the leading world economies during the crisis (2008-2012) by modeling correlations between the growth of deficits in public finances and the positive revaluation of available monetary gold in the vaults of central banking institutions, including under currency board conditions. Critical review and analysis of the state of reserves in the public sector in Bulgaria and in the BNB. Modeling risk and profitability in the banking sector under conditions of external and internal supervision mechanisms (Scientific Papers No. 6; 22; 23; 25; 27; 28; 30; 31).

Third. Enrichment of methodological research in the field of forming an annual interest rate structure for the financing of public companies in Bulgaria, integrating the risk-free rate of return with empirical confirmations of the cost of debt capital at different levels of the debt/asset ratio for the purposes of implementing models for optimizing the capital structure of Bulgarian

companies, including, on data for historical public reporting, assessment of corporate business risk and additional financial risk in long-term debt financing on the liabilities side of the balance sheet and development of market capitalization (Scientific Papers No. 4; 26; 27; 29; 41).

4.3. Contributions in the nature of application of scientific and practical achievements

First. Through research and evaluation of the specificity and peculiarities of the distance learning form and global educational trends, organizational solutions and procedures for the quality management system have been developed and applied, development of a digital learning environment, multilingual educational content for finance and economics training, scientific research and scientific periodicals (Scientific Papers No. 5; 8; 9; 11; 13; 19; 20; 21; 24).

Second. Justification of forecasts for the implementation of state policy in the field of providing human resources in the business sector and public systems, including the health system with measures and intervention to limit staff turnover and expansion in the education system and the influence of artificial intelligence (Scientific Papers No. 3; 4; 12; 13; 14; 15; 16; 17; 18; 32; 34; 35).

Third. Creation, based on an international Erasmus+ project, of multilingual educational content in Bulgarian, English, Romanian, Turkish and Serbian, including digital provision and interactivity for the purposes of circular economy education, aimed at teachers, students, business and society as a whole (Scientific Papers No. 38; 29; 42).

CONCLUSION: *The contributions in the works of guest professor Andrey Zahariev, PhD are original, significant and balanced in the scope of the scientific specialty of the competition. They are the result of sustainably conducted research, a combination of science and practice, skills in building and leading scientific teams with a rich production in Bulgarian and foreign languages.*

5. Personal impressions

I have known visiting professor Andrey Zahariev, PhD since 1995 from his participation in the TEMPUS project and his work at the National Interuniversity Center "Public Sector Economics". As an administrative head of a faculty and department, he is an example of partnership, building inter-institutional bridges, project creativity, as well as paying tribute and respect to Bulgarian pioneer scientists in the field of finance and monetary theory.

His role in the field of introducing standards for organizing and conducting distance learning in higher education institutions, as a participant in the expert groups of the Ministry of Education and Science in 2004 and 2021, has been recognized by the guild. The doctoral students who have been brought to the defense of their dissertations are impressive in terms of profile, career, and scientific output.

CONCLUSION: *Guest Professor Andrey Zahariev, PhD possesses all the necessary personal qualities, achievements, recognition, experience and scientometrics to occupy the academic position of "professor" at VUZF.*

6. Critical remarks and recommendations

I have no critical remarks or recommendations regarding the work of visiting professor Andrey Zahariev, PhD. Over his 30-year academic career, the candidate in the competition has shown a pace and scale of work that can only please the staff and management of VUZF.

CONCLUSION

In conclusion, I believe that Guest Professor Andrey Boyanov Zahariev, PhD meets all the requirements set out in the Act on the Development of the Academic Staff in the Republic of Bulgaria, the Regulations for the Implementation of the Act on the Development of the Academic Staff in the Republic of Bulgaria and the relevant Regulations on the Terms and Procedure for

Holding Academic Positions at VUZF. The 3348,80 points claimed in the competition only partially reflect the full range of measurable scientific achievements of the candidate, especially in the scope of citations, which in various registers approach the number of a thousand. Based on all evidence, data and documents, as a reviewer and member of the scientific jury, I support with full conviction the appointment of the academic position of "professor" at the Higher School of Insurance and Finance - Sofia by the candidate guest professor Andrey Boyanov Zahariev, PhD.

I recommend to the esteemed Scientific Jury to elect Andrey Boyanov Zahariev, PhD to the academic position of "professor" in the VUZF competition, announced in the State Gazette, issue 5/17.1.2025, in the field of higher education 3. Social, economic and legal sciences, Professional field 3.8. Economics, scientific specialty "Finance, monetary circulation, credit and insurance".

23.04.2025

**Reviewer:
(Prof. Rumen Brussarski, PhD)**