

**MINISTRY OF AGRICULTURE AND FOOD**

**ANNUAL REPORT ON THE SITUATION AND  
DEVELOPMENT OF AGRICULTURE**

***(AGRARIAN REPORT 2014)***

## AGRARIAN REPORT 2014

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## List of abbreviations used

BFSA	Bulgarian Food Safety Agency
BSMAEC	Bulgarian Survey for Monitoring the Agricultural and Economic Conjuncture
GDP	Gross domestic product
GVA	Gross value added
BSS	Bulgarian state standard
BNB	Bulgarian national bank
BEP	Biological and economic properties
BRC	Bulgarian Red Cross
RES	Renewable energy sources
VMP	Veterinary and medical products
BCP	Border inspection points
BCRP	Border Crossing Points
GMO	Genetically modified organism
FRM	Forest reproductive materials
FEPP	Forest Economic Plans and Programs
SFE	State forestry enterprises
SFH	State Forest Holdings
VAT	Value Added Tax
SHA	State Hunting Areas
SLF	State Land Fund
SFA/SF „Agriculture“	State Fund “Agriculture”
SFA-PA	State Fund “Agriculture” – Payment agency
EFTA	European Free Trade Association
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
SMNCP	Single Multiannual National Control Plan for Foods, Animal Feed, Animal Health and Welfare and Plant Health
EERP	European Economic Recovery Plan
EU	European Union
EAGF	European Agricultural Guarantee Fund
EFF	European Fisheries Fund
AFM	Agricultural and Forestry Machinery

PGI	Protected Geographical Indication
GMOA	Genetically Modified Organisms Act
PDO	Protected designation of origin
SPMA	Seed and Propagating Material Act
OUALA	Ownership and Use of Agricultural Land Act
EFA	Executive Forest Agency
VWEA	Vine and Wine Executive Agency
EAFA	Executive Agency for Fisheries and Aquaculture
EAPVTFISC	Executive Agency for Plant Variety Testing, Field Inspection and Seed Control
EASPAH	Executive Agency for Selection and Reproduction in Livestock breeding
UAA	Utilized Agricultural Area
IACS	Integrated Administration and Control System
TCD	Traffic Control Department
TCI	Technical Control Inspectorate
MI	Ministry of Interior
MAF	Ministry of Agriculture and Food
LAG	Local Action Groups
LAFG	Local Action Fishery Groups
MOEW	Ministry of Environment and Water
LDP	Local Development Strategies
NRA	National Revenue Agency
HACCP	Hazards Analysis and Critical Control Points
NB	National budget
NAPDP	National additional payments to direct payments
NDRVM	National Diagnostic and Research Veterinary Medical Institute
NMP	National monitoring program for control of pesticide residues in food of plant origin
NMPCR	National monitoring program for control of residues of veterinary medicinal products and environmental contaminants
NPCR	National program for control of residues of pesticides in and on foods of plant and animal origin
NAP	National apiculture program
NRL	National Reference Laboratory
NGS	National Grain Service
NSI	National Statistical Institute
NAAS	National Agricultural Advisory Service



DD “Agriculture”	District directorates ‘Agriculture’
DFSD	District Food Safety Directorate
OECD	Organization for Economic Co-operation and Development
CIS	Commonwealth of Independent States
CMO	Common Market Organization
OPFSD	Operative Program for Fishery Sector Development
CAP	Common Agricultural Policy
IROUALA	Implementing Rules for the Ownership and Use of Agricultural Land Act
PPP	Plant protection program
RDP	Rural development program 2007-2013
DFI	Direct foreign investments
RDF	Regional Directorate of Forestry
DCM	Decision of the Council of Ministers
DHS	Distinctiveness, homogeneity and stability
SAPS	Single Area Payment Scheme
SIAL	System for Identification of Agricultural Lots
IA	Irrigation associations
AA	Agricultural Academy
FTST	Food with traditional-specific taste
CLVSEE	Central Laboratory for Veterinary Sanitary Expertise and Ecology
CLPQ	Central Laboratory of Plant Quarantine
CLCTC	Central Laboratory for Chemical Testing and Controls
DOM	Digital Orthophoto map
PTC	Professional Training Center
CPVO	Community Plant Variety Office
RASFF	Rapid Alert System for Food and Feed

## AGRARIAN REPORT 2014

### SECTION A

#### I. STATUS AND DEVELOPMENT OF THE BULGARIAN NATIONAL ECONOMY. MACROECONOMIC FRAMEWORK. PLACE OF THE AGRARIAN SECTOR IN THE NATIONAL ECONOMY

In compliance with the revised data under ESS 2010, in 2013 the gross domestic product, produced in the country, has marked a real growth<sup>1</sup> of 1.1%, compared to the previous year.

The nominal scope of value of GDP for the year has reached 80 282 million BGN (41 047 million EUR).

As at the end of 2013, inflation has marked an annual decrease of 1.6%, and the annual average inflation for the year is 0.9%.

According to data by BNB, in 2013 the export amounts to 43 559 million BGN (22 271 million EUR), which represents 55.8% of GDP. The annual import amounts to 48 312 million BGN (24 701 million EUR), or 61.8% of GDP of the country. As a result of the increased growth rate of export compared to import, the negative trade balance (FOB-FOB) has dropped to -4 753 million BGN (-2 430 million EUR).

In 2013, the direct foreign investments in Bulgaria amount to 2 262 million BGN (1 157 million EUR), which is 2.9% of GDP.

According to data of the Employment Agency, the annual average level of unemployment in 2013 was 11.3%, and it has increased by 0.2% points compared to 2012.

**Table I.1. Main macro-economic indicators of the Republic of Bulgaria**

Indicator	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13
GDP, BGN billion	40,826	46,122	52,470	62,358	71,289	70,562	71,904	78,434	80,044	80,282
GDP, billion EUR	20,874	23,582	26,827	31,883	36,450	36,078	36,764	40,102	40,926	41,047
Annual real rate of change in GDP, %	6,6	6,0	6,5	6,9	5,8	-5,0	0,7	2,0	0,5	1,1
Annual average inflation, %	6,1	5,0	7,3	8,4	12,3	2,8	2,4	4,2	3,0	0,9
Inflation at the end of the year, %	4,0	6,5	6,5	12,5	7,8	0,6	4,5	2,8	4,2	-1,6
Trade balance, BGN billion	-5,777	-8,625	-10,879	-14,171	-16,816	-8,163	-5,405	-4,217	-6,768	-4,753
Trade balance, billion EUR	-2,953	-4,410	-5,562	-7,245	-8,598	-4,174	-2,764	-2,156	-3,460	-2,430
DFI, BGN billion	5,351	6,165	12,168	17,704	13,158	4,766	2,252	2,602	2,233	2,262
DFI, billion EUR	2,736	3,152	6,222	9,052	6,728	2,437	1,151	1,330	1,142	1,157

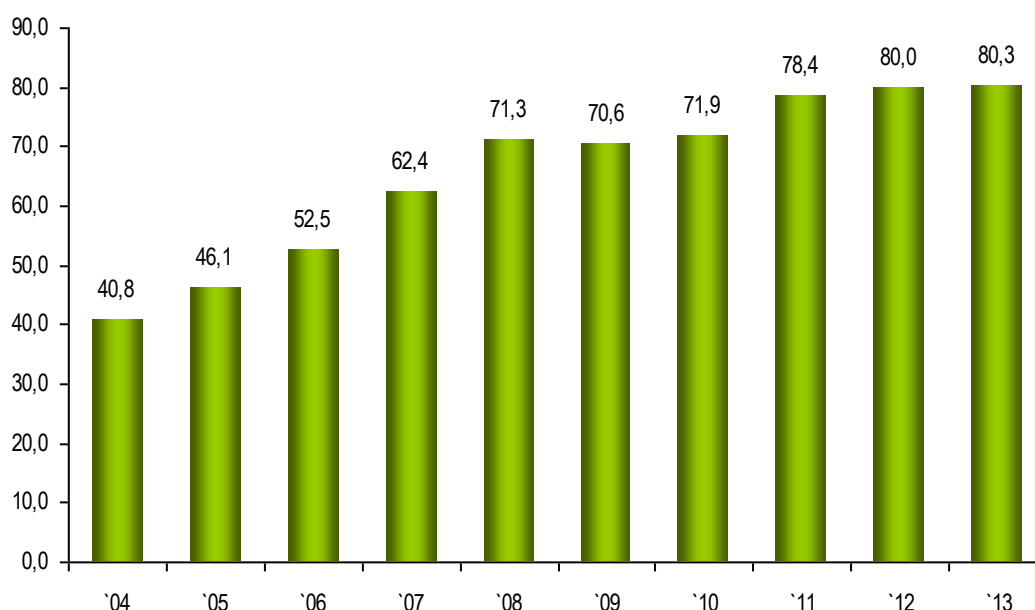
*Source: NSI – GDP, rate of change of GDP and inflation; BNB – Trade balance and DFI.*

#### **Gross domestic product**

In 2013, GDP has increased by 1.1% in real numbers compared to the previous year. In nominal terms, it has reached 80 282 million BGN (41 047 million EUR), a total of 11 050 BGN (5 650 EUR) per capita.

<sup>1</sup> The real rate of change has been calculated on the grounds of the values of the respective indicator according to comparable prices from 2010.

**Figure I.1. Amount of GDP for the period 2004 – 2013, BGN billion**



Source: NSI

### **Gross added value**

Gross added value, established by the sectors of the national economy in 2013, amounts to 69 126 million BGN (35 344 million EUR), according to current prices. In actual figures, it has increased by 1.2% compared to the previous year. The added value of the subjects from the agrarian sector in 2013 amounts to 3 778 million BGN according to current prices and it marks an increase of 3.3% in actual figures compared to 2012.

According to economy sectors, GVA for 2013 is distributed as follows:

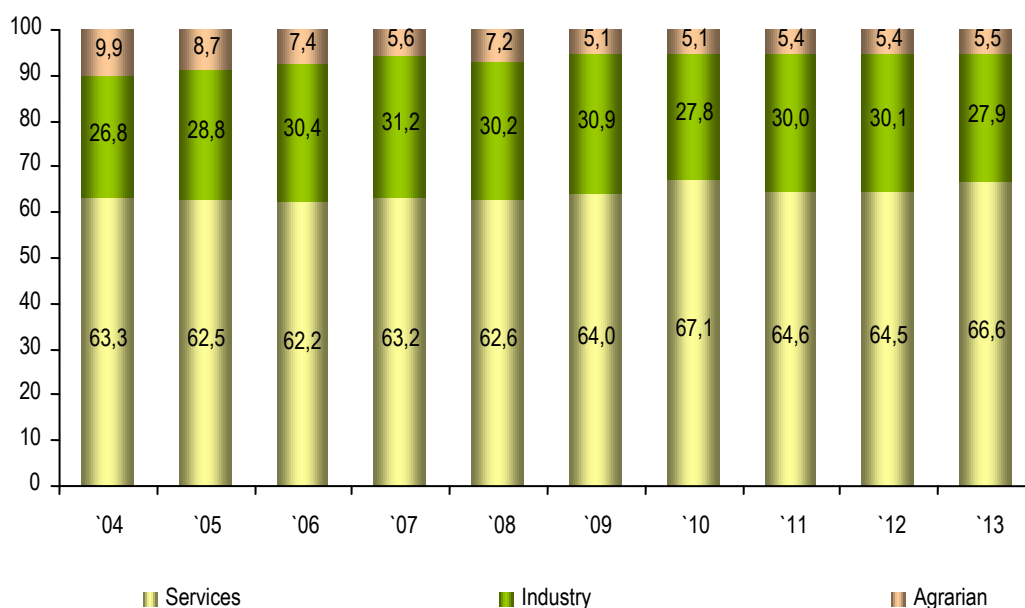
- Industry (including civil engineering) – 27.9%;
- Services – 66.6% ;
- Agrarian (agriculture, forestry and fisheries) – 5.5%.

The share of the agrarian sector in the total GVA has increased by 0,1 points compared to the previous year.

According to preliminary data of NSI, the total GVA of the country economy in the first six months of 2014 amounts to 31 470 million BGN (16 090 million EUR) The relative share of economic sectors in GVA for the first half of the year is: industry and civil engineering – 30.5%; agrarian sector – 4.4%, and services – 65.2%.

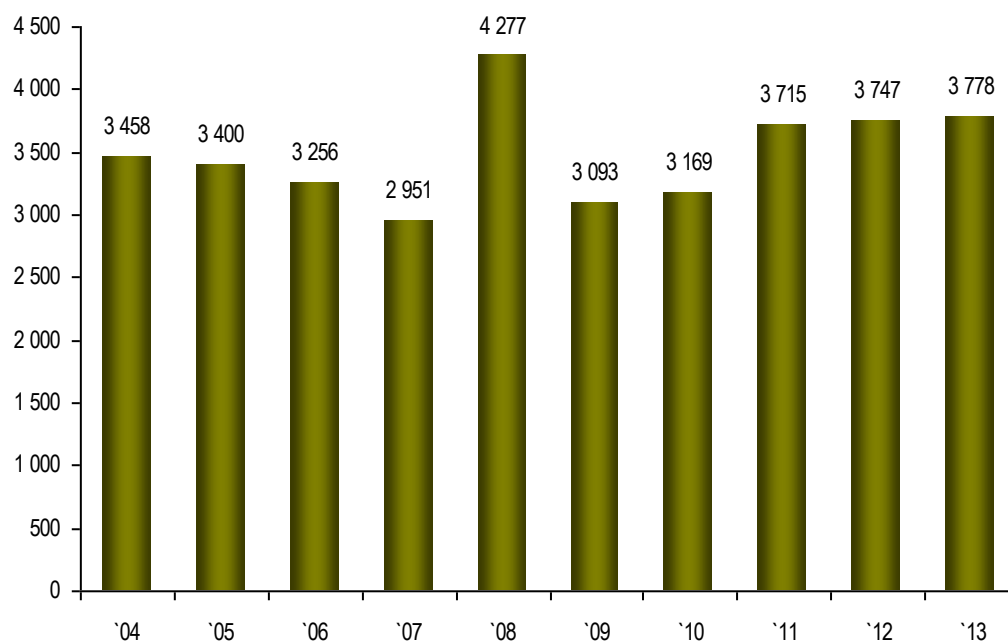
According to the quarterly evaluations of NSI as of September 2014, and on the basis of seasonally graduated data, in the first two quarters of 2014, GVA formed by the agrarian sector has decreased during the first quarter with 0.3%, and has increased during the second quarter by 1.4% compared to the respective quarter of the previous year (under average annual prices in 2010).

**Figure I.2. BSS on economy sectors for the period 2004 – 2013, %**



Source: data of NSI, processed by MAF

**Figure I.3. BSS of branch “Agriculture, forestry and fisheries” 2004 – 2013, million BGN**

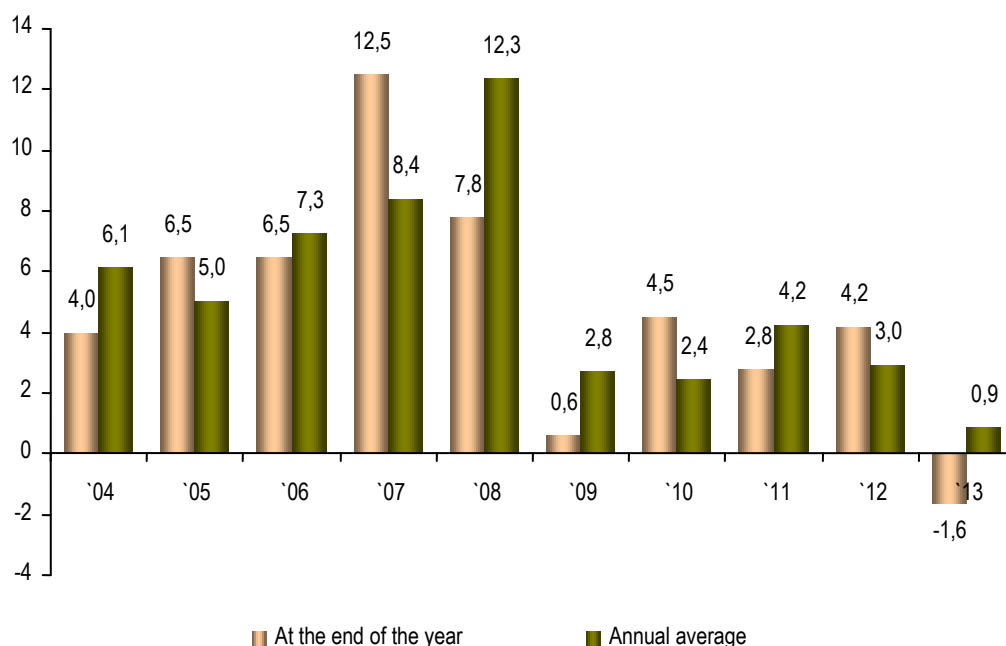


Source: NSI

### **Inflation**

The inflation, accumulated as of the end of 2013, is minus 1.6%, and the annual average inflation for the year is 0.9%. As of December 2013, the prices of food and non-food commodities have dropped 0.8% each on an annual basis, the prices of public catering have increased by 2.3%, and the prices for services have decreased by 4.2%.

**Figure I.4. Inflation, %**



Source: NSI

### **Employment and unemployment**

Following the observed trend during the period 2009 – 2012, in 2013 a slight increase in the number of people employed in the country has been reported, which is associated with the observed, despite slight growth in the economy. According to NSI data, the annual average number of employed persons of 15 or more years of age in 2013 is 2 934.9 thousand, 0.9 thousand higher than in comparison with the previous year.

According to data from the Employment Agency, the annual unemployment for 2013 is 11.3%, 0.2 points above the level of the previous year. The unemployment level in the country has decreased slightly from 11.9% in January and 12% in February to 10.7% in August 2013. During the following months it increases again, but remains slightly below the levels from the start of the year. The average annual number of unemployed people, registered in Employment Bureaus, is 371 380, 6 843 people more, compared to 2012

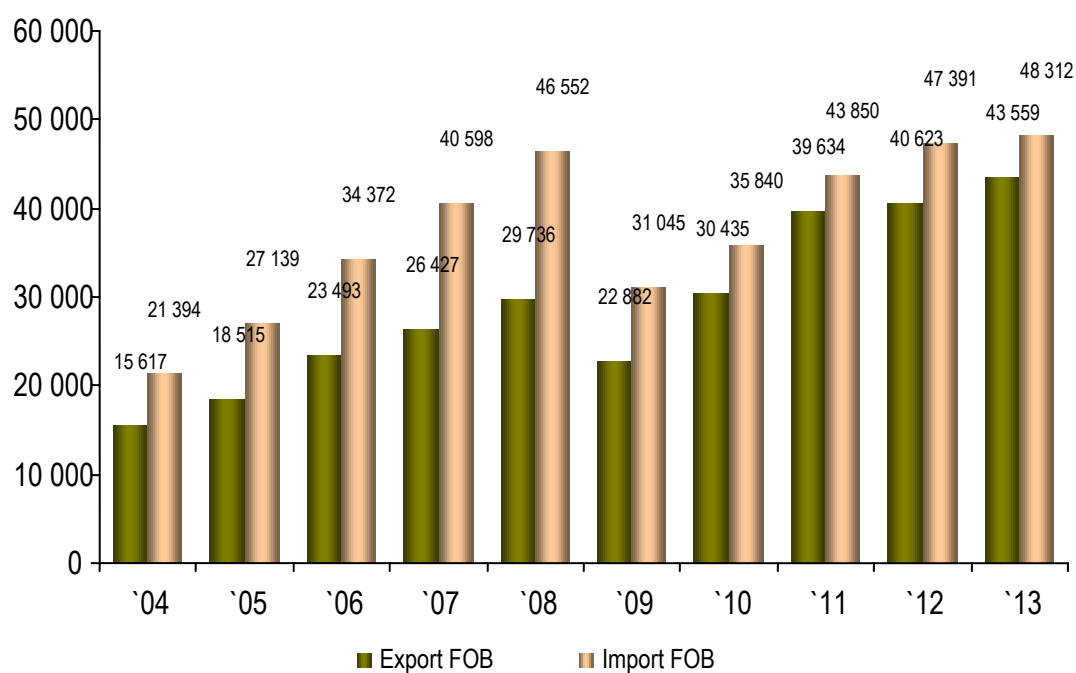
According to preliminary data of NSI, in 2013 the annual average employment salary of the full-time and part-time employees, including annual premiums, is 9 690 BGN, which is 917 BGN or 10.5% more compared to the average annual salary in 2012. In sector agriculture, forestry and fisheries the increase is 12.6%, up to an average of 8 076 BGN for 2013.

### **Import and export**

According to data of BNB, in 2013 the export of Bulgaria amounts to 43 559 million BGN (22 271 million EUR) - 7.2% more compared to the previous year, and it is 55.8% of GDP. The import increases more moderately compared to 2012 – by 1.9%, up to 48 312 million BGN (24 701 million EUR) or 61.8% of GDP of the country.

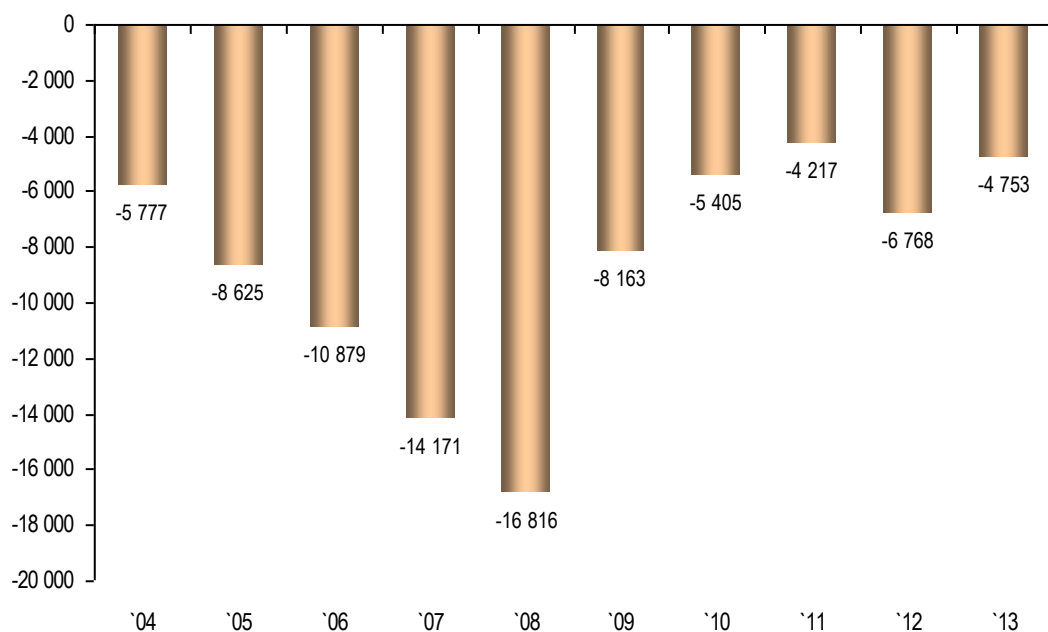
Thus in 2013 the negative trade balance has decreased to -4 753 million BGN (-2 430 million EUR), with -6 768 million BGN (-3 460.3 million EUR) for 2012.

**Figure I.5. Export and import for the period 2004 – 2013, million BGN**



Source: BNB; preliminary data for 2013

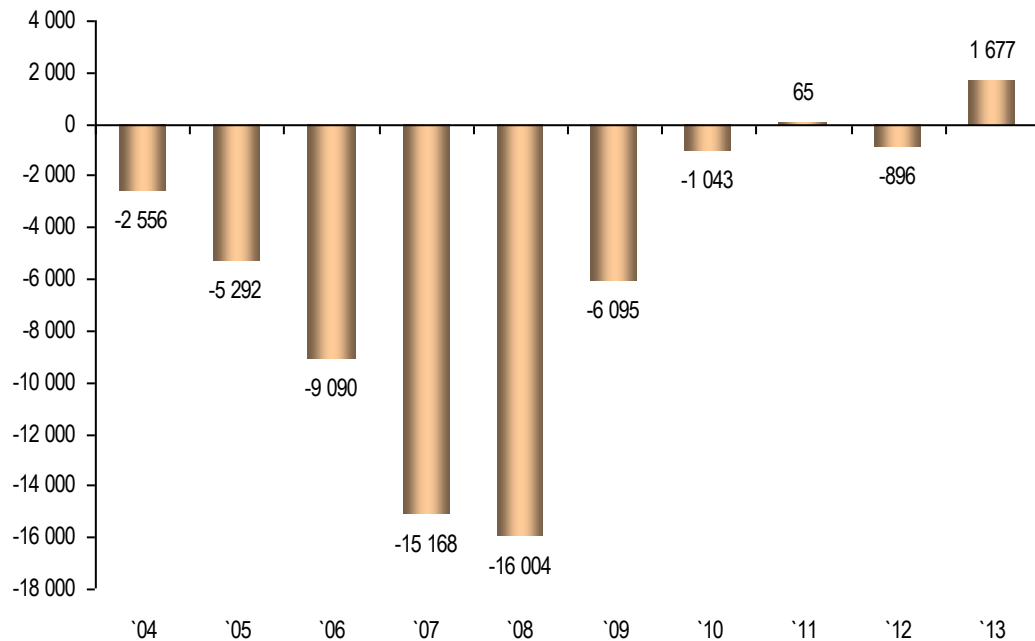
**Figure I.6. Trade balance for the period 2004 – 2013, million BGN**



Source: BNB; preliminary data for 2013.

In 2013, positive current account has been established, to the amount of 1 677 million BGN (857 million EUR).

**Figure I.7. Current account for the period 2004 – 2013, million BGN**

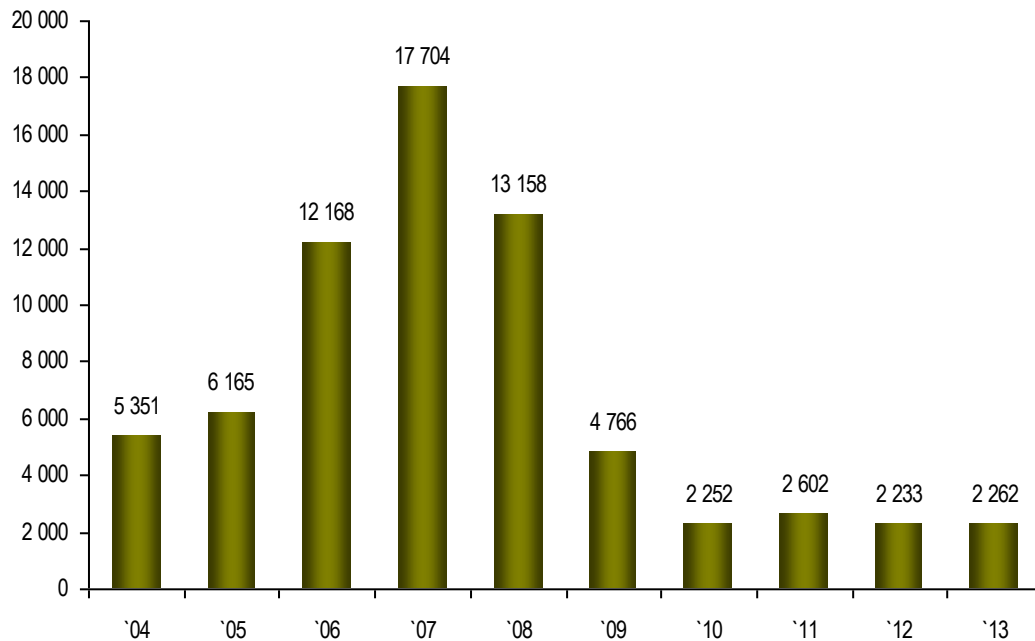


Source: BNB; preliminary data for 2013.

### **Direct foreign investments**

According to data of BNB, DFI in the country for 2013 amounts to 2 262 million BGN (1 157 million EUR), an increase of 1.3% compared to the previous year. The direct investments during the year represent 2.9% of GDP, and the ratio is preserved at its level in 2012.

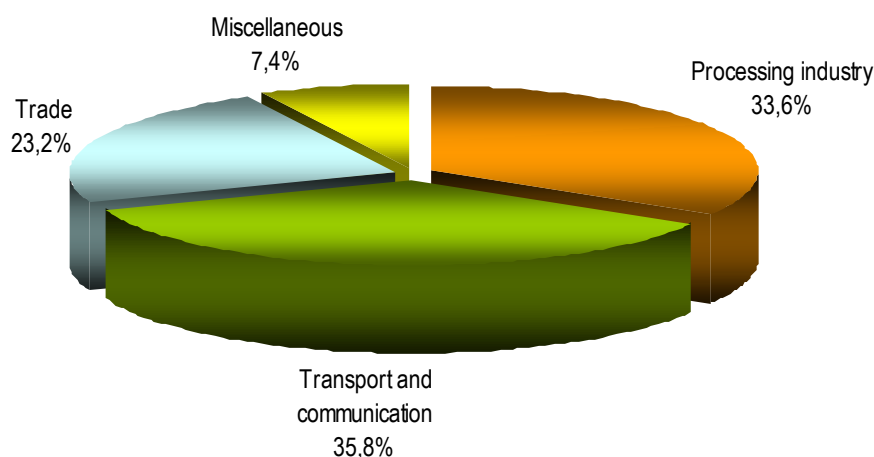
**Figure I.8. Direct foreign investments 2004 – 2013, million BGN**



Source: BNB; preliminary data

Within the year, the most investments have been attracted in the sectors “Transport and communication” (35.8% of the full amount of DFI), “Processing industry” (33.6%) and “Trade” (23.2%). DFI in agriculture, hunting and forestry in 2013, represent only 0.02% of the full volume of direct investments in the country, and the ones in fishery – 0.03%.

**Figure I.9. Direct foreign investments per economic activities in 2013, %**



Source: BNB; preliminary data

## II. DEVELOPMENT OF THE AGRARIAN SECTOR IN 2013 AND PROJECTIONS FOR 2014

### 1. Use of agricultural lands and structures in agriculture

#### 1.1. Use of lands with agricultural purpose

The area with agricultural designation in 2013 is 5 258 809 ha, which represents approximately 47% of the territory of the country.

**Utilized agricultural area** is composed by the arable land, perennial crops, permanent grasslands, family gardens and greenhouse areas. In 2013, it amounts to 4 995 111 ha, which is 45% of the territory of the country. Compared to the previous year, UAA has decreased by 2.5%.

**Arable lands** are lands included in crop rotation, temporary meadows, planted with cereals and legumes, and fallow lands. In 2013, arable lands have increased by 5% compared to the previous year, and they occupy 3 462 117 ha, or 69.3% of the used agricultural area. The increase is mainly due to increase of lands growing wheat and sunflower.

**Artificial meadows with legumes and cereals** in 2013 decrease by 0.3% compared to 2012 to 83 237 ha, which represents 2.4% of the arable land and 1.7% of UAA of the country.

**Fallow lands** are arable lands, which have not been cultivated during the year of observation. Cultivated or not, lands remain in this category for no longer than two years. In 2013, fallow lands have decreased by 5.3% when compared to 2012, and they occupy 121 289 ha, which represents 3.5% of the arable land and 2.4% of UAA of the country.

**Orchards** in 2013 represent 1.3% of UAA of the country, and the lands planted are 3.8% less compared to the previous year. **The mixed perennial crops have decreased by 29.7%.**

**Vineyards** – pure crops in 2013 over 60 474 ha, which is a decrease of 21.8% compared to 2012. The share of vineyards of UAA in the country has decreased to 1.2%.

**Permanently productive meadows, highland pastures, grasslands with low productive potential and meadows/orchards** in 2013 occupy 1 381 049 ha or 27.6% of UAA of the country.



**Family-owned gardens** in 2013 occupy an area of 16 757 ha or 0.3% of UAA of the country. A decrease of 24.6% is observed for them compared to the previous year.

**Uncultivated lands** are lands, for which crop rotation is not applied, and which have not been used for agriculture for more than two years. Their operational recultivation is possible using minimum resources. In 2013, arable lands occupy approximately 2.4% of the area of the country, and they shall decrease by 26.4% compared to the previous year.

**Table II.1. Arable land, used agricultural area and area with agricultural purpose for the period 2010 – 2013, ha**

Utilization	2010	2011	2012	2013
Wheat	1 095 703	1 152 999	1 194 141	1 328 062
Barley	250 640	174 010	176 556	182 457
Rye and triticale	16 116	17 841	24 303	31 506
Oats	24 627	17 163	16 814	20 835
Maize	360 046	430 914	525 412	518 471
Other cereals	9 259	12 006	16 046	22 938
Sunflower	734 314	795 319	854 738	928 781
Tobacco	31 652	21 710	24 857	19 265
Other oil seed crops	209 347	233 934	144 457	123 544
Other industrial crops	74 738	54 458	40 989	29 795
Potatoes	13 824	16 852	17 465	10 634
Peas, kidney beans, broad beans, lentils, chic-peas and other legumes	5 839	8 076	9 395	8 263
Fresh vegetables	29 420	27 227	24 778	26 846
Seed-beds	3 014	-	-	-
Fodder crops	7 462	3 804	11 035	4 685
Meadows planted with legumes and cereals	88 909	84 804	83 489	83 237
Fallow lands	207 616	174 110	128 097	121 289
Greenhouses	-	2 010	2 113	1 509
<b>ARABLE LAND:</b>	<b>3 162 526</b>	<b>3 227 237</b>	<b>3 294 685</b>	<b>3 462 117</b>
Family gardens	21 629	22 517	22 226	16 757
Orchards	72 913	69 478	69 494	66 824
Vineyards – pure crop	82 675	78 468	77 341	60 474
Combined perennial crops and berries	8 020	8 629	8 529	5 998
Seed-beds	-	3 311	3 715	1 892
<b>Total perennial crops</b>	<b>163 608</b>	<b>159 886</b>	<b>159 079</b>	<b>135 188</b>
Greenhouses	2 113	-	-	-
<b>Permanent grasslands and meadows/orchards</b>	<b>1 701 990</b>	<b>1 678 308</b>	<b>1 646 993</b>	<b>1 381 049</b>
<b>USED AGRICULTURAL AREA:</b>	<b>5 051 866</b>	<b>5 087 948</b>	<b>5 122 983</b>	<b>4 995 111</b>
<b>Uncultivated area</b>	<b>441 025</b>	<b>398 624</b>	<b>358 239</b>	<b>263 698</b>
<b>AREA WITH AGRICULTURAL PURPOSE:</b>	<b>5 492 891</b>	<b>5 486 572</b>	<b>5 481 222</b>	<b>5 258 809</b>

Source: MAF, department "Agrostatistics"

## 2. Use of agricultural lots

### 2.1. System for identification of agricultural lots

The system for identification of agricultural lots is a main subsystem of the Integrated system for identification and control, on the basis of which applications for support areas and payment eligibility control of the declared areas are submitted. Due to this reason, the data contained therein shall be as up-to-date and authentic as possible.

In 2013 and 2014, the maintenance of data in the Agricultural lots identification system includes the following activities:

- Updating the digital orthophoto map of the country through aerial photographing, completed in the respective year. In 2013, 32.08% of DOM have been updated (35 604 sq. km), and in 2014 – 26.13% (29 007.42 sq. km). The overall renovation of DOM according to the new aerial photographing is for the period 2012 – 2015.
- Updating physical blocks under the new DOM – borders, means of permanent use, layer “Areas appropriate for control under SAPS” according to the changes, which have occurred in the use of agricultural areas and their condition (471 216 physical blocks for 2013);
- Carrying out terrain inspections with the use of GPS devices for measuring and photographing the inspected blocks in reference to:
  - Physical blocks, the borders and other characteristics of which could not be determined unambiguously under the new DOM;
  - Random excerpt from the physical blocks and layer for decryption control “Areas appropriate for control under SAPS”, updated under the new DOM (9 150 physical blocks for 2014);
  - Physical blocks, in which support areas are declared outside the limits of the block and outside of the layer “Areas appropriate for control under SAPS” (41 334 physical blocks with a total area of 1 243 140 ha for 2014);
- Recording the findings and the measurements of the terrain inspections and onsite inspections, carried out by the Technical inspectorate of the Payment Agency in the SIAL database;
- Performance of quality control of data in SIAL and preparation of the annual report of the status of SIAL to The European Commission;
- On the updated physical blocks and layer “Areas appropriate for control under SAPS for 2014”, designation of the payments per area for 2014 and declaring lands for support in 2015 shall be carried out.

## **2.2. Submission of support applications – campaigns 2013 and 2014**

In 2013 and the first half of 2014, campaigns have been conducted for submitting applications for support respectively for 2013 and 2014, which include:

- Providing forms for applications for support and graphic material for the location of the areas, used by the support applicants;
- Providing support to support applicants in filling in support application and identification of agricultural areas, used by them;
- Introducing applications provided in the System for registration of applicants and support applications – module of IACS (130 561 applications in 2013 and 136 978 applications in 2014);
- Providing filled in and completed General Application in the respective territorial structure of the Payment Agency.
- Declaring areas for support in 2014 has been completed under the DOM of the country, updated in 2013, physical blocks and “Areas appropriate for control under SAPS for 2013”.

## **2.3. Registration of agricultural producers**

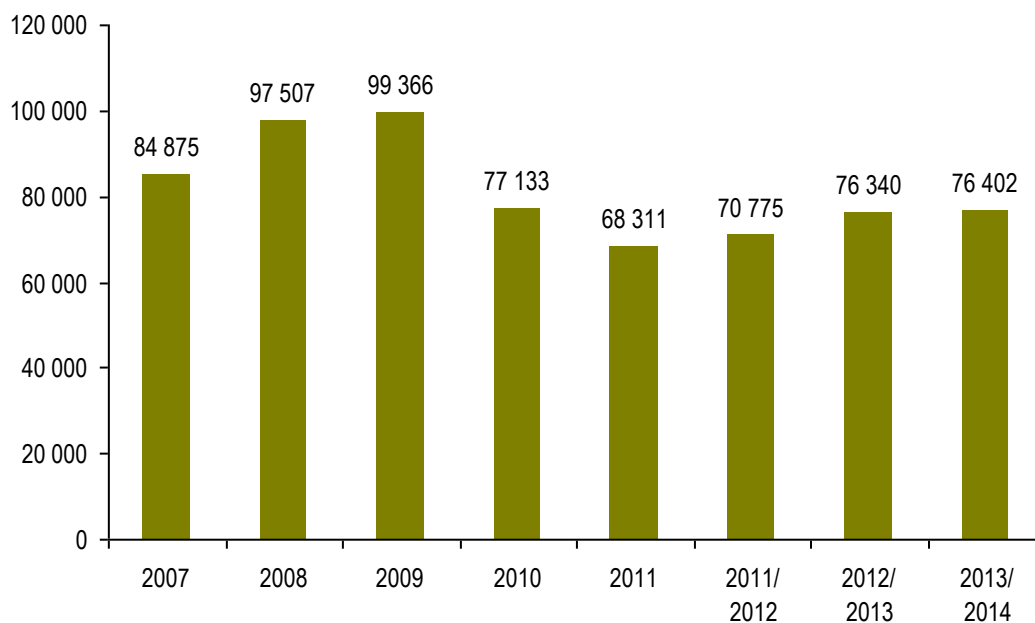
The register of agricultural producers is used for collecting information regarding agricultural producers and their activity, for the purpose of support of agriculture and development of rural areas.

The activity for maintenance of the register of agricultural producers according to Ordinance No. 3 dated 1999, encompasses registration of new agricultural producers, re-registration and updating the data for already registered ones, such as deregistration of agricultural producers in the termination of their activity.

In business years 2012/2013, the register shall maintain data for 76 340 agricultural producers,, 5 565 agricultural producers or 7.9% more compared to the previous year.

The registration/re-registration of agricultural producers of business year 2013/2014 has concluded. The trend for the last several years toward gradual increase of the total number of registered agricultural producers continues, and this number is now 76 402, 62 more compared to the period 2012/2013.

**Figure II.1. Total number of registered agricultural producers**



Source: MAF

### **3. Participation of the State Land Fund in land relations in Bulgaria**

#### **3.1. Leasing or letting SLF real properties**

Agricultural lands from SLF are provided for lease or letting through a bid according to the provisions of the Ownership and Use of Agricultural Lands Act. In 2013, the total amount of agricultural properties, provided for rent or lease of SLF to natural persons or legal entities, amounts to 106 027 ha.

A total for the country, at the bid sessions, carried out by DD "Agriculture", a total of 55 782 ha of agricultural lands of SLF have been declared, out of which 20 375 ha have been gained, including 13 507 ha provided for raising annual field crops.

#### **3.2. Bids with lands of SLF for holders of nominal compensation bonds**

In compliance with the obligations of the state for compensation of owners, resulting from OUALA, the Ministry of Agriculture and Food shall carry out bids for the sale of agricultural lands of SLF to holders of nominal compensation bonds. With an Order No. RD 46-667/17.08.2012 of the Minister of Agriculture and Food, a procedure has started for sale of agricultural lands by the State Land Fund of the owners of nominal compensation bonds of the territory of the whole country, with the exception of the districts Sofia – city, and Gabrovo. In 2013, agreements for sale of agricultural lands have been concluded by SLF to holders of nominal compensation bonds for a total area of 6 018 ha, for a value of 39 327, a total of 102,93 nominal compensation bonds.

### **3.3. Establishment of limited property rights over lands of SLF**

In 2013, more than 150 requests from mayors of municipalities, legal entities and natural persons have been reviewed in relation to investment intentions for development or extension of area and/or linear sites, with which agricultural lands, property of State Land Fund are affected. On the grounds of the decisions of The Agricultural Lands Commission, 73 letters have been prepared, with which the Minister of Agriculture and Food has expressed preliminary consent for awarding the development of Detailed Site Development Plan for design of areas and routes, in conjunction with the development of water mains and sewerage networks, the routes of power lines and elements of technical infrastructure.

In relation to a procedure undertaken by owners of buildings and facilities for acquisition of ownership over the land – private state property, on which development has been completed, one agreement has been prepared by the Minister of Agriculture and Food for initiating a procedure for preparing a Detailed Site Development Plan, which shall be used to determine the statutorily required adjacent area to them.

A total of 7 agreements for establishment of limited property rights over agricultural lands have been concluded by the State Land Fund on the grounds of article 24, paragraph 1 of OUALA, article 47, paragraph 20 and paragraph 21 of The Regulation for application of the Ownership and Use of Agricultural Lands Act, in relation to article 62, paragraph 1, article 64, paragraph 1 and paragraph 2 of the Energy Act.

### **3.4. Consolidation (merger) of agricultural lands**

In 2013, the procedure for preparing plans for merger of agricultural lands, for applications by owners for 5 land areas – town of Smyadovo and the village of Drumevo, Shumen district, Studena village, Haskovo district, village of Razdel, Yambol district, and village of Momina Tsarkva, Burgas district, which has started in 2011, continues. Lands encompassed with plans for merger, amount to 3 500 ha.

Procedures for merger of agricultural lands have been opened in 15 areas in the territory of the country have been opened - village of Nikolaevo, Pleven municipality, Pleven district, village of Suhindol, municipality of Suhindol, district of Veliko Tarnovo; village of Fakiya, municipality of Sredets, district of Burgas; village of Asenovo, municipality Strazhitsa, district of Veliko Tarnovo; village of Lenkovo, municipality of Gulyantsi, Pleven district; town of Ugarchin, municipality of Ugarchin, district of Lovech; village of Radyuvne, municipality of Lovech, district of Lovech; village of Dolno Yabalkovo, municipality of Sredets, district of Burgas; village of Gorno Ablanovo, municipality of Borovo, district of Ruse; village of Gorsko Slivovo, municipality of Letnitsa, district of Lovech; village of Zhrebino, municipality of Elhovo, district of Yambol; village of Lalkovo, municipality of Elhovo, district of Yambol; village of Markovo, municipality of Kaspichan, district of Shumen; town of Strazhitsa, municipality of Strazhitsa, district of Veliko Tarnovo; village of Strelets, municipality of Gorna Oryahovitsa, district of Veliko Tarnovo, and the applications include approximately 7 000 ha.

## **4. Activities on protection of agricultural lands**

In 2013, the Agricultural Lands Commission has reviewed a total of 1 346 proposals for approval of areas and/or design routes and changing the designation of agricultural lands for non-agricultural purposes, and it has established decisions under 637 proposals for changing the designation of a total of 1 478 ha of agricultural land.

The commissions with the District Directorates „Agriculture” have reviewed a total of 685 proposals for change in designation of agricultural lands, and they have pronounced decisions for 243 ha.

Throughout the year, commissions for acceptance of recultivated terrains have been conducted, and recultivated area to the size of 36 ha has been accepted. The areas designated for recultivation are 117 ha.

## **5. Land relations**

In 2013, methodical instructions have been prepared regarding the declarations under article 69 and the declarations under article 70 of IROUALA.

The interest in consolidated utilization of agricultural lands continues to increase, through the use of options, provided with Chapter Va "Utilization of agricultural lands" from OUALA, as a result of which, for the agricultural year 2013-2014, a total of 1 484 voluntary agreements have been concluded, and 202 official allocations of agricultural lands for establishment of massifs for utilization have been made.

During the year, seminars for training of experts from MDA have been carried out, as well as numerous meetings with explanatory purposes per district with agricultural owners and sector organizations.

Orders for reprocessing of the map of reinstituted property have been prepared, in case of an established evident factual error, and orders for rejection of perennial crops.

## **6. Activities on maintenance of the map of restituted property, registers and agreements**

Following procedures conducted under the provisions of PPA, a total of 67 agreements have been concluded for different judiciary districts, for performance of technical activities for maintenance of the map of restituted property. Services have been provided for applications submitted by citizens and businesses under the provisions of Ordinance No. 49/2004 for a value of approximately 2.8 million BGN, transferred to the state budget.

For municipalities and investors for the development of GSDP and DSDP, digital information has been provided on the map of restituted property, and a total of 350 administrative services have been provided, to a value of 35.8 BGN.

## **7. Structure of the agricultural holdings**

According to the legislation of EU, every 10 years, exhaustive data is collected for agricultural holdings through carrying out a census of agricultural holdings, and the last census has been carried out in 2010. Between two censuses, the data is updated through excerpt statistical studies. Thus in 2013, an excerpt statistical study has been conducted of the structure of agricultural holdings in Bulgaria, organized by department "Agrostatistics" with the Directorate General "Agriculture and regional policy" of MAF, compatible with the District Directorates "Agriculture".

According to preliminary data of department "Agrostatistics", in 2013 the agricultural holdings in Bulgaria are approximately 259 900, 32% less compared to 2010. The utilized agricultural area is 37 083 300 dca., allocated into 243 400 holdings. Approximately 9 500 agricultural holdings are without UAA. Compared to 2010, the average UAA of a holding has increased by 50%, and it reaches 152 dca. The holdings with UAA less than 100 dca. have decreased by 34% within the limits of the period, and the agricultural area, used by them – by 17%. With 3%, the holdings shall be increased with the amount of the utilized agricultural area of 100 and more dca., and the land, managed by them, is 34 531 500 dca. Just 4% of the holdings (8 600 holdings) are managing 85% of UAA.

As of 01.11.2013, approximately 183 300 holdings raise agricultural animals, birds and bees, and 190 holdings raise mushrooms.

## 8. Economical and production deliverables in 2013 and projection data for 2014.

### 8.1. Economy accounts for agriculture for 2013

**Table II.2. Main economical indicators for agriculture for the period 2011 - 2013, million BGN**

	Products	2011	Change 2012/2011 (%)	2012	Change 2013*/2012 (%)	2013***
1	Value of the production of crop husbandry and livestock breeding (per producer prices*), including:	7 538,7	+2,3	7 713,1	-1,0	7 638,2
1.1	Production from crop husbandry	5 100,7	+4,2	5 314,2	-0,5	5 288,0
1.2	Production from livestock breeding	2 438,0	-1,6	2 398,9	-2,0	2 350,2
2	Agricultural services	508,9	+3,5	526,5	+0,8	530,6
3	Non-agricultural integral secondary activities	619,9	-17,0	514,6	+5,9	545,0
4	Value of the gross production of department "Agriculture" (for production prices*) (p4=p1.1+p1.2+p2+p3)	8 667,5	+1,0	8 754,2	-0,5	8 713,8
5	Value of the end production from sector "Agriculture" (at base prices**)	8 517,5	+1,6	8 651,9	-0,7	8 593,3
6	Interim consumption (without internal turnovers)	5 369,9	+0,6	5 400,9	-2,2	5 279,5
7	Gross added value (at base prices**)	3 147,6	+3,3	3 251,0	+1,9	3 313,8
8	Operative surplus / Mixed income	3 027,5	+9,1	3 304,1	+17,3	3 875,0
9	Entrepreneurial income	2 467,8	+0,2	2 472,6	+23,7	3 058,8
10	Gross raising of shareholders equity	338,7	+0,9	341,7	+13,7	388,5

Source: data of NSI, processed by MAF

\* Producer price – prices, not including product subsidies

\*\* Basis prices – prices, including product subsidies

\*\*\* The data for 2013 are preliminary

#### Value of the gross production of sector "Agriculture"

The value of the gross production of sector „Agriculture“ for 2013, according to current prices of producers (under preliminary data) shall amount to 8 713.8 million BGN, 0.5% below the level of the previous year. It shall be formed by the value of:

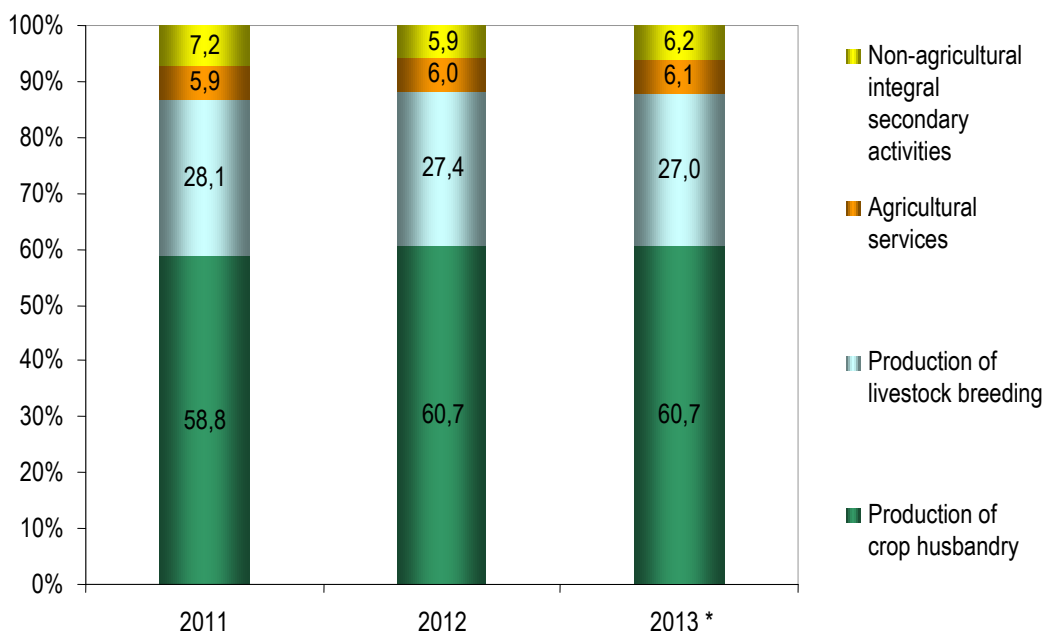
- Production from crop husbandry – 5 288.0 million BGN, or 60.7%;
- Production from livestock breeding – 2 350.2 million BGN, or 27.0%;
- Production from integral secondary activities – 545.0 million BGN, or 6.2%;
- Agricultural services – 530.6 million BGN, or 6.1%.

In 2013, the value of crop husbandry production and livestock breeding marks a decrease compared to the previous year – respectively 0.5% and 2%, which has been mostly affected by price factors. In both sub-sectors in general, an increase of the physical volume of the production is reported, which, however, is accompanied with a sensitive decrease of the producer prices compared to 2012 in structure defining sub-sectors, such as production of wheat, maize, sunflower, tobacco, vegetables, wine grapes, eggs for consumption, milk. (Annex 5).

Compared to 2012, increase is observed in the value of agricultural services – by 0.8%, and in production from integral secondary activities – by 5.9%.

In 2013, the imbalance is preserved in the development of the two main trends of the sector – crop husbandry and livestock breeding. The share of crop husbandry in the value of the production of the agricultural department, and this year it is two times higher than the share of livestock breeding.

**Figure II.2. Structure of the value of gross production of department “Agriculture” for the period 2011 – 2013, %**



*Source: Calculations of MAF on data of NSI  
\*preliminary data for 2013.*

Full value of the agricultural goods (products from crop husbandry and livestock breeding) realized via sales in 2013 amounts to 6 003.7 million BGN, or 68.9% of gross production of department Agriculture (Annex 1). The sold production from crop husbandry during the year is to the value of 4 455.3 million BGN (51.1% of the gross production), the sold livestock breeding production – to a value of 1 548.3 million BGN (17.8% of the average production). Outside of the sector, crop husbandry and livestock breeding production to the amount of 5 587.7 million BGN have been realized, and within the limits of sales by and between agricultural enterprises – for 395.9 million BGN.

Agricultural units have used with production purposes the production throughout the year (seeds, planting material, feed, et. al.) for a value of 1 017.1 million BGN (11.7% of the gross production).

Agricultural produce has been used in the holdings for self-use to a value of 1 223.0 million BGN (14.0% of the gross production).

The production of goods – registered equity (production of productive animals) at own expenses amounts to 112.9 million BGN.

### **End production value**

The agriculture end production value (value of production after deduction of internal turnovers) under basis prices (prices with included subsidies on products) for 2013, amounts to 8 593.3 million BGN. Following the trend for changing the components of the value of the gross production, it shall decrease by 0.7% compared to the previous year (Annex 4).

The structure of the end production in agriculture for 2013 preserves the formed relationships between the branches of the sector, outlined in the value of gross production. For the end production,

the relative share of the crop husbandry production is also the largest – 61.0%. For 2013, the relative share of the livestock breeding production is 26.5%, of the production from integral non-agricultural secondary activities – 6.3%, and agricultural services – 6.2%.

The following plant production products have the highest contribution for formulating the value of the end production from sector “Agriculture” in 2013:

- Soft wheat – share of 16,9 with 1 456,0 million BGN (drop of 12.2% in terms of value relationship compared to the previous year);
- Sunflower – share of 12.6% with 1 078.7 million BGN (decrease by 7.3%);
- Maize for grain – share of 8.1% with 694.8 million BGN (increase by 17.2%);
- Tobacco – share of 3.1% with 264.9 million BGN (increase by 53.1%);
- Rapeseed and colza – share of 2.6% with 224.3 million BGN (decrease by 12.5%).

In 2013, almost half of the value of the end production continues to be formed by the production of grain and oil seed crops (respectively to the amount of 2 461.5 million BGN, and 1 321.4 million BGN), despite the fact that the overall share of these productions continues to drop by 2.1 percentage points to 44.0%. At the same time, an increase of the share of the production of fruits and vegetables is observed (including potatoes) – from a total of 6.5% for 2012 to 8.1% for 2013, which is necessitated by an increase in production in these strands.

The strands from the livestock breeding sub-sector, which have the highest contribution to the end production of sector “Agriculture” in 2013, are:

- Production of milk – share of 10.1% with 867.1 million BGN (increase by 7.9% compared to 2012);
- Bird breeding for meat strand – share of 4.1% with 355.8 million BGN (decrease by 7.5%);
- Pig breeding – share of 3.7% with 318.9 million BGN (increase by 14.4%);
- Cattle breeding – share of 2.8% with 236.9 million BGN (decrease by 8.1%);
- Sheep breeding and goat breeding – share of 2.6%, by 222.1 million BGN (decrease by 31.5%);
- Production of eggs – share of 2.3% with 200.3 million BGN (decrease by 19.8%).

### **Interim consumption**

The interim consumption, used for establishing the end production of the sector in 2013, amounts to 5 279.5 million BGN, a decrease of 121.4 million BGN compared to the previous year (Annexes 3 and 4). With most elements of the interim consumption, lower price ranges are observed in comparison to 2012, which contributes to the realized decrease by 2.2% (basis: prices for 2010=100 – Annex 6).

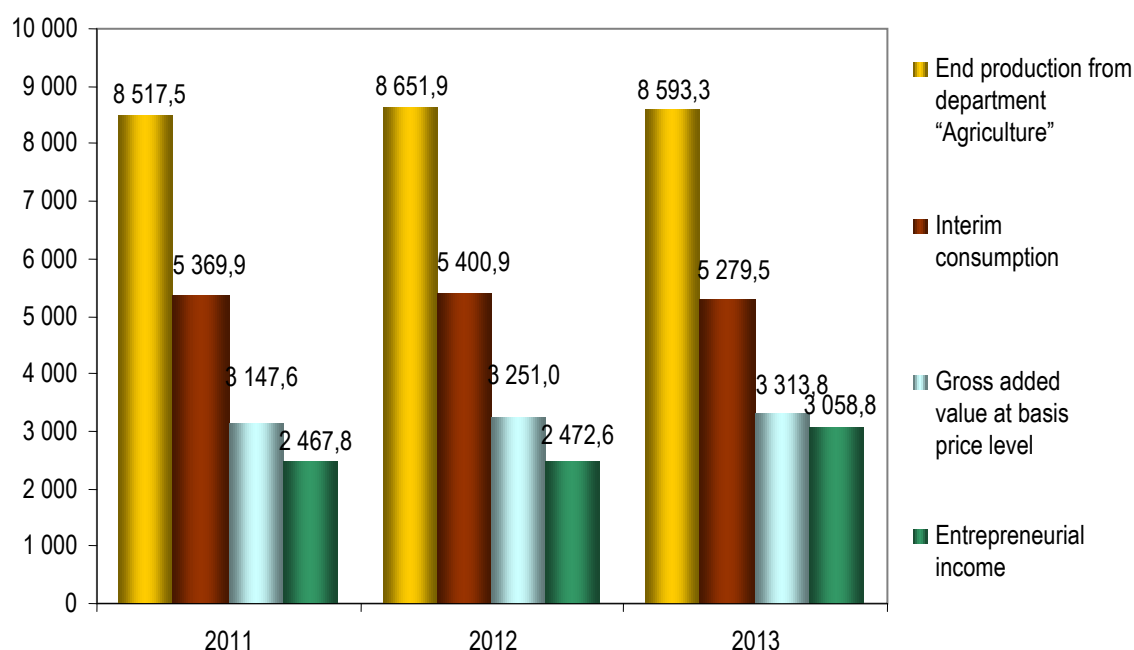
In 2013, the interim consumption presents 61.4% of the value of production, respectively 63.0% and 62.4% for 2011 and 2012.

The highest share of its structure is occupied by expenses for feed – 24.1% (1 270.3 million BGN), followed by the expenses for fuels and oils – 22.1% (1 164.8 million BGN), agricultural services – 10.1% (530.6 million BGN) and the expenses for fertilizers and soil improvement agents – 9.6% (506.0 million BGN).

The decrease of interim consumption in general is the result of the decrease in consumption of its structure defining elements - feed (by 19.8%), and fuels and oils (by 2.1%), as well as the decreased consumption of seeds and planting material (by 4.5%) and the accrued lower level of expenses for maintenance of buildings (by 2.5%).



**Figure II.3. Main economic indicators for sector “Agriculture” for the period 2011 – 2013\*, million BGN**



Source: NSI;  
\*preliminary data for 2013.

### Gross added value

Gross added value (at basis prices), established in agriculture in 2013, amounts to 3 313.8 million BGN. It marks an increase of 1.9% compared to the previous year. In the registered decrease in the value of the end production, this decrease is the result of decreasing the interim consumption throughout the year.

### Utilization of main equity

In 2013, the utilization of main equity in the sector has decreased by 19.8% on an annual basis, to 486.3 million BGN.

### Forming the income from agricultural activity – net operative surplus/mixed income

The mixed income/operative surplus throughout the year amounts to 3 875,0 million BGN, and it increases by 570.96 million BGN, or 17.3% compared to 2012.

### Compensation for the employees, rental payments, received and paid interests

In 2013, the expenses for salaries and social security benefits for employees in agriculture have increased by 11.8% compared to the previous year and they amount to 616,0 million BGN.

The lease expenses amount to 759,8 million BGN, 7.4% less compared to 2012.

In 2013, a significant increase is observed both of the expenses for interests and the income from interests. The interests paid amount to 77,4 million BGN, and the interests received – to 20,0 million BGN, respectively by approximately four and a half times more compared to 2012.

### Entrepreneurial income

The entrepreneurial income in sector “Agriculture” for 2013 amounts to 3 058,8 million BGN, marking an increase by 23.7% compared to the previous year.

This increase is caused by the increase of the amount of subsidies received during the year, which are 460.4 million BGN or 38.2% more compared to 2012. A trend is observed for increasing the share of subsidies in the entrepreneurial income at the sector level. According to preliminary data, 54.5% of the entrepreneurial income total for sector "Agriculture" in 2013 is formed by income from subsidies, whereas in 2012 and in 2011, this share is respectively 48.8% and 36.7%.

## **8.2. Production deliverables in crop husbandry**

In terms of agro-meteorology, the year 2013 is characterized with climate extremes – periods of sharp warming up and cooling during the winter; torrential rains, accompanied with storms in the spring and summer, which have resulted in over-humidification of areas with agriculture crops; conditions of abnormal heat in the summer months, which have caused local droughts and shortening the inter-phase period for the late agricultural crops.

The relatively dry autumn of 2012 (in certain regions of the country) has slowed down the timely sowing of rapeseed and its subsequent development, whereas the low temperatures during the winter have resulted in its unsuccessful hibernation, and have caused damage due to frostbite of part of the crops.

The high precipitation levels during spring, accompanied by storms in different areas of the country, have resulted in flooding and over-humidification of part of the lands planted with agricultural crops. The registered hails at the end of the spring and in the summer have caused serious damage to crops.

During the spring months, July and August, abnormally high temperatures and absence of precipitation have been registered. This has caused the occurrence of serious soil drought, which has interfered with the regular physiological development of agricultural crops. In numerous areas, damages have been reported on the plants, the phases of development in some of the spring crops have become shorter.

According to information of department "Agrostatistics" of MAF, in 2013, an increase has been registered for production of grain and oil seed crops, fruits and vegetables in comparison to 2012. The most significant increase is observed in the production of fruits – approximately 70%, followed by increase for the oil-seed and cereals, respectively 39% and 31%. The increase is less pronounced in the general production of vegetables – an increase by 19%.

### **8.2.1. Grain production**

In 2013, areas planted with cereals amount to 2 007 thousand ha, which is approximately 6% more compared to the previous year. For most of the main cereal crops, an increase in the areas planted is observed, compared to 2012 and the increase is significant for triticale and rye - respectively by 27 and 23%, and lower for wheat, barley, rice, and oats – between 3 and 11%. Only areas planted with maize have decreased by 8%.

Under the influence of the relatively favorable agricultural climate conditions, significantly higher average yields are reported for 2013 compared to the previous year (with the exception of rice), and the increase ranges from 7% for barley and oats to 74% for maize.

As a result, the total production of cereals is increased by approximately 31% compared to 2012, up to 9 154 thousand tons.

Wheat takes up a share of 60% of the total production of corn during the year, and maize takes up a share of 30%.

**Table II.3. Production of main types of cereals from harvests `2012 and `2013**

Crop	Harvested areas (ha)		Average yield (tons/ha)		Production (tons)		
	2012	2013	2012	2013	2012	2013	Change 2013/2012
Wheat	1 185 007	1 314 288	3,760	4,189	4 455 104	5 504 941	23.6%
Rye	12 617	15 458	1,742	1,886	21 979	29 153	32.6%
Triticale	10 808	13 729	2,453	2,827	26 514	38 808	46.4%
Barley	191 432	197 464	3,458	3,691	661 932	728 836	10.1%
Oats	16 640	17 891	1,852	1,989	30 822	35 581	15.4%
Maize for grain	466 789	428 300	3,680	6,394	1 717 785	2 738 671	59.4%
Rice	9 873	10 214	5,560	5,495	54 896	56 121	2.2%

Source: MAF, department "Agrostatistics"

### Wheat

According to data from department "Agrostatistics" of MAF, in 2013 the production of wheat has amounted to 5 504 941 tons, an increase by 23.6% compared to the level in 2012. The increase is mostly due to the average yield increase by 11.4% (4,189 tons/ha).

Lands planted with wheat in 2013 amount to 1 318 715 ha – an increase by 10.8% on an annual basis, and out of them, 1 314 288 ha (99.7%) have been harvested.

The share of areas planted with wheat during the year is the highest in the North Eastern region – 22.9% (300 817 ha). It is followed by the North Western region with 21.0% (276 029 ha), The South Eastern region with 20.2% (265 196 ha) and the Northern Central Region with 19.3% (253 300 ha).

According to data from a questionnaire BSMAEC of department "Agrostatistics" of MAF, for lands with wheat in 2013, the share of preceding maize and sunflower is 59.2%. Approximately 18.5% of lands follow cereal crops in the previous year. In the crop rotation with wheat, 2.7% fallow lands and approximately 20% other crops have also been included.

### Rye and triticale

The grain produced from rye from harvest `2013 marks an annual increase of 32.6%, up to 29 153 tons, mainly due to the increase of areas planted by 22.5%.

Areas planted with triticale in 2013 have increased by 27.0% compared to 2012. An increase is also observed in the average yield, and on an annual basis, the increase is 15.2%, up to 2,827 tons/ha. The reported increase of lands and the average yield results in increasing the production by 46.4% compared to the previous year. The most harvested areas with rye and triticale are situated in the South Central Region – respectively 6 625 ha and 5 942 ha.

### Barley

The production of barley during the past year, amounts to 729 thousand tons – 10.1% more compared to 2012, mainly as the result of the increased average yield by 7%.

Areas planted with barley in 2013 increase by 3.2% to 197 464 ha.

The highest amount of areas with barley in 2013 is in the South Eastern region – 34.4% of areas planted or 67 944 ha. The Northern central region is second, with a share of 20.8% (41 128 ha).

In 2013, 31.9% of lands with barley have been planted following preceding crop wheat and barley, and 41.4% - after row crops. In the crop rotation with barley, 2.5% fallow lands have been included, and the share of other predecessors is 24.2%.

## Oats

The production of oats marks an increase by 15.4% compared to 2012, which is due to the increased amount of areas planted and the average yield, respectively by 7.5% and 7.4%. The most areas with oats have been harvested in the North Western region – 4 680 ha.

## Maize for grain

In 2013, a marked increase is observed in the production of maize – by 59.4%, and it amounts to 2 738 671 tons. As a result of the favorable agro-climate conditions in the country in 2013, the average yield marks a significant increase around 74%, up to 6,39 tons/ha. In terms of lands, both planted and harvested, a slight decrease is registered, respectively by 8.9% and by 8.5%.

In 2013, the highest share is the share of lands with maize in the North Western region - 37.7% (161 476 ha), followed by the North Eastern region – with a relative share of 29.0% (124 421 ha) and North Central Region with 25.6% (109 604 ha).

Around 49% of lands with maize in 2013 are following preceding cereals. The share of maize after a preceding crop sunflower is 9.7%. The share of maize in lands planted with monoculture crops is 28.8%. The share of other predecessors is 12.6%.

## Rice

In 2013, the production of paddy rice has increased by 2.2% and has reached 56 121 tons, which has been caused by the increased amount of areas planted by 3.5% (10 214 ha). The average yield for harvest 2013 decreases by 1.2% and amounts to 5,495 tons/ha.

The areas planted with rice in 2013 amount to 10 306 ha, an increase of 3.6% compared to 2012.

### 8.2.2. Oil seed crops

The main oil seed crops, grown in the country, are sunflower and winter oil-seed rapeseed.

In 2013, lands with sunflower occupy 86% of the total areas with oil seed crops.

**Table II.4. Production of oil seed crops in 2012 and 2013**

Crop	Harvested areas (ha)		Average yield (tons/ha)		Production (tons)		
	2012	2013	2012	2013	2012	2013	Change 2013/2012
Sunflower	780 755	878 637	1,777	2,247	1 387 780	1 974 425	42.3%
Rapeseed	134 516	134 656	2,015	2,501	271 041	336 731	24.2%

*Source: MAF, department "Agrostatistics"*

## Sunflower

The production of sunflower in 2013 amounts to 1 974 425 tons - 42.3% more compared to 2012, as a result of increase both of areas planted (by 12.5%) and the average yield (by 26.4%).

Areas planted with sunflower in 2013 amount to 882 106 ha - 12.2% more than the previous year.

The highest share of lands planted with sunflower during the year is the North Western region with 23.8% (209 258 ha). It is followed by the North Eastern region – 23.7% (207 856 ha), and the Northern Central region – by 20.8% (182 991 ha).

According to data of BSMAEC, in 2013 64.8% of lands with sunflower have been planted after wheat or barley as the preceding crop, and approximately 14% – after maize as the preceding crop. The share of sunflower after sunflower as a preceding crop has increased by 9.2%. The share of other types of crops as preceding crops is 11.9%.

## **Rapeseed**

In 2013, the yield of rapeseed amounts to 336 731 tons, which is an increase by 24.2% compared to 2012. The average yield is 2,501 tons/ha, an increase by 24.1% compared to the previous year.

The areas planted with rapeseed in 2013 are 135 037 ha, and out of them, 134 656 ha have been harvested.

The highest area of lands with rapeseed harvested in 2013 have been reported in the North Western region – 35 897 ha, followed by North Central Region – 34 209 ha, and the South Eastern region - 32 457 ha.

### **8.2.3. Industrial crops**

#### **Fiber plants**

##### **Cotton**

In 2013, reduction of areas planted with cotton of 44%, down to 242 ha is reported. Areas planted decrease to 236 ha, with reported 373 ha for the previous year. At the same time, the average yield of cotton has decreased by 48.3%, up to 1 ton/ha. This largely compensates for the reported decrease of the areas planted, and the total production of cotton in 2013 amounts to 237 tons, which is close to the 252 tons, producer during the previous year.

In 2013, no production of flax and hemp in the country has been reported. Two companies have obtained a permit by the Minister of Agriculture and Food for growing hemp plants in 2014, and according to information submitted by the companies, a total of 5,5 ha with seeding material from hemp varieties have been planted, which are recorded in the European Catalogue, and are permitted for trade in the territory of the European Union.

##### **Tobacco**

According to information from department “Agrostatistics” of MAF, in 2013, lands planted with tobacco are 20 573 ha, with reported 18 179 ha for the previous year. For areas planted, an increase of 12.4% is reported on an annual basis, up to 20 400 ha, and for the average yield of tobacco – by 15.6%. As a result, the production of tobacco increases by 29.9% compared to 2012, up to 36 446 tons.

### **8.2.4. Vegetables**

During the agricultural year 2013, the areas utilized for production of vegetables in professional and small holdings are 40 401 ha, a 14.2% increase compared to 2012. Out of them, 39 343 ha are outdoor areas, and 1 058 ha – greenhouse areas.

The total production of vegetables - harvest 2013 amounts to 641.1 thousand tons and 93.8 thousand tons are of greenhouse production, and 547.3 thousand tons - from outdoor areas. Compared to the previous year, the total production of vegetables in the country is increased by 19%, and increase is observed in both types of productions – approximately by 76% for greenhouse production, and by 13% for the production from outdoor areas. The highest production during the year is registered for potatoes – 186.5 thousand tons, tomatoes – 117,9 thousand tons, watermelons – 64,4 thousand tons, and pepper– 63,7 thousand tons.

In 2013, there is an increase in areas planted with fruit-bearing vegetables by 19.2%, legumes – by 14.1%, and leafy vegetables – by 2.9% is registered, whereas for root and bulb vegetables and tuber vegetables, a decrease in lands by 15.1% is registered.

The highest relative share in 2013 is the share of areas planted with potatoes – 32.6% (12,8 thousand ha), pepper – 10.3% (4 thousand ha), tomatoes – 8.3% (3,2 thousand ha), areas with watermelons – 7.8% (3,1 thousand ha), chick peas – 5.1% (2 thousand ha), and common head cabbage – 4.9% (1,9 thousand ha).

**Table II.5. Main areas, used for production of vegetables – crops 2012 and 2013, ha**

Main areas	Crop 2012	Crop 2013	Change 2013/2012
Open areas	34 422	39 343	14.3%
Total greenhouse area	948	1 058	11.6%
Total area	35 370	40 401	14.2%

Source: MAF, department "Agrostatistics"

In 2013, a decrease is observed of lands planted with kidney beans – for seed, by 32.9%, strawberries – by 15.4%, potatoes – by 14.4%, common head cabbage – by 8.7%, tomatoes – by 4.7%.

Marked increase on an annual basis is reported for lands planted with pepper – by 33.9%, and eggplant – by 29.9%. There is also a significant increase in lands, planted with chick peas – by 91.8%. The increase for cucumbers and gherkins is approximately 7%.

**Table II.6. Areas, production and average yields of vegetables – crop 2013**

Vegetables	Harvested areas (ha)	Production (tons)			Average yield (kg/ha)
		Total	From outdoor areas	Greenhouse production	
<b>I. Fruit-bearing vegetables</b>	<b>14 440</b>	<b>347 476</b>	<b>260 245</b>	<b>87 231</b>	<b>-</b>
Tomatoes	3 242	117 948	77 390	40 558	23 871
Pepper	4 035	63 650	59 452	4 198	14 734
Cucumbers	592	49 000	8 237	40 763	13 914
Gherkins	160	4 008	2 898	1 110	18 113
Eggplant	291	8 454	8 172	282	28 082
Zucchini	168	4 028	4 003	25	23 827
Pumpkins	799	15 418	c	c	19 275
Watermelons	3 062	64 443	c	c	20 978
Melons	1 119	14 710	c	c	13 082
Sweet corn	520	3 803	3 803	-	7 313
<b>Other fruit-bearing vegetables (okra)</b>	<b>452</b>	<b>2 014</b>	<b>2 014</b>	<b>-</b>	<b>4 456</b>
<b>II. Legumes</b>	<b>5 579</b>	<b>11 976</b>	<b>11 948</b>	<b>28</b>	<b>-</b>
Kidney beans – grain	1 034	1 125	1 125	-	1 088
Lentils	1 282	1 302	1 302	-	1 016
Garden peas	899	3 886	3 886	-	4 323
Kidney beans – green	340	2 573	2 545	28	7 485
Chick peas	2 024	3 090	3 090	-	1 527
<b>III. Leafy vegetables</b>	<b>3 294</b>	<b>65 271</b>	<b>61 564</b>	<b>3 707</b>	<b>-</b>
Common head cabbage	1 903	45 114	45 090	24	23 694
Leek	82	1 280	1 259	21	15 354
Lettuce	358	7 648	4 489	3 159	12 539
Spinach	81	973	924	49	11 407
Broccoli	85	1 027	1 027	-	12 082

Vegetables	Harvested areas (ha)	Production (tons)			Average yield (kg/ha)
		Total	From outdoor areas	Greenhouse production	
Shallot	201	2 691	2 691	-	13 388
Cauliflower	153	2 310	2 310	-	15 098
<b>Other leafy vegetables</b> (parsley, savory, dill, kale and Brussels sprouts, kohlrabi, onions – green, garlic – green)	431	4 228	3 774	454	-
<b>IV. Root and bulb vegetables</b>	<b>14 671</b>	<b>208 071</b>	<b>207 694</b>	<b>377</b>	<b>-</b>
Potatoes	12 765	186 529	186 499	30	14 610
Carrots	258	5 400	5 398	2	20 922
Onions – ripe	1 225	12 769	12 748	21	10 407
Garlic – ripe	326	1 562	1 533	29	4 702
Radishes	8	348	55	293	6 875
Celery	8	120	118	2	14 750
<b>Other root vegetables</b> (turnip, red beet, parsnip)	81	1 343	1 343	-	-
<b>V. Strawberries</b>	<b>633</b>	<b>3 841</b>	<b>3 729</b>	<b>112</b>	<b>5 891</b>
<b>VI. Cultivated mushrooms</b>	<b>-</b>	<b>2 344</b>	<b>-</b>	<b>2 344</b>	<b>-</b>
<b>VII. Other vegetables</b>	<b>443</b>	<b>2 127</b>	<b>2 100</b>	<b>27</b>	<b>-</b>
<b>Total:</b>	<b>39 060</b>	<b>641 106</b>	<b>547 280</b>	<b>93 826</b>	<b>-</b>

Source: MAF, department "Agrostatistics"  
with – confidential data

Lands planted with fruit-bearing vegetable crops (tomatoes, pepper, cucumbers, watermelons, melons, et. al.) in 2013 amount to 14 440 ha. The highest relative share is the share of lands planted with pepper (27.9%), tomatoes (22.5%) and watermelons (21.2%).

Areas planted with legumes in 2013 amount to 5 579 ha. The highest relative share of the total areas in these crops is chick peas (36.3%), followed by lentils (23%).

In 2013, the common areas with leafy vegetables, are 3 294 ha, and the highest relative share of lands planted in this group is the share of the common head cabbage (57.8%).

From the group of root and bulb vegetables and tuber vegetables, the vegetables with the highest relative share in 2013 are potatoes as well (87%), followed by ripe onions (8.3%).

The production of fresh vegetables from outdoor areas (without potatoes and cereal and legumes crops) in 2013 amounts to 355.3 thousand tons. The highest share of the total production of fresh vegetables is held by tomatoes (33%), pepper (18%), common head cabbage (13%), and onions (4%).

From outdoor areas during the year, a total of 118 thousand tons of tomatoes have been produced, which is 25.5% more compared to 2012. An increase on an annual basis is registered also in the production of cucumbers – by 39.6%, up to 8.2 thousand tons, pepper – by 35.2%, up to 59.5 thousand tons and onions – by 23.4%, up to 12.7 thousand tons. The production of sweet corn is increased almost 6 times – from 0.7 thousand tons in 2012 to 3.8 thousand tons in 2013.

Compared to the previous year, in 2013 the production of gherkins from outdoor areas marks a decrease by 23.9%, by 2.9 thousand tons and the production of common head cabbage – a decrease by 4.6%, by 45 thousand tons. More significant decrease of production is registered for carrots and lettuce, respectively by 43.7% and 42.1%.

The total production of cereal and legumes in 2013 increases by 36.4% compared to 2012, by 12 thousand tons. More significant annual increase is observed in the production of garden peas – green – by 140.3%, and chick peas – by 71.5%. A decrease of production is also reported for kidney beans – grains, and lentils, respectively by 30.6% and 24.7%.

Regardless of the slight decrease of lands, the production of potatoes in 2013 reports increase by 23.3% in comparison to harvest 2012.

**Table II.7. Total production of main types of vegetables from harvests 2012 and 2013**

Types of vegetables	Harvest 2012 (tons)	Harvest 2013 (tons)	Change 2013/2012
Tomatoes	94 016	117 948	25.5%
Pepper	47 087	63 650	35.2%
Eggplant	7 830	8 454	8.0%
Cucumbers and gherkins	37 961	53 008	39.6%
Watermelons	55 703	64 443	15.7%
Melons	17 685	14 710	-16.8%
Potatoes	151 319	186 529	23.3%
Common head cabbage	47 301	45 114	-4.6%
Onions ripe	10 344	12 769	23.4%
Strawberries	4 770	3 841	-19.5%

*Source: MAF, department "Agrostatistics"*

For some of the main vegetable crops, higher average yields are marked per hectare compared to 2012. An increase of the average yield is observed for potatoes – 44%, garden peas – 43%, onions – 28.6%, watermelons – 16.4%, garden peas – 43%, tomatoes – 10.2%. A more significant decrease is observed with the average yield of eggplant – 19.2%, strawberries – 6.5%, melons – 6.1% and pepper – 3.3%.

The higher average yield for some of the main crops is due to compliance with the technologies for their cultivation (good agricultural equipment) by agricultural producers and the use of good quality and certified vegetable seeds.

The unfavorable climate conditions during the months of outdoor cultivation of vegetables in 2013 in several areas in the country has had a negative effect over the average yield and the production in some of the main vegetable crops, such as potatoes, tomatoes, et. al.

Greenhouse production in the country is determined by several main vegetable crops, such as tomatoes, cucumbers, pepper, gherkins, lettuce, salad et. al. In 2013, the production of greenhouse vegetables amounts to 93.8 thousand tons, which is 73.6% above the level of 2012. A total of 40.7 thousand tons of cucumbers have been produced – 45.3% more than harvest 2012. The production of gherkins, lettuce and sweet pepper marks an increase between two and four times on an annual basis. The production of tomatoes in 2013 has increased by 99.5% to 40.6 thousand tons.



**Table II.8. Greenhouse production of main vegetables from harvests 2012 and 2013**

Types of vegetables	Harvest 2012 (tons)	Harvest 2013 (tons)	Change 2013/2012
Tomatoes	20 328	40 558	99.5%
Pepper	1 166	4 198	260.0%
Cucumbers	28 048	40 763	45.3%
Gherkins	443	1 110	150.6%
Lettuce and salad	1 031	3 159	206.4%
Other vegetables (without mushrooms)	925	1 694	83.1%
<b>Total</b>	<b>54 034</b>	<b>93 826</b>	<b>73.6%</b>

Source: MAF, department "Agrostatistics"

For the main greenhouse crops in 2013, increase of the production is observed, which is caused by the better agricultural equipment for raising higher quality production, resulting in better realization of the production. A large share of the Bulgarian greenhouse vegetables are directed toward EU countries. The greenhouse production in 2013 of tomatoes, pepper, lettuce et. al. has been fully realized. An impediment is observed in June 2013 in the realization of the production, produced in non-heated greenhouses. The reason for this is overlapping of the production of vegetables from greenhouses and from outdoor areas and saturation of the market, including from import of vegetables in the country.

The increase in lands and the production of vegetables in 2013 is contributed by the financial support via European and state funds under various schemes for support of the vegetable producers.

The production of vegetables is related to high expenses, also determining higher prime cost of prepared products, which results in impediment for their realization.

In 2013, the prime cost of the vegetable production has increased, due to increase in price of power, irrigation water, fuel, mineral fertilizers, plant protection products and certified planting seeds. The issues with obsolete irrigation infrastructure and decreasing personnel in the areas with intensive vegetable production are intensifying. At the same time, the slow recovery after the global economic crisis in the last few years has limited the solvent demand by the Bulgarian and European consumers for expensive early (greenhouse) vegetables. The unfavorable economic conditions have resulted in certain financial difficulties for the Bulgarian vegetable producers.

In 2013, the agricultural producers of vegetables have realized their production mostly through the domestic market and processing companies. A part of the production is dedicated for own consumption, the largest share being the share of pepper, tomatoes, eggplant and ripe onions. Vegetables designated for export are mostly greenhouse production and the highest share is the share of cucumbers, watermelons, potatoes, and pepper. In 2013, approximately 80% of the produced carrots, eggplant, pepper and tomatoes have been directed for processing.

The absence of preliminary trade agreements between producers and traders could be reported as a weakness. Due to absence of organization of the supply by the producers, the traders are frequently the stronger counterparty when determining purchase prices. The association of producers is crucial for the success of Bulgarian vegetable producers, as there is a demand for large lots of homogenous good quality vegetables on the market, which proves to be an overwhelming task for the small producers.

In 2013, with orders of the Minister of Agriculture and Food, 10 groups of producers of fruits and vegetables have been recognized (temporary recognized organizations of producers), according to Ordinance No. 11 dated May 15, 2007. In total, the group of producers currently numbers 12 producers, 2 of which have started in 2013 the completion of the activities from their plans for recognition, and have

received financing for their investment programs by both EU and the state. For the new 10 groups of producers, investment programs have been approved for financing in 2013, and their completion will begin in the second half of 2014.

The absence of effective organizations of producers (not a single new organization of producers of vegetables has been recognized in 2013) does not allow Bulgarian producers to avail themselves of the main possibility for European financing in the sector – via co-financing of operative programs of organizations of producers.

A certain negative influence over the development of the sector is asserted by the applied direct payment scheme per unit of area, which creates a prerequisite for agricultural producers to pivot to production of crops with lower prime cost per unit of area.

The financial resources granted in 2013 as well under a specific scheme for support of the producers of fresh fruits and vegetables per ton of high quality production, has contributed to the increase of production of tomatoes, pepper, cucumbers (outdoor and greenhouse production) and increasing their quality, providing opportunities for their better realization, and therefore – increase of the income of farmers, producers of vegetables.

#### **Projection data for 2014**

In 2014, greenhouse production of vegetables is expected to continue to rise, reporting a slight increase of lands with greenhouses and the weaker reflection of unfavorable climate conditions over the average yields and the quality of production. Preservation of the trend for use of greenhouse areas for production of the main vegetable crops - long cucumbers, tomatoes, sweet pepper, lettuce and salad is preserved. It is expected that the process of modernization of greenhouses and the use of new, state-of-the-art technologies for the production of early vegetables of high-quality and compliant with the European standards, will also continue in 2014.

In 2014, the scheme for specific support of agricultural producers for improvement of the quality of fresh fruits and vegetables, produced in Bulgaria, continues to be applied. The financial resource for the scheme has been increased almost 2 times (from 15 million BGN in 2013 to 37 million BGN in 2014). Additionally, the producers of vegetables shall have the option of utilizing also the national support in the form of state aid, granted through SFA. This warrants the projection of a slight decrease of lands with vegetable crops. According to an evaluation by experts, lands planted with pepper, tomatoes and cucumbers in 2014 shall be increased by 10-15% in comparison to 2013.

According to operational data, available as of the middle of September 2014, it is expected that in 2014 field production of tomatoes, potatoes, kidney beans and garden peas will increase in comparison to the previous year, and that the production of pepper will decrease.

The measures undertaken by MAF for limiting the non-regulated import of vegetables in the country, as well as the willingness of the large chain stores to have Bulgarian vegetables on their shelves, is expected to have a positive effect over the production of vegetables.

In 2014 it is expected that the interest of agricultural producers of vegetables for associating in vegetables producer organizations is increased and that additional organizations of producers of fruits and vegetables are established and recognized.

#### **8.2.5. Fruits**

In 2013, 211 116 tons of fruits have been produced – 70.7% more compared to 2012, mostly due to increase of average yields. The leading place in the production of fruits is taken by the South Eastern region – 28.4% of the total production for the year, followed by South Central Region – 25.4%, North Central Region - 17.2% and South Western region – 15.2%.

The largest relative share of the total production of fruits in 2013 is planted with apples - 26.1%, followed by cherries – 18.1%, plums and wild plums - 17.8%, and peaches and nectarines - 17.7%.

**Table II.9. Production of fruits, harvests `2012 and `2013**

Orchard crops	Harvested areas (ha)		Average yield (kg/ha)		Production (tons)		
	2012	2013	2012	2013	2012	2013	Change 2013/2012
Apples	4 621	4 813	6 696	11 430	30 942	55 013	77.8%
Pears	442	453	3 090	6 422	1 364	2 909	113.3%
Apricots and small apricots	2 569	2 325	3 969	7 752	10 196	18 024	76.8%
Peaches and nectarines	4 103	3 800	6 146	9 818	25 214	37 308	48.0%
Plums and wild plums	5 826	5 893	3 939	6 387	22 949	37 639	64.0%
Cherries	6 989	7 605	2 792	5 018	19 512	38 162	95.6%
Morello	1 470	1 441	2 638	4 855	3 879	6 996	80.4%
Walnuts	2 629	3 689	1 113	1 382	2 925	5 099	74.3%
Raspberries	1 369	1 333	3 543	4 119	4 850	5 491	13.2%
Others	1 630	1 734			1 815	4 475	146.6%
Total:	31 648	33 086			123 646	211 116	70.7%

Source: MAF, department "Agrostatistics"

The full area, planted with orchards and berry plant crops in 2013, occupies 48 240 hectares, whereas 68.6% of them are harvested (33 086 ha). In 2013m increase in the areas planted by 4.5% compared to 2012 is observed, and per product, the highest increase is registered for walnuts – 40.3%, and lower increase for cherries – by 8.8%, and for apples – by 4.2%. More significant decrease of areas planted on an annual basis is observed for apricots and small apricots - 9.5%, and peaches and nectarines – by 7.4%. Lands planted in 2013, from which due to climate and agro-technical reasons no production has been harvested, amount to 6 107 ha.

In 2013, lands with young and not yet in their fruitfulness period orchards in the holdings amount to 9 047 ha. The highest relative share of the common areas is planted with young plantings with walnuts - 28%, plums and wild plums - 16%, cherries - 15%, apples - 7%, peaches and nectarines - 5%. The remaining young orchards occupy 29%, which includes plantings of hazelnuts, almonds, aronia, blackcurrant, quinces, blackberries and figs.

The reported average yields of the main orchard crops in 2013 are significantly higher compared to 2012. The highest increase of the average yields is observed for pears – by 107.7%, and apricots – by 95.3%, followed by the increase in morello, cherries, apples, plums and wild plums, peaches and nectarines - by a percentage between 60 and 85. For walnuts and raspberries, the increase is more gradual, respectively by 24.2 and 16.3%.

On the grounds of operational data, available as of the middle of the month of September 2014, in 2014 certain decrease in the production of peaches, plums and apricots compared to the previous year could be expected, as well as relative preservation of the levels of production of apples and slight increase of cherries, morello, strawberries and raspberries.

#### **8.2.6. Medicinal and aromatic crops**

In 2013, areas planted with Medicinal and aromatic crops (oil-bearing rose, lavender, setwall, coriander) amount to 24 032 ha, which is 30% less compared to 2012. Areas planted with oil-bearing rose, lavender, peppermint, melissa, silybum, wild fennel, setwall, coriander, et. al. Medicinal and aromatic crops in 2013 amount to 27 682 hectares – a decrease by 13% compared to 2012.

### 8.3. Production deliverables in livestock breeding

In 2013, the state policy in the field of livestock breeding is directed toward establishing conditions for sustainable development of the sector, through differentiation of consolidated, economically efficient holdings, and at the same time, preservation of small and medium-sized farms. During the year, update has been made to the effective statutory base in the field of livestock breeding. The scope of the applied state support has been extended, with the purpose of providing an easier access to financing and increasing the efficiency of the livestock holdings.

In general, in 2013, stabilization of the sector is observed that the consistently applied support policy has contributed to.

As of the end of 2013, the number of livestock holdings in the country has increased by 12% compared to a year earlier, up to 171,8 thousands. The most significant increase is reported for pig holdings – a total of 91.6%, mainly due to increase in the number of holdings with 1 – 2 pigs. The increase of the number of holdings with the holdings with cattle, buffalo and goats is expressed in a less pronounced manner – an increase between 2,2 and 6.6%. Only holdings raising sheep have decreased, by 2.3%

The number of most of the types of agricultural animals has also increased compared to the previous year. The highest increase is marked by the number of pigs in total – by 10.4%, cattle, with a total of 9.4%, and buffalo with a total of 8.2%. An insignificant increase has been registered with the number of sheep in total – by 0.6%, and the number of ewes increased more significantly – by 6.2%. The total number of goats has decreased by 1.5% compared to 2012, but at the same time, breeding goats have increased by 3.6%. As of the end of 2013, the total number of birds marks a decrease by 13.4% compared to the previous year, mostly due to the significant decrease of chickens bred for meat by 32.3%, while the number of hens and growing young egg-hens has increased by 4%.

In 2013, the process of merger of companies continues, which is a prerequisite for achieving higher efficiency and economic stability. Compared to the previous year, the most significant increase of the average number of animals per holding is reported for the holdings, raising female buffalo – by 33.2%. The average number of animals in the holdings with breeding ewes is increasing more gradually – by 10.7%, and holdings with cows – by 5%. At the same time, the average number of animals in the holdings with pigs in total decreases by 42.3% (up to 9,8 animals), which is explained with recultivation of the holdings with 1 or 2 pigs, as during the previous year, a significant decrease has been reported for them, mostly under the influence of high prices of feed. Despite all this, the pig breeding shall remain a sector with high concentration, and 75.4% of pigs are raised in holdings with 1 000 or more animals.

During the year, specialization in the meat yield strand of livestock breeding is extended. Meat-yielding cows have increased by 39% compared to the previous 2012, and breeding ewes for meat – by 4.3%.

**Table II.10. Number of animals in 2012 and 2013, and projection in 2014**

Number of animals	01.11.2012	01.11.2013	Change 2013/2012	Projection 01.11.2014
Cattle – total, incl.:	526 112	575 584	9.4%	585 000
cows – total	317 295	346 767	9.3%	350 000
- cows for yielding of meat	28 546	39 670	39.0%	42 000
Buffalo – total, incl.:	9 212	9 964	8.2%	10 500
female buffalo	5 740	6 154	7.2%	6 800
Sheep – total, incl.:	1 361 545	1 369 578	0.6%	1 369 000
breeding ewes – total	1 085 175	1 152 902	6.2%	1 100 000
- sheep for yielding meat	85 648	89 303	4.3%	90 000

Goats – total, incl.:	293 639	289 308	-1.5%	289 000
breeding female goats	236 056	244 559	3.6%	250 000
Pigs - total, incl.:	530 945	586 418	10.4%	600 000
Total souls exceeding 50 kg	58 406	55 386	-5.2%	58 000
Birds total*, thousand birds, incl.:	15 260	13 213	-13.4%	14 285
hens and pullets	6 338	6 592	4.0%	6 700
chickens bred for meat	7 499	5 074	-32.4%	6 000
water fowl	1 323	1 463	10.6%	1 500
Other birds	100	85	-15.0%	85
Equines (horses, donkeys, mules, jennets)	131 463	121 649	-7.5%	121 000
Bee families**	529 117	541 564	2.4%	560 000
Rabbits	95 148	95 000	-0.2%	95 000

\*Data as of December 31; \*\*Data as of May 1.

Source: MAF, department "Agrostatistics", BFSa – for equines and rabbits; projections for 2014 - directorate "Livestock breeding" of MAF

In 2013, a total of 1 267 602 thousand liters of milk have been produced in the country, 5.2% more compared to the previous year. An increase for the yield of all types of milk is observed, and it is most significant for the sheep's milk and buffalo milk – by 8% each. The production of cow's milk has increased by 5.1% and the production of goat's milk – by 2%.

The highest relative share of the total yield of milk remains cow's milk with 88%, followed by sheep's milk – 7.2%, goat's milk – 4.2%, and buffalo milk – 0.7%.

The leading region in the yield of milk is the South Central Region, forming 28% of the full volume of production. South Eastern region follows with 17.9%, and the share of the remaining planning areas is between 12% and 15%.

**Table II.11. Production of milk for the period 01.11.2012 - 31.10.2013 per planning regions, thousand liters**

Region	Total milk	Cow's milk	Buffalo milk	Sheep's milk	Goat's milk
North Western	190 530	163 067	2 300	12 381	12 782
North Central	160 005	143 203	1 363	9 027	6 412
North Eastern	172 904	152 378	1 067	13 240	6 219
South Eastern	226 804	198 777	1 364	18 379	8 284
South Western	161 939	132 577	664	16 590	12 108
South Central	355 420	325 079	1 701	21 553	7 087
<b>Total for the country</b>	<b>1 267 602</b>	<b>1 115 081</b>	<b>8 459</b>	<b>91 170</b>	<b>52 892</b>
<b>Change 2013/2012</b>	<b>5.2%</b>	<b>5.1%</b>	<b>8.0%</b>	<b>8.0%</b>	<b>2.0%</b>

Source: MAF, department "Agrostatistics"

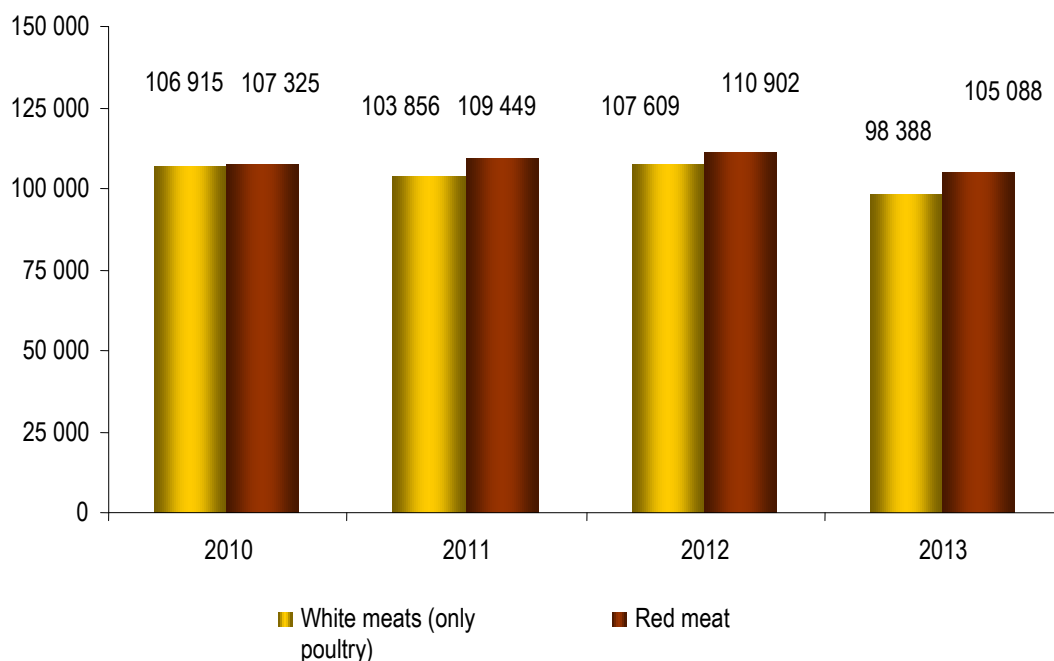
The total production of meat in the country in 2013 has decreased by 6.9% in comparison to the previous year, up to 203 475 tons, incl.: 105 088 tons – red meats, and 98 387 tons – White meats (only poultry).

**Table II.12. Production of animal produce in 2012 – 2013**

Product	2012	2013	Change 2013/2012
1. Milk – total (in tons), incl.:	1 241 850	1 306 048	5.2%
Cow's milk	1 093 034	1 148 534	5.1%
Buffalo milk	8 081	8 728	8%
Sheep's milk	87 403	94 361	8%
Goat's milk	53 333	54 425	2%
2. Meat – total in carcass weight (tons), incl.:	218 511	203 475	-6.9%
Red meats	110 902	105 088	-5.2%
White meats (only poultry)	107 609	98 388	-8.6%
3. Eggs (thousands)	1 174 438	1 194 623	1.7%
4. Bee honey (tons)	9 186	10 065	9.6%

Source: MAF, department „Agrostatistics“

In the production of bee honey, an increase of 9.6% has been reported, compared to the previous year and up to 10 065 tons. The number of eggs produced in 2013 has increased, albeit slightly (by 1.7%), reaching 1 194 623 thousands.

**Figure II.4. Production of meat in the period 2011 - 2013, tons**

Source: MAF, department „Agrostatistics“

### 8.3.1. Cattle breeding and buffalo breeding

As of the end of 2013, the total number of cattle in the country amounts to 575 584, 9.4% more compared to one year earlier. The number of milking cows has increased by 6.4%, up to 307 097, and

the number of cows for meat production shall mark an increase by 39%, reaching 39 670, or 11.4% of the total number of cows.

The production of cow's milk during the year amounts to 1 115 081 thousand liters, which is 5.1% more compared to 2012

The highest share in the total yield of cow's milk in 2013 is the share of the South Central Region - 29.2%.

In 2013, the term of the derogation for covering the standards for cow's milk is extended until 31.12.2015. This way, additional period of time is provided for modernization of farms for production of unprocessed cow's milk, with the purpose of reaching the requirements, set forth in the EU Common Agricultural Policy. This process requires significant financial funds, and is complicated by the global economic crisis, observed for the last couple of years, the relatively low purchase prices of milk, and the high level of fragmentation of livestock breeding in the territory of the country.

MAF supports and updates on a monthly basis the registers of the companies for production of unprocessed cow's milk, categorized in group I, group II and group III, according to the criteria assigned in Ordinance No. 4, dated 19.02.2008 regarding the specific requirements in the production, storage and transportation of unprocessed cow's milk and the requirements for trade and launching milk and dairy products on the market.

As of 01.12.2013, the farms categorized in group I are 3 276 with a total of 141 539 cows, and in group II – 432, with a total of 8 190 cows. Compared to the same period in 2012, the categorized farms in group I have increased by a total of 198, and the milk cows, raised in those farms – by 3 845 cows.

At the same time, the farms, categorized in group II, have decreased by 52, and the milk cows, raised in them – by 1 147. The decrease of the farms of group II is caused by the fact that a part of them is re-categorized in group I, and the other part terminates their activity, due to impossibility to comply with the hygiene requirements.

In 2014, the number of farms, compliant with the unprocessed cow's milk quality requirements under Regulation 853/2004/EU is expected to continue to increase.

**Table II.13. Number of categorized farms for production of unprocessed cow's milk and animals raised in them as of December 1, 2008 - 2013**

Year	Number of farms		Number of cows	
	Group I	Group II	Group I	Group II
2008	2 022	992	88 664	17 213
2009	2 486	903	100 004	14 971
2010	2 603	825	103 939	14 115
2011	2 752	519	131 320	10 168
2012	3 078	484	137 694	9 337
2013	3 276	432	141 539	8 190

*Note: The number of milk cows is as of the date of categorization of the farms.*

**Source:** MAF, directorate "Livestock breeding"

In 2013, the number of holdings with milk cows has increased by 4% compared to the previous year, and the number of animals raised there – by 6.4%.

The highest increase in the number of the holdings and the number of milk cows in the holdings is observed in the holdings having between 20 and 49 animals, and holdings having 100 and more animals. As of the end of 2013, the holdings having between 3 and 19 milk cows have decreased, as well as the number of animals in them.

**Table II.14. Distribution of milk cows according to the number of animals raised in a holding as of 01.11.2013**

Number of animals per holding	Holdings		Milk cows	
	Thousand animals	Amendment 2013/2012	Thousand animals	Amendment 2013/2012
1 - 2	46,7	6.8%	58,2	4.5%
3 – 9	7,5	-10.6%	33,4	-11.4%
10 -19	3,4	-6.8%	44,7	-6.5%
20 -49	2,5	21.0%	75,1	19.4%
50 - 99	0,7	7.6%	44,1	7.3%
100 and more	0,3	18.0%	51,6	18.6%
<b>Total</b>	<b>61,1</b>	<b>4.0%</b>	<b>307,1</b>	<b>6.4%</b>

Source: MAF, department „Agrostatistics“

The total number of cows in 2013 has reached 346,8 thousand, which is 9.3% more compared to the previous year. More than one third of them are raised in the South Central Region.

**Table II.15. Number of cattle per region**

Regions	01.11.2012				01.11.2013			
	Cattle		Cows		Cattle		Cows	
	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share
North Western	62,7	11.9%	38,5	12.1%	65,9	11.4%	41,3	11.9%
North Central	63,2	12.0%	36,0	11.3%	68,5	11.9%	38,5	11.1%
North Eastern	72,2	13.7%	40,9	12.9%	74,2	12.9%	43,2	12.5%
South Eastern	94,7	18.0%	57,3	18.1%	98,1	17.0%	59,5	17.2%
South Western	55,8	10.6%	35,0	11.0%	68,8	12.0%	39,5	11.4%
South Central	177,5	33.7%	109,5	34.5%	200,1	34.8%	124,8	36.0%
<b>Total for the country</b>	<b>526,1</b>	<b>100.0%</b>	<b>317,2</b>	<b>100.0%</b>	<b>575,6</b>	<b>100%</b>	<b>346,8</b>	<b>100%</b>

Source: MAF, department „Agrostatistics“

Meat-yielding livestock breeding is concentrated mostly in the southern part of the country, and 43% of the meat-yielding cows are raised in the South Central Region.

After the decrease from the previous year, in 2013 the total number of buffalo raising holdings in the country has increased by 2.2%, and the animals bred therein – by 8.2%. A decrease in the number of holdings with female buffalos by 19 is observed, and at the same time, an increase in the number of female buffalos by 7.2% is observed, an indication of the sector consolidation. As of the end of 2013, approximately 75% of female buffalos are raised in holdings by 20 and more animals (with 70% one year earlier).

The North Western region remains the leading region in buffalo breeding, and in 2013, a total of 27.4% of the female buffalo in the country are raised in the North Western region. It is followed by the South Eastern and South Central regions.

As a result of the increased number of female buffalos in 2013, the production of buffalo milk marks an increase by 8% compared to the previous year, reaching 8 459 thousand liters.

**Table II.16. Number of buffalo per regions**

Regions	01.11.2012				01.11.2013			
	Buffalo total		Female buffalo		Buffalo total		Female buffalo	
	thousand animals	share	thousand animals	share	thousand animals	share	thousand animals	share
North Western	2,6	28.2%	1,7	29.8%	2,7	27.3%	1,7	27.4%
North Central	1,2	13.0%	0,6	10.5%	1,3	13.1%	0,7	11.3%
North Eastern	0,9	9.8%	0,6	10.5%	1,0	10.1%	0,6	9.7%



South Eastern	1,9	20.7%	1,2	21.1%	2	20.2%	1,4	22.6%
South Western	0,7	7.6%	0,4	7.0%	0,6	6.1%	0,4	6.5%
South Central	1,9	20.7%	1,2	21.1%	2,3	23.2%	1,4	22.6%
<b>Total for the country</b>	<b>9,2</b>	<b>100%</b>	<b>5,7</b>	<b>100%</b>	<b>9,9</b>	<b>100%</b>	<b>6,2</b>	<b>100%</b>

Source: MAF, department „Agrostatistics“

The total production of meat from cattle in the country in 2013 amounts to 19 107 tons. This is 6.2% less on an annual basis, due to a decrease by 11.9% of the yield directly in the holdings, which normally forms a higher share than the one in the slaughterhouses. At the same time, the industrial yield increases by 9.5%.

**Table II.17. Production of meat in 2012 and 2013 in slaughterhouse weight, in tons**

Category of animals	Industrial production			Meat in holdings		
	2012	2013	Change 2013/12	2012	2013	Change 2013/12
Calves and young cattle	687	714	3.9%	8 905	10 621	19.3%
Other cattle	4 678	5 163	10.4%	6 117	2 609	-57.3%
<b>Total for the country</b>	<b>5 365</b>	<b>5 877</b>	<b>9.5%</b>	<b>15 022</b>	<b>13 230</b>	<b>-11.9%</b>

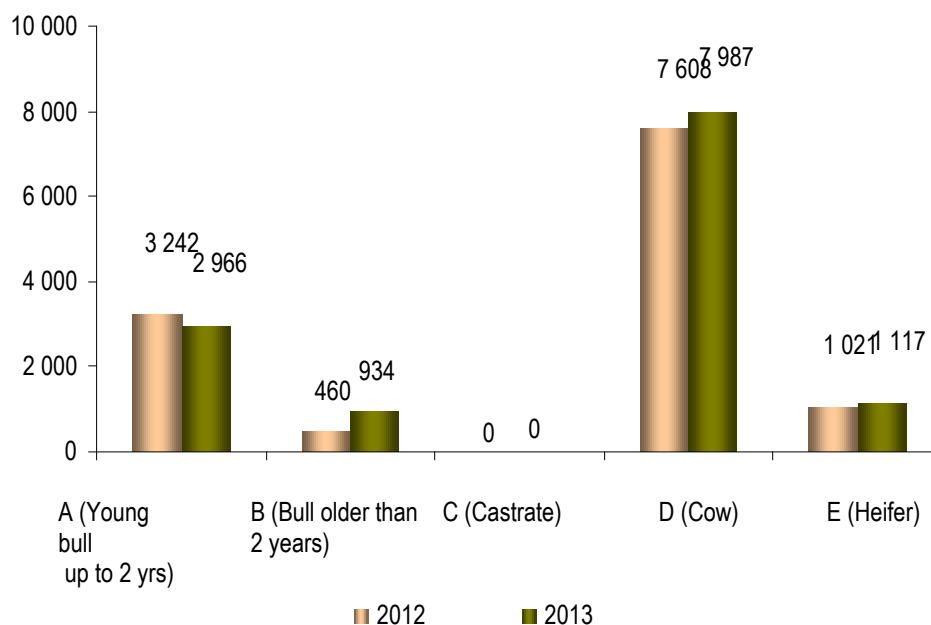
Source: MAF, department „Agrostatistics“

In 2013, according to the scale of EU EUROP, a total of 13 004 adult cattle have been classified, which is a 5% increase compared to 2012. The number of slaughterhouses, performing classification during the year, is nine, three less than the previous year.

For almost all categories of cattle increase in the number of classified carcasses is reported compared to the previous year, with the exception of category A.

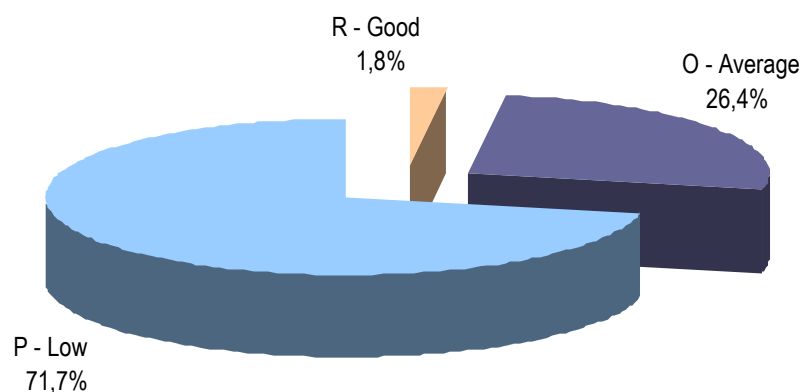
The highest share is the share of classified adult cattle, category D – 61%, followed by cattle, category A – 23%. The share of classified cattle, category B and E is respectively 7% and 9%.

**Figure II.5. Total number of classified adult cattle per category, 2012 – 2013**



Source: MAF, directorate „Livestock breeding“

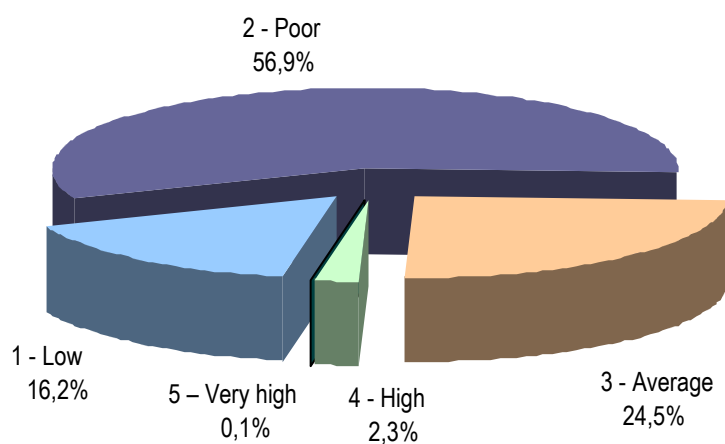
**Figure II.6. Classified cattle per conformation in 2013 (%)**



Source: MAF, directorate "Livestock breeding"

The main part of the classified beef meat has been produced by the animal milk strand, and the slaughterhouse carcasses from it have a low yield and underdeveloped conformation. Due to this fact, the highest share is the share of classified cattle with conformation class P (low) – 71.7%, and fatness class 2 (low) – 56.9%.

**Figure II.7. Classified cattle in terms of fatness in 2013 (%)**



Source: MAF, directorate "Livestock breeding"

Slaughterhouses performing classification have classified a total of 48% of the industrial production for the country in 2013

During the year, inspections for application of the classification in slaughterhouses continue.

### 8.3.2. Sheep breeding and goat breeding

In 2013, an insignificant increase is observed in the number of raised sheep compared to the level from one year ago (by 0.6%) up to 1 370 thousand. As of the end of the year, the total number of breeding ewes has increased by 6.2%, and the increase in the milk breeding ewes is 6.4%, up to 1 063,6 thousand animals, and for the meat yielding breeding ewes – by 4.3%, up to 89.3 thousand animals. The number of inseminated young animals has marked an increase by 81.8% on an annual basis, up to 107 thousand.

**Table II.18. Number of sheep per region in 2012 and 2013**

Regions	Sheep total, thousand animals			Including breeding ewes, thousand animals		
	01.11.2012	01.11.2013	Change 2013/2012	01.11.2012	01.11.2013	Change 2013/2012
North Western	137,7	143,0	3.8%	117,6	121,7	3.4%
North Central	181,2	154,3	-14.8%	132,3	123,2	-6.9%
North Eastern	262,6	228,7	-12.9%	186,4	182,1	-2.3%
South Eastern	249,4	252,8	1.4%	213,6	220,1	3.0%
South Western	215,3	233,8	8.6%	171,9	201,1	17.0%
South Central	315,0	357,0	13.3%	263,2	304,7	15.8%
<b>Total for the country</b>	<b>1 361,4</b>	<b>1 369,6</b>	<b>0.6%</b>	<b>1 085,2</b>	<b>1 152,9</b>	<b>6.2%</b>

Source: MAF, department "Agrostatistics"

The trend for consolidation of sheep breeding holdings in the country has continued. As of the end of 2013, the total number of the holdings with sheep has decreased by 2.3% compared to one year earlier, and the one of holdings with breeding ewes – by 4%. At the same time, the average number of animals raised therein has respectively been increased by 3%, with 21.5 animals, and by 10.7% with 18.6 animals.

In 2013, the South Central Region remains the leading region in relation to sheep breeding, and a total of 357 thousand sheep have been raised in it (26% of the total number), 13.3% more compared to the previous year. It is followed by South Eastern and South Western regions, where the increase is respectively 1.4% and 8.6%. Only in two regions - North Central and North Eastern, a decrease is reported of the herds in comparison with 2012, respectively 14.8 and 12.9%.

Despite having a slower rate, the trend observed in previous years continues, for decrease of the herd of goats. As of November 2013, a total of 289.3 thousand goats are raised in the country, 1.5% less compared to the previous year. The number of breeding goats, however, marks an increase by 3.6%, up to 244.6 thousand.

Compared to 2012, the holdings, raising goats, increase by 3%, up to 49.5 thousand holdings. The increase of the holdings raising breeding female goats is lower – by 0.6%, to 47.8 thousand holdings.

In 2013, a significant increase of the holdings by 50 is observed, as well as an increase in the number of inseminated goats and the animals in them. Thus the share of inseminated goats, raised in such holdings, has reached 34% of the total number, with 29% during 2012. Despite this, however, the highest share is the share of inseminated goats, raised in holdings with 1 to 9 animals – 44%, while the number of these holdings is increased by 2.3% compared to the previous year and the inseminated goats, raised there has increased by 4%. As at the end of 2013, the average size of the herds with breeding female goats has increased by 3%, up to 5.1 animals.

**Table II.19. Number of goats per region in 2012 and 2013**

Regions	Goats, total, thousand animals			Including breeding female goats, thousand animals		
	01.11.2012	01.11.2013	Change 2013/ 2012	01.11.2012	01.11.2013	Change 2013/ 2012
North Western	69,9	55,7	-20.3%	59,5	47,0	-21.0%
North Central	32,6	32,1	-1.5%	23,0	25,0	8.7%
North Eastern	34,9	37,1	6.3%	28,5	32,3	13.3%
South Eastern	44,9	46,1	2.7%	37,5	40,6	8.3%
South Western	62,2	72,8	17.0%	48,3	60,7	25.7%
South Central	49,1	45,5	-7.3%	39,2	39,0	-0.5%
<b>Total for the country</b>	<b>293,6</b>	<b>289,3</b>	<b>-1.5%</b>	<b>236,1</b>	<b>244,6</b>	<b>3.6%</b>

Source: MAF, department "Agrostatistics"

Per planning region, the most significant increase in 2013 in the number of goats is reported in the South Western region (by 17%), and the most sensitive decrease – in the North Western region (by 20.3%). Thus the South Western region has become the leading region in relation to goat breeding, and the number of goats raised there is 25% of the total number of goats in the country.

In 2013 a total 144 062 thousand liters of milk from sheep and goats have been produced in the country, incl.: 91 170 thousand liters of sheep's milk, and 52 892 thousand liters – goat's milk, respectively 8 and 2% more compared to the previous year.

Traditionally, the yield of sheep's milk is the highest in the South Central Region – 21 553 thousand liters, or approximately 24% of the total production. It is followed by the South Eastern region (18 379 thousand liters), and South Western (16 590 thousand liters) regions, and the least sheep's milk has been produced in the North Central Region (9 027 thousand liters).

The most significant production of goat's milk in 2013 is reported in the areas North Western (12 782 thousand liters) and South Western (12 108 thousand liters), forming respectively 24 and 23% of the total production in the country.

Compared to the previous year, in 2013 the total yield of sheep and goat meat marks a decrease by 24.7%, down to 12 817 tons, incl.: 10 599 tons – sheep meat and 2 218 tons – goat meat. The production of sheep meat has decreased by 23.2%, and the production of goat's meat – by 31.3%.

In 2013, the classification of light and heavy carcasses of sheep (lambs) according to the EU scales, is applied in two slaughterhouses in the country. A total of 2 833 light and heavy lambs have been classified, 23% less compared to 2012. Approximately 79% of them are light lambs (up to 13 kg), and 99.6% have been classified as first-class meat.

The largest share is the share of light lambs, category C, and highest quality – 68%. It is followed by the ones with a weight between 7.1 kg and 10 kg, category B by 30%.

**Table II.20. Classified slaughterhouse carcasses up to 13 kg "Light lambs"**

Category	A		B		C	
Weight	≤ Up to 7 kg		7,1 - 10 kg		10,1 - 13 kg	
Quality	First	Second	First	Second	First	Second
Meat color	light pink	another color	light pink or pink	another color	light pink or pink	another color
2012 – number	52	0	1 083	0	1457	0
2013 – number	47	0	682	0	1 508	8

Source: MAF, directorate "Livestock breeding"

For almost all categories, a decrease in the number of carcasses classified compared to the previous year is reported, with the exception of category C lambs.

The slaughterhouse sheep carcasses classified in 2013, aged more than 12 months and weight exceeding 13 kg. are a total of 588 – 54% less compared to the previous year.

**Table II.21. Classified slaughterhouse carcasses with a weight exceeding 13 kg “Heavy lambs” according to conformation**

Conformation class	S Supreme	E Excellent	U Very good	R Good	O Satisfactory	P Poor
<b>2012</b>						
Number	0	0	93	140	796	60
Share, %	0	0	8,54	12,86	73,09	5,51
<b>2013</b>						
Number	0	0	0	2	570	16
Share, %	0	0	0	0,34	96,94	2,72

Source: MAF, directorate “Livestock breeding”

**Table II.22. Classified slaughterhouse carcasses exceeding 13 kg “Heavy lambs” per degree of fatness**

Class per degree of fatness	1 Low	2 Poor	3 Satisfactory	4 High	5 Very high
<b>2012</b>					
Number	0	589	367	112	21
Share, %	0	54,09	33,70	10,28	1,93
<b>2013</b>					
Number	0	349	238	1	0
Share, %	0	59,35	40,48	0,17	0

Source: MAF, directorate “Livestock breeding”

The highest share is the share of classified heavy lambs with conformation class O (Satisfactory) and fatness degree class 2 (Poor).

### 8.3.3. Pig breeding

After the reported almost 13-percent decrease in the number of pigs in the country in 2012, related on the one hand to increase in the prices of feed during the marketing year 2012/13, and on the other hand – the need to cover the new requirements for humane treatment with breeding sows from the start of 2013 to the end of 2013, partial restoration of the herd is observed.

One of the factors, contributing to the stabilization of this sector, is the scheme, starting as of the end of 2012 for state aid, for realization of voluntarily undertaken five-year commitments for humane treatment of pigs, which continues to apply both in 2013 and 2014. The subsidies shall be provided on an annual basis and shall cover the additional expenses or the opportunity costs, related to these commitments.

As of November 2013, the total number of pigs in the country has increased by 10.4% compared to a year earlier, up to 586.4 thousand, raised in twice the number of holdings. The biggest contribution to this increase is the contribution of small holdings with up to 9 animals, mostly the ones with 1 – 2 animals, which could be explained with the significant decrease of prices of feed crops from the second half of the calendar year 2013. These holdings, however, produce mainly for their own consumption, and have no essential effect on the pork market in the country.

Thus, as of the end of 2013, the average size of the pig breeding holdings has decreased to 9,8 animals (with 17,1 animals average in 2012 and 9,9 animals average in 2011). Despite this fact, pig breeding remains a much focused sector, and more than 75% of all pigs in the country are raised in holdings with 1 000 or more animals.

In 2013, pig breeding continues to be concentrated mainly in three areas in the country – North Central, North Eastern and South Eastern, where 79% of the total number of both pigs – in total, and the sows are being raised.

In all planning regions, increase of the total number of pigs, compared to the previous year, is observed. The most significant increase is in South Western and in South Central Region, by 46.6 and 44.1% respectively.

At the same time, the number of sows has decreased by 10.8%, and the reported increase of sows in North Central and South Western regions is not sufficient to compensate for the decrease in the other regions.

**Table II.23. Number of pigs per region in 2012 and 2013**

Region	Pigs-total, thousand animals			Sows, thousand animals		
	1.11.2012	1.11.2013	Change 2013/2012	1.11.2012	1.11.2013	Change 2013/2012
North Western	38,7	45,7	18.1%	3,3	3,2	-3.0%
North Central	164,4	182,7	11.1%	11,0	13,3	20.9%
North Eastern	127,9	130,1	1.7%	11,3	9,1	-19.5%
South Eastern	146,0	149,7	2.5%	14,7	11,9	-19.0%
South Western	20,6	30,2	46.6%	2,3	2,4	4.3%
South Central	33,3	48,0	44.1%	6,2	3,6	-41.9%
Bulgaria	<b>530,9</b>	<b>586,4</b>	<b>10.4%</b>	<b>48,8</b>	<b>43,5</b>	<b>-10.8%</b>

Source: MAF, department „Agrostatistics“

As of 01.11.2013, the number of holdings, breeding sows, has increased by 16% on an annual basis, up to 4 831, while the number of sows bred therein, has decreased by 5.1%. Approximately 70% of the total number of sows has increased in holdings with 200 or more animals. Comparing it with 2012, however, the number of these holdings shall decrease by 17.9%, and the animals, raised in them – by 12.5%.

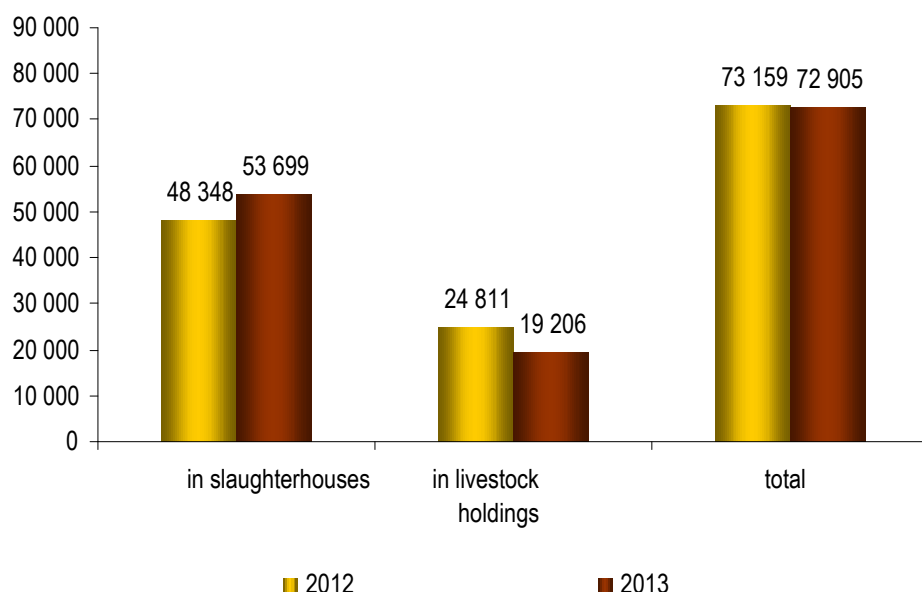
**Table II.24. Distribution of sows with weight exceeding 50 kg. according to the number of animals raised in a holding as of 01.11.2013**

Number of animals in the holding	Holdings		Sows above 50 kg.	
	Number	Change 2013/2012	Thousand animals	Change 2013/2012
1-2	3 820	18.7%	4,8	22.3%
3-9	758	3.4%	3,2	-2.3%
10-49	170	29.8%	3,3	41.0%
50-199	51	21.4%	4,9	19.9%
200 and more	32	-17.9%	39,2	-12.5%
<b>Total</b>	<b>4 831</b>	<b>16.0%</b>	<b>55,4</b>	<b>-5.1%</b>

Source: MAF, department „Agrostatistics“

The production of pork normally forms more than 60% of the full yield of red meat in Bulgaria. According to data of department “Agrostatistics” of MAF, in 2013 the yield of pork has decreased significant (by 0.3%) up to 72 905 tons, out of which 53 699 tons, produced in slaughterhouses and 19 206 tons – in the holdings. The decrease in the total production has been caused by the lower production of pork in livestock holdings – by 22.6%, while the total production in slaughterhouses increases by 11%.

**Figure II.8. Production of pork in 2012 and 2013, tons**



Source: MAF, department "Agrostatistics"

In 2013, the classification scale of slaughterhouse carcasses from pigs (S)EUROP is applied in three slaughterhouses – one more compared to the previous year. Despite this, the total number of classified pigs shall decrease by 54% compared to the previous year, up to 40 837. This is explained with the decrease in the number of slaughtered animals in these slaughterhouses and the low level of interest by the producers to the classification. Slaughterhouses, performing classification in 2013, have classified only 5% of the total slaughtered fattened pigs in the country.

Similar to the previous year, the highest share (69%) belongs to the pigs in class E with content of lean meat from 55 to 60% of the group weight.

**Table II. 25. Classified slaughterhouse carcasses of pigs according to the content of lean meat**

Year	S 60% and more	E From 55 to 60%	U From 50 to 55%	R From 45 to 50 %	O From 40 to 45%	P 40% or less	Total (Number)
2012	1 224	47 900	25 980	754	13	0	75 871
2013	434	28 281	11 761	354	7	0	40 837

Source: MAF, directorate "Livestock breeding"

#### 8.3.4. Horse breeding

According to data of BFSA as of the end of 2013, the number of equines animals in the country is 121 649, 7.5% less compared to the previous year.

**Table II.26. Number of equines during the period 2011-2013**

	2011	2012	2013*	Change 2013/2012
Number of equines	135 846	131 463	121 649	-7.5%

Source: BFSA

During the year, the work related to preservation and development of the genetic resources in horse breeding continues. The efforts in this regard are directed toward preservation of the Bulgarian purebred horse, Trackener BG and Purebred Arabian horse.

### 8.3.5. Bird breeding

In 2013, the application of the state aid approved at the end of 2012 for humane treatment in the raising of birds continues. According to the scheme, support is received both by large, highly-modernized bird breeding facilities, and smaller farms, providing production of eggs, bird meat and fattened liver.

As of 31.12.2013, the total number of birds in the country amounts to 13 213 thousand, 13.4% less compared to one year early, mostly because of the significant decrease of the chicks for fattening – by 32.3%. For this same period, increase in the number of hens and growing young egg-hens is observed – by 4%, and of ducks – by 11%. For the remaining types of birds – turkeys, geese, et. al. (quail, ostriches and guinea fowl), which normally form a small share of the total number of birds in the country, a decrease in their number between 8.5 and 20.8% is reported.

**Table II.27. Number of birds at the end of the year, thousand birds**

Type of bird	2011	2012	2013	Change 2013/2012
Hens and growing egg-laying hens	6 627	6 338	6 592	4%
Chickens bred for meat	6 522	7 499	5 074	-32.3%
Turkeys	84	47	43	-8.5%
Ducks	1 343	1 297	1 440	11.0%
Geese	50	26	23	-11.5%
Other birds	29	53	42	-20.8%
<b>Total</b>	<b>14 656</b>	<b>15 260</b>	<b>13 213</b>	<b>-13.4%</b>

Source: MAF, department „Agrostatistics“

The holdings, raising hens and pullets in 2013, have decreased by 12.7% compared to 2012, down to 126 244 birds. More than 46% of the birds are situated in large holdings, raising 100 thousand and more hens and pullets, and the number of birds in these holdings has increased by 9.2% compared to the previous year.

**Table II.28. Number of birds per species and regions in 2013, thousand birds**

Region	Egg-laying hens and young hens	Chickens bred for meat	Hens and chickens total	Turkeys	Ducks	Geese	Other birds	Total number of birds	Change 2013/2012
North Western	901	540	1 441	9	19	5	4	1 478	-16.0%
North Central	1 454	2 405	3 859	8	25	5	1	3 898	-31.8%
North Eastern	1 476	1 452	2 928	10	195	11	0	3 144	30.3%
South Eastern	920	208	1 128	8	376	1	2	1 515	-29.7%
South Western	c	c	811	6	0	0	34	851	-4.3%
South Central	c	c	1 498	2	825	1	1	2 327	0.0%
<b>Total for the country</b>	<b>6 592</b>	<b>5 074</b>	<b>11 665</b>	<b>43</b>	<b>1 440</b>	<b>23</b>	<b>42</b>	<b>13 213</b>	<b>-13.4%</b>

Source: MAF, department „Agrostatistics“

The number of holdings having between 10 and 99 thousand birds has increased by 17.9%, and the hens and pullets, raised in them – by 21.6%. For the other holdings categories, a decreased has been registered in their name and in the number of birds in them.

In 2013, the holdings raising chickens bred for meat have also decreased by 10.8%, and the number of the birds in them – by 32.3%. More than half the chickens bred for meat (56%) are raised in



large holdings with 100 thousand or more birds. Comparing it to the previous year, however, the number of these holdings has marked a significant decrease – by 40%, and the number of chickens in them – by 50.9%. At the same time, the holdings having between 10 and 99 thousand birds raised for meat have increased by 39.6%, and the chickens bred for meat bred therein – by 33.6%.

The number of birds raised in North Central and North Eastern regions is the highest. In 2013, these two regions concentrate more than 58% of the total number of hens and chickens, and close to half of the chickens bred for meat are situated in the North Central Region. Traditionally, raising ducks is at its highest level in South Central region (more than 57% of the total number) and South Eastern region (26%). The highest number of turkeys and geese are raised in the North Eastern region.

The production of eggs in 2013 has increased by 1.7% compared to the previous year, reaching 1 194 623 thousand eggs, incl. 1 187 823 thousand hens and 6 800 – other bird species. Out of the total number of eggs from hens, 1 007 559 thousand are for consumption, and 180 264 thousand – for hatching. Compared to 2012, eggs for consumption increase by 2.3%, while the ones for hatching decrease by 1.9%.

**Table II.29. Production of eggs in 2013 per planning regions, thousand eggs**

Region	Eggs from hens	Other eggs	Total number of eggs	Change 2013/2012
North Western	131 987	750	132 737	-8.9%
North Central	272 310	600	272 910	-0.2%
North Eastern	268 369	280	268 649	10.3%
South Eastern	171 253	1 114	172 367	-2.2%
South Western	84 783	3 412	88 195	1.0%
South Central	259 121	644	259 765	4.7%
<b>Total for the country</b>	<b>1 187 823</b>	<b>6 800</b>	<b>1 194 623</b>	<b>1.7%</b>

Source: MAF, „Agrostatistics“

The most eggs during the year have been produced in North Central, North Eastern and South Central regions (forming approximately 22 – 23% of the total production each), and the least number of eggs have been produced in the South Western region.

In 2013, a total of 98 388 tons of poultry meat and by-products have been produced in the country sub-products, 8.6% less on an annual basis, incl.: 94 519 tons (96%) – produced in slaughterhouses and 3 869 tons – directly in the holdings. The industrial production of poultry meat and sub-products has decreased by 4.5% compared to the previous year, and the yield in the holdings – by 55%.

**Table II.30. Production of poultry meat during the period 2011 - 2013**

Production	Slaughtered birds (thousand birds)			Total meat and byproducts (tons)		
	2011	2012	2013	2011	2012	2013
In slaughterhouses	52 279	52 943	50 462	98 587	98 992	94 519
In holdings	2 384	4 170	1 792	5 247	8 617	3 869
<b>Total</b>	<b>54 663</b>	<b>57 113</b>	<b>52 254</b>	<b>103 834</b>	<b>107 609</b>	<b>98 388</b>

Source: MAF, department „Agrostatistics“

### 8.3.6. Apiculture

Bulgaria has long-standing traditions in the production of honey and bee products, the prerequisite for which is the variety in plants and the relief in the country. The appropriate natural, climate and ecological conditions, which contribute to the gradual decrease of the yield of these products, have a beneficial influence.

Apiculture provides alternative employment for the population of underdeveloped rural regions and provides additional income.

Positive influence over the development of the sector and its concentration is exerted by the National Apiculture Program 2008, which is being developed with the large-scale participation of the bee organizations in the sector.

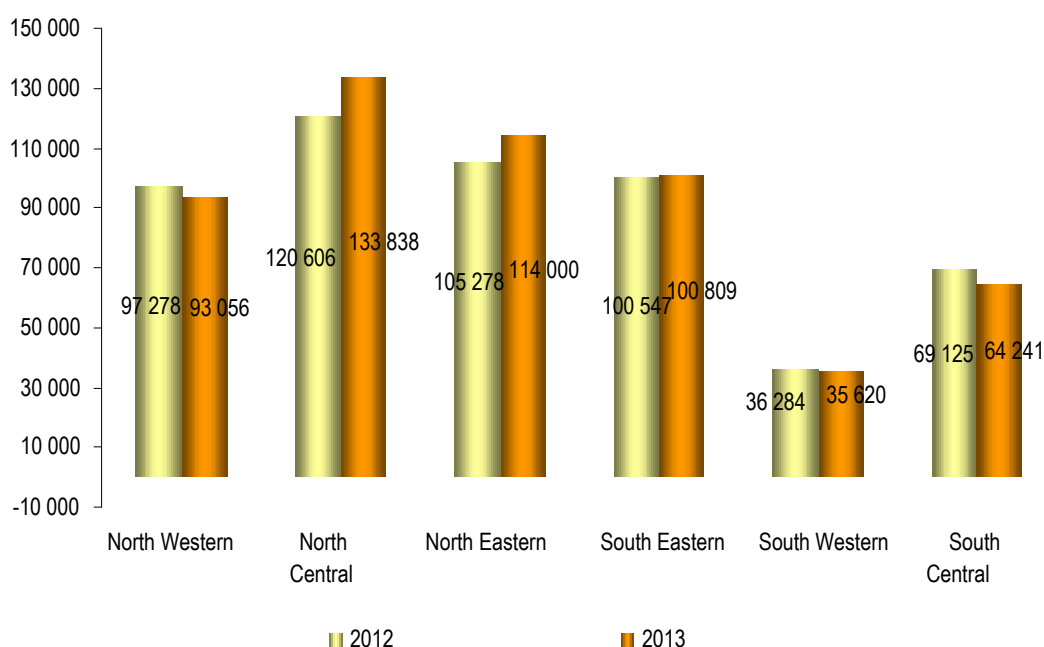
As of May 1, 2013, the number of bee holdings in the country has decreased by 10.9% compared to an year early, while the number of bee families in them has increased by 2.4%, up to 541 564. Thus the average size of bee holdings reaches 31.5 bee families, whereas the number of bee families was 27,4 in 2012. A significant increase in the holdings by 150 is observed, and also of the bee families – by 30.7%, and the number of bee families, raised in these holdings – by 34.4%. At the same time, the number of bee families in the holdings having from 1 to 49 bee families has decreased.

**Table II.31. Number of bee holdings and bee families as of May 1**

Number of bee families in the holding	Number of holdings			Number of bee families			Average number of bee families		
	2012	2013	Change 2013/2012	2012	2013	Change 2013/2012	2012	2013	Change 2013/2012
From 1 to 9	7 612	6 569	-13.7%	35 015	29 991	-14.3%	4,6	4,6	0.0%
From 10 to 49	8 332	7 214	-13.4%	180 247	158 988	-11.8%	21,6	22,0	1.8%
From 50 to 149	2 915	2 848	-2.3%	218 453	224 321	2.7%	74,8	78,8	5.3%
150 and more	424	554	30.7%	95 402	128 264	34.4%	225,0	231,5	2.9%
<b>Total</b>	<b>19 283</b>	<b>17 185</b>	<b>-10.9%</b>	<b>529 117</b>	<b>541 564</b>	<b>2.4%</b>	<b>27,4</b>	<b>31,5</b>	<b>14.9%</b>

Source: MAF, department "Agrostatistics"

**Figure II.9. Number of bee families per region in 2012 and 2013**



Source: MAF, department "Agrostatistics"

In 2013, the highest number of bee families is raised in the North Central Region, followed by the North Eastern and the South Eastern regions. The areas with the highest number of bee families during the year are Burgas (42 693 bee families), Silistra (42 607 bee families), Ruse (40 825 bee families), Dobrich (38 170 bee families) and Pleven (33 509 bee families).

Apiculture has less prevalence in the South Western and the South Central Bulgaria.

The bee families, which have produced honey in 2013, are 476 286 in total, 3.2% more compared to the previous year. The bee honey produced by them has increased by 9.6%, up to 10 065 tons, with an average annual yield from a single bee family – 21.1 kg (20 kg in 2012).

The realization of bee honey for the period 01.05.2012 - 01.05.2013 is as follows:

- Direct sales to end user – 2 388 tons;
- Sales to retailers – 264 tons;
- Sales to processing enterprises – 4 889 tons;
- Sales for industry – 254 tons;
- For private consumption and feeding bees – 2 142 tons.

According to data of department “Agrostatistics” of MAF, in 2013 the total number of destroyed bee families is 53 925, 18.2% less compared to the previous year. The registered losses are as follows: destruction caused by poisoning – 10 603 bee families, by diseases – 7 941 bee families, by hunger – 3 439 bee families, due to other reasons – 31 942 bee families.

Both for the countries in Western Europe and for Bulgaria, varroa destructor is a common disease, and its infestation has an essential impact over the yield, and measures for treatment against it affect the quality of bee honey. The prophylactic treatments, conducted in this regard in 2013, encompass a total of 536 367 bee families, or 99% of their total number.

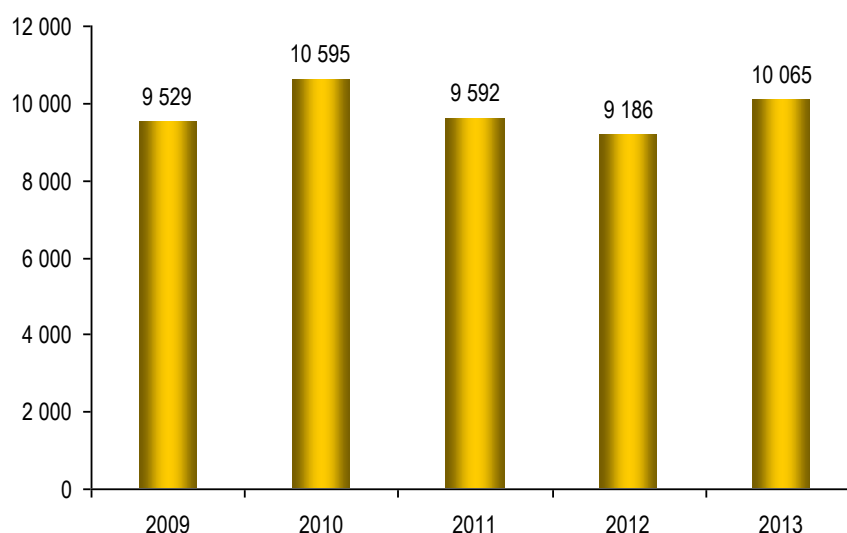
The feeding of the bee families during the year includes: winter – 440 878 bee families, spring – 496 011 bee families, and autumn feeding – 452 882 bee families.

In 2013, the holdings included in mobile apiculture have increased approximately by 53% compared to the previous year, up to 1 039 holdings, and the bee families in them – by 50%, up to 70 344 bee families.

Within the second quarterly National Apiculture Program, applicable for the period 2011 - 2013, a budget has been provided for 2013 to the amount of 6 502 550 BGN, out of which bee-keepers have been paid 5 874 910 BGN (90% utilization rate of the funds).

Despite the results achieved, in general the sector continues to need implementation of state-of-the-art technologies, better control of the health status of bee families, and measures for incentivizing the realization of apinary products.

**Figure II.10. Production of bee honey in 2009 -2013, tons**



Source: MAF, department „Agrostatistics”

### **8.3.7. Rabbit breeding**

Lately, increasing the interest in rabbit breeding is observed in the country, which is caused by the good natural and climate conditions, the existence of traditions and experience in rabbit breeding, and the increased demand of alternative types of meat globally. Large share of the holding owners breed rabbits for their own consumption.

According to preliminary data of BFSA, as of the end of 2013, the total number of rabbits in the country is approximately 95 thousand – approximately at the level of the previous year.

Despite the good prerequisites for development of rabbit breeding, this type of production is not widespread, due to a series of difficulties, such as:

- Insufficient professional preparation of rabbit breeders;
- obsolete equipment;
- high production expenses, which often exceed purchase prices;
- absence of stable strategic export markets and partners;
- strong dependency on the export of rabbit meat on the conjuncture of foreign markets;
- absence of direct subsidies for rabbit farmers;
- insufficiently developed scientific potential for securing of the sector;
- insufficient marketing and management on the Bulgarian market.

### **8.4. Condition of organic farming in Bulgaria in 2013**

Organic farming is an important priority in the policy for development of agriculture in Bulgaria and is one of the accents of the Common Agricultural Policy for the period 2014 – 2020. Providing incentive to agricultural producers for transitioning to or maintenance of organic farming contributes at the same time for environmental protection – it strengthens agro-ecosystems, preserves biodiversity and provides an opportunity for future generations to use the preserved nature; production of agricultural foods – this form of agriculture corresponds to the needs of the increasing number of users, because it used safe and transparent methods of production; social effect – it creates employment in rural areas and more jobs compared to conventional agriculture.

Information regarding the status of organic farming in Bulgaria for 2013 shall be based on data of the annual reports of controlling entities for organic farming, officially approved by the Minister of Agriculture and Food: “Balkan Biocert” OOD, “Q Certification” AD, “CEREC – Certification of Ecological Standards” OOD, “Lakon” OOD, “BC EU Oeko-Garanti” OOD, Company “Control Union Certifications”, “A CERT European Certification Organization” AD, “Institute for Control of Organic Products” AD (Institute Bio Hellas), “SGS Bulgaria” EOOD, “Ecogroup Italy” OOD, with branch “Ecogruppo Italy – Bulgaria branch”, “Bioagricert Italy Bulgaria” EOOD, TP “Austria Bio Garanti” and “Bulgarkontrola” AD.

During the last several years, despite the conditions of economic crisis, organic farming in the country is developing rapidly, and the number of operators, lands and animals, included in the control system, are increasing constantly. Factors contributing toward this are:

- Very good prerequisites for development of organic farming in Bulgaria – areas preserved from environmental point of view;
- The efforts of MAF in partnership with the business and the NGO organizations in the sector for promotion of the benefits for producers and consumers of the type of products and food;
- Support of organic producers under Rural Development Program 2007 - 2013;
- Awareness of benefits for the environment and rural areas;

- Awareness and willingness of users to eat healthy.

#### 8.4.1. Number of operators in the control system

As of the end of 2013, the total number of organic producers, processing parties and traders, registered in Ministry of Agriculture and Food, is 3 123 (without the subcontractors), 1 107 more compared to the previous year. The number of subcontractors in the control system has increased significantly, up to 872. Thus the total number of organic producers, processing parties and traders (operators) and the subcontractors in the control system for 2013 has reached 3 995. In comparison with 2009, since the new European legislation in the field of organic farming has been applied, in 2013 the number of operators in the control system has increased more than eight times, and in comparison with 2006, the last year before the EU accession of Bulgaria – around fifteen times.

The collection of information of the organic farming control system is within the limits of the calendar year.

**Table II.32. Number of operators (producers, processing parties, traders) in organic farming**

	2006	2007	2008	2009	2010	2011	2012	2013
Number of operators in organic farming	214	339	311	476	820	1 054	2 016	3 123

*Source: MAF, according to data of the annual reports of the controlling parties of organic farming*

#### 8.4.2. Areas included in the control system

In 2013, lands included in the organic farming control system amount to 56 287 ha (without including the certified and environmentally clean regions, where wild crops are – mushrooms, herbs and forest fruits), which is 39% increase compared to the previous year.

As a comparison to 2012, the total cultivated areas, raised according to the methods of organic farming have increased by 7 800 ha, and the permanent meadows and pastures – by 7 519 ha.

**Table II.33. Areas in organic farming**

	2006	2007	2008	2009	2010	2011	2012	2013
Total cultivated areas (ha)	4 691	13 646	12 738	8 163	20 320	20 618	30 106	37 906
Permanent meadows and pastures (ha)	-	-	2 486	1 843	3 611	4 491	7 957	15 476
Unutilized land / fallow land (ha)	1 261	1 578	1 438	1 783	1 716	1 513	2 315	2 905

Total areas within the control system (in transition or having passed period of transition) (ha)	5 952	15 224	16 662	11 789	25 647	26 622	40 378	56 287
Wild crops* (ha)	118 243	397 354	489 083	401 425	546 195	543 655	472 700	678 025

\*Wild crops – mushrooms, herbs and forest fruits are collected from the certified environmentally clear areas, but lands have not been cultivated in the column "Total areas within the control system"

\*Source: MAF, according to data from the annual reports of the controlling entities of organic farming

Similar to the previous year, in 2013 the area of lands in transition period (41 126 ha) is almost three times higher than the area of lands which have passed the transition period (15 161 ha). This is explained with the increase of the number of operators in control system, the areas of which shall undergo through the transitional period. From the biological crop husbandry, the perennial crops, the technical crops and the grain and cereals are the most preferred by the agricultural producers.

In 2013, lands within the control system planted with grain and cereals amount to 7 669 ha, an increase by 137 ha compared to the previous year. Wheat, maize, barley, rye, oats and triticale are the main crops as per the organic farming methods.

Lands planted with industrial crops in a control system in 2013 have increased by 1 427 ha in comparison with 2012, up to 9 336 ha. The increase is a result of a significant increase of lands, planted with aromatic and medicinal plants, spice crops and oil-bearing roses, while lands planted with sunflower and rapeseed have decreased slightly.

In 2013, lands planted with oil-bearing rose (*Rosa damascene*) have increased by 444 ha compared to the previous year, up to 1 587 ha, which is linked to the Bulgarian traditions for cultivating oil-bearing roses. The increase of lands with aromatic crops, medicinal plants and spices is almost double, and reaches 6 536 ha, with 3 378 ha in 2012.

When compared to the previous year 2012, an increase is also observed in the territory of lands planted with artichoke, onion, carrots, salad, cauliflower and broccoli, watermelons, melons, strawberries and cultivated mushrooms.

Lands with permanent meadows and pastures have almost doubled and by the end of 2013, they already occupy 15 476 ha. Lands with feed crops, produced from arable lands (green harvesting) also mark a significant increase compared to 2012 – by 1 826 ha, which is caused by the intensified interest by the operators to organic livestock breeding.

**Table II.34. Lands for agricultural crops, raised organically**

Types of crops	Lands in transition period (ha)		Lands, which has undergone transition period (ha)		Total areas (ha)	
	2012	2013	2012	2013	2012	2013
Grain and cereals, including rice	4 771	5 040	2 761	2 629	7 532	7 669
Industrial crops – total	5 231	6 090	2 678	3 246	7 909	9 336

Including oil-bearing rose (Rosa damascene)	769	767	375	820	1 144	1 588
Fresh vegetables, melons, strawberries, cultivated mushrooms (total)	654	737	767	300	1 421	1 037
Perennial crops	8 733	12 649	2 226	4 235	10 959	16 885
Permanent meadows and pastures	4 903	12 517	3 054	2 959	7 957	15 476
Feed crops of arable lands (green harvesting)	1 593	1 826	451	1 055	2 044	2 881
Fallow land	1 958	2 169	357	736	2 315	2 905

*Source: MAF, according to data of annual reports of the controlling entities of organic farming*

In 2013, lands planted with perennial crops raised organically amount to 16 885 ha, with 5 926 ha or approximately twice the size compared to the previous year. The increase is mostly related to the increase of lands with drupaceous and pip orchards, nuts and vineyards. For all types from the group of perennial crops, an increase in the lands in the control system compared to 2012 is observed. The interest toward the group of nuts continues to increase – walnuts, hazelnuts, almonds and chestnuts. In 2013, lands in this group of crops reach 8 947 ha, with 5 981 ha for 2012. The highest increase is observed for lands with a nut – from 3 896 ha in 2012 to 5 889 ha in 2013. Significant increase is observed also for lands with hazelnut and almond, which reach respectively 1 872 and 1 175 ha.

In 2013, plantings with vineyards, raised organically, occupy 3 871 ha, 1 814 ha increase compared to 2012. The interest of organic farmers to this type of production, traditional for our country, continues to increase, and there is an increase in lands in the control system, as well as with wine vineyards and dessert wine vineyards. A main factor for the development of biological viticulture and more specifically the organic raising of wine vineyards is the entry into force in 2012 of the Commission Implementing Regulation (EU) No. 203/2012 in relation to determining detailed rules regarding organic wine. This Regulation is applied since harvest '2012, and the producers of wine from organic grapes are allowed to use the term 'organic wine' on their labels. The advantage of the new rules for production of organic wine are related to the clear differentiation of the practices used in the production of organic wine from biological grapes and provide guarantees to the consumer.

The certified environmentally clean areas, from which wild fruits, herbs and mushrooms are collected in 2013, are 678 025 ha, which is approximately a 20% increase compared to the previous year. The organically raised crops, non-traditional for our country, such as artichoke, olives and kiwi, albeit in small areas, are indicative of the efforts of organic farmers to meet the demands of the market and to diversify the types of crops that they are raising.

#### **8.4.3. Organic livestock breeding**

In general in 2013 organic livestock breeding continues to have a positive trend.

Cattle raised organically during the year have increased by 138 animals compared to 2012, up to 1 311 animals, whereas goats have increased by 404 animals, up to 3 235 animals. The number of bee families in the control system in 2013 has increased up to 117 360, which is an increase by 32 000 compared to the previous year. A prerequisite for this increase is the good reception of the organically produced bee honey on international markets. Only in the number of sheep, raised organically, a decrease has been reported in comparison to 2012. It is still substantially higher than the level in 2011.

**Table II.35. Number of animals, raised organically\***

	2006	2007	2008	2009	2010	2011	2012	2013
Cattle	329	395	470	272	364	976	1 173	1 311
Sheep	1 054	1 690	2 471	5 831	6 698	6 648	9 175	7 894
Goats	131	1 058	1 624	2 732	2 773	3 397	2 831	3 235
Bee families	33 981	35 747	44 861	41 089	46 429	58 855	85 346	117 360

\* It includes animals in the period of transition and animals which have completed a period of transition

Source: MAF, according to data of annual reports of the organic farming controlling entities

#### 8.4.4. Financial support of organic farming

In recent years, even more agricultural producers take up organic farming, and even more consumers are looking for healthy produce, not contaminated with artificial fertilizers and other chemical compounds. The incentivizing of producers and consumers is related to the care for ecological balance of the land and people's health.

The organic products market in EU and worldwide is developing dynamically, and regardless of the crisis, it has increased constantly. Europe is the second largest production of biological products in the world.

The reforms in CAP for the program period 2014 – 2020 stipulate 30% of direct payments, which are separated for the so-called “green direct payments”. Organic farmers shall receive unconditionally “direct green payments” for lands in control system. The future development of agriculture in EU after 2014 and its financing is even more narrowly related to the topic of ecology and sustainable use of natural resources. In the new Regulation of The European Parliament and the Council regarding the support of development of rural areas from the European Agricultural Fund for development of rural areas for the period 2014 – 2020, the creation of a new measure “Organic farming” is stipulated within the new programming period of the Rural Development Program 2014 - 2020 This is an important recognition for the increase of the significance of organic agriculture in EU.

Most of Bulgarian organic foods are designated for foreign markets. The sector “bio” in the country is developed upwards and undoubtedly has a future.

In 2014, preservation of the trends for increasing the number of biological operators and the size of lands in the control systems is expected, as well as an increase of biodiversity of crops raised biologically and agricultural animals. Ministry of Agriculture and Food shall continue to work in the direction of guaranteeing the completion of state policy in the area of supervision and control of organic farming and compliance with the requirements of the European and national legislation in this area, improvement of the possibilities for support of organic farmers during the period 2014 - 2020, as well as popularizing the benefits of organically produced foods and products for human health and the biological method of production, as well as environmentally friendly and preserving natural resources.

Support of organic farming in Rural Development Program (2007 - 2013) was part of measure 214 “Agro-ecological payments”. The sub-measure has been directed toward the support of organic crop husbandry and organic apiculture. The reformed CAP, applicable after 2014, includes new and reviewed measures for support, which could be applied for producers of organic products.

During the program period 2014 – 2020, according to the Rural Areas Development Program, the support of organic crop husbandry and organic apiculture will continue, and support of organic farming has been stipulated in a separate measure – organic farming. Within the limits of this measure, two sub-measures shall be completed:

- Sub-measure 11.1 Payments for transition to organic farming for hectare UAA;
- Sub-measure 11.2 Payments for support of organic farming for hectare UAA.



It is expected that the measure has a positive effect and contribution to the sustainable development of rural areas, by contributing to the environmental protection, mitigation of the consequences of climate change and support of small and medium farms, most of which are family farms.

## 8.5. Viticulture and wine production

### 8.5.1. Production of grapes

#### Areas

Lands with vine plantings in the holdings in 2013 amount to 58 236 ha, and out of them, a total of 50 192 ha have been harvested. Compared to 2012, lands with vine plantings mark a decrease by 7%, and for more than 6 thousand ha, no care has been applied, due to various social and economical reasons. The new vineyards with wine sorts, created in 2013, amount to 607,3 ha – approximately 42% more compared to 2012, and approximately 2% of the lands in the holdings are young vineyards and have not started fruitfulness. The amount of the non-maintained vineyards outside of the holding has decreased significantly – from 14 640 ha in 2012 to 4 900 ha in 2013 (67% less). As a result of the reduced number of vineyards both in and outside of the holdings, in 2013 the total areas with vineyards have decreased by 18% compared to the previous year, down to 63 136 ha.

**Table II.36. Vineyards in Bulgaria for the period 2004 – 2013**

Year	Areas with vine plantings, ha	Non-maintained vineyards outside of the holdings, ha	Total areas with vineyards, ha
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
2011	52 567	25 901	78 468
2012	62 701	14 640	77 341
2013	58 236	4 900	63 136

Source: MAF, „Agrostatistics“

Approximately 70% of vineyards in the holdings are situated in the southern part of the country, mostly in the South Eastern and South Central regions.

**Table II.37. Distribution of lands with vineyards in 2013 per location of the holdings**

Regions	Total area (ha)	Out of the total area, harvested (ha)	Harvested, %
North Western	6 245	4 072	65
North Central	3 443	2 662	77
North Eastern	5 024	3 872	77
South Eastern	20 043	18 011	90
South Western	3 880	3 840	99
South Central	19 601	17 735	90
<b>Total</b>	<b>58 236</b>	<b>50 192</b>	<b>86</b>

Source: MAF, „Agrostatistics“

In 2013, the total lands planted with vineyards have decreased by approximately 17% compared to the previous year. The highest decrease is the decrease in vineyards for white wine sorts – 27% average, and reduction is also observed in almost all regions, with the exception of the South Western region. For the red wine sorts, decrease is also observed in areas planted, the most significant decrease in the North Western and South Eastern regions, respectively by 33% and by 26%. Unlike wine sorts, for the dessert sorts of vineyards in 2013, an average increase in the lands is reported by 26% for the country, mostly due to the increase registered in the southern areas of the country. At the same time, in the North Western and North Eastern regions, a decrease in the areas planted with dessert sorts is reported.

The leading place in the structure of vine plantings in 2013 continues to be occupied by the red wine sorts, with a relative share of approximately 59%, followed by lands with white wine sorts – approximately 36%, and dessert sorts – approximately 6%.

**Table II.38. Distribution of harvested vineyards in 2013 per statistical region**

Regions	Red wine sorts (ha)		White wine sorts (ha)		Dessert sorts (ha)		Total vineyards (ha)	
	2012	2013	2012	2013	2012	2013	2012	2013
North Western	4 411	2 974	1 466	953	275	145	6 152	4 072
North Central	1 734	1 731	2 867	802	90	129	4 691	2 662
North Eastern	1 346	1 108	5 887	2 624	180	140	7 413	3 872
South Eastern	10 467	7 770	9 907	9 309	545	932	20 919	18 011
South Western	1 991	2 613	206	1 011	100	216	2 297	3 840
South Central	13 648	13 246	4 262	3 209	1 058	1 280	18 968	17 735
<b>Total</b>	<b>33 597</b>	<b>29 442</b>	<b>24 595</b>	<b>17 908</b>	<b>2 248</b>	<b>2 842</b>	<b>60 440</b>	<b>50 192</b>

Source: MAF, "Agrostatistics"

### Average yields

In 2013, substantially higher average yields from vineyards have been registered, compared to the previous year. For the wine sorts, the average yield for the country increases approximately by 49%, up to 6 430 kg/ha, and for dessert sorts – approximately by 53%, up to 5 901 kg/ha. The highest average yields have been reported for wine sorts in the South Western region – 7 797 kg/ha, and for the dessert sorts – in the North Western region – 8 069 kg/ha.

**Table II.39. Average yields of grapes from vineyards – harvest `2013**

Regions	Average yields from vineyards (kg/ha)	
	Wine sorts	Dessert sorts
North Western	5 500	8 069
North Central	7 622	6 884
North Eastern	6 711	4 300
South Eastern	6 415	4 583
South Western	7 797	7 394
South Central	6 119	6 439
<b>Total</b>	<b>6 430</b>	<b>5 901</b>

Source: MAF, "Agrostatistics"

## Production

The beginning of the vine harvest campaign in 2013 has started upon reaching the technological ripeness for each sort. Due to the high temperatures and the drought during the summer months, the vine harvest campaign has started during the first ten days of the month of August, with picking of white sorts of grapes for production of champagne wine material (CWM) Muscat Otonel, Traminer and Chardonnay. The permanently high climate temperature levels has allowed waiting to reach technological ripeness for later sorts, and the wine picking campaign has concluded in the second ten days of November, 2013.

In 2013, the total production of grapes (vineyards and vine arbors) in the country amounts to 325 596 tons – approximately 25% more compared to 2012. The grape from vineyards is a total of 321 222 tons (approximately 24% more on an annual basis), in ratio wine – 95%, and dessert – 5%. The production of vine arbors amounts to 4 374 tons.

Traditionally, the highest production from vineyards is reported in the South Eastern and the South Central regions, in which approximately 69% of the whole production for 2013 is concentrated. Compared to the previous year, significant increase of the production of grapes from vineyards in South Central Region is observed – by 69% and in South Western region – by 65%. Decrease in the production is reported in two regions – North Central (by 12%), and North Western (by almost 10%).

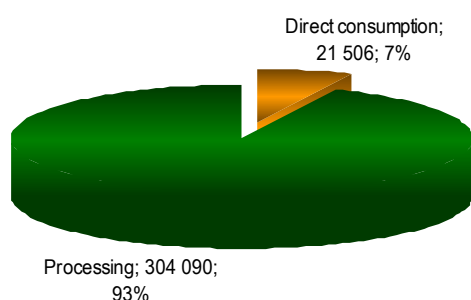
A total of 93% (304 090 tons) of the grapes produced in 2013, have been processed to wine and other products on grape basis, and 7% (21 506 tons) are designated for direct consumption.

**Table II.40. Production of grapes – harvest `2013**

Regions	Grapes from vineyards			Grapes from vine arbors (tons)	Total produced grapes (tons)
	Wine grapes (tons)	Dessert grapes (tons)	Total produced grapes from vineyards (tons)		
North Western	21 597	1 170	22 767	-	-
North Central	19 307	888	20 195	-	-
North Eastern	25 044	602	25 646	-	-
South Eastern	109 561	4 271	113 832	-	-
South Western	28 258	1 597	29 855	-	-
South Central	100 685	8 242	108 927	-	-
<b>Total</b>	<b>304 452</b>	<b>16 770</b>	<b>321 222</b>	<b>4 374</b>	<b>325 596</b>

Source: MAF, "Agrostatistics"

**Figure II.11. Distribution of produced grapes – harvest`2013, tons and percentage share**

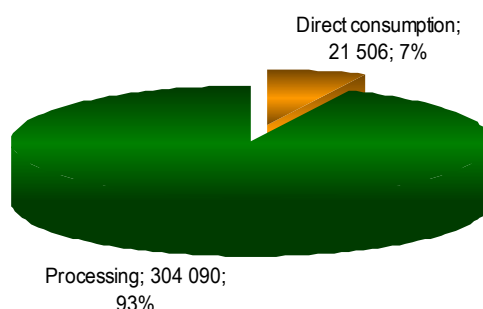


Source: MAF, "Agrostatistics"

According to information provided by the Executive Agency of Vines and Wines, in 2013 the wine companies have purchased and processed 249 637 tons of wine grapes, 57 714 tons more compared to the previous year.

Grapes designated for processing in non-industrial conditions during the year amount to 34 272 tons, and 20 181 tons of the processed grapes has been utilized for other products, other than wine and grape must.

**Figure II.12. Distribution of grapes – harvest `2013, designated for processing, tons and percentage share**



Source: MAF, „Agrostatistics”

### 8.5.2. Wine production

The production of wine from harvest `2013, declared by the registered wine producers, has amounted to 1 724 469 hectoliters – 36% more compared to the previous year. Out of them, 967 732 hectoliters (56%) are red wines and rose, and 756 738 hectoliters (44%) – white wines. The production of grape must has decreased considerably (by 53%), down to 30 729 hectoliters.

**Table II.41. Quantity of produced wine and grape must from wine production enterprises, harvest `2013**

Region	Quantity of wine produced and grape must, hectoliters								
	Wines with PDO* (high quality)		Wines with PGI** (regional)		Other wines (including table wines)		Must	Total wine	
	White	Red and rose	White	Red and rose	White	Red and rose		White	Red and rose
North Western Region	63	2 484	3 074	7 393	20 116	79 878	177	23 252	89 755
North Central Region	0	3 336	21 158	14 945	38 490	22 386	19 698	59 649	40 668
North Eastern Region	1 319	103	36 832	11 789	23 098	19 740	1 723	61 248	31 632
South Eastern Region	1 105	5 430	134 459	180 903	303 860	321 531	9 132	439 424	507 864
South Western Region	0	0	4 078	10 739	58 191	84 632	0	62 270	95 371
South Central Region	0	7 051	33 194	95 452	77 701	99 939	0	110 895	202 442
<b>Total</b>	<b>2 487</b>	<b>18 405</b>	<b>232 794</b>	<b>321 221</b>	<b>521 457</b>	<b>628 106</b>	<b>30 729</b>	<b>756 738</b>	<b>967 732</b>

Source: Executive Agency for Vineyards and Wine

\*PDO - Protected Designation of Origin; \*\*PGI - Protected Geographical Indication

The highest share of the industrial production of wines - harvest `2013, are the table wines (wines without PDO or PGI), followed by regional wines (wines with PGI). The production of red wines and rose marks an increase by 54% compared to the previous year and forms 56% of the total production of wines of the registered wine producers (968 thousand hectoliters). For the industrial

production of white wines, an increase is also reported, despite being more gradual – 18% increase on an annual basis. They occupy 44% of the total wine produced during the year by enterprises in the country.

The leader in the production of wine is the South Eastern region, with 55% of the total industrial production, followed by the South Central Region, by 18%. The lowest share is the share of the wine produced in the North Eastern region – 5.4%. Compared to the previous year, the highest increase in the production has been registered in the South Western region – by 128%, and the South Eastern region – by 54% (26% for the white wines and 89% for the red wines and rose). Only in the Northern central region, a decrease of the production is reported – by 21%.

The production of wine in non-industrial conditions has increased by 52%, compared to the previous year, up to 158 937 hectoliters.

Thus the common production of wine – harvest '2013 has reached 1 883 407 hectoliters, 58% more on an annual basis.

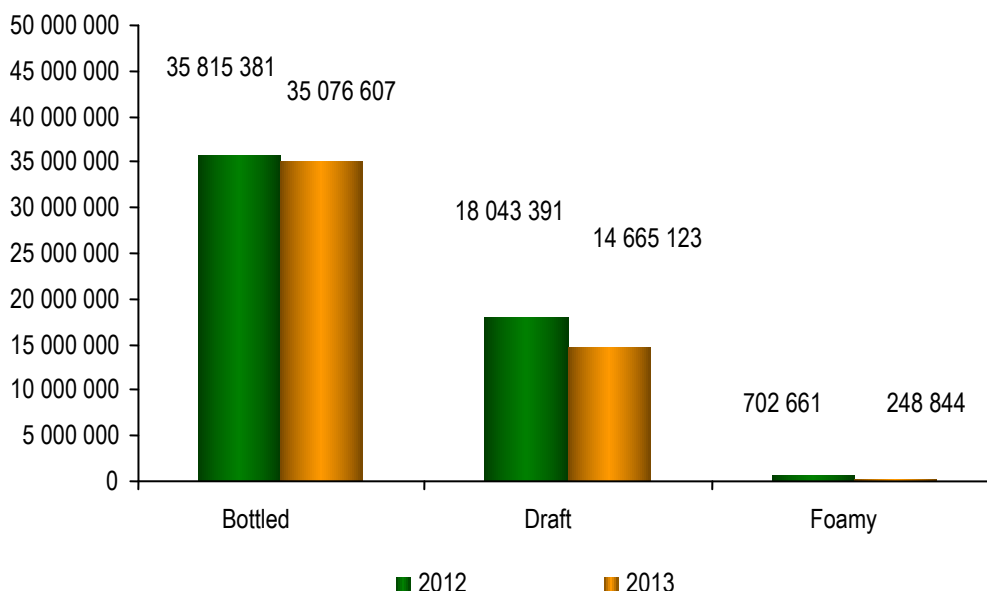
### 8.5.3. Export and import of wine

#### Export

According to preliminary data of NSI, in 2013 the total export of wine amounts to 49 990,6 thousand liters, which is approximately 8% less in comparison with 2012. For approximately 10% higher average export price of 1.24 USD/liter, the total value of the export is preserved around the level of last year – 61 803.2 thousand USD (in comparison with 61 405.6 thousand USD in 2012).

Traditionally, the most significant quantities of wine have been realized on the markets of the countries in the European Union – a total 34 884.6 thousand liters (70% of the whole export), out of which 12 701.4 thousand liters for Poland. The export of non-EU countries amounts to 15 106 thousand liters, and approximately 90% of it has been directed toward Russia (13 605.1 thousand liters).

**Figure II.13. Export of wine in 2012 and 2013, liters**



*Source: NSI, preliminary data for 2013*

The highest share of the total export of wine in 2013 is taken by bottled wines – 70.2%, followed by draft wines, by 29.3%, and sparkling wines by 0.5%.

### **Export of bottled wines**

According to preliminary data of NSI, in 2013 the export of bottled wines amounts to 35 076,6 thousand liters, 2.1% less compared to the previous year. In terms of value, the export marks an increase by 3.7%, up to 48 352.8 thousand USD, with 6% higher average export price of 1.38 USD/liter.

The most significant export remains the export of bottled wines for Russia – 16 162.4 thousand liters, or approximately 35% of the total export, followed by the export to Poland - 10 011.6 thousand liters (29%). Relatively higher quantities have been exported for Romania (3 040.1 thousand liters), Czech Republic (2 388.2 thousand liters) and United Kingdom (2 105.2 thousand liters).

**Table II.42. Export of bottled wines in 2012 and 2013, liters**

<b>Countries</b>	<b>2012</b>	<b>2013</b>
<b>EU, including:</b>	<b>19 568 551</b>	<b>21 721 075</b>
Poland	7 752 002	10 011 603
Romania	5 114 199	3 040 066
Czech Republic	2 448 669	2 388 249
United Kingdom	1 454 169	2 105 246
Slovakia	87 988	1 118 625
Greece	83 095	899 762
Germany	844 294	537 738
Lithuania	650 381	459 528
Belgium	599 989	361 363
Italy	2 704	185 175
Sweden	102 302	162 371
Latvia	110 014	147 664
Netherlands	134 129	145 227
<b>Non-EU countries, including:</b>	<b>16 246 830</b>	<b>13 355 532</b>
Russian Federation	14 506 160	12 162 459
USA	178 412	196 996
People's Republic of China	297 041	190 974
Japan	146 174	167 963
Belarus	63 893	113 438
Hong Kong	99 213	70 904
Israel	43 982	69 332
Canada	96 574	41 674
Ghana	17 784	41 143
Korea	1 987	34 776
Iraq	152 036	24 004
Ukraine	48 066	13 477
Mongolia	217 779	10 943
<b>TOTAL</b>	<b>35 815 381</b>	<b>35 076 607</b>

Source: NSI, preliminary data for 2013

### **Export of draft wines**

According to data of NSI, a total of 14 665.1 thousand liters draft wines have been exported in 2013, which is 18.7% less compared to 2012. The export is to a total value of 12 933.6 thousand USD - 6.9% less compared to the previous year, with a slightly higher average export price of 0,89 USD/liter.

Despite the registered decrease of export for Poland by approximately 50%, in 2013 this destination remains the leading destination in the export of Bulgarian draft wines, with 2 666.4 thousand liters. There is a significant increase for exports to Slovakia (almost 14 times) and to Greece (by approximately 80%). Similar to the previous year, relatively high quantities of draft wines have also been realized on the markets of Sweden, Romania and the Czech Republic. Among the countries outside of EU, the highest quantities are directed toward Russia – 1 441.8 thousand liters, 32% less than on an annual basis.

**Table II.43. Export of draft wines in 2012 and 2013, liters**

Countries	2012	2013
<b>EU, including:</b>	<b>15 484 976</b>	<b>13 023 601</b>
Poland	5 381 081	2 666 421
Sweden	1 527 456	1 764 650
Greece	920 180	1 655 369
Romania	2 527 651	1 571 353
Czech Republic	2 633 561	1 546 925
Slovakia	89 760	1 236 560
France	175 000	999 010
Italy	1 228 891	696 763
Cyprus	468 700	480 000
Belgium	231 243	237 545
Lithuania	46 575	117 132
Germany	174 276	987
<b>Non-EU countries, including:</b>	<b>2 558 415</b>	<b>1 641 522</b>
Russian Federation	2 113 078	1 441 792
Japan	97 831	128 630
People's Republic of China	266 522	26 769
Vietnam	0	20 000
Iraq	27 360	12 616
<b>TOTAL</b>	<b>18 043 391</b>	<b>14 665 123</b>

Source: NSI, preliminary data for 2013

### **Export of sparkling wines**

In 2013, the export of sparkling wines, which is traditionally lowest, has additionally dropped by 64.6% on an annual basis, down to 248,8 thousand liters. The value of export decreases slightly less moderately – by 44.4%, due to increase of the average export price by 57%.

The most significant quantities of sparkling wines during the year are exported to Italy – 103,9 thousand liters (80% less compared to 2012) and Vietnam – 70,7 thousand liters (51% more compared to 2012).

**Table II.44. Export of sparkling wines in 2012 and 2013, liters**

COUNTRIES	2012	2013
<b>EU, including:</b>	<b>605 656</b>	<b>139 893</b>
Italy	515 649	103 915
Poland	62 038	23 414
Lithuania	11 939	6 418
United Kingdom	887	1 962
Romania	1 376	1 260
Greece	7 636	1 117
Belgium	2 430	135
<b>Non-EU countries, including:</b>	<b>97 005</b>	<b>108 951</b>
Vietnam	46 800	70 650

Belarus	0	19 008
Ghana	900	7 650
Kosovo	3 240	3 510
Ivory Coast	0	3 375
Lebanon	0	2 025
Nigeria	20 250	135
<b>TOTAL</b>	<b>702 661</b>	<b>248 844</b>

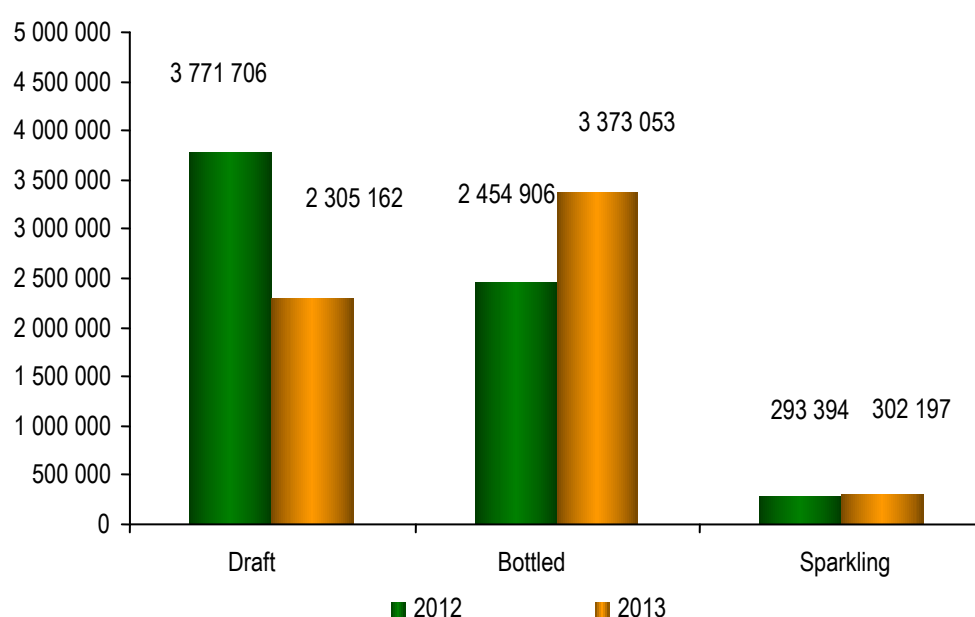
Source: NSI, preliminary data for 2013

## Import

According to preliminary data of NSI, in 2013 the total import of wine amounts to 5 980.4 thousand liters, which is 8% less compared to the previous year. A significant decrease is observed of the import of tap wines – by 39%, to some extent compensated by the increase of import of bottled wines – by 37%. Slight increase is reported also for the import of sparkling wines – by 3%.

In 2013, the largest share of import of wines is the share of bottled wines – 56.4%, followed by draft wines – 38.5%, and sparkling wines – 5.1%.

**Figure II.14. Import of wine for the period 2012 – 2013, liters**



Source: NSI, preliminary data for 2013

## Import of bottled wines

The registered import of bottled wines in 2013 amount to 3 373.1 thousand liters – 37.4% more compared to the previous year. The total value of import during the year is 10 318.6 thousand USD, with average import price of 3.06 USD/liter. The main part of the imported quantities (84%) have been delivered by EU – 2 815.4 thousand liters, which is 48% more compared to the previous year.

**Table II.45. Import of bottled wines in 2012 and 2013, liters**

Countries	2012.	2013
<b>EU, including:</b>	<b>1 898 584</b>	<b>2 815 377</b>
Slovakia	92 295	1 175 620
France	415 104	431 126



Italy	711 554	406 763
Germany	167 233	181 545
Czech Republic	112 224	173 834
Spain	188 433	153 813
United Kingdom	74 689	97 873
Greece	21 120	66 515
Netherlands	58 699	56 477
Portugal	13 591	24 955
Belgium	22 227	18 248
<b>Third parties, including:</b>	<b>556 322</b>	<b>557 676</b>
Chile	235 335	325 342
New Zealand	103 048	101 188
Turkey	5 039	67 857
Macedonia	53 445	20 022
Argentina	40 725	18 357
South Africa	49 748	16 724
Georgia	16 477	4 231
<b>TOTAL</b>	<b>2 454 906</b>	<b>3 373 053</b>

Source: NSI, preliminary data for 2013

The highest import of bottled wines during the year has been realized by Slovakia (1 175,6 thousand liters), and compared to the previous year, an increase of almost 13 times is observed. More significant quantities have been delivered from France (431 thousand liters), Italy (407 thousand liters) and Chile (325 thousand liters).

#### **Import of draft wines**

In 2013, the import of draft wines marks a decrease by 39% compared to the previous year, down to 2 305,2 thousand liters. Despite being 27% lower compared to the previous year, the import from Italy shall remain leading by 1 901,8 thousand liters, forming approximately 83% of the total import of draft wines. The import from non-EU countries has decreased by 90% compared to 2012, and the most significant reduction is the import of from Moldova and Macedonia.

**Table II.46. Import of draft wines in 2012 and 2013, liters**

Countries	2012	2013
<b>EU, including:</b>	<b>2 834 677</b>	<b>2 211 944</b>
Italy	2 614 674	1 901 762
France	88 668	185 231
Germany	106 261	76 088
United Kingdom	7 188	25 193
Sweden	0	20 256
Spain	17 820	1 560
<b>Non-EU countries, including:</b>	<b>937 029</b>	<b>93 218</b>
Macedonia	414 603	82 274
New Zealand	48 000	6 120
Argentina	0	3 600
Chile	0	1 224
Moldova	428 428	0
Russian Federation	21 500	0
Serbia	20 234	0
<b>TOTAL</b>	<b>3 771 706</b>	<b>2 305 162</b>

Source: NSI, preliminary data for 2013

### **Import of sparkling wines**

In 2013, a total of 302 thousand liters sparkling wines have been imported, 3% more than compared to 2012. The quantities have been delivered mostly from EU, including mostly from France (101,3 thousand liters), Italy (87,7 thousand liters) and Germany (77,7 thousand liters).

**Table II.47. Import of sparkling wines in 2012 and 2013, liters**

Countries	2012.	2013
<b>EU, including:</b>	<b>272 398</b>	<b>294 861</b>
France	92 538	101 276
Italy	104 643	87 734
Germany	57 538	77 721
Spain	10 882	12 094
Greece	4 394	9 613
United Kingdom	234	4 478
Netherlands	1 312	579
<b>Non-EU countries, including:</b>	<b>20 996</b>	<b>7 336</b>
South Africa	14 201	6 751
New Zealand	0	585
Chile	3 150	0
Moldova	2 700	0
<b>TOTAL</b>	<b>293 394</b>	<b>302 197</b>

Source: NSI, preliminary data for 2013

### **III. TRADE WITH AGRICULTURAL GOODS**

Trade with agrarian goods occupies an essential share in the foreign trade of Bulgaria, traditionally forming a positive trade balance.

In 2013, the relative share of the agrarian sector in the total export, import and commodity turnover for the country, increases respectively to 18.4%, 9.5% and 13.6%.

**Table III. 1. Relative share of agrarian goods in foreign trade of Bulgaria  
In 2012 – 2013, thousand USD**

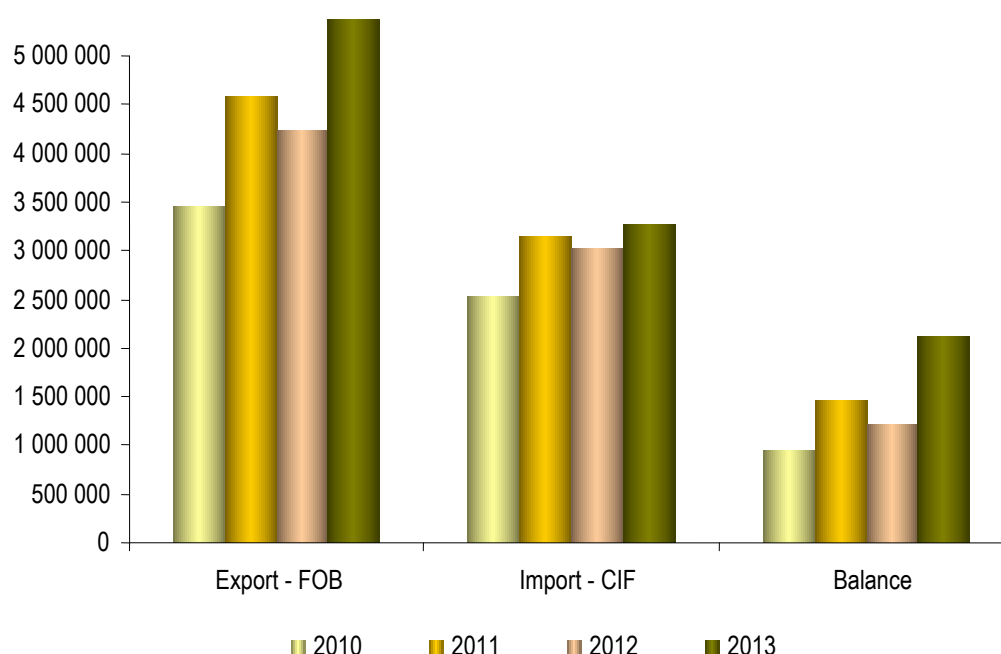
Year	2012		Share of the agrarian sector in %	2013		Share of the agrarian sector in %
	Total for the country	Agrarian sector		Total for the country	Agrarian sector	
Export, FOB	26 284 795	4 247 343	16,2	29 203 314	5 374 297	18,4
Import, CIF	32 579 417	3 029 921	9,3	34 242 684	3 261 502	9,5
Commodity turnover	58 864 212	7 277 264	12,4	63 445 998	8 635 799	13,6

Source: data of NSI, processed by MAF; preliminary data for 2013

#### **1. Level of dynamics of foreign trade with agrarian goods in 2013**

According to preliminary data of NSI, processed by MAF, in 2013 the export of agricultural goods marks an increase by 26.5%, compared to the previous year up to 5 374 million USD. At the same time, the import of agricultural goods shall be increased by 7.6%, up to 3 262 million USD. As a result, the positive trade balance in the agrarian trade in the country has reached 2 113 million USD, with 895 million USD or 73.5% increase in comparison to 2012.

**Figure III.1. Import and export of agrarian goods for the period 2010 – 2013, thousand USD**



Source: NSI, preliminary data for 2013

**Table III. 2. Foreign trade with agrarian goods for the period 2010 - 2013, thousand USD**

Year	2010	2011	2012	2013	Change 2013/2012	
					to a value	in %
Export - FOB	3 461 868	4 593 475	4 247 343	5 374 297	1 126 954	26,5
Import - CIF	2 524 460	3 142 857	3 029 921	3 261 502	231 581	7,6
Balance	937 408	1 450 618	1 217 422	2 112 795	895 373	73,5
Commodity turnover	5 986 328	7 736 332	7 277 264	8 635 799	1 358 535	18,7

Source: data of NSI, processed by MAF; preliminary data for 2013

## 2. Geographical distribution of foreign trade with agricultural goods

In recent years, the main partner of Bulgaria in the trade with agricultural goods is EU countries. In 2013, the agrarian commodity turnover with EU has marked an increase by 11.4%, and the share of the Union in the total agrarian export is 67%, whereas the share of the agrarian import is 80.9%.

Increase is also registered in trade with agricultural goods with non-EU countries, and the commodity turnover with Arab countries has increased the most (by 64%), as well as the commodity turnover with OECD (without the EU and the EFTA countries) (by 54.4%).

**Table III. 3. Import and export of agricultural goods per economic communities, countries and regions in 2012 and 2013, million USD**

Trade zones	2012					2013				
	Export		Import		Balance	Export		Import		Balance
	million USD	%	million USD	%	million USD	million USD	%	million USD	%	million USD
<b>All countries, including:</b>	<b>4 247,3</b>	<b>100</b>	<b>3 029,9</b>	<b>100</b>	<b>1 217,4</b>	<b>5 374,3</b>	<b>100</b>	<b>3 261,5</b>	<b>100</b>	<b>2 112,8</b>
European Union	3 071,7	72,3	2 532,0	83,6	539,7	3 603,2	67,0	2 637,4	80,9	965,8
EFTA*	11,5	0,3	4,9	0,2	6,6	14,5	0,3	5,9	0,2	8,6
OECD**, without the EU and EFTA countries	334,7	7,9	130,6	4,3	204,1	557,7	10,4	160,8	4,9	396,9
incl. USA	61,3	1,4	27,5	0,9	33,8	76,0	1,4	26,8	0,8	49,2
Balkan region, without the EU countries ***	168,0	4,0	79,9	2,6	88,1	172,6	3,2	74,8	2,3	97,8
CIS	105,6	2,5	22,8	0,8	82,8	112,5	2,1	22,4	0,7	90,1
incl. Russia	75,8	1,8	9,2	0,3	66,6	70,9	1,3	8,7	0,3	62,2
Arabian countries (Arab League)	469,3	11,0	16,1	0,5	453,2	781,9	14,5	14,1	0,4	767,8
Others	86,5	2,0	243,6	8,0	-157,1	131,9	2,5	346,1	10,6	-214,2

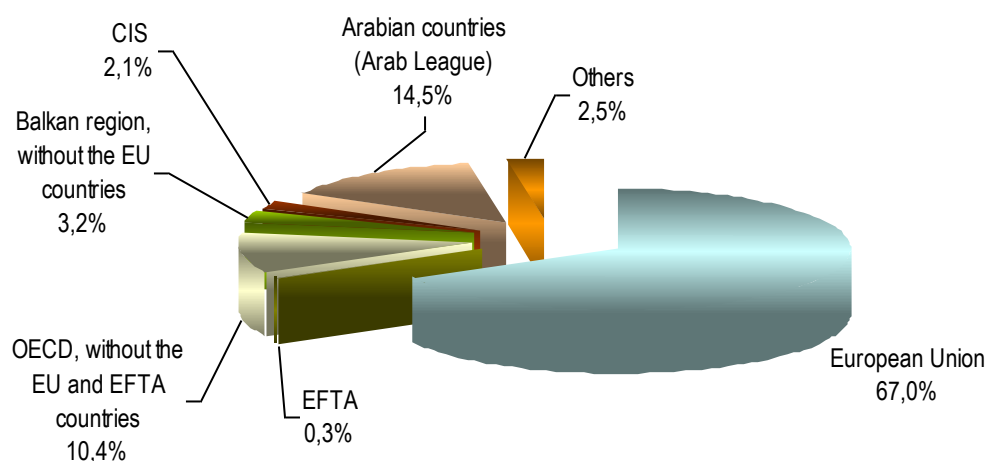
**Source:** data of NSI, processed by MAF; preliminary data for 2013

\*Includes: Iceland, Principality of Liechtenstein, Kingdom of Norway and Switzerland

\*\*Includes: Australia, Canada, New Zealand, USA, Turkey, Japan, Republic of Korea, Mexico, Chile and Israel

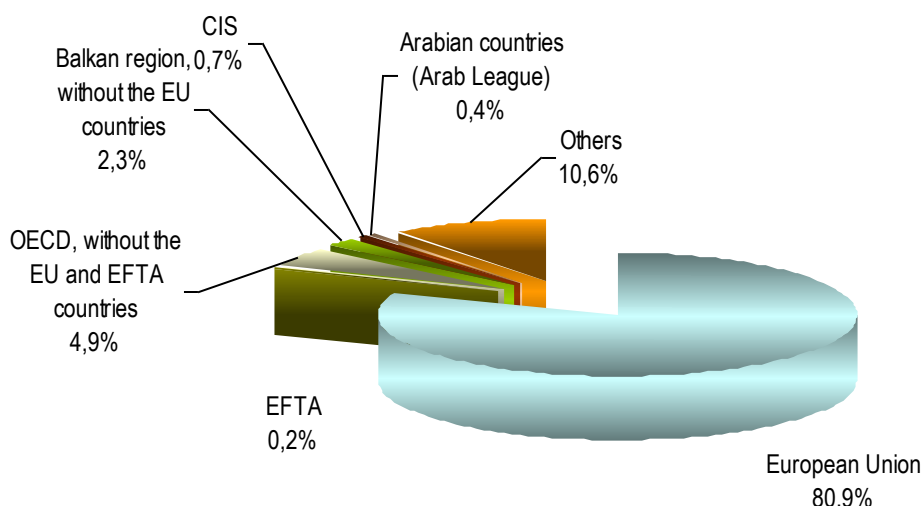
\*\*\*Includes: Albania, Bosnia and Herzegovina, Macedonia, Croatia, Serbia, Montenegro and Kosovo

**Figure III. 2. Structure of agrarian export of Bulgaria by economic communities and regions in 2013**



**Source:** NSI, preliminary data

**Figure III.3. Structure of agrarian import of Bulgaria by economic communities and regions in 2013**



Source: NSI, preliminary data

### Trade with EU

According to preliminary data, in 2013 the trade with agricultural goods with EU countries amounts to 6 240.6 million USD, which represents 72.3% of the total agrarian commodity turnover of the country. This is 636.9 million USD, or 11.4% more compared to 2012, mainly as a result of the increase of the realized Bulgarian agricultural products on the European markets.

In 2013, the positive balance in the agrarian trade with EU is increased by 79%, in comparison with 2012, up to 965.8 million USD, and the export to EU has increased by 17.3%, and the import from EU – by 4.2%.

The main partners of Bulgaria in the trade with agricultural goods among EU countries during the year are Greece, Romania, Germany, Spain and France. The highest share of the deliveries of agricultural production of Bulgaria expressed in terms of value, are directed toward Greece – 20%, Romania – 16.5%, and Spain – 10%. The main suppliers of agrarian goods from the member states of EU are Greece – 17%, Romania – 15.4%, Germany – 13%, and Poland – 11.7%.

**Table III. 4. Trade of Bulgaria with agrarian goods with the member states of EU in 2012 and 2013**

Country	2012					2013				
	Export		Import		Balance	Export		Import		Balance
	thousand USD	%	thousand USD	%	thousand USD	thousand USD	%	thousand USD	%	thousand USD
<b>Total</b>	<b>3 071 731</b>	<b>100</b>	<b>2 531 978</b>	<b>100</b>	<b>539 753</b>	<b>3 603 209</b>	<b>100</b>	<b>2 637 369</b>	<b>100</b>	<b>965 840</b>
Austria	59 577	1,9	64 790	2,6	-5 213	69 618	1,9	63 422	2,4	6 196
Belgium	97 197	3,2	65 404	2,6	31 793	115 605	3,2	66 095	2,5	49 510
Great Britain	44 274	1,4	55 282	2,2	-11 008	110 751	3,1	45 908	1,7	64 843
Germany	209 935	6,8	301 086	11,9	-91 151	254 933	7,1	343 363	13,0	-88 430
Greece	612 412	19,9	435 074	17,2	177 338	720 308	20,0	447 646	17,0	272 662
Denmark	8 802	0,3	18 826	0,7	-10 024	11 061	0,3	23 322	0,9	-12 261
Estonia	800	0,0	1 870	0,1	-1 070	1 006	0,0	1 069	0,0	-63

Ireland	3 771	0,1	13 786	0,5	-10 015	14 686	0,4	15 700	0,6	-1 014
Spain	359 167	11,7	116 291	4,6	242 876	359 113	10,0	131 095	5,0	228 018
Italy	270 278	8,8	120 677	4,8	149 601	282 717	7,8	123 799	4,7	158 918
Cyprus	70 103	2,3	75 472	3,0	-5 369	55 994	1,6	23 374	0,9	32 620
Latvia	2 823	0,1	969	0,0	1 854	2 647	0,1	1 502	0,1	1 145
Lithuania	8 696	0,3	12 774	0,5	-4 078	12 355	0,3	13 340	0,5	-985
Luxemburg	1 467	0,0	175	0,0	1 292	627	0,0	101	0,0	526
Malta	5 355	0,2	0	0,0	5 355	7 037	0,2	186	0,0	6 851
Netherlands	143 731	4,7	167 392	6,6	-23 661	236 533	6,6	206 402	7,8	30 131
Poland	87 417	2,8	241 912	9,6	-154 495	112 936	3,1	309 310	11,7	-196 374
Portugal	211 457	6,9	2 639	0,1	208 818	158 702	4,4	1 955	0,1	156 747
Romania	609 800	19,9	395 246	15,6	214 554	595 306	16,5	406 527	15,4	188 779
Slovakia	15 992	0,5	32 909	1,3	-16 917	30 032	0,8	32 666	1,2	-2 634
Slovenia	4 444	0,1	7 357	0,3	-2 913	4 690	0,1	7 150	0,3	-2 460
Hungary	33 225	1,1	147 801	5,8	-114 576	47 517	1,3	132 987	5,0	-85 470
Finland	9 541	0,3	817	0,0	8 724	12 000	0,3	740	0,0	11 260
France	140 319	4,6	171 208	6,8	-30 889	309 134	8,6	161 991	6,1	147 143
Croatia	19 309	0,6	3 132	0,1	16 177	13 932	0,4	5 579	0,2	8 353
Czech Republic	27 863	0,9	69 467	2,7	-41 604	40 917	1,1	61 995	2,4	-21 078
Sweden	13 976	0,5	9 622	0,4	4 354	23 052	0,6	10 145	0,4	12 907

*Source: Data of NSI, processed by MAF; preliminary data for 2013*

### **Trade with the countries members of the Organization for Economic Co-operation and Development (OECD)**

In 2013, the export of agricultural goods from Bulgaria to the OECD countries, without the EU and EFTA countries represents 10.4% of the total agrarian export, and the import from them – 4.9% of the total export.

With the overtaking rate of increase of the agrarian export, compared to the rate of increase in the agrarian import, the positive trade balance in trade with agricultural goods with these countries, has increased by 94.5% compared to the previous year, up to 396.9 million USD

#### **Trade with Balkan countries**

Having regard to the territorial proximity, the parties from the Balkan region preserve their importance in the agrarian trade of Bulgaria.

In 2013, the exchange of agricultural goods in the Balkan countries has reached 2 883.2 million USD - 9.5% increase, compared to the previous year, mostly as the result of the increase of Bulgarian export. The positive trade balance for Bulgaria in the agrarian trade with these countries, marks an increase by 24.9% compared to the previous year 2012, up to 775.4 million USD

The main trade partners of Bulgaria among the Balkan countries, with which positive trade balance is formed, are Greece, Turkey and Romania. Negative trade balance is reported only in the trade with Slovenia.

**Table III. 5. Trade with agrarian goods with the countries from the Balkan region in 2012 and 2013, in thousand USD**

Country	2012			2013		
	Export	Import	Balance	Export	Import	Balance
Albania	27 519	2 654	24 865	28 368	3 135	25 233
Bosnia and Herzegovina	10 877	1 332	9 545	15 680	756	14 924
Greece	612 412	435 074	177 338	720 308	447 647	272 661
Kosovo	16 540	17	16 523	17 011	10	17 001
Macedonia	70 788	27 527	43 261	60 321	35 831	24 490
Romania	609 800	395 246	214 554	595 306	406 527	188 779
Slovenia	4 444	7 357	-2 913	4 690	7 150	-2 460
Serbia	33 555	48 341	-14 786	41 319	34 971	6 348
Turkey	213 166	85 857	127 309	322 477	112 212	210 265
Croatia	19 309	3 132	16 177	13 933	5 579	8 354
Montenegro	8 759	1	8 758	9 898	74	9 824
<b>Total</b>	<b>1 627 169</b>	<b>1 006 538</b>	<b>620 631</b>	<b>1 829 310</b>	<b>1 053 892</b>	<b>775 418</b>

Source: data of NSI, processed by MAF; preliminary data for 2013

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

The trend from recent years for increasing the agrarian commodity turnover of Bulgaria with the EFTA countries continues. In 2013, it amounts to 20.4 million USD – 24.2% more compared to the previous year, as a result of the increase both of the export (approximately by 25%), as well as the import (by 21.5%). The pre-formed positive trade balance for Bulgaria increases by 28% compared to 2012, up to 8.6 million USD. The main partners from EFTA remain Norway and Switzerland.

**Table III.6. Trade with agrarian goods with EFTA countries in 2012 and 2013, thousand USD**

Country	2012			2013		
	Export	Import	Balance	Export	Import	Balance
Norway	6 564	2 055	4 509	8 766	2 113	6 653
Switzerland	4 909	2 752	2 157	5 642	3 583	2 059
Iceland	81	61	20	72	223	-151
Lichtenstein	0	0	0	0	0	0
<b>TOTAL</b>	<b>11 554</b>	<b>4 868</b>	<b>6 686</b>	<b>14 480</b>	<b>5 919</b>	<b>8 561</b>

Source: data of NSI, processed by MAF; preliminary data for 2013

#### Trade with the countries of the Community of Independent States (CIS)

The commodity turnover with agricultural goods with the CIS countries in 2013 has increased by 5.1% compared to 2012, reaching 134.9 million USD. An increase is reported of the positive balance for Bulgarians in the trade with agrarian goods with these countries, up to 90.1 million USD, 8.8% above the level in 2012

## **Trade with Arab countries (Arab League)**

In 2013, the trend observed in recent years for increasing the amount of trade with agrarian goods and Arab countries is confirmed, and the commodity turnover with these countries shall be increased by 64% on an annual basis, up to 796 million USD. The positive trade balance for Bulgaria also marks an increase compared to 2012 – by 69.4%, up to 767.8 million USD

### **3. Structure of the export of commodity groups**

#### **Export**

In 2013, the main commodity groups, which form the structure of the agrarian export per sections of the General Customs Tariff, are:

#### **Section I – Live animals and products of animal origin**

In 2013, the export of live animals and products of animal origin represents 9% of the total agrarian export. The highest relative share in this section is the export of milk and dairy products – 4.3% and meat and offal, suitable for consumption – 3.5%.

The trade balance in the trade with live animals and products of animal origin in 2013 is negative, to the amount of – 354 607 thousand USD

#### **Section II - Plants and products of plant origin**

The export of plants and products of plant origin in 2013 increases by 39.6% compared to the previous year – from 2 127.8 million USD for 2012 to 2 970.2 million USD for 2013. It occupies the largest relative share of the total agrarian export for the year – 55.3%.

In the structure of export of agricultural products under Section II - plants and products of plant origin, in 2013 the largest relative share is the share of cereals (wheat, barley, maize) – 29.5%, followed by oilseed plants and fruits – 18.8%.

Under Section II, positive trade balance has been formed for 2013, to the amount of 2 267.4 million USD, which is 52.4% more compared to 2012.

#### **Section III – Fats and oils of animal and plant origin**

The export of fats and oils of animal and plant origin is 5.1% of the total export of agricultural goods in 2013. In comparison with the previous 2012, an increase in the export is reported in this section by 34.8% (up to 275.2 million USD), and at the same time the decrease of the import.

As a result, the formed positive trade balance during the year has been increased four times, compared to 2012, reaching 107 793 thousand USD

#### **Section IV – Products of the food industry, soft and alcoholic drinks and types of vinegar, tobacco and processed tobacco substitutes**

In 2013, the export of processed products marks an increase by 14.2% on an annual basis, and occupies a share of 30.6% in the structure of agricultural export. The highest relative share of the common agricultural export is the export of tobacco and processed tobacco substitutes – 9.5%, followed by the export of residues and wastes from the catering industry; food prepared for animals – 4.8%; feed products, obtained on the basis of cereals, flour, starch, farina or milk – 4.2%; soft and alcoholic drinks and types of vinegar - 3.1%.

The formed positive trade balance in the trade of products from section IV in 2013 has increased by 23.6% in comparison with the previous year, up to 92 192 thousand USD



## Import

### Section I - Live animals and products of animal origin

The import of live animals and products of animal origin in 2013 occupies a relative share of 25.7% from the total agrarian import. The highest relative share of the import in this sector is the share of meats and offal, suitable for consumption – 13.4%, milk and dairy products – 8.9%, and fish and crustaceans, mollusks and others, aquatic invertebrates – 2.1%.

### Section II – Plants and products of plant origin

In 2013, the import of plants and products of plant origin has increased by 9.8%, compared to the previous year, up to 702,8 million USD. The highest relative share in the structure of the agrarian import under Section II is occupied by fruits, suitable for consumption; citrus or melon peels – 4.6%; vegetables, plants, roots and tubers, suitable for consumption – 4.2%; oilseeds and fruits; various types of seeds, seedlings and fruits; industrial or medical plants; straw and feed – 4%, and coffee, tea, mate and spices – 3.9%.

### Section III – Fats and oils of animal and plant origin

In 2013, the import of fats and oil of animal origin amounts to 167,4 million USD – 5.7% less compared to the previous year.

### Section IV – Products of the food industry, soft and alcoholic drinks and types of vinegar, tobacco and processed tobacco substitutes

The import of processed products under Section IV, occupies the largest relative share in the structure of the total agrarian import of the country in 2013 – 47.6%. In comparison with the previous year, an increase by 13.7% is observed in the value expression of the import of food industry products, soft and alcoholic drinks and types of vinegar, tobacco and processed tobacco substitutes. The highest relative share of the import of goods under Section IV, is occupied by tobacco and processed substitutes of tobacco – 8.2%; sugar and sugar products – 7.2%, and soft and alcoholic drinks, and types of vinegar – 6.5%.

**Table III. 7. Import and export of agriculture and processed goods in 2012 and 2013**

Code	Sections and countries	EXPORT-FOB					IMPORT-CIF					BALANCE 2012	BALANCE 2013
		2012		2013		2013/2012	2012		2013		2013/2012	USD thousand	USD thousand
		USD thousand	share of the total export of agrarian goods in %	USD thousand	share of the total export of agrarian goods in %	%	USD thousand	share of the total export of agrarian goods in %	USD thousand	share of the total export of agrarian goods in %	%		
	a	1	2,0	3	4,0	5,0	6	7,0	8	9,0	10,0	11	12
	<b>TOTAL:</b>	26 284 795		29 203 314		111,1	32 579 417		34 242 684		105,1	-6 294 622	-5 039 370
	<b>including agrarian goods:</b>	4 247 343	100,0	5 374 297	100,0	126,5	3 029 921	100,0	3 261 502	100,0	107,6	1 217 422	2 112 795
	<b>SECTION I</b>	474 271	11,2	483 382	9,0	101,9	845 913	27,9	837 989	25,7	99,1	-371 642	-354 607
1	Live animals	33 276	0,8	24 890	0,5	74,8	28 565	0,9	25 059	0,8	87,7	4 711	-169
2	Meats and offal, suitable for consumption	222 538	5,2	187 948	3,5	84,5	525 398	17,3	435 809	13,4	82,9	-302 860	-247 861
3	Fishes and crustaceans, mollusks et. al., aquatic invertebrates	28 371	0,7	31 299	0,6	110,3	58 295	1,9	67 734	2,1	116,2	-29 924	-36 435
4	Milk and dairy products; bird eggs; natural honey; products of animal origin, suitable for consumption, not mentioned or included elsewhere	186 215	4,4	232 523	4,3	124,9	219 901	7,3	290 511	8,9	132,1	-33 686	-57 988

5	Other products of animal origin, not mentioned, or included elsewhere	3 871	0,1	6 722	0,1	173,7	13 754	0,5	18 876	0,6	137,2	-9 883	-12 154
	<b>SECTION II</b>	<b>2 127 781</b>	<b>50,1</b>	<b>2 970 219</b>	<b>55,3</b>	<b>139,6</b>	<b>639 989</b>	<b>21,1</b>	<b>702 800</b>	<b>21,5</b>	<b>109,8</b>	<b>1 487 792</b>	<b>2 267 419</b>
6	Live plants and flower products	8 372	0,2	9 397	0,2	112,2	20 139	0,7	20 482	0,6	101,7	-11 767	-11 085
7	Vegetables, plants, roots and tubers, suitable for consumption	73 367	1,7	77 696	1,4	105,9	109 317	3,6	136 186	4,2	124,6	-35 950	-58 490
8	Fruits, suitable for consumption; citrus or melon peels	95 013	2,2	117 262	2,2	123,4	140 013	4,6	150 184	4,6	107,3	-45 000	-32 922
9	Coffee, tea, mate and spices	83 192	2,0	78 475	1,5	94,3	129 218	4,3	125 620	3,9	97,2	-46 026	-47 145
10	Cereals	1 055 114	24,8	1 586 445	29,5	150,4	81 072	2,7	80 868	2,5	99,7	974 042	1 505 577
11	Mill products; malt; starch and farina; inulin; wheat gluten	82 349	1,9	85 689	1,6	104,1	45 067	1,5	46 051	1,4	102,2	37 282	39 638
12	Oilseed plants and fruits; various types of seeds, seeds for planting and fruits; industrial or medicinal plants; straw and feed	728 137	17,1	1 012 903	18,8	139,1	103 535	3,4	129 112	4,0	124,7	624 602	883 791
13	Natural varnishes, gums, resins and other plant juices and extracts	1 360	0,0	1 652	0,0	121,5	11 152	0,4	13 433	0,4	120,5	-9 792	-11 781
14	Materials for plaiting and other products of plant origin, not mentioned, or included elsewhere	877	0,0	700	0,0	79,8	476	0,0	864	0,0	181,5	401	-164
	<b>SECTION III</b>	<b>204 222</b>	<b>4,8</b>	<b>275 226</b>	<b>5,1</b>	<b>134,8</b>	<b>177 568</b>	<b>5,9</b>	<b>167 433</b>	<b>5,1</b>	<b>94,3</b>	<b>26 654</b>	<b>107 793</b>
15	Fats and oils of animal or plant origin; products of their decomposition; processed fats for food purposes; waxes of animal or plant origin	204 222	4,8	275 226	5,1	134,8	177 568	5,9	167 433	5,1	94,3	26 654	107 793
	<b>SECTION IV</b>	<b>1 441 066</b>	<b>33,9</b>	<b>1 645 472</b>	<b>30,6</b>	<b>114,2</b>	<b>1 366 450</b>	<b>45,1</b>	<b>1 553 279</b>	<b>47,6</b>	<b>113,7</b>	<b>74 616</b>	<b>92 193</b>
16	Products of meat, fish or crustaceans, mollusks or other aquatic invertebrates	31 227	0,7	45 882	0,9	146,9	54 124	1,8	67 235	2,1	124,2	-22 897	-21 353
17	Sugar and sugar products	147 332	3,5	130 867	2,4	88,8	230 228	7,6	236 351	7,2	102,7	-82 896	-105 484
18	Cocoa and cocoa products	74 690	1,8	106 804	2,0	143,0	129 771	4,3	163 440	5,0	125,9	-55 081	-56 636
19	Food products, prepared on the basis of cereals, flours, starch, farina or milk; flour pastry products	195 137	4,6	226 497	4,2	116,1	121 829	4,0	143 446	4,4	117,7	73 308	83 051
20	Food products of vegetables, fruits or other parts of plants	123 347	2,9	132 889	2,5	107,7	124 056	4,1	135 773	4,2	109,4	-709	-2 884
21	Various types of food products	61 930	1,5	71 459	1,3	115,4	155 587	5,1	175 455	5,4	112,8	-93 657	-103 996
22	Soft drinks and alcoholic drinks and types of vinegar	166 006	3,9	166 572	3,1	100,3	186 923	6,2	212 834	6,5	113,9	-20 917	-46 262
23	Food industry residues and wastes; prepared food for animals	193 894	4,6	255 798	4,8	131,9	133 424	4,4	150 013	4,6	112,4	60 470	105 785
24	Tobacco and processed tobacco substitutes	447 503	10,5	508 704	9,5	113,7	230 508	7,6	268 732	8,2	116,6	216 995	239 972

Source: data of NSI, processed by MAF; preliminary data for 2013

In 2013, the leading place in the agrarian export of the country is held by the following products:

**Table III. 8. Leading agricultural commodities in the export of Bulgaria in 2013**

Product name	Quantity (tons)	Value (USD)	Relative share of the total agrarian export in %
Wheat and mixture of wheat and rye	3 660 339,5	953 702 657	17,7
Sunflower seeds, even crushed	1 175 937,5	743 820 215	13,8
Maize	2 159 485,7	493 957 133	9,2
Cigarettes containing tobacco	22 329,7	274 996 573	5,1
Raw or unprocessed tobacco, tobacco residues, "sun-dried tobacco"	40 563,6	222 308 256	4,1
Sunflower, saffron or cotton oil, and their fractions, even refined, but not chemically altered	192 793,5	211 462 617	3,9
Baker's, dough, pastry or biscuit products, even with a cocoa additive	69 940,9	199 178 902	3,7
Seeds of colza or rapeseed, even crushed	336 861,7	186 902 843	3,5
Meats and offal, suitable for consumption, from domestic birds from No. 0105, fresh, cooled or frozen	36 338,4	157 945 641	2,9
Preparations of the types used for animal food	94 042,2	119 711 262	2,2
Cheeses and curd	23 833,8	107 202 296	2,0
Barley	414 765,7	103 927 802	1,9
Other types of sugar, including lactose, maltose, glucose and fructose (laevulose), chemically pure, solid state; sugar syrups without aromatizers or coloring supplements; substitutes of honey, even combined with natural honey; caramelized sugar and caramel	341 521,3	93 735 555	1,7
Chocolate and other food products, containing cocoa	20 927,5	88 427 609	1,6
Fruits and other parts of plants, suitable for consumption, prepared or canned in another way, with or without sugar or other sweeteners, or alcohol, not mentioned or included elsewhere	26 785,0	65 491 187	1,2

**Source:** data of NSI, processed by MAF; preliminary data for 2013

Leading agricultural goods in the import in Bulgaria in 2013, are:

**Table III. 9. Leading agricultural goods in the import in Bulgaria in 2013**

Product name	Quantity (tons)	Value (USD)	Relative share of the total agrarian import in %
Meat of animals, such as sows, fresh, chilled or frozen	91 594,2	234 764 774	7,2
Sugar from sugar cane or beet and chemically pure sucrose, in solid state	242 890,3	193 833 704	5,9
Raw or unprocessed tobacco, tobacco wastes	36 845,0	178 016 328	5,5
Milk and cream, concentrated or with an addition of sugar or other sweeteners	50 460,7	116 978 574	3,6
Meats and offal, suitable for consumption, from domestic birds from No. 0105, fresh, cooled or frozen	87 769,1	115 383 780	3,5
Coffee, even baked or decaffeinated; shells and flakes of coffee; coffee substitutes, containing coffee, regardless of the ration of the admixture	30 126,4	106 709 476	3,3
Chocolate and other food products, containing cocoa	21 872,8	100 534 648	3,1
Bread, dough pastry or biscuit products, even with cocoa supplements	32 884,0	94 028 926	2,9
Ethyl alcohol, non-denatured, with alcohol content for volume under 80 % vol.; rakia, liquors and other spirit drinks	14 864,7	90 414 765	2,8
Food products, not mentioned or included elsewhere	21 227,3	89 315 823	2,7
Cheeses and curd	17 612,1	80 965 461	2,5
Cigars (including cigars with cut ends), cigarillos and cigarettes with tobacco or tobacco substitutes	11 261,3	79 322 466	2,4
Sunflower seeds, even crushed	25 508,5	78 597 596	2,4
Preparations of the varieties used for animal food	51 853,1	69 122 651	2,1
Pomace and other hard residues, even ground or agglomerated in the form of granules, received in the extraction of soy oil	109 126,7	64 903 172	2,0

*Source: data of NSI, processed by MAF; preliminary data for 2013*

#### **4. Development of foreign trade with agricultural goods in 2014**

According to preliminary data of NSI, processed by MAF, in the first six months of 2014, the export of agricultural goods shall decrease by 12% in comparison to the same period in 2013, up to 1 904,3 million USD This is mostly caused by the sensitive decrease of the export of cereals (by 38%),

oilseeds (by 41%), and tobacco and tobacco products (by 10%), which remain the three leading groups of products in the structure of agrarian export in the country.

The import of agricultural goods for the six months of 2014 shall increase by approximately 4% on an annual basis, reaching 1 629.7 million USD

Thus, for the first half of 2014, positive trade balance has been formed for Bulgaria, to the amount of 274.6 million USD, with 598.9 million USD for the same period of the previous year (decrease by 54%).

The main partners in the agrarian trade of the country are the EU countries, which form approximately 65% of the total export of agricultural goods for the six months of 2014, and approximately 80% of the total agrarian import for the period.

#### IV. SUPPORTING THE AGRARIAN SECTOR

##### 1. Application of the EU Common Agricultural Policy

##### 1.1. Support under the first pillar of CAP

##### 1.1.1. Direct payments per area, national additional payments to direct payments and specific support

##### Campaign `2012

In calendar 2013, according to the schemes and the measures for direct payments, financed by funds in EAGF, EAFRD and NB, authorization of applications submitted during campaigns `2012 and 2013 has been completed.

**Table IV.1. Funds authorized during the calendar year 2013 for campaign `2012, BGN**

Scheme/Measure	Number of applications submitted	Percentage distribution of the budget (%)			Authorized sum
		EAGF	EAFRD	NB	
SAPS	84 078	100	-	-	906 789 228,89
NAAP	67 124	-	-	100	---
HP1	27 081	-	82	18	4 737 994,99
HP2	11 227	-	82	18	1 452 612,65
AEP	2 630	-	82	18	4 153 558,13
Natura 2000	3 683	-	82	18	988 156,23
NAPA 1	8 015	-	-	100	20 108 715,20
NAPA 3	6 046	-	-	100	8 533 591,98
NAPC	3 550	-	-	100	42 840,00
NAPCSCM1	3 425	100	-	-	547 980,39
NAPCSCM2	1 425	100	-	-	141 864,17
NAPCSCM3	649	100	-	-	155 617,61
NAPA4	922	100	-	-	58 230,69
NAPA5	1 601	100	-	-	63 740,17
NAPT	41 870	-	-	100	72 719 748,25
SR	115	100	-	-	263 028,55
SIFV	1 430	100	-	-	14 148 653,52
<b>Total</b>					<b>1 034 905 561,42</b>

Source: SFA-PA

##### Campaign `2013

For campaign 2013 in the line of direct payments, the following schemes and support measures shall apply:

- Single Area Payment Scheme;
- National additional payments scheme per hectare of agricultural land;
- National additional payments scheme for tobacco, not related to production;
- National additional payments scheme for cattle, not related to production;
- National additional payments scheme for cows with sucking calves related to production;
- National additional payments scheme for breeding ewes and breeding female goats, related to production;

- Scheme for maintenance of the production of cow's milk in economically vulnerable farms;
- Scheme for maintenance of the production of cow's milk in non-benefiting regions;
- Scheme for maintenance of the production of cow's milk in nitrate vulnerable zones;
- Scheme for raising breeding ewes and breeding female goats in economically vulnerable municipalities in Southern Bulgaria;
- Scheme for raising breeding ewes and breeding female goats in non-benefiting regions;
- Scheme for raising fresh strawberries and raspberries for processing, not related to production;
- Scheme for specific support of producers of fruits and vegetables;
- Payments to agricultural farmers with natural handicaps in mountain regions - measure 211 of RDP 2007-2013;
- Payments to agricultural farmers in regions with natural handicaps, other than mountain regions - measure 212 of RDP 2007-2013;
- Payments under Natura 2000 and payments, related to Directive 2000/60/EC - for agricultural lands - measure 213 of RDP 2007-2013.
- Agrarian Environmental Payments - measure 214 of RDP 2007-2013.

The authorization under the applications for campaign `2013 has started in October 2013 with the payment of subsidies under the schemes of support for sector livestock breeding, financed by the national budget. The authorization under the schemes for animals, financed by EAGF, has been completed in December 2013. At the end of the year, the subsidies per area, approved under the measures from Axis 2 of RDP 2007 – 2013 shall be paid, which have the nature of payment per unit of area.

**Table IV.2. Authorized funds during the calendar year 2013 for campaign `2013, BGN**

Scheme/measure	Number of total applications submitted per campaign*	Total number of applications with authorized payments	Percentage distribution of the budget (%)			Authorized sum (BGN)
			EAGF	EAFRD	NB	
HP1	29 391	29 154	-	82	18	51 766 643,39
HP2	11 981	11 859	-	82	18	16 699 752,54
AEP	5 180	4 861	-	82	18	270 147 331,37
Natura 2000	6 001	5 911	-	82	18	29 502 833,35
NAPA1	8 068	7 867	-	-	100	41 801 183,50
NAPA3	6 675	6 660	-	-	100	23 941 843,20
NAPA4	1 228	1 227	100	-	-	1 066 985,50
NAPA5	1 967	1 958	100	-	-	1 335 789,18
NAPCSCM1	3 439	3 427	100	-	-	14 620 034,91
NAPCSCM2	1 440	1 436	100	-	-	9 463 255,19
NAPCSCM3	678	669	100	-	-	12 180 815,49
NAPT	41 758	35 148	-	-	100	11 494 844,42
<b>Total</b>						<b>484 021 312,04</b>

\* Number of applied declarations shall also include applications which have been withdrawn and declared to be invalid

Source: SFA-PA

**Table IV.3. Total authorized funds for campaign `2013 during the period October 1, 2013 – June 20, 2014 in BGN**

Scheme/Measure	Number of total applications submitted*	Number of applications with authorized payments	Percentage distribution of the budget (%)			Authorized sum (BGN)
			EAGF	EAFRD	NB	
SAPS	87 920	87 628	100	-	-	1 072 041 672
CNAAP	69 562	69 397	-	-	100	29 954 453,28
NAPA1	8 068	7 874	-	-	100	61 134 875
NAPA3	6 675	6 664	-	-	100	34 516 236,21
NAPC	4 114	4104	-	-	100	3 830 684
NAPT	41 758	41 704	-	-	100	118 747 787,1
SR	98	85	100	-	-	228 965,56
NAPCSCM1	3 439	3 433	100	-	-	14 666 366,48
NAPCSCM2	1 440	1 438	100	-	-	9 518 917,2
NAPCSCM3	678	674	100	-	-	12 466 454,12
NAPA4	1 228	1 228	100	-	-	1 067 585,44
NAPA5	1 967	1 962	100	-	-	1 340 725,43
SIFV	2 604	1 526	100	-	-	13 943 663,15
Measure 211 – HP1	29 391	29 259	-	82	18	59 104 248,13
Measure 212 – HP2	11 981	11 917	-	82	18	18 565 168,52
Measure 213 – Natura	6 001	5 940	-	82	18	31 841 075,15
Measure 214 – AEP	5 180	4 915	-	82	18	280 368 484,46
<b>Total</b>						<b>1 763 337 361</b>

\* Number of applications submitted shall also include applications which have been withdrawn and declared to be invalid

Source: SFA-PA

### Schemes for support per hectare

For campaign `2013, more than 130 000 applications have been submitted under the schemes and measures for direct payments, and under each of them, increase of the applications submitted compared to the previous campaign has been observed.

A total of 87 920 applications have been submitted under SAPS. As of the end of June 2014, out of the total budget, which amounts to 1 082 036 571 BGN, more than 99% have been authorized. On the basis of the area declared under the scheme – 3 756 661.14 ha, the amount of support per unit of area is 309,82 BGN/ha.

Under the scheme for national additional payments per hectare, a total of 69 562 applications have been submitted. The sum authorized as of the end of June 2014 amounts to 29 954 453,28 BGN (more than 93% of the budget), at a rate of 9,43 BGN/ha. The area declared under the scheme is 3 294 569.35 ha.

Under the scheme for growing fresh strawberries and raspberries for processing, a total of 98 applications have been submitted. As of the end of June 2014, a total of 85 applications have been submitted, under which a total sum to the amount of 228 965,56 BGN have been approved.

In the `2013 campaign, an intensified interest for application under the scheme for specific support of the producers of fruits and vegetables is observed. Compared to campaign `2012, when the scheme is applied for the first time, the number of applications submitted has increased by 82%, and the budget is almost fully utilized.



### **Schemes not related to production**

Under the scheme for national additional payments for tobacco, not bound with the production, for campaign `2013, a sum has been authorized to the amount of 118 747 787,1 BGN. Under the scheme for national additional payments for cattle, not bound with the production, a total of 7 874 applications have been approved, with a total authorized sum of BGN 61 134 875. Under this scheme, cattle and buffalo shall be supported, which have been available in the holding as of the reference date 28.02.2009

### **Schemes for support in the livestock breeding sector**

Sustainable interest continues to be observed toward the scheme for payments per animal, applied and financed by the national budget and EU. The highest increase in the number of the beneficiaries has been observed in the schemes for specific support for raising breeding ewes and breeding female goats. Increase by approximately 30% has been reported in the number of applicants, which have declared participation in NAPA4, compared to campaign `2012, and agricultural producers, which have applied under NAPA5, shall be 22% more, compared to the previous period. Full utilization of the budget under both schemes is reported.

### **Measures under AXIS 2 of RDP 2007-2013**

With the sixth amendment of RDP 2007 – 2013, an opportunity has been created for providing financial support under measures 211 and 212 of RDP 2007 - 2013 for agricultural owners, processing areas exceeding 100 hectares. As of the end of the month of June 2014, for campaign `2013 under measure 211 “Payments to agricultural owners with natural handicaps in mountain areas”, authorization has been completed to the amount of 59 104 248,13 BGN, and under measure 212 “Payments of farmers with districts with limitations, other than the different regions”, to the amount of 18 565 168,52 BGN.

Measure 213 “Payments under Natura 2000 and payments related to Directive 2000/60/EC –for agricultural lands” (Natura) has started for the first time in campaign `2011. Agricultural owners, managing agricultural lands, falling within the scope of the European ecological network Natura 2000 shall be supported, for which an order has been issued by the Minister of Agriculture and Water, for their declaration as a preserved area. In campaign `2013, intensified interest to the measure is observed. The number of applicants for support shall increase by 62%, compared to the previous campaign. A total of 6 001 applications have been submitted, with a declared area of 214 582.86 ha.

Under the three measures from axis 2 of RDP 2007-2013 for campaign `2013, more than 99% of the budget has been utilized.

In 2013, under measure 214 “Agro-ecological payments”, a total of 5 180 applications for support have been submitted, which is approximately an increase by 100% compared to the applications submitted in 2012. The approved applications for the first year, and the applications, which are completing their multi-annual commitment, are more than 96% of the submitted applications. The authorized funds amount to 280 368 484.46 BGN – more than four times the amount compared to the previous campaign. The most significant share of the authorized sums is for activities under strand “Introduction of crop rotation for protection of soils and water” – approximately 82%, for “Organic crop husbandry” – approximately 9%, for “Recultivation and maintenance of grassy areas with high natural value” – approximately 4%.

The highest number of support applications have been submitted under strand “Biological crop husbandry” (approximately 34% of the applications), “Introduction of crop rotation for protection of soils and water” (approximately 25%) and “Recultivation and maintenance of grassed areas of high natural value” (approximately 18%). The analysis of data for the areas declared indicates that the farmers have the greatest interest in performing the activities under strands “Introduction of crop rotation for protection of soils and water” – approximately 84% of the declared areas, “Recultivation and maintenance of grass areas of high natural value” – approximately 6%, followed by “Biological crop husbandry” and “Traditional practices for seasonal pasture/pastoralism”, respectively by approximately 5% and 2%.

## Campaign `2014

**Table IV.4. Number of applications submitted and size of lands declared for campaign `2014 under the schemes and the support measures per area unit**

Scheme/Measure	Number of applications	Declared area (ha)
SAPS	94 141	3 850 128
NAAP	74 571	3 368 675
SIFV	3 635	15 437
SR	92	-
HP1	31 888	387 356
HP2	13 029	269 162
Natura 2000	10 265	349 100
AEP (areas, bees, animals)	4 767	-

Source: SFA-PA

**Table IV.5. Number of applications submitted and declared number of animals for campaign `2014 under the schemes and the support measures per animal**

Scheme/Measure	Number of applications	Number of declared animals
NAPA1 buffalo	119	5 518
NAPA1 cattle	7 660	296 413
CNCS	5 426	100 289
NAPA3	7 495	994 563
NAPCSCM1	3 406	78 478
NAPCSCM2	1 529	50 865
NAPCSCM3	765	86 111
NAPA4	1 998	45 224
NAPA5	2 624	55 016

Source: SFA-PA

**Table IV.6. Number of applications submitted under the scheme for national additional payments for tobacco, not bound to the production for campaign `2014**

Sort of tobacco	Number of applicants	Declared quantities (kg)
Burley	1 405	6 881 721
Virginia	68	7 787 148
Basma	34 389	29 394 785
Kaba Kulak	6 561	6 570 967

Source: SFA-PA

### 1.1.2. Market support mechanisms by sectors

#### 1.1.2.1. Sector "Field crops"

##### Grain market intervention

The public intervention has the purpose of stabilizing agricultural markets and securing a minimum threshold of income for European agricultural producers. This is a procedure of the European Union, in which products are being purchased by the competent bodies of the member states, and shall be stored in a warehouse until their placement on the domestic market or their export to non-EU countries.

The applied schemes for intervention of cereals are: "Intervention purchasing of cereals and rice", "Storage of intervention stocks", and "Sales of intervention stock".

Under the scheme "Purchasing of cereals" for intervention periods from November 1, 2012 – May 31, 2013, and November 1, 2013 – May 31, 2014, purchasing of regular wheat at a fixed price is eligible, until reaching 3.000.000 tons in total for EU. Because during these periods, the market price of wheat is significantly exceeding the intervention price, the Bulgarian operators have not been interested in taking part of the scheme.

The scheme "Storage of intervention stock" is related to applying a scheme "Purchasing of cereals". For the market year 2012/2013, due to the absence of proposals for purchasing, no actions have been taken for applying a storage scheme.

As of the end of June 2014, State Fund "Agriculture" – PA does not have any intervention stocks of grain, stored in the territory of the country.

### **Charity program for distribution of food to the most deprived persons in the Community**

Under this program, deprived persons are supported by being provided food, produced from products from intervention reserves of EU, or purchased on the EU market through subsidies from the European budget.

For the completion of Plan 2013, with a Commission Implementing Regulation (EU) No. 1020/2012, a total of 37 342 768 BGN have been distributed to Bulgaria, out of which 35 063 631 BGN for purchasing food products on the EU market. For the realization of the Plan, an agreement for cooperation between SF "Agriculture" – PA and BRC has been concluded. Two tranches have been designated for supplies of foods by the operators, as well as two periods, in which the actual allocation of the products to the end beneficiaries shall be completed.

A public procurement for delivery of products has been completed to the warehouses of BRC, with eleven separate lots – spaghetti, regular waffles, lentils, fruit jam, mashed potatoes, bee honey, rice, flour, sugar, cooking oil and ripe kidney beans. A total of 10 agreements for shipment of food have been concluded.

In 2013, the total number of persons, having the right to receive food as support, is 332 791 – an increase of 23 585 persons, compared to 2012. A total of 13 469 570.45 kg of food has been distributed, and the quantities of food, which has not been claimed (2 125 365.55 kg food and 570 659 liters of cooking oil, or 8.59% of the total quantities of food) have been redistributed to the benefit of persons, who have been accommodated in 888 specialized state or municipal institutions for providing social services, medical institutions for stationary psychiatric care, medical and social care homes, specialized schools, et. al. At the end of December 2013, the operations for deliveries of products to the BRC warehouses have been completed, and the quantities of products with breached integrity of the packaging have been replaced. The release of the deposited bank guarantees for completion of the agreements for four of the products – flour, jam, waffles and kidney beans has been ordered. Until 31.12.2013, guarantees for three products have been released.

With the completion of Plan 2013, the realization of Program "Charity operations – support for the most deprived persons in the Community" has concluded, according to the current institutional and statutory framework. Since 2014, the Program shall be applied by the Ministry of Labor and Social Policy.

### **1.1.2.2. Sector "Meat and apiculture"**

#### **Intervention and private storage of meat**

In 2013, no prerequisites have existed for application of the schemes for public intervention for beef, veal and pork meat, and private storage in a warehouse of beef, veal, mutton and goat meat.

### National apiculture program for the three-year period 2011-2013

With the payment of the subsidies for the financial year 2013, the second quarterly period of the application of the National Apiculture Program has been concluded successfully, within which the Bulgarian bee-keepers have received financial aid to the amount of 15 858 396 BGN. High rate of utilization of the resource stipulated for different years has been achieved, which in 2013 has reached 90% of the stipulated budget.

**Table IV.7. Paid financial aid and funds utilized under NAP for the period 2008 – 2013, BGN**

Indicators	1 <sup>st</sup> three-year period				2 <sup>nd</sup> three-year period				Total 2008 - 2013
	2008	2009	2010	Total for the period	2011	2012	2013	Total for the period	
Budget	2 370 000	2 770 000	2 290 000	<b>7 430 000</b>	6 553 589	6 532 501	6 502 550	<b>19 588 640</b>	<b>27 018 640</b>
Paid financial aid	816 567	2 433 306	1 771 423	<b>5 021 296</b>	4 615 703	5 367 783	5 874 910	<b>15 858 396</b>	<b>20 879 692</b>
<b>Utilized budget (%)</b>	<b>34%</b>	<b>88%</b>	<b>77%</b>	<b>68%</b>	<b>70%</b>	<b>82%</b>	<b>90%</b>	<b>81%</b>	<b>77%</b>

Source: SFA-PA

In 2013, a total of 1 590 applications for support have been submitted, and a total of 1 073 agreements for financing have been concluded. For 87% of the agreements concluded, the investments have been completed and payment applications have been submitted. As in previous years, support applicants have been provided an opportunity to access low interest rate loans for financing of activities under measures B and D of the Program – expenses for purchasing of preparations for suppressing varroa destructor, purchasing bee-hives, bee families and queen bees. With the aid of the loan facility, investments have been realized under approximately 20% of the agreements concluded, and the due financial support under them is approximately 36% of the support paid under NAP for 2013.

**Table IV.8. Paid financial aid under NAP in 2013, under measures, in BGN**

Measure, sector	Budget for 2013	Paid financial aid			Funds utilized (%)
		Total	incl. EAGF	incl. NB	
<b>1. Total under Measure A – Technical Aid for bee-keepers and bee-keepers associations</b>	<b>179 548,80</b>	<b>168 707,87</b>	<b>84 353,93</b>	<b>84 353,94</b>	<b>94%</b>
Activity III – Promotion of Bulgarian bee products, including organic bee products, sector 1: Promotion of organic bee products	35 450,00	30 518,39	15 259,19	15 259,20	86%
Activity III – Promotion of Bulgarian bee products, including organic bee products, sector 2: Promotion of bee products	144 098,80	138 189,48	69 094,74	69 094,74	96%
<b>2. Total under Measure B – Suppressing varroa destructor</b>	<b>886 881,62</b>	<b>767 699,24</b>	<b>383 849,62</b>	<b>383 849,62</b>	<b>87%</b>
Sector 1 - Expenses for implementing veterinary control and providing assistance by beekeeper inspectors	81 053,00	67 956,00	33 978,00	33 978,00	84%
Sector 2 - Expenses for purchasing preparations to suppress varroa destructor, approved under the Veterinary Medicinal Activity Act	805 828,62	699 743,24	349 871,62	349 871,62	87%

<b>3. Total under Measure C – Measures for support of performance of physical and chemical analysis of bee honey</b>	<b>40 942,98</b>	<b>15 116,90</b>	<b>7 558,45</b>	<b>7 558,45</b>	<b>37%</b>
Sector 1 – Support of bee-keepers for performance of laboratory analysis of bee honey	40 942,98	15 116,90	7 558,45	7 558,45	37%
<b>4. Total under measure E – Measures for support of the renovation of bee hives in the Community</b>	<b>5 254 507,30</b>	<b>4 784 325,34</b>	<b>2 392 162,67</b>	<b>2 392 162,67</b>	<b>91%</b>
Sector 1 – Purchasing new bee-hives	3 267 157,00	3 110 206,84	1 555 103,42	1 555 103,42	95%
Sector 2 - Expenses for maintenance or increasing the number of bee families	1 615 087,22	1 394 665,60	697 332,80	697 332,80	86%
Sector 3 - Expenses for purchasing and replacement of queen bees	372 263,08	279 452,90	139 726,45	139 726,45	75%
<b>5. Total under measure E – Cooperation with specialized bodies for implementation of a proactive of applicable scientific research programs in the area of apiculture and bee products</b>	<b>140 669,26</b>	<b>139 060,45</b>	<b>69 530,22</b>	<b>69 530,23</b>	<b>99%</b>
Topic 2 – Testing contemporary technologies for preservation of queen bees during the winter season	4 537,72	3 629,11	1 814,55	1 814,56	80%
Topic 3 – Establishing genetic and morphological and ethological markers for sustainability of bee families to diseases with the purpose of formulating a system of activities on selection, conservation of national genetic resources and protection of bees from diseases and extinction	136 131,54	135 431,34	67 715,67	67 715,67	99%
<b>TOTAL</b>	<b>6 502 549,96</b>	<b>5 874 909,80</b>	<b>2 937 454,89</b>	<b>2 937 454,91</b>	<b>90%</b>

Source: IACS, module "National Apiculture Program"

In 2013, under *Measure A* – Technical Assistance, a total of 3 projects have been realized, including events directed toward popularization of Bulgarian bee honey and bee products.

Under *Measure B* Suppressing varroa destructor, sector 1 - Expenses for implementation of veterinary control and providing assistance by beekeeper inspectors, spring prophylactic inspections have been completed for 67 956 bee families. The amount of paid financial support is 67 956 BGN, and it covers 100% of the approved expenses for the completed inspections.

Under sector 2 if measure – “Expenses for purchasing preparations for suppressing varroa destructor”, a total of 105 555 treatments of bee families have been completed. Expenses for purchasing preparations have been approved, to the amount of BGN 777 492,49, under which the financial aid paid amounts to 699 743,24 BGN (90% of the approved expenses have been financed). In comparison to the previous financial year, the number of treatments completed is relatively stable. An increase in the paid financial assistance is observed, as a result of orientation of bee-keepers to the use of preparations for suppressing varroa destructor with a higher price for treatment of a single bee family.

Under *Measure C* – Measures for support of the completion of physical and chemical analysis of bee honey, sector 1 – Support of bee-keepers for completion of laboratory analysis of been honey, a total of 734 research works have been completed on analyses indicators for bee honey in accredited laboratories, according to the indicators, stipulated in NAP – hydroxymethylfurfural (HMF), diastase activity, reducing sugars and sucrose, content of water, insoluble impurities in water, electric

conductivity, free acidity, mechanical impurities, mineral substances and pollen. The expenses approved amount to 16 796,56 BGN, and financial aid has been paid for them to the amount of 15 116,90 BGN (90% of the approved expenses). Despite the trend of constant increase in the number of researched indicators, respectively the paid financial aid for physical and chemical analysis of bee honey, in the last three years of application of the program, the percentage of utilization in the budget under the sector is significantly lower than the percentage of utilization in other sectors/measures under the Program.

Under *Measure D* – Measures for supporting the renovation of bee hives, sector 1 – Purchasing new bee hives, a total of 32 206 bee hives have been purchased. Expenses to the value of 3 887 758,55 BGN have been approved, and financial aid has been paid for them, to the amount of 3 110 206,84 BGN (a total of 80% of the expenses approved have been financed).

Under Sector 2 - Expenses for maintaining or increasing the number of bee families, a total of 13 953 bee families have been purchased. Approved expenses are at a value of 1 743 332 BGN, and financial aid has been paid to them, to the amount of 1 394 665.60 BGN (80% financing of approved expenses).

Under Sector 3 – Expenses for purchasing and replacement of queen bees, a total of 17 763 breeder queen bees have purchased. The amount of the approved investment expenses is 349 316,12 BGN, and financial support has been paid for them to the amount of 279 452,90 BGN (80% of the approved expenses are financed).

In 2013, the trend toward increase of the amount of the paid financial aid for all sectors under Measure D is preserved. The assistance paid for purchasing queen bees increases with the highest rate – an increase by 60% compared to the previous financial year.

Under *Measure E* – Cooperation with specialized bodies for implementing a practice of the applied research programs in the field of apiculture and bee products, two scientific projects have been realized – one each for topics 2 and 3.

#### **National apiculture program for the three-year period 2014-2016**

With a decision for implementation of the European Commission dated 12.08.2013, the Apiculture Program for the three-year period 2014-2016 has been approved. The main objective of the Program is improving the conditions for production and trade with bee honey and bee products, increasing the efficiency of the production, the quality and the competitiveness of Bulgarian bee honey and bee products; providing better employment and higher income for bee-keepers. The budget under the program for 2014 is 4 436 150 BGN. It shall provide financial aid under the measures: “Suppressing varroa destructor”, “Measures for supporting laboratories, performing physical and chemical analysis of bee hone”, “Measures for support for the renovation of bee hives in EU”, “Technical assistance for bee-keepers and bee-keeper associations”. As of the end of June 2014, a total of 1 600 agreements for support under NAP have been signed.

#### **1.1.2.3. Sector “Milk”**

##### **Scheme “Milk Quotas”**

The national milk quota for Bulgaria, determined at the time of the accession of the country to the EU is 979 million kilograms, with an annual increase by 1%, which decreases the possibility of levying excess production fees. Each separate producer, depending on the needs of its holding, can have individual quota for deliveries, and individual quota for direct sales.

The calendar year 2013 includes two quota years – 2012/2013 and 2013/2014. For the quota year 2012/2013, increase of the completion of the national quota for direct sales by 231% is observed, compared to the previous year, and as the result of the increased interest toward offering milk and dairy products directly from the producers, and shortening the supply chain between the producer and the end consumer.

**Table IV.9. Completion of national quotas for deliveries and for direct sales of quota years 2010/2011-2012/2013**

Quota period	National quota for deliveries (tons)	Quantities realized for deliveries (tons)	Completion of the deliveries quota (%)	National quota for direct sales (tons)	Realized for direct sales (tons)	Completion of quota for direct sales (%)
2010/2011	942 195	472 471	50,15	76 456	19 184	25,09
2011/2012	951 617	463 169	48,67	77 221	16 775	21,7
2012/2013	969 472	441 245	45,51	69 654	35 085	50,37

Source: SFA-PA

As of August 1, 2013, the fifth quota exchange has started, for sales of milk quotas. For the quota year 2013/2014, with an order of the Minister of Agriculture and Food, a fixed price has been approved of 0.01 BGN per kilogram of cow's milk for deliveries, and 0,01 BGN per kilogram of cow's milk for direct sales. The application of the scheme for transferring of a quota through sales at a fixed price, has allowed the purchase of 5 899 632 kg quota for deliveries and direct sales for 149 producers. A total of 58 998 BGN have been paid to 57 beneficiaries, who have submitted an application for selling individual quota.

The low price has caused an outpacing growth of demand over the supply of milk quotas. The 6 297 141 kg for delivery, declared for sale, and 86 564 kg declared for direct sales, have not been realized during the first published invitation to tender for purchasing of quotas. Within the limits of the second published invitation to tender, 57 producers have sold individual quota.

#### **Scheme "School milk"**

The program "School milk" has the purpose of promoting the consumption of milk, yogurt and dairy products, produced in EU. Schools and other education establishments receive public funds to provide deliveries of milk and dairy products for children and school students, which regularly visit kindergartens/preschool establishments, and elementary schools.

As of this time, the subsidy granted by the European Union under the scheme "School milk" is partial and covers a very small share (approximately 15%) of the expenses of a child per day. The low amount of the subsidy is the main reason for the very low interest toward the scheme and the low number of active applicants. In the school year 2013, a total of 4 542,16 BGN have been paid, under a total of 25 submitted payment applications. As a comparison, in 2012 a total of 12 applications for payment have been submitted, to the amount of 3 742,59 BGN.

#### **1.1.2.4. Sector "Wine"**

In compliance with the model introduced by EU for support in the vine and winery sector, the financial package for each member state – producer of wine has been spent using programs, which contain support measures selected by the state.

#### **National support program for the vine and winery sector 2008/2009-2013/2014**

In 2013, the completion of the National support program for the vine and winery sector 2008/2009-2013/2014 continued. For the purpose of more efficient utilization of the funds under the Program, notification has been submitted to EU for transferring funds to the amount of 2 738 162 BGN from measure "Insurance for the harvest" to measure "Restructuring and conversion of wine vineyards". A change has been made to the statutory regulations on application of the program, under which the limitation for support of producers, who have received rights for planting by the National Reserve is removed.

For the business year 2012/2013, 212 uniform applications for support under the measures of the National support program for the vine and winery sector 2008/2009-2013/2014 have been submitted. A total of 35 858 061.71 BGN (68,56% of the budget under the Program) have been paid.

**Measure “Restructuring and conversion of wine sort vineyards”** is of significance for the vine and winery sector. 12 activities have been stipulated for support under the measure, with one-year and multi-annual investments and with a possibility for consolidation. 151 investments have been agreed. The financial aid paid amounts to 34 609 133.87 BGN, or 76.60% of the budget under the measure for 2012/2013, after the transfer of funds.

Under **measure “Insurance of wine sort vineyards”**, producers of wine grapes are supported, who have insured their harvest against one of or several insurance risks – hail, storm, flood, torrential rain, et. al. The financial aid under the measure is up to 80% for insurance risks, associated with natural disasters, and up to 50% for other insurance risks, such as fire, et. al. For 2012/2013, 1 248 927.84 BGN have been paid, which represents 65.83% of the stipulated budget under the measure. As of the end of 2013, a total of 80 applications have been submitted for compensation for loss of income.

### **National program for support of the vine and winery sector in Bulgaria for the wine period 2014-2018**

In July 2013, Bulgaria has notified to the European Commission a revised project of the new National program for support of the vine and winery sector in Bulgaria for the period 2014-2018, which the Commission has approved within the statutory two-month term as of the date of notification. The financial resource stipulated under the program amounts to 261 709 612 BGN (52 368 860 BGN per year). These funds are designated for completion of four measures, two of which – “Restructuring and conversion of wine vineyards” (with a budget of 31 650 044 BGN), and “Promotions in non-EU countries” (with a budget of 2 937 450 BGN) have also been applied under the previous program. New measures are “Green harvesting” (with indicative budget to the amount of 1 174 980 BGN on an annual basis) and “Investments in enterprises” (with an indicative budget 16 645 550 BGN per year). With the introduction of a measure “Investment in enterprises”, the goal is to facilitate the access of producers to the financial resource, designated only for the sector, which shall be used for financing of up to 50% of the purchasing of fixed assets for processing and storage of grape machines, software, specific equipment for bottling, labeling, storage, care and aging of wine, et. al. Measure “Green harvesting” is an anti-crisis measure, which could be used for the purpose of compensating the producers with an amount in cash up to 50% of the value of direct expenses for destroying or removal of non-ripe grape and the loss of income, caused as a result of completion of these activities. The measure “Popularization on non-EU countries markets” refers to wines with Protected Designation of Origin or Protected Geographical Indication, or for wines with a designation of the wine sort of vine. The purposes of applying this measure are increasing the familiarity with and the consumer interest toward the Bulgarian high quality, regional and table wines, with a designation of sorts and harvest, building the positive image of the Bulgarian high quality wines, and affirming Bulgarian designation of origin and trademarks as familiar and demanded by consumers in non-EU countries, promotion of trade with Bulgarian high quality and regional wines on the markets of non-EU countries through commitment of efforts and focusing attention on key market subjects (traders, hotel chains, tourist chains, et. al), fostering consumer culture through nurturing the taste for consumption of high-quality wines.

#### **1.1.2.5. Sector “Fruits and vegetables”**

##### **Scheme “Groups of producers of fruits and vegetables”**

The financial support of groups of fruits and vegetables is an instrument for promoting stable organizations of producers. The groups of producers have the right to use two forms of support – support by EU for their administrative and organizational strengthening (designated as a percentage of the value of the produce, realized by them on the market) and co-financing of investments accrued by them for achieving the criteria for recognition as organizations of producers. A prerequisite for obtaining



temporary recognition for the group of producers is to provide a five-year plan for recognition, which could include investment activities.

In 2012, two agreements for financial support have been concluded with recognized groups of producers of fruits and vegetables, to a total value of 31 000 000 BGN, with a term for completion of 5 years. In 2013, financial aid has been paid-off, to the amount of 5 285 486.39 BGN for administrative and investment expenses, completed in 2012. During the first half of 2014, financial support has been paid to both groups to the amount of 1 586 533.00 BGN for administrative and investment expenses, accrued in 2013.

In 2014, another 10 agreements for financial support have been concluded with recognized groups of producers. According to Regulation (EU) No. 937/2013 of the Commission dated 30.09.2013, the total value of funds that groups of producers will receive from EU, amounts to 14 452 598 BGN.

The association of the producers of fruits and vegetables in groups shall help the strengthening of their influence in the contracting process for the production produced. A total of 48 producers of fruits and vegetables in the regions of Plovdiv, Haskovo, Ruse, Veliko Tarnovo, Blagoevgrad, Burgas, Vidin and Montana are members of the 12 approved groups of producers. At the end of the five-year period, it is expected that the groups will include at least 84 producers.

### **Scheme “School fruit”**

The purpose of this scheme is developing habits for healthy eating in children and raising the awareness of parents, students and children regarding the benefits of healthy eating. The main element in the scheme is the application of accompanying pedagogical measures in the academic establishments, directed toward gaining knowledge regarding the production of fruits and vegetables and their food properties.

The application of the scheme is financed by EAGF and NB. The amount of the financial funds depends on the number of children aged 6 to 10 years, who attend academic establishments regularly.

The application of the scheme has received positive public feedback, and the number of applicants in the scheme is increasing every school year. Out of 478 academic establishments with a total of establishments with 118 694 children at the start of the scheme in school year 2010/2011, in school year 2013/2014, the participating academic establishments have increased by 2 239, with a total of 319 808 children and school students. Approximately 50% of the academic establishments in the country utilize this scheme, and a total of 63% of the children in the target group.

The budget for purchasing fruits and vegetables for school year 2013/2014 is 5 549 778,08 BGN, out of which 4 162 333,56 BGN have been provided by EU, and 1 387 444,52 BGN is the national co-financing of the scheme. Due to the high interest to the scheme “School Fruit”, additional national funds have been provided to the amount of 3 269 560,32 BGN. Thus the total budget for purchasing fruits and vegetables under this scheme has reached 8 727 560,32 BGN. The average sum per one child for a school year is 27,29 BGN without VAT, or equaling 40 deliveries for 0,68 BGN per delivery of a portion of a fruit/vegetable. Funds have been allocated from the total budget for accrual of expenses for awareness-raising activities, which for the academic year 2013/2014 amount to 91 778,08 BGN without VAT.

During academic year 2014/2015, 2 899 academic establishments take part in the scheme, with a total of 403 208 children, i.e. an increase by 660 schools and 83 400 children compared to the previous school year. The financial aid by EU is 7 143 618.18 BGN, and the initially determined national co-financing is 2 322 776,88 BGN. Taking into considerations the contribution of scheme “School fruit” for the establishment of healthy eating habits and in view of the positive social feedback of this scheme, in order to reach the targets of the scheme, the budget of SFA for 2015 stipulates additional national financing to the amount of 2 447 563 BGN. Thus the final amount of the national funds reaches 4 770 339,60 BGN, and the total budget under the scheme - 11 913 957,78 BGN.

### **1.1.2.6. Sector “Sugar”**

#### **Scheme “Quota regime”**

The European Union used the quota system for the production of sugar and isoglucose, with the purpose of regulating the production within the borders of EU.

Bulgaria has a national quota for production of isoglucose, which for the business year 2012/2013 amounts to 89 198 tons of dry substance. For the use of the quota, a fee of 1 046 720,69 BGN has been collected. Part of the fee, to the amount of 75%, is transferred to the budget of EU as traditional own resource of the Union, and the remaining 25% - to the national budget.

#### **Scheme “Approval of enterprises – producers of isoglucose and refiners”**

In compliance with the provisions of the EU legislation, except for the producers of sugar and isoglucose, processors of raw cane sugar are also subject to approval and control – “Permanent refiners”. Six approved enterprises “permanent refiners” function in the territory of Bulgaria, as well as one enterprise – producer of isoglucose.

As regards to the control of the production of isoglucose in 2013, 12 applications have been approved and processed, and 16 onsite inspections have been completed.

For the purpose of exercising control over the activities of the full-time refineries, 86 applications for production of sugar and warehouse availabilities and 86 references for projection prices and quantities have been approved and processed. A total of 25 on-site inspections have been completed, out of which: 18 inspections under article 10 of Regulation 952/2006, 6 inspections regarding availability of machines and equipment, and 1 mandatory inspection of quantities of white sugar.

#### **Scheme “Restructuring support” and “Diversification support”**

In relation to the restructuring of the sugar industry under the scheme “Diversification support” and a payment completed in 2010, control over the activity of beneficiaries has been exercised in 2013 in reference to the fulfillment of their obligations, undertaken according to the agreements concluded with SFA– PA.

### **1.1.2.7. Sector “Promotional programs”**

The promotional program include activities, dedicated to providing information regarding the product provided and facilitating its supply on the market. Organization of trainings, conferences with participation of journalists and doctors, promotions in supermarkets and stores, tastings, advertising, organizing competitions, publications in specialized press and Internet, participation in exhibitions, fairs, national and international exhibitions could be included in the programs.

In 2013, a total of 3 Promotional programs have been contracted, to a total value of 8 986 542 Euro (17 576 148 BGN). The following programs are undergoing implementation:

- “Release the taste” (approved by EU in 2011) – promotional program for processed fruits and vegetables – chutney, roasted peeled kapia, hip marmalade and peaches compote, designated for the markets in Germany, Poland and Romania. It has been proposed by the Association of Processors of Fruits and Vegetables, with a total budget of 2 982 967 Euro (5 834 176 BGN);
- Bulgarian-Romanian program “International Program for Promotion of Wine in non-EU countries” (approved by EU in 2011) – directed toward promotion of Bulgarian and Romanian wines with PDO/PGI in Russia and in China. The support agreement has been concluded in April 2012. The program, with a three-year period of completion, has been proposed by the Regional Vine and Winery Chamber “Trakiya”, and the Romanian “Association of the Producers of Wine and Wine Products Dobrudzha”, with a total budget of 3 188 798 Euro (6 236 746 BGN);
- “European dairy products every day” – approved by EU in February 2012, proposed by the Association of Dairy Processors in Bulgaria. The program is promotion of white brine cheese,

yellow cheese and yogurt on the Australian and UAE markets, with a budget of 3 303 541 Euro (6 461 164 BGN) and application period of three years;

- “Promotion for dairy products in non-EU countries” – approved by EU in February 2012. The program has a three-year period of application and is completed by the National Association of Dairy Processors for promotion of white brine cheese, yellow cheese and yogurt on the markets in Russia and Brazil, to a total value of 2 871 750 Euro (5 616 654 BGN);
- “Interstate program for promotion of wines with PDO/PGI in non-EU countries (Switzerland, USA and China)” – approved with a decision of the European Commission in June 2012. The program is a joint Bulgarian and Greek program, submitted jointly by the National Vine and Winery Association and the Greek Association ENOABE, with the purpose of promotion of Bulgarian and Greek high-quality wines on the markets in Switzerland, USA and China, with a term of completion: 3 years. The budget of the program is for a total value of 4 633 737 Euro (9 062 801 BGN);
- “Wines from Southern Europe/Mediterranean wines” – approved by the European Commission in November 2012. The program is multi-national, and has been submitted by the Regional Vine and Wine Chamber “Trakiya”, the Consortium of Greek Wine Producers and the Regional Enoteca „Emilia-Romagna”, Italy. The subject of promotion of Bulgarian, Greek and Italian wines with PDO/PGI on the markets of Great Britain, Italy and Germany to a value of 5 200 356 Euro, and the Bulgarian part of the program is to a value of 1 183 602 Euro (2 314 924 BGN). The total sum of the national co-financing amounts to 236 720 Euro (462 985 BGN);
- “Promotion of fresh cherries in non-EU countries (Russia and Norway)” has been approved by EU in November 2012. The offering association is the National Association of Gardeners in Bulgaria, and for a period of three years, fresh cherries shall be promoted in Russia and Norway. The budget under this program amounts to 1 893 060 Euro (3 702 504 BGN), and the total amount of the national co-financing amounts to 567 918 Euro (1 110 751 BGN);
- “See the Egg” has been approved by EU in April 2013. The program is for providing information regarding the marking of eggs on the markets of Greece and Romania. The program has been submitted by the Association of Agricultural Producers in Bulgaria, and has a value of 1 893 126 Euro (3 702 633 BGN), with national co-financing to the amount of 567 938 Euro (1 110 790 BGN);
- With a Decision of EU as of April 2014, the Bulgarian promotional program “Release the European taste” has been approved. It has been submitted by the Association of Processors of Fruits and Vegetables, and is directed toward the markets of Russia and the United Arab Emirates. Awareness and promotional activities for processed fruits and vegetables are stipulated (chutney, canned tomatoes, roasted vegetables, rose jam and hip marmalade). It is a three-year campaign and has a total value of 3 759 660 Euro (7 353 256 BGN). The agreement for completion of the promotional program between the offering organization and SF “Agriculture” – PA has been signed on July 25, 2014

The amount total for these programs is approximately 74 million BGN, out of which Bulgaria takes over 30% of financing, EU – 50% and 20% - the proposing organization. This way, our agricultural producers are supported in offering their high quality products in EU and on the markets of non-EU countries.

In 2013, under Promotional programs in the process of completion, a total of 5 110 622,26 BGN have been paid. For the first six months of 2014, the financial support amounts to 4 032 764,69 BGN. It is expected that by the end of 2014 the aid paid shall reach 5 500 000 BGN.

#### **1.1.2.8. Quality Policy - protected designations**

At the beginning of 2013, following the conclusion of the national procedure, an application has been sent to EU for review for registration of food with Traditionally Specialties Guaranteed “Lukanka

Panagyurska". The first comments of EU have been received and reflected on the application for registration of Protected Geographical Indication "Bulgarian Rose Oil".

Under the applications submitted to EU for registration of FTST "Fillet Elena", FTST "Kayserovan vrat Trakiya", FTST "Lukanka Panagyurska", FTST "Role Trapezitsa", and PGI "Bulgarian Rose Oil" during the period June-September 2013, the final remarks of the Commission have been received and effected. In the months of March and April 2014, the Official Gazette of EU has published the applications for registration of the specified names, as well as the application for change of PGI "Gornooryahovski Sudzhuk", sent to EU at the end of the month of March, 2013. These publications stipulate the right for submitting objections within three months by institutions and stakeholders, residing in a member state or non-EU country. In case of favorable conclusion of the procedure, the separation regulations for registration of each of the listed names and respectively the change in the specification of the registered geographical designation are expected to be published by the end of 2014.

In April 2013, following an approved national procedure, a new controlling entity has been approved for the production of the product PGI "Gornooryahovski Sudzhuk", accredited under standard EN 45011.

At the beginning of 2014, the revised application-specification of FTST "Beef jerky" has been submitted to MAF. Within the framework of the national procedure, which is to be completed stage by stage, producers of the product have been inspected and approved stage by stage, as well as a controlling entity, accredited under standard EN 45011, which has applied for exercising control over the compliance with the product specification.

In relation to one application and two delegating regulations, published in June 2014, regarding the European quality schemes for agricultural products and foods, the necessary measures and actions have been approved for changing the respective national statutory acts.

Within the limits of the conducted awareness campaigns, meetings and consultations with stakeholders, regarding the possibilities and the competitive advantages, which the European Quality Policy is offering, interest has been expressed by agricultural producers in the registration of additional Bulgarian products to Quality Schemes.

### **1.1.3. Trade mechanisms**

#### **1.1.3.1. Licensing of export**

##### **Scheme "Refunds for export of agricultural products"**

The refunds for export to non-EU countries for agricultural and processed agricultural products shall be paid in full by EAGF. The amount and the terms and conditions for their payment shall be determined by EU, on the basis of the evaluation of the situation on the European and the global market. For some products, the amount of the refunds could differentiate, depending on the export destination.

In 2013, 22 licenses have been issued for preliminary financing, for the export of 597 638 kg frozen chicken meat, to a total value of BGN 135 765. A total of 45 payment applications for processing in the export of products from the sector of bird meat have been accepted, to a total value of 507 078 BGN. A total of 731 061 BGN have been paid for products of the bird meat sector.

##### **Scheme "Mandatory licenses for export of agricultural products"**

Cereals, rice and sugar are subject to mandatory licensing in case of export to non-EU countries, regardless of whether processing is required. The mandatory licenses are used for statistical purposes, as a tool for observation of the agricultural products markets.

For the calendar year 2013, a total of 374 mandatory licenses for export have been issued (13.7% more compared to the previous year). The highest number of licenses are for the export of

maize – 138 licenses, for 435 595 tons, rice – 113 licenses, for 6 504 tons, wheat and blend of wheat and rye – 62 licenses, for 881 225 tons, et. al.

The completion of the licenses for preliminary fixing of the processing in export and mandatory licenses shall be secured with guarantees. In 2013, a total of 205 guarantees have been accepted and processed, to a total value of 9 968 166 BGN, and a total of 263 guarantees have been released, to a total value of 9 354 048 BGN. A total of 9 fees for completion of licenses to a total value of 15 170 BGN have been charged.

#### **Scheme “Licenses for export of dairy products to Canada”**

On the basis of an Agreement signed between the European Community and Canada, the import of dairy products under tariff code 0406 of the Combined Nomenclature, with a decreased rate of the custom duty within the limits of the tariff quota, requires mandatory presentation of export license, issued by the state of origin of the product within the limits of the quota. Bulgaria has applied the Agreement as of 2007.

In 2013, a total of 28 licenses for export of milk and dairy products to Canada have been issued, within the limits of a quota, including 19 licenses for export of 148 376 kg cheese and 9 licenses for export of 32 605 kg of yellow cheese.

#### **Scheme “Licenses for export of cheese to USA within the quota for the calendar year 2013”**

As a result of the negotiations between USA and EU, conducted within the framework of the World Trade Organization, an Agreement has been concluded, under which since 2013, Bulgaria and Romania become part of the quota for import of European cheese to USA. The quota provides a possibility for import of European cheese under code 0406 of the Combined nomenclature with decreased import custom duty. For the calendar year 2013, no interest has been shown by Bulgarian exporters to participate in the scheme.

#### **1.1.3.2. Licensing of import**

The products, which are subject to the mandatory licensing for import from non-EU countries, are: cereals, rice, sugar, olive oil and table olives, fresh and processed fruits and vegetables (garlic and canned mushrooms), beef and veal, pork, milk and dairy products, eggs and egg albumin, bird meat and ethyl alcohol with agricultural origin. For a part of them, licenses shall only be issued in case of import within the limits of tariff quotas and preferential regimes (beef, bird and pork, eggs and egg albumin, milk and dairy products, sugar), and for others - in relation to the whole import.

In 2013, 286 applications for issuance of licenses for import of agricultural products have been submitted, and the number of licenses issued is 252.

According to Implementation Regulation (EU) No. 36/2013 of the Commission for opening a permanent tender for the import of sugar with a code under CN 1701, with decreased custom duty, for the market year 2012/2013, and with reference No. 09.4312, a total of 4 tenders have been conducted (in the months of January, February, May and June). A total of 6 tender proposals have been submitted, as a result of which a total of 4 licenses have been issued. The other offers have been rejected, because the amount of custom duty proposed by the operator is lower than the amount designated by EU.

The guarantees incorporated to the benefit of MAF for the completion of the obligation for import of the licenses issued in 2013 amount to 105 024 179.92 BGN. Guarantees have been refunded to importers to a total value of 100 793 410.77 BGN.

In 2013, a total of 17 new importers of agricultural products have been included in the register of MAF. As of 31.12.2013, the registered importers of agricultural products amount to 419.

## **1.2. Support under the second pillar of CAP – application of Rural Development Program 2007-2013**

Rural Development Program 2007-2013 has been implemented applying a package of measures, directed toward the increase of the competitiveness of agriculture, the forestry holding and the catering industry; protection of natural resources and the environment in rural areas; improvement of the quality of life and diversification of the opportunities for employment in rural areas.

In 2013, the application of integrated approach for overcoming obstacles for the beneficiaries and solving problems in the completion of RDP has continued. Measures have been undertaken for providing a facilitated access to financing of private beneficiaries and municipalities. As of the end of January 2013, the Guarantee Fund has started functioning. For the period from January 15, 2013 until the end of April 2014 of NGF, guarantees have been issued to the amount exceeding 98 million BGN (increase by 57% on average monthly base), and thus the granting of more than 270 loans to beneficiaries under the three measures of RDP has been supported (an increase by 33%). The loans, secured with guarantees under the Guarantee Scheme, amount to more than 127 million BGN.

For the purpose of introducing the potential candidates for support to RDP, awareness seminars have been organized, with a main emphasis over measures 114, 112, 141, 142, 123, 122, 211, 212, 213 and 214, 223 and 226, as well as the options of the Guarantee Fund. Good practices have been provided from projects, which have already been completed.

The deadlines for approval of projects from the local development strategies according to the LEADER approach have been extended.

### **1.2.1. Analysis of the progress achieved on the application of RDP and achieving the goals, for all different axes**

In 2013, a total of 5 789 support applications have been submitted under RDP. The amount of the subsidies declared is 2 067 853.6 thousand BGN, and the total of the declared expenses are 2 472 257,1 thousand BGN.

- **Measures under Axis 1**

#### **Measure 111 “Professional training, information activities and distribution of scientific knowledge”**

In 2013, no acceptance of support applications has been completed. A total of 2 683 thousand BGN have been paid under the measure, which is 37% less than compared to 2012. Despite the fact that the intensity of the aid is 100%, the absence of advance payments and the difficulties faced by the training organizations to provide temporary financing for the completion of the courses to the payment of the subsidy, are the main reason for annulling or partial completion of the agreements concluded.

As of the start of applying RDP until 31.12.2013 under measure 111, a total of 8 415 thousand BGN have been paid. Projects, under which final payment has been made by the end of 2013 are 59 in total, with value of public expenses 7 628 thousand BGN.

For the period of application of the measure, the highest number of persons have been trained to acquire knowledge for sustainable management of natural resources and environmental protection (44% of all trainees) and new technical knowledge and skills (34%), but their shares have decreased slightly compared to 2012. The share of farmers who have preferred training under administrative, management and marketing themes is preserved (17%).

The analysis of the progress for reaching the goals indicates that the number of persons who have taken part in a training with support under measure 111 represent 73% of the assigned goals on the basis of projects with final payment. The persons who have successfully completed the training are 11 288 (81% completion of the target). In relation to the number of training received, the completion rate is 2%.

### **Measure 112 “Establishment of holdings of small farmers”**

In 2013, under the measure, acceptance of declarations has been declared, with a budget of 19 558 thousand BGN. A total of 2 678 have been submitted, with a total amount of public expenses exceeding 256 200 thousand BGN. A total of 6 agreements have been signed, to a total value of public expenses exceeding 1 955 thousand BGN. Payments under 1 691 applications have been completed, to a total value of 37 207 thousand BGN.

For the period 2008-2013, a total of 9 590 applications have been submitted under measure 112, to a total value of public expenses – 594 572 thousand BGN. A total of 5 425 agreements have been concluded, with an amount of public expenses 265 993 thousand BGN. The funds paid amount to 206 163 thousand BGN.

The analysis of the progress on achieving the goals on the grounds of concluded support agreements indicates that the number of younger farmers, supported under measure 112 until the year 2013 is 99% of the assigned goal. In relation to the goals on the basis of applications paid for, the completion rate is 95%.

The quality analysis of projects under the measure, under which payments have been completed, indicates that the predominant part of the young farmers mainly deal with gardening – 35%, orchards - 26%, and field crops – 14%. Crop husbandry with crops traditional for Bulgaria has been preferred by 77% the young farmers and 9% of the projects are in the field of livestock breeding. The mixed holdings are 8%. The holdings in the category “others” - apiculture and alternative livestock breeding (red Californian worms and snails) occupy a share of 7%.

### **Measure 114 “Use of consultancy services by farmers and owners of forests”**

During the application period of RDP, the interest for applying under the measure is low. The main reason is non-familiarity by the farmers and forest owners with the benefits of consultancy services in relation to applying the requirements of the cross compliance system.

In 2013, tender for support applications under measure 114 has been opened, with a budget of 848 thousand BGN. A total of 25 applications have been submitted, to a value of 52 thousand BGN. A total of 25 agreements have been concluded, with a value of public expenses 49 thousand BGN.

For the period 2011-2013 (the measure has been applied since 2011), a total of 113 applications have been submitted, to a full value of 229 thousand BGN. A total of 111 support applications have been approved (108 of agricultural owners and 3 of forest owners), with a total value of the public expenses 158 thousand BGN. Payments have been completed only in 2013, to a total value of 8 thousand BGN.

The analysis of the progress for achieving the objectives (on the grounds of paid for support applications) indicates a completion rate of 5% for a number of supported agricultural producers and 0% for forest owners.

### **Measure 121 “Modernization of agricultural holdings”**

In 2013, measure 121 has been opened for acceptance with a budget of 92 315 thousand BGN. A total of 937 applications have been submitted, with a total value of public expenses of 248 390 thousand BGN. A total of 670 support agreements have been concluded, to a value of public expenses of 185 804 thousand BGN. Payments have been completed to a value of 98 195 thousand BGN.

For the period 2008-2013, a total of 5 347 projects have been submitted under the measure, with a total value of the public expenses of 1 449 270 thousand BGN. The public funds paid to beneficiaries amount to 619 576 thousand BGN. 2 595 project have been finalized, to the amount of public expenses under them of 586 749 thousand BGN. The projects completed are 77% of all projects with agreements concluded and include 96% of the expenses paid.

In 2013, the payments under projects with investments, directed toward new challenges (with additional financing of EERP) have increased by 35% compared to the previous year, and they reach 2 629 thousand BGN. For the three-year period since the start of applying the Plan (2011-2013) under Measure 121, payments under 63 investment agreements have been concluded, to a value of public funds 5 580 thousand BGN. The highest number of agreements (50 agreements, with the amount of public funds 4 530 thousand BGN) have been concluded for realization of measures for restructuring of the dairy sector (81.2% of the agreements under EERP). 11 support agreements have been signed for water management, with the amount of public funds 694 thousand BGN. For investment for renewable energy sources, a total of 2 agreements have been concluded, with value of the public expenses: 354 thousand BGN.

The analysis of the progress on achieving the goals on the basis of agreements concluded indicates that in case of completion of the agreements, a completion of up to 64% of the goal for supported holdings and 92% for realized investments could be achieved. The disproportion in percentages is due to a merger of the holdings, in comparison to the planning period of RDP. The completion rate of the goal for number of holdings, which have introduced new products or technologies, is 36%.

Measure 121 is applied very successfully in relation to investments in crop husbandry – they occupy 67% of the approved public expenses, and 75% of the amounts paid under projects. The projects of the animal breeding sector have a share of 27% of the approved public expenses, and 24% of the amounts paid under projects.

#### **Measure 122 “Approval of the economical value of forests”**

Despite the increase of projects submitted (by 83%) and the amount of public expenses (by 75%) in 2013, compared to 2012, the interest in applying under measure 122 remains low. A total of 11 applications for support have been submitted, with a total value of the public expenses 2 065 thousand BGN. Three agreements for support have been signed, with a total value of the public expenses 176 thousand BGN, and payments have been made to the amount of 6 thousand BGN.

For the period of the start of application of RDP until 31.12.2013 under the measure, a total of 22 projects have been submitted, with a total value of the public expenses of 4 387 thousand BGN. Ten support agreements have been concluded, with a value of public expenses, is 1 631 thousand BGN. Payments have been completed to beneficiaries to a value of 734 thousand BGN.

Some of the reasons for the low interest toward the measure, are: small private property (90% of restituted forests are under 1 ha); only forest owners are eligible for support, not the users, et. al.

In 2013, slight increase is reported in relation to the implementation of indicators. On the basis of agreements concluded, the reaching of the goal for number of forest holdings with municipal property, which have received investment support, is 19%, and for the private holdings, it is 0%. In relation to the purpose of the goal for number of projects with payment, the rate for completion of forest holdings – municipal property is 17%. The completion for private owners is again 0%.

#### **Measure 123 “Adding value to agricultural and forest products”**

Due to the high interest for application for support under measure 123, in 2013, its budget is completed additionally with 161 522 thousand BGN. A total of 207 agreements have been concluded with a total amount of public expenses – 177 981 thousand BGN (increase compared to 2012 respectively by 29% and by 18%). Payments to a value of 76 929 thousand BGN have been completed.

For the period of application of the measure, a total of 741 applications have been submitted, with a total amount of public expenses: 741 260 thousand BGN. 609 agreements for financial aid have been concluded (82% of the applications submitted), with a full amount of public expenses of 567 191 thousand BGN. The public funds, paid to beneficiaries, amount to 221 328 thousand BGN. A total of 232 projects have been fully completed, under which final payments have been completed to the amount of 156 858 thousand BGN.



The highest interest of beneficiaries is toward investments in the catering industry (77% of the agreements concluded, with a value of public expenses 524 162 thousand BGN). The agreements concluded for processing of forest products, are 140 (23% of the agreements, with amount of the public expenses – 44 984 thousand BGN). The average amount of public expenses under approved projects for the catering industry sector is 1 115 thousand BGN (increase of 3%, compared to 2012), and for forest products is 321 thousand BGN.

For the agreements concluded, micro-enterprises prevail (share of 76%), followed by small enterprises, with a share of 22%. For the projects with payments, micro-enterprises also prevail (69% of the projects), followed by small enterprises, with a share of 28%.

For the realization of investments with additional financing from EERP in 2013, a total amount of payments of 465 thousand BGN have been made. For the period 2011-2013, payments have been concluded to a value of 2 925 thousand BGN. (58% of the stipulated budget), out of which 949 thousand BGN are related to water management, and 1 976 thousand BGN – to renewable energy sources.

The analysis of the progress on achieving the goals on the basis of agreements concluded indicates that in the completion of the agreements, a total of 167 enterprises shall be supported, i.e. a completion rate of 269% could be achieved from the goal set under the measure for supported enterprises, which have made investments, directly related to environmental protection and 151% for investments directly related to environmental protection. Enterprises, which have concluded agreements for support of investments, directly related to existing and newly-introduced European standards, are a total of 85, and the value of these investments in 88 208 thousand BGN. In the completion of the agreements, up to 137% of the goal for supported enterprises and 8% of investments made could be achieved. In relation to the investments, directly related to the production of energy from RES and processing of plant and animal bio-mass, in the completion of the agreements for these investments, up to 76% of the goal for supported enterprises and 35% for investments made could be achieved.

The completion of the goals on the basis of projects with payment is 58% for investments, directly related to environmental protection, 31% for investments directly related to existing and newly-introduced European standards, and 6% for support of investment, directly related to production of energy from RES and processing plant and animal biomass.

#### **Measure 141 “Support of semi-market holdings in the process of restructuring”**

In 2013, no tender for applications for support under measure 141 has been published. A total of 1 424 agreements have been concluded, with a value of the public expenses 21 514 thousand BGN. Payments have been made to the amount of 22 835 thousand BGN.

For the period since the start of application of RDP until 31.12.2013, a total of 8 636 agreements have been concluded, with a total value of public expenses 127 129 thousand BGN. The funds paid amount to 51 126 thousand BGN.

The analysis of the progress for reaching the purposes on the grounds of approved applications and declarations with a payment indicates the completion of up to 96% of the goal, set under the measure for supported semi-market farmers.

In relation to the area used and in the applications approved and paid, small holding, with an area of up to 5 ha prevail (91% of the applications, with a slight increase compared to 2012). The holdings with a total area by and between 5 and 10 ha, occupy 6% of the approved applications and the applications for payment, and their share decreases by 1 percentage point, compared to the previous year. The holdings with used area exceeding 10 ha have a share of 3% of the applications which have been approved and which have received payment.

#### **Measure 142 “Establishment of organizations of producers”**

In 2013m a total of 3 organizations of producers have been recognized, and support agreements have been concluded with them, with a total value of public expenses of 855 thousand BGN. For the whole period of application of RDP, a total of 4 organizations of producers have been

approved under this measure, with agreements to a total value of public expenses 884 thousand BGN. Payments have been made to the amount of 28 thousand BGN.

The analysis of the progress for reaching the goals on the grounds of agreements concluded indicates that it is possible to reach a rate of completion for the goal for supported organizations to 133%, and a turnover of 60 631 thousand BGN of the supported organizations of producers, which would be a 441% rate of completion. The completion of the goals on the basis of applications which have received payment is 33% for supported organizations of producers, and 92% for turnover of the supported organizations of producers.

#### **Measure 143 “Providing advice and consultation in the field of agriculture in Bulgaria and Romania“**

For the period of application of RDP, the only beneficiary under measure 143 is the National Agricultural Advisory Service. After 01.10.2013, NAAS provides a full set of advisory services for applicants under measure 141, and prepares these business plans under measures 121, 122, 123 and 311 of RDP. Advisory services are provided to agricultural producers, which have received financial aid under measure 141.

In 2013, no application tender has been declared for support under measure 141 of RDP, and for this reason, no advisory services have been provided under it. The activities of NAAS are directed toward providing additional advisory services for beneficiaries approved for support under measure 141. A total of 174 applications have been prepared for semi-market farmers for applying under measure 214, which is an increase by 248% compared to 2012. A slight increase by 7% is also registered for the preparation of projects under measure 121 for modernization of small holdings. A total of 93 semi-market farmers have used this opportunity. For diversification toward non-agricultural activities under this category of farmers, a total of 3 projects have been prepared under measure 311. A total of 2 131 advisory services have been provided regarding the evaluation of holdings and establishing improvements in relation to the legally established management requirements and a total of 2 096 advisory services for management of agricultural holdings, and specific advice in the field of crop husbandry and/or livestock breeding.

For 2013, payments have been made to the amount of 2 083 thousand BGN, and for the whole period of applying the measure - 9 359 thousand BGN.

The analysis of the progress for achieving the goals (on the grounds of statements prepared by NAAS) indicates that the total number of supported agricultural producers under measure 143 amounts to 86% of the target number, stipulated in the Program (increase by 2 percentage points, compared to 2012) The measure achieves its goals in a better way in relation to young farmers – 110%, and agro ecology – 95%. Under measure 141, the completion rate is 75%.

The completion of the goals for the number of supported agricultural producers on the basis of projects paid is 72%, for young farmers - 86%, and for agro ecology – 64%. A significant progress has been achieved in relation to semi-market holdings – the completion rate has reached 70% (compared to 45% at the end of 2012).

- **Measures under Axis 2**

#### **Measure 211 “Payments of agricultural owners for natural restrictions in mountain regions”**

In 2013, a total of 29 391 applications have been submitted under the measure (increase by 8.5% compared to 2012), with a total of 357 919 ha (increase by 16% compared to 2012) declares for support. As of 30.06.2014, a total of 29 154 applications for support have been submitted – 7.7% more compared to the previous year. In the calendar year 2013, partial payments have been made for campaigns `2012 and 2013. The public funds paid during the year reach 55 451 thousand BGN, which is an increase by 9.5%, compared to 2012

For the period 2007-2013, agricultural holdings, which have applied for support, are a total of 49 055 (without repetition). The areas declared increase by 31%, and the eligible holdings – by 21% (2012 compared to 2007). The total funds paid amount to 248 713 thousand BGN.

The quality analysis on application of the measure indicates that it contributes significantly for reaching the goals assigned with the result indicators, by supporting 123% of the stipulated holdings from mountain regions. The goal set for the supported area on the basis of authorized applications has been completed to a high degree – 88%. For both indicators, an increase is at hand for both indicators by 8 percentage points, compared to the previous year.

#### **Measure 212 “Payments for agricultural owners in regions with limitations, other than the mountain regions”**

For campaign `2013, a total of 11 981 applications for support have been submitted under measure 212 – 6.7% more compared to the previous year. The areas declared increase gradually for the full period of applying the measure – from 180.5 thousand ha in 2007 to 250,5 thousand ha in 2013, or by 38.8%.

In 2013, partial payments have been made for campaigns 2012 and 2013, with a total amount of 17 964 thousand BGN.

For the period 2007-2013, a support application under the measure has been submitted by 21 088 agricultural holdings (without repetition). The total sum of the paid public funds amounts to 78 366 thousand BGN.

The quality analysis for application of the measure indicates that it contributes significantly for achieving the objectives, set under the result indicators, by supporting 211% of the holdings stipulated under the measure. The completion rate for the goal of supported area on the basis of applications paid in 2013 (for campaign `2012) is 98%.

#### **Measure 213 “Payments for Natura 2000 for agricultural lands”**

The interest in applying under measure 213 increases on an annual basis. Under the first application in 2011, a total of 2 427 applications have been submitted, in 2012 - 3 683 applications (increase by 51.8% compared to 2011), and in 2013, a total of 6 001 applications have been submitted (an increase by 62.9% compared to 2012). The total amount of the area declared to support for campaign `2013 is 214 028 ha (increase by 83% compared to the previous campaign).

In 2013, payments have been made for campaigns 2012 and 2013. 30 400 thousand BGN public funds have been paid in total, which represents an increase by 2.7 times compared to 2012

The total amount paid for the application period of the measure (2011-2013) under measure 213 is 41 498 thousand BGN.

The analysis of the application of the measure on the basis of authorized applications for campaign `2013 indicates completion rate of 106% for a number of supported holdings and of 63% for the supported area.

#### **Measure 214 “Agro ecological payments”**

In 2013, a total of 5 160 applications have been submitted under the measure, which represents an increase by 96.1% compared to 2012, and an increase of 3,5 times compared to the first campaign (2008). The funds paid, part of which are funds for campaign `2012, and part of which – for campaign `2013, amount to 273 643 thousand BGN.

For the period 2008 – 2013, a total of 6 616 applications for support have been submitted. Payments of public funds have been made to the amount of 367 902 thousand BGN.

The largest share of the authorized payments is the share for strand “Implementation of crop rotation” – 66% of the funds under the measure. A total of 1 208 holdings have received support under this strand, for an area of 662 thousand ha. Under the biological crop husbandry and apiculture strand

for the period 2008-2013, a total of 63 173 thousand BGN of public funds have been authorized (17% of the funds under the measure). "Recultivation and support of grass areas of high natural value" follow. "Protection of indigenous breeds with a danger of extinction" and "Pastoralism", respectively with a share of 7%, 6% and 2.6% of the funds under the measure.

The quantity analysis of the approved applications indicates that the completion rate of the goal for approved applicants for support and the number of agreements is 15%, and the completion rate of the ones approved for support areas is 584%. In 2013, the completion of the goal in relation to the genetic resources has reached 94%, with 60% for 2012, and 26% for 2011.

#### **Measure 223 "Initial forestation of non-agricultural lands"**

In 2013, no acceptance of applications for support under measure 223 has been achieved. A total of 45 projects have been approved, with a value of public expenses 10 953 thousand BGN. Payments have been made to the amount of 4 129 thousand BGN, which represents an increase by 6,4 times, compared to the previous year.

A total of 136 applications have been submitted under the measure for the period 2008 – 2013, with a value of the public expenses 32 557 thousand BGN. A total of 100 agreements for support have been concluded, to a total value of 18 651 thousand BGN. The public funds paid amount to 5 526 thousand BGN.

Mostly, public owners of forests apply for support - 89% of the approved projects and 96% of the projects with payment received, are projects of municipalities and state forest and hunting holdings. The approved active projects of private owners of forests are a total of 9 projects (11% of all applications), under 2 of which a payment has been made (4% of the projects with received payment).

The progress analysis for completing the goals indicates that the goal assigned for supported beneficiaries for forestation has achieved at an insignificant rate – 4% on the basis of approved applications, and 3% on the basis of projects with payments. In relation to the indicator for forested areas, the goal assigned of 10 000 ha has reached to a higher degree – 36% on the basis of approved projects (with 12% of approved projects at the end of 2012) and 22% on the basis of projects with payment received (7% for 2012).

Lands with forestation of deciduous trees - 64% of the approved projects and 83% of the projects with payment, followed by mixed areas – 18% of the approved and 12% of the projects with payment, quickly growing types – 2% of the approved projects, and 3% of the projects with payment received, and coniferous trees, with 16% of the approved projects, and 1% of the projects with payment received.

With the completed forestation, the assigned goals are reached to the highest rate possible for mitigating climate changes – 25% on the basis of approved projects, 16% on the basis of projects with payment, and 1% on the basis of projects completed (with final payment). The completion of the indicator for preservation of the quality of soil, is 22% on the basis of approved projects (compared to 4% up to 2012), 16% on the basis of projects with received payment, and 4% on the basis of projects which have concluded. The purpose for prevention of the marginalization and the abandonment of lands is achieved at 20% on the basis of approved projects, at 13% on the basis of projects with payment, and at 1% for projects, for which payment has been received in full. Regarding water quality, the completion rate is 10% on the basis of approved projects, 4% on the basis of projects with payment received, and 4% on the basis of projects concluded. The completion in relation to the biodiversity and forestry with high natural value is achieved to a low degree – 11% on the basis of approved projects, 8% for projects with payment received, and 2% on the basis of projects concluded.

#### **Measure 226 "Recultivation of forest potential and introduction of preventive activities"**

In 2013, a total of 50 applications submitted in previous years have been approved, with a value of the public expenses of 16 355 thousand BGN. Payments have been made under 47 applications, to a total value of 7 703 thousand BGN.

For the period of application of RDP, a total of 147 applications for support have been submitted, with a value of public expenses of 31 485 thousand BGN. A total of 104 projects have been approved, with a value of 21 563 thousand BGN. A total of 88 applications have received payments, with a value of public expenses 9 000 thousand BGN. 30 projects has been finalized, under which funds have been paid to a total of 1 925 thousand BGN.

The progress analysis for reaching the goals indicates that for the restoration activities in relation to the indicator “number of supported activities”, a completion rate of 23% could be achieved, on the basis of applications approved, and 17% on the basis of projects with payment. According to the forested areas indicator, the goal set of 170 000 ha could be exceeded (115%) on the basis of approved projects, and a high completion rate is achieved - 70% on the basis of projects with payment. The indicator for total amount of the investments is completed to a lower degree – expected completion of up to 36% on the basis of approved projects, and 16% on the basis of projects with payment. The completion of the indicator for area with a successful management on the basis of projects with final payment is 54 %.

- **Measures under Axis 3**

- Measure 311 “Diversification to non-agricultural activities”**

In 2013, acceptance of documents has been opened under the measure, with a budget of 89 968 thousand BGN. A total of 724 project proposals have been submitted, with a value of public expenses 236 655 thousand BGN, which is 1,7 times more than the total applications submitted for the period 2008 - 2012. 2 projects have been approved, with a value of public expenses – 391 thousand BGN. The public funds paid amount to 28 177 thousand BGN.

For the full period of applying measure 311, a total of 1 152 applications for support have been submitted, with a value of public expenses 381 387 thousand BGN. The payments completed payments amount to 65 743 thousand BGN. A total of 174 projects have been finalized, to a total value of 57 110 thousand BGN.

Until the end of 2013, a total of 15 agreements have been concluded, which includes investments under EERP to the amount of 5 265 thousand BGN for renewable energy sources. Payments have been made under 9 projects, with a full value of public expenses 2 885 thousand BGN, which represents 80% of the budget.

The progress analysis for achieving the goals (on the grounds of data from agreements concluded) indicates that the goal for beneficiaries supported could be achieved to a low rate – 11%, if all approved projects are completed. In relation to the indicator for investments realized under the measure, the completion rate is higher – 54%. The completion rate of the goals on the grounds of projects with payment is 7%, and for investment realized under the measure – 37%.

For the projects with payment, the completion rate of the goal for supported new tourist activities is 6%, and for investments in tourism – 29%.

- Measure 312 “Support for establishing and development of micro-enterprises”**

The budget of the measure for acceptance in 2013 amounts to 49 874 thousand BGN. A total of 493 project proposals have been submitted, with a value of public expenses 125 173 thousand BGN. A total of 13 support agreements have been concluded, to a value of 2 738 thousand BGN. Public funds have been paid under 210 applications to a value of 35 540 thousand BGN.

For the period 2008-2013, 2 516 applications for support under measure 312 have been submitted, with value of the public expenses 768 641 thousand BGN. A total of 901 agreements for support have been signed, to a value of 269 905 thousand BGN, and payments have been made to the amount of 144 699 thousand BGN.

By the end of 2013, a total of 40 agreements for support have been concluded with included investments for renewable energy sources under EERP, to the amount of 14 409 thousand BGN. If

investments are realized, the completion rate of the budget shall be 100%. Funds have been paid under 35 projects, with a total value of public expenses: 11 995 thousand BGN (83% of the budget).

The analysis of the progress for reaching the goals (on the grounds of data from approved and not annulled applications) indicates that the goal set for support of beneficiaries could be achieved at a rate of 18%, if the approved projects are completed. The results in relation to the indicator of investments realized under the measure have been realized under the approved projects – the completion rate is 89%. For the indicator for increasing non-agricultural gross added value in supported holdings, the completion rate is 395%, and for the number of created jobs, the completion rate is 38%.

Out of the projects approved, the projects for development of tourism prevail – 58% of the projects, followed by the investments for production of energy from renewable energy sources - 32%, and retail trade – 6%. Craft activities and category “miscellaneous” have insignificant shares.

For projects with final payment, the completion rate of the target for supported beneficiaries is 10%, for newly established micro-enterprises – 15%, for investments realized – 50%, for increasing non-agricultural gross added value in supported enterprises – 293%, for number of jobs created – 19%.

Out of the projects with final payment, the largest share is the share of projects for production of energy from renewable sources – 44%, and for the projects for development of tourism – 39%.

### **Measure 313 “Promotion of tourist activities”**

In 2013, tender for applications for support under measure 313 has been declared, with a budget of 8 587 thousand BGN. A total of 146 applications have been submitted, with a value of public expenses 48 896 thousand BGN. Public funds have been paid to the amount of 4 177 thousand BGN.

A total of 378 applications have been submitted for the period of application of the measures (2008-2013), to a total value of 129 085 thousand BGN. A total of 203 agreements for support have been concluded, with a value of public expenses: 56 719 thousand BGN. Payments have been made under 207 applications, to a full value of 26 591 thousand BGN.

The progress analysis on the basis of agreements concluded indicates that the goal set for supported new tourist activities could be achieved at a rate of up to 78%, and for investments under the measure – up to 76%. For projects with received payments, the goal for supported new tourist activities has been achieved at 69%, and for investments realized under the measure – at 70%.

In relation to projects with final payment received, the completion of the goal for additional number of tourists is 539%, for accommodations – 899%, for created jobs – 8%.

### **Measure 321 “Basic services for the population and the economy in rural areas”**

With the ninth amendment of RDP, in 2013 funds have been transferred to the budget of measure 321, to the amount of 396 479 thousand BGN. For all tenders, a total of 290 applications have been submitted, with a value of public expenses of 846 874 thousand BGN. A total of 181 applications for support have been approved, to a total value of 404 857 thousand BGN. Funds paid amount to 193 369 thousand BGN.

For the period since the start of applying the measure, until 31.12.2013, 1 311 applications have been submitted, with a value of public expenses 4 275 444 thousand BGN. A total of 583 agreements for support have been concluded, with a value of public expenses 1 752 423 thousand BGN. A total of 872 031 thousand BGN have been paid, which represents 22.7% of all funds paid under RDP. The completion of 100 project has been finalized, with a value of public expenses 205 362 thousand BGN.

A total of 15 agreements have been concluded, to a value of 36 021 thousand BGN, with additional support under EERP, for investments related to water management. Until the end of 2013, payments have been made under all projects with investments under the Plan, to a total amount of 20 365 thousand BGN (57% of the budget).

The largest share of the projects approved is the share of projects directed toward improvement of environmental infrastructure - 37%, followed by projects with cultural and social orientation - 35%, and projects related to improvement of mobility – 22%.

Measure 321 is one of the successfully applied measures. The analysis of the progress for reaching the goals (on the basis of data from approved applications) indicates that the goal for the number of supported activities could be achieved up to 38%. For the indicator of investments realized under the measure, the completion rate could reach 163%. The disproportion of the completion of the two indicators has been caused by the fact that municipalities are practically submitting project proposals, which include more improvements, to a higher value compared to the expectations in the planning of RDP.

For the projects with completed payment, 31% of the goal assigned has been achieved, regarding the number of supported activities, and 152% for investments, realized under the measure.

#### **Measure 322 “Renovation and development of settlements”**

In 2013, a single tender for project proposals has been declared under measure 322, with a budget of 55 686 thousand BGN. Increase of the budget has been completed under tender `2012, by 118 849 thousand BGN.

In 2013, the interest in applying under the measure is the highest for the whole programming period. A total of 485 applications have been submitted (twice more compared to 2012), to a value of public expenses of 428 327 thousand BGN (2,4 times more compared to 2012). A total of 162 agreements for support have been concluded, to a total value of 103 659 thousand BGN. The paid public funds amount to 55 710 thousand BGN. A total of 92 projects have been finalized, with a total value of the public expense under them – 62 587 thousand BGN.

For the full period of application of RDP, a total of 1 239 projects have been submitted under the measure, with a value of public expenses 1 195 012 thousand BGN. A total of 553 project proposals have been approved, to a full value of 490 913 thousand BGN. Payments under 127 applications have been made, to a value of 248 066 thousand BGN have been completed. The projects with final payment received are a total of 182, with a value of public expenses 134 952 thousand BGN.

According to the type of activity supported, the largest share of the projects with payments shall be for repair of existing streets - 23%, followed by the projects for restoration of existing squares and sidewalks - 16%, projects for renovation of parks and landscaped areas - 13%, for development of new lighting fixtures - 12%, and development of new children areas and facilities - 11%. According to the type of the completed renovation, the highest amount of public funds (73%) has been paid for tangible assets. A total of 20% of the funds have been paid for the social sphere. The smallest share is the share of funds invested in projects with economical direction – 6%.

The analysis of the progress for reaching the goals of the approved statements indicates that the goal of the number of settlements, in which the activities shall be supported, could reach 95%. In relation to the indicator for investments realized under the measure, the completion rate could be higher – up to 120%. For projects with completed payment, the completion of goals for the number of settlements and investments realized is respectively 74% and 103%.

For the projects with final payment, improved services have been provided to 563 252 people from rural areas. Completion rate of 113% has been achieved, i.e. the goal set has been exceeded.

- **Measures under Axis 4 LEADER**

In 2013, under all measures of axis 4 LEADER a total of 9 255 thousand BGN have been paid out of public funds, which is an increase of 105% compared to 2012, and a little above the level (by 2.5%) of the funds paid in 2011. For the first time during the programming period, payments have been made under measure 411 – Application of local strategies – Competitiveness (1 262 thousand BGN), under measure 412 – Application of local strategies – environment (24 thousand BGN) and under measure 413 – Application of local – quality of life (4 145 thousand BGN).

In total for the period 2010-2013 under axis 4, payments out of public funds have been made to the amount of 24 162 thousand BGN.

#### **Measure 41 “Application of strategies for local development”**

In 2013, no call for proposals for applications for approval by Local Action Groups and their Local Development strategies has been declared. For the period 2010-2011, two acceptance of documents have been declared for providing financial grant under measure 41 “Application of Local Development Strategies”, and measure 431-1 “Management of Local Actions Groups, acquiring skills and achieving public activity in the respective territory for Local Action Groups, applying local development strategies:”, within which a total of 35 strategies have been approved, with a total of public value of public expenses of 103 976 thousand BGN, under which the budget designated under the measure has been agreed. Under measure 431, a total of 3 824 thousand BGN have been paid.

The goal achievement progress analysis (on the grounds of data approved by local development strategies under measure 41 as of 31.12.2013) indicates that the goal set for a number of supported LAG could be completed up to 70%, in relation to the indicator of the total area of LAG, the completion rate could be up to 72%, and for population, included by LAG – 64%.

Agreements have been concluded with 35 LAG for performance of local development strategies in the territory of 57 municipalities (25% of the municipalities in rural areas, which include 1 112 settlements, 25% of the territory and 28% of the population of rural areas). As of April 2014, the Local Action Groups have approved a total of 1 403 project proposals for beneficiaries for BIW (with a total value of the subsidy of 107 766 thousand BGN, equal to 104% of the funds agreed under measure 41). The agreements concluded with SFA-PA for support are 447.

The progress analysis for reaching the goals (on the grounds of activities with final payment, completed by LAG under measure 431 as of 31.12.2013) indicates that the goal set for number of activities for acquisition of skills and achieving public activity is completed at a rate of 68%, and for the number of participants in the training activities – of 44%. Activities have been performed for studying the respective territories, presentation of information to local communities regarding the LEADER approach, structuring and registration of LAG and preparing local development strategies, training of personnel and LAG teams, studying good practices and creating partnerships, cooperation and networks. Regarding the nature of the LEADER approach, a total of 11 446 people have been informed, living in the territory of the rural areas. In the application of the preparatory sub measure, serious activity of local communities is reported, for participation in the processes of revitalization and development of territories. The results achieved indicate that to a high degree the goal for starting the process of establishing local capacity for applying LEADER in rural areas of the country is achieved,

#### **Measure 431-2 “Acquisition of skills and reaching public activity of the respective territories for potential local action groups in rural areas”**

For the period of applying the measure (2008-2013), a total of 136 applications for support have been submitted, to a total value of 21 698 thousand BGN. A 102 agreements have been concluded, with a value of the public funds 16 548 thousand BGN. 90 agreements have been finalized, to a value of 14 483 thousand BGN, and due to different reasons, the completion of 12 agreements has been terminated.

The progress analysis for projects to which a payment has been made shows over-fulfillment – 252% for the goal for number of activities for acquisition of skills and reaching public activity for the respective territory. The indicator of the number of participants in these activities has been over-fulfilled - – 191%, as well as people, who have successfully completed the education – 229%.

#### **Measure 421 “Internal territorial and cross-border cooperation”**

Measure 421 has been applied since 2012. Within the limits of the acceptance open in 2013, with a budget of 10 039 thousand BGN, no support applications have been submitted. The total for the period of applying the measure, a total of 26 applications have been submitted, with a value of public



expenses of 3 560 thousand BGN. In May 2014, a total of 12 agreements for providing financial aid have been signed to a total value of 1 447 thousand BGN.

#### **Measure 511 "Technical aid"**

In 2013, under measure 511, a total of 11 016 thousand BGN of public funds has been, and in total for the application period (2009 - 2013) - 45 971 thousand BGN.

#### **Measure 611 "Additional payments to direct payments"**

In 2013, payments have been made under the measure, to the amount of 136 thousand BGN of public funds. For the full programming period, the funds paid amount to 301 636 thousand BGN.

### **1.2.2. Financial application of RDP under measures on the basis of projects paid**

Since the beginning of the application of RDP until December 31, 2013, the public funds paid under it to beneficiaries amount to 3 596 652 thousand BGN (56.9% of the budget of RDP). Adding 236 851 thousand BGN under financial engineering scheme (Guarantee Fund), the total amount of the payments under RDP amounts to 3 833 503 thousand BGN (60.7% of the budget of the Program).

The highest percentage of funds have been utilized under axis 1 – a total of 1 353 598 thousand BGN have been paid, which represents 65% of the budget under this axis and 35% of all funds paid under RDP. The payments to beneficiaries amount to 1 116 779 thousand BGN (29% of the payments under RDP). The most amount of public funds have been paid under measure 121 (72% utilization rate), measure 123 (54% utilization rate) and measure 112 (77% utilization rate).

Under axis 2, a total of 751 006 thousand BGN of public funds (53% of the budget under the axis) has been paid. The highest utilization rate is for measures 212 (103%), 214 (67%) and 211(55%).

Second-ranked in the utilization of funds is axis 3 (payments made represent 60% of the budget of the axis). The total funds paid are 1 357 130 thousand BGN, which represents 35% of the funds paid under RDP. Out of them, 872 031 thousand BGN are under measure 321 (64% utilization rate of the budget under the measure). The utilization rate is also higher under measures 322 and 312, respectively 64% and 55%.

Axis 4 has worse results, with just 16% utilization rate (payments to a total amount of 24 162 thousand BGN). The most funds have been paid under measure 431 – 18 730 thousand BGN (53% of the budget of the measure). Under measures 411, 412 and 413, the first payments for the programming period are completed in 2013, the first payments for the programming period have been made, and the utilization rate is up to 7%. Under measure 421, no payments of public funds have been made up to 31.12.2013.

**Table IV.10. Amounts paid under RDP for the period 2008 - 2013, under measures, thousand BGN**

Measure	2008	2009	2010	2011	2012	2013	Total
111 "Occupational training, awareness activities and distribution of scientific knowledge"	0	0	0	1 471	4 261	2 683	8 415
112 "Establishment of holdings of young farmers"	1 002	35 154	62 967	409	69 425	37 207	206 163
114 "Use of consultancy services by farmers and forest owners"	0	0	0	0	0	8	8
121 "Modernization of agricultural holdings", including:	0	139 700	215 323	176 082	68 713	98 195	698 013

Measure	2008	2009	2010	2011	2012	2013	Total
including Guarantee Fund	-	-	-	78 530	-	-	78 530
122 "Improvement of the economic value of forests", including:	0	0	0	11 735	728	6	12 468
including Guarantee Fund	-	-	-	11 735	-	-	11 735
123 "Adding value to agricultural and forestry products", including:	0	0	9 442	203 237	78 410	76 929	368 017
including Guarantee Fund	-	-	-	146 586	-	-	146 586
141 "Support of semi-market holdings in the process of restructuring"	0	0	2 085	7 735	18 472	22 835	51 126
142 "Establishment of organizations of producers"	0	0	0	28	0	0	28
143 "Providing advice and consultation for the agriculture sector in Bulgaria and Romania"	5	1 523	3 148	1 323	1 277	2 083	9 359
<b>Total for axis 1</b>	<b>1 007</b>	<b>176 376</b>	<b>292 964</b>	<b>402 021</b>	<b>241 286</b>	<b>239 945</b>	<b>1 353 598</b>
211 "Payments for natural restrictions for farmers in mountain regions"	29 128	14 118	34 601	64 785	50 630	55 451	248 713
212 "Payments for natural restrictions of farmers in regions other than mountain regions"	9 291	4 774	8 721	20 720	16 897	17 964	78 366
213 "Payments for Natura 2000 for agricultural lands"	0	0	0	0	11 098	30 400	41 498
214 "Agro-ecological payments"	0	4 233	4 310	27 067	58 649	273 643	367 902
223 "Initial forestation of non-agricultural lands"	0	0	374	377	646	4 129	5 526
226 "Recovery of the forest potential and introduction of preventive activities"	0	0	182	445	671	7 703	9 000
<b>Total for axis 2</b>	<b>38 419</b>	<b>23 125</b>	<b>48 187</b>	<b>113 393</b>	<b>138 592</b>	<b>389 291</b>	<b>751 006</b>
311 "Diversification for non-agricultural activities"	0	0	0	9 101	28 465	28 177	65 743
312 "Support for establishment and development of micro enterprises"	0	0	3 397	28 196	77 565	35 540	144 699
313 "Encouragement of tourist activities"	0	0	0	3 701	18 714	4 177	26 591
321 "Main services for the population and the economy in rural areas"	0	0	211 162	132 920	334 580	193 369	872 031
322 "Renovation and development of settlements"	0	0	94 347	32 684	65 325	55 710	248 066

Measure	2008	2009	2010	2011	2012	2013	Total
<b>Total for axis 3</b>	<b>0</b>	<b>0</b>	<b>308 907</b>	<b>206 602</b>	<b>524 648</b>	<b>316 973</b>	<b>1 357 130</b>
411 "Applying local strategies – competitiveness"	0	0	0	0	0	1 262	1 262
412 "Application of local strategies – environment"	0	0	0	0	0	24	24
413 "Application of local strategies – quality of life"	0	0	0	0	0	4 145	4 145
421 "Internal territorial and cross-border cooperation"	0	0	0	0	0	0	0
431 "Acquiring skills and achieving public activeness in the respective territories for potential LAG in rural areas"	0	0	1 367	9 029	4 511	3 824	18 730
<b>Total for axis 4</b>	<b>0</b>	<b>0</b>	<b>1 367</b>	<b>9 029</b>	<b>4 511</b>	<b>9 255</b>	<b>24 162</b>
511 "Technical aid"	0	2 184	5 355	10 230	17 186	11 016	45 971
<b>Total for axis 5</b>	<b>0</b>	<b>2 184</b>	<b>5 355</b>	<b>10 230</b>	<b>17 186</b>	<b>11 016</b>	<b>45 971</b>
611 "Additional payments to direct payments"	161 007	75 701	65 218	-746	322	136	301 636
<b>Total for axis 6</b>	<b>161 007</b>	<b>75 701</b>	<b>65 218</b>	<b>-746</b>	<b>322</b>	<b>136</b>	<b>301 636</b>
<b>Total RDP</b>	<b>200 433</b>	<b>277 385</b>	<b>721 998</b>	<b>740 528</b>	<b>926 545</b>	<b>966 615</b>	<b>3 833 503</b>

*Note: It also includes Guarantee Fund*

*Source: MAF, MB of RDP*

### Guarantee Fund under RDP

In January 2013, the Guarantee Fund under RDP has officially started its activity with the Bulgarian Bank for Development, granting an option to the beneficiaries under measures 121, 122 and 123 of the Program utilize facilitates and quick access to loans and bank guarantees for completion of its projects.

The Guarantee Fund issues a guarantee completing the security to the amount of 80% of the respective loan. The loans have interest rates lower than the standard ones, and the beneficiaries have been released from charges and commission fees. The guarantees, issued by the Warranty Fund, have a term of 10 years, and the deadline for receiving the financing under this scheme, is September 2015.

As of its establishment in the beginning of 2013 and until the month of May 2014, the Fund has supported 255 small and medium enterprises, and has provided a guarantee for 100 million BGN. The total fund of the loans granted shall exceed 129 million BGN.

#### 1.3. Additional state support

In addition to the support under both pillars of CAP, agricultural sector in Bulgaria has received financial support with national funds under state aid schemes, short-term and long-term loans, granted by SF "Agriculture".

The state support of agricultural producers shall be completed in compliance with the laws of EU and in compliance with the options of the state budget. It is directed toward the structure defining, sensitive and priority areas in agriculture.

### 1.3.1. State aid

The main goal of the state aid policy in the field of agriculture is improving economical efficiency of the agricultural holdings and the living standard of the employees in the sector.

Providing state aid for Bulgarian agriculture is directed toward increasing the competitiveness of agricultural producers through measures related to investments for increasing the effectiveness of the holdings and production of higher quality of production, insurance, claiming damages from natural disasters and unfavorable climate events, assistance for prevention of diseases on plant and animals, protection of genetic resources in crop husbandry and livestock breeding, promotion humane treatment of animals, incentivizing participation in exhibitions for popularization of Bulgarian agricultural production and exchange of experience.

In 2013, 9 new schemes have been developed for state aid in the support of agricultural producers, and a total of 4 existing schemes have been changed. During the year, through SF "Agriculture", a total of 25 schemes for state aid have been applied, as well as 10 types of supports from the type *de minimis*. The total of funds provided under them amount to approximately 83 million BGN, and a total of 41 575 agricultural producers have been supported. The state aid applied is in the following strands:

- Investment support, the purposes of which is renovation of the material and technical base in agriculture and closing the production cycle, as well as improving access of small producers to the market. In 2013, 2 schemes have been applied in this strand – Support for investments in agricultural holdings by corporate tax rebate and Aid to support agricultural producers, performing direct supplies of food of animal origin, under which a total of 68 thousand BGN have been provided.
- Aid for compensating damages from natural disasters and unfavorable climate conditions, for prevention of diseases to plants and animals, for promotion of agricultural producers to conclude insurances, incl. state aid for immune prophylactics for agricultural animals. Under this type of support, which are of special importance for the farmers, because agriculture is strongly dependent on and sustainable to national conditions, a total 29.3 million BGN have been provided in 2013.
- Aid directed toward guaranteeing the use of good quality seeding material in crop husbandry and support of high level of breeding activity in livestock breeding. This aid is related toward providing high quality production and not allowing GMO crops and food in the country. In 2013, aid has been applied for high quality seeds and determining the productivity and genetic properties of animals, under which a total of 4.2 million BGN has been granted.
- Aid, directed toward humane treatment of animals. Currently both aids of this type are operational – for humane treatment of birds and pigs, under which a total of 45.4 million BGN have been granted.
- Aid directed toward promoting the participation of agricultural producers in national and international agricultural statements and exchange of experience. In 2013, several aids of this type have been granted in support of livestock breeding and crop husbandry, under which a total of 480 thousand BGN have been provided.
- Minimum aid (*de minimis*) – provided for covering expenses of various nature to a specified maximum amount, for which it is accepted that it is not harmful for the competitiveness of the EU market. In 2013, the *de minimis* support shall include the production of cotton, rice, potatoes, as well as sector "fruits and vegetables", and a total of 3.2 million BGN have been paid.

Out of the total funds provided through SFA "Agriculture" under state aid schemes (without *de minimis*) in 2013, 59,7 million BGN have been provided for livestock breeding sector, and 19,8 million BGN – in the crop husbandry sector.

In 2013, state aid continues to be applied for investments in agricultural holdings by corporate tax rebates, administrated by the National Revenue Agency. The aid provides an opportunity for agricultural producers to utilize tax rebates, under the condition that the tax rebate (up to 60%) is used for investing in new buildings and new agricultural equipment, necessary to perform the activity on production of unprocessed plant and animal production.

Under this aid, in 2013 tax has been rebated for the tax year 2012 to the amount of 63,3 million BGN, which has been utilized by a total of 2 638 tax subjects – agricultural producers. The total amount of the tax rebate for the tax years 2010 - 2012 amount to 159,4 million BGN, used by 6 952 agricultural producers.

**Table IV.11. State aid in agriculture in the years 2012 and 2013, provided through SFA and through corporate tax rebate**

Description of state aid	2012		2013	
	Funds utilized, million BGN	Number of supported farmers	Funds utilized, million BGN	Number of supported farmers
State aid for compensation for losses, accrued by agricultural producers for completely destroyed lands, and also as a result of natural disasters or unfavorable climate conditions	3,966	440	15,446	1 360
Aid for encouragement of the production and use of high-quality seeds	1	516	1	555
Aid for keeping hereditary records and determining the productivity and the genetic qualities of animals	2,943	2 208	3,151	2 246
Aid for keeping hereditary records and determining the productivity and the genetic qualities of the Bulgarian shepherd's dog and the Karakachan dog.	0,034	17	0,003	14
Aid for co-financing of insurance premiums in insurance of agricultural production	0,358	128	0,594	136
State aid for investments in commercial premises and equipment for performing direct supplies of food of animal origin	0,068	10	0,068	9
State aid for co-financing of insurance premiums in the insurance of bee hives with bee families	0,001	2	0,001	2
State aid for compensation of the expenses of agricultural producers, related to carrying out of measures under "National program of measures for control of Tuta absoluta Meyrick (Lepidoptera)"	0,823	76	1,763	121
State aid for realization of voluntary commitments for humane treatment of sows	7,549	78	23,548	117
State aid for realization of voluntary commitments for humane treatment of birds	6,135	208	21,877	283
Aid for compensation of the expenses of agricultural producers, related to the completion of measures under the National Program for Measures for control of soil pests on potatoes from the family Elateridae	-	-	0,499	102

Description of state aid	2012		2013	
	Funds utilized, million BGN	Number of supported farmers	Funds utilized, million BGN	Number of supported farmers
State aid for compensation of the expenses of agricultural producers, related to the completion of measures under the National Pest Control Program on perennial during the winter period	-	-	0,327	401
Aid for compensation of expenses of agricultural owners, for completion of the measures under the State Prophylactic Program and the Programs for Control and Liquidation of diseases on animals (immune prophylactics)	-	-	10,698	31 649
Aid for participation in exhibitions and fairs – National Exhibition on Livestock Breeding, town of Sliven; regional exhibition on buffalo breeding, town of Razgrad; National Fair for determining the local Bulgarian breeds, town of Kalofer	0,104	136	0,144	149
Aid for participation in exhibitions on sheep breeding – Regional exhibition on sheep breeding in the town of Kostinbrod; Municipal exhibition on sheep breeding, town of Elin Pelin; Municipal exhibition on sheep breeding, town of Godech; Municipal exhibition on sheep breeding in the town of Breznik	0,017	35	0,024	25
Aid for participation in sheep breeding exhibition – Specialized regional autumn exhibition of Beli and Vakli Marishki sheep in village Izbegli, municipality Asenovgrad, Plovdiv district	0,007	19	0,008	21
State aid for participation in sheep breeding exhibition – National assembly of sheep farmers in Bulgaria, in the town of Veliko Tarnovo	0,049	16	0,051	7
Aid for participation in sheep breeding exposition - Ruse and Stara Zagora for the breed Il de France	0,022	9	0,018	9
Aid for participation in exhibitions for horses in Bulgaria	0,037	24	0,037	26
State aid for participation in international dog exhibitions –World Cup 2012 in Odessa, Ukraine, World Cup 2012 in Lorca, Spain, European Cup in Berlin, Germany	0,013	1	–	
State aid for participation in international livestock breeding exhibition EUROTIER'2012 in Hanover, Germany	0,185	10	–	
Aid for participation in international exhibitions – Sitevi, in the town of Montpellier, France and Eights International Congress, in the town of Doha, Qatar (ether, oil and medicinal crops)	-	-	0,044	5
State aid for participation in Specialized Exhibition on Milk Cattle Breeding – town of Sliven	-	-	0,026	19

Description of state aid	2012		2013	
	Funds utilized, million BGN	Number of supported farmers	Funds utilized, million BGN	Number of supported farmers
State aid for participation in the National Livestock Breeding Exhibition – town of Sliven	-	-	0,033	31
State aid for participation in dog exhibitions (for the breed Bulgarian shepherd's dog);	-	-	0,013	5
Aid for participations in exhibitions for promoting fruits	-	-	0,014	7
Aid for participations in exhibitions for promoting vegetables	-	-	0,067	5
<i>De minimis</i>	21,532	11 848	3,22	4 271
<b>TOTAL under state aid schemes and <i>de minimis</i>:</b>	<b>44,843</b>	<b>15 781</b>	<b>82,674</b>	<b>41 575</b>
Aid for investments in agricultural holdings through corporate tax rebate	65,593	2 632	63,261	2 638
<b>TOTAL state aid, including tax rebate and <i>de minimis</i></b>	<b>110,436</b>	<b>18 413</b>	<b>145,935</b>	<b>44 213</b>

Source: SF "Agriculture", National Revenue Agency

### **Information for 2014**

The resource dedicated for state aid in agriculture in 2014 amounts to 84,6 million BGN under state aid schemes and de minimis aid, applied by SFA. As of 30.06.2014, a total of 59 million BGN or a total of 70% of the resource has been utilized.

In relation to state aid, applied by SFA, the utilization under main strands for support of the first six months of 2014 shall be as follows:

- On the aid, related to compensating damages caused by natural disasters and unfavorable climate conditions, as well as prevention of diseases on plants and animals, a total of 800 thousand BGN or 4.5% of the designated resource of 17,8 million BGN have been utilized, and the large share of the funds have been agreed and payments are pending;
- On the aid, related to humane treatment to animals, a total of 38,9 million BGN or 86% of the resource designated of 45 million BGN have been utilized;
- On the aid directed toward guaranteeing the utilization of high quality seeding material in crop husbandry and maintaining high level of breeding activity in livestock breeding, a total of 3 million BGN or 75% of the resource designated of 4 million BGN have been utilized;
- On the aid directed toward the promotion of participation of agricultural producers in national and international agricultural exhibitions and exchange of experience, a total of 50,5 thousand BGN or 10% of the resource designated of 500 thousand BGN have been utilized;
- On the loans directed toward renovation and diversification of the holdings through investments for direct deliveries, a total of 15 thousand BGN or 15% of the designated resource of 100 thousand BGN have been utilized;

- On the aid directed toward promotion of agricultural producers toward insurance, a total of 285 thousand BGN or 47.5% of the designated resource of 600 thousand BGN have been utilized;
- On aid of the type de minimis, a total of 16,4 million BGN have been allocated, out of which 15 million BGN for livestock breeding and 1,4 million BGN – to the support of bee-keepers for dealing with the consequences of unstable climate conditions in 2013 and the beginning of 2014

In 2014, state aid continues to apply for performance of investments in agricultural holdings through rebate of part of the corporate tax, and the total amount of the aid for the year is up to 90 million BGN.

During the year, another scheme shall be available to agricultural producers, dedicated toward all agricultural sectors and presented as tax relief. This is state aid for a diminished excise over gasoil, used in agriculture – it is applied in calendar year 2014, and amounts to 84 million BGN in the manner of an excise rebate, which the consumers of fuel owe to the state treasury. The aid shall be granted in two stages, through gas oil vouchers.

More than 18 000 agricultural producers have applied for the aid, and the total declared quantity in liters is close to 270 million liters of gasoil, and according to preliminary estimates, the discount per liter of fuel is approximately 0,31 BGN (the full value of the excise in 2014 is 0,645 BGN per liter of gasoil). In the period May 16 – June 20, 2014 agricultural producers, who have applied, have been provided with their due gasoil vouchers, which concludes the first stage of the aid, i.e. 60% of the aid, which has already been presented, which means that the branch has been supported by approximately 50 million BGN in the form of remitted excise. The remaining 40% shall be provided during the second stage in the first half of 2015

During the first half of 2014, new aid for EU 5 have been developed and notified for promoting the participation of agricultural producers in national and international agricultural exhibitions and exchange of experience.

### **1.3.2. Short-term loaning**

In 2013, SF “Agriculture” has provided a total of 4.3 million BGN in the form of short-term loans of agricultural producers, which is 3 times less compared to the utilized 14,3 million BGN of short-term loans in the previous year. Out of them:

Close to 4.2 million BGN are under target loan for purchasing of mineral fertilizer and/or seeds and the utilization of non-finally certified own seeds for production of wheat - harvest 2014; 136,6 thousand BGN – on targeted loan for purchasing of mineral fertilizer and/or seeds and the utilization of not finally certified own seeds for production of wheat - harvest 2013 and 2.9 thousand BGN – target loan for animals.

During the year, loans have been rescheduled for purchasing feed and/or feed components, provided in 2008, 2009, 2010 and 2012, as well as loans for growing potatoes - harvest 2011

### **1.3.3. Investment schemes for support of SFA**

In 2013, the national support for promotion of investments in agriculture and rural areas is implemented through applying schemes for loan and state aid as follows:

- Scheme for refinancing using funds of SF “Agriculture” for providing loans to persons with approved projects and agreements concluded for granting financial aid under measures of the Rural Development Program for the period 2007 – 2013, supported by the Rural Development Fund;
- Scheme for loaning funds of SF “Agriculture” to persons with approved projects “National Apiculture Program for the three-year period 2011 – 2013”;
- Loan scheme of SF “Agriculture” for investments in agriculture;



- Scheme for loaning and state aid “Investments for development of commercial premises and purchasing commercial equipment for agricultural producers, exercising direct deliveries of small quantities of raw materials and foods of animal origin”.

**Scheme for refinancing with funds of SF “Agriculture” for granting loans to persons with approved projects and agreements concluded for granting financial aid under measures of RDP 2007 – 2013**

With the purpose of providing financial resource for the realization of the projects under the RDP measures, for the third consecutive years, a scheme for refinancing with funds of SF “Agriculture” of the commercial banks for loans under projects under measures 121, 122, 123, 223, 226, 311, 312 and 322 of RDP has been applied. Under the conditions of hindered access to bank loans, the scheme provides opportunity for an option of a broad circle of applicants to use and to realize their approved projects, which contributes to increasing the utilization rate of the funds under RDP. Under the conditions for the scheme for refinancing, a total of 21 commercial banks participate, with which agreements have been concluded.

Loaning under the scheme is performed under profitable and accessible conditions. The amount of the annual interest rate is up to 7.0% and has been fixed for the full term of the loan. The term for paying the loans is up to 60 months, including the term for utilization and the grace period. The refinancing amounts to 100% of the investment expenses, approved for financing, diminished by the paid advance and/or interim payments, but not exceeding 500 000 BGN. Since December 2013, the limit for a single loan has been increased to 750 000 BGN.

In 2013, financial resource has been committed for refinancing of 172 loans to a total value of 35 455 753 BGN. Through these loans, investments shall be realized to a total value exceeding 71 million BGN. For the reporting period, funds have been provided to the amount of 32 834 776 BGN, under which a total of 203 bank loans have been refinanced in full or partially, including loans, approved in 2012.

**Scheme for loaning with funds of SF “Agriculture” of persons with approved projects under “National Apiculture Program for the Three-Year Period 2011 – 2013”**

This scheme has been applied for a second consecutive year. With the opportunity provided for loaning under the scheme, an option has been granted to a larger number of agricultural producers to provide their necessary financial resource for realization of their approved projects under measures B and D of NAP – for the expenses for purchasing of preparations for suppressing varroa destructor, purchasing bee-hives, bee families and queen bees. The scheme contributes to the achievement of the highest percentage of utilization of the budget of the program for the whole period of its application – 90%.

In 2013, a total of 217 loan agreements to a value of 1 546 607 BGN have been concluded under the Scheme. With the aid of the loan scheme, investments have been completed to a value of 2 546 097 BGN, for which the financial aid due amounts to 2 103 070 BGN, or almost 38% of the subsidies provided under measures B and D. A total of 215 loans have been paid off in full to a value of 1 534 860 BGN, i.e. 99% of the resource provided.

**Loan scheme of SF “Agriculture” for investments in agriculture**

The loan scheme of SF “Agriculture” for investments in agriculture is with three main strands – “Crop husbandry”, “Livestock breeding” and “Technical security”. The scheme has the purpose of stimulating the investment process, increasing the competitiveness and the quality of the produced agricultural production, through facilitation of the access to loan resource.

The activities and facilities, projected for financial support, are:

- establishment, recovery and raising perennial crops and investments in greenhouse production;

- establishment and equipment of livestock farms and purchasing purebred, hybrid and commodity animals;
- purchasing machinery, equipment and inventory, used in agriculture.

**Table IV.12. Distribution of the funds granted under the loan scheme for investments in 2013 under strands and loan method**

Strand of the loan scheme	Financed/refinanced projects		
	Number	Loan (BGN)	Subsidies for interest (BGN)
1. Strand "Livestock breeding" – through CB	-	-	124 741
2. Strand "Livestock breeding" – direct loaning	4	129 090	2 816
3. Strand "Crop husbandry" – through CB	-	-	166 477
4. Strand "Crop husbandry" - direct loaning	-	3 330	4 675
5. Strand "Technical security" - through CB	-	-	133 914
6. Strand "Technical security" - direct loaning	1	34 500	-
<b>Total under loan scheme:</b>	<b>5</b>	<b>166 920</b>	<b>432 623</b>

Source: SFA, information system "Loan Register"

Loans under the scheme shall have a term of repayment from 12 to 114 months depending on the type of investments, and these deadlines shall include grace periods in relation to repayment of the principal.

The investment project are financed under annual interest rate, equal to the reference interest percent for the country, applicable toward the date of concluding the loan agreement, but not lower than the Managing Body of SF "Agriculture" for 2013 – 6% in direct loaning, and up to 7% with refinancing through commercial banks. For the loans financed directly by SF "Agriculture", the processing and management fee is 0.5%.

In 2013, a total of 7 projects have been approved, to a value of 2 791 745 BGN. A total of 5 projects have been financed and respectively refinanced, and the loan funds have been presented, to the amount of 166 920 BGN, incl. 3 330 BGN for tranche under a project financed in past years. Under projects approved from past years, subsidies have been provided for coverage of expenses for interests to the amount of 432 623 BGN during the year.

#### Strand "Livestock breeding"

In 2013, on strand "Livestock breeding", a total of 4 projects have been financed, with investment value of 204 654 BGN. The loan resource granted amounts to 129 090 BGN. During the year, subsidies have been paid by the program for overage of expenses for interest to the amount of 127 557 BGN, representing commitments undertaken under projects approved during past years.

#### Strand "Crop husbandry"

Under strand "Crop husbandry" in 2013, 1 tranche has been financed for loans from previous years to the amount of 3 330 BGN. Subsidies are also provided for interests to the amount of 171 152 BGN, representing commitments undertaken on projects approved in past years.

#### Strand "Technical security"

In 2013, a total of 1 project has been financed under the program, having investment value of 43 350 BGN. The loan resource granted is to the amount of 34 500 BGN. During the year, subsidies have been paid for interests to the amount of 133 914 BGN.

### Equity subsidies and subsidies for interests on existing state aid

The equity and interest subsidies are state aid, which our country had the right to agree within a term of three years, following our accession to the European Union, as existing state aid, applied prior to the accession. In 2013, interest subsidies have been paid under commitments undertaken in previous years as follows:

- Subsidies for covering expenses for interests during the full loan period under the regional programs of SFA – Alternative Agriculture Program in the Rhodopes (20% of the amount of the loan), Regional Program for North Western Bulgaria (14% and 20% - for the forest regions), and the Program for Development of Agriculture and Rural Areas in Strandzha-Sakar (20%).
- Subsidy for covering expenses for interest for purchasing of new agricultural equipment.

During the year, a total of 432 623 BGN of subsidies have been paid.

**Table IV.13. Interest subsidies, paid in 2013**

Type of subsidy	Amount of subsidy (BGN)
<b>Subsidies for interest, incl.:</b>	<b>432 623</b>
- for purchasing new agricultural equipment	133 914
- under alternative agriculture program in the Rhodopes	10 434
- under program North Western Bulgaria	133 401
- under program Strandzha – Sakar	154 874

Source: SFA, information system "Loan Register"

### **Scheme for loaning and state aid "Investments for development of commercial premises and purchasing commercial equipment for agricultural producers, providing direct deliveries of small quantities of raw materials and food of animal origin"**

This scheme has been applied for a second consecutive year in 2013. It provides an option for recovery of 50% of the expenses made for developing commercial premises and purchasing commercial equipment for providing direct deliveries of smaller quantities of raw materials and food of animal origin. Within the scope of the scheme, the purchasing of milk vending machines, building or modification of an existing building/premise for the needs of a retail site, purchasing refrigerators, refrigeration cases and any other specific commercial equipment. In order to secure the financing of these projects, the applicants shall also have the option of using loaning with the funds of SF "Agriculture".

In 2013, an increase interest is reported under the Scheme in purchasing milk vending machines. Conditions for access to high quality products directly from the producers of food products of animal origin are created for the end users.

For the reporting period, SF "Agriculture" has approved a total of 10 projects with investment value of 147 150 BGN, and amount of state aid 69 195 BGN. During the year, investments have been realized under 9 projects, incl. with agreements concluded during the previous year, and for them a total of 67 840 BGN of state aid have been repaid. One of the applicants has also utilized loan to the amount of 12 800 BGN for realization of its investment project.

**Table IV.14. Distribution of funds under state aid scheme for investments in relation to the performance of direct deliveries in 2013**

Investments	State aid				Loan	
	Number	Negotiated sum (BGN)	Number	Sum paid (BGN)	Number	Sum paid (BGN)
Purchasing milk vending machines	9	68 500	9	67 840	1	12 800
Repair of commercial premises and equipment	1	625	-	-	-	-
<b>Total:</b>	<b>10</b>	<b>69 195</b>	<b>9</b>	<b>67 840</b>	<b>1</b>	<b>12 800</b>

Source: SFA

#### **Data for 2014**

For 2014, SFA is expected to provide investment loans, to the amount of up to 60 million BGN. Subsidies and state aid, which shall be provided in support of investments until the end of the year, are in relation to applied schemes for state aid, as well as commitments undertaken under the investment programs for agreements concluded from previous years, and their total expected amount is up to 140 thousand BGN.

The spending of funds for providing loans and subsidies shall be performed in the following strands:

- **Payment of commitments undertaken in past years**

In 2014, the commitments undertaken under agreements concluded (according to the investment programs, applied up to the end of 2009, under the Loan Scheme for investments in agriculture, under the Project Refinancing Scheme under RDP, and under the State Aid Scheme for investments related to direct supplies) are the following:

- Loans and tranches for loans – 18 389 797 BGN (9 969 011 BGN, paid as of 30.06.2014);
- Tranches under equity and interest subsidies – 40 000 BGN (31 711 BGN, paid as of 30.06.2014);
- State aid under direct deliveries scheme – 14 979 BGN (14 979 BGN, paid as of 30.06.2014)

- **Loan scheme for investments in agriculture**

The expectations are that until the end of the year, investment loans will be provided to an amount up to 5 million BGN.

- **Refinancing of projects under RDP through commercial banks**

As of 30.06.2014, another 35 new loans have been financed to a value of 9 965 671 BGN. Commitments have been undertaken for an additional more than 8 million BGN, the financing of which is pending during the year. The expectations are that by the end of 2014, loans of up to 55 million BGN will be financed.

- **Loan scheme using funds of SF “Agriculture” for persons with approved projects under the National Apiculture Program**

As of 30.06.2014, a total of 54 loans have been financed to a value of 263 068 BGN. It is expected that until the end of the year, investment loans will be provided under the scheme to the amount up to 500 thousand BGN.

- **State Aid Scheme for “Investments for development of commercial premises and purchasing commercial equipment of agricultural equipment for agricultural producers, performing direct deliveries of small quantities of raw materials and foods of animal origin”**

The expectations are that in 2014 under the scheme, state aid to be provided to the amount of up to 100 thousand BGN. As of 30.06.2014, 2 projects have been financed with an amount of paid state aid of 14 979 BGN.

## **V. Activities related to agricultural production**

### **1. Control of agricultural and forestry machinery**

#### **1.1. Condition of the mechanization of agriculture and structure of machinery stock and tractor fleet**

The technical and technological renovation of agricultural production is one of the main factors for improving its effectiveness and competitiveness.

The data regarding the number and age of the registered machines for the last five years indicate that in 2013, slowing down the rate for renewal of the machinery stock and tractor fleet has been observed. The share of new roller tractors, grain harvesters and other types of machines decreases. In 2013, the share of wheel tractors aged up to 2 years from all roller tractors has shrunk to 3.4%, with 6.5% in 2009. The share of grain harvesters aged up to 2 years has decreased from approximately 7 – 8% during the period 2009 - 2011 to 4.1% in 2013. The share of grain harvesters aged 5 to 6 years has increased from 3.5% in 2009 to 7.7% in 2013, and the share of the coupling, mounted and stationary machines in the same age category – from 4.4% in 2009 to 9% in 2013

**Table V.1. Number of registered machines per groups and distribution according to their age structure per year for the period 2009 - 2013**

Type	Year	Total number	Age											
			up to 2 years		3 - 4 years		5 - 6 years		7 - 8 years		9 - 10 years		more than 10 years	
			number	%	Number	%	Number	%	Number	%	Number	%	number	%
Roller tractors	2009	52 605	3 394	6.5%	1 974	3.8%	1 649	3.1%	999	1.9%	1 442	2.7%	43 147	82.0%
	2010	55 925	3 239	5.8%	2 514	4.5%	1 929	3.4%	1 438	2.6%	1 152	2.1%	45 653	81.6%
	2011	59 452	3 251	5.5%	3 168	5.3%	2 118	3.6%	1 582	2.7%	1 113	1.9%	48 220	81.1%
	2012	63 123	2 214	3.5%	2 090	3.3%	3 807	6.0%	2 374	3.8%	2 097	3.3%	50 541	80.1%
	2013	66 561	2 285	3.4%	2 631	4.0%	3 370	5.1%	2 882	4.3%	2 387	3.6%	53 006	79.6%
Caterpillar tractors	2009	2 474	26	1.1%	14	0.6%	11	0.4%	4	0.2%	28	1.1%	2 391	96.6%
	2010	2 470	32	1.3%	35	1.4%	21	0.9%	11	0.4%	11	0.4%	2 360	95.5%
	2011	2 443	37	1.5%	46	1.9%	22	0.9%	11	0.5%	10	0.4%	2 317	94.8%
	2012	2 511	21	0.8%	29	1.2%	59	2.3%	29	1.2%	15	0.6%	2 358	93.9%
	2013	2 572	19	0.7%	29	1.1%	44	1.7%	49	1.9%	24	0.9%	2 407	93.6%
Tractor trailers	2009	24 103	672	2.8%	180	0.7%	117	0.5%	94	0.4%	226	0.9%	22 814	94.7%
	2010	25 127	787	3.1%	263	1.0%	153	0.6%	110	0.4%	135	0.5%	23 679	94.2%
	2011	26 252	893	3.4%	531	2.0%	194	0.7%	89	0.3%	96	0.4%	24 449	93.1%
	2012	27 650	881	3.2%	550	2.0%	582	2.1%	204	0.7%	133	0.5%	25 300	91.5%
	2013	29 060	957	3.3%	742	2.6%	731	2.5%	318	1.1%	196	0.7%	26 116	89.9%
Coupling, mounted and stationary machines	2009	103 008	8 893	8.6%	5 454	5.3%	4 546	4.4%	2 378	2.3%	3 449	3.3%	78 288	76.0%
	2010	106 749	10 155	9.5%	5 153	4.8%	5 039	4.7%	3 348	3.1%	2 752	2.6%	80 302	75.2%
	2011	108 434	8 675	8.0%	7 653	7.1%	5 207	4.8%	3 479	3.2%	2 553	2.4%	80 867	74.6%

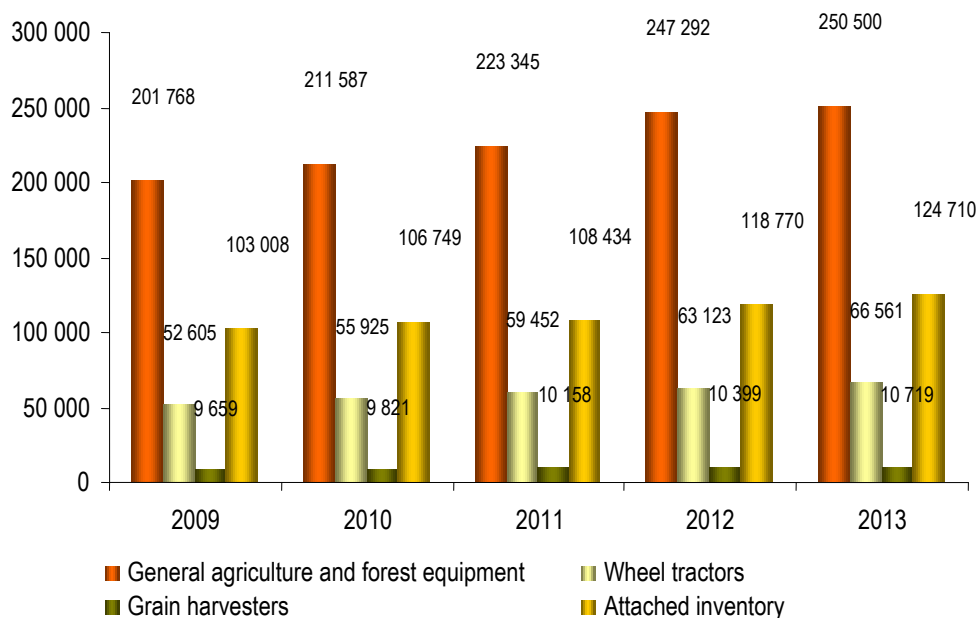
	2012	<b>118 770</b>	6 415	5.4%	8 194	6.9%	9 689	8.2%	6 510	5.5%	5 056	4.3%	82 906	69.8%
	2013	<b>124 710</b>	6 760	5.4%	8 497	6.8%	11 181	9.0%	6 655	5.3%	6 163	4.9%	85 454	68.5%
<b>Grain harvesters</b>	2009	<b>9 659</b>	666	6.9%	277	2.9%	339	3.5%	251	2.6%	393	4.1%	7 733	80.1%
	2010	<b>9 821</b>	798	8.1%	239	2.4%	375	3.8%	285	2.9%	333	3.4%	7 791	79.3%
	2011	<b>10 158</b>	728	7.2%	500	4.9%	336	3.3%	233	2.3%	319	3.1%	8 042	79.2%
	2012	<b>10 399</b>	460	4.4%	554	5.3%	545	5.2%	349	3.4%	401	3.9%	8 090	77.8%
	2013	<b>10 719</b>	439	4.1%	479	4.5%	821	7.7%	299	2.8%	434	4.0%	8 247	76.9%
<b>Forage harvesters and other self-propelled machinery</b>	2009	<b>1 840</b>	16	0.9%	14	0.8%	9	0.5%	8	0.4%	28	1.5%	1 765	95.9%
	2010	<b>1 827</b>	20	1.1%	13	0.7%	9	0.5%	13	0.7%	17	0.9%	1 755	96.1%
	2011	<b>1 836</b>	22	1.2%	16	0.9%	13	0.7%	5	0.3%	11	0.6%	1 769	96.4%
	2012	<b>1 856</b>	20	1.1%	14	0.8%	22	1.2%	15	0.8%	11	0.6%	1 774	95.6%
	2013	<b>1 908</b>	26	1.4%	22	1.2%	23	1.2%	18	0.9%	10	0.5%	1 809	94.8%

Source: TCI

## 1.2. Registration of agricultural and forestry machinery

The Technical Control Inspectorate is a national body of registration of agricultural and forestry machinery and earthworks machinery. This provides an opportunity for it to observe the technical condition of each specific machine, control operational and transport safety, maintain a database with all machines in the territory of Bulgaria, observe the dynamics of renovation of machinery stock and tractor fleet, and the energy security of agriculture.

**Figure V.1. Number of registered agricultural and forestry machinery for the period 2009 – 2013**



Source: TCI

Registration of the machinery and the issued registration certificates shall also be used in guaranteeing bank loans, providing loan facilities for new machinery, through SF "Agriculture" and purchasing machines on lease.

In 2013, the total number of the registered agricultural and forestry machinery has reached 250 500 – 1.3% increase compared to the end of 2012. The number of registered roller tractors has

increased by 5.4%, up to 66 561, and the number of grain harvesters – by 3.1%, up to 10 719. The similar trend exists for the coupling, mounted and stationary machines. In general, the trend observed during the last several years of increase of the registered machines continues.

### 1.3. Control on the technical condition and the safety of the machinery

The technical condition of the machinery is important not only for the working capacity and the correct operation of the machinery, and also for its safety. Control over the technical condition of the machines and the safety plays an important role for limitation of traffic incidents and accidents with agricultural and forestry machinery, and also for environmental protection from pollution and prevention of losses and destruction of agricultural production.

In 2013, a total of 21 322 machines and their drivers have been inspected. total number of orders issued for placement of enforcement administrative measure “Suspension of operation” of technically non-operable machinery and machinery which have not been rendered safe and have not passed ATI, is 85. A total of 341 acts for establishment of administrative breaches under RCAFEA have been issued.

A total of 245 joint inspections with the Labor Inspectorate, 415 – with the regional teams of “Fire and Emergency Safety”, 28 - with the bodies of TCD, and 37 – with other bodies, have been completed.

TCI has the purpose of securing the safety of agricultural and forestry machinery prior to its introduction to the market through testing, type approval and certification. The activity of TCI in this field is directed toward introduction and implementation of European requirements for agricultural machinery providing safe and protective environment. This contributes for the decrease of the labor accidents and mortality cases in the agricultural sector.

With the certificates issued and the testing protocols, an option is provided to companies producers of agricultural machinery to prepare correct technical records on the basis of which they issue declarations of compliance and in this manner export their products uninterruptedly in EU, complying with the regulations of the European legislation.

For the purposes of testing and certification, the required accreditations are supported by the Executive Agency Bulgarian Office for Accreditation, according to the requirements of international standards and the European legislation.

The set planned areas for testing and certifying of agricultural equipment in 2013 have been over-fulfilled.

**Table V.2. Testing and certification of agricultural equipment, numbers**

Performance Indicator	2012		2013	
	Plan	Completion	Plan	Completion
Testing and verification protocols	420	860	840	1 295
Technical identification protocols	420	860	840	1 295
Compliance statements	420	860	840	1 295
Compliance certificates	12	16	14	17

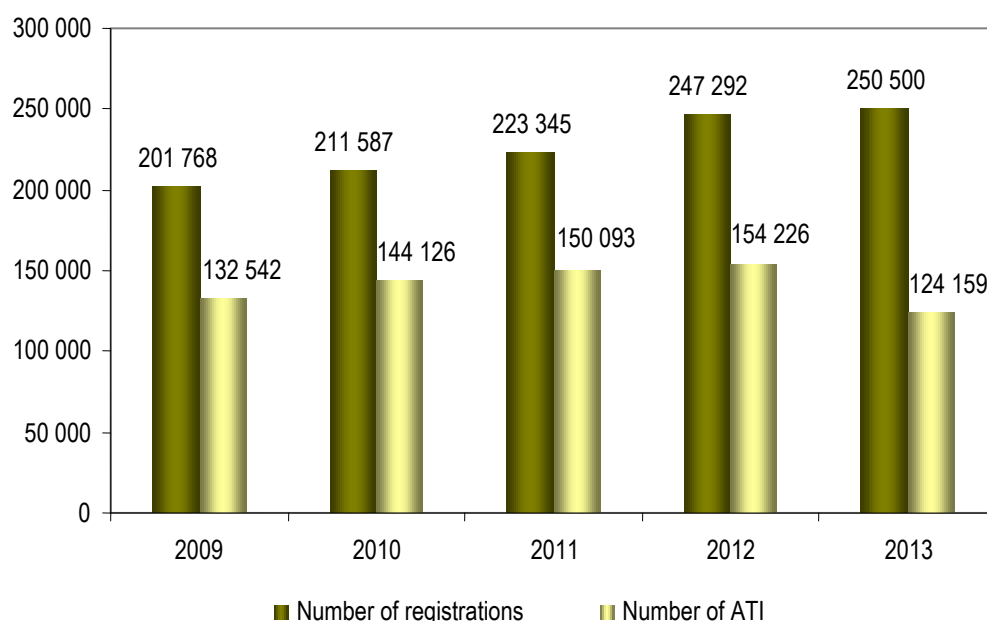
Source: TCI

The services carried out contribute to the limitation of the agricultural and forestry machinery introduced on the market and in operation, hazardous for the health and the users and polluting the environment, facilitating its import and export, as well as the decrease of the expenses of producers by introducing requirements, effective for EU, for production of high quality and competitive products and conditions for building competitive economy.

#### 1.4. Technical examination of the machinery

Conducting technical examinations of the machinery is an important prerequisite for providing the safety of agricultural and forestry machinery in operation and transport.

**Figure V.2. Number of registered agricultural and forestry machinery and completed ATI**



Source: TCI

With the change in 2012 of the sub-legislative statutory regulations, the regime for conducting the technical inspections has been relieved, thus only replaceable attached equipment shall be subject to seasonal (annual) technical inspection, while the other inventory shall be subject to mandatory technical inspection only in case of initial registration and change in registration.

In 2013, a total of 124 159 technical inspections have been completed of the agricultural, forestry equipment and machines for earthworks from the regional offices of TCI, out of which 44 918 of roller tractors and 7 542 – of grain harvesters.

#### 1.5. Capacity to operate machinery and issuance of certificates

The main factor, which facilitates the safe operation with agricultural and forestry machinery is the capacity for operation. The knowledge, skills and professional qualities of the mechanization workers guarantee not only the high quality implementation of agricultural operations, but also significant decrease of the risk of traffic accidents and incidents with agricultural and forestry machinery.

In 2013, a total of 7 007 certificates for legal competence for operation of agricultural and forestry machinery have been issued.

### 2. Hydromelioration

The state policy in the Hydromelioration sector is directed toward the support of irrigation of agriculture, protection of hydromelioration facilities – public state ownership, protection from flooding of territories outside of the settlements, investments in the area of hydromelioration and support processes for establishment and functioning of irrigation associations.

#### 2.1. Control of the activities related to the operation of the hydromelioration fund and with the service “water supply for irrigation”

As of this time, a Hydromelioration Fund has been developed in the Republic of Bulgaria, sufficiently large for the scale of the country, consisting of 235 irrigation systems and a series of separate



irrigation fields. According to DCM 512/19.07.2000, the irrigation areas of the territory of the country, secured by state water sources with water supply, encompass 541 779 ha. In the last decade, however, the usability percentage of the existing irrigation systems is very low.

For the most part, the hydromelioration fund has been established in the 60's and the 70's of last century, and as a result of the continuous operation it has been depreciated to a significant degree. For the decrease of losses of water, investing funds for carrying out of general repairs, reconstructions, and rehabilitations of hydromelioration facilities is required, which have been insufficient during recent years.

During the irrigation season of 2013 "Irrigation Systems" EAD have submitted a total of 253 325 thousand cubic meters of water masses for irrigation of 25 866 ha – first irrigation, and 16 189 ha – second and further irrigation.

## **2.2. Activities related to the operation and the maintenance of dam lakes and facilities for protection of the harmful effects of water**

MAF prepares on an annual basis a list of hydromelioration facilities, which are in need of repair, reconstruction or the preparation of projects for this activity, which is reflected in the membership lists for capital expenses of the ministry.

Following the completion of the repair and restoration works in 2012, a site "Restoration of dam lake "Malko Sharkovo", village of Malko Sharkovo, municipality of Bolyarovo, district of Yambol" has been commissioned in 2013.

In 2013, the construction of dam lake "Levka" has been finalized, and it has been commissioned.

Documents have been submitted to the Interdepartmental Commission for Restoration and Support with the Council of Ministers for restoration of 50 facilities, but no decisions have been made for their financing.

The finalization of three sites of the registered lists of MAF in 2012 continues in 2013 with the letter of credit funds. These are the following sites:

- Emergency repairs of the main outlet for ameliorative purposes of dam lake "Georgi Traykov" (Tsonevo), municipality of Dalgopol, district of Varna. The site has been commissioned with a permit for use of DNBS dated 25.11.2013;
- Correction of river Lesnovska from km 11+834 to km 13+108 – restoration of the right embankment, "Chelopechene" district, city of Sofia, Metropolitan municipality. In October 2013, an act for completed first stage has been signed;
- Reconstruction of the tower of the main outlet of "Pancharevo" weir, city of Sofia, Metropolitan municipality. A permit to use has been issued by DNBS on 25.02.2014

All three sites have been completed and paid for in 2013

According to the National Strategy for Management and Development of the water sector in the Republic of Bulgaria, adopted by the Parliament in November 2012, until the end of 2014, sector strategies have to be prepared, one of which – for the Hydromelioration.

In relation to this, on 20.03.2014, by and between the Ministry of Agriculture and Food and the International Bank for Reconstruction and Development (the World Bank), an Advisory Services Agreement has been signed "Strengthening Agriculture's Competitiveness, Sustainability, and Water Resilience". The agreement has been ratified under the Rural Development Program 2007-2013 - Technical aid, and has a term of effectiveness up to June 30, 2015.

In November 2013, MAF has sent to the Ministry of Interior a report on the status of dam lakes and the facilities thereto, the dikes of the Danube River, the corrected sections of the domestic rivers, the irrigation and the discharge systems and facilities, including the drainage pump stations.

According to the statement, completed by "Irrigation Systems" EAD, the expenses incurred in 2013 for operation and support of the sites for preservation of the harmful effect of water, amount to 5,7 million BGN.

For 2014, MAF has assigned to "Irrigation System" EAD, the completion of a public service for preservation from the harmful effect of water, operation and maintenance of the water management systems and facilities – public state property, and the funds designated for the purpose, amount to 15 million BGN.

### **2.3. Control on the activities, related to formation and the development of irrigation associations**

In 2013, procedures have been opened for establishment of four irrigation associations. The full amount of their territory is 4 334,5 ha, which for the most part is within the hydromelioration infrastructure – property of "Irrigation Systems" EAD, branch "Lower Danube", town of Ruse.

The Articles of Incorporation of 5 associations have been approved, for two of them, court registration has been completed, and the court has rejected to register one of them. Their total territory is 898,6 ha, out of which 469,0 ha have been situated in hydromelioration infrastructure – property of "Irrigation Systems" EAD, branch Black Sea, city of Varna, and the remaining 429,6 ha – over areas, adjacent to dam lakes – public municipal property.

In 2013, letters for providing additional data and documents have been sent to nine of the applications submitted for opening of a procedure.

Orders for acquisition of hydromelioration infrastructure have been issued to three associations, registered by court on the grounds of article 47 of the Irrigation Associations Act. The hydromelioration infrastructure of one association has been divested with an order, and this association is in a liquidation procedure.

During the year, three applications have been submitted by registered irrigation associations for leasing their delivered hydromelioration infrastructure on the grounds of article 48 of the Irrigation Associations Act. All three applications have not been approved and additional data and documents have been requested.

A total of thirty-five transcripts have been submitted by municipalities with a request for coordination of the leasing of the dam lakes – public municipal property. Coordination letters have been sent to eighteen of them, and additional information has been requested by seventeen of them.

In 2013, inspections have been made of all irrigation associations, registered in court. 45% of them have been given prescriptions for improving their activity.

## **3. Plant protection**

In 2013, the Plant protection inspectors of BFSA have performed systematic observations over the development and the dissemination of 78 types of pests and diseases, and 38 types of weeds in different agro ecological regions in the territory of the whole country. On the basis of these observations, the issuance and the distribution of „Bulletin for the occurrence, distribution, density, development, degree of attack, terms, methods and resources for suppressing pests on agricultural crops” continues. With the Bulletins, the agricultural producers are also informed of the new statutory documents in the area of plant protection, plant protection products and fertilizers.

- **Plant protection for wheat and barley**

### **Control of weeds**

In 2013, a total of 1 164.74 thousand ha of winter crops have been treated, incl. 999.85 thousand ha wheat and 164.89 thousand ha barley. On a total of 758.67 thousand ha, or 65.1% of the total treated areas, herbicides have been applied against deciduous weeds. In the control of weeds, wide-specter herbicides continue to apply, acting against grass and deciduous weeds. Such herbicides

have been applied on 306.37 thousand ha (26.3% of the total treated areas). The share of the areas treated with anti-grass herbicides remains low – 99.69 thousand ha.

### **Control of pests and diseases**

In spring of 2013, chemical control has been exercised over 2.98 thousand ha for total attacked areas of 22.74 thousand ha. During the autumn and winter period of 2013, chemical control has been exercised over 15.93 thousand ha.

#### ***Sunn pest***

The total areas planted with wheat and infested by adult sunn pests in 2013 are 170.79 thousand ha, and treatments have been completed over 100 316 thousand ha.

The total area planted with wheat, infested with sunn pest larvae, is 164.57 thousand ha, and treatments have been completed for 90.24 thousand ha.

#### ***Cereal Leaf Beetle***

The total areas attacked by the larvae of cereal leaf beetle with a density exceeding the threshold of economic harmfulness (TIH) are 209,23 thousand ha, treatment has been completed over a total of 206,81 thousand ha.

#### ***Powdery mildew (Oidium mangiferae)***

In 2013, the total attacked areas with wheat are 337,16 thousand ha, and treatments have been completed over 373,27 thousand ha.

#### ***Septorioses***

The reasons for developments of septorioses in wheat during recent years are complex: on the one hand, incorrect crop rotation with a minimum number of soil processing and availability of plant residues (in which the pathogen has hibernated), and on the other hand, favorable climate conditions for infesting young plants in autumn and consequently during the vegetation of winter crops.

In 2013, a total of 167.56 thousand ha winter crops have been attacked, and a total of 127.24 thousand ha of the affected areas have been treated. Applications completed are predominantly with a preventative and partially with a treatment effect.

Products for plant protection have been used, with a combined action against powdery mildew. For a large part of the treated areas the fungicides used shall be combined with the import of vegetation herbicides.

- **Plant protection for maize**

#### **Control of weeds**

The mass sessions of soil processing with disk guns has resulted in sharp increase of lands with growing rootstock and with root sprout weeds – twitch, creeping thistle, bindweed et. al. Agricultural producers face serious dangers in the control of johnsongrass of rootstock.

Soil herbicides have been applied over 268.99 thousand ha with maize (63.5% of the seed area). With vegetation herbicides against species of grass and deciduous weeds, a total of 198.79 thousand ha (46.3% of the seeding area) have been treated.

### **Control of pests and diseases**

#### ***Click beetles***

During recent years, decrease in density of the pest below the threshold of economic harmfulness is observed for maize and sunflower. This is due to keeping crop rotation and holding high quality agro technical events, as well as the prevalent practice for mass use of decontaminated seeds against soil pests. Except for decontamination of seeds of agricultural producers, the share of decontaminated seeds, which are offered by commercial companies, continue to increase.

Due to this reason, no vegetation treatments against click beetles have been conducted in 2013.

#### ***Maize leaf weevil***

In 2013, preservation of the areas attacked by maize leaf weevil below and around TIH is observed - 0,2-2 adults/sq.m. The chemical control against the pest is mostly completed by decontaminating the seeds.

- **Plant protection for sunflower**

#### **Control of weeds**

The weeds hard to control during the vegetation of sunflower, namely leafy-bracted beggarticks, stramonium, field mustard, johnsongrass, thistle, bindweed et. al. in recent years has necessitated raising herbicide of tolerant sunflower hybrids. The moment of application of the herbicides permitted to use for tolerant sunflower hybrids depends on the phenol-phases of the crop and weeds. The increase in the surface area of lands with herbicide-tolerant hybrids annually increases the share of vegetation applications for sunflower. In 2013, vegetation herbicides have been utilized for 399,08 thousand ha - 53.4% of planted areas. Soil herbicides have been imported for 424,97 thousand ha, which is 57% of the affected areas.

#### **Control of pests and diseases**

#### ***Maize leaf weevil***

The maize leaf weevil is widely present in the regions of Danube plains, parts of Ludogoriето and Dobrudzha. The density of the pest in corn and sunflower plants is from single specimens to 1,8 - 2 adults/sq. m. Chemical control of the pest is conducted mainly through decontamination of the seeds. Seeds decontaminated by agricultural producers and seeds decontaminated by commercial companies shall be used.

- **Plant protection for vines**

#### **Control of weeds**

Lands with newly planted vineyards shall be kept clean of weeds. Mostly mechanical treatments are carried out, and the main problem is the protection of the internal strips cleaned of weeds. In the vine plantations, created in the last ten years, an option exists for the use of technological solutions through deviating sections. In the old vine plantations, weeding is much stronger.

In 2013, vegetation herbicides have been applied, mostly on the basis of glyphosate on 21,06% of the processed lands with vineyard plantations.

#### **Control of pests and diseases**

#### ***European grapevine moth***

The European grapevine moth is economically the most important vine pest in the country. In recent years, the pest has retained sustainable low population density in the main vine regions.

In 2013, out of a total of 650.38 thousand dca of vineyards, areas treated against the European grapevine moth are a total of 221,03 thousand dca, treated 1 to 5 times.

#### ***Vine mildew***

In economic terms, mildew is the most significant disease of vines in the country. In 2013, favorable climate conditions for development of the disease have been established during the second half of the month of May and the first half of the month of June.

In the main vine regions, 3 to 8 incubation periods of vine mildew have been registered. In most cases, the degree of attack on grapes is low, ranging from 0 to I<sup>st</sup> degree.

Within the year, 2 to 8 treatments have been conducted, for 628,55 thousand dca.

### ***Powdery mildew (Oidium)***

The disease is universally spread all over the country and attacks all green parts of the vine. In 2013, the existing high infectious fund and the optimum meteorological conditions (relative air humidity 60-80% and temperature 25°C) have beneficially influenced the development of the pathogen at the beginning of the vegetation period of the vine.

Meteorology conditions during the months of July and August have limited the development and the distribution of oidium. In the main vine areas, 3 to 8 incubation periods have been registered. The reported degree of attack on the leaves is low – 0 to 5% affected leaf surface. For the grape, the attack degree for the country ranges from 1 - 5%, in limited massifs, and in Varna and Plovdiv district it goes up to 8%. The degree of attack of vine plantings with sensitive sorts is higher in the Petrich region – 15%.

A total of 2 to 8 treatments have been conducted over 627,05 thousand dca.

- **Universal eating pests**

#### ***Moroccan locust***

The relatively mild winter of 2012 - 2013 did not have an effect over the density of the stock of egg bubbles spending the winter in the areas with an established attack.

Chemical control has been exercised over a total of 3,02 thousand dca. With backpack automated sprayers within two months.

A gradual increase of the area of lands, attacked with a multitude of “focal points”, in which the density of larvae per sq. m. is innumerate. The local spraying with backpack sprayers of the “focal points”, where the pest is visible, allows discovering hard to access places and displacement of the undiscovered “focal points”. In spraying with automated sprayers, the density of population is decreased, but its destruction for a longer period of time has not been achieved.

### **3.1. Phytosanitary control**

The priority activities for reaching the main operational goal in the field of phytosanitary control in 2013, are:

- Effective control with the import of plants and plant products by third parties in the territory of the country and EU, as an external border of the Union;
- Control in the production of timely establishment and prevention of dissemination of quarantine pests and plant products;
- Development, updating and conducting phytosanitary monitoring programs, compliant with EU requirements;
- Providing export of plants and plant products, according to the phytosanitary requirements of the importing country;
- Development of the laboratory and diagnostic network.

#### **3.1.1. Border phytosanitary (quarantine) control in the import of plants and plant products**

Border phytosanitary control (quarantine) for import of plants and plant products for Bulgaria and member states of EU shall be carried out at the border inspection phytosanitary posts, in compliance with the European legislation.

In 2013, phytosanitary control has been completed, including documentary, identification and plant and health inspection of a total of 21 730 lots of plant goods - import from third countries, and 368 analyses in DDLPH and CLPQ. Following the completion of plant and health inspections of goods in the border point, they move directly across the full territory of EU.

In 8 cases, infection by quarantine pests has been established, and measures have been immediately undertaken for its liquidation. In 21 cases, import of goods forbidden under the statutory regulations has been established, and in 46 cases, confiscation and destruction of lots, not compliant with the phyto-sanitary import requirements has been performed. In 2013, significant decrease in the cases is observed, in which an absence of mandatory marking is established for the wooden packaging material, only 24 cases for 2013, down from 176 cases in 2009

Import at places other than the places for introduction, approved for performance of phytosanitary inspections - a total of 154 controlled lots, a total of 114 analyzed samples in DDLPH. and 28 in CLPQ. A total of 287 importers have been registered.

### **3.1.2. Control in export of plants and plant products**

In 2013, 28 143 phyto-sanitary certificates for export have been issued, and a total of 8 567 certificates for re-export have been issued. A total of 32 176 phytosanitary inspections of lots have been completed, designated for export. A total of 33 218 lots have been inspected.

### **3.1.3. Control in the production of plants and plant products**

In 2013, 2 582 producers, warehouses and markets have been registered in the official phytosanitary control register. A total of 5 613 inspections have been completed in the production of plants and plant products have been completed. A total of 2 788 phytosanitary plant passports of goods of local production have been issued.

During the year, events for liquidation of a total of 304 focal points with established infestation by quarantine pests have been conducted, including for areas with potatoes, vines, orchard crops, vegetable crops.

### **3.1.4. Testing, registration and control of plant protection products**

Biological testing of plant protection products is part of the overall process for issuing permits for plant protection products. The goal of biological test is collection and summarizing efficiency data for product used for preparation of biological dossier for each product.

In 2013, 2 attempts of fungicides, 10 attempts of insecticides and 8 attempts of herbicides have been made .

During the year, the following has been permitted: PPP - 19; products by mutual recognition – 25; plant protection products for additional use – 9; for limited and controlled use – 7; parallel trade products – 5; products for minimum uses – 3; change in the permits of PPP – 23; renewal of permits of PPP – 9; extension of permit term – 8; further commercial name – 5. A total of 48 PPP have terminated term for permission, and a total of 3 are with a rejection of parallel trade.

The control of plant protection products has the purpose of guaranteeing market supply, storage, repackaging and use in agriculture only to the permitted, suitable for use, efficient, maximum safety level for human and animals' health, preserving the environment PPP, which are compliant with the statutory requirements for packaging and labeling. Furthermore, in order to provide the good practices for trade of plant protection products and the interests of users, and shall guarantee their correct use of plant protection products for primary production of plants and plant products, designated for food or forage, in compliance with the requirements of Good Plant Protection Practice (GPPP) and implementation of the principles of the integrated management of pests.

In 2013, it is completed over an Annual National Plan for market control, Annual National Plan for control over the use of Plant Protection Products, National plan for control of fertilizers and National Inspections Program.

During the year, a total of 407 permits have been issued, incl. 135 permits for wholesale trade of PPP, 260 for retail trade of PPP in agricultural pharmacy, 9 for fumigation, and 3 for repackaging of PPP. A change has been introduced to the permit of 103 companies, who hold a permit for the respective activity on the basis of the application for change in circumstances, submitted by them.

In the territory of the country, a total of 1 241 sites have been registered, including 850 for retail trade with PPP - agricultural pharmacies, 378 warehouses for storage and wholesale trade with PPP (own warehouses and rent cells), 12 workshops for repackaging of PPP, and one producer of plant protection products.

In 2013, a total of 2 301 inspections have been carried out, out of which 1 102 in agricultural pharmacies, 1 056 in wholesale warehouses, 48 in workshops for repackaging, and 95 for non-regulated facilities (municipal markets, shops, et. al.) A total of 2 248 deeds of findings have been prepared, a total of 245 prescriptions with corrective measures for removal of absence of compliance have been prepared, a total of 162 samples have been obtained from PPP for verification of compliance of 48 types of PPP. 12 acts have been prepared for administrative violations, according to the provisions of the Plants Protection Act.

Surprise inspections have been completed over 95 non-regulated sites, including municipal markets, auctions, shops et. al., for which signals have been submitted by citizens, producers, traders and others for non-regulated trade with PPP.

In 2013, in the food safety district directorates, a total of 22 signals have been submitted for breach in the trade with plant protection products. The signals have been inspected in due time by the inspectors, as a result of which 3 acts of established violations have been completed, mostly for the sales of PPP without a permit for operation in non-regulated establishments.

In relation to the control over the composition of PPP (establishment of compliance with the indicators, approved with the product permitting), in 2013 inspections have been carried out for agricultural pharmacies, warehouses and workshops have been completed, and a total of 162 samples for compliance have been obtained of 48 types of PPP, on the National program for market control for 2012, and 8 samples for extension of the shelf life of specific products and lots, for the declaration of companies, trading with PPP.

In 2013, a total of 57 kg of dust and granulated PPP and 7 373 liters of liquid PPP have been suspended from the market or seized/confiscated. For all breaches found, deeds of findings have been prepared, containing prescriptions for their elimination, or acts of administrative breach have been prepared.

During the reporting period, 521 kg of plant protection products have been destroyed according to the Waste Management Act, in relation to established inconsistency of indicators approved at the time of approval of the product.

#### **Deliverables of the control activity over the use of PPP**

Control over the use of PPP by agricultural producers is directed toward certifying the correct use of PPP in the production of plants and plant products, in compliance with the requirements of Good Plant Protection Practice, combining the methods of projections with the principles for sustainable use of PPP.

In 2013, a total of 8 128 inspections have been completed regarding the use of PPP, incl. 8 055 for agricultural producers, 27 – for aviation treatment, 4 – for performing fumigation, and 42 – for decontamination of seeds.

In the control exercised during the year, 5% of the registered agricultural products have been included.

For the absence of compliance established, a total of 1 332 prescriptions have been made with a term for their removal, detailed in the deeds of findings. 3 acts have been prepared for the establishment of administrative breach in compliance with the provisions of the Plant Protection Act and the Apiculture Act.

In 2013, a total of 2 988 notification letters have been received in the District Food Safety Directorates under Ordinance No. 15 regarding the measures for protection of bees and bee families and 18 complaints regarding dead bees, as a result of which the inspectors have taken a single sample of rapeseed.

## Plant samples

In the inspections of agricultural producers in 2013, inspectors have taken a total of 117 plant samples, incl. 71 samples from plants, designated for food, and 15 samples from plants, designated as feed, under the National Pesticide Residue Control Program in and over foods of plant origin, 21 leaf samples for identification of the utilized PPP, as well as 10 leaf and plant samples, in relation to letters and an order by BFSA, as well as in participation in commissions for signals and appeals made by citizens, for establishing damages from a herbicide effect or dead bees.

In 5 out of all samples analyzed, availability of residues of pesticides has been proven, but in quantities, which do not exceed the maximum eligible quantities, and in 2 samples the availability of a non-permitted active substance has been proven. For the proven inconsistencies, prescriptions have been provided to agricultural producers for correct use of the permitted PPP, and strict compliance of the registered dosage, and quarantine terms of the products, and these producers have been included in the scope of the control activity over the use of PPP in 2013. A total of 3 acts have also been prepared, for establishing an administrative breach for non-permitted use of PPP.

In 2013, the records "Record of the performed chemical processing sessions and fertilizers used, soil improvement substances and biologically active substances" for 9 864 agricultural producers have been inspected, out of a total of 51 031 registered agricultural producers of plant production.

## 4. Fertilizers

### 4.1. Registration of fertilizers

In 2013, a total of 17 new products have been registered - organic, inorganic, organic and mineral and microbial fertilizers and soil improving agents, including 9 as separate products, and 2 in the form of a group of products of several varieties, having uniform origin and production technology, but different relations in the form of a group of products of several varieties, which have similar origin and technology of production, but differing in terms of relationship of nutritional elements.

### 4.2. Control of fertilizers in supply of fertilizers to the market

In the territory of the country in 2013, a total of 773 inspections have been performed of: warehouses of producers or importers of fertilizers; wholesale and retail distributors; warehouses of agricultural producers and BCRP. A total of absences of compliance have been established, 92 prescriptions have been prepared, and a total of 7 acts for established violations have been completed. During the year, a total of 142 samples have been taken (compared to the planned 150 samples) from the following sites: 90 wholesale and retail distributors; 44 from warehouses of producers or importers, and 8 from BCRP. A total of 61 samples from fertilizers, having marking EC fertilizer, and 5 samples from other fertilizers have been obtained. Absences of compliance have been established in 32 fertilizers with marking EC fertilizer and in 5 other fertilizers. The following absences of compliance have been established: marketed fertilizers without quality certificates; inconsistency with the indicators declared on the label; incorrect labeling; labels in Bulgarian language, not permanently attached to the packaging.

**Table V.3. Control over fertilizers during the period 2011 - 2013**

Activities	2011	2012	2013
Number of registered fertilizers	13	17	17
Number of on-site inspections	409	462	773



Samples obtained from fertilizers for analyses	179	193	142
Samples, which have indicated deviations, %	22	5	21
Inconsistencies/ prescriptions	56	27	92
Breach acts	1	4	7

Source: BFSA

### 4.3. Use of fertilizers

According to data of DFSD, the following have been used in the country: 258 856 tons of nitrogen fertilizers (N); 26 695 tons of phosphorus fertilizers (expressed as P<sub>2</sub>O<sub>5</sub>), and 19 725 tons of potassium fertilizers (expressed as K<sub>2</sub>O). Preservation of the total quantity of used fertilizers compared to 2012 is observed, and for nitrogen fertilizers there is an increase, whereas for the phosphorus and the potassium fertilizers – there is a decrease. The *ex parte* application of nitrogen fertilizers in recent years results in higher sensitivity of the plants to diseases and pests.

**Table V.4. Utilized quantities of mineral fertilizers, tons of active substance**

Year	Total NPK	N	P <sub>2</sub> O <sub>5</sub>	K <sub>2</sub> O
2011	236 258	192 357	29 550	14 351
2012	306 867	235 386	47 633	23 848
2013	305 276	258 856	26 695	19 725

Source: BFSA

For crops from harvest 2013 with nitrogen fertilizers, a total of 24 439 thousand dca. have been fertilized, and 10.6 kg. nitrogen is the average per dca. of fertilized area. Lands fertilized with phosphorus fertilizers are 7 364 thousand dca. – average 3.63 kg P<sub>2</sub>O<sub>5</sub> and with potassium fertilizers – 4 750 thousand dca. – average 4,30 kg K<sub>2</sub>O. In 2013, slight increase is observed of fertilized areas compared to 2012, and the average quantity of fertilizer per dca. has been increased insignificantly only in nitrogen and phosphorus fertilizers, and is preserved for potassium fertilizers. In almost all areas in the country, use of various types of combined fertilizers has been established.

**Table V.5. Areas fertilized with nitrogen, phosphorus and potassium fertilizers, thousand dca.**

Year	Areas fertilized with N	Areas fertilized with P <sub>2</sub> O <sub>5</sub>	Areas fertilized with K <sub>2</sub> O
2011	20 376	4 237	2 529
2012	22 728	6 538	4 750
2013	24 439	7 364	4 604

Source: BFSA

### Manure

In 2013, 451 654 tons of manure have been used, with 312 698 tons for the previous year. Areas fertilized with manure increase to 30 758 ha compared to 23 731 ha in 2012.

**Table V.6. Used quantities and fertilized areas with manure**

Year	Used manure Tons	Fertilized areas ha
2011	200 118	15 060
2012	312 698	23 731
2013	451 654	30 758

Source: BFSA

### **Utilization of sludge in agriculture**

In 2013, 60 permits for utilization of sludge have been issued in fields with a total area of 2 705,2 dca. in the territory of Chelopechene district, area Kremikovtsi, village of Negovan, municipality of Novi Iskar – Metropolitan municipality. The total quantity of treated sludge, permitted to use, is 22 848 tons (expressed as dry substance), for growing barley, sunflower and maize.

#### **4.4. Control for compliance with the rules for good agricultural practice, program of measures for limitation of contamination with nitrates for the purposes of control over agrarian ecological measures and cross compliance**

In 2013, the DFSD inspectors, mutually with State Fund “Agriculture” – Payment Agency, have performed a total of 995 inspections regarding the compliance with the Rules for Good Agricultural Practice and the minimum requirements in relation to mineral fertilizers and plant protection products according to the application of measure “Agro Ecological Payments” of RDP 2007 - 2013. A total of 995 deeds of findings have been made. A total of 63 absences of compliance have been found in the completion of the Rules, and a total of 60 prescriptions have been prepared respectively for removal of the absences of breaches.

The main omissions allowed by agricultural producers in compliance with the rules, are in the following strands:

- Absence of facility for storage of solid or liquid manure;
- Incorrect storage of manure;
- Absence of impermeable site for storage of manure.

Within the year, the inspectors of DFSD have performed a total of 444 inspections on the National Plan for Control of Agricultural Holdings, which are within the nitrate vulnerable areas for compliance with the Program of Measures for Limitation of Nitrate Contamination and 1 007 joint inspections with the Technical Inspectorates of SF “Agriculture” - Payment agency. A total of 1 201 absences of compliance have been found.

The main omissions by agricultural producers in the performance of the National plan for control of agricultural holdings and mutual inspections for cross compliance are close to the ones allowed in compliance with the Rules for good agricultural practice, and are in the following strands:

- Absence of facility for storage of solid or liquid manure;
- Absence of cover of the facility for solid manure;
- Necessity for repairs and modernization of the storage facilities;
- Absence of agreement concluded for realization of manure;
- Absence of developed facilities for storage of silage;

- Absence of wastewater tank in the silage pit;
- Failure to keep a record for utilized quantities of fertilizer.

The total number of inspections, related to the control of compliance with the Program of measures in the nitrate vulnerable areas is 1 645. A total of 1 628 deeds of findings have been prepared. A total of 292 absences of compliance in the performance of the National Plan and the inspections for cross compliance have been established, and 278 prescriptions have been prepared respectively for removal of the violations. Repeated inspections for removal of absences of compliance have been made for 9 agricultural producers, which is quite insufficient for acquiring full information regarding their completion.

## **5. Plant variety testing, field inspection and seed control**

The state policy in the field of plant variety testing, the maintenance of varieties, the production, the trade, the import and the export of seeding and planting material shall be performed through the Executive Agency on plant variety testing, field inspection and seed control with MAF.

The main Activities, carried out by the Agency in 2013, are as follows:

- Issuance of an official variety list of Bulgaria for maintaining communication with the European Commission in relation to the European catalogues and Decision 842/2004/EU;
- Performance of variety testing, homogeneity and stability, and biological and economic properties of new varieties of plants;
- Registering and maintaining producers, preparers and traders of seeding and planting material;
- Certification of seeding and planting material;
- Control activities under the Genetically Modified Organisms Act, and the Seeding and Planting Material Act, including import and export of seeds and planting material from and to non-EU countries.

In 2013, the activity of EAPVTFISC is directed toward optimization of the system and the criteria for the state variety testing and its organization, with the purpose of successful inclusion to European structures in terms of legislation, administration and management, organizational and methods.

Sub-legislative statutory acts for seeds and planting material have been updated, transposing Directives for amending and supplementing main EU Directives. Ordinances for amending and supplementing effective provisions have been prepared and published, specialized internal statutory documents have been developed, such as testing methods for distinction, homogeneity and stability, in compliance with the Technical Protocols of CPVO (Office of EU for preservation of plant variety) and UPOV (Union for protection of new types of plants), methods for testing biological and economic properties.

For the improvement of the control activity of the agency, Standard Operative Procedure for Control has been developed in 2013 under the provisions of Chapter Nine of SPMA. Training has been conducted of officials, to which performance of inspections have been assigned. At the end of the year an evaluation has been made that the procedure is complied with, and in this manner, adequate control of the seeds offered on the market has been provided.

During the year, the servicing of legal entities and natural persons has been improved by increasing the quality of the completed administrative services, by introducing specially developed software under the certification of seeds and testing for DHS.

EAPVTFISC is a registered agricultural producer, and provides the necessary care for the good agro technical condition of the arable land with an area of approximately 3 thousand dca. provided for use by the State Land Fund, where the plant variety testing shall be completed.

In 2013, the issuance of permits for private field inspectors continues. An ordinance has been published regarding the order and the means of issuance of permits for private laboratories and private samplers. According to the regulation, an application has been submitted for a private laboratory. This way, the maximum possible scope of activities has been reached, which could be completed under official control, and Bulgarian seed producers are placed in conditions of fair competition with the seed producers from the advanced European countries.

In January 2013, the official variety list has been published, which has been updated timely, following the issuance of orders of the Minister of Agriculture and Food for recognition of entering new varieties of plants. The plant variety list shall be published on the website of the Agency.

In 2013, a total of 135 agreements for official plant variety testing and 3 agreements for award of testing have been signed. A total of 271 tests for biological and economic properties, 37 attempts for differentiation, homogeneity and stability, and 35 tests for ground control have been assigned and completed. The total number of declared varieties, under the agreements concluded, is 2 209, out of which for BEP – 200, for DHS – 259, for preliminary testing for BEP – 1 550. The total number of the sorts in the comparative variety collection of the agency has reached 5 500.

During the year, the European Plant Variety Office has assigned to EAPVTFISC testing for DHS of 9 new varieties of peanuts from USA and sunflower lines from Argentina. This activity is the result of the successful accreditation of EAPVTFISC to the European Office, and brings significant income – the price of testing, assigned by the office, is several times higher than the national price.

In 2013, the Agency has completed any and all commitments undertaken under agreements, concluded for plant variety testing.

During the year, certification applications have been received for approximately 550 thousand dca. of seedlings from different groups of crops. Minimum percentage of the declared seedlings have been registered to a lower category, or discarded, mostly due to the agro-climate conditions during the year. For any and all seeds declared for export, certificates have been issued under the seeds schemes of the Organization of Economic Cooperation and Development and the International Seed Testing Association (ISTA).

A total of 550 494 dca. seed production crops have been inspected in 2013. Out of them, 543 935 dca. (98.8%) have been approved, 580 dca. (0.1%) – disqualified, and 5 979 dca. (1.1%) – discarded. In comparison to 2012, the inspected seedlings have been increased by 13,6 %.

The largest share of the inspected seedlings is taken by the group of cereals – 516 078 dca. (93.8%), followed by oilseeds and fiber plants – 22 822 dca. (4.1%), feed crops – 8 447 dca. (1.5%), potatoes – 1 891 dca. (0.3%), medicinal and aromatic crops - 800 (0.1%) dca. Seed-production seedlings of tobacco have been inspected – a total of 176 dca. (0,03%), and beet – 24 (0,004%) dca. In comparison, in 2012 the inspected seedlings of grain, oilseeds and fiber plants, feed, tobacco and beet. The inspected seedlings of vegetable crops in 2013 are 256 dca. Documents for laboratory analysis have been analyzed and issued for 6 169 samples. Field inspections have been completed in 545,5 dca. of vine and mother vine plantings.

In 2013, 2 163 238 units of vine planting materials have been qualified, out of which – 475 433 cultivated vines, 1 346 300 vine cuttings for pads, and 341 505 cuttings for grafts. A total of 10 000 planting material units of berry plant crops have been qualified.

In comparison with 2012, increase of seed-production sowings from winter regular wheat (by 18%) and barley (by 23 %) has been reported.

Lands for production of seed from hybrid maize increase by 19.7% – from 5 658,9 dca. in 2012 to 6 775 dca. in 2013.

In 2013, an increase by 3.1% is reported compared to 2012 of the areas declared for inspection, planted with plant varieties of the group of oilseeds and fiber plants.

Increase is observed also for the seed-production seedlings of hybrid sunflower. The declared seed-production seedlings are 21 482 dca., a 5.4% increase compared to the previous year.

Regarding the control activities under GMOA and SPMA, including import and export of seeds and planting material from and to non-EU countries, during the year the Agency has completed more than 200 inspections on documents and on-site inspections, and a total of 17 penal decrees have been issued, as well as a large number of prescriptions. In the inspections under GMOA, no genetically modified organisms have been found in the conventional lots of seeds.

The activity of EAPVTFISC has been directed also toward perfection and extension of the scope of control in the movement of seeds between producers, traders and consumers, certification and control of the seeding and planting material, laboratory testing of seed lots for certification with the purpose of providing good quality certified seeds for agricultural producers. The public demand for increased level of control of the seeds offered on the market has been met, and the conditions for the business have been relieved.

In 2013, state aid for promotion of the production and the use of high-quality seeds continued to be provided, by providing funds by SF "Agriculture" to EAPVTFISC for the services it has performed for agricultural producers. In relation to the above, EAPVTFISC has provided services to agricultural producers related to field inspection for seed-production seedlings; issuance of labels; sampling from seed lots, designated for certification; laboratory analyses of seed samples per crop type, performance of follow-up control of seed lots.

Almost one hundred percent of the clients of EAPVTFISC have used the state aid for promotion of the production and the use of high-quality seeds in 2013. Exceptions are related to persons registered for production of seeds under article 28 of SPMA, but have not been registered as agricultural producers and perform production of seeds through award agreements with registered agricultural producers, or are not responsible for the requirements for a small and a medium enterprise.

In 2013, the Agency has provided services for certification and approval of standard seeds for 555 beneficiaries, and this is more than 90% of the total number of clients of EAPVTFISC.

State aid is a prerequisite for realization of significant added value in the use of certified seeds related to the quantity and quality of the production. The positive effect from the production of more and a higher-quality production per area unit, and improvement of agro ecological properties of the agricultural production are beneficial to the public.

The total value of the services provided by EAPVTFISC for 2013 amounts to 999 998 BGN.

### **Projections for 2014**

In 2014, the activity related to accreditation of EAPVTFISC for official testing office of the Community Plant Variety Office, with the purpose of recognizing the tests on plant varieties for legal protection of the territory of the Community. The agency has technical readiness to accredit its overall activity to the Bulgarian Accreditation Office, but at this stage this could not be carried out, due to the absence of funds.

In 2014, the number of varieties declared and variety testing for differentiation, homogeneity and stability, is expected to increase up to 296, compared to 256 in 2013

The total number of tested sorts for biological and economic properties and preliminary trial is expected to be increased up to 1 812 varieties.

The number of samples for further (ground control) is expected to reach 1 628, which is an increase by 3 %, in comparison to 2013.

In 2014, the realization of the state aid scheme for promoting the production and the use of high-quality seeds for grain, feed, oil seed crops, potatoes, and tobacco and vegetable crops continues, by providing subsidized services through EAPVTFISC to agricultural producers.

The stipulated maximum annual budget of the aid in 2014, designated in the cost estimate of SFA, amounts to 1 million BGN.

In 2014, a total of 501 187 dca. have been declared for field inspection. In comparison with 2013, the seedlings declared as of this time, are 33 700 fewer, and one of the reasons is the later submission of applications for certifications, after waiting to receive information from seed producers regarding the status of seeds, having regard to the unfavorable climate conditions.

Out of the declared seed-production seedlings of field crops, the highest share is occupied by the group of grain crops – 483 315 dca. (96.4%), followed by feed crops – 10 755 dca. (2.1%), oilseed and fiber crops – 5 475 dca. (1.1%), potatoes – 1 272 dca. (0.3%). Seed-production seedlings of tobacco have been declared – 96 dca. and beet – 18 dca. The vegetable crops, declared for field inspection, are 256 dca. (0.1%).

Compared to the previous year, in 2014 decrease of seed-production seedlings of wheat by 10.7%, and an increase by 26 % for barley has occurred.

The seedlings declared for certification of hybrid maize during the year have decreased by 3 218 dca., down to 3 557dca.

In 2014, the areas declared for inspection, seeded with plant varieties of the group of oil-seed plants and fiber plants, also decreases – by 17 347 dca. compared to 2013

Increase is observed in seed production crops of cotton and soy beans.

## **6. Control of grain and grain products**

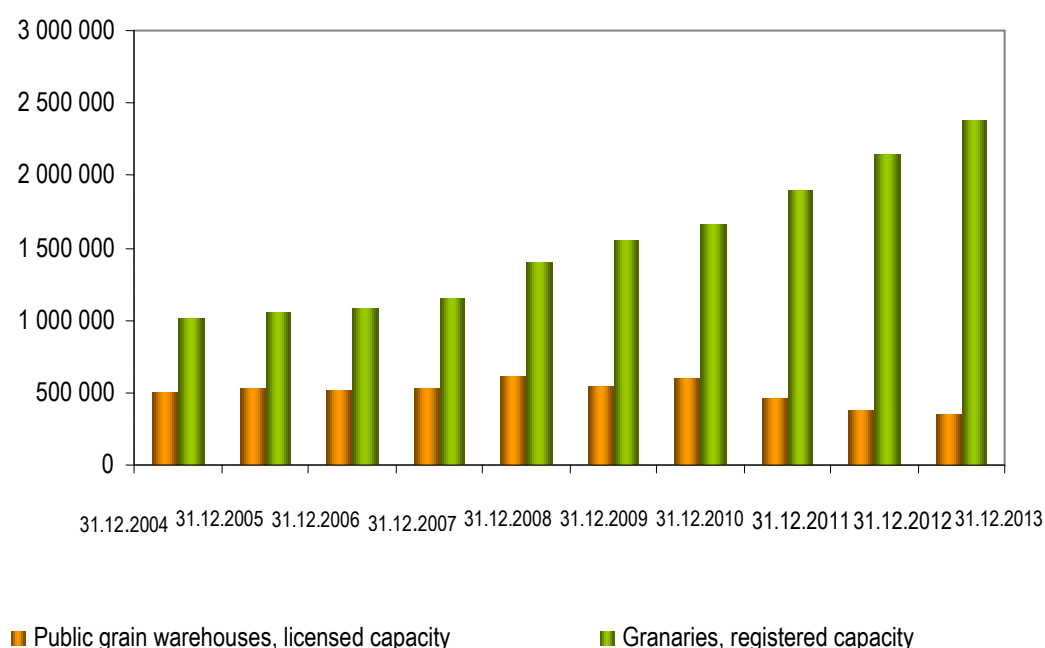
### **6.1. Licensing and control of public warehouses, granaries and other storage facilities**

According to data of the National Grain Office, as of 31.12.2013, the number and the capacity of licensed and registered storage facilities for grain in the country, are as follows:

- Public grain warehouses – 30 in total, with full capacity of 347 310 tons;
- Granaries – 224 in total, with full capacity of 2 371 815 tons;
- Other storage facilities – 3 337, with a total declared capacity of 9 390 080 tons.

In 2013, the number of public warehouses has decreased by 3 in comparison to the previous year, and their licensed capacity – by 21 thousand tons.

**Figure V.3. Capacity of licensed and registered sites per years, in tons**



Source: NGS

The data indicates that 80% of the licensed public grain warehouses, constituting 89% of the total licensed capacity, have been situated in Northern Bulgaria, and only 20% are in the southern part of the country.

The total quantity of grain, which has passed through warehouse record for the period from July 1 to December 31, 2013 amounts to 111 731 tons, with 172 926 tons for the same period in the previous year.

In 2013, the trend of the last several years of increase of the registered granaries continues. In comparison to the previous year, their number increases by 15, and their registered capacity increased by almost 230 thousand tons. Approximately 79% of the granaries are situated in Northern Bulgaria, and 21% of the granaries are situated in Southern Bulgaria.

A total of 72% of all other declared grain storage facilities are located in Northern Bulgaria, having more than 76% of their total capacity.

In 2013, a total of 3 476 inspections have been completed, with 3 552 for 2012. Out of the total number of inspections made, 463 have been jointly completed with NRA and the Economic Police.

During the completed inspections, a total of 3 552 794 tons of grain and grain products have been inspected, a decrease by 18,9 % compared to the previous year.

As of 31.12.2013, the number of acting traders of grain in the country amounts to 2 182, and the new registered ones during the year are a total of 431, and a total of 408 have been deleted from the grain traders register, including: 16 as per request submitted by a company, 46 for established breach under the Grain Storage and Trade Act and 346 – due to failure to renew their registration within their legally established term.

In 2013, a total of 6 544 632 tons of grain and grain products have been inspected for compliance, for which 4 758 certificates and confirmations for compliance in import and the intra-community arrivals have been issued.

A total of 465 inspections of grain processing enterprises have been performed, under which control has been exercised of 210 812 tons of grain products.

In relation to declared quantities of produced, sold and available grain during the year, 905 registered agricultural producers have been inspected.

During the period January – June, 2014, no newly issued and terminated licenses for public grain warehouses exist. In comparison to the period as of the end of 2013, granaries during this period have increased by a total of 8, and the amount of registered capacities – by 36 715 tons. As of the end of the year, the number of licensed public warehouses is expected to be 32, with a total capacity of approximately 360 000 tons, and granaries are expected to reach 230, with a total capacity of 2 500 000 tons.

During the first six months of 2014, declarations have been submitted for declaring a total of additional 39 grain storage facilities. It is expected that by the end of the year, their number is expected to reach 3 400, with declared capacity of approximately 9 900 500 tons.

Until the middle of 2014, registration has been completed of 174 grain traders.

In the annual inspection plan of NGS for 2014, a total of 3 445 inspections of licensed public grain warehouses, registered granaries, other grain storage facilities, mills, grain processing enterprises and grain producers have been scheduled for completion.

For the first six months of 2014, a total of 252 inspections have been realized for grain public warehouses, and control has been exercised of 545 822 tons of grain. Inspections have been carried out also for a total of 895 other storage facilities, 297 grain traders, 125 mill enterprises, 104 processing enterprises and 470 grain producers.

Regarding the control of compliance of grain and grain products for import, export and intra-community arrivals, as of 30.06.2014, control has been exercised over 1 156 506 tons of grain, and grain products, for which 1 521 certificates and compliance certificates have been issued.

In 2014, for the territory of the whole country, on the grounds of an agreement signed for providing aid, and performance of control activities, inspections have been carried out together with NRA and sector "Economic Police". Within the year, a total of 500 inspections have been carried out, in which control over 400 thousand tons of grain and grain product has been exercised. As of 30.06.2014, a total of 180 inspections have been realized, referring to 103 000 tons of grain and grain products. The completed mutual inspections increase the effectiveness of control in this sector by supporting the prevention and discovering legal breaches, related to the production and realization, trade in export and intra-community arrivals, grain storage and processing.

During the time of inspection, exercised during the first six months of 2014, a total of 80 deeds of findings and 9 acts for establishing administrative breaches according to the requirements of the Grain Storage and Trade Act have been prepared.

It is expected that as of the end of 2014, any and all inspections shall be completed, which are set in the annual inspection plan of NGS. During these inspections, the effect of reverse accrual of VAT shall be analyzed.

## **6.2. Grading harvest `2013**

### **Grading wheat from harvest `2013**

During the harvesting period, a total of 1 718 samples have been taken from 2 265 727 tons of wheat from the grain production areas of the country (25 districts), which represent an excerpt of 47.3% in relation to the preliminary data regarding the harvested quantity.

The end results from the grading of wheat harvest 2013, completed by NGS, indicate the following distribution of wheat per groups:

- Group one – 3.4%;



- Group two – 12,5.3%;
- Group two B – 49.2%;
- Group three – 34.9%.

#### **Grading barley from harvest `2013**

The grading has been completed on the ground of 508 average samples taken for analysis from 293 378 tons of lots of barley, which represent 42.2% of the total yield of barley from harvest `2013.

The obtained end results, related to the harvested production indicate that 53.8% of the barley from harvest `2013 is brewing barley, and 46.2% – feed barley. Compared to harvest `2012, increase of the share of brewing barley of 12,6 percentage points is reported.

#### **Grading maize from harvest `2013**

During the grading, a total of 566 average samples have been taken for analysis from 24 grain producer districts in the country, which amount to 940 001 tons of lots with maize.

The data from the analyzed samples indicate that the maize acquired from harvest `2013 has relatively good values on the three main indicators – humidity, starch and impurities.

The average values of the main quantity indicators of the maize from harvest `2013 are:

- humidity:  $13.0\% \pm 1.0\%$ , with  $11.4\% \pm 1.2\%$  for harvest `2012;
- crop impurities:  $3.3\% \pm 2.4\%$ , with  $3.7\% \pm 3,3\%$  for harvest `2012;
- foreign impurities:  $0.8\% \pm 0.7\%$ , with  $1.3\% \pm 1.3\%$  for harvest `2012;
- contents of starch:  $72.4\% \pm 0.8\%$ , with  $72.2\% \pm 0.8\%$  for harvest `2012;
- hectoliter mass:  $72,5 \text{ kg}/100 \text{ dm}^3 \pm 5,3 \text{ kg}/100 \text{ dm}^3$  with  $65,00 \text{ kg}/100 \text{ dm}^3 \pm \text{kg}/100 \text{ dm}^3$  for harvest `2012.

#### **Grading sunflower from harvest `2013**

In 2013, a total of 754 average samples for analysis have been obtained from 23 grain producing areas in the country, which amount to 679 576 tons of lots with sunflower.

Data from the analysis indicate that sunflower produced from harvest `2013 has better quality in comparison to the previous year, and the main reason for this is the reported higher oil content in the sunflower seeds.

The end results indicate that 55.1% of the samples analyzed comply with the terms and conditions of the quality standard for the sunflower seed (quality indicators – moisture, fat content and impurities). Having regard that the fact that in case of deviation of impurities from the basis norms, refraction is to be completed, respectively in case of deviation of humidity from the basis norms – both refraction and bonification are to be completed, then the results obtained indicate that 72.2% of the analyzed lots comply with the requirements of the standard. In reference to the harvested production, this share shall represent 1 282 245 tons, which fully satisfy the technological requirements of the oil-bearing and processing industry in the country, which need per average 540 – 560 thousand tons of raw materials per year.

#### **Grading of barley, wheat, sunflower and maize from harvest `2014**

For the harvest year 2014, NGS has planned the obtaining of a total of 3 260 average samples for analysis, allocated as follows per type of crops: for wheat – 1 510; for barley - 435; for sunflower – 730, and for maize - 585. The preliminary grading shall include a minimum of 35% of the production of grain in the country for these crops.

## **7. Food safety**

The main purpose of the EU food safety policy is providing high degree of protection of human health and the interests of users in relation to foods, including traditional products, as well as the efficient functioning of the domestic market.

The Ministry of Agriculture and Food manages, coordinates and controls the application of state policy in the field of health protection of animals and safety of food, through its specialized administration.

In 2013, the optimization of the statutory base continues in the fields of food and feed safety, health protection and humane treatment of animals.

The Bulgarian Food Safety Agency exercises the official control of foods on the principle "from the farm to the table", following the best European practices in the application of high standards of control in the area of safety and quality of foods, food supplements and drinks, veterinary medicine and humane treatment of animals, plant protection and fertilizers, phytosanitary control, feed, border control, etc.

### **7.1. Health protection and humane treatment of animals**

#### **Health protection of animals**

Priority tasks of BFSA in this field are:

- Preservation of health of animals in the country;
- Preservation of the health of agricultural animals from the occurrence of hazardous virus infections, related to large economic loss;
- Receiving a permit from the European Commission for internal domestic trade of live pigs;
- Providing yield of compliant unprocessed cow's milk, according to the European law;
- Uninterrupted movement of animals, products and raw materials, acquired from them, by and between the member states and for export to non-EU countries;
- Protection of the population from the occurrence of zoonoses (diseases, transmitted from animals to humans).

In order to achieve these priorities and on the grounds of the amended Veterinary Medicinal Activity Act (Published in SG, issue 7, dated 25.01.2013), a Scheme is developed for support of farmers in the implementation of measures specified in the state prophylactic program and the programs for surveillance and liquidation of animal diseases.

Vaccines and diagnostics are provided, necessary for the completion of the campaigns by registered veterinary doctors on site.

For short terms as of the end of 2013, mandatory events have been completed, assigned under the state prophylactic program.

The activity of BFSA is directed toward minimizing risk of occurrence and distribution of acute and exotic diseases in animals, having regard to the geographical location of the country. For this purpose, the national program for control of FMD in the settlements near the border with the Republic of Turkey, where clinical examinations are completed periodically, and blood samples for serological control are obtained. In the completion of this program, a center of the pox disease for sheep and goats has been discovered in the village of Stoilovo, municipality Malko Tarnovo, Burgas district, and then two more centers in the village of Kochan, municipality Satovcha, Blagoevgrad district, and in the village of Choba, Plovdiv district. The necessary measures for limitation and liquidation of the disease have been undertaken. The measures necessary for limiting and liquidation of the disease have been undertaken. The clinic examinations of susceptible animals continue in the areas along our south border, having

regard to the occurrence and distribution of disease centers in the Republic of Greece and the Republic of Turkey.

For disease control, Classical Swine Fever, BFSA performs Control and Eradication Program, which is co-financed by EU, and in 2013, three vaccination campaigns have been completed, with two applications of vaccine for wild pigs in the territories of border municipalities and along the western border of the country. For the control of the disease in domestic and Eastern-Balkans pigs, clinic studying of the pig-breeding facilities and periodic obtaining of blood samples for laboratory analysis. The purpose is to prove absence of circulation of the cause of the disease Classical Swine Fever for domestic and wild pigs in the territory of the country to EU, and to allow live pigs trading with other EU member states.

With the purpose of providing an opportunity to Bulgarian producers for trade with live pigs within the limits of EU, BFSA has conducted a policy for oral vaccination in the 40 km border area with Romania, Serbia and Macedonia for several years.

In 2013, in the completion of the programs for control of bird salmonellosis, no salmonellosis have been found of the types harmful for humans – Salmonellosis enteritidis and Salmonellosis typhimurium.

As a result of carrying out of multiannual program for oral vaccination of foxes against rabies, a significant decrease of the cases of rabies has been reported, and in 2013 no single case of rabies has been found.

On 04.07.2014 , a primary center of the disease blue tongue in the village of Mandritsa, municipality Ivaylovgrad, Haskovo district has been confirmed by a laboratory.

On 11.07.2014, the reference laboratory of EU on Blue Tongue in Pirbright, Great Britain, has confirmed that it is a blue tongue disease, serotype 4. The existence of the same serotype has been found in the territory of the Republic of Greece in June 2014.

In 2013, Action Plan has been prepared for improving the system for collection, transportation and disposal of dead animals and animal byproducts, which have resulted from slaughtering animals, bred only for personal consumption in the territory of Bulgaria, and it has been sent to EU.

In relation to collection and disposal of animal byproducts in 2013 permanent control by BFSA is applied on the two incinerators in the country.

### **Humane treatment of animals and animal protection**

In 2013, the issuance of licenses for transportation of live animals has continued, with the purpose of compliance within the requirements of the domestic and European legislation in the field of humane treatment as of the animals during transportation. 116 licenses have been issued for short trips, and 29 – for trips of extended duration.

In relation to the requirements for humane treatment of animals during transportation, a register of licenses issued for transportation of live animals shall be kept, and updated information shall be introduced for the approved transportation vehicles in the BFSA information system.

In 2013, in relation to the established violations of humane treatment during transportation, a total of 3 signals have been submitted by other contact points to BFSA, and a total of 9 signals have been submitted by BFSA to other contact points.

During the year, 12 DFSD have been conducted in relation to exercising official performance of control for compliance with the minimum requirements for humane treatment during transportation. The findings and the recommendations for the inspections have been reflected in the respective protocols.

Schemes for application of higher standards for humane treatment of animals in stockbreeding sites have been developed, which have been sent for approval by the European Commission.

With the purpose of compliance with the requirements of Directive 2008/120/EC of the Council regarding the determination of the minimum standards for protection of pigs, in 2012, a detailed action plan has been prepared regarding the preparedness of the country for compliance with the requirements for group breeding of breeding sows. As a result of the actions undertaken, as of 01.01.2013, all pig-breeding sites with a capacity exceeding 10 breeding sows, are compliant with the minimum requirements for group breeding. In 2013, BFSA has continued to observe the compliance with these requirements.

In 2013, the work of the Animal Ethics Commission has continued, and a total of 3 meetings have been held, 49 scientific opinions have been reviewed, and a total of 23 permits to use of animals for experiments have been issued.

During the year, an amendment of Ordinance No. 41 dated 10.12.2008 has been prepared and accepted regarding the requirements to sites, in which domestic pets are being bred and/or offered with the purpose of trade, for animal homes and shelters.

A register has been prepared for the registered shelters for homeless animals, which has been published online, on the BFSA webpage. In 2013, a total of 20 inspections of registered animal shelters for homeless animals have been performed

## **7.2. Information system for identification and tracking the movement of animals**

In 2013, the active work on identification of small ruminants and equines in the country continues.

On the basis of the updated Guidelines for cross compliance for 2013 (Guideline for application of statutory requirements for management, specified in article 4 and 5, and listed in Annex II, item A of Regulation (EC) No. 73/2009 of the Council as of January 19, 2009), inspections have been completed on the cross compliance by officials of the District directorates on food safety and SF "Agriculture".

In 2013, the identification of dogs in the country continues, and the data for it is reflected in the VetIS, and the system to a significant degree has been adapted for these animals.

Ordinance No. 6 dated 08.10.2013 has been adopted regarding the requirements toward the means for official identification of animals, and their use, conditions, order and control of collection, introduction, maintenance and use of information in the Integrated Information System of BFSA (Published in SG, issue 90 dated 15.10.2013).

## **7.3. CONTROL ACTIVITIES**

### **7.3.1. Food safety**

The Bulgarian Food Safety Agency is methodologically managing, coordinating and controlling the exercising of control of the district directorates on food safety in the field of foods, food supplements, materials and objects in contact with foods.

In 2013, in order to reach high degree of protection of health of the consumers in case of consumption of food, regular, risk-evaluation based control is exercised for each of the stages of production, processing, storage, transportation, distribution and offering of foods, nutritional supplements, materials and objects in touch with foods.

During the year, the operational goals set forth in the Uniform Multi-Annual National Control Plan of the Republic of Bulgaria is completed in relation to foods, feed, animal health protection, humane treatment of animals and plant protection for the period 2012-2014, for reaching effective functioning of the food control system.

One of the most important tasks in the field of control of food in 2013 is the increasing of trust of consumers toward foods offered on the market, which is secured by increasing the efficiency of official control. The optimization of the developed control system continues, based on specific principles - risk evaluation, flexibility, proportionality, et. al..

In 2013, significant progress has been achieved in the completion of the strategic and specific goals in the control system over foods has been achieved, through:

- Exercising efficient control over sites for trade and production of food, nutritional supplements and materials, as well as items in contact with foods, with the purpose of health protection of the consumers;
- Conducting efficient control over the sites for production and trade with foods, for evaluation of the compliance with the requirements of Regulation (EC) No. 852/2004 regarding the hygiene of foods, and Regulation (EU) No. 853/2004, determining specific requirements for hygiene of nutritional products of animal origin, by application of the official control activities, specified in Regulation (EC) No. 882/2004 and the Food Act;
- Exercising official control over foods and the production and food trade sites, based on risk evaluation criteria;
- Compliance with the specific requirements of foods, according to the European and domestic legislation;
- Exercising official control for compliance of the eligible values in relation to the criteria for chemical and microbiological food safety, their composition and labeling;
- Exercising thematic inspections in the sites for production and trade of foods and inspections on the grounds of orders by the Executive Director of BFSA;
- Performance of audits for evaluation of the compliance of the good practices for production and trade and hazard analysis and critical control points (HACCP), introduced in the sites, or procedures in compliance with its principles, when the overall implementation of the system is not feasible;
- Maintaining a rapid alert effective system in case of availability of foods, food supplements, materials and objects in contact with foods, hazardous to health on the market, and taking immediate measures to limit the harmful effects to human health;
- Not allowing the occurrence and the dissemination of food incidents, including performance of studying the reasons for their occurrence;
- Undertaking administrative and penal measures, comparable to the established absences of compliance;
- Increasing knowledge and the competency of the employees of Directorate "Control of Foods and Border Control" and the departments "Control of foods" with DFSD;
- Providing independent and transparent control activity by improving the work with media and providing information to the public regarding the results of exercising of official control;
- Maintaining updated public register and lists of production sites and sites for trade with foods;
- Maintaining updated database for official use;
- Exercising control with the purpose of providing the safe catering of children in children dairy kitchens, nurseries, kindergartens, schools, children and school camps, green schools, et. al.

The official control in the sites for production and trade with foods, materials and objects in touch with foods shall be performed in compliance with the updated European and national legislation by the inspectors and the official veterinary doctors in DFSD, with a frequency determined through analysis and risk evaluation.

**Table V.7. Exercised current official control in 2012 - 2013**

Indicator	2012	2013
Total number of inspections (including thematically)	286 951	278 979
Audits in food enterprises (number)	1 847	2 245
Planned inspections (number)	43 049	42 612
Inspections under Regulation 852/2004 (number)	18 175	21 017
Inspections under Regulation 853/2004 (number)	10 497	9 759
Inspection regarding the labeling (number)	10 119	14 443
Inspections of GPP and HACCP (number)	18 693	24 283
Inspections under appeals and signals (number)	1 120	590
Prescriptions issued (number)	19 451	15 862
Issued AEAB /Acts for Establishing Administrative Breach (number)	5 811	2 886
Discarded production (kg)	178 689	301 623,7
Closed-down sites (number)	378	137

Source: BFSA

In 2013, an increase in the number of conducted audits is observed in the enterprises compared to the previous year, and a trend toward the overall implementation of the audit plans. This is caused by improving the organization of work in the separate DFSD, as well as maintaining good knowledge by the supervising inspectors in relation to the techniques and methods for exercising official control (audit in particular). Out of the audits completed during the year, a conclusion could be made that the food operators have developed, introduced and are applying good practices for production and trade with a system for hazard analysis and critical control points, or procedures in compliance with its principles, thereby they have completed any and all of the prescriptions, provided under article 5 of Regulation (EC) No. 852/2004 regarding the food hygiene. For any and all absences of compliance, established during the audits, recommendations have been given, under which the good operators have undertaken corrective actions.

The number of inspections has been increased significantly regarding labeling, with regard to the fact that it is the area, in which absence of compliance is established most frequently. The number of inspections per appeals and signals submitted has decreased.

The absences of compliance established shall be analyzed and shall be taken into consideration with risk evaluation in the planning of the official control inspections, as a result of which in 2013 the number of prescriptions, acts for finding administrative breach and the shut-down sites has decreased significantly in comparison with 2012

A trend is observed toward the increase of the discarded products. This has been caused by a significant quantity of vinegar, designated for discarding vinegar (119,8 thousand liters), which is not compliant with the quality and safety indicators.

In 2013, four audit missions of the activity of the official control regarding food safety have been completed by experts of Directorate General for Health and Consumer Protection (DG SANCO) of EU.

**Table V.8. Audits of the activity of the official control in 2013**

Reference No. and audit topic	Date of completion
2013 – 6656 – Evaluation of control measures over food contaminants	22.01.2013 – 01.02.2013
2013 - 6858 – Evaluation of the efficient control systems	03.06.2013 – 07.06.2013
2013 - 6882 – Evaluation of the official control related to the safety of foods of animal origin and in particular transitional measures for processing the inconsistent milk in certain dairy processing plants, as stipulated in the change of the Decision of the Commission 2009/861/EC	18.06.2013 – 28.06.2013
2013 – 6841 – General audit	11.11.2013 – 15.11.2013

Source: BFSa

During the missions, good level of competency, good organization of the official control and documents, related to the conducted official control have been demonstrated.

During the general audit, most of the recommendations from previous missions have been carried out, and serious progress has been made in relation to the official control in the country.

During the year, correspondence has been conducted with the Directorate General “Health Protection and Protection of Consumers” of EU regarding dairy processing companies, included in the list of dairy processing enterprises in an Implementing Decision by the Commission dated December 21, 2011 for amendment of Decision 2009/861/EC regarding the transitional measures under Regulation (EC) 853/2004 of the European Parliament and the Council in relation to the processing of the inconsistent unprocessed milk in certain dairy processing enterprises in the Republic of Bulgaria.

In October 2013, a Decision of the Commission 2009/861/EU has been adopted, which provides derogations from the requirements, indicated in subchapters II and III of Chapter I, section IX of Annex III of Regulation (EU) No. 853/2004 regarding dairy processing enterprises in Bulgaria, included in the decision. Dairy processing enterprises, included in Annex I of Decision 2009/861/EU may process compliant and non-compliant milk at separate production lines.

Dairy processing enterprises, included in Annex II of Decision 2009/861/EU can process non-compliant milk without separate production lines up until December 31, 2013. In relation to this, a decision has been made that the application of the transitional measures, stipulated in Decision 2009/861/EU, shall be extended until December 31, 2015

Bulgaria provides progress reports to the Commission on a regular basis with the purpose of demonstrating that the values stipulated in the EU legislation will be reached before the end of the period of application of Decision 2009/861/EU, extended with a Decision 2013/686/EU.

### **7.3.2. Rapid Alert System for food and feed**

The Rapid Alert Systems for Food and Feed (RASFF) is common for EU member states. The system supports member states in their actions, by allowing them quick exchange of information regarding risks resulted due to food or feed, and for the measures, which have been take or will be taken for mastering these risks and has purpose to provide control bodies a well-functioning instrument, for notification regarding human health risks, resulting from food or feed.

Directorate “Animal Health protection and Food Safety” with MAF performs the functions of a national liaison team for the Republic of Bulgaria of RASFF.

In 2013, using the Rapid Alert Systems for Food and Feed, a total of 3 205 initial notifications have been distributed in EU, out of which:

- 596 have been classified as alert notifications;
- 1 147 notifications for information;

- 1 462 notifications for parcels rejected at the border.

Notifications for follow-up actions are a total of 5 158.

Additionally, 38 additional notifications have been circulated, with 204 follow-up notifications.

Bulgaria is a notifying party under 54 of the initial notifications, quoted hereinabove, and has prepared 215 follow-up notifications and measures undertaken.

In 2013, the competent contact point with BFSA has sent along the chain a total of 6 (six) outgoing notifications, out of which one is a warning notification, one is a tracking notification, and four are for directing attention. These are notifications, in which Bulgaria is the reacting state. The notifications refer to established excessive levels of heavy metals in vegetables, falsifications with horse meat, labeled as beef, and salmonella in chicken meat.

In the system, a total of 36 incoming notifications have been received, processed and passed along the chain, out of which 20 warning notifications, 12 – tracking notifications, 2 – notifications for directing attention, and 2 – informative notifications. Out of them, 14 refer to Bulgaria as the country of origin of the notified products, and 22 warn of a product, which is distributed in Bulgaria. The notifications received refer most often residues of pharmacological substances in food, salmonella in bird meat, availability of a virus of hepatitis A in fruit mixed from different countries, adverse organoleptic characteristics of food and materials, designated for contact with foods, et. al.

### **7.3.3. Border control**

The main goals of the border control are reaching a high degree of protection of people's and animal health; prevention of introduction and distribution of pests on plants and plant products, and prevention of release to the EU market of foods with non-animal origin, and materials/objects designated for contact with food by non-EU countries, which pose a serious and immediate risk for the life and health of people.

BFSA, through "Border control" directorate controls the strict complaint with the European and the National laws. For this purpose, non-stop surveillance is exercised by the border control points. The border control of the country is part of the border control of EU and using connection system, such as TRACES, the whole outside border is being observed and controlled.

In the exercising of control of foods of animal origin in 2013 at the border control points, the following has been processed:

- Catering products for human consumption - 5 036 parcels, out of which physical and laboratory checks have been passed by 157 of them. In four of which, contamination with salmonella has been found;
- Non-human consumption products and feed of animal and non-animal origin – 442 parcels with a quantity of 2 346 562.3 tons. Out of them, a total of 66 have been subjected to laboratory analysis. The results are satisfactory;
- Parcels with live animals, which have passed through BCP and have been subjected to veterinary control – 107 parcels.

In case of established absences of compliance of a documentary nature, or in the identification and physical inspection of BCP for 2013, a total of 79 parcels have been rejected and a total of 22 parcels have been destroyed.

A total of 5 parcels with live animals from Kosovo, Macedonia and Serbia have been rejected, due to irregular documents.

The reasons for the rejected parcels with products of animal origin and feed are mostly because of irregular documents, for states and enterprises, absent in the list of permitted to import in EU, as well as for two cases of availability of salmonella in chicken livers – import from Brazil.



In 2013 of BCP of the territory of Bulgaria, a total of 26 733 shipments of food of non-animal (plant) origin have been processed, coming within the scope of control by specific EU regulations. Out of them, 3 073 shipments have been subjected to laboratory inspections. A total of 44 absences of compliance have been established, and for all of them, notification has been prepared for the system for rapid alert for food and feed. The products have been tested for available residues of pesticides and micro-biotic indicators.

In 2013, phytosanitary control has been completed at BCP, including documented, identification and plant and health inspection of a total of 21 730 lots of plant commodities – import by non-EU countries, and a total of 368 analyses have been completed in District diagnostic laboratories “Plant Health” and Central Plant Quarantine Laboratory – Sofia.

In the completion of the official border control during the year, a high degree of human and animal health protection and environmental preservation has been achieved, through the strict compliance with the European and national legislation in the introduction, export and transit passage through the territory of the Republic of Bulgaria. As a result, after the specialized audits completed in Bulgaria by FVO inspectors, the progress of the country has been reflected in the field of border control.

#### **7.3.4. Control of veterinary medicinal activity, veterinary medicinal products and feed**

##### **7.3.4.1. Control of veterinary medicinal activity**

Directorate General “Coordination and control” with HQ of BFSA exercises control over the activity of the 28 District Food Safety Directorates, coordinates the activity of its territorial units, specialized structures and directorates.

The control is exercised by performance of complex and thematic inspections of the subdivisions of BFSA, as well as in case of unexpected inspections due to signals submitted or in case of illegal actions by agency employees.

Complex inspections are assigned with the purpose of establishing the efficiency of the official control in relation to the safety of food and feed, animal health protection, veterinary and medicinal products control, humane treatment of animals, laboratory control, plant protection, legal and financial and accountancy activities.

Following the completion of the complex inspections, a report with finding and recommendations shall be prepared. A term shall be designated for removal of the established absences of compliance or breaches, and documentary evidence for actions undertaken shall be required.

The BFSA experts are in continued cooperation with the bodies of MI, Consumer Protection Commission, NGO's for animal protection, and with all the structural and territorial departments of BFSA, with the purpose of achieving optimum results in the performance of control activity and applying rapid and adequate measures in case of establishment of illegal actions, bearing risk for the animals and the health of consumers.

BFSA shall collect, analyze, summarize and send to the Permanent Crisis HQ of MAF weekly information regarding established increased mortality of animals as the result of natural disasters (floods, fires, hail, droughts, snowfalls or frostbites), epizootic disease outbreaks, calamities, epiphytotics, as well as discovered centers of diseases on animals or quarantine pests in the territory of the country, according to the Natural Disasters Protection Act.

#### **Completion of the National Program for Control of Pesticide Residues in and over foods of natural origin in 2013**

In relation to the completion of the laboratory control tests, a National Program for Control of Pesticides Residues in and over food of natural and animal origin for 2013 (NPRCRP) has been prepared.

The official liaison for pesticide wastes in Bulgaria is in BFSA. The deliverables from the analyses, completed under NPCRP, shall be sent on an annual basis to the European Food Safety Association (EFSA).

Subject matter of the program in 2013, according to the requirements of Regulation (EU) 788/2012, are a total of 8 types of food of non-animal origin: common head cabbage, salad, leek, peaches, including nectarines and similar hybrids, apples, tomatoes, rye or oats and strawberries, as well as 2 types of foods of animal origin: cow's milk and pork meat. Additionally to the samples which are required in 2013, each member state shall take and analyze a total of 10 samples from food for infants and small children. The total number of samples from non-animal origin is 130, and from animal origin – 30. Additionally, another 120 samples have been analyzed.

The total number of inconsistent samples, obtained under NPCRP in 2013 is 21, including: 5 units of salad, 3 pears, 2 children food, 2 strawberries, 2 cucumbers and one of the following: apples, carrots, grapes, rice, oats, tomatoes and peppers. For any and all inconsistent samples, the respective measures under the legislation shall be undertaken, according to the laws in force.

#### **Completion of the National Monitoring Program for 2013 for control of the residues from veterinary medicinal products and environmental pollutants in live animals and products of animal origin**

In the annual plan for 2013, a total of 2 073 samples for testing the residues of veterinary and medicinal projects and environmental pollutants. In the completion of the plan, a total of 2 030 samples have been taken by DFSD. The plan for sampling from game raised in farms with 30 samples, shot game with 12 samples, eggs with 11 samples, bee honey with a single sample, due to the absence of appropriate animals for obtaining samples.

#### **Tested samples regarding the goals of official control in the areas of district laboratories of BFSA in 2013**

In the testing laboratories with DFSD: Blagoevgrad, Vratsa, Varna, Gabrovo, Plovdiv, Sliven, Haskovo, Sofia and Shumen, a total of 644 929 samples have been examined (according to official control and according to private monitoring), distributed as follows:

- Food testing – 79 738 samples. As per microbiological indicators, a total of 68 272 samples have been examined, and as per physical and chemical indicators – 11 466 samples have been examined;
- Trichinella samples – 209 536 samples;
- Tests for unprocessed milk – 23 964 samples, out of which: 12 401 samples – for official control, 11 563 samples – according to self control;
- Diagnostic examinations – 330 764 samples;
- Samples for feed - 441 samples.

In 2013, in the Central Laboratory for Veterinary and Sanitary Expertise and Ecology, a total of 5 098 samples have been accepted, approximately 2% less than in comparison to 2012. The distribution of the samples as per programs is as follows:

- NMPCR – 2 596 samples;
- NMPCR – import from non-EU countries– 229 samples;
- POSPP – 29 samples;
- Framework plan for control of feed – 154 samples;
- Official control – 448 samples;
- Own information – 1 642 samples.

In 2013, CLVSEE has participated in 9 Proficiency tests.

During the year, in the Central Laboratory for Chemical Studies and Control, a total of 1 598 samples have been tested with 31 579 analyses, as follows: remains of pesticides - 305 samples with 27 306 analyses; mycotoxins – 322 samples with 1 456 analyses; element analysis and nitrates – 509 samples with 1 011 analyses; products for plant protection – 207 samples with 355 analyses; fertilizers – 255 samples with 1 451 analyses. The analyzed samples are under control programs and samples of clients.

CLCTC shall take part in the suitability tests, organized by the European Reference Laboratories for analysis of pesticide residues, mycotoxins and heavy metals in foods of natural origin. The participations of the laboratory in the suitability tests for 2013 are a total of 9.

The National Diagnostic Scientific Research Institute is a specialized structure for scientific and research, scientific and applied, diagnostics and expert operations in the field of animal health protection and microbiological safety of raw materials, food, feed and environmental sites. As a result of the NDRVM completed in 2013, in DRVM a series of scientific and science applicable contributions.

In 2013, significant laboratory and diagnostic studies and expert statements, mandatory in terms of scope, have been completed, as well as expert statements for implementation of the State prophylactic program, programs for control of illnesses, official control and self-control of safety of food, raw materials and products of animal origin. A total of more than 160 thousand diagnostic studies have been completed, and a total of 80 thousand expert statements and analyses of food products and feed.

#### **7.3.4.2. Control of veterinary medicinal products**

Official control of veterinary medicinal products shall be exercised on a central and regional level from experts of BFSA. Their activity is directly related to the efficient application of prophylactics and treatment of animals, and it has relevance to the base, on which monitoring of residues of veterinary and medicinal products and/or food of animal origin, designated for human consumption have been developed.

The activities on control of veterinary medicinal products are related to licensing for use of immunologic and medicinal veterinary and medicinal products, renewing licensing for the use of immunologic and medicinal veterinary products, renewal of licenses for use, issuance of supplements, in relation to changes in circumstances, in which the products have been licenses, work on procedures for mutual recognition of VMP, decentralized procedure, transfer of rights over licenses for use of VMP et. al.

In 2013, an evaluation of VMP records has been performed, which the applicants have attached to declarations under the procedures quoted. An evaluation has been completed on the periodically submitted reports for safety within the so-called “pharmacological vigilance” – a system, which has relation not only to the quantity and the safety of VMP, but through which adverse reactions by animals and reactions by people applying VMP to animals are being observed.

The register of VMP licensed to use shall be updated periodically, and the purpose shall be to support the market control of VMP, and providing the information stipulated by law to the veterinary and medical experts and outside users.

In the inspections completed in relation to the official control over the trade, storage and use of VMP, a trend for increasing the number of completed and non-disclosed inspections in sites, subject to control, is observed.

A trend is established toward increasing the quantities of used anti-microbe products in animal breeding sites. In relation to this, mutual actions are undertaken in a risk evaluation center for evaluation of risks in relation to the supervision of residual quantities of anti-microbe VMP in raw materials and food of animal origin, the risks of increasing anti-microbe resistance, as a result of a non-grounded use of such VMP.

Most frequently absences of compliance with the requirements of the Veterinary Medicinal Activity Act and the sub-legislative statutory acts, in relation to the trade and the use of VMP are verified in case of inspections of animal breeding sites and veterinary medicinal ambulatories.

#### **7.3.4.3. Control of feed**

In 2013, the operative goals assigned in the Uniform Multi-Annual National Control Plan of the Republic of Bulgaria for foods, feed, animal health protection, humane treatment of animals and plant protection (2012-2014) for reaching the strategic goal "Efficient functioning of the control system over feed".

During the year, in order to reach high degree of human health and animal health protection, environmental protection and protection from misleading, regular, oriented toward risk control of each of the stages of production, processing, storage, transportation, distribution, including feeding using feed. The control includes sites from the feed sector and livestock breeding sites, which produce or only provide food for feed of animals.

In 2013, the percentage of inspections of livestock breeding sites (farms) has been increased, with the purpose of evaluation of the compliance of the requirements for feed hygiene.

Control of feed during the year shall follow the following priorities:

- Reaching high degree of protection of people's health, the health of animals and the environment;
- Protection of users from fraud, misleads and illegal practices with feed;
- Efficient functioning of the system for control of feed;
- Performance of scheduled and risk-oriented control of processes in the operators of the feed sector – at each stage of production, processing, storage and distribution of feed, including feeding animals;
- Exercising of control of feed, regarding the content of unwanted and forbidden substances, as well as control of their compliance with the information, provided to clients;
- Efficient control over the genetically modified feed, control of market launch, observation and labeling of feed, which contain or have been produced out of GMO;
- Control on compliance with the forage ban, related to transmissible spongiform encephalopathies.

#### **Registration and approval of sites in the feed sector**

In compliance with the requirements of the Feed Act and Regulation (EC) No. 183/2005 regarding hygiene of feed, the activities performed in sector "Feed" are performed only in sites, which have been approved or registered by BFSA.

BFSA shall maintain national registers of the approved and the registered sites in the forage sector for activities determined in article 9 and article 10 of Regulation (EC) No. 183/2005. The national registers are public, and are accessible to users of the Internet site of BFSA. The register of the approved operators from the forage sector has been provided to the European Commission, and is accessible at the website of DG "Health and Consumer Protection".

The operators in the feed sector shall be registered and/or approved for any and all sites under their supervision, for each activity, performed by them.

As of 31.12.2013, the total number of registered and approved sites in the territory of the country is 10 802, an increase by 7.7% compared to one year earlier.

**Table V.9. Number of registered and approved sites in the forage sector**

Activity declared by the operator	Number of sites as of 31.12.2012	Number of sites as of 31.12.2013	Change 2013/2012
Registered producers of forage raw materials, other than the primary production of feed	372	417	12.1%
Registered traders of feed	1 944	1 966	1.1%
Registered producers of supplements, pre-mixes and combined feed	273	286	4.7%
Approved producers	52	54	3.8%
Approved operators for detoxification of feed	-	1	-
Approved operators for mixing fats	-	1	-
Approved traders	83	83	-
Approved producers and/or traders of medicinal feed	8	11	37.5%
Operators at level of primary production of feed (agricultural producers)	6 963	7 556	8.5%
Other types of operators, incl. Enterprises transporting feed and operators, leasing warehouses	332	427	28.6%
<b>Total registered and approved sites</b>	<b>10 028</b>	<b>10 802</b>	<b>7.7%</b>

Source: BFSA

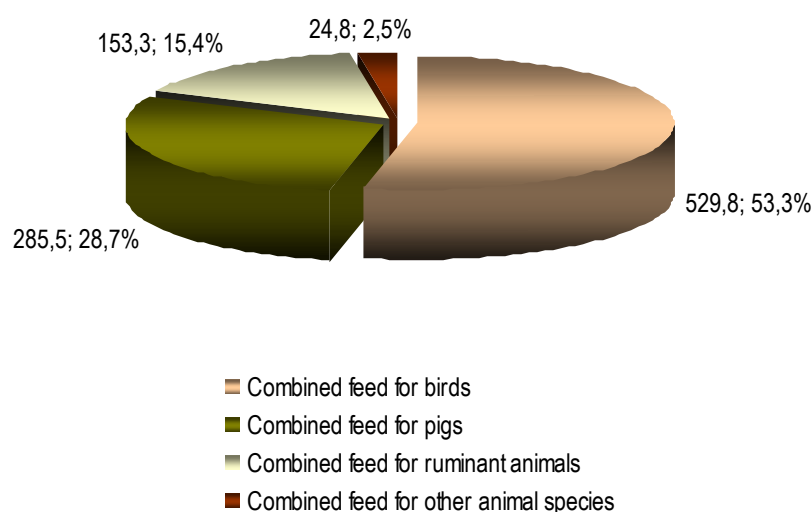
### **Production of combined feed**

According to data provided voluntarily by producers of combined feed, in 2013 a total of 993 336,2 tons of combined feed have been produced –14.4% more compared to the previous year, including: 175 610,5 tons, containing coccidiostatics.

The share of the production of combined feed for the purposes of own livestock breeding holdings during the year is 36.8% of the total produced quantity, and the share for the market – 63.2%. Compared to the previous year, the production of combined feed for the market has increased by 18.4%, and the share for own companies – by 8.3%.

In 2013, the largest share of the total production of combined feed is occupied by the share of combined feed for birds - 53.3%, or 529 814,5 tons.

**Figure V.4. Production of combined feed in 2013 per type of animals in thousand tons**



Source: BFSA

### Structuring of the producers of combined feed

In 2013, more than 40% of the total enterprises for production of combined feed are enterprises with production of up to 500 tons.

**Table V.10. Production of combined feed in 2013 according to the volume of production in enterprises**

Categories of enterprises according to the volume of the production in tons	Number of enterprises	Share in the total number of enterprises, %	Produced quantities, tons	Share in the total production of combined feed in 2013, %
<b>Enterprises with production up to 5 000 tons - total, incl.:</b>	<b>191</b>	<b>79,9</b>	<b>171 241,5</b>	<b>17,2</b>
I. from 500	96	40,2	13 799,8	1,4
II. from 500 to 1 000	30	12,5	22 267,3	2,2
III. from 1 000 to 2 000	40	16,7	58 182,9	5,9
IV. from 2 000 to 3 000	11	4,6	26 479,1	2,6
V. from 3 000 to 4 000	10	4,2	32 672,7	3,3
VI. from 4 000 to 5 000	4	1,7	17 839,7	1,8
<b>Enterprises with production exceeding 5 000 tons - total, incl.:</b>	<b>48</b>	<b>20,1</b>	<b>822 094,7</b>	<b>82,8</b>
I. from 5 000 to 10 000	26	10,9	196 669,8	19,9
II. from 10 000 to 20 000	12	5	168 572	16,8
III. from 20 000 to 40 000	5	2,1	134 303,9	13,6
IV. exceeding 40 000	5	2,1	322 549	32,5

Source: BFSA

In 2013, a total of 28 694 tons of medication feed have been produced, entirely for pigs. The share of the production of medication feed for the needs of own animal breeding holdings, is 79.7% of the total quantity produced during the year, and the production for the market– 20.3%.

**Table V.11. Production of medication feed in 2013 per districts**

District	Medication feed for pigs (in tons)		
	for the market	For own companies	Total
Varna	4 861	7 578	12 439
Razgrad	0	2 422	2 422
Ruse	162	9 867	10 029
Stara Zagora	171	468	639
Shumen	0	2 538	2 538
Yambol	627	0	627
<b>Total</b>	<b>5 821</b>	<b>22 873</b>	<b>28 694</b>

Source: BFSa

In compliance with article 17 of Regulation (EC) No. 178/2002, the operators of the forage sector are responsible for guaranteeing the safety of products produced by them for the preservation of health of animals and prevention of environmental risks.

The official control of feed is planned and current control. The current control included further inspections, in case of doubt and studying (signals, notices under the RASFF system et. al.).

Planned control is founded on the basis of criteria for evaluation of risk. In 2013, "Framework plan for control of feed 2013" and "Instructions for operation" are exercised in relation to the exercise of planned control, which have been prepared on the grounds of the stipulated controls in SMNCP 2012 - 2014

### **Results of the control activity for 2013**

The control of feed includes three control systems: "Feed and feeding of animals", "Transmissible spongiform encephalopathies and side animal products", and "Veterinary and Medical Products and Residues of Veterinary and Medical Products".

### **Results of the control activity under the control system "Feed and feeding of animals"**

The overall progress in achieving the strategic and specific goals in control system "Feed and feeding of animals" is evaluated as positive. As of 31.12.2013, the number of inspections assigned in the Framework Control Plan for 2013 has been completed at a rate of 97.6%. In comparison with 2012, the number of inspections completed is increased twice, on the grounds of the completed risk evaluation of the operators in the feed sector according to clear and uniform criteria.

The official control has the purpose of verifying the degree of compliance with the general and the specific legislation in the "Feed" sector.

The inspections shall encompass operators, which exercise activities at each of the stages of production (including primary), processing, distribution, storage, transportation and feeding through feed.

In 2013, a total of 6 035 inspections have been completed (with planned 5 180 inspections), out of which 5 056 – scheduled inspections, and unscheduled inspections, 765 – follow-up, 200 – investigation inspections, and 14 – inspections as per signal. For each inspection, a deed of findings has been prepared, a total of 1 325 prescriptions have been made in case of established absences of compliance, and deadlines have been set for their removal. A total of 30 acts for finding administrative breaches have been prepared. A total of 58 prohibitions have been exercised. In the cases under article 15 of Regulation (EC) No. 183/2005, in relation to failure to comply with the applicable requirements for the activity completed by operators, a total of 5 approvals and a total of 75 registrations have been revoked.

**Table V.12. Number of planned and completed inspections for 2013 of all stages of the production (including primary production of feed), processing, distribution and feeding through feed**

Number of planned inspections	Number of completed inspections				
	Scheduled/not scheduled	follow-up	Investigation	according to signals	total
5 180	5 056	765	200	14	6 035

Source: BFSa

In relation to the analyzed feed, no serious absences of compliance are observed, which could result in animals health hazards.

In the operators in the feed sector, no absences of compliance are observed in relation to the method of the used sites and equipment. They shall also be caused by insufficient financial resource for investments, which shall exercise influence over the compliance with the hygiene requirements.

The cases, in which the plans for self-control by the operators of the feed sector and the farmers are not exercised, are frequent.

The type and the place for finding out the inconsistencies do not pose a potential risk toward animals.

The absences of compliance established and their distribution are taken into consideration in the risk evaluation in the planning process of the framework plan for control in 2014

#### **Analyses of samples obtained by the official control of feed**

In 2013, during the inspections of sites in the feed sector, samples have been taken for analyses according to indicators, which have been declared by the producer for compliance, as well as compliance with the eligible values, designated in the law.

The total number of analyses from samples obtained regarding the official control during the year is 3 755, out of which 905 samples for nutrition composition (6.3% of the samples are non-compliant), 490 samples for feed supplements, with fixed maximum content, including the permitted coccidiostatics (absences of compliance are established in 6.7%), 1 911 samples – for unwanted substances, 174 samples – for forbidden to use medicinal substances, and feed supplements and contamination of non-target feed (7.5% absence of compliance), 244 samples for micro-biological studies – salmonella (1.6% absences of compliance – four positive cases), and a total of 31 samples regarding availability of GMO.

In relation to the analyzed samples, with the exception of the results for coccidiostatics, insignificant absences of compliance are observed. For coccidiostatics, most absences of compliance refer to the values declared by the producers, and establishing content less than the minimum content, according to the individual permit for the supplement.

In the analyses of supplements of functional group “micro-element compositions”, most absences of compliance refer to the value declared by the producers and misleading the clients. The established absences of compliance with the individual permits of supplements of this group, are close to the eligible maximum value of supplements.

The established absences of compliance of the samples for analysis of the content of forbidden to use medical substances as feed supplements, are the result of insufficient cleaning following the production of medicinal feed, or contamination of the production line with supplementing feed, polluted after the production of medicinal feed.



### **Control of feed under the control system “Transmissible spongiform encephalopathies and side animal products”**

BFSa shall control the compliance by the operators of the feed sector of the total feed prohibition (article 7 and Annex IV to Regulation (EC) No. 999/2001) and the inter-type feed prohibition (article 11 of Regulation (EC) No. 1069/2009) regarding the unprocessed animal proteins.

In 2013, in the documentary and physical inspections completed by the inspectors responsible for the official control of feed, no breaches have been established regarding the feed prohibitions. In separate operators of the forage sectors, absences of compliance have been found out in relation to the requirements for labeling of combined feed, in which proteins of animal origin have been used, as feed materials – fishmeal, blood products (hemoglobin).

The number of samples of feed obtained regarding the availability of ingredients of animal origin for 2013, is 418, out of which a total of 400 samples – from combined feed, and 18 samples – from feed materials.

The animal origin proteins are risk-related regarding to pollution with micro-organisms, due to which samples of feed have been obtained regarding the availability of micro-biological contamination of salmonella and enterobacterias.

In 2013, a total of 44 samples of feed have been studied regarding the availability of salmonella, and for enterobacterias – 31 samples.

In the completed laboratory control during the year, no positive and non-compliant results of samples of feed have been found, regarding availability of ingredients of animal origin, no positive cases for salmonella and enterobacterias in feed have been found.

### **Control of feed under the control system “Veterinary and medical products and residues from veterinary and medicinal products”**

In exercising of the control over the production and trade with medicinal feed by BFSa, the compliance with the requirements of Ordinance No. 20 dated 2006 regarding the conditions for production, storage, provision, transportation, decontamination, detoxification and destruction of medicinal feed shall be observed.

As of 31.12.2013 a total of 11 sites for production and/or trade with medicinal feed under article 55c, paragraph 1 of the Feed Act, have been approved in the country.

During the year, the planned 12 inspections of approved operators have been completed, which perform an activity “production of medicinal feed”, and absences of compliance with the requirements of the legislation in the field of feed have not been established.

In completed laboratory analysis of medicinal feed for cross-contamination, contents of antibiotics have been found in feed for non-targeted animals. The operator has been temporarily deprived of the approval for production of medicinal feed. It has been restored, after objective evidence has been received by the operator for guaranteeing the production of safe feed.

### **Audits of operators in the feed sector**

In 2013, out of the planned 297 audits of operators in the feed sector, a total of 248 have been completed, which is 83.5% performance of the plan and according to the implementation indicators, the goal set has been achieved in a satisfactory manner.

Out of the audits completed in 2013 for operators in the feed sector a conclusion could be made, that they have developed, introduced and are applying procedures, based on the HACCP principles, with which they have clearly completed the requirements under article 6 and paragraph 7 of Regulation (EC) No. 1831/2003. For some of the operators it has been found that the introduced procedures are not up-to-date as of this time, for which the respective recommendations have been given. For any and all absences of compliance established, recommendations have been provided,

under which the operators have undertaken corrective actions. They have been inspected for their completion, and have been closed.

Some of the audited operators, except for compliance with the requirements of article 6 and article 7 of Regulation (EC) No. 1831/2003 have voluntarily introduced and have been certified under ISO standards - ISO 9001:2008 – 11 operators; ISO 22000:2005 – 8 operators; ISO 9001:2008 and ISO 22000:2005 – 25 operators, and ISO 14001:2004 – 2 operators.

#### **7.3.4.4. Inspection of the effectiveness of the official control of feed**

In 2013, in all of the 28 District Directorates on Food Safety, a total of 28 inspections of the effectiveness of the exercised official control of feed have been planned and completed, under the meaning of article 8, paragraph 3 of Regulation (EC) No. 853/2004, under control system “Feed and catering of animals”, control system “Transmissible spongiform encephalopathies, and side animal products”, and control system “Veterinary and medicinal products and residues of VMP”.

During the inspections completed progress has been established in the exercised official control of feed in relation to tracking and the measures undertaken in case of absence of compliance, but omissions have been established in the compliance with some of the applicable requirements. On the grounds of the findings made during the inspections, recommendations are made to DFSD, having the purpose of improving the organization for planning and exercising official control of feed, which shall be efficient and in compliance with the goals assigned.

In 2013, during the inspections of the effectiveness of the official control of feed, 166 absences of compliance have been established, which require improvement. The omissions established during the year are 28% less compared to 2012, which provides a justification to made a conclusion that the control of feed is improving.

During the inspections made it has been established that the official control of feed is efficient in compliance with the goals assigned in eight DFSD; it is necessary to improve its effectiveness consistent with the assigned goals in fifteen DFSD and it is not efficient and is not compliant with the goals assigned in five DFSD.

With the purpose of improving the effectiveness of the completed official control on feed, the respective proposals for corrective actions have been provided.

#### **Rapid Alert System for Food and Feed**

In department “Control of feed” with BFSA, the competent feed contact point has been situated according to the Rapid Alert System for Food and Feed (RASFF), responsible for feed.

As of 31.12.2013, Bulgaria is mentioned in 10 distributed notifications through RASFF, out of which 7 for high content of aflatoxins in maize with origin from Southeastern Europe – Serbia, Ukraine, Romania, Hungary and Bulgaria, 2 notifications for established availability of salmonella in sunflower groats, and a single notification regarding poisoned dry dog food from Spain, distributed also in the territory of the Republic of Bulgaria.

One of these 7 notifications refers to maize with declared origin from Romania and Bulgaria, but has no written evidence provided that the notified lot contains maize originating from Bulgaria.

In relation to the notifications received, referring to Bulgaria, studies have been made and a risk evaluation has been performed by BFSA. Bulgaria has informed the European Commission and the EU member-states regarding the results of the studies made, and the measures undertaken in relation to the risk management regarding the content of aflatoxin B1 in feed.

#### **Data expected for the current year 2014**

In 2014, the control of feed follows main operational goals, which are related to the strategic goals, designated in SMNCP of the Republic of Bulgaria for 2012-2014 – in order to guarantee that the feed is compliant with the requirements for safety and inspection of the compliance with the requirements of the law for launch on the market and the use of feed (labeling).

In the sector of control of feed, work is being done on:

- Approval of the achieved positive results in the sector of control of feed through commitment of the competent experts of BFSA on a central and regional level;
- Commitments of the directors of DFSD with the control of feed, as part of the exercised control of BFSA, which shall be utilized in order to reach the completion of the Framework plan for control of feed and obtaining samples for the purposes of the official control by all DFSD;
- Completion of the Program for the inspection of the effectiveness of the official control of feed for 2014. Increase in the number of DFSD, under which compliance with the requirements for control of feed is established;
- Increasing the qualification of the inspectors, responsible for the official control of feed;
- Continuation of the efficient communication with the non-governmental sector and any and all stakeholders, referring to the safety and the quality of feed;
- Preparing SMNCP of the Republic of Bulgaria for 2015-2017 in the part regarding control of feed under the three control systems.

#### **7.3.5. Risk evaluation center**

The risk evaluation center has been established in 2011 and performs independent scientific evaluation of risk in relation to the safety of food by direct award by the European Food Safety Authority, BFSA or other state bodies, natural persons and legal entities.

In 2013, a total of 24 scientific opinions have been prepared and handed over to the Center, in the following areas: animal health protection; pesticides; mycotoxins; chemical contaminants; et. al. Until the middle of 2014, a total of 5 scientific opinions have been prepared.

In 2013, as per request of the Risk Evaluation Center, a total of 16 scientific opinions have been prepared by external experts from 10 scientific institutes on up-to-date topics in the field of food safety. The summaries of the opinions have been published at the Information Exchange Platform of EFSA (Information Exchange Platform – IEP).

During the year, 288 information and analyses of problematic pathological factors, established all over the world, and more specifically in the territory of the European Union and the Republic of Bulgaria, having relevance toward the safety of food and feed, referring to different strands of this activity, have been prepared and sent.

As development and supplementing toward the scientific activity of the Center, in 2013 experts have published 18 publications in six Bulgarian and foreign scientific magazines.

Three treatises have been issued regarding foot and mouth disease and classic swine fever in Bulgaria, as well as residues of pesticides, found in Europe for the period 2004 - 2013

Also in 2013 and 2014, the reporting to EFSA of the zoonoses found in Bulgaria.

In 2013, the Risk Evaluation Center has organized the sixth national scientific conference of the Bulgarian Focal Center with international participation, where 18 scientific publications have been presented, referring to different topics related to food safety.

In 2013 and 2014, the National Focal Center of EFSA continues to develop its operation for promoting EFSA on a national level, through different activities according to the signed Cooperation Agreement between EFSA and the Risk Evaluation Center.

#### **7.3.6. Legislative changes in the field of food safety**

In 2013, optimization of the statutory base in the field of safety of food and feed, animal health protection and humane treatment of animals has continued:

##### Animal health protection

- An ordinance for amending and supplementing Ordinance 41 dated 10.12.2008 has been prepared, regarding the requirements to sites, where pets are raised, bred and/or offered with the purpose of sale, requirements to animal homes and shelters. The Ordinance has been promulgated in SG, issue 81 dated 17.09.2013;
- An Ordinance for amending and supplementing Ordinance No. 52 dated April 28, 2006 has been prepared regarding health requirements toward sheep and goats in their movement or transportation between the Republic of Bulgaria and the EU member states for determining the health status of the sites they originate from, and the additional guarantees of the health status of these sites (Published in SG, issue 52 dated 2006); the Ordinance has been published in SG, issue 73 dated 20.08.2013;
- An Ordinance for amending and supplementing Ordinance No. 17 dated February 3, 2006 has been prepared guarding the measures for prophylactics, limitation and liquidation of the foot-and-mouth disease on cloven-hoofed animals and the terms and conditions for their application (Published in SG, issue 29 dated 2006). The Ordinance has been promulgated in SG, issue 5 dated January 17, 2014;
- An Ordinance No. 10 dated December 20, 2013 has been prepared, regarding the requirements toward data, which contains the documented for issuance of registration certificate, packaging, leaflet for use, and the presentation of a diagnostic veterinary medicine instrument, and the order for performance of the sensitivity testing (Published in SG, issue 5 dated January 17, 2014);

#### Food safety

- An Ordinance has been prepared for amending and supplementing the Ordinance for the specific requirements toward dairy products (promulgated in SG, issue 1 dated January 4, 2013);
- Ordinance No. 4 dated July 15, 2014 has been prepared, regarding the specific requirements toward the production of raw materials and food of animal origin in slaughterhouse facilities, their transportation and market launch (Published in SG, issue 60 dated 22.07.2014);
- An Ordinance for amending and supplementing Ordinance No. 37 dated March 31, 2006 has been prepared, regarding the health requirements toward animals, which provide raw materials and food for human use (promulgated in SG, issue 106 dated 10.12.2013);

#### Safety of feed

- A supplement to the Feed Act has been adopted (promulgated in SG, issue 55 dated 2006, further supplementing in SG, issue 7 dated January 25, 2013);
- Ordinance No. 1 dated March 11, 2014 has been prepared regarding the requirements for the production and/or trade with medicinal feed and/or interim products for their production (promulgated in SG, issue 26 dated March 21, 2014);
- A draft of an Ordinance regarding the terms and conditions for development of rapid alert system for food and feed in the Republic of Bulgaria has been prepared.

In the area of legislative initiatives, the Republic of Bulgaria supports the draft of EU Regulation having the purpose of providing an option to member states for limiting or restriction of raising GMO in a part of or their full territory, while simultaneously preserving unchanged the permission regime, effective in EU and based on scientific justification.

## **8. Selection and reproduction in livestock breeding**

### **8.1. Management of national genetic resources in livestock breeding**

Management of genetic resources in livestock breeding has the purpose of protection of endangered or vulnerable local autochthonous breeds – country's national wealth, as well as support and development of commercial breeds, forming national genetic resources.

The Executive Agency for selection and reproduction in livestock breeding performs monitoring of the status of national genetic resources, as well as coordination of activities, related to their management.

EASPAH takes part in the management of national genetic resources in livestock breeding by organizing, managing and participating in the activity of the National Council of Management and Storage of Genetic Resources. In 2013, a total of 31 sessions of the National Genetic Resource Council in livestock breeding have been conducted, in separate sections for the separate strands in livestock breeding, where problems of the respective branch have been discussed, and a series of proposals have been made for improving breeding activity.

The Genetic Resources Council periodically discusses the condition of the genetic breeds and undertakes adequate measures for not allowing the extinction of national animal breeds. EASPAH annually exercises monitoring of the breeds in relation to maintaining and periodical updating of the Register of the breeding herds of the National Genetic Fund.

In 2013, the Agency has determined the breeding status of herds, the risk status of breeds and the trend of change. During the year, the breeding organizations in the country control 22 autochthonous breeds and 11 commercial domestic breeds, which are the subject of support in Rural Development Program for the period 2007 - 2013 under measure 214 "Agro-ecological payments" in strand "Protection of local breeds endangered with extinction".

For the period 2009 – 2013, no breeds exist with a decreased status as endangered breeds, as well as breeds, which have become extinct. Only the breed "Pleven horse" could be defined as an extinction breed.

Since 2013, EASPAH has maintained information database regarding the status of genetic resources according to sample form of the base EFABIS of the European Regional Focal point. The national system is related to EFABIS, and the latter – with the information system DAD-IS of the Food and Agricultural Organization /FAO/. This integration provides an opportunity for transfer of data from the national to the European and the global information systems.

In relation to the need of protection of the rare indigenous breeds, with the assistance of the Bulgarian and Swiss project "Let's related environmental preservation with sustainable development of rural areas", an information system regarding indigenous breeds of agricultural animals has been developed and commissioned in 2013, the main objective of which is integration of information regarding indigenous breeds in Bulgaria. Through unifying information collected for separate breeds, the system provides efficient electronic access to data required for management of genetic resources in livestock breeding to all participants in this process and presents new opportunities for information services of the civil society. The system is in the process of updating data, and by the end of 2013, a total of 62 841 animals from 30 breeds have been registered.

EASPAH also maintains the National Genetic Reserve of the country, which guarantees the national sovereignty in relation to genetic resources, preservation of species and breed diversity of agricultural animals, maintenance of population with low numbers in pure state, preservation of indigenous animal breeds with unique genetic properties, and high fitness and adaptability for growing under the natural conditions of the environment.

As of 31.12.2013, in the National genetic reserve, a total of 360 471 doses deeply frozen seed material are stored from 387 beef, 24 buffalo getters and 29 rams. The doses are from 27 breeds of cattle, 4 breeds of buffalo and 9 breeds of sheep. In 2013, the National Genetic Reserve has been enriched with doses of 7 new buffalo getters and four rams.

In order to guarantee higher bio-security, since 2012, the reserve is divided into two cryo storage facilities – in Sofia and in Sliven.

In the National Gene Bank as of the end of 2013, a total of 3 117 872 doses of deeply frozen semen is stored from 287 getters of 21 breeds of cattle, 3 breeds of buffalo and one breed of sheep.

Thus in 2013 in the National Gene Bank and in the National Gene Reserve, a total of 3 478 343 doses of deeply frozen semen are preserved, out of which 230 063 are of three breeds of cattle, one breed of buffalo and eight breed of sheep from disappearing and endangered local and autochthon breeds.

EASPAH manages and maintains the two state stations for artificial insemination in Sofia and Sliven, providing the breeding activity, management and preservation of genetic resources in the country. In the stations, breeding material is produced and stored long-term of valuable high-yield breeds of indigenous autochthon breeds of animals. In 2013, a total of 50 698 doses of deeply frozen semen has been produced in them, with an increase of 5 988 doses compared to the previous year.

Out of the acting boars, a total of 955 breeding sows have been inseminated, 176 more than compared to the previous year.

In 2013, the initiative for providing breeding organizations with an opportunity for raising male animals for breeding, production and cryo-conservation of sperm according to mutual operations agreement. During the year, EASPAH has been working with the National Association for breeding of cattle of the breed Montbeliard and Simmental.

The Agency has supported the activity of the breeding organizations by providing opportunity for observing the quality indicators for the controlled samples in their laboratories; raising male animals and production and storage of semen, proof of origin of breeding animals in its laboratory.

For this purpose, EASPAH manages and maintains three laboratories for analysis of the quality indicators of animal products, covering the needs of the selection and establishing the origin and determining the blood type of the animals. In 2013, in the laboratory for determining the chemical and physical composition of milk (town of Sliven), a total of 234 218 samples from five breeding organizations in cattle breeding have been analyzed.

With the use of the laboratories for the physical and chemical analysis of dairy samples, equality, comparability of results, self control between the breeding organizations and objective control over their activity by EASPAH has been achieved.

The testing laboratory for rams for its own production rate (town of Shumen), providing service for the selection of fine fleece sheep breeding provides an opportunity for determining the magnitude of certain selection principles and the quality of fleece in relation to physical and mechanical properties, yield and quantity of pure fiber. In 2013, a total of 853 samples of fleece have been examined therein, a decrease by 56 samples compared to the previous year.

In 2013, in the National Laboratory of Immunology, for establishment of an origin and determining as per blood type of animals (city of Sofia), a total of 256 blood samples have been studied.

The activities on reproduction shall be exercised by licenses Sperm Storage Centers. The realization of semen material of getters from the national Gene Fund, shall be performed by 18 licensed sperm storage centers, and 11 of them support movable lines. In this way, the farmers receive good quality of storage of sperm in direct proximity to the farms services by them. In 2013, 76 337 doses of sperm have been realized, which is 2 650 doses less than in comparison to the previous year.

For support of the artificial insemination of agricultural animals in the country, in 2013 EASPAH works with 525 insemination technicians.

In 2013, in the school of preparation of insemination technicians with EASPAH in the town of Sliven, a total of 7 courses for insemination technicians for cows, and a total of 29 technician inseminators have been trained.

The experts of the Agency prepare together with breeding organizations group and individual contingency plans. The selection experts are provided with support for the selection of specific getters, in order to reach the goals, assigned in their breeding programs.

With the prevention of extinction of breeds Danube and Pleven horse, in November 2013, agreements have been concluded with the Association for restoration and development of breeds Pleven and Gidran horse, and the Association of Horse Breeders in Bulgaria. The goal of the established team is to develop perfected technology for cryo-conservation of semen from horses and for performance of embryo-transfer between the breeds Danube and Pleven horse.

In order to popularize the national genetic resources and the effect of the breeding activity, in 2013 EASPAH has organized and conducted three exhibitions, financed under the state aid schemes, provided through SF "Agriculture" – "Aid for participation in exhibitions and fairs – National livestock breeding exhibitions – town of Sliven, Regional fair on buffalo breeding – village of Getsovo, district of Razgrad, National fair for protection of local Bulgarian breeds – town of Kalofer".

At these forums, the condition and the trends for direction of livestock breeding in the country have been presented, the national genetic resources have been demonstrated, and the public shall be committed with the preservation of the indigenous breeds of animals, endangered with extinction.

During the year, numerous meetings have been held and advisory and professional services have been provided to breeding organizations, NGO's and farmers on issues related to breeding activity, subsidizing breeding animals, changes in the legislation in the field of breeding activity, feeding, raising and breeding of animals.

In 2013, EASPAH has continued to represent Bulgaria in international bodies and organizations related to the use and storage of European and global genetic resources in livestock breeding and to take part in different projects.

## **8.2. Control and coordination of the breeding activity**

In 2013, EASPAH has completed scheduled inspections on the activity of 42 breeding organizations, For the breaches and omissions established, 121 prescriptions to 29 breeding organizations have been issued.

The quality of the breeding material, produced in, incoming to and distributed in the territory of the country, shall be controlled by EASPAH through the support of a national register of male animals for breeding, and a Register of breeding herds from the National Gene Fund.

In 2013, after a five-year update of data, in the Register of male breeding animals, the following have been included: 5 137 cattle bulls, 176 buffalo bulls, 8 203 rams, 970 goats, 453 stallions, and 598 boars. In the Register of breeding herds, a total of 2 925 herds have been distributed as follows: cattle breeding – 1 117, buffalo breeding – 159, sheep breeding – 1 208, goat breeding – 172, pig breeding – 76, horse breeding – 186, bird breeding – 7. In the registers, 53 apiaries have also been included, as well as 13 dog owners.

In 2013, in the register of importers of seed material, 4 importers have been registered, with a total of 19 submitted notices for import of 66 948 dosages of 163 cattle getters of 16 breeds.

During the year, EASPAH has exercised control of the activity of the breeding organizations by organizing inspections of under the state aid scheme: "Assistance for keeping hereditary record and defining the productivity and genetic properties of the animals". The inspections completed include breeding activity with farms and animals as follows: cattle breeding - 743 farms (with 50 752 animals), buffalo breeding - 138 farms (with 4 849 buffalo animals), sheep breeding - 793 farms (with 154 486 sheep), goat breeding - 75 farms (with 8 694 goats), pig breeding - 82 farms (with 35 421 pigs), bird breeding - 6 farms (with 649 676 birds), horse breeding - 261 farms (with 3 279 horses), and 55 bee families.

Two breeding organizations have also been inspected, which have received state aid under the scheme "Aid for keeping a hereditary record and determining the productivity and genetic properties of the Bulgarian shepherd's dog and Karakachan dog".

Control has been exercised over the activities of breeding organizations on organizing and conducting exhibitions under state aid schemes of SF "Agriculture".

In 2013, EASPAH has also exercised inspections of the compliance with the breeding program by beneficiaries, subsidized under strand "Protection of indigenous breeds, endangered by extinction" under measure 214 "Agro ecological payments" by RDP 2007 – 2013. A total of 847 beneficiaries have been inspected, and on the grounds of the results of the inspections, payments have been made to beneficiaries.

## **9. Agricultural science, training and advisory activity**

### **9.1. Scientific and research activity and scientific services in agriculture, exercised by the Agricultural Academy**

In 2013, the activity of the Agricultural Academy is oriented toward improvement of the structures and increasing the administrative capacity in the management of the system, for establishment of optimum conditions for experimenting and efficient solving of the problems of scientific research in the area of the agrarian sector.

A total of 148 scientific research projects are in the process of development, in the following scientific strands: crop husbandry – 42; pedology, general agriculture and meliorations – 54; livestock breeding – 31; food technologies and agrarian economy – 21.

#### **9.1.1. Scientific products established and implemented in production**

In the Official List of Plant Varieties in the country, issued annually by EAPVTFISC, in 2013 a total of 197 plant varieties have been registered for AA. Out of them, 172 have been included in list A (including varieties of cereal sorts, oilseeds, fiber and feed crops, and tobacco), and 25 have been included in list B (including sorts of vegetables and vines).

The total number of the published submitted applications to the Patent Office during the year is 18.

The scientific products, which have received legal protection according to the statutory base in 2013, are 19, with a readiness for conclusion of licensing agreements. This includes 7 varieties of grain and cereals, 8 varieties of decorative, medicinal and aromatic crops, 2 varieties of silkworm.

AA has 85% of all issued and maintained plant variety certificates and animal breeds in the Patent Office.

The AA system has significant and diverse intellectual property assets, which provides the option of realizing income.

#### **9.1.2. Knowledge transfer and scientific products**

In 2013, 66 demonstrative fields and farms have been created, where open days and meetings of the teams of the scientific units have been organized with agricultural producers, providing an opportunity for becoming familiar with the new sorts of plants, breeds of animals and innovations in the technological aspects of their raising.

During the year, the teams of Agricultural Academy have organized 41 open days, this is the most accessible form for faster realization of the achievements of agricultural science by the direct users – agricultural cooperation, companies, farmers and companies in any and all aspects of the scientific and application activity.

Science workers of AA participate actively in the performed diverse forms of increasing qualification of agricultural experts and farmers from agricultural cooperatives in the production of base



seeds and breeding varieties of animals, design of private farms, development of technologies et. al. In relation thereof, 286 short-term courses have been organized.

In 2013, by the structural teams of the Academy, a total of 667 agricultural producers have been submitted, which have been provided with permanent methodical and consultancy assistance. Agreements have been concluded for development of projects.

The number of agreements concluded during the year is 664. They are for the establishment of the condition of separate agricultural crops; for settlement of technological problems; recommendations for sort structure; for breeds of agricultural animals and technologies in livestock breeding, for new directions in the mechanization and the irrigation technique; different offers for business evaluations; for production of base and certified seeds and breeding animals.

Laboratories, part of the CCA system, continue to provide essential aid to farmers and experts. In 2013, more than 150 thousand soil analyses, analyses of plant samples and analyses of animal products et. al. have been completed therein, related to the quality of raw materials and safety of food. On the grounds of the results obtained, specific recommendations have been given for the raising of agricultural crops, diagnostics and prophylactics of animals, storage and processing of agricultural production.

During the year, a total of 76 scientific and practical conferences, seminars, symposiums, round tables have been organized, in which problematic issues of the modern agriculture, economics and marketing and financing of agricultural science have been discussed.

#### **9.1.3. Qualification structure of scientists, training of PhD students and publication activity**

The total number of scientists in AA as of the end of 2013 is 596, which according to academic positions and scientific degrees are distributed as follows: professors – 53, associate professors – 256, head assistants – 184, and assistants – 103, with education and scientific degree “Doctor” – 410 scientists, and with scientific degree “Doctor of Sciences” – 21 scientists.

The ratio between habilitated and non-habilitated scientists in AA is preserved within the limits of 1,08.

In 2013, 10 scientists have been habilitated, out of which a total of 6 have acquired academic position “Professor” and 4 – “Associate Professor”. During the year, 9 assistants and general assistants have acquired education and qualification degree “Doctor”, and 1 associate professor has acquired the scientific degree “Doctor of Sciences”.

In AA, twenty scientific and research institutes have 59 accreditations for education in education and scientific degree “Doctor” under 31 doctorate programs. In 2013, a procedure has been opened for program accreditation under doctorate program “Technology of tobacco and tobacco products” in the Institute of tobacco and tobacco products, village of Markovo.

In 2013, in the structural units of AA, a total of 113 PhD students are being trained in education and scientific degree “Doctor”. During the year, 13 PhD students have successfully defended their theses, and they have been given their diplomas for acquired education and qualification degree “Doctor”.

For the academic year 2013/2014, AA has announced a competition for admission of doctorate students – a total of 71 spots for 25 PhD programs in 16 institutes. 14 applicants have been successfully ranked.

#### **9.1.4. International cooperation in the area of agricultural science**

In 2013, the scientific and research institutes and the trial stations of AA have international cooperation with scientist from more than 40 countries within joint research projects, participation in international seminars, conferences, consultative meetings, specialization abroad, acceptance of foreign scientists on topics of mutual interest, et. al. A total of 173 projects are completed, out of which 126

topics for scientific and technical cooperation on bilateral basis and 47 – other license, distributor and other commercial agreements.

The institutes perform 47 projects, financed and supported by different international institutions: EU; Organization for catering and agriculture; International Center on genetic engineering and bio-technology; Bioversity International, Italy; International Atomic Energy Agency; International Center for Improvement of Maize and Wheat; International center for agricultural studies in dry regions, et. al. The trend for increasing the number of projects on a multi-partite basis, financed under programs of international organizations and institutions, is affirmed.

Under different European programs, a total of 32 projects are being completed. Currently the Agricultural Academy institutes take part in 11 projects under the Seventh Framework Program of EU. The participation is mainly in three specific strands of the Program – PA “Cooperation”, in priority 2 “Food, agriculture, fishery and bio-technologies”, in priority 6 “Environment, including climate changes”, and priority 8 “Public Economy and Humanitarian Sciences”.

The Academy successfully takes part in other European programs. The program eContentplus of EU for conversion of digital data in Europe into more accessible, useful and utilized data; EU program for cross-border cooperation of the countries in Southeastern Europe and EU Program for cross-border cooperation between Bulgaria and Romania; with Directorate General “Health Protection and Consumers” of EU through the Executive Agency for Health and Consumers, Luxemburg; with the European Food Safety Authority.

In different projects (actions) of the European program for coordination of the research in science and technologies (Program COST), scientists of Agricultural Academy are national coordinators or participants in 11 COST – actions in the areas: “Food and Agriculture”, “Biomedicine and molecular bio-sciences”, “Individuals, municipalities, crops and health”, “Earth and Environmental Science”, et. al.

AA has valid direct agreements for cooperation with similar scientific and research organizations from Vietnam, China, Romania, the Kingdom of Morocco, Moldova, Russian Federation, Mongolia, Ukraine, France and with the Joint Research Center of EU.

## **9.2. Advisory activity**

Essential part of the state policy for providing advisory services for providing appropriate level of technical and economy knowledge and skills in agricultural and forestry sector with the purpose of implementation of CAP and increasing the competitiveness of Bulgarian producers is realized through the National Agricultural Advice Service (NAAS).

NAAS offers a complex "package of consultancy services", which includes consultations from the establishment of the farm to its full servicing in agronomic, animal husbandry, and agrarian economy aspect.

Any and all consultations provided by NAAS are free for agricultural producers. The service provides consultancy and advisory activity mainly through its experts from its territorial district offices.

In 2013, the officials of NAAS have consulted a total of 19 494 persons, to which they have provided a total of 79 311 consultations (average 4 consultations for a single person). The number of consultations provided by NAAS has increased by 6% compared to the previous year 2012. Most of the persons, who have received consultations, have used the full package of advisory services offered by NAAS.

For 2012, the share of consultations provided in the office is 90%, and the share of on-site consultations is 10%. The persons consulted by NAAS are mainly three types:

- agricultural producers, who have already started their agricultural activity, and small agricultural holdings are prevalent in this group;
- persons, who would like to start agricultural activity, but have not yet done so;
- other persons, residing in rural areas, including forest owners.

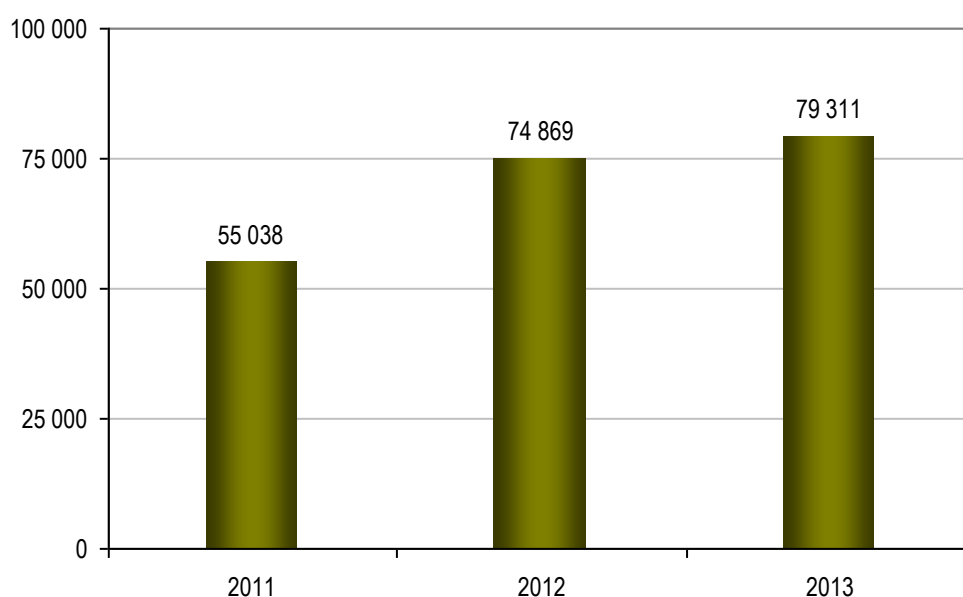
In 2013, the NAAS experts have completed 3 078 on-site inspections in agricultural holdings, whereas they have provided specific advice and evaluation of the conditions in which agricultural crops and animals are being raised. Demonstrations have been made, as well as practical trainings. This contributes to increasing the quantity and quality of production, in compliance with the European norms and standards. In recent years, change in the type of consultations is observed – more often agricultural producers need to receive consultation for settling specific problems in the holdings, as well as complex solutions.

In 2013, consultations related to the application of RDP remain with the leading share, despite the fact that their share has decreased to 41% (50% in 2012). During the year, a total of 32 833 consultations under RDP have been provided, almost 13% less than compared to 2012, which is explained with the expiry of the programming period 2007 – 2013.

The second ranked types are the specialized consultations, with a share of 29%, and their number has increased by 14% compared to the previous year. The group “Miscellaneous” takes up 23% of the total consultations provided by NAAS in 2013

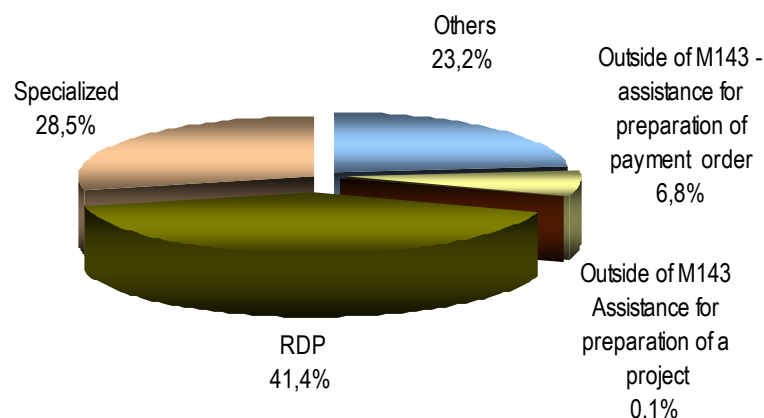
Among the various measures of RDP, in 2013 the highest interest toward and the highest number of consultations have been provided again under measure 141 “Support of semi-market holdings in the process of restructuring” – a total of 20 395 (62% of consultations under RDP), which is 27% less than compared to 2012. Consultations have been presented both to agricultural producers, which would like to apply under the measure, and for performance of business plans of the semi-market holdings, already approved under the measure. The decrease in the number of consultations under this measure could be explained with the fact that in 2013 no acceptance of projects has been opened under measure 141 “Support of semi-market holdings in the process of restructuring” by RDP. Second ranked are consultations under measure 112 “Establishment of holdings for young farmers” – 4 928 consultations (15%), an increase by 3% compared to 2012. Part of them has been provided to young farmers, which have already been approved, for the successful implementation of their projects. The consultations provided under measure 121 “Modernization of agricultural holdings” follow, with a total of 2 982 consultations, and measure 214 “Agro ecology payments” with 2 250 consultations (an increase by 57% compared to 2012).

**Figure V.5. Total number of consultations provided by NAAS, for the period 2011- 2013**



Source: NAAS

**Figure V.6. Consultations provided by NAAS in 2013 per type**

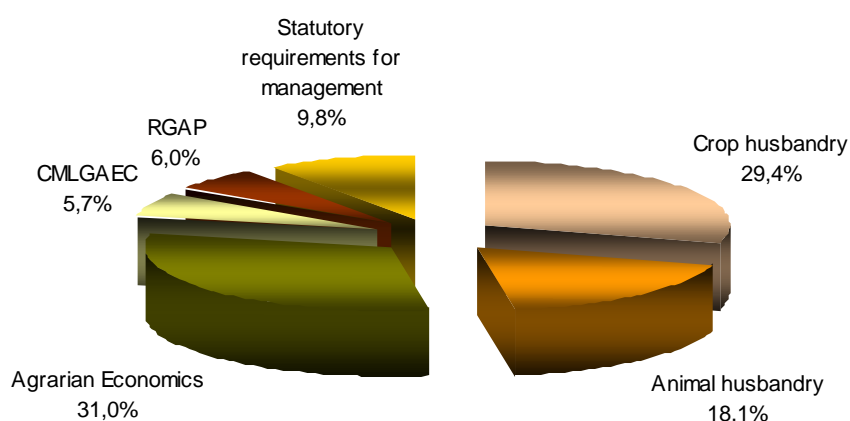


Source: NAAS

Specialized consultations increase by 14% compared to the previous year 2012, up to 22 623, and an increase in the number of consultations in agrarian economy, crop husbandry and livestock breeding is reported.

Under the conditions of constantly changing and strongly competitive environment, the largest share is the share of specialized consultations in the area of agrarian economy – 31% (7 006 consultations). The main topics which are of interest to the farmers are taxation, social security and finding markets for the production.

**Figure V.7. Specialized consultations, provided by NAAS in 2013, per target**



Source: NAAS

The share of consultations in the area of crop husbandry and livestock breeding is significant (including their biological strands) – respectively 29 and 18%. Consultations regarding Statutory

requirements for management follow, listed in Annex II of Regulation (EC) No. 73/2009 of the Council dated January 19, 2009 and related to the so-called cross compliance. The consultations regarding the rules for good agricultural practices (RGAP) and Conditions for maintenance of the ground in good agricultural and environmental condition (CMLGAEC) are also in demand by agricultural producers, due to their increasing importance for increasing the competitiveness of their holdings, compliance with statutory requirements, and access to financing under the first pillar of the common agricultural policy.

Specialized consultations provided in 2013, are in the following main strands:

- Crop husbandry
  - Agrarian technical and plant protection events for different types of crops;
  - technology for raising different types of crops;
  - establishment and recovery of perennial crops and vineyards;
  - organic farming - options, conditions, requirements, certification;
  - measures for recovery and maintenance of pastures;
  - management and use of water resources;
  - new agricultural machinery for raising agricultural crops.
- Livestock breeding
  - Veterinary and sanitary hygiene requirements toward animal breeding sites;
  - Feeding of different species of animals and birds, according to age and physiological condition;
  - organic livestock breeding.
- Agro-economics and Management of the holding – business and planning
  - Business planning;
  - Social security and taxation of agricultural producers;
  - Market analyses;
  - Realization of agricultural production;
  - Calculation of prime cost;
  - Options for financing of agricultural producers – subsidization, loaning , leasing, etc.
- Rules for good agricultural practice;
- Conditions for maintenance of the land in good agricultural and environmental condition;
- Other consultations:
  - Agrochemical analysis of soils;
  - Safe occupational conditions;
  - Quota System for cow's milk;
  - Organizations of producers of fruits and vegetables;
  - Registrations and/or categorizations of livestock breeding sites, including apiaries;
  - Registration in VWEA, EAPVTFISC and BFSA, keeping records and issuance of documents;
  - Registration of agricultural producers under Ordinance 3/1999;

- Conclusion of agreements for use of agricultural lands;
- Schemes for financing and loaning to agricultural producers (outside of RDP).

### **Trainings**

In the Occupational training Centers for occupational training with NAAS, training of persons aged 16 years or more has been completed, for acquiring, extension and improvement of professional qualification with the purpose of improvement of suitability for employment, support of professional career and individual development. Trainings provide an option for agricultural owners to clearly determine their priorities, and learning how to distribute financial resources for completion of the trainings.

In 2013, in the PTC of NAAS, a total of 557 course participants have been trained, and 539 of them have been trained under measure 111 “Professional training, information activities and distribution of scientific knowledge” of RDP. The total number of persons trained for the period 2011 - 2013 is 1 780.

### **Improvement of the link “Scientific research – advice in agricultural – agricultural business”**

In 2013, a total of 106 (17% more compared to 2012) mutual information meeting-seminars of NAAS with scientific institutes, scientific and application organizations and other institutions, organizations and experts have been completed, with the purpose of supporting the transfer of scientific knowledge and technologies in practice. Lecturers for these events, except for the experts of the territorial offices of NAAS, are leading scientists in the field of agriculture from the AA science institutes, higher education establishments, training employees in the field of agriculture (Thracian University – town of Stara Zagora, and the Agrarian University – city of Plovdiv, University of Forestry – city of Sofia, et. al.), from the district directorates of BFSA et. al. More than half of these events have been completed together with the science institutes and the trial facilities within the AA system.

### **Information assurance**

An important part of the advisory activity is related to information security, including the preparation of information materials, participations in media events, organizing and participation in information events, and presentations on specialized topics in the field of agriculture.

In 2013, the experts of NAAS have organized and/or taken part in 381 information events, including 178 information meetings, 156 seminars, 24 consultancy days, 7 demonstrations and 16 others. NAAS has taken active participation in the information campaign of MAF in RDP and it has supported the organizing of different regional holiday, including the traditional holiday “Golden Peach 2013” in the village of Gavrilovo.

During the year, a total of 228 information materials have been developed (agricultural calendars, brochures, education leaflets, flyers, et. al.), and the largest share is the share of education leaflets, and “Calendar of the Plant and Livestock Farmer”.

### **Agrochemical analyses**

In 2013, the activity of the Analytical Laboratory has been restored. The Laboratory supports the advisory activity of NAAS and agricultural producers for application of CAP and the measures under RDP. The strands of the laboratory activity are related to the requirements for improving the activity and increasing the competitiveness of the holdings.

With the restoration of laboratory services, NAAS supports beneficiaries of the office under measure 143 of RDP – within the framework of additional advisory services for agricultural producers, which have received financial aid under measure 141 “Support of semi-market holdings in the process of restructuring”. It is of assistance to agricultural producers in the realization of their business plans under measure 112 “Establishment of holdings of young farmers” and the realization of their agro ecological plans under measure 214. Agrochemical analyses of soil samples for soil acidity (pH),

absorbable phosphorus and potassium, mineral nitrogen (ammonia and nitrate), total nitrogen in soils, determining of active calcium and humus level are completed in the laboratory .

In 2013, a total of 1 550 soil samples have been taken for the following definitions:

- Agrochemical analyses – 7 750 definitions;
- Content of humus – 360 definitions;
- Total nitrogen – 116 definitions;
- Active calcium – 55 definitions.

On the grounds of the analyses made, a total of 389 recommendations for fertilizing have been prepared.

#### **Activity of NAAS under measure 143 of RDP 2007 - 2013**

NAAS is the sole beneficiary under measure 143 "Providing advice and consultation in agriculture in Bulgaria and Romania" under the Rural Development Program 2007 – 2013. As of the launching of the measure in 2008 and until the end of 2013, the NAAS experts have provided for free to agricultural producers 16 799 sets of advisory services as follows:

- Under measure 112 "Establishment of holdings of young farmers" – 4 406 services;
- Under measure 214 "Agro ecology payments" – 2 841 services;
- Under measure 141 "Support of semi-market holdings in the process of restructuring" – 9 341 services;
- Under measure 121 "Modernization of agricultural holdings" – 206 services;
- Under measure 311 "Diversification of non-agricultural activities" – 5 services.

In relation to the proposals approved in December 2011 by EU for changes under measure 143 of RDP, the advisory services provided by NAAS under measure 143 also include additional advisory services for agricultural producers, which have received financial aid under measure 141.

Out of all sets of advisory services reviewed by SFA-PA in 2013, provided by NAAS in the period 2008 - 2013, a total of 4 497 projects have been approved, to a value of 2 082 924 BGN, including:

- Under measure 214 – 170 services;
- Under measure 141 – 2 890 services;
- Reports for provided additional advisory services – 1 361 services;
- Under measure 121 - 76 services.

A total of 278 projects under measure 141 have been rejected.

#### **10. Professional education**

As of this time, the school network with the Ministry of Agriculture and Food includes 76 institutions of the professional education and training in the branch. They exercise functions for providing public (education and training) services.

In relation to realization of the Program for completion of the Decentralization Strategy 2010 - 2013, during the last several years up until 2013 of municipal financing, 16 professional schools from the agrarian sectors are under municipal financing.

As a result of the demographic crash and decreasing the number of students, as well as the observed diminished interest in some majors, mostly in wood processing, three secondary professional schools have been closed.

The secondary professional schools have been founded in different periods of time, under various statutory acts, and acts of different administrative bodies. The oldest schools in terms of the year of their establishment are the Agricultural Secondary School – village of Sadovo, Professional secondary school of agriculture “Angel Kanchev” – town of Ruse, and Professional Secondary School of wood processing and internal architecture “Joseph Wondrack” – town of Ruse. They have been established in 1883.

The professional secondary schools and schools of agriculture and forestry, food technologies and veterinary medicine, are secondary administrators with budget loans to the Minister of Agriculture and Food.

As of this time, school students in schools financed by MAF are trained in 12 professional strands, out of which the following are prevalent: crop husbandry and livestock breeding, forestry, veterinary medicine, food technologies.

For the academic year 2013/2014, a total of 21 883 school students have been trained, 0.1% more compared to the previous academic year, incl.:

- On majors and professions from strand “Agriculture and forestry” – 7 772 school students, as well as prevalent and willing majors and vocations, are “Agro-environmentalist”; “Farmer”, including IV PCD, following a completed secondary education; “Plant protection”; “Technologist in winery and vinery”, and “Technician-arboriculturist”; “Technician-landscaper”.
- On majors and professions from strand “Veterinary medicine” - 855 students; prevalent and willing profession “Veterinarian Technician”.
- On majors and vocations from strand “Production and processing” - 2 936 students; “Technician and technologist for the quality of foods and drinks”.
- On majors and vocations of strand “Business management and administration” – 1 709 school students; “Economist” in agricultural holding and “Economist” in forestry holding.
- On majors and vocations from strand “Applied arts and crafts”, “Designer” and “Art Woodcutting” – 409 students;
- On majors and professions from strand “Personal services” – 1 687 students; “Organizer of tourist agency activity” – “Agricultural tourism”.

In an evening, independent and extramural form of education, a total of 6 349 students are being trained. A total of 91 school students are trained with the special education needs for first qualification degree.

Per planning regions, the schools are distributed in the following manner:

- North Western – 20 schools (districts Vidin, Montana, Vratsa, Pleven and Lovech);
- North Central – 10 schools (districts Veliko Tarnovo, Ruse, Razgrad, Silistra);
- North Eastern – 11 schools (districts Varna, Dobrich, Shumen and Targovishte);
- South Eastern – 9 schools (districts Burgas, Sliven, Yambol and Stara Zagora);
- South Western – 8 schools (districts Sofia (capital), Sofia, Blagoevgrad,;);
- South Central – 18 schools (Plovdiv, Haskovo, Pazardzhik, Smolyan and Kardzhali);

## **11. Suppressing hail**

The geographical location and the orography of the country predetermine Bulgaria to be one of the countries in Europe with high frequency and power of hail processes.



The hail protection system in Bulgaria has been established in 1968, under the Ministry of Agriculture, and for a total of 45 years it has proven the high social and economical effect of the country from this activity. Polygons for suppressing hail have been developed gradually in regions strongly affected by hail in the districts Vidin, Montana, Vratsa, Pleven, Pazardzhik, Plovdiv, Stara Zagora and Sliven. The territory protected by the Executive Agency "Hail Suppression" is 17 202 261 dca.

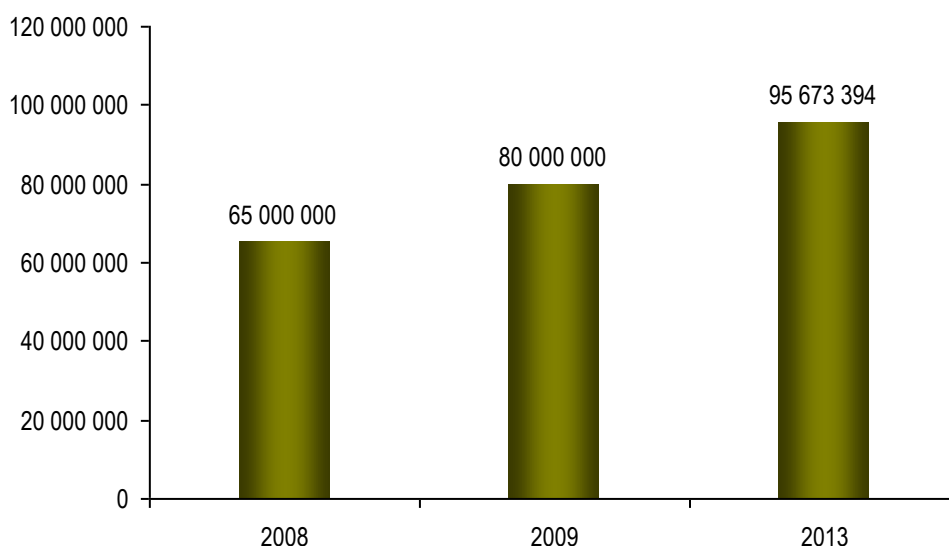
During the last more than 20 years, the frequency and the intensity of hazardous events such as hail storms, tornados, floods, lightning storms et. al. unfavorable atmospheric events have increased on a global scale. The degree of hail activity in Bulgaria has also increased, regardless of fluctuations throughout the years.

In 2013, the active season for work of the hail protection of the territory of the country has been opened on May 9<sup>th</sup>, and has been concluded on September 23<sup>rd</sup>.

During the year, a total of 160 influences have been organized over 727 clouds, the total area of which is 35 263 434 dca. Exceeding the protected territory twice is an indicator for numerous passage of hail processed above the same territories. Out of 58 days of strong cumulonimbus clouds, in a total of 45, effects have been conducted.

During active season 2013 from 45 days with interactions, in 42% (19 days) of them, the hail processed are developed under the influence of cold atmosphere fronts, passing over the country, and formed convergent lines. In most cases, the fronts are part of frontal systems, related to centers above Northern Europe. In 4 days, the processes are related to passing Mediterranean cyclones. In the remaining 22 days, the hail processes are developed in an unstable stratified atmosphere, as the result of an area situated above the country of low atmosphere pressure or perturbed baric field at ground level.

**Figure V.8. Value of production saved from hail in high degree of hail activity in 2008, 2009 and 2013, BGN**



Source: EAHS

During the whole season, active influences of hail with damage over agricultural crops have been exerted only by 19 cells (3% of all processed cells). The damages are for 8 dates – May 30<sup>th</sup>, June 4<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, 23<sup>rd</sup>, 25<sup>th</sup>, July 9<sup>th</sup> and 30<sup>th</sup>. The main reasons for the damages at these dates, are:

- Entering into the preserved territory of the cloud cells with high hail parameters and formed hail cores, due to which exercising successful influence is not possible;

- Hurricane winds with a speed reaching 40 m/sec, resulting in decreasing concentration of the reagent in the seeding zone;
- Decreased concentration of the artificial competitive ice-forming cores with the quickly-developed cells, due to insufficient growth of ice-forming cores of the reagent to competitive dimensions.

In general, season `2013 is classified with a high degree of hail activity.

As a result of the active influences conducted by EAHS, in 2013, production to a total value of 95 673 394 BGN has been protected from hail.

With processing area of 12 million dca., above which there have been hail processes, damages have been caused by hail to only 29 602 dca. of agricultural production.

The active season for the operation of the hail suppression protection in 2014 has been opened on April 30. As of June 30, 2014, a total of 173 interventions have been exerted for a total of 1 068 clouds with a total area of 71 415 336 dca., which is more than four times higher in comparison with the protected territory. The affected areas during the period are 8 218 dca.

## **12. International Relations**

The Ministry of Agriculture and Food maintains bilateral and multi-lateral International Contacts with the purpose of exchange of information for the problems in the agrarian sector, measures for their settlement, challenges the branch has faced, possible partnerships and receiving support, exchange of experience and good practices with other countries, international organizations et. al. with the purpose of overcoming difficulties, indication of threats and options for development of and achieving sustainable and competitive branch, which on its own is directed toward improving the conditions for farmers and reaching higher income of agricultural producers in Bulgaria.

The relationships with the international partners contribute to increasing the competitiveness of all participants in the sector. In its contacts, MAF looks for support, exchange of experience and good practices, et. al. with the purpose of reaching sustainable sector and improvement of the terms and conditions for operation and income of farmers. After the most discussed topics for cooperation, are improvement of the status of different sub-branches, production and the export of production with added value, establishing of joint enterprises, exchange of experts, attracting foreign investments, extension of markets, realization of the production and increasing Bulgarian export for products traditional for our country, development of bio-agriculture, revival of irrigation agriculture, introduction of innovations and modern technologies, adapting to climate change, sustainable management of forests, green technologies, production of bio-mass, silk culture, exchange of scientific and technical information and genetic resources, selection and reproduction in livestock breeding et. al. Among the priorities is maintenance and extension of regional cooperation, as well as partnership with EU member states in relation to the maintenance of general positions on issues of importance for agricultural producers.

### **The participation of MAF in agricultural exhibitions with national stands, seminars, round tables, conferences and other events**

Organizing national stands for various specialized international exhibitions by MAF has the purpose of presentation of Bulgarian agricultural products, and provides an opportunity for participation in companies and agricultural producers for promotion of their production and extension of markets for their production.

MAF organizes a Bulgarian national stand on an annual basis in one of the most large-scale and significant international exhibitions in the area of agriculture and catering industry, where the traditional quality of Bulgarian products and the perspectives of Bulgarian agriculture are presented.

In 2013, such stands have been organized at "International Green Week 2013" in Berlin, Germany (January 2013); "International Agricultural Lounge" in Paris, France (February 2013); "Anuga", Cologne, Germany (October 2013); "Agritechnica", Hannover, Germany (November 2013), et. al.

MAF takes part with national stands also in the following exhibitions: International exhibition "Zootecnia", Thessaloniki, Greece (February 2013); International Exhibition of Food and Drinks "UTAGE 2013", city of Osaka, Japan (April 26 – May 6, 2013); International Agricultural Exhibition "AGRA", Gornja Radgona, Slovenia (August 2013); Agricultural exhibition, Florence, Italy (September 2013); 15<sup>th</sup> Russian Agrarian and Industrial Exhibition "Golden Autumn – 2013" (October 2013).

Preparation of the participation of the Republic of Bulgaria in the World Exhibition "Expo Milano 2015", May 1 – October 31, 2015 in Milano, Italian Republic.

MAF coordinates the foreign participation in the Second National Council of Sheep Breeders in Bulgaria, held in Veliko Tarnovo, in the period May 24 – 26, 2013.

The Ministry has taken part in the Second International Congress "Danube Soya", in November 2013, Augsburg, Germany, the purpose of which was to increase the production of soya in EU for counteracting the excessive dependency on import of soya for the production of food and feed.

### **Participation of MAF in Intergovernmental Commissions for cooperation and Intergovernmental work sessions**

The participation of MAF in these events has the purpose of providing advantages to Bulgarian agriculture and agreeing support by the partners for the development of the branch and improving the conditions for agricultural producers.

The Ministry of Agriculture and Food traditionally takes part in the work of different Intergovernmental Commissions for Cooperation. MAF is a co-chair at deputy-minister level of the Commissions with Vietnam and Indonesia, according to DCM.

In 2013, the following Intergovernmental Commissions have been organized, in the work of which, representatives of MAF have taken part: Mixed commission for trade and economical partnership, January 2013; Bulgarian and Moroccan mixed commission for economic cooperation, January 2013.

MAF has taken part in the work meeting of the governments of the Republic of Bulgaria and Macedonia, July 28, 2013, Kyustendil.

### **Bilateral agreements in the field of agriculture**

The conclusion of bilateral documents for cooperation in the field specifies the cooperation in all fields of agriculture, including scientific and technical cooperation, and provides guidelines for its future development, and the main priority is establishing better conditions for the Bulgarian agricultural producers and exchange of experience on topics of mutual benefit.

In 2013, MAF has discussed the conclusion of the following bilateral documents in the field of agriculture: project of the Mutual Declaration for Cooperation in the field of agriculture by and between the Ministry of Agriculture and Food of the Republic of Bulgaria, and the Ministry of Agriculture of the Republic of Azerbaijan; draft of a Memorandum of Understanding by and between the Ministry of Agriculture and Food of the Republic of Bulgaria and the Ministry of Agriculture and Development of Rural Areas of the Socialist Republic of Vietnam; draft of a Memorandum of Understanding by and between the Ministry of Agriculture and Food of the Republic of Bulgaria, and the Ministry of Agriculture of Georgia for understanding in the field of agriculture; draft Agreement between the Agricultural Academy and the Organization for Agricultural Research "Volcani Center", Israel; a series of protocols and procedures for import of Bulgarian agricultural production in China; draft of a Memorandum of Understanding by and between the Republic of Bulgaria and the Kingdom of Saudi Arabia in agriculture, livestock breeding and fishery; project of framework Cooperation Agreement by and between AA and NARO, Japan.

## **Participation of MAF in the operation of International Organizations, initiatives, financial institutions, et. al.**

Participation in the work of international organizations in the field of agriculture and food supports the exchange of information for the agrarian sector. This way,, modern trends for development of the sector are identified and efforts are spent in partnership for reaching growth in the branch, by turning special attention to small farms. The main focus is set to regional cooperation, having regard to the close characteristics of neighboring countries, maintaining a neighborly dialogue and mutual ad, development of the region and improving the foreign commercial relations. Partnership with the Black Sea Economic Cooperation (BSEC), the Food and Agriculture Organization (FAO) of UN, et. al. is active.

The cooperation of Bulgaria with FAO has been traditionally active, and MAF regularly takes part in the sessions of the Conference of FAO at Minister of Deputy Minister level, and the performed periodical meetings at a high level. The participation in the meetings of the Regional Conference of FAO in Europe is also regular.

In June 2013, MAF takes part in the 38<sup>th</sup> session of the Conference in Rome, with a delegation led by the Minister of Agriculture and Food. Within the limits of the session, a meeting has been organized between Minister Grekov and the Director-General of FAO, Doctor José Graziano da Silva, on which possibilities of strengthening the presence of our country in FAO initiatives has been discussed.

Bulgaria, and in particular MAF, is the host of the Regional Meeting of FAO in relation to Land management in the areas of Fishery and Forests, held in Sofia, in the period October 29 – 31, 2013.

MAF takes part in the regular meetings of the Work Group on Agriculture and Agro-Industry with the Black Sea Economic Cooperation. Having regard to the chairmanship of the Republic of Bulgaria in BSEC on a rotation principle (January – June 2014), in 2013 MAF has actively prepared the organization of the WG on agriculture and agro-industry within the chairmanship period.

Within the limits of initiative “Development Aid”, within the period September – October 2013, MAF has been a host and has coordinated the visits of Georgian experts with the purpose of their training on issues of harmonization and association with EU.

In 2013, MAF has taken a decision to establish a Cooperation Center in the field of agriculture in Bulgaria, with the format China and the countries from Central and Eastern Europe (China + 16), having regard to the fact that our country has possibilities, potential and capacity to become the host of this Center. Later during the year, this willingness has also been confirmed by the Prime Minister of Bulgaria during his visit to China.

### **Cooperation with the World Bank**

In 2013, a series of visits by teams of the World Bank have been organized in MAF at different level, with the purpose of determining priorities in the cooperation by and between MAF and the World Bank, and the means for providing aid by the Bank.

In the implementation of the Memorandum of Understanding by and between the government of the Republic of Bulgaria and the World Bank and its amendment, related to adding European Agricultural Fund for development of rural areas, the Ministry of Agriculture and Food has prepared a draft of Agreement for providing advisory services, for consolidation of the competitiveness of agriculture and preparing a strategy for sustainable development in the hydromelioration sector, including preservation from harmful influence of water. The financing of this project is under the Rural Development Program – technical aid. The agreement by and between MAF and the World Bank has been signed in March 2014, and has been ratified by the Parliament in July 2014

### **Participation in the EU Agriculture and Fishery Councils**

Within the limits of the Agriculture and Fishery Councils of EU, at the highest level, the position of Bulgaria on different issues is presented at the highest level, and it is insisted that the interests of the

country in the field of agriculture and fishery are preserved. In 2013, a process has been pending for finalization of the reform of Common Agricultural Policy for fishery, due to which MAF acted with even higher level of perseverance and insistence, with the purpose that the agreements concluded are conformed to the particularities of Bulgarian agriculture and the need of Bulgarian agricultural producers.

## **VI. FORESTRY**

### **1. Characteristics of forest areas**

The total surface of forest areas in the Republic of Bulgaria as of 31.12.2013 is 4 180 121 ha, out of which 3 087 347 ha – state forest areas, 520 887 ha – municipal forest areas, 424 959 ha – forest areas owned by private individuals, 39 279 ha – forest areas owned by private legal entities and 22 300 ha – forest areas owned by religious communities and 85 349 ha – agricultural areas that have acquired the nature of a forest pursuant to art. 2, paragraph 1 of the Forestry Act.

In comparison to 2012 the total forest area is increased by 16 706 ha, due to the inventory of the territories of 22 forest and hunting holdings in 2012 – 2013 of forests not organized so far, as well as of forested and self-afforested agricultural areas which became forests.

The forested area increases from 3 795 338 ha in 2012 to 3 811 126 ha in 2013 as a result of forests not organized so far, arisen as self-afforested non-afforested woodlands or desolate lands outside forest areas, established between the last two inventories of the individual forest and hunting holdings, as well as of the revaluation of forest areas not suitable for afforestation having the nature of plantations (as well as the included forest areas, which have been reported as agricultural lands so far, temporarily administered by municipalities, and which following the expiration of the term under art. 19, paragraph 2 of the Law on administration and use of agricultural lands become municipal property).

Non-afforested area increased by 918 ha to 368 955 ha, while non-afforested areas subject to afforestation (burnt-out areas, barrens - clearings precisely separated from plantations with small canopy and uneven construction) increase by 1 063 ha, while non-wood producing forest areas reduce by 145 ha.

Forestation area of coniferous forests decreases by 3 207 ha. This is due to the continued interception of some mixed coniferous and deciduous crops, obtained following the establishment of coniferous crops as established with the inventory of forest and hunting holdings during recent years. Deciduous high forests increase by 6 478 ha as a result of the inventory of forest pastures and forest not organized so far, conversion of coppice into high stalks, revaluation of coniferous plantations and low productivity plants. Coppice forests for conversion are by 17 010 ha more than the previous year due to the inclusion to forest areas of plantations referred to the category of so-called “non-organized forests”, revaluation of mixed coniferous forests with coppice deciduous trees and coppice plantations with low productivity. The area of low-stem forests decreases by 3 675 ha.

In 2013 an inventory of forest areas on 529 000 ha was carried out. The forest holding plans of 7 SHA and 14 SFH and the forest holding plans for the forest owned by 25 municipalities were elaborated and adopted at expert councils of the Executive Forest Agency.

In 2014 the inventory of 14 SFH and 1 SHA with total area of 350 000 ha is expected.

The area of state forest territories is 31.12.2013 is 3 087 347 ha, out of which 2 905 586 ha are managed by state forestry undertakings pursuant to art. 163 of the Forestry Act, and respectively – by their territorial departments – the state forest holdings and the state hunting holding, 170 514 ha – by the Ministry of Environment and Water (including Rila National Park, Pirin National Park, Central Balka National Park and reserves), and 431 ha – forest areas along Maritsa river – managed by “Napoitelni sistemi” according to the map of restituted property, SFH “Pazardzhik”, 11 247 ha – educational and experimental forest holdings.

In comparison to 2012, the total area of state forest territories has decreased by 1 960 ha, while that of the forest areas managed by state forest undertakings - by 2 989 ha related mainly to the results of the inventories conducted in 2012 – 2013 and the forest holdings planning in the forest areas of 15 SFH and 6 SHH.

Annual utilization of all forest territories in the amount of 8,055,004 cubic meters of standing wood has been carried out, representing 93.7% of the estimates according to the forest holding plan (woodland organization plan) of 8, 594,202 cubic meters of standing wood. Out of the total annual utilization, 4,811,704 cubic meters of standing wood come from clearcuts (91.4% of the estimates under the forest holding plan), and 3,782,498 cubic meters from thinnings (96.7% of the estimates under the forest holding plan).

By main groups of assortments, the performance of estimates are as follows: for large construction timber - 1,425,444 cubic meters, with estimated 1,409,382 cubic meters or 101.1%; for average construction timber - 1,104,818 cubic meters with estimated 1,578,883 cubic meters or 70%; for small construction timber – 184, 532 cubic meters with estimated 606,414 cubic meters or 30.4%, and firewood - 4,059,096 cubic meters with estimated 3,158,728 cubic meters or 128.5%. The total production of construction timber is 2,714,794 cubic meters with estimated 3,594,679 or 75.5%.

## **2. Changes in forest areas**

Within 2013 in the forest areas of the country, the following changes have occurred:

- As a result of 16 closed files by order of the minister of agriculture and food and 2 resolutions of the Council of Ministers pursuant to art. 14 of the Forestry Act (repealed) was changed the designation of land plots in forest areas with total area of 2 877 686 ha, with value of change amounting to BGN 9 564, 453.78. There have been envisaged means for compensatory afforestation in the amount of BGN 2 367 272.10.
- As a result of closed files with resolutions of the commissions with the regional forest directorates for change in the designation of land plots within forest areas, pursuant to art. 73 of the Forestry Act was changed the designation of land plots within forest territories with surface area of 177 644 ha, with a value of change amounting to BGN 301 270.25. There have been determined means for compensatory afforestation in the amount of BGN 73 043.96.
- On the grounds of article 73 para. 5 of the Forestry Act, the designation of 1 584.749 ha forest areas was changed for free, for developing national sites and municipal sites of primary importance.
- As a result of 3 closed files a right to use and easement rights was established, pursuant to art. 16 of the Forestry Act (repealed), as well as compensations for the easement near aerial and underground power lines arisen pursuant to art. 16b of the Forestry Act (repealed) on forest areas with surface area of 8,439 ha with total price BGN 8 506.00 and BGN 170.12 overhead expenses. Funds for compensatory forestation in the amount of BGN 5 976.00 have been determined.
- On the grounds of art. 56 of the Forestry Act, on forest areas was established right to construct with area of 15 866 ha with total price of BGN 148 113.45 and BGN 2 962.26 – overhead expenses as a result of closing of 9 files in total. The billed value of timber per tree and per present age of evaluated plantations amounts to BGN 542.03. Funds for compensatory forestation in the amount of BGN 13 523.35 have been determined.
- As a result of closed 34 files in total an easement was established pursuant to art. 63 of the Forestry Act over forest areas with surface area of 180,346 ha, with total price of BGN 219 473,90 and BGN 4 389,48 overhead expenses. The billed value of timber per tree and per present age of evaluated plantations amounts to BGN 47 361.37. Funds for compensatory forestation in the amount of BGN 131 966.34 have been determined.

- As a result of closed 3 files in total a right was established to use pursuant to art. 70 of the Forestry Act on forest areas with surface area of 11,141 ha, with total price of BGN 303,00 and BGN 6,06 overhead expenses. The billed value of timber per tree and per present age of evaluated plantations amounts to BGN 3 835.41. Funds for compensatory forestation in the amount of BGN 9 247.68.
- On the grounds of art. 58 of the Forestry Act were issued 4 construction permits for buildings and facilities related to the management, use and preservation of forests and game.

### 3. Management of forest areas

#### 3.1. Forestation and protection against erosion

The total area of completed afforestation in 2013 in the forest territories owned by the state amounts to 1 252.4 ha, by 133.6 ha more in comparison to 2012

**Table VI.1. Carrying out the projected silvicultural activities in state forest territories in 2013**

Silvicultural Activities	Expected	Reported	Funds spent in thousand BGN
1. Collection, yield and purchasing seeds - in tons	18,2	25,9	229,9
2. Production of saplings for forestation – million saplings	16,0	10,0	2 854
3. Preparation of the soil for forestation – ha	1 288,7	1 336,5	2 849
4. Available soil preparation – ha		552,4	
5. Forestation in state forest territories – ha	1 255,8	1 252,4	1 608
6. Replenishment of crops – ha	532,6	549,9	554
7. Growing crops – ha	7 741,6	6 571,2	1 798
8. Fencing of crops – thousand linear meters	29,9	22,7	37,7
9. Clearing lands for forestation – ha	360,4	354,3	183

Source MAF

In 2013, for forestation activities a total of BGN 10 113 thousand have been spent, or 85% of the estimated BGN 11 900 thousand. Increase in costs compared to 2012 has been reported, due to the increased volume of individual forestation activities

With funding from European and international programs was forested a total area of 106.4 ha. The costs for the implementation of afforestation activities, forming part of European projects and international programs - the Rural Development Program, "LIFE +", etc. , a total of BGN 808.8 thousand.

According to EFA data, in 2013, the total amount of produced saplings in state forest nurseries is 10 million pieces. Production of saplings corresponds to their realization, and respectively, to the volume of afforestation, and the demand for saplings from external users.

In 2014, soil preparation for area of 552.4 ha was made to allow the afforestation.

In 2014, it is planned to plant 1 345.2 ha of state forest areas under the management of State Undertakings or by 92.8 ha more than the reported afforestation reported completed during the previous year. It was envisaged to produce 12.5 million saplings in the state forest nurseries.

In 2014, a total amount of BGN 11 814 thousand was provided for implementation of activities of afforestation and protection against erosion.

It is expected that in 2014 the adopted amendment of Art. 97 para. 1 of the Forestry Act shall increase the afforestation activities in the upcoming years.

In 2013, pursuing the objectives and tasks the following activities were carried out:

- An updated register of forest seed production basis was prepared on the basis whereof was elaborated a National list of approved and registered production sources of FRM and sent to the European Commission;
- Approved and registered 29 new basic sources within the category "selected" for the production of FRM meeting the minimum requirements of Directive 1999/105/ EU;
- 154 certificates identifying the origin of the FRM by RFD and FSCS issued;
- there have been graded and have been issued 297 seed control certificates for seed lots of deciduous and coniferous species in seed control laboratories FSCS Sofia and Plovdiv;
- 658 control inspections of the status and conducted activities in the registered basic FRM sources were conducted by experts of EFA and FSCS;
- 16 ha of poplar and willow nurseries are maintained in a very good condition in Topolovo, Pazardzhik holding, there were produced 54 444 pieces of saplings and 789 690 pieces of cuttings;
- 9 projects for restoration of damages terrains in forest areas have been coordinated;
- A report on the completed inventory of forest crops in the country was prepared and were given recommendations to remedy omissions and errors;
- According to the requirements of Regulation No. 2 (prom.SG issue 16 from 19.02.2013) was created a database on completed compensatory forestation in case of change of designation, establishment or occurrence of easements, and in case of limited *in rem* rights over forests – state and municipal property;
- The price of compensatory forestation was determined and were issued orders of the minister of agriculture and foods and of the executive director of EFA;
- In the seed storage for long-term storage in FSCS Plovdiv were preserved 976,5 kg of seeds of white pine, black pine, spruce and acacia;
- A database about the established geographic cultures throughout the country was created, which was published on EFA's webpage;
- The public register of forest nurseries throughout the country is updated on a monthly basis;
- An order of the executive director EFA for determination of catchments constituting torrent risk in the country was issued in accordance with the requirements of Regulation No. 4 (prom. SG, issue 21 from 01.003.2013);
- A draft for amendment and supplement of the Forestry Act was elaborated in its part concerning afforestation of non-renewed clearing sites and burnt-out areas.

**Table VI.2. Implementation of envisaged silvicultural activities in the state forest territories in 2013**

Silvicultural Activities	Expected	Reported
1. Average percentage of deduction of the crops State ownership		
- 1 year		76,43
- 2 years		76,02



- 3 years		76,02
2. Average percentage of deduction of the crops: Municipal ownership		
- 1 year		71,02
- 2 years		58,36
- 3 years		70,21
3. Average percentage of deduction of the crops Private ownership		
- 1 year		73,52
- 2 years		75,85
4. Approval and registration of basic source for production of seeds and other FRM – number	30	29
5. Issued certificates for identification of the origin of FRM - number	100	154
6. Grading seeds lots – number	200	297
7. Registration of suppliers of FRM – number	1	12
8. Control on the condition of registered basic sources of FRM – number	120	658
9. Maintenance of poplar root stocks for production of procreation materials, and for storage of the genetic fund – ha	150	160
10. Produced poplar cuttings – thousand cuttings	300	789,69
11. Produced poplar saplings for forestation – thousand saplings	30	54,444
12. Preparation of the national list of registered basis sources in relation to carrying out of Directive 1999/105/EC – number	1	1

Source: MAF/EFA

**Table VI.3. Expected data for the current 2014**

Performance indicators/ unit	Expected performance
<b>A. State forestry enterprises:</b>	
1. Collection, yield and purchasing of seeds - tons	17,9
2. Production of saplings for forestation – million saplings	12,5
3. Soil preparation for forestation – ha	1 169,6
4. Forestation in territories of state fires – ha	1 345,2
5. Replenishment of crops – ha	379,1
6. Fencing of crops – ha	7 971,7
7. Fencing of crops – thousand linear meters	15,776
8. Clearing of lands for forestation – ha	347,7
<b>B. Executive Forest Agency with the MAF:</b>	
1. Approval and registration of basic source for production of seeds and other FRM - number	30
2. Issued certificates for identification of the origin of FRM - number	100
3. Grading seeds lots – number	200
4. Registration of suppliers of FRM – number	1
5. Control on the condition of registered basic sources of FRM – number	120
6. Maintenance of poplar root stocks for production of procreation materials, and for storage of the genetic fund – ha	15,5
7. Produced poplar cuttings – thousand cuttings	500

8. Produced poplar saplings for forestation – thousand saplings	30
9. Preparation of the national list of registered basis sources in relation to carrying out of Directive 1999/105/EC – number	1

Source: MAF/EFA

### 3.2. Felling in forests

The cultivation of forests and the maximum utilization of their natural regeneration potential form the basis of conducted forestry activities related to the management of forests.

In 2013 replenishment felling to regulate the tree variety and improve growth conditions was carried out over an area of 479 417 ha, representing 63.8% of the forecasts of forest holding plans (woodland organization plans). From the conducted replenishment felling, 54% were made in coniferous forests, 27% - in deciduous high-stem forests and 19% - in coppice forests for conversion into seeds. Replenishment felling carried out without yield of material over an area of 31 344 ha stands for 41.8% of the estimates of the forest holding plans. As per types of replenishment felling, the performance of forest holding plans is 38.2% for establishment cuttings, 28.1% for clear-cuttings, 61.5% for thinnings and 80.2% for preparatory cuttings.

In 2013 selective cuttings were conducted on an area of 10 701 ha, standing for 90.5% of the estimates of forest holding plans. Standing trees were lopped off to form quality timber over 12 869 ha, with 7 671 ha more than the estimates of the forest holding plans (woodland organization plans). Supporting natural regeneration was carried on an area of 34 991 ha or by 9 905 ha more than the previous year.

Marking of the woodland cutting fund of 5 943 811 cubic meters standing timber or by 3 189 cubic meters more as compared to 2012 was carried out.

Sanitary fellings and sanitary clearings are held over a total area of 147 038 ha in forests affected by drying, bark beetles and other stem pests, heavy snow, wind and other a-biotic factors, of which 13,942 ha have an intensity of 100%. The total area of the conducted sanitary felling and sanitary clearing in state forest areas is 30 403 ha - by 4 557 ha more than in 2012.

According to EFA data, in 2013, in state owned forests were conducted fellings over a total area of 125 732 ha or 88.8% of the estimates in FHP and WOP. Clearcutting was performed over an area of 43 523 ha - 76.1% of the estimates of FHP and WOP. The trend to increase the size of clearcutting with ensured natural regeneration conducted continues, which in 2013 reached 97.6% of the total clearcutting.

To improve sustainability, health and productivity of forest stands, in 2013 in state forest areas were conducted thinnings over an area of 51 806 ha – by 2.3% less compared to the previous year. Compared to 2012, the area of replenishment cuttings conducted without yield of timber increased by 10%, which contributes to the improvement of health and the timely regulation of the origin and formation of the composition and quality of young forest plantations.

In 2013 in forests aged up to 40 year were conducted thinning on a total area of 26,893 ha, which represents 85.4% of the planned areas for the year (31 500 ha) or 1 809.6 ha less compared to the same indicator in 2012. This can be explained primarily by the weaker market demand for firewood and technological timber.

Selective felling has been conducted on a total area of 1 070.1 ha, in state owned forests, or 90.5% of the estimates in the FHP.

In order to improve the quality of the wood produced in 2013 pruning of standing trees over 1 286.9 ha of poplar crops was carried out.

During the year, support of the natural regeneration has been carried out, through forestation or seeding below the canopy and felling of the undergrowth over a surface area of 3 499,1 ha, which is

55% more than as compared to the previous 2012. In 2014 it is expected to support natural regeneration over 2 567.7 ha of state forest areas.

For the carrying out of the activities on managing of state forest territories in 2013 SU have spend a total of BGN 4 289 thousand - 79.6% of the estimated costs and by BGN 9 thousand less than compared to 2012. The total amount of estimated funds for carrying out the management activities in 2014 is BGN 5 171.7 thousand.

#### 4. Use of timber and non-wood forest products

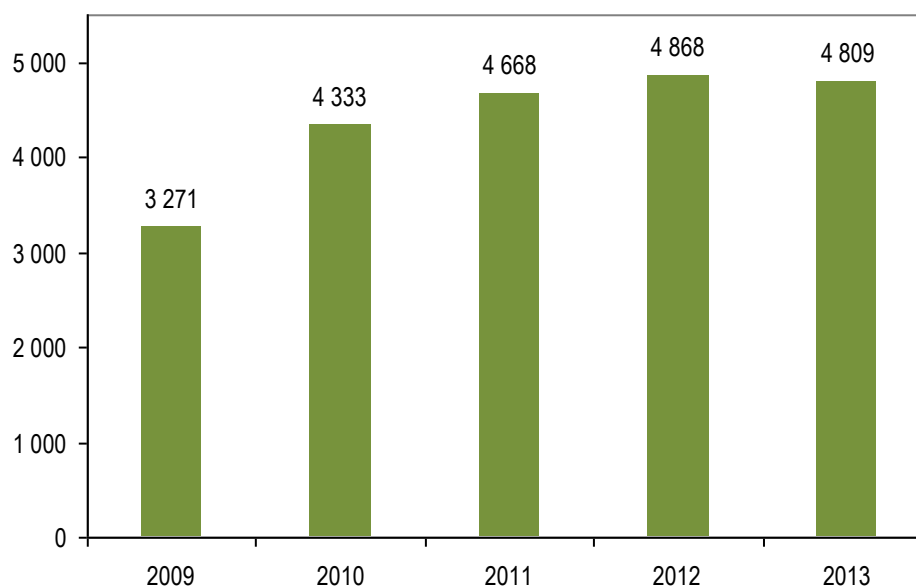
##### 4.1. Use of timber

In 2013, EFA and the Regional Forest Directorates carried out constant monitoring of the issued felling permits and issued protocols for grading clearings through the information system of the EFA - system.iag.bg. During the year 63 391 felling permits 8 949 thousand cubic meters of decumbent mass were issued, whereas by the end of the year were reported 6796 thousand cubic meters of decumbent mass yield.

Reported timber yield from state forest areas in 2013 is 4 824 824 cubic meters, of which 14 158 cubic meters - brushwood, while performance compared against the estimates of FHP and WOP is 92.1%, brushwood included and 96% brushwood not included. Out of these, 50.6% were yielded from clearcutting, 34.7% - from thinnings and 14.7% - of sanitary felling and sanitary clearing.

In 2013, from state owned forest areas is realized timber amounting to 4 808 933 cubic meters or 99% compared to the estimated annual volume. Volume of sold timber in 2013 amounts to 59 thousand cubic meters less than in 2012.

**Figure VI.1. Realized volume of timber from forest areas – state ownership within the period 2009 – 2013, thousand cubic meters**



Source: MAF

In 2013, through sale of timber held in stock, 61.1% of the total timber volume has been realized. The remaining 38.9% are realized through sale of standing timber - to individuals for their own needs or to legal entities after tender, and for use of timber pursuant to art. 116b and 193 of the Forestry Act. Following tenders, 71% of the timber volumes quantities were realized. To meet the needs of individuals were sold, as per pricelist, a total of 654 thousand cubic meters of wood, mainly firewood, which is by 39 thousand cubic meters or 6% more than in 2012. Furthermore, 379 thousand cubic meters of timber were sold according to pricelist to merchants.

**Table VI.3. Use of timber from state forest territories and income from sales in 2013**

Indicators	Financial plan 2013		Report 2013			
	Quantity per cubic meter	Value in thousand of BGN	Quantity		value	
			Cubic meters	% of the plan	Thousand BGN	% of the plan
I. Incomes from sale of timber (1+2+3+4):	4 833 412	262 808	4 808 933	99	261 462	99
1. Sale of standing timber per root	1 807 630	68 045	2 002 483	111	75 667	111
1.1. including according to a price list of individuals for personal use	155 776	3 062	245 321	157	4 552	149
2. Sale of yielded timber	2 951 602	193 276	2 737 451	93	184 615	96
2.2. including according to a price list of individuals for personal use	412 266	24 375	346 774	160	38 370	157
3. Use of timber according to art. 116b of the FA	9829	x	7 433	76	x	x
4. Use of timber according to art. 193 of FA	64 352	1 486	61 537	96	1 456	98
II. Total expenses, quantity (I.1.+ II.1.), value (1+2+3):	4 711 880	113 045	4 813 063	102	103 385	91
1. Expenses for yielded timber – total	2 904 251	67 264	2 810 580	97	62 979	94
2. Expenses for making hauling roads and on-going repair of forest vehicle roads	x	3 472	x	x	1 614	46
3. Deductions for fund "Investments in forests"	x	39 414	x	x	37 845	96

Source: MAF

In 2013 the greatest demand and consumption reported is of assortments for timber for technological processing and firewood, out of which are realized 74% of the reported sales of standing timber per tree and 66% of the sales of timber held in stock or a total 3 145 thousand cubic meters, by 62 thousand cubic meters less than in 2012. The reported average sale price of timber from state owned forest areas held in stock in 2013 was 66.95 BGN/ cubic meter - with 1.90 BGN / cubic meter more than compared to 2012. The average sale price of standing timber was 40.42 BGN/ cubic meter - with 5.48 BGN/ cubic meter more than in 2012, due to the increased volume and assortment structure of timber offered for sale in the mentioned way.

For 2013, the reported average cost for yielded timber amounted to 22,33 BGN/ cubic meter with 1.19 BGN/ cubic meter or 6% higher than the one reported for 2012.

According to the approved financial plans of state undertakings it is expected that in 2014 the total wood use would amount to 4 867 260 cubic meters.

## **4.2. Use of non-wood forest products**

In 2013 are issued 63 391 felling permits for 8 949 thousand cubic meters of decumbent mass, whereas by the end of the year were reported as yielded 6 796 thousand cubic meters of decumbent mass.

Revenues from non-timber forest products and services in state forest undertakings during the year amounted to BGN 1 922 thousand or BGN 8 thousand more compared to 2012.

## **5. Protection of forest areas**

### **5.1. Protection of forest areas against diseases, pests and other damages**

In 2013, forest health is estimated as sustainable, as no mass attacks of diseases and pests over large areas have been demonstrated. At the beginning of the year were approved the estimates of the Woodland protection stations concerning the expected attacks from pests, diseases and other damages in forests. For their preparation a woodland pathology monitoring in the stationary sites of woodland protection stations and woodland pathology investigations in forests and forest nurseries was carried out, as well as laboratory analysis of samples taken during investigation.

Electronic information system for monitoring woodland pathology with a database of woodland pathology investigations was implemented.

**Table VI.5. Completed woodland protective events in state and municipal owned forest areas in 2013**

Event	Covered area in ha	Funds spent BGN
Aerial treatment	36 212	143 300
Ground chemical and biological treatment	5 079	35 700
Mechanical treatment	4 856	14 100
Integrated treatment	0	0
<b>Total</b>	<b>46 147</b>	<b>193 100</b>

Source: EFA, MAF

In 2013, state undertakings have spent BGN 174 thousand (72% from those estimated) for conducting woodland protection activities in forests, being BGN 9 thousand more than as compared to 2012.

## 5.2. Protection of forests against fires

In 2013, 408 forest fires have been registered, in which a total of 3 313,9 ha forest territories have been affected. To compare, in 2012 12 729,8 ha of areas were burnt, and the number of fires - 876. The area of peak fires is 486,8 ha.

According to EFA data, 2 741,3 ha (82.7%) of the total burnt down forest lands during 2013 have been afforested. The largest number of fires affecting comparatively large forest areas during the year has occurred within the territorial scope of activity of RFD Kardzhali – 58 fires, Stara Zagora – 18 fires, Sliven – 14 fires, Sofia – 57 fires, Burgas - 22 fires and Kyustendil – 29 fires. A large number of fires have been registered in RFD Varna – a total of 43 fires, Pazardzhik – a total of 35 fires, Blagoevgrad – a total of 32 fires, and Plovdiv – a total of 32 fires, however with significantly less burnt down areas. The direct damages for forest territories and facilities therein in 2013 amount to BGN 737 thousand with almost BGN 2,4 million in 2012.

The largest share of the territories burnt down during the year is state ownership – 2 260,4 ha (68%), 729,4 ha (22%) – municipal ownership, 315,7 ha (9.5%) – private ownership and less than 8,4 ha – owned by churches and legal entities.

The reasons for emergence of forest fires in 2013 are as follows: burning down of plants (stubble and meadows) – 94 fires (23%), negligence – 189 fires (47%), natural – 12 fires (3%), intentional – 47 fires (11%), unknown – 66 fires (16%).

In 2013 for firefighting activities in forest areas, a total of BGN 1 632 thousand have been spent at the expense of the economic activity of the state undertakings (68% of estimated expenses). This is by BGN 396 thousand more than as compared to 2012 due mainly to the expenses made to build 3 fire monitoring towers, financed under Measure 226 of RDP, totaling the amount of BGN 505 thousand.

There have been reported expenses in the amount of BGN 541 thousand building 2 112 652 linear meters of mineralized strips accounting for 95.6% performance compared to the estimates for 2013. 82 897 linear meters of barrier screen and 638 258 linear meters of woodland crops barriers were created.

## **6. Protected areas**

The development of management plans for Natural Park Belasitsa and Natural Park Balgarka continues. The plans are financed under 2007-2013 Environmental Operational Program. The natural park directorates have successfully completed the implementation of 7 contracts under the Program concluded in 2009. Within the framework of these projects are built important infrastructure within the territories of the natural parks, such as: ecological itineraries, tourist infrastructure, visitor and information centers, nurseries for reproduction of rare plant species, etc. Activities to restore rare and endangered species and their habitats are carried out. During the year, the natural parks directorates continue the implementation of 17 projects financed under 2007-2013 Environmental Operational Program started in 2012.

The directorates of natural parks Strandzha and Vitosha continue the implementation of the project "ECP - 2007-317007 - NatureSDI +". The directorates of natural parks Persina and Russe Lom have started the implementation of the project "Protected Areas Network along the Danube River - development and implementation of international strategies for the protection of natural heritage along the Danube River" - Phase II.

The directorate of Natural Park Belasitsa completed the project "EN-AKT - Environmental actions to promote alternative forms of tourism." Within the project were completed activities related to the promotion of new and alternative forms of tourism, enhancing cross-border cooperation, exchange of experience and establishment of a network of partners interested in the development of alternative forms of tourism, creating new business opportunities and reducing high unemployment, promoting sustainable development and improving the quality of life in the region.

The implementation of project "Preservation and restoration of 11 types of natural habitats along rivers and wetlands in 10 Natura 2000 sites in Bulgarian forests", LIFE08NAT / BG / 281 continues. In 2013 numerous activities were completed and namely: alien and invasive species (*Robinia pseudoacacia*, *Amorpha fruticosa* and *Reynoutria japonica*) were removed in 4 locations with a total area of 43.5 hectares. Within the same project, in Strandzha park were planted 64.6 hectares of the planned 80.6 hectares, 71.3 hectares young forests were grown using the method of individual production of high quality timber (Saarland's method), 17 new tourist sites and information points and one tourist route were built, 25 new small wooden bridges were built and 10 bridges were reconstructed, 123 information boards, 264 directional boards, 245 arrows and 70 prohibitory signs were made and placed, a total of 735 m of fences and 318.09 m of wooden trays were built.

Three "National Days" to clean the parks were held involving 8400 volunteers who collected 36 tons of waste from natural parks.

In 2013, the Executive Forest Agency has coordinated the declaring and updating of 10 protected areas under the Protected Areas Act, out of which 7 protected areas and 3 natural landmarks.

The presentation of Bulgarian natural parks at the specialized fair "Nature, hunting and fishing" in Plovdiv was organized. Additionally, the natural parks' directorates organized a "Periwinkle Festival"; "Festival of the Chestnut", "Green Suns"; International Symposium of Contemporary Art "Lomea", etc.

Information on the preparation of the Fifth National Report (2009 - 2013) to the Convention on Biological Diversity and on the management, monitoring, control and reporting of the performance of Priority 3 "Achieving sustainable integrated regional development and use of local potential" of the National Development Program: Bulgaria 2020 was prepared. A follow-up of a project under LIFE + "Preservation and restoration of 11 Natura 2000 sites in riparian and wetland areas in 10 habitats under the Directive on the conservation of natural habitats and wild flora and fauna in the Bulgarian forests" was prepared.

## **7. Forest certification**

The total area of certified forests as at 31.12.2013 is 424 860 ha, while out them 422,930 ha are state forest areas. FSC certificates - Forest management and production tracking are issued to a total of 24 organizations, of which one joint-stock company, 23 state forest and hunting holdings, including one

state-owned undertaking. FSC Certificate – production goods are issued to 99 legal entities. PEFC Certificate – timber traceability are issued to three organizations and companies.

Legal entities have been certified in the forestry sector per:

- ISO 9001: 2008 and ISO 9001: 2009 for "quality management" - a total number of 39, of which 2 Regional Forestry Directorates, 9 State Forest / hunting holdings, 1 Study and experimental forestry holding, 1 Professional Forestry School and 26 companies;
- ISO 14001: 2004 for high environmental commitment -3 companies in total;
- OHSAS 18001: 2007 for health and occupation management systems - 1 company.

## **8. Non state-owned forests**

With regards to the sustainable management of non-state forests and the work of private practice foresters in 2013 the following activities were carried out:

Consulted are forest owners, forest entrepreneurs, practicing foresters were advise, including on-site;

- Mayors, owners and experts from municipal forest structures, TD of SFH, TD SHH, DU and RDF, practicing foresters and forest entrepreneurs were trained;
- Methodological support and control on the preparation, adoption and implementation of woodland holding plans and programs through participation in expert technical advices, woodland organizational meetings and investor (author) supervision;
- Methodological support on using the module system.iag.bg for issuing felling permits and protocols for certification of fellings.
- Developed a Concept on the education, improvement of qualification and re-qualification employees involved in forestry under Chapter 15 of the Forestry Act was been prepared.

As a result of trainings and seminars held the participants have become familiar with the regulations and requirements of the legal framework in the field of forests. An assessment of the rights, obligations and responsibilities of municipalities in forest management was conducted. Existing problems in the maintenance and management of private forests were clarified, and options to cope with them were listed. The process of establishing structures/ forms of management of forest areas - municipal property, and the regulations and legal acts concerning their activities arising out of the FA were encouraged.

## **9. Hunting sector**

In 2013, the following activities related to the management and use of game and to the maintenance of ecological balance in the upper river currents were carried out:

- Five meetings of the Hunting council were held, where were adopted the taxation of game and the utilization plan for 2013, amendments to the rules for implementation of the advisory bodies to the EFA, RFD and SFH / SHU, determination of the rates for hunting permits, for resettlement of live game, for the fee for managing the game and prices of game meat for in 2014, as well as a program for resettlement of farm produced game were discussed;
- Participation in the hunting exhibitions in Dortmund, Salzburg, Madrid, Brescia, Athens and Varazdin was organized, as a result whereof was achieved a number of hunting arrangements;
- The conduct of the nineteenth edition of the international specialized exhibition "Nature, hunting and fishing" in Plovdiv was organized;
- 17 contracts for joint conduct of hunting activities in SHH were inspected;
- Contracts granting the management and use of game to the hunting associations were inspected;

- Courses and exams for granting the right to hunt were held in 71 hunting associations;
- Courses and exams for granting the right of selective hunting were held in 14 hunting associations;
- Orders for the formation of 23 game breeding sections with the SHH were prepared;
- Courses and exams for acquiring the right of 51 trainees according to the requirements of the Food Safety Agency were held;
- Participation in thematic and specialized inspections on the implementation of the hunting holding activities.

The following hunting activities were conducted in the state forestry undertakings:

- Establishment and maintenance of forage base, feeding of game, development and maintenance of bio-technical facilities – hunting blinds, feeders, traps, mud traps, repair and civil engineering of bases for intensive management of game;
- A public procurement for farm game-poultry has been carried out with the purpose of preserving environmental equilibrium, and thus in the SHH farms 28 thousand pheasants, 13 thousand partridges, 603 wild (American) turkeys and 350 guinea hens have been hatched and raised. In 2013, were resettled the following types of game and fish: 74 deer, 24 fallow deer, 38 moufflons, 65 wild boars, 7 100 pheasants, 310 partridges, 100 semi-wild ducks, 25 750 salmonides and 200 000 carps and other fish species;
- In 2013, were reported incomes from hunting activities in the amount of BGN 13 261, including BGN 3 979 thousand from organized hunting tourism. In comparison to 2012, an increase by 21% of the income from organized hunting tourism has been reported. In 2013, for the purpose of performance of envisaged hunting and fish holding activities were spend BGN 14 254 thousand. The expenses for delivered services for organized hunting tourism amount to BGN 13 261.
- As at the end of 2013 contracts with entities providing management and use of game therein following a competition under Art. 36 of the Hunting and Game Protection Act were concluded with a total of 139 breeding sections of state forest holdings. The results of such way of managing the breeding sections show that it is successful. The incomes reported for 2013 from annual installments for game management in the game breeding sections of SHH and annual rental prices of hunting tourism basis totaled the amount of BGN 2691 thousand.

## **10. Protection of forest areas and control**

In 2013, the number of violations established in forest areas decreased by 10% as compared to 2012, while a total of 16 860 acts were issued. Out of them, 8 494 were issued by employees of state forest holdings, state hunting holdings and training and experimental forest holdings, 6 072 - by forest inspectors to the RFD, 256 - from forest inspectors to EFA and 1 589 - by employees within the municipalities, private forest ownership associations, employees of the Ministry of Interior, etc.

The major acts are those issued for violations of the Forestry Act – 14 853 acts. Out of these, the acts for illegal timber transport account for 5 486, for illegal harvest – 3 152, for disposal with illegal timber - 1 450. 325 acts for violations committed during use of non-timber forest products, 44 acts for processing of illegal timber, 7 acts for illegal construction, 41 acts for causing fires and 212 acts for other violations of the FA have been issued. For violations of the Hunting and Game Protection Act have been issued 403 acts, under the Fisheries and Aquaculture Act – 143, under the Medicinal Plants Act and the Biological Diversity Act - 24 and under other laws - 177 acts.

Traditionally, the best interaction is with the Ministry of Interior. In all Regional Directorates were held from 5 to 8 joint operations with employees of the District Directorates of the Ministry of Interior for



conservation, use, processing and trade with forest, game and fish resources and inspections on the compliance of the Hunting and Game Protection Act.

In RFD Pazardzhik, RFD Plovdiv, RFD Burgas, RFD Kardzhali, RFD Smolyan joint inspections with employees from the "Special police forces" Directorate and of Border Police were held

During the year, joint inspections with the participation of representatives of the Ministry of Interior, Public Prosecution Office, the Regional Environmental and Water Inspectorates, the Customs Agency, the National Construction Control, NAFA, the National Hunting and Fishing Association "Union of Hunters and Fishermen in Bulgaria" , the regional offices of the National Revenue Agency, the Executive Agency "Automobile Inspection", the Labor Inspectorate Directorate and other institutions were carried out. Inspections were made in workshops and warehouses for trade, transportation of timber with motor vehicles, as well as inspections of hunters, fishermen, etc. Inspections of NGOs were also carried out.

At the initiative of RFA sessions with mayors and representatives of other agencies involved in the conservation and control in forest areas were held.

Inspections with external institutions, including District Directorate of the Ministry of Interior - Pazardzhik, SNSS (State national Security Agency), Pazardzhik district court, employees of the TP of SFH Belovo and RFD Pazardzhik in forest areas TP SFH Belovo were held.

A Working Group with EFA, with representatives of the Ministry of Environment and Waters and the state forest undertakings has developed terms of reference for software programming, which will be used for the issue and report in real time of electronic transport tickets for timber transport, while the information about issued tickets will be recorded on a central server with EFA.

A permanent working group with EFA and regional working groups on the implementation of Regulation No. 995/2010 of the European Parliament and the EU (Timber Regulation) have been established. Workshops and four trainings of specialists from EFA, RFA, SFH and representatives of professional organizations were held aimed at acquainting them with the requirements of the Regulation.

## **11. Strategic planning and international activities**

In November 2013 the National Strategy for Development of the Forestry Sector in the Republic of Bulgaria for the period 2013-2020 was adopted. The document sets out the objectives and priorities of the state policy in the forestry sector in the medium term, outlining measures for their implementation and funding sources. The strategy is based on a thorough analysis of the forestry sector for the period 2006 - 2011, and is consistent with the European programming framework in the sector and the national strategic documents.

In the beginning of August 2014 was also approved the Strategic plan for development of the forestry sector for 2014 - 2023, developed within EFA's project of "Strategic planning in Bulgarian forests - a guarantor for effective management and sustainable development" financed by the European Social Fund under Operational Program "Administrative Capacity".

A draft National Strategy for the Development of Hunting in Bulgaria was developed.

In 2013 EFA works on 11 projects under European and international programs with a budget of BGN 4 451 768.46, whereas during the year started the following projects:

- "Conservation of key forest habitats of the small spotted eagle (*Aquila pomarina*) in Bulgaria" under the EU's LIFE +;
- "Effective and quality training of employees of the state forest administration for a more efficient and professional execution of their duties" under OPAC, including implementation of activities 1, 2, 3, 6 and 10;

- "Increasing the capacity of EFA staff, its structures and specialized territorial units through trainings and courses" under OPAC;
- "Testing of poplar branches from EU member-states for the production of biomass (fast growing species)," in order to implement a voluntary partnership with a possibility for partial financing of activities by the Lead Partner Bavarian Seed Control Station – town of Teisendorf, Germany.

The following projects are also implemented on an ongoing basis:

- LIFE10NAT/BG/146 „Preservation of the genetic fund and restoration of priority forest habitats in Natura 2000 areas" under EU's LIFE + Program. There were training seminars for students and employees of the forestry sector in implementation of Action D1. FSCS Sofia, as a beneficiary of the project, has made the following major activities: 433.6 kg seeds were collected; 110 thousand of saplings were raised; 15.7 ha land has undergone soil preparation and 8 hectares were afforested, whereas the equipment necessary for the genetic bank was purchased;
- LIFE09NAT/BG/000229 "Conservation and restoration of the oak habitats along the Black Sea Coast under the EU's LIFE + Program. Monitoring was carried out under Action E2 "Monitoring the project's progress " and project summary (Layman's report) implementing Activity D4 was made;
- LIFE08NAT/BG/281 "Conservation and restoration of 11 types of natural habitats along rivers and wetlands in 10 Natura 2000 sites in Bulgarian forests" under EU's LIFE + Program;
- "Mitigating the vulnerability of water resources to CC - WARE climate changes" under OP Southeast Europe";
- "Strengthening research in Mediterranean forests by improving coordination and integration - FORESTERRA" under the Seventh Framework Program;
- "Strategic planning in Bulgarian forests - a guarantor for effective management and sustainable development" under OPAC;
- "Updating curricula of disciplines in the Business Management faculty with LTU in accordance with the requirements of the labor market - EDUCOMP" under Operational Program Human Resources";
- "Establishing an advisory service in the field of biological resources - BIORES" financed by America for Bulgaria Foundation";

The following new project proposals were submitted:

- 2 project proposals - "Restoration and conservation of alluvial forests in habitat \* 91E0 in protected Natura 2000 areas and model territories in Bulgaria" and "Restoration and conservation of priority Natura 2000 habitats in South Western Bulgaria" under EU's LIFE + Program;
- 6 project proposals under sub-priority 2.2. „Competent and effective state administration ”;
- 2 project proposals under sub-priority 3.1. "Improving service delivery to citizens and businesses, including through development of e-governance" for implementation of e-services and introduction of QMS under ISO 9001: 2008;
- "Strandzha / Yildiz is the mountain without fires" under the Trans-border cooperation Program Bulgaria - Turkey for application on behalf of RFD Burgas;
- Support for the development of a project proposal ARTEMIS for suppressing illegal felling under Bulgaria – Greece trans-border cooperation Program.

The following projects have been successfully completed:

"Project supporting the institutional reform in the forestry sector" a grant funded under agreement IDF №. TF - 096 228 with the World Bank;

"Monitoring forest fires in European forests through information systems - EFFMIS" under INTERREG IVC Program of the European Union.

## **12. Financing and investments in forest areas**

### **12.1. Executive Forest Agency**

In 2013, amounts for inventory of the forest territories in the amount of BGN 5,313,317 were transferred through the Regional Forestry Directorates.

As at 31.12.2013 EFA incurred capital costs in the amount of BGN 593 085. BGN 163 158 were spend for overhauls of fixed assets and BGN 417 777 for the acquisition of tangible fixed assets.

The natural parks directorates with the Executive Forest Agency and RFD Berkovitsa are beneficiaries of projects under the Environmental Operational Program. EFA is beneficiary of projects under the Administrative Capacity and Human Resources Development Operational Programs. Costs incurred in 2013 in connection with the implementation of project activities totaled BGN 8 709 205, including BGN 2 034 345 capital expenditures.

### **12.2. State forestry enterprises**

The total revenues from the activities of state forest undertakings in 2013 amounted to BGN 293 158 thousand, and the total costs - to BGN 288 924. As compared to 2012, revenues of the undertakings decreased by 4.4% and the expenditure - by 2%.

State forest undertakings ended 2013 with a balance profit in the amount of BGN 4 234 - 59% less than compared to that recorded in 2012 (BGN 10 373 thousand), mainly due to the changed market conditions for the sale of timber on the domestic market and the markets of neighboring countries, as well as the increased employee headcount.

For the financial year 2013 the state undertakings have transferred a total of BGN 2 110 thousand deductions to the state, while with its profit for 2013 two state undertakings have covered losses from previous years.

In 2013 the state forest undertakings have spend BGN 4 385 thousand from the "Investments in forests" Fund, including:

- For construction of 27,99 km of forest motor vehicle roads, third category – BGN 2 435 thousand;
- For design of 192,725 km of forest motor vehicle roads – BGN 1 885 thousand;
- For five pieces of technical infrastructure – BGN 64 thousand.

For the purchase of fixed assets (buildings, specialized machinery, vehicles, computers, software and other equipment) was spent a total of BGN 7 215 thousand corresponding to 64.5% of the estimates.

The average number of personnel in the six state forest undertakings in 2013 is 7 717 people, with 388 persons more compared to 2012.

## **13. Public registers of natural persons for exercising private silviculture practice and traders, performing activities in the forest fund**

In 2013, were issued 1 463 certificates to individual to exercise woodland practices and 1 299 certificates to merchants to perform activities in forest territories. The total number of registered individuals to exercise woodland practice during the year account for 8 361, and of the registered merchants – to 2 946.

In 2013, from the public register under art. 241 of the FA were deregistered 247 merchants, and under art. 235 of the FA - 793 individuals, while 24 thereof – for established violations under the FA and other bylaws on its implementation committed in the course of the business for which they have been registered. The increase in the number of deregistered entities under art. 235 of the FA, is related to the expiration of the term for submission of documents and re-registration of entities to whom certificates were issued in accordance with the requirements of the repealed FA.

## VII. FISHERY

### 1. Catch and production of fish and other water organisms

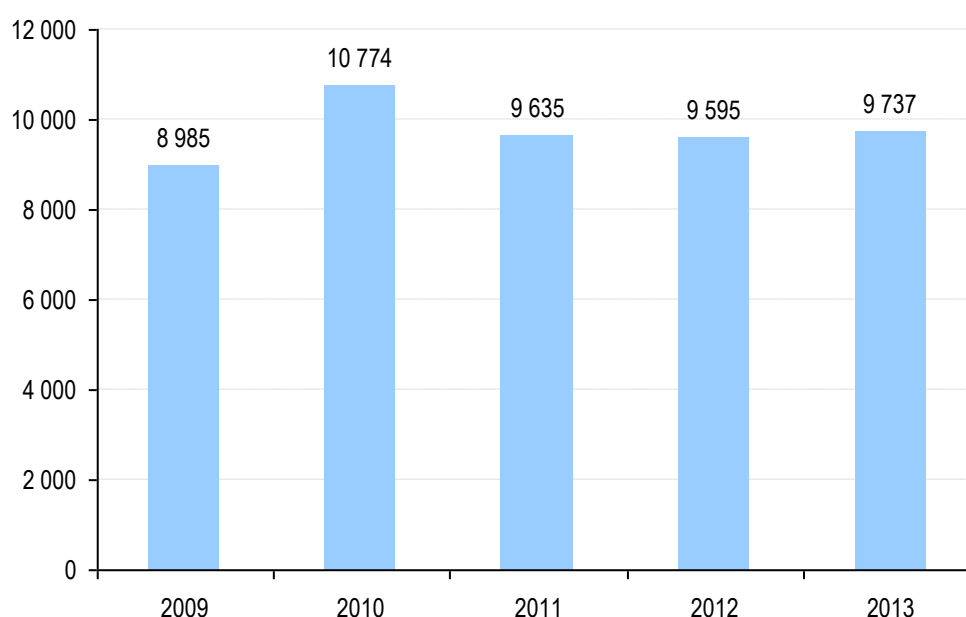
#### Catch of fish and other water organisms

With the entry into force of the amendments to the Fisheries and Aquaculture Act, commercial fishing in inland waters of the country was banned as of August 2012. This measure aims at distinguishing the fishing natural resources (from the Danube River and Black Sea) and production produced in artificial conditions. Persons engaged in commercial fishing in inland waters seize ready resource from waters under looser conditions and against the only commitment to a minimum restocking under certain rules. Persons using inland water and carrying out commercial fishing in inland waters before the entry into force of the amendments, shall be re-registered as aquaculture producers. Thus, in 2013 commercial fishing is allowed only in the Danube and Black Sea, while only recreational fishing is allowed in inland water sites.

According to the Executive Fisheries and Aquaculture Agency, in 2013 the total catch of fish and other aquatic organisms from commercial fishing within the country amounted to 9 736.5 tons, of which 9 507.6 tons in the Black Sea and 128.9 tons – in the Danube.

Although in 2013 no commercial fishing in the inland waters of the country was carried out, the total catch of fish and other aquatic organisms increased by 1.5% compared to the previous year, mainly due to an increase of catch in the Black Sea.

**Figure VII.1. Total catch of fish and other aquatic organisms in the country, tons**



Source: EAFA

**Figure VII.1. Total catch of fish and other aquatic organisms in the country per aquatic basins**

	2010	2011	2012	2013	Change 2013/2012
<b>Catch in the Black Sea - total, including:</b>	<b>9 685,9</b>	<b>8 147,6</b>	<b>8 161,4</b>	<b>9 507,6</b>	<b>16,50%</b>
- marine species	4 793,8	4 973,9	4 338,0	4 640,4	7.0%
- diadromous shad	59,1	51,8	22,1	24,5	11.0%
- shells, mussels and shrimp	4 832,7	3 121,9	3 801,2	4 842,5	27.4%
<b>Catch in Danube river - total, including:</b>	<b>86,6</b>	<b>136,3</b>	<b>111,1</b>	<b>128,9</b>	<b>16.1%</b>
- freshwater fish	82,1	130,1	108,2	127,2	17.5%
- diadromous shad	4,5	6,2	2,9	1,7	-40.8%
<b>Catch in inland basins – total</b>	<b>1 001,7</b>	<b>1 350,6</b>	<b>1 322,7</b>	<b>0,0</b>	<b>-</b>
<b>Total catch of fish, etc. aquatic organisms</b>	<b>10 774,2</b>	<b>9 634,5</b>	<b>9 595,2</b>	<b>9 736,5</b>	<b>1.5%</b>

Source: EAFA

In 2013 the catch of fish and other aquatic organisms in the Black Sea amounted to 9 507.6 tons - 16.5% increase as compared to 2012. Out of these, 4 640.4 tons are marine species, 24.5 tons - diadromous fish (shad) and 4 842.5 tons - shells, clams and shrimp.

There is an increase of 7% in catches of marine fish species as a whole as compared to the previous year. Traditionally, the most significant catch is the one of fishes of the species *Sprattus sprattus sulinus* (sprat, brisling). In 2013 it amounted to 3 784.2 tons – 33.4% more than as compared with 2012. There is over 100% increase of the amount of caught mullet, up to 256.8 tons.

Out of the other Black Sea fish more significant catch is the one of horse mackerel - 271.4 tons, goby - 74 tons, skate - 56.1 tons, bluefish - 49 tons, turbot - 39.6 tons and Black Sea spurdog - 30.9 t.

In 2013 the catch of aquatic animals (shells, mussels and shrimp) increased by 27.4% compared to 4 842.5 tons during the previous year. Around 99.6% of the catch of aquatic animals is formed by the catch of shells that reach 4 819.1 tons.

During the year, in the Black Sea were caught 24.5 tons diadromous fish (shad) - 11% more than in 2012.

**Table VII.2. Catch of fish and other aquatic organisms from water bodies for commercial fishing in 2013**

Serial No.	Generally accepted and local names and scientific name /in Latin/	Quantity in tons	
		Black Sea	Danube
A. Freshwater fish			
	Family Sturgeon /Acipenseridae/		
1	Sterlet /Acipenser ruthenus/		
	Family Salmonidae /Salmonidae/		
2	River /Balkan/ trout /Salmo trutta fario/		
3	Rainbow trout /Oncorhynchus mykiss/		
4	Brook trout /Salvelinus fontinalis/		
0	Hunchen (Danube trout) /Hucho hucho/		0,02
	Family Coregonidae /Coregonidae/		
5	European Whitefish /Coregonus lavaretus/		
6	Peled /Coregonus peled/		
	Family Esocidas /Esocidas/		
7	Northern Pike /Esox lucius/		1,89
	Cyprinidae Family /Cyprinidae/		
8	Common Roach /Rutilus rutilus/		0,23
9	European Chub / Leuciscus cephalus/		0,11
10	Orfe /Leuciscus idus/		0,14
11	Common rudd /Scardinius erythrophthalmus/		0,63
12	Asp /Aspius aspius/		3,40

13	Tench / <i>Tinca tinca</i> /		0,01
14	Danube bleak /bleak, common bleak/ / <i>Chalcalburnus chalcoides</i> /		1,78
15	Common bleak / <i>Alburnus alburnus</i> /		3,79
16	Bream / <i>Abramis brama</i> /		13,04
17	Oriental Bream / <i>Abramis sp.</i> /		0,30
18	Great sturgeon / <i>Vimba vimba</i> /		4,41
19	Ziege / <i>Pelecus cultratus</i> /		
20	Common nase / <i>Chondrostoma nasus</i> /		4,47
21	Common barbel / <i>Barbus barbus</i> /		14,55
22	Balkan barbus / <i>Barbus meridionalis petenyi</i> /		
23	Strumitsa barbel / <i>Barbus cyclolepis</i> /		0,00
24	Carp / <i>Cyprinus carpio</i> /		15,37
25	Prussian carp / <i>Carassius sp.</i> /		12,67
26	Silver carp / <i>Hypophthalmichthys molitrix</i> /		5,07
27	Bighead carp / <i>Aristichthys nobilis</i> /		24,33
28	Grass carp / <i>Ctenopharingodon idella</i> /		4,86
29	Black carp / <i>Mylopharingodon piceus</i> /		
0	Crucian carp / <i>Carassius carassius</i> /		0,06
0	Macedonian great sturgeon (Macedonian vimba) / <i>Vimba melanops</i> /		
	<b>Family Siluridae /Siluridae/</b>		
30	Wels catfish / <i>Sillurus glanis</i> /		9,39
	<b>Family Ictaluridae /Ictaluridae/</b>		
31	Channel /American/ catfish / <i>Ictalurus punctatus</i> /		
	<b>Family Gadidae /Gadidae/</b>		
32	Burbot / <i>Lota lota</i> /		0,04
	<b>Family Percidae /Percidae/</b>		
33	White fish /Zander/ / <i>Sander lucioperca</i> /Stizostedion lucioperca/		4,30
34	European perch / <i>Perca fluviatilis</i> /		0,37
35	Zingel ( <i>Zingel zingel</i> )		
	<b>Family Catostomidae (Catostomidae)</b>		
36	Buffalo fish ( <i>Ictiobus</i> )		
<b>B. Diadromous fish</b>			
	<b>Family Acipenseridae /Acipenseridae/</b>		
37	Great sturgeon / <i>Huso huso</i> /		
38	Star surgeon / <i>Acipenser stellatus</i> /		
39	Russian sturgeon / <i>Acipenser gueldenstaedti</i> /		
0	Siberian sturgeon / <i>Acipenser baerii</i> /		
	<b>Family Anguillidae /Anguillidae/</b>		
40	European river eel / <i>Anguilla anguilla</i> /		
	<b>Family Clupeidae /Clupeidae/</b>		
41	Shad, Alosa immaculata / <i>Caspialosa pontica</i> /Alosa pontica/	24,54	1,70
<b>C. Sea fish</b>			
	<b>Family Squalidae /Squalidae/</b>		
42	Spiny dogfish / <i>Squalus acanthias</i> /	30,95	
	<b>Family Clupeidae /Clupeidae/</b>		
43	Sardine / <i>Sardina pilchardus</i> /	1,01	
44	Sprat /bristling, minnow, sprat/ / <i>Sprattus sprattus sulinus</i> /	3784,19	
	<b>Family Engraulidae /Engraulidae/</b>		
45	European anchovy / <i>Engraulis encrasicolus ponticus</i> /	9,99	
	<b>Family Belonidae /Belonidae/</b>		
46	Garfish / <i>Belone belone</i> /	4,70	
	<b>Family Gadidae /Gadidae/</b>		
47	Shore rockling / <i>Gaidropsarus mediterraneus</i> /		
48	Black Sea Merlangius merlangus / <i>Merlangius merlangus euxinus</i> /	5,30	
	<b>Family Mugilidae /Mugilidae/</b>		

49	Flathead mullet / <i>Mugil cephalus</i> /	9,03	
50	Haarder ( <i>Mugil soiyu</i> )	0,06	
51	Golden grey mullet / <i>Liza aurata</i> /	2,00	
52	Leaping mullet / <i>Liza saliens</i> /	13,06	
	<b>Family Old World silverside /Atherinidae/</b>		
53	Atherina / <i>Atherina</i> spp./	9,80	
	<b>Family Serranidae /Serranidae/</b>		
54	European seabass / <i>Dicentrarchus labrax</i> /Morone labrax/	0,03	
	<b>Family Pomatomidae /Pomatomidae/</b>		
55	Blue-fish / <i>Pomatomus saltatrix</i> /	49,03	
	<b>Family Carangidae /Carangidae/</b>		
56	Horse mackerel / <i>Trachurus mediterraneus ponticus</i> /	271,38	
	<b>Family Centranchidae /Centranchidae/</b>		
57	Spicara / <i>Spicara</i> spp./	0,00	
	<b>Family Mullidae /Mullidae/</b>		
58	Stripped mullet / <i>Mullus barbatus ponticus</i> /	256,78	
59	Red mullet / <i>Mullus surmuletus</i> /	14,64	
	<b>Family Scombridae /Scombridae/</b>		
60	Atlantic mackerel / <i>Scomber scombrus</i> /		
61	Belted bonito / <i>Sarda sarda</i> /	6,13	
62	<b>Family Gobiidae /Gobiidae/</b>	74,00	
	<b>Family Scophthalmidae /Scophthalmidae/</b>		
63	Turbot / <i>Psetta maxima</i> /	39,58	
	<b>Family Pleuronectidae /Pleuronectidae/</b>		
64	European flounder / <i>Platichthys flesus luscus</i> /	0,12	
65	Sole / <i>Solea nasuta</i> /		
	<b>Family Rajidae /RAJIDAE/</b>		
66	Thornback ray / <i>Raja clavata</i> /	56,11	
	<b>Family lophiidae /lophiidae/</b>		
67	Anglerfish / <i>Lophius piscatorius</i> /	0,60	
	<b>Family dasyatidae /dasyatidae/</b>		
68	Common stingray / <i>Dasyatis pastinaca</i> /	1,91	
<b>D. Aquatic animals</b>			
	<b>Class Amphibia /Amphibia/</b>		
69	Marsh frog / <i>Rana ridibunda</i> /		
	<b>Class Crustaceous /Crustacea/</b>		
70	Common shrimp / <i>Leander</i> spp./	2,48	
71	European brown shrimp / <i>Crangon</i> sp./	0,27	
72	Freshwater crayfish / <i>Astacidae</i> , <i>Cambaridae</i> /		
73	Danube crayfish / <i>Astacus leptodactylus</i> /		
74	European crayfish / <i>Astacus astacus</i> /		
75	Warty crab / <i>Eriphia verrucosa</i> /	0,18	
	<b>Class Mussels /Bivalvia/</b>		
76	Soft-shell clam / <i>Mya arenaria</i> /	10,62	0,01
77	Blue mussel / <i>Mytilus galloprovincialis</i> /	10,05	
78	Veined rapa whelk / <i>Rapana</i> spp./	4 819,06	
79	<b>Other</b>	0,00	2,02
<b>TOTAL:</b>		<b>9 507,6</b>	<b>128,9</b>

Source: EAFA

In 2013 the catch of fish in the Danube increased by 16.1% as compared to the previous year – up to 128.9 tons including: freshwater fish - 127.2 tons, Diadromous fish (shad) - 1.7 tons.

The largest volumes are catch of Bighead carp - 24.3 tons, carp - 15.4 tons, Common barbel - 14.6 tons, bream - 13 tons and silver bream - 12.7 tons. There is an increase in catches of bighead

carp, silver carp and silver bream as compared to the previous year, most significantly in the catch of silver bream – by more than 100%.

In view of protecting and restoring the Danube sturgeon fishes, in January 2012 the Minister of Agriculture and Food issued an order imposing ban on fishing, transportation and sale of sturgeons and products thereof caught in the Bulgarian waters of the Danube river and the Black Sea. The period of prohibition is four years.

During the first half of 2014, the total catch of fish and other aquatic organisms from commercial fishing is 4 083.97 tons, out of which 4 013.34 tons - in the Black Sea and 70.6 tons – in the Danube river.

### **Production of fish and other water organisms**

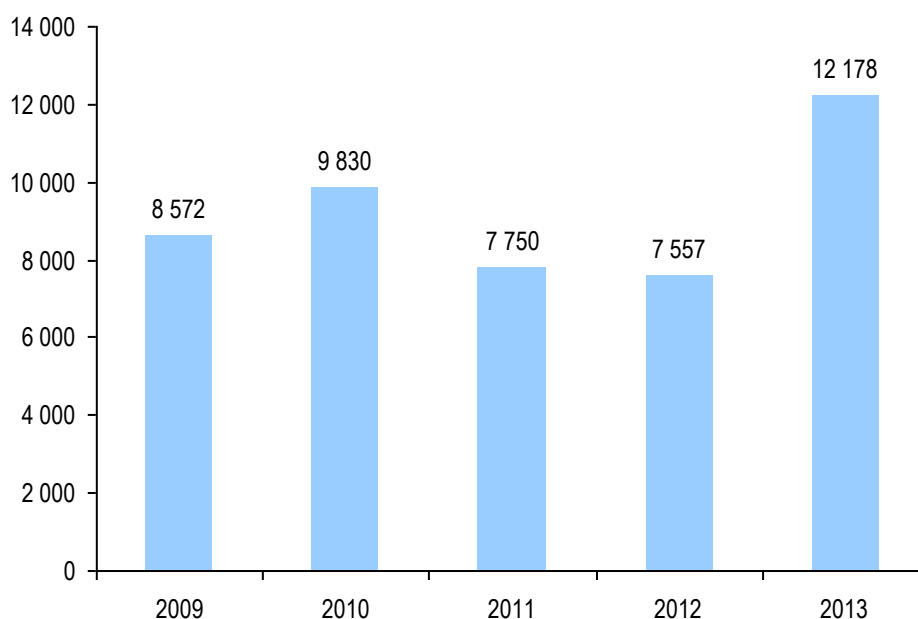
According to EAFA, the total number of active fisheries by the end of 2013 was 510, with 388 being the number a year earlier. Out of these, 470 were for freshwater aquacultures and 40 - for marine aquacultures.

In connection with the ban on commercial fishing in inland waters of the country, entered into force in. In August 2012, and the re-registration related thereto, the number of active registered aquaculture producers increased. There has been reported a production of fish species being incidental catches in extensive and semi-intensive warm-water farms - bream, bleak, silver bream, river perch, rudd. These species are not subject to targeted farming in aquaculture production.

According to EAFA in 2013, the total aquaculture production (aquaculture stock, fish and other aquatic organisms for consumption) in specialized farms amounted to 12,178 tons. This stands for an increase of 61.1% as compared to the previous year, taking into account the increase in both the production of aquaculture stock and in fish for consumption.



**Figure VII.2. Production of fish and other organisms in specialized fishery farms for the period 2009 – 2013, tons**



Source: EAFA

The total reported production of aquaculture stock in fish farms in 2013 was 2 503.7 tons, marking a growth of 59.4% as compared to the previous year. This is mainly due to the increased production of aquaculture stock of two of the main fish species farmed - carp (over two and a half times up to 1 170.9 tons) and bighead (by 38% up to 403.3 tons). There is significant increase in the production of aquaculture stock from Russian sturgeon, silver carp and catfish. Among the main species of fish, there is decrease in the production of aquaculture stock of rainbow trout and carp.

**Table VII.3. Production of aquaculture stock, fish and aquatic organisms in fisheries, tons**

Universal and local names	Aquaculture stock		Fish for consumption		Total weight	
	2012	2013	2012	2013	2012	2013
<i>Brown trout</i>	10,8	2,3	34,6	21,5	45,4	23,8
<i>Rainbow trout</i>	674,2	632,7	2 167,7	2 409,6	2 841,9	3 042,3
<i>Brook trout</i>	0,0	5,2	0,0	6,5	0,0	11,7
<i>Pike</i>	3,9	11,6	5,8	32,9	9,7	44,6
<i>Chub</i>	0,0	0,0	0,0	0,3	0,0	0,3
<i>Tench</i>	1,1	0,5	0,6	1,5	1,6	1,9
<i>Bleak</i>	0,0	0,0	2,4	6,4	2,4	6,4
<i>Danube bleak</i>	0,0	0,0	2,0	0,1	2,0	0,1
<i>Bream</i>	0,0	0,0	7,4	8,9	7,4	8,9
<i>Carp</i>	444,5	1 170,9	1 288,4	2 429,7	1 732,9	3 600,6
<i>Prussian carp</i>	0,3	1,0	94,1	265,6	94,3	266,6
<i>Silver carp</i>	18,9	27,3	77,7	42,7	96,5	70,0
<i>Bighead carp</i>	291,7	403,3	820,5	1 823,2	1 112,2	2 226,5
<i>Grass carp</i>	64,8	56,5	150,6	239,4	215,5	295,9
<i>Black carp</i>	0,0	0,0	4,0	2,3	4,0	2,3
<i>Catfish</i>	24,0	31,1	75,7	133,7	99,7	164,9
<i>Channel /American/ catfish</i>	2,4	0,9	14,3	3,3	16,7	4,2
<i>White fish /Zander</i>	7,7	41,6	19,3	133,6	27,0	175,2
<i>European perch</i>	0,0	0,0	0,4	10,8	0,4	10,8

<i>Sterlet</i>	0,0	0,0	0,6	0,7	0,6	0,7
<i>Great sturgeon</i>	0,0	0,0	24,4	19,0	24,4	19,0
<i>Star surgeon</i>	0,0	0,0	7,2	5,6	7,2	5,6
<i>Russian sturgeon</i>	9,4	69,1	277,6	191,6	287,0	260,7
<i>Freshwater crayfish</i>	0,0	0,0	1,5	0,3	1,5	0,3
<i>Danube crayfish</i>	0,0	0,5	3,4	31,9	3,4	32,4
<i>Blue mussel</i>	0,0	39,6	877,8	1 787,3	877,8	1 826,9
- <i>Other</i>	0,0	4,6	6,6	20,2	6,5	24,8
- <i>Atlantic salmon</i>	7,3	4,4	4,5	0,0	11,8	4,4
- <i>Paddlefish</i>	0,2	0,6	0,3	1,0	0,5	1,6
<i>Common rudd</i>	0,0	0,0	3,2	6,2	3,2	6,2
<i>Barramundi</i>	10,0	0,0	0,0	0,8	10,0	0,8
<i>Siberian sturgeon</i>	0,0	0,0	13,7	8,2	13,7	8,2
<i>African catfish</i>	0,0	0,0	0,0	29,7	0,0	29,7
<b>Total</b>	<b>1 571,1</b>	<b>2 503,7</b>	<b>5 986,1</b>	<b>9 674,3</b>	<b>7 557,1</b>	<b>12 178,0</b>

Source: EAFA

In 2013 is reported production of fish and other aquatic organisms for consumption amounting to 9 674.3 tons - by 61.6% more as compared to the previous year.

Traditionally, the most significant is the production of fish species for consumption such as carp, rainbow trout and bighead. In all of them there is an increase in production compared to the previous year, the most sensitive being with bighead carp (over 100%), followed by that of carp (around 89%) and rainbow trout (11.2%).

Among the most economically important species, a significant decrease compared with 2012 marks the production of consumption of Russian sturgeon (31%), river (Balkan) trout (with 37.9%), cod (22.3%) , Siberian sturgeon (40.3%) and channel (American) catfish (77%).

The main marine aquaculture species farmed in coastal waters of the country is black mussels. In 2013, its production increases slightly over two times compared to the previous year, reaching 1 787.3 tons. Production of crayfish consumption rises to 31.85 tons.

In 2014 it is expected to continue the growth in the number of fish farms and aquaculture production, respectively, for which further contributes building new, modernizing and increasing production capacities with funding under the Operational Program for the development of the fisheries sector.

## 2. Import and export of fish and fish products

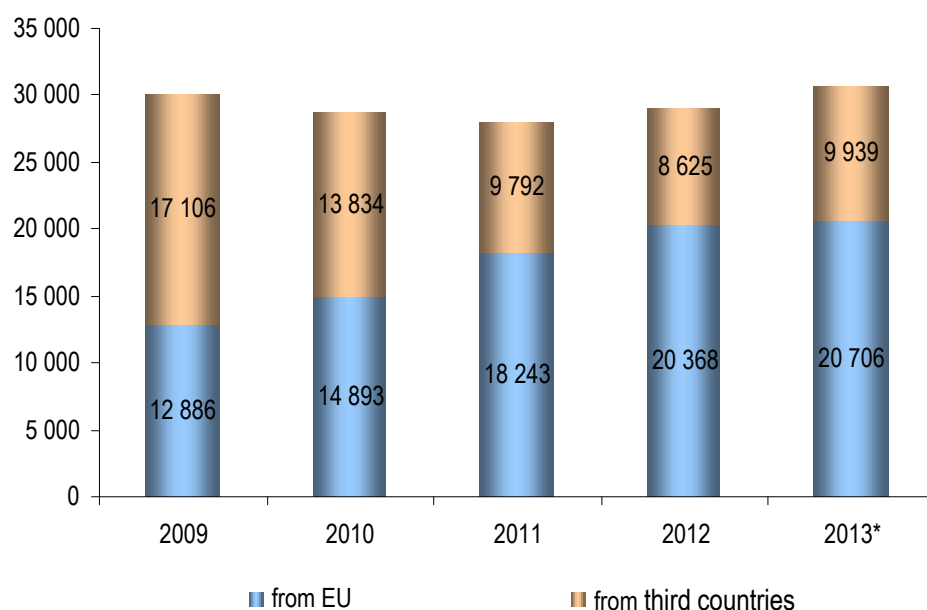
### Import

According to NSI preliminary data, in 2013, total imports of fish and fishery products in Bulgaria amounted to 30,645 tons. This is 5.7% more than as compared to the previous year, taking into account the increase in both the imports of fish and other aquatic organisms, and that of processed fishery products.

Almost 68% of the total quantities of imported fish and fishery products come from the EU. Deliveries from EU Member States increase by 1.7% per annum up to 20,706 t. The most significant amounts in 2013 were delivered from Spain (3.6 thousands of tons), the Netherlands (2.3 thousands of tons), Greece (2.2 thousands of tons), Belgium (1.4 thousands of tons) and the United Kingdom (1.3 thousands of tons).

Import of fish and fishery products from third countries increased by 15.2% as compared to 2012 with 9 939 tons. Key partners are Vietnam (2.9 thousands of tons) and China (1.5 thousands of tons), followed by Thailand, Peru, Argentina, etc.

**Figure VII.3. Import of fish and fish products from EU and third countries, tons**



Source: NSI, \* preliminary data

By product type, the structure of imports in 2013 include: 26,953 tons of fish fillets, shellfish and molluscs (live, fresh, chilled, frozen or dried, etc.) and 3691 tons - processed fish products (prepared and preserved fish, caviar, preserved crustaceans and mollusks).

**Table VII.4. Import of fish, other aquatic organisms and fish products**

Products	2012	2013	Change 2013/2012
<b>Fish, fillets, crustaceans, mollusks, including:</b>	<b>26 122</b>	<b>26 953</b>	<b>3.2%</b>
Live fish – freshwater and marine fish	16	11	-32.9%
Fish – fresh or cooled, with the exception of fillets	3 069	3 128	1.9%
Fish - frozen, with the exception of fillets	16 299	17 127	5.1%
Fillets and other fish meat, fresh or cooled, frozen	4 501	4 721	4.9%
Fish - dried, salted, smoked	449	313	-30.2%
Crustaceans	270	751	177.9%
Mollusks	1 519	804	-47.1%
Aquatic invertebrates other than crustaceans and mollusks	-	99	-
<b>Processed fish products, including:</b>	<b>2 871</b>	<b>3 691</b>	<b>28.6%</b>
Prepared food and canned fish food; caviar	2 431	3 118	28.3%
Crustaceans and mollusks, canned	440	574	30.4%
<b>Total fish and other aquatic organisms and fish products</b>	<b>28 993</b>	<b>30 645</b>	<b>5.7%</b>

Source: data of NSI, processed by MAF, \* preliminary data

More than half of the total import of fish and fishery products in 2013 is taken up by frozen fish excluding fillets – 17,127 tons, 5.1% more than the previous year.

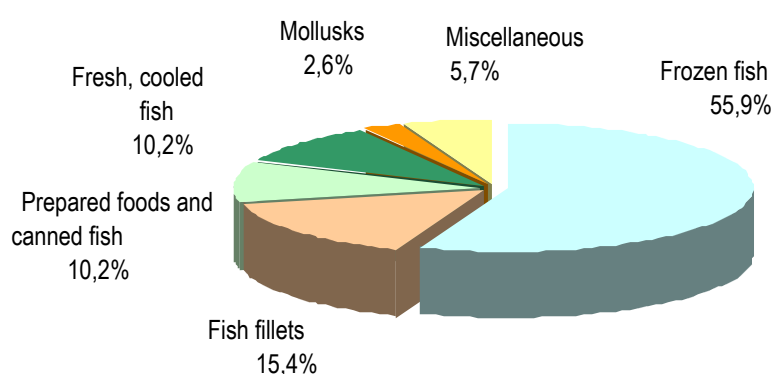
Similarly to previous years, the most significant is the import of frozen mackerel, which decreases by 4% as compared to 2012 with 11,052 tons. Imports of frozen mackerel is to satisfy market

demand for direct consumption as well as the main raw material for processing in canning industry due to lack of catches in Bulgaria.

During the year were also imported relatively large quantities of frozen fish of the following species: sardines, brisling, sprats - a total of 541 tons, herring - 1471 tons, hake - 523 tons, horse mackerel - 255 tons, Pacific and Atlantic salmon - 234 tons, trout - 137 tons and shark - 132 tons.

Total imports of processed fishery products in 2013 increased by 27.6% as compared to the previous year with 3 691 tons. During the year were imported 3 118 tons of prefabricated and cans with fish and caviar - 28.3% more than during the previous year. In the import of canned shellfish and mollusks the increase per annum is 30.4% up to 574 tons.

**Figure VII.4. Structure of the import of fish and fish products in 2013**



**Source:** NSI, preliminary data

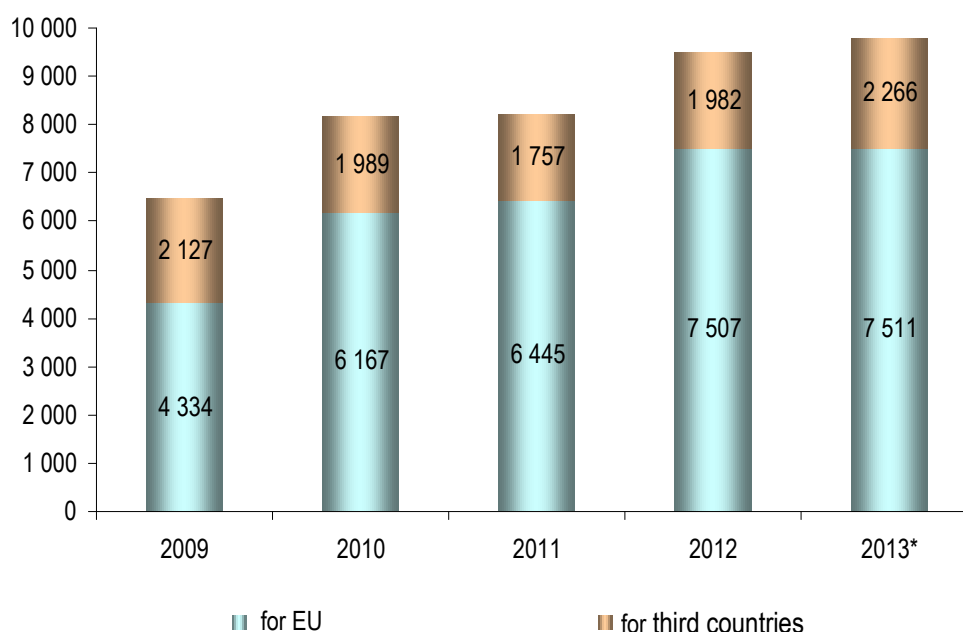
According to NSI preliminary data, during the first semester of 2014 were imported 13,225 tons of fish and fishery products, standing for about 12% less than as compared to the same period of 2013. By the end of 2014 the import of relatively large amounts of fish and fishery products is expected to continue in order to diversify the range of the market, as well as raw material for processing plants.

### **Export**

According to NSI preliminary data, in 2013 the total export of fish, aquatic organisms and fish products amounted to 9 776 tons. This represents an increase of 3% compared to the previous year, which is explained by the reported increase in catch and production of fish and other aquatic organisms in the country and the realization of re-export of imported fish (mainly mackerel).

In 2013, exports of fish and fish products to the EU maintains its levels from the previous year and amounted to 7 511 tons, forming about 77% of the total exports of such products. The most significant amounts are directed to Romania (4.4 thousands of tons), Sweden (1.3 thousands of tons) and Greece (a thousand tons).

**Figure VII.5. Export of fish, other aquatic organisms and fish products for EU and third countries, tons**



Source: NSI, \* preliminary data

Exports of fish and fish products to third countries amounted to 2 266 tons - 14.3% more than in 2012. The main destinations are the Republic of Korea, Japan, Serbia, Russia and Turkey.

**Table VII.5. Export of fish, other aquatic organisms and fish products**

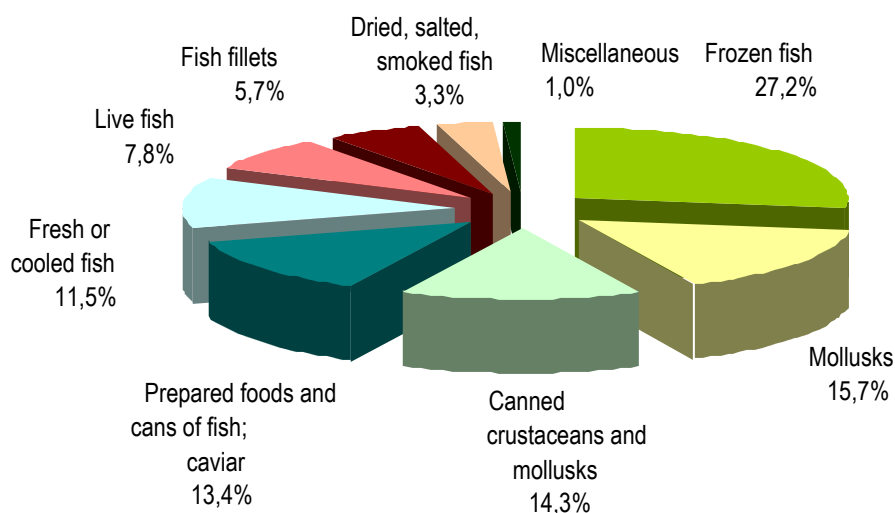
Products	2012	2013	Change 2013/2012
<b>Fish, fillets, crustaceans, mollusks, including:</b>	<b>7 164</b>	<b>7 071</b>	<b>-1.3%</b>
Live fish – freshwater and sea fish	682	760,6	11.6%
Fish – fresh or cooled, with the exception of fillets	1 254	1 127,7	-10.1%
Fish - frozen, with the exception of fillets	2 904	2 662,0	-8.3%
Fillets and other fish meat, fresh or cooled, frozen	380	560,3	47.6%
Fish - dried, salted, smoked	173	321,7	86.2%
Crustaceans	46	53,8	16.7%
Mollusks	1 726	1 537,9	-10.9%
Aquatic invertebrates other than crustaceans and molluscs	-	46,8	
<b>Processed fish products, including:</b>	<b>2 324,9</b>	<b>2 705,5</b>	<b>16.4%</b>
Prepared food and canned fish; caviar	637,5	1 311,6	105.7%
Crustaceans and mollusks, canned	1 687,4	1 393,9	-17.4%
<b>Total fish, etc. aquatic organisms and fish products</b>	<b>9 488,5</b>	<b>9 776,3</b>	<b>3.0%</b>

Source: data of NSI, processed by MAF, \* - preliminary data

The structure of exports in 2013 includes: 7 071 tons of fish, crustaceans and mollusks - live, fresh, chilled, frozen, smoked or salted and 2 706 tons of processed fish products (prefabricated or canned fish, including caviar, canned crustaceans and mollusks).

As compared to the previous year there was a significant increase in exports of prefabricated and canned fish (more than twice); dried, salted and smoked fish (86%) and fish fillets (48%) and to a lesser extent in the export of live fish and crustaceans. Meanwhile, exports of fresh, chilled and frozen fish (excl. fillets), shellfish and canned shellfish declined by between 8.3 and 17.4%.

**Figure VII.6. Structure of the export of fish and fish products in 2013**



*Source: data of NSI, preliminary data*

In 2013, exports of frozen fish (excluding fillets) continue to lead the total exports of fish and fish products exports, amounting to 2662 tons.

Nearly half of the exported frozen fish during the year is mackerel – 1 233 tons, 3.8% less than the previous year. Relatively large quantities are the exported quantities of frozen brisling or sprats - 901 tons, which is about 14% more than in 2012, due to increased catches. Traditionally, the biggest export of frozen fish is to Romania (1.8 thousands of tons).

In 2013, exports of mollusks decreases by 10.9% compared to the previous year to 1 538 tons. Quantities are directed mainly to Korea, Japan, Greece and Bosnia and Herzegovina.

The volume of export of canned crustaceans and mollusks is 1 393 tons occupies the third place in volume. They are mainly exported canned shrimp (993 tons) and mollusks (286 tons). The main destination for these products during the year was Sweden with 991 tons, followed by Japan (176 tons), the Republic of Korea (77 tons) and Romania (63 tons).

According to NSI preliminary data, the total exports of fish, aquatic and fishery products for the first half of 2014 amounted to 4 834 tons, 9% less compared to the same period of the previous year. Due to the specific characteristics of fisheries and aquaculture production in the country, usually a larger volume of exports of fish and fish products was observed during the second half of the year.

### **3. Operative program for development of sector “Fishery”, financed by the European Fisheries Fund.**

The strategic goal of OPFSD (2007-2013) is converting fishery in competitive, modern and dynamic sector, based on sustainable development of fishery and aquaculture, as well as improvement of the quality of life in fishing areas. The total budget of OPFSD (2007-2013) is to the amount of 101 168 996 EUR (197 869 357 BGN), out of which 75% - financing by the European Fishery Fund, and 25% - national co-financing.

#### **General progress under OPFSD as of December 2013**

The cumulative physical progress in carrying out of OPFSD as of 31 December 2013 could be summarized as follows:

- Total number of registered projects: 668;
- Total number of signed agreements/approved projects: 268;
- Total number of annulled agreements: 40;
- Total negotiated funds: BGN 174 848 047,16 (88,37% from the Program's budget)
- Total funds paid to beneficiaries: BGN 79 750 481,73 (40,30%);
  - Advance payments – 33 payments, in a total value of BGN 7 780 061,20.
  - Interim payments – 55 payments, in a total value of BGN 13 782 323,36.
  - Final payments – 180 payments, in a total value of BGN 58 188 096,17.

**Table VII.6. Financial performance of OPFSD for the period 2007 - 2013**

Axis/Measure	Agreed funds			Actually paid funds			Fully paid projects		
	Number of agreements	Total public expenses, BGN	%	Number of payments	Total public expenses, BGN	%	Number of projects	Total, BGN	%
Measure 1.1 "Public aid for permanent termination of fishing activities"	71	7 908 214,55	88,67%	62	7 061 260,74	79,17%	62	7 061 260,74	79,17%
Measure 1.3 "Investments on board of fishing boats and selectivity"	7	106 507,87	1,79%	5	84 161,20	1,42%	5	84 161,20	1,42%
<b>AXIS 1</b>	<b>78</b>	<b>8 014 722,42</b>	<b>51,22%</b>	<b>67</b>	<b>7 145 421,94</b>	<b>45,67%</b>	<b>67</b>	<b>7 145 421,94</b>	<b>45,67%</b>
Measure 2.1 "Production investments in aquaculture"	61	53 004 692,01	98,08%	70	27 341 659,62	50,59%	30	17 900 707,50	33,12%
Measure 2.2 "Aquatic ecological measures"	2	84 781,43	7,23%	1	12 494,71	1,07%	1	12 494,71	1,07%
Measure 2.6. "Investments in processing and marketing of products from fishing and aquaculture"	11	8 610 237,80	102,72%	13	5 140 767,39	61,33%	6	4 563 888,86	54,45%
Measure 2.7 "Financial engineering"	3	30 217 850,00	100,00%	3	30 217 850,00	100,00%	3	30 217 850,00	100,00%
<b>AXIS 2</b>	<b>77</b>	<b>91 917 561,24</b>	<b>97,91%</b>	<b>87</b>	<b>62 712 771,72</b>	<b>66,80%</b>	<b>40</b>	<b>52 694 941,07</b>	<b>56,13%</b>
Measure 3.1 "Collective Activities"	6	2 428 322,90	133,14%	2	205 567,82	11,27%	0	0	0,00%
Measure.3 "Investments for reconstruction and modernization of fish ports, unloading sites and boat shelters"	2	18 738 150,42	72,60%	0	0	0,00%	0	0	0,00%

Measure 3.4 "Development of new markets and promotional campaigns"	19	5 260 826,98	64,74%	9	744 802,16	9,17%	2	185 362,20	2,28%
Measure 3.5 "Pilot projects"	0	0	0,00%	0	0	0,00%	0	0	0,00%
<b>AXIS 3</b>	<b>27</b>	<b>26 427 300,30</b>	<b>72,45%</b>	<b>11</b>	<b>950 369,98</b>	<b>2,61%</b>	<b>2</b>	<b>185 362,20</b>	<b>0,51%</b>
Measure 4.1.A "Financial support for implementation of local strategies for development and coverage of operative expenses of Fishers groups"	6	41 434 169,59	100,00%	22	4 724 121,62	11,40%	15	4 451 629,28	10,74%
<b>AXIS 4</b>	<b>6</b>	<b>41 434 169,59</b>	<b>100,00%</b>	<b>22</b>	<b>4 724 121,62</b>	<b>11,40%</b>	<b>15</b>	<b>4 451 629,28</b>	<b>10,74%</b>
Measure 5.1 "Technical support"	80	7 054 293,61	67,63%	63	4 217 795,47	40,43%	56	2 935 550,60	28,14%
<b>AXIS 5</b>	<b>80</b>	<b>7 054 293,61</b>	<b>67,63%</b>	<b>63</b>	<b>4 217 795,47</b>	<b>40,43%</b>	<b>56</b>	<b>2 935 550,60</b>	<b>28,14%</b>
<b>TOTAL</b>	<b>268</b>	<b>174 848 047,16</b>	<b>88,37%</b>	<b>250</b>	<b>79 750 480,73</b>	<b>40,30%</b>	<b>180</b>	<b>67 412 905,09</b>	<b>34,07%</b>

\* 6 payments made under projects in LAFG, 4 carried out payments on current expenses of LAFG and 12 payments on LDS (four advance payment, three interim and five final payments)

**Source:** EAFA

In 2013, under axes 1 to 4 of OPRR, a total of 223 draft proposals have been submitted, almost twice as much as compared to 2012.

Significant progress has been achieved during 2013 in accepting draft proposals under the Local development Strategies. Concluded agreements under the strategies during the year amount to 66 to a total value of 10 445 542BGN.

As of the end of 2012, 73,34% of the budget of the program has been agreed, and the lowest percentage is the percentage under axis 3 - 11,62%, and the highest percentage is the one under axis 2 - 96,64%.

As of the end of 2013, 88,37% of the budget of the Program has been negotiated, with the lowest percentage being negotiated funds under axis 1 (51,22%), and the highest under axis 2 (97,91%). The highest negotiation percentage under axis 4 refers to the agreements for support of local strategies concluded with the Local Action fisher groups. The actually concluded agreements under LDS as at the end of 2013 represent 27,40% of the axis budget (with 2,38% as at the end of 2012), thus making negotiating therewith the lowest, but at the same time having the highest growth rate.

Progress in the payment of funds under the Program is comparable to that in 2012, maintaining the highest annual rate of payment. In 2013 were paid 12.46% of the Program budget and from the beginning of its implementation - 40.30%.

Under Priority Axis 1 interest is still focused primarily on measure 1.1 "Public aid for permanent cessation of fishing activities." Despite the large number of contracts and in 2013 continues the trend of relatively low average value of projects under the measure – BGN 75,154 (with BGN 220,710 in 2011). Due to the particularities of measure 1.1, contracts are performed relatively quickly, with some of them being completed before the agreed deadline.

In 2013 under this measure were submitted 38 projects and were concluded 35 contracts totaling BGN 2,630,390.



During the year, the greatest progress was made in achieving the objectives of this particular measure. By the end of 2013, with the support of EDF, from the fishing fleet were taken out 39 ships with a total capacity of 418 GT and 2412 kW.

There is no substantial progress under the other measures of Priority 1. In general, due to lack of interest from potential beneficiaries, there is substantial fall behind the quantity objectives for modernization of the fleet under the Program. Since the beginning of the implementation of the Program was supported the modernization of only 5 fishing vessels. No progress is made in the measures aimed at improving the professional skills of fishermen and small-scale coastal fishing because of lack of interest among potential candidates.

In 2013 progress is made in terms of disbursements under Priority Axis 2 "Aquaculture, inland fishing, processing and marketing of fishery and aquaculture." On the other hand, the number of contracts concluded under the axis in 2013 is 3.2 times lower than 2012, marking also a decrease in the average value of projects.

The trend from the previous year for submission of project proposals of a substantially better quality continues, due to the ongoing information and awareness campaigns. In 2013, there were four rejected proposals.

Completed and disbursed projects in 2013 are expected to lead to an increase in the annual production from aquaculture by 1 817 tons, out of which 1 160 tons or nearly 64% is blue mussel. From the freshwater aquaculture, the greatest expected increase is in catfish, trout, carp and sturgeon.

Since the beginning of the implementation of this measure, the projected increase in the annual production of aquaculture from completed projects is 5 350 tons. The trend that the growth of marine aquaculture (blue mussel) has the largest relative share (51%) continues. However, due to the projects completed in 2013 accelerates the rate of increase in the share of freshwater aquaculture.

In 2013, the improvement of profitability of companies in sector "Aquaculture" as a result of completed projects is due both to the expansion or modernization of existing fisheries and construction of new farms, and to the increase in turnover achieved thereby amounting to BGN 5.5 million.

Since the beginning of the implementation of measure 2.1, the increase in turnover of firms under fully disbursed projects is supposed to be BGN 16.8 million, in the event that projects achieve the indicators set in the investment proposals.

All projects completed in 2013 under Measure 2.1. have used environmentally friendly technologies for aquaculture production. Opening of 48 new jobs is envisaged, 15 of them – for women. If the projects contracted during the year are completed in accordance with the investment proposals, this would create 37 new jobs, 11 of which for women.

Following the completed and disbursed in 2013 four projects under Measure 2.6. "Investments in processing and marketing of fishery and aquaculture products" to increase processing capacity by expanding and modernizing the existing fish processing enterprises, it is expected that the turnover in fish processing shall be increased by nearly BGN 16.3 million.

Investments under disbursed projects lead to improved hygiene/working and environmental conditions and production systems.

Since the beginning of the implementation of measure 2.6, the increase in turnover of the companies from the fully disbursed projects is expected to amount to BGN 19.17 million in the event that projects achieve the indicators set in the investment proposals.

The jobs created are 14, out of which 12 are for women.

In 2013 under measure 3.1 "Collective actions" are signed four new contracts, the implementation of which would increase the professional skills of 250 people.

Under Measure 3.3 "Investments in reconstruction and modernization of fishing ports, unloading sites and boat shelters" during the year were signed two contracts for the reconstruction and

modernization of fishing ports (port Sarafovo and port Chernomorets). The planned measures will ensure sustainable development of the sector with a view of protecting fishery resources. Construction of boat piers will enable the performance of maintenance and repairs thereon. Project implementation will result in partial fulfillment of the indicator set under the Operational Program for the creation of 4 ports. Planned construction of a fish market and unloading sites will help to achieve the main objective 2 "Development of the market for fishery and aquaculture production" of OPDFS.

As a result of completed and disbursed two projects under Measure 3.4 "Development of new markets and promotional campaigns" was held a promotional campaign on fisheries and aquaculture and was created an electronic information portal for fishery and aquaculture. If the contracts signed under the measure are completed, there will be held 17 promotional campaigns that will result in improving the reputation of the "Fisheries" sector and to an increase in the popularity of fisheries and aquaculture products.

There is a significant improvement of the administrative capacity of the Fisheries Local Action Groups. It is necessary to take further action to promote measures and build contacts and trust with the private sector in order to ensure maximum uptake of the resource and compliance with the requirement of at least 51% of the projects contained in the local development strategy to be from the private sector.

**Table VII.7. Financial performance of OPFSD as at 30.06.2014.**

Axis/Measure	Agreed funds			Actually paid funds			Fully paid projects		
	Number of agreements	Total public expenses, BGN	%	Number of payments	Total public expenses, BGN	%	Number of projects	Total, BGN	%
Measure 1.1 "Public aid for permanent termination of fishing activities"	87	8 579 473,23	96,20%	76	7 998 429,23	89,68%	76	7 998 429,23	89,68%
Measure 1.3 "Investments on board of fishing boats and selectivity"	7	106 507,87	1,79%	6	94 371,16	1,59%	6	94 371,16	1,59%
<b>AXIS 1</b>	<b>94</b>	<b>8 685 981,10</b>	<b>55,51%</b>	<b>82</b>	<b>8 092 800,39</b>	<b>51,72%</b>	<b>82</b>	<b>8 092 800,39</b>	<b>51,72%</b>
Measure 2.1 "Production investments in aquaculture"	62	62 748 979,29	90,82%	76	29 779 667,45	43,10%	33	19 966 206,91	28,90%
Measure 2.2 "Aquatic ecological measures"	2	84 781,43	7,23%	1	12 494,71	1,07%	1	12 494,71	1,07%
Measure 2.6. "Investments in processing and marketing of products from fishing and aquaculture"	16	16 643 867,43	198,57%	14	5 420 092,06	64,66%	7	4 843 213,53	57,78%
Measure 2.7 "Financial engineering"	4	15 167 850,0*	100,00%	3	15 167 850,0*	100,00%	3	15 167 850,0*	100,00%
<b>AXIS 2</b>	<b>84</b>	<b>94 645 478,15</b>	<b>100,82%</b>	<b>94</b>	<b>50 380 104,22</b>	<b>53,66%</b>	<b>44</b>	<b>39 989 765,15</b>	<b>42,60%</b>
Measure 3.1 "Collective Activities"	6	2 428 322,90	133,14%	2	205 567,82	11,27%	0	0	0,00%
Measure.3 "Investments"	2	18 680 575,13	72,38%	1	4 583 526,67	17,76%	0	0	0,00%

for reconstruction and modernization of fish ports, unloading sites and boat shelters"									
Measure 3.4 "Development of new markets and promotional campaigns"	19	4 956 568,83	60,99%	17	1 801 218,54	22,17%	3	348 183,60	4,28%
Measure 3.5 "Pilot projects"	0	0	0,00%	0	0	0,00%	0	0	0,00%
<b>AXIS 3</b>	<b>27</b>	<b>26 065 466,86</b>	<b>71,46%</b>	<b>20</b>	<b>6 590 313,03</b>	<b>18,07%</b>	<b>3</b>	<b>348 183,60</b>	<b>0,95%</b>
Measure 4.1.A "Financial support for implementation of local strategies for development and coverage of operative expenses of Fishers groups"	6	41 434 169,59	100,00%	40	5 974 317,73**	14,42%	26	4 858 436,04	11,73%
<b>AXIS 4</b>	<b>6</b>	<b>41 434 169,59</b>	<b>100,00%</b>	<b>40</b>	<b>5 974 317,73</b>	<b>14,42%</b>	<b>26</b>	<b>4 858 436,04</b>	<b>11,73%</b>
Measure 5.1 "Technical support"	92	8 512 044,71	81,60%	102	4 971 431,72	47,66%	67	3 159 069,12	30,29%
<b>AXIS 5</b>	<b>92</b>	<b>8 512 044,71</b>	<b>81,60%</b>	<b>102</b>	<b>4 971 431,72</b>	<b>47,66%</b>	<b>67</b>	<b>3 159 069,12</b>	<b>30,29%</b>
<b>TOTAL</b>	<b>303</b>	<b>179 343 140,41</b>	<b>90,64%</b>	<b>338</b>	<b>76 008 967,09</b>	<b>38,41%</b>	<b>222</b>	<b>56 448 254,30</b>	<b>28,53%</b>

\*Decrease is due to the transfer of the sum of BGN 15 050 000,00 from the capital of the National Guarantee Fund JSC (NGF) back to the operational Program. The amount was refunded by NGF to the account of the State Agriculture Fund;

\*\* 6 payments made under projects through FLAG, 4 completed payments on current costs of FLAG and 30 payments under MCP (11 advance payments, 3 intermediate and 16 final payments)

Source: NAFA

### ***Cumulative physical progress in the carrying out of OPFSD as of 30.06.2014:***

- Total number of registered projects: 798;
- Total number of signed agreements/approved projects: 303
- Total negotiated funds: 179 343 140,41 BGN (90,64%);
- Total funds paid to beneficiaries: 76 008 967,09 BGN (38,41%).
- Final payments of funds have been made for 222 projects in total value BGN 45 868 473,95.

As a result of the implementation of the Program were constructed in total fifteen new aquaculture holdings, and reconstruction and modernization in eighteen holdings was carried out. Four fish processing plants were constructed and three such holdings were upgraded.

The implementation of the projects under the operational Program will result in an increase in production of aquaculture up to 7 694 tons, and to a production due to processing - up to 4 689 tons.

Since the beginning of the implementation of the Program two contracts for reconstruction and modernization of two fishing ports were concluded.

In terms of the indicator "Number of fisheries groups established" the indicative plan is fully implemented, as six fisheries groups were established.

#### **4. Administrative and penal activity in the management of fishery and aquacultures**

In order to protect fishery resources and support their reproduction the following activities were carried out in 2013:

- A total of 448 unlimited term permits have been issued, for performance of commercial fishing, including: for Black Sea - 333 and for Danube river - 115;
- A total of 3 511 certificates have been issued granting the right to performance of commercial fishing, including special permits for catch of turbot: for Black Sea – 2 107, for Danube river – 1 404;
- 259 certificates for legal capacity for carrying out of commercial fishing have been issued;
- 2 086 fishing facilities have been marked;
- Registration of 213 new fisheries has been carried out, coincidentally deleting 58 fisheries;
- Registration of 140 companies has been carried out for performance of first sales of fish and fish products and re-registration of 7 companies;

In relation to conducting administrative and penal activity with Fisheries and Aquatic Cultures Management, in 2013, a total of 20 276 inspections have been carried out, out of which:

- 4 200 in commercial fishing facilities;
- 8 588 in amateur fishing facilities;
- 715 in fishing holdings;
- 2 025 of vessels;
- 3 157 in fish trade facilities;
- 909 according to signals submitted by the public;
- 682 jointly with the bodies of the Ministry of Interior and the Executive Forest Agency, as well as their local departments.

In comparison to 2012 there is a decrease in the number of completed inspections.

As a result of the inspections carried out, in case of established breaches of the Fisheries and Aquatic Cultures Act, in 2013 a total of 2 300 acts for breach and 29 562 deeds of findings have been prepared, as well as 2 113 penal decrees, and the ones which have become effective are a total of 1 616.

With the issued deeds of findings and acts for establishment of administrative breaches, a total of 6 884 poaching fishing equipment has been confiscated, as well as 22 258,5 kg illegally caught fish (by 23.4% less as compared to 2012). Out of the total quantity of confiscated fish and other aquatic organisms in 2013, 11 029,8 kg have been returned in the reservoirs, 10 304,9 kg have been provided as donations, and 923,8 kg have been destroyed.

## **SECTION B**

### **PRIORITIES AND OBJECTIVES OF THE POLICY IN THE AGRARIAN SECTOR, MEASURES AND ACTIONS FOR ACHIEVING THEM IN 2015**

#### **PRIORITY 1:**

**DEVELOPMENT OF THE AGRARIAN SECTOR FOR PROVIDING FOOD SECURITY AND PRODUCTION OF PRODUCTS WITH HIGH ADDED VALUE FOR SUSTAINABLE MANAGEMENT OF NATURAL RESOURCES**

**OBJECTIVE 1: BALANCED DEVELOPMENT OF THE AGRARIAN SECTORS AND PRODUCTION OF PRODUCTS WITH HIGH ADDED VALUE**

#### **MEASURE:**

**Recovery and modernization of hydromelioration infrastructure**

#### **ACTIONS:**

- Implementation of activities under the Agreement with the International Bank for Reconstruction and Development to develop strategies for industry "Hydromelioration" and sector "Protection from harmful effect of water";
- Preparation of proposals for changes in the institutional and regulatory framework;
- Preparation of integrated investment plans, programs and projects at river basin level;
- Preparation of the sub-legislative framework and implementation of measures of the Rural Development Program 2014-2020 for investments in the hydromelioration system.

#### **MEASURE:**

**Overcoming structural imbalance in sector Agriculture and in its sub-sectors**

#### **ACTIONS:**

- Implementation of specific support schemes in sectors "Livestock", "Fruits" and "Vegetables" in accordance with the provisions of EU legislation;
- Using the possibilities of state aid to promote animal welfare, conservation of genetic resources and local breeds;
- Implementation of the National Program to support the wine sector in Bulgaria 2014-2018;
- Implementation of the National Apiculture Program 2014 - 2016;

**OBJECTIVE 2: AGRICULTURAL PRODUCTION - ATTRACTIVE BUSINESS ENSURING STABLE AND FAIR INCOME TO THE PEOPLE INVOLVED IN IT**

#### **MEASURE:**

**Increasing incomes from agricultural activities**

**ACTIONS:**

- Development of legal framework and implementation of schemes for direct payment per area unit, for redistributive payment, for small farmers and linked support
- Preparation of a justified request to the European Commission to allow national payments to the direct payments to support the incomes of those employed in agriculture
- Preparation of legal framework and implementation of thematic sub-program for small farms within the Program for rural development 2014 - 2020

**MEASURE:****Flexible application of market mechanisms of the Common market organization for agricultural products of EU****ACTIONS:**

- Promotion of the opportunities provided by the European policy for co-financing of promotional programs;
- Implementation of European schemes for ensuring milk and fruits in schools;
- Implementation of regular market measures to prevent and manage market crises - public intervention, private storage aid and export refunds;
- Implementation of emergency measures to manage market crises associated with the volatility of prices, animal diseases and plant and impact of the world markets for agricultural products;
- Support for the activities of fruits and vegetables producer organizations and producer groups through European and national funding;
- Development of secondary legal framework and implementing measures under RDP 2014 - 2020 on the support for establishment of producer groups and for promotion of interaction between raw material suppliers, processors and traders and cooperation within and between sectors;
- Creating conditions for the implementation of contractual relations in the milk sector.

**OBJECTIVE 3: UPGRADED AND TECHNOLOGICALLY UPDATED FARMS AND INFRASTRUCTURE IN THE SECTOR. DEVELOPMENT AND ACCELERATED INTRODUCTION OF INNOVATIONS IN FARMING PRACTICES****MEASURE:****Promotion of investments and introducing innovations in farms and plants for processing agricultural products****ACTIONS:**

- Development of secondary legal framework and implementation of measures under the Rural Development Program (RDP) 2014-2020 to support investments in tangible and intangible assets;
- Development of secondary legal framework and implementation of the RDP measures for financial support of innovative solutions and practices in agricultural production;
- Conducting awareness information events including seminars and meetings and consultations with farmers to explain the advantages and opportunities for farm upgrading and introduction of innovations;

- Supporting the transfer of innovations in agricultural practice by disseminating the results of research projects in the field of agriculture and information about developed new products and techniques.

#### **OBJECTIVE 4: HIGHER VOCATIONAL TRAINING AND AWARENESS OF FARMERS**

##### **MEASURE:**

**Development of vocational education in the field of agriculture and forestry, veterinary medicine and food technology**

##### **ACTIONS:**

- Coordination of the State admission plan for the academic year 2015/16 and of the completed Admission plan for school year 2014/2015 for the schools within the Ministry of Agriculture and Food;
- Optimization of MAF school network by restructuring schools in the agricultural sector;
- Organization of a national exhibition of vocational schools in the field of forestry in connection with the week of the forest;
- Participation in two projects under Erasmus + - Project QUAKE (Qualification Knowledge ECVET), initiated by the Ministry of Agriculture, Food Industry and Fisheries of France and Draft Strategic Partnership GreenBlend BG, on the initiative of Forestry and Technical University, Sofia.

##### **MEASURE:**

**Sustainable development of scientific potential and creation of new research products**

##### **ACTIONS:**

- Selection of new varieties of crops and breeds of animals;
- Development of traditional and new technologies for breeding of plants and animals;
- Patenting and certification of created scientific products;
- Transfer of scientific products to industry – conclusion of licensing agreements.

##### **MEASURE:**

**Improving the effectiveness of the Agricultural Advisory system**

##### **ACTIONS:**

- Introduction of regulated rules and procedures for cooperation between participants in the Agricultural Advisory System and the research institutes and universities
- Facilitating the access to agricultural advice to farmers especially to settlements remote from district centers by increasing the capacity of the National Agricultural Advisory Service (NAAS) including at municipal level;
- Actively functioning regional advisory councils for agricultural advice with the participation of representatives of NAAS, universities, research institutes, NGOs and farmers

## **MEASURE**

### **Increasing the professional qualification and awareness of farmers**

#### **ACTIONS:**

- Organizing and conducting trainings for farmers including through long-term and short-term courses and information activities;
- Ensuring access of farmers to important agricultural information by organizing local (municipal and per settlements) of seminars and information events and through media events;
- Active use of different communication channels for the provision of advisory services.

## **OBJECTIVE 5: SUSTAINABLE DEVELOPMENT OF FISHERIES**

### **MEASURE:**

#### **Encouraging investments and innovations in fisheries and aquaculture, including during the processing of their production**

#### **ACTIONS:**

- Maximum utilization of the financial resources of the Operational Program "Fisheries" the 2007-2013;
- Development of secondary legal framework for the implementation and promotion of the measures of the Maritime Affairs and Fisheries Program 2014 - 2020, related to the support for investments and for development and commercialization of innovations in fisheries and aquaculture in the processing and marketing of sector products

### **MEASURE:**

#### **Ensuring and managing reliable technical, economic and biological data for the sector**

#### **ACTIONS:**

- Development of secondary legal framework on implementing the measures of the Maritime Affairs and Fisheries Program 2014 - 2020, related to the collection and analysis of technical and economic scientific data for the "Fisheries sector";
- Conducting research in high sea to collect biological data.

### **MEASURE:**

#### **Conservation and efficient management of fishery resources**

#### **ACTIONS:**

- Implementation of the Annual Plan for Fisheries Control in 2015

## **OBJECTIVE 6: HIGH LEVEL OF PROTECTION OF HUMAN HEALTH AND CONSUMER INTERESTS IN RELATION TO FOODS BY APPLYING INTEGRATED CONTROL APPROACH THROUGHOUT THE ENTIRE FOOD CHAIN**



**MEASURE:**

**Conducting single official control for food safety and quality, covering all units and stages of the food chain**

**ACTIONS:**

- Applying high standards to control the safety and quality of foods, food supplements and beverages, veterinary medicine and animal welfare, plant protection and fertilizers, pest control, animal feed, border control, etc.
- Permanent cooperation with the European Food Safety Authority, with all structures of the European Union relevant to the activities of food safety, plant health, animal health and welfare, and with the authorities on food safety in the Member States EU and third countries.

**OBJECTIVE 7: ENHANCING COMPETITIVENESS OF THE FOREST SECTOR. PRESERVATION, RESTORATION AND MAINTENANCE OF FOREST AREAS, INCLUDING BIOLOGICAL AND LANDSCAPE DIVERSITY**

**MEASURES:**

- Sustainable planning of activities in forest areas, improving the system of planning and implementation of activities related to the conservation of forest areas, including biological and landscape diversity therein;
- Encouraging association of forest owners and expanding public-private partnership in the forest sector;
- Effective implementation of the long-term program of EFA to increase the absorption of EU funds for the new programming period 2014-2020 and from other financial instruments;
- Promoting employment and entrepreneurship in forests and improving the quality of vocational training, qualification and re-qualification of workers in the forestry sector;
- Development of scientific and research activities and linking them to the needs of the forest administration and the forest business;
- Active participation in the preparation and implementation of EU policies related to the forestry sector and in the international processes for sustainable woodland management;
- Development of the protected areas network, including through the expansion of financial mechanisms to improve the management of forests in protected Natura 2000 areas;
- Maintenance and development of the system for preservation of forest genetic resources;
- Improving and increasing the populations of game and fish for biodiversity conservation and sustainable development of forest ecosystems;
- Increasing the effectiveness of prevention of forest fires and suppressing illegal activities in forests;
- Increasing the resilience and adaptability of forest ecosystems to climate change by applying appropriate silvicultural systems.

**OBJECTIVE 8: USING THE POTENTIAL OF FORESTRY SECTOR FOR THE DEVELOPMENT OF GREEN ECONOMY**

**MEASURES:**

- Creating conditions for sustainable use and paid use of ecosystem services provided by forest areas;

- Supporting the process of certification of forest areas

## **OBJECTIVE 9: SUSTAINABLE AND EFFICIENT FUNCTIONING AND DEVELOPMENT OF COMPETITIVE STATE FOREST UNDERTAKINGS**

### **MEASURES**

#### **MEASURES:**

- Evaluation and optimization of the current management model of forest areas - state ownership;
- Increasing the effectiveness of activities carried out by state forest enterprises;
- Diversification of revenues of state-owned enterprises through diversification of activities and services offered.

## **PRIORITY 2 :**

## **MOBILIZATION OF THE POTENTIAL OF RURAL AREAS TO ACHIEVE BALANCED SOCIAL AND TERRITORIAL DEVELOPMENT**

### **OBJECTIVE 1: DIVERSIFICATION OF THE RURAL ECONOMY AND HIGH EMPLOYMENT LOCAL POPULATION**

#### **MEASURES:**

- Encouraging the launch and development of economic activities in the form of new farms, new businesses, new investments in non-agricultural activities;
- Support to the local communities and the implementation of local development strategies

### **OBJECTIVE 2: IMPROVING THE QUALITY OF LIFE IN RURAL AREAS**

#### **MEASURES:**

- Promoting the construction of local infrastructure and village renewal
- Promoting supply of local basic services
- Encouraging the preservation of local cultural and natural heritage.

## **ANNEXES**

## ANNEX 1

GROSS ANE END PRODUCTION FROM SECTOR "AGRICULTURE" IN 2013\* (PER PRODUCER PRICES)

(BGN million)

Code	Products	Current prices															
		Gross production	Losses	Initial reserves	Used in the unit			Processed by producers	Self-consumption	Sales			Sales - total	Production of goods from shareholders equity for their own consumption	End reserves	Change in reserves	End production
					Seeds and seedling material	Feed supplements	Other			within the country		outside the country					
										in the branch	outside the branch						
a	b	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
01	Cereal crops	2 585.8	5.8	592.3	105.5	274.0	12.9	5.1	30.4	148.4	2 055.5	14.4	2 218.2		526.1	-66.2	2 461.5
01.1	Wheat and spelt	1 569.2	3.7	249.6	87.2	135.1	4.5	4.3	22.2	82.4	1 185.7	6.2	1 274.4		287.3	37.8	1 473.7
01.1/1	Soft wheat	1 549.7	3.7	246.8	85.9	131.4	4.5	3.6	19.1	80.1	1 176.0	6.2	1 262.4		285.8	39.1	1 455.5
01.1/2	Hard wheat	19.5		2.7	1.3	3.7		0.7	3.1	2.3	9.7		12.0		1.4	-1.3	18.2
01.2	Rye	8.6		2.5	0.8	6.4			0.2	0.5	0.7		1.1		2.7	0.1	7.9
01.3	Barley	242.8	0.7	20.3	14.3	35.1	0.9	0.1	3.4	15.1	158.1	2.7	175.9		32.7	12.3	226.9
01.4	Oats and cereal mixtures	10.9		5.6	0.8	6.1	0.1		0.2	0.7	2.4		3.1		6.2	0.6	10.0
01.5	Maize for seeds	703.2	1.3	305.0	0.2	81.7	6.9	0.1	4.3	49.3	675.4	3.7	728.4		185.3	-119.7	694.8
01.6	Rice	32.0		5.3	1.8						28.9	1.7	30.6		4.9	-0.4	30.2
01.7	Other cereals	19.1	0.1	4.0	0.5	9.7	0.5	0.4		0.4	4.3		4.7		7.2	3.1	18.0
02	Technical crops	1 586.3	5.0	419.4	1.7	14.6	1.1	1.9	4.6	73.2	1 542.8	5.0	1 621.0		355.8	-63.7	1 578.5
02.1	Oilseeds	1 327.5	4.0	363.9	1.5	13.2	0.6	1.9	1.6	70.9	1 285.0	4.8	1 360.7		307.9	-56.0	1 321.4
02.1/1	Colza or rapeseed	224.7	0.4	22.3		0.1			0.4	17.3	227.6		244.9		1.2	-21.0	224.3
02.1/2	Sunflower	1 083.9	3.7	340.1	1.0	13.2	0.5	1.9	1.2	53.6	1 042.5	4.8	1 100.9		301.6	-38.4	1 078.7
02.1/3	Soy	0.8		0.1						0.1	0.5		0.6		0.3	0.3	0.8
02.1/4	Other oilseeds	18.1		1.3	0.5						14.4		14.4		4.5	3.1	17.6
02.2	Protein crops	9.1		7.6	0.2	1.4			2.7	1.6	3.2		4.9		7.4	-0.1	8.8
02.3	Tobacco	146.1		43.0							153.7		153.7		35.4	-7.6	146.1
02.4	Sugar beet																
02.5	Other technical crops	103.6	0.9	4.8			0.5		0.3	0.7	101.0	0.2	101.8		4.9		102.2
02.5/1	Fiber crops	0.2									0.2		0.2				0.2
02.5/2	Hop	0.8		0.7							1.5		1.5			-0.7	0.8
02.5/3	Other technical crops	102.6	0.9	4.1			0.5		0.3	0.7	99.3	0.2	100.1		4.9	0.7	101.2
03	Feed crops	371.0	0.9	232.6		356.9	1.2	23.7	2.7	6.8	9.9		16.7		201.4	-31.2	368.8
03.1	Maize for silage	34.4				14.8	0.3	16.0	0.1	1.0	2.2		3.2			0.2	34.1
03.2	Root feeds	0.5				0.2										0.2	0.3
03.3	Other feeds	336.1	0.9	232.6		342.0	0.9	7.7	2.6	5.9	7.7		13.5		201.1	-31.5	334.3
04	Vegetables	280.1	2.9	35.2	4.3	3.5	1.0	0.1	67.0	5.0	209.2	0.8	214.9		21.5	-13.6	271.8
04.1	Fresh vegetables	237.8	0.7	18.2	0.2	3.5	0.8	0.1	67.0	4.7	177.1		181.9		1.8	-16.3	236.1
04.1/2	Tomatoes	71.2				0.6			20.0	0.8	49.9		50.7				71.2
04.1/3	Other fresh vegetables	166.6	0.7	18.2	0.2	2.9	0.8	0.1	47.0	4.0	127.2		131.2		1.9	-16.3	164.9
04.2	Flowers	42.3	2.1	17.0	4.1		0.3			0.2	32.1	0.8	33.0		19.7	2.7	35.7
04.2/1	Nurseries	35.0	2.1	17.0	4.1					0.2	25.1	0.8	26.0		19.7	2.7	28.7
04.2/2	Decorative plants, including Christmas trees	7.3					0.3				7.0		7.0				7.0
04.2/3	Creation and growing																
05	Potatoes	135.9		40.1	14.1	8.8	0.1		21.4	1.0	85.1		86.1		45.5	5.4	121.7
06	Fruits	307.6	0.2	7.1		0.5	1.8	1.8	20.3	52.2	228.8		280.9		9.1	2.0	305.6
06.1	Fresh fruits	174.7	0.2	7.1		0.5	0.2	1.7	13.9	19.1	137.1		156.1		9.1	2.0	174.2
06.1/1	Apples	41.8	0.2	5.7		0.4	0.2	1.6	6.3	10.1	23.1		33.2		5.6		41.4
06.1/2	Pears	2.3		0.2					2.1	0.4	0.1		0.4			-0.2	2.3
06.1/3	Peaches	23.1							0.8		22.2		22.2				23.1
06.1/4	Other fresh fruits	107.5		1.1		0.1	0.1	0.1	4.7	8.6	91.6		100.2		3.4	2.3	107.4
06.4	Total - grapes	132.9					1.5	0.1	6.5	33.1	91.7		124.8				131.4
06.4/1	Dessert grapes	10.2							2.0		8.2		8.2				10.2
06.4/2	Other grapes	122.7					1.5	0.1	4.5	33.1	83.5		116.6				121.2
07	Wine																
07.1	Table wine																
09	Other crops from crop husbandry	21.3		6.2	3.7					14.5	2.9		17.4		6.6	0.4	17.8
09.2	Seeds	12.5		5.2	3.7					4.8	2.9		7.6		6.6	1.3	9.0
09.3	Other crops from crop husbandry	8.8		0.9						9.7			9.7			-0.9	8.8
10	Production from crop husbandry (from 01 to 09)	5 288.0	14.8	1 332.8	129.3	658.3	18.1	32.5	146.4	301.1	4 134.1	20.1	4 455.3		1 166.0	-166.9	5 125.7

(BGN million)

BGN million																	
Code	Products	Current prices															
		Gross production	Losses	Initial reserves	Used in the unit			Processed by producers	Self-consumption	Sales			Sales - total	Production of goods from shareholders equity for their own consumption	End reserves	Change in reserves	End production
					Seeds and seedling material	Feed supplements	Other			within the country		outside the country					
										in the branch	outside the branch						
a	b	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
11	Agricultural animals	1 035,9		483,0					364,8		637,3		637,3	112,9	403,9	-79,1	1 035,9
11.1	Cattle	171,9		210,1					53,5		79,8		79,8	59,4	189,3	-20,8	171,9
11.2	Swine	318,9		56,1					88,5		222,5		222,5	12,9	51,1	-5,1	318,9
11.3	Horses	0,3		4,8							0,9		0,9		4,2	-0,6	0,3
11.4	Sheep and goats	185,2		117,4					94,5		105,8		105,8	40,6	61,7	-55,6	185,2
11.5	Birds	355,8		50,6					128,4		228,2		228,2		49,8	-0,8	355,8
11.6	Other animals	3,8		44,0											47,8	3,8	3,8
12	Livestock breeding products	1 314,3	4,4	50,4		119,0	92,4	7,5	166,7	94,8	816,3		911,1		63,7	13,2	1 098,6
12.1	Milk	951,3	2,3			118,6		6,4	76,7	47,1	700,2		747,3				830,5
12.2	Eggs	258,9	2,1	2,6		0,4	56,1	1,1	77,7	43,5	76,2		119,7		4,4	1,8	200,3
12.3	Other livestock breeding products	104,1		47,8			36,3		12,3	4,2	39,9		44,1		59,2	11,4	67,8
12.3/1	Greasy wool	2,5		4,0							3,2		3,2		3,3	-0,7	2,5
12.3/2	Silk cocoons																
12.3/3	Other livestock breeding products	101,6		43,7			36,3		12,3	4,2	36,7		40,9		55,9	12,2	65,3
13	Livestock production (11+12)	2 350,2	4,4	533,4		119,0	92,4	7,5	531,5	94,8	1 453,5		1 548,3	112,9	467,5	-65,9	2 134,5
14	Production from agricultural goods (10+13)	7 638,2	19,2	1 866,2	129,3	777,3	110,5	40,0	677,9	395,9	5 587,7	20,1	6 003,7	112,9	1 633,5	-232,7	7 260,2
15	Production of agricultural services	530,6									530,6		530,6				530,6
16	Production from agriculture (14+15)	8 168,8	19,2	1 866,2	129,3	777,3	110,5	40,0	677,9	395,9	6 118,3	20,1	6 534,3	112,9	1 633,5	-232,7	7 790,8
17	Secondary activities integral to agriculture	545,0							545,0								545,0
17.1	Processing agricultural products	545,0							545,0								545,0
17.1/1	- cereals	110,9							110,9								110,9
17.1/2	- vegetables	28,7							28,7								28,7
17.1/3	- fruits	12,7							12,7								12,7
17.1/4	- wine	10,7							10,7								10,7
17.1/5	- animals	196,1							196,1								196,1
17.1/6	- animal products	176,6							176,6								176,6
17.1/6/1	- milk	176,6							176,6								176,6
17.1/7	- others	9,3							9,3								9,3
17.2	Other integral secondary activities																
18	Production from strand "Agriculture" (16+17)	8 713,8	19,2	1 866,2	129,3	777,3	110,5	40,0	1 223,0	395,9	6 118,3	20,1	6 534,3	112,9	1 633,5	-232,7	8 335,8

Source: NIS

\* The data for 2013 are preliminary data.

## ANNEX 2

## VALUE OF GROSS PRODUCTION AND GROSS ADDED VALUE FROM SECTOR "AGRICULTURE" (PER PRODUCER PRICES)

(BGN million)

Code	Products	2011	Change 2012/2011 (%)	2012	Change 2013*/2012 (%)	2013 *
a	b	1	2	3	4	5
01	Cereal crops	2 452,3	10,4	2 707,3	-4,5	2 585,8
01.1	Wheat and spelt	1 447,6	24,4	1 800,2	-12,8	1 569,2
01.1/1	Soft wheat	1 399,2	27,0	1 776,7	-12,8	1 549,7
01.1/2	Hard wheat	48,4	-51,4	23,5	-17,0	19,5
01.2	Rye	5,5	36,4	7,5	14,7	8,6
01.3	Barley	218,4	13,9	248,7	-2,4	242,8
01.4	Oats and grain mixtures	9,4	7,4	10,1	7,9	10,9
01.5	Maize for grain	730,6	-18,5	595,6	18,1	703,2
01.6	Rice	29,1	-8,2	26,7	19,9	32,0
01.7	Other cereals	11,7	58,1	18,5	3,2	19,1
02	Technical crops	1 735,4	-8,1	1 595,6	-0,6	1 586,3
02.1	Oilseed seeds	1 443,3	-1,4	1 422,6	-6,7	1 327,5
02.1/1	Colza and rapeseed	418,8	-41,5	244,8	-8,2	224,7
02.1/2	Sunflower	998,8	16,8	1 166,6	-7,1	1 083,9
02.1/3	Soy	5,3	-96,2	0,2	300,0	0,8
02.1/4	Other oilseed crops	20,4	-46,1	11,0	64,5	18,1
02.2	Protein crops	23,1	-59,3	9,4	-3,2	9,1
02.3	Tobacco	206,4	-51,4	100,3	45,7	146,1
02.4	Sugar beet	0,0				
02.5	Other technical crops	62,6	1,1	63,3	63,7	103,6
02.5/1	Fiber crops	0,4	-25,0	0,3	-33,3	0,2
02.5/2	Hop	0,2	250,0	0,7	14,3	0,8
02.5/3	Other technical crops	62,0	0,5	62,3	64,7	102,6
03	Feed crops	287,1	46,8	421,6	-12,0	371,0
03.1	Maize for silage	17,7	119,8	38,9	-11,6	34,4
03.2	Root feed crops	0,1	0,0	0,1	400,0	0,5
03.3	Other feed crops	269,3	42,1	382,6	-12,2	336,1
04	Vegetables	238,6	0,9	240,8	16,3	280,1
04.1	Fresh vegetables	235,0	-5,7	221,6	7,3	237,8
04.1/2	Tomatoes	58,0	10,0	63,8	11,6	71,2
04.1/3	Other fresh vegetables	177,0	-10,8	157,8	5,6	166,6
04.2	Flowers	3,6	433,3	19,2	120,3	42,3
04.2/1	Nurseries	2,6	438,5	14,0	150,0	35,0
04.2/2	Decorative plants, including Christmas trees	1,0	420,0	5,2	40,4	7,3
04.2/3	Establishment and cultivating					
05	Potatoes	104,5	-46,1	56,3	141,4	135,9
06	Fruits	253,0	9,1	276,0	11,4	307,6
06.1	Fresh fruits	124,4	12,2	139,6	25,1	174,7
06.1/1	Apples	13,7	72,3	23,6	77,1	41,8
06.1/2	Pears	0,3	333,3	1,3	76,9	2,3
06.1/3	Peaches	15,5	-1,3	15,3	51,0	23,1
06.1/4	Other fresh fruits	94,9	4,7	99,4	8,1	107,5
06.4	Total grapes	128,6	6,1	136,4	-2,6	132,9
06.4/1	Dessert grapes	4,1	2,4	4,2	142,9	10,2
06.4/2	Other grapes	124,5	6,2	132,2	-7,2	122,7
07	Wine					
07.1	Table wine					
09	Other crops from crop husbandry	29,8	-44,3	16,6	28,3	21,3
09.2	Seeds	24,2	-59,9	9,7	28,9	12,5
09.3	Other crops from crop husbandry	5,6	23,2	6,9	27,5	8,8
<b>10</b>	<b>Crops husbandry production</b>	<b>5 100,7</b>	<b>4,2</b>	<b>5 314,2</b>	<b>-0,5</b>	<b>5 288,0</b>
11	Agricultural animals	1 145,7	0,1	1 147,0	-9,7	1 035,9
11.1	Cattle	185,6	3,2	191,6	-10,3	171,9
11.2	Swine	270,1	3,2	278,8	14,4	318,9
11.3	Horses	4,1	-85,4	0,6	-50,0	0,3
11.4	Sheep and goats	279,6	2,6	286,8	-35,4	185,2
11.5	Birds	382,8	0,5	384,7	-7,5	355,8
11.6	Other animals	23,5	-80,9	4,5	-15,6	3,8
12	Livestock breeding products	1 292,3	-3,1	1 251,9	5,0	1 314,3
12.1	Milk	962,2	-9,9	867,1	9,7	951,3
12.2	Eggs	248,4	14,5	284,5	-9,0	258,9
12.3	Other livestock breeding products	81,7	22,8	100,3	3,8	104,1
12.3/1	Greasy wool	1,9	200,0	5,7	-56,1	2,5
12.3/2	Silk cocoons	0,0		0,0		0,0
12.3/3	Other livestock breeding products	79,8	18,5	94,6	7,4	101,6
<b>13</b>	<b>Production from livestock breeding</b>	<b>2 438,0</b>	<b>-1,6</b>	<b>2 398,9</b>	<b>-2,0</b>	<b>2 350,2</b>

(BGN million)

Code	Products	2011	Change 2012/2011 (%)	2012	Change 2013*/2012 (%)	2013 *
a	b	1	2	3	4	5
14	Production of agricultural goods	7 538,7	2,3	7 713,1	-1,0	7 638,2
15	Production from agricultural services	508,9	3,5	526,5	0,8	530,6
16	Agricultural production	8 047,6	2,4	8 239,6	-0,9	8 168,8
17	Non-agricultural integral secondary activities	619,9	-17,0	514,6	5,9	545,0
17.1	Processing agricultural products	619,9	-17,0	514,6	5,9	545,0
17.1/1	- cereals	183,4	-46,6	97,9	13,3	110,9
17.1/2	- vegetables	51,7	-42,7	29,6	-3,0	28,7
17.1/3	- fruits	14,2	33,8	19,0	-33,2	12,7
17.1/4	- wine	12,3	-16,3	10,3	3,9	10,7
17.1/5	- animals	210,1	7,9	226,8	-13,5	196,1
17.1/6	- animal products	138,7	-13,7	119,7	47,5	176,6
17.1/6/1	- milk	138,7	-13,7	119,7	47,5	176,6
17.1/7	- miscellaneous	9,5	18,9	11,3	-17,7	9,3
17.2	Other integral secondary activities					
18	Production from sector "Agriculture"	8 667,5	1,0	8 754,2	-0,5	8 713,8
19	Interim consumption	5 703,4	0,6	5 738,4	-1,4	5 657,5
	Losses	11,9	49,6	17,8	7,9	19,2
19.01	Seeds and planting material	384,5	-3,9	369,4	-8,3	338,7
19.01/1	delivered by other agricultural enterprises	49,2	-14,4	42,1	5,0	44,2
19.01/2	purchased outside of the sector	164,1	8,0	177,2	-6,8	165,2
	produced and consumed within the holding	171,2	-12,3	150,1	-13,9	129,3
19.02	Fuels and oils	1 150,0	3,5	1 190,0	-2,1	1 164,8
19.02/1	- electricity	87,3	-15,3	73,9	19,9	88,6
19.02/2	- gas	38,0	-6,6	35,5	1,1	35,9
19.02/3	- other fuels	1 020,5	5,5	1 076,4	-3,8	1 035,7
19.02/4	- miscellaneous	4,2	0,0	4,2	9,5	4,6
19.03	Fertilizers and soil improvement agents	417,4	1,5	423,5	19,5	506,0
19.03/1	delivered by other agricultural enterprises	18,0	-41,1	10,6	-0,9	10,5
19.03/2	purchased outside of the sector	399,4	3,4	412,9	20,0	495,5
	produced and consumed within the holding					
19.04	Plant protection preparations and pesticides	210,2	22,0	256,4	6,5	273,1
19.05	Veterinary expenses	294,8	-5,1	279,8	0,2	280,4
19.06	Feed supplements	1 607,8	-1,5	1 584,2	-19,8	1 270,3
19.06/1	delivered by other agricultural enterprises	329,9	-6,5	308,5	-30,5	214,5
19.06/2	purchased outside of the sector	292,4	1,7	297,3	33,7	397,5
19.06/3	produced and consumed within the holding	985,5	-0,7	978,4	-32,7	658,3
	Feed supplements, not included in EAA	78,2	26,2	98,7	20,6	119,0
19.07	Maintenance and repair of machines and small inventory	374,0	-10,1	336,3	5,2	353,8
19.08	Building maintenance	181,8	-2,1	177,9	-2,5	173,5
19.09	Agricultural services	508,9	3,5	526,5	0,8	530,6
19.10	FIZIM	106,7	11,9	119,4	-25,1	89,4
19.11	Other goods and services	377,2	-5,0	358,5	50,3	538,7
	delivered by other agricultural enterprises	107,8	1,7	109,6	15,6	126,7
	purchased outside of the sector	197,2	-9,7	178,0	69,4	301,5
	produced and consumed within the holding	72,2	-1,8	70,9	55,9	110,5
20	Gross added value per producer prices	2 964,1	1,7	3 015,8	1,3	3 056,3

Source: NIS

Calculations for change over years in percentage - MAF

\* The data for 2013 are preliminary data

## ANNEX 3

## INTERIM CONSUMPTION, FACTORAL EXPENSES, OTHER SUBSIDIES AND TAXES FOR 2013\*

(BGN million)

Elements	For creation of gross production	For creation of end production	Produced and consumed within the holding	Purchase of goods and services for interim consumption	
				by other agricultural units	by units outside the sector
a	1	2	3	4	5
Losses	19,2		19,2		
Seed and planting material	338,7	209,4	129,3	44,2	165,2
Fuels and oil	1 164,8	1 164,8	0,0	0,0	1 164,8
- electricity	88,6	88,6			88,6
- gas	35,9	35,9			35,9
- other fuels	1 035,7	1 035,7			1 035,7
- miscellaneous	4,6	4,6			4,6
Fertilizers and soil improvers	506,0	506,0	0,0	10,5	495,5
Plant protection preparations and pesticides	273,1	273,1			273,1
Veterinary expenses	280,4	280,4			280,4
Feed supplements	1 270,3	1 270,3	658,3	214,5	397,5
Feed supplements, not included in EAA	119,0		119,0		
Maintenance and repair	527,3	527,3	0,0	0,0	527,3
- maintenance and repair of machines and small inventory	353,8	353,8			353,8
- maintenance of buildings	173,5	173,5			173,5
Agricultural services	530,6	530,6		530,6	
FIZIM	89,4	89,4			89,4
Other goods and services	538,7	428,2	110,5	126,7	301,5
<b>Interim consumption</b>	<b>5 657,5</b>	<b>5 279,5</b>	<b>1 036,3</b>	<b>926,5</b>	<b>3 694,7</b>
<b>Consumption of shareholders equity</b>	<b>486,3</b>	<b>486,3</b>	<b>0,0</b>	<b>0,0</b>	<b>486,3</b>
- equipment	411,0	411,0			411,0
- buildings	30,5	30,5			30,5
- creation and growing	11,2	11,2			11,2
- miscellaneous	33,6	33,6			33,6
<b>Compensations for employees</b>	<b>616,0</b>	<b>616,0</b>			<b>616,0</b>
<b>Other taxes on production</b>	<b>3,6</b>	<b>3,6</b>			<b>3,6</b>
<b>Other subsidies for production</b>	<b>1 667,1</b>	<b>1 667,1</b>			<b>1 667,1</b>
<b>Lease</b>	<b>759,8</b>	<b>759,8</b>			<b>759,8</b>
<b>Interest paid</b>	<b>77,4</b>	<b>77,4</b>			<b>77,4</b>
<b>Interest received</b>	<b>21,0</b>	<b>21,0</b>			<b>21,0</b>

Source: NIS

\* The data for 2013 are preliminary

## ANNEX 4

VALUE OF END PRODUCTION, GROSS ADDED VALUE, AND ENTREPRENEURIAL INCOME IN SECTOR "AGRICULTURE" FOR 2013 (AT CURRENT BASE PRICES)  
(BGN million)

Code	Products	2011	Change 2012/2011 (%)	2012	Change 2013*/2012 (%)	2013 *
a	b	1	2	3	4	5
01	Cereal crops	2 339,2	9,7	2 565,0	-4,0	2 461,5
01.1	Wheat and spelt	1 354,5	24,0	1 679,1	-12,2	1 473,7
01.1/1	Soft wheat	1 307,6	26,7	1 657,2	-12,1	1 456,0
01.1/2	Hard wheat	46,9	-53,3	21,9	-16,9	18,2
01.2	Rye	5,1	35,3	6,9	14,5	7,9
01.3	Barley	205,4	13,2	232,5	-2,4	226,9
01.4	Oats and grain mix	8,3	15,7	9,6	4,2	10,0
01.5	Maize for seed	726,3	-18,4	592,7	17,2	694,8
01.6	Rice	28,6	-7,7	26,4	14,4	30,2
01.7	Other cereals	11,0	61,8	17,8	1,1	18,0
02	Technical crops	1 801,5	-7,0	1 675,0	1,3	1 697,3
02.1	Oilseed crop seeds	1 439,5	-0,6	1 431,2	-7,7	1 321,4
02.1/1	Colza and rapeseed	417,9	-38,6	256,4	-12,5	224,3
02.1/2	Sunflower	996,5	16,8	1 163,8	-7,3	1 078,7
02.1/3	Soy	5,3	-96,2	0,2	300,0	0,8
02.1/4	Other oilseed crops	19,8	-45,5	10,8	63,0	17,6
02.2	Protein crops	21,8	-63,3	8,0	10,0	8,8
02.3	Tobacco	278,4	-37,9	173,0	53,1	264,9
02.4	Sugar beet			0,0		
02.5	Other technical crops	61,8	1,6	62,8	62,7	102,2
02.5/1	Fiber crops	0,4	0,0	0,4	-50,0	0,2
02.5/2	Hop	0,2	250,0	0,7	14,3	0,8
02.5/3	Other technical crops	61,2	0,8	61,7	64,0	101,2
03	Feed crops	280,9	48,5	417,0	-11,6	368,8
03.1	Maize for silage	17,4	123,0	38,8	-12,1	34,1
03.2	Root feeds	0,1	0,0	0,1	300,0	0,4
03.3	Other feed crops	263,4	43,5	378,1	-11,6	334,3
04	Vegetables	234,5	-2,2	229,4	18,5	271,8
04.1	Fresh vegetables	233,4	-5,1	221,6	6,5	236,1
04.1/2	Tomatoes	57,6	12,2	64,6	10,2	71,2
04.1/3	Other fresh vegetables	175,8	-10,7	157,0	5,0	164,9
04.2	Flowers	1,1	609,1	7,8	357,7	35,7
04.2/1	Nurseries	0,1	2 500,0	2,6	1 003,8	28,7
04.2/2	Decorative plants, including Christmas trees	1,0	420,0	5,2	34,6	7,0
04.2/3	Creation and growing					0,0
05	Potatoes	33,2	57,2	52,2	133,1	121,7
06	Fruits	252,6	8,9	275,0	11,2	305,8
06.1	Fresh fruits	124,6	11,8	139,3	25,2	174,4
06.1/1	Apples	13,6	69,1	23,0	80,0	41,4
06.1/2	Pears	0,3	333,3	1,3	76,9	2,3
06.1/3	Peaches	15,5	-1,3	15,3	51,0	23,1
06.1/4	Other fresh fruits	95,2	4,7	99,7	7,9	107,6
06.4	Total grapes	128,0	6,0	135,7	-3,2	131,4
06.4/1	Dessert grapes	4,1	2,4	4,2	142,9	10,2
06.4/2	Other grapes	123,9	6,1	131,5	-7,8	121,2
07	Wine					
07.1	Table wine					
09	Other crops from crop husbandry	29,7	-52,5	14,1	26,2	17,8
09.2	Seeds	24,1	-71,8	6,8	32,4	9,0
09.3	Other crops from crop husbandry	5,6	30,4	7,3	20,5	8,8
<b>10</b>	<b>Crop husbandry production</b>	<b>4 971,6</b>	<b>5,2</b>	<b>5 227,7</b>	<b>0,3</b>	<b>5 244,7</b>
11	Agricultural animals	1 226,8	2,2	1 253,4	-9,2	1 137,8
11.1	Cattle	246,2	4,7	257,7	-8,1	236,9
11.2	Swine	270,1	3,2	278,8	14,4	318,9
11.3	Horses	4,1	-85,4	0,6	-50,0	0,3
11.4	Sheep and goats	300,1	8,0	324,0	-31,5	222,1
11.5	Birds	382,8	0,5	384,7	-7,5	355,8
11.6	Other animals	23,5	-67,7	7,6	-50,0	3,8
12	Livestock breeding products	1 190,3	-5,1	1 129,7	0,5	1 135,2
12.1	Milk	913,5	-12,1	803,4	7,9	867,1
12.2	Eggs	222,5	12,2	249,7	-19,8	200,3
12.3	Other livestock breeding products	54,3	41,1	76,6	-11,5	67,8
12.3/1	Grease wool	1,9	200,0	5,7	-56,1	2,5
12.3/2	Silk cocoons			0,0		0,0
12.3/3	Other livestock breeding products	52,4	35,3	70,9	-7,9	65,3
<b>13</b>	<b>Production from livestock breeding</b>	<b>2 417,1</b>	<b>-1,4</b>	<b>2 383,1</b>	<b>-4,6</b>	<b>2 273,0</b>
<b>14</b>	<b>Production from agricultural goods</b>	<b>7 388,7</b>	<b>3,0</b>	<b>7 610,8</b>	<b>-1,2</b>	<b>7 517,7</b>
<b>15</b>	<b>Production from agricultural services</b>	<b>508,9</b>	<b>3,5</b>	<b>526,5</b>	<b>0,8</b>	<b>530,6</b>
<b>16</b>	<b>Agricultural production</b>	<b>7 897,6</b>	<b>3,0</b>	<b>8 137,3</b>	<b>-1,1</b>	<b>8 048,3</b>



Code	Products	2011	Change 2012/2011 (%)	2012	Change 2013*/2012 (%)	2013 *
a	b	1	2	3	4	5
<b>17</b>	<b>Non-agricultural integral secondary activities</b>	<b>619,9</b>	<b>-17,0</b>	<b>514,6</b>	<b>5,9</b>	<b>545,0</b>
17.1	Processing of agricultural products	619,9	-17,0	514,6	5,9	545,0
17.1/1	- cereals	183,4	-46,6	97,9	13,3	110,9
17.1/2	- vegetables	51,7	-42,7	29,6	-3,0	28,7
17.1/3	- fruits	14,2	33,8	19,0	-33,2	12,7
17.1/4	- wine	12,3	-16,3	10,3	3,9	10,7
17.1/5	- animals	210,1	7,9	226,8	-13,5	196,1
17.1/6	- animal products	138,7	-13,7	119,7	47,5	176,6
17.1/6/1	- milk	138,7	-13,7	119,7	47,5	176,6
17.1/7	- other	9,5	18,9	11,3	-17,7	9,3
17.2	Other integral secondary activities					
<b>18</b>	<b>Production from sector "Agriculture"</b>	<b>8 517,5</b>	<b>1,6</b>	<b>8 651,9</b>	<b>-0,7</b>	<b>8 593,3</b>
<b>19</b>	<b>Interim consumption</b>	<b>5 369,9</b>	<b>0,6</b>	<b>5 400,9</b>	<b>-2,2</b>	<b>5 279,5</b>
19.01	Seeds and seedling material	213,3	2,8	219,3	-4,5	209,4
19.01/1	delivered by other agricultural enterprises	49,2	-14,4	42,1	5,0	44,2
19.01/2	purchased outside the sector	164,1	8,0	177,2	-6,8	165,2
19.02	Fuels and oils	1 150,0	3,5	1 190,0	-2,1	1 164,8
19.02/1	- electricity	87,3	-15,3	73,9	19,9	88,6
19.02/2	- gas	38,0	-6,6	35,5	1,1	35,9
19.02/3	- other fuels	1 020,5	5,5	1 076,4	-3,8	1 035,7
19.02/4	- others	4,2	0,0	4,2	9,5	4,6
19.03	Fertilizers and soil improvement agents	417,4	1,5	423,5	19,5	506,0
19.03/1	delivered by other agricultural enterprises	18,0	-41,1	10,6	-0,9	10,5
19.03/2	purchased outside the sector	399,4	3,4	412,9	20,0	495,5
19.04	Plant protection preparations and pesticides	210,2	22,0	256,4	6,5	273,1
19.05	Veterinary expenses	294,8	-5,1	279,8	0,2	280,4
19.06	Feed additives	1 607,8	-1,5	1 584,2	-19,8	1 270,3
19.06/1	delivered by other agricultural enterprises	329,9	-6,5	308,5	-30,5	214,5
19.06/2	purchased outside the sector	292,4	1,7	297,3	33,7	397,5
19.06/3	Produced and consumed within the holding	985,5	-0,7	978,4	-32,7	658,3
19.07	Maintenance and repair of machines and small inventory	374,0	-10,1	336,3	5,2	353,8
19.08	Maintenance of buildings	181,8	-2,1	177,9	-2,5	173,5
19.09	Agricultural services	508,9	3,5	526,5	0,8	530,6
19.10	FIZIM	106,7	11,9	119,4	-25,1	89,4
19.11	Other goods and services	305,0	-5,7	287,6	48,9	428,2
	delivered from other agricultural enterprises	107,8	1,7	109,6	15,6	126,7
	purchased outside the sector	197,2	-9,7	178,0	69,4	301,5
<b>20</b>	<b>Gross added value per basis prices</b>	<b>3 147,6</b>	<b>3,3</b>	<b>3 251,0</b>	<b>1,9</b>	<b>3 313,8</b>
<b>21</b>	<b>Consumption of shareholder's equity</b>	<b>523,3</b>	<b>14,7</b>	<b>600,0</b>	<b>-19,0</b>	<b>486,3</b>
21.1	- equipment	449,0	14,1	512,2	-19,8	411,0
21.2	- buildings	35,6	9,6	39,0	-21,8	30,5
21.3	- creating and growing	9,4	28,7	12,1	-7,4	11,2
21.4	- others	29,3	25,3	36,7	-8,4	33,6
<b>22</b>	<b>Net added value per base prices</b>	<b>2 624,3</b>	<b>1,0</b>	<b>2 651,0</b>	<b>6,7</b>	<b>2 827,5</b>
23	Compensation of employees	489,2	12,7	551,2	11,8	616,0
24	Other taxes over production	3,3	-27,3	2,4	50,0	3,6
25	Other subsidies over production	895,7	34,7	1 206,7	38,2	1 667,1
26	Income from factors	3 516,7	9,6	3 855,3	16,5	4 491,0
<b>27</b>	<b>Operative surplus / Mixed income</b>	<b>3 027,5</b>	<b>9,1</b>	<b>3 304,1</b>	<b>17,3</b>	<b>3 875,0</b>
28	Lease	545,8	50,3	820,4	-7,4	759,8
29	Interest paid	20,2	-29,2	14,3	441,3	77,4
30	Interest received	6,3	-49,2	3,2	556,3	21,0
<b>31</b>	<b>Entrepreneurial income</b>	<b>2 467,8</b>	<b>0,2</b>	<b>2 472,6</b>	<b>23,7</b>	<b>3 058,8</b>

Source: NIS

Calculations for change over years in percentage - MAF

\* The data for 2013 are preliminary data

## ANNEX 5

## PRODUCER PRICES FOR MAIN AGRICULTURAL PRODUCTS IN 2013

Indicators	Measurement unit	2012 (BGN)	2013 (BGN)	Change 2013/2012 * (%)
Cereal crops				
Soft wheat	т	404,18	315,34	-21,98
Maize	т	354,85	304,88	-14,08
Paddy rice	т	494,08	551,99	11,72
Barley	т	378,14	334,18	-11,63
Rye	т	344,56	316,13	-8,25
Oats	т	360,23	333,02	-7,55
Technical crops	х	х	х	
Colza or rapeseed seeds	т	901,27	693,91	-23,01
Sunflower seeds	т	841,04	607,32	-27,79
Tobacco "Oriental"	т	5 216,33	4 756,89	-8,81
Tobacco "Virginia"	т	3 597,71	3 192,73	-11,26
Tobacco "Burleigh"	т	3 118,24	3 056,77	-1,97
Feed crops	х	х	х	
Green mass for maize feed	кг	0,09	0,10	11,11
Potatoes	т	371,90	467,71	25,76
Vegetables	х	х	х	
Tomatoes	т	770,49	627,17	-18,60
Tomatoes from open areas	т	635,08	468,20	-26,28
Tomato, greenhouse	т	844,89	1 037,45	22,79
Head cabbage, white	т	385,78	327,27	-15,17
Cucumbers and gherkins	т	852,70	1 531,02	79,55
Cucumbers and gherking from open areas	т	669,90	631,68	-5,71
Cucumbers and gherking, greenhouse	т	957,96	1 662,75	73,57
Green or red pepper, outdoor	т	643,95	653,76	1,52
Fruits	х	х	х	
Apples	т	517,71	521,47	0,73
Pears	т	936,41	902,45	-3,63
Peaches	т	691,96	647,58	-6,41
Cherries	т	1 855,97	1 149,75	-38,05
Prunes	т	378,43	378,94	0,13
Strawberries	т	1 654,09	1 704,89	3,07
Regular walnuts with shells	т	1 789,19	1 238,97	-30,75
Apricots	т	569,12	666,77	17,16
Morello	т	1 196,70	1 024,60	-14,38
Raspberries, cultivated	т	2 561,89	2 815,09	9,88
Dessert grapes - from vineyards	т	988,50	917,64	-7,17
Wine grapes - from vineyards	т	588,48	577,83	-1,81
Live animals	х	х	х	
Cattle from 1 to 2 years	т	2 550,46	2 546,56	-0,15
Ewes older than 2 years for fattening	т	1 967,14	2 425,90	23,32
Cows for fattening	т	1 582,27	1 651,35	4,37
Bulls aged over 2 years for fattening	т	2 397,02	2 415,67	0,78
Male buffalos aged 1 to 3 years	т	1 575,00	2 470,00	56,83
Female buffalos for fattening	т	1 766,67	1 758,17	-0,48
Calf aged up to 1 year	т	2 731,55	2 833,90	3,75
Young buffalo, aged up to 1 year	т	2 658,50	2 430,43	-8,58
Young pigs with weight up to 20 kg (up to 2 months)	т	5 558,28	5 331,07	-4,09
Young pigs with a weight ranging from 20 to 50 kg (aged 2 to 4 months)	т	3 403,22	3 693,26	8,52
Swine with weight ranging from 50 to 80 kg (aged 4 to 8 months)	т	2 710,30	2 776,40	2,44
Swine with a weight from 80 to 110 kg (aged more than 8 months)	т	2 607,66	2 691,01	3,20
Swine with weight exceeding 110 kg	т	2 096,01	2 283,23	8,93
Lambs aged up to 6 months for fattening	т	5 066,35	4 923,58	-2,82
Young sheep aged 6 to 12 months	т	3 238,93	4 131,95	27,57
Young sheep aged 12 to 18 months	т	3 570,22	3 761,48	5,36
Sheep	т	1 915,51	2 058,41	7,46
Kids aged up to 6 months	т	5 222,20	5 555,55	6,38
Kids aged 6 to 12 months	т	2 533,00	2 533,00	0,00
Goats	т	1 287,00	1 287,00	0,00
Chickens, broilers aged up to 6 months	т	1 970,66	2 283,92	15,90
Egg-laying hens	т	1 674,26	1 593,57	-4,82
Animal products	х	х	х	
Cow's milk	хил. л	621,85	610,31	-1,86
Sheep's milk	хил. л	1 186,49	1 186,75	0,02
Goat's milk	хил. л	789,89	693,84	-12,16
Hens' eggs for consumption	хил. бр.	170,93	125,54	-26,55
Hens' eggs for breeding	хил. бр.	382,15	376,29	-1,53
Natural bee honey	т	4 893,74	5 218,13	6,63

Source: NIS

\* Изчисления за изменението по години в проценти - МЗХ

# ANNEX 6

## PRICE INDICES FOR GOODS AND SERVICES FOR CURRENT CONSUMPTION IN AGRICULTURE FOR THE PERIOD 2011 - 2013 (2010=100)

Indicators	2010	2011	2012	2013
Total	100,0	110,8	117,7	116,2
Seedling and planting material	100,0	101,7	99,1	114,2
Electricity; fuels, et. al.	100,0	122,6	131,0	119,4
Mineral fertilizers	100,0	120,6	140,9	135,7
Direct fertilizers	100,0	120,8	141,1	136,2
Nitrogen fertilizers	100,0	121,9	144,0	139,0
Phosphorus fertilizers	100,0	107,1	109,8	104,2
Potassium fertilizers	100,0	107,5	72,9	71,1
Mixed fertilizers	100,0	114,2	132,8	121,7
Plant protectin preparations	100,0	97,9	99,1	98,4
Fungicides	100,0	98,6	101,6	97,5
Insecticides	100,0	98,5	100,6	94,0
Herbicides	100,0	97,7	98,4	99,2
Veterinary and medicinal products	100,0	98,6	106,4	101,7
Feed	100,0	110,2	117,3	126,7
Direct feed	100,0	113,9	111,3	131,1
Mixed feed	100,0	107,4	121,8	123,5
Maintenance and repair of transportation vehicles	100,0	101,0	103,7	105,2
Maintenance and repair of agricultural buildings	100,0	101,0	103,3	104,9
Other goods and services	100,0	102,7	105,5	105,3

Source: NIS