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## **FISCAL SUSTAINABILITY AND ECONOMIC GROWTH: CASE OF BULGARIA**

### **Abstract:**

The fiscal sustainability is one of the important issues of the financial and fiscal policy of a country. However, that is not enough for its economic development and for improving the living standard where a higher level of economic growth is needed in order to achieve them. The crucial point is how to increase the economic growth and at the same time to preserve the fiscal sustainability in the short and long run.

The purpose of the paper is to present and analyze the budget practices in Bulgaria and to review the opportunities for economic growth and future economic development. The analysis is prepared within the horizon of the European Union up to 2020 and the EU funding is examined as one of the budget instruments as well.

### **Keywords:**

fiscal sustainability, economic growth, Europe 2020, EU funds absorption, budget policy

**JEL Classification:** E62, F15, F30