



RESIDENT REPRESENTATIVE OFFICE OF THE
INTERNATIONAL MONETARY FUND

1, Knyaz Alexander I Square, BNB

Sofia, Bulgaria

Tel. [359 2] 981 4506

Fax [359 2] 981 2524

PRESS RELEASE

April 14, 2010

Mr. Bas B. Bakker, Mission Chief for Bulgaria, issued today the following statement to correct some of the statements made in the press about our meeting yesterday with Mr. Yanev.

“We did not say that the **2010** deficit would be almost 4 percent of GDP. The almost 4 percent figure refers to the **2009** deficit on an accrual basis. Last week the government announced that the **2009** deficit had been revised up to 3.7 percent of GDP, and this is what the discussion referred to.”

“We did not say the fiscal strategy is risky. The Concluding Statement noted that there were *risks* to the Government’s cash deficit target of 0.7 percent of GDP in 2010—in particular revenue shortfalls and settlement of arrears. At the time of the mission, in early March, we projected a deficit of 1.8 percent of GDP. Since then, arrears have turned out higher and revenues have disappointed, but this will be in part offset by the new fiscal measures.”

“We did not criticize the government. As is evident from the Concluding Statement, we agree with the Government on most issues.”

“We did not discuss the Staff Report, which will be discussed by the Executive Board of the IMF on May 5. We only discussed the Concluding Statement, which has already been published.”

“We listened to Mr. Yanev’s strategy, but we neither endorsed nor criticized it.”

See <http://www.imf.org/external/country/BGR/index.htm> for details, on the continued dialog between the Bulgarian authorities and the IMF.