

WORLD RANK: **38** | REGIONAL RANK: **22**

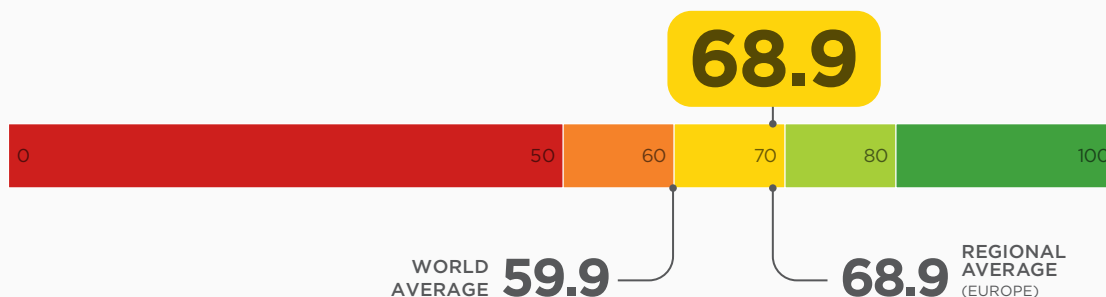
ECONOMIC FREEDOM STATUS: **MODERATELY FREE**

# BULGARIA

**B**ulgaria’s economic freedom score is 68.9, making its economy the 38th freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 0.1 point from last year, and Bulgaria is ranked 22nd out of 44 countries in the Europe region. The country’s economic freedom score is higher than the world and regional averages. Bulgaria’s economy is considered “moderately free” according to the 2026 *Index*.

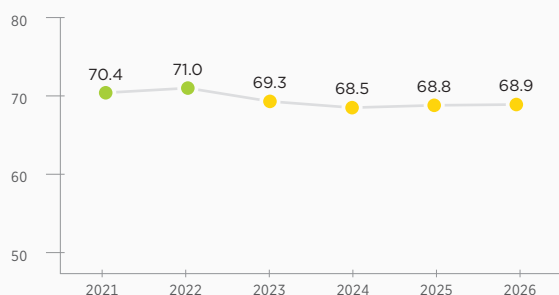
A decade of restructuring has enabled Bulgaria to make considerable progress in transitioning to a more market-oriented economy while maintaining macroeconomic stability. Continued reform to strengthen the foundations of economic freedom will be critical. Despite some progress, persistent corruption and the weak rule of law add to the cost of conducting business. Bulgaria remains outside the Schengen Area but is closer to qualifying for eurozone membership. Challenges in the EU’s poorest nation include corruption and Russian penetration in the energy and media sectors.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +18.9

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
6.4 million

**GDP (PPP):**  
\$252.0 billion  
3.0% growth in 2025  
3-year average growth rate: 2.6%  
\$42,477 per capita

**UNEMPLOYMENT:**  
4.2%

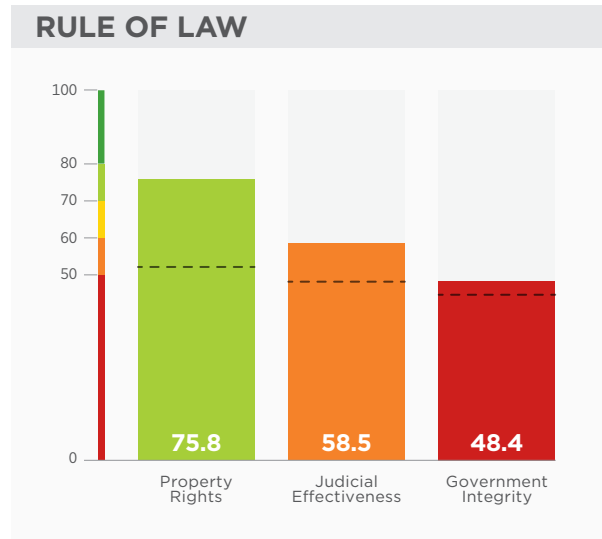
**INFLATION (CPI):**  
2.6%

**TRADE AS % OF GDP:** 109.3%

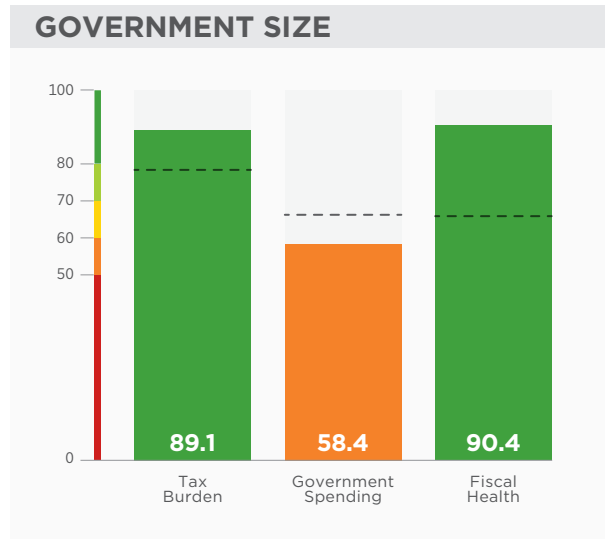
**PUBLIC DEBT:**  
24.1% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

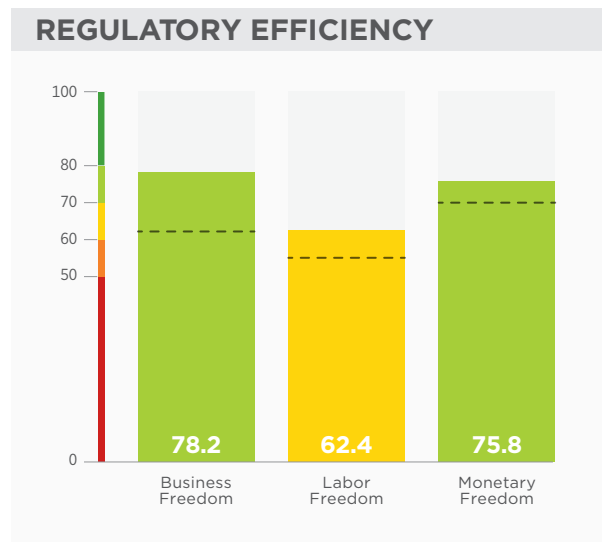
# 12 ECONOMIC FREEDOMS | BULGARIA



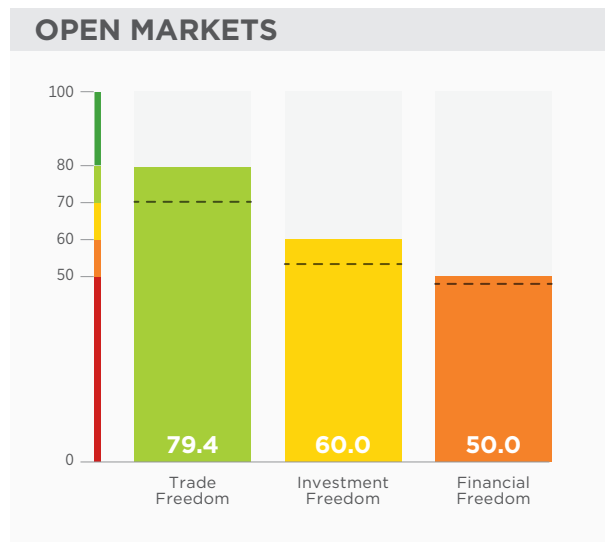
The overall rule of law is relatively well respected in Bulgaria. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 10 percent, and the top corporate tax rate is 10 percent. The tax burden equals 29.9 percent of GDP. Three-year government spending and budget balance averages are, respectively, 37.2 percent and -2.3 percent of GDP. Public debt amounts to 24.1 percent of GDP.



Bulgaria's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate (common among EU members) is 2.8 percent, and more than 600 EU-mandated nontariff measures are in force along with 116 country-specific nontariff barriers. In general, foreign and domestic investors are treated equally. Measures to support financial-sector liquidity have been introduced.