Memorandum – Cash vs. ESA deficit (updated with monthly bulletins)

Date: 2 June 2025

Prepared by: Mr Rosen Rashkov, Attorney■at■Law (signature pending)

1. Scope

This update incorporates monthly cash bulletins Dec■2024 to Mar■2025.

2. Headline figures

• Official ESA deficit 2024 .... –6 158 mln BGN (–3.04 % GDP)

• Cash deficit 2024 (KCFP) .... –6 164 mln BGN (–3.04 % GDP)

• Alternative ESA deficit (revised) .... –10 289 mln BGN (–5.07 % GDP)

3. Monthly cash dynamics

Month Cash balance (mln BGN)

Dec■24 –6 164

Jan■25 + 564 (one■off defence revenue)

Feb■25 –1 000 (–1 200 mln negative CAPEX ‘reversal’)

Mar■25 –1 927 (CAPEX 1 018; interest 411)

4. Key observations

a) December 2024 accounts for 11.8 % of annual expenditures, far above the historical average (8.3 %).

b) A positive cash surplus in January 2025 is driven by a single transfer from Denmark (0.35 bn BGN).

c) February bulletin explicitly shows a –1.2 bn BGN reversal of capital spending booked in 2024, confirming accrual manipulation.

d) Q1■2025 already runs a –0.9 % GDP deficit despite the alleged ‘improving’ trajectory reported to Eurostat.

5. Request

In light of the above we reiterate our request under Article 8(3) Regulation 479/2009 for Eurostat to launch a dialogue visit and reassess Bulgaria’s April 2025 EDP notification.

Attachments:

Annex B – Alternative deficit scenarios (Excel & PDF)

Annex E – Cash balance graph (Dec■24 → Mar■25)

Annex F – Monthly bulletins digest (EN)

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(to be signed with QES)

Mr Rosen Rashkov, Attorney■at■Law

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