

## EXECUTIVE SUMMARY

### PE3IOME

The first part of the monograph **“Challenges to regional policy, management and business”** is devoted to the substantiation of the scientific and methodological foundations of the sustainable competitiveness of agricultural enterprises. Taking into account the concept of sustainable development, the concept of «sustainable competitiveness of agricultural enterprises» was introduced into scientific circulation. It is proposed and tested methodology of its express evaluation, which includes three criteria (economic, social and ecological) and a system of corresponding indicators and an algorithm for their calculation, which makes it possible to determine the partial and integral coefficients of sustainable competitiveness. The partial and integral coefficients of sustainable competitiveness on the example of agricultural farm are determined and analyzed. Based on this, the proposals for balancing the economic, social and ecological components of sustainable competitive development are substantiated. Practical application of the research results at the micro level creates the basis for making managerial decisions to ensure sustainable competitiveness, and at the macro level – allows to adjust the criteria of state financial support taking into account the degree of balance of the agricultural economy.

The second part **“Competitiveness and sustainable development of agri-food sector”** focuses on the issue of the sustainable development of agri-food sector through the example of Turkey. Turkey is one of the world's most important agricultural countries. It has a suitable climate for growing many agricultural products. Large agricultural land and facilities of the rural population, Turkey has reached a major transformation in the agriculture and food sector. As a result of this transformation, the production and export of processed agricultural products has improved significantly. Factors such as the diversity of agricultural raw materials, showing an increase of food demand, taking part in an important geographical position, has contributed to the development of the agri-food sector in Turkey. However, problems such as high energy costs, external dependence on energy and other inputs of production, small business concentration in the sector, inadequate capital, inefficient realization of R&D, and exports occasionally due to political and economic problems are preventing sustainable development of the sector. It is expected that development of the sector will be increased by eliminating these problems, establishing agriculture industry integration, increasing share in existing foreign markets, entering new markets and applying modern strategies in marketing.

The third part **“Competitiveness and sustainable development of tourism”** begins with a section which discusses the preconditions for sustainability of the tourist business in Bulgaria. It makes analyses on the interaction between the business and the environment by attempting to sort out the influences in the Bulgarian economy affecting the sustainable nature of the tourism business and the possibility to direct its development in a way that synchronizes the interests of all participants. Sustainable development based on the balance of interests between business, the natural environment and society. With increasing commercialization and the dominating role of the market as a regulator, the pursuit of business for profit has no social limit, which requires the establishment of a national policy for sustainability of the tourist business in our country. For this reason, the aim of the research is to identify the markers to stimulate the sustainability of the Bulgarian tourism business in order to create

adequate potential for its development. The main aspects of the identifications include: ensuring macroeconomic stability for the development of the tourism business; enhancing competitiveness; overcoming the problems and disproportions that have occurred as a result of the uneven course of structural reforms in our country; linking the economic development of the country with the processes of integration in Europe. The existing framework conditions implying the sustainability of the Bulgarian tourism business traced in the "business - environment" interaction are defined as the subject of the survey and the subject are the contemporary conditions perceived as the macro environment, resources and policies in which the tourism business operates in the last five years. The review carries out using an adapted methodology for macroeconomic analysis of developments implemented by Eurostat - Sustainable Development Indicators Task force. The analysis leads to the conclusion that the uneven and inconsistent course of market and structural reforms in Bulgaria implies a number of problems and disproportions in its development. They prevent the building of the desired potential for its sustainable development in strategic horizon. Conflicts between the macro and the business level of governance are recorded in the development of strategies to build a national strategy on "human capital" that describe a mismatch between macroeconomic stability and the actual creation of potential for its development.

The aim of the presentation in the second section of the third part is to analyze the opportunities for sustainable development of the tourist exchange between Georgia and Bulgaria. Various sources of information, including statistics and analyzes of national tourism organisations and tourism ministries of both countries, were used, as well as results from previous studies by authors. Based on the study, relevant conclusions and recommendations are made to the responsible institutions in Georgia and Bulgaria aimed at providing better conditions for expanding bilateral tourism exchanges.

The third section considers camping as an alternative to the traditional forms of accommodation which is scrutinized as an opportunity to form a competitive advantage in the provision of tourist services on a regional basis. Camping tourism is becoming more and more popular among the great variety of the consumers of tourist services. The idea of nature approaching, the pro-active way of living, and the open air activities, are part of the numerous stimuli to choose this form of accommodation as an alternative to hotel accommodation. There is a reasonable doubt whether Bulgaria is able to develop this form of tourism in accordance with the modern requirements, and the preferences and needs of the demand. The study presented aims at finding the fundamentals for the emerging of camping tourism in the EU and in our country, as well as to describe its contemporary situation in Bulgaria; to comparatively consider its strengths and weaknesses; to discover directions for its future developments, based on the conclusions and taking into account its significance mainly at regional level.

The fourth part of the monograph consists of six sections dealing with the ***“Financial and accounting problems of regional economy”***.

In the first section the transition to a circular economy is discussed, the stimuli for the financial institutions and good practices from the Netherlands, France and Denmark. To achieve success in that direction, the role of the different regions of a country, and in particular the active policy at local level, is important.

In the second section the nature and the peculiarities of the municipal revenues are characterized. By using the methods of comparative and structural analysis, a thorough empirical study of the composition and structure of the revenues of selected municipalities in Bulgaria has been carried out in the last year. The role and

significance of the municipal revenues for the financial status of the Bulgarian municipalities have been taken into account.

The third section presents the basic principles in the modern management of credit and interest rate risks. Credit risk management is discussed both as a process and as a complex management system.

The fourth section examines the changes and challenges for commercial banks concerning the requirements of the new IFRS 9, in force from 01.01.2018. An exemplary model of credit migration for expected credit losses (ECL) is presented and main problems of its implementation are addressed. A relation between IFRS 9 and the Basel Standards on the Approach to Determine Expected Credit Losses is made. In the context of synchronization of the two standards, recommendations are made to improve credit risk management and improve information provision.

In the fifth section types of securities markets of the Bulgarian stock exchange and registration conditions are presented. It is clarified the very important for the exchange trading point, that all securities that are sold on the stock exchange pass through a special procedure of introducing on the exchange or registration of securities admitted to trading or listing. These notions have their meaning and practical application on each exchange. The process of introduction on the exchange in the developed countries is being analyzed, accentuating on the listing of the particular markets on BSE – Sofia.

The objectives of this study are: in a theoretical aspect - to familiarize the readers with the process of introducing companies on the stock exchange and admission to trading or listing of each issue. It is also presented the latest markets and segments of BSE; in a practical aspect - to explore the markets of BSE and the criteria for admission to trading of emissions on them. This yields a clear idea of the instruments traded on the Bulgarian stock exchange, their place on the elite Major market or on those with lower qualities – the alternative market.

The sixth section explores the essence and importance of costing as well as pricing models. The aim is to discover issues and discussions that are relevant to the theory and practice and on this basis to offer reasoned solutions for them.

The seventh section presents the main trends and challenges in the development of the capital market in Bulgaria. The processes of globalization in the financial markets have a significant impact on the Bulgarian economy, including on the state and trends in the development of the capital market. A key role has the accession of the country to the EU and the process of harmonization of the Bulgarian legislation with the European one in the field of capital markets. On the other hand, the global financial and economic crisis of 2007-2009 and the negative consequences to the Bulgarian economy, led to deterioration of the macroeconomic environment and of the stock market indices, as well as a loss of the confidence in the capital market.

The eighth section presents the features of the market of derivative instruments in Bulgaria. In addition to the major financial instruments (shares and bonds), capital markets have a wide variety of derivatives. These are relatively new tools built on the base instruments or other derivatives. This group includes futures, options, forward, currency contracts, binary options, and more. Their widespread use is related to the search for ways to reduce investment risks (so-called hedging). Leading global financial regulators have a policy of tightening the requirements for trading in derivatives. Over the last few years derivative financial instruments have been booming, but the lack of transparency in this kind of trade has sparked fears of a potentially new financial turmoil.

The fifth part **“Sustainable development of regions and local communities”** consists of four sections. The first one discusses teaching methods in the university, including modern ones. The necessity of implementing innovative teaching methods is justified. The concepts of "interactive methods" and "active methods" of teaching are given.

The second section presents guidelines for the development of regional plans for sustainable development through the example of the Northern-East Bulgaria. To determine the essence of regional planning, it is necessary to distinguish its subject from the subject of macroplanning. Macro-planning and regional planning are in a unity that stems from the essence of planning as a function of economic and social governance. The northeastern region has good potential for future socio-economic development. The priorities for achieving regional development objectives will be linked to the Integrated Maritime Policy and the Consolidated Priorities of the Black Sea Program.

The third section considers sustainable development as one of the main objectives of European policy. It includes economic and social conditions of a given territory. The main aim of this article is to analyze the capacity for sustainable development of one region from the South- Central part of Bulgaria. The structure, functions and development of Pazardjik region has been investigated by establishment of an evaluation system, which includes basic economic and social indicators. The research work examines statistical data for the period 2006-2016. The analysis shows that the basic management principles of cooperation and competition are not effectively implemented yet. Although the progress of social and economic breakthrough is gradual, there is a significant increase in production output, turnover and foreign direct investment in Pazardjik region.

The fourth section discusses sustainable development of the timber harvesting and timber sales in the Northwest and Southwest State Forest Enterprises. Major institutional, organizational and structural reform was performed with the adoption of the Law on forests in 2011. The state forest sector was affected by this reform as two relatively standalone functional branches were founded, respectively Executive Forest Agency with main regulatory-organizational and control functions over all forest territories in the country, and six State Forest Enterprises, established according the economic regions of planning NUTS-2, with main functions to govern the state forest territories, incl. management, reforestation and harvesting. Having in mind that 95% of the income in the forest sector comes from timber sales, and also the regional features and differences in quantity and quality characteristics of the forest resources, discrepancies between the possibilities of the different state forest enterprises have appeared. Twice more state forest territories and nearly three times more timber stock belong to the enterprises in South Bulgaria compared to those in North Bulgaria, where the non-state forest territories prevail. Because of this, the enterprises in the north part of the country have less timber resource which leads to less harvesting and less income from timber sales. Nevertheless, the different mechanisms for reallocation, main of which is fund “Forest investments”, this leads to some inequality in terms of possibilities for investments in the forest regions, managed by the respective state forest enterprises and their local bodies – the State Forest and Hunting Units (SFU/SHU). In the present study two comparatively different as a resource and as harvesting and income from timber sales state forest enterprises have been chosen, resp. Northwest state forest enterprise (NWSFE), with headquarters in the town of Vratsa, and Southwest state forest enterprise (SWSFE) with headquarters in the town of Blagoevgrad. An analysis of the potential resource and timber harvesting, as

quantities and income from timber sales for the period of 2015 – 2017, has been performed. Outcomes and conclusions are derived and respective proposals and recommendations for their sustainable development are also included in the study.

The seventh part ***“Topical problems in health care and services in regions”*** presents the results of four studies assessing the quality of communication in healthcare facilities; reasons for inefficient communication in the team and influence of the communication on the personnel turnover in the medical collectives; main factors leading to aggression in patients and their relatives in relation to doctors and the influence of financial incentives on the quality of the offered medical service.

Emotional status, through its connection to psychic processes, takes place at the cognitive, behavioral and body level, influencing excitatory processes, physiological functions, thoughts and manifestations. Emotions can adjust, signal, adjust or compensate. The emotions associated with aggressive behavior are divided into several types: anxiety, hostility, anger, irritability, depression, jealousy, guilt, shame. The impact that emotions have is both direct and indirect. Direct influence is an incitement to aggression, mostly associated with anger and hostility, jealousy and jealousy. Indirect influence is associated with the situation itself, its understanding, strategies and I-schemes.

With the male / female ratio, the relative shares of the medics have come to the point that financial incentives are important for the quality of the service they offer. Medical practitioners over twenty years of age most often identify financial factors as a primary incentive for the quality of their healthcare service. A significant percentage of the participants are dissatisfied with the financial compensation they receive for their work. For medics with internship in the specialty up to 10 years, the highest rate of unmet payment.