

**German Magazine Slams Bulgaria's Foreign Investment Policy**2010-06-08 16:58:25

The economic situation in Bulgaria has been steadily worsening during the term of present center-right government, wrote leading German economics magazine Ost-West-Contact.

The magazine discussed Monday the situation for foreign investments in the country in an analytical piece that is sharply critical of the economic policy of the GERB government, headed by Boyko Borisov.

[The article reports on the drastic slowdown of foreign investment in Bulgaria that has marked the beginning of 2010.](#)

It recommends more state support and funding to boost investment inflow and restore the trust of investors.

It further slams Finance Minister Simeon Djankov's tactics of delaying payments to companies in order to reduce the budget deficit. This is claimed to have led to a "darkening of the economic climate".

The Ost-West-Contact article draws attention to criticism against the government's swiftly proposed and then withdrawn anti-crisis measures.

Ex-PM and opposition socialist leader Sergey Stanishev is quoted as stating that the dire economic situation is not "inherited" from the preceding government, as Borisov often claims, but created by Borisov's own policies.

Recent "verbal attacks" on the part of Borisov against electricity distribution companies E.ON, CEZ and EVN did not help the situation, either, according to the piece.

[In May Borisov, in an official meeting with German investors, admonished them to work "like they do in Germany" and not to slacken their standards. Earlier in April he had ordered an investigation into the price formation for electricity on the part of the above utilities.](#)

The article further relates that successful former head of InvestBulgaria (the official investment agency of the country) Stoyan Stalev resigned in April just three days after voicing the opinion that investment policy should become more flexible and diversified.

There is too little investment in actual productive sectors in Bulgaria, summarizes the author, and this situation must change in order to achieve growth.

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