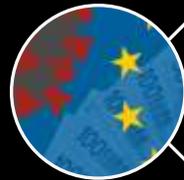


ECONOMIC SYSTEM IN THE TIME OF COVID-19



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The economic system in Europe during COVID-19



In case that the prevalence of Coronavirus in Europe is not mastered, voters and investors will become increasingly nervous.



Europe has decided to “freeze” its economy and heal it.



The recession is not excluded and this increased commitment of governments to give a large part of the budgets for financial incentives to businesses, even if it costs them a serious increase in government debt.



But this is not a guarantee, because until the answer becomes global and coordinated, any improvement will only be temporary.

The economic system in Bulgaria after COVID-19

Three possibilities:

Peak in June

double employment increase

50% decline of tourist season

intense inflation increase

increasing the budget deficit

Peak in May

20% decline of the tourist season

mild negative shock in unemployment

Peak in August

tourist season would be absolutely ruined

unemployment would reach a 12% of the Bulgarian population

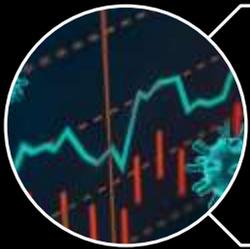
Measures in Europe



Instant fiscal measures to fight effectively the epidemic – here come the immediate costs in support of health and other bodies for the management of the crisis.



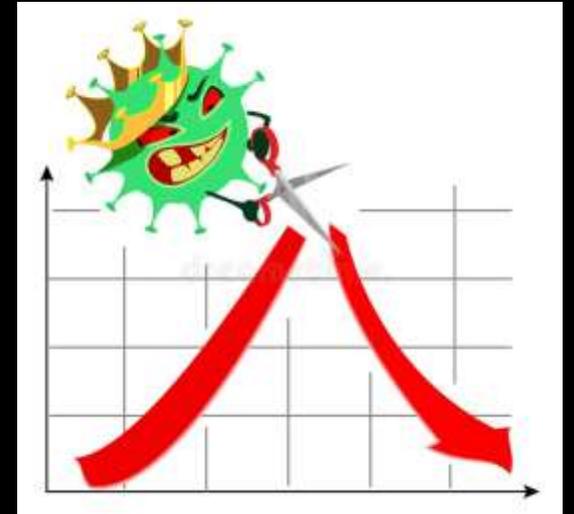
Support for the workers, who have hit from the crisis in order to limit the loss of employment and income – the measures related to short – term support for the remuneration of exposed workers, extension of hospital health and the payment of and rescheduling of certain taxes



Liquidity support to companies facing serious liquidity problems due to the crisis with a focus on small and medium – sized enterprises and specific sectors – measures to defer tax payment and state guarantees to ensure short – term financing of companies.

Possible economic measures

- Change in the priorities of the State budget
- Clear sanitary rules for heavy industry
- Support for workers, who are hit by the state of emergency
- Fiscal support for the immediate fight against the epidemic



THANK YOU FOR THE
ATTENTION!