



## STATEMENT

On a PhD dissertation for the acquisition of the educational and scientific degree "doctor" in the area of higher education 3.0. Social, economic and juridical sciences, professional field 3.8 Economics, scientific speciality "Economics and management (agriculture)".

**Author of the dissertation:** Darina Stoyanova Stoyanova, full-time PhD student at the Department of Industrial Business and Entrepreneurship, Faculty of Economics, Trakia University – Stara Zagora.

**Dissertation topic:** "Impact of financial support on the efficiency of the agricultural sector."

**The statement is prepared by:** Assoc. Prof. Dr Dimo Atanasov Atanasov, Agricultural University – Plovdiv, from the area of higher education 3.0. Social, economic and juridical sciences, professional field 3.8 Economics, scientific speciality "Economics and management", appointed as a member of the scientific jury by order No 554/22.02.2023 of the Rector of Trakia University.

**Relevance of the dissertation research:**

The dissertation examines and analyses contemporary issues. Both the research subject and the object are relevant. To ensure sustainable development of the economy, governments intervene in the markets. Agriculture has a particular need for intervention because of its specificities, dependence on many external factors, and direct impact on the environment. The sector's vital role in ensuring food security and the risks that threaten it requires governments to intervene in the functioning of the markets for resources and products and the labour market for agricultural workers.

**Objectives and tasks of the research:**

The candidate has set the goal of researching and evaluating the effect that the state, through its policy for grant funding (financial support) of farming, has on the efficiency of agricultural holdings.

To achieve the abovementioned goal, the research goes through the following tasks – theoretical conceptualisation, methodology adaption, collection and structuring of information,

and assessment of governmental support's effects on the development of agriculture and on the innovation and investment activity of farmers.

### **Research thesis:**

The candidate puts forward the thesis that governmental financial support positively affects agricultural enterprises' performance and contributes to increasing their competitiveness. The special grant funding for the farms, targeted to purchase of capital assets, increases their investment and innovation activity.

For a better presentation of the research and also for the comprehension of the results, the candidate has distinguished three hypotheses:

***Hypothesis 1:*** The provision of grants has a positive effect on the performance of agricultural enterprises, measured by profitability and productivity indicators.

***Hypothesis 2:*** Agricultural enterprises that receive free financial support and have higher investment activity are also characterised by higher innovation activity.

***Hypothesis 3:*** The effect of the free grant funding could be seen to a greater extent in larger agricultural producers, who have higher productivity and profitability compared to small and medium-sized farms.

### **Theoretical framework and methodological approach:**

In terms of structure, the dissertation is a classical scientific study, with a theoretical first chapter, a methodological second and a third empirical part.

The first chapter explains the nature and main characteristics of governmental support. The evolution of market interventions is traced. The focus is on some modern instruments for non-remunerated state funding – direct payments, preferential credit conditions, financial aid and reliefs. The legislation regulating the grant support granted to the farmers by the government is researched and outlined. A critical review of opinions "for" and "against" government interventions in the economy, especially agriculture, is also made.

In the second chapter, the directions of financial support are analysed, and hypotheses are presented regarding their effect on the well-being of agricultural holdings. Dependencies between grant support and the financial performance of farm production systems are summarised. A methodology for evaluating the efficiency of economic activity, measured by profitability and productivity indicators, has been adapted. The methodology has been

extended to tools and models for analysing government funding as a factor for improving efficiency.

### **Empirical research and analysis of results:**

The empirical part of the dissertation coincides with the third chapter. The candidate studied and analysed state grant funding before Bulgaria acceded to the European Union and the two program periods 2007 – 2013 and 2014 – 2020. Attention is paid to almost all essential state support instruments, which speaks for the research's seriousness and the results' importance. The calculated indicators and statistical processing testify to the candidate's ability to collect, synthesise and analyse experimental data.

### **Contributions from the PhD dissertation:**

I accept the contributions indicated by the candidate in the dissertation work. They have a theoretical, methodological and practical character.

1. A critical review and systematisation of the theories about government intervention in the economy in general and in agriculture, in particular, is made;
2. A methodological approach and tools for research and assessment of the impact of grant funding on the efficiency of agricultural holdings in Bulgaria have been adapted, which can also be applied to other policies;
3. A classification of the forms of government support in agriculture has been systematised based on a broad study;
4. An empirical research is conducted using two econometric models – a regression model with fixed effects and logistic regression, based on which the relationship between government support and investment activity, capital structure, employment, duration of work of agricultural holdings, etc., was described.
5. Dependencies between the reception of government support and the ability of agricultural enterprises to realise sustainable financial results are revealed and evaluated. The relationship "investment – innovation activity" is also analysed.

### **Publications of the candidate related to the dissertation:**

The scientific publications that accompany the dissertation are three. In one of them, the candidate is the only author. In another one, she is the leading author, and in the third one, she

is the second author. All three publications are in reputable scientific journals. Their topic is directly related to the dissertation research.

**Opinion and recommendations to the candidate:**

My opinion of the dissertation is generally favourable. It is a classic scientific research with the characteristic structure of a theoretical, methodological and empirical part. The analytical instruments used for the analyses are adequate.

The literary sources, a total of 245, have provided the dissertation with the necessary theoretical and empirical information, and the ten figures and twenty-nine tables have contributed to its illustration.

My recommendation to the candidate is to continue her work as a researcher on the same or similar topics and to look for opportunities to apply the obtained results in practice to improve enterprises' production and efficiency and add value for society.

**Question to the candidate:**

What would agriculture in Bulgaria look like if there was no financial support for it?

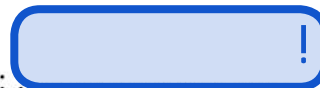
**Conclusions:**

The dissertation, its abstract and the accompanying documents are in sync with the Law of Higher Education and the Law of the Development of Academic Staff in the Republic of Bulgaria, as well as the Rules of Trakia University for its application.

Based on the analysis, I give a positive assessment of the dissertation work and consider it reasonable to propose Darina Stoyanova Stoyanova to be awarded the educational and scientific degree "Doctor" in the scientific area 3.0 Social, economic and juridical sciences, professional field 3.8 Economics, scientific speciality "Economics and Management (Agriculture)"

Date: 27.03.2023 r.

Scientific jury member:



/Assoc. Prof. Dr. Dimo Atanasov/