

**National Plan for
Development of Organic
Farming in Bulgaria
2007–2013**

Sofia, 2006

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ABBREVIATIONS

APSMEs	Agency for Promotion of SMEs
BAS	Bulgarian Accreditation Service
GM	Genetically Modified
GMO	Genetically Modified Organisms
SVSC	State Veterinary-Sanitary Control
SFA	State Fund Agriculture
EEC	European Economic Community
EU	European Union
PPI	Plant Protection Institute
CTCP	Commission on Trade and Customer Protection
MFA	Ministry of Foreign Affairs
MH	Ministry of Health
MAF	Ministry of Agriculture and Forestry
MEE	Ministry of Economy and Energetics
MD	Ministry of Defence
MES	Ministry of Education and Science
MEW	Ministry of Environment and Waters
MRDPW	Ministry of Regional Development and Public Works
MLSP	Ministry of Labor and Social Policy
MF	Ministry of Finance
NAEP	National Agrienvironmental Programme
NGO	Non Governmental Organizations
NRDP	National Rural Development Plan
NSI	National Statistical Institute
NSBC	National Strategy on Biodiversity Conservation
NPPS	National Plant Protection Service
NAAS	National Agriculture Advisory Service
NCAS	National Centre on Agrarian Science
OECD	Organization for Economic Cooperation and Development
CAP	Common Agriculture Policy
RDP	Rural Development Program
SAPARD	Special Preaccession Programme for Agriculture and Rural Development
WHO	World Health Organization
FAO	Food and Agriculture Organisation
CEFTA	Central European Free Trade Agreement
IFOAM	International Federation of Organic Agriculture Movements
IOAS	International Organic Accreditation Service
SOEL	Stiftung Ökologie & Landbau (SÖL) - Foundation Ecology & Agriculture
UNCTAD	Nations Conference on Trade and Development

INTRODUCTION

The current document envisages the organic farming as a system for specific cultivation of plants, breeding of animals and production and processing of plant and animal products and also their realization on the market.

1. The concept for organic farming

There are many definitions of what organic farming is worldwide. Bulgarian Plan for Development of Organic Farming (NPDOF) is elaborated in compliance with The European Action Plan for Organic Food and Farming. The plan uses the definition in accordance to FAO/WHO Codex Alimentarius guidelines for organic food, where

organic agriculture is "*a holistic production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity. It emphasises the use of management practices in preference to the use of off-farm inputs, taking into account that regional conditions require locally adapted systems. This is accomplished by using, where possible, agronomic, biological, and mechanical methods, as opposed to using synthetic materials, to fulfil any specific function within the system.*"

2. Reasons for elaboration of NPDOF of Bulgaria

One of the greatest challenges for Bulgaria in the process of economical restructuring is to balance the sufficient production of food and the increase of the employment rate with preventive protection of the environment.

Organic farming as well as other integrated agrienvironmental practices directly contribute to sustainability of the rural development in Bulgaria. They might lead to stabilization of ecosystems, preservation and restoration of natural resources, prevention of land abandonment. It is distinguished that only a small part of the agricultural land in Bulgaria is contaminated in the past and that no new pollution occurred in the last 7-8 years. The soil erosion problem is more serious – $\frac{3}{4}$ of country's territory suffers this process. The expected development of agricultural sector resulting from the support by the EU policies and programs may lead to intensification and corresponding soil degradation. EU SAPARD Programme and Structural Funds after EU accession provide opportunities for organic farming development and implementation of environmentally friendly agricultural practices, which lead to soil fertility preservation and reduce the pollution in agricultural lands.

Organic farming contributes for income stabilization of the farmers by opening of new and developing markets for their healthy and quality products and contributes for reducing the unemployment in rural areas. This fact is accentuated also in The European Action Plan for Organic Food and Farming. Bulgaria has favorable conditions for organic farming development and there is a chance the country to take its place in the still existing niche of organic farming products demand in the EU and worldwide.

The first steps toward organic farming in Bulgaria date back to the 60-ies, although the interest rose in the last 15 years. As a result of the high level Conference "Perspectives of the Organic Agriculture in the Enlarged European Union" held in Plovdiv in 2003 the Ministry of Agriculture and Forestry (MAF) took the responsibility to elaborate a Strategy and National Plan for Organic Farming Development.

NPDOF was elaborated in the period October 2004 – June 2005 and was co-financed by the Swiss Agency for Development and Cooperation and MAF. The Bioselena Foundation provided logistic support for its elaboration. The guiding principle in the process of elaboration was the wide representation and involvement of the stakeholders. In accordance to this principle a working group was created with more than 30 representatives of key stakeholders' organisations. An expert team of organic farming experts from NGOs, scientific institutes and consulting companies supported the work of the working group. The Draft NPDOF was discussed with more than 600 stakeholders in the country in six meetings in each NUT II level in the period March and April 2005.

CHAPTER I. ORGANIC PRODUCTION IN BULGARIA

I.1. Control and Certification of organic production in Bulgaria

According to Bulgarian legislation the control and certification of organic production is delegated to legal entities – traders or non-profit organizations after accreditation by Bulgarian Executive Agency for Accreditation and after approval received by the Minister of Agriculture and Forestry.

The activity of the foreign control bodies based outside Bulgaria and performing control and certification of organic farming on the territory of Bulgaria shall be regulated till the end of 2005. It is envisaged that the Minister of Agriculture and Forestry will award permissions for performance of control over organic farming on the country's territory to foreign control bodies if they have an accreditation certificate which guarantees compliance with the requirements of standard EN 45 011. In order to receive the permission by the Minister the foreign applicants for control body have to submit to MAF an expression of interest, containing data on the legal status of the entity according to the national legislation in force in the country in which it was registered: registration, name of the entity/company, head office, address, object of activity.

The Ordinances (22/ 4.7.2001 and 35/ 30.7.2001) on organic production define the Ministry of Agriculture and Forestry as competent authority responsible for implementation of organic farming legislation. The following structures implement this legislation:

- * *Commission on organic farming*, which advises the Minister in giving the license to control bodies and for its suspension. The Commission makes decisions on issues related to organic farming and its indication on the products;
- * the Secretariat to the Commission organizes its work and keeps registers of organic producers, processors and importers in Bulgaria, registers of control bodies in Bulgaria and EU;
- * expert group for auditing – for the moment the auditing is delegated to six trained experts of MAF and its Agencies. The auditing of control bodies is performed yearly.

The efficiency of the control on the organic production is of definite significance for gaining customer's confidence. The efficiency of this control is one of the mandatory conditions for a third country to be included in the list of the countries with recognized equivalence of practices and such country to benefit from favorable customs regime for EU member-states. Those countries, which are not included in this list have to re-certify their production through control body which is recognized by the competent authorities in EU.

There are two types of import regimes from third countries into the EU:

1. According to art. 11 (6) of Regulation 2092/91:

The competent authority of a Member State may authorize importers in that Member State to place on the market products imported from third countries, provided that the importer provides sufficient evidence showing that:

- the products for which an import permission is asked are produced in accordance with requirements equivalent to those, required by the Regulation;
- have been subject to inspection measures with efficiency equivalent to the efficiency envisaged in the Regulation.

2. According to art. 11(1) of Regulation 2092/91:

The third countries are included in the List of the countries with recognized equivalency of the procedures, of the production system and of the control and certification with Decision of the European Commission after accomplished accreditation procedure and awarded positive evaluation.

The criteria used for inclusion in the List of the countries under the regulation of art. 11 (1) are:

- in the country exists legislation regulating the organic farming which recalls the principles on which the EU legislation in the sphere is based;
- the country has realized export of organic production;
- the national legislation of the country is functioning and effective.

Currently (2005), SGS Bulgaria Ltd. is the only functioning control body for organic production according to the Bulgarian legislation. Other companies have also submitted their documents for approval but the process is still going on.

Apart from the existing system for control and certification, sometimes the international partners require analyses of organic products to be done in laboratories accredited for internationally recognized analysis methods. In Bulgaria there are five accredited laboratories for analysis of organic products and food. Currently (2005) they still are not equipped with the full range of tests and still are lacking the needed confidence of the West-European countries.

I.2. Current situation of the organic farming in Bulgaria

Between 19 November and 13 December 2004 a survey was done through written questionnaires sent to 37 control bodies working on the territory of EU and Bulgaria. The questionnaire asked for information on certified area in ha, producers, products and quantities. 10 answers were received. Three of the control bodies from Germany, Belgium and France responded that their organizations have not performed certifications in Bulgaria. Positive answers were received by IMO – Switzerland (Balkan Biosert), Lacon – ETKO – Germany (B-cert Bulgaria), Eco-cert – Germany, DIO – Greece, Soil Association Ltd – Great Britain, Skal International – The Netherlands and SGS Bulgaria Ltd. The other organizations did not respond to the questionnaire.

According to Agrienvironment Department in MAF, in 2003 the organic farming methods were applied on 8364 ha. The information received by the control bodies shows that the area under organic way of cultivation (certified and in conversion period) in the end of 2004 is 12284,14 ha or 0,22 % of the UAA. The certified area is 11 771, 47 ha and the area in conversion is 512,67 ha. The comparison with the data from 2003 shows that the areas under organic production have increased significantly only for 1 year.

The certified areas for wild berries, herbs and mushrooms is 62 183,95 ha.

There were 12 greenhouses for organic production of fruits and vegetables with 206 440 square meters that corresponds to 20,64 ha certified agricultural area. This information was presented during the Conference on organic farming held in Plovdiv in 2003. The greenhouses are mainly for fruits and vegetables.

There were 77 holdings for organic plant production (56 are already certified and the rest 21 were in conversion in 2004). One of the organic holdings is mixed – for plant and animal production.

Currently four farms produce organic propagation material and seeds of the following plants:

Kind	Certified (number of propagation material)	In conversion (number)	Total (number of propagation material)
Strawberries	110 000	–	110 000
Lavender	100 000	–	100 000
Rose	85 000	–	85 000
Dill	20, 7 tones		20, 7 tones
Total :	295 000 and 20,7 tones	–	295 000 and 20,7 tones

According to Agrienvironment and LFA Department of MAF data and the data gathered by the certifying bodies the North-Central and the South-Central regions are with the highest relative share of certified areas. There were 5 organic livestock breeding farms keeping in total 722 animals (cattle, sheep and goats). One of these holdings is mixed and in conversion period. It breeds 294 sheep.

The table below shows the animal distribution:

Type	Certified (heads)	In conversion (heads)	Total (heads)
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Cow	54	112	166
Bull	1	–	1
Calf	44	38	82
Cattle	35	112	147
Sheep		294	294
Goat	–	32	32
Total :	134	588	722

In 2004 the number of certified apiaries was 258 with 23 508 bee families kept in compliance with organic production requirements. Another 11 apiaries with 375 bee families were in conversion period. The produced amount of bee products for 2004 was as follows:

Kind	Certified tones	In conversion	Total (tones)
Bee honey	924,6	-	924,6
Pollen	7	-	7
Bee wax	45	-	45
Propolys	7	-	7
Total:	983,6	-	983,6

I.3. Processing of organic farming products

Organic farming processing in Bulgaria currently (2004) includes:

- Drying of herbs, spices, seeds, fruits and vegetables processed by Ira-Eco Ltd.
- Processing of organic products, including cultivated herbs and spices, packing of fruit, vegetable and mixed vegetable-fruit foods with low content of sugar by Biostart Ltd.
- Bee honey and honey products processing by Gerada Ltd.
- Processing of cultivated and wild herbs by Balkan Bioherb.
- Oil and cosmetic production through processing of essential crops in the distillery of Ecomaat Ltd.
- Milk processing for production of yoghurt wit 2% and 3,6% fats, sour milk with 1,5% fats and condensed cream with 15% and 37% fats in the dairy farm of Rima
- Freezing and drying of fruits and vegetables. The biggest companies are Ecoterra Ltd. and Krassy-MS. Ecoterra has two refrigerators in municipalities of Pazardzhik and Montana. In Pazardzhik are frozen fruits and vegetables and in Montana – only fruits. Krassy-MS has at its disposal fridges for fruits, dryers for mushrooms and producing facilities for fruit jams.
- Distillation of essential rose and lavender oils by BioBulgaria – Oil.

I.4. Trade with organic products and food

According to Bioselena foundation the national and international market possibilities for organic products are still not fully identified. Over 90% of the little produced at the moment certified organic production in Bulgaria is mainly exported for the West European countries (ethereal and herbal plants, vegetables, berries, honey). There is a certain potential for traditional indigenous products of sheep and bull milk and others. Existing sanitary obstacles in front of the processing industry force the export mainly of fresh products and raw materials, where benefits are lower.

The trade with organic products in Bulgaria is still in formation phase. The share of the market realized organic production in Bulgaria is less than 5%. The examples of many countries with developed organic farming (Great Britain, Germany, etc.) shows that about 70% of their production is realized on their internal markets. The only certified organic product that is widely sold and advertised is the baby food of an Austrian company “Hipp” and biodynamic Sunval. Sporadically organic Bulgarian vegetables and herbs are sold and advertised (Biofest, vegetable market in Plovdiv-Agroecological Center and Ecofarm, etc). For the moment even some of the producers of organic produce declare that they have no interest in developing the internal market for organic products, because they do not understand the important role of development of the internal market of organic products.

The current marketing of organic products is performed in three manners:

* Farmers' organizations – cooperatives or other legal form, the union of several farmers allows them to gather sufficient supply quantities from their small-scale production units. The only example for export at present is Bio Bulgaria that has managed to export organic mint and other herbs. In November 2004 Bioproduct Association managed to open the first stand for organic products in the country. The offered products are dairy (milk, yoghurt and cream), herbs, spices, honey, jams, dried fruits and mushrooms.

* Individual producers who are able to offer sufficient quantities from their own production for export. These are companies that deal with production, processing and export of organic products. The production of each company is certified from different European certifying organization, most often from the importing country. The technical consultations in the production are also done from the import company. This group is characterized with the lack of advertisement of their organic activity in Bulgaria. All of them are at the firm position that it is still early for offering organic products at the Bulgarian market, due to the economic status of the consumers.

* Company/organization that is buying produce from many agricultural producers and forming the necessary quantities in order to export them as a raw material or after processing. Usually most of these companies are specialized in wild berry or herb collection and processing/packing.

The basic part of the factors on which depends the sales increase in the country are the same or similar to the ones outside the country. However, some specifics exist in Bulgarian market and they have to be taken in mind in problem solving and practical issues.

The most important motive for consumers to buy organic products is linked to health and taste, while aspects such the environment and animal welfare are often secondary motives with varying importance in different Member States. Studies have also looked at the reasons why consumers do not buy organic products. The most important reason is that they find the prices too high. Some consumers also mention that they do not find the products in the shops; they do not believe that there is any difference in quality, they do not have information about the nature of organic products or that they have doubts as to whether the products are truly organic.

These findings impose the conclusion that in order to increase the chances of organic products for placement on the market the following steps are needed:

- *Cohesion between prices of organic and conventional foodstuffs.*
- *Emphasizing the quality of the assortment – this is extremely important, because the consumers could easily make the difference between organic products and the conventional ones.*
- *Establishment of stands only for organic products in the big trading chains (BILLA, METRO, Phantastico, Hit, etc.) is a real opportunity for successful realization. These stands have to attract the consumer's attention.*
- *Increase of organic foodstuff and products diversity.*

The success of the sales depends on the following important factors:

- *Regularly organized promotional and advertising campaigns – this is of extreme importance for the consumers of conventional products who do not obtain enough knowledge for the organic products and their characteristics. In such campaigns the accents have to fall on the quality of organic farming products, their advantages and the fact that their production is environmentally friendly.*
- *Comfortable shopping environment have to be provided to the customer. Significant are such factors as staff qualification and communication skills, comfort shopping conditions, carrying out of attractive product presentations, etc.*
- *Establishment of specialized stores. This channel for production realization dominated for a long time in West European countries.*
- *Offering of organic farming products in first-class restaurants and public institutions. At the beginning is possible to start in state institutions which could provide a real step forward for the development of organic farming products' market.*
- *Organic foodstuffs might be offered to the numerous tourists visiting the sea resorts or the ski ones in the country. The agro-tourism is an existing perspective for the organic producers to realize direct sells.*

- Comparatively new but dynamic form of production realization is *e-trade*. High opportunities exist in the e-trading of organic products. The web users as a whole are continuously increasing and this way the potential organic foods consumers increase too. The organic farming producers have two alternatives for e-trade:
 - To offer their products at already existing and popular web-site;
 - To offer their products at their own web-site.

I.5. Political, legislative and financial frames of organic production in Bulgaria

I.5.1. Bulgarian strategies, plans and programmes related to the development of organic farming

National Rural Development Plan 2000–2006 under the SAPARD¹ Programme of the EU

Bulgaria elaborated its National Rural Development Plan 2000–2006 in compliance with Regulation EC 1257/99. This Plan is the basis for absorption of funds under the SAPARD Programme of the EU. Its results are prolonged by the Rural Development Plan for the next period 2007–2013 when Bulgaria as an EU member-state will benefit from the funds for implementation of CAP. This document leads to elaboration of National Rural Development Programme in which the Agrienvironmental measure is a mandatory one. The agrienvironmental activities were tested under 1.3. measure of the NARDP 2000–2006 under SAPARD Programme. The aim of the measure was assess the impact of the implementation of environmentally friendly practices and activities in specifically identified and contrasting regions of the country. One of the basic activities under the measure was support of organic farming.

National Strategy on Conservation of Biodiversity (1995)²

National Strategy on Conservation of Biodiversity of Bulgaria claims that the key for biodiversity conservation is to accept appropriate approach for management of natural resources which takes into account their conservation and restoration, for the protected areas as well as outside them. The agriculture is important sector of the economy with significant impact on the biodiversity. The Strategy accentuates on the sustainable development of the agricultural sector and affirms that the organic farming method is one of the most appropriate ones.

National Environmental Strategy 2000–2006³

The National Environmental Strategy defines for basic and most important aim the improvement of quality of life of the population through ensuring favorable environment and its conservation. For the achievement of this aim of major importance is the integration of the environmental policy into the other sectoral policies, including the agriculture.

Organic farming development is among the other aims laid down in the National Strategy on Environment (2005–2014)⁴. In this document it is envisaged to increase the share of the UAA covered by organic method of cultivation to 3% of the total UAA.

The Strategy and the Plan (2005–2012) for Capacity Building of Republic of Bulgaria to implement its obligations in compliance with the UN Framework Convention on Climate Change, the UN Convention on Biological Diversity and the UN Convention to Combat Desertification defines the organic farming as an economic sector, which will contribute to the achievement of the aims of the three Conventions.

I.5.2. Bulgarian legislation related to organic farming

Bulgarian environmental legislation (Laws on water, land, air quality, human health, wild flora and fauna) as well as other legislative acts (ordinances) provide the common framework for regulation of some activities to be done by the economic actors, including agricultural activities. The agricultural

¹ http://www.mzgar.government.bg/Sapard/NationalPlan_program.htm

² http://chm.moew.government.bg/pdfs/bul/Nat_Strategies/Obsht-End-File.doc

³ http://www2.moew.government.bg/recent_doc/strateg_plans/Strategiaend.doc

⁴ <http://www2.moew.government.bg>

producers are free to choose the kind of agricultural activity they want to apply and the method, i.e. organic or not, but their nature preservation duties are legislatively mandatory. In this context, organic farming method is one of the most effective approaches in the agricultural sector ensuring compliance with environmental legislation.

Special legislative acts arranging organic farming activities:

- LAW on plant protection (promulgated in State Gazette 91/10.10.1997 amended in State Gazette 18/5.3.2004);
- LAW on animal husbandry (promulgated in State Gazette 65/8.8.2000, amended in State Gazette 18/5.3.2004);
- LAW on foodstuff (promulgated in State Gazette 90/15.10.1999, amended in State Gazette 70/10.8.2004).
- ORDINANCE No 22 of 4 July 2001 on organic production of plants, plant products and foodstuffs of plant origin and indications referring thereto on them (promulgated in State Gazette 68/3.8.2001);
- ORDINANCE No 35 of 30 August 2001 on organic production of livestock, livestock products and foodstuffs of animal origin and indications referring thereto on them (promulgated in State Gazette 80/18.9.2001)

The above mentioned acts laid down the basis for development of organic farming compliant to the sustainable development requirements in the agricultural sector and its contribution to biodiversity conservation.

Art. 6 of the Law on foodstuff regulates that “organic” are only foods which are produced in accordance with the rules for organic production and with the inspection rules for it. The same Law defines in what cases the words “organic” or “bio” could be used as an indication on the products. The foodstuff Law redirects also to the other two acts in relation to the organic farming - Law on protection of the plants and Animal Husbandry Law.

Art. 12a of the Plant Protection Law as well as Ordinance 22 regulate the strict rules for production of plants, plant products and foodstuffs of plant origin and indications referring thereto on them. Through these legislative acts are harmonized the EC Regulations on organic plant growing or production of organic plant food products. Such plant products are organic only in case the requirements of the Ordinance are followed – for soil fertility preservation and improvement, for utilization of plant protection materials and for usage of organic seed material.

Art. 14 – 14f of The Law on animal husbandry and also Ordinance 35 regulate the rules and conditions for organic production of livestock, livestock products and foodstuffs of animal origin and indications referring thereto on them. Through these acts the EU legislation on organic methods for animal breeding and production of organic animal products is introduced into the Bulgarian one.

The animals are kept or the animal products are produced in compliance with organic farming rules when the Ordinance requirements are followed for: animal provenance, the feed rules, disease treatment and prevention, livestock units density per ha according to animal specie and age, so that the produced manure not to exceed the equivalent of 170 kg nitrogen/ha/year and the rules for open air animal breeding and for requirements for the buildings in which the animals are kept.

I.5.3. Financial framework for support of organic farming in Bulgaria.

Until now (2005) no real financial support was offered to the organic farmers in Bulgaria. There are grant opportunities with some preference conditions by SF Agriculture or by the Enterprise for Management of Environmental Protection Activities (EMEPA). Investments in organic farming are supported with priority under SAPARD measure “Investment in agricultural holdings”. However, organic farming is one of the activities that will be supported under SAPARD programme by measure 1.3 Development of environmentally-friendly practices and activities. On the whole territory of the country farmers willing to undertake organic production in compliance with Ordinance No 22 of 4 July 2001 on organic production of plants, plant products and foodstuffs of plant origin and indications

referring thereto on them and with Ordinance No 35 of 30 August 2001 on organic production of livestock, livestock products and foodstuffs of animal origin and indications referring thereto on them will be supported. The following crops are eligible for support: fruits, vegetables, essential-oil crops, medicine crops and fodder crops. It is expected that with the implementation of the measure the interest towards organic farming will increase. The estimations are that at the end of the 5-years implementation of the measure 1000-1500 producers will be supported with the average farm size of 5 ha. It is also estimated that half of the organic producers in Bulgaria will participate in the measure.

Various international donors provide small scale support for organic farming development. The biggest donor programme is that of the Swiss Agency for development and cooperation. The programmes of the Dutch and British governments also provide financial opportunities in the sphere of organic production.

I.6. Institutions and organizations involved in organic production in Bulgaria

Ministry of Agriculture and Forestry (MAF) is the main institution responsible for development and implementation of agricultural support schemes. Of particular importance are the Rural Development Directorate with two of its units “Agri-Environment” and “Rural development and Investments” and the State Fund “Agriculture”(SFA) with its two branches “SAPARD Agency” and “National Support Schemes”.

MAF is the competent authority for policy implementation in the field of organic farming. MAF organizes the work of the Commission on organic farming, implements inspection and audits on the control bodies as well as on the implementation of the legislation in this field. It is also responsible for introduction of the amendments from the Acquis into the national legislation.

National Plant Protection Service (NPPS)

NPPS implements activities contributing to the development of organic plant production, OF plant products and foods. Such activities are control on the imports, market placement, transportation, preservation and utilization of plant protection products, bio-active substances, fertilizers; control on imports, trade off and utilization of plant protection biologic agents, pheromone and other pest meshes; control over the contents of chemical and biologic pollutants in raw materials and plant products, agricultural land and irrigation water in order to guarantee the food safety of plant products and human health as well as animal health, preservation of environment and biodiversity. The Institute on Plant Protection as part of the NPPS invents organic methods and means for weed control or against pest (diseases, wrecking) affecting crops.

National Veterinary Service (NVS)

NVS implements activities contributing to organic farming development are control of animal health and animal welfare, safety of raw materials and animal food products, fodder and additives safety, preservation of environment against harming impacts from livestock breeding and related processing sectors, utilization of veterinary medicaments. The central laboratory for veterinary expertise and ecology provides laboratory analyses for control of contaminants from veterinary detergents and pollutants in livestock, raw materials and animal products, fodder and additives, water and livestock breeding farms.

National Agricultural Advisory Service (NAAS)

NAAS with its 28 regional offices provides advice, consultation, information and applied researches to agricultural producers in order they to achieve effectiveness and competitiveness.

Executive Agency for Selection and Reproduction in Livestock Breeding (EASRL)

EASRL monitors the implementation of the selection programmes and defines the breed value of the breeding associations; implements monitoring on the productive qualities of the animals; produces deep frozen sperm, eggs and embryos form elite brood animals; coordinates the establishment of new and hybrid breeds and supports the Minister in their approval. EASRL has a key role in selection of organic livestock breeding.

National Centre for Agrarian Sciences (NCAS) of MAF has a leading role in applied research related to soil preservation and implementation of organic farming methods.

Institute of Rose, Essential oil and Medicine Plants has a leading role for cultivation and processing of essential oil and medicine plants and provides applied research related to organic farming.

Ministry of Environment and Water (MEW) is the institution responsible for the overall environmental protection in the country including biodiversity protection. Of particular importance is the Directorate “National Nature Protection Service”. This Directorate is responsible for the management and coordination of the system of protected areas in Bulgaria. MEW is also responsible for the identification of Natura 2000 sites before EU accession.

Executive Environmental Agency of MEW performs monitoring of soil and land contamination in Bulgaria together with The Soil Institute “N. Pushkarov” of National Centre for Agrarian Sciences.

Agricultural University in Plovdiv is the leading one in the field of high agricultural education in the country. Since 1987 functions the Agrienvironmental Centre of the University which is the first organization in Bulgaria participating as a member of IFOAM since 1993. The main target of the Centre is to prepare qualified capacity for development of organic farming in the country.

The NGOs have an important role for spreading of information on the philosophy of organic farming in Bulgaria. They communicate the organic farming idea among agricultural producers, provide education for stakeholders, organize open days in demonstrations, educational centers and events for popularization of OF among the stakeholders. There are three leading organizations in the country which provide specialized consultancy in the field of organic farming – Association for Organic Farming “Ecofarm”, Foundation for Organic Farming “Bioselena” and “Agrolink” Association. As a whole, the organic farming vocational training and specialized consultancy are not developed at the necessary level and there is a lack of experts in this field. There are three producer groups – Bioproduct BG Association, Bio Bulgaria – Oil Ltd. and Agrolink Association of organic farmers.

CHAPTER II: FACTORS INFLUENCING THE DEVELOPMENT OF ORGANIC FARMING IN BULGARIA

II.1. Soil-climatic conditions in Bulgaria

As a whole, the soil and climatic conditions are mainly favorable for agriculture. The climate changes from temperate continental in the Northern part of the country to Mediterranean in the Southern part.

Bio-climatic conditions in Bulgaria form three big soil zones – North-Bulgarian forest-steppic, South-Bulgarian xerothermal and mountainous zone. The North-Bulgarian forest-steppic zone consists predominately of chernozem soils and grey forest soils, the South-Bulgarian zone xerothermal zone – vertisols and synemonic-forest soils and the mountainous areas are characterized by brown forest soils. There are 31 soil types represented in Bulgaria classified according to their fertility in 11 groups.

All –big and small dams in the country are characterized by extremely favorable conditions for organic production of aquacultures because they provide the necessary natural food (plankton and bentos).

II.2. Agriculture as an economic sector

Due to the favorable soil and climatic conditions in the country, Bulgaria develops its agriculture as traditional and basic sector of the economy. The country’s territory is 11 mln. ha out of which 5,7 mln ha or 52,1% of the territory is UAA. During the last 5 years the figure for UAA is quite stable. In 2003 the land temporary not in use decreased compared to 2002 (456 133 ha in 2003 and 471 507 ha in 2002). The UAA increased to 5,3 mln ha. The arable land covered with annual crops and temporary grasslands in 2003 was 3 238 782 ha or 60,8% of UAA. The fallow land (not cultivated for no more than 2 years) in 2003 was 455 798 ha or 8,5% of UAA. Areas covered by perennial crops were 0,29 mln ha and grasslands were spread on 1,8 mln ha according to data of BANSIC 2003.

Both sectors – agriculture and forestry provide 10,9 % of the GDP of the country in 2004 (compared to 27% in 1997, 17% in 1999, 13,4% in 2001, 12,1% in 2002 and 11,6% in 2003). Notwithstanding the decreasing tendency of the relative share of the agricultural sector in the Gross Value Added of the economy as a whole, the physical volume of GVA increases (in 2002 GVA in sector agriculture and

forestry increased with 5,5% compared to GVA in 2001).⁵ The decreased share of agriculture in GDP is not by all means a sign for crisis in the sector. The share of the GVA of agriculture is relatively low also in other similar to Bulgaria countries where the sector is well developed, i.e. Poland, Hungary, Lithuania and Slovakia where the agricultural GVA is about 5% and the tendency is to decrease⁶.

The earth basins are the predominant type of outfit used in warm-watered aquaculture production. The number of cement basins is significantly lower and they are used basically for trout production. The net cages holdings were only seven in 2004 or 3,2 % of the total aquaculture holdings. Typically, this type of facilities are used only for intensive production of trout and carp.

In marine cultures are used rope collectors. The main water source in the countryside holdings are surface water bodies, rivers. The net cages are used basically in dams.

The majority of the holdings in Bulgaria have total water surface from 1 up to 10 ha and they represent 40% of the total number of holdings. The share of aquaculture holdings with less than 1 ha of surface water is 27 %. Only a few holdings exploit water surfaces bigger than 20 ha.

II.3. Land ownership and structure of agricultural holdings

Private property land lease and cooperatives are the most important forms for utilization of agriculture land in Bulgaria.

As a result of the reform in the agricultural sector in 2001 and the following fragmentation the agricultural land nowadays is very fragmented. There are 9 297 923 land parcels nowadays. The total number of agricultural holdings in 2003 was 665 548 according to data from the Census carried out the same year. These holdings were spread on 2 904 479,6 ha out of 5 326 300 ha of UAA. 217 473 or 33% of these holdings have less than 0,3 ha. 23% of the holdings are bigger than 1 ha and they cover 2 711 887,9 ha or 93% of UAA. The smallest holding (from 1 to 2 ha usually produce fruits (including grape), vegetables, tobacco, or breed animals. Those holdings bigger than 2 ha usually are with cereals. Usually they establish partnerships between 2 or more agriculture producers in order to optimize the utilization of equipment.

II.4. Processing of plant and animal production

Food processing industry in Bulgaria is relatively well developed. Nowadays it produces 3,6% of the GDP and employs 3,7 % of the working power of the country. The privatization process is finished - 84 % of the functioning enterprises are private and the rest are closed. Till May 2003 there were 8000 food processing enterprises. For 1343 of them this was the main business activity and for the other – complementary. Meat processing industry was one of the most dynamic sectors. Bulgarian meat processing keeps its traditions in small and in bigger enterprises. Currently more than 97% of the animal production is processed in private enterprises and slaughterhouses.

The main products in the field of fruit and vegetables processing are the tinned goods, concentrated juices, dried mushrooms and herbs. The local frozen or dried fruits and vegetables are competitive on the international market.

II.5. Current situation of the trade with agricultural products and foodstuff in Bulgaria

II.5.1. Export of agriculture production

Bulgaria is a country with a positive agricultural trade balance. Trade in agricultural products accounts for 10% of total national exports. While for the period 1997 – 2000 49% of the total trade was with the EU-15, agricultural trade with the EU accounted for a more limited share of 33% of Bulgarian agricultural exports over the same period. In 2001 the share of agricultural commodities exports to the

⁵ Draft National Strategy on environment.

⁶ National Report on Human Development 2003.

EU increased to 38.3%. With OECD (incl. Australia, Canada, New Zealand, USA, Turkey and Japan) it was 10.5%, Arab countries – 10.3%, Balkan countries – 9.5%, CEFTA – 9.3%.

Traditionally, Bulgaria exports about 25 percent of its food production. In 2003 the food production reached 783 mln USD. The basic food and agriculture exports in 2003 are 64 mln USD of grain crops, processed fruits and vegetables – 55 mln USD, meat and meat products (calves, sheep, ducks and geese) – 57 mln USD.

Bulgarian medicinal herb industry is well known in Europe and approximately 14,000 tons are exported annually mainly to Germany – approximately 45% of exported herbs are cultivated, the rest are from collected wild herbs mainly from the forest areas.

Bulgaria exported 5 630 tons of fish products for consumption in 2004. About 25 % of this amount was deep frozen products exported in Romania, Serbia and Germany. In 2004 the amount of exported mollusk was significant and accounted for 46 % of the total amount of the export directed to Japan, Serbia, Greece and Turkey.

II.5.2. Internal market for agriculture products and foodstuff

The average Bulgarian consumer income is at a level of about 24 % of the EU average. A relatively large part of income has to be spent on food, with food expenditure accounting for approximately 53.5 % of total expenditure, this being about 3 times higher than the equivalent average for the EU-15 of 17.4 %.

The most clearly outlined trend in the food market over the past three years is introduction and marketing of new food brands. Consumers are developing brand loyalty and are looking for brands as a guarantee of good quality. Local food companies are also trying to promote local brands in foreign markets. The key factor driving branded food labels in Bulgaria is the development of a more mature retail sector.

Over the past years, Bulgarian consumers started to change their eating habits by choosing more wholesome and "environmentally clean" foods. Consumers show strong preferences towards fresh/vitamin rich foods such as the fresh fruits and vegetables vs. canned; frozen fruits and vegetables vs. canned; fresh and chilled meat vs. frozen meat; as well as diet or wholesome foods. Due to this new trend, producers have expanded their product list with "active or whole" foods (whole kernels, wheat germ etc.), specialty breads (more rye, oats, whole kernels, more soy flour) and environmentally friendly products. However, information on the amounts and trends of this 'sub-sector' is not collected and therefore, is not available.

Most likely, development in the food industry over the next three years will be determined mainly by the changes in eating habits of the urban population. These are consumers of "active age" who have the highest disposable income. These consumers prefer "convenience" foods; do not make home-prepared foods; and buy wholesome products and frozen products.

II.5.3. Supply chain

Over the past 10 years, the retail sector in Bulgaria has undergone significant structural changes and growth – 14% for the period 1997 – 2001. After the economic crisis in 1997, the market situation quickly changed. Hypermarkets and supermarkets began to emerge in 1997-1998, and they expended their market share significantly in 1999-2002. Market shares of the retail outlets in 2001 are as follows: groceries – 54%, hypermarkets and supermarkets – 23%, kiosks – 13%, open markets – 2,5%, other – 7,5%. Currently, hypermarkets and supermarkets are located only in big cities and larger population centres. Minimarkets and groceries account for 53 percent of total number of food retail outlets. Groceries are most typical for smaller towns. Both big cities and smaller towns have open farmer markets. Villages usually have only so called "mixed" shops which offer food and non-food items, often along with a small food service outlet. Villages rarely have open farmer markets and groceries. The

growth in other types of retail outlets was modest. In 2001, the number of specialized shops grew slightly by 5 percent, and the number of kiosks grew by 6 percent compared to 1999.

Among all retail outlets in this sub sector, the most dynamic was the development of the gas station retail outlets. Their number in 2001 grew by 50 percent compared to 1999, from 96 to 144. Except for the largest gas station chains such as Shell, OMV, LukOil and Petrol, other smaller gas station chains or independent stations started to open retail outlets in 2000.

The traditional open market remain a major source of fresh fruits and vegetables за крайните потребители. These sales account for 90-95 percent of total open markets sales. Currently, these markets are competitive regarding variety, quality and prices of fresh fruits and vegetables compared to hypermarkets, supermarkets and groceries. Open markets differentiate from supermarkets and groceries by offering different fruits/vegetables such as wild forest fruits (raspberries, strawberries etc.) and some types of nuts and spices. They also offer a better choice of fruits, for example, 6 to 10 varieties of apples compared to 2-3 varieties offered usually in the other outlets. On the other hand, most open markets are limited on terms of appropriate storage space and warehouses; rely on seasonal sales; do not offer reliable service (for example, mechanical/spring balance scales which are not always precise compared to electronic scales in groceries and supermarkets/hypermarkets).

The major source of fruits and vegetables are wholesale markets/warehouses. Currently, there are professionally managed wholesale markets. They have appropriate cold facilities, and execute quality control and food safety control. These markets handle and store the bulk of imported fruits and vegetables. However, these warehouses/cold stores need upgrading and improvement of storage conditions as well as better regulations and efficient grading systems.

The present marketing system of agriculture and fishery commodities, in particular fruit, vegetables, flowers, fish and fishery products can be characterized with a fragmented marketing chain between producers and consumers.

Bulgaria still does not have a well-developed nationwide distribution network for food products. The lack of developed distribution companies has forced many food producers/processors to purchase their own transportation vehicles and to develop their own distribution systems. In some sub sectors, such as frozen foods, distribution companies hardly exist. This is related mainly to the poorly developed cold chain and lack of refrigerated trucks. Thus, this does not allow for efficient distribution of frozen foods. In sub sectors such as alcohol, and meat and meat products, nationwide distribution companies have started to emerge. However, those producers who work with specialized distribution networks continue to rely in part on their own distribution efforts or work with several distributors in order to cover the total market and expand sales. Nevertheless, the trend in recent years is for larger food companies to use specialized wholesale distributors. The same is true for retailers, who therefore reduce the number of suppliers. There is an ongoing process of concentration in the distribution industry. However, in most food sub-sectors, distribution companies still have mainly a regional coverage.

II.6. Financing of agriculture in Bulgaria

The financial government policy for agriculture was done mainly through significant government finance interventions of the State Fund Agriculture (SFA) and the SAPARD Program. Bulgarian authorities foresee to establish a Paying and Intervention Agency within the framework of the State Fund Agriculture by the end of 2005 to be in compliance with the EU regulations. This Paying and Intervention Agency will channel the funds coming from EAGGF as well as the national financing that supports agricultural producers.

In its annual report for 2002, the Ministry of Agriculture and Forestry concludes that although the banking sector has achieved stability there are not enough loans for agriculture yet. The latter are required for normal production and investment in the sector.

II.7. Current situation and development of organic farming worldwide

Organic farming as a way of thinking and practice dates back to the first years of 20-th century with application of various alternative methods for agricultural production mainly in Austria, Switzerland and Germany. Nowadays the organic farming is practiced in nearly 100 countries worldwide and the UAA under organic farming continuously increase. The EU member-states including the 10 new ones are with a very developed organic production.

The 90-ies were marked by fast growth in the sector. In 1985 the certified organic lands and the ones in conversion were only 100 000 ha in 6300 holdings in EU or less than 0,1% of the total UAA in EU. Till the end of 2002 this figure increased to 4,4 mln ha in 150 000 holdings or 3,3% of the total agricultural lands and 2,3% of all agricultural holdings.

The Czech Republic Plan for Development of organic farming reports 810 organic farms in 2004 covering 6% of the UAA. The Lithuanian Programme for Development of organic farming reports 210 organic farms taking 0,14% of the UAA.

According to research of the German Foundation for Ecology and Agriculture (SOEL), since February 2004 more than 24 mln ha are under organic farming world wide. Major part of the organic production is localized in Australia – 10 mln ha and 2000 farms, Argentina – 3 mln ha and Italy – 1,3 mln ha. In Latin America's countries under organic farming are 100 000 ha and 150 000 agricultural holdings, in Europe – more than 5,5 mln ha and 170 000 farms, in North America are registered 1,5 mln ha and 10 500 farms under organic farming. Asia is represented with 880 000 ha (Japan) and 61 000 farms, Africa (Egypt) 320 000 ha and 71 000 farms.

II.8. International framework for development of organic farming⁷

II.8.1. International organizations and their activity

In many countries an official policy promotes development of organic farming. Most of them have elaborated and are implementing national legislation in relation with organic farming and have established certification and control system. The rest are in a process of preparation of legislative framework.

For the development of organic farming worldwide work both international and private organizations. The major ones are:

International Federation of Organic Agriculture Movements (IFOAM). Established in 1972 it unites 740 organizations from 103 countries. Its mission is to inform, unite and support the movement for organic farming in all various forms. IFOAM implements its own 4-year Programme known as I-GO – IFOAM – Growing organic, which is directed to support of the organic farming in the developing countries. Its aim is to review the state of organic farming and to prepare proposals for growth and strengthening of the organic farming sector in these countries.

Food and Agriculture Organization (FAO) is an UN organization working in the sphere of agriculture and food. At the 15-th session of the Committee on Agriculture of the UN was recommended development of inter-sector cohesion between the programmes of the different organizations involved in organic farming. This way was laid down the beginning of The Programme for Development of Organic Farming 2002–2007 (16-th session of the Committee on Agriculture of the UN in 2001).

⁷ The information is provided on the following web-sites:

<http://www.soel.de/>

<http://fao.org/organical/>

<http://www.ifoam.org/>

<http://www.biotrade.org/>

<http://fao.org/organical/frame2-e.htm>

<http://www.unctad.org/>

<http://www.codexalimentarius.net/>

http://ftp.fao.org/codex/standart/en/CHG_032e.pdf

FAO points out that the organic farming is harmless approach for growth of food production both – for human health and for the environment. In its report from April, 2004 FAO recalls for new “green revolution” in order to prevent the global warming, to increase yields and food production and in the same time to improve the state of the environment.

The Commission (Joint FAO/WHO) which coordinates the activities of FAO and WHO activities through a joint Programme for food standards was set up in 1991. In its activities as observers are involved organizations such as IFOAM, EU, etc. The Commission’s main target is to coordinate the attempted activities for protection of consumers’ health, strengthening the best practices for trade in food products, introduction and development of international standards for protection of food products. The Commission elaborates guideline principles for production, processing, labeling and trade with organic food products. The first standard for production, processing, labeling and trade with plant organic products was developed in June 2001 and the standard for animal organic products was developed in July 2001. These standards are published at the official web-site of the Commission „Codex Alimentarius“.

The Guide „Codex Alimentarius“ is a complex of internationally adopted food standards explained in overview. These standards provide also particular practices for protection of environment, guidelines and recommended measures. The aim of „Codex Alimentarius“ publication is to promote definitions and recommendations in support to their harmonization for international production and trade. A separate part in the Guide is dedicated to production, processing, trade and labeling of organic foodstuff under the name „Codex Alimentarius Guide for organic farming“.

II.8.2. International standards and regulations

The organic production worldwide follows the accepted practical principles modified according to local socio-economic, geo-climatic and cultural characteristics. As a consequence IFOAM supports independent system for accreditation through the International Organization for Organic Accreditation (IOAS) which guides accreditation programme and provides international guarantees for the quality of local and regional production. The international basic standards of IFOAM - „IBS IFOAM Basic Standard“ were adopted in 1980. They define the production, processing and preservation methods for organic products. These standards are divided into baselines, recommendations and standards. The baselines represent the targets for the organic production and processing. The recommendations are those standards, which IFOAM promotes, but they do not need to be accomplished and are not mandatory. The standards represent minimum mandatory requirements which have to be implemented with few possible divergences.

The IFOAM basic standards were adopted by The General Assembly of IFOAM in Victoria, Canada, in August 2002 and they were taken as a basis of the international and national standards worldwide. They include:

- „Codex Alimentarius“ guide for organic food production – United Nations, Joint Programme for food standards of FAO and WHO (Joint FAO/WHO) – CAC/GL 32–1999, amended in 2001;
- Regulation of the European Council EEC No 1268/1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period
- Council Regulation (EEC) No 2092/91 of 2001 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuff;
- Japanese agricultural standards for organic farming products and Japanese agricultural standards for processing of organic farming products and foodstuffs – Ministry of Agriculture, forestry and fisheries – notifications 59, 60 of 20 January 2000;
- National Organic Program Rule – Ministry of Agriculture of the USA – 7 CFR 205, 21 December, 2000.

At the Nuremberg Conference, Germany in February 2002 on International Harmonization and Equivalence in Organic Agriculture an International Task Force on harmonization and equivalence of standards and regulations in Organic Agriculture was established. The aim of ITF – International Task Force on Harmonisation and Equivalence in Organic Agriculture is to prepare a review of the existing standards and regulations on organic production, to evaluate the state of play and to formulate proposals

for discussion in the Governments, the Codex Alimentarius Commission and the involved organizations (FAO, IFOAM, UNCTAD, etc.).

II.9. EU framework in relation with organic farming

II.9.1. Policy of the EU

In 1999 the Council recognised organic farming in its strategy on environmental integration and sustainable development in the common agricultural policy. In June 2001, the Commission presented the European Union Strategy for Sustainable Development to the Göteborg European Council. One of the actions identified was that the common agricultural policy should reward quality rather than quantity by, for example, encouraging the organic sector and other environmentally-friendly farming methods. In the decision of the European Parliament and the Council, laying down the Sixth Community Environment Action Programme in 2002, one of the actions proposed for achieving the objectives of the programme is "to encourage more environmentally responsible farming, including, where appropriate, extensive production methods, integrated farming practices, organic farming and agro-biodiversity."

The development of the organic farming sector in the EU is also fully compatible with the Commission's recently announced initiative, the Environmental Technologies Action Plan, described in communication COM(2004) 3511. The main objective of the Action Plan is to stimulate the application of environmentally friendly technologies in the economy as a whole. However, the organic farming development is in compliance with this EU document as an environmentally friendly production method.

The European Commission prepared a document called „Analysis of the Possibility of a European Action Plan for Organic Food and Farming“. It served as a basis for the elaboration of the European Action Plan for Organic Food and Farming adopted in 2004 (COM(2004)415 final).

The main proposals in the Action Plan concentrate on:

- an information-led development of the organic food market, by increasing consumer awareness, providing more information and promotion to consumers and operators, stimulating the use of the EU logo, including on imported products, providing more transparency on different standards, and improving the availability of production, supply and demand statistics as policy and marketing tools;
- making public support for organic farming more effective by encouraging Member States to make a more coherent and greater use of the different rural development measures, for example, by means of the national action plans, and by strengthening research on organic farming;
- improving and re-enforcing of the Community organic farming standards, import and inspection requirements by defining the basic principles of organic agriculture and thus making its public service explicit; increasing transparency and consumer confidence; by establishing an independent committee for scientific and technical advice; by a further harmonisation and reinforcement of the standards making use of international organisations; by improving standards, for example, with regard to animal welfare; by completing the standards for areas not yet covered such as aquaculture or environment related standards such as fossil energy use, etc.; by explaining the standards laid down for the prohibition of the use of GMOs; by increasing the efficiency and transparency of the inspection system and, finally, by making import provisions more efficient.

II.9.2. EU legislation

A. Basic legislative acts in the field of organic farming

- Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs, amended by Commission Regulation (EEC) No 1535/92 of 15 June 1992, Council Regulation (EEC) No 2083/92, Commission Regulation (EEC) No 207/93, Commission Regulation (EEC) No 2608/93, Commission Regulation (EEC) No 468/94, Council Regulation (EEC) No 1468/94, Commission Regulation (EEC) No 2381/94, Commission Regulation (EEC) No 1201/95, Commission Regulation (EEC) No 1202/95, Регламент на Съвета (EO) 1935/95, Commission Regulation (EEC) No 418/96, Commission Regulation (EEC) No 1488/97, Commission Regulation (EEC) No 1900/98, Commission Regulation (EEC) No 330/1999, Council Regulation (EEC) No 1804/1999, Commission Regulation (EEC) No 331/2000, Commission Regulation (EEC) No 1073/2000, Commission Regulation (EEC) No 1437/2000, Commission Regulation (EEC) No 2020/2000, Commission Regulation (EEC) No 436/2001, Commission Regulation (EEC) No 2491/2001, Commission Regulation (EEC) No 473/2002, Commission Regulation (EEC) No 223/2003, Commission Regulation (EEC) No 599/2003, Council Regulation (EEC) No 806/2003, Commission Regulation (EEC) No 2277/2003, Commission Regulation (EEC) No 779/2004, Council Regulation (EEC) No 392/2004, Commission Regulation (EEC) No 746/2004, Treaty on Accession of Austria, Switzerland, Sweden and Finland, Treaty on Accession of Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia⁸.
- Commission Regulation (EEC) No 94/92 of 14 January 1992, laying down detailed rules for implementing the arrangements for imports from third countries provided for in Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs, amended by Commission Regulation (EEC) No 522/96, Commission Regulation (EEC) No 314/97, Commission Regulation (EEC) No 1367/98, Commission Regulation (EEC) No 548/2000, Commission Regulation (EEC) No 1566/2000, Commission Regulation (EEC) No 1616/2000, Commission Regulation (EEC) No 2426/2000, Commission Regulation (EEC) No 349/2001, Commission Regulation (EEC) No 2589/2001, Commission Regulation (EEC) No 1162/2002, Commission Regulation (EEC) No 2382/2002, Commission Regulation (EEC) No 545/2003, Commission Regulation (EEC) No 2144/2003, Commission Regulation (EEC) No 746/2004⁹
- Council Regulation (EEC) No 207/93 of 29 January 1993 defining the content of Annex VI of Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs, amended by Commission Regulation (EEC) No 345/97 and by Commission Regulation (EEC) No 2020/2000¹⁰
- Commission Regulation (EEC) No 1788/2001 of 7 September 2001 laying down detailed rules for implementing the provisions concerning the certificate of inspection for imports from third countries under Article 11 of Council Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs¹¹
- Commission Regulation (EEC) No 223/2003 of 5 February 2003 on labelling requirements related to the organic production method for feeding stuffs, compound feed and feed materials, and amending Council Regulation (EEC) No 2092/91¹²
- Commission Regulation (EEC) No 1452/2003 of 14 August 2003 maintaining the derogation provided for in Article 6(3)(a) of Council Regulation (EEC) No 2092/91 with regard to certain species of seed and vegetative propagating material and laying down procedural rules and criteria relating to that derogation¹³

⁸ Consolidated version of the Regulation might be found at http://europa.eu.int/eur-lex/en/consleg/main/1991/en_1991R2092_index.html.

⁹ Consolidated version of the Regulation might be found at http://europa.eu.int/eur-lex/en/consleg/main/1992/en_1992R0094_index.html.

¹⁰ Consolidated version of the Regulation might be found at http://europa.eu.int/eur-lex/en/consleg/main/1993/en_1993R0207_index.html.

¹¹ http://europa.eu.int/eur-lex/pri/en/oj/dat/2001/l_243/l_24320010913en00030014.pdf

¹² http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/l_031/l_03120030206en00030008.pdf

¹³ http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/l_206/l_20620030815en00170021.pdf

- Council Regulation (EEC) No 1783/2003 of 29 September 2003 amending Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF)¹⁴

B. Rules for organic production according to EU legislation

The scope for application of Regulation 2091/92 covers the organic production of unprocessed agricultural plant and animal products, organic production of processed agricultural and animal products for human consumption, foodstuffs from plant and animal origin and feedingstuffs. The rules for organic production method do not repeal the application of all the general requirements for agricultural production, especially those related to food safety and all the aspects related to human health. In principle, the organic farming rules contain even more strict requirements than the conventional ones.

The EC Regulation 331/2000 established logo for indication of the products produced in organic method. The utilization of the European logo is voluntary and is allowed if the following requirements are followed:

- The product is controlled by accredited control body;
- The product label indicates the producer or the importer and the control body;
- The product is directly sold by the producer in closed packages, or when the product is offered in marked chains preliminary packed;
- At least 95% of the product content is produced in organic way.

The EU legislation on organic farming is part of the EU quality policy, which defends the authenticity and the high quality of the products produced in specific production manner and this way meets the increased demands of the European customers for environmentally friendly and quality food. Such demands lead to significant economic benefits for the producers and increased legal protection against fraud, incorrect use of label indications or unfair competition.

Supporting its food quality and safety policy the EU established a special scheme for support of producers of quality agricultural products and foodstuffs, including those produced in organic way. The rules for support of such producers are laid down in EC Regulation 1783/2003. The scheme is paid as a premium for five years period with a maximum amount for 5 years.

The EC Regulation 1783/2003 also envisages the opportunity to support agricultural producers to apply environmentally friendly farming methods and animal welfare.

Until its accession in EU Bulgaria has the obligation to harmonize its legislation with the European one and to introduce in the national law the rules and conditions for organic farming. Bulgaria has implemented this requirement and has set up national rules for development of organic farming in compliance with the European ones. After accession, the EU Regulations on organic farming will be directly implemented on the territory of Bulgaria.

C. Other legislative acts of the EU related to the organic farming

The concept for organic farming includes not only socio-economic aspects of agricultural development, but also environmental ones. In that respect, the legislation in the sphere of agriculture is in close relation with the environmental legislation. The organic farming is one of the sustainable farming methods in which the environmental care is closely tied to the production. The organic farming contributes to environmental protection, to preservation and improvement of water and soil quality and to conservation of biodiversity.

The basic legislative acts of the EU in the field of preservation of water, soil and biodiversity are¹⁵:

- Council Directive 91/676/EEC of 19 December 1991 concerning the protection of waters against pollution caused by nitrates from agricultural sources;
- Directive 2000/60/EC of the European parliament and of the Council of 23 October 2000 establishing a framework for community action in the field of water policy;

¹⁴ http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/l_270/l_27020031021en00700077.pdf

¹⁵ http://europa.eu.int/comm/environmentenvcnment/policy_en.htm

- Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds;
- Council Directive 92/43/EEC Of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora;
- Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions Towards a Thematic Strategy for Soil Protection COM (2002) 179 of 16.4.2002

D. Financial opportunities for development of organic farming

Organic farmers are currently entitled to receive support from the first pillar of the CAP through direct payments and price support measures. More importantly, organic farming is fully integrated in the rural development policy in the second pillar of the CAP and has a prominent place in the agri-environment measures. The 2003 CAP reform has provided an useful framework for the future development of organic farming and has made a range of instruments available to Member States.

The second pillar of the CAP so far is implemented according to Council Regulation № 1257/99. This Regulation is on the rural development measures including the agrienvironmental ones, which are to be included in the country's Rural Development Plan. It is of great significance the fact that the agrienvironmental measure is the only one which is mandatory for all the member-states, distinctively to all the other measures which depend on the country's preference. The organic farming is a sub-measure included in the Agrienvironmental scheme which the member states can choose.

II.10. Market opportunities for organic farming development

According to the OECD, the organic sector at the beginning of the 21-st century is broadly estimated to be worth USD 26 billion annually worldwide – in Europe USD 11 billion and in the USA USD 13 billion – and is generally the most rapidly growing agricultural sector, at anything between 15-30 % annually, albeit from a very low base. Although Australia and Argentina have the world's largest area of certified organic farm land – mainly for grazing – Oceania and South America are fairly small as markets for organic products, reaching about USD 100 million each. Retail sales in Asia are estimated to have been in the USD 400–450 million range in 2003. In the EU organic agriculture accounts on average for about 2 % of the value of total agricultural output. The estimated share of organic products in total food sales also amounts to about 2 %.

II.11. Genetically modified organisms

In 1996 Bulgaria adopted Rules for distribution of genetically modified higher plants created using recombinant DNA technology, (State Gazette 721, 16.08.1996). These Rules regulate the establishment of a Council on safe work with genetically modified higher plants. In 1998 the companies Novartis, Pioneer and Monsanto asked for a permission for testing of transgenic maize. In 1999 the Council approved a wide range of production experiments.

In 1999 Bulgarian farmers produced the first herbicide-resistant yield of maize. The majority of the produced amount was used for animal feed and this way was introduced into the food chain. According to information of MAF, in 1999 the permissions issued for production of GMO maize are for 1300 ha, in 2000 - for 1900 ha, in 2001 - for 640 ha, in 2002 – 220 ha, in 2003 – 211,95 ha.

In the framework of a project of Bulgarian Agrobio Institute financed by UNEP/GEF was prepared a Draft Law on GMO. It was adopted and promulgated in State Gazette 27 of 29.03.2005. It combines Council Directive 90/219/EEC of 23 April 1990 on the contained use of GMO, Directive 2001/18/EC of the European Parliament and of the Council of 12 March 2001 on the deliberate release into the environment of GMO and Regulation (EC) no 1946/2003 of the European Parliament and of the Council of 15 July 2003 on transboundary movements of GMO. This law does not harmonize Regulation (EC) No 1829/2003 of the European Parliament

and of the Council of 22 September 2003 on genetically modified food and feed and Regulation (EC) No 1830/2003 of the European Parliament and of the Council of 22 September 2003 concerning the traceability and labeling of genetically modified food and feed. The GMO labeling requirements of Regulation (EC) No 1829/2003 are transposed in the national legislation by Ordinance on the requirements for labeling and offering of foodstuffs. The main requirements in relation with the necessity of establishment and strengthening of the administrative capacity and with preparation of procedures for implementation of Regulation (EC) No 1829/2003, as well as of Regulation (EC) No 1830/2003 will be introduced by the forthcoming amendment of the Law on foodstuff. The remaining texts of the Regulations will be implicitly implemented from the date of Bulgarian membership in the EU. The GMO Law prohibits the cultivation of crops with significant importance for Bulgaria as tobacco, vine, cotton, essential rose, wheat and all kinds of vegetables and orchards through their inclusion into the prohibition regime for deliberate release into the environment of GMO. The Law on GMO prohibits the release of GMO in territories protected by the National Ecologic Network established under the Biodiversity Law and also in their buffer zones. It is prohibited also to release GMO containing gene markers for antibiotic resistance into the environment or on the market. This Law has to stop the uncontrolled release of GMO into the environment and the following inevitable genetic pollution of agricultural crops.

I. ANALYSIS OF THE STRENGTHS AND WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT)

Strengths

- Existing legislation regulating the organic farming. To great extent it is harmonized with the requirements of the EU legislation;
- Existing of Bulgarian control and certificating bodies for organic products;
- Functioning foreign control bodies on the territory of Bulgaria;
- NGOs are actively working in the sphere of OF;
- More than 1700 agricultural producers are informed about organic farming;
- 4 high schools (universities) are teaching organic farming;
- Specialized organic farming consultants exist in various organizations;
- There is a political will for the development of organic farming;
- The number of certified organic producers increases;
- Several associations of the organic farmers are established;
- Administrative structures in MAF for organic farming: Agrienvironment Department and Commission on organic farming;
- Existing practical experience for implementation of technologies for organic farming including in adaptation of foreign experience;
- Organic farming is recognized as an instrument for sustainable local development;
- Organic products with existing export opportunities are produced in Bulgaria;
- Credit schemes for organic farming exist;
- MEW provides financial opportunities for organic development through the Enterprise for Management of Environmental Protection Activities through its line for “Projects related with organic farming, environmentally friendly livestock breeding and ecotourism” ;
- Organic farming contributes for the achievement of the aims of the three Conventions: CBD, FCCCUN, UNCCD, European Landscape Convention;
- Good cooperation between MAF and the stakeholders in organic farming;
- Competitive prices of the organic products on the international market;

- In 2005 started a magazine for organic farming edited by Agrolink Association;
- Establishment of specialized stores for organic products and foods and special marketing strategies – for direct and for subscription supply;
- Existing knowledge and experience of the scientific institutes on organic farming issues;
- Organic farming certification is a guarantee for quality, origin and traceability;

Weaknesses

The weaknesses for the development of organic farming have been analyzed on cause-effect relations. As a result they have been categorized into seven groups in which the separated statements are in relation between each other. The groups are as follows:

1. Weaknesses related to the production of organic products;
2. Weaknesses in education, training and consultancy for organic farming;
3. Weaknesses in market development and formation of customer demand for organic products;
4. Legislative weaknesses in the sphere of organic farming;
5. Financial support weaknesses for organic farming initiatives;
6. Weaknesses related to control and certification of organic products;
7. *Institutional weaknesses* in the field of organic farming.

In the process of elaboration of the Strategy and the Plan for development of organic farming became evident that the groups “Financing” and “Institutions” weaknesses are the reason for some of the weaknesses in the other groups. The working group took decision these two weaknesses groups to be divided and transferred into another groups, i.e. Production and Development of the market. The weaknesses for the development of the organic farming were therefore categorized in five groups listed below:

1. Weaknesses related to the *production* of organic products

Level of main weaknesses: Small number of organic farms in Bulgaria covering small area
due to:

- Lack of state budget subsidy for support of organic farming with exception of SAARD Measure 1.3 , the start of which is too late
- Inefficient inter-institutional coordination (MEW, MEE, MLSP, MRDW, ME) working on or contributing to the development of the organic farming
- Lack of taxation preferences or other encouraging measures for organic farmers
- Lack of financial support for import of raw materials, detergents, organic fertilizers suitable for organic farming
- The Banks do not provide credit for organic production and processing
Because:
 - They evaluate the agriculture as too risky
 - They do not have understanding for organic farming
- the certification price could not be covered by the majority of the operators and farmers
- the conversion period is distracting the farmers when there is lacking of adequate financial compensations
- insufficient understanding of the philosophy of organic farming among the agriculture producers
- insufficient information about the opportunities provided by the shops, i.e. as a complementary economic activity

including:

- lack of knowledge for the opportunities which the information and communication technologies provide for cooperation and spreading of information
- lack of support for young farmers

- shortage of materials for organic farming or of importer organization
- the existing materials are not enlisted among the internationally adopted ones
- the organizations representing producers, processors or traders of agricultural production do not play their role for the promotion of organic farming

Level of main weaknesses: bigger agricultural holdings are interested only in intensive agricultural practices and they are the major agriculture producers

caused by:

- till now in Bulgaria for the organic farming development are working only small producers and what is needed is the bigger and the medium sized producers to be involved
- no possibilities to enlarge enough the territories in one and the same location in order to increase production
- the agricultural producers do not have sufficient number and type of equipment
- insufficient financial support including the possibility for buying of a specialized equipment
- insufficient qualification and motivation of the labor power

Level of main weaknesses: insufficient variety of the organic plant and animal products

Caused by:

- insufficient quantities of organic certified seed material
- the unique country products are not identified, their regionalization has not taken place and no prioritization is given for their support

2. Weaknesses related to training, educations and consultancy for organic farming

Level of basic weaknesses: insufficient complex scientific research for organic farming in Bulgaria

caused by:

- weak relation between science, business and the state
 - due to::*
 - insufficiently developed capabilities for implementation of strategic management and marketing in the scientific sphere
 - insufficient information about the advantages of organic farming and lack of a periodic editions
 - insufficient interest for implementation of scientific approach in organic farming
 - insufficient utilization of contemporary information and communication systems
- insufficient finance for complex applied research in organic farming and preparation of practical models
- the work organization of the National Centre for Agrarian Sciences does not respond to organic farming needs

Level of basic weaknesses: lack o established consultation system for organic farming at regional level

caused by:

- lack of state support for consultation services for organic farming
- insufficient number of organic farming experts
- insufficient qualification of the organic farming experts
- lack of coordination between providers of organic farming consultation
- low interest for qualification improvement by the producer, especially business management qualification
 - due to:*
 - insufficient information
 - lack of motivation
- insufficient bibliography on organic farming in Bulgarian language

Level of main weaknesses: insufficient education for organic farming in the secondary and high schools

3. Weaknesses related to market development and influence on customer's demand for organic farming products

Level of main weaknesses: the internal market is not develop

Caused by:

- low variety of organic farming products
 - due to:*
 - export orientation of organic farming
 - insufficient number of processing enterprises for organic farming products
 - lack of taxation preferences or other encouraging measures for organic farming processors
- lack of distribution networks
- insufficient volume of organic farming production that could satisfy the demands of big market chains
 - due to:*
 - lack of willingness to associate among organic farmers
 - lack of preferences and support for groups of organic farmers producers
 - insufficient number of processing enterprises of organic production
- usually the processing of the organic farming products takes place outside the production area, even outside the country
 - because:*
 - there is no special attention paid to the processors
- there is no demand for organic farming products
 - caused by:*
 - lack of promotional strategy on the internal market
 - unprofessional and partial trials for promotion of organic farming products
 - the national logo for indication of organic farming products is not in use and is not recognizable,
 - the procedure in the Ordinances for the use of national logo are not clear enough
- it is difficult to recognize the organic farming product out of the conventional ones
 - due to:*
 - confusion with trade marks and certification logos
 - the term “bio-product” is hardly tenable
- there are no requests for marketing research or analysis for organic farming products
- there is not enough information on the absorption potential of the internal market for OF products (number of customers)
- insufficient customer oriented information and literature about organic farming issues
- low level of information spread among the society on protection of the environment
- no experience in diversification of selling methods like futures deals with organic farming products
 - due to:*
 - non utilisation of information and communication technologies for production realization

Level of main weaknesses: weak positions of the Bulgarian organic farming products on the external market

because of

- export of raw materials instead of final products
 - due to:*
 - lack of distinguishing Bulgarian and local trade marks on the external market
- lack of awareness raising campaign on the internal market

- lack of information for the potential external market of organic farming products
- Bulgaria still does not have approved equivalence of practice with the EU and this is a cost increasing factor for the export process

4. Legislative weaknesses of organic farming

Level of main weaknesses: the legislation on organic farming is not homogenized and optimized

Caused by:

- Lack of framework Law on Agriculture and a specialized Law on Organic Farming

Level of main weaknesses: the current legislative basis is not exhaustive

because:

- The legislation is not completely updated with the EU requirements
- The current legislation does not regulate the effective use of signs, marks and logos for organic products
- The terms „organic“ and „eco“ are not legislatively tenable
- Lack of legal basis and competent authority implementing the sanctions for improper use of the term “bio”
- Lack of strict sanctions for the improper use of the term “bio”
- The list of the permitted soil fertilizers and plant protection materials in the organic farming is not separated from the List of the fertilizers and plant protection materials allowed for utilization in Republic of Bulgaria adopted by the National Plant Protection Service
- The environment protection requirements are not strict enough, i.e. for biodiversity, landscape, animal welfare
- There are no guarantees for the starting organic farmers that their neighbors will not develop activities threatening the organic production
- The needed distance between areas with GMO and areas under OF is unclear

Level of main weaknesses: there is no provision in the GMO Law for the minimum distance from areas under organic farming production

Level of main weaknesses: lack of nationally adopted minimum requirements or production of traditional organic products (rose oil, wine, essential oils, etc.)

5. Weaknesses in control activities for organic farming

Level of main weaknesses: the deadlines for performing of each stage of the accreditation procedure are too long (Bulgarian Accreditation service)

Level of main weaknesses: there is only one accredited control and certification body for organic farming

Level of basic weaknesses: lack of accredited laboratories for the full range of analysis for cases of international arbitrage

Level of basic weaknesses: there is no statistics carried on for organic farming in Bulgaria
because:

- The legal basis does not allow MAF to perform monitoring over the activities of all the functioning on Bulgarian territory control bodies for organic farming which are not approved by Bulgarian legislative procedure
- The way for exchange of information between MAF and the foreign control and certification bodies on one hand, and on the other – between the control bodies themselves is not regulated.

Opportunities

- The major part of the current agricultural practice in Bulgaria is with low application of mineral fertilizers and pesticides. The majority of the livestock breeding farms are extensive.
- Major part of the traditional Bulgarian agriculture is similar to organic farming

- Extremely favorable natural conditions for organic farming in Bulgaria
- EU support possibilities funding for organic farming
- MLSP provides functioning schemes for business support and start-up business
- CAP reform in the EU accentuates the environmentally friendly production methods and animal welfare – agrienvironment support and quality support scheme
- Positive attitude for organic farming in EU
- At least 25% of the Rural Development budget for the period 2007 – 2013 is to be allocated to priority Axis 2 which supports the Agrienvironment measure as an EU requirement
- Existing bilateral and multilateral programmes financing the organic farming
- Existing financial programmes for support of sustainable development and organic farming is an effective approach for the achievement of sustainable development
- Existing interest expressed by many foreign control bodies
- Land privatization process is accomplished
- Existing functioning system of protected areas in Bulgaria
- A lot of small farms exist in Bulgaria
- Demand for Bulgarian organic products on the external market
- The tourism sector is developing and might use organic farming products
- Bulgarian organic farming products have a good image on the external market
- Draft Law on development of Bulgarian rural areas which envisages specific measures for support of the OF
- Proposal for amendment of SAPARD measures for giving a priority to certified organic farmers or to farmers in conversion period
- Functioning National Plant Protection Service with Plant Protection Institute
- National Agriculture Advice Service
- National Centre for Agrarian Sciences exists
- The trend among Bulgarian organic producers to compete with the European ones meaning that the organic farming becomes a fashion
- Increased interest towards organic products in EU and the world
- Bulgarians living abroad are interested in Bulgarian products
- Bulgaria has unique products with competitive production potential (herbs, roses, wild mushrooms, etc.)
- New market chains are developed and the customer's trust increases
- Big market chains might start importing organic products and
- Aboriginal breeds and varieties which might increase the organic production profitability
- Bulgarian organic producers can receive direct support under the Single Area Payment Scheme after the EU membership enters into force
- The contemporary information and communication technologies provide great opportunities for information dissemination, cooperation, effective market realization, etc.
- There is functioning information network - BlueLink for NGOs involved in protection of environment and sustainable development, which might be used for campaigns, communication and promotion of organic farming
- Through the envisaged amendments of the Law on Plant Protection the terms “bio”, “eco” and “organic” will become protected
- The new Law on customer protection envisages a Commission on customer protection with sanctioning functions for illegal advertising

Threats

- Great extent of land fragmentation of agriculture holdings, even in the small ones
- Lack of real market of agricultural land in Bulgaria
- Lack of entrepreneur culture among Bulgarians and especially among the agricultural producers
- Aging population
- Immigration
- Low purchasing power
- The minimum size of the holdings as an eligibility criteria for support by EU funding
- GMO introduction in Bulgaria
- Great competition with the rest Eastern European countries
- Lack of regulation for organic wine .
- Grey economy dominates the market for wild mushrooms and other forest products
- Export of seed material for unique Bulgarian products
- The implementation of SAPARD measure is delayed
- Possible distorted implementation of SAPARD agrienvironment measure.
- The big market chains might import organic products and not the Bulgarian ones
- Difficult and costly security of agriculture land
- Amortized and inefficient agricultural infrastructure
- Great number of small agriculture holdings (semi-subsistence) in Bulgaria which have to be enlarged

II. PRIORITIZATION OF THE GROUPS OF WEAKNESSES

At the beginning the weaknesses of organic farming development in Bulgaria were grouped in 7 groups considering that the weaknesses in each of the groups are in relation with each other. The groups were:

1. Weaknesses related with the production of organic products;
2. Weaknesses in education, training and consultancy for organic farming;
3. Weaknesses in market development and formation of customer demand for organic products;
4. Legislative weaknesses in the sphere of organic farming;
5. Financial support weaknesses for organic farming initiatives;
6. Weaknesses related to control and certification of organic products;
7. *Institutional weaknesses* in the sphere of OF

The elaboration of an efficient action plan for overcoming the weaknesses and for effective development of organic farming in Bulgaria required definition of priorities, because normally the resources are limited and it is impossible to start all the activities at the same time. The expert team discussed the prioritization criteria necessary for ranking of the groups of weaknesses and proceeded with their prioritization. In the elaboration process of the Strategy and the Plan for development of organic farming in Bulgaria the priorities of the groups “Financial” and “Institutional” were dispersed into respective tasks and actions of the Plan. The working group discussed the criteria and the ranking and found them adequate to the priorities for development of organic farming in Bulgaria.

The prioritization was based on the following four criteria:

- Extent of the weaknesses group’s impact on the organic farming system
- Duration of the negative impact of the weaknesses group’s on the organic farming system
- Extent of the negative impact of the weaknesses group’s on the organic farming system
- Facility (easy way) for elimination of negative impact of the weaknesses group’s on the organic farming system

Afterwards was defined the importance of each criteria for the definition of the priority groups of weaknesses. Each criterion was given a coefficient of importance as follows:

Criteria	Coefficient of importance	Justification of the coefficient
Extent of impact	0,4	This criteria is of greatest importance for the evaluation of the negative impact of the group of weaknesses, because the group with the greatest weight of impact is more dangerous than the other groups
Duration of impact	0,1	This criteria is of least importance, because the negative impact of the group might be not so strong and even being a durable one, it might be endured.
Range of impact	0,3	This criteria is important, because the negative impact might affect many and important aspects of the organic farming. The wider the impact of a given group is, the harder work is to be done for its elimination.
Easy way of overcoming	0,2	This criteria is of less importance, because it makes it obvious that the negative impact could be overcome with less efforts and the system could be quickly optimized. This has to be taken into account in decision-making for directing the efforts.

Each of the members of the work group had maximum 4 points for each of the weaknesses groups and had to allocate them according to the four criteria. It was not mandatory to allocate all the four points to given group of weaknesses. After the allocation of the points and calculation of the total rating of each of the groups of weaknesses according to criteria's weight, the following result was achieved:

Priority	Group	Extent of impact	Period	Overall impact	Easy way of overcoming	Total rating
		weight 0,4	weight 0,1	weight 0,3	weight 0,2	
1	Financial	29	7	13	0	16,2
2	Marketing	21	12	13	2	13,9
3	Production	22	10	10	2	13,2
4	Educational	17	11	14	5	13,1
5	Legislative	20	7	10	7	13,1
6	Institutional	16	11	14	5	12,7
7	Control	13	6	15	11	12,5

III. STRATEGY 2007–2013 AND PLAN FOR DEVELOPMENT OF ORGANIC FARMING IN BULGARIA

The Strategy consists of Strategic goals and Specific goals. The Strategic goals follow the weaknesses groups and define the basic working directions for development of organic farming in Bulgaria. The Specific goals to a great extent are based on the weaknesses in each concrete group. They are measurable and fixed to certain timetable. The achievement of the package of Specific goals shall lead to implementation of the Strategic goal.

The Plan consists of tasks and activities. The tasks which have to be executed for the implementation of certain Specific goal are based on the reasons for the existence of the main weaknesses. The tasks are formulated after reaching a consensus on the goals. The activities define the chosen way for

implementation of the tasks. For each activity responsible authority is identified, exact deadlines and necessary budget.

The strengths, opportunities and threats were used in the formulation of the Strategy and the Plan and the aspiration was the strengths to be upgraded, the opportunities to be utilized at maximum and the threats to be identified in perspective in order to be overcome or at least to ensure reaction against them when they appear.

Despite the strong logic of transformation of the weaknesses into goals or tasks, the relation is not absolute, i.e. the elaboration of the Strategy and the Plan is not simply re-formulation of negative statements into positive, but represents a creative process with clear purpose based on logic

The expected positive results of the implementation of the Strategy and the Plan are:

- Contribution to income stabilization of the agricultural producers through opening of new markets for quality and healthy foods and products.
- Contribution to the rural development and prevention of further land abandonment
- Contribution to the stabilization of the ecosystems, preservation and restoration of natural resources.

The National Plan for development of organic farming has the following strategic goals:

1. **Development of the market of organic produce**
2. **8% of the cultivated agricultural land to be managed in organic way till 2013.**
3. **Efficient legislation and normative base for the development of organic farming in 2007**
4. **Applied scientific research, education, training and extension service in the field of organic farming till 2010**
5. **Development of efficient system for control and certification**

The Strategic goals are in compliance with the priorities from Chapter II. Each Strategic goal has Specific goals which are to be achieved through the implementation of specific tasks and sub-actions.

Strategic goal 1: Development of the market of organic produce

Specific goal 1: By 2013, 3% of the food products sold in Bulgaria to be organic

Specific goal 2: Development of the export of Bulgarian organic products

Strategic goal 2: 8% of the cultivated agricultural land to be managed in organic way till 2013.

Specific goal 1: Increase the number of organic farms

Specific goal 2: Widen the range of the organic plant and livestock produce

Strategic goal 3: Efficient legislation and normative base for the development of organic farming in 2007

Specific goal 1: Codified normative base in the field of organic farming

Strategic goal 4: Applied scientific research, education, training and extension service in the field of organic farming

Specific goal 1: Applied scientific research with practical orientation, serving the needs of the business and state for the development of organic farming

Specific goal 2: Efficient and active system for extension service in organic farming on national level (production, marketing, processing, farm management)

Specific goal 3: Offer extended education in the field of organic farming in secondary and high schools

Strategic goal 5: Development of efficient system for control and certification

Specific goal 1: Introduce rules and requirements for foreign control bodies acting on the territory of Bulgaria

Specific goal 2: Functioning system for guarantee the organic origin of the Bulgarian organic products.

	2006	2007	2008	2009	2010-2013	Total:
Strategic goal I	210,000	3 325,000	5 642,000	6 498,000	14 300,000	29 975,000
Strategic goal II	1 915, 000	9 148,000	12 673,500	12 208,500	48 072,000	84 017,000
Strategic goal III	20,000	0,000	0,000	0,000	0,000	20,000
Strategic goal IV	46,000	531,500	6 554,500	7 850,500	33 376,500	48 359,000
Strategic goal V	1,000	21,000	1 074,000	1 063,000	14,000	2 173,000
Total:	2 192,000	13 025,500	25 944,000	27 620,000	95 762,500	164 544,000

Strategic goal 1: Development of the market of organic produce

Specific goal 1: By 2013 , 10% of the food products sold in Bulgaria to be organic

Sub goal 1: To improve supply system of organic products and food in Bulgaria

Table 1: Plan for strategic goal 1, specific goal 1, sub goal 1

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total
Task 1: Increase the types and the quantity of the offered organic products and food	Activity 1: To include the financial support of organic farming as a priority in the implementation of the EU quality support schemes 2007-2013 in Bulgaria.	SFA-PA		2007-2013	-	-	-	1000	2000	3000
	Activity 2: To include the financial support of organic as a priority in the implementation of EU support schemes for processing and marketing of agricultural products for 2007-2013	SFA-PA		2007-2013	-	3000	2000	2000	3000	10 000

Activity 3: Specific support for food with traditional origin produced in organic way, approved with an Order of the Minister of agriculture and forestry in accordance with art.15, para 1 of Ordinance 4 (SG, issue 23 from 18.3.2005)	SFA-national schemes	MF, branch associations, employers organizations	2007 - 2013	-		12	8	25	45
Activity 4: Specific support for production of organic products for children	SFA- national schemes	MF, branch associations	2007 – 2013	-		300	200	500	1000
Activity 5: Specific support for production of agricultural products with specific geographical origin produced in organic way approved with an Order of the Minister of agriculture and forestry in accordance to Art. 15 para 1 of the Ordinance laying down the rules and conditions for submission of the folders for control of the correspondence of the indication of the geographical origin	SFA-national schemes	MF, branch associations, employers organizations	2007 - 2013	-		1500	1500	3000	6000
Activity 6: Preparation of situation analyses, market surveys analyses of production and consumptions of organic food in the world, EU and Bulgaria and their publication in the website for organic agriculture and MAF publications	MAF - Marketing and regulatory regimes directorate	NSI, marketing analyses agencies, branch associations, employers organizations	Annually	15	15	15	15	45	105

	Activity 7: To inform the business stakeholders that would like to process organic products for the events organized by the Bulgarian agency for investments of MEE for attracting foreign investors in Bulgaria	MEE	MFA, MEE – ASSME, branch associations, employers organizations	Annually	-	-	-	-	-	0
	Activity 8: Organization of events OpraH for attracting foreign investors in Bulgaria in the area of processing of organic products by the MFA	MFA	MEE – ASSME, branch associations, employers organizations	Annually	-	-	-	-	90	90
Task 2: Support for establishment of producers groups for organic products	Activity 1: To provide financial support for organic farmers producers groups	SFA-PA	MF	2007 - 2013	-	150	280	280	430	1140
	Activity 2: To develop special criteria for support of organic farming producers groups in the framework of SAPARD programme in Bulgaria	MAF		2006	-	-	-	-	-	0
Task 3: Development of networks and distribution channels for organic products and food in Bulgaria	Activity 1: It is recommended 30% of the purchased food of health institutions to be produced or processed in organic way and to be purchased with suppliers preferential conditions by the corresponding municipality or region	MH	MF, regional and municipal administration	Preparation in 2007, pilot phase in 2008, full implementation in 2010	-	-	-	-	-	0

Activity 2: To introduce a requirement 10% of the food purchased for state administration to be produced or processed in organic way and to be purchased with suppliers preferential conditions by the corresponding municipality or region	CM	MF, regional and municipal administration	Preparation in 2007, pilot phase in 2008, full implementation in 2010	-	-	-	-	-	0
Activity 3: To introduce a requirement 30% of the food purchased for public schools and kindergartens to be produced or processed in organic way and to be purchased with suppliers preferential conditions by the corresponding municipality or region	MES	MF, regional and municipal administration	Preparation in 2007, pilot phase in 2008, full implementation in 2010	-	-	-	-	-	0
Activity 4: To introduce a requirement 15% of the food purchased for the army to be produced or processed in organic way and to be purchased with suppliers preferential conditions by the corresponding municipality or region	MD	MF	Preparation in 2007, pilot phase in 2008, full implementation in 2010	-	-	-	-	-	0
Activity 5: Connecting the marketing of organic foodstuffs with the marketing of tourism prioritizing organic farmers producers groups	MAF	State agency on tourism	On going	-	-	50	50	150	250
Total:				15	3165	4157	5053	9240	21 630

Sub goal 2: Increasing the customers demand for organic products and food in Bulgaria

Table 2: Plan for Strategic goal 1, Specific goal 1, Sub goal 2

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total
Task 1: Development and implementation of promotion strategy for the development of the national market of organic products and foodstuffs	Activity 1: Contracting the preparation of the Promotion strategy and plan for the development of national market for organic products and food. The preparation process will include survey of the customer's demands and preferences for organic foodstuff. It will include and develop further the promotion activities of tasks 2 and 3 listed below	MAF		2007	-		50	-	-	50
	Activity 2: Implementation of the promotion strategy and the plan	MAF	MEW, MH, MEE, MES	2007–2013	-		500	500	1500	2500
		MEW	MAF, MH, MEE, MES	2007–2013	-		500	500	1500	2500
		MES	MAF, MH, MEE, MEW	2007–2013	-		100	100	300	500

Task 2: to reaffirm the national organic logo	Activity 1: Establishing legal protection from fraud of the names and indications of the organic products (at the beginning the responsible institutions should be identified)	MAF	MH	2006	20	-	-	-	-	20
	Activity 2: Distribution of information for protection from fraud the logos, names, and indications of organic products and the corresponding system for notifications for incorrect use of these indications in all press releases and publications and websites for organic farming in Bulgaria	MAF	MAF – NVS, MH, certification bodies	2007	-	20	-	-	-	20
	Activity 3: Informing the experts in the corresponding institutions that will look for frauds and incorrect use of indication of organic produce	MAF	MAF, MEE, certification bodies	2006	10	-	-	-	-	10

Task 3: Information campaigns for promotion of organic products and food among the customers before Promotion strategy and action plan for organic products has been developed	Activity 1: Organization of national fest for organic farming	MAF	NGO, certification and inspection bodies, Sofia municipality, all stakeholders	2006	20	20	-	-	-	40
		MEW	NGO, certification and inspection bodies, Sofia municipality, all stakeholders	2006	-	-	-	-	-	0
	Activity 2: Preparation and distribution of information materials for the advantages of organic products and foodstuff, their quality, their system of control and traceability, the environmentally friendly and animal welfare way of organic farming production. Public participation and feedback (verification) on the organic farming issues	MAF	MH,MEW	2006	25	-	-	-	-	25

	Activity 3: Pilot projects for including in the schools curriculum the subject for organic farming. To introduce the organic farming and its benefits for the environment and public health among the children and teenagers	MES	MAF	2006	-	70	-	-	-	70
	Activity 4: Mass media events for organic farming, including publication of specialized materials for the advantages of the organic products for human health	MAF	MH,MEW,NGO	2006	40	-	-	-	-	40
		MEW	MAF,MH,NGO	2006	25	-	-	-	-	25
	Activity 5: Meetings and agreements with the mass media for regular information in order to increase the public knowledge for organic farming issues	MAF	MEW,MH	2006	5	-	-	-	-	5
Total:					145	110	1150	1100	3300	5805

Specific goal 2: Development of the export of Bulgarian organic products

Table3: Plan for Strategic goal 1, Specific goal 2

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Promotion of Bulgarian trade marks of organic products on the international market	Activity 1: Widening the opportunities for participation in international events for organic products by the agency for support of SME of the Ministry of Economy and Energy and distribution of information among the interested stakeholders	MAF	MES, branch associations, NGO, employers organizations	2006-2013	50	50	75	85	230	490
	Activity 2 : Bulgarian Diplomatic representatives to be engaged with the promotion of Bulgarian organic products	MFA	MAF, MEE branch associations, NGO, employers organizations	2007-2013	-	-	-	-	750	750
	Activity 3: Introducing export incentives of organic products and foodstuffs	MAF	MF, MEW, SFA branch associations, employers organizations	2006	-	-	-	-	-	0
	Activity 4: Introducing incentives for organic producers groups for declaration of geographic origin of the traditional Bulgarian products produced in organic way (yogurt, lukanka, etc).	MAF	Branch associations, NGO, employers organizations	2007-2013	-		210	260	780	1250

	Activity 5: Development and implementation of a strategy and action plan for promotion of Bulgarian organic products on international market	MAF	MEE, MFA branch associations, NGO, employers organizations	2006	-		50	-	-	50
	Activity 6: Submission of documents for inclusion of Bulgaria in the list of the thirds countries in accordance to the Article 11 (1) of regulation 2092/91	MAF		2006	-	-	-	-	-	0
Total:					50	50	335	345	1760	2540

Strategic goal 2: 8% of the cultivated agricultural land to be managed in organic way till 2013.

Specific goal 1: Increase the number of organic farms

Table 4: Plan for strategic goal 2, specific goal 1

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Establishing functioning system for financial	Activity 1: Implementation of SAPARD measure 1.3 Support for environmentally friendly practices and activities	SFA-SAPARD agency		2006–2008	1500	1500	1500	-	-	4500

support of organic agriculture giving priority to the support during conversion period	Activity 2: Financial support (including partial of full covering of the certification cost per ha or livestock units) by the measure Agri-environmental payments of the Rural development programme 2007-2013 (bigger financial support for conversion period)	SFA-PA		2007–2013	-	1000	2000	3000	12000	18 000
	Activity 3: Financial support for investments in organic farming to be introduced as a separate sub-measure in the measures for modernization and diversification of the agricultural holding included in the RDP 2007-2013	SFA-PA		2007–2013	-	5000	5000	5000	20 000	35 000
	Activity 4: Special priority to be given to the young organic farmers in the measure for young farmers in the RDP 2007-2013	SFA-PA		2007	-	1250	3750	3750	15 000	23 750
	Activity 1: Provision of initial financial support for organic livestock breeders to purchase farm equipment including building of manure storage facilities (40000 BGN per farmer)	SFA-national schemes		2006	400	-	-	-	-	400
	Activity 2: Organic livestock farms to be given priority in the measures for investment and young farmers support (including in the RDP 2007-2013)	SFA-PA		2007–2013	-	300	300	300	600	1500
	Activity 3: Financial support for nutrition of organic livestock and poultry	SFA- national schemes		2006	10	-	-	-	-	10
Task 2: Specialized financial support for the development of organic livestock breeding										

Task 3: Initiating the opening of specialized credit lines for organic farming by the banks	Activity 1: Presenting information to the banks for the benefits of offering credits for organic agriculture, by situation and trend analyses, prepared by marketing department of the directorate of Economic policy of MAF	MAF		2007–2013	-	2	2	2	8	14
	Activity 2: Development of investment programme “Organic farming” that will include not only the parameters of support but also the corresponding amounts	SFA		2007	-	-	-	-	-	0
Task 4: To announce GMO free areas	Activity 1: Survey of the experience of other countries and regions that already have GMO free zones (more than 2000 GMO free zones already exist in Europe).	MAF	MEW, NGO	2006	-	4	-	-	-	4
	Activity 2: development of text to be included in the legal acts laying down the rules for declaring GMO free zones	MAF	MEW,MH,MEE, NGO	2006	-	1	-	-	-	1
	Activity 3: Introducing prohibitions for certain types and hybrids of GMO distribution	MAF	MEW,MH,MEE, NGO	2006	-	5	-	-	-	5
	Activity 4: Distribution of information for the GMO free zones, the areas with GM crops by the regional and municipal directorates of MAF, MEW website and the website for Organic agriculture	MAF	MEW,MH,MEE, NGO	2006–2013	4	4	4	4	12	28

Task 5: To increase the average size of organic farms in Bulgaria	Activity 1: To introduce amendments in the act on Land use and ownership in order to include possibility to lease state agricultural land without tender when the land is going to be used for organic production. Amendments in article 24a, para 2 (3) the following text “ Organic farmers will pay 50% of the fee for leasing land from the state land fund “	MAF		2006	-	-	-	-	-	0
	Activity 2: Distribution of information for the possibilities for renting and leasing of land among the farmers and the population as a whole by MAF regional and municipal directorates and the organic agriculture website	MAF		2006–2009	1	2	2	2	-	7
Total:					1915	9068	12 558	12 058	47 620	83 219

Specific goal 2: Widen the range of the organic plant and livestock produce

Table 5: Plan for strategic goal 2, specific goal 2

	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Financial support of organic farmers producing organic seeds and propagation material	Activity 1: Development and maintenance national data base for the existing organic seed and propagation material	EASASC		Development till the end of 2007, ongoing maintenance till 2013	-	5	0,5	0,5	2	8
	Activity 2: Introducing 20% additional incentives for the producers of organic seeds and propagation material (additional incentives to the agrienvironmental compensatory payments for organic farming)	SFA-PA		2007–2013	-	50	75	100	300	525
	Activity 3: Financial support for purchasing of organic seed and propagation material	SFA-national schemes		2006	-	-	-	-	-	0
	Activity 4: Financial support for purchase of certified organic seeds and propagation material for farmers, growing more than 3 types of crops to be sold on the organic market.	SFA-PA		2007–2013	-	25	40	50	150	265
Total:					0	80	115,5	150,5	452	798

Strategic goal 3: Efficient legislation and normative base for the development of organic farming in 2007

Specific goal 1: Codified normative base in the field of organic farming

Table 6: Plan for Strategic goal 3, specific goal 1

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: To adopt a special act for organic farming till the end of 2006 that will codify the normative base in the field of organic farming	Activity 1: Creation of a working group for preparation of the Act on organic farming including representatives of all interested institutions, NGOs and organizations of organic producers	MAF	All stakeholders	2006	10	-	-	-	-	10
	Activity 2: Information campaign for public discussion of the document	MAF		2006	10	-	-	-	-	10
	Activity 3: Coordination of the Act with the different institutions and its submission to the council of ministers	MAF		2006	-	-	-	-	-	0

Task 2: Separate the permitted soil additives and plant protection materials for organic farming in a specific part in the List of the fertilizers, soil additives and plant protection materials permitted to be used in Bulgaria.	Activity 1: Preparation and maintenance of a separate part for the permitted for use in organic farming fertilizers, additives and plant protection materials in the year to year issued List of the permitted for use and to be placed on the market fertilizers, soil additives and plant protection materials, bioactive substances and nutrient substrates	NPPS		2006	-	-	-	-	-	0
	Activity 2: Annual maintenance and up-dating of the part with permitted for use in organic farming fertilizers, additives and plant protection materials	NPPS		2007–2013	-	-	-	-	-	0
Total:					20	0	0	0	0	20

Strategic goal 4: Applied scientific research, education, training and extension service in the field of organic farming

Specific goal 1: Applied scientific research with practical orientation, serving the needs of the business and state for the development of organic farming

Table7: Plan for Strategic goal 4, specific goal 1

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Develop a programme for scientific research in the field of organic farming in partnership between state, business and science;	Activity 1: Assigning the research and modeling of wide spectrum of organic farming practices – for small to hi-tech holdings; adaptation to the specific conditions and traditions of the agriculture in the different regions and agrienvironmental zones of the country	MES	MAF	2007–2013	-	60	80	100	200	440
		MAF – NCAS		2007–2013	-	-	750	850	1800	3400
	Activity 2: Development of models for mixed organic farms for mountainous, semi-mountainous and plane of the country	MES	MAF	2007–2013	-	40	40	50	200	330
		MAF – NCAS		2007–2013	-	-	650	550	1800	3000
	Activity 3: Development of organic farming technologies for the main crops, vegetables, essential,	MES	MAF	2007–2013	-	20	30	30	40	120

orchards and vineyards	MAF – NCAS Institute for rose and essential oil crops		2007–2013	-	-	650	750	750	2150
Activity 4: Development of alternative systems for weed control and prevention of diseases and pests for organic production	MES	MAF	2007–2013	-	10	20	20	30	80
	MAF – NCAS Institute for rose and essential crops		2007–2013	-	-	500	550	650	1750
Activity 5: Development of studies of the basic mechanisms for self regulation of organic agroecosystems on the purposes of the conversion period	MES	MAF	2007–2013	-	3	5	5	20	33
	MAF – NCAS Institute for rose and essential crops		2007–2013	-	-	65	70	90	225
Activity 6: Development and elaboration of methodology for economic analysis of organic farms from different types, including their contributions for the environment	MES	MAF, MEW	2007–2013	-	3	4	5	6	18
	MAF – NCAS		2007–2013	-	-	36	45	54	135
Activity 7: Development and elaboration of methodology for defining the prices of organic farming products	MAF – NCAS	MAF	2007-2013	-	-	10	20	100	130

	Activity 8: information dissemination from the various scientific researches and technologies including through the Organic Farming web site and brochures	MAF	MES	2007–2013	-	-	20	40	80	140
Task 2: To develop minimum organic farming requirements for Bulgarian traditional crops, which are not covered by EC Regulation 2092/91	Activity 1: assigning the development of minimum organic farming requirements (standards) for Bulgarian traditional crops, which are not covered by EC Regulation 2092 (rose and essential oils, wine, etc. to different research institutes and universities.	MAF	MES	2007–2008	-	-	50	-	-	50
Total:					0	136	2910	3085	5820	11 951

Specific goal 2: Efficient and active system for extension service in organic farming on national level (production, marketing, processing, farm management)

Table 8: Plan for Strategic goal 4, specific goal 2

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Increase the number of consultants on organic farming	Activity 1: Development and elaboration of a training course on organic farming for consultants including a practical study. A certificate * should be given at the end of the training course	MAF	NGOs, vocational training centres, Academy Institutes	2007, adapted and improved each year	-	-	145	45	12	202
	Activity 2: Development of criteria for consultants' registration in a special legislatively regulated registers for organic farming consultants	MAF	NGO	2006	-	-	-	-	-	0
	Activity 3: Establishment and maintenance of Register of the organic farming consultants and publishing it on organic farming web site	MAF		2007, yearly amended and up-dated	-	0,5	0,5	0,5	0,5	2
	Activity 4: Information dissemination about the registered consultants among the agricultural producers	MAF	NGOs, vocational training centres, Academy Institutes	2007–2013	-	4	4	4	16	28

*during the course special attention has to be given on holistic approach for establishment of organic holding in relation to all aspects – biodiversity conservation, buffer zones, landscape, aboriginal breeds and varieties. The organic farming specialists have to obtain knowledge and information and to be able to recommend suitable for the concrete soil-climatic conditions crops and varieties to the farmers.

Task 2: Introduce targeted financial support to the farmers for advices in organic agriculture	Activity 1: Development and introduction of a financial support scheme (i.e. voucher) for utilization of consultancy services in organic farming by the producers	SFA – PA	NGOs, vocational training centres, Academy Institutes	2007	-	300	400	400	1600	2700
	Activity 2: Information dissemination about the opportunities to make use of consultancy among the agricultural producers	MAF	NGOs, vocational training centres, Academy Institutes	2007–2013	-	3	4	4	4	15
Task 3: Develop a functioning system for vocational training in the field of organic farming	Activity 1: Organization of workshops for information and basic knowledge on organic farming in all MAF structures (NAAS, RDAF, MSAF)	MAF	NGOs, vocational training centres, Academy Institutes	2007–2013	-	12	12	12	48	84
	Activity 2: Networking among organic farms for practical demonstration of organic farming methods	MAF	Organic farming holdings	2007-2013, with up-dating till 2013	-	-	14	4	12	30
Task 4: Provision of users friendly specialised information for organic farming	Activity 1: Publishing a specialized magazine for organic farming	MEW	NGO, MAF	2007–2013	-	-	38	38	152	228
	Activity 2: Assigning, publishing and dissemination of information and specialized literature for organic production among the farmers	MAF	NGO	2007–2013	-	5	30	40	160	235
		MEW	NGO	2007–2013	-	-	30	40	160	230
	Activity 3: development of specialized web-site for organic farming in Bulgaria	MAF	NGO, specialized company	2006-2013	10	-	10	10	40	70

	Activity 4: Annual meetings with the agricultural producers for promotion of the philosophy of organic farming and its differences from the conventional one. Explaining the necessity of a specialized professional consultations in the field of organic farming	MAF	MAF, academic institutions	2006–2013	10	-	10	10	40	70
Task 5: capacity building for using the existing support possibilities offered by different programmes, measures and donors	Activity 1: Gathering and dissemination of information for the support in the field of organic farming offered by different international and national sources, including MEE, APSME, MRDPW, MLSP, etc.	MAF	NGO	2006–2013	2	2	3	3	12	22
	Activity 2: Dissemination of information for the different possibilities for support of organic farming through the organic farming website and press releases	MAF	NGO, branch associations	2006–2013	4	4	4	5	20	37
Total:					26	330,5	704,5	615,5	2276,5	3953

Specific goal 3: Offer extended education in the field of organic farming in secondary and high schools

Table 9: Plan for Strategic goal 4, specific goal 3

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Organic farming to be included in the curriculum of all agricultural and forestry secondary schools	Activity 1: Improvement of the curriculum on organic farming in the agricultural and forestry and food processing secondary schools	MAF	MES	2007–2008	-	-	10	-	-	10
	Activity 2: Development of textbooks, manuals and guides on organic farming for the agricultural and forestry and food processing secondary schools	MAF	MES	2009–2013	-	-	-	20	30	50
	Activity 3: Annual training courses for the teachers in agricultural and forestry and food processing secondary (training of 20-25 teachers each year)	MAF	MES	2006–2008	20	-	30	-	-	50
	Activity 4: Enlargement and modernization of the vocational training centres and secondary agricultural and forestry and food processing secondary schools, experimental fields and facilities for processing of organic products	MAF	MES	2007–2013	-	-	2800	4000	24 000	30 800

**Task 2:
Include
organic
farming in
the
curriculum of
all
agricultural
and forestry
universities
and high
schools.**

Activity 5 Exchange of information and experience between secondary agricultural and forestry and food processing secondary schools and similar schools for organic farming in Europe	MES	MAF	2007-2013	-	50	80	100	400	630
Activity 6: Exchange of young and experienced Bulgarian teachers from secondary agricultural and forestry and food processing secondary schools with leading specialists from European institutions involved in OF	MES	MAF	2007-2013	-	15	20	30	100	165
Activity 1: Support for the establishment and modernization of the practical training capacities on organic farming in high schools	High schools (Agrarian University Plovdiv, Thracian University in Stara Zagora, Forestry University in Sofia)	MES, MAF	2007-2013	-	-	-	-	200	200

	Activity 2: Exchange of students on agronomy with leading foreign institutes involved in organic farming	High schools (Agrarian University Plovdiv, Thracian University in Stara Zagora, Forestry University in Sofia)	MES, MAF	2007–2013	-	-	-	-	200	200
	Activity 3: Organizing organic farming training exchange abroad in leading national institutes and farms	High schools (Agrarian University Plovdiv, Thracian University in Stara Zagora, Forestry University in Sofia)	MES, MAF	2007–2013	-	-	-	-	350	350
Total:					20	65	2940	4150	25 280	32 455

Strategic goal 5: Development of efficient system for control and certification

Specific goal 1: Introduce rules and requirements for foreign control bodies acting on the territory of Bulgaria

Table 10: Plan for Strategic goal 5, specific goal 1

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Introduce a system for registration of foreign control bodies acting on the territory of Bulgaria	Activity 1: Regulation of the rules for registration of foreign control and certification bodies performing activity on Bulgarian territory	MAF		2006	-	-	-	-	-	0
	Activity 2: Development of agenda for registration of foreign control bodies and dissemination of the agenda to the control bodies	MAF		Yearly	-	-	-	-	-	0
Task 2: Regulate the exchange of information between MAF and foreign control bodies	Activity 1: Publishing of the register of Bulgarian organic producers	MAF		In the beginning of each year	-	-	-	-	-	0
	Activity 2: Development of guidelines for providing of information from control bodies to MAF, including the needed documentation, content, deadlines, outlook	MAF		2006	-	-	-	-	-	0

	Activity 3: development of standard form for feedback information from organic farmers and operators, even in conversion period	MAF		2006	-	-	-	-	-	0
	Activity 4: Inclusion of the activity 1 and 2 in the legislative acts in Bulgaria	MAF		2006	-	-	-	-	-	0
Task 3: Regulate the exchange of information between the different control bodies	Activity 1: Establishment of rules for exchange of information between control bodies who certify related operators (i.e. when the producer is certified by one control body and the processor or exporter – by another control body)	MAF		2007	-	5	-	-	-	5
	Activity 2: Amending the Ordinances for organic farming with the rules for information	MAF		2007	-	5	-	-	-	5
Task 4: Introducing strict control on the fulfillment of the requirements for environment protection in organic	Activity 1: Development of legal requirements for environment protection for organic farming, processing and trade.	MEW	MAF	2007	-	-	-	-	-	0
	Activity 2: Amending the existing legal acts on organic farming with the requirement for environment protection	MEW	MAF	2007	-	-	-	-	-	0

farming	Activity3: Introducing the requirement for the organic farming operators and inspection bodies for provision of information on specific measures taken for environmental protection	MAF		2008	-	12	-	-	-	12
Total:					0	10	12	0	0	22

Specific goal 2: Functioning system for proving the organic origin of Bulgarian organic products

Table 11: Plan for Strategic goal 5, specific goal 2

Task	Activities	Responsible institution	Partner institutions	Period for implementation	2006 (thousand BGN)	2007 (thousand BGN)	2008 (thousand BGN)	2009 (thousand BGN)	2010-2013 (thousand BGN)	Total (thousand BGN)
Task 1: Functioning Bulgarian accredited laboratories with full range of analyses recognized in case of international arbitrage	Activity 1: Inventarization of a existing accredited laboratories and assessment of their capacity for provision of full range of analyses needed for organic farming	MAF	MES, research institutes, Bulgarian accreditation service	annually	-	4	4	5	5	18
	Activity 2: Development of a Programme for new laboratories or modernization of the existing ones for specialized analyses needed for organic farming	MAF	MH, MEW, MES, research institutes	annually	-	6	7	7	8	28

	Activity 3: Implementation of the Programme	MAF	MH, MEW, MES, research institutes	2008–2009	-	-	1050	1050	-	2100
	Activity 4. Development and maintenance of database for Bulgarian organic operators using the data provided by the inspection bodies	MAF		2006-2013	1	1	1	1	1	5
Total:					1	11	1062	1063	14	2151

ANNEX: List of the members of the working group that participated in the development of the Organic farming action plan

No	Institution	Name	Surname	Position	Telephone, fax, e-mail	Address
1	Foundation for Development of Private Agriculture in Bulgaria	Vihra	Andonova	Executive Director	tel./fax 02/ 963 48 75 larive_bg@cablebg.net	6 „Nikola Kozlev” str. Sofia 1421
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3	University of National and World Economy	Elka	Vasileva	Lecturer	tel. 02/ 52422 danielai@unwe.acad.bg	Hristo Botev Studentski Grad Sofia 1700
4	Association „Bioproduct BG”	Diana	Ivanova	Assistant	tel. 02/ 9170 645 bioprodukt@abv.bg	1, Makedonia Square, floor 1, room 1 Sofia 1000
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21	Ministry of Agriculture and Forestry, Institute on Animal Sciences	Desimir	Nedelchev	Assistant	tel. 0721 66037	Institute of Animal Sciences Kostinbrod 2232
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23	Ministry of Health	Phd. Nana	Nikolova	Senior expert, Health Prophylactics and State Sanitary Control	tel. 02/ 9301212, факс 988 34 13 nnikolova@mh.governmentnet.bg	39 Stamboliiski blvd. Sofia 1000
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