

Adoption by Bulgaria of the euro on 1 January 2026

2025/0158(NLE) - 25/06/2025 - Committee report tabled for plenary, single reading

The Committee on Economic and Monetary Affairs adopted, following the consultation procedure, the report by Eva MAYDELL (EPP, BG) on the proposal for a Council decision on the adoption by Bulgaria of the euro on 1 January 2026.

The committee responsible recommended that the European Parliament **approve** the Commission's proposal.

As a reminder, on 25 February 2025, Bulgaria submitted a request for a convergence assessment. Based on its own convergence report and that of the ECB, the Commission proposed that Bulgaria adopt the euro as of 1 January 2026.

Regarding the convergence criteria, it should be noted:

- the **compatibility of national legislation** with Articles 130 and 131 of the TFEU and with the Statute of the ECB;

- achieving a high degree of **price stability**: during the twelve-month period ending in April 2025, the average inflation rate in Bulgaria stood at 2.7%, which is below the reference value of 2.8%;

- the sustainability of the **public finances**: Bulgaria is not currently subject to a Council decision on the existence of an excessive deficit. Its general government budget deficit stood at 3.0% of GDP in 2024, i.e. at the level of the 3% reference value, and its general government gross debt-to-GDP ratio stood at 24.1%, i.e. well below the 60% reference value since 2007;

- **compliance with the normal fluctuation margins** of the Exchange Rate Mechanism II (ERM II) of the European Monetary System (EMS) for at least the past two years;

- the **durability of convergence** as reflected in the levels of long-term interest rates: over the twelve-month period ending in April 2025, the long-term interest rate in Bulgaria averaged 3.9%, which is significantly below the reference value of 5.1%;

- **economic integration and convergence** (Article 140(1), second subparagraph, TFEU): Bulgaria's external position has improved, with its combined current and capital account close to balance in 2024. The country is well integrated into the euro area through trade and investment, and benefits from increased banking and financial integration and access to the broader euro area market. Bulgaria continues to make progress, but further action is needed on the rule of law, the fight against corruption, and regulatory quality. The financial sector is well embedded into the euro area and has benefited from Bulgaria's participation in the Banking Union since 2020.

Lastly, Bulgaria's Recovery and Resilience Plan (RRP), supported by EUR 5.7 billion in EU grants (2021–2026), targets structural reforms, competitiveness, and reducing regional disparities. A revised RRP was submitted in April 2025 to accelerate implementation, especially in decarbonisation, governance, and business environment.