

MINISTRY OF AGRICULTURE AND FOOD

ANNUAL REPORT ON THE SITUATION AND DEVELOPMENT OF AGRICULTURE

(AGRARIAN REPORT 2011)

AGRARIAN REPORT 2011

SECTION A	7
I. BULGARIA'S NATIONAL ECONOMY SITUATION AND DEVELOPMENT.	7
MACROECONOMIC FRAMEWORK. PLACE OF THE AGRARIAN SECTOR WITHIN THE	
NATIONAL ECONOMY	
II. DEVELOPMENT OF THE AGRARIAN SECTOR IN 2009 AND PROJECTIONS FOR 2010	14
1 Use of agricultural land, structures and labour force in agriculture	14
1.1 Use of lands for agricultural purposes	14
1.2 Participation of the State Land Fund (SLF) in land relations in Bulgaria	15
1.3 Agricultural lot identification system	16
1.4 Registration of agricultural producers	17
1.5 Structure of farms and labour force in agriculture	18
1.5.1 Structure of farms	19
1.5.1.1 Structures in plant-growing	20
1.5.1.2 Structures in livestock breeding	21
1.5.2 Labour force	21
2 Economic and production results in 2010 and projection data for 2011	23
2.1 Economic accounts for agriculture for 2010	23
2.2 Production results in plant-growing	27
2.2.1 Grain production	28
2.2.2 Oleaginous crops	31
2.2.3 Technical crops	31
2.2.4 Medicine crops and aromatic crops	32
2.2.5 Vegetables	32
2.2.6 Fruits	37
2.3 Production results in livestock breeding	38
2.3.1 Cattle-breeding and buffalo-breeding	41
2.3.2 Sheep-breeding and goat-breeding	45
2.3.3 Swine-breeding	45
2.3.4 Horse-breeding	49
2.3.5 Poultry-raising	50
2.3.6 Apiculture	52
2.3.7 Rabbit breeding	55

2.4	Situation in biological agriculture in Bulgaria in 2010	56
2.5	Viticulture and wine-production	57
2.5.1	Production of grapes	57
2.5.2	Wine-production	60
2.5.3	Exports and imports of wine	61
III. TRA	ADE IN AGRICULTURAL COMMODITIES	66
1 Le	evel, dynamics, structure and geographical distribution	66
2 G	eographical distribution of foreign trade in agricultural commodities	67
3 St	ructure of exports and imports by groups of commodities	71
IV. ASS	SISTANCE FOR THE AGRARIAN SECTOR	77
1 Pr	re-accession SAPARD Programme	77
2 Th	ne implementation of the EU Common Agricultural Policy (CAP)	77
2.1	Assistance under the first pillar of CAP	77
2.1.1	Direct payments, national additional payments and specific assistance according to the	77
	provisions of Art. 68 Regulation (EC) no.73/2009	
2.1.2	Mechanisms for market assistance by sectors	
2.1.2.1	Sector 'Green crops'	83
2.1.2.2	Sector Meat and Apiculture Sector	83
2.1.2.3	Sector 'Milk'	87
2.1.2.4	Sector 'Wine'	89
2.1.2.5	Sector 'Fruits and vegetables'	90
2.1.2.6	Sector 'Sugar'	91
2.1.2.7	Sector 'Promotional programmes'	93
2.1.3	Trade mechanisms	93
2.1.3.1	Licensing of the exports	94
2.1.3.2	Licensing of the imports	94
2.2	Assistance under the second pillar of CAP: the implementation of the Rural Development	95
F	Programme 2007-2013 (RDP)	96
2.2.1	Analysis of the progress made in the application of RDP and in the implementation of the	
	targets, by axes	96
2.2.2	RDP financial implementation, by measures	
2.2.3	European economic plan for recovery	106
2.2.4	Progress achieved under the RDP in the first semester of 2011 and results to be	108

	expected until the end of the year	109
2.3	Additional State aids	111
2.3.1	Short-term assistance by the State Fund "Agriculture"	116
2.3.2	Investment schemes by the State Fund "Agriculture"	119
2.3.3	Assistance for tobacco production	123
V. AC	CTIVITIES RELATIVE TO AGRICULTURAL PRODUCTION	123
1 (Check of agricultural and forestry equipment	123
1.1	Situation of mechanisation in agriculture and structure of machinery stock and tractor fleet	124
	in Bulgaria	
1.2	Registration of agricultural and forestry equipment	125
1.3	Check of technical status and safety of machinery and equipment	128
1.4	Technical inspection of equipment	130
1.5	Acquiring and ruling ineligible to operate equipment and issuing licences	132
1.6	Control on the market and presence of approval of the type and compliance with the	133
	approved type	
2 I	rrigation engineering	133
2.1	Control under the activities connected with the operation of the Irrigation Engineering Fund	134
	(IEF) and to the service called 'water supply for irrigation'	
2.2	Activities within the scope of operation and the maintenance of dam lakes and facilities for	135
	counteracting the harmful impact of waters (FCHIW)	
2.3	Control of the activities related to establishment and development of irrigation associations	135
3 (Crop protection	136
3.1	Phytosanitary control	138
3.1.1	Border phytosanitary (quarantine) Control on imports of plants and vegetable products	138
3.1.2	Control on exports and re-exporting of plants and vegetable products	139
3.1.3	Control on production of plants and vegetable products	139
3.1.4	Control and testing of crop protection products	139
4 F	Fertilisation	142
4.1	Use of fertilisers	142
4.2	Pre-marketing control of fertilisers	143
5 \	/ariety testing, approbation and seed control	144

6	Control of grain, grain products and fodders	149
6.1	Licensing and control of public storehouses, granaries and other storing facilities	149
6.2	Qualification of harvest 2010	150
6.3	Control of fodders	151
7	Veterinary medicine	152
7.1	Health care and humane treatment of animals	152
7.2	Information system for identification and following of the movements of animals	155
7.3	Control activities	156
7.3.	1 State Veterinary Public Health Control (SVPHC)	156
7.3.2	2 Border veterinary sanitation control (BVSC)	159
7.3.3	Control on the veterinary activity, veterinary sanitation products (VSPs) and fodders	159
8	Food safety	161
9	Selection and reproduction in livestock breeding	166
9.1	Management of national genetic resources in livestock breeding	166
9.2	Control and co-ordination in breeding trade	169
10	Agricultural science, training and advisory activity	169
10.1	Scientific research activity and research servicing in agriculture carried out by the	169
	Agricultural academy	
10.1	.1 Scientific products created and introduced into production	169
10.1	.2 Transfer of knowledge and scientific products	169
10.1	.3 Structure of researchers by ranks and degrees, training of PhD students and publication	171
	activity	
10.1	.4 International co-operation in the area of agricultural science	171
10.1	.5 Vocational training	172
10.2	Advisory activity	172
VI. F	FORESTRY	180
1	Structure of lands and forests within the scope of the forest resources	180
2	Changes in the forest resources	181
3	Afforestation	181
4	Forest management and forest protection	182
4.1	Forest management	182
4.2	Forest protection	183
4.3	Public Registers of natural persons exercising private forestry practice and businessmen	

	carrying out activities in the forest resources	184
5	Protected territories	184
6	Use of wood	185
7	Use of forest products other than wood	186
8	Financing and investments in the State Forest Resources (SFR)	186
9	Game-preserve activity	187
10	Protection of forests against offences	187
11	Protection of forests against fires	188
VII.	FISHERY	189
1	Catch and production of fish and other aquatic organisms	189
2	Consumption of fish and fish products	197
3	Imports and Exports of fish and fish products	197
4	Operational Program "Fisheries Sector Development" (FSDOP) financed by the European	204
	Fisheries Fund (EFF)	
5	Administrative penal activity in fishery and aquaculture management	208
SEC	CTION B	210
OB.	JECTIVES OF THE POLICY IN THE AGRARIAN SECTOR AND MEASURES AND	210
AC ⁻	TIONS FOR THEIR COMPLETION IN 2012	
ANI	NEXES	222

AGRARIAN REPORT 2011

SECTION A

I. BULGARIA'S NATIONAL ECONOMY SITUATION AND DEVELOPMENT. MACROECONOMIC FRAMEWORK. PLACE OF THE AGRARIAN SECTOR WITHIN THE NATIONAL ECONOMY

In 2010 the Bulgarian economy came out of the recession, and, in real terms¹ the Gross Domestic Product (GDP), according to preliminary data, saw an increase by 0,2% if compared to the previous year.

In nominal terms, the 2010 GDP amounted to 70 474 million BGN (36 033 million Euros) in current prices.

The average annual inflation for 2010 was 2,4%, while the inflation by the end of the year in comparison with the same period of 2009 was 4,5%.

The exports for 2010 amounted to 30 435 million BGN (15 561 million Euros), which makes 43,2% of the GDP. The imports amounted to 35 840 million BGN (18 325 million Euros) or 50,9,3% of the country's GDP. As a result of the negative trade balance (FOB-FOB) decreased to: 5 405 million BGN (-2 764 million Euros).

In 2010 the foreign direct investment (FDI) in Bulgaria were as high as 3 478 million BGN (1 779 million Euros), which makes 4,9% of the GDP.

The unemployment level by the end of 2010 was 9,2%, compared to 9,1% by the end of 2009.

Basic macroeconomic indicators of the Republic of Bulgaria

Table I.1.

Indicator	`02	`03	`04	`05	`06	`07	`08	`09	`10
GDP, billion BGN	33,2	35,8	39,8	45,5	51,8	60,2	69,3	68,3	70,5
GDP, billion EUR	17,0	18,3	20,4	23,3	26,5	30,8	35,4	34,9	36,0
GDP real annual growth rate, %	4,7	5,5	6,7	6,4	6,5	6,4	6,2	-5,5	0,2
Average annual inflation, %	5,8	2,3	6,1	5,0	7,3	8,4	12,3	2,8	2,4
Inflation by the end of the year, %	3,8	5,6	4,0	6,5	6,5	12,5	7,8	0,6	4,5
Trade balance, billion BGN	-3,7	-4,7	-5,8	-8,6	-10,9	-14,2	-16,8	-8,2	-5,4
Trade balance, billion EUR	-1,9	-2,4	-3,0	-4,4	-5,6	-7,2	-8,6	-4,2	-2,8
FDI, billion BGN	1,9	3,6	5,4	6,2	12,2	17,7	13,2	4,8	3,5
FDI, billion EUR	1,0	1,9	2,7	3,2	6,2	9,1	6,7	2,4	1,8

Source: NSI, the Bulgarian National Bank. Preliminary data for 2010

¹ The GDP Real Growth Rate was calculated on the basis of the values of the respective indicator according to 2005 comparable prices.

Gross Domestic Product

In 2010, Bulgaria's GDP grew by 0,2% in real terms if compared to the previous year. In nominal terms, the GDP for 2010 amounted to 70 474 million BGN (36 033 million Euros), whereas the GDP per capita reached 9 362 BGN (4 787 Euros).

0.08 70.5 69.3 68.3 70.0 60.2 60.0 51.8 50.0 45.5 39.8 35.8 40.0 33.2 30.0 20.0 10.0 0.0 `02 `04 `05 `06 `07 80' `09 10 `03

Figure I.1.

Level of the GDP for the period 2002—2010, billion BGN

Source: NSI; preliminary data for 2010

Gross value added

The gross value added (GVA) generated by the sectors of the national economy in 2010, amounted to 60 646 million BGN (31 008 million Euros) in current prices. If compared to the previous year, GVA grew by 0,2% in real terms, while the agrarian sector and the services sector saw an increase by 4,6% and 1,8%, respectively, while the industrial sector suffered a 3,8% drop. In terms of economic sectors, GVA for 2010 was distributed, as shown below:

- Industry (including Construction): 31,4%;
- Services: 63,2%;
- Agrarian (agriculture and forestry, hunt and fisheries): 5,4% (3 249 million BGN).

The share of the agrarian sector within the overall GVA grew by 0,6 points in comparison with 2009.

According to preliminary data provided by the National Statistical Institute (NSI), in the first semester of 2011, GVA amounted to 30 193 million BGN (15 437 million Euros) in current prices. The relative share of the economic sectors within the GVA for the first semester of 2011 was: industry: 33,2%; agrarian sector: 4,6% and services: 62,2%.

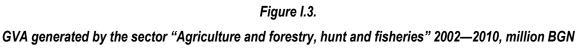
100 4.8 5.6 5.4 7.2 7.2 8.5 10.0 11.0 10.4 90 80 31.3 31.4 30.8 32.4 31.2 29.2 28.0 27.3 70 60 50 40 62.4 62.3 62.0 62.0 63.9 63.2 61.7 61.6 61.6 30 20 10 0 `05 `10 `02 `03 `04 `06 `07 `08 `09 ■ Services ■ Industry Agrarian

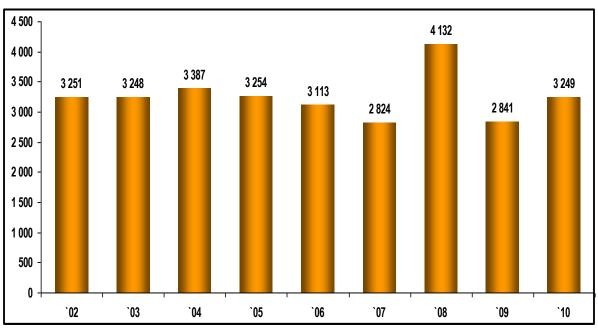
Figure I.2.

GVA by Economic sectors for the period 2002—2010, %

Source: NSI. Preliminary data for 2010

According to preliminary figures provided by the National Statistical Institute, for the first half of 2011, the agrarian sector generated GVA amounting to BGN 1 371 million, which was a downturn by 1,0% in real terms in comparison with the same period of 2010.





Source: NSI. Preliminary data for 2010

Inflation

The average annual inflation for 2010 was 2,4%, while the inflation accumulated by the end of the year was as high as 4,5%. By the end of 2010, the prices of food preparations increased by 4% on an annual basis, the prices of non-food preparations rose by 7,5%, while those in public catering and of services rose by 2,2% each.

12.5 12.3 12 10 8.4 7.8 8 7.3 6.5 6.5 6.1 6 4.5 4 2.8 2.4 2 0.6 `04 `05 `06 `07 ነበጸ `09 `10 By the end of the year Average annual

Figure I.4.
Inflation, %

Source: NSI

Employment and unemployment

The economic crisis in the country in 2010 had also caused a negative impact on the labour market.

According to the data provided by the Employment Agency, the total number of the employed persons in 2010 was 3 052,8 thousand, i.e. by 6,2% less if compared to 2009.

The average annual number of the unemployed persons registered with the Labour Offices saw a rise reaching the figure 350 944 persons, while in 2009 those were 280 980.

In the first two months of 2010 an increase in the unemployment was registered as high as 10,26% in February followed by a gradual decrease to 9,24% in December. The average annual unemployment level was as high as 9,47% or by 1,88 points higher if compared to 2009

According to preliminary data provided by the NSI, in 2010 the average annual salary of the persons employed under employment contracts or under civil servant employment contracts nationwide, including bonuses, reached the level of BGN 7 769, which was by BGN 460 or by 6,3% more in comparison with 2009. The salaries in the sectors of agriculture, forestry and fisheries the increase made was by 11,8% to reach an average of BGN 5 899 for 2010.

Exports and imports

According to the data provided by the Bulgarian National Bank, in 2010 the exports of Bulgaria amounted to 30 435 million BGN (15 561 million Euros), which makes 43,2 of the GDP. The imports during that year amounted to 35 840 million BGN (18 325 million Euros) or 50,9% of the country's GDP.

50 000 46 552 45 000 40 598 40 000 35 840 34 372 35 000 31 045 30 435 29 736 30 000 27 139 26 427 23 493 25 000 22 882 21 394 20 000 18 515 15 617 15 000 10 000 5 000 0 `04 `05 `06 `07 80' `09 10 **■** Exports FOB ■ Imports FOB

Figure I.5.
Exports and imports for the period 2002—2010, million BGN

Source: Bulgarian National Bank. Preliminary data for 2010

If compared to the previous year, the exports grew by 33%, while the imports grew by 15,4%. As a result of the front-running rate of increase of the exports, the negative trade balance decreased to 5 405 million BGN (-2 764 million Euros), compared to -8 163 million BGN (-4 174 million Euros) for 2009.

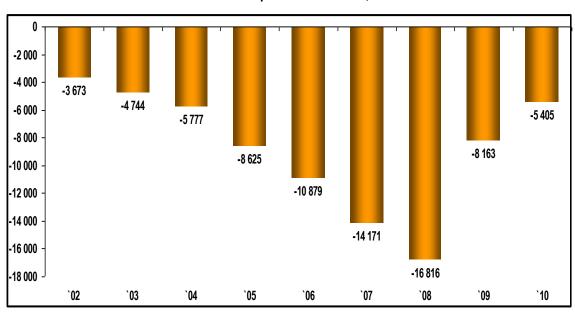


Figure I.6.

Trade balance for the period 2002—2010, million BGN

Source: Bulgarian National Bank. Preliminary data for 2010

In 2010 the deficit in the current account contracted to 930 million BGN (476 million Euros), which makes -1,3 of the GDP.

-787 -930 -2 000 -1 902 -2 556 -4 000 -6 000 -5 292 -6 095 -8 000 -10 000 -9 090 -12 000 -14 000 -16 000 -15 168 -16 004 -18 000 `07 80′ `02 `03 `04 `05 `06 `09 10

Figure I.7.

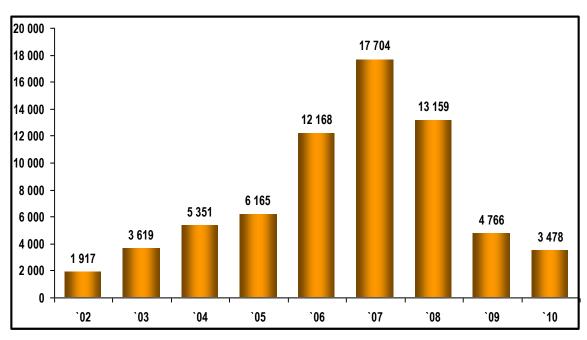
Current account for the period 2002—2010, million BGN

Source: the Bulgarian National Bank

Foreign direct investment

According to the data provided by the Bulgarian National Bank, the foreign direct investment (FDI) for 2010 were as high as 3 478 million BGN (1 779 Euros), by 27% less if compared to the previous year. As a share of the GDP, the direct investments in 2010 were 4,9%, compared to 7% in 2009.

Figure I.8.
Foreign direct investment 2002—2010, million BGN



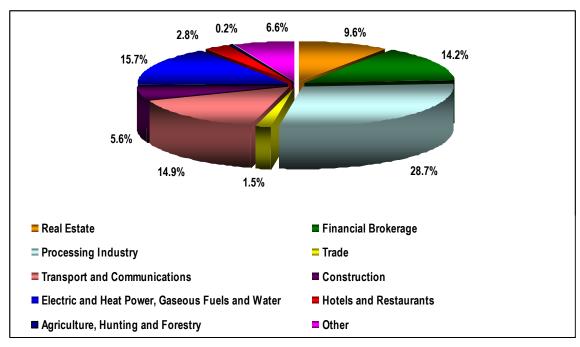
Source: Bulgarian National Bank

Within the year, the most investments were attracted by the sectors "Processing Industry" (28,7% of the overall amount of FDI), "Production and distribution of electric and heat energy, gaseous fuels and water" (15,7%), "Transport, storing and communications" (14,9%) and "Financial brokerage" (14,2%).

FDI in the sectors of Agriculture, Hunting and Forestry in 2010 amounted to a mere 0,2% of the overall amount of direct investments in the country.

Figure I.9.

Foreign direct investment by economic activities in 2010,%



Source: Bulgarian National Bank

II. DEVELOPMENT OF THE AGRARIAN SECTOR IN 2009 AND PROJECTIONS FOR 2010

1. Use of agricultural land, structures and labour force in agriculture.

1.1. Use of lands for agricultural purposes

Land for agricultural purposes (LfAP) in 2010 was 5 492 891 hectares, which makes around 50% of the territory of Bulgaria.

Utilised Agricultural Area (UAA) is composed of the arable land, perennial plants, permanent lawns, family gardens and greenhouse areas. In 2010 it was extended over 5 051 886 hectares, makes 45,5% of the territory of Bulgaria. If compared to the previous year, UAA experienced an increase by 0,4%.

Arable lands are lands included in crop-rotation, temporary meadows occupied by and bean plants and fallow lands. In 2010 the arable lands increased by 1,3% if compared to the previous year, occupying 3 162 526 hectares or 62,6% of the Utilised Agricultural Area. Such growth came as a result of expanded areas where industrial oleaginous crops, maize, sunflower and tobacco were grown.

Artificial meadows occupied by bean and cereal grasses in 2010 experienced a downturn by 6,8% in comparison with 2009 down to 88 908 hectares, which makes 2,8% of the arable land and 1,8% of the Bulgaria's Utilised Agricultural Area.

Fallow lands are arable lands, which, over the twelvemonth of monitoring, were not harvested. Cultivated or not, these areas remain in this category for not more than two years. In 2010 the fallow lands expanded by 5,7% in comparison with 2009 and occupied 207 616 hectares, which makes 6,6% of the arable land and 4,1% of the Bulgaria's Utilised Agricultural Area.

Fruit orchards in 2010 made 1,4% of the Bulgaria's Utilised Agricultural Area, and the areas occupied by fruit orchards experienced an increase by around 1,3% if compared to the previous year. **The mixed perennial plants** experienced a downturn by 1%.

Vineyards: as pure crop in 2010 these occupied 82 675 hectares, which was a downturn by 2,1% in comparison with 2009. The share occupied by vineyards was 1,6% of the Bulgaria's Utilised Agricultural Area.

Permanently productive meadows, highland meadows, grassed surfaces of low productive potential and meadows/fruit orchards, in 2010 occupied 1 701 990 hectares, or 33,7% of the Bulgaria's Utilised Agricultural Area.

Family gardens in 2010 occupied an area of 21 629 hectares or 0,4% of the Bulgaria's Utilised Agricultural Area. As regards these, a rise was registered of 1% if compared to the previous year.

Uncultivated lands are lands excluded from the crop-rotation process and were not used for agricultural production more than two years. The operational reconditioning was made possible using minimum funding. The percentage of uncultivated lands in 2010 was around 4% of Bulgaria's total area, and the decrease there, if compared to the previous year, was equal to 4,2%.

Table II.1.

Arable Land, Utilised Agricultural Area and Land for Agricultural Purposes for the period 2007—2010, hectares

EMPLOYMENT	2007	2008	2009	2010

Wheat	1 120 510	1 114 427	1 254 151	1 095 703
Barley	193 840	223 004	264 689	250 640
Rye and triticale	12 030	15 296	17 034	16 116
Oats	25 412	40 230	28 894	24 627
Maize	408 880	348 402	303 881	360 046
Rice	6 454	5 042	6 521	5 277
Other cereals	5 224	8 175	3 288	3 982
Sugar-beet	994			
Industrial textile crops	501	199	102	202
Sunflower	686 692	723 962	687 209	734 314
Tobacco	31 144	26 742	27 865	31 652
Industrial oleaginous crops	59 389	102 899	115 013	209 347
Other industrial crops	39 954	48 824	60 629	74 536
Potatoes	21 890	21 648	14 068	13 824
Kidney bean, peas, broad beans	5 401	5 868	3 803	3 670
Lentils, chick-peas and other legumen	1 291	3 857	5 754	2 169
Fresh vegetables	41 088	30 001	28 715	29 420
Nursery-gardens	3 621	3 314	2 806	3 014
Fodder crops, dug round				96
Other fodder annual crops	6 108	7 352	6 349	7 366
Meadows sown with beans	92 213	99 362	94 226	87 718
Meadows sown with cereals	3 353	2 468	1 183	1 191
Fallow land	291 751	229 471	196 336	207 616
ARABLE LAND:	3 057 740	3 060 543	3 122 516	3 162 526
Family gardens	25 790	25 763	21 411	21 629
Fruit orchards	75 035	69 893	71 995	72 913
Vineyards – pure crop	103 949	100 873	84 438	82 675
Mixed perennial plants	9 541	12 759	8 103	8 020
Permanent lawns and meadows-fruit orchards	1 842 141	1 828 865	1 719 028	1 701 990
Greenhouses, shelters and high sheds	2 024	2 129	2 094	2 113
UTILISED AGRICULTURAL AREA:	5 116 220	5 100 825	5 029 585	5 051 866
LAND FOR AGRICULTURAL PURPOSES:	5 666 336	5 648 206	5 490 113	5 492 891

Source: Ministry of Agriculture and Food, "Agrostatistics"

1.2. Participation of the State Land Fund (SLF) in land relations in Bulgaria

In 2010 the overall amount of agricultural lands pertaining to the State Land Fund (SLF) registered as private/State property amounted to 224 734 hectares.

Rent (lease) relations in agriculture

Agricultural lands pertaining to the State Land Fund (SLF) are provided for use either at rent or at lease using bidding procedures, according to the provisions of the Ownership and Use of Agricultural Land Act (OUALA). In 2010, the overall amount of agricultural estates pertaining to the State Land Fund (SLF) provided for use either at rent or at lease to natural persons or legal entities, amounted to 97 168 hectares (43,20% pertaining to the State Land Fund (SLF), private/State property).

Data shows that the taken as a total for the country, at the bidding sessions conducted by Agriculture Provincial Directorates, 30 707 hectares of agricultural lands pertaining to the State Land Fund (SLF) were bid, of which by December 2010, 28 927 hectares were taken, including 22 889 hectares to cultivate annual green crops.

The Minister of Agriculture and Food is authorised to provide lands to be used free of charge of the lands pertaining to the State Land Fund (SLF) to research institutes, agricultural vocational schools, schools, prisons, nursery-gardens, etc., needed for the purposes of their main activities. This was the procedure, under which around 18 707 hectares of State lands were provided.

Compensation of owners nominal compensation bonds (NCBs)

In conformity with State's liabilities pursuant to the Ownership and Use of Agricultural Land Act relevant to the compensation due to owners, the Ministry of Agriculture and Food organises and conducts auctions for sale of agricultural lands from the State Land Fund (SLF) to holders of nominal compensation bonds. In 2010, at the auctions conducted for sale of lands from the State Land Fund, holders of nominal compensation bonds purchased a total of 4 065 hectares of agricultural lands pertaining to the State Land Fund (SLF) amounting to 2 847 292 BGN per 1 NCB.

Establishing of limited rights in rem over lands from the State Land Fund (SLF)

In 2010, 70+ requests submitted by mayors of municipalities, legal entities or natural persons were considered, relative to investment intensions for building or extension of site and/or line facilities irrelevant to agricultural lands owned by the State Land Fund (SLF). Opinions were made out on existing possibilities for providing real properties from the State Land Fund for needs other than agricultural, which were submitted for consideration by the Commission for the Agricultural Lands (CAL). On the grounds of that Commission's decisions, 43 letters were made out where the Minister of Agriculture and Food, pursuant to the provisions of Art. 24c of the Ownership and Use of Agricultural Land Act expressed his prior consent for the commissioning a detailed Arrangement plan for designing sites and routes for the construction of water supply and sewerage networks.

In 2010, the Commission for the Agricultural Lands gave consideration to a total of 291 proposals for approving and confirming routes and sites for design and changing the destination of agricultural lands, of which decisions for changing such destination were enacted for 2 233 hectares.

5 commission sessions were held for defining the areas for recultivation of polluted grounds or for commissioning of 42 hectares of recultivated areas.

Swaps of lands pertaining to the State Land Fund (SLF)

In accordance with the regulations as laid out in the Ownership and Use of Agricultural Land Act and the Law on Amendment to the Ownership and Use of Agricultural Land Act on making substitutions of lands registered as private/State property, being those qualified as areas adjacent to purchased buildings or equipment from the organisations' property items qualified under § 12 of the Transitional and Final Provisions to the Ownership and Use of Agricultural Land Act (OUALA) with agricultural land owned by natural persons or legal entities, 23 orders were issued, thereby authorising swaps claimed.

1.3 System for Identification of Agricultural Lots

The System for Identification of Agricultural Lots (SIAP) is a main subsystem to the Integrated Administration and Control System, on the basis of which the application forms for assistance to areas are submitted and the control of eligibility of payments for such areas is carried out. This is why the data put in there must be as up to date and trustworthy as possible.

In 2010, the maintenance of the data put in the Agricultural lot identification system covered a number of activities as given below:

- Updating 54 % of the digital orthophotomap (DOPC) of the country according to new plane mapping made in 2010;
- Updating the physical fields using the new DOPC: including the borders, method of long-term use, layer called "Areas eligible for assistance under the Single Area Payment Scheme (SAPS)" according to the changes having been made to the use of the agricultural areas and the status thereof:
- Field inspections, using or not using GPS devices applied to:
 - physical fields, whose borders and other characteristics may not be established definitely applying the new DOPC;
 - random section of the physical fields and layer "Areas eligible for assistance under the Single Area Payment Scheme (SAPS)" updated under the new DOPC for control of decoding;
 - physical fields where there are areas outside the layer "Areas eligible for assistance under the Single Area Payment Scheme (SAPS)", application forms for assistance thereto have been submitted:
- recording of the findings and measurements taken in the course of such field inspections in the SIAP data bases;
- Recording the findings from inspections in situ performed by the Technical Inspectorate of the Payment Agency.

Submitting the application forms for assistance: Campaign 2010

In 2010 Campaign 2010 for submitting application forms for assistance was organised and carried out, including:

- Training provided to the employees of the Agriculture Provincial Directorates and of the Municipal Agriculture Services on work with the software of the State Fund "Agriculture"— Payment Agency to put in the data from Application forms for Registration;
- Providing forms of application forms for assistance and of graphic material for the localisation of the areas used by the applicants for assistance;
- Providing help to applicants for assistance in filling in the application forms for assistance and identifying the agricultural areas used by these;
- Entry of application forms submitted into the System for Registration of Applicants and application forms for assistance – a module of the Integrated Administration and Control System;
- Submitting a filled in and complete General Application to the relevant territorial Structure of the Payment Agency.

1.4. Registration of agricultural producers

In 2010 the total number of the agricultural producers registered with the Register under Ordinance no. 3/1999 . was 69 306, while in 2011 it was 65 504.

The Register of agricultural producers is a tool to collect relevant information on the agricultural producers and on activities thereof in order to assist of agriculture and rural development.

Table II.2.

Agricultural producers registered under Ordinance no. 3/1999.

	2006	2007	2008	2009	2010	2011
Total number of registered agricultural producers	77 899	80 308	95 770	99 087	69 306	65 504

Source: Ministry of Agriculture and Food, Agriculture, Forests and Land Relations General Directorate

1.5. Structure of agricultural holdings and labour force in agriculture

In 2010 the Ministry of Agriculture and Food conducted a nationwide statistical census on the structure of agricultural holdings and labour force in agriculture. The counting was conducted using a methodology complying with EU legislation requirements – Regulation (EC) 1166/2008 and Regulation (EC) 1200/2009. This is how the comparability will be guaranteed of the results obtained on the structure of agricultural holdings in Bulgaria and of the agricultural production methods with these of EU Member States. A full counting of agricultural holdings will be a basic and valuable source of information on both the status and the trends in the development of agriculture.

The census covered 371 070 holdings in the territory of the country, which carry out at least on of the activities as listed below: husband agricultural land, breed agricultural animals, produce agricultural produce or a combination thereof.

Out of the total number of agricultural holdings, 357 900 take care of agricultural land, while 280 300 bred agricultural animals, poultry and bees. The overall amount of the Utilised Agricultural Area (UAA) amounted to 3 628 640 hectares.

Table II.3.

Agricultural holdings and Utilised Agricultural Area in Bulgaria in 2003 and 2010

Legal status of agricultural holdings	Total number of agricultural holdings		Change in comparison with 2003	UAA (he	Change in comparison with 2003		
	2003	2010	(%)	2003 2010		(%)	
Agricultural holdings – total	665 548	371 070	-44%	2 904 479,6	3 628 640	25%	
Natural persons	658 594	363 620	-45%	879 677,8	1 226 150	39%	
Sole traders	3 072	2 270	-26%	340 861,4	539 510	58%	
Cooperatives	1 992	940	-53%	1 169 309,4	641 210	-45%	
Companies	1 518	3 900	157%	469 197,1	1 145 820	144%	
Associations and other	372	340	-9%	45 433,9	75 950	67%	

Source: Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census '2010 - preliminary results

Two trends may be clearly outlined. There has been a serious decrease in the number of the agricultural holdings: by 44% in comparison with the previous census conducted in 2003, on the one hand. On the other, however, the UAA grew by around 25%. These opposite trends lead to an increase of the average area used in one farm, i.e. at least twice as much, from 4,44 hectares to 10,14 hectares,

which shows that there have been processes of amalgamation of the agricultural holdings. By individual groups of agricultural holdings, according to their legal statuses, the intensity of these processes varies, and in some cases it is the opposite. The decrease in the number of agricultural holdings is mostly seen in the group of the natural persons, there has been a downturn by 45% and of the cooperatives, by 53%, while the number of companies has seen a significant rise (by 157%).

The territorial distribution of the agricultural holdings has also shown unevenness conditioned by various natural, climatic and socio -economic factors.

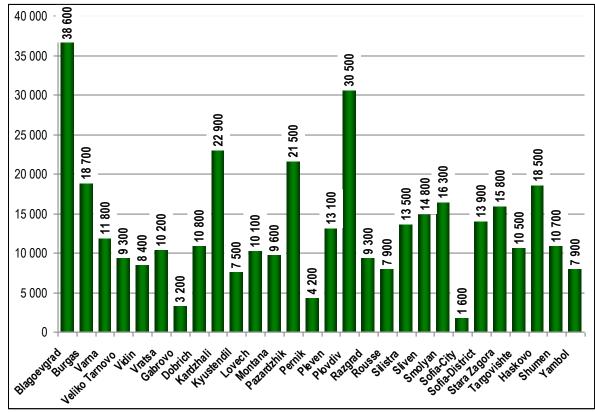


Figure II.9.

Number of agricultural holdings by districts in 2010

Source: Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census '2010 - preliminary results

The highest number of agricultural holdings was registered in Blagoevgrad District: 38 600, which makes 10,4% of all holdings in the country. The second ranking was the Plovdiv District, accounting for 30 500 agricultural holdings or 8,2% out of the total number of agricultural holdings. The fewest were the holdings registered in the districts of Sofia City - 1 600, and Gabrovo - 3 200 holdings or 0,4% and 0,9%, respectively, out of the total number.

1.5.1. Structure of agricultural holdings

The structure of UAA according to the legal status of the agricultural holdings shows that in 2010, the agricultural holdings owned by natural persons cultivated around 34% of the UAA, followed by companies cultivating 31,6% of the UAA, the cooperatives cultivating 17,7%, the sole traders and the other agricultural holdings cultivating a total of around 17%. There has been unevenness in the distribution of the land between the agricultural holdings having different legal statuses, and the differences in the mutually connected structures of the agricultural holdings and of the Utilised Agricultural Area were quite noticeable. The agricultural holdings belonging to natural persons had the

highest relative share, as much as 98%, however they take care of a mere 33,8% of the UAA, while the other 2% encompassing the agricultural holdings of the legal entities cultivated 66,2% of the UAA. Nonetheless, if compared to 2003, there has been a certain decrease in the unevenness in that distribution, as then 99% of the agricultural holdings took care of 30,3% of the UAA.

The average UAA per holding was the highest among the cooperatives and it was as large as 682,9 hectares, followed by the companies with 316,4 hectares, then followed by the sole traders with 251,5 hectares, the associations and the other agricultural holdings with 234,4 hectares. The average UAA per holding among the natural persons was as little as 3,5 hectares.

The number of agricultural holdings possessing no UAA was 13 217. 13 100 of those bred agricultural animals, while the others' business was anywhere between mushrooms, silkworms and other animals. The agricultural holdings possessing no UAA, accounted for around 48% of the poultry, 45% of the swine and 7% of the cattle bred.

1.5.1.1. Structures in plant-growing

The arable land covered in the course of the census was as large as 3 138 890 hectares. The cereal crops occupied 1 810 820 hectares, the technical accounted for 1 071 470 hectares, the fodder crops accounted for 107 230 hectares, the fresh vegetables: 23 660 hectares, and other crops accounted for 125 710 hectares.

The structure of the arable land is shown in Figure II.10.

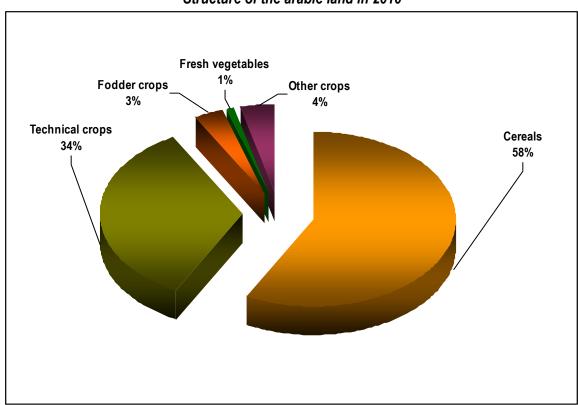


Figure II.10.
Structure of the arable land in 2010

Source: Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census '2010 – preliminary results

1.5.1.2. Structures in livestock breeding

According to preliminary data, the total number of agricultural holdings breeding agricultural animals, poultry and bee colonies in 2010 is around 280 300 units, which is by 53,4% less in comparison with 2003 (600 815 units in 2003).

Table II.4.

Distribution of agricultural holdings and agricultural animals by types of animals in 2010, number

Types of animals	Agricultural holdings breeding animals	Animals bred in the agricultural holdings
Cattle	95 570	578 840
Buffaloes	1 030	10 100
Solidungulate	92 940	112 800
Goat	84 640	390 810
Sheep	91 860	1 418 480
Swine	82 400	658 780
Poultry	185 650	17 494 550
Rabbits	24 970	297 200
Bee colonies	23 970	588 590

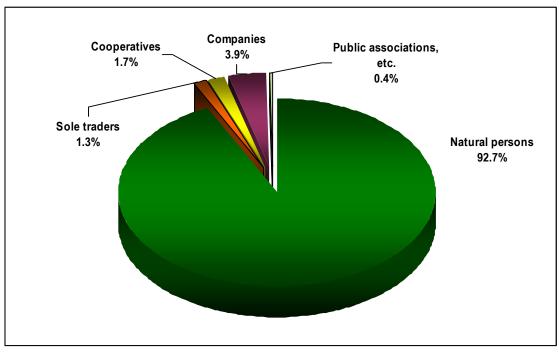
Source: Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census '2010 – preliminary results

1.5.2. Labour force

The labour in agriculture is associated with carrying out all types of activities in the agricultural holding, whereby agricultural products and services are produced included in the country's product classification. The 2010 census accounted 738 600 employed in agricultural activities, whose labour, measured by annual labour units amounted to 390 200. There was a 45% decrease in the labour force in 2010 in comparison with 2003, while the amount of labour input went down by 51%. The distribution of the labour force by the legal statuses of the farms is shown in Figure II.11., and the distribution by age groups is shown in Figure II.12.

The results obtained in the course of the census confirmed the trend toward sustainable decrease of labour put in the sector, which over the last few years had been accelerating its rates. The quantitative decrease of the labour force in agriculture is a natural process influenced by production related, socio-economic and demographic factors: labour force replacement rate in the sector by highly mechanised equipment, seasonal nature of production leading to underemployment; lower wages, etc.

Figure II.11.
2010 Distribution of labour force by legal status of the agricultural holdings



Source: Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census '2010 – preliminary results

aged 75+ 9% aged 15—34 10% aged 35—54 45%

Figure II.12.

Distribution of labour force in 2010 by age groups

 $\textbf{Source:} \ \textit{Ministry of Agriculture and Food, Agrostatistics Department, Agricultural Census \ '2010-preliminary results$

- 2. Economic and production results in 2010 and projection data for 2011
- 2.1. Economic accounts for agriculture for 2010

Table II. 5.

Basic economic indicators for agriculture for 2007-2010, (million BGN)

	Products	2007	Change coefficient 2008/2007	2008	Change coefficient 2009/2008	2009	Change coefficient 2010/2009	2010***
1	Value of production from plant-growing and livestock breeding (manufacturer's price), including:	5 694,8	1,35	7 672,7	0,81	6 236,0	1,03	6 447,9
1.1	Production from plant- growing	3 154,9	1,53	4 835,5	0,81	3 912,3	1,05	4 119,5
1.2	Production from livestock breeding	2 539,9	1,12	2 837,2	0,82	2 323,7	1,00	2 328,4
2	Production of the agricultural services	440,7	1,26	554,1	0,91	505,1	0,97	491,8
3	Non-agricultural inseparable supplementary activities	542,2	1,25	676,8	1,08	732,1	0,95	697,2
4	Value of gross production from "Agriculture" sector (manufacturer's price*) (p4=p1.1+p1.2+p2+p3)	6 677,7	1,33	8 903,6	0,84	7 473,2	1,02	7 636,9
5	Value of final production from "Agriculture" sector (according to basic prices **)	6 483,3	1,36	8 789,5	0,85	7 454,3	1,01	7 494,5
6	Intermediate consumption (internal turnovers excluded)	4 083,2	1,25	5 101,4	0,94	4 816,2	0,96	4 644,4
7	Gross value added (according to basic prices **)	2 400,1	1,54	3 688,1	0,72	2 638,1	1,08	2 850,1
8	Operating surplus / Mixed income	2 349,9	1,71	4 010,7	0,66	2 652,9	1,19	3 152,1
9	Entrepreneur's income	2 111,4	1,74	3 666,4	0,60	2 195,7	1,20	2 639,9

Source: NSI, *Manufacturer's price – prices excluding subsidies provided, by products, ** Basic prices – prices excluding subsidies provided to products, ***
The data for 2010 is preliminary

Value of gross production from "Agriculture" sector

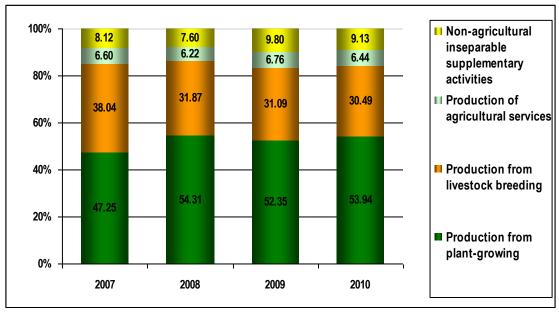
The value of gross production from "Agriculture" sector for 2010, according to the current manufacturer's price levels amounted to BGN 7 636,9 million. It is composed by the value of:

- Production from plant-growing: 4 119,5 million BGN or 53,9%;
- Production from livestock breeding: 2 328,4 million BGN or 30,5%;
- Production from inseparable supplementary activities: 697,2 million BGN or 9,1%;
- Agricultural services: 491,8 million BGN or 6,4%.

In 2010 the value of production from livestock breeding was maintained at the level of the previous year, while that of the agricultural services and of production from the inseparable supplementary activities went down, by 3 and 5%, respectively. There was an increase registered in the value of production from plant-growing only and that was by 5%, which, at the same time, was the most

significant share in the structure of the value of production from sector "Agriculture". Thanks to plant-growing subsector, the value of the gross production from the sector as a whole grew by 2% if compared to the previous year (by 207,2 million BGN).

Figure II. 13 Structure of the value of the gross production from sector "Agriculture" for the period 2007—2010, (%)



Source: NSI

The largest share in the value of the gross production for 2010 had the following subsectors within the plant-growing sector:

- "Cereal crops": 20,6% (1 571,8 million BGN);
- "Technical crops": 15,7% (1 196,0 million BGN).

The trend toward downturn in the productive-economic results of subsector Vegetable-growing continued to aggravate. In 2010 vegetables amounting to 373,5 million BGN were produced, i.e. by 102,2 million BGN or 21% less in comparison with 2009 and several times less in comparison with the years up to 2008, when vegetable-growing generated value of around 1 billion BGN and above that, which was a result matching the result obtained in the leading subsector, namely the Cereal crops subsector.

The biggest contribution within the constitution of the value of the gross production from the "Agriculture" sector pertained to the following plant-growing products:

- Soft wheat: 12,0% (918,8 million BGN);
- Sunflower: 8,9% (676,7 million BGN);
- Maize for grain: 5,9% (453,4 million BGN);
- Rape and colza: 3,4 % (260,8 million BGN);
- Potatoes: 2,2% (168,9 million BGN);
- Grapes: 2,1% (164,1 million BGN);
- Tobacco: 2,1% (158,8 million BGN);

Barley: 2% (149,5 million BGN).

In 2010 the following subsectors of livestock breeding had the biggest significance for formation of the value of gross production from "Agriculture" sector:

- Production of milk: 10,6% (806,5 million BGN);
- Poultry-raising: 8,3% (635,5 million BGN), including poultry: 4,9% (375,3 million BGN) and production of eggs: 3,4% (260,2 million BGN);
 - Swine-breeding: 3,8% (288,1 million BGN).

In 2010, sold production came to 75,7% of the gross production from sector "Agriculture" (5 780,9 million BGN). Beyond that sector, agricultural production was marketed for 5 428,2 million BGN, while the sales between agricultural enterprises within the sector amounting to 352,7 million BGN

Vegetable-growing production was marketed amounting to 2 932,8 million BGN (38,4% of the gross production), livestock-breeding production amounting to 1 306,4 million BGN (17,1% of the gross production), products from the processing of agricultural products and other non-agricultural activities amounting to 697,2 million BGN (9,1%) (Annex 1).

The share of production intended for auto-consumption in the farms in 2010 amounted to 781,3 million BGN, i.e. occupied a share of 10,2 % of the gross production in the sector. Plant-growing production was consumed for 170,2 million BGN, mainly vegetables, fruits and soft wheat, and livestock-breeding production was produced for 611,1 million BGN – meat, eggs and milk.

The production of commodities of total capital (mainly production of productive animals) at producer's own account amounted to 116,5 million BGN.

Value of final production

The value of final production in agriculture (value of production after deduction of internal turnovers) according to basic prices (prices, by included subsidies by products) for 2010 amounted to 7 494,5 million BGN, marking a growth by 1% (i.e. by 40,2 million BGN) if compared to the previous year, thus following the trend toward a change in the value of the gross production (Annex 4).

The structure of final production in agriculture for 2010 retained the ratios already formed between the areas of focus within the sector as outlined in the value of the gross production. And it was in the case of the final production where the largest relative share of production from plant-growing was shown: 53,2%. For 2010 the relative share of production from livestock breeding was 30,9%, of production from the inseparable supplementary activities: 9,3%, while of the agricultural services it was 6,6%.

Intermediate consumption

The intermediate consumption needed in the process of creation of final production in the sector, amounted to 4 644,4 million BGN (Annexes 2 and 4). In 2010 100 value units of final production were created by consuming 62 value units of commodities and services where the intermediate consumption made 62% of the value of production, i.e. it was by 3 points less in comparison with 2009. For the previous years, except 2007, which was critical for agriculture, when that share was 63%, final production had been made by using less intermediate consumption of commodities and services, namely 58% in 2008, 57% in 2006, 54% for 2005, and it was 52% in 2000.

According to data provided by the European Commission², for 2009, the indicator intermediate consumption/final production in Bulgaria (65%) was around the average level in the European Union:

² EK – Directorate General for Agriculture and Rural Development - "Agriculture in the European Union – Statistical and economic information"

61,3%. Among the EU Member States that ratio had its lowest values in Spain: 43,1%, Greece: 44,1% and Italy: 48,0%, while the highest were the values in the Czech Republic: 80,6%, Denmark: 82% and Slovakia: 84,4%.

The largest share in the structure of the intermediate consumption for 2010 occupied the expenditure on fodders: 29,0% (1 345,7 million BGN), followed by the expenditure on fuels and oils: 21,6% (1 001,9 million BGN), agricultural services: 10,6% (491,8 million BGN) and expenditure on maintenance and repairs of equipment and machinery and buildings: 10,3% (478,6 million BGN).

In comparison with 2009 the intermediate consumption went down by 4% (or by 171,8 million BGN), and the main contribution here belonged to the decrease of the value of fodders consumed: by 20% (or by 346,3 million BGN) and seeds and planting material – by 24% (or by 56,6 million BGN). At the same time, growth was registered in a number of items of expenditure, most prominently, the expenditure on maintenance and repairs of machinery and petty stock, by 30% (or by 75,7 million BGN), fuels and oils: by 7% (or by 61,9 million BGN) and the expenditure on crop protection preparations and pesticides – by 30% (or by 51,9 million BGN).

Gross value added

The gross value added (according to basic prices) generated in agriculture in 2010 marked an 8% growth (212 million BGN) in comparison with 2009 and made 38,0 % of the value of final production.

Total capital consumption

In 2010 the total capital consumption amounted to 295,2 million BGN, i.e. it was by 15% more contracted if compared to the previous year.

Net value added

The net value added by the "Agriculture" sector in 2010 amounted to 2 554,9 million BGN (according to basic prices), thereby it grew by 265,2 million BGN or by 12% in comparison with 2009. The higher net value added came as a result of the growth of the gross value added, on the one hand, however, on the other, it followed the shrinking in the consumption of stock capital over the year in question.

Formation of income from agricultural activity: net operating surplus/mixed income

In 2010 the indicator "mixed income" /"operating surplus" grew by 19% (or by 499,2 million BGN) in comparison with 2009. The growth was due to the 27% increase of the subsidies received in comparison with 2009 (i.e. by 219,8 million BGN) and to the decrease of the money paid for compensations for employed persons (with 3 % or 12,4 million BGN)

Compensations for employed persons, lease payments, interest received and paid

In 2010 the expenditure on salaries and in sector "Agriculture" was as high as 434,2 million BGN. There was a slight reduction if compared to the previous year, whereby the trend outlined during the period 2007—2009 toward a gradual increase of these expenditure by around 18-20% annually was altered.

The expenditure on lease payments amounted to 355,7 million BGN, where the trend toward growth vs. the previous year was preserved, however the rate was somewhat slower, 8%, vs. 37% in 2009 in comparison with 2008 and 43% for 2008 in comparison with 2007.

The interest paid on credits for 2010 amounted to 180,8 million BGN, i.e. by 21% more if compared to the previous year. Growth (as high as 14%) could also be seen in the interest received on deposits.

Entrepreneur's income

The 2010 entrepreneur's income in the "Agriculture" sector was 2 639,9 million BGN (according to basic prices) and grew by 20% in comparison with 2009. The trend of change of this indicator over the years followed the trend typical of gross and net value added, and experienced some influence by the growth in the amounts of subsidies introduced to the sector.

Over the years since Bulgaria's accession to the EU, the share of subsidies in the entrepreneur's income grew from 23,0% in 2007 up to 39,1% in 2010, according to preliminary data.

9 000 8 000 7 000 4 644.4 6 000 5 000 3 666.4 4 000 2850.1 Final production 3 000 2 111.4 Intermediate consumption 2639.9 2 195.7 2 000 1 000 Gross value added Enterpreneur's income 2007 2008 2009 2010

Figure II. 14.

Basic economic indicators for the "Agriculture" sector for the period 2007—2010, million BGN

Source: NSI

2.2. Production results in plant-growing

In terms of climate conditions, the spring/summer period of 2010 saw some agro-climatic conditions, relatively favourable for the development of the agricultural crops in the country. The weather conditions were much too dynamic: there was intense snow melting, precipitations above the standard along with tempests and often accompanied by hailstorms.

The snow melting in spring and the precipitations above the standard here and there caused cases of flooding and continuous retention of water, thus contributing to some adverse impacts to some production areas occupied by agricultural crops. In some parts of South Bulgaria, the Fore-Balkan and the Black Sea coast, the monthly sums of precipitations over the months of April and May were lower than the normal. As a result of this, the moist in the soil was less and caused influence over the formation of the yields from the crops in the regions in question.

In the months of June and July, i.e. when the harvest campaign usually is to start, some individual districts of Northern and South-eastern Bulgaria saw again quantities of precipitations above the standard accompanied by hailstorms, which slowed the harvest of the grain. The excessive moist maintained by the frequent rain showers, especially in the North-eastern districts of the country, deteriorated somewhat the status of sown fields.

In the month of August, there were precipitations in many locations (mostly over the first decade), mainly in Western and Central Bulgaria. The monthly sums of precipitations were larger than the climatic standard in the districts of Vidin and Montana: between 97 and 237% and again accompanied by hailstorms countrywide.

According to information supplied by the Agrostatistics Department at the Ministry of Agriculture and Food, in 2010, the areas sown with cereal crops experienced a downturn by 6,5% in comparison with 2009. Nevertheless, their share persists being the largest among all arable land of the country: 55,5%. The largest share of the cereal crops belongs to the wheat, 62,4%, followed by the maize, 20,5%, and barley, 14,3%. The most areas covered by cereal crops were sown in the Northeast and the Northwest regions. Around 12,1% of the cereal crops of the country were grown in the districts of Dobrich and Pleven, 9,3% each; followed by Rousse, 5,6%. The production in nearly all cereal crops was higher if compared to the previous year, except rye and barley.

The most areas covered by oleaginous crops were sown in the Northwest: 26,1% and the Northeast regions: 23,1%. The largest relative share of the oleaginous crops belonged to the sunflower: 77,8%. The areas sown with sunflower in 2010 expanded by 6,9%. The average yield registered was higher by 9,2%, which led to an increase of the production by 16,6%.

The areas sown with technical crops expanded by 20% if compared to these for harvest '2009. Large part of the monitored crops showed higher average yields if compared to harvest'2009.

The harvested areas covered by orchard species and small fruit crops in 2010 expanded by around 60% if compared to 2009. This increase was the largest in the Southeast region, by 91%, in the Northeast region, by 74%, and in the South Central region, by 68%. There was growth recorded among the harvested areas in all orchard species and this increase was most significant in the case of walnuts, plums and cherries.

The production of vegetables in 2010 experienced an increase by 3,5% if compared to the previous 2009.

In 2010, around 87% of the areas covered by vineyards in the farms were harvested. Around 33% of the vineyards in the farms were located in the Southeast region and 31% in the South Central region. There has been a decrease in the harvested areas of around 10% in comparison with 2009, mainly in The Northwest and in the Southeast region. The largest was the decrease of such areas in the case of the white wine varieties, mainly in the Southeast and the South Central region. A decrease of the areas covered by red wine varieties was reported mainly in The Southwest and in the Northwest region. As regards the dessert varieties, a decrease in the areas was reported mainly in the Northwest and the North Central region.

2.2.1. Grain production

As a result of the higher yields reported after harvest '2010 was collected, the overall production of cereal crops experienced an increase by 14,3% if compared to the previous year.

The production of wheat for harvest '2010 was by 3% larger than that reported on harvest '2009. There has also been some growth in the production as regards maize for grain, as a result both of the increase in the areas sown and of the higher average yield. As a result of the increased areas sown with oats, rice and triticale, there has been higher production and of these crops reported.

The harvested grain areas were as high as 97,5% out of a total of the areas sown with cereal crops. In 2010 the harvested areas as regards wheat experienced a downturn by 9,3% if compared to harvest '2009, while those sown with maize for grain expanded by 19,4%.

Table II.6.

Production of cereal crops from harvests '2009 and '2010

Crop	Areas (harvested) (hectares)		Average yield (tonnes/hectare)		Production (tonnes)	
	2009	2010	2009	2010	2009	2010
Wheat	1 247 718	1 131 565	3,19	3,62	3 976 852	4 094 597
Rye	9 953	10 795	1,90	1,62	18 858	17 511
Triticale	5 958	11 010	2,89	2,67	17 227	29 443
Barley	258 499	245 328	3,32	3,40	858 679	833 271
Oats	19 996	24 353	1,54	1,73	30 723	42 045
Maize for grain	274 229	327 525	4,71	6,25	1 290 833	2 047 414
Rice	8 312	11 977	5,23	4,80	43 441	57 432

Source: Ministry of Agriculture and Food, "Agrostatistics"

Wheat

According to data from the Bulgarian Survey on Monitoring Agrarian and Economic Situation, in 2010, the areas covered by wheat occupied 62,4% out of a total of the areas occupied by cereal crops; a 12,6% decrease was reported in comparison with 2009.

The most areas covered by wheat were sown in the Northeast region: 24,1%, followed by North Central region by 21,5% and the Northwest region by 21,0%. The most were the sown areas covered by wheat in the districts of Dobrich, Pleven and Stara Zagora, and their overall share e 27,2% of the areas of the wheat in the country.

Totally, the areas sown with wheat in 2010 were 1 148 797 hectares, i.e. by 8,4% less in comparison with 2009. As a result of the unfavourable climatic conditions and other reasons, 17 233 hectares remained unharvested.

The grain harvested in 2010 amounted to 4 094 thousand tonnes, which was an increase by 3% in comparison with 2009. Such increased production was due to the higher average yield, by 13,6% (3,62 tonnes/hectare).

In the case of wheat crop-rotation, the share of preceding surrounding crops (maize and sunflower) was over 50%. In 2010 wheat sown after merged surface crops was reported on 28,5% of the areas. Wheat-after-wheat was applied to 3,7% of the areas, which in 2009 were fallow lands.

The intentions expressed by the farmers for 2011, were that the areas sown with wheat should come to around 1 042 217 hectares.

Rye and triticale

The rye grain produced during harvest '2010, experienced a 7,1% decrease in comparison with 2009 and amounted to 17,5 thousand tonnes. The grain yielded from triticale rose substantially – by 70,9% up to 29 thousand tonnes.

The decrease of the average yields as regards the rye was 14,4% in comparison with the previous 2009, which did not affect substantially the production, as the sown areas increased by 9,1%. The increased production of triticale came as a result of the larger areas sown in 2010, despite the reported lower average yields if compared to the previous 2009.

The farmers' intentions expressed concerning sowing in harvest '2011 were as listed below: rye: 6 496 hectares and triticale: 9 651 hectares.

Barley

In 2010, the production of barley amounted to 833 thousand tonnes, by 3% less if compared to 2009 and that came as a result of a downturn in the areas sown with 3%. The areas sown with barley were 256 864 hectares, and of those the harvested areas came to 245 328 hectares. A variety of reasons led to failure of 11 thousand hectares of the areas sown.

Those areas sown with barley made 14,3% of the cereal crops, 7,9% of the arable land and 5,0% of the Bulgaria's Utilised Agricultural Area.

From a perspective of the preceding crops, in 2010, over 68% of the areas covered by barley there was crop-rotation performed after crops other than wheat or barley. The highest was the share of the areas covered by barley sown after sunflower as preceding crop: 30,6%.

The intentions expressed by the farmers for sowing of winter barley for harvest '2011 included 182 thousand hectares.

Oats

In 2010, the production of oats grew by 36,9% in comparison with 2009, which was due to the higher average yield: 1,72 tonnes/hectare and to the increase in the areas sown by 22,5%.

Maize for grain

The maize for grain produced from maize in 2010 (2 047 thousand tonnes) reported a 58,6% rise if compared to the previous year, which came as a result of a combination of a 21,3% increase in the areas sown and 32,8% higher average yield.

The areas sown with the maize for grain were as large as 340 thousand hectares, of which 328 thousand hectares were harvested. 12 thousand hectares failed as a result of unfavourable climatic conditions in a variety of regions throughout the country.

The maize (for grain and silage) occupied 11,4% of the arable land and 14,3% of the areas with cereal crops. The areas occupied by maize are located mainly in the Northwest region: 34,8%, followed by the Northeast region: 32,3% and North Central: 23,1%. The highest share pertained to the districts of Dobrich, Pleven and Montana: 38,4% of the areas sown with maize in the country.

As regards crop rotation, 44,8% of the areas sown with maize in 2010 were after preceding crop wheat and barley. Maize was sown after sunflower as preceding crop over 25% of the areas. There has also been an increase in the areas covered by maize grown monoculturally: 18,6%.

Rice

The amounts of paddy produced experienced gradual growth over the last few years. In 2010 the production of paddy amounted to 57 432 tonnes, 32,2% growth was reported in comparison with the previous year. The areas sown were equal to 122 thousand hectares which made a 44,5% increase vs. 2009. The average yield was also lower by 8,3% down to 4,8 tonnes/hectare.

2.2.2. Oleaginous crops

The main oleaginous crops grown in our country are sunflower and rape.

Sunflower

The areas sown with sunflower in 2010 reached the figure of 734 314 hectares, and of these were harvested 729 889 hectares, by 6,9 % more in comparison with 2009.

The most sunflower is grown in the Northwest region: 25,1% of the areas, followed by the North Central: 22,6% and the Northeast region: 22,1%. The largest were the areas with sunflower in the districts of Dobrich, Pleven and Rousse, whose relative share was 26,9% of the areas of the country.

In 2010, 1 536 thousand tonnes of sunflower were produced, which makes an increase by 16,6% if compared to the previous year. The average yield grew up to 2,1 tonnes/hectare.

As regards the sunflower crop-rotation, the share of wheat and barley as preceding crops was 78,9%. Over 8,1% of the areas, the sunflower is grown monoculturally.

Rape

Over the past few years there has been a boosting interest to growing oleaginous rape, which continues, and in 2010, the areas sown with this crop experienced a 96,2% increase if compared to 2009 up to 220 252 hectares. Of these, 211 954 hectares were harvested.

As regards the production of rape, there was also growth reported, namely by 131,4% up to 544 841 tonnes. The increase came as a result of the higher average yield: 2,6 tonnes/hectare accompanied an increase in the areas sown in 2010.

2.2.3.Technical crops

Fibre crops

In 2010, a decrease down to 558 hectares was reported as regards the areas sown with cotton, whereas in 2009 those areas covered 658 hectares. On the other hand, the harvested areas rose, which made 558 hectares, vs. 495 hectares for the previous year. The average yield of cotton rose from 0,98 tonnes/hectare for 2009 up to 1,59 tonnes/hectare for 2010. As a result, the production marked a 82,1%growth up to 887 tonnes.

In 2010, there was no production of flax; 0,65 hectares of hemp were sown.

Hops

In 2010 the harvested areas covered by hops came to 84,3 hectares, i.e. by 41,3 % less than in 2009. The average yield was 0,99 tonnes per hectare, which was by 11,2% more than that in 2009. The overall production amounted to 84 tonnes, which was by 34,9% less than the 129 tonnes yielded in 2009.

Table II.7.

Production of hops in 2009 and 2010

Total nationwide	2009	2010
Areas (harvested) (hectares)	143,5	84,3
Average yield (tonnes/hectare)	0,89	0,99
Production (tonnes)	129	84

Source: Ministry of Agriculture and Food, "Agrostatistics"

As a continuation of the trend toward downturn reported in 2009, a 34,9% decrease was reported in 2010 of the production of hops down to 84 tonnes. The reduced production is due partly to of obsolescence of part of the hops plantations and to the absence of any newly established plantations.

The demand of hops on the European market and worldwide depends on the consumption of beer. Consumers' tastes over the last decade have shifted toward types of beer with less bitter taste, which reduces the quantity of hops put into it. This affects the raw material market, the stock and the prices.

Bulgaria's hops fields are located in South Central region, in the district of Pazardzhik, around the towns of Velingrad and Rakitovo, and the assortment consists mainly of the three American varieties: Nugget, Chinook and CFJ-8/Cascade/.

2.2.4. Medicine crops and aromatic crops

The areas occupied by the main medicine and aromatic crops (oleaginous rose, common balm, lavender, spearmint, silibum marianum, fennel, valerian, coriander) in 2010 covered 70 752 hectares, which exceeded by 22,2% the areas occupied by these in 2009. The harvested areas were as large as 65 750 hectares, i.e. by 20,8% more if compared to 2009. A main factor for the increase of those areas sown with medicine and aromatic crops was their high cost-effectiveness.

2.2.5. Vegetables

Over the economic 2010, the areas used for production of vegetables in professional and small farms occupied approximately 43,2 thousand hectares. The greenhouse areas occupied by vegetables came to 1 000 hectares. The main areas, where vegetables were grown in open air, were 42,2 hectares. The harvested areas with vegetables in 2010 were 42,6 thousand hectares. In comparison with 2009 a decrease was reported in the harvested areas covered 9,4%.

The vegetable production from harvest '2010 amounted to 761 thousand tonnes. The largest was the production the vegetable crops as listed: potatoes: 251,2 thousand tonnes, tomatoes: 114,6 thousand tonnes and head cabbage: 78,9 thousand tonnes.

40,2 thousand hectares were planted with fresh vegetables (tomatoes, cucumbers, peppers, water melons, potatoes, etc.), and of these, the harvested areas came to 37,4 thousand hectares. The largest relative share belonged to the harvested areas covered by potatoes (36,9%) and peppers (12,6%), followed by those covered by water melons (8,8%) and tomatoes (7,8%).

In comparison with the previous year, there was a downturn in the harvested areas of the bean-crops, namely by 1,3%. These areas sown with beans crops covered approximately 5,21 thousand hectares. Of these, around 5,2 thousand hectares were harvested. With the largest relative share of the beans crops were the lentils (55,4%); followed by mature beans (27,1%) and chick-peas (17,5%). The areas with grain legumes were not included in the areas covered by fresh vegetables.

2010 saw a reported increase in the used greenhouse areas if compared to 2009, i.e. by 78 hectares or by 8%.

Table II.8.

Basic areas used for production of vegetables - harvest'2010, hectares

Basic areas	Used areas - Harvest '2010	
Open areas	42 162	
Glass greenhouses	488	
Polyethylene greenhouses	540	
Total area covered by greenhouses:	1 028	
Total area:	43 191	

Source: Ministry of Agriculture and Food, "Agrostatistics"

The production of vegetables in 2010 rose by 3,5% if compared to the previous year. There was a significant rise in the production of mature onions and of head cabbage, which was due to the increased harvested areas and the higher average yield.

In open-air areas were produced around 419,8 thousand tonnes of fresh vegetables (potatoes and beans crops excluded). Tomatoes had the largest relative share among the overall production of the fresh vegetables (19,8%), head cabbage (18,7%), sweet peppers (15,7%) and cucumbers (4,5%). 5,7 thousand tonnes of beans crops were produced. The production of potatoes rose by 8,4% if compared to 2009.

In 2010 open-air areas yielded 79 thousand tonnes of head cabbage (growth with 100% in comparison with 2009), 19 thousand tonnes of mature onions (133% increase in comparison with harvest '2009), at least 251 thousand tonnes of potatoes. There was a serious downturn in the 2010 production reported in the case of the melons: around 9 thousand tonnes, which was by nearly 59% less if compared to the previous year. The production of water melons (62 thousand tonnes) also marked an almost 30% decrease in comparison with 2009.

The production of greenhouse vegetables in 2010 came to 84 thousand tonnes, which was by 15,3% less if compared to 2009. Greenhouse production is outlined by several main vegetable crops such as tomatoes, cucumbers, sweet peppers, gherkins, sallet, lettuce, etc. 44,8 thousand tonnes of cucumbers were yielded, which was by 20,6% less vs. 2009, gherkins: 282 tonnes, which was a 64,1% drop in comparison with 2009, sweet peppers: 3,2 thousand tonnes, a 3,7% increase vs. 2009, tomatoes: 31 thousand tonnes, a 1,2% drop vs. the previous 2009. Production of sallet and lettuce went down by 62,6%, from 3,9 thousand tonnes in 2009 down to 1,4 thousand tonnes in 2010.

As a whole, the downturn of the production of greenhouse vegetables was due to the lower average yields in 2010 if compared to the previous year.

The greenhouse production in 2010 was marketed entirely, and large part thereof (mostly cucumbers and tomatoes) was meant for exports, mainly to EU Member States. 2010 saw higher demand and good market of vegetables produced in covered areas not only in Bulgaria, but also in the other EU Member States.

The predominant part of greenhouses in Bulgaria have modern equipment, new up-to-date technology and processes of vegetable growing complying with EU production standards, quality and environment protection norms.

Table II.9.

Comparison of greenhouse production of basic vegetables, harvests '2010 and '2009

Types of vegetables	Harvest '2010 (tonnes)	Harvest '2009 (tonnes)	Change in comparison with 2009 in %	
Tomatoes	31 127	31 509	-1,21%	
Cucumbers	44 765	56 397	-20,63%	
Sweet peppers	3 164	3 052	3,67%	
Gherkins	282	786	-64,12%	
Sallet and lettuce	1 444	3 864	-62,60%	
Other vegetables	1 784	2 094	-14,80%	
Total:	82 566	97 702	-15,49%	

Source: Ministry of Agriculture and Food, "Agrostatistics"

The production of vegetables involves with high expenditure, which determines the higher costprice of the ready products leading to certain difficulties in the sales thereof. This process has also a negative impact on the method approved of direct subsidies per hectare, which makes the agricultural producers to the production of crops with lower cost-price per unit area.

In 2010 the most part of the basic types of vegetables reported higher average yields if compared to harvest '2009.

Higher average yields per hectare was reported as regards potatoes with nearly 10%, for tomatoes it was around 18%, head cabbage and onions, respectively by 22% and 65%. The higher yields as regards most vegetable crops in 2010 were due to the better farming equipment used in growing thereof and using high-yield, disease-proof and pest-proof varieties. The reported lower average yields in the cases of several species of vegetable crops (melons, water melons) for harvest '2010 were due to non-observance of cultivation technologies by the agricultural producers: many of them use own seeds for production, as trade prices of certified seeds of such crops seem much to high for them.

The unfavourable climatic conditions over the months of open air cultivation of vegetables in 2010 in several districts also showed a certain influence over the average yield and impossibility to harvest part of ready production.

Table II.10.

Comparison of the average yields of vegetables, harvests '2010 and '2009

Types of vegetables	Harvest '2010 (kg/hectare)	Harvest '2009 (kg/hectare)	Change in comparison with 2009 in %		
Tomatoes	28 545	24 182	18,04%		
Sweet peppers	14 014	13 648	2,68%		
Aubergine	23 559	23 721	- 0,68%		
Cucumbers and Gherkins	24 177	23 764	1,73%		
Water melons	18 763	23 020	- 18,49%		
Melons	8 893	12 496	-28,83%		
Potatoes	18 193	16 539	10,00%		
Mature onions	11 489	6 973	64,76%		
Head cabbage	30 124	24 636	22,28%		
Strawberries	8 246	9 072	-9,10%		

Source: Ministry of Agriculture and Food, "Agrostatistics"

Table II.11.

Areas, production and average yields of vegetables - harvest '2010

	Harvested areas	Production (tonnes)				
Vegetables	(hectares)	Total	From main areas	From intermediate and second crops	Greenhouse production	(kg/hectare)
I. Fruit vegetables	15 181,5	356 525	274 958	1 143	80 424	
Tomatoes	2 924,4	114 605	82 655	823	31 127	28 545
Sweet peppers	4 703,5	69 080	65 840	76	3 164	14 014
Aubergine	454,9	10 747	10 594	123	30	23 559
Cucumbers	749,0	63 648	18 882	1	44 765	25 209
Gherkins	103,9	2 020	1 738	0	282	16 727
Pumpkins	986,7	14 754	14 747	7	0	14 953
Water melons	3 302,2	61 967	61 961	0	6	18 763
Melons	9 990,9	8 841	8 810	2	29	8 893
Sweet maize	204,3	1 742	1 719	23	0	8 528
Other fruit vegetables (hot peppers, courgettes, okra)	761,7	9 121	8 012	88	1 021	-
II. Beans	6 640,2	15 748	15 028	692	28	

French beans	654,2	4 322	3 602	692	28	6 563
Peas - green	784,1	5 632	5 632	0	0	7 183
Broad beans- green	2,6	12	12	0	0	4 615
Dry vegetables						
Beans: grain	1 409,7	2 075	2 075	0	0	1 472
Lentils	2 879,0	2 672	2 672	0	0	928
Chick-peas	910,6	1 035	1 035	0	0	1 136
III. Cormophytes	3 215,9	89 191	80 654	6 629	1 908	
Head cabbage	2 615,7	78 939	73 054	5 742	143	30 124
Other cormophytes (sallet, lettuce, spinach, parsley, celery, savoury, parsnip, dill, cauliflower, Savoy and Brussels sprout, kohlrabi, broccoli, onions - green, garlic - green)	600,2	10 252	7 600	887	1 765	-
IV. Tuberiferous and	16 823,8	292 037	291 414	454	169	
tuberculiferous				_		
Potatoes	13 805,0	251 205	251 144	21	40	18 193
Carrots	497,6	10 576	10 419	152	5	21 245
Mature onions	1 666,4	19 146	19 138	7	1	11 489
Garlic: mature	405,8	2 263	2 263	0	0	5 577
Leeks	218,9	4 928	4 823	102	3	22 498
Seed onions	130,9	1 117	1 093	24	0	8 532
Other tuberiferous (turnips, radish, beetroot, celery, parsnip)	99,2	2 802	2 534	148	120	-
V. Strawberries	690,1	5 727	5 690	0	37	8 246
VI. Cultivated mushrooms	-	1 619			1 619	-
VII. Other vegetables	28,7	159	159	0	0	5 545
Total:	42 580,2	761 006	667 903	8 918	84 185	

Source: Ministry of Agriculture and Food, "Agrostatistics"

Table II.12.
Comparison of the overall production of vegetables, harvests '2010 and 2009

Harvest '2010 (tonnes)	Harvest'2009 (tonnes)	Change in comparison with 2009 in %	
114 605	104 239	9,95%	
69 080	71 469	- 3,34%	
10 747	16 638	-35,41%	
65 668	77 988	- 15,80%	
61 967	88 895	-30,29%	
8 841	21 760	-59,37%	
251 205	231 745	8,40%	
19 146	8 223	132,83%	
78 939	39 389	100,41%	
5 727	5 324	7,57%	
	(tonnes) 114 605 69 080 10 747 65 668 61 967 8 841 251 205 19 146 78 939	(tonnes) (tonnes) 114 605 104 239 69 080 71 469 10 747 16 638 65 668 77 988 61 967 88 895 8 841 21 760 251 205 231 745 19 146 8 223 78 939 39 389	

Source: Ministry of Agriculture and Food, "Agrostatistics"

In 2010 around 98,5% of the vegetable production generated was marketed, whereas 72,9% thereof was meant for the market. Around 96,1% of the production of melons were distributed in the trade network, and so did 91,6% of head cabbage, 86,5% of mature onions and 64,6% of potatoes. The vegetables supplied to the processing enterprises came to 12,4% the whole production. The largest share belonged to carrots, peppers and tomatoes. Own consumption's share was 6,2% out of the bulk. The largest was the share of potatoes: 23,1%, and tomatoes: 6,2%. The vegetables intended for exports formed 5,4% of the whole production, and the highest was the share of cucumbers.

The production of vegetables faces a string of challenges such as lack of good production organisation (technological level still low, production hand in hand with big expenditure, high prices of seeds, mineral fertilisers, crop protection products, irrigation water, lack of mechanisation and employing human labour in harvesting campaigns, etc.), producers' low degree of orderliness (as at today, there are only two recognised vegetable producers' organisations), absence of trade arrangements between producers and merchants on ready production marketing schemes, low purchase prices on ready production, sometimes unsatisfactory quality of vegetables, absence of labour force for the production and employment of underqualified workers. These problems, along with the unfavourable climatic conditions over the vegetation period of the vegetables (hailstorms, heavy rain showers and floods, early autumn frosts) have become the reason for decrease of the areas occupied by vegetables, on the one hand, and on the other, for a production downturn, which happened over the last few years.

Expected data for the current 2011

2011 will see the same trend toward the use of greenhouse areas for production of vegetables at the 2010 level: mainly long cucumbers, tomatoes, sweet peppers, sallet and lettuce will be grown there. The process of modernisation of greenhouses and the use of new, up-to-date technology will continue meant to boost production of high quality early vegetables matching EU standards.

The intentions expressed by the farmers for 2011 are a good background to forecast that the areas sown with potatoes will be increasing and will reach to cover around 15 thousand hectares. According to an expert assessment, if 2011 shows favourable climatic conditions, the production of potatoes is expected to be significantly above the 2010 level as higher average yield is expected.

The areas occupied by peppers and tomatoes in 2011 are expected to be at the level of the previous year. The production of these crops cultivated in open air areas is expected to rise by 10-15%.

2.2.6. Fruits

In 2010, 152 077 tonnes of fruits were produced, which was a 43% rise in comparison with 2009. The main reason for the increase of production was the expansion of the harvested areas. The top performer in the production of fruits is the Southeast region, accounting for 32% of the overall production, followed by the South Central: 28%, and Southwest region: 15 %.

In 2010 the largest relative share of the overall production of fruits was occupied by the apples: 28,4 %, followed by plums: 22,2%, cherries: 16,4%, peaches: 16,1%, and apricots: 7,65%.

Table II.13.
Production of fruits, harvests '2009 and '2010

Fruit crops	Areas (harvested) (hectares)		Average yield (kg/hectare)		Produ (ton	
	2009	2010	2009	2010	2009	2010
Apples	4 321	5 201	8 205	8 320	35 456	43 235
Pears	324	546	4 461	2 688	1 442	1 468
Apricots	1 863	2 445	4 064	4 741	7 568	11 587

Total:	24 269	38 778			106 173	152 077
Other	1 003	2 616			2 069	2 507
Raspberries	932	1699	3 768	3 598	3 510	6 109
Walnuts	2 046	5 251	137	236	281	1240
Sour cherries	1 363	1 575	2 906	1 794	3 958	2 825
Cherries	5 169	7 692	3 377	3 244	17 456	24 951
Plums and wild plums	4 219	7 489	4 088	4 499	17 246	33 688
Peaches	3 029	4 264	5 673	5 737	17 187	24 467

These areas occupied by fruit crops in 2010 were 45 795 hectares, and of these 38 778 hectares (85%) were harvested. There was a 60% increase reported in the harvested areas occupied by fruit orchards in comparison with 2009. As regards individual orchard species, the biggest increase in the harvested areas was reported in the case of the walnuts: at least 2,5 times, raspberries: 82,3%, plums: 77,5%, pears: 68,5%, cherries: 48,8%, peaches: 40,8% and apples: 20,3%. There was also a significant growth reported and that regarded the other orchard species, i.e. almonds, hazelnuts, chokeberries, kiwifruit, blackberries, black currant, figs, etc.

The areas covered by young, still immature fruit orchards in 2010 occupied 4 358 hectares. The new plantations established in the period 01.10.2009—30.09.2010 came to 810 hectares. The largest relative share of the common areas covered by young plantations were occupied by cherries: 21,3%, plums: 16,1%, apples: 7,8% and peaches: 8,2%.

In 2010 the areas intended for production of fruit planting material occupied 125 hectares. The farms produced over 605 thousand units of engrafted fruit planting material, and of that approximately 47% were marketed. According to the data provided by the Variety Testing Approbation and Seed Control Executive Agency, for the period between 01.10.2009 and 30.09.2010, the qualified fruit planting material yielded in the country and that imported was at least 387 000 units.

In 2010 the average yield of the main fruit crops was higher in comparison with 2009. The highest average yields were registered in the Southeast region and in the South Central region. As regards crops, high average yields were received as regards apples: 8 320 kg/1000 sq. m, peaches: 5 737 kg/1000 sq. m and apricots: 4 741 kg/1000 sq. m. A 16,6%, increase in the average yields was reported in the case of apricots, in the case of plums it was 10% in comparison with in comparison with 2009. In the individual regions throughout the country, 2010 spring registered late spring frosts having led to freezing of fruit of fruit gemmae. Such spring frosts led to a 40% decrease in the average yields of pears and 38% drop for sour cherries.

2.3. Production results in livestock breeding

The development of livestock breeding in 2010 showed optimisation in the number of the farms and of the animals there as well as restructuring and modernisation as regards covering standards for production of quality and safe animal raw materials.

Over the past period, continued the re-equipment, the equipment completion and the modernisation of the milk farms, which needed to comply with the requirements as imposed by the application of the EU Common Agricultural Policy (CAP). Given the fact that the gratis period for covering standards for cow milk expires on 31.12.2011, all efforts focus the increase of the number of the farms classified as first group.

In 2010 continued the application of Community's scale for the classification of the slaughterhouse carcasses suitable for human consumption. The application of the (S)EUROP scale determines the quality of the slaughterhouse carcass quite precisely and enables a producer to get a just price for the produce he offers. The assessment according to the (S)EUROP scale is a good

incentive for stock-breeders to improve quality, which itself will boost their market presence in the EU and in non-EU countries.

To the effect of assisting the agricultural producers and stimulating of the development of meat cattle-breeding, in 2010 the State Fund "Agriculture" approved a national additional payment scheme for cattle slaughter bound to the production for assistance of farmers who deliver at least 5 cattle to slaughterhouse or for exports to a third country, by 30.11.2010.

As a result of the implementation of the 2008-2010 National Apiculture Programme, the general conditions for production and trade in bee honey and bee products improved.

In 2010 continued the trend toward decrease in the number of livestock breeding farms countrywide. In cattle-breeding, farms experienced a 16,3% downturn if compared to the previous year, and, at the same time, the head of cattle grew by 0,9%. As regards the sheep and the goat, decrease of the farms was reported by 9,8 and 12,1%, respectively, while as regards the swine, the drop reported was 11,5%.

Basically, such decrease concerned the farms raising from 1 to 9 breeding females, which shows that the process of enlargement of the farms continued in 2010. The data shows that 61,8% of the milk cows were bred in farms breeding over 10 animals and the same was valid for 80,5% of the buffalo-cows, 84,6% of the breeding sows, 71,4% of the breeding ewes. During that year 66,7% of buffaloes were grown in farms with over 20 animals, while 56,4% of the sheep were grown in farms with over 50 sheep. As regards the breeding sows in 33 farms were grown 66,1% of their overall number, which is a good corroboration of the facto that swine-breeding has industrial nature.

31,3% decrease was also reported vs. 2009 in the number of small farms, where were grown laying hens and pullets. A 13,6% growth was reported as regards the farms having 100 000 and more hens and pullets.

If compared to the previous year, 2010 registered an increase both in the number of cattle and buffaloes and in the main flocks and herds thereof. The number of cows experienced an increase by 4,5%, while that of the buffalo-cows rose by 8,9%. As regards most of the other types and categories of animals, downturn was reported. As regards the swine, that was equal to 9,0%, as regards the total number of poultry, the downturn was equal to 8,4%, for sheep and the goat, it was 2,3 and 1,2%, respectively.

Table II.14.

Number of animals in 2009 and 2010 and projection for 2011

Number animals	01.11.2009	01.11.2010	Change 2010/2009	01.11.2011 projection
Cattle, total	539 555	544 456	0,9%	550 000
including cows	312 695	326 808	4,5%	329 000
Buffaloes, total	8 311	9 241	11,2%	9 500
including buffalo-cows	4 997	5 444	8,9%	5 700
Sheep, total	1 400 252	1 367 987	-2,3%	1 370 000
including breeding ewes	1 135 482	1 093 009	-3,7%	1 150 000
Goat, total	360 822	356 344	-1,2%	360 000
including breeding female goats	303 116	278 033	-8,3%	280 000
Swine, total	729 798	664 000	-9,0%	665 000
including breeding sows	71 401	65 952	-7,6%	67 000
Poultry, total, including:	17 400 000	15 934 000	-8,4%	17 490 000

hens and pullets	8 778 000	7 800 000	-11,1%	7 870 000
chicken for meat	7 224 000	6 263 000	-13,3%	7 560 000
natatorial poultry	1 105 000	1 684 000	52,4%	1 873 000
other poultry	293 000	187 000	-36,2%	187 000
Solidungulate (horses, donkeys, mules, hinnies)	170 459*	181 000*	6,2%	181 000
Rabbits	117 955*	274 000*	132,3%	274 000
Bee colonies	624 965**	613 262**	-1,9%	613 262

Source: Ministry of Agriculture and Food, "Agrostatistics" (Survey "The agricultural animals in Bulgaria by 1st November 2010"),

In 2010, 1 277 704 tonnes of milk were produced in the country, which exceeded by 3,7% the 2009 production results. The upturn came as a result of the increased yield of cow and buffalo milk (respectively by 4,7% and 13,0%), while this of sheep and goat milk dropped (respectively by 2,6% and 5,7%). The share of cow milk came to 88% of the total of yielded milk, followed by the share of the sheep milk: 6,7%, the goat milk: 4,7% and the buffalo milk: 0,6%. The average milk-yield of cows remained at the level of the previous year and was 3 542 litres. The average milk-yield from the buffalocows was 1 412 litres. The sheep milk yielded from 1 012 thousand breeding ewes with average milk-yield 81 litres, while the average milk-yield of the breeding female goats was 211 litres.

Table II.15.

Production of milk for the period 01.11.2009—31.10.2010 by planning regions, thousand litres

Regions	Total milk	Cow milk	Buffalo milk	Sheep milk	Goat Milk
Northwest	182 540	151 834	1 453	12 090	17 154
North Central	172 079	154 027	953	8 903	8 196
Northeast	183 166	161 539	896	12 362	8 369
Southeast	244 059	220 301	1 542	15 720	6 496
Southwest	134 020	109 202	536	13 827	10 455
South Central	324 270	294 700	2 308	19 225	8 037
Total for Bulgaria	1 240 134	1 091 612	7 688	82 127	58 707
Change 2010/2009 (%)	3,7%	4,7%	13%	-2,6%	-5,7%

Source: Ministry of Agriculture and Food, "Agrostatistics"

By planning regions, the largest share in the total yield of milk was achieved by the South Central region: 26,1%, followed by the Southeast: 19,7%. The least was the share of milk produced in the Southwest region: 10,8%.

The overall production of meat during that year marked a downturn by 12,1%, as a result of decrease both in red (by 5,4%) and in white meats (by 17,9%).

As regards the production of bee honey, 11,2% growth was reported. The production of eggs experienced an insignificant growth (0,6%).

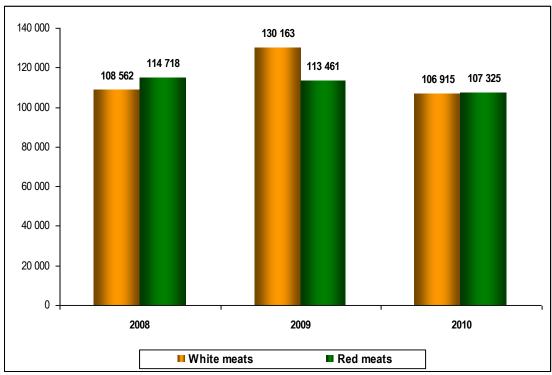
Table II.16. Production of animal produce, 2009—2010

^{*} National Veterinary Service

^{**} data as of 1st May.

Production	2009	2010	Change 2010/2009
1. Milk, total (tonnes)	231 760	1 277 704	3,7%
including Cow milk	1 073 401	1 124 360	4,7%
Buffalo milk	7 022	7 933	13,0%
Sheep milk	87 247	85 001	-2,6%
Goat milk	64 090	60 410	-5,7%
2.Meat, totalin slaughterhouse weight(tonnes)	243 624	214 240	-12,1%
Red meats	113 461	107 325	-5,4%
White meats	130 163	106 915	-17,9%
3.Eggs (thousand)	1 429 221	1 437 543	0,6%
4.Bee honey (tonnes)	9 529	10 595	11,2%

Figure II.15
Production of white and red meats in 2008-2010, tonnes



Source: Ministry of Agriculture and Food, "Agrostatistics"

2.3.1. Cattle-breeding and buffalo-breeding

In 2010 continued the trend that had already been spotted in the previous years, toward enlargement of dairy farms. Attention was focused on covering standards for production of quality milk by restructuring and modernisation of dairy farms.

Over the 2010/2011 quota period, Bulgaria's national dairy quota was raised by 10 085 tonnes. That same quota period saw the distribution of 13 492 276 kg for supplies and 4 920 933 kg for direct

sales from the national milk reserve to 579 producers of cow milk who had submitted relevant application forms. For the period 1 April 2010—31 March 2011 the national dairy quota was not exceeded.

As a EU Member State, Bulgaria must apply the standards as laid down in Regulation EU no. 853/2004 on the specific hygiene rules for food of animal origin. In 2009 the period of derogation given to the country as regards compliance with the hygiene requirements to raw milk was prolonged to December 2011.

Hence, the Ministry of Agriculture and Food maintains and updates on a monthly basis Registers of the farms producing raw cow milk classified with 1st, 2nd, and 3rd group, according to the criteria as laid down in Ordinance no. 4 of 19.02.2008 for the specific requirements to production, storage and transportation of raw cow milk and the requirements applicable to trade in and marketing of milk and dairy products.

In 2010 continued the co-ordination of the activity associated with the compliance with the animal hygiene and veterinary sanitation requirements as regards breeding of agricultural animals in livestock breeding farms. By 01.12.2010 there were 2 603 farms classified with the 1st group, counting with a total of 103 939 cows, while the 2nd group covered a total of 825 farms with 14 115 cows. In comparison with the same period of 2009, the number of farms classified with the 1st group rose by 117, and 3 935 more cows were bred there. At the same time, the farms classified with the 2nd group were reduced by 78, while the number of animals bred there was reduced by 856.

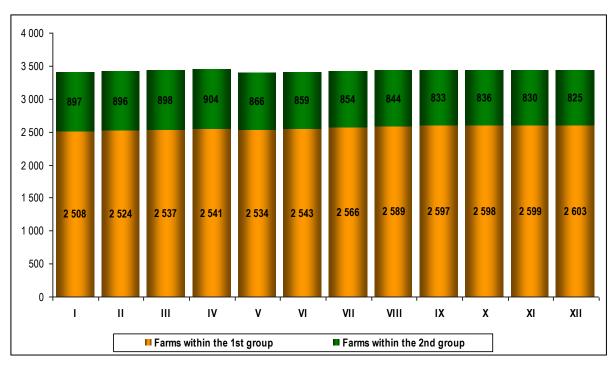
Table II.17.
Classified farms for production of raw cow milk and number cows bred there by 1 December 2008-2010

	Number	of farms	Number of cows			
	1st group 2nd group		1st group	2nd group		
2008	2 022	992	88 664	17 213		
2009	2 486	903	100 004	14 971		
2010	2 603	825	103 939	14 115		

Source: Ministry of Agriculture and Food, Directorate "Livestock breeding"

Figure II.16.

Number of classified farms for production of raw cow milk in 2010 by months



Source: Ministry of Agriculture and Food, Directorate "Livestock breeding"

In 2010 the number of the milk cows marked an increase by 3,8% if compared to the previous year reaching 308,2 thousand, which makes 94,3% out of the total number of cows in the country.

Restructuring of dairy farms continued. The farms where up to 2 milk cows were bred experienced a downturn by 20,3% in comparison with 2009, while these with 3—9 cows rose by 18,7%. There has also been a downturn in the number of the animals bred there, by 20,9% and 20,4%, respectively. The farms breeding 20+ cows increased by 48,9%, while the number of the animals there rose by 39,2%. The farms with capacity 10—19 cows marked a 5,2% growth, while the number of animals bred there went down by 0,2%. The number of farms with 100+ milk cows continued to grow: by 2,3%, while the number of cows there grew by 13,6%%, reaching 38,9 thousand

Table II.18.

Distribution of milk cows according to the number of animals bred per farm by 01.11.2010

Number of	F	arms	Mil	k cows
animals in 1 farm	thousand	Change 2010/2009	thousand	Change 2010/2009
1 - 2	57,5	-20,3%	70,6	-20,9%
3 - 9	10,8	-18,7%	47,2	-20,4%
10 - 19	3,1	5,2%	40,2	-0,2%
20 and more	3,3	48,9%	150,2	39,2%
Total	74,7	-17,5%	308,2	3,8%

Source: Ministry of Agriculture and Food, "Agrostatistics"

Over the last few years interest was reported to meat cattle-breeding. In 2010 the number of the farms where meat cows were grown experienced a 2,0% increase and the number of cows there grew by 17,0% up to 18 643. The farms breeding 1-2 meat cows experienced a 21,9% downturn, while the number of those breeding 3—9 meat cows and the number of animals bred there rose nearly twice.

In 2010, the number of cows by planning regions was 326,8 thousand. Of those 104,7 thousand (32%) were in the South Central region, 63,4 thousand - in the Southeast, 43,4 thousand - in the Northeast and only 34,1 thousand - in the Southwest region. There was an increase in the number of cows in the South Central region (9,8%), in the Southeast (7,0%) and in the Northwest region (9,3%). In the other regions there was a slight downturn in the number of cows.

Table II.19.

Number of cattle by planning regions

Pagiona	2009		2010					
Regions	Catt	Cattle		Cows		Cattle		'S
	thousand	%	thousand	%	thousand	%	thousand	%
Northwest	63,7	11,8	38,7	12,4	65,3	12,0	42,3	12,95
North Central	71,7	13,3	40,6	13,0	70,0	12,8	38,9	11,95
Northeast	79,4	14,7	46,4	14,8	72,9	13,4	43,4	13,35
Southeast	96,4	17,9	54,2	17,3	112,2	20,6	63,4	19,45
Southwest	62,8	11,6	37,5	12,0	53,1	9,85	34,1	10,5
South Central	165,5	30,7	95,3	30,5	171,0	31,45	104,7	32,0
Total for Bulgaria	539,5	100,0%	312,7	100,0%	544,5	100,05	326,8	100,0%

Source: Ministry of Agriculture and Food, "Agrostatistics"

Buffalo-breeding farms in 2010 expanded by 12,0% if compared to the previous year. Increase was also reported in the total number of buffaloes, namely by 11,2%, while as regards the buffalo-cows, there was an 8,9% increase. Around 58% of the buffalo-cows (3 154 or 3,2% more in comparison with 2009) were grown in farms with 20+ buffalo-cows, which made an 8,3% downturn.

The largest number of buffaloes were grown in the South Central region (2,4 thousand or 26,1% out of the total). The next ranking performer was the Northwest region (1,9 thousand), followed by the North Central and the Southeast regions (1,8 thousand each).

Table II.20.

Number of buffaloes by planning regions

Daniona		2	009		2010			
Regions	Buffalo	es total	Buffalo-cows		Buffaloes total		Buffalo-cows	
	thousan	%	thousand	%	thousand	%	thousand	%
	d							
Northwest	1,8	21,7%	1,1	22,4%	1,9	20,6%	1,2	22,2%
North Central	1,5	18,1%	0,8	16,3%	1,8	19,6%	0,9	16,7%
Northeast	0,7	8,4%	0,3	6,1%	0,7	7,6%	0,4	7,4%
Southeast	1,8	21,7%	1,1	22,4%	1,8	19,6%	1,1	20,4%
Southwest	0,8	9,6%	0,6	12,2%	0,6	6,5%	0,4	7,4%
South Central	1,7	20,5%	1,0	20,4%	2,4	26,1%	1,4	25,9%
Total for Bulgaria	8,3	100,0%	4,9	100,0%	9,2	100,0%	5,4	100,0%

Source: Ministry of Agriculture and Food, "Agrostatistics"

In 2010 the overall production of meat from bovine cattle was 19 610 tonnes. That was 18,3% of the total yield of red meat in the country and was by 10,5% less in comparison with 2009. The industrial yield of meat from bovine cattle grew by 4,1% mainly because of the higher live weight as regards slaughter of animals, while the yield in livestock breeding farms went down by 14,4%, as a result of the lesser number of slaughtered animals. The industrial yield of meat calves not older than 8 months increased by 335,3%, however it still remains relatively small: 101 tonnes.

Table II.21.

Production of meat in 2009 and 2010 in slaughterhouse weight

	Industri	Industrial production, tonnes			Meat in farms, tonnes			
Categories of animals	2009	2009 2010 Change 2010/2009		2009	2010	Change 2010/2009		
Calves and young cattle	494	643	30%	11 394	9 533	-16,3%		
Other cattle	4 025	4 063	0,9%	6 608	5371	-18,7%		
Total for Bulgaria	4 519	4 706	4,1%	17 402	14 904	-14,4%		

In 2010 Community's scale for classification of slaughterhouse carcasses EUROP was applied in eight slaughterhouses for cattle. The number of classified cattle there was 6 545, i.e. by 1 343 more vs. the previous year.

An increase for 2011 is expected in the number of classified cattle by around 15% if compared to 2010. One of the factors for this is the payment of national additional payments by the State Fund "Agriculture" to Producers delivering animals for slaughter to slaughterhouses with adopted classification system.

Over the reference period continued the inspections on the application of the classification in the slaughterhouses. Such inspections are carried out by districts and their scope encompasses all approved slaughterhouses included in the data base of the Ministry of Agriculture and Food, according to the Law on application of common organisations of agricultural markets in the European Union. The

The irregularities found are mainly related to oversights in designating the relevant information on the labels and to the compulsory information to be contained in the payment documents issued against purchased beef.

2.3.2. Sheep-breeding and goat-breeding

Sheep-breeding and goat-breeding are the main areas of focus, which are traditionally developed in the rural regions throughout the country, and there was a good demand for their products on both the European and the international markets.

In 2010 the sheep breeding farms experienced a downturn by 9,8% in comparison with 2009, and the number of animals bred there fell by 2,3%. There was a 10,1% reduction in the number of farms having a capacity of 1–9 inseminated sheep and non-inseminated female sheep, and the number of sheep there fell by 15,9%. The farms with 100+ inseminated sheep expanded by 16,8%, and the breeding ewes there also expanded by 12,4% to reach around 440 thousand. The average level of flocks of sheep in the country was 13,1, while the average number of breeding ewes was 10,6 per farm.

Over the reference period the largest number sheep were grown in South Central region: 310,3 thousand, followed by the Southeast: region: 290,4 thousand, and the Northeast region: 257,6 thousand. The most significant decrease of the total number of sheep and of the breeding ewes in particular was registered in the Northeast region, by 9,0% and 11,32%, respectively. In the Southwest region the number both of the sheep total and of breeding ewes in particular remained at nearly the level of 2009, while in the Southeast region, the total number of the sheep rose by 7,6%, while that of the breeding ewes remained the same.

Table II.22.

Number of sheep by regions in 2009 and 2010

Regions	She	eep total, thous	and	Including breeding ewes, thousand			
	01.11.2009	01.11.2010	Change 2010/2009	01.11.2009	01.11.2010	Change 2010/2009	
Northwest	142,5	134,4	-5,7%	118,1	114,5	-3,0%	
North Central	186,7	174,3	-6,6%	146,8	137,0	-6,7%	
Northeast	283,2	257,6	-9,0%	210,0	186,2	-11,3%	
Southeast	270,0	290,4	7,6%	227,7	227,7	0,0%	
Southwest	201,4	201,0	-0,2%	168,9	167,5	-0,8%	
South Central	316,5	310,3	-2,0%	264,0	260,1	-1,5%	
Total for Bulgaria	1 400,3	1 368,0	-2,3%	1 135,5	1 093,0	-3,7%	

In 2010 the total number of goat was 356,3 thousand, which was 1,2% less if compared to 2009. As regards the breeding female goats, the decrease was 8,3%.

The goat-breeding farms experienced a downturn by 12,1%. Around 84,4% of the breeding female goats were grown in farms breeding 1—49 animals. If compared to 2009, these farms and the breeding female goats bred there went down by 12,5%. The farms breeding 50+ breeding female goats expanded by 15,2%, while the animals there increased by 12,9%.

By planning regions, the most significant fact to be noticed was the decrease in the total number of goat in the North Central region: 8,8%, followed by the Northwest region: –6,5%. Just two planning regions reported growth in the number of goat bred: the largest upturn was reported in the Southeast region: 21,2%, and the South Central region: 1,7%.

In 2010 the number of the breeding female goats in all planning regions marked a downturn if compared to the previous year. The most breeding female goats were grown in the Northwest region: 61,2 thousand, while the least was recorded in the Northeast and in the North Central region: around 35 thousand in each of them.

Table II. 23.

Number of goat by regions in 2009 and 2010

Regions	Go	oat, total, thous	and	Including breeding female goats, thousand		
	01.11.2009	01.11.2010	Change 2010/2009	01.11.2009	01.11.2010	Change 2010/2009
Northwest	76,5	71,5	-6,5%	65,2	61,2	-6,1%
North Central	48,7	44,4	-8,8%	38,6	35,4	-8,3%
Northeast	51,1	48,7	-4,7%	39,3	35,3	-10,2%
Southeast	55,1	66,8	21,2%	47,7	45,2	-5,2%
Southwest	76,8	78,1	1,7%	68,5	60,6	-11,5%
South Central	52,6	46,8	-11,0%	43,8	40,3	-8,0%
Total for Bulgaria	360,8	356,3	-1,2%	303,1	278,0	-8,3%

Source: Ministry of Agriculture and Food, "Agrostatistics"

In 2010 were produced 140 834 thousand litres of sheep and goat milk, which makes 11,4% out of a total of the milk yield nationwide. The yield of sheep milk was 82 127 thousand litres, and that of goat was 58 707 thousand litres. If compared to 2009, a decrease was reported in the production of both types of milk, here the sheep milk fell by 2,6%, while the goat milk fell by 5,7%.

Traditionally, the highest was the yield of sheep milk in the South Central region: 19 225 thousand litres, followed by the Southeast region witch yielded 15 720 thousand litres. Nearly the same was the yield in the Northwest region and the Northeast region: over 12 000 thousand litres. The least sheep milk was yielded in the North Central region: 8 903 thousand litres.

As regards goat milk, the yield by planning regions was the highest in the Northwest region: 17 154 thousand litres and in Southwest region: 10 455 thousand litres. The lowest was the yield in the Southeast region: 6 496 thousand litres.

The production of sheep meat in 2010 was 13 320 tonnes, which was a 0,2% rise if compared to 2009. The number of slaughtered animals in slaughterhouses and farms was 1 275 300 and was by 9,5% smaller in comparison with 2009; the yield of meat in farms was nearly twice as high as that in the slaughterhouses. The weaker increase of sheep meat yield in comparison with 2009 was due to higher live weight the animals slaughtered at: 22,7 kg on the average (vs. 20,7 kg in 2009).

The production of meat from goat in 2010 amounted to 3 699 tonnes, which makes a 9,9% decrease if compared to the previous year as a result of the lesser number of slaughtered goat: 16,5% decline.

2.3.3. Swine-breeding

Swine-breeding has a main share in the production of red meats in the country. In 2010 around 66% of the red meat was yielded by the swine-breeding sector.

The process continued of setting family farms in accordance with the requirements for humane treatment as regards breeding of swine, as nearly all industrial farms have already met these standards. More and more farms market their fattened swine through qualification thereof applying the (S)EUROP scale, whereby ensuring the production of quality meat and adequate payment to the producers. All selection processes focusing yield of meat with less fats has been undergoing changes.

In 2010, a decrease in the number of the swine as a whole and of the breeding sows in reproductive herd was reported, by 9,0% and 4,0%, respectively, in comparison with 2009. By 01.11.2010, the total number of swine was 664,0 thousand, and the number of breeding sows in reproductive herd was 54,2 thousand.

Figure II.17.

Number of swine and breeding sows by regions in 2009 and 2010, thousands of heads

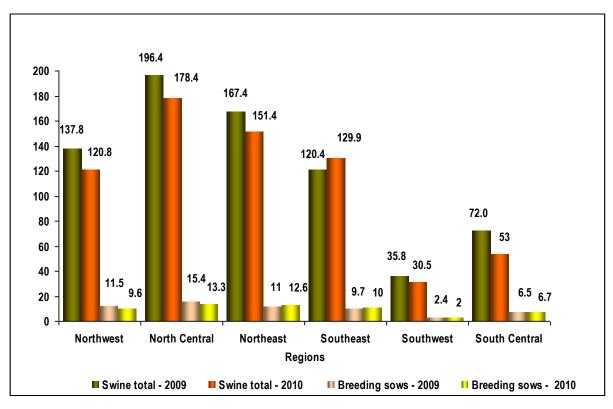


Table II.24.

Number of swine by regions in 2009 and 2010

Region	Swine-total, thousand		Including breeding sows, thousand			
	1.11.2009	1.11.2010	Change 2010/2009	1.11.2009	1.11.2010	Change 2010/2009
Northwest	137,8	120,8	-12,3%	11,5	9,6	-16,5%
North Central	196,4	178,4	-9,2%	15,4	13,3	-13,6%
Northeast	167,4	151,4	-9,6%	11,0	12,6	14,5%
Southeast	120,4	129,9	7,9%	9,7	10,0	3,1%
Southwest	35,8	30,5	-14.8%	2,4	2,0	-16,7%
South Central	72,0	53,0	-26,4%	6,5	6,7	3,1%
Total for Bulgaria	729,8	664,0	-9,0%	56,4	54,2	-4,0%

Source: Ministry of Agriculture and Food, "Agrostatistics"

By planning regions, the total number of the swine has increased if compared to the previous year only in the Southeast region, by 7,9%. All other regions reported a decrease in the total number of swine, and the largest downturn was reported in the South Central region: –26,4%. The number of breeding sows has gone up if compared to 2009 in the Northeast, Southeast and South Central regions by 14,5%, 3,1% and 3,1%, respectively, and has gone down in the Northwest: –16,5%, the North Central: –13,6% and in the Southwest region –16,7%.

By 01.11.2010 the number of farms with female pigs for breeding went down by 1,1% if compared to the same period of 2009, while the number of female pigs for breeding fell by 7,6%. There was a decrease of swine-breeding farms, and the largest decrease was suffered by the farms with

capacity of 50—199 animals: –54,8%, followed by the farms where 10—49 female pigs for breeding were grown. The number of farms with 1—2 animals has slightly grown.

Table II. 25.

Distribution of female swine for breeding over 50 kg according to the number of animals bred per farm by 01.11.2010

	Far	ms	Female pigs for breeding over 50 kg		
Number of animals in the farm	Number	Change 2010/2009	Thousand	Change 2010/2009	
1-2	5 598	2,5%	6,8	0,0%	
3-9	843	-8,5%	3,4	-12,8%	
10-49	218	-29,0%	4,9	6,45%	
50-199	33	-54,8%	3,4	-41,4%	
200 and more	45	-11,8%	47,5	-5,6%	
Total:	6 737	-1,1%	66,0	-7,6%	

Source: Ministry of Agriculture and Food, "Agrostatistics"

There were 96,2 thousand farms where 1—9 swine were bred (11,7% fewer in comparison with 2009). 155 thousand animals were bred there, which makes 23,3% out of the total number of swine. Nevertheless, swine-breeding remains one of the most concentrated sectors in livestock breeding; 31 farms bred 56,2% of all swine.

The structure of swine-breeding farms shows that those to remain on the market were the industrial farms, which are competitive and produce efficient and quality output. Absence of specific financial assistance to this sector across the EU, and in Bulgaria, respectively, has largely contributed to shrinking of swine-breeding.

In 2010, the production of pork meat was 70 471 tonnes. This was a 4,3% downturn in comparison with 2009, and slaughterhouses marked a decrease by 1,2%, while livestock breeding farms downturn was 7,9%. The number of swine marketed during that year was by 8,3% lesser, which may give an explanation to the decrease in the yield of pork meat.

80 000 73 660 70 471 70 000 60 000 50 000 38 854 38 404 40 000 34 806 32 067 30 000 20 000 10 000 0 In slaughterhouses In livestock farms Total **2009 2010**

Figure II.18.
Production of pork meat 2009-2010, tonnes

Slaughterhouses slaughtered 560,6 thousand swine, however with lower live weight (106 kg), while livestock breeding farms slaughtered fewer swine (364,4 thousand), but with much higher average live weight (137 kg). This explains the small difference in the yield of pork meat in slaughterhouses and farms.

The application of the European scale for classification of slaughterhouse carcasses from swine under (S)EUROP has stimulated the producers of pork meat to improve selection process in swine-breeding and to increase the percentage of non-fat meat in the carcass. In 2010 the scale was applied at five slaughterhouses for swine (vs. 17 slaughterhouses in 2009). In 2010, those slaughterhouses classified 33 071 swine, i.e. 97 020 fewer than in the previous year. This may be partially explained by the fact that only steamed slaughterhouse carcasses were classified, while large part of slaughterhouses do not possess all needed equipment, and by the larger demand of skinned pork meat by the merchants. There is another basic factor and it is the absence of financial assistance to this sector to be bound to delivery of animals for slaughter in slaughterhouses, which carry out classification.

2.3.4. Horse-breeding

According to the data provided by National Veterinary Service, the number of solidungulate animals by the end of 2010 was 181 000, i.e. by 6,2% more in comparison with the same period of the previous year. This growth is related with the development of horse riding and tourism in Bulgaria.

Table II.26.

Number of solidungulate in the period 2007-2009

2008	2009	2010	Change 2010/2009 in %

Number of solidungulate	5 091 170 468	181 000	6,2%
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Source: National Veterinary Service

The past period saw a continuation in the identification of horses, preservation and development of genetic resources in horse-breeding.

2010 was another year when the policy of the Ministry of Agriculture and Food on the development of horse-breeding focused the assistance to the activity of breeding organisations by providing result-oriented State assistance and to the preservation and safeguarding the endangered national breeds of horses, using the measure "Agro-ecology" of the 2007—2013 Rural Development Programme.

2.3.5. Poultry-raising

2010 was of particular importance for the development of the poultry-raising in the country and especially for finalising of the process of reconstruction and modernisation of the farms breeding laying hens. According to the provisions of the European and Bulgarian legislation, by 31 December 2011, all farms using unenlarged cages to breed laying hens were to re-equip their farms by selecting one of the systems as listed below: enlarged cages or alternative technologies (floor breeding or free breeding). According to the data provided by the Bulgarian Food Safety Agency, in 80 poultry farms laying hens were grown in accordance with the requirements for humane treatment. The other 40 received obligatory instructions in accordance with the legislation in force.

In 2010 the number of large poultry breeding businesses with laying hens and pullets grew by 7,8% in comparison with 2009 and they bred around 5 657 thousand poultry. The other 27,5% of the hens were bred in small family farms. The broiler business reported an increase, both in the large farms: 31,4% and in the small farms: 28,9%.

The total number poultry went down by 8,4% in comparison with 2009, where laying hens and pullets experienced an 11,1% downturn, while the downturn among broilers was 13,3%, the number of geese fell by 30,9%, the number of turkeys fell by 36%, while the number of other types of poultry (quails, ostriches and guinea-hens) fell by 37%. The number of ducks marked a 59% increase.

The number of large farms breeding 10 000+ hens and pullets fell by 4 if compared to 2009, and the number of laying hens bred augmented by 5,9%. 13,6% was the upturn in the number of laying hens and pullets in facilities with capacity of 100 000+.

As regards broiler breeding farms, an increase was reported in all categories of farms, except farms breeding 100 000+ broilers, where there was a 6,7% decrease.

Table II.27.

Number of hens, young laving hens and chicken for fattening by 31.12.2010, thousand

Category of poultry	20	009	2010		
	Big farms	Small farms	Big farms	Small farms	
Laying hens	3 929	2 963	4 348	1 869	
Young growing up laying hens	1 317	569	1 309	274	
Chicken for cramming	7 125	99	6 110	153	
Total	12 371	3 631	11 767	2 296	

Source: Ministry of Agriculture and Food, "Agrostatistics"

By planning regions the most poultry was farmed in the North Central region: 27,3%, followed by the Northeast region: 18,9%, the South Central region: 17,5% and the Southeast region: 15,8%.

The most laying hens, pullets, broilers, turkeys and geese were farmed in the North Central region: 29,4%, while the most ducks were farmed in the South Central region: 58,5 %.

Table II.28.

Number of poultry by the end of the year, thousand

Type of poultry	2008	2009	2010
Hens and young growing up laying hens	8 798	8 778	7 800
Chicken for meat	6 967	7 224	6 263
Turkeys	331	247	158
Ducks	1 299	1 024	1 628
Geese	135	81	56
Total	17 530	17 354	15 934

Source: Ministry of Agriculture and Food,"Agrostatistics"

In 2010 the production of eggs grew by 0,6% in comparison with 2009 up to 1 437 543 thousand, of which 99,5% were eggs from hens. Of these, the eggs for human consumption grew by 0,2% more in comparison with 2009.

Table II.29.

Produced eggs of chicken hens for human consumption over the period 2008-2010, thousand

	2008		20	09	2010	
	Big farms	Small farms	Big farms	Small farms	Big farms	Small farms
Eggs for human consumption	956 521	413 065	830 025	458 823	939 526	352 489
Total	1 369 586		1 288 848		1 291 965	

Source: Ministry of Agriculture and Food, "Agrostatistics"

By planning regions the most eggs were yielded in the North Central Region: 23,0% of the total production, followed by the Northeast Region and the South Central Region. The least eggs were produced in the Southwest Region: 102 700 thousand.

Table II.30.

Production of eggs in 2010 by planning regions, thousand

Region	Eggs of chicken hens	Other eggs	Total of eggs	Change 2010/2009
Northwest	214 300	668	214 968	-4,1%
North Central	320 081	1 251	331 332	2,4%
Northeast	294 252	583	294 835	5 8%
Southeast	239 305	295	239 600	2,0%
South Central	99 964	2 736	102 700	-21,7%
Southwest	253 049	1 059	254 108	7,3%
Total for Bulgaria	1 430 951	6 592	1 437 543	0,6%

In 2010 the production of breeding eggs of chicken hens marked growth by 5,6% if compared to the previous year. The main share of these occupied the breeding eggs for the production of chicken for cramming: 79,3% (110 480 thousand), which was connected with higher demand and consumption of poultry meat and semi-manufactured products thereof.

The relative share of produced poultry meat in the structure of the national meat produce had continuously been rising over the years, and in 2010 it was 65,1%.

In 2010 the overall production of poultry meat in the country was 106 915 tonnes, which was with 17,9% less vs. 2009, as a result of the smaller number of slaughtered poultry. The most significant growth was reported among the slaughtered ducks, 16,5%, which determined the higher yield of meat from ducks (by 13,5%). In the structure of poultry meat yielded in the country the largest share in 2010 belonged again to the meat from broilers: 76,4%.

The production of foie gras amounted to 2 604,5 tonnes, i.e. by 12,8% more if compared to the previous year.

Table II.31.

Production of poultry meat over the period 2008-2010

Production	Slaughtered poultry (thousand)			Total meat and offal (tonnes)		
	2008	2009	2010	2008	2009	2010
In slaughterhouses	53 000	59 491	54 418	91 341	103 037	99 065
In farms	8 055	14 453	4 044	17 211	27 115	7 850
Total Bulgaria	61 055	73 944	58 462	108 552	130 152	106 915

Source: Ministry of Agriculture and Food, "Agrostatistics"

2.3.6. Apiculture

Bulgaria ranks among the top flora diversity locations in Europe. Large part of Bulgaria's topography provides good opportunities for cultivating bee colonies. In 2010 the number of the farms farming bee colonies was 27 477, i.e. by 6% less in comparison with 2009.

Table II.32.

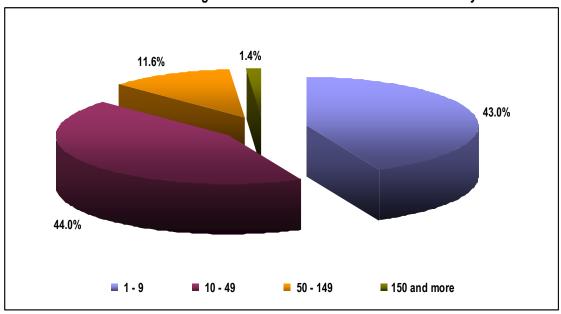
Bee farms according to the number of kept bee colonies by 01.05.2010

	Number of		
Number of bee colonies by classes	2009	2010	Change 2010/2009 2010/2009 ., in %
1–9	13 423	11 794	-12,1%
10–49	12 111	12 099	-0,1%
50–149	3 374	3 206	-5,0%
150 and more	336	378	12,5%

Total	29 244	27 477	-6,0%

Figure II.19.

Distribution of farms according to the number of bee colonies farmed there by 1.05.2010



Source: Ministry of Agriculture and Food, "Agrostatistics"

The apiculture in Bulgaria has still extensive and fractured nature with large number of small-scale producers, while the number of professional apiarists farming 150+ bee colonies, is small. In 2010 continued the tendency shown in previous years toward decrease in the number of farms where small number of bee colonies (1—9) was farmed. These already make 43% of the total number of the farms and were as many as 11 794, which was a 12,1% downturn if compared to 2009. In 44% of the farms farmed 10—49 bee colonies, while 11,6% farmed 50—149 bee colonies. The number of communities where over 150 colonies were farmed grew by 12,5%, however their share remains a mere 1,4% of the total. For large part of the farms farming bee colonies, apiculture continued to be some supplementary business, rather than the main source of income.

According to the data provided by Agrostatistics Department, Ministry of Agriculture and Food, in 2010 the bee colonies in the country were 613 262, which was a 1,9% downturn if compared to 2009.

The largest was the number of bee colonies farmed in the North Central region: 128 715, followed by the Northeast and Southeast regions, with 123 590 and 114 457 bee colonies, respectively. Traditionally, the largest number of bee colonies were in the districts of Dobrich: 58 334, Burgas: 41 583 and Pleven, which ranked third with its 38 803 bee colonies. Despite the general decrease reported on the number of bee colonies, the average number thereof per one farm increased to 22 in 2010, vs. an average of 21 over the previous three consecutive years.

The bee colonies where bee honey was yielded during that year were 567 870, while the yielded quantity amounted to 10 595 tonnes, i.e. 11,2% as much as in 2009. In 2010 the average yield per one bee colony was 19,0 kg.

Figure II.20.

Number of bee colonies by planning regions in 2009 and 2010

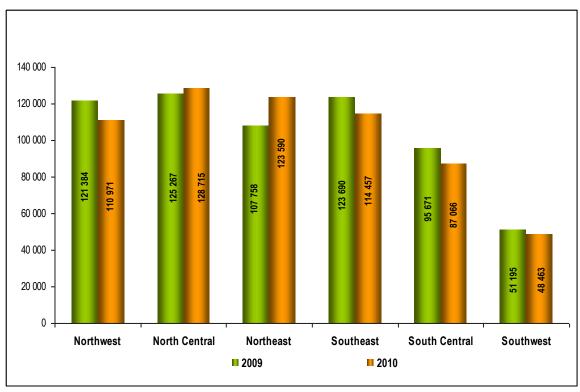
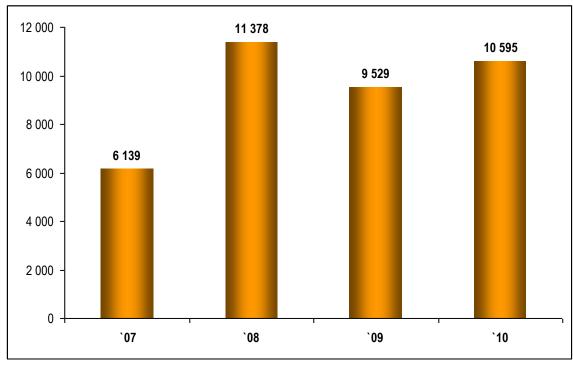


Figure II.21.
Production of bee honey 2007-2010, tonnes



Source: Ministry of Agriculture and Food, "Agrostatistics"

Marketing of bee honey for the period 01.05.2009 - 01.05.2010 was as listed below:

• direct sales to final consumer: 2 944 tonnes;

- sales to retailers: 917 tonnes;
- sales to processing enterprises: 3 637 tonnes;
- sales to industry: 156 tonnes;
- own consumption and feeding up bees: 2 135 tonnes;

Over the one-year reference period a total of 9 789 tonnes bee honey was marketed. The largest was the share of the sales of processing enterprises (37,2%). Direct sales to final consumer experienced a 6,4% downturn and occupied 30,1% of the total lot of marketed honey. The quantity for own consumption and feeding up bee colonies went down by 6,1%.

According to data provided by the Agrostatistics Department, in 2010 11 147 bee colonies were destroyed by poisoning, 14 096 were destroyed by diseases, 11 444 were destroyed by famine, and 36 221 were destroyed by other reasons. The total number of bee colonies destroyed during that year amounted to 72 908, which was a 33 % rise in comparison with 2009.

Varoatosis continued to be the most wide-spread and economically the most significant diseases attacking bees in Bulgaria. In 2010 606 949 bee colonies were treated against varoatosis, which was 99% of all bee colonies.

In 2010 the number of apiarists using movable hives grew by nearly 43%, however their share remains low: a mere 4,2% out of the total number of apiarists. One of the factors limiting that kind of apiarist activity may be sought in the fragmentation of farms and hence the absence of market of bee-pollination, and problems with poisoning of the bee colonies in the context of conducting crop-protection activities.

2010 was the final year of the implementation of the measures under the National Apiculture Programme for the period 2008-2010. Over the entire three-year period, Bulgarian apiarists received financing amounting to BGN 5 021 296. The average percentage of putting the budget to use over the period was nearly 70%; stronger interest was reported over the second and the third year of applying the measures under the programme.

Given the increased interest, the National Apiculture Programme approved by the European Commission on 14.09.2010 covering a new three-year period 2011-2013 laid down a threefold financing vs. the previous programme (2008–2010), and new measures were included.

As a whole, the apiculture sector needs to apply new technology, better control of bee colony health status and measures to encourage marketing of bee products.

2.3.7. Rabbit breeding

Interest to this kind of business is gaining strength and this is conditioned by the good natural and climatic conditions, existing traditions and experience in rabbit-keeping, as well as by the boosted demand of alternative kinds of meat worldwide. Large part of farmers keep rabbits for their own consumption.

By the end of 2010 the number of rabbits in the country was 274 000, i.e. twice as many as over the same period of 2009, however under the 2008 level.

In 2010, the meat yielded from rabbits in slaughterhouses grew by 70,8% if compared to the previous year.

2.4. Situation in biological agriculture in Bulgaria in 2010

This information was made possible thanks to the data retrieved from the annual reports submitted by organic production certification officers (Balkan Biocert OOD; SJS Bulgaria EOOD; Q Certification AD; Seres OOD; Lakon OOD; BCS Oeko-Guarantie OOD; Control Union Certifications AD; Institute for control of organic products AD; A CERT European Certification Organisation AD).

Table II.33.

Areas of agricultural crops grown in an organic manner (those in transition and those passed the transition)

Type of crops	Areas, in transitional period (hectares)	Areas to have passed the transition	Total area (hectares)		
	period (nectares)	(hectares)	2009	2010	
Grain and cereal crops, including rice	3 909,54	1 429, 62	2 758,07	5 339,16	
Fresh vegetables, melons, strawberries , cultivated mushrooms (total)	208,37	220,04	242,96	428,41	
Technical crops	2 715,27	2 197,62	2 102, 37	4 912, 89	
Fodder crops from arable lands (crops on the green)	357,15	3 428, 53	342,94	3 785, 68	
Perennial plants	3 347,99	2 447,2	2 688,42	5 795,19	
Permanent lawns and pastures	1 060,77	2 550,54	2 316,71	3 611,31	
Fallow lands	1 340,88	375,19	1 761,9	1 716,07	
Total	12 956,31	12 691,3	12 321, 75	25 647,61	
Wild agrarian crops*	0	546 194,8	401 425,9	546 194,8	

^{*}Wild agrarian crops were forest fruits, mushrooms and herbs collected from ecologically pure regions and certified by control persons.

Table II.34.

Number and species of organically bred animals (in transitional period and those passed the transition) in 2009 and 2010

Species	Total	number
Opecies	2009	2010
Cattle	272	364
Swine	104	117
Sheep	5 831	6 698
Goat	2 732	2 773
Bees (number of bee colonies)	41 089	46 429

The total number of Producers included into the certification and control system, processors and merchants of organic products and foods of vegetable and animal origin in 2010 was 820.

In 2010, the organic production in the country marked some growth following the world trends to an increase of the areas and production, which was due to boosted demand of this type of production both worldwide and on the European markets.

In the context of an economic crisis, the organic farming is one of the few sectors to show fast development rates and to enjoy spectacular growth rates. If compared to the previous year, the areas have more than doubled (from 12 322 hectares in 2009 to 25 648 hectares in 2010), while the number of operators in the sector grew by more than 75%.

The trend toward an increase of the areas and the production is expected to remain the same into 2011 as market environment has seen some favourable development. The question of healthy nutrition and sustainable use of natural resources has been more and more important to larger and larger groups and communities both within the EU and nationally.

2.5. Viticulture and wine-production

2.5.1. Production of grapes

Areas

In 2010 the areas covered by vine plantations in the farms accounted for 56 968 hectares, of which 49 438 hectares were those harvested. If compared to 2009, the areas covered by vine plantations in the farms have been reduced by 23%. The areas occupied by ill-kept vineyards as a result of social, economic or agronomic reasons covered 4 thousand hectares. Around 6% were the newly planted vineyards, which have not entered into fructifying period; in 2010 were established 577 hectares with vineyards.

Table II.35.
Vineyards in Bulgaria in the period 2001—2010

Year	Areas covered by vine plantations, hectares	III-kept vineyards outside farms, hectares	Total areas covered by vineyards, hectares
2001	146 995	4 190	151 185
2002	129 998	15 200	145 198
2003	103 019	28 050	131 069
2004	95 551	34 029	129 580
2005	94 724	32 118	126 842
2006	85 320	43 537	128 857
2007	97 387	22 954	120 341
2008	88 570	22 246	110 816
2009	74 018	27 416	101 434
2010	56 968	25 707	82 675

Source: Ministry of Agriculture and Food, "Agrostatistics"

Approximately 33% of the vineyards in the farms were located in the Southeast Region and 31% in the South Central region. There was a decrease of the harvested areas covered by around 10% in comparison with 2009, mainly in the Northwest region and Southeast region.

Table II.36.

Distribution of the areas by location of the farms in the statistical regions, 2010

Regions	Total area (hectares)	Of these, harvested (hectares)	Harvested, %
Northwest	6 984	4 612	66
North Central	4 315	3 277	76
Northeast	5 764	4 825	84
Southeast	19 051	17 802	93
Southwest	3 160	2 922	92
South Central	17 694	16 000	90
Total	56 968	49 438	87

Source: Ministry of Agriculture and Food,"Agrostatistics"

The largest was the decrease of the areas with white wine varieties, mainly in the Southeast and the South Central regions. Decrease of the areas covered by red wine varieties was reported mainly in the Southwest and the Northeast region. As regards dessert varieties was reported decrease of the areas mainly in the Northwest region and North Central region.

Red wine varieties maintained their top priority position within the structure of vine plantations keeping their relative share around 63%.

Average yields

The average yields from the wine vineyards in 2010 downgraded by around 9% if compared to 2009, while those from dessert varieties downgraded by around 42%.

The average yield for the country from wine varieties was 4 495 kg/hectare, which from red wine was 4 555 kg/hectare, while from white it was 4 373 kg/hectare. The average yield from dessert varieties was 3 039 kg/hectare.

The highest average yields from white and red wine varieties, 5 181 kg/hectare and 5 526 kg/hectare, respectively, were reported in the Southeast region. As to dessert varieties the highest average yield (4 050 kg/hectare) was reported in the Southwest region.

Table II.37.

Average yields of grapes from vineyards: harvest'2010, kg/hectare

Regions	Average yield of vir	neyards (kg/hectares)
Regions	Wine varieties	Dessert varieties
Northwest	3 101	3 278
North Central	4 392	3 168
Northeast	3 662	2 531
Southeast	5 378	1 838
Southwest	3 986	4 050
South Central	4 281	3 710
Total	4 495	3 039

Source: Ministry of Agriculture and Food, "Agrostatistics"

Production

In 2010 the overall production of grapes amounted to 230 198 tonnes, which was by around 18% as low as that in 2009. The grapes yielded from vineyards totalled in 218 387 tonnes, whereas the ratio thereof was: wine: 96,3%, dessert: 3,7%. The production of vine-arbours amounted to 11 811 tonnes.

Table II.38.

Production of grapes – harvest '2010

		0			
Regions	Wine (tonnes)	Dessert (tonnes)	Total produced grapes of vineyards (tonnes)	Grapes from vine-arbours (tonnes)	Total produced grapes (tonnes)
Northwest	13 994	323	14 317		
North Central	14 044	252	14 296		

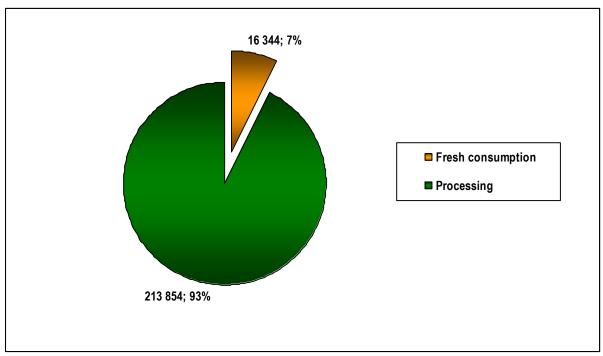
Northeast	16 949	498	17 447		
Southeast	91 421	1 477	92 898		
Southwest	10 967	691	11 658		
South Central	63 023	4 748	67 771		
Total	210 398	7 989	218 387	11 811	230 198

The largest production from vineyards was reported in the Southeast and the South Central regions, i.e. around 43% and 31%, respectively, from the overall production.

Around 214 thousand tonnes from the grapes yielded in 2010 were processed into wine and other grape-based products and approximately 16 thousand tonnes were intended for human consumption in fresh condition.

Figure II.22.

Distribution of produced grapes:harvest'2010, tonnes and percentage share



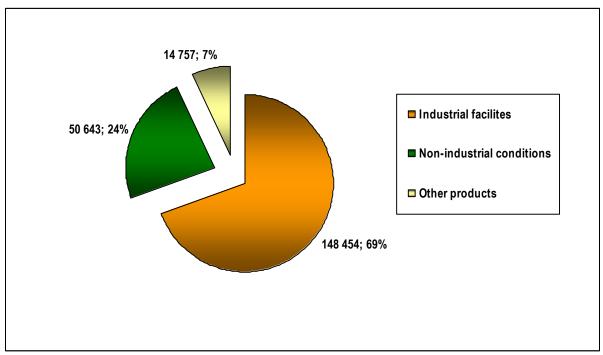
Source: Ministry of Agriculture and Food, "Agrostatistics", * According to the data provided by the Executive Agency on Vine and Wine

The processed quantity of grapes from harvest '2010 for production of wine and grape must was 148 454 tonnes.

The grapes intended for processing in non-industrial conditions was 50,6 thousand tonnes, of which 94% went for production of wine and around 6% went for other products and grape-based liquor drinks.

Figure II.23.

Distribution of the grapes – harvest '2010 intended for processing, tonnes and percentage share



Source: Ministry of Agriculture and Food, "Agrostatistics", * According to the data provided by the Executive Agency on Vine and Wine

2.5.2. Wine-production

In 2010 in the territory of the country were registered 246 wine enterprises, of which 216 were working.

The overall quantity of produced wine from harvest'2010 declared by the registered wine enterprises amounted to 992 821 hectolitres. The production of grape must was 36 907 hectolitres.

The largest share within the industrial production of wines is occupied by the production of by table wines (wines with no protected designation of origin or protected geographical indication), followed by the regional wines (wines with protected geographical indication) and high-quality wines with no protected designation of origin or protected geographical indication. The ratio of red wines and rosé to white wines was in favour of the red wines. The main wine manufacturer was the Southeast region with its 432 360 hectolitres, which makes 44% of the overall quantity for the country. The South Central region produced 237 832 hectolitres or 24% of the overall quantity for the country. The smallest was the share of wine produced in the Northeast region: 5,6%.

The production of wine in non-industrial conditions was 194 471 hectolitres. Therefore, the overall production of wine from harvest '2010 amounted to 1 187 292 hectolitres.

Table II.39.

Quantity of produced wine and grape must of the enterprises for wine-production, harvest 2010

	Quantity of produced wine and grape must, hectolitres								
Region	PDO wines* (quality)		PGI wines** (regional)		Other wines (including table)		Must	Total of wines	
	white	red and rosé wine	white	red and rosé wine	white	red and rosé wine	aot	white	red and rosé wine
Northwest Region	171	8 253	1 234	2 232	29 962	54 149		31 367	64 634
North Central Region	36	3 147	5 452	9 132	37 050	56 636	1 600	42 538	68 915
Northeast Region	1 574	55	18 947	3 366	17 051	14 791	7	37 572	18 212

Southeast Region	1 613	10 320	123 430	115 551	108 545	72 901	13 793	233 588	198 772
Southwest Region	0	0	2493	6 484	27 012	23 402	3343	29 505	29 886
South Central Region	1	5 310	16 510	79 128	59 528	77 355	18 164	76 039	161 793
TOTAL WINE:	3 395	27 085	168 066	215 893	279 148	299 234	36 907	450 609	542 212

Source: Executive Agency on Vine and Wine

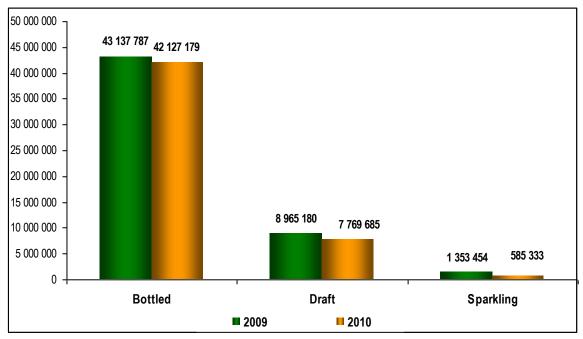
2.5.3. Exports and imports of wine

Exports

According to data provided by the National Statistical Institute, the total 2010 exports were registered of 50 325 963 litres of wine, which was approximately by 6% less if compared to 2009. The wine exported amounted to a total of USD 63 270 thousand.

Traditionally, the largest exports of wine were destined for the traditional markets of Russia: 24 695 thousand litres and Poland: 13 066 thousand litres. Furthermore, significant quantities of wines were exported to the markets of United Kingdom (2 563 thousand litres), the Czech Republic (2 377 thousand litres), Sweden (1 298 thousand litres) and Germany (1 077 thousand litres).

Figure II.24.
Exports of wine in 2009 and 2010, litres



Source: NSI

In 2010 bottled wines formed 83,7% of the total exports of wines with 42 127 179 litres exported. The exports of draft wines e 7 769 685 litres, while this of sparkling wines: 429 099 litres, which made respectively 15,4 and 0,9% of the total Exports of wines.

Exports of bottled wines

According to the data provided by NSI, in 2010 42 127 thousand litres of bottled wines were exported, which was by 2,3% less if compared to 2009. The exports totalled in USD 55 219 110, also by 2,3% less if compared to the previous year. The average export price was 1,3 USD/litre.

^{*}PDO - Protected designation of origin; **PGI - Protected geographical indication

The most significant remains the exports of bottled wines for Russia: 21 154thousand L or 50,2% of the total exports, followed by that for Poland: by 11 827 thousand litres. Larger quantities were exported for the Czech Republic (2 355 thousand litres) and for United Kingdom (2 162 thousand litres).

Table II.40.
Exports of bottled wines in 2009 and 2010, litres

COUNTRY	2009	2010
To EU, including :	20 212 429	20 809 800
Poland	12 978 742	11 827 285
Czech Republic	2 010 123	2 354 910
United Kingdom	1 346 618	2 161 488
Lithuania	796 099	863 565
Germany	693 325	852 086
Sweden	622 012	396 002
Belgium	604 791	704 249
To third countries, including:	22 925 358	21 317 379
Russia	19 950 166	21 153 986
Turkey	214 160	125 511
USA	192 459	279 254
Mongolia	163 110	204 883
People's Republic of China	154 507	133 272
Canada	113 881	182 799
Hong Kong	70 896	60 201
TOTAL	43 137 787	42 127 179

Source: NSI

Exports of draft wines

As regards draft wines, a more substantial decrease was reported of the 2010 exports in comparison with the previous year: -13,3%. The exports of draft wines amounted to 7 770 thousand litres. The largest quantities were exported to Russia: 3 541 thousand litres (22% less if compared to 2009) and Sweden: 1 298 thousand litres. A significant downturn was suffered by the exports to Germany (-71%), France (-68%) and Japan (-38%).

The average export price of draft wines for 2010 was 0,93 USD/litre vs. 1,01 USD/L for 2009.

Table II.41.

Exports of draft wines in 2009 and 2010, litres

COUNTRY	2009	2010
To EU, including:	4 273 437	4 020 884
Sweden	1 386 704	1 297 707
Poland	776 285	1 075 388
Germany	766 800	224 589
United Kingdom	644 497	401 481
Belgium	308 604	258 250
France	302 433	97 252

Czech Republic	43 674	505 913
To third countries, including:	4 691 743	3 748 801
Russia	4 508 927	3 541 201
Japan	156 606	97 575
Belarus	-	70 859
Turkmenistan	-	25 874
Mongolia	-	8 145
Turkey	-	3 528
TOTAL	8 965 180	7 769 685

Exports of sparkling wines

The exports of sparkling wines in 2010 was 429 099 litres, or by 32% less in comparison with 2009. Most significantly suffered the exports to Romania – from 820 357 litres in 2009 to 53 460 litres in 2010.

The average export price of sparkling wines in 2010 went down to 1,8 USD/litre vs. 2,3 USD/litre in 2009.

Table II.42.
Exports of sparkling wines in 2009 and 2010, litres

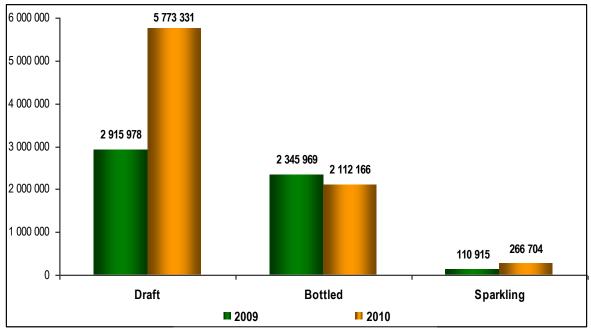
COUNTRY	2009	2010
To EU, including:	1 115 106	244 057
Romania	820 357	53 460
Czech Republic	-	22 050
Italy	172 422	2 205
Poland	119 052	162 990
Greece	1 386	981
Belgium	700	1 080
To third countries, including:	238 348	185 042
Vietnam	161 100	127 800
Belarus	29 934	24 705
Benin	-	9 607
Ghana	-	4 950
Kosovo	-	2 592
Turkey	6 803	2 371
Ivory Coast	-	2 295
Japan	-	2 145
TOTAL	1 353 454	429 099

Source: NSI

Imports

A total of 8 152 201 litres of wine was imported in 2010 amounting to USD 12 050 thousand. The imports grew by 52% if compared to the previous year. Increase was reported in the imports both of sparkling and of draft wines, by 140% and 52%, respectively. There was a decrease in the imports only in bottled wines: by 10%.

Figure II.25. Imports of wine for the period 2009—2010, litres



The registered imports of bottled wines in 2010 amounted to 2 112 166 litres, at average price 2,972 USD/litre. The largest quantities were imported from Italy (606 859 litres), the Czech Republic (255 271 litres) and France (246 884 litres).

Table II.43. Imports of bottled wines in 2009 and 2010, litres

COUNTRY	2009	2010
From EU, including:	1 929 755	1 678 280
Italy	815 500	606 859
France	401 773	246 884
Spain	210 752	195 125
Austria	145 625	114 555
Germany	136 988	104 861
Czech Republic	65 314	255 271
Netherlands	63 430	48 936
United Kingdom	-	23 841
Greece	-	18 384
Portugal	-	16 421
Poland	-	15 981
From third countries, including:	416 214	433 886
Chile	163 800	215 000
Argentina	122 894	62 185
South Africa	73 895	66 669
FYROM	13 624	47 292
Serbia	-	11 520
USA	-	9 380
Australia	7 204	7 957
TOTAL	2 345 969	2 112 166

Source: NSI

In 2010 the imports of draft wines nearly doubled if compared to the previous year up to 5 773 331 litres. There was a sharp rise in the imports from Italy up to 4 038 447 litres (70% of the total imports). Relatively large imports was realised from FYROM: 822 838 litres; there were no registered imports from that country in the previous year.

Table II.44. Imports of draft wines in 2009 and 2010, litres

COUNTRY	2009	2010
From EU, including:	2 291 858	4 900 265
Italy	1 398 780	4 038 447
Romania	465 500	337 900
Spain	391 452	337 900
Austria	13 505	344
Germany	10 133	120 284
Czech Republic	5 142	63 916
From third countries, including:	624 120	873 066
FYROM	-	822 838
Moldova	68 270	46 235
South Africa	-	3 069
Georgia		924
TOTAL	2 915 978	5 773 331

In 2010 were imported 266 704 litres sparkling wines, by 40,5% more in comparison with 2009 The largest quantities of sparkling wines were imported from Italy: 143 864 litres and France: 76 447 litres.

Table II.45.
Imports of sparkling wines in 2009 and 2010, litres

COUNTRIES	2009	2010		
From EU, including:	110 915	258 529		
Italy	47 693	143 864		
France	43 964	76 447		
Germany	12 410	13 048		
Netherlands	4 151	4 221		
Spain	2 674	5 078		
Czech Republic	15	13 492		
Hungary	-	1 938		
From third countries, including:	-	8 175		
South Africa	-	7 560		
Chile	-	585		
TOTAL	110 915	266 734		

Source: NSI

III. TRADE IN AGRICULTURAL COMMODITIES

Agriculture has had a meaningful share in Bulgaria's foreign trade, and it traditionally enjoys a positive trade balance.

In 2010 saw preservation of agrarian sector's relative share in the total exports, imports and exchange of merchandise at the levels of the previous year: approximately 17%, 10% and 13%, respectively.

Table III.1.
Relative share of agrarian commodities in Bulgaria's foreign trade in 2009—2010, thousand USD

	20	09	2009 Share of the agrarian	20′	2010 Share of the agrarian sector out of the total for the country	
Year	Total nationwide	Agrarian sector	sector out of the total for the country	Total Agrarian nationwide sector		
Exports, FOB	16 238 713	2 791 809	17,2%	20 162 302	3 463 635	17,2%
Imports, CIF	23 354 216	2 406 006	10,3%	25 278 061	2 524 140	10,0%
Exchange of merchandise	39 592 929	5 197 815	13,1%	45 440 363	5 987 775	13,2%

1. Level, dynamics, structure and geographical distribution

According to preliminary data provided by the NSI, in 2010 the exports of agricultural commodities amounted to 3 463,6 million USD, by 24% more if compared to the previous year. At the same time the imports of agricultural commodities rose by a mere 5% approximately to 2 524,1 million USD As a result, the positive trade balance in country's agrarian trade rose by nearly two and half times up to 939,5 million USD

Table III.2. Foreign trade in agrarian commodities for the period 2007- 2010, thousand USD

Year	2007	2008	2009	2010*	Change 2010/2009		
i eai	2001	2000	2003	2010	in value	in %	
Exports, FOB	1 647 057	2 858 348	2 791 809	3 463 635	671 826	24,06	
Imports, CIF	1 801 412	2 639 083	2 406 006	2 524 140	118 134	4,91	
Balance	-154 355	219 265	385 803	939 495	553 692	143,52	
Exchange of merchandise	3 448 469	5 497 431	5 197 815	5 987 775	789 960	15,20	

Source: NSI

^{*} preliminary data

^{*} preliminary data

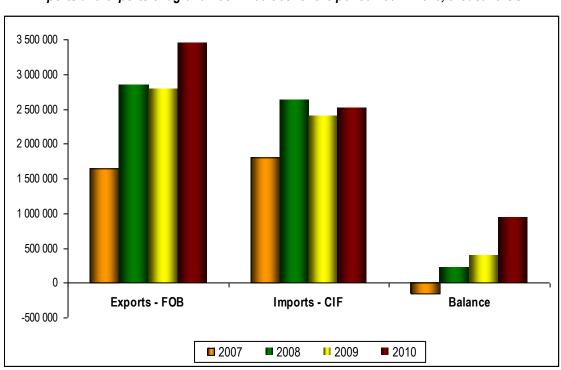


Figure III.1.

Imports and exports of agrarian commodities for the period 2007—2010, thousand USD

Source: NSI, preliminary data for 2010

2. Geographical distribution of foreign trade in agricultural commodities

Over the last few years was reported gradually reorientation of trade flows to the EU Member States at the account of third countries driven by the more advantageous economic conditions viewed the trade within the unified EU market.

Trade with EU

In 2010 the share of EU reached 72,5% of the total agrarian exports and 79,1% of the total agrarian imports of Bulgaria. The trade in agrarian commodities with EU Member States during that year reached USD 4 505,8 million, i.e. by 17,8% more in comparison with 2009, where the exports to the EU grew by 24,7%, while the imports from the EU grew by 10,2%. As a result, the positive balance in agrarian trade with EU rose by more than two and half times up to 514,1 million USD in 2010.

Table III.3.

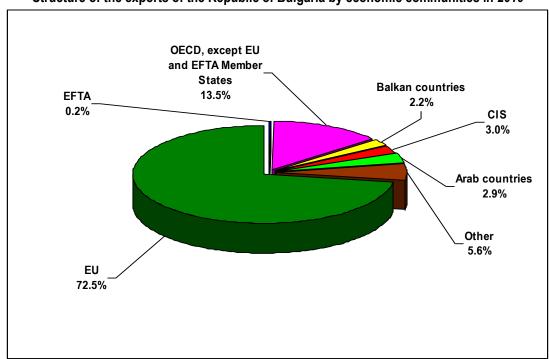
Imports and exports of agricultural commodities by economic communities, countries and regions in 2009 and 2010, million USD

7			2009			2010*				
	EXPORTS		IMPORTS		BALANCE	EXPORTS		IMPC	ORTS	BALANCE
Zones of trade	million USD	%	million USD	%	million USD	million USD	%	million USD	%	million USD
All countries, of which:	2 791,8	100,00	2 406,0	100,00	385,8	3 463,6	100,00	2 524,1	100,00	939,5
European Union	2 012,7	72,09	1 811,3	75,28	201,4	2 510,0	72,47	1 995,8	79,07	514,1
EFTA*	8,4	0,30	5,0	0,21	3,4	7,7	0,22	6,2	0,24	1,6

OECD**, except EU and EFTA Member States	337,3	12,08	202,3	8,41	135,0	468,8	13,54	135,2	5,36	333,6
Including USA	78,0	2,79	18,0	0,75	60,1	68,3	1,97	15,8	0,63	52,5
Balkan countries ***	96,1	3,44	117,8	4,90	-21,7	78,0	2,25	86,8	3,44	-8,8
CIS	88,2	3,16	20,9	0,87	67,3	103,9	3,00	22,8	0,90	81,0
Including Russia	59,0	2,11	2,8	0,12	56,2	61,7	1,78	4,9	0,19	56,8
Arab countries (League of Arab States)	103,9	3,72	27,0	1,12	76,9	102,1	2,95	18,6	0,74	83,5
Other	145,2	5,20	221,7	9,22	-76,5	193,1	5,58	258,7	10,25	-65,6

Source: NSI* preliminary data

Figure III.2. Structure of the exports of the Republic of Bulgaria by economic communities in 2010



Source: NSI, preliminary data

^{*}Including Iceland, The Duchy of Liechtenstein, Kingdom of Norway and Switzerland
**Including Australia, Canada, New Zealand, USA, Turkey, Japan, The Republic of Korea and Mexico
***Including Albania, Bosnia and Herzegovina, FYROM, Croatia and Serbia and Montenegro

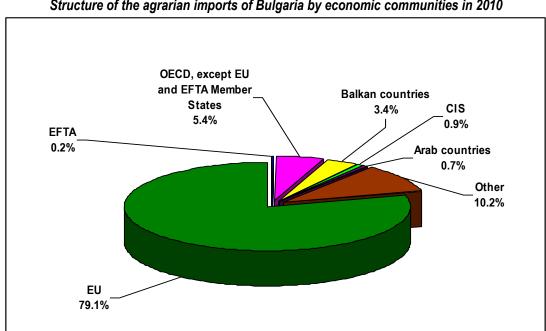


Figure III.3.

Structure of the agrarian imports of Bulgaria by economic communities in 2010

Source: NSI, preliminary data

Bulgaria's top trade partners among EU Member States in the trade in agricultural commodities in 2010 were Greece, Romania, Germany and Netherlands.

Table III.4.

Trade of Bulgaria with agrarian commodities with the EU Member States in 2009 and 2010

			2009			2010*				
Country	EXPOR	EXPORTS IMPO			BALANCE	EXPORTS		IMPORTS		BALANCE
Country	thousand USD	%	thousand USD	%	thousand USD	thousand USD	%	thousand USD	%	thousand USD
Austria	28 605	1,4	89 510	4,9	-60 905	43 977	1,8	71 153	3,6	-27 176
Belgium	119 647	5,9	50 589	2,8	69 058	167 083	6,7	55 586	2,8	111 496
Denmark	4 573	0,2	34 342	1,9	-29 768	7 680	0,3	27 973	1,4	-20 293
Finland	8 524	0,4	819	0,0	7 705	7 065	0,3	1 135	0,1	5 930
France	116 642	5,8	85 154	4,7	31 488	157 630	6,3	108 800	5,5	48 830
Germany	170 621	8,5	229 032	12,6	-58 412	193 981	7,7	232 754	11,7	-38 774
Greece	378 459	18,8	289 412	16,0	89 047	415 810	16,6	367 538	18,4	48 272
Ireland	28	0,0	15 502	0,9	-15 473	106	0,0	13 298	0,7	-13 192
Italy	110 694	5,5	101 294	5,6	9 400	162 642	6,5	99 452	5,0	63 191
Luxemburg	206	0,0	367	0,0	-162	207	0,0	124	0,0	83
Netherlands	110 218	5,5	187 339	10,3	-77 122	90 350	3,6	193 587	9,7	-103 237
Portugal	43 864	2,2	1 989	0,1	41 875	42 695	1,7	2 318	0,1	40 377
Spain	266 193	13,2	109 428	6,0	156 765	224 151	8,9	87 789	4,4	136 362
Sweden	10 836	0,5	7 828	0,4	3 007	13 545	0,5	6 548	0,3	6 997

Total	2 012 706	100	1 811 337	100	201 370	2 509 976	100	1 995 842	100	514 134
Romania	447 621	22,2	263 615	14,6	184 007	749 271	29,9	347 364	17,4	401 907
Malta	1 671	0,1	0	0,0	1 671	2 064	0,1	884	0,0	1 181
Cyprus	22 400	1,1	16 944	0,9	5 456	30 106	1,2	12 879	0,6	17 226
Estonia	409	0,0	1 986	0,1	-1 578	287	0,0	2 201	0,1	-1 914
Latvia	3 115	0,2	460	0,0	2 655	2 944	0,1	700	0,0	2 244
Lithuania	7 025	0,3	10 532	0,6	-3 507	9 073	0,4	8 300	0,4	774
Slovenia	4 830	0,2	16 880	0,9	-12 050	4 300	0,2	16 665	0,8	-12 366
Slovakia	18 376	0,9	21 364	1,2	-2 989	12 269	0,5	31 663	1,6	-19 394
Poland	60 841	3,0	125 300	6,9	-64 459	62 200	2,5	140 279	7,0	-78 079
Hungary	22 997	1,1	101 826	5,6	-78 829	42 778	1,7	109 812	5,5	-67 034
Czech Republic	18 980	0,9	21 944	1,2	-2 964	23 281	0,9	32 345	1,6	-9 064
United Kingdom	35 332	1,8	27 879	1,5	7 454	44 481	1,8	24 696	1,2	19 785

Source: NSI * preliminary data

Trade in agrarian commodities with the Member States of the Organisation for economic Cooperation and Development (OECD)

Over the last three years, Bulgaria has formed positive agrarian trade balance with the OECD Member States, and in 2010 this balance grew to USD 333 579,5 thousand.

According to the data provided by NSI, in 2010 the exports of agricultural commodities from Bulgaria to the OECD Member States made 13,5% of the total agrarian Exports, while the imports from OECD made 5,4% of the total, 12,1% and 8,4%, respectively, in 2009.

Trade with Balkan countries

The agrarian trade among the nations from the Balkan region preserves its significance in for Bulgaria prompted by their geographical vicinity. As a whole, Bulgaria has formed a positive trade balance with the Balkan countries, and in 2010 this reached USD 681,8 million, more than the double compared to the previous year. The 2010 exchange of merchandise was also on the rise and reached USD 2 533 ,3 million. Bulgaria's most active trade partners among the Balkan countries, with whom our country has also formed positive trade balance were again Romania, Turkey, Greece, Albania and Croatia. Negative trade balance was recorded in trade with Serbia and Slovenia.

Table III.5.

Trade in agrarian commodities with the countries from the Balkan region in 2009 and 2010, thousand USD

Country		2009		2010*			
	EXPORTS	IMPORTS	BALANCE	EXPORTS	IMPORTS	BALANCE	
Turkey	217 935	172 259	45 676	311 726	107 399	204 327	
Greece	378 459	289 412	89 047	415 810	367 538	48 272	
FYROM	32 049	44 124	-12 075	46 365	44 090	2 275	
Romania	447 621	263 615	184 007	749 271	347 364	401 907	
Serbia	18 457	47 545	-29 088	17 618	37 233	-19 615	
Montenegro	6 663	0	6 663	8 806	17	8 789	
Slovenia	4 830	16 880	-12 050	4 300	16 665	-12 366	

Albania	38 863	549	38 314	30 221	1 595	28 625
Bosnia and Herzegovina	6 906	36	6 869	6 475	71	6 404
Croatia	14 858	3 835	11 023	16 953	3 773	13 180
TOTAL	1 166 641	838 256	328 385	1 607 545	925 745	681 800

Source: NSI
* preliminary data

Trade with the countries from the European Free Trade Association (EFTA)

Bulgaria's foreign trade in agrarian commodities of with the EFTA Member States continued to be active and in 2010 there was a USD 534 thousand increase in the exchange of merchandise up to USD 13,9 million. Bulgaria's main EFTA partners remained Switzerland and Norway.

Trade with the Commonwealth of Independent States (CIS)

In 2010 the exchange of merchandise of agricultural commodities with CIS countries grew by 16% if compared to 2009 reaching USD 126,7 million. The balance there was also on the rise reaching USD 81 million in 2010.

Trade with Arab countries

Unlike the trend established over the last years toward a continuous increase in the volumes of trade in agrarian commodities between Bulgaria and the Arab countries, in 2010 the exchange of merchandise with these countries went down by nearly 8% in comparison with 2009 down to USD 120,7 million. At the same time, Bulgaria's positive trade balance grew by 8,6% up to USD 83,5 million.

3. Structure of exports and imports by groups of commodities

Exports

The main groups of commodities constituting the structure of the agrarian exports in 2010 by chapters of the Common Customs Tariff were:

Section I - Live animals and products of animal origin

The exports of Live animals and products of animal origin in 2010 took a relative share of 12,77% of the total agrarian exports. The largest relative share of the total exports was occupied by meats and offal suitable for human consumption: 6,01% and milk and dairy products: 4,54%.

The trade balance as regards trade in Live animals and products of animal origin in 2010 was negative, amounting to USD 238 055 thousand.

Section II - Plants and products of vegetable origin

In 2010 the exports of Plants and products of vegetable origin made 46,80% of the total exports of agricultural production. The largest relative share belonged to the cereals: 20,9% (wheat, barley, maize), followed by oleaginous seeds and fruits with 17,94%.

Under Section II the 2010 trade balance was positive and amounted to USD 1 094 228 thousand.

Section III - Fats and oils of animal and vegetable origin

Fats and oils of animal and vegetable origin occupied 4,08% of the total exports of agricultural commodities in 2010. The trade balance during that year was positive and amounted to USD 5 392 thousand.

Section IV - Products of the food industry, soft drinks and alcoholic drinks and types of vinegar, tobaccos and cultivated substitutes to tobacco

The exports of processed products showed a 16,17% increment vs. the previous year and in 2010 took a 36,35% share in the structure of the agricultural exports. The biggest relative share was occupied by the exports of tobacco and cultivated substitutes to tobacco: 10,52% of the total agricultural exports. In 2010 exports of tobaccos experienced a downturn by 5,07% if compared to 2009.

Unlike the previous year when the registered trade balance in the products under section IV was negative (-36 598 thousand USD), 2010 trade in these products rose to a USD 77 930 thousand positive trade balance.

Imports

Section I – Live animals and products of animal origin

In 2010 the imports of these products occupied 26,96% of the total agricultural imports. The largest relative share of the total agrarian imports was occupied meats and offal suitable for human consumption: 15,5%. A 8,16% increase in the volume of imported commodities under section I was registered vs. 2009.

Section II - Plants and products of vegetable origin

The imports of plants and products of vegetable origin in 2010 occupied 20,86% of the total imports of agricultural products. The biggest relative share of the overall imports was occupied by fruits and vegetables, 4,72% and 4,27%,respectively.

Section III – Fats and oils of animal and vegetable origin

In 2010 the imports of fats and oils of animal and vegetable origin occupied 5,39% of the total agrarian imports. The registered imports of the commodities under Section III rose by 21,17% if compared to the previous year.

Section IV – Products of the food industry, soft drinks and alcoholic drinks and types of vinegar, tobaccos and cultivated substitutes to tobacco

Processed products under Section IV occupied a share of 46,79% in the structure of the agrarian imports of the country in 2010. In value terms, the imports of processed commodities rose by 5,41% if compared to the previous year. The most significant increase of the imports was registered in items such as sugar and sugar products – by 37,3% and cocoa and products of cocoa – by 29,2%.

Table III.6.
Structure of Bulgaria's foreign trade in agrarian commodities in 2009 and 2010

				EXPORTS-FO	В				IMPORTS-CI	F		BALANCE	BALANCE
		2	2009	2	2010	2010/2009	2	2009	2	2010	2010/2009	2009	2010
Code	Chapters	thousand USD	share of the total Exports of agrarian commodities in %	thousand USD	share of the total Exports of agrarian commodities in %	%	thousand USD	share of the total imports of agrarian commodities in %	thousand USD	share of the total imports of agrarian commodities in %	%	thousand USD	thousand USD
	а	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL:	16 238 713		20 162 302		124.16	23 354 216		25 278 061		108.24	-7 115 503	-5 115 759
	Including agrarian commodities:	2 791 809	100	3 463 635	100	124.06	2 406 006	100	2 524 140	100.00	104.91	385 803	939 494
	SECTIONI	356 607	12.77	442 478	12.77	124.08	629 176	26.15	680 533	26.96	108.16	-272 569	-238 055
1	Live animals	29 692	1.06	45 915	1.33	154.64	38 859	1.62	46 605	1.85	119.93	-9 167	-690
2	Meat and edible meat offal	167 439	6.00	208 203	6.01	124.35	395 129	16.42	391 201	15.50	99.01	-227 690	-182 998
3	Fish and edible crustaceans, molluscs and other aquatic invertebrates	17 125	0.61	26 491	0.76	154.69	49 174	2.04	52 825	2.09	107.42	-32 049	-26 334
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	138 569	4.96	157 330	4.54	113.54	126 887	5.27	174 122	6.90	137.23	11 682	-16 791
5	Other edible products of animal origin, not elsewhere specified or included	3 781	0.14	4 539	0.13	120.05	19 127	0.79	15 781	0.63	82.51	-15 346	-11 242
	SECTIONII	1 239 041	44.38	1 620 864	46.80	130.82	544 278	22.62	526 636	20.86	96.76	694 763	1 094 228
6	Live trees and other plants; bulbs, roots and the like; cut flowers and	3 974	0.14	6 757	0.20	170.05	19 511	0.81	19 144	0.76	98.12	-15 537	-12 387

	ornamental foliage												
7	Edible vegetables and certain roots and tubers	93 740	3.36	81 555	2.35	87.00	151 485	6.30	107 816	4.27	71.17	-57 745	-26 261
8	edible fruit and nuts; peel of citrus fruit or melons	62 826	2.25	77 170	2.23	122.83	110 591	4.60	119 083	4.72	107.68	-47 765	-41 913
9	Coffee, tea, maté and spices	52 031	1.86	53 946	1.56	103.68	89 081	3.70	94 321	3.74	105.88	-37 050	-40 375
10	Cereals	489 962	17.55	724 651	20.92	147.90	72 072	3.00	72 256	2.86	100.26	417 889	652 395
11	Products of the milling industry; malt; starches; inulin; wheat gluten	43 238	1.55	54 244	1.57	125.46	23 134	0.96	18 771	0.74	81.14	20 104	35 473
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	490 704	17.58	621 302	17.94	126.61	66 617	2.77	88 373	3.50	132.66	424 087	532 929
13	Lac; gums, resins and other vegetable saps and extracts	2 463	0.09	458	0.01	18.59	11 474	0.48	6 490	0.26	56.56	-9 011	-6 032
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	104	0.00	780	0.02	748.21	313	0.01	382	0.02	121.73	-209	399
	SECTIONIII	112 400	4.03	141 339	4.08	125.75	112 193	4.66	135 947	5.39	121.17	207	5 392
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	112 400	4.03	141 339	4.08	125.75	112 193	4.66	135 947	5.39	121.17	207	5 392
	SECTIONIV	1 083 761	38.82	1 258 954	36.35	116.17	1 120 360	46.57	1 181 024	46.79	105.41	-36 598	77 930
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	23 420	0.84	24 580	0.71	104.95	34 051	1.42	38 904	1.54	114.25	-10 631	-14 324

17	Sugars and sugar confectionery	117 160	4.20	174 808	5.05	149.20	162 484	6.75	223 095	8.84	137.30	-45 323	-48 286
18	Cocoa and cocoa preparations	22 694	0.81	72 316	2.09	318.66	105 446	4.38	136 259	5.40	129.22	-82 752	-63 944
19	Preparations of cereals, flour, starch or milk; pastry cooks' products	160 437	5.75	184 348	5.32	114.90	90 184	3.75	95 188	3.77	105.55	70 253	89 160
20	Preparations of vegetables, fruit, nuts or other parts of plants	118 200	4.23	138 481	4.00	117.16	135 773	5.64	111 270	4.41	81.95	-17 574	27 211
21	Miscellaneous edible preparations	48 844	1.75	48 071	1.39	98.42	145 619	6.05	136 504	5.41	93.74	-96 775	-88 434
22	Beverages, spirits and vinegar	111 694	4.00	126 325	3.65	113.10	135 183	5.62	137 764	5.46	101.91	-23 489	-11 439
23	Residues and waste from the food industries; prepared animal fodder	97 501	3.49	125 682	3.63	128.90	110 917	4.61	106 159	4.21	95.71	-13 416	19 524
24	Tobacco and manufactured tobacco substitutes	383 812	13.75	364 343	10.52	94.93	200 703	8.34	195 881	7.76	97.60	183 108	168 462

Source: NSI. Preliminary data for 2010

Leading places in Bulgaria's export list in 2010 occupy the following products:

Table III.7.

Leading agricultural commodities in the exports of Bulgaria in 2010

(tonnes)	Value (USD)	total agrarian Exports in %
2 293 122,3	448 664 740	12,95
579 660,6	337 456 862	9,74
531 680,3	221 277 968	6,39
40 391,5	194 525 890	5,62
13 338,2	167 331 715	4,83
60 812,9	167 089 917	4,82
650 565,8	162 337 759	4,69
139 487,9	106 853 387	3,09
45 659,8	158 978 304	4,59
98 408,2	103 358 256	2,98
483 866,7	76 612 502	2,21
23 130,5	75 067 948	2,17
31 692,9	67 255 317	1,94
50 588,3	63 328 831	1,83
14 935,9	63 104 680	1,82
	579 660,6 531 680,3 40 391,5 13 338,2 60 812,9 650 565,8 139 487,9 45 659,8 98 408,2 483 866,7 23 130,5 31 692,9 50 588,3	579 660,6 337 456 862 531 680,3 221 277 968 40 391,5 194 525 890 13 338,2 167 331 715 60 812,9 167 089 917 650 565,8 162 337 759 139 487,9 106 853 387 45 659,8 158 978 304 98 408,2 103 358 256 483 866,7 76 612 502 23 130,5 75 067 948 31 692,9 67 255 317 50 588,3 63 328 831

Source: NSI,preliminary data

Leading agricultural commodities in the case of the imports to Bulgaria in 2010 were:

Table III.8.

Leading agricultural commodities in the case of the imports to Bulgaria in 2010

Name of product	Quantity (tonnes)	Value (USD)	Relative share of the total agrarian imports in %
Meat of swine, fresh, chilled or frozen	94 793,0	202 494 660	8,02
Cane or beet sugar and chemically pure sucrose, in solid form	311 456,2	196 647 201	7,79
Unmanufactured tobacco; tobacco refuse	26 653,6	128 339 164	5,08
Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen	81 298,4	113 093 827	4,48
Chocolate and other food preparations containing cocoa	20 352,3	84 786 743	3,36
Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	27 258,4	80 166 105	3,18
Milk and cream, concentrated or containing added sugar or other sweetening matter	35 610,1	73 723 856	2,92
Food preparations, not elsewhere specified or included	18 714,3	72 586 492	2,88
Indentured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol.; spirits, liqueurs and other spirituous beverages	10 346,0	63 454 614	2,51
Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	4 062,8	61 433 621	2,43
Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products	23 713,0	61 404 361	2,43
Preparations of a kind used in animal feeding	41 854,3	51 321 764	2,03
Water, including mineral water and carbonated water, sweetened with sugar or other sweeteners or flavoured, other soft drinks, except fruit and vegetable juices under heading 2009	58 302,0	43 551 311	1,73
Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soybean oil	101 478,1	43 094 208	1,71
Maize	116 907,4	36 292 919	1,44

Source: NSI, preliminary data

IV. ASSISTANCE TO THE AGRARIAN SECTOR

1.Pre-accession SAPARD Programme

In 2010, under the SAPARD Programme four projects were paid amounting to a total of BGN 3 547 165, with financing from the State Fund "Agriculture", Paying Agency. By 01.01.2011, due to current inspections carried out by the competent authorities, a subsidy for 25 projects under the Programme was not disbursed amounting to a total of BGN 20 859 923.

By the month of June 2011, out of a total of 28 projects, on which by the end of 2009, no decision on disbursement or refusal of financial aid was taken as those were being inspected at the time, 8 projects were disbursed, while the others are being audited.

Under measure 11 "Development of agricultural activities aimed at environment protection", whose implementation deadline will be the end of 2012, for the third agro-ecological year (2009—2010) 97 applications for payments were accepted, processed and checked. In June 2011 under 94 projects compensation assistance amounting to a total of BGN 861 509,44 was disbursed.

Over the period September—December 2011, acceptance, processing and disbursement of subsidy were made under measure 1.3 for the fourth agro-ecological year, amounting to BGN 1 359 435.

The improved resources for the fifth agro-ecological year, for which the acceptance, the processing and the disbursement of the application forms were to be made in 2012, amounting to BGN 1 506 741.

2. Implementation of EU's Common Agricultural Policy (CAP)

2.1. Assistance under the first pillar of CAP

2.1.1. Direct payments, national additional payments and specific assistance according to the provisions of Art. 68 Regulation (EC) no.73/2009

Direct payments largely compensate the lower profitability of agriculture if compared to the other sectors of economic activity. The income from agricultural activity is both low and uncertain in view of the growing prices on fuels, electric power, fertilisers and seeds. The main result from the provision of direct payments is guaranteeing food independence and avoiding bankruptcies and massive withdrawal of producers from agricultural activity. Alongside with this, the funding for direct assistance will serve for financing of operative expenditure and on investments in the farms. This function of direct payments is of particular importance to Bulgarian agricultural producers as they usually have quite limited access to financial resources. Direct payments in Bulgaria are distributed by Single Area Payment Scheme (SAPS) and are provided from the EU budget. the European legislation provides for a certain degree of flexibility of the EU Member States to allocate up to 3,5% from the ceiling for direct payments and to provide it in the form of specific assistance to certain areas that are economically vulnerable and/or sensible from environmental point of view.

In the first years after Bulgaria's accession to the EU the agricultural producers received only part of the assistance by direct payments provided to the old Member States. In 2011 the Bulgarian farmers will receive 50% of the assistance applicable to the old Member States, in 2012: 60%,in 2013: 70% and only after passing through the full period of gradual increase of payments in 2016 they will receive 100 %. This is a transitional period passed through by all newly accessed Member States.

The new Member States applying SAPS may provide to their local agricultural producers national additional payments to be financed from their national budgets to compensate the lower initial amounts of direct payments vs. that applicable in EU-15. According to Regulation no. 73/2009 establishing common rules for direct support schemes for farmers under the common agricultural policy

and establishing certain support schemes for farmers, as of 2010 Bulgaria may supplement the direct payments with additional payments from its national budget up to 50% of the level of EU-15. This is how the agricultural producers may receive direct support close to the amount of the assistance applicable in the old Member States by 30.04.2004.

For the period 01.01.2010—31.12.2010 under the direct payments scheme subsidies were disbursed amounting to BGN 464 839 611. Starting from the date of Bulgaria's accession to the EU and until 31.12.2010 the direct payments provided to farmers were as high as BGN 2 095 457 466.

Table IV.1.

Disbursed funds for direct payments for the period 01.01.2010—31.12.2010, BGN

Direct payments with funds from the European Agricultural Guidance and Guarantee Fund (EAGGF)

Area of focus/Measure	Payments disbursed
Single Area Payment Scheme - new Member States - calendar year 2007	- 39 429,55
Single Area Payment Scheme - calendar year 2008	263 620,29
Single Area Payment Scheme - calendar year 2009	133 814 792,48
Assistance - energy crops - calendar year 2008	272 834,75
Assistance - energy crops - calendar year 2009	38 124,67
Transitional payments for soft fruits - calendar year 2008	922,16
Transitional payments for soft fruits - calendar year 2009	101 038,45
Specific assistance - calendar year 2010	19 918 904,54
Total Direct payments with funds from EAGGF	154 370 807,79

Direct payments with funds from European Agricultural Fund for Rural Development (EAFRD) and the National Budget (NB)

Area of focus/Measure	Payments disbursed
Payments for natural handicaps to farmers in mountain areas	34 658 444,37
Payments to farmers in regions with handicaps, other than mountain areas	8 902 895,66
Agro-ecological payments	5 855 775,61
Additional payments to direct payments	65 388 551,34
Total Direct payments with funds from EAFRD and NB	114 805 666,98

National additional payments

Area of focus/Measure	Payments disbursed

Additional direct payments from the National Budget	137 551 841,84
National additional payments for animals 1	312 219,66
National additional payments for animals 2	64 443,53
National additional payments for animals 3	1 761 790,80
National additional payments for animals 1-2010	39 217 835,15
National additional payments for animals 3-2010	14 531 314,66
NAPCSCEP-2010	2 223 690,61
Total national additional payments	195 663 136,25

Source: State Fund "Agriculture", Paying Agency

Campaign '2010

For Campaign '2010 within the scope of direct payments the following schemes and measures for assistance were applied:

- Single Area Payment Scheme (SAPS);
- National additional payment scheme per hectare of agricultural land (NAAP);
- National additional payment scheme for cattle unentangled with production (NAPA1);
- National additional payment scheme for cows with sucking calves entangled with production (NAPCSCEP);
- National additional payment scheme for slaughter of cattle entangled with the production (NAPSCEP);
- National additional payment scheme for breeding ewes and breeding female goats entangled with the production (NAPA3);
- Scheme for maintenance of the production of cow milk in economically vulnerable farms entangled with production (NAPCSCM1);
- Scheme for maintenance of the production of cow milk in unfavoured regions entangled with production (NAPCSCM2);
- Scheme for maintenance of the production of cow milk in nitrate vulnerable zones entangled with production (NAPCSCM3);
- Scheme for assistance to producers of strawberries and raspberries intended for processing (SR);
- Payments for natural handicaps to farmers in mountain areas (HP1) measure 211 under the RDP 2007-2013;
- Payments to farmers in areas with handicaps, other than mountain areas (HP2) measure 212 under the RDP 2007-2013;
- Agro-ecological payments (AEP) measure 214 under the RDP 2007-2013.

The total number of application forms submitted under SAPS for Campaign '2010 was 91 763, by total declared area 3 555 489,88 hectares. The budget ceiling of the total sum of the payments under SAPS as laid down for Campaign '2010, according to the provisions of the applicable EU legislation, amounted to BGN 638 903 142. On the grounds of the budget ceiling, the amount of the universal rate per hectare was determined to be BGN 182,94 per hectare.

The number of farmers, who notified of their participation under NAAP amounted to 72 090 with total area 3 095 645,09 hectares. Under the SR scheme 272 farmers with total declared area of 1 188,49 hectares have notified of their participation. Under measure 211 under RDP (HP1) 29 031 application forms for an area of 305 498,6 hectares were submitted, while under measure 212 (HP2): 11 620 application forms for 203 579,03 hectares were submitted. The number of farmers, who notified of their participation under measure 214 (AEP) was 1 781.

For Campaign '2010 the producers of livestock-breeding production were provided with more opportunities for support to their activities by introducing five new schemes: national additional payments for cows with suckling calves and for slaughter (two schemes) and specific assistance for maintaining the production of cow milk in economically vulnerable farms, in nitrate vulnerable zones and in unfavoured regions (three schemes).

Table IV.2.

Disbursed funds under schemes for animals for Campaign '2010

Scheme	Submitted application forms (number)	Authorised application forms (number)	Authorised sum under scheme (BGN)	Rate (BGN)
NAPA 1	8 085	8 079	44 263 620,04	150,40
NAPA 3	6 014	5 996	17 263 146,64	28,33
NAPCSCEP	2 186	2 169	2 706 756,89	79,77
Total	16 285	16 244	64 233 523,57	

Source: State Fund "Agriculture", Paying Agency – The data is up-to-date by 24.10.2011

Table IV.3.

Disbursed funds under schemes for maintaining of the production of cow milk, Campaign '2010

Scheme	Submitted application forms (number)	Authorised application forms (number)	Authorised sum under scheme (BGN)	Rate (BGN)
NAPCSCM 1	3 303	3 293	10 406 105,63	200,11
NAPCSCM 2	1 221	1 218	5 849 402,12	240,13
NAPCSCM 3	395	394	4 156 930,10	180,11
Total	4 919	4 905	20 412 437,85	

Source: State Fund "Agriculture", Paying Agency - The data is up-to-date by 24.10.2011

The percentage ratio of the funds from the EU budget and from the National Budget to form the total financial resources for assistance is shown in the table below.

Table IV.4. Sources of financing under schemes and measures for assistance

Scheme/measure	Financing from EU, %	Financing from the National Budget, %
SAPS	100 - EAGGF	-
NAAP	-	100
SR	100 - EAGGF	-
NAPA1	-	100

NAPA3	-	100
NAPCSCEP	-	100
NAPSCEP	-	100
NAPCSCM 1	100 – EAGGF *	-
NAPCSCM 2	100 - EAGGF	-
NAPCSCM 3	100 - EAGGF	-
Measure 211 – HP1	82 – EAFRD **	18
Measure 212 – HP2	82 - EAFRD	18
Measure 214 – AEP	82 - EAFRD	18

Source: State Fund "Agriculture", Paying Agency

The authorisation under the schemes and the measures for direct payments in Campaign '2010 started in December 2010. By mid July 2011 the following sums were authorised under schemes and measures:

Table IV.5.

Authorised payments for Campaign '2010 by 24.10.2011*, BGN

Scheme	Number of application forms with authorised payments	Authorised payments		
SAPS	91 710	573 056 812,98		
NAAP	72 031	288 419 160,30		
SR	270	354 741,64		
NAPA1	8 079	44 263 620,04		
NAPA3	5 996	17 263 146,64		
NAPCSCEP	2 169	2 706 756,89		
NAPSCEP	114	225 376,69		
NAPCSCM1	3 293	10 406 105,63		
NAPCSCM2	1 218	5 849 402,12		
NAPCSCM3	394	4 156 930,10		
Measure 211 – HP1	28 308	30 358 896,95		
Measure 212 – HP2	11 300	8 280 311,38		
Measure 214 – AEP	1 438	11 197 031,91		
NAPT	30 132	69 246 785,81		

Source: State Fund "Agriculture", Paying Agency

The overall authorised sum for Campaign '2010 exceeded 1 billion BGN.

By mid 2011 there were still around 13 000 application forms under NAAP to be authorised, due to applicants' liabilities to the National Budget or absence of information for any such liabilities. By July 2011 the processing and the authorisation of application forms under measure 214 "Agro-ecological payments" continued. By the end of August 2011 were authorised the payments under the second tranche from the scheme for national additional payments for tobacco for Campaign '2010 amounting to BGN 35 000 000.

^{*} EAGGF - European Agricultural Guidance and Guarantee Fund

^{**} EAFRD - European Agricultural Fund for Rural Development

^{*}This reference covers the period 01.12.2010—24.10.2011

Campaign '2011

In June 2011 finished the application forms acceptance campaignfor Assistance for Campaign '2011, the authorisation of which would start that December.

Table IV.6.
Input data for Campaign 2011 under Single Area Payment Schemes

Scheme	Number application forms	Declared area, hectares
SAPS	87 813	3 557 479,5
NAAP	68 460	3 162 055,72
NAPA 1	29 221	297 279,76
NAPA 2	11 496	209 575,93
AEP	1 526	68 472,5
SR	232	1 051,56
NAPT	3 432	
Natura 2000	2 428	79 412,3

Source: State Fund "Agriculture", Paying Agency

Two more new schemes for livestock breeding within Campaign '2011 were notified: specific support for breeding ewew and breeding female goats in economically vulnerable municipalities in South Bulgaria (NAPA 4) and in unfavoured regions of the country (NAPA5) for the period 2011-2013. (EU financing amounting to BGN 14 794 101). Moreover, an alteration to the scope of the scheme for unentangled assistance with national additional payments for bovine cattle including assistance for buffaloes was made.

Table IV.7.
Input data for Campaign 2011 under schemes for animals

Scheme	Number of application forms	Number of animals		
NAPA 1 (buffaloes)	85	3 917		
NAPA 1 (cattle)	8 033	304 039		
NAPA 3	5 829	6 181		
NAPA 4	809	19 193		
NAPA 5	1 326	27 478		
NAPCSCEP	2 430	49 185		
NAPCSCM1	3 467	72 128		
NAPCSCM2	1 483	40 202		
NAPCSCM3	443	50 045		

Source: State Fund "Agriculture", Paying Agency

Table IV.8.
Funds from the EU budget for Direct payments and specific assistance according to the provisions of Art. 68 Regulation (EC) no.73/2009 for agriculture in Bulgaria for the period 2011-2013, BGN

Scheme 201 ²	2012	2013
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SAPS	782 388 453	938 786 631	1 096 737 039
Specific assistance according to the provisions of Art. 68 Regulation (EC) no.73/2009	37 797 116	37 797 116	37 797 116

Table IV.9.

Projected funds needed to be allocated by the National Budget for the schemes for National additional payments to direct payments (NAPDP) for the period2011-2013, BGN

Scheme	2011	2012	2013
NAPDP per hectare	293 374 500	293 374 500	254 000 000
NAPDP for tobacco (unentangled scheme)	70 000 000	55 000 000	40 000 000
NAPDP for animals	79 000 000	81 000 000	76 000 000
Total	442 374 500	429 374 500	370 000 000

Source: Ministry of Agriculture and Food

2.1.2. Mechanisms for market assistance by sectors

In relation to the application of the agricultural market mechanisms, the overall amount of the provided assistance in 2010 amounted to BGN 52 913 570,38, including BGN 41 551 997,37 from EAGGF and BGN 11 361 573,01 from the National Budget.

2.1.2.1. Sector 'Green crops'

Intervention on the grain market

The intervention is one of the main tools to regulate the agricultural markets to provide a minimum level of assistance to incomes of agricultural producers of common wheat, durum wheat, barley, maize, sorghum and paddy. The application of intervention procedures follows the financial assistance rules under the EU Common Agricultural Policy.

2009/2010 market year

Under scheme "The purchase of cereal crops" for the market year 2009/2010 came in total 92 offers for intervention the purchase, of which 73 for 129 569,17 tonnes barley and 19 for 71 150 tonnes common wheat. Out of the offers submitted were withdrawn 41 (23 for barley and 18 for wheat), 5 were rejected after an analysis of the documents and 9 were rejected after a more thorough analysis was carried out.

42 100,563 tonnes of barley and 3 586,563 tonnes of common wheat were purchased. Offerers were disbursed a total sum amounting to BGN 11 321 852.

Under scheme "Storage of cereal crops" for the 2009/2010 market year, two bids were made to select warehouse facilities for storage of all quantities purchased as a result of the intervention in the period 01.09—30.09.2009 common wheat, barley and sorghum. were concluded contracts with 29 warehouses with total storage capacity equal to 136 000 tonnes. Due to the low interest on the part of warehouse-keepers, only two contracts were concluded in South Bulgaria.

Monthly payments were made to warehouse-keepers for acceptance and storage of wheat and barley purchased after intervention, amounting to a total of BGN 852 650,40.

2010/2011 market year

On 01.11.2010, a standing notice was published for the purchase of 3 million tonnes of common wheat within the Community, for 2010/2011 market year. Due to significantly higher market prices on wheat in comparison with the intervention price, within the period for acceptance of documents there were no offers submitted.

For the 2010/2011 market year one notice was published for selection warehouses for storage intervention grain purchased. Contracts were concluded for storage of intervention grain with 4 warehouses, with total storage capacity equal to 19 300 tonnes, however due to absence of offers submitted for the purchase of grain, payments under those contracts were never made.

Until August 2011 the storage continued of purchased over the 2009/2010 economic year 42 100,500 tonnes of barley and 3 586,500 tonnes of common wheat, for which 12 payments to 8 warehouses were authorised on a monthly basis.

The whole quantity of intervention stocks stored in Bulgaria was provided for the purposes of the implementation of Charity Operations Programme, plan 2011.

By October 2011 the grain was withdrawn from the intervention stocks and wastage was considered. The contracts on storage with all warehouse-keepers were completed and the final remunerations were authorised thereto. A total sum of BGN 1 178 994,97 for storage and weighing of the grain until October 2011 was paid.

In October the acceptance was opened for listing of public warehouses and registered granaries for storage of intervention grain for the 2011/2012 market year on the basis of prices determined by the EC for storage, the State Fund "Agriculture", Paying Agency made out a proposal to reduce by 0,60 BGN/tonne the prices entering the lots, whether physically moving them or not, and, therefore, that was the way how to compensate the expenditure on examining of the lots in terms of an eventual intervention.

Charity Operations Programme: Assistance to people in need within the Community

The distribution of foods from intervention stocks for the poorest people within the Community was one of market measures to be applied in a large number of Member States. the Programme is financed by the EAGGF and aims to support, by giving out free foods, the people who are in critical need, and to realise unused intervention stocks from agricultural products. Bulgaria declared to the European Commission its will to apply this measure as early as over the first year of its EU membership, which fully corresponded to the kind of social policy the country applied.

In 2010 the implementation of the programme "Charity Operations - Plan 2009" was completed. In January, two applications were disbursed for administrative and transport expenses made by the Bulgarian Red Cross for the third tranche of giving away. Funds were disbursed amounting to a total of BGN 150 980 (VAT excluded).

Plan 2010

For plan 2010 under the Charity Operations Programme, according to Regulation (EC) 1111/2009, Bulgaria was granted BGN 16 753 054 allocated as listed below:

- 1 724 tonnes sugar from Italy;
- 3 013 tonnes of soft wheat from the intervention stocks of Bulgaria,
- 44 239 tonnes of cereal crops from Hungary;
- 6 852 tonnes of cereal crops from Austria;

- BGN 4 068 447 For the purposes of purchase of cereal crops.

A public procurement order for supply of the foodstuffs to the warehouses of the Bulgarian Red Cross. Six contracts were concluded on supplies of flour, rice, sugar, macaroni, spaghetti and common biscuits.

The partner of the State Fund "Agriculture", Paying Agency in the implementation of the 2010 Plan was the Bulgarian Red Cross, which made the final distribution of foods to economically disadvantaged persons using previously approved lists. The persons eligible for such foodstuffs were economically disadvantaged persons who meet the criteria for receiving energy aids for 2009/2010 heating season.

As regards the implementation of Charity Operations - Plan 2010 Programme to the warehouses of the Bulgarian Red Cross three supplies of agreed foodstuffs were made: 1 900 000 kg of flour, 987 000 kg of sugar, 4 536 000 kg of rice, 1 061 000 kg spaghetti, 1 234 000 kg couscous and 285 000 kg of common biscuits. Three foodstuff giving out tranches were made involving 258 000 eligible economically disadvantaged people. The residual foodstuffs from institutional beneficiaries were also distributed. Therefore, under Plan 2010, foodstuffs worth a total of BGN 15 879 527 were distributed.

Once all supplies to the BRC warehouses was concluded, in November and December 2010 transport expenditure made by the carriers were disbursed amounting to a total of BGN 158 795,27, VAT excluded. Warranties were freed under contracts with operators amounting to a total of BGN 17 666 588.

The Bulgarian Red Cross administrative expenses made were disbursed amounting to BGN 1% of the value of the distributed products, and so were 3,5% of transport expenses made. The funds were paid from the National Budget and were disbursed by the European Commission, excluding the value of VAT paid, which remains at the account of the National Budget.

Plan 2011

The budget granted to Bulgaria for the implementation of Plan 2011 amounted to BGN 21 597 586, i.e. by 28,91% more than in the previous year. The partner to the State Fund "Agriculture", Paying Agency in the implementation of the plan was once more the Bulgarian Red Cross.

A public procurement order for selection of suppliers of flour, rice, spaghetti, wafers, semolina, vine leaves rolls and farina. In 2011 there were around 205 000 economically disadvantaged people eligible for the foodstuffs under the Programme, according to the lists provided by the Social Assistance Agency.

Contracts were concluded on supplies of products against provision of:

- 7 398,410 tonnes of intervention barley from Slovakia, at total intervention value of BGN 1 465 936,48 (VAT excluded), for supply of 2 415 tonnes of flour type 500 (or equivalent) to the warehouses of the Bulgarian Red Cross;
- 19 966,323 tonnes of intervention barley from Slovakia, at total intervention value of BGN 3 956 169,13 (VAT excluded), for supply of 3 760 tonnes of 1st quality rice;
- 9 302,378 tonnes of intervention barley from Slovakia, at total intervention value of BGN 1 843 192,69 (VAT excluded), for supply of 1 116 tonnes of spaghetti;
- 17 462, tonnes of intervention barley from Slovakia, at total intervention value of BGN 3 460 153,28 (VAT excluded), for supply of 1 057 tonnes of common wafers;
- 3 500,900 tonnes of intervention barley from Slovakia, at total intervention value of BGN 693 675,67 (VAT excluded), for supply of 915 tonnes of wheat semolina;

- 3 586,5 tonnesof of intervention wheat from Bulgaria and 36 772,100 tonnes intervention barley from Bulgaria, at total intervention value of BGN 7 996 737,68 (VAT excluded), for supply of 3 000 tonnes of vegetarian vine leaves rolls;
- 5 328,4 tonnes of intervention barley from Bulgaria, at total intervention value of BGN 1 055 780,35 (VAT excluded), for of 303 tonnes of maize farina.

The implementation of the contracts was secured by bank guarantees amounting to a total of BGN 30 931 157.44.

By October 2011 the whole quantity of grain provided by Bulgaria for the purposes of the implementation of the charity plan by Slovakia and Bulgaria totalling at 103 318 tonnes was fully transferred to operators' ownership. The funds disbursed by Bulgaria came to BGN 20 471 645,28 (VAT excluded).

For the purposes of the application of Plan 2011 to the warehouses of the Bulgarian Red Cross three supplies of agreed products – rice, spaghetti, wafers, semolina, vine leaves rolls and farina – will be made. Giving out of foods from the first tranche was carried out within the period 11.07—29.07.2011 according to a preliminary schedule worked out for each district. Within the first tranche, each beneficiary will receive 6 kinds of foods (5 kg of rice, 1,5 kg of spaghetti, 1,5 kg of common wafers, 1 kg of wheat semolina, 1,7 kg of vegetarian vine leaves rolls and 0,420 kg of maize farina).

Given the large interest to the programme, measures were taken to enlarge the scope of beneficiaries. After the amendment to Ordinance no. 18/2007 on the terms and conditions for distribution of foods from intervention stocks amongst economically disadvantaged people was promulgated, the second tranche additionally included two more groups of beneficiaries - mothers/adoptive mothers that are beneficiaries for raising a child under 1 year of age, and families receiving benefits for raising children with disparities. Therefore, the number of people who would be assisted in 2011 under this programme would exceed the number of 260 000.

As regards the second and the third tranches, the above list of foods was supplemented by flour. The second tranche of giving out foods covers the period 15.08—02.09.2011, and the third: 01.11.2011—22.11.2011. The total quantity foods to be provided amounts to 12 566 tonnes to be distributed in 342 points nationwide. Once the programme has concluded, all products that failed to be given out will also be provided according to a list to be approved by the State Fund "Agriculture", Paying Agency to social and health institutions nationwide.

To the end of 2011, transport expenses are to be paid to the suppliers amounting to a total of BGN 204 716,46 (VAT excluded), all owed by the Bulgarian Red Cross administrative expenses worth BGN 204 716,46 (VAT excluded) and transport expenditure worth a total of BGN 716 507,58 (VAT excluded).

Further to the implementation of the European Commission 2012 Annual Plan, the only applicant was the charity organisation Bulgarian Red Cross, which has already submitted and application for participation in the programme for Plan 2012. According to Regulation (EU) 562/2011 on Plan 2012, Bulgaria's budget is BGN 8 182 819 to be allocated on:

- 33 988,763 tonnes of cereal crops from Finland;
- 5 156,000 tonnes of cereal crops from the United Kingdom;

Contacts have been established and relevant payment agencies in both Finland and UK were contacted on the matters concerning the documents and the withdrawal of the grain for the purposes off the programme in Bulgaria. The Plan implementation procedure includes signing of an agreement on cooperation with the Bulgarian Red Cross, preparation of all technical documents and specifications on the products to be given out in 2012 and public procuring bid for selection of suppliers of the needed foods.

2.1.2.2. Sector Meat and Apiculture Sector

Intervention and private storage of meat

In 2010, the European Commission did not issue any decision on public intervention or private storage of beef meat, veal meat, pork, sheep or goat meat.

National Apiculture Programme for the three-year period 2008-2010

2010 saw the successful conclusion of the application of National Apiculture Programme for the three-year period 2008-2010, under which Bulgarian apiarists received financial assistance amounting to BGN 5 021 296. the average rate of disbursement of the budget for the period was nearly 70%, and boosted interest was reported over the second and the third year of application of the measures under the Programme.

750 application forms for assistance were submitted and received for acceptance under the Programme in 201, 691 contracts were concluded, under which 546 Applications for payment were submitted. The apiarists made no investments were under 145 contracts due to several major reasons: lack of capacity among the suppliers of hives, nuclei and bee queens to implement the commitments taken, absence of free financial resources with the apiarists to be used to make the investments, etc.

Once all inspections provided for by the procedure of application of the National Apiculture Programme, 99% of the submitted applications for payment were authorised. The budget planned for year amounted to BGN 2 290 000. A subsidy was disbursed amounting to BGN 1 771 423 (77% disbursement rate), of which 50% were provided by the EAGGF and 50% by the National Budget of the Republic of Bulgaria.

Table IV.10.

Budget and disbursed financial assistance under the National Apiculture Programme for 2010, by measures and sectors, BGN

		Financial	assistance di	sbursed	Funds
Measure, sector	Budget	Total	including EAGGF	including NB	disbursed (%)
Measure B – Combat against Varoatosis	210 660	113 960	56 980	56 980	54%
Sector 1 Apiarists-checkers	15 000	6 845	3 422	3 422	46%
Sector 2 Expenditure on preparations in the combat against varoatosis	195 660	107 115	53 558	53 558	55%
Measure C – Physiochemical Analyses	15 000	4 405	2 203	2 203	29%
Expenditure on physiochemical analyses of the characteristics of bee honey in accredited laboratories					
laboratories	15 000	4 405	2 203	2 203	29%
Measure D Support in renewing the bee hives	2 014 340	1 620 362	810 181	810 181	80%
Sector 1 Assistance for purchase of new hives and wax bases	992 584	882 902	441 451	441 451	89%
Sector 2 Assistance for purchase of package bee colonies and nuclei	881 756	683 556	341 778	341 778	78%
Sector 3 Assistance for purchase of bee queens	140 000	53 904	26 952	26 952	39%

Measure E - Co-operation with specialised authorities for practical implementation of applied research programmes in the area of apiculture and bee products	50 000	32 696	16 348	16 348	65%
Development of standardisation documents on the quality indicators, the norms and methodology for analysis of monoflora types of bee honey, propolis, royal jelly,pollen, bee wax	50 000	32 696	16 348	16 348	65%
Total	2 290 000	1 771 423	885 712	885 712	77%

Source: Integrated Administration and Control System, module National Apiculture Programme – acceptance '2010.

National Apiculture Programme for the three-year period 2011-2013

"National Apiculture Programme for the period 2011-2013" was approved by decision of the European Commission having been prepared in 2010. The improved budget of the programme amounted to and 19 588 639,56 BGN e nearly tripled that of the precious three-year period. New opportunities for assistance were provided for to focus training and qualifications of personnel in the apiculture, popularisation of bee honey made in Bulgaria, development of good practices in apiculture, development of new scientific and applied science themes, etc.

Table IV.11.

Budget of the National Apiculture Programme 2011-2013, by years, BGN

Year	Total annual budget, Including:	Funds from EAGGF
2011	6 553 588,52	3 276 794,26
2012	6 532 501,08	3 266 250,54
2013	6 502 549,96	3 251 274,98
Total	19 588 639,56	9 794 319,78

Source: Ministry of Agriculture and Food

On 13.12.2010 the acceptance of application forms for assistance under measure B, measure C, sector 1 and measure D started for the first year of the new National Apiculture Programme. By the end of 2010 728 application forms for assistance were submitted to engage financial resources amounting to BGN 3 516 235.

Until the end of the 2011 financial year, under the Programme over 1 000 apiarists and several apiarists' organisations will be assisted. Until the end of June 1 433 application forms for assistance 2011 were accepted and contracts were concluded on free financial assistance amounting to BGN 6 287 601,73, which makes 96% of the budget for that year. 204 Applications for payment under the completed contracts were submitted. By the end of the year over 4 500 000 BGN are expected to be disbursed.

2.1.2.3. Sector 'Milk'

Scheme "Milk quotas"

The application of the milk quotas system is aimed at stabilising the markets in the sector by achieving a balance between demand and offer of milk and dairy products. Each EU Member State has its own national milk quota (national reference quantity), which is equal to the guaranteed total quantity of cow milk provided to the country for one quota period, up to which any such Member State does not need to pay any contributions. The national quota shall be shared and allocated between the producers of cow milk: individual milk quota (individual reference quantity of cow milk, which the agricultural producer may launch on the market and should not owe any tax on it). The individual quota may be quota for supplies or quota for direct sales.

2009/2010 quota year

The national milk quota of Bulgaria for 2009/2010 was 979 million kg. For the 2009/2010 quota year 809 654 886 kg (87%) from the quota for supplies were marketed and so did 56 869 kg (71%) from the quota for direct sales, i.e. no excess of the national quota was admitted. Starting from the same quota year an increase is applied in the national quota by 1% annually, which reduces the probability of imposition of overproduction fee until the end of the quota system(2014/2015).

2010/2011 quota year

Bulgaria's national milk quota over the 2010/2011 quota period rose by 10 085 000 kg. 13 492 276 kg were distributed for supplies in that quota period and so were 4 920 933 kg for direct sales from the national milk reserve to cow milk 579 producers who submitted application forms. For the period 1 April 2010—31 March 2011 the national milk quota was not exceeded.

01.08.2010 was the date as of which it was the second time when the procedure for transfer of individual quotas in the context of Art. 24 of Ordinance no. 23 of 13.12.2007 was to be applied, or the so called purchase-sale of individual quota without a farm or quota exchange. The price fixed per kilo of cow milk with reference butter content of 38 g/kg was 0,15 BGN, i.e. by 0,05 BGN per kilo of quota higher than in the previous year.

Over the quota year 55 application forms for purchase of individual quotas and 1 088 application forms for sale of individual quotas were submitted. The quantities stated for purchase amounted to 4 331 611 kg, of which 4 287 611 kg were for supplies and 44 000 kg were for direct sales. The quantities stated for sale totalled in 25 607 889 kg, of which 24 208 474 kg were quota for supplies and 1 399 415 kg were quota for direct sales.

2011/2012 quota year

Since the start of the 2011/2012 quota year (1 April 2011) and to July 2011 2 170 declarations for completion of milk quotas for direct sales and 265 declarations for completion of quota for supplies were accepted.

School Milk Scheme

The School Milk programme means to encourage the consumption of milk, yoghurt and dairy products. This programme is a tool to provide subsidies for schools and other educational institutions such that to help set up healthy meal habits starting from early childhood. The EU School Milk programme has been applied in Bulgaria since 2008/2009 school year.

Under the School Milk Scheme, in the 2009/2010 school year, 18 new applicants were approved, a total of 8 008 children. The total number of the approved applicants was 104 (30 545 children) as the approval of applicants for 2008/2009 school year is also valid for the subsequent school years. 4 applications for payments were approved and disbursed in 2010.

Over the 2010/2011 school year, 20 new applicants were approved, therefore, the total number of the approved applicants was 124, while the number of children who may make use of this assistance is 34 699. 9 application forms were submitted for payments out of a total of 21 educational

establishments (kindergartens, elementary and primary schools). The number of educational institutions participating under the scheme was higher than the number of applicants as one applicant (the municipality, an educational institution or product supplier) may represent several educational institutions. 3 625,08 BGN were disbursed, entirely from the EU budget.

2.1.2.4. Sector 'Wine'

National programme for assistance in the viticulture and wine production sector2008/2009: 2013/2014 includes three measures for assistance financed by EAGGF.

The total budget of the programme for the financial 2009/2010 year amounted to BGN 41 529 457. The disbursed financial assistance to beneficiaries amounted to BGN 28 631 669, i.e. total disbursement rate was achieved of 68,9%.

2009/2010 financial year

Measure "Restructuring and conversion of wine vineyards"

For the 2009/2010 financial year, the determined budget under the measure was BGN 37 618 857,20. 69 investments were contracted and for these BGN 22 419 335,40 were disbursed.

Twelve activities were found eligible for assistance, annual and multiannual investments. The assistance focused change of the structure of vine plantations such as variety, formation, alteration in their localisation and this may combined with activities to improve the viniculture management methods and technology. The financial assistance under this measure is up to 75% of the value of the investment.

Measure "Insurance of the harvest"

For the 2009/2010 financial year, the determined budget for Bulgaria under the measure was BGN 3 911 600. Under this measure producers of wine grapes who had insured their harvest against one or more insurance risks, such as hailstorm, tempest, flooding, torrential rain showers, etc. The financial assistance shall be provided to the level of 80% for insurance risks construed as natural calamities and to 50% for other insurance risks such as fire, fire at root, etc.

65 application forms for assistance were submitted. The amount disbursed was BGN 1 106 982.

Measure "Promotions of wines in third countries"

The budget determined for Bulgaria for 2009/2010 financial year amounted to BGN 4 146 296. Due to absence of interest to the measure by potential beneficiaries, in June 2010 the budget for the year was redirected for disbursement under measure "Restructuring and conversion of wine Vineyards".

2010/2011 financial year

AND in 2010/2011 year the largest interest by beneficiaries was shown to measure "Restructuring and conversion of wine Vineyards", with annual budget 34 758 477,60 BGN. 55 projects were submitted with total value of the financial assistance being as high as BGN 27 787 356,73, of which by July, 2011 15 projects were agreed with total value of the financial assistance amounting to BGN 6 404 437,51. Throughout the period January-July 2011 9 883 179,16 BGN were disbursed.

Under measure "Insurance of the harvest" the determined for Bulgaria budget for the 2010/2011 financial year was BGN 4 009 390. Under this measure 58 application forms were accepted and until the middle of 2011 BGN 412 102,11 were disbursed.

Under measure "**Promotions in third countries**" the budget for 2010/2011 amounted to BGN 4 302 760. By July 2011 under this measure 1 project was submitted to be reviewed and considered by the Standing Interinstitutional Commission.

In August 2010 was launched the acceptance of documents under scheme "Rooting of wine Vineyards", whose budget was determined by the European Commission on the basis of application forms submitted. Under Regulation (EU) no. 1026/ 2010 Bulgaria was given a fixed budget amounting to BGN629 577,89. Under this scheme contracts were concluded by 14 beneficiaries amounting to a total of BGN 607 546,59. The payments will be made until mid October 2011.

2.1.2.5. Sector 'Fruits and vegetables'

Operative Programme Scheme

In sector 'Fruits and vegetables' in 2007 was approved one operative programme with to be completed within the term 2008—2010. The total budget on the measures laid down amounted to BGN 444 210. The half of these funds will be disbursed by the EAGGF.

In 2010 one application was submitted for annual payment for completed measures from the operative programme for 2009. After the review of the application submitted, inconformity was established with the criteria for financing and the payment was denounced.

Scheme "Groups of Producers"

The scheme intended to grant assistance to groups of Producers who have received temporary acknowledgement in sector "Fruits and vegetables" aims to assist to organisations of Producers of fruits and vegetables who have failed to reach the criteria for final acceptance. This assistance is intended to encourage the formation and the improvement the organisational activity and the administrative infrastructure of the groups of Producers, by implementing a plan for acknowledgement.

By the end of 2011t Ordinance no. 11 of 15.05.2007 on the terms and conditions for acknowledgement of organisations of Producers of fruits and vegetables and of their associations and on the terms and conditions for approval and change of the approved Operative Programmes. The forthcoming amendment to Ordinance no.11 of 15.05.2007 will regulate eligibility of investment expenditure made by groups of Producers of fruits and vegetables.

Investment measures for assistance are provided for to be included, which is to make the scheme more attractive to those participants, who have not achieved approvals under measure 121 by the RDP, due to budget shortages.

School Fruit Scheme

In 2009 the European Commission started an initiative for free of charge allotment of fruits and vegetables among school-age children. Such initiative is related to the implementation of one the goalsof the post-reform regime in sector 'Fruits and vegetables', and namely: to increase the consumption of fruits and vegetables.

The application of the scheme is financed from the EAGGF and from the State Budget as national co-financing and State assistance.

For the 2010/2011 school year the total budget of the School Fruit Scheme for Bulgaria amounted to BGN 7 293 541. The scheme was successfully applied countrywide, and it covered 478 educational institutions, with 118 694 children. By the month of July 2011 under the scheme 1115 applications for payments were submitted and BGN 670 122,19 were disbursed, of which BGN 502 590,30 from the EAGGF and 167 513,89 BGN from the National Budget. By the end of September 2011 390 applications for payments for 2010/2011 school year were to be processed.

In January 2011 was prepared and forwarded to the European Commission a National Strategy on the Application of School Fruit Scheme. This strategy provided for opportunities for maximum utilisation of funds granted by the European Commission: to increase the fruit rations and expand the target group of children to receive fruits and vegetables.

An amendment to the Ordinance on the terms and conditions of the application of the scheme for provisions of fruits and vegetables in academic institutions, i.e. the School Fruit Scheme. Such amendments are related to the amendments to the deadlines for submitting application forms and participation in the scheme and the conditions for submitting applications for payments that are to bring about an increase in the number of participants and maximum disbursement of the budget.

For the 2011/2012 school year under the School Fruit Scheme Bulgaria will have a total budget of BGN 3 771 043,17, of which BGN 2 828 282 will be from the EAGGF.

Scheme "Emergency measures for assistance to the market in the sector of the vegetables"

The *Eshecheria coli* started in May 2011, and at first it involved the producers of cucumbers only, however it took it only a few days to expand its scope and cover all producers of fresh vegetables. Russia and three other States banned the imports of fresh vegetables. Additionally, the situation was aggravated by the meaningful plunge of confidence among EU consumers. On 17 June 2011 the European Commission issued Regulation (EU) no. 585/2011 laying down temporary exceptional support measures for the fruit and vegetable sector to tackle the crisis and as a result of the *Eshecheria coli* contamination. The total budget of the assistance for all Member States amounted to 210 million Euros and was specifically granted for the measures applied over the period 26 May—30 June 2011 The assistance was applicable to tomatoes, sallet, cucumbers, sweet peppers and marrows for fresh consumption.

Further to the application of emergency measures, by the end of June 2011 Ordinance no. 7/23.06.2011 entered into force laying down the terms and conditions on the application of emergency measures for assistance of the market in the sector of the vegetables. This Ordinance includes the rules on the application of the measures "withdrawal from market" and "non-collection of vegetables", applied in the period from 26 May to 30 June 2011. Only producers of vegetables were to be assisted who, until 25 May 2011 had been registered under Ordinance no. 3 of 29 January 1999 on establishing and keeping a Register of agricultural producers.

Within the period for acceptance of documents under scheme "Emergency measures for assistance of the market in the sector of the vegetables" in response of the bacterium *Eshecheria coli*, 96 vegetable producers submitted application forms for compensations totalling BGN 4 896 668,16. Under the measure "Withdrawal from the market", the vegetables declared for assistance equalled 8 015,5 tonnes, and under the measure "Non-collection of vegetables" vegetables were declared grown in an area of 14,705 hectares.

The amount of funds to be received by the producers of vegetables will depend on the reduction rate to be applied by the European Commission on the grounds of the assistance requested by the 27 Member States and on the total financial resources for the measure. The payments may be made after the publishing of the rate as determined by the European Commission by 15 October 2011.

2.1.2.6.Sector 'Sugar'

Quota Regime Scheme

The European Union applies the system of quotas for production of sugar and isoglucose, thereby regulating the production at Community level. In the 2008/2009 economic year the only enterprise in Bulgaria producing white sugar from sugar-beet gave up its production quota and the

country already has a national quota for production of isoglucose only; that quota amounting to 89 198 tonnes expressed in dry matter.

During the 2010/2011 economic year the owed production fee for production of isoglucose amounted to BGN 1 046 721. Part of that fee, namely 75% thereof, is transferred to the EU budget, while the other, 25% is transferred to the National Budget.

Scheme "Approval of enterprises"

In conformity with the provisions of the EU legislation applicable to the sector "Sugar", all raw cane sugar processing enterprises shall be subject to approval by the competent authorities, which are "permanent refining enterprises" and sugar and isoglucose producers. In Bulgaria there are six approved operating "permanent refining enterprises" processing raw cane sugar and one enterprise producing isoglucose.

Scheme "Assistance for diversification"

In 2009 was initiated the reception of applications for payment under the measures M1 Modernisation of Farms and M2 "Adding value to agricultural products" intended for assistance of those directly affected by the restructuring launched in the sugar sector. In 2010 from the "Temporary Fund for restructuring", part of EAGGF, under those two measures sums amounting to BGN 1 659 128 were disbursed.

2.1.2.7. Sector 'Promotional programmes'

Promotional programmes (financed by funds from the European and the National Budget) aimed at popularising across the EU and in third countries of products and foods, gained exceptional popularity among Bulgarian exporters.

Under the promotional programme "European cheese please" proposed jointly with the Cypriot Organisation of Cattle-Breeders and The Association of Milk-Processors in Bulgaria to promote Cypriot and Bulgarian cheeses on the markets of Russia and Ukraine, for the first year of application (2009), four intermediate payments were made amounting to BGN 1 268 251. Furthermore, in 2010 started the intermediate payments for the second year. Starting from the beginning of the application of the programme up and until the middle of July 2011 a total BGN 890 359,19 was disbursed, of which BGN 556 474,49 by EAGGF and BGN 333 884,70 by the National Budget. By the end of 2011 the payment of the remainder for the first phase of contracts on financial assistance is expected to be made, and all payments for the second year.

In April 2010 a contract was signed on the second approved by the European Commission promotional programme "Awareness project for promotion of dairy products (white brined cheese, *kashkaval*) of the domestic market (Germany, Spain)" proposed by the National Association of Dairy Processors amounting to BGN 6 200 346; 50% were funds from the EU budget and 30% were funds from national co-financing. By mid July 2011 under the Programme BGN 295 257,27 were disbursed, of which BGN 184 535,79 were from the EAGGF and BGN 110 721,48 were from national co-financing. By the end of 2011 the disbursement of the financial funds under the first phase of contracts for financial assistance was to be made.

By a decision of June 2011, the European Commission approved third for Bulgaria promotional programme "Set your taste free". the Programme was initiated by the Union of Processors of Fruits and Vegetables and focused promotion of processed fruits and vegetables in the EU internal market (Germany, Poland and Romania). That proposal was to launch a three-year programme with total budget of BGN 5 834 086,86, of which BGN 2 917 044,41 were allocated by the EAGGF and 1 750 225,86 BGN from national co-financing. the Programme would start after a contract is concluded for financial assistance.

In 2011 the Standing Advisory Committee for selection of promotional programmes approved three more promotional programmes for promotion of agricultural products and foodstuffs on the markets of third countries. Those programmes were forwarded to the European Commission for approval. By the end of November 2011 the Commission was expected to make a decision on such cofinancing of those programmes with EU funds.

Further to the consequences of the diffusion of the bacteria *Eshecheria coli*, in July 2011 the European Commission approved a Regulation on the Derogation of Regulation (EC) no. 501/2008 for 2011 laying down an additional schedule for submitting and selection of awareness and encouragement programmes to cover the sector of fresh fruits and vegetables on the domestic market and in third countries. That derogation allowed trade and intertrade organisations from the sector of fresh fruits and vegetables to present programmes of their own until mid August 2011. Bulgaria presented a promotional programme on fresh vegetables, including tomatoes and cucumbers, called "European – Fresh and Safe" focusing the markets of Germany, the Czech Republic and Romania, and its financing was approved by the European Commission."

Amendment is to be made to Commission's Regulation 501/2008 on the reduced number of documents to be sent to the European Commission and enabling simultaneous acceptances of the application of programmes both for the domestic and for the foreignmarket.

2.1.3. Trade mechanisms

2.1.3.1. Licensing of the exports

Reimbursements in exports of agricultural products

In 2010 46 application forms were submitted and processed for disbursement of reimbursement for exports amounting to a total of BGN 677 700, for products from the sectors beef, chicken meat and eggs. 29 application forms were disbursed amounting to a total of BGN 459 656 on reimbursements as regards exports of chicken meat.

A success for Bulgaria was that in April 2010, the Regulation of the European Commission326/2010 included the *kashkaval* into its nomenclature of agricultural products subjects to reimbursements as regards exports.

For the period 01.01.2011—30.06.2011 87 licenses for reimbursements were issued in the sector of poultry meat and eggs, amounting to a total of BGN 1 116 191. 36 application forms were disbursed for a total of BGN 453 634. Given the meaningful interest to the exports of eggs to FYRO Macedonia and of poultry meat to Armenia, Iraq, Georgia and Jordan, by the end of 2011, at least 200 licenses are expected to be issued where the total value of the subsidy is to be approximately BGN 2 000 000.

Licenses for exports of dairy products for Canada for 2010 calendar year

According to the Agreement between the European community and Canada signed in 1995, the use of reduced duty on imports of cheeses and *kashkaval* to Canada would require presenting an export license issued by the State of origin. The quota enables imports of dairy products in Canada and significantly lower import duty.

For 2010 38 export licenses were issued for exports of milk and dairy products to Canada, as listed below:

- for products under code from the Combined Nomenclature (CN) 0406 90 29 – *kashkaval*: 17 licenses for 95 048 kg;

- for products under code from the Combined Nomenclature (CN) 0406 90 50 - cheese: 21 licenses for 200 057 kg.

From the beginning of 2011 and to 30.06.2011 the licenses issued for exports of milk and dairy products for Canada were as listed below:

- for products under code from the Combined Nomenclature (CN) 0406 90 29 kashkaval: 1 license for 1 300 kg;
- for products under code from the Combined Nomenclature (CN) 0406 90 50 cheese –5 licenses for 65 450 kg.

Obligatory licenses with exports of agricultural products for the calendar year 2010

In 2010 were issued total 185 licenses for exports of: wheat and mix of wheat and rye; rye; oats; maize; rice; flour and other types of sugar. The largest was the number of licenses for exports of wheat: 81 for 425 799 tonnes, rice: 51 for 2 103 tonnes, and maize: 22 for 73 354 tonnes. 155 bank guarantees were established coming to BGN 4 170 135, 141 guarantees were cleared amounting to BGN 4 352 588 and 13 fines and sanctions were imposed amounting to BGN 15 904.

For the first six months of 2011 a total 125 licenses for exports of agricultural products was issued, whereas the largest was the number of licenses for wheat: 71 (for 49 030 tonnes) and for rice: 31 (for 1 273 tonnes).

2.1.3.2. Licensing of the imports

According to the provisions of EU legislation, the imports of the following agricultural products from third countries requires showing licenses: cereal crops, rice, sugar, olive oil and table olives, fresh and processed fruits and vegetables (including garlic, preserved mushrooms, apples and bananas), beef and veal meat, pork meat, milk and dairy products, eggs and egg albumin, poultry meat, ethyl alcohol of agricultural origin. Each part of the products is required to be accompanied by a license only in the case of imports within tariff quotas and preferential regimes (beef meat, milk and dairy products, sugar), while for others the license must cover the whole imports.

Since the start of the application of the system of import licenses (01.01.2007) and to 31.12.2010 349 importers, of which 26 in 2010 were inscribed into the Register of Importers of Agricultural Products kept by the Ministry of Agriculture and Food

In 2010 were submitted 461 application forms were submitted for issuing licenses for imports of agricultural products, while a total of the licenses issued came to 443. The largest number of licenses for imports were issued for apples: 139, rice: 56, maize: 50 and bananas: 33. In favour of Ministry of Agriculture and Food, guarantees were established for the implementation of licenses amounting to BGN 74 595 380,10 BGN, of which 71 691 156,18 BGN had been received in the form of bank guarantees and BGN 2 904 223,92 as a cash deposit to a/c of the Ministry of Agriculture and Food.

The guarantees reimbursed amounted to BGN 39 612 252,17, of which BGN 37 207 479,30 had been received in the form of bank guarantees and BGN 2 404 772,87 as a cash deposit.

The guarantees confiscated in favour of the Ministry of Agriculture and Food, for non-compliance with liabilities for imports under licenses, amounted to BGN 80 502,44. The amount of sanctions imposed in 2010 was the highest for the last four years (for 2007: BGN 30 537,02, for 2008: BGN 51 962,77 and for 2009: BGN 69 542,10).

2.2. Assistance under the second pillar of CAP: the implementation of the Programme for development of the rural regions 2007-2013

The Rural Development Programme 2007-2013 focuses the development of competitive farming and forestry, innovations in food-processing industry, protection of natural resources and environment, increasing the opportunities for employment and improving life conditions in the rural regions. The total budget of the Programme for the period 2007-2013 amounted to BGN 6 341 million, of which BGN 5 089 million came from the EU and BGN1 236 million came from the National Budget.

Since the start of application of the Programme by the end of 2010 six formal requests were forwarded to the European Commission on amendments to be made there, of which four were approved and two are in process consideration. In April 2011 a seventh consecutive request for amendment was forwarded, and in the meantime the fifth amendment received European Commission's formal approval on 28 March 2011.

In 2010 21 out of a total of 22 measures under the RDP were applied. In addition to the measures applied until 2009, the start was given to measure 41 "Application of strategies for local development". Measure 611 "Additional payments to direct payments" concluded in terms of activities in 2009 and in 2010 only payments were made under that measure.

In 2010 under the RDP 3019 application forms for assistance were accepted (except measures 211, 212 and 214) amounting to a total of BGN 1 816, 037 million, of which total of public funds (EAFRD and national budget) were as high as BGN 1 468, 830 million. 3 607 contracts were concluded amounting to a total of BGN 897,563 million, the subsidy for which amounted to BGN 665,305 million.

The public funds under the Programme disbursed in 2010 amounted to BGN 721,987 million, which was 2,6 times as much as the payments in 2009 and made 60% of all paid public funds for the period 2008-2010. During that year new projects acceptance campaign was launched. Key amendments were made to the national legislation in line with the application of measures under the RDP, which improved the opportunities for applying and approval of application forms. Tax alleviations were introduced for the beneficiary municipalities under the Programme. In the conditions of active dialogue and cooperation with the National Association of Municipalities in Bulgaria, the Council of Ministers voted funds from the National Budget to cover expenditure on VAT to the municipal measures under the Programme. The advance payments for municipal projects under the RDP were raised from 20% to 50%: that was the only European programme, under which the municipalities get paid up to 50% advance free funds.

In 2010 saw some progress as to considerations of application forms submitted. It was for the first time that application forms were approved under 5 measures under the RDP: 111, 123, 141, 311 and 312. This contributed to a more balanced application of the Programme and achieving the goals set there.

Measures were undertaken to overcome the big delay reported in the previous years as regards the processing of application forms. As a result, the most part of the application forms submitted in 2008 and 2009 were processed.

2.2.1. Analysis of the progress made in the application of RDP and in the implementation of the targets, by axes

Measures from Axis 1

Measure 111 "Vocational training, information activities and dissemination of scientific knowledge"

In 2010 78 new application forms came in under this measure. In May 2011 the projects were considered and contracts were concluded with the approved organisations.

91 application forms were considered from the number of those submitted over the first period of acceptance and were concluded contracts by 47 training organisations, at a total value of public expenditure allocated amounting to BGN 13,499 thousand. The problems existing over the previous years which had led to a slowdown in the processing of the application forms were solved: amendments were made to the relevant legislation and the capacity of State Fund "Agriculture", Paying Agency was raised.

By 31.12.2010 there were no applications for payments under measure 111.

The analysis of the progress made on the way to achieving the goals (on the basis of concluded contracts for assistance) shows that the number of persons who may be trained, with the assistance under measure 111, is 88,4% of the goals set.

Measure 112 "Establishing of farms by young farmers"

In 2010 no acceptance of application forms for assistance under this measure was made. At the same time, significant progress was achieved as regards the processing, the approval and the payments under the projects. In the beginning of 2010 were considered the projects remaining from 2009. The first payment was made under 2 587 projects amounting to BGN 62,965 million, which makes 63,5% of all funds paid under this measure to the moment.

The analysis of the progress made on the way to achieving the goals (on the grounds of concluded contracts for assistance) shows that the number of young farmers assisted under measure 112 until 2010 was 101% of the number of farmers set for assistance. As regards the progress, on the grounds of the first payments made, the implementation of the indicator "number of assisted young farmers" was 99% in comparison with the value set.

The success of the measure is largely due to the advisory assistance provided by the National Agricultural Advisory Service, which provides free of charge to the farmers full set of advisory services in accordance with the requirements as set in measure 143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania".

The interest to measure 112 remains significant, irrespective of the fact that the application forms acceptance campaignwas stopped in July 2009. Therefore, the seventh amendment to the RDP provides for ensuring of additional funds under this measure, at the account of the less attractive measures.

Measure 121 "Modernisation of farms"

The application of Measure 121 has been an exceptional success and there has been progress in all common and additional specific goals set for the Programme. The budget under the measure is foreseen to be raised by new funds with the seventh amendment to the RDP.

Since the start of application of the measure and to 31.12.2010 2164 application forms were approved (73% out of a total of the submitted under that measure) and contracts were concluded for their implementation. The money paid was BGN 355,017 million: 70% of the subsidy agreed.

In 2010 under two "windows" only projects came in for consideration concerning investments under the European Economy Recovery Plan (EERP) and investments under the guaranteed budgets under this measure. Due to this the number of submitted projects was 330, i.e. significantly fewer than those submitted in the two previous years: 1061 in 2009 and 1557 in 2008. 555 projects were rejected, 367 contracts were concluded, amounting to BGN 110,033 million worth public expenditure, while there were 982 approved applications for payments amounting to BGN 215,320 million worth public expenditure.

The progress in 2010 was significant if compared to the previous year, and the number of approved applications for payments was reported to have grown by 84%, while the disbursed sums were reported to have grown by 54%.

Measure 121 has been an exceptional success as to investments in plant-growing, too: such investments made 79% of the approved public expenditure and 95,7% of the money paid under the projects. The relative share in the livestock breeding sector was lower, 16,6% and 4,1%, respectively, mainly due to the lengthier period needed both for the development and for the implementation of projects in livestock breeding.

In 2010 was achieved progress and as regards the number of submitted projects and concluded contracts under the guaranteed budgets. The amount of agreed funds By 31.12.2010 grew nearly 4 times in comparison with a year earlier. The total of agreed public funds made 29,3 % of the amount of the guaranteed budgets. The most significant increase of agreed funds under the nitrate Directive was over 9 times. In livestock breeding sector the amount of agreed funds marked a growth by 61%, while the least were the agreed public subsidies reported for transit to organic production: BGN 1, 081 million.

The analysis of the progress under this measure on the basis of contracts concluded shows that the best result may be achieved in the guaranteed budget under the nitrate Directive: 64,7% of the funds foreseen. In sector "Milk", 12,8% were agreed and together with the projects, which are in process of processing, by 31.12.2010, contracts may be expected to be concluded for 28% of the funds provided for.

Measure 122 "Improving the economic value of the forests"

In 2008 under this measure there were no projects submitted, while in 2009 two projects came in, but afterwards were withdrawn by the applicants. In 2010 under this measure one project was submitted, with value of the subsidy BGN 309,798 thousand.

The poor interest for applying for assistance under measure 122 came mainly as a result of:

- Private property of poor proportions (90% of the restored forests were under 1 hectare). Furthermore, that leads to small amounts of assistance:
- Owners are located far from their forests and do not care of them;
- The associations of forest owners (the forest co-operatives) covered the most pressing needs of theirs with the assistance under the measure 1.4. of the SAPARD Programme.
 - The municipalities, which own forests, prefer to prepare and implement projects related to other activities of theirs (their priorities are projects within the scope of measures 321 and 322), and the opportunities for applying under measure 122 remain unclaimed.

Measure 123 "Adding value to agricultural and forest products"

In 2010 significant progress was achieved in the processing of projects submitted over the previous two years: 119 projects were considered (86% of the accepted in 2008 and 2009). 94 contracts were concluded, where the overall sum of the public expenditure came to BGN 115,766 thousand. 23 application forms were rejected, while two were withdrawn by the applicants.

In 2010 acceptance of projects for investments under the EERP within two "windows" was announced, and two project acceptance campaigns for investments outside the scope of the EERP. A total of 159 application forms came in, and all these are being processed.

The first payments were made under the projects for measure 123. 30 applications for payments were submitted, and to 11 of them BGN 9,441 million were disbursed.

The analysis of the progress made on the way to achieving the goals on the basis of concluded contracts shows that as regards the implementation of the contracts, it may well reach 15% of the goal

set under this measure for assisted enterprises, 23% for realised investments, and 14% for enterprises to have introduced new products, processes and technology.

The implementation in terms of the goals on the basis of all projects, to which payment have been made (including only advance and/or interim) was 2% of the targets for assisted enterprises and for enterprises to have introduced new products, processes and technology and 3% of the targets for investments. Progress under this measure was also marked as regards projects, where final payment has been made: 1% of the targets for assisted enterprises and 0,4% of the targets for investments.

Measure 141 "Assistance to quasi-market farms in a process of restructuring"

In 2010 1190 application forms were considered, all of them submitted in 2008 and 2009, and part of those to have come in 2010. 904 application forms were approved (76% of those processed), with a total sum of the public expenditure equal to BGN 13,290 million. 222 application forms were rejected, while 64 were withdrawn by the applicants. By 31.12.2010 471 application forms are being considered.

Furthermore, the first annual payments under measure 141 were made: BGN 2,085 million were disbursed to 711 beneficiaries.

In 2010 an increase was reported in the interest for applying under measure 141, mainly due to the awareness campaigns carried out and the improved levels of trust by potential beneficiaries to the RDP. For the period 2008—2009, 47 application forms were submitted monthly on the average (the measure has been open for 16 months), while in 2010 the average monthly quantity reached 151 (the measure has been open for 6,02 months), which makes more than triple increase.

Measure 142 "Establishing of producers organisations"

In 2010 under measure 142 was submitted one application for acknowledgement and assistance of organisation of producers. An application for assistance submitted in 2008 was considered and approved, an application for payment has come under it.

The reasons for such poor interest to that measure must be sought in the hard process of cooperation of petty farms, the absence of mutual trust between potential partners, and absence of management skills needed to manage a marketing organisation (bookkeeping, management of a company/cooperative, etc.), which all hampers the process of organisation and applying.

In order to expand the group of agricultural producers eligible for membership with the organisations and to reduce the minimum number of members, an amendment to the RDP was requested.

Measure 143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania"

In 2010 continued the application of the activities under measure 143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania". Basically, these include a complete set of advisory services under measure 214 "Agro-ecological payments", in the period of the direct payments campaign and under measure 141 "Assistance to quasi-market farms in a process of restructuring". A total 1 653 application forms was made out.

Out of the projects considered in 2010, which had been submitted in 2008 and 2009, 2 452 were approved and disbursed (94% of imported), amounting to BGN 2,518 million and 159 were rejected. For the period since the start of application of the measure and to 31.12.2010 10 application forms were disbursed amounting to a total of BGN 3,148 million.

The analysis of the progress made on the way to achieving the goals (on the grounds of projects disbursed) shows that the number of the assisted agricultural producers under measure 143 amounted to 27% of the target number as laid down in the RDP. The measure achieved its targets

better in the case of the young farmers: 85% and agro-ecology: 37% and unsatisfactory in the case of quasi-market farms: 5%. As regards measure 142 "Establishing of producers organisations" no progress was made.

Measures from Axis 2

Measure 211 "Payments for natural handicaps to farmers in mountain areas"

In 2010 application forms acceptance campaign under this measure was implemented: with no sanctions and with 1% sanctions for each day overdue. The submitted application forms were as many as 29 097, which makes 11% growth in comparison with 2009, while in comparison with 2008 and 2007 the growth was 20% and 28%, respectively.

The disbursed subsidies (after corrections) in 2010 for Campaign '2009 amounted to BGN 34,600 million, which was by 63% and by 57%, respectively, more if compared to the campaigns in 2007 and 2008, mainly at the account of higher rate per hectare.

The measure did very well in achieving the targets as set with the indicators for result. In 2010 44% were assisted of the farms from mountainous regions provided for under this measure. There was 8,7% growth in comparison with 2008. the target set on assisted area on the basis of authorised application forms for 2009 was nearly completed: 90,7% of was set out (in comparison with 94,6% for 2008). The application forms for Campaign '2010 were authorised in 2011

The main conclusion that must be made is that by using this measure assistance is ensured to the most part of small farms, which, in turn, contributed to the achievement of its target to bring about to avoiding the depopulation of these regions. The non-compliance of the number of assisted farms must be sought in the overestimation of the number of small farms in the process of restructuring and an increase of the farms, which has been active after Bulgaria's accession to the EU.

As regards measure 211 "Payments for natural handicaps to farmers in mountain areas", in the sixth amendment made to RDP amendments to the sum of the assistance and in the levels of compensation according to the areas. Over the next years for the programme period the areas eligible for assistance under this measure may be expected to gradually expand.

Measure 212 "Payments to farmers in areas with handicaps, other than mountain areas"

The application forms submitted in 2010 under this measure were 11 651, or by 8% more if compared to 2009.

The payments made for Campaign '2009 amounted to BGN 8,721 million. The money disbursed has marked a substantial 30% growth in comparison with 2007, and 19% growth in comparison with 2008 due to the larger size of the subsidy for Campaign '2009.

Among beneficiaries prevail the farmers, taking care of up to 50 hectares (93% of the applicants for assistance). The groups, taking care of between 50 and 100 hectares and over 100 hectares are around 3-4% of the assisted beneficiaries.

The analysis of the application of the measure shows that it largely contributed to reaching the targets set with the indicators for result, where in 2010 were assisted 108% of farms provided for. The target set on the assisted area on the basis of paid application forms in 2010 (for Campaign '2009) wasoverfulfilled: 180 % of the reference target (in comparison with 183%, valid for Campaign 2008). In practice, this means that the amount of farms assisted is twice bigger than that of the initial target farms, mainly due to the processes running in Bulgaria of reduction in the number of farms and an increase of the average used area.

Under this measure a larger number of petty farmers were assisted, which contributed to achieving the target of the measure, i.e. counteracting depopulation of these regions. The insufficient disbursement of the budget provided for was due to the incorrect allowance for a bigger share of the

areas covered by smaller sizes, where at the same time the enlargement processes running in those areas after Bulgaria's accession to the European Union were not accounted for. This is why by the sixth amendment to the RDP for Measure 212, amendments to the size of the assistance were requested as well as to the levels of compensation corresponding to the areas.

Measure 214 "Agro-ecological payments"

In 2010 under measure 214 were authorised the payments under the application forms submitted for Campaign '2009. Out of the 1 446 application forms that came in, 899 were approved for disbursement (38% of the application forms were rejected). There has been 22% growth of authorised funds, however that was due to the growth in the number of sanctions imposed (63%) if compared to the previous year. Therefore, the disbursed public expenditure grew by a mere 2% if compared to Campaign '2008.

The analysis of the data on the basis of application forms submitted in 2009, shows that the largest interest among the farmers, from the perspective of application forms and areas, was demonstrated to "Recovery and maintenance of increased grassed areas of high natural value (RMV)": Recovery of ungreased grassed areas (RMV1) (52% of the submitted application forms), followed by "Traditional practices for seasonal grazing/pastoralism" and organic plant-growing, respectively 23% and 15% of the application forms. The interest to items like "Crop-rotation for protection of soils and waters" and "Maintenance of habitats of protected species in arable areas in ontologically important locations (OIL)" continued to be very low.

Out of the total of authorised public funds worth BGN 2,378 million, the most part were for organic plant-growing: 40% of the funds under this measure, followed by these for "Protection of endangered local varieties": 23% of the funds, and for "Management of agricultural lands with high natural value": 20% of the funds.

The reasons for the problems related to the implementation of measure 214 are: still small number applicants; slow processing of the application forms; high share of rejected application forms; high level of sanctions.

In order to overcome the difficulties, in 2010 some of the defects were removed from the Register of the agricultural animals and from the map of the lands with high natural value. Furthermore, actions were undertaken for an increase of applicants under this measure and faster processing of the application forms. In 2010 under measure 214 "Agro-ecological payments" 1781 application forms were submitted, by 23% more in comparison with 2009, mainly as a result of the active awareness campaigns carried out all over the country.

Measure 223 "Initial afforestation of non-agricultural lands"

In 2010 in two acceptation campaigns 30 application forms were submitted, where a slight increase was reported in the number of the received projects and preservation of the value of the requested subsidy if compared to the previous years. The interest to the measure remained poor despite the awareness activities for targeting the activation of potential applicants.

Progress was reported in the number of approved projects. After 20 projects were approved in 2009, where the value of public expenditure came to BGN 1,193 million, in 2010 16 more projects were approved where the value of public expenditure came to BGN 3,573 million. The average value of the requested subsidy per project rose, too. In 2010 payments were disbursed under nine application forms where the value of public expenditure came to BGN 0,374 million.

For assistance applied mainly the structures of the State Forestry Agency, State forestry and hunting enterprises accounted for 47% of the approved and 22% of the disbursed projects, the municipalities accounted for 50% of the approved and 67% of the disbursed projects. Moreover, one project from a natural person was registered.

Projects for afforestation with deciduous species prevailed: 77% of the approved and 94% of the disbursed, followed by coniferous types of, respectively 15% and 6% of the disbursed, the mixed areas and fast growing species: by 6% of the approved projects each.

The analysis of the progress made on the way to achieving the goals shows that the afforestation contributed to achieving 26% implementation of approved and 10% implementation of the disbursed projects of the target set to safeguard the quality of the soil. As regards the indicator for mitigation of the climate change, there the implementation rate was 25% from approved and 11% from the disbursed projects, for quality of water: 14% from the approved projects, for prevention of marginalisation and abandonment of the land: 25% from the approved projects. The implementation as regards biodiversity and forestry with high natural value was insignificant: 6% from the approved projects and 1% from the disbursed projects.

Measure 226 "Recuperation of forest potential and introduction of preventive activities"

In 2010 application forms for assistance were accepted, amounting to BGN 4,133 million. Despite the growth in the number of the submitted projects in comparison with the previousyears, the interest to the measure remained poor.

Applicants for assistance were mainly the structures of the State Forestry Agency – State forestry and hunting enterprises (69% of those who submitted application forms), followed by municipalities (26%) and private forest owners (5%), who first submitted projects in 2010.

In 2010 6 projects were approved where the value of the public expenditure came to BGN 0,522 million. Since the start of application of the measure and to 31.12.2010 24 projects were approved, amounting to a total of BGN 2,181 million. 29 projects were rejected where the value of the public expenditure came to BGN 3,180 million.

The first payments under measure 226 were made. During that year 11 application forms came in, under five of which were disbursed 182 thousand BGN.

The analysis of the progress of the forested areas indicator (170 000 hectares) shows that the implementation of the target set amounted to 32,6% in terms of approved and 3,1% in terms of disbursed projects.

For prevention activities in terms of approved projects the target set for number equipped fire-precaution depots reached a completion rate of 14%, while for number constructed/improved monitoring stations reached a completion rate of 9%. There was some rather insignificant progress in terms of the scope of investments: 3,8%.

Prevention activities prevailed (87% of all activities) in terms of approved areas. The money paid was entirely on recovery related activities.

Measures from Axis 3

Measure 311 "Diversification toward non-agricultural activities"

In 2010 three acceptation campaigns of projects were carried out under this measure, two of which pursued investments under the European Economy Recovery Plan (EERP) and one was referred to other investments.

There has been a significant increase in the interest for applying under this measure. During that year 217 application forms were submitted where the value of the public expenditure came to BGN 71,485 million. If compared to the previous year, the number of the submitted projects grew 3,8 times, while the value of declared public expenditure increased 4,1 times.

There has been a significant progress in terms of the number of approved projects. In 2010 23 projects were approved (42% of those considered) where the value of the public expenditure came to BGN 6,415 million.

During that year no payments were made under this measure.

The analysis of the progress in terms of approved application forms (including the received in 2010, which are being processed) showed that the maximum possible progress was 5% in terms of the target set for assistance of beneficiaries and 31% in terms of investments realised under this measure.

Viewing the whole lot of approved projects, those related to development of tourism prevailed, where the total value of investments was BGN 6,034 million, i.e. 65% of all investments, followed by those related to production of energy from renewable sources: BGN 2,255 million (24% of the investments).

Measure 312 "Assistance for establishing and development of microenterprises"

In 2010 under measure 312 three acceptation campaigns of projects were organised: two for investments under the EERP and one for other investments, where 656 projects came in.

The interest for applying preserved its high level, however some decrease was reported if compared to the previous year in the number of submitted projects (–17%) and in the value of the public expenditure (–23%).

Furthermore, there was some progress in terms of the number of approved projects. In 2010 238 projects were approved (30% of the submitted in 2009) where the value of the public expenditure came to BGN 67,784million.

Viewing the whole lot of approved projects, those related to development of tourism prevailed: 53% of all projects, followed by the production of energy from renewable sources: 18%, and the services sector: 14%. The projects related to the processing of raw materials, which were ineligible under measures 121 and 123, and trade related projects, occupied a share of 15%.

The analysis for the progress by approved and disbursed projects shows relatively low values in terms of achieving the indicators for assisted beneficiaries and investments, however in terms of additional indicators and targets specific for RDP it shows good implementation: in terms of the number of assisted new tourism related activities the share achieved was 16,9% and in terms of expected investments the share was 70,2%. High degree of implementation of indicators set might be expected if all approved projects were realised by the beneficiaries.

In 2010 under measure 312 43 applications for payments came in amounting to BGN 8,322 million. Advance payments were made to 28 of them amounting to BGN 3,397 million. Most part of the beneficiaries (94%) did use the possibility to receive higher amounts (up to 50% higher) of the respective advance payments.

Measure 313 "Encouraging of tourism related activities"

In 2010 there was no acceptance of projects under measure 313.

Since the start of application of RDP by the end of 2010, 47 application forms for assistance were accepted under this measure, amounting to BGN 16,560 million. Out of all received application forms 40 are in process of consideration, and seven were rejected.

With a view to preserving the potential of achieving the targets under the measure, amendments were made to Ordinance no. 32/2008 laying down the terms and conditions for providing of gratuitous financial assistance under measure 313.

Measure 321 "Basic services for economy and population of rural regions"

In 2010 241 projects were submitted where the total value of public expenditure came to BGN 762,762 million. Out of all received projects 97 were for investments under the EERP where the total value of public expenditure came to BGN 355,406 million, of which BGN 284,321 million was from the EAFRD.

Contracts were concluded for implementation of total 158 projects (31% of the submitted throughout the period 2008-2009) where the value of the public expenditure came to BGN 515,158million. By 31.12.2010 all projects submitted in 2010 were in process of processing, and 8% of the projects submitted in the previous years.

The payments under measure 321 in 2010 made 29% of all payments under the RDP. 130 applications for payments were submitted amounting to BGN 212,890 million. 129 advance payments were made amounting to BGN 211,163 million. The municipalities largely made use of the possibility to receive higher amounts (up to 50% higher) of the respective advance payments, which turned out to be exceptionally important to the implementation of their projects.

Measure 321 is one of the measures under the RDP, whose application has been a success. The analysis of the progress in terms of achieving the targets (on the basis of data of approved application forms) shows that the target set in terms of number of assisted activities may be achieved up to 10,5%. As regards the indicator on investments implemented under this measure, the implementation share was higher: 61,6%. As regards the progress under the projects, where disbursement was made the share was 8,5% of the target set in terms of the number of assisted activities, and 25,3% in terms of investments made.

The analysis of the progress in achieving the targets in terms of investments under the EERP (on the grounds of data on application forms deposited) shows that implementation exceeding the target set for investments by over nine times.

Measure 322 "Renewal and development of settlements"

In 2010 227 projects were submitted where the total value of public expenditure came to BGN 141,754 million. For the whole period of application of the measure 523 projects were submitted where the total value of public expenditure came to BGN 579,760 million. Contracts were concluded for implementation of 181 projects (61% of the submitted over the period 2008-2009) where the value of the public expenditure came to BGN 208,838 million. By 31.12.2010 all projects submitted in 2010 were in process of processing, and 2% of the projects submitted in the previous two years.

The payments under measure 322 in 2010 were 13% of all payments under the RDP during that year. 168 applications were submitted for payments amounting to 97,794 million BGN, advance payments were made amounting to BGN 94,344 million to 163 of these.

The analysis of the progress in achieving the targets (on the basis of data from approved application forms) shows that the target set for number of settlements where the activities are carried out, may be achieved up to 34%, while as regards the indicator for investments realised, the implementation may be larger, up to 51%. As regards the progress under the projects, where a payment was made, the implementation reached 31% of the target set for number of settlements, and 23% in terms of investments realised under this measure.

Measures from Axis 4 LEADER

In 2010 one acceptance campaign was carried out concerning projects under measures from Axis 4, however activities were carried out under this measures including those from the previous year.

Measure 41 "Application of local development strategies" and Measure 431-1 "Management of local initiative groups, acquisition of skills and achieving public activity in the relevant area by local initiative groups applying local development strategies"

Over the period of the first invitation for collection of project proposals (16.01—30.08.2010) 55 local development strategies came in where the total value of public expenditure came to BGN 204,186 million.

The selection of the local initiative groups was carried out in three stages. The first stage covered a check of the application forms and the accompanying annexed documents for administrative compliance and eligibility. The second includes a technical assessment of the quality of local development strategies provided and of applicants for local initiative groups. The third stage includes on-site visits of the applicants approved of the first two stages, whose technical assessment scores were 60 or more points in order to confirm the truthfulness of the details and circumstances stated, in the strategy and the application form.

The assessment of the strategies started in spring, 2011.

Measure 431-2 "Acquisition of skills and achieving public activity in the relevant areas for potential local initiative groups in the rural regions"

In 2010 under measure 431-2 the projects were carried out, under which there were contracts concluded under the two procedures for selection of projects in 2009. For the period of application of the measure by the end of 2010 91 contracts were concluded where the total value of public expenditure came to BGN 14,833 million.

The payments under measure 431-2 in 2010 were less than 1% of all payments under the RDP during that year. 89 applications for payments were submitted amounting to a total of BGN 3,252 million and interim payments were made under 46 of them amounting to BGN 1,367 million. This co-financing by beneficiaries under these applications amounted to BGN 60,6 thousand.

The analysis of the types of assisted activities under the projects, where an interim payment has been made shows that the total number assisted activities was 227, and the largest was the number of activities related to proving of information on the region and the local development strategy: 33% of all activities provided for, followed by training of personnel included in the preparation, and application of the local development strategy: 27% of the activities.

The analysis of the implementation in terms of additional indicators and goals specific for RDP, on the basis of concluded contracts, shows excellent implementation as to the number of assisted potential local initiative groups under measure 431-2: 155% of the target set, and very good indicators in terms of interim payments made: 38 potential local initiative groups received funds and the implementation of the goal was 63%.

Measure 611 "Additional payments to direct payments"

It was in 2010 when payments under measure 611 "Additional payments to direct payments" were last made. The overall amount of the payments amounted to BGN 65,216 million. With the sixth amendment to the RDP, it was proposed that the undisbursed budget under this measure should be transferred to the budgets under other measures.

Measure 511 "Technical assistance"

The management body of the RDP is responsible for the application of the activities within the scope of technical assistance (including the national rural network), a State Fund "Agriculture", Paying Agency is a competent unit for making the payments.

The activities financed within the scope of technical assistance in 2010 are to bring about the creation of prerequisites for efficient management and application of RDP. In 2010 a total of 82 application forms for assistance was registered and approved, of which 60 by the Ministry of Agriculture and Food and 22 by the State Fund "Agriculture", Paying Agency. The total value of the received application forms was BGN 13,321 million, of which five were withdrawn at a later stage, amounting to a

total of BGN 1,800 million. The concluded contracts under this measure since the start of its application were 167, amounting to BGN 24,524 million.

Since the start of the measure in 2008 and to the end of 2010 the money paid under submitted applications for payments totalled BGN 7,539 million.

2.2.2. RDP financial implementation, by measures

Since the start of application of RDP and to 31 December 2010 the total of the disbursed public funds came to BGN 1 199,797 million, of which BGN 962,032 million were disbursed by the EAFRD and BGN 237,765 million were disbursed from national funds.

Table IV.12.

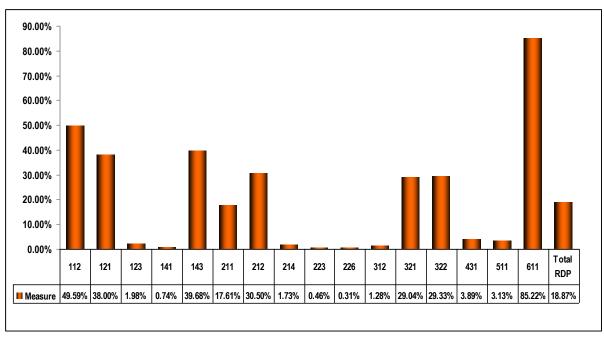
Payments disbursed under measures under the RDP for the period 2008-2010, million BGN

Measure/Axis	2008	Share out of a total of the disbursed in 2008 funds under the RDP	2009	Share from total the disbursed in 2009 funds under the RDP	2010	Share out of a total of the disbursed in 2010 funds under the RDP	2008- 2010	Share out of a total of the disbursed over the period 2008-2010 funds under the RDP
112 "Establishing of farms by young farmers"	1,001	0,50%	35,154	12,67%	62,965	8,72%	99,122	8,26%
121 "Modernisation of the farms"	0,00	0,00%	139,697	50,36%	215,320	29,82%	355,017	29,59%
123 "Adding value to agricultural and forest products"	0,00	0,00%	0,00	0,00%	9,443	1,31%	9,443	0,79%
141 "Assistance to quasi- market farms in a process of restructuring"	0,00	0,00%	0,00	0,00%	2,085	0,29%	2,085	0,17%
143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania"	0,004	0,00%	1,524	0,55%	3,149	0,44%	4,676	0,39%
Axis 1	1,005	0,50%	176,374	63,59%	292,959	40,58%	470,341	39,20%
211 "Payments for natural handicaps to farmers in mountain areas"	29,128	14,53%	14,117	5,09%	34,600	4,79%	77,845	6,49%
212 "Payments to farmers in areas with handicaps, other than mountain areas"	9,290	4,64%	4,772	1,72%	8,721	1,21%	22,785	1,90%
214 "Agro-ecological payments"	0,00	0,00%	4,232	1,53%	4,311	0,60%	8,543	0,.71%
223 "Initial afforestation of non- agricultural lands"	0,00	0,00%	0,00	0,00%	0,374	0,05%	0,374	0,03%

Total	200,426	100 %	277,377	100 %	721,987	100 %	1 199,797	100 %
Axis 6	161,003	80,33%	75,699	27,29%	65,218	9,03%	301,921	25,16%
611 "Additional payments to direct payments"	161,003	80,33%	75,699	27,29%	65,218	9,03%	301,921	25,16%
Axis 5	0,00	0,00%	2,183	0,79%	5,355	0,74%	7,540	0,63%
511 "Technical assistance"	0,000	0,00%	2,183	0,79%	5,355	0,74%	7,540	0,63%
Axis 4	0,00	0,00%	0,00	0,00%	1,367	0,19%	1,367	0,11%
431-1 "Management of local initiative groups, acquisition of skills and achieving public activity in the relevant area for selected local initiative groups (applying local development strategies)"	0,00	0,00%	0,00	0,00%	1,367	0,19%	1,367	0,11%
Axis 3	0,00	0,00%	0,000	0,00%	308,901	42,78%	308,901	25,75%
322 "Renewal and development of settlements"	0,00	0,00%	0,00	0,00%	94,346	13,07%	94,346	7,86%
321 "Basic services for the population and the economy in rural regions"	0,00	0,00%	0,00	0,00%	211,160	29,25%	211,160	17,60%
312 "Assistance for establishing and development of microenterprises"	0,00	0,00%	0,00	0,00%	3,397	0,47%	3,397	0,28%
Axis 2	38,418	19,17%	23,121	8,34%	48,185	6,67%	109,727	9,15%
226 "Recuperation of forest potential and introduction of preventive activities"	0,00	0,00%	0,00	0,00%	0,182	0,03%	0,182	0,02%

Source:Directorate Rural Development, Ministry of Agriculture and Food

Figure IV.1 Disbursement rate of the funds under the RDP for the period 2008-2010, under measures, %



Source: State Fund "Agriculture", Paying Agency

2.2.3. European Economy Recovery Plan

The European Economy Recovery Plan (EERP) focuses the stimulation of economies of the EU Member States, aiming to adapt these to the challenges entailed the world economic and financial crisis. All Member States are granted funds from EERP to encourage the implementation of rural development projects.

The additional sum under the EERP allocated to Bulgaria and covering the period 2009-2010 was BGN 64,836 million, including BGN 38,139 million for 2009 and BGN 26,697 million for 2010. Adding 10% of co-financing from the Bulgarian Budget (BGN 7,197 million), the total sum under the EERP for Bulgaria amounts to BGN 72,033 million.

The additional budget from the EERP for 2009 and 2010 was allocated to the activities under Axis 1 and Axis 3 of RDP related to the management of waters, renewable energy and restructuring of the dairy sector , including:

For management of waters: 56% of the funds intended for:

- Water-saving technology such as irrigation systems;
- Water storage, including overflows;
- Waste water purification installations in farms and processing enterprises;
- construction/reconstruction/ rehabilitation of water supply systems and equipment.

For renewable energy sources (RES): 35% of the funds:

- equipment for production of energy by RES;
- equipment for production of bioenergy by processing biomass;
- establishing plantations of perennial energy crops;
- installations / infrastructure for renewable energy by use of biomass and other RES (solar, wind, and geothermal energy).

For restructuring of the dairy sector: 9% of the funds - for investments on improving the competitiveness of the Dairy Sector.

As a result of additionally provided EERP funds the intensity of the assistance under the measures associated with the new challenges (121, 123, 311 and 312) rose by 10%. For measures 311 and 312 such intensity growth only referred to the investments in buildings and equipment for production and sale of energy from renewable energy sources.

In 2009 there were no approved projects financed within the scope of EERP. By the end of 2010 contracts were concluded under 52 projects received during that year and amounting to BGN 20,203 million of public funds, which included investments under the EERP amounting to BGN 6,002 million. In 2010 there were no submitted application forms and no payments were disbursed under these projects.

2.2.4 Progress achieved under the RDP in the first semester of 2011 and results to be expected until the end of the year

The overall amount of agreed funds in the first semester of 2011 amounted to BGN 282,957 million. Over 2 000 contracts are expected to be concluded by the end of the year, and the amount of agreed public funds should exceed BGN 1 200 million.

Table IV.13.

Amount of the funds agreed for the period 01.01- 30.06.2011, BGN

Measure under the RDP	Amount agreed
111 "Vocational training, information activities and dissemination of scientific knowledge"	15 376 908,00
112 "Establishment of young farmer's farms "	537 812,00
121 "Modernisation of farms"	9 634 438,40
123 "Adding value to agricultural and forest products"	37 028 909,21
141"Assistance to quasi-market farms in a process of restructuring"	4 620 577,50
223 "Initial afforestation of non-agricultural lands"	2 857 722,60
226 "Recuperation of forest potential and introduction of preventive activities"	2 212 346,00
311 "Diversification toward non-agricultural activities"	35 964 635,09
312 "Assistance for establishing and development of microenterprises"	36 413 969,90
313 "Encouraging of tourist activities"	10 158 658,20
321 "Basic services for economy and population of rural regions "	99 531 877,51
322 "Renewal and development of settlements"	28 619 083,60
Total	282 956 938,01

Source: State Fund "Agriculture", Paying Agency

Table IV.14.

Forecast on the number of concluded contracts and agreed public funds under the RDP by the end of 2011

	Measure under the RDP	Number processed application forms	Public expenditure connected with those processed application forms, BGN
Application forms ACCEPTANCE` 2009	312 "Assistance for establishing and development of microenterprises"	112	52 665 725,17
2000	123 "Adding value to agricultural and forest products"	94	113 999 348,05
	311" Diversification toward non-agricultural activities"	94	33 064 501,86
	312 "Assistance for establishing and development of microenterprises"	650	185 583 928,20
Application forms	321 "Basic services for the population and the economy in rural regions"	223	692 775 643,50
ACCEPTANCE` 2010	322 "Renewal and development of settlements"	196	110 555 998,30
	121 "Modernisation of the farms"	167	43 832 583,54
	141 "Assistance to quasi-market farms in a process of restructuring"	499	7 319 581,50
Application	223 "Initial afforestation of non-agricultural lands"	2	472 886,10
forms ACCEPTANCE` 2011	226 "Recuperation of forest potential and introduction of preventive activities"	10	3 137 415,23
	TOTAL Agriculture" Paving Agency	2 047	1 243 407 611,45

Source: State Fund "Agriculture", Paying Agency

Over the first six months of the year in conformity with these measures under the RDP, BGN 168,243 million were disbursed to a total of 39 404 application forms, of which 37 837 application forms the subsidy to which was BGN 39,198 million were under measures 211, 212 and 214 having the nature of direct payments.

Table IV.15.
Disbursed subsidies under measures and axes of RDP for the period 1 January—30 June 2011, BGN

Measure	Number of application forms	Subsidy disbursed
AXIS 1		
111 "Vocational training, information activities and dissemination of		
scientific knowledge"	4	234 323
112 "Establishing of farms by young farmers"	17	415 582
121 "Modernisation of the farms"	203	46 337 045

	1	
122 "Improving the economic value of the forests"	0	0
123 "Adding value to agricultural and forest products"	34	16 453 042
	4 000	2.004.676
141 "Assistance to quasi-market farms in a process of restructuring"	1 093	3 204 676
142 "Establishing of producers organisations"	0	0
143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania"	2	873 972
TOTAL AXIS 1	1 353	67 518 640
AXIS 2*		
211 "Payments for natural handicaps to farmers in mountain areas"	26 948	29 619 833
212 "Payments to farmers in areas with handicaps, other than mountain areas"	10 424	7 864 891
214 "Agro-ecological payments"	465	1 713 152
223 "Initial afforestation of non-agricultural lands"	9	229 493
226 "Recuperation of forest potential and introduction of preventive activities"	10	270 172
TOTAL AXIS 2	37 856	39 697 542
AXIS 3		
311 "Diversification toward non-agricultural activities"	14	1 854 558
312 "Assistance for establishing and development of microenterprises"	38	6 502 039
313 "Encouraging of tourist activities"	0	0
, i		
321 "Basic services for the population and the economy in rural regions"	26	39 016 957
322 "Renewal and development of settlements"	14	7 786 409
TOTAL AXIS 3	92	55 159 962
AXIS 4		
431-2 "Acquisition of skills and achieving public activity in the relevant		
areas for potential local initiative groups in the rural regions"	62	2 031 447
TOTAL AXIS 4	62	2 031 447
511 "Technical assistance"	41	3 835 024
TOTAL:	39 404	168 242 614
Source: Directorate Rural Development, Ministry of Agriculture and Food		

2.3. Additional State aids

In addition to the assistance under the two pillars of CAP, the agricultural producers in Bulgaria are assisted by the State and via State aids, short-term and long-term credit schemes.

State aids are a supplementary tool for assistance to the agricultural producers, aimed at the implementation of the national policy on development of certain dominions and activities.

State aids in the dominion of agriculture are base on three different perspectives. Firstly, the State aids rules in the sphere of agriculture are in function of the main principles of competition related

Source: Directorate Rural Development, Ministry of Agriculture and Food

* Those authorised for the period 01.01.2011—30.06.2011 were registered as paid up sums to application forms under measures 211, 212 and 214

policy. Secondly, State aids in agriculture must be covered by the EU Common Agricultural Policy and the rural development policy. And last but not least, the rules must be compatible with the EU's international liabilities, and in particular the agreement with WTO in the area of agriculture.

As at 31.12.2009 the period expired, where Bulgaria was allowed to apply the so called "existing aids" applied during the country's pre-accession period, with no need of assessment of compatibility with the common market. After this date any assistance must be in accordance with the European law in the area of State aids.

In 2010 State aids were applied in the country as notified to the European Commission and approved in the period 2007—2010, and *de minimis* aids provided in accordance with the provisions of Regulation (EC) no. 1535/2007.

The "de minimis" is applied to aids, which due to their small scale do not jeopardise competition and may be provided by the Member States and do not need any approval by the European Commission. With Regulation (EC) no. 1535/2007 the maximum size of the "de minimis" aids in the sector of production of agricultural products was fixed at 7 500 Euros (14 669 BGN) per farm, for a period of three tax years.

In 2010 the agricultural producers received State aids in the form of grants, interest subsidies and capital subsidies to credits for implementation of investment projects, tax alleviations, etc. State aids were provided via the State Fund "Agriculture", the latter acting as an authority within the system of Ministry of Agriculture and Food granting aids and via other aid administrators in agriculture.

Table IV.16.
State aids in agriculture over the period 2008—2010

	Disburse	ed funds (mill	lion BGN)	Number of beneficia		aries
	2008	2009	2010	2008	2009	2010
Existing State aids						
I.National schemes of State Fund "Agriculture"						
- grants	23.4	25.6	1.5	4 649	5 311	365
- tied credits - element of State assistance	1.9	0.0	0.0	493	0	0
- credits tied to investment programmes - element of State assistance	1.8	0.0	0.0	274	0	37
- capital subsidies and subsidies at interest	11.2	11.8	5.8	434	556	340
II National schemes of Tobacco Fund *	133.9	109.7	0.0	53 075	60 747	0
Cash bonuses for tobacco-growers for quantity and quality of tobacco produced	132.2	108.1		26 533	26 468	
2. Gratis seeds for tobacco-growers	0.9	0.8		26 533	34 270	
3. Financial assistance for maintenance of genetic resources of tobacco varieties	0.8	0.7		9	9	
III. Individual aids	2.8	0.4	0.1	4	4	2

	Disburse	ed funds (mil	lion BGN)	Numb	er of beneficia	aries
	2008	2009	2010	2008	2009	2010
Assistance for the activity of Kabiyuk State-owned Enterprise for maintenance of autochthonous and other valuable breeds of the national genebank of livestock breeding and preservation thereof as national treasure	2.0	0.2		1	1	
Loan in favour of Slatina Bulgarplod EAD under a Project for wholesale markets in Bulgaria	0.0	0.0		0	0	
3. Loan in favour of "Market for fruits, vegetables and flowers" AD under a Project for wholesale markets in Bulgaria	0.2	0.1	0.1	1	1	1
Loan in favour of Maritsa AD for construction and equipment of a wholesale market	0.6	0.1	0.0359	1	1	1
5. Loan in favour of Market of the producer -Pazardzhik AD for construction and equipment of a wholesale market	0.0	0.0		1	1	
IV Tax alleviations						
Cession of 60 per cent of the corporate tax to agricultural producers registered as legal entities.	20.9	13.8		1 379	1 277	
Full cession of the corporate tax to taxable persons	13.3	6.2		256	244	
3. Income tax exemption applied to income from agricultural activity of registered agricultural producers and tobacco-growers who are natural persons	n/a	n/a		n/a	n/a	
Exemption of owners of agricultural lands and forests real property tax	n/a	n/a	n/a	n/a	n/a	n/a
5. Exemption of agricultural producers of tax on farm buildings, used for agricultural activity	n/a	n/a		n/a	n/a	
6. The implementation of preferential excise rates as applicable to motor fuels used for working agricultural lands	80.0	87.7		10 872	11 904	
7. Exemption of land related supplies of value added tax	n/a	n/a	n/a	n/a	n/a	n/a

	Disburse	ed funds (mil	lion BGN)	Numb	per of benefici	aries
	2008	2009	2010	2008	2009	2010
V. Schemes of assistance applied by the National Employment Agency **	9.5	7.0		7 471	4 281	
VI. Other measures						
Providing of agricultural land from the State Land Fund and from the municipal land fund	3.5	21.2	0.3	17 655	11 825	2 021
Financial assistance of irrigation associations	1.0	0.0		7	0	
3. Free acquiring of entitlement to property and entitlement to use the facilities belonging to the irrigation engineering infrastructure and servicing equipment by irrigation associations	0.1	0.7	0.0126	5	5	2
Alleviations in case of establishing and payment of social security contributions	18.0	17.4	10.5	43 902	50 168	35 850
New State aids as approved by the Eur	opean Comr	mission				
1.Providing of State assistance tackling compensations against losses suffered by agricultural producers for totally failed areas as a consequence of natural calamities or unfavourable climatic conditions	23.1	0.0	1.2	5 225	0	73
2.Assistance for keeping a pedigree book and for determining the productivity and genetic features of the animals		2.1	2.3		28	28
3.Assistance for encouraging the production and use of high quality seeds			0.7			1
4.State assistance under the Interim framework for assistance to agricultural producers of agricultural production and to enterprises active in processing and trade in agricultural products			23.0			6 896
5. Assistance for keeping a pedigree book and for determining the productivity and genetic features of the Bulgarian shepherd dog also known as Karakachanska pedigree shepherd dog			0.004			2
Assistance for co-financing of insurance premiums as regards insurance of agricultural production			0.5			193

	Disburse	Disbursed funds (million BGN)		Number of beneficiaries		
	2008	2009	2010	2008	2009	2010
De minimis aids						
De minimis aids: total	42.9	0.4	0.7	n/a	n/a	2 007

Source: State Fund "Agriculture", National Revenue Agency, National Employment Agency, National Social Security Institute, Ministry of Agriculture and Food

Notes: *as of 2010 the funds are granted as compensations against providing a service of public interest; **at current the National Employment Agency applies such aids as de minimis aids in the sector of processing and trade in agricultural products (except primary production); n/a – the size may be determined and/or there is no data.

New schemes for State aids

In 2010 and the first six months of 2011, 11 new schemes for State aids in agriculture were developed and notified to the European Commission:

- State assistance tackling compensations against losses suffered by agricultural producers for totally failed areas as a consequence of natural calamities or unfavourable climatic conditions (in 2010 an amendment was notified and approved in terms of prolongation of the enforcement period of the measure until the end of 2013);
- 2. Assistance for co-financing of insurance premiums as regards insurance of agricultural production;
- 3. Interim State aid for assistance to the agricultural producers of agricultural production and to enterprises active in processing and trade in agricultural products aimed at preserving the farms and production thereof in the circumstances of the current financial and economic crisis;
- 4. Assistance for keeping a pedigree book and for determining the productivity and genetic features of the Bulgarian shepherd dog also known as Karakachanska pedigree shepherd dog;
- 5. Assistance for investments in farms for achieving compliance with the requirements for quality as regards production and storage of raw milk as laid down in Regulation (EC) no. 853/2004 (later it was decided that this should be applied as an addition to measure 121 from the Rural Development Programme);
- Assistance for investments in farms in terms of achieving the *de minimis* requirements as laid down by Directive 1999/74/EC on the minimum standards for the protection and humane treatment of laying hens (later it was decided that this should be applied as an addition to measure 121 from the Rural Development Programme);
- 7. Assistance for investments in farms by remission of corporate tax;
- 8. Assistance for participation in shows and fairs such as the Sliven National Livestock Breeding Show, the Razgrad Regional Buffalo Breeding Show, the Kalofer National Bulgarian Breeds Protection Fair;
- 9. Assistance for participation in Sheep-breeding shows such as the Kostinbrod Regional Sheep Breeding Show, the Elin Pelin Municipal Sheep Breeding Show, the Godech Municipal Sheep Breeding Show and the Breznik Municipal Sheep Breeding Show;
- Investments for building trade premises and facilities and purchase of trade related equipment for agricultural producers who are in the business of direct supplies of small quantities of raw materials and foods of animal origin;

11. Assistance to the application of reduced excise rate on the diesel oil used for agricultural needs (in process of assessment by the European Commission for compliance with the Common Market requirements).

De minimis aids

In 2010 and in the first six months of 2011 were provided the following *de minimis* aids:

- 1. Scheme for de minimis aids for purchase of fodder for feeding of dairy cattle;
- 2. Credit for assistance of stock-breeders for purchase of fodder and/or fodder components;
- 3. Rescheduling of 2008 credits for stock-breeders, poultry-breeders and swine-breeders by using *de minimis* aids;
- 4. Individual de minimis aid for Establishing of farms by young farmers to establish nursery-gardens with perennial plants and/or decorative species, including acacia;
- 5. Individual de minimis aid to agricultural producer-apiarist for compensation of damages caused by field fire.
- 6. Individual de minimis aid to agricultural producer for starting an agricultural business:
- 7. Individual State de minimis aid for purchase of specialised motor vehicles for transportation of dogs;
- 8. De minimis aid for feeding foot-and-mouth disease-prone animals.

In the case of providing a credit or rescheduling a credit in terms of "de minimis" aid, it is expressed in gross equivalent of free funds as calculated to a methodology proposed by the Ministry of Finance.

2.3.1. Short-term assistance by the State Fund "Agriculture"

In 2010 under short-term schemes for assistance by the State Fund "Agriculture" including State aids and short-term credit schemes, 10 153 agricultural producers were assisted. Of these, 9 480 received State assistance or credit, while 673 rescheduled credits from previous years.

The total of funds agreed and disbursed under this measures of short-term crediting and subsidising for 2010 was BGN 70 838 thousand (vs. BGN 61 552 thousand in 2009), including for assistance of sector "Livestock breeding": 57 055 thousand BGN (vs. BGN 42 792 thousand in 2009) and for sector "Plant-growing": BGN 13 783 thousand (vs. BGN 18 760 thousand in 2009).

The money paid in the form of subsidies was BGN 29 399 thousand (vs. BGN 27 699 thousand in 2009), in the form of credits: 41 439 thousand BGN (vs. BGN 33 853 thousand in 2009), while the disbursed gross equivalent of gratuitous assistance (in the case of credits under *de minimis* conditions): BGN 595 thousand.

In 2010 short-term State assistance was granted under the following financial lines:

Table IV.17.
Short-term assistance by the State Fund "Agriculture"

no	Financial line	Funds allocated (BGN)	Disbursed funds (BGN)	Number beneficiari es
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no	Financial line	Funds allocated (BGN)	Disbursed funds (BGN)	Number beneficiari es
1	Grant for assistance of the agricultural producers for purchase of sowing material from potatoes for seed production and consumption	1 552 900	1 484 183	365
2	Scheme for providing of State assistance for keeping a pedigree book and for determining the productivity and genetic features of the animals	2 342 582	2 298 450	28
3	Scheme for providing of State assistance for keeping a pedigree book and for determining the productivity and genetic features of the Bulgarian shepherd dog also known as Karakachanska pedigree shepherd dog	9 800	3 515	2
4	Scheme for assistance for encouraging the production and use of high-quality seeds	1 352 345	723 406	1
5	Scheme for State assistance "Assistance for co-financing of insurance premiums as regards insurance of agricultural production"	4 000 000	536 852	193
6	State assistance tackling compensations against losses suffered by the agricultural producers for completely failed areas as a result of natural calamities or unfavourable climatic conditions	1 684 966	1 172 527	73
7	Temporary assistance for preserving the farms in relation to the financial and economic crisis - cows, buffalo-cows, sheep and goat	20 000 000	19 621 990	6 736
8	Temporary assistance for safeguarding the farms in relation to the financial and economic crisis - poultry and swine	3 480 000	3 424 164	160
9	Individual State assistance <i>de minimis</i> for purchase of specialised transport funds for transportation of the neighbourhoods of the pedigree also known as Karakachanska pedigree shepherd dog	160 000	119 597	16
10	Individual State assistance de minimis for purchase of hives	14 669	14 669	1
	Total subsidies	34 597 262	29 399 353	7 575
11	Credit for purchase of seeds, mineral fertilisers and preparations for production of potatoes, harvest 2010	5 000 000	1 128 368	36
12	Credit for purchase of seedlings, mineral fertilisers and preparations for crop protection for production of tomatoes, harvest 2010	1 560 000	100 971	4
13	Credit for the purchase of seeds, mineral fertilisers and preparations for crop protection for production of peppers, harvest 2010	4 200 000	705 316	24
14	The credit for purchase of seeds for production of wheat, harvest 2011	5 000 000	2 973 174	135
15	Tied credit for purchase of mineral fertilisers for production of wheat, harvest 2011	6 200 000	4 958 304	198
	Total credits in terms of the reference interest rate	21 960 000	9 866 133	397
16	Credit for purchase of fodder and/or fodder components for sheep, goat, cows and buffalo-cows in 2010	23 800 000	23 504 417	1 378
17	Credit for poultry for purchase of fodder and/or fodder componentsin 2010	6 000 000	5 490 321	93
18	Credit to swine-breeders for purchase of fodder and/or fodder componentsin 2010	3 000 000	2 578 100	37
	Total credits with possibility for de minimis	32 800 000	31 572 838	1 508

no	Financial line	Funds allocated (BGN)	Disbursed funds (BGN)	Number beneficiari es
	Total credits	54 760 000	41 438 971	1 905
	Total subsidies and credits	89 357 262	70 838 324	9 480

Source: State Fund "Agriculture"

The credits provided at interest rate equal or higher than the reference rate approved for the country, do not contain an element of State assistance.

In 2010 credits were allotted *de minimis* at 3% interest calculating a gross equivalent under *de minimis*, to reach the 7 500-Euro individual ceiling of the agricultural producer for three years and within the national ceiling for *de minimis*. For beneficiaries, which have reached the individual ceiling of the *de minimis* aid, the credit was allotted at reference interest rate, which by the time of conclusion of the contracts in 2010 was 5,15%.

Out of a total of 1 508 agricultural producers credited under the three credit lines with an option to use *de minimis* aids (16, 17 and 18), 1317 made use of the alleviation to be financed at 3% interest rate and the share of the disbursed credit funds under these conditions was 65% out of the total of the funds disbursed in this sector. The gross equivalent amounted to BGN 422 thousand.

Rescheduling of credits received in 2008 and 2009

In 2010 were rescheduled credits received by livestock breeders, poultry breeders and swine breeders in 2008 and 2009, within the individual thresholds of the de minimis aids and in accordance with the available funds up to the national ceiling for such aids. The agricultural producers, who have not reached the individual 7 500-Euro threshold, rescheduled their credits at 3% interest, which in its nature was minimum assistance and is calculated as gross equivalent according to the methodology proposed by the Ministry of Finance. A total of 673 agricultural producers have rescheduled their credits amounting to a total of BGN 13 971 thousand. The amount of the gross equivalent came to BGN 173 thousand.

The total disbursed funds in the form of *de minimis* aids under Regulation (EC) no. 1535/2007 including the disbursed subsidies and the calculated gross equivalent to provided and rescheduled credits under *de minimis* conditions were as high as BGN 729 thousand. This disbursed amount does not exceed the national de minimis aid threshold.

In 2010 the funds allotted under all applied short-term schemes for assistance increased by 13% in comparison with 2009, and the assistance in the form of subsidies increased by 5,7%, while the amount of the provided credits rose by 18 %.

It is expected that in 2011 the total funds provided under short-term schemes for assistance to come to around BGN 49 million, of which around BGN 30 million will be subsidies and around BGN 19 million will be credits.

2.3.2. Investment schemes by the State Fund "Agriculture"

In order to stimulate the investment process, 2010 saw the application of the credit scheme of the State Fund "Agriculture" applicable to investments in agriculture with three basic areas of focus: "Plant-growing", "Livestock breeding" and "Equipment". Within the framework of the year, were disbursed and capital and interest subsidies under existing State aids and under commitments taken in previous years.

The activities and the sites provided for financial assistance are as listed below:

- establishment, reimbursement and growing of perennial plants and investments in greenhouse production;
- establishment and equipment of livestock breeding farms and purchase of thoroughbred, hybrid and marketable animals;
- purchase of plant, equipment and machinery, equipment and other items used in agriculture.

According to the instructions on the application under a credit scheme, credits have 12 months to 114 months redemption period, according to the type of investment.

Investment projects are financed directly by the Fund at annual interest rate equal to the reference interest rate throughout the country applicable as at the relevant date of conclusion of contracts for credit, however not lower than the interest rate that may be determined by the Board of Managers (BM) of the State Fund "Agriculture" for 2010: 6%, and by refinancing commercial banks at 9% rate, however not lower the reference interest rate throughout the country applicable as at the date of conclusion of credit contracts.

In 2010 14 projects were approved amounting to BGN 2 720 920, of which those financed or refinanced respectively were 13 projects. The provided credit funds amounted to BGN 3 296 328, including BGN 583 883 of tranches under financed projects of past years. BGN 745 502 of capital subsidies and BGN 5 310 797 of interest subsidies were disbursed.

Table IV.18.

Distribution of the funds by areas of focus and method of crediting

		Financed/re-financed						
Investment programme	number	credit, thousand BGN	capital subsidies, thousand BGN	subsidies for interest, thousand BGN				
1."Livestock breeding–through Trade Bank	1	278	468	347				
2."Livestock breeding- direct crediting	3	539	38	308				
3."Plant-growing- through Trade Bank	1	1660	236	2 510				
4. "Plant-growing-direct crediting	1	128	3	920				
5. "Equipment": through Trade Bank	2	427	0	1 191				
6. "Equipment": direct crediting	5	264	0	35				
Total:	13	3 296	746	5 311				

Source: State Fund "Agriculture"

Livestock Breeding Investment Programme

For the period 01.01.-31.12.2010 4 projects were financed under the Livestock Breeding Investment Programme, with investment value of BGN 831 800. The provided credit funding amounted to BGN 816 600. Capital subsidies were disbursed under the existing State aids amounting to a total of BGN 506 292. Over the reference period under the Programme subsidies for interest amounting to BGN 655 047 were also disbursed. The funds were allocated as listed below:

Table IV.19.

Distribution of the funds by areas of focus and method of crediting

Target of the investment	Number of projects	Investment value, thousand BGN	Credit, thousand BGN	Number animals	Capital subsidy, thousand BGN
I. Purchase of animals					
Pregnant heifers and cows	1	278	278	102	0
Hens	2	535	520	65 000	32
Total under i.l	3	813	798	-	32
II. Purchase of buildings and equipment	1	19	19	-	474
Total (I+II):	4	832	817	-	506

Source: State Fund "Agriculture"

Plant-growing Investment Programme

In 2010 the Plant-growing Investment Programme was used to assist the establishing 19 1000 sq. m hazelnuts. Credit funds were granted amounting to BGN 588 783, including tranches under credits from past years. Capital funds were granted amounting to existing State aids amounting to a total of BGN 239 210. Over the reference period interest subsidies were also disbursed under the programme amounting to BGN 3 429 876.

Table IV.20. Distribution of the funds by areas of focus and method of crediting

Target of the investment	Number of projects	Investment value, thousand BGN	Credit, thousand BGN	1000 sq. m	Capital subsidy, thousand BGN
I. Planting perennial plants					
Almonds*	0	0	5	0	0
Apricots*	0	0	3	0	0
Vineyards	0	0	248	0	20
Hazelnuts	1	12	40	19	2
Oleaginous rose*	0	0	1	0	0
Walnuts*	0	0	9	0	0
Peaches*	0	0	21	0	4
Plums*	0	0	14	0	0
Cherries	0	0	159	0	5
Apples	0	0	88	0	8
Total under i.l	1	12	588	19	39
II. Purchase of greenhouses and equipment	1	1 205	1 200		200
Total (I+II):	2	1 217	1 788		239

Source: State Fund "Agriculture"

Agricultural Equipment Investment Programme

^{*} The sums are tranches under financed projects in past years

In 2010 under this programme were financed 7 projects with investment value BGN 958 853. The credit funding provided for amounted to BGN 690 945 by types of plant, equipment and machinery as listed below:

Table IV.21.

Provided credit funding by types of plant, equipment and machinery

Subject of the investment	Number projects	Investment value, thousand BGN	Credit, thousand BGN	Number plant, equipment and machinery
Harvester-threshers	1	488	360	1
Tractors	1	68	48	2
Trailed equipment	5	403	283	
Total:	7	959	691	

Source: State Fund "Agriculture"

In 2010 interest subsidies were also disbursed under existing State aids amounting to BGN 1 226 thousand.

Capital subsidies and other alleviations under existing State aids.

In 2010 were disbursed capital and interest subsidies under existing State aids and under commitments taken in previous years, as listed below:

- Capital subsidies and subsidies for covering the expenditure on interest over the whole period of the credit for the agricultural producers from the regions included in the Programme for alternative farming in the Rhodope mountains (20% of the amount of the credit), the Regional programme for Northwest Bulgaria (14% and 20% for mountainous regions) and the Programme for development of agriculture and the rural regions in the Strandzha-Sakar mountain (20%).
- Capital subsidies for establishment of fruit orchards observing the standard BGN 100 /1000 sq.
 m;
 - Capital subsidy for establishment of perennial fruit orchards:
- Subsidy for covering the expenditure on interest for the whole period under investment credits for young agricultural producers:
- Subsidy for covering the expenditure on interest during the credit gratis period for establishment of perennial vineyards;
- Subsidy for covering the expenditure on interest for purchase of new agricultural plant, equipment and machinery;
 - Subsidy for covering the expenditure on interest for establishment of apiaries.

Table IV.22.
Capital subsidies and other alleviations under existing State aids

Type of subsidy	Amount thousands BGN
I. Capital subsidies	
1. Capital subsidies under section I from the instructions, including:	2
- for perennial plants - Vineyards, fruit trees and roses	2

- for greenhouses	0
- for establishment of apiaries	0
- for plant, equipment and machinery	0
2. Capital subsidies under sectionIII from the instructions, including:	744
- under theRhodope mountains programme (20 % of the amount of the credit)	36
- under the Northwest Bulgaria programme (14-20 % of the amount of the credit)	444
- under the Strandzha-Sakar mountain programme (20% of the amount of the credit)	263
Total under item I (1+2):	746
II. Subsidies for interest	
Subsidies for interest under section II from the instructions, including:	1 570
- of young agricultural producers	234
- for establishment of apiaries	0,6
- for perennial plants	110
- for purchase of new agricultural plant, equipment and machinery	1 226
2. Subsidies for interest under section III from the instructions, including:	3 741
- under the Rhodope mountains programme	548
- under the Northwest Bulgaria programme	1 440
- under the Strandzha-Sakar mountain programme	1 753
Total under item II (1+2):	5 311

Source: State Fund "Agriculture"

For the period 01.01.-31.12.2010 in the regions included in the Programme for alternative farming in the Rhodope mountains were provided credit funds amounting to BGN 304 930. The purchase of 20 thousand laying hens was assisted. Capital subsidies were disbursed (including under credits from previous years) equal to 20% of the agreed BGN 35 860 credit, and BGN 548 215 in the form of subsidies to cover the expenses made to pay off interest rates over the whole period of the credit.

Under the Regional programme for Northwest Bulgaria credit funds were provided amounting to BGN 57 780 on purchase of plant, equipment and machinery associated with breeding of animals. Capital subsidies were disbursed (including under credits from previous years) equal to 14 % of the agreed credit of BGN 444 376 and BGN 1 439 538 in the form of subsidies to cover the expenses made to pay off interest rates over the whole period of the credit.

For the period 01.01.-31.12.2010 under the Regional programme for development of agriculture and rural regions in the Strandzha-Sakar mountain credit funds were provided under commitments taken in past years amounting to BGN 105 995. Capital funds were paid to cover credits from previous years equal to 20% of agreed credit amounting to BGN 263 366. Over the reference period under the Regional programme "Strandzha-Sakar mountain" subsidies were disbursed on interest amounting to BGN 1 753 316.

Renegotiating investment credits given the effects of the economic crisis

In order to alleviate the effects of the economic crisis, in 2010 were developed instructions on how to renegotiate parameters of financed investment credits. As a result of this an opportunity was given that credits over BGN 12 500 000 could be restructured and continue to be paid off by the beneficiaries.

Refinancing procedure via commercial banks of projects under the RDP

In 2010 the Board of Managers of the State Fund "Agriculture" approved a Procedure for target refinancing of commercial banks intended for credits disbursed in BGN and foreign currency for implementation of projects for purchase of agricultural plant, equipment and machinery by persons having submitted application forms for financial assistance under measure 121 "Modernisation of the farms" under the RDP, which were short of financial resources. According to the terms and conditions of this scheme 7 projects were re-financed amounting to a total of BGN 2 468 649.

Expected data for the current 2011

For 2011 investment credits amounting to around 80 million BGN are expected to be provided. Subsidies to be provided until the end of the year are related to commitments taken tied to investment programmes for concluded contracts from previous years and these would total BGN 2 205 460. Spending of those funds on credits and subsidies will be carried out in the following areas of focus:

- Disbursement of commitments taken from past years
- In 2011 the commitments taken in accordance with concluded contracts under the investment programmes applied by the end of 2009 and under the Investments in Agriculture Credit Scheme were as listed below: tranches to credits: BGN 155 000 (BGN 87 440 disbursed by 30.06.2011); tranches to capital and interest subsidies: BGN 2 205 460 (BGN 1 990 639 disbursed by 30.06.2011).
 - Investments in Agriculture Credit Scheme
 The expectations are that investment credits worth BGN 5 000 000 at most should be provided under that scheme until the end of the year. By 30.06.2011 7 credits were financed amounting to BGN 630 660.
 - Refinancing procedure of projects under the RDP via commercial banks

In 2011 the Board of Managers of the State Fund "Agriculture" developed and approved a procedure using funds of State Fund "Agriculture" intending to refinance commercial banks for providing credits to persons with approved projects and contracts concluded on disbursing financial assistance in accordance with the measures under the RDP for the period 2007-2013 supported by the EAFRD. The application of the procedure started in June by signing framework contracts on refinancing with partner commercial banks. The expectations for the current year were that probably the interest would be satisfied within funds provided for 2011.

2.3.3. Assistance for tobacco production

In 2010 the budget of Tobacco Fund disbursed bonuses to tobacco-growers amounting to BGN 115 952 320 against produced and purchased 47 136 tonnes of tobacco, harvest 2009 from assortment groups *Basma subvarieties*, *Kaba Kulak*, *Burley* and *Virginia*.

According to Ordinance no.2 of 11 February 2010 of the Ministry of Agriculture and Food on the special requirements for participation in the approved schemes for national additional payments and specific assistance for 2010, a reference quantity of tobacco (2007-2009) eligible for assistance was determined for each producer.

V. ACTIVITIES RELATIVE TO AGRICULTURAL PRODUCTION

1. Check of agricultural and forestry equipment

1.1. Situation of mechanisation in agriculture and structure of machinery stock and tractor fleet in Bulgaria

One of the main factors for increasing of efficiency and competitiveness of the agricultural production is the technical and technological renewal.

Table V.1.

Number of the registered machinery by groups and distribution according to their age structure by years for the period 2004-2010

								A	GE					
TYPE	Year	Total Number	under 2	years	3 - 4 y	ears	5 - 6 y	ears	7 - 8 y	ears	9 - 10 y	ears	over 10	years
		of	number	%	number	%	number	%	number	%	number	%	number	%
	2004	28903	884	3.1%	497	1.7%	943	3.3%	661	2.3%	1168	4.0%	24750	85.6%
	2005	33966	1119	3.3%	670	2.0%	1002	3.0%	858	2.5%	1269	3.7%	29048	85.5%
	2006	38597	1542	4.0%	1018	2.6%	761	2.0%	1275	3.3%	847	2.2%	33154	85.9%
WHEEL TRACTORS	2007	43690	2030	4.6%	1325	3.0%	852	2.0%	1220	2.8%	1072	2.5%	37191	85.1%
	2008	48761	3026	6.2%	1661	3.4%	1258	2.6%	938	1.9%	1544	3.2%	40334	82.7%
	2009	52605	3394	6.5%	1974	3.8%	1649	3.1%	999	1.9%	1442	2.7%	43147	82.0%
	2010	55925	3239	5.8%	2514	4.5%	1929	3.4%	1438	2.6%	1152	2.1%	45653	81.6%
	2004	2059	3	0.1%	2	0.1%	22	1.1%	4	0.2%	15	0.7%	2013	97.8%
	2005	2286	7	0.3%	1	0.0%	19	0.8%	17	0.7%	21	0.9%	2221	97.2%
0475000140	2006	2449	14	0.6%	5	0.2%	6	0.2%	28	1.1%	8	0.3%	2388	97.5%
CATERPILLAR TRACTORS	2007	2569	12	0.5%	9	0.4%	2	0.1%	20	0.8%	22	0.9%	2504	97.5%
IIIAOTOILO	2008	2510	17	0.7%	12	0.5%	8	0.3%	9	0.4%	35	1.4%	2429	96.8%
	2009	2474	26	1.1%	14	0.6%	11	0.4%	4	0.2%	28	1.1%	2391	96.6%
	2010	2470	32	1.3%	35	1.4%	21	0.9%	11	0.4%	11	0.4%	2360	95.5%
	2004	15702	86	0.5%	58	0.4%	203	1.3%	163	1.0%	388	2.5%	14804	94.3%
	2005	17394	117	0.7%	64	0.4%	167	1.0%	187	1.1%	420	2.4%	16439	94.5%
TD 4 0 T 0 D	2006	18987	133	0.7%	84	0.4%	83	0.4%	262	1.4%	215	1.1%	18210	95.9%
TRACTOR TRAILERS	2007	20967	208	1.0%	92	0.4%	81	0.4%	189	0.9%	236	1.1%	20161	96.2%
TIVALLENO	2008	22923	425	1.9%	425	1.9%	105	0.5%	108	0.5%	312	1.4%	21548	94.0%
	2009	24103	672	2.8%	180	0.7%	117	0.5%	94	0.4%	226	0.9%	22814	94.7%
	2010	25127	787	3.1%	263	1.0%	153	0.6%	110	0.4%	135	0.5%	23679	94.2%
	2004	70799	2919	4.1%	1407	2.0%	2525	3.6%	1913	2.7%	2980	4.2%	59055	83.4%
COUPLED,	2005	79646	3936	4.9%	1694	2.1%	2643	3.3%	2402	3.0%	3387	4.3%	65584	82.3%
LINKAGE-	2006	84891	4294	5.1%	2844	3.4%	2123	2.5%	3318	3.9%	2373	2.8%	69939	82.4%
MOUNTED	2007	90384	4820	5.3%	3927	4.3%	2050	2.3%	3067	3.4%	2809	3.1%	73711	81.6%
(DIRECT-	2008	95024	6253	6.6%	4606	4.8%	3204	3.4%	2506	2.6%	3717	3.9%	74738	78.7%
CONNECTED) AND FIXED MACHINERY	2009	103008	8893	8.6%	5454	5.3%	4546	4.4%	2378	2.3%	3449	3.3%	78288	76.0%
TIXED IIIX OTHER	2010	106749	10155	9.5%	5153	4.8%	5039	4.7%	3348	3.1%	2752	2.6%	80302	75.2%
	2004	6979	264	3.8%	170	2.4%	298	4.3%	173	2.5%	179	2.6%	5895	84.5%
	2005	7872	356	4.5%	193	2.5%	309	3.9%	287	3.6%	237	3.0%	6490	82.4%
HADVESTED.	2006	8514	348	4.1%	246	2.9%	256	3.0%	403	4.7%	237	2.8%	7024	82.5%
HARVESTER- THRESHERS	2007	8951	267	3.0%	329	3.7%	226	2.5%	368	4.1%	347	3.9%	7414	82.8%
	2008	9258	435	4.7%	338	3.7%	278	3.0%	278	3.0%	432	4.7%	7497	81.0%
	2009	9659	666	6.9%	277	2.9%	339	3.5%	251	2.6%	393	4.1%	7733	80.1%
	2010	9821	798	8.1%	239	2.4%	375	3.8%	285	2.9%	333	3.4%	7791	79.3%
ENSILAGE/FORAGE	2004	1444	7	0.5%	8	0.6%	15	1.0%	6	0.4%	32	2.2%	1376	95.3%
HARVESTERS AND	2005	1600	11	0.7%	5	0.3%	27	1.7%	8	0.5%	30	1.9%	1519	94.9%
OTHER SELF- PROPELLED	2006	1710	10	0.6%	11	0.6%	17	1.0%	22	1.3%	8	0.5%	1642	96.0%
MACHINERY	2007	1811	15	0.8%	12	0.7%	7	0.4%	28	1.5%	12	0.7%	1737	95.9%

2008	1821	17	0.9%	10	0.5%	10	0.5%	15	0.8%	25	1.4%	1744	95.8%
2009	1840	16	0.9%	14	0.8%	9	0.5%	8	0.4%	28	1.5%	1765	95.9%
2010	1827	20	1.1%	13	0.7%	9	0.5%	13	0.7%	17	0.9%	1755	96.1%

The data for the number of the registered machinery for the period 2004—2010 shows that there has been a sustainable trend toward updating of machinery stock and tractor fleet. There has been gradual increase in the share of new plant, equipment and machinery and decrease of machinery's average age.

In 2004 the share of the wheel tractors aged under 2 years was 3,1% of all, while in 2010 it already was 5,8%. The share of coupled, linkage-mounted (direct-connected) and fixed machinery aged under 2 years also rose from 4,1% in 2004 to 9,5% in 2010 The share of harvester-threshers aged under 2 years rose from 3,8% in 2004 to 8,1% in 2010.

1.2. Registration of agricultural and forestry equipment

By registering of agricultural and forestry equipment (AFE), the technical situation of each machine may be followed, its safety is under control both in operation and transport. The Technical Control Inspectorates (Technical Control Inspectorate) as a national authority for registration of agricultural and forestry equipment and machinery for earth works keeps data base of its own containing all existing machinery in Bulgaria. For prevention of illegal control on agricultural equipment and for the purposes of co-operation tracing down such equipment, in 2010 there was continuous data exchange with the National Revenue Agency, the Courts and the Prosecutor's Office, the organs of the Ministry of Interior and with the Payment Agency.

In 2010 the total number of the registered agricultural and forestry equipment and machinery reached 211 587, which makes an increase by 4,9 % in comparison with the end of 2009. The number of the wheel tractors rose by 6,3% to 55 925. The number of harvester-threshers grew by 1,7% to 9 821. A similar trend could also be seen as regards coupled, linkage-mounted (direct-connected) and fixed machinery. The largest increase was reported in the machinery for earth works, which rose from 4557 units registered in 2009 to 6481 units registered in 2010 or by 42 %. As a whole, the trend continued toward an increase of the stock of registered machinery, seen over the last few years.

Figure V.1.

Number of registered wheel tractors for the period 2005—2010

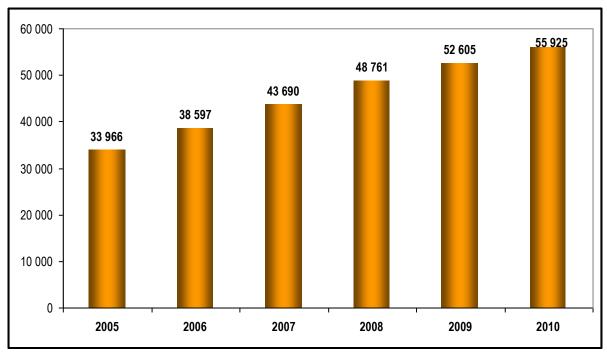


Figure V.2. Number of registered harvester-threshers for the period 2005—2010

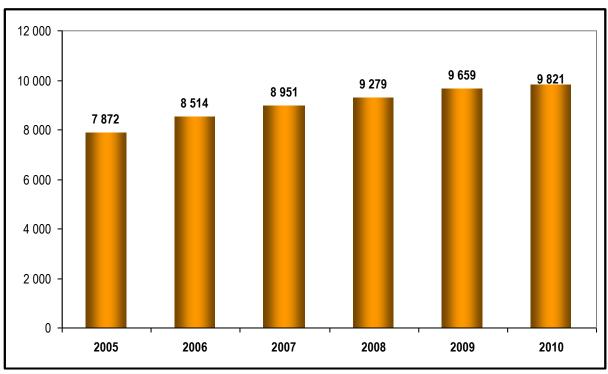


Figure V.3.

Number of registered coupled machinery for the period 2005—2010

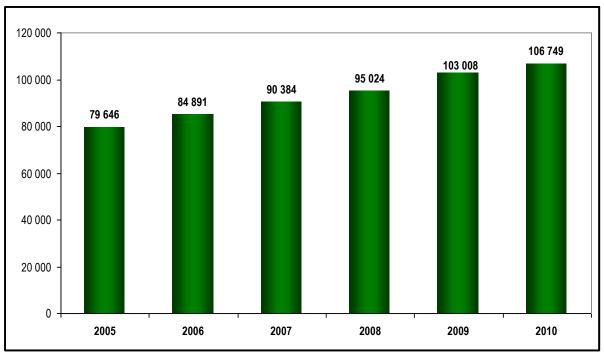
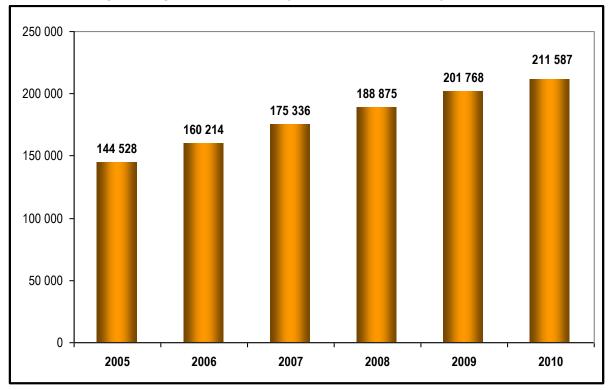


Figure V.4.

Total number registered agricultural and forestry equipment and machinery for the period 2005—2010



Source: Technical Control Inspectorate

In 2010 2029 units of for earth works was registered machinery vs. 1774 units in 2009 the insufficient administrative capacity of the Regional Services of Technical Control Inspectorate does not allow to cover all machinery subject to registration.

1.3. Check of technical status and safety of machinery and equipment

The technical status of machinery and equipment is a factor characterising its operational capacity, good repair, and directly affects safety. In the case of modern machines each insignificant failure, especially in the breaking system management mechanisms may be a potential threat, which under certain conditions may lead to severe wounds. A second major factor influencing safety of agricultural and forestry equipment is completion with safety triangles, signs and yellow strobe beacons or flashing lights on the roofs of the driver's boxes of self-propelled machines. Last but not least, tractor drivers and combine-operators' capacity and tractor drivers and combine-operators' qualifications are also factors of strong influence on safety of work and transport of all agricultural and forestry equipment.

In 2010 17 347 units of machinery were checked, 892 statements on findings on administrative violations were drawn up, 881 punitive enactments were issued, were issued 270 operation stop orders and 111 statements of findings.

On the basis of agreements and established interactions, were made 358 joint inspections with the Labour Inspectorate, 574 with the regional units of *Fire and Emergency Safety*, 64 with the Traffic Police units and 40 with other organisations. Joint inspections contribute to improving of efficiency of control.

Over the last few years the Regional Services of Technical Control Inspectorates enhanced their control on the initial registration of agricultural and forestry equipment and machinery for earth works. No registration of new equipment or machinery is allowed if no certificate or declaration of compliance is presented, which is the corroboration that the new equipment or machinery to be launched into operation is safe.

All manufacturers and importers of coupled, linkage-mounted (direct-connected) and fixed machinery and equipment were checked over the period. Registers were drawn up of such companies and the machinery manufactured and sold by them. At least 14 prescriptions on compliance with the requirements of the relevant legislation referring ensuring of machinery's safety were drawn up.

In 2010 the activity of the Centre for testing of agricultural and forestry equipment and machinery and spare parts (CTAFEMSP) in Rousse referring to testing, type approval and certification of agricultural equipment and machinery focused the introduction and application of European requirements referring ensuring safe and environment-friendly agricultural equipment and machinery. This contributes to decreasing the number of work accidents and deaths in the agricultural sector. The certificates issued enable the manufacturers of agricultural equipment and machinery to export their products.

The Centre for testing of agricultural and forestry equipment and machinery and spare parts (CTAFEMSP) in Rousse supervises the production of ten major makers of agricultural equipment and machinery in Bulgaria. This was carried out in line with the EU integration related commitments as regards safety and increasing the competitiveness of agricultural equipment and machinery.

The Centre was assigned to be the technical service to handle European Commission's notifications on new wheel tractors and their components. It is a member of ENTAM (European Network for Testing of Agricultural Machines) and thus it introduces European standards and enhances the quality of its testing activity on the type, safety, assessment of compliance and functionalities of agricultural and forestry equipment and machinery made in Bulgaria. In October 2010 CTAFEMSP, Rousse was proposed membership with the standard codes of the Organisation for Economic Cooperation and Development (OECD) for formal testing of tractors. CTAFEMSP–Rousse's membership in ENTAM EEIG and OECD enables it to make international tests of agricultural equipment and machinery and increase its revenues.

The services provided by CTAFEMSP contributed for: non-admission on the market or the use of hazardous for consumers' health or environment polluting agricultural and forestry equipment and machinery; facilitation of the imports and the exports of tractors and agricultural and forestry equipment and machinery; increasing the quality and efficiency of locally operating agricultural and forestry equipment and machinery, in accordance with the requirements applicable in the EU and establishment of conditions contributing to building a competitive economy; reduction of producers' expenses on agricultural and forestry equipment and machinery when introducing the requirements enforced in the EU and referring the production of high quality and competitive products.

For the period 01.01.2010—31.12.2010 testing and certification of agricultural equipment and machinery was performed as listed below:

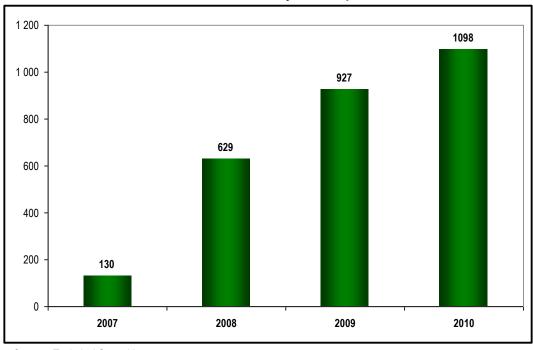
Table V.2.

Testing and certification of agricultural equipment and machinery

Indicators of implementation	Measuring unit	Plan 2010	Implementation 2010
Statements of testing of safety of new or used equipment and machinery and type approval	units	170	1 098
Statements of compliance checks made to new or used equipment and machinery and type approval	units	170	1 098
3. Certificates of compliance	units	160	1 082
4. Statements of technical identification	units	150	988
5. Certificates of compliance	units	4	7

Figure V.5.

Number of units of tested machinery over the period 2007—2010



For 2011 the quantity of the tested units of machinery is expected to exceed that recorded in the previous year.

Efforts have been made to introduce Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides. Experts from CTAFEMSP, Rousse in a joint action with the coordinator in charge of the introduction of this Directive, the Bulgarian Food Safety Agency were given appropriate training on testing the use pesticide application equipment for professional purposes. CTAFEMSP, Rousse is getting ready for conducting testing of all overhead spraying machines or lawn-sprinklers currently used in Northern Bulgaria.

Testing and certification will cover agricultural trailers, ATBs, etc.

1.4. Technical inspection of equipment

Technical inspections of equipment and machinery is a factor ensuring safety of agricultural and forestry equipment both in time of operation and during transportation.

In 2010 the inspectors from the Regional Services of Technical Control Inspectorate carried out a total of144 126 technical inspections, of which 40 826 were annual technical inspections of wheel tractors and 7 020 were annual technical inspections of harvester-threshers. The total number technical inspections carried out rose by 8,7% if compared to the previous year, and for tractors the increase was 10,1 %, as regards harvest-collectors the upturn was 5,3 %, while as regards the earth works machinery, it was 23,3 % (6 153 in 2010 vs. 4 990 in 2009).

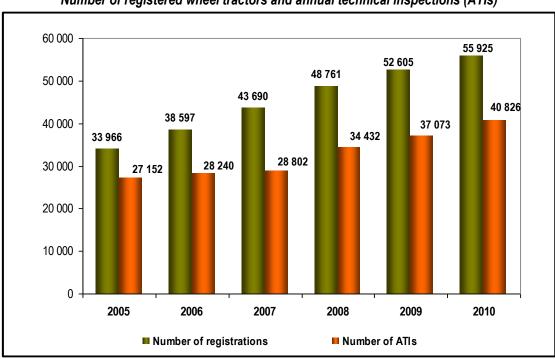


Figure V.6.

Number of registered wheel tractors and annual technical inspections (ATIs)

Figure V.7.
Number of registered harvester-threshers and ATIs carried out

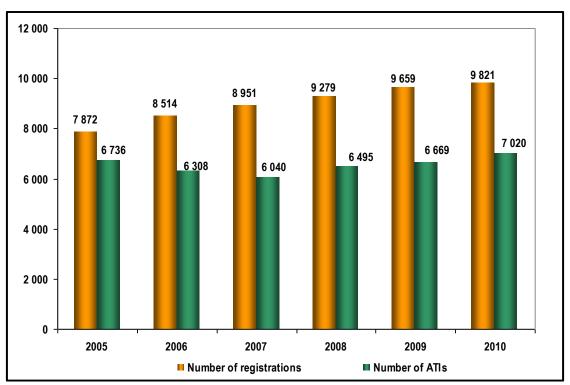


Figure V.8.

Number of registered coupled machinery and ATIs carried out

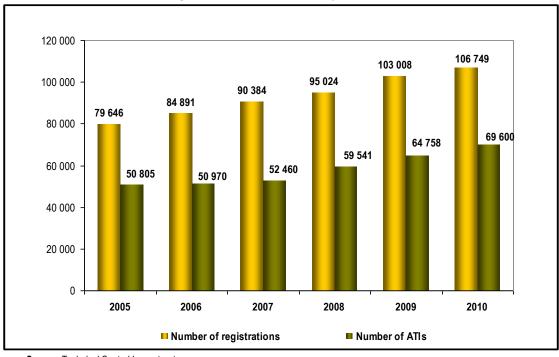
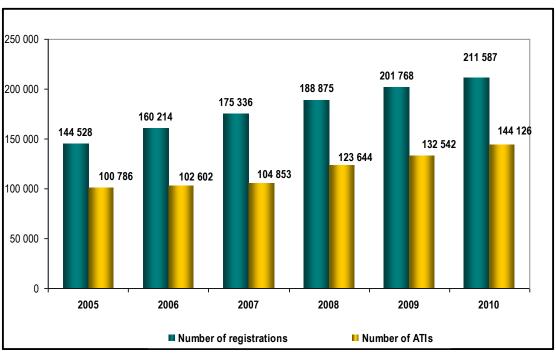


Figure V.9.

Number of registered agricultural and forestry equipment and machinery and ATIs carried out



1.5. Acquiring and ruling ineligible to operate equipment and issuing licences

Capacity to operate agricultural and forestry equipment is a crucial factor and a key condition for safe operation of this type of equipment. Knowledge, skills and professional characteristics of machine operators guarantee the implementation of agricultural operations and a significant reduction of the risk of road accidents or accidents involving agricultural and forestry equipment. These factors are guaranteed by Technical Control Inspectorates, and namely as listed below:

- Check of repair of training equipment and the physical infrastructure of training facilities;
- Participation in boards of examiners;
- Issuing driving/operational licences.

In 2010 Regional Services of the Technical Control Inspectorates performed 28 inspections in training facilities to find out about the state of repair of training equipment and physical infrastructure. A total of 332 examinations was held for acquiring capacity to operate AFE.

Table V.3.

Distribution of capacity acquired by categories

Category	Твк³	Твк-34	Твк-М⁵	Твк- ⁶	MTX	Saw-mills	Engine- powered industrial trucks
Number	190	90	21	0	26	2	3

³ Category Твк: wheel and caterpillar tractors and machinery aggregated thereto

⁴ Category Твк-3: specialised and special self-propelled agricultural machines and equipment

⁵ Category Твк-М: specialised and special self-propelled amelioration machines and equipment

⁶ Category Твк-: specialised and special self-propelled forestry machines and equipment

Over the year, a total of 3 622 driving/operational licences was issued, and the total number of the registered drivers/operators by the end of 2010 was 34 204.

1.6. Control on the market and presence of approval of the type and conformity with approved type

The Technical Control Inspectorate was assigned to be the authority in charge of the entire preparation and issue of type approval certificate and to control if each unit of equipment and machinery has such type approval certificate and certificate of conformity with approved type that must accompany any such unit.

Over the past year of 2010 it was Inspectorate's commitment to *inter alia* implement the procedures related to the exceptions referring to transport vehicles manufactured as "last from a series", the exceptions within Directive 97/68/EU on the approximation of the laws of the Member States relating to measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery relative to "the flexible mechanism system", and keeping data base containing certificates for type approval of new wheel tractors issued by the EU Member States.

In the course of that year 355 units of new machinery were checked by the manufacturers from EU Member States and so were imports from third countries. By the time of that check those complied with EU requirements for presence of EO certificate of conformity with approved type and marking printed to prove engine type approval.

As regards the imports from third countries, the Technical Control Inspectorate and the Customs Agency work together. In 2010 out of imported 406 units of new wheel tractors from third countries, the Regional Services of Technical Control Inspectorate checked 144 units of machinery complying with the legal requirements, and therefore, all relevant territorial Customs bureaus were notified thereof or their made appropriate checks with subsidiaries and local branches of the relevant companies.

Special focus in 2010 was given to the exceptions within Directive 97/68/EU on the approximation of the laws of the Member States relating to measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery and tractors related to "the flexible mechanism system".

In view if the notifications received from manufacturers of non-road mobile machinery and new wheel tractors, in the Inspectorate keeps a list from a data base containing marketed machinery units, which have been granted exception status after the "the flexible mechanism system". Notifications were received from 39 manufacturers, and totally 202 machinery with engines, which have been granted exception status after the "the flexible mechanism system" were marketed in Bulgaria.

For the purposes of registration and market control of new equipment and machinery, data base was established and is maintained containing type approval certificates for new wheel tractors issued by EU Member States.

As regards control of the market of new wheel tractors and internal combustion engines mounted on non-road mobile machinery, the following summary may be done:

Regional Services have checked 72 units of machinery in a total of 28 companies, including subsidiaries and local branches thereof, as regards the presence of marks of engine type approval and their conformity with the requirements for individual stages. All checked non-road mobile machinery units did have type approval marks in accordance with Directive 97/68/EC. 69 of these did meet the requirements on levels of emissions in stage IIIA, for 3 end-charge tipplers it was found out that they

had marks appropriate for stage II. Statements of findings were made out containing prescriptions to importers and respectively punitive enactments.

2. Irrigation engineering

The State policy in the area of irrigation engineering is aimed at the assistance to irrigation agriculture, safeguarding irrigation engineering facilities, which are public State property, protection of non-urban areas against flooding, investments in the area of irrigation engineering and assistance to the processes of establishing and functioning of irrigation associations.

2.1. Control under the activities connected with the operation of the Irrigation Engineering Fund (IEF) and to the service called "water supply for irrigation"

Bulgaria's irrigation facilities consists of 240 irrigation systems and a number of individual irrigation fields covering 7,441 billion sq. m of agricultural lands. According to Ordinance of the Council of Ministers no. 512/2000 on the balance and purpose of irrigated areas in the country, 5,418 billion sq. m were good for irrigation.

Over the 2010 irrigation season, a total of 297 040 thousand cub. m of water was supplied for irrigation of 300 461 000 sq. m of arable land.

The areas occupied by rice are 108 926 000 sq. m, to which 261 408 thousand cub. m of water were supplied.

Distributed by water suppliers the data for 2010 is as listed below:

- Irrigation systems EAD;
 - irrigation areas: 225 427 1000 sq. m, including 108 926 000 sq. m sown with rice;
 - quantities of supplied water: 276 496 thousand cub. m, including 261 408 thousand cub. mfor irrigation of rice;
- Irrigation engineering-Sevlievo EAD, Sevlievo;
 - irrigation areas: 12 710 1000 sq. m;
 - quantities of water supplied: 2 178, 6 thousand cub. m;
- Zeminvest EAD;
 - irrigation areas: 5 365 1000 sq. m;
 - quantities of water supplied: 1 687 440 cub. m;
- irrigation associations nationwide: total 79
 - irrigation areas: 56 959 1000 sq. m;
 - quantities of water supplied: 16 679 343 cub. m.

Over the 2011 irrigation season a total of 315 532 923 cub. m of water were provided for irrigation of 405 062 1000 sq. m.; the areas occupied with rice (108 050 000 sq. m) included in the total irrigated area was planned to be irrigated with 259 320 000 cub. m of water.

Distributed by water suppliers the data for 2011 is as listed below:

Irrigation systems EAD: 333 013 000 sq. m of irrigation areas, including 108 050 000 sq. m sown withrice; quantities of supplied water: 296 022 000 cub. m, including259 320 000 cub. m for irrigation of rice;

- Irrigation engineering-Sevlievo EAD, Sevlievo: 12 720 000 sq. m of irrigation areas; quantities of supplied water: 2 178 000 cub. m;
- Zeminvest EAD: 5 365 000 sq. m of irrigation areas; quantities of supplied water: 1 677 440 cub. m;
- irrigation associations nationwide: total 73; irrigation areas: 53 964 000 sq. m; quantities quantities of supplied water: 15 655 483 cub. m;

Due to the financial contractions, in the context of an economic crisis, in 2010 no financing was provided for on capital expenditure to be allocated for the purposes of aquiculture facilities under the Irrigation Engineering Programme, while in 2011 BGN 500 000 were provided for according to an approved index of names. These funds were allocated mainly for the purposes of payoffs to irrigation facilities aquiculture facilities already completed, including design, new construction and general overhaul.

In order to achieve better results in the irrigation activity the Irrigation Engineering Directorate started to prepare new pricing methodology applicable to the service item called 'water supply for irrigation purposes'. Until the next irrigation season, a new methodology will be used to draft pricing for the items: watering of 1000 sq. m, watering/1000 sq. m/season, and price in BGN per 1 cub. m for pumped water supply. The new methodology shall be made out jointly and in a co-ordinative manner with trade associations of agricultural producers in the country.

2.2. Activities within the scope of operation and the maintenance of dam lakes and facilities for counteracting the harmful impact of waters (FCHIW)

According to article 4, paragraph 6 of the transitional and final provisions of the Water Law Bulgaria's State Budget shall allocate funds to maintain sites exposed to harmful impact of waters. Under the above provisions, in 2010 was allocated the amount of BGN 6 667 000, and in 2011 by the end of July around BGN 4 000 000 were allocated.

In 2010 by decisions of the Joint Committee for reimbursement and assistance By the Council of Ministers, were disbursed funds amounting to a total of BGN 6 498 351 BGN, for 22 facilities.

For 2011 by decisions of the Joint Committee for Rehabilitation and Assistance at the Council of Ministers, as of June 2011 funds amounting to a total of BGN 6 430 689 were allocated for 42 facilities.

The funds were allocated to carry out preventive activities to protect environment harmful impact of waters from Danube dykes and safety dykes of other rivers, and to implement repair works on sites exposed to harmful impact of waters and reservoirs of national importance such as the Pancharevo Reservoir, the Tsonevo Reservoir (formerly, Georgi Traykov Reservoir), the Malko Sharkovo Reservoir, etc.

2.3. Control of the activities related to establishment and development of irrigation associations

As of the date of enforcement of the Law on Irrigation Associations (Promulgated, *State Gazette* no.34 of 6.04.2001) until the month of July 2011 286 application forms were submitted for incorporation of associations for irrigation. Of these, open incorporation procedure was applied by 202 associations, and court registration was applied in 102 cases, both covering a total area of 386 416 000 sq. m.

For the period since the beginning of 2010 and until the month of July 2011 court registration was applied in the case of 12 associations for irrigation covering a total area of 42 495 000 sq. m. Over the same period 9 new application forms were submitted by incorporation committees, to which Orders for opening of incorporation procedures were issued by the Supervisory Authority.

Operative accountancy is kept to cover all eligible irrigated areas. For irrigation season 2010 summary reports came in and were analysed on the operative accountancy submitted by the irrigation associations and summarising the data on irrigated crops, mainly maize, vegetables, tobacco, perennial plants, etc. In 2010 a total of 72 684 000 sq. m was irrigated making 18,12% of the overall area run by the irrigation associations.

3. Crop protection

In 2010 the National Service for Plant Protection (NSPP) has kept regular records of the development and spreading of a total of 127 diseases and blast and 73 types of weeds in all across the variety of Agro-ecological regions all over the country. Whereas, all such records, a regular Bulletin is issued on the occurrence, distribution, density, development, degree of attack, periods, methods and means for counteracting the blast on the agricultural crops. These Bulletins are a good help to agricultural producers as they keep them informed, including on any new legislation in the area of crop protection, crop protection products and fertilisers. In 2010 339 bulletins were issued, thereby informing 980 farmers, provincial and municipal councils.

Crop protection: wheat and barley

Combat against weeds

The unstable and rainy weather conditions over most part of March 2010, soil over-moistening in the areas and the impossibility to work using agricultural equipment and machinery caused delays in applying chemical combat against weed plants in sown fields with wheat and barley. As a result, in many regions of the country the herbicide campaign to cover winter crops launched in the spring of 2010 started later than usually and took shorter to be completed.

As a result of impaired crop rotation, the long period of use of herbicides based on 2,4D, the low quality agronomic and crop protection activities, wrong selection of herbicides, etc., gave rise to the increase of areas affected by weeds, the species having low sensitivity to the herbicides of the 2,4D group as listed below: bur, wild poppy, valley larkspur, types of mayweed, camomile, etc. The trend continues of expanding the areas affected by rootage and rootsprout weeds. There was an increase reported of the areas weeded by cereal weeds and, at the same time, the share of areas treated with anti-cereal herbicides remained too low.

Over the last 4 or 5 years the areas covered by winter crops treated with 2,4D and 2M-4X resistant herbicides have been growing, while those treated with 2,4D and 2M-4X sensible herbicides have been falling.

Table V.4.
Wheat and barley areas treated with herbicides against weeds, thousands of hectares

Year	Total of treated	Including resistant to hormone like herbicides	Including against cereal weeds
2008	1 071,61	818,55	69,43
2009	1 162,76	882,32	83,81
2010	1 115,77	905,79	77,14

Source: National Service for Plant Protection

Combat against diseases and blast

Common field mice

If compared to autumn-winter period of 2009, in spring of 2010 reduction was reported in the density of populations of common field mice. Harmful activity of common field mice throughout the autumn-winter period of 2010 was reported in all grain-producing regions of the country. The highest was the e the density of the blast in the areas covered by monocultural growing of winter crops where shallow disc pre-sowing was carried out rather than deep ploughing and in fields sown with preceding crop sunflower and maize.

In 2010 out of the total of 182,40 thousand hectares with winter crops attacked (14,3% of sowing area), chemical activities were applied to 65,80 thousand hectares (40% of attacked and 5,1% of sown areas) with authorised rhodenticides.

Table V.5.

Attacked and treated areas sown with winter crops against common field mice, thousands of hectares

Year	2008	2009	2010
Attacked areas	147,24	170,00	182,40
Treated areas	27,65	39,00	65,80

Source: National Service for Plant Protection

Vine protection

Mildew on vines (peronospora)

In the months June and July of 2010 the meteorological conditions favoured the development and distribution of the disease. The meteorological conditions in the second half of August stopped the development and distribution of mildew, except locations with locals showers where were reported new spots affecting the young summer sprouts and leaves.

In 2010 were carried out 2—8 treatment actions of 65,32 thousand hectares, which was 100% of the attacked and 92,15% of the operated areas.

Oidium

The first manifestations of the disease on the grapes were reported during the third ten days of June. The frequent scattered showers in July hampered the treatment of the plantations. In all regions of the country, as a result of the high temperatures in August, detention in the development and distribution of oidium was reported. 2 to 8 treatment actions were carried out covering 65,55 thousand hectares.

• Grey rot (botritis)

High degree of attack of grey rot (botritis) on the grapes was registered in the region of Kardzhali (25-30%). 1 to 6 preventive and medicinal treatment actions covering 100% of the areas covered by established contamination (37,70 thousand hectares).

Grapevine excoriosis

In 2010 continued the trend of reduction of the disease extent area basically as a result of rooting of old attacked vineyards. Larger areas affected by excoriosis (6,76 thousand hectares) were reported in the regions of Blagoevgrad, Burgas, Varna, Vidin, Montana, Pazardzhik, Plovdiv and Sliven. Of these, 3,66 thousand hectares (54,2%) were treated.

Lobesia botrana

Lobesia botrana in 2010 remained in the same extent area. Nationwide, 20,98 thousand hectares were attacked with density under the Economic Injury Level (EIL) and treated, 24,4% of the overall area of fructifying vineyards with regular crop protection.

Grapevine acari

The extent area the yellow Schizotetranychus (Eotetranychus) viticola was in comparison with 2009 shrank. All regions of the country reported harmful activity of this blast. The density reported was around EIL. 5,67 thousand hectares were attacked, which was 6,6 % of the operated vineyards. Treatment was performed to cover 42,63 thousand hectares: 75,15 % of the attacked areas.

Combat against weeds

The areas covered by newly planted vineyards have been maintained weed clear. In the old vine massifs weed proportion is heavy. Mainly mechanic treatment actions have been made, hence the proportion of the rootage and rootage-sucker weeded areas has been growing.

Vegetation herbicides have been applied, mainly based on glyphosate, covering 17% of the operated areas.

Combat against plurivorous blast

Moroccan locust

In the months May and June of 2010 massive increase of Moroccan locust in the districts of Kardzhali and Blagoevgrad was found out. Furthermore, to deal with the situation, air treatment was carried out. In the district of Kardzhali all established centres of infection were treated in 37 populated places, and a total of 2 880 hectares was treated.

In the district of Blagoevgrad, in terms of combat against Moroccan locust with aircraft equipment a total of 492 hectares was treated in 11 village adjacent lands.

In both regions over the period 7-14 June 2010 were treated total 3 372 hectares, attacked areas by Moroccan locust.

3.1. Phytosanitary control

The priority activities involved in the Phytosanitary control in 2010 continued to be as listed below:

- Efficient Control on imports of plants and vegetable products from third countries to Bulgaria and EU being our country an outer border of the Community;
- Analysis of the risk of introduction of quarantine pest and protection of the territory of Bulgaria and EU from cross-border transfer and spreading of quarantine pest among the plants and vegetable products;
- Development, updating and implementation of phytosanitary monitoring programmes complying with EU requirements;
- Ensuring exports of plants and vegetable products, pursuant to phytosanitary requirements of the importing country;
- Development of diagnostic laboratory network in the country.

3.1.1. Border phytosanitary (quarantine) Control on imports of plants and vegetable products

Border Inspection Phytosanitary Checkpoints (BIPC) perform full Phytosanitary Control of all commodities of vegetable origin, imports from third countries supplied to Bulgaria and EU. Once the

plant sanitary check has been completed at the border checkpoint these shall be free to circulate all over the EU.

2010 saw full phytosanitary control made, including document, identification and plant sanitary check of a total of 24 640 lots of imports from third countries and document check of 9 924 transited lots. Of these, 4 657 lots were for Bulgaria and 19 200 were for EU Member States. Border Checkpoints sent at least 180 samples for laboratory analysis to the Central Plant Quarantine Laboratory (CPQL) where 548 analyses were made. In 6 cases contamination from quarantine blast was established and measures for liquidation were taken forthwith. 81 cases were the cases when the imports were prevented of forbidden commodities (pursuant to legal regulations governing such cases), while in 158 cases there was confiscation and destroying of lots non-complying with the phytosanitary requirements for imports thereof. Unlike the previous years, 2010 reported significant reduction of cases of absence of obligatory markings on the wooden packing material was detected only 34 (vs. 176 cases in 2009). As a result of the marking check performed by the EUROPHYT system at the European Commission 239 formal notifications were sent. Since the start of Bulgaria's EU membership there were no formal notifications received from the phytosanitary authorities of other EU Member States for inconsistencies as regards Bulgaria's border control being the latter the external EU border.

In pursuance of the efficient border phytosanitary control programme applicable to imports of plants and vegetable products, 2010 saw the implementation of phytosanitary control of 24 640 lots of vegetable origin under that programme.

3.1.2. Control on exports and re-exporting of plants and vegetable products

In 2010 a total of 24 434 phytosanitary certificates (PSCs were issued for exports and 7 281 for re-exporting. There was a slight increase of the levels of commodities controlled by the phytosanitary control in comparison with 2009.

33 218 lots were inspected. Due to higher requirements imposed by the importing countries, there is already obligatory check of the merchandise, laboratory analysis and follow-up issue of phytosanitary certificates.

In 2010 7 281 phytosanitary re-export certificates were issued (vs. 11 068 in 2009).

3.1.3. Control on production of plants and vegetable products

In 2010 2356 registered producers passed control. Over 4 626 inspections were made; as a result, 2347 plant samples were taken for the regional laboratories and 4 896 samples for the Central Plant Quarantine Laboratory and over 14 786 lab analyses were made.

As a result of the phytosanitary control in 2010 2 490 plant passports were issued to guarantee that relevant items have passed the control of NSPP and may freely move throughout EU.

Table V.6.

Phytosanitary control of registered producers for the period 2008—2010

Year	Registered Producers	Documented inspections	Samples analysed by Regional Stations for Plant Protection	Samples analysed by the Central Plant Quarantine Laboratory
2008	2 189	4 193	4 158	6 551
2009	2 307	4 554	2 704	6 179
2010	2356	4626	2347	4896

Source: National Service for Plant Protection

3.1.4. Control and testing of crop protection products

The market will only accept marketing and use of original and formally authorised crop protection products (CPPs) containing active substances included in the list of active substances, authorised by EU (Annex I as laid down by Directive 91/414/EEC), or notified to be included into that list. As regards testing of crop protection products, all test need to be carried out according to EU standards, thereby facilitating the implementation of EU global policies referring the use of crop protection products in the EU Member States. The main purpose of such policies is to limit the market offer and use of crop protection products crop protection products adversely affecting humans, animals or environment.

The biologic testing is carried out to collect data on the efficiency of crop protection products needed to make a biologic file, which is a basic documents to authorisation of crop protection products. The official authorities in charge of testing of crop protection products in Bulgaria are the biologic testing stations within the system of NSPP, in close collaboration with sector institutes. This allows the use of researchers' potential to enhance work quality, to establish and maintain the infection background of individual specific blast attacking agricultural crops, to cover soil and climatic conditions and Biocoenosis all over the country. The experiments are conducted in conformity with the requirements of good experimental practices and the standards adopted by the European and Mediterranean organisation for crop protection.

In 2010 NSPP received 128 applications on crop protection products for efficiency testing including: 59 fungicides; 38 herbicides; 27 insecticides; 4 growth regulators.

In 2010 were submitted application forms for authorisation of more than 60 new crop protection products containing approved and/or notified active substances. Moreover, 10 crop protection products were submitted for solving by mutual acknowledgement of the data. 18 application forms were submitted for renewals of authorisation of crop protection products.

The main objective pursued by the control of market offer, storage, repacking and use of crop protection products is to guarantee food safety of vegetable origin, and to ensure the application of good practices in trade in crop protection products (CPP) and protection of consumers' interests as well as to correctly use the crop protection products in connection with production of plants and vegetable products, including plants fodder intended by complying with the requirements of Good Plant Protection Practice combining methods of projection with the principles of sustainable use of crop protection products.

In 2010 the NSPP issued a total 191 authorisations for trade, CPP repacking, decontamination of areas, premises and plant production against blast, including 55 authorisations for trade in crop protection products, 129 for trade in crop protection products in agricultural pharmacies, 7 fumigation authorisations.

Control of crop protection products in 2010 is carried out according to the annual Market Control National Plan and the annual National Plan for Control of Use of Crop Protection Products.

In the territory of the country in 2010 1 144 sites were registered, including 848 agricultural pharmacies, 283 warehouses for storage of crop protection products and 13 shops for repacking of crop protection products. In 2010 a total 1 516 inspections were made, of which 893 in agricultural pharmacies, 476 in warehouses, 24 in shops for CPP repacking and 123in non-regulated sites (i.e. municipal markets, stores, etc.). 1 444 statements of findings were drawn up, 392 prescriptions were made imposing correction measures for removal of unconformities found. In 2010 as regards inspections in agricultural pharmacies, warehouses and shops 244 samples were taken totally out of 97 types of crop protection products, of which 221 samples were taken to analyse the compliance with the

national programme for control of the market in 2010 and 23 samples were taken to further prolong the sell-by date of crop protection products.

29 statement for offence committed were drawn up, 23 punitive enactments were issued and 5 fine warnings were made should the same offence be repeated and found.

As regards control in 2010, 348,21 kg of granulated and powder products and 2 625,05 litres of liquid products were either stopped from sale, or sealed and confiscated.

In 2010 a total of 2468 inspections were made to see to the use of crop protection products, including 2 374 inspections of agricultural producers, 38 inspections applying aircraft, and 56 inspections as regards decontamination of seeds. 2 459 statements of findings were drawn up and 701 prescriptions were made out as well as 6 statement on offences.

As regards inspections to the premises of agricultural producers, a total of 64 plant samples were taken from 20 kinds of crops, in pursuance of the National Plan for Control of Use of Crop Protection Products for 2010. Moreover, 174 leaf and plant samples were taken (additionally), which were subjected to tests to prove contents of pesticides, nitrate contents, identification of crop protection products applied.

Project "TOPPS Bulgaria"

In May 2010 started a joint project for training operators, who were to be in charge of prevention of contamination of waters with crop protection products from spot sources, called TOPPS Bulgaria undertaken by both the National Service for Plant Protection and the Bulgarian Crop Protection Industry Association. Its main objective is to adapt existing European best practices in water protection against pollution when using crop protection products, to the local conditions in Bulgaria and disseminate such best practices by way of advice, consultations, trainings and demonstrations. The total number of participants trained under the TOPPS projects was 577.

Monitoring programmes

Monitoring programme for residues of pesticides in raw materials and products of vegetable origin

This programme focuses ensuring of correct application of authorised preparations for crop protection in accordance with Good Plant Protection Practice. The objective is to make an assessment of the levels of residues of pesticides in vegetal production in the course of harvesting and their conformity with the determined maximum acceptable quantities of pesticides; to see to the correct application of the authorised preparations for crop protection (doses of application, quarantine periods, the use thereof only for authorised purposes). The implementation of this monitoring programme is expected to reduce misuse related to overdose, non-observance of quarantine periods or use of banned pesticides.

The Programme covers mainly agricultural regions and crops where intensive use of crop protection products is normally detected. The objects of the programme in 2010 were 12 species of crops: grapes (dessert); tomatoes; sweet peppers; carrots; late cabbages; lettuce/sallet; leeks; cauliflower; potatoes; peaches; apples; wheat. The inspectors from Regional Crop Protection Stations have taken a total of 140 samples. All samples were analysed to test the contents of residues taken from 101 active stations of crop protection products.

Most part of the analysed lots of fruits and vegetables proved entirely safe and did not prove to contain any immeasurable residue quantities of target pesticide compounds. It was their first year when the established lots with residue quantities above the standard made around 2% of all analysed samples, which was a commensurable value if compared to the percentages reported by other Member States. As regards assessment of toxicological risk, it was established that there was no case where the population passed risk limit would be reached as regards consumption of contaminated products.

As to the proved unconformities, all agricultural producers involved received prescriptions. These were included in the scope of control activity tackling the use of crop protection products in 2011.

Programme for monitoring of chemical polluters: pesticide residues and mycotoxines in the process of primary production of fodders

The main objective of this monitoring programme is to carry out relevant control over the production of grain intended for production of fodders, when harvest '2010 is under way, in terms of correct application of crop protection products, misuse of banned crop protection products or those specifically banned for use with a specific crop, and in terms of presence of undesirable residues steady pesticides and contamination with regulated toxic substances produced of phytopathogenic fungi (mycotoxines). The object of the programme in 2010 were the crops: wheat, barley, maize, alfalfa, both fresh and dried. The number of the samples and the locations of sample taking was in accordance with the data from the areas sown in the country.

In 2010 the inspectors from the Regional Crop Protection Stations took 69 samples. Given the results obtained a conclusion may be made that the raw materials for fodder produced there do contain pesticide residues of applied crop protection products within the normal limits. The assessment of exposition of people in terms of acceptance thereof with food in the established cases of incongruence with the standards shows acceptable risk and hence the conclusion may be drawn that these raw materials are harmless and may participate as ingredients in the production of fodders. As regards contamination with the mycotoxines deoxynivalenol (DON) and Fumonisins, the degree of contamination of raw grain was low and the contamination levels in the positive samples were under the maximum limits. The raw stuffs for fodders produced in Bulgarian 2010 were harmless in terms of resistant organochloride pesticides, aflatoxines and zearalenone.

4. Fertilisation

4.1. Use of fertilisers

Mineral fertilisers

According to data provided by Regional Stations for Plant Protection, in 2010, were used nationwide: nitrate fertilisers: 199 083 tonnes (N); phosphate fertilisers: 39 034 tonnes (expressed in P_20_5) and sodium fertilisers: 20 799 tonnes (K_20). There was an upturn in the quantities of fertilisers used if compared to the previous year.

Table V.7.

Quantities of mineral fertilisers used: tonnes of active substance

Year	Total NPK	Nitrogen	P ₂ 0 ₅	K₂0
2008	217 425	173 917	30 558	12 950
2009	220 037	177 553	30 661	11 823
2010	258 916	199 083	39 034	20 799

Source: National Service for Plant Protection

The areas fertilised during the 2010 reference year were as follows: 1957,8 thousand hectares of harvest '2010 were fertilised with nitrate fertilisers, and the average per 1000 sq. m was 10,2 kg of N. The areas fertilised with phosphate fertilisers were 327,5 thousand hectares, i.e. the average was 11,9 kg P_2O_5 , and with sodium fertilisers: 235,9 thousand hectares, i.e. the average was 8,8 kg of K_2O .

Table V.8.

Areas fertilised with nitrate, phosphate and sodium fertilisers, thousand hectares

Year	Areas fertilised with N thousand hectares	Areas fertilised P₂0₅ thousand hectares	Areas fertilised K₂0 thousand hectares
2008	2068,7	218,0	163,4
2009	2190,5	318,4	124,9
2010	1957,8	327,5	235,9

Source: National Service for Plant Protection

The one-sided nitrate fertilisation applied over the last few years makes plants more sensible to diseases or blast. Leaf feeding and the usage of combined fertilisers has been growing steadily.

Natural fertiliser

71,3 thousand tonnes of natural fertiliser were utilised in 2010 when approximately 6,96 thousand hectares were fertilised. Mostly, vegetables, potatoes, fruit crops and vineyards were fertilised.

Table V.9.

Quantities of natural fertilisers used and fertilised areas

Year	Natural fertilisers used thousand tonnes	Fertilised areas thousand hectares
2008	122,9	5,606
2009	74,4	6,18
2010	71.3	6.96

Source: National Service for Plant Protection

Use of sediments in agriculture

In 2010, 50 authorisations were issued by the NSPP for utilisation of sediments upon purification of waste waters for the needs of agriculture.

The total quantity of sediments utilised in agriculture in 2010 was 24012,5 tonnes expressed in dry matter over a total area of 5 663 000 sq. m.

4.2. Pre-marketing control of fertilisers

For the purposes of fertiliser control activities inspections were made to 381 retail outlets and storage warehouses. 64 inconformities were established, 38 prescriptions were issued and one statement for administrative violation was made out.

For the purposes of the control of fertilisers' compliance with indicators declared by producer, 200 compliance samples were taken and sent for analysis to the Central Laboratory for Chemical Testing and Control.

Table V.10.
Results from analyses performed to fertiliser control samples, number

Year	Warehouses for storage and retail outlets (number)	Samples of fertilisers taken for analysis (number)	Samples with deviations %
2008	364	199	6,5
2009	565	207	13,5
2010	381	200	17,5

Source: National Service for Plant Protection

5. Variety testing, approbation and seed control

Executive Agency for Variety Testing, Approbation and Seed Control (EAVTASC) is the official authority testing varieties of cultivated plants and a control authority at the Ministry of Agriculture and Food controlling production and trade in seeding and planting material.

The Agency carries out its functions in pursuance with the provisions of the Law on Protection of New Varieties of Plants and Breeds of Animals (LPNVPBA) as an official authority making out investigation reports in essence for the purposes of legal protection of the new varieties of plants, in accordance with the provisions of Seeding and Planting Material Act (SPMA) and the Genetically Modified Organisms Act (GMOA) in its quality of State control agency.

In 2010 the Agency determined its basic priorities of its work:

- Harmonisation of Bulgaria's legislation with the EU legislation in the domain of seeds and planting material;
- Optimisation of the system and criteria of State variety testing and its organisation to successfully access EU structures in the domains of legislation, administrative management and in terms of organisation methodology;
- Enhancing and expanding the scope of control in terms of movements of seeds between
 producers, merchants and consumers. Certification and control of sowing material and planting
 material, laboratory testing of lots of seeds for certification in order to ensure quality certified
 seeds for the agricultural producers, enhanced control in terms of production and trade in
 sowing and planting material in the Republic of Bulgaria in the context of EU common
 agricultural policy;
- Accreditation of the Variety Testing, Approbation and Seed Control Executive Agency as an
 official examination office of the Service of Community for legal protection of the varieties of
 plants (CPVO), in order to acknowledge the tests of varieties of plants for legal protection in the
 Community under the Council Regulation 2100/94.
- Administrative capacity is optimised.

In 2010 continued the updating of bylaw legal regulations concerning seeds and planting material, whereby transposing of Directives amending and supplementing key EU Directives was made.

The following legal regulations were adopted:

- Ordinance amending and supplementing Ordinance no. 12 of 15 March 2004 on the terms and conditions for variety testing, acknowledgement, inscription and writing off of varieties of plants into and from the Official Variety List of the Republic of Bulgaria;
- Ordinance no. 3 on trade in fruit planting material and fruit plants intended for production of fruits on the EU market;
- Ordinance amending and supplementing Ordinance no. 99 of 10 December 2006 on trade in sowing material of fodder crops on the EU market;
- Ordinance amending and supplementing Ordinance no. 21 of 10 December 2007 on trade in sowing material of Cereal crops on the EU market;
- Ordinance amending and supplementing Ordinance no. 96 of 2006 on trade in sowing material of vegetable crops on the EU market;
- Ordinance amending and supplementing Ordinance no. 100 of 18 August 2006 on trade in sowing material of oleaginous and fibre crops on the EU market;

- Law amending and supplementing the Seeding and Planting Material Act;
- Ordinance amending and supplementing Ordinance no. 77 of 31 May 2006 on the terms and conditions of acknowledgement for inscription of new varieties of agricultural vegetable species in Official Variety List of the Republic of Bulgaria and into the Common Catalogue of EU Member States;
- Ordinance amending and supplementing Ordinance no. 96 of 2006 on trade in sowing material ofvegetable crops on the EU market.

For the purposes of improving the work of the territorial variety testing units, a number of specialised internal legal regulation documents were drafted such as Methodologies of Testing Distinguishability, Homogeneity, and Stability, in accordance with the technical statements of CPVO, Methodologies of Testing biological and economic features (BEF) and Criteria for appraisal and Methodologies for complex appraisals made for BEF testing.

128 contracts were concluded in 2010 and 221 varieties, lines and/or hybrids were applied for official variety testing in the system of the Executive Agency for Variety Testing, Approbation and Seed Control with a purpose of acknowledgement and inscription into the Official Variety List of the Republic of Bulgaria, European Union Common Catalogues and receiving legal protection.

In 2010 was reported downturn in the total number of varieties applied for official variety testing, as a result of the free movement of seeds across the European Union and the obsolence of the need of the mandatory inscription of varieties into the Official Variety List of the Republic of Bulgaria. In the years to come retention in the number of the application forms may be expected to either remain the same or experience certain growth as a result of the renewal of the approval of Variety Testing, Approbation and Seed Control Executive Agency as a CPVO's testing authority.

Table V.11.

Number of varieties applied for inscription in Official Variety List, by years

Year	Bulgarian selection: newly applied for	International selection: newly applied for
2008	107	165
2009	159	171
2010	107	114

Source: Variety Testing, Approbation and Seed Control Executive Agency

As regards the number of varieties of Bulgarian selection newly applied for in 2010, it equalled the number of such varieties in 2008, while as regards the varieties from international selections, the application forms on those saw a downturn. It is expected that in the forthcoming years the number of varieties newly applied for to remain with in the same limits.

On the grounds of the inscription applications received from the applicants Bulgaria's Official Variety List on varieties of field, vegetable, fruit crops, tobacco and grapevines authorised for production of and trade in sowing and planting material, was published.

The State variety testing of new varieties of plants, on the basis of concluded contracts with applicants, includes:

- testing for distinguishability, homogeneity, and stability (DHS);
- postcontrol (ground control) of the sowing material marketed in the country;

- testing for biologic and economic features to establish the suitability of the new varieties for agro-climatic conditions in the country and carrying out the tests thereto for cold resistance, resistance to pathogenic and chemical technnological analyses;
- drafting DHS descriptions of commonly known varieties of plants and descriptions of the new varieties applied for testing;
- developing approbational characteristics for conducting field investigations;
- preparation of new methodology and updating of those existing.

Variety Testing, Approbation and Seed Control Executive Agency performs follow-up control (ground control) of the seeds of cereals, fodder, oleaginous and fibre, vegetable crops, beetroot, tobacco and potatoes.

Using the ground control method, verification is made on the variety identity and variety purity of seeds produced by sowing and planting in field conditions.

As regards potatoes, follow-up is carried out applying the "ELISA" test used to establish the health status to track the implementation of minimum requirements of legislation applied to traded sowing material.

In 2010 distinguishability, homogeneity, and stability trials were set for a total of 2 576 varieties, hybrids and lines, and 506 of those were made under variety testing contracts, were made for similar varieties, while the other 1476 were made for the purposes of the reference collection and for proving distinguishability of any new varieties applied for.

The biggest number of varieties and hybrids was tested in the case of green crops: 1 617, of which 381 were tested for distinguishability, homogeneity, and stability, and 1216 were tested for a sample collection. Of those the biggest was the number of sunflower samples, i.e. 323, of which 98 were tested for distinguishability, homogeneity, and stability, and in the case of the maize: 256 lines and hybrids, of which 58 were tested for distinguishability, homogeneity, and stability, winter soft wheat with 177 and 25 varieties, respectively.

There were 463 varieties of vegetable crops, of which 85 varieties were tested for distinguishability, homogeneity, and stability. The most varieties were tested in the case of tomatoes: 90 varieties and lines, of which 26 for distinguishability, homogeneity, and stability, peppers: 55 varieties, of which 20 for distinguishability, homogeneity, and stability, garden beans: 28 varieties, of which 1 variety for distinguishability, homogeneity, and stability.

In the case of etheric oleaginous crops 55 varieties were tested, of which 11 for Distinguishability, Homogeneity, and Stability, while the other were maintained as a sample collection. There were 151 varieties of perennial crops, of which 11 were for distinguishability, homogeneity, and stability, while the others were for basis of comparison.

In 2010 1640 samples were received for ground control from 40 agricultural crops: 19 field and 21 vegetable species. If compared to 2009, the number of samples grew by 54. The number of samples from durum wheat, maize, vegetable crops and potatoes grew. The number of the samples from soft wheat, barley, sunflower, fodder and oleaginous crops has went down.

By groups of crops, the ratio of samples for ground control in 2010 was as follows:

- 1 468 samples from green crops: 90%;
- 172 samples of vegetable crops: 10%.

In 2010 under contracts for variety testing covering biologic and economic features (BEF), in Competition Variety Trials (CVT) were set 1758 varieties of green crops, 2 varieties of orchard species and 13 varieties of grapevine.

Out of the overall number of varieties, preliminary testing was applied to 93 hybrids (vs. 67 hybrids in 2009), microtests were applied to 1 285 hybrids (vs. 925 for 2009) and macrotests were applied to 52 hybrids of maize and sunflower. Post-registration tests were applied to 62 varieties of barley, wheat, rape; special tests were applied to 21 hybrids of maize and 7 hybrids of sunflower were subjected to demonstrative testing. The indicated types of variety testing were conducted in accordance with the requirements of the Methodologies approved for BEF. For the purposes of inscriptions into the A List as part of the Official Variety List 315 varieties were BEF tested, which was a 23,2% decrease in comparison with 2009 (388 in 2009) and a 21,5% decrease if compared to 2005.

The analysis of the results shows a trend to a downturn of the varieties applied for variety BEF testing, whose aim are inscriptions into the A List as part of Bulgaria's Official Variety List at the account of the increased number of microtests and preliminary testing, in accordance with the requirements of the BEF Methodologies.

Of the overall number of varieties applied for under concluded contracts for official variety testing of species of agricultural plants, the foreign-selection varieties were 1 685, i.e. 95,04%. There were 88 Bulgarian-selection varieties, i.e.4,96%. If compared to 2009, the trend in 2010 was toward an increase of the foreign-selection varieties (by 22,28%) at the account of the reduced number of tested varieties: Bulgarian selection.

In order to facilitate the assistance provided to agricultural producers in terms of selection of newly acknowledged and prospective varieties, the basic agricultural types were entered in post-registration testing in individual agro-ecological regions of the country.

The appraisal of resistance to economically important diseases for each species of a farming plant is conducted using artificial infection background. 360 samples were analysed in 2010 for identification of resistance to 43 pathogens using artificial infection background (vs. 494 in 2009).

Frost resistance appraisal was made to 76 varieties of winter crops vs.176 in 2009, i.e. by 57% less in comparison with 2009 as a result of a non-completed assigning contract on winter oleaginous rape.

The results of the yield of 229 BEF trials were subjected to mathematical/statistical processing using the dispersion analysis method to one or two standard varieties, while in the case of some crops, average variety standard was used. According to methodology of the field experience, 10 indicators on the average were summarised for each crop.

The results the BEF variety testing, including the results the appraisals of varieties were drafted in accordance with terms as provided by the relevant contracts: 31 August for winter crops and 20 December for summer crops.

In 2010, field inspections of seed-producing sown fields were made. 455 745 000 sq. m of seed-producing sown fields were inspected. Of those 446 743 1000 sq. m (98%) were approved, 2 317 1000 sq. m (0,5%) were declared ineligible and 6 684 1000 sq. m (1,5%) were discarded.

In 2010, increase was reported of the inspected areas by 11,8%.

Of all inspected sown fields of green crops, the biggest share was occupied by the group of the cereal crops: $434\ 301\ 410\ \text{sq.}$ m (95,3%), while the rest were fodder: $10\ 519\ 800\ \text{sq.}$ m (2,3%), oleaginous and fibre: $6\ 920\ 400\ \text{sq.}$ m (1,5%), potatoes: $3\ 428\ 600\ \text{sq.}$ m (0,7%), tobacco: $3\ 959\ 100\ \text{sq.}$ m (0,1%), beetroot: $20\ 000\ \text{sq.}$ m (0,1%) and Medicine crops and aromatic crops: $1100\ \text{sq.}$ m. The overall area of all inspected sown fields of green crops was $455\ 587\ 000\ \text{sq.}$ m.

Of the approved seed-producing fields sown with winter common wheat, the biggest percentage occupied the areas sown with varieties of groups B: 60% and A "strong" wheats: 27,8% and lower percentage of group C: 6,5% and D: 5,7%. The variety range of the inspected areas of winter common wheat was very diverse. Field inspections were performed of 81 varieties, including varieties of foreign

selection: 5,6%. The percentage of fields of foreign-selection planted than varieties of foreign selection increased by 2,4% vs. those inspected in 2009.

In 2010 the inspected seed-producing sown fields of barley were reduced, by 12,2% less in comparison with 2009

In comparison with 2009 there was a reduction in the areas intended for seed production of hybrid maize by 61,3% (from 13 637 1000 sq. m to 5 271 000 sq. m).

In 2010 the inspected seed-producing sown fields with hybrid sunflower (experienced a downturn by 63,1% if compared to 2009 (from 15 940 1000 sq. m of 58 833 000 sq. m). In 2010 was reported an increase in the inspected sown fields with fodder crops by 37,5% in comparison with 2009. One of the reasons for an increase of inspected sown fields aflafla and fodder peas e providing of State assistance for encouraging the production and use of high-quality seeds, and applied for certification of new types of the group of fodder crops: meadow ryegrass and orchard grass.

The inspected sown potatoes rose by 28,3% if compared to 2009, which was due to the provided State assistance and the target subsidy by the State Fund "Agriculture" for assistance to the agricultural producers for purchase of sowing material of potatoes for seed production.

In 2010 field inspection was made of 157 000 sq. m of vegetable crops. If compared to 2009, there was a downturn in the amount of the inspected areas, due to production of seeds of "Standard" category, where the ones responsible were the producers.

During that year field inspection was made of 236 000 sq. m of vine nurseries. If compared to year 2009 (inspected 338 1000 sq. m), the areas experienced a downturn by 30,17%.

Of the yielded stock nurseries and cutting nurseries 2 065,2 thousand were qualified, of which 210 thousand classified as "Pre-base", 597,4 thousand as "Base" and 1 257,8 thousand as "Certified". If compared to 2009 (2 371,7 thousand stock nurseries and cutting nurseries qualified) the production of stock nurseries and cutting nurseries decreased by 12,9 %.

In 2010 field inspections were performed of 428,3 1000 sq. m of nursery vineyards, which means that these shrank by 10,5% if compared to 2009 (478 600 sq. m). Over the year, of the approved nursery vineyards 537,4 thousand vine cuttings for grafts were qualified, of which 133,6 thousand were qualified as "Base"; 82,9 thousand were qualified as "Certified", and 320,9 thousand were qualified as "Standard". If compared to 2009 the quantity of qualified cuttings shrank by 0,4%.

As regards those inspected in 2010, 148 000 sq. m of vine rootings 1999 thousand graft grapevines were set to be rooted, of which 749 thousand were dessert varieties, 687 thousand were white wine varieties, 562 thousand were red wine varieties and 0,9 thousand were selection trials.

If compared to 2009 graft grapevines experienced a downturn by 20%. That was another year to show the continuing trend toward shrinking in the quantity of engrafted vine planting material. One of the reasons fro the persistence of this was the absence of market to do with the discontinuation of subsidies under the operative programmes for establishment of new vine plantations. The share of graft dessert varieties of grapevines shrank in comparison the previous year, that of white wine varieties remained very much the same, while vines of red wine varieties enjoyed some upturn.

In 2010 field inspections were made to 1535 nursery trees: 1046 units of 'certified' material and 489 units of "CAC" (standard quality planting) material. If compared to 2009 (inspected 2 644 units) the decrease was by 38,9%.

The qualified fruit planting material of fruit trees experienced an increase: 14,3% was the increase in the vegetative, 20,6% was the increase of seed cores. Qualifying of vine cuttings for grafts shrank by 26,2%.

There was some upturn in the qualified berry material if compared to the previous year.

The control activity during the 2010 reference period focused mainly the performance of continuous control and inspections over all stages of seed production, preparation and trade in seeds and planting material, to the effect of guaranteeing the quality of the sowing and planting material offered on the market and within the Community. Variety Testing, Approbation and Seed Control Executive Agency carried out control of the imports of seeds from third countries in compliance with European rules and standards and in conformity with the Seeding and Planting Material Act, and issues documents for trade under the schemes of OECD and ISTA certificates.

Inspections were carried out in retail outlets and warehouses with sowing and planting material, of purveyors of seeds in small packings, of producers of planting material and seed producers, and of all registered wholesalers trading in sowing material and so were of books kept by them. As regards the inspections performed, oversights were found in bookkeeping under Art. 62 of the Seeding and Planting Material Act such as some unrecorded or unaccounted for quantities, lot numbers or undelivered sales.

The control on purveyors of seeds in small packings' activities was especially harsh. In active periods of trade in sowing and planting material there are regular inspections in the trade network. The seeds that do not meet the minimum germination requirements are banned from trading.

6. Control of grain, grain products and fodders

6.1. Licensing and control of public storehouses, granaries and other storing facilities

By 31.12.2010 the licensed, the registered and the declared other facilities for storage of grain in the country were as listed below :

- Public warehouses for grain: 48 units having total capacity of 592 930 tonnes;
- Granaries: 178 units with total capacity of 1 663 870 tonnes;
- Other facilities for storage: 1 974 units with total declared capacity of 6 143 004 tonnes.

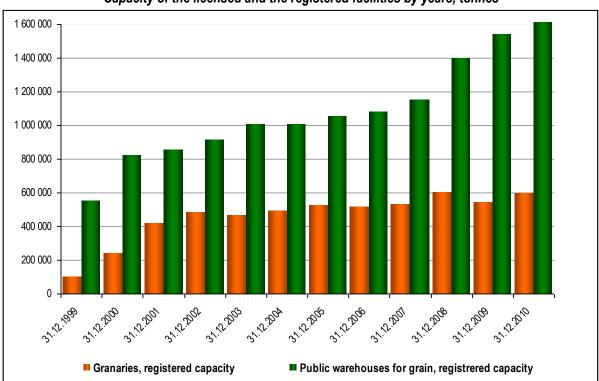


Figure V.10.
Capacity of the licensed and the registered facilities by years, tonnes

Source: National Grain and Fodder Service

The number of licensed public warehouses went down by 1 in comparison with the end of 2009, and at the same time their total capacity grew by 52 270 tonnes. Nearly 94% of the public warehouses for grain making over 96% of the total licensed capacity are in Northern Bulgaria, while only 6% are situated in the southern part of the country.

The total quantity of grain registered in the warehouse records for the period from 1 July—31 December 2010 (149 339 tonnes) was comparable to that in 2000 and 2009 harvest years. As a whole, it may be noticed that a slight increase in the quantity of the grain was reported after a string of unsuccessful harvest years (2004—2009) featured continuous downturn.

An increase was reported over the last years both in the number of granaries and in their registered capacity. The granaries situated in Northern Bulgaria make 76,4% out of the total number of granaries in the country, while those in South Bulgaria make only 2,4% of the total number.

Out of the declared other facilities for storage of grain, around 69% were situated in Northern Bulgaria (accounting with over 70% of the volumes).

1 026 periodical inspections were made in 2010 to control the licensed, the registered and the other facilities for storage of grain in the country.

During that year the National Grain and Feed Service (NGFS), the National Revenue Agency and officers of sector Economic Police performed 620 joint inspections. As a result of such joint inspections, 98 statements of findings were drawn up (vs. 99 drawn up in 2009) and 71 statements for administrative punishment for infringements found (vs. 10 statements drawn up in 2009).

By 31.12.2010 the number of active merchants of grain in the country amounted to 2 167, where those newly registered were 451, and 91 merchants of grain were reregistered. 378 merchants were written off the Register, including: 2 after a request submitted by the respective company, 6 were written off after offences established of the provisions of the Storage and Trade in Grain Act, and 370 were written off due to non-renewal of their registrations within the legal term. 270 merchants of grain were checked to the matter of correct carrying out of business deals of theirs.

The checked quantities for compliance of grain and grain products in 2010 came to 2 437 308 tonnes, where 3 004 certificates of compliance for imports, exports and intra-community supplies were issued.

228 inspections in grain processing enterprises were carried out, where 66256 tonnes of grain products were checked, which makes 13,9% of the total declared production.

618 registered agricultural producers were checked for declared quantities of produced, sold and stored grain that year.

6.2. Qualification of harvest 2010:

Qualification of wheat from harvest '2010 year:

In the period of the harvest campaign 1 896 samples were taken from 1 507 783 tonnes of wheat from grain producing regions all over the country (27 regions), which make a 38,7% sample as regards the preliminary data on the harvested quantity (3,9million tonnes) and thus form the representativeness of the qualification made.

On the grounds of the advance qualification carried out under basic indirect indicators of BSS and BSS ISO, wheat grain from harvest '2010, total nationwide, was distributed by quality as listed below:

• 1st group: 1,1%;

• 2nd group: 4,3%;

• 2nd, RA B group: 18,4%;

• 3rd group: 76,2%.

The quality of the grain harvest '2010 was comparable with that of the previous 2004, 2007 and 2009 harvest years. If compared to last year's harvest, the share of the grain from third group rose by 3,2 points, as result most of all the low levels in the yield of moist gluten and the number of bread baking strength. The share of the wheat from Second B group and from Second group shrank by 1,2 and 2,2 points, respectively. The share of the wheat from First group grew by 0,2 points in comparison with the previous harvest.

Relatively, the overall quantity of grain from First, Second and Second B group over this market year amounted to 23,8% of the whole production yielded, i.e. by 3,2 points less than in the previous year. The results from the quality analysis made of wheat from harvest '2010 show that 34,6% of the wheat had quality meeting the requirements of flour mills sector as to production of bread and bakery flours (including the quantities of wheat from the third group having relatively good bread baking indicators).

Qualification of maize harvest '2010 year

Over the period September – November 2010 NGFS analysed 561 samples from 619 373 tonnes of maize from the grain producing regions all over the country, which make a 31,4% sample from the harvested quantity of maize, which according to the data provided by Ministry of Agriculture and Food amounted to 1 975 644 tonnes and thus form the representativeness of the qualification carried out. The qualification carried out under basic indicators of BSS 607-73 and BSS ISO EN 13 690:2008, which determine both the consumer's and the commercial value of the grain. The samples were taken from 22 regions of the country.

Maize for grain produced from harvest '2010 year has relatively values under the two basic indicators, i.e. moist and admixtures, which are laid down in the standard. The data shows that 81,7% of the analysed samples meet the provisions of the standard on maize for grain quality.

The average values of the indicators of the grain for the country are as listed below:

- content of moist: 14,3 ± 1,1%;
- content of crop (cereal admixtures): 3,6 ± 2,5%;
- content of alien admixtures: 0,9 ± 0,7%.

Intervention in the purchase of grain from harvest '2010

The overall quantity of grain, from which samples were taken for intervention purposes in the purchase from harvest '2010 amounted to 46 335 tonnes, of which 42 685 tonnes of barley and 3 650 tonnes of wheat.

6.3. Control of the fodders

The National Grain and Feed Service was the authority competent in the application of the legislation in the control system called "Fodders and Feed of Animals" until 01.06.2010, and thereupon, after the amendment to the Fodder Act was made, the competencies to the application thereof were assigned to the National Veterinary Service (NVS).

By 01.06.2010 the total number of registered and approved facilities in the fodder sector, where activities are exerted under Article 5, paragraphs 1 and 2 of Regulation (EC) no. 183/2005 laying down requirements for feed hygiene was 9 561. 221 operators from the fodder sector were registered over the period 01.01—01.06.2010.

447 inspections were made concluded by making out statements of findings. 66were the analyses of fodder admixtures, premixes, combined fodders and fodder raw stuff by 31.05.2010.

By 01.06.2010 2 notifications were made to the European Commission via the Rapid Alert System for Food and Feed.

7. Veterinary medicine

7.1. Health care and humane treatment of animals

The activity of the National Veterinary Service (NVS) is aimed at guaranteeing the health status of the animals, safeguarding of people from zoonoses and ensuring smooth trade both among EU Member States and trade with third countries.

In 2010 National Veterinary Service implemented the following programmes for control:

- Programme for control and eradication of classical swine-plague among domestic swine and wild boars;
- Programme for supervision and eradication of the Morbus Aujeszky among swine.
- Programme for supervision of influenza among domestic and wild poultry in Bulgaria;
- Programme for supervision and eradication of the Newcastle disease among poultry;
- Programme for supervision of blue tongue among ruminant animals;
- Programme for supervision of transmissible spongiform encephalopathies;
- Programme for supervision of salmonelose among laying hens of the species Gallus gallus;
- Programme for supervision of salmonelose among broilers;
- Programme for supervision of salmonelose among turkeys;
- Programme for supervision of salmonelose among pigs;
- Programme for supervision of salmonelose in flocks of breeding poultry;
- Programme for supervision of the disease F.M.T. among cloven-footed animals;
- Programme for supervision over the health status of fish bred in industrial and stockbreeding farms;
- 2009 State prophylactic programme.

The implementation of the Programme for eradication of the virus of the classical swine-plague was one of the priority tasks, whereas the objective of the Programme was protection of Bulgaria against the propagation of classical plague and lifting the ban on Community trade in live swine. The Programme includes serological and virological analyses made to domestic, East Balkan and wild boars, clinical examinations and providing of measures for bio-security of stock-breeding units farming domestic swine and swine of the East Balkan breed. Furthermore, a programme for oral inoculation of wild boars in 2010 was implemented, but it involved only municipalities along the borders with Serbia, FYROM and Romania, within which three vaccination campaigns were carried out with two sets of vaccination each. As a result of the implementation of the Programme for control and eradication of classical swine-plague among domestic swine and wild boars, no cases of that disease were detected in 2010. With the implementation of this programme, the European Commission will allow the Republic of Bulgariacarry out intra-Community trade in live swine.

In 2010 continued the implementation of the programme for oral inoculation of foxes aimed at the eradication of the rabies virus. One vaccination campaigns was carried out in 19 districts. The

National Diagnostic and Research Veterinary Institute (NDRVI) in Sofia carried out laboratory studies to determine the percentage of inoculated foxes out of the total number of dead or slaughtered.

As regards implementation of the Programme for supervision of influenza among domestic and wild poultry in Bulgaria, on 01.04.2010 a case of the disease Influenza - H5N1 was detected when a common buzzard (Buteo buteo) was found in the locality of the Black Sea resort *Konstantin I Elena* near Varna.

In 2010, as regards implementation of the Programme for supervision of salmonelose among hens – laying hens, poultry for breeding, turkeys, broilers and swine the following research was carried out:

- Breeding herds: a total of 154 herds were studied for contamination by Salmonella spp.
 (Salmonella enteritidis, Salmonella Hadar, Salmonella infantis, Salmonella Typhimurium,
 Salmonella virchow). 3 herds proved positive results for S. Infantis, 2 herds proved positive
 results for S. Hadar, 1 herd proved positive results for S. Covallis, 1 herd showed positive results
 for S. Glostrup and 1 herd proved positive results for S. Senftenberg;
- As to laying hens: a total of 250 flocks were studied for Salmonella infection: 2 flocks proved positive results for Salm. Enteritidis and 7 flocks proved positive results for other Salmonella spp.;
- As to broilers: a total of 997 flocks were studied for Salmonella infection. Over the period only
 one flock was found positive to Salmonella Typhimurium and 14 flocks proved positive results
 for other Salmonella spp.

Over that year no occurrence or dispersion of any particularly dangerous viral infections were allowed such as blue tongue among ruminants, classical swine-plague among domestic swine, plague among small ruminants, sheep measles among sheep and goat, and other diseases specified in the former List A of the World organisation for Animal Health.

No niduses of cattle tuberculosis were identified, all niduses of anthrax among petty ruminants were liquidated and so were the niduses of brucellosis among small ruminants (Brucella melitensis), the niduses of Q-fever and tularemia were shrunk.

As a result of the activities carried out in 2010 on the epizootic situation in the country, no niduses of diseases were identified of those included in the list of the World Organisation for Animal Health as regards domestic animals, except foot-and-mouth disease among hoofed animals.

On 04.01.2011 the results of analysis of samples taken after shoot-off of wild boars in the land adjacent to the village of Kosti, District of Burgas, 2 km away from the border with the Republic of Turkey on 30.12.2010, confirmed the presence of foot-and-mouth disease. The European Commission was notified timely. Thanks to the timely and adequate measures taken by the Ministry of Agriculture and Food, the Bulgarian Food Safety Agency, in collaboration with other States' services, the appearing niduses of foot-and-mouth disease in January 2011 among the animals in South-eastern Bulgaria were destroyed and the spreading of the disease was stopped. Shortly after that, the European Commission agreed to reduce the zones where restriction measures were imposed in order to reduce the economic losses for producers, processors and merchants.

As regards official control activities and analysis of samples of fodders for presence of banned animal proteins conducted in fodder production enterprises, in livestock breeding facilities for breeding of agricultural animals, in shops for production of fodder and fodder sale outlets, no banned animal proteins were found.

For the purposes of official veterinary control and implementation of the integrated multiannual plan, in 2010 official veterinary surgeons conducted inspections of livestock breeding facilities to the end

of identifying the health status of the animals and identifying the health status of livestock breeding facilities. To this effect, the following inspections were carried out: 1 525 - to livestock breeding facilities raising large ruminants, 1 197 - to livestock breeding facilities raising small ruminants, 43 750 - to livestock breeding facilities raising swine, 195 to livestock breeding facilities raising horses, 585 to poultry raising facilities, 23 to livestock breeding facilities raising rabbits, 39 to game herding facilities and 947 – to fisheries. The health status of livestock breeding facilities is being identified in view of the results obtained from the obligatory diagnostic analyses and preventive treatment actions implemented by private practice veterinary surgeons, and the documentation kept by the owners of livestock breeding facilities. The significant number of inspections of facilities raising swine is about the implementation of approved by the European Commission Programme for control and eradication of classical swine-plague among domestic swine and wild boars.

Moreover, in 2010 8 407 inspections were conducted for identification and movements of large ruminants in livestock breeding facilities, 8 775 inspections in facilities breeding small ruminants, 29 318 inspections in facilities breeding swine and 36 inspections in facilities breeding horses.

As regards the observance of the ruled of safeguard, protection and humane treatment of the animals the following inspections were conducted: 910 in facilities breeding large ruminants, 850 in facilities breeding small ruminants, 834 in facilities breeding swine, 195 in facilities breeding horses and 709 in facilities breeding poultry.

In 2010 a project was carried out for building a place for rest for cattle at Port Burgas approved and financed by the European Commission.

During that year were identified inconformities and infringements as regards:

- Non-completion of the State prophylactic programme by the registered veterinary surgeons and respective prescriptions and statements were issued;
- Inexpedient identification of animals according to the requirements of Ordinance no. 61 of 9.05.2006:
- Movements of animals having no veterinary movement certificate, absence of travel permission, incorrect record keeping in travel logs. All identified owners were sanctioned;
- Breached biosecurity measures, inexpedient setting the disinfection sites, non-implementation of deratisation, absence of disinfection in transport vehicles carrying live animals;
- Accommodation of animals in premises inappropriate for breeding, absence of trained personnel at the farms, absence of equipment, equipment for feeding and watering not designed to avoid contamination of feed or water, incorrect ventilation, absence of logs at the farms, raising laying hens in unexpanded cages, overpopulation of cages and underequipped cages (absence of sitting (perching) places, nests, funds for filing down of falculae).

In 2010 the Ministry of Agriculture and Food conducted a training of municipal officers from all over the country, from the official control authorities, animal-protection NGOs and veterinary faculties of universities, to the application of the provisions of the Animal Welfare Act and application of sustainable practices to tackle the problem with the populations of abandoned dogs.

In its quality of the general supervisory authority in charge of the observance of the Animal Welfare Act, the Ministry of Agriculture and Food exerts the policy in the sphere of humane treatment of animals and promotes animal protection. In April 2010, at instigation of the Minister of Agriculture and Food, amendments were proposed to the Penal Code, whereby atrocity acts toward animals are to be incriminated. This is how, via the incrimination of atrocities toward animals the goals of the general prevention of criminal behaviour were implemented and educative and preventive effects is achieved

over all members of society. The said amendment was enforced as of the date of promulgation of the Law amending the Penal Code (promulgated *State Gazette*. Issue 33 of 26 April 2011).

The veterinary part of the National programme for combat against Echinococcosis among animals was prepared and sent for approval and co-financing to the European Commission.

7.2. Information system for identification and following ofthe movements of animals

2010 saw a follow-up to the efforts of development and extension of functionalities of the Information system for identification of animals and registration of stock-breeding industries thereby complying with the requirements as stipulated by the EU legislation in the area of animal health and providing assistance to the activity of the State Fund 'Agriculture', Paying Agency. As of 19.03.2010 operation halted of the existing information system BGVET/WORLDVET of the National Veterinary Service to the end of migration of the data to the Integrated Information System. As of 22.03.2010 started the operation of the Integrated Information System at the National Veterinary Service - VetIS.

After the introduction thereof the following activities were carried out:

- The Central Management of the National Veterinary Service put into the system the following:
 - Veterinary Medicine Services;
 - Register of Regional Veterinary Sanitation Stations (RVSSs);
 - Register of Veterinary Medicine Centres;
 - Register of diseases contagious and non-contagious;
 - Register of the licensed carriers of animals short and long trips;
 - Register of merchants of animals;
 - Register of the licensed veterinary sanitation products (VSPs);
 - Register of owners of licenses for use of VSPs;
 - Register of the licensed VSP producers;
 - Register of VSP wholesalers;
 - Register of VSP retailers;
 - Register of veterinary sanitation laboratories;
 - Register of veterinary stations (VS).
- Efforts were organised to discuss rising problems, documentation thereof, decisions taken and control on the implementation within fixed deadlines.
- Methodological instructions were drawn up and forwarded to the Regional Veterinary Sanitation Stations (RVSSs) for addition of scope of RVSSs; registration of Veterinary Medicine Centres; registration of apiaries; registration of RVSSs; work of operators in slaughterhouses; registration of merchants of animals; recording and taking blood samples and making interdermal analysis for tuberculosis;
- In accordance with the instructions Subjects of Epizootic Importance registered under Art.137 of Veterinary Activity Act, where certificates for registration are attached, among others.
- Employees of National Horse-Breeding Association and Bulgarian Equestrian Federation should be given training to work with the system for introduction of horses.
- There is a possibility to communicate errors committed by RVSSs and to manage these on an

internal website.

- A technological instruction was developed on the terms and conditions and control of collection, input, maintenance and use of data from the Integrated Information System of the National Veterinary Service VetIS.
- Rules were developed for preliminary preparation and data input into the ISI on identifiers: injectable transponders.
- Within the dog system the data was analysed, prepared and allocated among the Regional Veterinary Sanitation Stations for specifications and input into VetIS
- In 2010 a procedure was drawn up on the organisation of activities related to the issue of passports of solidungulate animals.
- Training was organised for formal veterinary surgeons on the activities referring the identification
 of solidungulate animals, drawing schemes and recording data on solidungulate animals in the
 information system VetIS.
- Training was provided for representatives of the solidungulate animals pedigree organisations in Bulgaria on how to work with the information system VetIS and handle reporting of data on pedigree solidungulate animals.

7.3. Control activities

7.3.1. State Veterinary Public Health Control (SVPHC)

In 2010 the main activities carried out by SVPHC were:

- Protection of consumers' health as regards consumption of foods of animal origin;
- Compliance with the requirements of the *hygiene package* Regulations as regards the official control implemented by the authorities;
- Establishing a system of control based on certain principles such as: degree of risk, flexibility, proportion, etc.;
- Improving consumers trust to foods offered on the market and to authorities implementing the control thereof;
- Control of facilities for production and trade in foods of animal origin;
- Making adequate estimation of control related activities and as a result of this, optimising the work of the control authorities and minimising the effects of the human factor;
- Control of food production facilities and shops trading in foods of animal origin to the effect of
 compliance with the requirements as laid down by the *hygiene package* requirements for the
 purposes of ensuring food safety of foods of animal origin along the whole food chain.

The inspections shall be carried out with frequency determined by the Integrated multiannual plan for official control after risk analysis and risk assessment for each site. In the enterprises, the inspections shall be carried out according to the Inspection and Audit Guide subject to mandatory observance of the following criteria:

- Compliance with the requirements as set out in Regulations (EC) 852/2004 and (EC) 853/2004 on structure and equipment;
- System for Hazard Analysis and Control of Critical Points (HACCP) or procedures based on the principles of the Hazard Analysis and Control of Critical Points System;
- System of traceability to include acceptance of the animals intended for slaughter and/or put in raw materials, intermediate products and ready foods;

- Labelling and providing health and identification marks;
- Implementation of the Strategy for improving the quality of raw cow milk and separate purchase and processing of compliant and non-compliant raw cow milk;
- Genetically Modified Organisms (GMO) or products produced of GMO as ingredients of foods of animal origin. Labelling of ready products containing GMO.

As regards the implementation of Single multiannual national control plan for 2010, the following activities were carried out:

- Number of performed inspections in facilities for storage and production of raw materials and foods: 39 068:
- Number of performed audits of HACCP: 1 044;
- Issued prescriptions: 5 202;
- Statements drawn for identified violations: 2 473;
- Inspections after claims and alarms: 1 530;
- Number of samples: official control: 75 140;
- Quantity of discarded products of animal origin: 1 321 755,5 kg.
- Number of performed inspections in retail trade points and public catering establishments:
 100 829
- Shut down facilities/ establishments: 375.

In pursuance of the requirements as set out in Ordinance no. 4/19.02.2008 on the specific requirements as regards the production, storage and transportation of raw cow milk and the requirements for trade and marketing of milk and dairy products, during that year veterinary inspectors carried out regular inspections at milk-processing enterprises, located in the settlements. In 2010 the official control conducted tests of 8 041 samples of raw milk according to the indicators after the indicators Total Number of Micro-organisms (TNMO) and Total Number of Somatic Cells (TNSC) and inhibitors.

Furthermore, in 2009 continued the periodical missions of Directorate General "Healthcare and Consumer Protection" (DG SANCO) experts. As regards most part of the missions, the official control of food safety showed full compliance with the requirements of the European legislation. As a whole, the National Veterinary Service proved that they have all needed competency for maintaining an effective food safety control system.

Table V.12.

Missions carried out by experts of the European Commission (DG SANCO) in 2010

Reference no Agenda	Period	
2010: 8456 - Control of poultry meat and products from poultry meat	04.03.2010—12.03. 2010	
2010: 8436 - Residues and contaminants in raw materials and foods of animal origin and use of veterinary sanitation preparations	22.03.2010—29.03. 2010	
2010: 8383 - Humane treatment during transport, slaughter and at farms	20.04.2010—29. 04. 2010	
2010: 8498 – Control on the production and launch of fish and fish products on the market	01.06.2010—11.06. 2010	

2010: 8584 – Materials intended for contact with foods and additives in foods	21.06.2010—29.06. 2010
2010: 8398 – Classic swine-plague	18.10.2010—29.10. 2010
2010: 8513 - Safety of foods of animal origin, in particular meat and milk	07.12.2010—17.12. 2010

Source: National Veterinary Service

In 2010 SVPHC conducted a strict control action on the quality of food products of animal origin and the activity of the facilities for production, storage and trade in foods to the effect of prevention against fraud by producers, offer of low-quality products on the market and errancy of consumers.

For the period 30.04—18.05.2010 4 382 inspections were made seeking unlawful inclusion of fats in dairy products, whereby quality indicators of the products worsen. Measures were undertaken to apply special marking to dairy products containing vegetable fats and exposed in the stalls of the retail outlets. All identified violations were subject to relevant lawful actions.

on 30.07.2010 the Approved Stara Planina Standard for some meat products was introduced. To the end of preventing fraud, continuous veterinary control was introduced during the process of production of meat products and crude products at the approved companies. 3 076 inspections were carried out, and all identified violations were subject to relevant lawful actions.

In November 2010 inspections were made in the poultry meat processing enterprises as to observance of poultry meat production technological documentations, the conformity between technological documentation and labelling and observance of the requirements of the European and national legislations on inclusion of water retaining agents. A total of 123 enterprises were checked, and in respect of inconformities identified, relevant legal actions were taken. Samples of poultry meat were taken to analyse their content of uncombined water, hormonal substances and antibiotics. The inspections were initiated to follow up multiple signals of violations committed by producers of chicken and poultry meat. To this effect, were taken and analysed 50 samples of uncombined water, 65 samples of antibiotic substances and 66 samples of preparations with hormonal action.

As regards carried out joint actions of supervisory authorities in 2010 were identified serious violations of the relevant legislation and offer of inconsistent raw materials and foods of animal origin. as A result of such actions 129 577,4 kg of raw materials and foods of animal origin were destroyed and the infringers were sanctioned.

By the end of 2010, 15 670 inspections were carried out by SVPHC staff in foods of animal origin production facilities for and points of trade in foods of animal origin.

7.3.2. Border veterinary sanitation control (BVSC)

In 2010 the National Veterinary Service (NVS) through its Border Veterinary Sanitation Control Directorate (BVSC) arranged for, implemented and controlled the activities of Border Inspection Veterinary Checkpoints (BIVCPs) through which the imports and transit of live animals, foods and raw materials of animal origin, and fodders were carried out. A main objective of the border veterinary control was Bulgaria's protection against penetration and propagation of severe contagious diseases among the animals and diseases as common for both people and animals (zoonoses). For that purpose 24-hour control was ensured at the eight border veterinary checkpoints all along Bulgaria's outer border (Bregovo, Kalotina, Gyueshevo, Zlatarevo, Kapitan Andreevo, the Varna Port, the Burgas Port and the Sofia Airport). Bulgaria's Border Veterinary Sanitation Control was part of Community's control and,

using the communication systems such as TRACES surveillance and control of the whole out border was carried out.

In 2010 BVSC made out a monitoring plan based on a detailed risk analysis covering: RASFF notifications, the third countries, the enterprises there and the number of consignments imported for the previous year. 157 samples were taken, 92 export permits were issued, were processed 3 080 consignments (imports), 854 processed consignments (transit) and 414 imported consignments (live animals).

To the end of improving the level of the border veterinary control the efforts that year were focused both to improving the infrastructure and the maintenance of buildings and the equipment of Border Veterinary Inspection Post in accordance with the requirements of the European legislation and to increasing the qualifications of the border formal veterinary surgeons by conducting specialised trainings.

7.3.3. Control on the veterinary activity, veterinary sanitation products (VSPs) and fodders

The control of the activity of the 28 Regional veterinary sanitation services in the territory of Bulgaria is implemented in the case of occurring inconsistencies and in accordance with an approved Schedule of complex inspections.

Therefore, weekly information shall be collected and summarised on occurring natural disasters (floods, fires, hailstorms, draughts, snow showers or frost damage) and occurring epizooties in accordance with the Disaster Protection Law.

In 2010 a total of 577 cases on complaints, alarms, queries, requests, and correspondence with individuals, companies, non-government organisations, structural and territorial offices of the National Veterinary Service, were entered and concluded in time.

6 complex inspections of the activities of the Regional Veterinary Sanitation Stations of Plovdiv, Gabrovo, Razgrad, Rousse, Smolyan and Stara Zagora were performed. Such complex inspections were aimed at identification of the efficiency of the official control on food and fodder safety, animal health, veterinary sanitation products control, humane treatment of animals, laboratory control, legal and financial and accountancy activities.

To the effect of guaranteeing the efficient functioning of the official control services, specific measures were planned to focus improving of co-ordination between supervisory authorities, their interaction with other entities and ministries, increasing the exactingness and responsibility of the immediate managers and employees.

Control activities implemented by the Institute for Control of Veterinary Sanitation Products (ICVSP) in 2010 were as listed below:

- 211 analysed samples of veterinary sanitation products (VSPs);
- 160 expert appraisals of documentation for issue of licence for use of veterinary sanitation products according to the national procedure;
- 21 expert appraisals of documentation for issue of licence for use of veterinary sanitation products according to the mutual acknowledgement procedure;
- 44 expert appraisals of documentation for issue of licence for use of veterinary sanitation products according to a decentralised procedure;
- 8 expert appraisals of documentation for issue of licence for use of veterinary sanitation products according to a centralised procedure;

- 195 expert appraisals of documentation on implementing insignificant or significant amendments to veterinary sanitation products;
- 10 expert appraisals of documentation on approvals of commercials/advertising of veterinary sanitation products;
- 231 statements issued on veterinary sanitation products use licences;
- 2 samples of veterinary sanitation products non-compliant with relevant quality indicators;
- Statements issued on Good Operative Practices (GOPs) value BGN 55 097,83

As regards control over the production, storage, trade in and usage of VSPs implemented by the ICVSP, 5 inspections at VSP producers' premises were carried out, 24 inspections of VSP wholesale premises were carried out, and 75 inspections of vet pharmacies were carried out. 502 units of Documentation were accepted for licence issue/renewal for use of VSPs for the period January-December 2010.

Implementation of the National Monitoring Programme for Control of Waste from Veterinary Sanitation Products and Environment Polluting Agents (NMPCW) in 2010 and optimisation of laboratory control

The National Monitoring Programme for Control of Waste in live animals and products of animal origin is implemented by the regional veterinary sanitation services which, under the Plan, shall forward monthly reports on the samples taken to the Central Laboratory of Veterinary Sanitation Expertise and Ecology (CLVSEE), among others. According to the 2010 research performed in CLVSEE there were no cases reported of non-compliance in samples under NMPCW.

After the summarising and analysis of the results from the implementation of NMPCW in 2010 a conclusion may be reached that the implementation of the programme for cattle (all categories), swine, fish, eggs, rabbit meat, game from farms was according to the approved regional plans. In some regions there was under performance regarding the samples of solidungulate, sheep, goat, lambs, kids and poultry (broilers and ostriches). As no slaughter of the specified species of animals was performed some regions found forwarding of samples particularly difficult. Where was some NMPCW non-performance identified as regards poultry-broilers from slaughterhouses in Vratsa RVSS and that was mainly the effect of the absence of slaughter of poultry.

In 2010 individual regions forwarded a total of 2 319 samples under the NMPCW to CLVSEE and the latter made a total of 7 174 analyses. By the end of 2010, on the grounds of the summarised information from those processed on the quantities of products yielded and the number of slaughtered animals in individual regions that year, NMPCW was drafted for 2011.

Further to a recommendation made by the mission of DG SANCO - RN DG (SANCO)/2010—8 436 MR, whereas the purpose of assessment of control of residues and polluters and the use of VSPs for animals for production of foods, a new "Instruction on how to perform checks and inspections on residues and polluters in animals and products of animal origin in livestock breeding facilities" was drawn up.

In 2010 were carried out inter-laboratory tests carried out by the National Reference Laboratory (NRL) - CLVSEE with the 26 regional test laboratories at the RVSSs, the Regional Diagnostic Veterinary Sanitation Institute (RDVSI) in Veliko Tarnovo, RDVSI in Stara Zagora and Sofia Veterinary Sanitation Control with the purpose of identifying residues from antibiotics (inhibitors) in milk. A decision was taken that all laboratories should introduced in their routine more sensitive modern methods for proving antibiotics and sulphonamides in foods of animal origin.

Furthermore, correction actions were undertaken in terms of the methods used for identification of residues of antibacterial substances in foods of animal origin. Trainings were carried out by NRL - CLVSEE focusing the introduction in those laboratories the standard (reference) method of the 5 Petri plates intended to identifying antibiotics of the groups Tetracycline's, ß-lactamas, Macrolide's, Aminoglicoside's, Quinolones and Sulphonamide's.

In 2010, because of the optimisation of laboratory control in the system of National Veterinary Service, as of 01.06.2010 the testing laboratories at the RVSSs were restructured and the 26 former laboratories were merged to form 8 new regional laboratories; moreover, the samples as part of the official control efforts were redistributed from the shut down laboratories to the active laboratories.

8. Food safety

A main goal of EU food safety policies is achieving the highest possible level of protection of both human health and the interests of consumers as regards foods, by taking into account the nation-to-nation diversity, traditional products, at the same time ensuring domestic market's effective functioning.

Food safety is shared responsibility of competent authorities and foods producers. The Ministry of Agriculture and Food administrates, co-ordinates and controls the application of the State policy in the area of agriculture and foods through its specialised administration.

By Decision of the Council of Ministers no. 403 of 14 June 2010 the national Strategy for establishment of the Bulgarian Food Safety Agency was adopted and approved by the National Assembly.

Further to the establishment of the Bulgarian Food Safety Agency, a review was made and the relevant legislation was amended accordingly. A bill was drafted of a Law on the Bulgarian Food Safety Agency. That Law was promulgated in the *State Gazette*, no. 8 of 25.01.2011. Moreover, amendments were drafted to 23 laws.

Analysis was made of the existing questionnaires, instructions and guides applied in the structure of the services of the Ministry of Agriculture and Food and the Ministry of Health Care in charge of the official control all along the food chain and whereas the implementation of integrated control their updating is under way.

In 2010 the national standards for dairy products were made out, including Bulgarian Sour Milk (Yoghurt), Bulgarian White Brined Cheese and Bulgarian *Kashkaval*.

By adopting Ordinance no. 26 of 14 October 2010 laying down the specific requirements for direct supplies of small quantities of raw materials and foods of animal origin (promulgated *State Gazette*. 6p.84 of 26 October 2010.) the national measures and rules were introduced enabling producers to carry out direct supplies of small quantities of raw materials and foods of animal origin to the end consumer or to local retail outlets and at the same time providing safe foods to consumers.

2009 Annual report on the implementation of the integrated multiannual national control plan for food and feed, animal healthcare, humane treatment of animals and protection of plants in the Republic of Bulgaria (IMNCP) was prepared and forwarded to the European Commission.

A follow-up to the now active IMNCP (January 2008- December 2011) was prepared.

Audit of official control

In 2010, according to the Audit Implementation 2010 Programme approved by the Minister of Agriculture and Food, Animal Health Care and Food Safety Directorate (AHCFSD) at the Ministry of Agriculture and Food carried out audits of the activity of the services within the system of Ministry of

Agriculture and Food exercising food and feed safety official control, animal health care and humane treatment of animals and protection of plants, the National Veterinary Service (NVS), the National Grain and Fodder Service (NGFS) and the National Service for Plant Protection (NSPP). The following was carried out:

- 13 audits of the official control, carried out by the supervisory authorities at the Ministry of Agriculture and Food, authorities in charge of safety of foods, fodders and crop protection products, according to Art. 4, paragraph 6 of Regulation (EC) no. 882/2004;
- 7 audits of the regional contact points in the Rapid Alert System for Food and Feed (RASFF), according to Art. 4, paragraph 6 of Regulation (EC) no. 882/2004;

Each audit is concluded by drawing up an Audit Report and Annex to that Report where the competent authorities inform on the undertaken corrective actions for the implementation of the recommendations made, and the deadline for the implementation thereof.

To the effect of improving effectiveness and efficiency of official control, of principles of impartiality, transparency, high professionalism and absence of conflict of interests, during all thirteen audits, the competent authorities By Ministry of Agriculture and Food received a total of 55 recommendations, and by 06.12.2010 27 of these were met.

Fodders

A bill was drafted of a Law amending the Fodder Act (promulgated in *State Gazette* no. 88 of 9 November 2010).

Ordinance was made out amending Ordinance no. 10 on the maximum acceptable concentrations of undesirable substances and products in the fodders (promulgated *State Gazette* no. 29/2009, amended *State Gazette*. no. 49/2010).

Ordinance was made out amending Ordinance no. 10 on the special purpose fodders (promulgated *State Gazette*. no. 20/2003, subsequently amended *State Gazette*. no. 82/2010).

Rapid Alert System for Food and Feed (RASFF)

Animal Health Care and Food Safety Directorate at the Ministry of Agriculture and Food is National contact point of the Rapid Alert System for Food and Feed (RASFF). This system is shared by all EU Member States and its objective is to protect people and animals' health against all sorts of harmful impact or potential risk coming from foods, fodders or materials intended for contact with foods, by ensuring rapid information exchange between Bulgaria, the EU Member States and the European Commission. Having identified any hazardous products distributed in its jurisdiction or stopped at any of its border checkpoints, each Member State must within 24 hours notify the European Commission thereof, which in its turn shall broadcast the information to all Rapid Alert System Member States.

8 582 notifications were received, reviewed and analysed in 2010, of which 3 358 were original notifications, 5 224 were notifications on follow-ups related to original notifications. The Ministry of Agriculture and Food took actions to 12 notifications to do with products distributed in Bulgaria's jurisdiction. 72 were the notifications made in Bulgaria and forwarded to the European Commission.

By the end of 2010 notifications were received using the RASFF system stating presence of dioxin in fodders intended for feeding chicken and swine in Germany, and subsequently similar notifications warning of presence and contamination of eggs, poultry and pork meat in Poland and the Czech Republic were received. Following those alerts and a string of publications in the media, SVPHC supervisory authorities in all 28 RVSSs nationwide launched a series of inspections to trace and detect any consignments of pork, or chicken meat or eggs originating from Germany and supplied after 02.12.2010, in the beginning of 2011 and from the Czech Republic and Poland. By the end of 2010 964

inspections were made. The inspections continued well in the beginning of 2011, and in the course thereof samples were taken to be dioxin analysed.

In 2010 the competent authorities undertook relevant actions as follow-ups to the following incoming notifications on:

- Presence of undeclared sulphite in sausages from Bulgaria: the competent authorities prescribed full analysis of additives to identify the origin of the sulphite and tackling the problem;
- Presence of high levels of sulphite in chilled shrimps from Spain;
- High content of colouring agents in caviar from Denmark;
- Esherihia coli in cheese from Bulgaria delivered in Romania: in an answer to this notification the
 Bulgarian competent authorities expressed their motivated doubt that the contamination in
 question happened in the enterprise, and it was more likely that it was about secondary
 contamination that might have happened at the sale shop in Romania where the cheese in
 question was being sold. Nevertheless all relevant appropriate measures were undertaken in
 the enterprise having produced it;
- Illegal imports and falsified health certificates accompanying fish imported from China;
- Mozzarella from Italy with worsened organoleptic indicators;
- Treatment with carbon monoxide of tuna imported from Vietnam;
- Goat cheese with presence of *Listeria monocytogenes* from Belgium.

Under all above notifications were taken adequate actions covering the operations of finding, tracing, and destroying all affected products and minimising the risk for human health. All appropriate actions were undertaken under the rejected notification from Greece informing of falsified bee honey from Bulgaria. Appropriate inspections were made in the raw-product maker and the final product maker and were undertaken all necessary measures to withdraw the product and to the end of non-admission of any other inconformity.

The competent authority, via the national contact point within the staff of AHCFSD forwarded the following outcoming notifications to the European Commission:

- Presence of salmonella in poultry meat from Bulgaria and delivered to Romania;
- Presence of histamine in mackerel (Scomber scombrus) from Argentina and supplied to Bulgaria;
- Delivery of frozen pork tongue from Greece without identification marking.

Establishment of the Bulgarian Food Safety Agency

The Law on the Bulgarian Food Safety Agency was promulgated in the *State Gazette*, no. 8 of 25.01.2011. This law regulated the functions of the Bulgarian Food Safety Agency, its structure, organs of management and financing of the new agency's activity. Having established the Bulgarian Food Safety Agency, the main goal of the Government's Programme was fulfilled, namely European development of Bulgaria for establishment of a single control authority along the whole food chain, whose approach of control would be "from the field and the farm to the table". This is how high level of trust among consumers will be guaranteed regarding quality and safety of food to be consumed, and a chance was created to apply the best European practices and high standards as regards control in safety and quality of foods, food additives and drinks, veterinary medicine and health care of animals and humane treatment of animals, crop protection and fertilisers, phytosanitary control, fodders, border

control, etc. At the same time operators enjoyed reduced administrative burden by avoiding double registration of production facilities and sites for trade in foods.

The Bulgarian Food Safety Agency follows the best European practices in the application of high standards as regards control in safety and quality of foods, food additives and drinks, veterinary medicine and health care of animals and humane treatment of animals, crop protection and fertilisers, phytosanitary control, fodders, border control, etc. The Agency exerts daily strict control along the whole food chain – from the field and the farm to the table. The Bulgarian Food Safety Agency maintains continuous collaboration with the European food safety authority and with all EU structures related to the activity of the Agency and to the food safety authorities in the EU Member States and their peers in third countries.

The Bulgarian Food Safety Agency's structure was completed by merging the National Veterinary Service, the National Service for Plant Protection (except the Crop Protection Institute), part of the National Grain and Feed Service, and the regional health inspections and that of the provincial Agriculture directorate in the part related to its activity under Art. 3, paragraph 1 of the Law on the Bulgarian Food Safety Agency.

The Agency controls and observes the compliance with all legal requirements regarding:

- phytosanitary activity, crop protection products and fertilisers;
- veterinary activity, health care of animals and humane treatment of animals;
- animal-by products not intended for human consumption;
- fodders:
- raw stuffs and foods except bottled natural mineral, spring and table waters;
- materials and objects intended for contact with foods;
- conformity of quality of fresh fruits and vegetables with EU standards on market offer.

Apart from the abovementioned activities, the Bulgarian Food Safety Agency also implements assessment of conformity of quality characteristics of foods with the requirements of national standards, standards developed by trade associations and approved by the competent authority, and technological documentations; laboratory diagnostics and scientific research; risk assessment and communication; training and qualifications, and other activities as laid down in the Law on the Bulgarian Food Safety Agency.

The main priorities as regards food control activity are as listed below:

- Protection consumers' health in connection with consumption of foods;
- Enhancing consumers' trust in marketed foods;
- Maintaining the system of control on compliance with the requirements of the legislation by the raw material and food producers and merchants in the above commodities;
- Reregistration of facilities, premises and sites and updating of the National Register of production facilities and sites for trade in foods non-animal origin, soft drinks and beer;
- Ensuring optimal efficiency of the system of official control, and thus guaranteeing safety in terms of production, storage and offer of raw materials and foods of animal origin;
- Maintaining a system of control all along the food chain intended to protect both health and the interests of consumers;
- Ensuring quality of foods and participation in preparing approved standards (bread, flour);

• Special attention to healthy nutrition of children: including those in créche, baby milk kitchens, kindergartens, schools.

The inspections to provide those priorities shall be carried out by the inspectors from "Control of the foods" departments at the Provincial Food Safety Directorates with frequency as may be defined by Integrated multiannual national control plan, by risk analysis and assessment and following letters, orders and instructions by the HQ of the Bulgarian Food Safety Agency. For the period 22.02.2011—14.06.2011 the competent authorities carried out thematic and routine inspections and undertook actions as listed below:

- 74 823 inspections;
- 8 182 prescriptions;
- 2 135 statements on findings on administrative violations;
- 319 sites/facilities shut down.
- 8 statement on raw materials and foods of animal and non-animal origin subject to destruction.

Over the period 22.02.2011—14.06.2011 standards for three types of bread were made out and approved. The new standards were introduced under the name 'Bulgaria' Approved Standards. As a result of close collaboration between the Bulgarian Food Safety Agency and the trade associations from the flour and bread sector 4 standards were developed and approved:

- AS 01/2011 flour "White", "Tipovo" and "Dobrudzha";
- AS 02/2011 bread "White";
- AS 03/2011 bread "Dobrudzha";
- AS 04/2011 bread "Tipov".

Furthermore, instructions were drawn up, after which the application and the approval must be done by the enterprises wishing to produce flour and bread under an Approved Standard. FOR production under the 'Bulgaria' Approved Standards 29 enterprises were approved by July 2011 (including: 10 mills and 19 bread companies).

9. Selection and reproduction in livestock breeding

9.1. Management of national genetic resources in livestock breeding

The purpose of the management of genetic resources in livestock breeding e protection of endangered or declining local autochthonous breeds – national treasure of the country, and maintaining and developing commercial breeds shaping the national genetic resources.

The 2010 amendments made to the Law on Livestock Breeding enabled a State authority, namely the Executive Agency for Selection and Reproduction in Animal Breeding, and non-government organisations (NGOs), more specifically, the breeding organisations, to implement joint activity of exceptional public value such as management and safeguarding of national genetic resources in livestock breeding. The management and co-ordination was assigned to the Executive Agency for Selection and Reproduction in Animal Breeding, while the national co-ordinator is the Executive Manager of the Agency.

In 2010, in accordance with the requirements of the Law on Livestock Breeding, a National Council on Genetic Resources staffed by representatives of all breeding organisations. That Council is a standing advisory authority at the National Co-ordinator on Genetic Resources. It implements its functions by sections as listed below: "Cattle-breeding"; "Buffalo-breeding"; "Sheep-breeding"; "Goat-

breeding"; "Swine-breeding"; "Horse-breeding"; "Poultry-raising"; "Apiculture" and "Endangered and Disappearing Breeds".

At the meetings of sections carried out that year the problems of respective trade were discussed and a number of proposals on enhancing breeding activity were made.

In 2010 in livestock breeding activity was carried out by a total of 37 breeding organisations as listed below:

- cattle-breeding: 8 breeding organisations with total 35 595 controlled animals;
- buffalo-breeding: 2 breeding organisations with total 4 485 controlled buffaloes;
- sheep-breeding: 14 breeding organisations with total 140 077 controlled sheep
- goat-breeding: 1 breeding organisation by 2 069 controlled goat;
- horse-breeding: 4 breeding organisations with total 4 502 controlled horses;
- Swine-breeding: 4 breeding organisations with total 33 264 controlled swine;
- poultry-raising: 1 breeding organisation with852 616 poultry;
- apiculture: 1 organisation controlling 10 858 bee colonies;
- Cynology: 2 breeding organisations with total 645 controlled animals.

In 2010 6 new organisations were granted breeding activity authorisations: Association for breeding of Srednorodopska, Karakachanska and Cigajska breed sheep, Association for breeding of aborigine Western Bulgarian Breeds of Sheep, Association for Breeding of Synthetic Population of Bulgarian Milk Breed and Black-headed Pleven Sheep, Association for Breeding of Local Autochthonous Breeds of Karakachanski Horse, Association of Horse-Breeders in Bulgaria and East-Bulgarian Horse Association. Of these, four will develop local breeds protection activity.

The application of the new organisation of work and purposeful promotion of breeding activity contributed to an increase in the number of the animals under selection control.

The Executive Agency for Selection and Reproduction in Animal Breeding supports the breeding process in the country by providing specialised services: determining of quality features of controlled animals, identifying the origin and selection related activities. For this purpose, in 2010 the Executive Agency for Selection and Reproduction in Animal Breeding managed three State laboratories for control of milk rates for selection needs (one of which discontinued its the activity in April due to obsolete equipment), and one laboratory for analyses of wool samples for the indicators 'yield' and "softness' covering selection of fine-fleeced sheep-breeding. A total 250 609 dairy samples and 987 samples for yield of pure fibre from wool were analysedin 2010.

The use of laboratories covered by the Executive Agency for Selection and Reproduction in Animal Breeding by the breeding organisations contributed to achieving equality, comparability of the results, transparency and enhanced control and self-control in the process of their activity.

In order to identify the origin of bred animals, clients may use the Immunology Laboratory in Sofia. In 2010 the Immunology Laboratory analysed 529 blood samples, including 55 blood samples of 24 cattle and 474 blood samples of 218 sheep.

Safeguarding, maintaining and development of national genetic resources by the Executive Agency for Selection and Reproduction in Animal Breeding is a complex task comprehending the operation and management of artificial insemination stations, the national genetic bank and the national reserve, establishment of new and enhancing of the existing breeds animals. Executive Agency for

Selection and Reproduction in Animal Breeding manages and the two artificial insemination stations in the country (AISs), the one in Sofia and the one in Sliven. Maintaining these ensures the breeding activity, management and storage of genetic resources in the country and producing and long-term storage of brood material. This guarantees safeguarding, storage and rational management of national genetic resources and Bulgaria's sovereignty in livestock breeding.

Thanks to the broad network of 28 licensed in the territory of the whole country, in 2010 83 627 doses of semen material from 300 cattle-breeding farms were used. The top performers in this ranking were the breeds Bulgarian black-and-mottled, Bulgarian brown, Bulgarian Rhodope and Holstein red-mottled

If compared to 2009, as a whole in 2010 the realisation of bull and buffalo sperm shrank by 5 589 and 100, respectively. This downturn came as a result of the reduced number of animals and the development of private initiative in the distribution of semen material.

In order to assist the distribution of semen material into the farthest regions of the country, in 2010 the Executive Agency for Selection and Reproduction in Animal Breeding maintained 4 lines of artificial insemination in the districts of Kardzhali, Blagoevgrad, Vratsa and Rousse.

To the end of maintaining the national genetic bank the Executive Agency for Selection and Reproduction in Animal Breeding has two semen depositories, one in Sofia and one Sliven where by 31.12.2010 a total of 3 211,2 thousand doses were stored of deeply frozen semen from 22 breeds of cattle, 4 breeds of buffaloes, 10 breeds of sheep and 3 breeds of horses.

In pursuance of the FAO Global Strategy for the Management of Farm Animal Genetic Resources, in 2010 Executive Agency for Selection and Reproduction in Animal Breeding undertook actions to establish a National Genetic Reserve (NGR). NGR stores frozen semen material from valuable high-yield breeds, declining local autochthonous breeds and species and breeds in risk. The National Genetic Reserve guarantees our national sovereignty as regards genetic resources, safeguarding of the biodeversity and safeguarding the local breeds of animals with unique genetic features and high adaptivity of breeding to the natural environment conditions. By 31.12.2010 NGR stored a total of 342, doses stored of deeply frozen semen from 30 breeds of the target kinds of cattle and buffaloes.

With the presence of deeply frozen semen material of 399 male stock-breeding farms, the Agency contributes to enriching of the present genetic diversity thus satisfying the needs of the breeding organisations, the farmers and livestock breeders and enables all of them the access to the relevant genetic material. The largest e the diversity of bulls of the following dairy breeds:Bulgarian black-and-mottled, Bulgarian brown, Bulgarian Rhodope and Brown cattle, of the following meat breeds: Limousine, Blond d'Acquitaine and Aberdeen Angus.

The national GeneBank and the National Genetic Reserve stores a total of 13 endangered or declining local autochthonous breeds, which are national treasure of the country.

Furthermore, the Executive Agency for Selection and Reproduction in Animal Breeding manages and operated the National Genetic Bank by annually replenishing and maintaining the National Genetic Reserve where certain quantities deeply frozen genetic material of all species and breeds bred in the territory of the country and provides frozen semen material for reproduction via artificial insemination of the species and the breeds agricultural animals from the national genetic resources.

Further to the application of Ordinance no. 11 of 06.04.2009 on the terms and conditions of application of measure 214 "Agro-ecological payments" from the Rural Development Programme, the Executive Agency for Selection and Reproduction in Animal Breeding issued 1775 certificates for sheep

and goat, respectively: Koprivshtenska sheep: 424, Sofia sheep: 177, West-Stara-Planina sheep: 104, Breznishka sheep: 216, Dabenska sheep: 141 and Local Long-Hair Goat: 713.

With the purpose to promote breeding activity, a lot of meetings with representatives of breeding organisations, farmers and structures in livestock breeding were carried out in 2010, and issues were discussed related to breeding activity in the individual regions of the country, financing of selection, the EU Common Agricultural Policy, etc.

With the purpose to promote the national genetic resources and the effect of breeding activity, that year the Executive Agency for Selection and Reproduction in Animal Breeding organised and set shows, exhibitions and fairs (the Eighth National Livestock Breeding Show in Sliven, the National Bulgarian Breeds Protection Fair in. Kalofer after the motto "Let's preserve Bulgarian breeds", etc.). At those events the situation in brood livestock breeding in the country and the directions for development of selection were presented and reproduction and the national genetic resources were demonstrated. Basically, this is how the purpose of the new policy launched by the Executive Agency for Selection and Reproduction in Animal Breeding is implemented: joint work with the breeding organisations and with the farmers, the agricultural research institutes and universities and community is getting involved in the process of safeguarding the endangered breeds of animals.

9.2. Control and co-ordination in breeding trade

The Executive Agency for Selection and Reproduction in Animal Breeding exerts control over breeding activity by: carrying out inspections of the activity of the breeding organisations, the State organisations, centres, etc.; control of the activity of the National Registrator of Pedigree English and Pedigree Arabic Horsescheck of authenticity of registered animals from the respective breed.

In 2010 28 breeding organisations were checked, which were granted State assistance under the scheme of State assistance for keeping a pedigree book and for identifying genetic features of animals in a variety of subsectors in livestock breeding.

As regards control a number of violations and incomplete activity were identified, as a result of which the breeding organisations were to restore to in the State Budget part of the funding provided to them in the form of State aids amounting to a total of BGN 2,3 million.

The Executive Agency for Selection and Reproduction in Animal Breeding provides specialised assistance to the Commission for Issue of Breeding Activity Authorisations at the Ministry of Agriculture and Food, by carrying out expert assessments of the breeding programmes and of the breed structure and the breed rate of the animals, which are the features used as justification for the breeding organisations to apply for assistance.

In 2010 inspection was made of the farms, which were selected to implement selection programmes together with the Association for breeding of Association for breeding of Srednorodopska, Karakachanska and Cigajska breed sheep, Association for breeding of aborigine Western Bulgarian Breeds of Sheep, Association for Breeding of Synthetic Population of Bulgarian Milk Breed and Blackheaded Pleven Sheep, Association for Breeding of Local Autochthonous Breeds of Karakachanski Horse, Association of Horse-Breeders in Bulgaria and East-Bulgarian Horse Association.

10. Agricultural science, training and advisory activity

10.1. Scientific research activity and research servicing in agriculture carried out by the Agricultural academy

The activity of The Agricultural Academy (AA) in 2010 was focused to the establishment of optimal conditions for experimenting and giving effective solutions to problems related to scientific research in the area of the agrarian sector.

By the end of 2010 the organisational Structure of AA was amended. The names of two institutes were changed: the Cotton and Durum Wheat Institute was renamed and now is named "Chirpan Institute of Green Crops", while the Canning Industry Institute was renamed and became Plovdiv Institute for Research and Development of Foods; the Kostinbrod Crop Protection Institute became part of the Agricultural Academy.

10.1.1. Scientific products created and introduced into production

By the end of 2010 the scientific institutes at the AA owned and maintained 400 certificates for new varieties plants and breeds animals according to the Law on Protection of New Varieties of Plants and Breeds of Animals (LPNVPBA) issued by Bulgarian Patent Office. Of these, 152 were for varieties of cereal crops, 43 of oleaginous crops, 41 were for fodders, 49 were for vegetable crops, 44 were for varieties of tobacco, 21 were for varieties of grapevines, 29 were for varieties of fruit and berry crops, 7 were for varieties of decorative plants and 14 were for breeds of animals.

In 2010 the Bulgarian Patent Office issued a total of 80 certificates for varieties of plants, including for one breed silk butterfly, to the scientific institutes at the AA. Of these, 32 were for cereals, 16 were for oleaginous, 10 were for fodder crops and the others were for vegetable, tobacco, decorative plants, grapevines and for maize lines. AA owns the largest number (85%) of all issued and maintained certificates for varieties of plants and breeds of animals with the Bulgarian Patent Office.

10.1.2. Transfer of knowledge and scientific products

The tasks of offices of scientific services and applied activity at the institutes and experimental stations – State enterprises popularisation of scientific achievements, establishment of contacts with practical application of scientific knowledge, organisation of marketing of production, studies on the needs of the farmers, and expansion of the scope and enhancing the level of scientific applied activities.

2010 saw the continuation to the mastering and application of novelties into the agricultural production and at the same time defending the traditional practices. 5 230 consultations were carried out and 151 research and practice conferences, seminars, symposiums, round tables, anniversary celebrations, etc. were held; 92 show fields were established.

Table V.12.

Activities within the scope of the scientific services carried out by the institutes at the AA:

no.	Activities	Measure	Implementation
1	2	3	4
1.	Preparation of show fields, farms, etc.	units	92
2.	Open days	units	73
3.	Consultations	units	9 177
4.	Scientific conferences, seminars symposiums, round tables, anniversary parties, etc.	units	151
5.	Short-term trainings	units	116
6.	Lectures, reports and presentations	units	756

7.	Provided information to farmers, cooperatives and entities	units	5 230
8.	Participation in shows, exhibitions and fairs, nationally and abroad	units	104
9.	Concluded contracts concluded with farmers, cooperatives, consulting associations and other assistance	units	308
10.	Advertising activities: brochures, bulletins, leaflets, video clips, etc.	circulation	35 042
11.	Participation in radio broadcasts	units	96
12.	Participation in TV broadcasts	units	96
13.	Articles published in the press	units	361
14.	Legal regulation documents drafted (standards, normals, laws)	units	33
15.	Employees of the unit passed special trainings on scientific services, nationally and abroad	units	21
16.	Classified farmers, cooperatives, etc. for scientific services	units	1115
17.	Experts classified as consultants	units	237
18.	Projects and technology, developed and presented	units	162
19.	Permanent and temporary shops opened	units	12
20.	Performed analyses of soils, vegetable and animal products.	units	83 074
21.	Diagnostic activities	units	324
22.	Acknowledged new varieties and hybrids of plants, and animal breeds	units	73
23.	Technologies approved by Boards of Experts	units	4
24.	Vegetable genebank, samples maintained	units	105 381
25.	Animal genebank, samples maintained	units	41 731

10.1.3. Structure of researchers by ranks and degrees, training of PhD students and publication activity

The total number of researchers at the AA by 31.12.2010 was 679, who are distributed by academic ranks and degrees as follows: Senior Research Fellows 1st degree (professors): 40, Senior Research Fellows 2nd degree: 320, Research Fellows 1st degree: 174 and Research Fellows 2nd degree: 144, PhD researchers: 459 researchers, and D.Sci. researchers: 24.

The trend which started in 2000 continued and that was a trend toward a reduction in the number of researchers in the permanent structural units within the AA. In 2010 the total number of researchers in AA shrank by around 1% if compared to 2009.

IN Agricultural Academy in 2010 a total of 57 PhD students were registered, who were trained under accredited scientific major subjects of studies, of which 22 were registered in full-time training, 16 were registered in extramural postgraduate study and 19 were registered as PhD students following independent programmes. That year 11 PhD students were written off from training programmes with right to thesis defence.

There were 5 successful PhD students in 2010, who defended their theses.

During the 2009/2010 academic year 11 PhD students were registered as full-time and extramural postgraduate study and 10 were registered as PhD students following independent programme. During the 2010/2011 AA announced a competition for PhD students training: a total of 54 vacancies in 20 scientific specialities in 14 institutes. Applications for participation in the competition were submitted by 14 applicants in 9 scientific specialities in 6 institutes. There were 10 eligible applicants classified.

In 2010 3 institutes received programme accreditation and were authorised to train in PhD studies in 9 scientific specialities while one had launched a relevant procedure.

The total number of publications by the researchers over the reference year was 1431, of which the scientific publications were 1166 and the popular publications were 265.

The number of publications in foreign reviews fell if compared to the previous year by 30.19%, while the number of publications in Bulgarian scientific reviews fell by 9.43%. The number of published scientific works in proceedings of Bulgarian and international conferences fell by 41.25% in comparison with 2009.

10.1.4. International co-operation in the area of agricultural science

The Agricultural Academy in 2010 carried out international co-operation with researchers from 41 countries in pursuance of joint projects, participation in international seminars and conferences.

A total of 182 projects were carried out in 2010, of which 119 were bilateral with partners from 31 countries. The projects with approved financing by the Ministry of Education, Youth and Science were three, all of them new and were part of scientific and technical co-operation with Romania. The results were expected of competitions by the Ministry of Education, Youth and Science for financing in line with the co-operation with China, Ukraine, Slovenia and Slovakia, France (the *Rila* programme), Germany (DAAD) and the Norwegian Council for Scientific Research.

Furthermore, the Institutes were also implementing 63 projects financed by different international institutions: the European Union, the Food and Agriculture Organization, the International Centre for Genetic Engineering and Biotechnology, Bioversity International, the International Atomic Energy Agency, the International Maize and Wheat Improvement Center, the International Center for Agricultural Research in the Dry Areas and others.

In 2010 1 new project started under the Programme COST of the EU and 4 projects under 7^{th} EU Framework Programme.

A total of 42 projects were carried out under different European programmes. Totally, the Agricultural Academy took part in 7 projects under other European programmes amounting to a total of BGN 163 428 Euros.

10.1.5. Vocational training

The activities of the Vocational Training Centre (VTC) at the Agricultural Academy continuously provides methodological assistance in organising professional courses at the institutes within the system.

In 2010 the *Farmer* courses and the *Apiculture* courses started in the Agricultural Institute, Stara Zagora, where around 30 agricultural producers from the region are being trained. Under the speciality *Ecology and Environment Protection (Agro-ecology)* a training was provided of 26 agricultural producers at the Livestock Breeding And Farming Experimental Station in Smolyan.

72 employees of SAPI EOOD⁷ were trained: 34 attended the *Word Processing* courses and 38 attended the *Marketing Studies* courses.

In 2010 Agricultural Academy concluded a contract with State Fund "Agriculture" "Payment Agency" under measure 111 "Vocational training, information activities and dissemination of scientific knowledge" amounting to a total of BGN 2 853 442. As a result, 2227 agricultural producers would be trained attending 109 vocational classes under the specialities *livestock breeding, plant-growing, ecology, perennial plants*. Those classes would be provided in 14 scientific institutes and experimental stations at the Agricultural Academy.

Under the same measure contracts were concluded on information activities between the State Fund "Agriculture" "Payment Agency" and the Institute of Agriculture in Karnobat amounting to BGN 60 000 for holding of 12 sessions to cover plant-growing, and 6 sessions on tobacco production would be held at the in the Institute of Tobacco and Tobacco Products in Markovo amounting to BGN 39 860 as well as with the Institute of Cotton and Durum Wheat in Chirpan – amounting to BGN 16 124.

Foreign language training covered 5 courses where PhD students and researchers within the system of the Agricultural Academy received English language training, and courses were also organised at the structural units of the Ministry of Agriculture and Food such as the National Agricultural Advisory Service and the Executive Agency on Soil Resources.

10.2. Advisory activity

Ensuring appropriate level of technical and economic knowledge and skills in the agricultural and the forestry sector focusing the application of CAP and the increasing competitiveness of Bulgarian producers on the common European market is a significant part of Bulgaria's policy in that sector.

The National Agricultural Advisory Service (NAAS) offers a complex 'package of consultant services' including consultations covering the whole chain right from the establishing of a farm and reaching as far as its full agronomic, stock-breeding, and agro-economic provision. By providing such consultations to the farmers were carried out Bulgaria's obligations referring the presence of functioning and accessible system of consultations in agriculture, in accordance with Art. 12 of Regulation 73/2009

In 2010 was reported a 13% increase in the number of people who were given consultations by the National Agricultural Advisory Service (from 34 681 in 2009 to 39 269 in 2010). The consultations provided by the National Agricultural Advisory Service also increased and reached the number 58 799, which exceeded by 14% the number of consultations given in 2009. The prevailing part of the agricultural producers who were given consultant assistance made use of the complex package provided by the National Agricultural Advisory Service and tried to receive advice in a variety of areas of focus. The average number of received consultations by one agricultural producer was 1,5.

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⁷ SAPI EOOD is a limited company handling agrarian market information

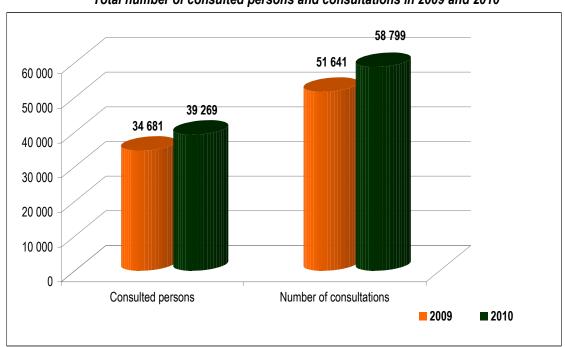


Figure V.11.

Total number of consulted persons and consultations in 2009 and 2010

Source: National Agricultural Advisory Service

The persons consulted by the National Agricultural Advisory Service mainly belong to three types:

- agricultural producers, who have already started their agricultural activity;
- persons, who would like to start agricultural activity, but still have not done so;
- other persons living in the rural regions, including owners of forests.

2010 was another year when the consultations under the Rural Development Programme 2007-2013 (RDP) occupied a leading share in the total lot of advice provided: 59%. The interest of the agricultural producers to the opportunities for financing under the RDP was as high as in 2010. This is due, on the one hand, to the deepening financial crisis and the deteriorated conditions for financing of the agrarian sector by the banks. On the other hand, the increased disbursement of funds during that year significantly boosted the interest to applying under the RDP.

Within RDP, in 2010 there was a change in the interest to individual measures. The largest interest and the most consultations provided were reported under measure 141 "Assistance to quasi-market farms in a process of restructuring", nearly 15 000, and their number almost doubled if compared to the previous year. The consultations were provided both to agricultural producers, who would wish to apply under this measure and in terms of implementation of plans of half-market farms already approved under this measure.

96% was the increase of the provided consultations under measure 214 "Agro-ecological payments under the RDP", while 27% was the growth of consultations under the other measures under the RDP – mainly 121 "Modernisation of the farms", 123 "Adding value to agricultural and forest products" and 311 "Diversification toward non-agricultural activities".

Investment measures were a focus of interest to approved applicants under measures 112 and 141, who would wish to continue their development assisted by the funds from RDP, and to agricultural producers, for whom this would be their first applying under the RDP.

The consultations under measure 112 were presented by young farmers for the implementation of their business plans and achieving the goals set.

The interest to measure 142 "Establishing of producers organisations" remained low.

The topics discussed at the specialised consultations provided in 2010 may be summarised in the following areas of focus:

Specialised 42%

Figure V.12.
Provided consultations by the National Agricultural Advisory Service in 2010

Source: the National Agricultural Advisory Service

Plant-growing

- agro-technical and crop-protection activities for different types of crops;
- technology of cultivating different species of crops;
- establishment and rehabilitation of perennial plants and vineyards;
- organic agriculture opportunities, conditions, requirements, certification;
- measures for rehabilitation and maintenance of pastures;
- good agricultural practices and conditions for maintaining of the land in good agricultural and ecological condition;
- management and use of water resources;
- new agricultural equipment and machinery for cultivating of agricultural crops.

Livestock breeding

- veterinary-sanitary and hygiene requirements to livestock-breeding facilities;
- feeding of different species of animals and poultry according to their age and physiological status;
- good agricultural practices and good agricultural and environmental conditions;

milk quotas.

Agrarian economy and farm management

- business planning;
- social security and taxation of agricultural producers;
- market analyses;
- marketing of agricultural production;
- calculation of cost price;
- options for financing of agricultural producers: subsidising, crediting, leasing, etc.

Other

- Community Standards familiarising farmers with obligatory standards and requirements, which their production must meet;
- registration in SIAP and according to Ordinance no. no. 3/1999;
- national schemes for financing of agricultural producers;
- clarifications on the market mechanisms and schemes for financing within the scope of CAP.

The interest to the individual topics of specialised consultations changed in 2010 and a better balance was reported between individual types of advice.

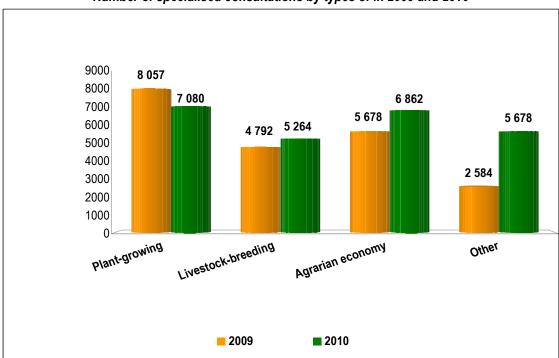


Figure V.13.

Number of specialised consultations by types of in 2009 and 2010

Source: the National Agricultural Advisory Service

Trainings

In 2010 Vocational Training Centre at the National Agricultural Advisory Service licensed in 2007 by the National Agency for Vocational Education and Training (NAVET) trained 290 agricultural producers by providing 10 trainings with curriculum of 18 academic hours each where the topic was "Measure 214 "Agro-ecological payments – General agro-ecology". According to the requirements of measure 214 "Agro-ecological payments", all agricultural producers approved for assistance under this measure need to attend basic agro-ecological training, take part in information activities in the first two years as of the application of the agro-ecological activity selected by them or to show proofs of their expertise in the application of agro-ecological activities they had chosen to apply. The fact that the training was carried out in time and within the deadline set avoided the sanctions, and respectively the negative effect of the application of measure 214 and of RDP as a whole.

Under the Programme "I Can", part of the Development of Human Resources Operative Programme in 2010 the Vocational Training Centre at the National Agricultural Advisory Service conducted 4 trainings 30 academic hours each.

The total number of carried out by the National Agricultural Advisory Service information activities in 2010 was a record: 1 180 vs. a total of 460 seminars and demonstrations carried out in 2009. The increase was 2,57 times and was mainly due to the campaign of meetings and seminars organised in the period of acceptance of application forms under measure 214 "Agro-ecological payments" under the RDP, a total of 985 visits to municipalities.

The main topic of the activities carried out were:

- giving clarifications on the application under this measures under the RDP 2007—2013, mainly
 141 and 214;
- EU Common Agricultural Policy and opportunities for assistance to be provided to agricultural producers;
- Problems of small to medium enterprises in agriculture as regards applying under this measures under the RDP;
- Good agricultural practices in plant-growing and livestock breeding. Community Standards;
- Training in environment protection regarding agricultural production:
- Technology and technological elements for breeding of traditional and attractive crops in plantgrowing;
- Schemes for conducting of crop-protection activities, jointly with importers of fertilisers and preparations;
- Technology and technological elements for breeding of agricultural animals and poultry;
- Technology for management of manure;
- Measures for rehabilitation and maintaining of pastures;
- Taxation and social security of the agricultural producers;
- Improving of competitiveness of the agricultural and forestry sectors: steps for applying for;

- Open days and demonstration of grain production, vegetable-growing, Viticulture: showing of elements of the technological production;
- Organic farming: challenge, use and markets.

Information support

The most important areas of focus in information support of agricultural producers by the National Agricultural Advisory Service cover editor's activity (development and distribution of information materials, bulletins, educational flyers, work calendars and brochures); media appearances and participation in national and international shows.

Information flyers, brochures and bulletins most often are about:

- Conditions of maintaining of the land in good agricultural and ecological condition;
- Taxation and social security of the agricultural producers;
- Opportunities for applying under measure 214 "Agro-ecological payments" under the RDP;
- Main requirements to applicants under measure 141 "Assistance to quasi-market farms in a process of restructuring" under the RDP;
- Crop-protection activities applicable to perennial plants;
- Standards for quality of fresh fruits and vegetables;
- Hygiene requirements to animal breeding facilities;
- Sheep-breeding;
- Snail-breeding.

In 2010 the National Agricultural Advisory Service conducted several awareness campaigns both on its own and in co-operation with Ministry of Agriculture and Food, the municipalities and other key partners. Campaigns were focused on topical themes (e.g. informing and encouraging of submitting application forms under measures 141 and 214 under the RDP) and featured a complex approach as each campaign selects and uses a complex of methods and communication channels such that the information should reach to a maximum number of agricultural producers.

2010 was another year when the National Agricultural Advisory Service used different communication channels to reach to a maximum number of agricultural producers. The consultations were provided *in situ*, or at offices, or on the phone, or online, or as part of visits to farms.

The National Agricultural Advisory Service was successful in using electronic communication channels so the information might reach the target groups. It was a second year in a row that the Central management of the National Agricultural Advisory Service operated a call-centre with integrated telephone lines at the price of one city call to be dialled from the whole country, which is *AGRO (*2476) or 07001 2476. This is a good opportunity for the agricultural producers even from the farthest regions to get competent information and advice and thus to save both time and money. The official website of the National Agricultural Advisory Service (www.naas.government.bg) publishes information on the RDP and specialised information materials and articles.

Activity of the National Agricultural Advisory Service under measure 143 under the RDP 2007—2013

The National Agricultural Advisory Service is the only beneficiary under measure "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania" under the RDP. As of the start of the measure (promulgated Ordinance no.10 of 03.04.2008) the experts from the National

Agricultural Advisory Service started to provide to the agricultural producers a full set of advisory services (FSAS) free of charge as listed below:

- Measure 112 "Establishment farms of young farmers": 4 369;
- Measure 214 "Agro-ecological payments": 2 501;
- Measure 141 "Assistance to quasi-market farms in a process of restructuring": 1 631;
- Measure 121 "Modernisation of the farms": 24;
- Measure 311 "Diversification toward non-agricultural activities": 2.

In 2010 the activities under measure 143 "Providing advise and consulting in the sphere of agriculture in Bulgaria and Romania" under the RDP 2007- 2013 continued with providing of full set of advisory services mainly under measure 214 "Agro-ecological payments" (758 FSAS) and measure 141 "Assistance to quasi-market farms in a process of restructuring" (887 FSAS). The total number of the provided FSAS WAS 1 653.

2 452 projects out of those considered in 2010 from the list of projects that had been submitted in 2008 and 2009 were approved and the value thereof amounted to BGN 1 994 257; of these under:

- Measure 112: 1 302:
- Measure 214: 489;
- Measure 141: 658:
- Measure 121: 3.

VI. FORESTRY

1. Structure of lands and forests within the scope of the forest resources

The overall area of the forest resources was equal to 4 138 147 hectares 3 737 542 hectares were timberlands, 23 757 hectares were afforested with dwarf pines, 70 758 hectares of woodless wood-production (including, burnt out areas: 2 818 hectares, wood-cutting areas: 57 644 hectares and barren: 10 296 hectares) and production other than wood: 306 090 hectares (arable areas: 4 513 hectares, meadows: 3 805 hectares, glades: 111 162 hectares, nursery-gardens: 1 710 hectares, roads and clearing:42 665 hectares, and rocks, rivers, screeds, etc.: 306 090 hectares).

If compared to 2009 the overall area grew by 7 251 hectares (0,2%), which was due to forest areas unaccounted for so far.

The afforested area has also been growing – from 3 749 129 hectares in 2009 to 3 761 299 hectares in 2010. The increase of 12 170 hectares (0,3%) was due to: set up of forest pastures and forests unarranged so far, to afforestation of barren areas, reassessment of non-afforestable areas as regards stock-taking of the forest territories, self-afforestation of non-afforested forest areas or abandoned lands outside the forest resources between the last two stock-takings of individual forestry and hunting enterprises.

The non-afforested forest area was reduced by 4919 hectares – from 381 767 hectares in 2009 to 376 848 hectares in 2010, 3 201 hectares barren, wood-cutting areas and burnt out areas and 1 718 hectares, respectively – in non-wood-production forest areas.

The overall area of deciduous forests was 2 615 125 hectares: 69,5%, while that of coniferous was 1 145 781, i.e. 30,5%. The natural plantations were with total area 2 924 312 hectares, of which

coniferous: 478 723 hectares (16,4%). The forest crops were of area 816 987 hectares, of which coniferous were 667 058 hectares (81,6%).

Compared by 2009 the afforested area of coniferous forests went down by 804 hectares, which was due to continuing overgrowing of part of the mixed coniferous-deciduous plantations. This trend will continue in the future.

In accordance with their functions, the forests are divided as listed below:

- Forests and lands within the scope of the forest resources with mainly wood-production and environment-forming functions: 2 554 564 hectares (61,7%);
- Protective and recreational forests and lands within the scope of the forest resources: 920 247hectares (22,3%);
- Forests and lands within the scope of the forest resources in protected natural territories 663 336 hectares (16,0%).

According to the data, if compared to 2005 the area of the forests with wood-production and environment-forming functions went down by 222 648 hectares while the area of protective and recreational forests and the forest resources in protected natural territories rose by 284 331 hectares. The increase was mainly due to inclusion of forest areas into the European network of protected zones "Natura 2000" and to the promotion of the Belasitsa Nature Park.

Out of the overall area of the forest territories: 4 138 147 hectares, State forest resources were 3 066 771 hectares (74,1%), municipal forest resources: 503 694 hectares (12,2%), owned by private natural persons: 421 885 hectares (10,2%), owned by private legal entities: 29 945 hectares (0,7%), of religious communities: 23 243 hectares (0,6%), 92 609 hectares (2,2%) – over agricultural territories. Continued the trend toward an increase of the area of the forests over agricultural territories – by 9 535 hectares (10,3%), compared to 2009 due to the natural process of self-afforestation of abandoned or uncultivated lands outside the forest resources.

2. Changes in the forest resources

Over the period 01.01.2010—31.12.2010, the following changes had occurred in the forest resources of the Republic of Bulgaria:

- 1. As a result of a total of 24 cases concluded, property right was acquired by both natural persons and legal entities over built-up and legally defined adjoining area over 8,5544 hectares of the State forest resources to buildings, building constructions, networks and equipment, in accordance with Art. 123,paragraph 3 of the Transitional and Final Provisions to the Law amending and supplementing of the Forestry Act. The State property in the forest resources had decreased by the same amount of area and, at the same time, the budget of the State Forestry Agency (SFA) was credited by 188 732 BGN
- 2. Out of the forest resources, as a result of a total of 31 cases concluded, 610,8 hectares of State forests and lands were excluded of the forest resources and the price for change of land use status was BGN 1 316 412.
- 3. Right of enjoyment and easements were constituted according to the provisions of Art.16 of the Forestry Act, and compensations for easement located around air and underground electric lines having arisen those easements according to the provisions of Art.166 of the Forestry Act over 28,2343 hectares, at a total value of BGN 318 526.

Funding worth BGN 1 082 thousand was allocated for the purposes of compensation afforestation according to the submitted appraisal certificates of 116,5186 hectares.

4. In 2010 no forest-land exchange deals were made of State forest areas against forest areas owned by natural persons or legal entities and municipalities. Non amendments were made to the purpose of estates belonging to the State Forestry Resources and acquired by natural persons or legal entities and municipalities as a result of exchange deals according to the provisions of the abrogated Forestry Act.

3. Afforestation

The overall amount of funds spent on afforestation activities in 2010 was BGN 11 759 thousand, including the funds from the national budget: BGN 7 845 thousand, funds from economic activity of State Forest Enterprises (SFE) and State game-preserves (SGP): 3 349 thousand BGN and under the Rural Development Programme: BGN 565 thousand. 1135 hectares were forested with funds of owners in municipal forests, while 22,3 hectares were forested in private forests.

For the purposes of afforestation, in 2011 soil-preparation was made covering 295,4 hectares. To the end of improving the results of the afforestation campaigns in eight State forest nursery-gardens were produced 244 000 container saplings for afforestation.

The insufficient financing in 2010 halted the implementation of other activities within the scope of forest protection against erosion, except for anti-erosion afforestation campaigns covering 702 hectares. Absence of sufficient financing of the afforestation activities and protection of forest terrains against erosion and repeated changes to funding provided for became the reason for the large quantity of unusedsaplings produced in the State forest nursery-gardens.

The reduced budget financing imposed the discontinuation of companies' activities intended to the implementation of silvicultural activities and dismissing of qualified labour force despite the increased area of non-renewed wood-cutting areas and burnt out areas.

Table VI.1.

Implementation of provided for silvicultural activities in 2010

Silvicultural activities	Calculation	Completion	Expenditures budget + economic activity, thousand BGN
Collection, yield and purchase of seeds: tonnes	16,80	16,28	155,01
Production and purchase of afforestation saplings: million	32,20	37,60	3 849,29
3. Preparation of soil for afforestation - hectares	831,2	764,4	1 150,67
4. Completed preparation of soil - hectares		2 954	
5. Afforestation in SFR - hectares	1 732,3	1 727,1	1 483,22
6. Crop replenishment - hectares	1 037,0	1 061,7	755,66
7. Cultivating crops - hectares	12 526,8	12 426,4	4 260,77
8. Crop fencing: thousand of linear metres	22,94	15,07	25, 87
9. Cleansing areas for afforestation - hectares	1 66,3	1 64,1	78,24
10. Technical reinforcement: thousand BGN: 1-year		82,87	
2-year		80,12	
3-year		81,07	

Source: Ministry of Agriculture and Food, the Executive Forest Agency

In 2011, in accordance with the financial plans of the State forest enterprises, the specific needs of priority implementation of rehabilitation activities as part of anti-erosion efforts in forest areas destroyed by fire or damaged by acts of God, 1 422 hectares are to be forested, i.e. by 305 hectares

less than the areas forested in 2010. Moreover, the production of saplings for afforestation needs also suffered a setback, which means that in 2011 17,5 million saplings were to be produced, which was a decrease by 20,1 million if compared to what was produced in 2010.

Table VI.2. Expected data for the current 2011

Silvicultural activities	
Collection, yield and purchase of seeds: tonnes	24,656
2. Production and purchase of afforestation saplings: million	17,449
3. Preparation of soil for afforestation: hectares	1 512
4 Afforestation in the State Forestry Resources: hectares	1 422
5 Crop replenishment:- hectares	625
6 Cultivating crops: hectares	12 172
7. Crop fencing: thousands of linear metres.	18,015
8. Cleansing areas for afforestation - hectares	2 718
9 Technical reinforcement: thousand BGN	4 000

Source: Ministry of Agriculture and Food

4. Forest management and forest protection

4.1. Forest management

The maximum usage of the natural restorative potential of the forests and its contribution are the background of all silvicultural activities related to forest management. Therefore, the share of restorative fellings carried out with natural seed restoring to the area of all restorative fellings of 73% in 2001 reached 92% in 2010.

In 2010 the cultivating fellings carried out covered an area of 49 429 hectares: 101,3% if compared to the plan for that year in the State forest areas and by 31% more than the overall area of those carried out before 2009.

Cultivating fellings with no material yield, whose implementation was financed from the budget of the Executive Forest Agency and were an investment intended to improve the future status of the forests, were carried out over 1 125 hectares, 93 % of the planned quantity and by 77 hectares more than the implementation achieved in 2009.

In 2010 sanitary fellings were carried out covering an area of 9 148 hectares: 96% in comparison with the planned quantity and selective fellings covering an area of 1 311 hectares, which was 109,2% of the planned quantity.

It was for first time in the practice that cultivating fellings were carried out on the application of the concept on environment-friendly production of high-quality wood covering an area of 1 399 hectares, of which 683 hectares were in the phase of differentiation and 716 hectares were in the phase of dimensioning.

In 2010 pruning of standing poplar trees was carried out to form quality wood over 1 414 hectares.

In 2010 assistance was provided to natural semen forest recreation by afforestation or sowing under the old foliage and felling of subforest over an area of 1 171 hectares. The decrease by 2 251 hectares in comparison with what was carried out in 2009 matched the reduced financing allocated for the forest management activities.

In 2011 assistance was provided for to natural restoring over an area of 1 421 hectares.

For the implementation of the forest management related activities BGN 2 614 697were spent in 2010, i.e. by BGN 398 thousand less than in 2009. The share of financing from economic activity of the SFEs and SGEs has been growing: from 54,2% in 2009 of 89,3% in 2010. The rest of the financial resources used came from the budget of the Executive Forest Agency.

Cultivating fellings In 2011 were planned to be carried out over an area of 25 468 hectares, which was by 27 751 hectares less than in 2010.

4.2. Forest protection

In 2010 was reported good total health status of the forests. All year round forest pathology monitoring was carried out in the assigned facilities of forest protection stations, and forest pathology examinations in the forests and all forest nursery-gardens. The most substantial share of the measures meant for containment and non-allowance of massive defoliation of forest areas of economically significant insect blast pertained to the air combat against pine-killing wasps and pine procession moths in the coniferous forests, and against *Operophtera brumata* and *Tortricidae* in deciduous forests. The effect from the treatments was within the range 87: 97%. The 2010 forest-protection activities as provided and performed, along with the financing disbursed as well as the and forecast for 2011 are shown in Table VI.3.

Table VI. 3

Carried out forest protection activities in 2010, financial funds spent and provided for for 2011

ACTIVITY	Projection 2010 (hectares)	Report 2010 (hectares)	Funds disbursed 2010 (thousand BGN)	Projection 2011 (hectares)
Air combat	12 405,6	10 819,7	243,765	19 148
Land chemical and biological combat	1 188,0	775,7	64,702	11 28
Mechanical combat	976,1	1 390,2	45,647	3 289
Integrated combat	476,3	669,1	2,608	5 480
TOTAL:	15 046,0	13 654,7	356,722	29 045

Source: Ministry of Agriculture and Food, the Executive Forest Agency

In 2010 the implementation continued of sanitary and cultivating activities in the coniferous forests attacked by woodworms and other cauline blast, for rehabilitation of the wood in the affected areas. The good forests health in 2010 was due to good forest management, by, ant the same time, keeping to the lowest possible levels of expenses on forest protection, and to the exact application of the provisions contained in the respective legal regulation documents on forest protection, to the introduced information system containing a data base accumulated during the forest pathology monitoring and to the efficient collaboration with the scientific institutions involved.

4.3. Public Registers of natural persons exercising privateforestry practice and businessmen carrying out activities in the forest resources

In 2010 349 certificates of natural persons exercising private forestry practice and 623 certificates to businessmen carrying out activities in the forest resources were issued; the respective figures of certificates issued in 2009 were 295 and 560.

By 31.12.2010 the registered natural persons exercising private forestry practice were 3 014, vs. 2 679 in 2009, while the registered businessmen carrying out activities in the forest resources were 2 922, and in 2009 their number was 1 300. Updating of the registered businessmen was made whereby 54 were written off.

5. Protected territories

In 2010 at sittings of Supreme Expert Environmental Board at the Ministry of Environment and Waters were considered the Plans for SPP management of the Nature Parks 'Vrachanski Balkan', 'Shumensko plato' and 'Zlatni Piasatsi'. With funds under the 2007-2013 Environment Operative Programme started the development of plans for management of the Nature Parks 'Balgarka' and 'Bolyarka'.

The certification of forests under FSC continued, and in 2010 certificates received SGP 'Beglika' and SFE 'Yakoruda'.

In a joint effort with the German company for international co-operation (GTZ), *Forest Management Regimes in Natura 2000* were developed, which were accepted by The National Biodeversity Council at the Ministry of Environment and Waters (MEW).

There is much energetic activity on the implementation of the following international projects, realised by the Nature Parks Directions (NP):

- Project 'ECP: 2007-317007: Nature SDI+': Strandzha SPP and Vitosha SPP;
- Project "Crossborder conservation measures focusing protection of small cormorant and Ferruginous Duck in featured locations in the territory of Bulgaria and Romania" – "GreenBorders" under the LIFE + programme.

In 2010 started the implementation of project under the programme LIFE+ called "Protection and rehabilitation of 11 "Natura 2000" locations in riverside and dampzones in 10 habitats under the Directive on protection of natural habitats of wildlife in Bulgarian forests.

An agreement was signed with MEW on providing of sustainable management of rehabilitated damp zones "Belene" and "Kalimok-Brashlen", respectively by the directorates of Nature Park "Persina" and Nature Park "Roussenski Lom".

6. Use of wood

In 2010 of the State forest resources realised wood for all methods of use in the amount of BGN 4 333 000 cubic metres. Given the annual average use of the State forests was 4 892 469 cubic metres of laying mass as provided for by the forest arrangement projects, the reported use for the year was 89%.

The quantity of wood realised in 2010 was by 1 062 000 cubic metres more than in 2009 and was the highest realised volume of wood for the last six years (Fig. VI.1.). The increased consumption of wood and the realised exports of wood to the neighbouring countries allow the conclusion that the crisis in the wood market has been overcome.

The main way of sale of wood in 2010 was by direct negotiations and that was how 83% of the quantity of yielded wood was realised. 16% were sold at auctions of preliminary sale of anticipated quantities, while at open bids 1 % of yielded wood sale was realised.

The demand of wood recuperated after the downturn in 2009. The demand of technological wood and of large softwood. There was also an increase in the sales of deciduous firewood.

5 000 4 333 4 500 4 238 4 185 4 165 4 000 3 773 3 500 3 271 3 000 2 500 2 000 1 500 1 000 500 0 2005 2006 2007 2008 2009 2010

Figure VI.1.
Wood realised for the period 2005—2010, thousand cubic metres

Source: Ministry of Agriculture and Food, the Executive Forest Agency

In 2011, according to the provided financial plans of SFE and SGP, the total use of wood was to be 4,445 million cub.m. By 30.06.2011 2,125 million cubic metres of wood were realised.

Table VI. 4.
Use of wood and revenue from sales in 2010

	PLAN	2010	REPORT 2010				
Method of use of wood	quantity (cubic metres)	value (BGN)	quantity (cubic metres)	%	value (BGN)	%	
1. Local population	231 684	3 716 773	279 173	120	4 141 458	111	
2. Wood-cutting areas	58 580	528 588	27 911	48	288219	55	
3. Lumbering	4 069 439	89 168 707	3 937 802	97	82 006 553	92	
TOTAL completed forest felling resources (1+2+3)	4 359 703	93 414 068	4 244 886	97	Х	х	
4. Sale of assortments	4 260 389	233 144 977	4 025 987	94	224 607 954	96	
- including anticipated sale	715 959	39 557 871	626 968	88	35 870 467	91	
- including open bid	39 917	2 412 353	44 475	111	3 042 294	126	
- including direct negotiations	3 504 513	191 174 753	3 354 544	96	185 695 193	97	
Realisation subject to deducted expenditure: quantity (1+2+4), value (1+2+4-3)	4 550 653	148 221 631	4 333 071	95	147 031 078	99	

Source: Ministry of Agriculture and Food, the Executive Forest Agency

7. Use of forest products other than wood

In 2010 the revenues from forest products other than wood and services in the State Forestry Resources – mainly yield of wild agrarian mushrooms, forest fruits and herbs and fees on forest products other than wood were as high as BGN 2 230 thousand, i.e. by 30 thousand BGN less than those reported in 2009.

8. Financing and investments in the State Forestry Resources

As a result of all their usual activities performed in the forests, reported a total of BGN274 751 thousand BGN, of which BGN 250 430 thousand came from their economic activity and BGN 24 321 thousand came as subsidies from the budget. If compared to 2009, the revenues increased by 15 %, in conditions of decrease of budget financing by 44 %. The revenues from use of wood amounted to BGN 229 038 thousand (by 32% more in comparison with 2009) or 83% of the total revenues.

The expenses during the reference 2010 came to BGN 272 689 thousand, of which BGN 82 006 thousand were for yield of wood. The expenses on salaries and social security contributions preserved their levels from 2009, i.e. BGN 71 718 thousand.

Over the financial 2010 financial result was achieved amounting to BGN 2 061 369, which makes 127% growth if compared to that from 2009 (BGN 909 thousand).

The enterprises having ended the year reporting a positive result were: 152 State forest and State game-preserves, and their profits came to BGN 3 300 thousand. The amount of loss in the other 20 enterprises was BGN 1 239 thousand.

In 2010 the State enterprises in sector forestry have disbursed a total BGN 5 767 thousand allocated for investment projects, of which BGN 4 930 thousand were own funds and 837 thousand BGN were budget funds.

According to data of the financial plans of the State enterprises under Art. 163 of the Forestry Act, in 2011 revenues were expected amounting to BGN 287 300 thousand and expenditure as high as BGN 284 660. This is how a positive financial result amounting to BGN 2 640 thousand was provided for.

9. Game-preserve activity

In 2010, the following activities were implemented connected with the management and use of game in the State game-preserve regions of Bulgaria and maintenance of ecological balance in the upper reaches of the rivers in the country:

- Law Amending and Supplementing the Law on Hunting and Game Protection (promulgated *State Gazette*.no.89 of 2010);
- A draft amending the Rules on the application of the Law on Hunting and Game Protection was made out;
- Financing of game-preserve, fishery related and other activities in the State game-preserve regions amounting to BGN 2 520 000 was ensured;
- The State procurement for farm game-poultry production was completed focussing conservation of the ecological balance in the country where approximately 34 000

pheasants, 10 500 partridges, 6 000 half-wild duck, 600 American turkeys and 200 guineahens were hatched and raised.

- In a joint effort with the National Veterinary Service combat against the foot-and-mouth disease among hoofed animals in South-eastern Bulgaria was timely organised;
- The promotion of hunting tourism reached the appropriate level and by December 2009 income of 2 049 389 Euros was realised:
- At least 1 850 of game fields were prepared for sowing while more than 620 hectares of fodder base of hunting enterprises were planted together with winter crops;
- Approximately 510 000 thousand small fish of river trout and rainbow trout were produced for 2010 fish stocking of impoundments and river reaches used for sport fishing in the State forest resources.

10. Protection of forests against offences

Main results, realised measures and trends

The analysis of the data of the Executive Forest Agency activities shows that upon two years of upturn in 2010 a decrease was reported in the number of found of offences in the country (by 7%) and in the number of statements drawn up (by 6%).

In pursuance of the Scheduled programme for co-action and on the grounds of the Methodological instructions on crime investigations and identification of violations in the forests continued the collaboration between the institutions and the non-governmental organisations focused to improving of the efficiency in joint activity on the protection of forests, was achieved production collaboration, in particular, with the units of the Ministry of Interior. Despite the reduced number of violations found and statements drawn up, in 2010 continued the negative trend from 2006 of low punishability rate of who have committed crimes under Art. 235 of the Penal Code. Most cases are returned for administrative punishment, while a very small percentage of the cases brought to the Prosecutor's Office were also brought to Court, and in 2010 the proceedings initiated and the verdicts issued formed 4,9 % of those cases.

The key problems related to the implementation of the activities on protection of forest territories against violations were:

- ignorance and incomplete application of legislation by officers in charge of control and protection of forest territories;
- low efficiency of the application of imposed administrative punishments (low collectability of fines after enforced criminal enactments);
- low punishability of persons who have committed crimes related to Art. 235 of the Penal Code
- insufficient resource security of the system for protection and control, and the funds allocated on protection go on falling down.

11. Protection of forests against fires

In 2010 in the forest territories were registered a total 222 fires covering an area of 6 526 hectares. There was a downturn in the number of fires and a sharp increase in the area of affected

territories if compared to 2009 The average area of one fire in 2010 was 29 hectares vs. the average for 2009, which was 7 hectares and the average for the period 2001—2008, which was 18 hectares.

The largest share of areas destroyed by fire were State owned: 3 242 hectares (49,6%), 1 628 hectares (25%) – were owned by municipalities, 1 544 hectares (24%) were private property and 91 hectares were owned by legal entities.

The most forest fires in 2010 started in the period 1—16 November: 99 fires covering an areas of 6 000 hectares. The largest fires both in terms of number and in terms of area were the fires in the Lovech Regional Forestry Directorate: 63 (3 000 hectares) and in the area covered by the Regional Forestry Directorate Sofia 27 (2 507 hectares).

The 2010 statistics shows that 91% or 5 963 hectares out of a total of burnt down area were forested, while 9% or 563 hectares were non-afforested forest areas. The direct damage to forest areas and equipment belonging to the Executive Forest Agency amounted to BGN 77 394, vs. BGN 274 902 in 2009 and vs. an average for the period of 2001—2008: BGN 3 000 000. The low value of direct damage caused was due to the circumstance that 99,5% of the fires in 2010 were low-level and only 0,5% were high-level.

The key reasons for occurrence of forest fires in 2010 may be as follows: setting fire on vegetation covered areas (stubbles and meadows): 53,5%; negligence: 30,0%, unknown: 13,5%, intentional: 2,5%, natural – 0,5%. Over 75% of the fires occurred outside the borders of the forest areas, most often setting fire on stubbles, and consequently, spreading of the fires in the forests.

Implementation of fire-precaution activities

By the end of 2010 the expenses on anti-fire activities came to BGN 735 899, which makes 87% of the financial resources planned for 2010.

Under measure 226 of the Rural Development Programme, and, in particular, for the purposes of entering into effect of preventive activities intended for protection of forests against fires, in 2010 26 projects of SFE and SGP were approved, of which 5 projects were concluded amounting to a total of BGN 181 593.

In 2011 the amount of planned funds for fire-precaution activities was BGN 1 756 513, and by the end of September 2011 the spending came to BGN 718 011.

35 projects for restoring under measure 226 under the RDP were approved and in process of implementation amounting to BGN 109 169, and by the end of September BGN 13 441 were disbursed.

VII. FISHERY

1. Catch and production of fish and other aquatic organisms

According to the data provided by Fishery and Aquaculture Executive Agency (FAEA), in 2010 the total catch of fish and other aquatic organisms for the country within the scope of commercial fishing amounted to 10 774,15 tonnes, which makes an increase by 19% if compared to the previous year. This growth was mainly due to the 31% growth in the catch in the Black Sea. As regards the catch of fish and other aquatic organisms in the Danube and in internal impoundments was reported decrease if compared to 2009, by 32,9% and by 9,9%, respectively.

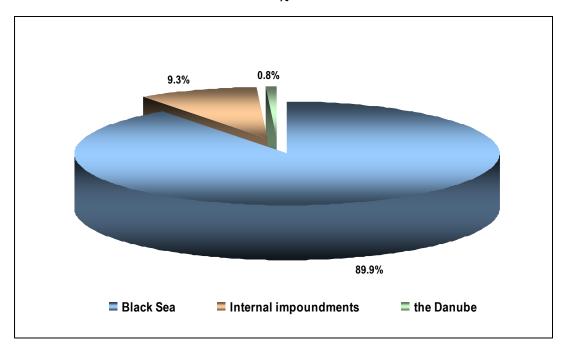
The realised total commercial fishing in the country in 2010 be water basins was distributed as listed below:

- in the Black Sea: 9 685,88 tonnes (89,9% of the total catch);

- in internal impoundments: 1 001,71 tonnes (9,3%);
- in the Danube: 86,56 tonnes (0,8%);

Figure VII.1.

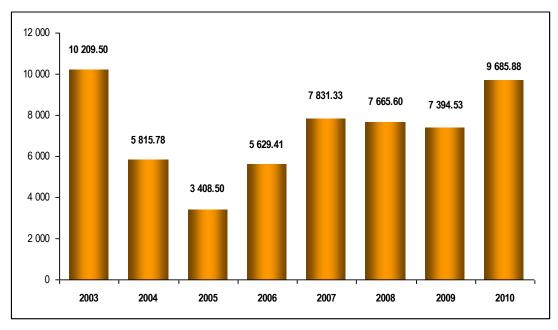
Structure of the catch of fish and other aquatic organisms within the scope of commercial fishing in 2010,
%



Source: FAEA

Figure VII.2.

Catch of fish and other aquatic organisms in the Black Sea for the period 2003-2010, tonnes



Source: FAEA

In 2010 the most significant share of the catch in the Black Sea was occupied by the catch of veined rapa whelk: 49,9%, and the quantity amounted to 4 830,91 tonnes (i.e. twice as much as what was in 2009). This kind of mollusc continued to be one of the main traditionally exported sea resources, and the significant interest is ruled by the high prices on the international markets.

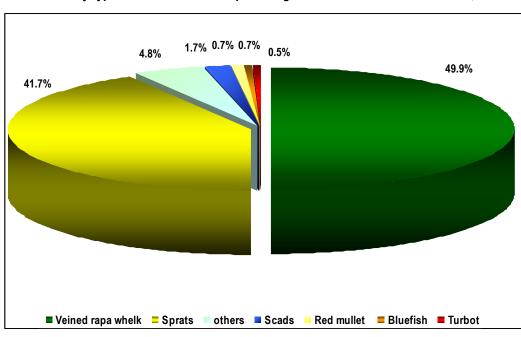


Figure VII.3.

Catch by types of fish and other aquatic organisms in the Black Sea in 2010, %

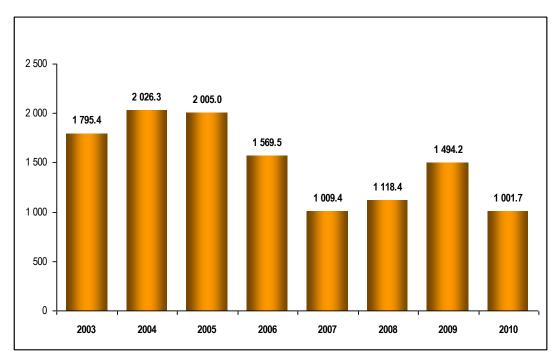
Source: FAEA

Around 41,7% of the total catch in the Black Sea in 2010 was shaped by the fish belonging to the species Sprattus surinus (European sprat, aka bristling, brisling or skipper). The catch of European sprat amounted to 4 041,38 tonnes, which was by 11,2% less if compared to the previous 2009 of the other Black Sea fish, much more significant was the catch of scads: 165,27 tonnes, Mullus barbatus ponticus: 110,65 tonnes, spiny dogfish: 77,16 tonnes, thornback ray: 72,21 tonnes, European anchovy: 64,73 tonnes, Bluefish: 63,49 tonnes, Pontic Shad (Alosa immaculata): 59,08 tonnes, turbot: 46,45 tonnes and gobies: 44,2 tonnes. If compared with the previous year, the catch of most abovementioned types of fish has been growing, only the catch of scads and turbot marked a decrease, by 6,6% and 11,5 %, respectively.

In 2010 the catch in internal impoundments amounted to 1 001,7 tonnes, by 32,9% less if compared to the previous year, and a decrease was reported as regards nearly all widespread types of fish.

Figure VII.4.

Catch of fish and other aquatic organisms in internal impoundments for the period 2003-2010, tonnes

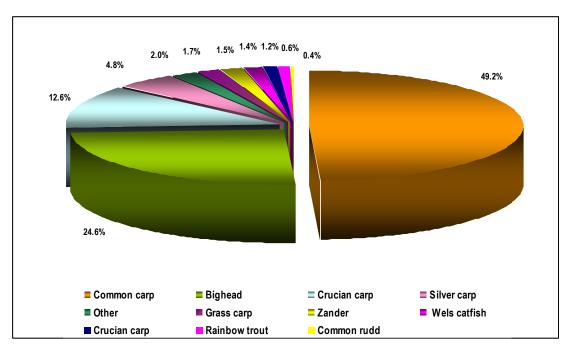


Source: FAEA

The most significant e the catch of Common carp: 492,63 tonnes, which marked a downturn by 37,8%. The second in that ranking was the catch of bighead: 246,8 tonnes (-31,6%), Crucian carp: 125,9 tonnes (-0,5%), Silver carp: 48,53 tonnes (-47,2%) and grass carp (U.S. white amur): 16,75 tonnes (-9,4%).

As regards Zander (pike-perch) and the Wels catfish was reported an increase in the catch if compared to the previous year, respectively up to 14,87 tonnes (+31,6%) and 14,14 tonnes (+1%). The catch of Astacus leptodactylus (Danube crayfish) in internal impoundments has over doubled if compared to 2009, however remains relatively small (1,62 tonnes).

Figure VII.5. Catch by types of fish and other aquatic organisms in internal impoundments in 2010, %

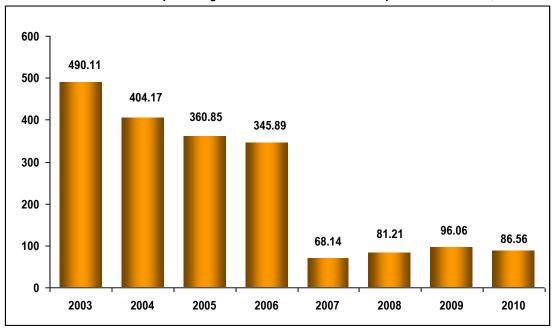


Source: FAEA

Unlike the catch reports from the previous two years increase, in 2010 the catch in the Danube went down by 9,9% to 86,56 tonnes.

Figure VII.6.

Catch of fish and other aquatic organisms in the Danube for the period 2003—2010, tonnes

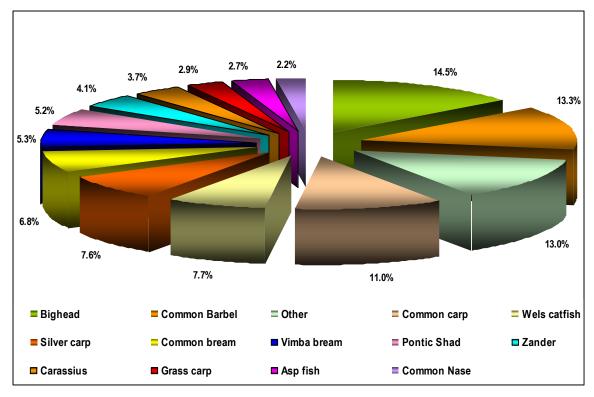


Source: FAEA

Traditionally, in the Danube the top fish catches are those of bighead: 12,59 tonnes, Barbus cyclolepis: 11,49 tonnes, Common carp: 9,54 tonnes, Wels catfish: 6,64 tonnes, Silver carp: 6,57 tonnes, Common bream: 5,85 tonnes and Crucian c arp: 3,19 tonnes.

Figure VII.7.

Catch by types of fish and other aquatic organisms in the Danube in 2010



Source: FAEA

Table VII.2.

Catch of fish and other aquatic organisms at impounded bodies for commercial fishing in 2010

	Common and local	(Quantity (tonnes)				
no.	names and scientific names (in Latin)	Black Sea	Danube	Internal impoundments			
	A. Freshwater	fish					
	Family Acipenseridae						
1	Sterlet /Acipenser ruthenus/		0,28				
	Family Salmonidae						
2	Brown trout /Salmo trutta fario/			0,07			
3	Rainbow trout / Oncorhynchus mykiss/			6,13			
	Huchen (Danube salmon) /Hucho hucho/		0,01				
4	Brook trout /Salvelinus fontinalis/			0,04			
	Family Coregonidae						
5	European whitefish/Coregonus lavaretus/						
6	Peled (northern whitefish) /Coregonus peled/						
	Family Esocidas						

7	Northern pike /Esox lucius/		2,21	5,41
	Family Cyprinidae	•	· '	,
8	Common rudd /Rutilus ritilus/		0,12	0,40
9	European chub /Leuciscus cephalus/		0,19	0,72
10	Ide (Orfe) /Leuciscus idus/		0,27	,
11	Common rudd /Scardinius erythrophthalmus/		0,36	3,97
12	Asp /Aspius aspius/		2,31	0,96
13	Tench /Tinca tinca/			0,48
14	Danube Bleak/Chalcalburnus chalcoides/		1,28	0,28
15	Common Bleak /Alburnus alburnus/		2,57	2,99
16	Common bream /Abramis brama/		5,85	2,59
17	Oriental bream /Abramis sp./		0,08	
18	Vimba bream /Vimba vimba/		4,61	0,42
19	Macedonian vimba (Malamída) /Vimba melanops/		0,00	0,01
20	Ziege (sabre carp) /Pelecus cultratus/		0,03	,
21	Common Nase /Chondrostoma nasus/		1,93	0,00
22	Common Barbel /Barbus barbus/		11,49	0,01
23	Barbus /Barbus meridionalis petenyi/		·	0,01
24	Strumica Barbel /Barbus cyclolepis/		0,01	
25	Common carp /Cyprinus carpio/		9,54	492,63
26	Prussian carp /Carassius carassius/		0,01	12,49
27	Crucian carp /Carassius gibelio/		3,19	125,94
28	Silver carp /Hypophthalmichthys molitrix/		6,57	48,53
29	Bighead /Aristhichthys nobilis/		12,59	246,77
30	Grass carp (U.S. white amur) /Ctenopharingodon idella/		2,53	16,75
31	Black carp /Mylopharingodon piceus/		·	0,14
	Family Siluridae		1	
32	Wels catfish /Sillurus glanis/		6,64	14,14
	Family Ictaluridae			
33	Channel catfish /lctalurus punctatus/			0,54
	Family Gadidae			
34	Burbot /Lota/		0,56	
	Family Percidae			
35	Zander /pike-perch/ /Sander lucioperca/Stizostedion lucioperca/		3,58	14,87
36	European perch /Perca fluviatilis/		0,07	1,73
37	Zingel /Zingel zingel/		0,00	
	Family Catostomidae			
38	Buffalo fish /lctiobus/			0,12
	B. Anadromous fish			
	Family Acipenseridae			
39	Beluga (sturgeon) /Huso huso/		0,79	
40	Starry Sturgeon /Acipenser stellatus/		0,02	
41	Russian sturgeon /Acipenser gueldenstaedti/		0,02	
	Family Anguillidae			
42	European river eel /Anguilla anguilla/			
	Family Clupeidae			
43	Pontic Shad, Alosa immaculata /Caspialosa pontica/Alosa pontica/	59,08	4,49	
	B. Sea fish			
	Family Squalidae			
44	Spiny dogfish /Squalus acanthias/	77,16		
	Family Clupeidae			
45	Sardine /Sardina pilchardus/	8,04		

46	Minnow, sprat/ /Sprattus sprattus sulinus/	4 041,38	
	Family Engraulidae	,	
47	European anchovy /Engraulis encrasicholus ponticus/	64,73	
	Family Belonidae	0.,.0	
48	Garfish /Belone belone/	3,71	
	Family Gadidae	0,71	l
49	Shore Rockling /Gaidropsarus mediterraneus/		
50	Black Sea Merlangius merlangus /Merlangius merlangus euxinus/	14,67	
	Family Mugilidae	11,01	l
51	Flathead mullet /Mugil cephalus/	18,73	
52	Haarder/So-iuy mullet /Mugil soiuy/	0,33	
53	Golden grey mullet /Liza aurata/	1,83	
54	Leaping mullet /Liza saliens/	8,76	
	Family Old World silverside (Atherinidae)	0,70	
55	Atherina /Atherina spp./	27,07	
	Family Serranidae	21,01	l
56	European seabass /Dicentrachus labrax/Morone labrax/		
"	Family Pomatomidae		l
57	Bluefish /Pomatomus saltatrix/	63,49	
	Family Carangidae	30,70	l
58	Scad /Trachurus mediterraneus ponticus/	165,27	
	Family Centracanthidae	100,21	
59	Spicara /Spicara spp./	1,29	
	Family Mullidae	1,20	
60	Red mullet /Mullus barbatus ponticus/	72,40	
61	Mullus surmuletus /Mullus surmuletus/	38,25	
	Family Scombridae	00,20	L
62	Atlantic mackerel /Scomber scombrus/	0,19	
63	Atlantic bonito /Sarda sarda/	16,31	
64	Family Gobiidae	44,24	
	Family Scophthalmidae	,,	
65	Turbot /Psetta maxima/	46,45	
	Family Pleuronectidae	15,15	
66	European flounder /Platichthys flesus luscus/	0,12	
67	Sole /Solea nasuta/	0,17	
	Family Rajidae	-,	
68	Thornback ray /Raja clavata/	72,21	
	Family lophiidae	,	l
69	Angler /Sea devil /Lophius piscatorius/	0,25	
	Family Dasyatidae	3,23	l
70	Common stingray /Dasyatis pastinaca/	6,72	
	D. Aquatic animals	*,. =	
	Class Amphibia/		
71	Marsh Frog /Rana ridibunda/		
	Class Crustaceous /Crustacea/	l l	
72	Common Shrimp /Leander spp./	1,44	
73	Crangon crangon /Crangon sp./	0,02	
74	Danube crayfish /Astacus leptodactylus/	0,02	1,62
	Warty crab /Eriphia verrucosa/	0,02	1,32
	Class Mussels /Bivalvia/	3,02	I.
75	Blue mussel /Mytilus galloprovincialis/	0,26	
76	Soft-shell clam /Mya arenaria/	0,11	
.,,	Son Shoil Sidili Imya di Shaha	0,11	

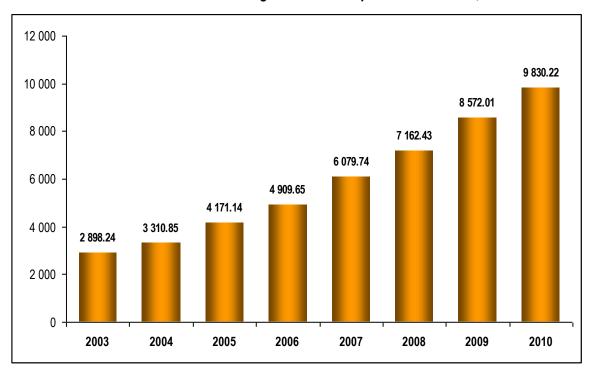
77	Veined rapa whelk /Rapana spp./	4 830,91		
78	Other	0,29	2,36	0,96
TOT	AL:	9 685,88	86,56	1 001,71

Source: FAEA

The trend observed over the last few years toward increase of the production of aquacultures continued in 2010. 9 830,22 tonnes of fish and other aquatic organisms were produced, by 14,7% more if compared to the previous year.

Figure VII.8.

Production of fish and other organisms for the period 2003—2010, tonnes



Source: FAEA

The production of Rainbow trout, Common carp and Bighead as usual occupied the largest relative share of country's aquaculture production. In 2010 the produced quantities of Rainbow trout and Bighead have been growing, respectively with 17,4% and 52,9%, while the Common carp catch levels went down by 6,7%.

The Acipenseridae have always been valuable and demanded on the market both because of the sturgeon roe yielded and because of the delicious taste of their flesh. In 2010 the yield of Acipenseridae rose many times if compared to the previous year, and the larger quantities yielded were Russian sturgeon (343,6 tonnes) and beluga (115,07 tonnes), while in πo-small sterlet was yielded in much lesser quantity (1,05 tonnes).

Blue mussels are the most important species belonging to the sea aquaculture organisms along the coast of Bulgaria. The 2010 yield of Blue mussels from the specialised farms reached 911,84 tonnes, a 12,2% increase in comparison with 2009.

1.7% 2.7% 3.1% 1.3% 2.2% 3.5% 34.4% 9.3% 15.3% 26.5% ■ Rainbow trout ■ Common carp ■ Bighead = Blue mussel Russian sturgeon ■ Channel catfish □ Catfish ■ Prussian carp Other ■ White amur

Figure VII.9.

Production by types of fish and other aquatic organisms in 2010, %

Source: FAEA

2. Consumption of fish and fish products by the households

In 2010, the annual consumption of fish and fish products by the households grew by 10,4% if compared to the previous year, reaching an average of 5,3 kg per person on an annual basis. That quantity was identified on the basis of a survey of households and the data does not include the quantities consumed in public catering facilities.

Table VII.2.

Consumption of fish and fish products average per household member, kg

Products	2007	2008	2009	2010
Fish and fish products	4,3	4,6	4,8	5,3

Source: NSI

3. Imports and Exports of fish and fish products

Imports

According to preliminary figures provided by the National Statistical Institute, in 2010 the total imports of fish and fish products to Bulgaria was reduced by 4,2 % if compared to the previous year down to 28 744,2 tonnes. The total value of the imports amounted to USD 60 158,4 thousand.

2010 was another year in a row to see the continuation of the trend toward an increase in the imports of fish and fish products from the EU Member States. EU supplied levels increased by 15,6% if compared to the previous year up to 13 850,7 tonnes, which makes 51,8 % of the total imports (vs.

42,3% in 2009). The imports was mainly from Spain, Greece, Romania, Poland, UK, Lithuania and France.

35 000 30 000 25 000 20 000 29 991.5 29 303.6 28 744.2 15 000 22 642.5 10 000 5 000 0 2006 2007 2008 2009 2010

Figure VII.10.

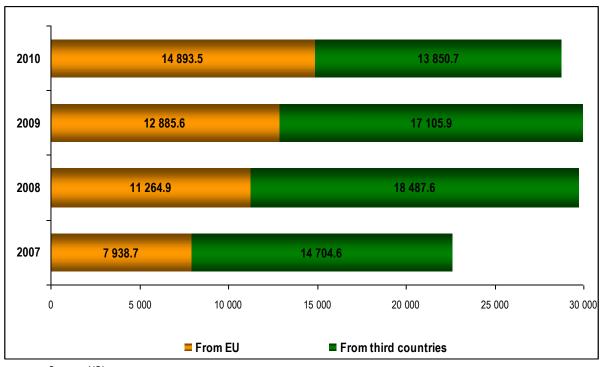
Imports of fish, other aquatic organisms and fish products, tonnes

Source: NSI

The imports of fish and fish products from third countries was reduced by 19% in comparison with 2009 down to 14 893,5 tonnes. Traditional partners of the country in this respect have been Vietnam, Canada, Norway, China, USA, Argentina, Turkey, Morocco, Indonesia and Thailand.

Figure VII.11.

Imports of fish and fish products from EU and third countries, tonnes



By types of products, the structure of the imports in 2010 included 26 443,6 tonnes of fish, crustacea and mollusca and 2 300,6 tonnes of fish products (ready made foods and canned fish, row, canned crustacea and mollusca).

Table VII.3.

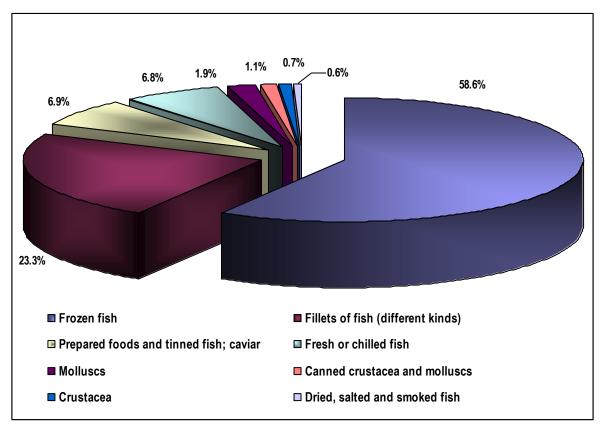
Imports of fish, other aquatic organisms and fish products

		2009			2010	
Products	quantity	value	aver. price	quantity	value	aver. price
		(thousand	(USD/metric		(thousand	(USD/metric
	(tonnes)	USD)	tonne)	(tonnes)	USD)	tonne)
Fish, other aquatic organisms						
and fish products - total	29 991,5	57 819,5	1 927,9	28 744,2	60 158,4	2 092,9
Fish, fillets, crustacea, mollusca	27 575,1	49 062	1 779	26 443,6	51 814	1 959
Live fish - freshwater and sea	1,7	9	5 146	0,4	3,1	7 758
Fish - fresh or chilled	2 097,3	8 889	4 238	1 942,8	10 993	5 659
Fish - frozen	19 407,6	23 924	1 233	16 844,4	21 257	1 262
Fillets and other meats of fish:						
fresh, chilled or frozen	5 220,6	11 432	2 190	6 705,5	14 380	2 145
Fish - dried, salted, smoked	97,7	1 220	12 491	177,3	1 528	8 618
Crustacea	294,5	1 622	5 507	215,1	1 557	7 238
Mollusca	455,7	1 967	4 315	558,1	2 095	3 755
Fish products	2 416,4	8 757	3 624	2 300,6	8 344	3 627
Prepared foods and tinned fish;						
caviar	2 107,0	7 165	3 401	1 981,3	6 597	3 330
Crustaceous and molluscs	309,4	1 592	5 145	319,3	1 747	5 471

Source: NSI

Figure VII.12.

Structure of the imports of fish and fish products in 2010, %

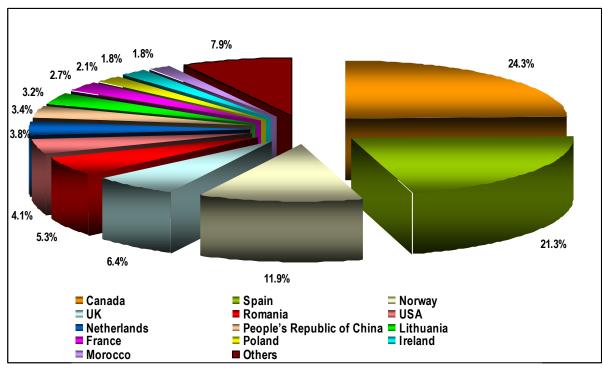


Traditionally, the largest share in the structure of the total imports of fish and fish products is occupied by frozen fish – over 58%. Over that year 16 844,4 tonnes of frozen fish were imported (except fillets), which was by 13,2% than in 2009. The average import price of frozen fish rose by 2,4% to 1 262 USD/metric tonne. The largest imports were from Spain (3 873 tonnes), Canada (3 385 tonnes), Norway (1 603 tonnes), Poland (1 013 tonnes), Romania (747 tonnes) and USA (613 tonnes).

Around 80% of the imported in 2010 frozen fish was mackerel: 13 391 tonnes, by 7,5% less if compared to the previous year. The largest imports of frozen mackerel was from Canada (3 257 tonnes), Spain (2 851 tonnes), Norway (1 600 tonnes), United Kingdom (858 tonnes) and Romania (715 tonnes).

Figure VII.13.

Structure of the imports of frozen mackerel in 2010 by countries, %



Relatively big was also the imports of frozen European hake: 192 tonnes, Atlantic herring: 512 tonnes, sardines, sardinellas, sprats, skippers, European sprat: 706 tonnes and scads: 101 tonnes.

In 2010 the imports of fresh or chilled fish went down by 7,4% if compared to the previous year up to 1 942,8 tonnes, amounting to a total of BGN 10 993 USD thousand. By types of fish, the most significant was the imports of: trouts: 914 tonnes, European bass (sea wolf, sea dace): 290 tonnes, carassius: 240 tonnes and mackerels: 181 tonnes.

Significant quantity fresh or chilled fish was imported Greece (963 tonnes), Netherlands (313 tonnes), Romania (119 tonnes), Turkey – (113 tonnes), the Czech Republic (111 tonnes) and Spain (105 tonnes).

In 2010 the imports of fillets and other meats of fish (fresh, chilled or frozen) rose with around 28%, and came to 6 705,5 tonnes. The largest quantities were imported from Vietnam: 3 589 tonnes and China: 506 tonnes; followed by Romania: 423 tonnes, Lithuania: 329 tonnes, Argentina: 295 tonnes and Turkey: 293 tonnes. The average import price of these products went down with around 2% if compared to the previous year up to 2 145 USD/metric tonne.

The total imports of processed fish products in 2010 amounted to 2 300,6 tonnes, by around 5% less in comparison with 2009 This came as a result of the downturn of imported quantities prepared foods and tinned fish (with 4,8%, up to 1 981,3 tonnes), while the imports of preserved crustacea and mollusca marked an increase by 3,2% up to 319,4 tonnes.

The imports of prepared foods and tinned fish went down by 6% in comparison with 2009% and amounted to 1 981,3 tonnes. Larger quantities processed fish products were supplied from Lithuania (528 tonnes), Germany (197 tonnes), Indonesia (220 tonnes), Poland (136 tonnes) Thailand (122 tonnes) and the Czech Republic (107 tonnes), etc.

Exports

According to preliminary data, the total Exports of fish, aquatic organisms and fish products in 2010 amounted to 8 159,6 tonnes, by 44,1% more if compared to the previous year, which may be

explained by the larger catch during that year. Due to the higher export prices, the value of the exported fish production rose even more significantly: by around 67%, up to 28 108 thousand USD.

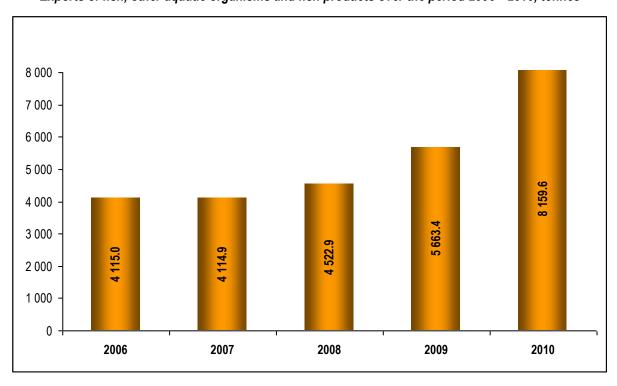


Figure VII.14.

Exports of fish, other aquatic organisms and fish products over the period 2006—2010, tonnes

Source: NSI

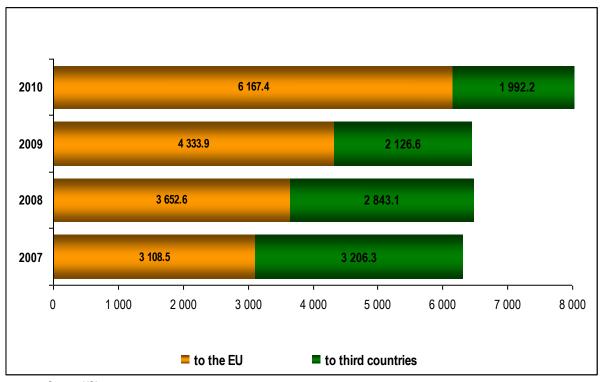
Over the last years there was a trend toward an increase of the exports to the EU Member States at the account of decrease of exports to third countries.

In 2010 the deliveries to the EU increased by 42,3% up to 6 167,4 tonnes, which makes 76% of the total Exports of fish and fish products for the year. Basic areas of focus were Romania, UK, Greece, Poland, France, Sweden, etc.

The level of the exports for third countries went down by around 6% if compared to the previous year up to 1 992,2 tonnes. More significant quantities were exported to the Republic of Korea, Albania, Japan, Serbia, USA, FYROM and Russian Federation.

Figure VII.15.

Exports of fish, aquatic organisms and fish products from EU and third countries, tonnes



The structure of the exports in 2010 included: 7 332,8 tonnes of fish, crustacea and mollusca (fresh, chilled, frozen, smoked, salted, fish fillets) and 826,8 tonnes of processed fish products – prepared foods and tinned fish, including caviar, preserved crustacea and mollusca. There was an increase in the exports of all types of fish and fish products (from 6,6% up to over four times), except dried, salted and smoked fish and frozen vs. which decrease was reported.

Table VII.4.

Exports of fish, other aquatic organisms and fish products

	2009			2010*		
			average			
	quantity	value	price	quantity	value	aver. price
D		(thousands,			(thousands,	
Products	(tonnes)	USD)	(USD/t)	(tonnes)	USD)	(USD/t)
Fish, other aquatic organisms and fish						
products: total, including:	5 663,4	16 783,7	2 963,5	8 159,6	28 108	3 445
Fish, fillets, crustacea, mollusca	5 256,2	14 719,7	2 800,0	7 332,8	24 475	3 338
Live fish - freshwater and sea	31,1	89	2 846	180,9	481	2 661
Fish - fresh or chilled	523,2	2 001	3 691	1 731,5	6 858	3 961
Fish - frozen	2 671,4	3 947	1 522	2 638,5	4 674	1 771
Fillets and other meats of fish	435,5	2 065	4 742	986,2	4 975	5 045
Fish - dried, salted, smoked	603,2	2 053	3 538	378,5	1 180	3 117
Crustacea	10,7	59	5 538	131,1	361	2 756
Mollusca	981,2	4 506	4 593	1 286,1	5 946	4 623
Fish products	407,2	2 064	5 065	826,8	3 633	4 394
Prepared foods and tinned fish; caviar	75,3	377	5 013	472,9	1 499	3 170
Crustacea and mollusca	331,9	1 687	5 071	353,9	2 134	6 029

Source: NSI

Traditionally, the exports of frozen fish ranks first in the list of the total exports of fish and fish products: 32,3% in 2010 If compared to the previous year, the quantity of the exports went down insignificantly (by 1,2%) down to 2 638,5 tonnes. Nevertheless, the total value of the exports of frozen fish in USD expression marked a 18,4% increase due to the higher export price.

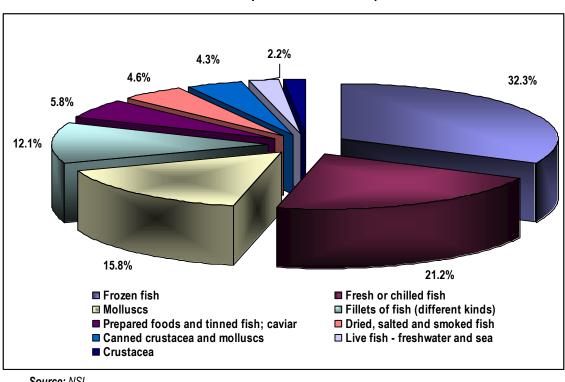


Figure VII.16 Structure of the exports of fish and fish products in 2010

Source: NSI

The most significant were the exports of frozen fish for Romania: 2 152,9 tonnes (predominantly sardines, sprats (skippers), mackerels), which makes around 82% of the total Exports of frozen fish. of the other countries, more significant were the deliveries for Poland: 192.4 tonnes, United Kingdom: 98,08 tonnes, Serbia: 59 tonnes, Russia: 35,3 tonnes and Moldova: 23,9 tonnes.

The second ranking were the exports of fresh and chilled fish, which in 2010 more than doubled if compared to the previous year up to 1 731,5 tonnes (or around 21,2% of the overall exports of fish and fish products). The overall value of the exports of frozen fish for the year was USD 6 858 thousand at average export price 3 961 USD/t, i.e. 16,3% higher if compared to 2009.

The increase of the exports came as a result of the larger catch and production during that year. By types of fish exported it was trout fish in the first place: 598 tonnes at average export price 4 331 USD/t and sardines, sardinellas, sprats, skippers, etc.: 535,8 tonnes at average export price 1 068,3 USD/t. And again the most significant exports of chilled fish were made to Romania: 1 205,9 tonnes. Relatively large quantities were exported for Greece: 189,4 tonnes, United Kingdom: 140,4 tonnes, Serbia: 136,6 tonnes and France: 35 tonnes.

The exports of mollusca, whose share was 15,8% of the total exports of fish and fish products, ranked third in the 2010 export structure. The quantities exported amounted to 1 286,1 tonnes, i.e. by 31,1 % more if compared to the previous year, as a result of the higher catch during that year. Significant exports of mollusca in 2010 at higher export prices were made to the Republic of Korea: 760,5 tonnes (at average export price 4 146,9 USD/t), Japan: 395,1 tonnes (at average price 5 087,9 7 USD/t). Other destination, to which larger quantities mollusca were directed were the USA: 86,1 tonnes, Romania: 18,6 tonnes and Vietnam: 12,3 tonnes.

In 2010 the exports of dried, salted, smoked or fish pickled in brine went down by 37,3% if compared to the previous year down to 378,5 tonnes. The main trade partner of the country for these products remains Romania with its imports from Bulgaria equal to 300,5 tonnes. Moreover, significant quantities were exported for Italy: 30,7 tonnes, Greece: 30 tonnes and Netherlands: 5,8 tonnes.

The exports of live fish rose more than four times if compared to 2009 and got as high as 180,9 tonnes. The largest quantities in 2010 were again destined to Romania: 168,4 tonnes. Common carp (164,1 tonnes) was the top ranking item.

In 2010 the exports of fish products (prepared foods and tinned fish, preserved crustacea and mollusca) amounted to 826,8 tonnes, i.e. twice as much as in 2009. The exports of prepared foods and tinned food grew over five times, while the exports of crustacea and mollusca, either prepared or preserved, grew by 6,6%. Main areas of focus for the processed fish products were Greece: 218,9 tonnes, the Republic of Korea: 183 tonnes, Romania: 181,4 tonnes, Japan: 155,8 tonnes and FYROM: 39,3 tonnes.

The exports of roe from *Acipenseridae* has seen a significant rise vs. that in 2009 reaching 500 kg at average price 415,6 USD/kg, and the main importer there remained the USA.

4. Fishery Sector Development Operative Programme (FSDOP) financed by the European Fisheries Fund (EFF).

FAEA is the administration to apply EU Common Fisheries Policy in Bulgaria and is the Management Body of Fishery Sector Development Operative Programme (2007-2013).

Fishery Sector Development Operative Programme (FSDOP) was prepared in accordance with the requirements of Council Regulation no. 1198/2006 on the establishment of EFF and the applying document Regulation of the European Commission no. 498/2007 — the two key EU documents governing the application of the structural policy in the area of fishery, for the financial period 2007-2013.

FSDOP is based on the National Strategic Plan laying down the method of application of EU's structural policy in Bulgaria as part of EU's Common Fisheries Policy and in pursuance of EU's priorities laying down the way how EFF will contribute to achieving the targets: through programming and financial distribution of the aid from EFF by priority axes.

A key strategic effect pursued by the Fishery Sector Development Operative Programme (2007-2013) was the transformation of the sector into a competitive, modern, dynamic and fishery and based on aquaculture sustainable development and life quality improvement in fisheries areas. To the effect of achieving the strategic vision, the Operative Programme pursues four key targets: to ensure competitiveness and sustainability of the fisheries sector; to develop the market of the products of fisheries and aquaculture produce; to support the sustainable development of fisheries areas and to improve the quality of life there.

To achieve FSDOP (2007-2013) objectives five priority axes were elaborated:

- Priority axis 1: Measures for adjustment of Bulgarian fishing fleet;
- Priority axis 2: Aquaculture, fisheries in internal impoundments, processing and marketing of fisheries and aquaculture products;
- Priority axis 3: Measures of common interest;

- Priority axis 4: Sustainable development of fisheries areas;
- Priority axis 5: Technical assistance.

2010 saw the final stage and finalising the preparation of the whole legislation and development of procedures related to the application of all 19 measures of the Fishery Sector Development Operative Programme (2007-2013).

In 2010 measures under all priority axes of the Programme were opened for acceptance, and now there are already 10 current procedures, under which the applicants may apply.

FSDOP's total budget is equal to 106 679 611 Euros, of which 80 009 708 Euros (75%) is the share of financing from EFF (75%) and 26 669 903 Euros (25%) is the share of national co-financing.

Overall progress on the FSDOP by December 2010

The accumulated physical progress in the implementation of FSDOP by December 2010 may be summarised as follows:

- Total number of registered projects: 121;
- Total number of signed contracts/approved projects: 44 (of these 19 contracts signed with private beneficiaries);
- Total number of disbursed projects: 18;
- Total agreed funds: 9 509 437 Euros (8,91%);
- Total disbursed funds: 3 859 031 Euros (3,61%).

Physical progress in the implementation of FSDOP in 2010:

- Total number of registered projects: 55;
- Total number of signed contracts/approved projects: 25;
- Total number of disbursed projects: 14;
- Total agreed funds: 6 480 912 Euros (6,07 %);
- Total disbursed funds: 3 677 839 Euros (3,44%).

Table VII.5. Financial implementation of FSDOP for the period 2007—2010

Measure under FSDOP	Number of concluded contracts	Value of concluded contracts in Euros	Value of payments made, in Euros
Measure 1.3 . "Investments on board of fishing ships and selectivity"	2	30 324	4 907
Measure 2.1. "Operative investments in aquaculture"	16	5 786 685	598 620
Measure 2.6. "Investments in processing and marketing of fishery and aquaculture products"	1	159 022	0
Measure 2.7 "Financial engineering"	1	3 067 751	3 067 751
Measure 5.1 "Technical assistance"	24	465 655	187 753
Total:	44	9 509 437	3 859 031

Source: FAEA

Out of a total of registered 121 project proposals since the approval of the Operative Programme on 14.12.2007, nearly the half were registered in 2010. Within the second semester of 2010 the first 3 investment projects under the Operative Programme were finished. By 31 December 2010 the funds agreed reached 8,91%, while the money paid made 3,61%.

In 2010, 95% of the total value was disbursed out of the gratuitous financial assistance disbursed for the period 2007—2010. For the same period the number of project proposals of measures opened for acceptance increased from 4 to 10, and Measure 3.1. "Collective activities" and Measure 3.4. "Development of new markets and promotional campaigns" were opened for acceptance of project proposals earlier than prescheduled.

In 2010, progress was reported in the application of Priority Axis 4 "Sustainable development of fishery regions" in Bulgaria. The National Fishery Network started its activity in June 2010, and this was planned to support The Local Initiative Fishery Groups (LIFG), for sustainable development of fishery regions. As regards the implementation of priority Axis 4 "Sustainable development of fishery regions" Bulgaria has already three Local Initiative Fishery Groups with approved local development strategies, which were based on public-private partnership: LIFG Shabla-Kavarna-Balchik, LIFG Glavinitsa-Tutrakan-Slivo Pole, LIFG Devin-Dospat-Batak.

The first application for intermediate payment under FSDOP was sent to the European Commission in December 2010. By Decree of the Council of Ministers no. 131 of 2 July 2010 the functions of FSDOP Audit Authority were transferred from the Ministry of Agriculture and Food to the EU Funds Audit Executive Agency" (EUFAEA), and that came as a matter of implementation of a recommendation given by the European Commission concerning the provision of functional independency of the authorities related to the application of the Operative Programme.

2010 saw the final stage and finalising the preparation of the whole bylaw legislation set and development of procedures related to the application of all measures from the Operative Programme. Moreover, procedures were drafted under all measures from the Operative Programme. In the period 06-12.10.2010 written co-ordination procedure was carried out by the Monitoring Committee of FSDOP, by proposal on amendment to the Programme and in pursuance of the first notification of FSDOP referring mainly the matter of inserting a text on the new Audit Authority.

The link between individual information systems of individual administrative structures participating in the application of the Operative Programme was established in 2010, and was enabled the link with ISMMSI (Information System for Management and Monitoring of EU Structural Instruments), aimed at achieving a better level of co-ordination between the activity of structures engaged in the application of FSDOP and the authorities applying EU's Structural funds and Cohesion Fund (SCF) in Bulgaria.

As regards the implementation and the management of FSDOP in 2010 certain level of difficulties were reported as to the ensuring the regulated amount of private co-financing by applicants for gratuitous financial assistance leading to impossibility for part of them to set off the implementation of their projects. Whereas the assistance of applicants for gratuitous financial assistance in this direction, the Management Body (MB) initiated, jointly with the Bulgarian Development Bank, within the system of which was established the National Guarantee Fund, the establishment of the guarantee scheme to facilitate the access to financing for small and medium enterprises (SMEs) covered by the Fishery Sector by compensating the absence of history of sufficient security when applying for a credit, and to reduce the risk to be borne by commercial banks in the country, which undertake SMEs crediting operations. By the agreement signed on 7 December 2010 on guarantee activity under FSDOP between MB of FSDOP and the Bulgarian Development Bank, the process of starting the application of guarantee scheme was finalised.

On 14.10.2010 the document "Description of the system for management and control of FSDOP" was approved. On 1 November 2010, EUFAEA published its opinion on the conformity of systems for management and control of FSDOP, according to which those systems do conform with the requirements laid down in Regulation 1198/2006 and Regulation 498/2007. According to the report made out in November 2010 and referring the assessment of the conformity of the systems for management and control of FSDOP, the Audit Authority did not make any findings on recommendations that would imply any correction actions to the authorities related to the application of the Operative Programme. On 22 December 2010 was received a positive estimate of conformity by Directorate-General for Maritime Affairs and Fisheries of the European Commission.

Implementation of FSDOP in the period 01.01.2011—30.06.2011

Over the reference period were opened six more measures from FSDOP:

- Measure 1.4 'Small-scale coastal fishing'
- Measure 1.5 'Socio-economic compensation for the management of the fleet'
- Measure 2.2 'Aqua-environmental measures'
- Measure 2.5 'Inland fishing'
- Measure 3.2 'Measures intended to protect and develop aquatic fauna and flora'
- Measure 3.6 'Modification for reassignment of fishing vessels'
- The physical progress in the implementation of FSDOP for the period 01.01.2011—30.06.2011 may be summarised as follows:
- Total number of registered projects: 26
- Total number of signed contracts/approved projects: 15
- Total agreed funds: 29 170 997,24 BGN (13,98%)
- Total disbursed funds: 3 483 599,02 BGN (1,67%)
- Total number of approved Local Initiative Fishery Groups: 3

Short assessment of fund disbursement efficiency under the Fishery Sector Development Operative Programme:

As a result of the application of FSDOP in the field of aquacultures the following was reported:

- An increase in the annual production of aquaculture products;
- Development of sea aquaculture;
- Ensuring sustainable and enhanced development of freshwater and sea;
- Improving the profitability of companies operating within the scope of aquaculture sector by
 intensifying the existing production facilities via the introduction of modern technology, new
 production methods and means of production and by establishing new intensive farms,
 including nursery farms, for adequate and cost-efficient use of the existing dam lake and other
 water resources;
- Protection of environment and safeguarding good environmental indicators;
- Increase in the annual production and the species diversity and assortment of marketed fish and fish products by increasing the share of valuable and delicious types of fish.

5. Administrative penal activity in fishery and aquaculture management

Over the last years FAEA has been working hard to enhance efficiency of control of both amateur and commercial fishing, and the security of impounded bodies, in order to constrain poaching, and enhance protection of fishery resources. In pursuance of the Fisheries and Aquaculture Act the following activities were undertaken in 2010:

- A total of 1 077 termless commercial fishery authorisations was issued, including: 734 for Black Sea; 129 for the Danube; and 214 for internal impoundments;
- A total of 3 747 commercial fishery certificates were issued;
- A total of 560 commercial fishing capacity certificates were issued;
- 183 non-net fisheries devices were marked;
- 5 294 net fisheries devices were marked;
- 46 persons breeding fish or other aquatic organisms were registered;
- 190 525 amateur fishing licences were issued/revalidated.

In the context of conducting administrative penal activity in the case of fishery and aquaculture management, a total of 29 729 inspections was performed, of which:

- 5 667 at fisheries sites;
- 12 626 at sites of amateur fishing;
- 759 at fisheries;
- 5 147 at fishing vessels;
- 3 448 at fish trade shops;
- 1 174 as a result of warnings from public;
- 908 jointly with the Ministry of Interior and Executive Forest Agency's authorities territorial
 units

If compared to 2009 the number of inspections performed at the fish trade shops grew by approximately 9%, while the number of inspections performed at fisheries sites and at sites of amateur fishing went down by 23 and 27 %, respectively.

As a result of the inspections carried out on violations of Fisheries and Aquaculture Act in 2010 2759 statements for established offences were drawn up and 8366 statements on findings were issued as well as 2 635 punitive enactments, of which 2 522 came into force.

As a result of statements on findings and statements identifying administrative violations drawn up, 3 711 poacher fisheries instruments and devices were seized (+16% in comparison with 2009) and 14 181,58 kg of illegally caught fish were seized (2,7 times more in comparison with 2009). Of the overall quantity of confiscated fish and other aquatic organisms in 2010, 2 872,62 kg were returned to the impounded bodies, 10 625,55 kg were provided as donations and 683,41 kg were destroyed.

SECTION B

OBJECTIVES OF THE POLICY IN THE AGRARIAN SECTOR AND MEASURES AND ACTIONS FOR THEIR COMPLETION IN 2012

The main objective of the State policy in the area of agriculture was to achieve agriculture competitive at the world markets which observes strict standards of environment protection, food safety and humane treatment of animals.

2012 will be a year of continued efforts and consistent policy aimed at achieving the targets of Government's Programme for European development of Bulgaria, which promotes the development of agriculture as a key factor for the overall economic development of the country. Moreover, a priority in the activity of the Ministry of Agriculture and Food in 2012 will be the active participation in the discussion on the future of EU's Common Agricultural Policy after 2013 and the defence of standings reflecting the interests of Bulgarian farming.

OBJECTIVE

TRANSFORMATION HA AGRICULTURE AND FISHERY INTO AN ATTRACTIVE KIND OF BUSINESS ENSURING HIGH LIVING STANDARD OF THOSE EMPLOYED BY STABILISATION AND INCREASING THE INCOME FROM THEIR ACTIVITY

Measure

Guaranteeing EU and national financing to the end of revival of the Bulgarian agriculture

Action

- Reflecting the amendments made to RDP ensuing from the enforcement of the fourth and the fifth notification of RDP, by amending the ordinances for the implementation of the measures under the Programme;
- Application of simplified procedures for applying for and payments to the projects under the RDP;
- Adequate assistance supplementing the income of Agricultural Producers by accurate application
 of the Single Area Payment Scheme (SAPS) where the increase of the package for direct
 payments and defining the amount of the sum for payment per hectare, is implemented annually;
- Drafting a motivated request to the European Commission for authorising national additional payments to the direct payments to support the income of those employed in agriculture;
- Drawing up an analysis of the ways of providing specific assistance to determined agricultural
 activities in specified sensible sectors, in conformity with EU legislation and Bulgaria's specific
 conditions (to the effect of overcoming unfavourable factors, or for areas and agricultural activities
 that are economically vulnerable or sensible to ecology);
- Drawing up a proposal on the chances for EU specific assistance to be provided to agricultural activities in conformity with EU legislation;
- Efforts focusing the implementation and disbursement of funding under the 2008/2009–2013/2014 National programme for assistance in the viticulture and wine production sector in Bulgaria;
- Keeping the Vine Register updated;

 Guaranteeing the quality of produced wines and products of grapes and wine by inspections and sample-taking.

Measure

 Efficient and transparent management of European funds based on good systems for control and assessment of projects for EU financing

Action

- Strengthening the transparency and publicity measures at the time of announcing financial
 assistance allocation procedures to be granted by the European Agricultural Fund for Rural
 Development (EAFRD) by means of information activities, printing and propagation of brochures
 and folders, topic broadcasts in the national and regional media, lectures, developing and
 delivering specialised consultative broadcasts in regional radio stations, video clips;
- Updating procedural rules of the Managing Body and those of the Payment Agency to the end of avoiding a conflict of interests at the time of allocating funding from EAFRD and for the purposes of specifying the procedure of reporting in case of detected deficiencies or offences;
- Carrying out systemic audit of the implementation of application of measures under the RDP;
- Improving the system for collection of data on the indicators for monitoring the application of RDP by setting up interface between the Managing Body and the Payment Agency;
- Developing software for the technical assistance rules, for monitoring and reporting under Axis 4 LEADER;
- Improving the procedures for allocation of funding under RDP, by decentralisation of projects
 processing and contracting and optimisation of the application of measures delegated by the
 Payment Agency;
- Decrease of the bureaucratic procedures at the time of application, by simplifying the requestable documentation;
- Establishment of information system for analysis, assessment, control and management, which is
 to support the application of RDP measure 125 "Improvement and development of the
 infrastructure relative to the development and adapting agriculture";
- Consolidation of the system for application and control of public procurement; strengthening the control over the public procurement; strengthening preliminary and follow-up control and audit.

Measure

 Using the opportunities of the State aids as an instrument for solving challenges and priority guidelines of the agricultural policy

Action

- Application of the approved by the European Commission schemes for State aids focusing the incentives for the investment process in agriculture; risk and crisis management; storing genetic resources and local breeds of animals; encouraging the production and use of high-quality seeds;
- Development, notification to the European Commission and application of new schemes for State aids, including aids for: poultry-raising and swine-breeding; vegetable-growing and fruitgrowing; apiculture; compensations for expenses related to the implementation of the State prevention programme and the animal disease surveillance and liquidation programmes.

Measure

 Extension of application of market mechanisms of the common organisation of the EU markets (COO) of agricultural products for establishing competitive and economically viable farms

Action

- Updating and drawing up legal regulation documents on the assistance to Agricultural Producers and the application of COO mechanisms;
- Application of the system for purchase and sale of milk quotas;
- Promotion of opportunities provided by the EU policy of co-financing of promotional programmes;
- Carrying out a national procedure for preliminary approval of promotional programmes;
- Consolidation of the administrative capacity in the area of the control of the quality of fresh fruits and vegetables and control under the implementation of marketing standards in the case of the poultry meat and eggs for human consumption and bringing it in conformity with the EU requirements;
- Maintenance and updating of the data base by the traders in fresh fruits and vegetables and efficient action of the system for risk analysis as regards control of the quality of the fresh fruits and vegetables;
- Conducting inspections for compliance with the legal regulation requirements on quality of fresh fruits and vegetables for imports, exports and home market;
- Timely updating of market standards for quality of the poultry meat and eggs for human consumption, in conformity with the amendments to the EU legislation;
- The implementation of Community's scales for classification of slaughterhouse carcasses of cattle, swine and sheep in Bulgarian enterprises and making control in accordance with the classification and the price report;
- Maintaining of information system for collection, processing and laying of the average weekly sale price in the European Commission of red, white meats and eggs;
- Maintaining and updating of data base of slaughterhouses performing classification and data base for classifiers applying the classification;
- Collection of data on the cow milk prices for milk and dairy products and reporting thereof to the European Commission;
- Maintenance of a register of cow milk producers and milk guotas:
- Maintenance of a register of the approved purchasers;
- Maintenance of a public register of raw cow milk producing farms classified in 1st, 2nd and 3rd groups and the Register of independent accredited laboratories;
- Encouraging the farms meeting the requirements of Regulation 853/2004/EU laying down specific hygiene rules for food of animal origin:
- Application of National Apiculture Programme for the period 2008-2010—2011-2013
- Application of European scheme with national participation for providing of fruits and vegetables in academic institutions in a joint effort with the Ministry of Education, Youth and Science and Ministry of Health Care;

- Implementation of a new European Commission's information system for agricultural management and monitoring comprising the market processes within CAP;
- Providing of information on the application of trade mechanisms of CAP.

Measure

 Sustainable markets of agricultural products by consistent implementation of CAP for sustainable administration and avoiding sharp ups and downs on the markets of agricultural products

Action

- Statistical research included in the national programme for statistical research: employment and
 use of land, production of main agricultural crops and vegetables, vineyards, fruit orchards,
 livestock breeding and animal products, structure of farms;
- Maintenance of a Farm Accounting Information System providing data on income from agricultural activity: functioning of the National Committee for System Management, maintenance of a stable sample reflecting farm monitoring, setting up an integrated system for entering, control and analysis of data and use thereof on national and regional level;
- Adequate and timely informing of Agricultural Producers on the situation on the markets of agricultural products;
- Preparing strategic documents, analyses and economic assessment of policies in agriculture necessary for taking managerial decisions both on State and on business level.

Measure

 Establishing optimal business environment by decrease and alleviation of regulatory regimes in agriculture

Action

 Alleviation of regulatory regimes, annulling or limiting the scope of regimes in accordance with the 2010-2013 Programme for Better Regulation

Measure

 Establishing conditions for assistance to small to medium producers, increase of the amount of production and improvement of the process of vertical diversification and cooperation along the food chain by direct supplies of small quantities of raw materials and foods of animal and vegetable origin to the end consumer

Action

- Implementation of the Ordinance on direct supplies of small quantities of raw materials and foods of animal origin to the end user;
- Assistance to the process of associating the Agricultural Producers in producer organisations by EAFRD and EAGGF;
- Promotion of information activities: activities governed by the RDP communication plan;
- Consultative assistance in the process of association of Agricultural Producers in producer organisations;

Measure

Sustainable development of fishery and aquaculture

Action

- Optimal disbursement of the funds from the European Fisheries Fund provided for the implementation of Fishery Sector Development Operative Programme 2007-2013 under the measures:
- Implementation of the 2012 Programme for Control in Fishery;
- Collection of scientific data for assessment of the condition of economically valuable species in the Black Sea with the effect of their sustainable exploitation within EU CFP.

OBJECTIVE

ESTABLISHING OF EUROPEAN VISION OF ADMINISTRATION ENSURING QUALITY ADMINISTRATIVE SERVICES

Measure

Strengthening the administrative capacity of the sector

Action

- Optimising the administrative capacity in the agrarian sector;
- Carrying out of effective contacts with different partners: State institutions and non-government organisations;
- Ensuring the transparency of the processes in agriculture, facilitation of the access to information and improving the communication between participants by an integrated information system;
- Increasing the administrative capacity of the Management Body of RDP and of the State Fund "Agriculture", Paying Agency by assigning additional expert personnel according to the provisions of Decree of the Council of Ministers 230/2009.

OBJECTIVE

IMPROVING AGRICULTURAL PRODUCTION BY IMPROVEMENT OF THE RELATION "EDUCATION: ADVICE IN AGRICULTURE: SCIENTIFIC RESEARCH"

Measure

 Improving efficiency of the system for advice in agriculture and of the applied research in the agrarian sector by improvement of the relation "scientific research: advice in agriculture: agricultural business"

Action

- Improving the quality of the advice provided, by conducting specialisations, trainings and seminars for training of consultant organisations employees;
- Carrying out monitoring, control and assessment of the activity of consultant organisations.

Measure

Improving applied orientation of the scientific research in agriculture and the foods

Action

- Maintenance and designing new varieties, hybrids and lines of agricultural crops and technology for conventional and organic production;
- Maintenance and establishing of new lines and breeds animals and technology for conventional and organic production;
- Elaboration of efficient technology in plant-growing and livestock breeding;
- Improvement of assortment, quality and food safety;
- Drawing up strategic documents for undertaking actions to mitigate consequences of climatic change;
- Application of public-private partnerships in the scientific research and partnership to introduce good practices and innovations into Bulgarian agriculture;
- Establishing technological centres for technology transfer;
- Patenting and certifying new scientific products;
- Carrying out a competition for target financing of projects to solve any particularly important problems in farming;
- Application, promoting projects under the Programmes of National Science Fund, national and international programmes;
- Modernisation of scientific infrastructure of the Agricultural academy.

OBJECTIVE

INCREASE OF THE LEVELS OF COMPETITIVENESS OF BULGARIAN AGRICULTURAL PRODUCTS IN THE CONTEXT OF BULGARIA'S EU MEMBERSHIP

Measure

Regulation and protection of the production of the traditional Bulgarian agricultural produce

Action

- Conducting of elucidatory campaigns, seminars, meetings and consultations of agricultural producers, branch organisations and processing enterprises with the purpose of explaining the advantages of the quality policy: protected denominations and stimulating producers to apply for registration;
- Conducting a national procedure for approval of specification application forms for inscription with the European Register of Protected Geographical Indication or the European Register of Traditional Speciality Guaranteed Foods and for approval of persons controlling each applying denomination;
- Forwarding the specification application forms as approved according to the national procedure to the European Commission for further approval procedure;
- Maintenance of a register of food producers with protected geographical indication, a register of traditional speciality guaranteed foods, and a register of the controlling persons;
- Redirection of labour force and investments for establishing alternative occupations for farms affected by restructuring of the sectors: tobacco growing and production, milk-production, etc.

- Permanent monitoring and stock taking of genetic resources in plant-growing and livestock breeding;
- Conservation, storage and development of genetic resources;
- Increase in the percentage of organic production by providing financing for implementation of the activities under the National Plan for Development of Organic Agriculture in Bulgaria in the period 2007-2013;
- Implementation of a purposeful awareness campaign for promotion of the measures under the RDP, to which the interest is poorer: measure 214 "Agro-ecological payments", "the forest measures" 122, 223 and 226; measures 121, 141, 142, 213, 211, 212;
- Implementation of a purposeful awareness campaign on the implementation of approved business plans under measure 112 "Establishing of farms by young farmers;
- Providing consultant services to farmers wishing to launch organic production and schemes for integrated agricultural production;
- Conducting of discussions with farmers to explain the opportunities and advantages of the organic and integrated productions;
- Information materials publishing and propagation.

Measure

Optimising the use of agricultural lands

Action

- Encouraging the process of re-allocation of agricultural lands;
- Encouraging the application of environment-friendly practices through assistance under measure "Agro-ecological payments" under the RDP.

Measure

Optimising the irrigation engineering infrastructure for efficient use of water resources

Action

- Participation in the development of a National strategy for management and development of water sector and an Action Plan thereto in short-term, medium-term and long-term perspective;
- Bringing into compliance with the existing legal arrangements and establishing new legal arrangements regulating the activities of exploitation, building, reconstruction and modernisation of irrigation engineering systems and equipment as well as Irrigation Engineering Fund (IEF) property and operation;
- Development and starting RDP measure 125: "Improvement and development of the infrastructure relative to the development and adapting agriculture", with sub-measure "Management of water resources"
- Conducting of seminars on the implementation of good practices for irrigation of agricultural crops.

Measure

 Permanent protection of the interests of the Bulgarian agricultural sector and of Bulgarian agricultural producers by effective participation in the process of EU institutions work

Action

- Active participation in the discussion of CAP future after 2013 and defending positions reflecting the interests of the Bulgarian agriculture;
- Participation in the process of simplification of EU legislation and drafting and approving Council
 and European Commission legal regulations in the area of agriculture after preliminary
 consultations with non-government organisations;
- Overall co-ordination and providing of consistency and agreed proceedings in the case of drafting Bulgaria's positions in the scope of agriculture and fishery in accordance with the provisions under the legal procedure in force.

OBJECTIVE

IMPLEMENTATION OF THE MAIN OBJECTIVE OF EU COMMON POLICY ON QUALITY AND FOOD SAFETY FOR ACHIEVING HIGH STANDARDS FOR QUALITY OF LIFE AND HEALTH PROTECTION OF CONSUMERS BY GUARANTEEING PRODUCTION AND OFFER OF QUALITY AND SAFE AGRICULTURAL RAW MATERIALS AND FOODS

Measure

• Implementation of single official control on safety and quality of foods covering all units and stages of food chain

Action

- Application of high standards as regards control in the field of safety and quality of foods, food additives and drinks, veterinary medicine and humane treatment of animals, crop protection and fertilisers, phytosanitary control, fodders, border control, etc.;
- Implementation of consistent policy of co-operation with trade associations in the country for development of standards aimed at increasing the quality of key food products;
- Continuous co-operation with the European Food Safety Authority (EFSA), with all structures of
 the European Union involved in food safety activities, vegetation health activities, animal health
 care activities and humane treatment of animals activities, and with the food safety authorities
 across the EU Member States and third countries.

OBJECTIVE

CREATION OF CONDITIONS FOR ASSISTANCE TO SMALL AND MEDIUM ENTERPRISES AND PROMOTING ACTIVITIES GENERATING NON-FARMING INCOME

Measure

 Promotion of purposeful rural region development policy and recovering of their traditions taking account of rural communities' specifics, local potential and encouraging local initiative

- Establishing and providing support to local initiatives groups;
- RDP support to local development strategies;
- Support to micro-enterprises recovering local traditions in rural regions.

Measure

• Improvement of quality of life, development of the infrastructure and the key services for business and population

Action

- Support for tourism-related municipal infrastructural projects;
- Support for municipal roads, water supply and sewerage;
- Support for renovation of accommodation resources belonging to social institutions in rural regions;
- Support for renovation of settlements in rural regions by implementing projects improving streets, parks, community centres and other buildings with local importance;
- Support for renovation of servicing centres for rural communities;
- Support for renovation of community centres, entertainment and sport facilities, andservices provided to children and vulnerable groups;
- Support for renovation for information and communication centres.
- Drawing up guidelines for implementation of projects and contracts under measures 311, 312, 321, 322 and 123; drawing up a guide for applicants for the opportunities under the guaranteed budgets of measure 121, and a handbook on implementation of projects under measure 121; development of control sheet for implementation of measure 114.

OBJECTIVE

CREATING CONDITIONS FOR DEVELOPMENT OF ENVIRONMENT-FRIENDLY FORMS OF AGRICULTURE AIMED AT ENVIRONMENT PROTECTION AND BIODIVERSITY

Measure

 Priority implementation of objectives and activities as set out in The 2007-2013 National plan for development of organic agriculture in Bulgaria

Action

- Raising funds for the 2007-2013 National plan for development of organic agriculture in Bulgaria;
- Updating the activities laid down in the Plan and financing the implementation thereof;
- Providing administrative capacity for the implementation of the Plan.

Measure

 Encouraging farmers to make use of the opportunities for assistance available for agroecology and compensation payments in locations falling within the scope of Natura 2000

- Development of relevant legislation, application forms and the guidebooks for applying with a view to the real start of acceptation campaigns of projects under this measures 213, 214 under the RDP;
- Finalising drawing up the legal regulation documentation on the implementation of measure 421 under Axis 4 LEADER;

 Preparation of rules for implementation and monitoring of activities and financing the projects under the measures already started in 2010 and to start in 2011

OBJECTIVE

SUSTAINABLE AND COMPETITIVE DEVELOPMENT OF FORESTRY SECTOR IN CONFORMITY WITH THE PRINCIPLES OF FORESTS MULTIFUNCTIONAL MANAGEMENT

Measure

• Drawing up strategic documents for development of the forestry sector in the Republic of Bulgaria in the period until 2020

Action

- Drawing up a National Forestry Strategy (National Forestry Programme) for development of the forestry sector in Bulgaria (2012—2020);
- Drawing up and adoption of bylaw legal regulation documents related to the application of the Forestry Act;
- Efforts to be made to prepare regional plans on development of forest areas;
- Optimisation of bylaw legal regulation on forestry and development of methodology to achieve transparent, market oriented and regionally differentiated price policy of forest products, services and functions.

Measure

 Stimulating the development of a national forest-industry complex, preserving all existing workplaces and creating new workplaces

- Establishing economically viable State forest enterprises by applying appropriate mechanisms for investments and co-operation with entrepreneurs in the area of forests and support of initiatives developing diverse and profitable activities;
- Stimulation of public-private partnerships and long-term agreements in the forestry sector, including for the purposes of development of infrastructure in the forests;
- Introduction of new wood trade methods and systems;
- Enhancing the system for marketing on the market of wood;
- Improving of the co-ordination between participants and optimisation of the 'wood-final product' chain;
- Improving the efficiency as a result of the application of all forms of use of wood in the State forests;
- Application of transparent, market oriented and regionally differentiated price policy of forest products, services and functions, including establishment of exchanges for forest products and online trade in these:
- Preparation and implementation of programmes for training of employees of State forest enterprises and of civil servants to the end of building capacity for business planning, trade management, behaviour and finances, work with EU programmes and measures;

• Expanding the share of utilisation of biomass yielded in forests for production of power from renewable sources (potential up to 500 MW).

Measure

 Decentralisation of forest resource management by gradually taking steps for voluntary, economic, social and environmentally reasoned transfer of rights, liabilities and responsibilities from the State to the municipalities based on long-term contracting

Action

- Introduction of development of long-term programmes for multifunctional development of forests at regional and municipal level;
- Establishing objective opportunities for purposeful disbursement of EU forest funding, and incentives for the development of local economy and business and improving public interest to sustainable and environment-friendly forest administration;
- Adopting an awareness programme to stimulate forest and land owners to participate in the world carbon emission market by improving forest and land administration and establishing new ones.
- Establishment of conditions for full-scale disbursement of EU forestry funds, stimulating the
 development of local economy and business and increasing public interest in sustainable and
 nature-friendly forest management.

OBJECTIVE

Measure

IMPROVING PROTECTION AND HELP ADAPT BULGARIAN FORESTS TO CLIMATE CHANGE

• Enhancing the quality of forest statistical information on the management of forest territories using of up-to-date computer technology and computer systems.

Action

- Preparation and implementation of National stock-taking of the forest ecosystems in Bulgaria based on adopted European criteria and indicators for sustainable forest management as a tool for identifying medium-term and long-term priorities in the management of forest resources;
- Studying and preparation for establishing an integrated forestry information system.

Measure

 Establishment of interinstitutional council for scientific services, participation in the implementation and introduction of European and world projects and initiatives on prevention and adaptation of forests to climate change.

Action

- Establishment of an interinstitutional council with the enforcement of a relevant administrative act;
- Development or participation in implementation and introduction of international projects and initiatives on prevention and adaptation of forests to climate change;

Measure

 Adopting measures on forest protection jointly with police offices, non-government sector, municipalities, and non-government sector.

- Providing efficient cooperation of institutions and local authorities for improving of joint activity aimed at avoiding offences and solving cases thereof;
- Introduction of a single information system of issue and accounting of documents for wood lumbering and transport, and hunting licences;
- Improving media coverage of forest protection issues, engaging public and dissemination of positive experience accrued over forest protection efforts.

Measure

 Developing and approving modern and environment-friendly regimes of forest management in protected territories and territories falling within the scope of the Natura European environmental network

Action

 Preserving of favourable conservation status of forest habitats and habitats of species in the forests falling within the scope of NATURA 2000 environmental network with particular emphasis to the assistance to non-State owners of forests included there:

Measure

• Carrying out awareness campaigns for enlightening the use of forests and modern ways of protection thereof delivered to public.

Action

- Periodical information campaigns and other activities jointly with NGOs and other organisations and institutions interested by the fate of Bulgarian forests;
- Drawing up a project on the initiative called "Forest dialog" and on the Communicational Forest Strategy of Ministry of Agriculture and Food and the State forest enterprises.

Measure

 Implementation of all-European methods for assessment of non-wood-production functions and uses of forests and the financial and functional provision thereof in a future period. Co-ordinated introduction of the principle 'User pays' for used forests resources, with the other interested entities.

Action

- Development of a methodology for assessment of water protection, recreational, protective, and other functions of the forests in the Republic of Bulgaria;
- Assistance to cultivation of medicinal plants, wood berry species, etc.

Measure

• Implementation of awareness campaigns among the public for elucidation of the benefits of the forests and modern methods of forest protection.

Action

• Implementation of purposeful information campaign for giving clarifications on *"the forest measures*" 122, 223 and 226 under the RDP (2007-2013).

ANNEXES

Annex 1
Value of production from sector "Agriculture" at producer prices for 2010* year (million BGN)

	production		<u>" </u>				•	year (minio	Current pr	ices							
					1.1						Sales						
					U	sed in the unit				within the	country			Production of		01	
code	Products	Gross production	Losses	Initial stocks	Seeds and planting material	Feed additives	Other	Processing by producers	Own consumpti on	in the sector	outside the sector	outside the country	Sales (1)	commodities of stock capital at own account	Final stocks	Change in the stocks	Final production
		1v	2 _V	4 _V	6 _V	7 _V	8 _V	10 _v	11 _v	12 _v 1	12v2	12v3	12 _v	13 _v	14 _V	16 _v	17 _V
01	Cereal crops	1571,8	4,2	1556,3	82,7	223,7	9,1	30,3	40,8	136,9	1242,1	30,6	1409,6		1327,7	-228,6	1475,8
01.1	Wheat and spelt	930,7	3,0	958,1	71,8	90,6	7,5	11,5	34,5	90,2	774,6	22,1	886,9		783,1	-175,0	848,5
01.1/1	Soft wheat	918,8	3,0	946,7	71,4	86,5	6,6	11,1	34,4	89,7	765,5	22,1	877,3		775,3	-171,4	837,9
01.1/2	Durum wheat	11,9	0,0	11,4	0,4	4,1	0,9	0,4	0,1	0,5	9,1	0,0	9,6		7,8	-3,6	10,6
01.2	Rye	3,5	0,0	16,5	0,2	2,1	0,0	0,0	0,2	0,2	3,7	0,0	3,9		13,7	-2,8	3,4
01.3	Barley	149,5	0,7	229,5	7,4	42,5	1,3	3,4	3,3	14,2	128,0	0,2	142,4		177,9	-51,6	140,0
01.4	Oats and cereals mixes	12,3	0,0	30,6	1,3	10,2	0,0	0,9	0,3	1,4	4,0	0,0	5,4		24,7	-5,9	10,9
01.5	Maize for grain	453,4	0,5	293,9	0,5	70,3	0,3	14,3	2,2	30,3	312,9	8,2	351,4		307,8	13,9	452,1
01.6	Rice	15,5	0,0	7,9	0,8	0,0	0,0	0,0	0,0	0,0	17,0	0,0	17,0		5,5	-2,4	14,6
01.7	Other cereals	6,9	0,0	19,8	0,7	8,0	0,0	0,2	0,3	0,6	1,9	0,1	2,6		15,0	-4,8	6,3
02	Technical crops	1196,0	6,8	788,3	4,2	10,6	1,5	3,6	4,8	37,5	1044,1	27,7	1109,3		843,6	55,3	1183,6
02.1	Oleaginous seeds	943,0	5,1	529,5	1,4	3,6	1,1	0,5	1,5	31,7	851,8	27,8	911,2		548,1	18,6	935,4
02.1/1	Rape and colza	260,8	1,8	70,9	0,3	0,1	0,0	0,0	0,0	7,7	238,4	8,6	254,7		74,9	4,0	258,8
02.1/2	Sunflower	676,7	3,3	447,0	1,1	3,5	1,1	0,5	1,5	24,0	607,2	19,1	650,3		462,4	15,4	671,2
02.1/3	Soya	1,5	0,0	0,4	0,0	0,0	0,0	0,0	0,0	0,0	1,5	0,0	1,5		0,4	0,0	1,5
02.1/4	Other oleaginous	4,0	0,0	11,3	0,0	0,0	0,0	0,0	0,0	0,0	4,8	0,0	4,8		10,4	-0,9	3,9
02.2	Protein yielding crops	42,8	0,5	67,6	2,8	7,0	0,0	3,1	3,2	4,6	20,6	0,0	25,2		68,6	1,0	39,5
02.3	Tobacco	158,8	0,4	148,2	0,0	0,0	0,0	0,0	0,0	0,0	119,9	0,0	119,9		186,8	38,6	158,5
02.4	Sugar-beet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
02.5	Other technical	51,4	0,8	42,9	0,0	0,0	0,4	0,0	0,1	1,2	51,7	0,0	52,9		40,1	-2,8	50,2
02.5/1	Fibre crops	0,8	0,0	0,2	0,0	0,0	0,0	0,0	0,0	0,0	0,8	0,0	0,8		0,2	0,0	0,8
02.5/2	Hops	0,4	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,3	0,0	0,3		0,0	0,0	0,3

02.5/3	Other technical	50,2	0,8	42,7	0,0	0,0	0,4	0,0	0,1	1,2	50,6	0,0	51,8		39,9	-2,8	49,1
03	Fodder crops	449,4	0,3	725,1	0,0	502,1	3,7	20,1	0,2	66,5	2,8	0,0	69,3		578,7	-146,4	445,3
03.1	Maize for silage	33,9	0,0	0,0	0,0	18,7	0,2	14,5	0,1	0,2	0,1	0,0	0,3		0,0	0,0	33,6
	Tubiferous	·			,	·		-			·				,	,	
03.2	fodders	1,0	0,0	0,6	0,0	1,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0		0,6	0,0	1,0
03.3	Other fodder	414,5	0,3	724,5	0,0	482,4	3,5	5,6	0,1	66,3	2,7	0,0	69,0		578,1	-146,4	410,7
04	Vegetables	373,5	0,4	42,8	0,0	7,2	0,3	22,5	84,1	40,7	153,8	53,2	247,7		54,1	11,3	372,8
04.4	Fresh	200.0	0.4	00.7	0.0	7.0	0.0	00.5	04.4	20.0	440.0	540	000.0		40.0	45.5	200.4
04.1	vegetables Tomatoes	369,8	0,4	26,7	0,0	7,2	0,3	22,5	84,1	39,9	148,6	51,3	239,8		42,2	15,5	369,1
04.1/2	Other fresh	90,8	0,0	0,0	0,0	0,0	0,1	0,1	21,8	28,6	0,6	39,6	68,8		0,0	0,0	90,7
04.1/3	vegetables	279,0	0,4	26,7	0,0	7,2	0,2	22,4	62,3	11,3	148,0	11,7	171,0		42,2	15,5	278,4
04.2	Flowers	3,7	0,0	16,1	0,0	0,0	0,0	0,0	0,0	0,8	5,2	1,9	7,9		11,9	-4,2	3,7
04.2/1	Nursery-gardens	-	-	-	-	_	-	-	-	-	-	-	-	_	-	-	
	Decorative																
	plants, including																
04.2/2	Christmas trees Establishment	3,7	0,0	16,1	0,0	0,0	0,0	0,0	0,0	0,8	5,2	1,9	7,9		11,9	-4,2	3,7
04.2/3	and breeding	_	_	_	_	_	_	_	_	_	_	_	_	_	_	_	_
05	Potatoes	168,9	0,3	80,6	6,8	14,0	0,0	0,6	21,2	1,2	111,8	0,0	113,0		93,9	13,3	161,9
06	Fruits	269,0	0,1	10,6	0,0	1,5	1,0	38,6	15,0	1,2	207,1	0,0	208,3		15,0	4,4	267,8
06.1	Fresh fruits	104,9	0,1	10,6	0,0	0,8	0,0	4,8	8,8	0,9	90,2	0,0	91,1		9,8	-0,8	104,7
06.1/1	Apples	35,7	0,0	8,3	0.0	0,8	0,0	0,7	3,9	0,7	31,4	0.0	32,1		6,4	-1,9	35,6
06.1/2	Pears	2,2	0,0	1,2	0,0	0,0	0,0	0,3	1,0	0,1	0,9	0,0	1,0		1,1	-0,1	2,2
06.1/3	Peaches	20,6	0,0	0,0	0,0	0,0	0,0	1,3	0,1	0,0	19,2	0,0	19,2		0,0	0,0	20,6
06.1/4	Other fresh fruits	46,4	0,1	1,1	0,0	0,0	0,0	2,5	3,8	0,1	38,7	0,0	38,8		2,3	1,2	46,3
06.4	Grapes-all	164,1	0,0	0,0	0,0	0,7	1,0	33,8	6,2	0,3	116,9	0,0	117,2		5,2	5,2	163,1
06.4/1	Dessert grapes	20,3	0,0	0,0	0,0	0,0	0,9	4,3	3,6	0,0	11,5	0,0	11,5		0,0	0,0	19,4
06.4/2	Other grapes	143,8	0,0	0,0	0,0	0,7	0,1	29,5	2,6	0,3	105,4	0,0	105,7		5,2	5,2	143,7
07	Wine	-	-	-	-	-	-		-,-	-	-	-	-	-	-,-	-	-
07.1	Table wine	_	_	_	_	_	-	_	_	_	_	-	-	-	-	-	
	Other plant-																
09	growing crops	90,9	0,0	5,5	11,1	0,0	0,0	16,1	4,1	0,7	59,5	0,1	60,3		4,7	-0,8	79,7
09.2	Seeds	86,4	0,0	5,5	11,1	0,0	0,0	16,1	4,1	0,7	55,1	0,0	55,8		4,7	-0,8	75,2
	Other plant- growing																
09.3	products	4,5	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	4,4	0,1	4,5		0,0	0,0	4,5

	Production from plant- growing (from																
10	01 to 09)	4119,5	12,1	3209,2	104,8	759,1	15,6	131,8	170,2	284,7	2821,2	111,6	3217,5		2917,7	-291,5	3986,9
44	Agricultural	1177,2	0,0	606,7	0,0		0,0	0.0	455,3	0,0	553,3	26,5	F70 0	110 5	632,4	25,6	1177.0
11.1	animals Bovine cattle	199,5	0,0	273,7	0,0	0.0	0,0	0,0	455,3 51,3	0,0	44,3	17,0	579,8 61,3	116,5 58,3	302,3	28,6	1177,2 199,5
11.2	Swine	288,1	0,0	28,0	0,0	0,0	0,0	0,0		0,0	158,7	0,0	158,7		28,0	0,0	288,1
	Horses	•	0,0	13,7	0,0	•	0,0		113,7		1,7	0,0	•	15,7			
11.3	Sheep and goat	4,6 268,7				0,0	0,0	0,0	0,2 112,3	0,0	114,7	0,0	1,7	2,5	13,9	0,2	4,6
11.4	Poultry	,	0,0	156,6	0,0	,	,	0,0		0,0		8,6	115,6	40,0	157,4	0,8	268,7
11.5	Other animals	375,3	0,0	60,7	0,0	0,0	0,0	0,0	139,0	0,0	233,2	-	241,8		55,2	-5,5	375,3
11.6	Products from	41,0	0,0	74,0	0,0	0,0	0,0	0,0	38,8	0,0	0,7	0,0	0,7		75,5	1,5	41,0
	livestock																
12	breeding	1151,2	4,5	14,6	0,0	54,2	56,1	73,8	155,8	68,0	721,1	5,5	794,6		26,8	12,2	1036,4
12.1	Milk	806,5	3,1	0,0	0,0	53,6	0,0	72,6	45,0	43,2	589,0	0,0	632,2		0,0	0,0	749,8
12.2	Eggs	260,2	1,4	1,3	0,0	0,6	22,6	1,2	98,4	9,9	119,7	2,1	131,7		5,6	4,3	235,6
	Other products from livestock																
12.3	breeding	84,5	0,0	13,3	0,0	0,0	33,5	0,0	12,4	14,9	12,4	3,4	30,7		21,2	7,9	51,0
12.3/1	Unwashed wool	2,0	0,0	9,4	0,0	0,0	0,0	0,0	0,0	2,7	3,5	0,0	6,2		5,2	-4,2	2,0
12.3/2	Silkwom cocoons	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.3/3	Other products from livestock breeding	82,5	0.0	3,9	0.0	0,0	33,5	0,0	12,4	12,2	8,9	3,4	24,5		16.0	12,1	49,0
	Production from livestock breeding	,	,		,	·	,	,	,	,	,	,	,		,	,	,
13	(11+12)	2328,4	4,5	621,3	0,0	54,2	56,1	73,8	611,1	68,0	1274,4	32,0	1374,4	116,5	659,2	37,8	2213,6
14	Production of agricultural commodities (10+13)	6447,9	16,6	3830,5	104,8	813,3	71,7	205,6	781,3	352,7	4095,6	143,6	4591,9	116,5	3576,9	-253,7	6200,5
15	Production of agricultural	491,8		·		·	·	·	,	·	404.0	,	404.0	,	·		491,8
15	services Production	491,8									491,8		491,8				491,8
16	from agriculture	6939,7	16,6	3830,5	104,8	813,3	71,7	205,6	781,3	352,7	4587,4	143,6	5083,7	116,5	3576,9	-253,7	6692,3

	(14+15)																
17	Non- agricultural inseparable supplementary activities	697,2									697,2		697,2				697,2
	Processing of agricultural												·				
17.1	products	672,0									672,0		672,0				672,0
17.1/1	- cereals	137,7									137,7		137,7				137,7
17.1/2	- vegetables	62,2									62,2		62,2				62,2
17.1/3	- fruits	30,8									30,8		30,8				30,8
17.1/4	- wine	64,6									64,6		64,6				64,6
17.1/5	- animals	203,8									203,8		203,8				203,8
17.1/6	- animal products	156,8									156,8		156,8				156,8
17.1/6/1	- milk	156,8									156,8		156,8				156,8
17.1/7	- other	16,1									16,1		16,1				16,1
17.2	Other inseparable supplementary activities	25,2									25,2		25,2				25,2
18	Production from sector 'Agriculture' (16+17)	7636,9	16,6	3830,5	104,8	813,3	71,7	205,6	781,3	352,7		143,6	5780,9	116,5	3576,9	-253,7	7389,5

Source: NSI *Preliminary data for 2010

Annex 2 Intermediate consumption, factor expenditure, other subsidies and taxes for 2010*

(million BGN)

Elements of intermediate consumption	Gross	Final	Produced and consumed in	Purchase of com- services for int consump	ermediate otion
Licinoms of intermediate consumption	production	production	the farm itself	from other agricultural units	from units outside the sector
Losses	16,6		16,6		
Seeds and planting material	279,9	175,1	104,8	31,9	143,2
Fuels and oils	1 001,9	1 001,9	0,0	0,0	1 001,9
- electricity	83,3	83,3			83,3
- gas	28,4	28,4			28,4
- other fuels	887,0	887,0			887,0
- Other	3,2	3,2			3,2
Fertilisers and soil enhancers	378,9	378,9	0,0	19,9	359,0
Preparations for crop protection and					
pesticides	224,5	224,5			224,5
Veterinary expenditure	256,4	256,4			256,4
Feed additives	1 345,7	1 345,7	759,1	268,5	318,1
Feed additives, not included in EAA	54,2		54,2		
Maintenance and repairs	478,6	478,6		0,0	478,6
Maintenance and repairs of machinery					
and petty stock	325,3	325,3			325,3
Maintenance of buildings	153,3	153,3			153,3
Agricultural services	491,8	491,8		491,8	
Other commodities and services	363,2	291,5	71,7	83,4	208,1
Intermediate consumption	4 891,7	4 644,4	1 006,4	895,5	2 989,8
Consumption of stock capital	295,2	295,2	0,0	0,0	295,2
- Equipment	245,9	245,9	3,0	3,0	245,9
- Buildings	24,8	24,8			24,8
- Establishment and breeding	6,5	6,5			6,5
- Other	18,0	18,0			18,0
Compensations for employed persons	434,2	434,2			434,2
Other taxes over the production	0,4	0,4			0,4
Other subsidies over the production	1 031,8	1 031,8			1 031,8
Lease	355,7	355,7			355,7
Paid interest	180,8	180,8			180,8
Received interest	24,3	24,3			24,3

Source: NSI; * Preliminary data for 2010

Annex 3
Gross production
Results of calculation of value added at producer prices

(million BGN)

-							(mi	llion BGN)
code	Products	2007	Change coefficient 2008/2007	2008	Change coefficient 2009/2008	2009	Change coefficient 2010*/2009	2010*
01	Cereal crops	948,10	2,21	2 096,40	0,66	1 389,90	1,13	1 571,80
01.1	Wheat and spelt	705,70	1,95	1 378,90	0,60	826,20	1,13	930,70
01.1/1	Soft wheat	694,80	1,96	1 363,70	0,59	810,30	1,13	918,80
01.1/2	Durum wheat	10,90	1,39	15,20	1,05	15,90	0,75	11,90
01.2	Rye	4,90	0,96	4,70	1,94	9,10	0,38	3,50
01.3	Barley	123,20	1,91	235,70	0,89	209,30	0,71	149,50
01.4	Oats and cereals mixes	8,70	1,56	13,60	1,08	14,70	0,84	12,30
01.5	Maize for grain	82,10	5,03	413,30	0,74	305,80	1,48	453,40
01.6	Rice	15,20	1,25	19,00	0,94	17,80	0,87	15,50
01.7	Other cereals	8,30	3,76	31,20	0,22	7,00	0,99	6,90
02	Technical crops	530,00	1,93	1 020,30	0,91	933,20	1,28	1 196,00
02.1	Oleaginous seeds	352,20	2,40	845,30	0,80	673,00	1,40	943,00
02.1/1	Rape and colza	41,60	3,30	137,10	0,98	133,90	1,95	260,80
02.1/2	Sunflower	293,70	2,34	686,90	0,76	520,10	1,30	676,70
02.1/3	Soya	-		0,50	0,20	0,10	15,00	1,50
02.1/4	Other oleaginous	16,90	1,23	20,80	0,91	18,90	0,21	4,00
02.2	Protein yielding crops	18,60	0,62	11,50	3,42	39,30	1,09	42,80
02.3	Tobacco	90,10	1,29	115,80	1,55	179,20	0,89	158,80
02.4	Sugar-beet	0,60	2,83	1,70		-		-
02.5	Other technical	68,50	0,67	46,00	0,91	41,70	1,23	51,40
02.5/1	Fibre crops	1,00	0,30	0,30	7,67	2,30	0,35	0,80
02.5/2	Hops	5,30	0,62	3,30	0,36	1,20	0,33	0,40
02.5/3	Other technical	62,20	0,68	42,40	0,90	38,20	1,31	50,20
03	Fodder crops	179,20	0,97	174,00	3,31	575,30	0,78	449,40
03.1	Maize for silage	21,80	0,74	16,10	2,87	46,20	0,73	33,90
03.2	Tubiferous fodders	1,80	1,44	2,60	0,42	1,10	0,91	1,00
03.3	Other fodder	155,60	1,00	155,30	3,40	528,00	0,79	414,50
04	Vegetables	904,40	1,17	1 059,50	0,45	475,70	0,79	373,50
04.1	Fresh vegetables	778,70	1,08	843,10	0,52	441,90	0,84	369,80
04.1/2	Tomatoes	161,60	1,18	190,30	0,33	63,50	1,43	90,80
04.1/3	Other fresh vegetables	617,10	1,06	652,80	0,58	378,40	0,74	279,00
04.2	Flowers	125,70	1,72	216,40	0,16	33,80	0,11	3,70
04.2/1	Nursery-gardens	125,00	1,72	215,20	0,16	33,40		-
04.2/2	Decorative plants, including Christmas trees	0,70	0,14	0,10	4,00	0,40	9,25	3,70
04.2/3	Establishment and breeding			1,10		-		-
05	Potatoes	145,90	1,06	154,80	2,01	211,00	0,80	168,90
06	Fruits	422,40	0,75	317,90	0,98	310,40	0,87	269,00
06.1	Fresh fruits	180,20	0,69	123,70	1,06	131,30	0,80	104,90
06.1/1	Apples	44,30	0,57	25,40	0,93	23,50	1,52	35,70
06.1/2	Pears	21,90	0,07	1,60	1,00	1,60	1,38	2,20
06.1/3	Peaches	19,60	0,64	12,50	0,90	11,20	1,84	20,60
06.1/4	Other fresh fruits	94,40	0,89	84,20	1,13	95,00	0,49	46,40
06.4	Grapes-all	242,20	0,80	194,20	0,92	179,10	0,92	164,10
06.4/1	Dessert grapes	47,60	0,25	11,70	0,96	11,20	1,81	20,30
06.4/2	Other grapes	194,60	0,94	182,50	0,92	167,90	0,86	143,80
07	Wine	0,50		-		-		-

07.1	Table wine	0,50		_		_		_
09	Other plant-growing crops	24,40	0,52	12,60	1,33	16,80	5,41	90,90
09.2	Seeds	16,80	0,64	10,80	0,70	7,60	11,37	86,40
09.3	Other plant-growing products	7,60	0,24	1,80	5,11	9,20	0,49	4,50
10	Production from plant- growing	3 154,90	1,53	4 835,50	0,81	3 912,30	1,05	4 119,50
11	Agricultural animals	1 245,60	1,06	1 317,30	0,91	1 196,00	0,98	1 177,20
11.1	Bovine cattle	231,40	0,97	224,50	0,84	189,70	1,05	199,50
11.2	Swine	316,80	1,05	333,90	0,95	317,10	0,91	288,10
11.3	Horses	3,90	0,79	3,10	1,58	4,90	0,94	4,60
11.4	Sheep and goat	308,80	0,97	298,60	0,93	276,40	0,97	268,70
11.5	Poultry	347,40	1,18	409,90	0,90	370,00	1,01	375,30
11.6	Other animals	37,30	1,27	47,30	0,80	37,90	1,08	41,00
40	Products from livestock			4 = 40 00				4 4 - 4 00
12	breeding	1 294,30	1,17	1 519,90	0,74	1 127,70	1,02	1 151,20
12.1	Milk	997,40	1,15	1 143,50	0,71	809,30	1,00	806,50
12.2	Eggs Other products from	232,70	1,16	270,60	0,91	247,50	1,05	260,20
12.3	livestock breeding	64,20	1,65	105,80	0,67	70,90	1,19	84,50
12.3/1	Unwashed wool	3,20	0.84	2,70	1,04	2,80	0,71	2,00
12.3/2	Silkwom cocoons		0,01		1,01		0,1 1	
	Other products from							
12.3/3	livestock breeding	61,00	1,69	103,10	0,66	68,10	1,21	82,50
13	Production from livestock breeding	2 539,90	1,12	2 837,20	0,82	2 323,70	1,00	2 328,40
14	Production of agricultural commodities	5 694,80	1,35	7 672,70	0,81	6 236,00	1,03	6 447 00
14	Production of agricultural	3 094,00	1,33	1 012,10	0,01	0 230,00	1,03	6 447,90
15	services	440,70	1,26	554,10	0,91	505,05	0,97	491,80
16	Production from agriculture	6 135,50	1,34	8 226,80	0,82	6 741,10	1,03	6 939,70
47	Non-agricultural inseparable	540.00	4.05	070.00	4.00	700.40	0.05	007.00
17	supplementary activities Processing of agricultural	542,20	1,25	676,80	1,08	732,10	0,95	697,20
17.1	products	443,30	1,42	629,10	1,10	694,00	0,97	672,00
17.1/1	- cereals	163,90	1,57	257,30	0,72	184,70	0,75	137,70
17.1/2	- vegetables	46,10	1,11	51,00	1,39	71,10	0,87	62,20
17.1/3	- fruits	18,10	2,22	40,20	1,14	45,70	0,67	30,80
17.1/4	- wine	32,40	1,27	41,20	2,09	86,00	0,75	64,60
17.1/5	- animals	74,80	1,11	82,80	1,68	139,20	1,46	203,80
17.1/6	- animal products	96,20	1,43	137,40	1,01	138,90	1,13	156,80
17.1/6/1	- milk	96,20	1,43	137,40	1,01	138,90	1,13	156,80
17.1/7	- other	11,80	1,63	19,20	1,48	28,40	0,57	16,10
17.2	Other inseparable supplementary activities	98,90	0,48	47,70	0,80	38,05	0,66	25,20
18	Production from sector 'Agriculture'	6 677,70	1,33	8 903,60	0,84	7 473,20	1,02	7 636,90
19	Intermediate consumption	4 393,30	1,22	5 361,70	0,94	5 025,20	0,97	4 891,70
	Losses	18,10	1,05	19,00	0,44	8,30	2,00	16,60
19.01	Seeds and planting material	317,90	1,10	351,00	0,87	304,20	0,92	279,90
19.01/1	delivered by other agricultural enterprises	16,40	3,54	58,00	1,01	58,40	0,55	31,90
19.01/2	purchased outside the sector	135,30	1,58	214,00	0,81	173,30	0,83	143,20
40.00	Produced and consumed in the farm itself	166,20	0,48	79,00	0,92	72,50	1,45	104,80
								1 001,90
								83,30 28,40
19.02 19.02/1 19.02/2	the farm itself Fuels and oils - electricity - gas	166,20 966,80 71,10 39,00	0,48 1,16 1,16 0,58	79,00 1 118,50 82,20 22,70	0,92 0,84 1,39 2,17	72,50 940,00 113,90 49,30	1,45 1,07 0,73 0,58	

19.02/3	- other fuels	854,00	1,18	1 006,80	0,77	770,70	1,15	887,00
19.02/4	- Other	2,70	2,52	6,80	0,90	6,10	0,52	3,20
19.03	Fertilisers and soil enhancers	313,80	1,37	428,40	0,88	377,30	1,00	378,90
19.03/1	delivered by other agricultural enterprises	4,70	0,81	3,80	3,47	13,20	1,51	19,90
19.03/2	purchased outside the sector	309,10	1,37	424,60	0,86	364,10	0,99	359,00
	Produced and consumed in the farm itself	-		-		-		-
19.04	Preparations for crop protection and pesticides	142,10	1,31	185,90	0,93	172,60	1,30	224,50
19.05	Veterinary expenditure	325,20	0,96	311,68	0,86	267,50	0,96	256,40
19.06	Feed additives	1 082,00	1,31	1 413,30	1,20	1 692,00	0,80	1 345,70
19.06/1	delivered by other agricultural enterprises	347,40	1,47	510,60	0,68	346,00	0,78	268,50
19.06/2	purchased outside the sector	476,00	1,35	643,60	0,70	453,00	0,70	318,10
19.06/3	Produced and consumed in the farm itself	258,60	1,00	259,10	3,45	893,00	0,85	759,10
	Feed additives, not included in EAA	49,40	1,15	56,90	0,93	52,80	1,03	54,20
19.07	Maintenance and repairs of machinery and petty stock	191,70	1,49	285,90	0,87	249,60	1,30	325,30
19.08	Maintenance of buildings	170,40	1,09	184,90	0,73	134,70	1,14	153,30
19.09	Agricultural services	440,70	1,26	554,10	0,91	505,10	0,97	491,80
19,11	Other commodities and services	375,20	1,20	452,10	0,71	321,10	1,13	363,20
	delivered by other agricultural enterprises	96,80	1,17	113,30	0,45	51,20	1,63	83,40
	purchased outside the sector	201,90	1,16	233,30	0,83	194,50	1,07	208,10
	Produced and consumed in the farm itself	76,50	1,38	105,50	0,71	75,40	0,95	71,70
20	Gross value added	2 284,40	1,55	3 541,90	0,69	2 448,00	1,12	2 745,20

Source: NSI

^{*} Preliminary data for 2010

Annex 4
Final production
Results of calculation of value added at current basic prices

(million BGN)

					l			
code	Products	2007	Change coefficient 2008/2007	2008	Change coefficient 2009/2008	2009	Change coefficient 2010*/2009	2010*
01	Cereal crops	873,00	2,30	2 005,50	0,66	1 321,50	1,12	1 475,80
01.1	Wheat and spelt	646,10	2,03	1 308,40	0,59	774,20	1,10	848,50
01.1/1	Soft wheat	636,00	2,03	1 293,80	0,59	759,00	1,10	837,90
01.1/2	Durum wheat	10,10	1,45	14,60	1,04	15,20	0,70	10,60
01.2	Rye	4,50	1,00	4,50	1,89	8,50	0,40	3,40
01.3	Barley	112,50	1,94	218,20	0,91	198,50	0,71	140,00
01.4	Oats and cereals mixes	8,40	1,55	13,00	1,00	13,00	0,84	10,90
01.5	Maize for grain	79,10	5,21	411,80	0,74	305,00	1,48	452,10
01.6	Rice	14,70	1,29	19,00	0,85	16,10	0,91	14,60
01.7	Other cereals	7,70	3,97	30,60	0,20	6,20	1,02	6,30
-	Technical crops	615,50	1,87	1 150,40	0,91	1 045,20	1,13	1 183,60
02.1	Oleaginous seeds	341,50	2,47	843,50	0,80	671,00	1,39	935,40
02.1/1	Rape and colza	40,90	3,35	136,90	0,00	133,70	1,94	258,80
02.1/2	Sunflower	286,70	2,39	685,30	0,76	518,40	1,29	671,20
02.1/2	Soya	200,70	2,00	0,50	0,70	0,10	15,00	1,50
02.1/4	Other oleaginous	13,90	1,50	20,80	0,20	18,80	0,21	3,90
02.1/4	Protein yielding crops	12,70	0,87	11,00	3,51	38,60	1,02	39,50
02.2	Tobacco	192,70	1,29	248,30	1,19	294,80	0,54	158,50
02.3	Sugar-beet	0,60	2,83	1,70	1,19	234,00	0,34	130,30
02.4	Other technical	68,00	0,68	45,90	0,89	40,80	1,23	50,20
02.5/1	Fibre crops	1,10	0,00	0,30	8,00	2,40	0,33	0,80
02.5/2	Hops	5,40	0,21	3,30	0,00	1,20	0,33	0,30
02.5/3	Other technical	61,50	0,69	42,30	0,88	37,20	1,32	49,10
	Fodder crops	177,80	0,03	170,20	3,36	571,90	0,78	445,30
03.1	Maize for silage	21,20	0,30	15,90	2,89	46,00	0,73	33,60
03.1	Tubiferous fodders	1,80	1,28	2,30	0,48	1,10	0,73	1,00
03.2	Other fodder	154,80	0,98	152,00	3,45	524,80	0,78	410,70
-	Vegetables	853,50	1,24	1 057,30	0,45	475,00	0,78	372,80
04.1	Fresh vegetables	770,80	1,24	842,10	0,43	441,60	0,70	369,10
04.1/2	Tomatoes	161,60	1,18	190,30	0,32	63,50	1,43	90,70
04.1/2	Other fresh vegetables	609,20	1,10	651,80	0,58	378,10	0,74	278,40
04.1/3	Flowers	82,70	2,60	215,20	0,36	33,40	0,14	3,70
04.2/1	Nursery-gardens	82,00	2,61	214,00	0,10	33,40	0,11	3,70
	Decorative plants, including Christmas trees Establishment and	0,70	0,14	0,10	4,00	0,40	9,25	3,70
04.2/3	breeding			1,10		_		_
H 1	Potatoes	100,30	1,55	155,50	1,32	205,00	0,80	163,40
	Fruits	421,70	0,75	317,70	0,98	310,20	0,87	268,90
06.1	Fresh fruits	179,80	0,69	123,50	1,06	131,10	0,81	105,80
06.1/1	Apples	44,10	0,57	25,30	0,92	23,40	1,52	35,60
06.1/2	Pears	21,80	0,07	1,60	0,94	1,50	1,47	2,20
06.1/3	Peaches	19,60	0,64	12,50	0,88	11,00	1,87	20,60
06.1/4	Other fresh fruits	94,30	0,89	84,10	1,13	95,20	0,50	47,40
06.4	Grapes-all	241,90	0,80	194,20	0,92	179,10	0,91	163,10

06.4/1	Dessert grapes	47,60	0,25	11,70	0,96	11,20	1,73	19,40
06.4/2	Other grapes	194,30	0,94	182,50	0,92	167,90	0,86	143,70
07	Wine	0,50		-		-		-
07.1	Table wine	0,50		-		-		-
09	Other plant-growing crops	20,20	0,61	12,30	1,27	15,60	5,11	79,70
09.2	Seeds	12,60	0,84	10,60	0,60	6,40	11,75	75,20
00.0	Other plant-growing	7.00	0.00	4 70	5.44	0.00	0.40	4.50
09.3	products Production from plant-	7,60	0,22	1,70	5,41	9,20	0,49	4,50
10	growing	3 062,50	1,59	4 868,90	0,81	3 944,40	1,01	3 989,50
11	Agricultural animals	1 245,70	1,06	1 317,50	0,95	1 255,80	1,00	1 251,20
11.1	Bovine cattle	231,40	0,97	224,50	1,04	233,90	1,11	258,90
11.2	Swine	316,80	1,05	333,90	0,95	317,10	0,91	288,10
11.3	Horses	3,90	0,82	3,20	1,53	4,90	0,94	4,60
11.4	Sheep and goat	308,80	0,97	298,60	0,98	291,80	0,97	283,30
11.5	Poultry	347,40	1,18	409,90	0,90	370,00	1,01	375,30
11.6	Other animals	37,40	1,27	47,40	0,80	38,10	1,08	41,00
	Products from livestock							
12	breeding	1 192,20	1,15		0,74	1 016,90	1,05	1 064,80
12.1	Milk	953,60	1,14	1 085,20	0,71	767,30	1,01	776,40
12.2	Eggs	214,70	1,05	225,10	0,95	213,60	1,10	235,60
12.3	Other products from livestock breeding	23,90	2,59	61,90	0,58	36,00	1,47	52,80
12.3/1	Unwashed wool	3,20	0,84	2,70	1,04	2,80	0,71	2,00
12.3/2	Silkwom cocoons	5,25		-,	.,,	_,,,,	2,1.1	
	Other products from							
12.3/3	livestock breeding	20,70	2,86	59,20	0,56	33,20	1,53	50,80
40	Production from livestock	2 427 00	4.40	0.000.70	0.04	0 070 70	4.00	2 24 6 00
13	breeding Production of agricultural	2 437,90	1,10	2 689,70	0,84	2 272,70	1,02	2 316,00
14	commodities	5 500,40	1,37	7 558,60	0,82	6 217,10	1,01	6 305,50
	Production of agricultural							
15	services	440,70	1,26	554,10	0,91	505,05	0,97	491,80
		,	,	,	,	,	,	,
16	Production from agriculture	5 941,10	1,37	8 112,70	0,83	6 722,20	1,01	6 797,30
10	_	3 341,10	1,57	0 112,70	0,03	0 122,20	1,01	0 131,30
4-	Non-agricultural inseparable	540.00	4.05	070.00	4.00	700.40	0.05	007.00
17	supplementary activities Processing of agricultural	542,20	1,25	676,80	1,08	732,10	0,95	697,20
17.1	products	443,30	1,42	629,10	1,10	694,00	0,97	672,00
17.1/1	- cereals	163,90	1,57	257,30	0,72	184,70	0,75	137,70
17.1/2	- vegetables	46,10	1,11	51,00	1,39	71,10	0,87	62,20
17.1/3	- fruits	18,10	2,22	40,20	1,14	45,70	0,67	30,80
17.1/4	- wine	32,40	1,27	41,20	2,09	86,00	0,75	64,60
17.1/5	- animals	74,80	1,11	82,80	1,68	139,20	1,46	203,80
17.1/6	- animal products	96,20	1,43	137,40	1,01	138,90	1,13	156,80
17.1/6/1	- milk	96,20	1,43	137,40	1,01	138,90	1,13	156,80
17.1/7					1,48	28,40	0,57	16,10
17.1//	- other	11,80	1,63	19,20				•
17.1//	- other	11,80	1,63	19,20	,	·		
	Other inseparable						0.66	25 20
17.1//	Other inseparable supplementary activities	98,90	0,48	47,70	0,80	38,05	0,66	25,20
17.2	Other inseparable supplementary activities Production from sector	98,90	0,48	47,70	0,80	38,05		
	Other inseparable supplementary activities						0,66 1,01	25,20 7 494,50
17.2	Other inseparable supplementary activities Production from sector	98,90	0,48	47,70	0,80	38,05		
17.2 18	Other inseparable supplementary activities Production from sector 'Agriculture'	98,90 6 483,30	0,48 1,36	47,70 8 789,50	0,80 0,85	38,05 7 454,30	1,01	7 494,50
17.2 18 19 19.01	Other inseparable supplementary activities Production from sector 'Agriculture' Intermediate consumption Seeds and planting material delivered by other	98,90 6 483,30 4 083,20 151,70	0,48 1,36 1,25 1,79	47,70 8 789,50 5 101,40 272,00	0,80 0,85 0,94 0,85	38,05 7 454,30 4 816,20 231,70	1,01 0,96 0,76	7 494,50 4 644,40 175,10
17.2 18 19	Other inseparable supplementary activities Production from sector 'Agriculture' Intermediate consumption Seeds and planting material	98,90 6 483,30 4 083,20	0,48 1,36 1,25	47,70 8 789,50 5 101,40	0,80 0,85 0,94	38,05 7 454,30 4 816,20	1,01 0,96	7 494,50 4 644,40

31	Entrepreneur's income	2 111,40	1,74	3 666,40	0,60	2 195,70	1,20	2 639,90
30	Received interest	5,60	2,95	16,50	1,29	21,30	1,14	24,30
29	Paid interest	76,10	1,60	121,40	1,24	150,00	1,21	180,80
28	Lease	168,00	1,43	239,40	1,37	328,50	1,08	355,70
27	income	2 349,90	1,71	4 010,70	0,66	2 652,90	1,19	3 152,10
26	Income by factors Operating surplus / Mixed	2 664,80	1,64	4 381,10	0,71	3 099,50	1,16	3 586,30
		·						
25	Other subsidies over the production	489,80	1,93	946,00	0,86	812,00	1,27	1 031,80
24	Other taxes over the production	0,70	14,71	10,30	1,21	2,20	0,18	0,40
22 23	prices Compensations for employed persons	2 175,70 314,90	1,58 1,18	3 445,40 370,40	0,66 1,21	2 289,70 446,60	1,12 0,97	2 554,90 434,20
	Net value added at basic							
21.3	breeding - Other	5,70 7,90	0,98 1,97	5,60 15,60	1,05 1,14	5,90 17,80	1,10 1,01	6,50 17,98
21 3	- Establishment and	5 70	0.00	5.60	1.05	5 00	1 10	6 50
21.2	- Buildings	15,40	1,40	21,50	1,20	25,70	0,96	24,80
21.1	- Equipment	195,40	1,02	200,00	1,50	299,00	0,82	245,90
21	Consumption of stock capital	224,40	1,08	242,70	1,44	348,40	0,85	295,20
20	Gross value added at basic prices	2 400,10	1,54	3 688,10	0,72	2 638,10	1,08	2 850,10
	purchased outside the sector	202,00	1,15	233,30	0,83	194,50	1,07	208,10
	agricultural enterprises	96,80	1,17	113,30	0,45	51,20	1,63	83,40
19,11	services delivered by other	298,80	1,16	346,60	0,71	245,70	1,19	291,50
10.11	Other commodities and	000.00			0.74		4 40	
19.09	Agricultural services	440,70	1,26	554,10	0,91	505,10	0,97	491,80
19.08	Maintenance of buildings	170,40	1,09	184,90	0,73	134,70	1,14	153,30
19.07	Maintenance and repairs of machinery and petty stock	191,70	1,49	285,90	0,87	249,60	1,30	325,30
19.06/3	Produced and consumed in the farm itself	258,60	1,00	259,10	3,45	893,00	0,85	759,10
19.06/2	purchased outside the sector	476,00	1,35	643,60	0,70	453,00	0,70	318,10
19.06/1	delivered by other agricultural enterprises	347,40	1,47	510,60	0,68	346,00	0,78	268,50
19.06	Feed additives	1 082,00	1,31	1 413,30	1,20	1 692,00	0,80	1 345,70
19.05	Veterinary expenditure	325,20	0,96	311,68	0,86	267,50	0,96	256,40
19.04	Preparations for crop protection and pesticides	142,10	1,31	185,90	0,93	172,60	1,30	224,50
19.03/2	purchased outside the sector	309,10	1,37	424,60	0,86	364,10	0,99	359,00
19.03/1	delivered by other agricultural enterprises	4,70	0,81	3,80	3,47	13,20	1,51	19,90
19.03	Fertilisers and soil enhancers	313,80	1,37	428,40	0,88	377,30	1,00	378,90
19.02/4	- Other ruers	2,70	2,52	6,80	0,77	6,10	0,52	3,20
19.02/2 19.02/3	- gas - other fuels	39,00 854,00	0,58 1,18	22,70 1 006,80	2,17 0,77	49,30 770,70	0,58 1,15	28,40 887,00
19.02/1	- electricity	71,10	1,16	82,20	1,39	113,90	0,73	83,30
10.0011	Fuels and oils	966,80	1,16	-	0,84	940,00	1,07	1 001,90

Source: NSI

^{*} Preliminary data for 2010