

## **Dimitar Radev: Bulgaria's accession to the euro area is the culmination of a long process of economic integration, policy alignment and shared responsibility**

Statement by Mr Dimitar Radev, Governor of the Bulgarian National Bank, at a meeting organised by the European Commission Representation in Sofia with the ambassadors of EU countries and EU candidate countries in Bulgaria, Sofia, 9 January 2026.

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Your Holiness,

Your Excellencies,

Ladies and Gentlemen,

I would like to begin by thanking the European Commission and its Representation in Bulgaria, in particular Ms Chobanova, for organizing this event and for the invitation to participate. It is a pleasure to address you at a moment of historic significance for both Bulgaria and the European Union.

Bulgaria's accession to the euro area is a formal institutional step. But it is also the culmination of a long process of economic integration, policy alignment and shared responsibility - a process that unfolded under conditions that were not always easy.

In recent years, Bulgaria has experienced periods of internal political turbulence, marked by fragmented governance and repeated electoral cycles. What deserves to be emphasized is that, nevertheless, macroeconomic and financial stability were preserved. At the same time, it would be inaccurate not to acknowledge that fiscal discipline - traditionally a strong anchor of our economic policy framework - came under pressure. In this sense, euro area membership should not be viewed as a reward for past performance, but as a framework that strengthens responsibility and reinforces incentives to pursue a prudent and forward-looking macroeconomic and fiscal stance.

In practical terms, Bulgaria has functioned as a de facto euro area economy for many years. The currency board arrangement, anchored to the euro, aligned expectations and shaped policy choices in a manner comparable to participation in the Economic and Monetary Union - albeit without representation in its decision-making bodies. Euro adoption resolves this long-standing institutional asymmetry by aligning responsibility with representation.

This transition takes place against a backdrop of heightened global uncertainty. Geopolitical tensions, economic fragmentation, supply-side shocks and financial volatility continue to test economies and institutions alike. In such an environment, resilience is not a function of size alone. It depends on the reliability of institutions, the predictability of policies and the capacity for collective action.

Europe's role in this context is central. The euro area is not merely a monetary system; it is an anchor of stability in an increasingly complex global system. Its strength lies in

rules-based cooperation, institutional depth and coordinated action. Enlargement of the euro area, when grounded in genuine preparedness, reinforces these qualities and strengthens the integrity of the common framework.

Bulgaria approaches euro area membership with a clear sense of responsibility. We do not view our participation in the European Central Bank and the Eurosystem as protection from the need for adjustment, but as a commitment to discipline, consistency and constructive engagement - especially under more demanding and challenging circumstances.

Allow me also to note the presence of His Holiness the Patriarch. This should be understood not in a confessional sense, but as a reflection of institutional continuity and public trust. Bulgaria, like many European societies, values symbols of stability and permanence - the same logic that underpins our monetary framework and is reflected in the design of Bulgaria's euro coins, which integrate national heritage into the common European currency.

Finally, I would like to express my sincere appreciation to the Commission and to all of you - and to the countries you represent - for your sustained engagement and support. Euro adoption is not achieved in isolation. It rests on trust, cooperation and rigorous dialogue between national authorities and European partners. Your role in this process was both constructive and substantive.

In conclusion, Bulgaria's accession to the euro area should be understood less as a ceremonial milestone and more as an institutional consolidation - one that strengthens both national stability and the cohesion of the euro area as a whole. Our intention is to respond to this trust through consistent policies, responsible participation and a long-term European commitment.

Thank you.