AGRARIAN REPORT 2009

SECTION A

I. STATUS AND DEVELOPMENT OF THE NATIONAL ECONOMY. MACROECONOMIC FRAMEWORK. PLACE OF AGRICULTURAL SECTOR IN THE NATIONAL ECONOMY

In 2008, according to preliminary data the economy of the Republic of Bulgaria recorded a relatively high rate of growth reaching 6.0% and the data about the key macroeconomic indicators showed the following:

- In 2008, the Gross Domestic Product (GDP) amounted to BGN 66,728 million (EUR 34,118 million), marking a growth of 6.0% compared to 2007;
- The cumulative inflation at the end of 2008 was 7.8%, while the average annual inflation stood at 12.3%;
- The unemployment rate at the end of 2008 was 6.3%, decreasing by 0.6% compared to the end of 2007, when it was 6.9%;
- In 2008, the country's exports amounted to BGN 29,736 million (EUR 15,204 million), representing 44.6% of the GDP, while imports were BGN 46,551 (EUR 23,801 million) or 69.8% of the country's GDP. The trade balance (fob-fob) dropped by 25.2% (according to data of the Bulgarian National Bank (BNB);
- In 2008, Foreign Direct Investment (FDI) in Bulgaria amounted to BGN 12,809 million (EUR 6,549 million), which is 19.2% of the GDP at BGN 16,812 million (EUR 8,596 million) or representing 29.7% of the GDP in 2007.

Table I.1.

Key macroeconomic indicators of the Republic of Bulgaria

Indicator	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08
GDP, billion BGN	23,8	26,7	29,7	32,4	34,6	38,8	42,8	49,4	56,5	66,7
GDP, billion EUR	12,2	13,7	15,2	16,6	17,7	19,8	21,9	25,2	28,9	34,1
GDP growth, percent (%)	2,3	5,4	4,1	4,5	5,0	6,6	6,2	6,3	6,2	6,0
Inflation at end-year, %	6,2	11,4	4,8	3,8	5,6	4,0	6,5	6,5	12,5	7,8
Budget deficit, (-)/(+), % GDP	+0,2	-0,6	-0,6	-0,6	0,0	+1,7	+3,1	+3,5	+3,5	+3,0
FDI, billion BGN	1,475	2,104	1,788	2,038	3,618	5,351	6,165	12,169	16,812	12,809
FDI, billion EUR	754	1,076	914	1,042	1,850	2,736	3,152	6,222	8,596	6,549

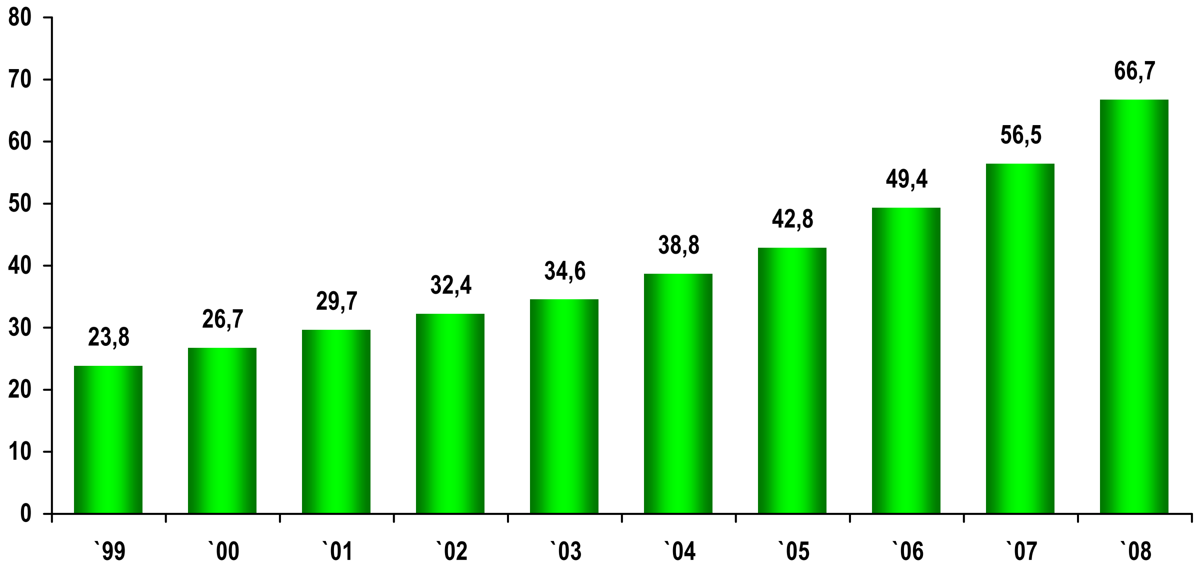
***Source**: National Statistical Institute, Bulgarian National Bank, Ministry of Finance*

Bulgaria's GDP in 2008 reached BGN 66,728 million (EUR 34,118 million), in real terms grew by 6.0% compared to 2007, per capita accounted for BGN 8,753 (EUR 4,454).

The recorded GDP growth continues to outpace the growth in the EU-27 countries. In 2008 the EU-27 generated a growth of 0.9% on a year-to-year basis. Bulgaria ranks third in pace of economic growth and joins the group of countries with the fastest growth in the EU.

Figure I.1.

Size of the GDP in the period 1996 – 2008, billion BGN



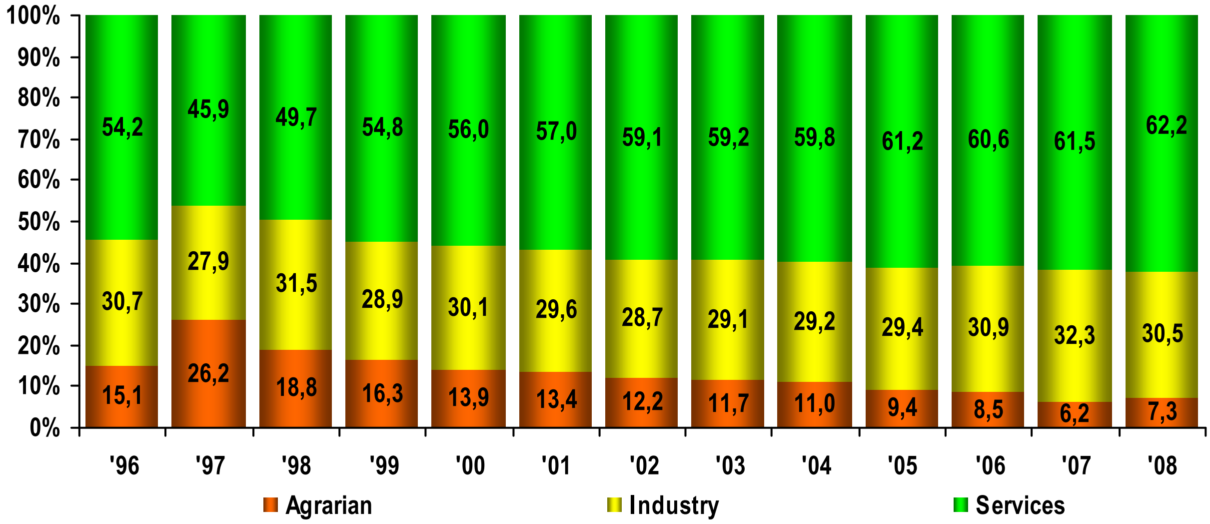
***Source**: National Statistical Institute*

The produced Gross Value Added (GVA) of the Economic activities in the country in 2008 amounted to BGN 54,851 million (EUR 28,045 million) at current prices, growing by 6.1% in real terms compared to the Gross Value Added (GVA) created in 2007 attributable to various sectors as follows:

- To the industrial sector – 3.0%, whereas industry created 30.5% of the Gross Value Added (GVA) in economy;
- To the services sector – 5.9%, whereas its share in the total Gross Value Added (GVA) is 62.2%;
- To the agricultural sector – 24.6%, whereas its share in the Gross Value Added (GVA) is 7.3%.

Figure I.2.

Gross Value Added (GVA) by economic sectors in the period 1996 – 2008, %

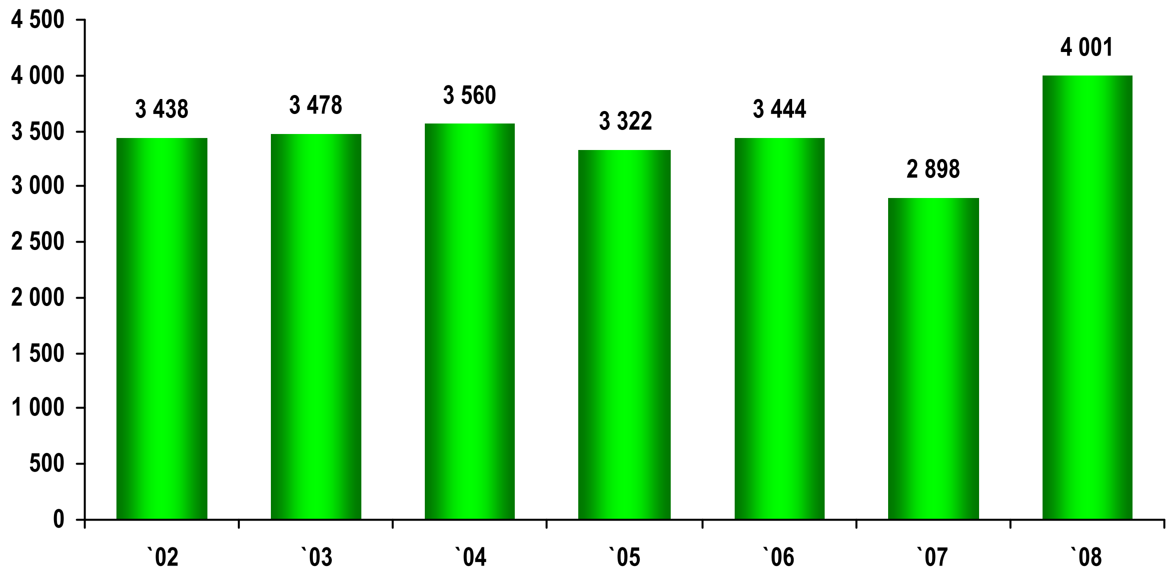


***Source**: National Statistical Institute*

In 2008, the greatest increase in physical volume of the Gross Value Added (GVA) generated in the country's economy was recorded in the agricultural sector. From BGN 2,898 million (EUR 1,482 million) in 2007, the Gross Value Added (GVA) in agriculture increased to BGN 4,001 million (EUR 2,046 million) in 2008 and recorded a growth of 24.6% in the physical volume of the Gross Value Added (GVA) compared to 2007. Increase was recorded in the share of the agricultural sector in the country's Gross Value Added (GVA) in 2008 having managed to restore the levels of preceding years after the unfavourable year of 2007.

Figure I.3.

Gross Value Added (GVA) of the Agriculture and Forestry sector in the period 2002 – 2008, million BGN

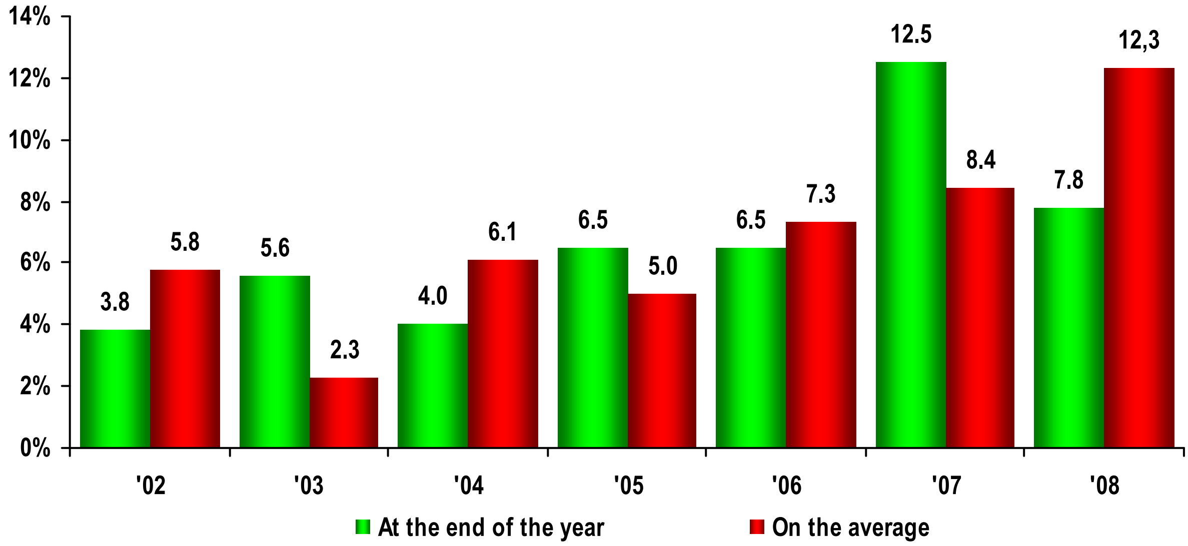


***Source**: National Statistical Institute*

The average inflation in 2008 was 12.3% and the inflation at the end of the year was 7.8%. At the end of 2008, food prices on an annual basis were higher by 6.3% versus the end of 2007, non-food products grew by 6.1%, services by 10.4%, while prices in the catering sector increased by 14.8%.

Figure I.4.

Inflation, %



***Source**: National Statistical Institute*

In 2008, as a result of the sound economic growth, employment kept its steady upward trend and unemployment rate in the country went on downwards.

According to data of the Employment Agency, the country's unemployment rate is 6.3%, decreasing by 0.6% compared to the end of 2007. The labour offices recorded a total of 232,289 unemployed people, which stands for a decrease of 23,621 people (9.2%).

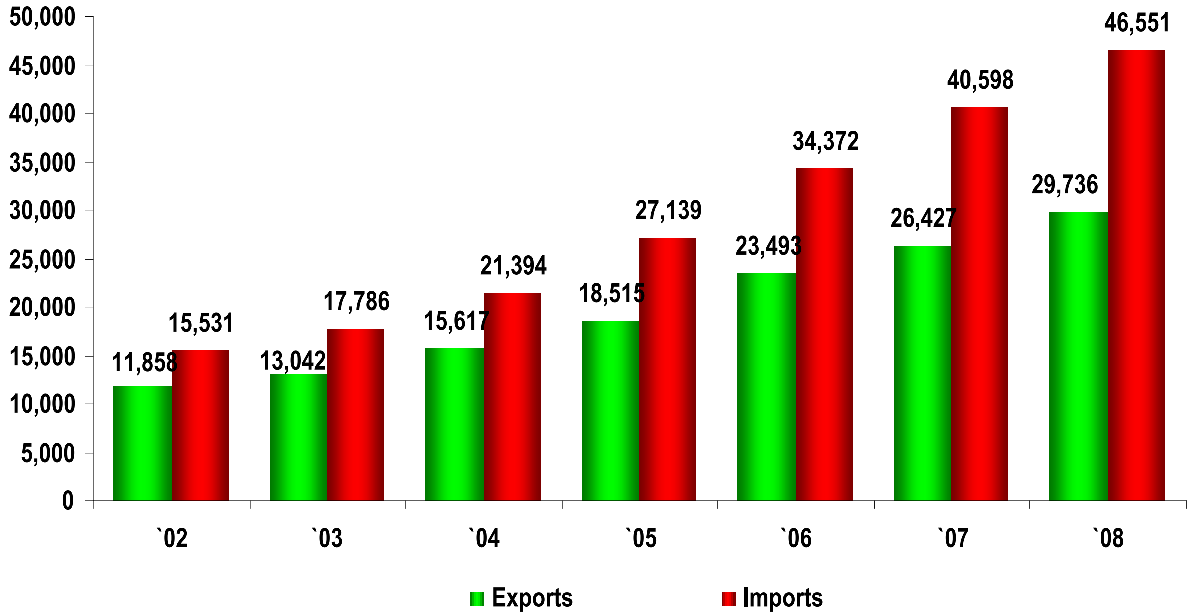
The total number of employees working on employment and service contract by economic activities in 2008 was 2,466.851, while their number in 2007 was 2,380.257. Employees in the public sector in 2008 were 614,768, including 11,765 persons employed in the sectors of agriculture, forestry and fisheries.

In 2008, the average annual salaries by economic activities (in the public and private sectors) of employees in the country reached BGN 6,538 (EUR 3,343) increasing in nominal terms by 26.5% and 12.6% in real terms compared with 2007. According to data of the National Statistical Institute (NSI), the average annual salary in the public sector in 2008 was generally BGN 7,811 (EUR 3,994) and in the sectors of agriculture, forestry and fisheries it stood at BGN 6,314 (EUR 3,229).

According to data of the Bulgarian National Bank (BNB) exports from the Republic of Bulgaria in 2008 amounted to BGN 29,736 million (EUR 15,204 million), representing 44.6% of the GDP, while imports amounted to BGN 46,551 million (EUR 23,801 million) or 69.8% of the GDP.

Figure I.5.

Exports and imports in the period 2002 – 2008, million BGN



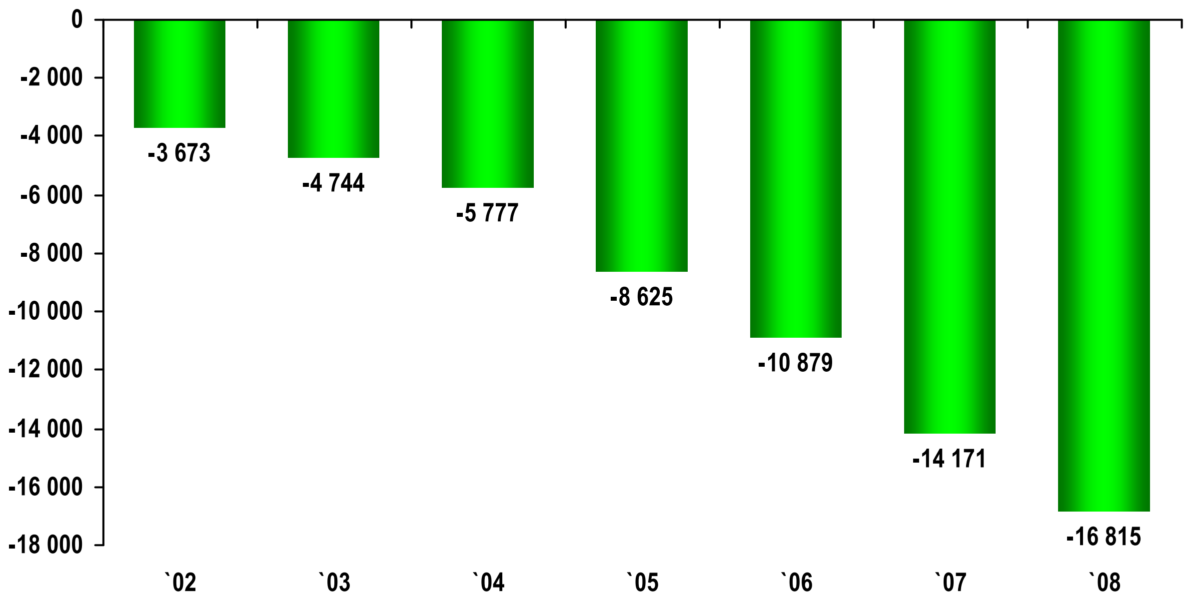
Source: *Bulgarian National Bank*

The index of the physical volume of exported goods and services is lower than that of imports, while keeping the preceding years' trend of imports growing at a higher pace than that of exports. Hence, the negative foreign trade balance, which reflects negatively on the country's current account balance where the 2008 deficit amounted to 25.4% of the GDP versus 25.2% in 2007.

The country's trade balance in 2008 was BGN – 16,815 million (EUR – 8,597 million), recording an increase compared to 2007, when it was BGN – 14,170 million (EUR – 7,245 million).

Figure I.6.

Trade balance in the period 2002 – 2008, million BGN



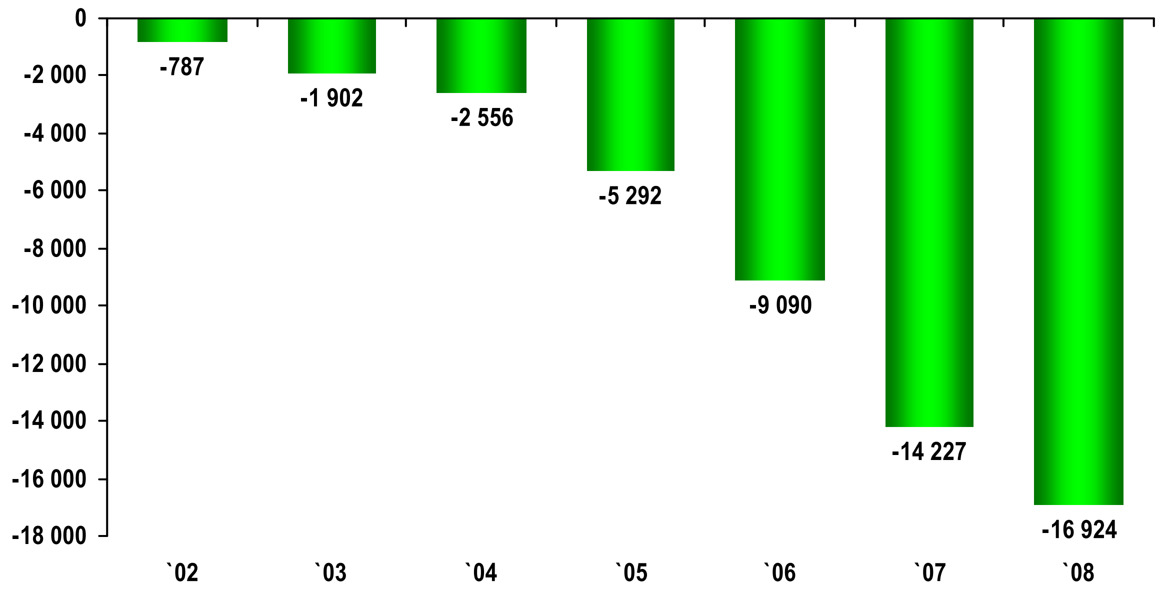
Source: *Bulgarian National Bank*

The balance of foreign trade in agricultural products increased significantly over the preceding year, starting from a negative rate in 2007 (BGN -200 million), and reaching BGN 416 million in 2008.

In 2008, the current account recorded a deficit of BGN 16,924 million (EUR 8,653 million), which stands for -25.3% of the GDP given the deficit of BGN 14,227 million (EUR 7,274 million), or -25.4% of the GDP in 2007. In 2006 the current account deficit was BGN 9,091 million (EUR 4,648 million), or -18.4% of the GDP.

Figure I.7.

Trading account in the period 2002 – 2008, million BGN



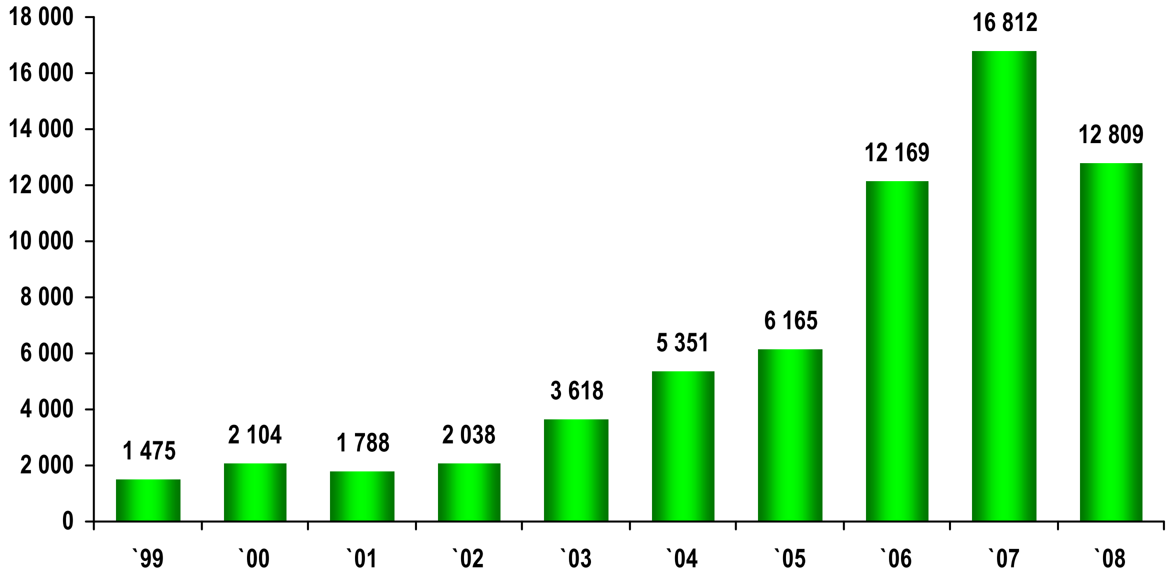
***Source**: Bulgarian National Bank*

In 2008, according to preliminary data, the acquisition costs of tangible fixed assets (TFA) amounted to BGN 28,823.8 million (EUR 14,737.4 million), while those in the agricultural sector stood at BGN 611.3 million (EUR 312.6 million). Acquired tangible assets amounted to BGN 21,249.4 million (EUR 10,864.6 million), BGN 494.8 million (EUR 252.9 million) of which in the agricultural sector. Compared with 2007, investments in the acquisition costs of tangible fixed assets (TFA) in the agricultural sector declined by BGN 30.8 million (EUR 15.7 million), whereas those acquired – by BGN 54.3 million (EUR 27.8 million).

According to data, released by the Bulgarian National Bank, Foreign Direct Investment (FDI) in 2008 amounted to BGN 12,809 million (EUR 6,549 million), which stands for 19.2% of the GDP.

Figure I.8.

Foreign Direct Investment (FDI) in the period 1999 – 2008, million BGN

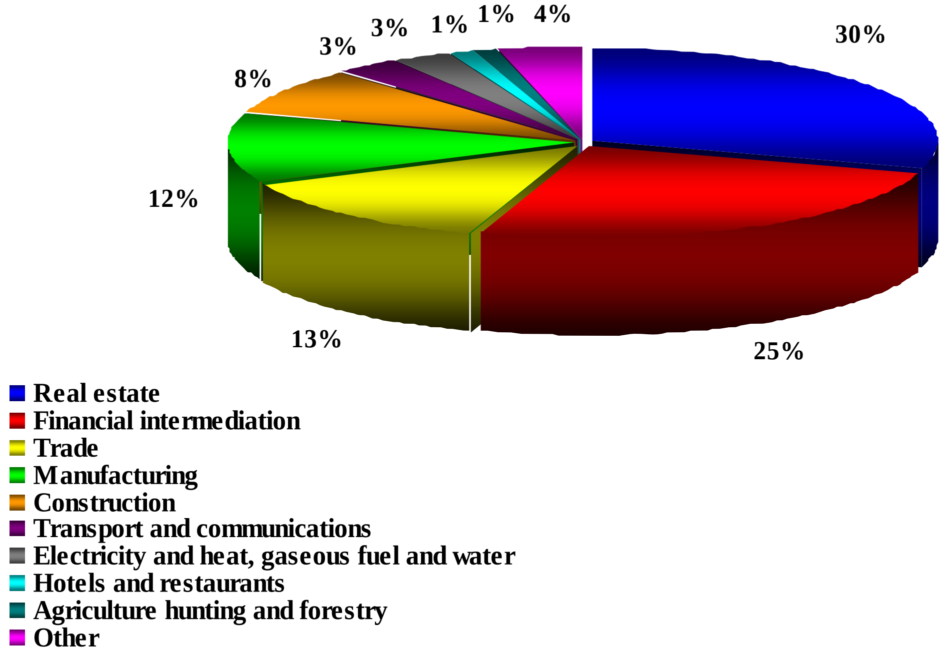


***Source**: Bulgarian National Bank*

The largest share of investments in 2008 were made in the sectors „Real Estate, Renting and Business Services" (30% of the total volume of FDI), "Financial Intermediation" (25%), "Manufacturing" (12%) and "Trade, Repairs and Technical Maintenance" (12%). The Foreign Direct Investment (FDI) in the sectors of agriculture, hunting and forestry in 2008 stood at 1% only.

Figure I.9.

Foreign Direct Investment (FDI) by economic activity in 2008 %



***Source**: Bulgarian National Bank*

II. DEVELOPMENT OF THE AGRICULTURAL SECTOR in 2008 AND OUTLOOK FOR 2009

1. Use of agricultural land, land market, tenant relations in agriculture, production structures, labour force

1.1. Use of agricultural land

The land for agricultural use in 2008 was 5,648.206 hectares and occupied 50.9% of the country's territory. In 2007 the land for agricultural use spread on an area of 5,666.336 hectares or 51.04% of the country's territory. Its relative share remained the same compared to the preceding year.

The utilised agricultural area (UAA) includes arable land, permanent crops, permanent grasslands, kitchen gardens and greenhouse areas. The utilised agricultural area (UAA) in 2008 was 5,100.825 hectares, or 46.0% of the country's territory. In 2007, the territory occupied thereby was 5,116.220 hectares, or 46.1% of the country's territory.

Arable lands are the areas included in the crop rotation system, temporary grasslands with wheat and leguminous grasses. In 2008 they occupied 3,060.543 hectares and represented 60% of the utilised agricultural area (UAA). Their size has slightly increased compared to the preceding year when they spread on an area of 3,057.740 hectares, or 59.8% of the utilised agricultural area (UAA).

Fallow lands are arable lands, which during the surveyed year were not harvested. In 2008 fallow land occupied 229,471 hectares, or 7.5% of the arable land. In 2007, areas turned into fallow land occupied 9.5% of the arable land. There is a 21.3% reduction of fallow land in 2008 compared to 2007.

Artificial grasslands of leguminous and cereal grasses in 2008 occupied 101,830 hectares, or 3.3% of the arable land, while in 2007 the area occupied thereby was 95,566 hectares or 3.1% of the arable land.

Constantly productive grassland, montane grasslands, low-productive grass surfaces and meadow orchards in 2008 occupied 1,828.865 hectares, or 35.9% of the utilised agricultural area (UAA). Their size in 2007 was 1,842.141 hectares, or 36.0% of the utilised agricultural area (UAA).

Vineyards – pure culture occupied 100,873 hectares in 2008, representing 2.0% of the utilised agricultural area (UAA). In 2007, vineyards spread on an area of 103,949 hectares or 2.03% of the utilised agricultural area (UAA).

Kitchen gardens occupied 0.5% of the utilised agricultural area (UAA) in 2008.

Set-aside lands are lands that are not included in the crop rotation system and are not used for agricultural production for more than two years. The operational restoration of set-aside land is possible with minimal resources. The size of set-aside land in 2008 – 547,381 hectares – stands for 4.9% of the country's territory.

Table II.1.

Arable land, utilised agricultural area and agricultural land area, hectares

Occupancy	2004	2005	2006	2007	2008
Wheat	1,044.006	1,134.354	979,925	1,120.510	1,114.427
Barley	333,484	276,472	192,539	193,840	223,004
Rye and triticale	17,578	24,158	17,285	12,030	15,296
Oats	42,467	36,172	20,707	25,412	40,230

Maize	415,971	340,847	386,772	408,880	348,402
Rice	5,397	4,683	5,082	6,454	5,042
Other cereals	15,852	15,943	6,779	5,224	8,175
Sugar beet	1,041	1,907	101	994	-
Industrial textile crops	3,735	1,930	811	501	199
Sunflower	598,203	653,371	785,064	686,692	723,962
Tobacco	48,974	43,005	27,932	31,144	26,742
Industrial and oilseed production crops	20,517	13,094	22,012	59,389	102,899
Other industrial crops	96,078	44,217	35,325	39,954	48,824
Potatoes	24,562	25,441	23,825	21,890	21,648
Beans, peas, broad beans	5,801	4,785	4,379	5,401	5,868
Lentils, chickpeas and other pulses	3,875	4,705	2,237	1,291	3,857
Fresh vegetables	37,765	41,584	39,899	41,088	30,001
Nurseries	4,843	4,219	3,810	3,621	3,314
Forage roots	484	200	-	-	-
Other annual fodder crops	6,547	13,028	4,885	6,108	7,352
Grasslands with leguminous crops	93,044	92,772	91,162	92,213	99,362
Grasslands with wheat crops	4,900	3,205	2,492	3,353	2,468
Fallow land	437,674	348,118	436,508	291,751	229,471
Arable land	**3,262.797**	**3,128.210**	**3,089.531**	**3,057.740**	**3,060.543**
Kitchen gardens	49,122	42,315	40,388	25,790	25,763
Fruit plantations	83,082	71,457	71,084	75,035	69,893
Vineyards, pure culture	117,041	106,633	100,564	103,949	100,873
Mixed perennial crops	10,782	9,892	10,182	9,541	12,759
Permanent grasslands and meadow orchards	1,805.711	1,904.016	1,876.392	1,842.141	1,828.865
Greenhouses, awnings and high shelters	1,954	1,998	1,912	2,024	2,129
Utilised agricultural area	**5,330.489**	**5,264.521**	**5,190.053**	**5,116.220**	**5,100.825**
Land for agricultural use	**5,785.686**	**5,725.663**	**5,709.733**	**5,666.336**	**5,648.206**

Source: *Ministry of Agriculture and Food, Directorate for Agrostatistics*

1.2. Land market

In 2008, the market situation of agricultural land is similar to the one in 2007. In general, it has the following characteristics:

- There is an extremely high demand for agricultural land, and most of the transactions involve buyers who are indifferent to the category or the location of land;
- The highest market activity was recorded in the North Central Region. A total of 37,856 deals for 32,090.3 hectares of land have been signed;
- The least developed market is found in the country's Southwestern Region. Completed transactions there total 12,044 for 7,523.2 hectares of land;

- There is an ongoing trend of significant price margins in different parts of the country. The lowest prices are recorded in the towns of Lovech and Pernik – namely 2,010 BGN/hectare and 1,400 BGN/hectare, whereas the highest prices are recorded in the town of Dobrich – 5,460 BGN/hectare.
- About 90% of completed transactions aim to develop agricultural production. The indicator "sold land" keeps close to this level – 137.4 thousand hectares.

Table II.2.

Completed transactions of sale and purchase of land in 2007 and 2008

Regions	Transactions, number			
	2007		2008	
	Agricultural land	**Non-agricultural land**	**Agricultural land**	**Non-agricultural land**
Northwestern	20,887	2,624	15,904	552
North Central	29,235	3,112	36,075	1,781
Northeastern	20,430	2,390	23,390	2,095
Southeastern	15,541	1,267	15,231	378
South Central	19,366	1,660	23,398	3,325
Southwestern	4,238	4,312	7,570	4,474
Total for the country	**109,697**	**15,365**	**121,568**	**12,605**

Source: *SAPI LTD*

Table II.3.

Sold agricultural land in 2007 and 2008

Regions	Sold agricultural land, hectares			
	2007		2008	
	Agricultural land	**Non-agricultural land**	**Agricultural land**	**Non-agricultural land**
Northwestern	20,629	1,981	15,909	523
North Central	30,038	1,681	35,297	793
Northeastern	23,284	1,954	33,406	2,150
Southeastern	15,011	714	15,944	257
South Central	14,759	831	23,808	1,791
Southwestern	2,403	2,009	4,317	3,207
Total for the country	**106,124**	**9,170**	**128,681**	**8,721**

Source: *SAPI LTD*

Table II.4.

Weighted average market price of land in 2007 and 2008

Regions	Average land price, BGN/hectare					
	2007			2008		
	Agricultural land	Non-agricultural land	Weighted average price	Agricultural land	Non-agricultural land	Weighted average price
Northwestern	2,040	29,290	4,430	2,660	29,410	3,510
North Central	2,080	77,290	6,070	2,710	91,760	4,910
Northeastern	2,710	185,710	16,870	3,920	119,570	10,920
Southeastern	2,070	884,700	42,180	2,570	256,180	6,790
South Central	2,790	118,670	8,970	3,190	71,640	8,680
Southwestern	4,070	297,360	137,630	3,120	285,890	123,640
Total for the country	**2,350**	**204,900**	**18,460**	**3,120**	**169,020**	**14,030**

Source: *SAPI LTD*

Table II.5.

Sold agricultural land in the period 2006 – 2008, hectares

2006	2007	2008
94,910.5	115,293.7	137,401.7

Source: *SAPI LTD*

The agricultural land market in 2008 was extremely active and dynamic. A total of 121,568 transactions involved agricultural land, which represents 10.8% more than the 2007 percentage rate. Agricultural land sold occupied 128,680.6 hectares or 21.2% more than in 2007.

The weighted average market price of land designated for agricultural production is 3,120 BGN/hectare. Compared with 2007, it is higher by 32.8%. According to the market price levels reached, the country's regions can be divided into three groups:

- First group – covering areas with low market prices and insufficiently active land market. The trend of Vidin and Montana districts reporting one of the lowest price levels continues. In the same category, with prices of 2,000 BGN/hectare, fall the districts of Pernik and Lovech,;
- Second group – covering areas forming market prices, which are close to the average level, i.e. about 3,000 BGN/hectare. It includes the districts of Shoumen, Silistra, Vratsa, Bourgas and Pleven;
- Third group – covering areas with high market prices. It includes the districts of Dobrich and Blagoevgrad.

Analysis of non-agricultural land market

- The market of agricultural land, bought out to subsequently have its designation changed, continues to be active in 2008 despite a slight decline. The number of transactions in 2008 was 12,605, which is 22% less than the percentage in 2007. Land sold occupies 8,721 hectares or 5% less compared to 2007. A decrease in market prices is recorded as well. In 2008, the weighted average land price per hectare was 169,020 BGN, marking a drop of 8%.

1.3. Lease (tenant) relations in the agricultural sector

The provision of land for tenant farming continues to be a priority preference for land tenure by the owners. In 2008 a total of 154,510 tenant contracts were concluded for 327,955 hectares of land. There is a slight decrease in the amount of leased land compared to 2007. As a whole in 2008 there is a growth in the amount of lease payments. The lease price is 100-250 BGN/hectare. In kind, lease usually accounts for 20% of the obtained average yield.

According to the number of concluded contracts and tenant land, the areas can be organized into three groups:

- First group – land areas with developed tenant relations. In 2008 the market in the North Central region recorded the highest activity. There are 2,129 leaseholders in the region and contracts have been signed with 66,900 owners. The average amount of area leased by one tenant is 65.4 hectares and this is the highest indicator for the country;
- Second group – land areas with moderately developed tenant relations, such as the Northeastern and Northwestern regions. The average size of land leased by one tenant is 38 hectares. Some of the highest land lease prices were reported in the Northeastern region;
- Third group – land areas with underdeveloped tenant relations. This group included all the southern regions.

In 2008, land tenants (co-operatives and leaseholders) numbered 7,470, which is 22% more than the 2007 level.

The average size of land leased by one tenant is 43.9 hectares, which is 31% lower in comparison with 2007.

Table II.6.

Agricultural land on lease in 2008

District	Number of land lease contracts	Land area size, decares	Amount of lease payment
Blagoevgrad	78	2,850	6-60 BGN/decare
Bourgas	3,846	148,883	5-35 BGN/decare
Veliko Turnovo	20,930	445,461	5-20 BGN/decare
Varna	11,738	163,566	5-25 BGN/decare
Vidin	3,204	74,867	5-20 BGN/decare
Vratsa	6,790	148,666	6-25 BGN/decare
Gabrovo	609	14,667	6-35 BGN/decare
Dobrich	9,751	251,993	15-25 BGN/decare
Kurdzhali	32	508	5-40 BGN/decare
Kyustendil	1,325	17,436	5-53 BGN/decare
Lovech	1,950	55,419	1-50 BGN/decare
Montana	9,490	183,558	5-25 BGN/decare
Pazardzhik	115	2,461	1-49 BGN/decare
Pernik	1,409	31,421	2-30 BGN/decare

Pleven	39,156	801,798	3-30 BGN/decare
Plovdiv	3,208	38,085	9-50 BGN/decare
Razgrad	13,401	214,412	10-20 BGN/decare
Rousse	3,040	74,871	1-30 BGN/decare
Silistra	4,851	86,797	1-68 BGN/decare
Sliven	667	17,426	6-30 BGN/decare
Smolyan	38	2,606	1-60 BGN/decare
Sofia-District	1,411	36,214	1,50-70 BGN/decare
Sofia-city	27	5,347	83 BGN/decare
Stara Zagora	4,612	110,540	5-100 BGN/decare
Turgovishte	3,311	71,769	3-60 BGN/decare
Haskovo	755	26,444	9-22 BGN/decare
Shoumen	7,440	170,776	5-30 BGN/decare
Yambol	1,326	80,703	10-22 BGN/decare

Source: *SAPI LTD*

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

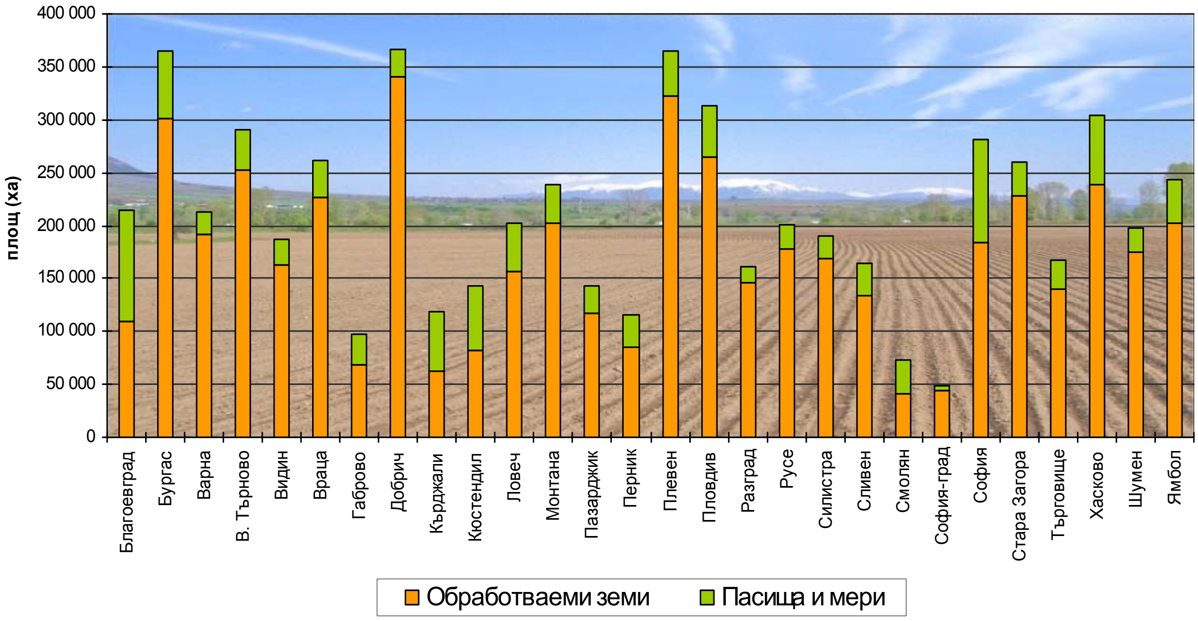
The total amount of land from the State Land Fund (SLF), which is privately owned by the state, occupies 235,059 hectares as of 31.12.2008. The total number of properties is 128,299. 5,401 hectares have been added to the State Land Fund (SLF). A certain increase in the SLF land areas was recorded in the districts of Shoumen, Turgovishte, Montana, Lovech, Silistra, Haskovo.

For the country, as a whole, expenditure of SLF land in 2008 amounted to 4,465 hectares, composed mainly of:

- 409 hectares of land from the State Land Fund (SLF) purchased by holders of registered compensatory bonds at the annual tenders for sale of land from the State Land Fund (SLF) under Ordinance No.16/2000;
- Provision of land to landless and indigent citizens by assigning estate rights over 848 hectares of land from the State Land Fund (SLF) in pursuance of the Ordinance on the provision of land to landless and indigent citizens;
- Exclusion from the SLF area – private state-owned protected areas – public state property, according to the Protected Areas Act (for example, Blagoevgrad District, Petrich Municipality for reclassification of the buffer zone of Kongur reserve, after completion of technical works and mapping of the restored ownership over the protected areas, 26.1 hectares of land is excluded from the State Land Fund (SLF) – private state-owned property).

Figure II.1.

**Разпределение на земеделските земи
по начин на трайно ползване по области към 31.12.2008 год.**



Source: *Ministry of Agriculture and Food, Directorate for Land Relations*

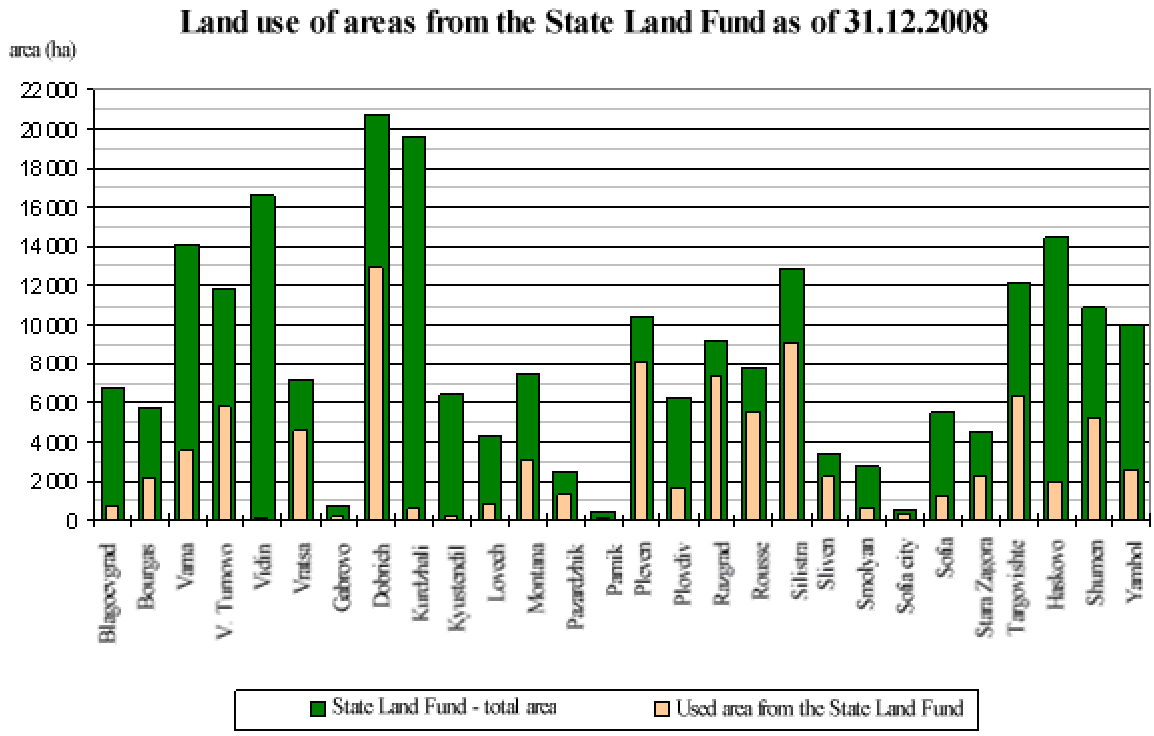
Lease /tenant farming relations

The total amount of State Land Fund land, used on the basis of signed contracts for lease or tenant farming with individuals and legal entities as of 31.12.2008 was 74,648 hectares, 5,526 hectares of which at one-year lease and 69,122 hectares for long-term use. The highest share of SLF land, allocated in this way, was recorded in Dobrich, Pleven, Razgrad, Turgovishte, Rousse and Silistra.

There is an ongoing procedure to grant – without tender or competition – land from the State Land Fund (SLF), land set aside for two or more years and land areas occupied by existing perennial crops under the provisions of the Ownership and Agricultural Land Tenures Act. On the strength of the act, 330 hectares of SLF land were granted, including 222 hectares for the cultivation of annual field crops, 83 hectares for the establishment and cultivation of perennial crops and 25 hectares for the cultivation of existing perennial crops.

In pursuance of the same act 26,207 hectares of common land and grazing land of the State Land Fund (SLF) were defined. They are included in the physical blocks of the Land Parcels Identification System to provide for common use by the agricultural holders for livestock breeding in accordance with the terms and conditions of maintaining the land in good agricultural and ecological condition. Lists of common land and grazing land as compiled by the State Land Fund (SLF) have been sent to the mayors of the municipalities and are published on the website of the Ministry of Agriculture and Food. In reference thereto the district directorates of “Agriculture” have signed contracts with agricultural holders for a total area of 11,533 hectares of common land and grazing land.

Figure II.2.



Source: *Ministry of Agriculture and Food, Directorate for Land Relations*

Compensation of holders of registered compensatory bonds

In 2008, throughout the country, 7,183 hectares of the State Land Fund (SLF) land was announced for tender sale by holders of registered compensatory bonds, including 409 hectares won by eligible persons and with signed contracts.

Four units of terms of reference, outlining plans for compensation with 824 hectares of land of the State Land Fund (SLF), were received. The first stage in the elaboration of compensation plans was approved for 13 municipalities with a total area of 4,714.3 hectares. A second stage in the elaboration of plans involving 824 hectares has been approved.

Land provision to landless and indigent citizens

Total for the country, contracts to provide land to landless and indigent citizens through long-term land lease from the State Land Fund (SLF) were signed for 12,184 hectares. In 2008, a total of 848 hectares of land for provision were ceded for distribution through a transfer of estate rights. In some districts, steps are being taken to terminate signed contracts due to default by tenants and non-payment of their lease payments.

Establishment of limited property rights over land by the State Land Fund (SLF)

On the occasion of requests received from investors asking for the establishment of limited property rights on lands from the State Land Fund (SLF) in conjunction with the implementation of investment projects in pursuance of Article 24 of the Ownership and Use of Agricultural Lands Act, in 2008 the Minister of Agriculture and Food prepared 31 letters giving his prior express consent to the assignment of drafting a detailed Structural Plan to determine sites and routes for building sites within lands from the State Land Fund (SLF).

Replacement of lands from the State Land Fund (SLF)

In 2008, the total number of land replacements was 526, resulting in the addition of 5,688 hectares to the State Land Fund (SLF), whereas the state has given away its estate rights over 4,607 hectares.

The distribution of land replacements and the amount of ceded and acquired agricultural areas in the State Land Fund (SLF) on legal grounds pursuant to orders issued by the Minister of Agriculture and Food is as follows:

- Replacement of SLF land with agricultural lands belonging to individuals and legal entities – 163 units, with assigned estate rights on 4,104 hectares of State Land Fund lands, and agricultural land, acquired by the SLF, occupying 4 632 hectares;
- Replacement of land, private state-owned property, representing adjacent areas to buildings and equipment, purchased by the organizations under § 12 of the Rules of Implementation of the Ownership and Use of Agricultural Lands Act concerning agricultural lands owned by individuals and legal entities – 308 land replacements with assigned estate rights – over private state-owned property occupying 436 hectares and agricultural land, received by the State Land Fund (SLF), standing at 886 hectares;
- Replacement of unusable for agricultural use land in farm yards with agricultural land, owned by individuals and legal entities – 48 land replacements with assigned estate rights – private state-owned property occupying 59 hectares, and agricultural land, acquired by the State Land Fund (SLF), amounting to 150 hectares;
- Replacement of built-up and adjacent public lands with agricultural lands, owned by individuals and legal entities – 7 land replacements with assigned estate rights – private state-owned occupying 9 hectares, and agricultural land, received by the State Land Fund (SLF), standing at 20 hectares.

Vacant land from the State Land Fund (SLF)

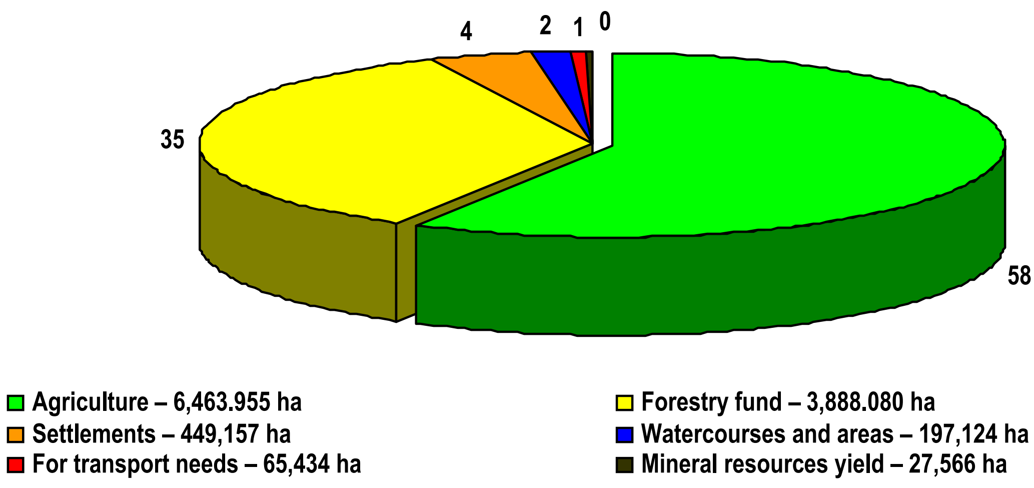
In recent years there is a trend of reducing the total amount of unused SLF land. In 2008, the amount of unutilised agricultural area was 134,225 hectares, which marks a decrease by 6,934 hectares compared with data from 2007. In most cases, these properties are not located close to one another and are distant from roads and settlements, which accounts for the lack of economic interest in their use.

1.5. Maintenance of the restored property map and drawing up a balance of agricultural lands

In 2008, there is an ongoing trend of reducing the area of agricultural territory at the expense of an increase in all other areas, mainly urban and forest.

Figure II.3.

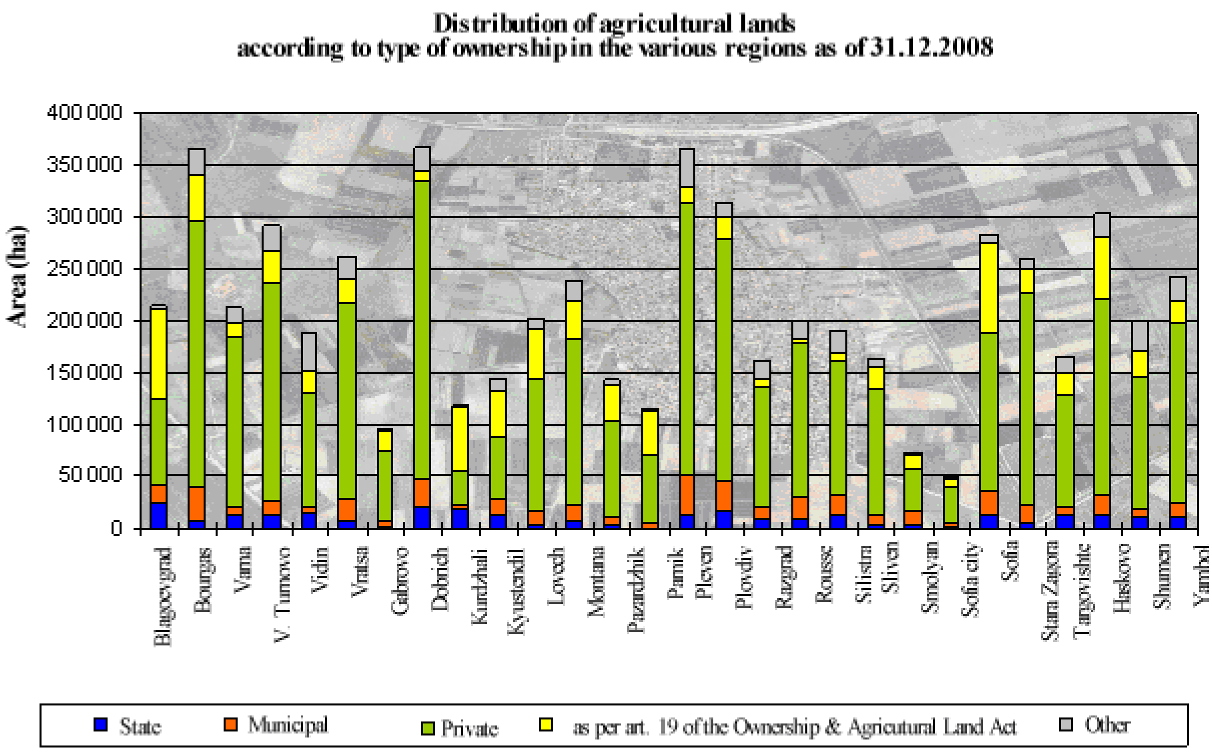
Distribution of land area by type in Bulgaria as of 31.12.2008, %



Source: *Ministry of Agriculture and Food*

The distribution of agricultural lands as per manner of sustainable use by districts, clearly defines the country's regions with prevailing area of agricultural land – Bourgas, Veliko Turnovo, Vratsa, Dobrich, Montana, Pleven, Plovdiv, Stara Zagora, Haskovo, Yambol.

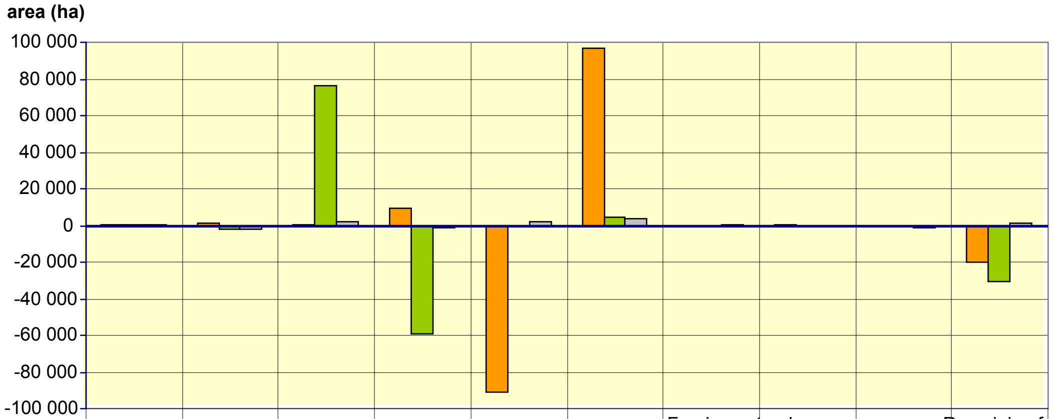
Figure II.4.



Source: *Ministry of Agriculture and Food, Directorate for Land Relations*

Figure II.5.

Variance in land areas in 2008 versus
bv land tenure and bv manner of sustainable use of



	State-owned public	State-owned private	Municipal public	Municipal private	Private	Public organization.	Foreign natural persons and legal entities	Religious organization	Co-ownership	Remaining fund Under Art. 19 of Ownership and Agricultural
Arable land	55	1 623	648	9 477	-91 209	96 816	-633	103	-127	-20 130
Grasslands, common lands and shrubs	[illegible]	-2 317	75 962	-59 446	-289	4 217	-37	-315	-123	-30 795
Other agricultural areas	689	-1 827	2 115	-1 184	1 814	3 725	1	-37	-915	1 150

Source: *Ministry of Agriculture and Food, Directorate for Land Relations*

Significant changes have been observed in the private tenure of municipal land and land owned by public organizations. Lands, which are municipal property, have undergone transformation of the type of municipal private property into municipal public property of common land and grasslands due to legal requirements. In pursuance of the Ownership and Use of Agricultural Lands Act, land of the residual fund shall be registered as municipal property. The reduction of the arable land and grasslands of the residual fund is the result of restored property rights in pursuance of recognized estate rights and enforcement of court decisions. Changes with land that is municipal public property are mainly due to sale and purchase deals of legal entities, which have been recorded incorrectly in the data for public organizations.

The average size of agricultural land properties in the country marks a steady shrinking trend, which is mainly due to land partitions between co-owners (heirs) of privately owned land.

Table II.7.

Average area of agricultural land properties in the country, hectares

Year	2003	2004	2005	2006	2007	2008
Area	0,644	0,640	0,636	0,632	0,629	0,624

Source: *Ministry of Agriculture and Food, Directorate for Land Relations*

1.6. Registered producers of agricultural products

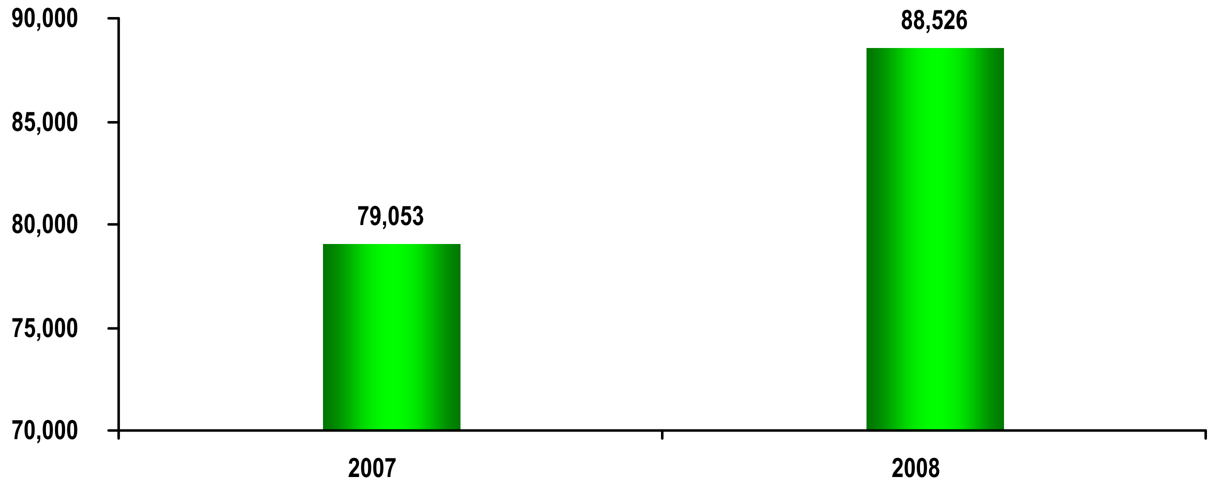
In 2008, the maintenance of the Land Parcel Identification System (LPIS) spans the following activities:

- Updating of the physical land blocks, including as per results of field checks carried out by the Payment Agency (PA);
- Registration of new agricultural holders and new blocks of agricultural holdings, including better utilization of common land and grasslands;

- Establishing of new physical blocks for complete coverage of the country (roads, rivers, forests, etc.) and updating with changes in infrastructure, leading to restructuring of the land, changes in the manner of sustainable use and recording of the crop rotation systems (updated from time to time);
- Annual (average) 20% updating of the digital ortho-photo mapping, the database describing physical blocks and blocks of agricultural holdings, to reflect the current state of use and status of agricultural land;
- Decoding of ortho-photos to determine the manner of sustainable agricultural land tenure;
- Supporting of the communication medium for data exchange;
- Information campaign for registration in the Land Parcel Identification System (LPIS);
- Reduction of errors and optimisation of the “75/90” rule, namely 75% of physical blocks applying with at least 90% areas eligible for subsidy;
- Field checks during the update of the Land Parcel Identification System (LPIS).

Figure II.6.

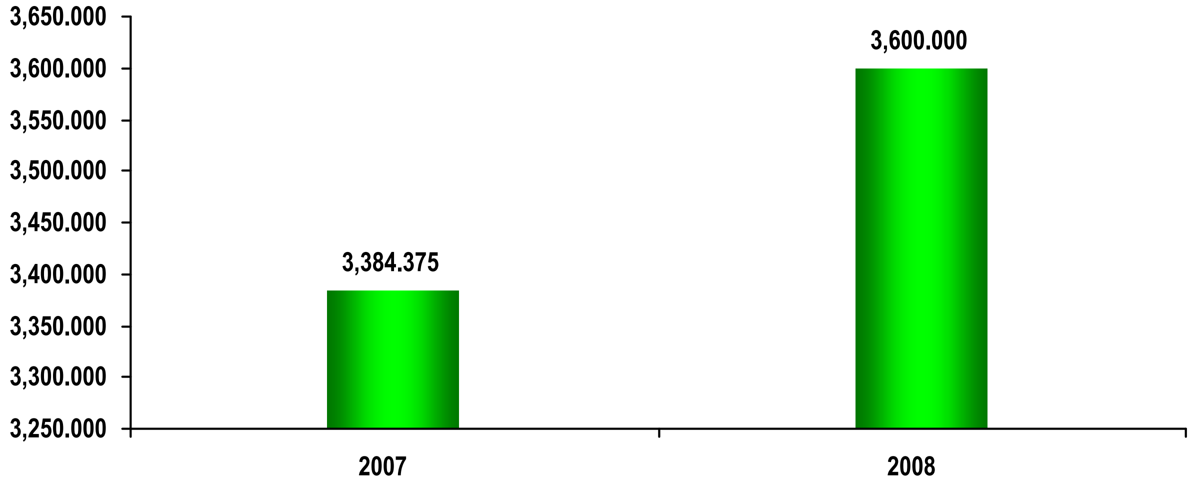
Number of registered agricultural holders in the Land Parcel Identification System (LPIS) in 2007 and 2008



Source: *Ministry of Agriculture and Food*

Figure II.7.

Agricultural area registered as eligible for subsidy in the Land Parcel Identification System (LPIS) in 2007 and 2008, hectares

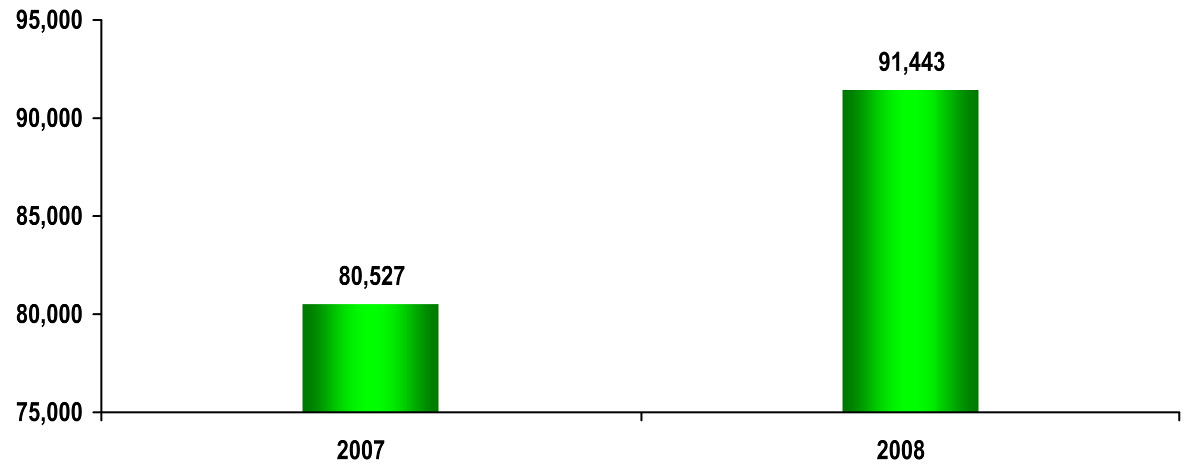


Source: *Ministry of Agriculture and Food*

In 2008, the register of agricultural producers (under Ordinance №3/1999) contains 91,443 registered producers.

Figure II.8.

Number of registered agricultural holders in 2007 and 2008



Source: *Ministry of Agriculture and Food*

The register of agricultural holders, established under the provisions of the Support of Agricultural Producers Act, functions as an information collecting tool for agricultural holders and their activities aiming to support agriculture and rural development. Once registered, agricultural holders benefit from the advantages stipulated in the Individuals Income Taxation Act, the Corporate Income Taxation Act, the Social Security Code.

Registered agricultural holders are entitled to receive free advice and information about prices and markets for agricultural products from the National Agricultural Advisory Service and free information, analysis and outlooks from the Agriculture District Directorates.

In accordance with the Tobacco and Tobacco Products Act, the Tobacco Fund, respectively its district units, keep a register of tobacco growers and tobacco farming lands by municipalities and settlements.

Table II.8.

Registered tobacco producers, number

District	2006	2007	2008
Blagoevgrad	10,500	9,106	8,583
Bourgas	1,804	1,108	1,063
Varna	0	0	0
Veliko Turnovo	0	0	0
Vidin	0	0	0
Vratsa	22	19	21
Gabrovo	0	0	0
Dobrich	777	980	917
Kurdzhali	16,271	12,156	13,037
Kyustendil	347	141	131
Lovech	0	0	0
Montana	9	14	8
Pazardzhik	1,030	396	238
Pernik	0	0	0
Pleven	14	15	14
Plovdiv	1,098	819	726
Razgrad	933	833	965
Rousse	172	177	141
Silistra	2,724	2,256	2,708
Sliven	159	127	173
Smolyan	2,729	1,784	1,809
Sofia-city	0	0	0
Sofia	0	0	0
Stara Zagora	280	199	196
Turgovishte	174	152	192
Haskovo	6,542	5,534	5,220
Shoumen	1,008	1,379	1,601
Yambol	58	32	13
Total	**46,632**	**37,224**	**37,756**

Source: *Tobacco Fund*

1.7. Structure of agricultural holdings

Under the European Union acquis in the field of agricultural statistics, detailed and comprehensive data on agricultural holdings is collected every ten years by holding a census of agricultural holdings. Within this ten-year period in between every two censuses, the data on agricultural holdings are being updated through sample surveys (structural surveys), whose objective is to obtain current and reliable information on any changes that occur in the number, the size and the technical-economic background of the agricultural holdings. Based on these data the European Commission (EC) makes its decisions regarding the implementation of the Common Agricultural Policy in the European Union (EU) and assesses the results of this policy implementation.

In 2003, a census on agricultural holdings in Bulgaria took place, whose outcomes serves as a basis of the farm structure sample survey, conducted in 2005 and 2007. Under the European Union (EU) acquis, the next census will take place in 2010.

The final results of the farm structure survey in Bulgaria in 2007 showed that the number of agricultural holdings in 2007 had declined by 8% compared to 2005. In the 2006/2007 economic year, approximately 493.1 thousand agricultural structures in the country meet the definition of agricultural holding, while in 2005 their number was 534.6 thousand.

Table II.9.

Structure of the agricultural holdings

Planning regions	Total number of agricultural holdings		Change 2007 versus 2005, %
	2005	2007	
Bulgaria	534,613	493,133	-8
Northwest planning region	96,714	90,334	-7
North Central Region	72,467	63,782	-12
Northeastern region	64,417	56,293	-13
Southeastern Region	78,052	66,939	-14
South Western	85,506	82,216	-4
South Central Region	137,457	133,569	-3

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The number of agricultural holdings owning utilised agricultural area (UAA) in 2007 was 481,920, with an average utilised agricultural area (UAA) per agricultural holding being 6.3 hectares or 1.1 hectare more than in 2005. In 2007, the total utilised agricultural area (UAA) of agricultural holdings increased by 12% – in 2005 they cultivated 2,729.390.1 hectares of utilised agricultural area (UAA), while in 2007 this area occupied 3,050.745 hectares.

Table II.10.

Distribution of agricultural holdings and utilised agricultural areas thereby as per agricultural holdings' status

Legal status	Agricultural holdings, number		Area, hectares	
	2005	2007	2005	2007
Bulgaria	520,529	481,920	2,729 390.1	3,050 745.0
Individuals	515,300	476, 956	914,739.5	1,033 468.2
Sole holders	2,158	1,828	354,597.0	408,786.2
Cooperatives	1,525	1,156	890,870.0	726,305.5
Companies	1,312	1,763	522,559.2	781,884.5
Associations, etc.	234	217	46,624.5	100,300.7

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The number of agricultural holdings owned by individuals dropped by 7%, but the agricultural area utilised thereby has increased by 13%.

There was an increase of 34% in the number of agricultural holdings owned by companies and the agricultural area utilised thereby increased by 50%.

The number of co-operatives decreased by 24%, resulting in a cut of utilised agricultural area (UAA) by 18%. But they continue to manage the largest part of utilised agricultural area (UAA) – around 24%.

Sole traders utilise 14% of the utilised agricultural area (UAA), which is a 15% increase compared to 2005.

In the structure of the utilised agricultural area (UAA) in the 2006/2007 marketing year, cereals hold the highest share – 56%, followed by industrial crops – 24, and oilseed production crops – 23%.

Table II.11.

Land tenure, number of agricultural holdings and areas by categories of utilised agricultural area

Utilised agricultural area (UAA) categories	Agricultural holdings, number	Area, hectares
Utilised agricultural area	481,920	3,050 744.96
Arable land	334,674	2,663 641.18
Cereals	179,980	1 700 313.24
Dried pulses	36,602	10,280.54
Industrial crops	51,492	746,315.53
Oilseed production crops	22,988	690,566.45
Forage crops	100,688	98,994.79
Potatoes	128,539	17,826.19
Strawberries, fresh vegetables and flowers	88,037	23,801.52
Seeds and seedlings	2,200	458,37
Fallow land	29,955	65,651
Kitchen gardens	371,758	17,753.31
Permanent grassland	133,909	279,582.23
Permanent crops	137,178	89,768.24
Fruit plantations	54,315	36,630.92
Vineyards, total	98,265	51,537.64

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

According to the final data, 418,160 livestock holdings are raising livestock and poultry in 2007. There has been a reduction in all agricultural holdings breeding different categories of animals and a trend of increasing the average number of animals in a farm in comparison with 2005. The biggest increase is observed with female buffaloes and ewes. In 2007, there was a decline in the number of all categories of animals, with the exception of buffaloes.

Table II.12.

Agricultural holdings and livestock housed therein, data by types and categories of livestock

Types and categories of animals	Agricultural holdings		Livestock	
	2005	2007	2005	2007
Total Bovinae animals	**167,202**	**132,766**	**601,169**	**592,895**
Total cows	**153,645**	**123,002**	**364,406**	**361,109**
including dairy cows	151,666	120,327	353,235	344,813
including other cows	2,707	3,330	11,171	16,296
Heifers aged over 2 years	9,711	7,379	24,467	23,712
Male cattle aged over 2 years	3,368	4,463	6,372	9,416
Heifers aged 1 to 2 years	21,297	13,890	44,622	38,985
Male cattle aged 1 to 2 years	14,160	12,013	25,568	25,277
Male and female calves aged under 1 year	71,539	58,081	135,733	134,396
Total buffalo	**1,842**	**1,030**	**8,180**	**9,085**
Female buffaloes	1,279	880	4,235	5,368
Breeding buffaloes, aged 1 year and more	490	281	1 461	1,311
Male buffaloes aged 1 year and more	414	254	824	488
Male and female breeding buffaloes aged under 1 year	765	481	1,660	1,918
Total equine animals	**150,339**	**121,766**	**167,368**	**138,668**
Total goats	**163,097**	**113,770**	**500,111**	**378,521**
Goats and breeding females aged over 1 year	158,844	108,733	446,760	344,516
Other goats	26,795	16,357	53,351	34,005
Total sheep	**176,185**	**137,747**	**1,449.043**	**1,433.745**
Ewes and breeding females	172,179	133,113	1,307.694	1,283.563
Other sheep	41,990	30,725	141,349	150,182
Total pigs	**190,859**	**153,859**	**931,975**	**847,787**
Sows and pigs mated for the first time	20,465	32,200	109,324	133,762
Piglets up to 20 kg	19,006	8,769	239,232	207,290
Other pigs	175,667	126,733	583,419	506,735
Total poultry	**380,722**	**317,442**	**19,669.504**	**17,439.475**
Laying hens, pullets and cocks	369,144	312,487	9,175.113	6,912.264
Fattening chickens	51,584	17,484	7,948.680	7,741.509
Turkeys	56,547	31,437	499,802	293,005
Ducks	26,577	15,097	1,521.828	2,357.802
Geese	28,165	15,723	243,720	91,269
Other poultry	3,812	2,058	280,361	43,626
Breeding rabbits	33,810	23,570	177,771	120,616
Productive bee colonies	25,963	21,265	396,451	372,840

Source: Ministry of Agriculture and Food, Directorate for Agricultural Statistics

1.8. Labour force, agricultural specialization and typology

The volume of labour input in agricultural holdings in 2007 was 949,180 individuals, of which family labour force totalled 896,981 and non-family labour force - 52,199 individuals. Shown in annual work units (AWU), the labour input of permanently employed workers stood at 470,085. The labour input of seasonal workers was 5,653.333 man-days or 24,368 annual work units (AWU).

Table II.13.

Labour input in Bulgaria's agriculture in 2007, family, permanently employed, seasonal labour force

Family labour as per significance of its input in the agricultural holding, number of persons		Permanently employed labour force as per time worked out as percentage of full-time work, number of persons					Seasonal labour force, man-days	Labour input				
Sole or main employment	Extra employment	1%-24%	25%-49%	50%-74%	75%-99%	100%		Total	Permanently employed labour force			Seasonal labour force
									Total	Family labour force	Non-family labour force	
553,151	343,830	321,923	209,223	150,264	82,397	185,373	5,653.333	494,453	470,085	421,132	48,953	24,368

Source: Ministry of Agriculture and Food, Directorate for Agricultural Statistics

The largest labour input is reported in agricultural holdings disposing utilised agricultural area (UAA) varying from 0.5 to 0.9 hectares – 79,631 annual work units (AWU), followed by labour input in agricultural holdings disposing utilised agricultural area (UAA) varying from 0.1 to 0.29 hectares – 75,865 annual work units (AWU), and the least labour input is found in agricultural holdings disposing utilised agricultural area (UAA) varying from 20.0 to 29.9 hectares – 4,067 annual work units (AWU).

Table II.14.

Size of the utilised agricultural area (UAA) and labour force in 2007

Size of the utilised agricultural area (UAA), hectares	Labour force, total	
	Persons	AWU
0,0	21,356	13,756
0,01-0,09	134,027	54,994
0,1-0,29	186,425	75,865
0,3-0,49	120,988	54,418
0,5-0,9	169,844	79,631
1,0-1,9	132,358	68,061
2,0-4,9	89,091	49,248
5,0-9,9	24,606	15,018
10,0-19,9	14,498	10,139
20,0-29,9	5,734	4,067
30,0-49,9	5,381	4,368
50,0-99,9	6,414	5,040
>=100,0	38,458	35,480

Total	**949,180**	**470,085**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Out of the total number of agricultural holdings specializing in plant-growing in 2007, the most numerous are those that grow field plants – 74,353, and perennial crops - 32,442. Of the holdings that fall in the "livestock breeding" sector, holdings engaged with Bovinae animals are the most numerous – 90,602, while holdings raising pigs, poultry and rabbits total 60,520. The high share of holdings breeding various species of livestock indicates that there is no greater specialization in the breeding of any one particular species, but they are often raised in some combination. This phenomenon is observed to a lesser extent in agricultural holdings specializing in plant-growing. Mixed holdings engaged both in agriculture and livestock breeding also show significant numbers. This is a sign of a high degree of diversification of the activities performed therein.

In respect to the internal structure of individual groups of holdings, those numbering 0-0.4 economic units and 0.5-0.9 economic units take the lead. The least numerous of all groups are holdings with a size of over 25 economic entities.

Table II.15.

Agricultural holdings — data by economic size and holding specialization in 2007

Economic size of agricultural holdings (Number of economic entities)	Total number of agricultural holdings	Agricultural holdings specialized in farming of:								
		Field crops	Vegetables	Permanent crops	Bovinae	Pigs, poultry and rabbits	Mixed crop production	Mixed livestock breeding	Mixed crop production and livestock breeding	Unclassified
0-0,4	278,179	30,560	4,048	20,875	38,891	54,135	24,142	48,294	42,293	14,941
0,5-0,9	97,387	10,607	3,773	5,464	23,710	4,335	10,962	16,460	22,076	-
1-1,4	42,086	7,632	2,258	2,045	10,409	913	4,709	5,453	8,667	-
1,5-1,9	21,757	6,548	1,157	1,022	4,637	191	2,494	1,532	4,176	-
2-3,9	31,951	10,135	2,403	1,531	7,265	393	3,171	2,099	4,954	-
4-5,9	7,363	2,328	538	504	2,193	91	593	330	786	
6-7,9	3,169	1,000	332	153	981	51	248	56	348	-
8-11,9	3,062	880	212	142	1,235	41	186	36	330	-
12-15,9	1,699	749	96	154	480	35	41	12	132	-
16-39,9	3,138	1,579	173	248	658	136	101	24	219	-
40-99,9	1,702	1,126	57	175	119	89	62	4	70	-
100-249,9	1,114	855	30	74	16	54	52	2	31	-
>=250	526	354	16	55	8	56	30	-	7	-
Total	**493,133**	**74,353**	**15,093**	**32,442**	**90,602**	**60,520**	**46,791**	**74,302**	**84,089**	**14,941**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Standard difference is a criterion used in the EU agricultural statistics to determine the typology of agricultural holdings. It is applied to individual results, obtained from the monitoring of agricultural holdings' structure (areas under cultivation and number of livestock units), and by means of looking at the relative share of each production in the common standard difference of the holding, the latter's size and economic specialization are determined, i.e. its typology. Typology is used to classify many diverse holdings (more than 6 million in the EU) into homogeneous groups, allowing a more thorough analysis of their structure and economic performance. Knowledge of the farms' specialization and size gives a good opportunity to compare different groups of agricultural holdings at the national level and at the level of member states and candidate countries for EU membership.

The standard difference is a criterion derived from the difference between the value of production and certain variable costs per types of crops and livestock categories. The largest share of the standard difference is found with holdings specializing in field crops production – EUR 476,475 thousand (60% of the common standard difference), perennial crops – EUR 91,924.7 thousand (11.6% of the common standard difference) and pigs, poultry and rabbits – EUR 77,321.5 thousand (9.8% of the common standard difference).

Table II.16.

Common standard difference, by economic size and specialization of agricultural holdings in 2007, thousand EUR

Economic size of agricultural holdings (Number of economic entities)	**Total, thousand EUR**	**Including for agricultural holdings specialized in farming of:**								
		Field crops	Vegetables	Perennial crops	Bovinae	Pigs, poultry and rabbits	Mixed crop production	Mixed livestock breeding	Mixed crop production and livestock breeding	Unclassified
0-0,4	3,257.8	385,6	86,2	324,0	505,9	414,9	384,1	613,9	543,2	0,0
0,5-0,9	4,395.6	513,2	189,5	386,7	928,6	233,5	532,6	694,3	917,2	-
1-1,4	3,816.5	695,6	200,7	312,1	889,7	122,6	464,0	475,6	656,2	-
1,5-1,9	3,266.6	855,1	174,0	313,8	685,6	79,5	362,8	259,3	536,5	-
2-3,9	10,740.4	2, 961.4	700,1	913,9	2,592.2	310,0	1,117.7	735,6	1,409.5	-
4-5,9	7,595.5	2,300.7	448,8	562,5	2,281.9	270,1	653,8	314,3	763,4	-
6-7,9	7,026.2	2,016.6	413,2	680,8	2,218.0	344,1	537,7	174,9	640,9	-
8-11,9	13,133.1	4,192.5	680,5	1,079.5	4,595.5	324,2	695,9	291,0	1,274.0	-
12-15,9	12,825.9	5,397.2	551,7	981,9	3,768.8	459,9	479,8	203,5	983,1	-
16-39,9	64,920.4	36,319.2	1,975.1	5,899.5	10,295.9	2,420.3	2,764.8	492,2	4,753.4	-
40-99,9	118,033.0	84,703.0	3,408.6	10,906.0	6,157.8	4,983.3	4,393.5	320,6	3,160.2	-
100-249,9	202,618.6	154,066.9	5,352.5	13,266.8	3,166.8	10,397.8	9,929.9	543,2	5,894.7	-
>=250	338,098.5	182,068.0	9,120.7	56,297.2	13,829.4	56,961.3	14,669.8	0,0	5,152.1	-
Total	**789,728.1**	**476,475.0**	**23,301.6**	**91,924.7**	**51,916.1**	**77,321.5**	**36,986.4**	**5,118.4**	**26,684.4**	**0,0**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2. Production and economic results in 2008 and data outlooks for 2009. Agricultural economic accounts

2.1. Economic indicators for agriculture

Value of the gross output in the „Agriculture" sector

The value of the gross output in the "Agriculture" sector in 2008 at current prices amounted to BGN 9,107.8 million. It is formed out of the value of:

- The production of plant-growing – BGN 4,995.5 million;

- The production of livestock – BGN 2,788.4 million;
- The production of inseparable secondary activities – BGN 722.7 million;
- The output of agricultural services – BGN 601.2 million

Table II.17.

Key economic indicators for the Agriculture sector in 2007 and 2008, million BGN

	Products	2007	Coefficient of variation 2008 versus 2007	2008
1	Production of agricultural products from plant-growing and livestock production, including:	5,694.8	1,37	7,783.9
1.1	Products of plant-growing production	3,154.9	1,58	4,995.5
1.2	Products of livestock production	2,539.9	1,10	2,788.4
2	Products of agricultural services	440,7	1,36	601,2
3	Inseparable non-agricultural secondary activities	542,2	1,33	722,7
4	Value of the gross output by “Agriculture” sector (as per producer’s prices *) (P4 = r1.1 + r1.2 + p2 + P3)	6,677.7	1,36	9,107.8
5	Value of the final output of the Agriculture" sector (at basic prices **)	6,483.3	1,35	8,738.1
6	Intermediate consumption (including of internal turnovers)	4,393.3	1,29	5,651.5
7	Gross value added (at producer’s prices *)	2,284.4	1,51	3,456.3
8	Operating surplus / mixed income	2,349.9	1,28	3,006.9
9	Entrepreneurial income	2,111.4	1,28	2,704.6

**Producer’s prices – prices, excluding subsidies on products*
*** Basic prices – prices, including subsidies on products*

***Source**: National Statistical Institute*

The value of total output by the “Agriculture” sector in 2008 marked a significant increase of BGN 2,430.1 million (36%) compared to 2007, which was unfavourable in climatic terms. The good agricultural and climatic conditions, which have favoured the higher yields and production of main crops - cereal and industrial, have contributed to the realized growth in the production value of agriculture. Important for the growth and stabilization of agricultural production is the provision of financial assistance to the industry within the implementation of the Common Agricultural Policy as well.

The gross value of plant-growing increased by 58% compared to 2007 (with BGN 1,840.60 million), which also leads to increase in the value of livestock production – by 10% or BGN 248,50 million. The positive development of the two major sub-sectors of agriculture in 2008 has positively affected the value of agricultural services– there is a growth of 36% (or BGN 160,50 million), and inseparable non-agricultural secondary activities – growth of 33% (or BGN 180,50 million).

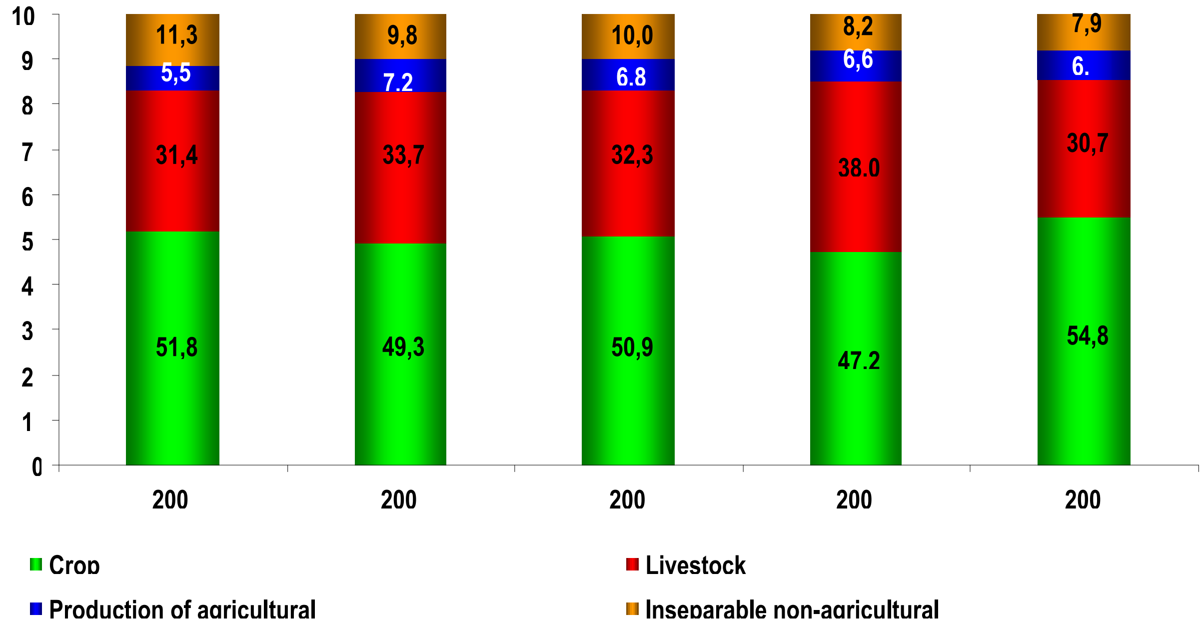
In 2008, the share of individual sectors in the structure of the value of gross output in the Agriculture sector is as follows:

- Plant-growing production – 54.8%;
- Livestock production – 30.7%;

- Agricultural services – 6.6%;
- Inseparable non-agricultural secondary activities – 7.9%.

Figure II.9.

Structure of the gross production value in the Agriculture sector for the period 2004 – 2008, %



***Source**: National Statistical Institute*

The largest share in the value of gross output in 2008 is attributable to the following subsectors of plant-growing production:

- "Cereals" – BGN 1,945.6 million (21.4% of the value of gross output in the Agriculture sector);
- "Industrial crops" – BGN 1,150.6 million (12.6% of the value of gross output in the Agriculture sector);
- "Vegetables" – BGN 1,099.4 million, (12.1% of the value of gross output in the Agriculture sector).

The formation of the gross production value in the Agriculture sector is to a large extent due to the following crops:

- Soft wheat –13.87% (BGN 1,263.1 million);
- Sunflower – 8,02% (BGN 730,0 million);
- Maize for grain – 4.14% (BGN 377,4 million);
- Grapes – 2.7% (BGN 244,5 million);
- Barley – 2.6% (BGN 236,7 million);
- Tomatoes – 1.8% (BGN 166,9 million);
- Flowers – 1.8% (BGN 163,0 million);

- Rape and turnip rape – 1.5% (BGN 134,5 million);
- Tobacco – 1.4% (BGN 125,0 million);
- Potatoes – 1.2% (BGN 111,8 million).

In 2008, the most important for the formation of the gross value of production in the "Agriculture" sector are the following sub-sectors of livestock breeding:

- Milk production – BGN 1,169.5 million with a share of 12.8% of the value of gross output in the Agriculture sector;
- Poultry industry – BGN 390,9 million, with a share of 4.3% of the value of gross output in the Agriculture sector;
- Pig-breeding – BGN 323,2 million, with a share of 3.6% of the value of gross output in the Agriculture sector;
- Sheep and goat breeding – BGN 320,2 million, with a share of 3.5% of the value of gross output in the Agriculture sector;
- Eggs production – BGN 236,6 million, with a share of 2.6%.

In almost all sub-sectors of animal husbandry there is an increase of production value at current prices compared to 2007. The most significant is the value growth in milk production – by 17% (with BGN 172.1 million) and poultry – by 13% (with BGN 43.5 million). Reduction is recorded in Bovinae animals – by 7% (BGN 16.8 million).

Production realized through sales in 2008 amounted to BGN 4,946.9 million (54.3% of gross output), including:

- BGN 4,671.0 million were made outside the industry;
- BGN 207,9 million come from sales among agricultural enterprises within the industry.

Plant-growing production sold on the market is worth BGN 2,501.5 million (50.6% of gross output), and realized livestock production is to the value of BGN 1,719.2 million (34.8% of gross output) (Appendix 1).

The share of production designated for self-consumption in the agricultural holdings in 2008 holds a 17.8% share of gross output and is to the value of BGN 1,618.1 million. Consumption of plant-growing production totalled BGN 308,3 million – mainly vegetables and cereals, while that of livestock production – BGN 712,0 million – mainly poultry meat and pork, sheep and goats meat, milk and eggs.

Production of fixed capital goods (mainly productive animals production) for its own account amounts to BGN 143,7 million.

Value of the final output

The value of final output in agriculture (production value after deduction of internal turnover) at basic prices (prices, including subsidies on products) in 2008 was BGN 8,738.1 million, marking a growth of 34.7% compared to 2007 (Appendix 4).

Plant-growing production holds the largest relative share (54.5%) in the structure of the final output in agriculture in 2008. In 2008, the relative share of livestock production is 30.3%. The third place in the structure of the final output is occupied by the production of inseparable non-agricultural secondary activities – 8.3%. Agricultural services' production share is the lowest – 6.9%.

Intermediate consumption

The intermediate consumption required to create the industry's gross output amounts to BGN 5,651.5 million (Appendix 3). It has grown over the preceding year by 29%. In 2008, a total of 100 value units of the gross output have been realized with the consumption of 62 value units of goods and services – intermediate consumption, with 65.8 units consumed in 2007. For comparison, in the years preceding 2007, 100 value units of gross output have been realized with the consumption of less than 60 units of intermediate consumption: 58.9 units in 2006, 56.0 units in 2005, and 53.8 units in 2000.

The volume of intermediate consumption required to create a total production volume is an indicator for the industry's productivity and efficiency. Any negative modification of the ratio "value of intermediate consumption / value of gross output" is to a great extent due to the rise in prices of its components – energy, fuel, fertilizers and animal fodder. On the other hand, the inadequately low technical and technological level of the industry involves much greater energy intensity and material consumption of production.

The largest share in the structure of intermediate consumption is held by fodder costs – 28.6% (BGN 1,614.4 million), followed by the costs of fuel and oil – 20.0% (BGN 1,129.9 million), agricultural services – 10,6% (BGN 601.2 million) and the costs of seeds and seedlings – 7,3% (BGN 416.10 million).

In 2008, the highest growth is recorded with the costs of fodder – 49%, the costs of agricultural services – 36%, and the costs of seeds and seedlings – 31%.

In 2008, the share of intermediate consumption, created and consumed within the agricultural holdings, is 13.7%. Goods produced and consumed within the agricultural holdings – fodder, seeds and seedlings, fertilizers and soil enhancers, cost BGN 771.6 million, or BGN 202.9 million more than the preceding year. The share of goods and services purchased outside the industry is 63.8% – mainly fuel, fodder and fertilizers.

Gross value added (GVA)

The gross value added (GVA) created in agriculture in 2008 grew by 51% compared to 2007, which was marked by unfavourable natural and climate conditions, and amounted to BGN 3,456.3 million at producer prices.

In 2008, the Gross Value Added (GVA) is 37.9% of the value of gross output.

Consumption of fixed capital

In 2008, the consumption of fixed capital was BGN 375.0 million, while in the preceding year it amounted to BGN 224.4 million.

Net value added (NVA)

The net value added (NVA) in the Agriculture sector in 2008 follows the trend of a sharp increase over the previous 2007, outlined in the value of gross output and the Gross Value Added. It amounts to BGN 3,094.5 million (at basic prices) – a 42% increase over the preceding year.

Generation of income from agricultural activities – net operating surplus / mixed income

In 2008, as a result of improved natural and climate conditions for agriculture production in comparison to 2007, the agricultural activity generated higher income. The value of the "mixed income" indicator in 2008 is 3,006.9 million BGN or 28% higher than the preceding year.

Compensation of employees, land lease payments, received and paid interest

In 2008, the amount of compensation of employees increased. BGN 368.5 million were paid in wages to employees, which is 17% more than the preceding year.

Costs for land lease payments amounted to BGN 186.4 million – 11% more than in 2007.

By accelerating the investment process in agriculture, particularly through the applicable EU's assistance programmes, there is an increase in the costs for use of borrowed funds. In 2008, agricultural holders have paid BGN 124,7 million in interests on loans, while this figure has been BGN 76,1 million in 2007 and only BGN 19,8 million in 2006.

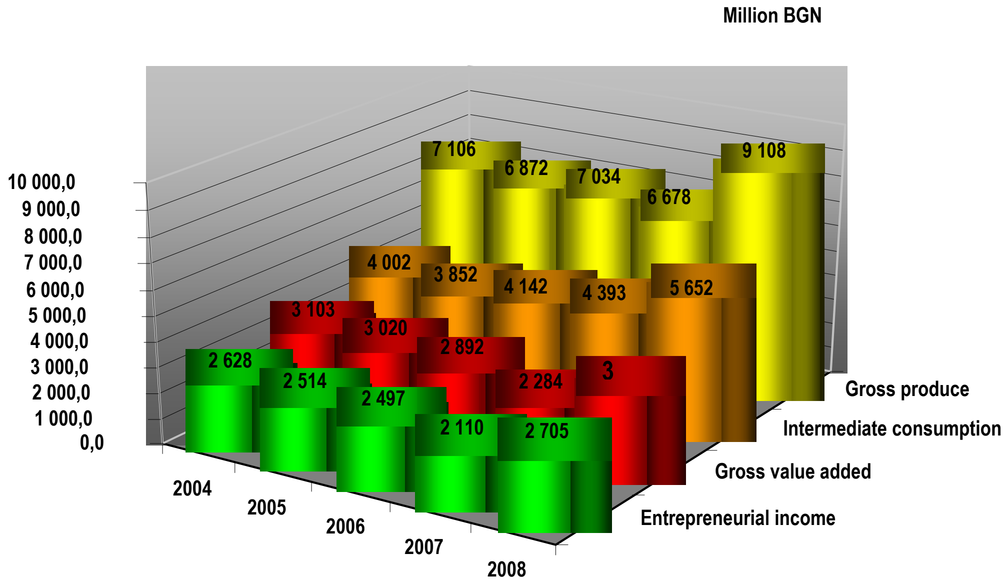
Entrepreneurial income

The entrepreneurial income in the “Agriculture” sector in 2008 is BGN 2,704.6 million, with its fluctuations through the years following the trend of variation of gross and net value added.

In 2008, the entrepreneurial income recorded its highest value for 7 years now.

Figure II.10.

Key economic indicators for the “Agriculture” sector in the period 2004 – 2008



***Source**: National Statistical Institute*

2.2. Production

2.2.1. Plant-growing

In terms of agricultural and meteorological conditions, the year of 2008 had no significant negative anomalies to affect the overall development of agricultural crops. The year was characterized by relatively favourable agricultural and climatic conditions during the entire vegetation of crops and therefore, the highest average yields and production of certain crops were reported for the last 17-18 years.

2.2.1.1. Grain production

According to data released by the Directorate for Agricultural Statistics – Ministry of Agriculture and Food, in 2008 land of 1,718 million hectares was sown, which is 2.4% less area under grain crops over the preceding year. Land of 1,713 million hectares was harvested, or 11.8% more than in 2007, when it was 1,533 million hectares, or around 227 thousand hectares of land for cereals remained uncultivated as intended, due to the drought.

According to the distribution of cereals by region in 2008, the highest share is found in the following regions: North region – 25.3% of the country’s area under grain crops, North Central region – 22.5%, and the Northwestern region – 21.3% (BANSIK `2008).

By districts: in Dobrich, 67.3% of the area under grain crops is sown with wheat and 29.4% – with maize, in Pleven the share of wheat and maize is 58.7% and 24.1% respectively.

Table II.18.

Grain production from 2007 and 2008 crops

Type of crops	Areas (harvested), hectares		Average yield, tonnes/hectare		Production, tonnes	
	2007	2008	2007	2008	2007	2008
Wheat	1,087.996	1,111.533	2,20	4,17	2,390.610	4,632.210
Rye	5,083	7,406	1,68	1,99	8,531	14,766
Triticale	6,499	4,585	1,95	4,47	12,699	20,504
Barley	186,850	222,659	2,25	3,94	419,762	878,001
Oats	21,913	24,868	1,46	2,19	22,532	54,489
Maize for grain	214,367	329,345	1,03	4,16	312,860	1,368.347
Rice	6,583	7,788	4,65	4,96	30,576	38,645

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Wheat

In 2008, the agricultural and meteorological conditions are suitable for the formation of a very good crop of wheat, unlike 2007 when the country was affected by drought. Grain production in 2008 is 93.8% more than in 2007 and reached 4.6 million tonnes, mainly due to the high average yield of 4.17 tonnes/hectare (+ 89.7% variation).

Areas under wheat in 2008 occupied 1,114.427 hectares. There was a decrease of 0.5% in comparison to the preceding year. Wheat crops under merged surface is grown on 30.1% of the land. In 2008, areas of wheat, sown after row crops, increased (around 55.1%). The wheat crop rotation system includes 4.3% fallow land (BANSIK `2008).

Areas with most wheat sown: North region – 25.5% of the country's land under wheat, covering the districts of Varna and Dobrich; North Central region – 21.7%, primarily in the districts of Rousse and Silistra; Southeastern region – 21.6%, mainly in the district of Yambol.

In 2008, growth is recorded in the share of areas, enriched with nitrogen fertilizers – 90.9% of the area sown with wheat, while in 2007, their share was 89.1%. There has been a decline in phosphate fertilizers by 3.3% (10.1% of the areas sown with wheat) and potassium fertilizers by 0.6% (4.3% of the areas sown with wheat). The areas treated with herbicides have decreased in 2008 by 3.7% (80.9% of the areas sown with wheat). The share of used fungicides and insecticides has increased in 2008 – from 0.8% to 3.0%, covering 21.3% and 24.3% respectively of the areas planted with wheat.

According to data released by the Directorate for Agricultural Statistics:

- For the marketing year 2008/2009, the producers intend to preserve the areas sown with wheat and decrease yields by 0.8% with regard to the previous period;
- The preliminary results (as of 01.07.2009) show that area sown with wheat for the marketing year 2008/2009 (BANSIK `2009) occupies 1,104.500 hectares and the estimated production of wheat is 4,0 ÷ 4,6 million tonnes;
- The statistical monitoring on the state of autumn crops, carried out in the period between 15.03.2009 and 04.04.2009, found 86% of the area under wheat in good physiological condition.

Rye and triticale

In 2007, rye production was increased by 73.1% and triticale – by 61.5%, reaching 14,766 and 20,504 tonnes respectively, which is determined by the high average yields with regard to the preceding year. Areas sown with rye are 7,579 hectares (39.7%) more than the preceding period, while areas planted with triticale are 4,585 hectares (30.6%) less.

According to data released by the Directorate for Agricultural Statistics, for the marketing year 2008/2009 the producers intend to increase rye production by 30.5% over the preceding year and triticale – by 8.5%

Barley

In 2008, there is a reported increase of 9.2% in the production of barley compared to 2007, which represents 878 thousand tonnes. The average yield variation with respect to 2007 is 75.5% or 3.94 tonnes/hectare.

Sown areas expanded by 15.0% reaching over 223 thousand hectares on a year-over-year basis. In the Southeastern region, areas sown with barley occupy 30.3% of land, in the North Central region – 19.9%, and in the Northwestern region – 19.7% of land. Areas with most barley sown are Bourgas, Pleven and Stara Zagora (BANSIK `2008).

Among crops prior to barley, wheat and sunflower hold the highest share with 33.3% and 28.6% respectively. Fallow land included in the crop rotation of barley in 2008 were 6.5%, while around 12.5% is the land planted with other crops.

When comparing 2008 to 2007, the following is reported: 2.0% increase in the share of areas fertilised with mineral nitrogen, covering respectively 92.3% of the country's areas sown with barley, 1.6% reduction in the use of phosphate fertilizers, covering respectively 8.6% of the country's areas sown with barley, 2.2% increase of potassium fertilization, covering respectively 6.0% of the country's areas sown with barley and 4.8% less insecticides used.

According to data released by the Directorate for Agricultural Statistics:

- For the marketing year 2008/2009, the producers intend to increase barley production by 10.2% over the preceding period;
- According to preliminary results (as of 01.07.2009), area sown with barley for the marketing year 2008/2009 (BANSIK 2009) occupies 231,100 hectares and the estimated production of barley is set at 815 ÷ 860 thousand tonnes;
- The statistical monitoring on the state of autumn crops, carried out in the period between 15.03.2009 and 04.04.2009, found 76% of the area under barley in good physiological condition.

Oats

The production of oats has increased by 41.8% compared to 2007, which accounts for 54.489 tonnes of grain. Sown area occupied 25,895 hectares, which is 1.9% more than 2007. The average yield also rose by 13.1%, amounting to 2.19 tonnes/hectare.

Maize for grain

The biggest increase in production and average yield was recorded with maize for grain: by 237.4% and 84.8% respectively, compared to 2007 when maize for grain was the most seriously affected crop by the drought. Grain output was 1,368 thousand tonnes at an average yield of 4.15 tonnes/hectare. Sown area accounted for 329 thousand hectares or 17.0% less than in 2007.

Maize is mainly grown in the Northeastern region – 32.5%, in the North Central region – 30.5%, and in the Northwestern region – 26.0%. Most in number production areas of maize for grain are found in the districts of Dobrich, Pleven and Veliko Turnovo.

Around 57% of land under maize for grain occupies areas, which have been previously planted with grain crops. Fallow land included in the crop rotation of maize in 2008 were 3.5% versus 6.9% in 2007. Maize after maize was grown on 19.6% of the land in 2008.

According to data released by the Directorate for Agricultural Statistics, for the marketing year 2008/2009 the producers intend to reduce the areas planted with maize by around 28% with regard to the preceding period and respectively cut the yield by 28.1%.

Rice

Over the past few years, the production of paddy rice has gradually increased, mainly due to the utilisation of new rice land.

In 2008, the harvested amount of paddy rice increased by 26.4% and reached 38,645 tonnes. Sown areas show a growth of 16.6% over the preceding year.

The average yield has increased by 6.8% and amounted to 4.96 tonnes/hectare, which is due to the higher share of areas fertilized with: nitrogen fertilizers – 84.0% of the areas planted with rice, phosphates – 39.9% of the areas planted with rice, and potassium fertilizers – 21.5% of the areas planted with rice.

According to data released by the Directorate for Agricultural Statistics, for the marketing year 2008/2009 the producers intend to increase the rice output by 4.8% over the preceding period.

2.2.1.2. Oilseed crops

The main types of oilseed crops grown in Bulgaria are sunflower, rapeseed, peanuts and soybean.

Sunflower

Within the group of oilseed production crops, sunflower is the major resource for the production of oil in the country.

Areas sown with sunflower in 2008 occupied 723,962 hectares, and 721,689 hectares were harvested. There is an increase of 5.4% in areas planted with sunflower compared to 2007. In 2008, the average yield was 1.82 tonnes/hectare, which is almost as twice as the average yield in 2007. The production amounted to 1,300.711 tonnes, which is the highest since 2000. This is due to the favourable weather conditions and the correctly applied agrotechnics in the cultivation of the crop.

By regions, most sunflower is grown in the Northeastern region – 29.6% of the country's land under sunflower, in the North Central region – 22.4%, and in the South Central region – 21.6%.

Table II.19.

Production of sunflower in the period 2000 – 2008

Year	Harvested areas, hectares	Average yield, tonnes/hectare	Production, tonnes
2008	721,689	1,82	1,300.711
2007	602,398	0,94	564,447
2006	783,859	1,59	1,196.570
2005	603,252	1,50	904,114
2004	592,765	1,82	1,078.832
2003	659,632	1,20	788,763
2002	471,013	1,37	645,369
2001	389,471	1,04	405,487

2000	511,000	0,83	424,900

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Rape

Winter oilseed rape has been successfully grown in recent years, and in 2008, the area planted with it occupied 94,306 hectares, i.e. 74.6% more compared to 2007. It includes harvested areas of 875,156 hectares, distributed per regions as follows: Northeastern – 35,269 hectares, Northwestern – 23,456 hectares, North Central – 17,692 hectares, Southeastern – 8,104 hectares, South Central – 2,725 hectares and Southwestern region – 270 hectares. The output of oilseed rape in 2008 was 231,176 tonnes, which is 45.1% more than in 2007.

2.2.1.3. Industrial plants

Tobacco

In 2008, the reported harvested area occupied 25.3 thousand hectares, which is 4.6 thousand hectares less than 2007, and the reduction involves all groups of tobacco varieties.

Table II.20.

Areas, yields and production of tobacco by varieties, 2003 – 2008

Characteristics	2003	2004	2005	2006	2007	2008
Production, thousand tonnes, including:	**61,5**	**69,6**	**58,3**	**41,9**	**41,1**	**42,4**
Oriental	42,1	50,3	39,0	26,5	28,4	29,3
Virginia	14,1	14,9	13,3	11,3	8,3	7,5
Burley	5,4	4,9	6,0	4,1	4,4	5,6
Harvested areas, thousand hectares, including:	**41,4**	**47,1**	**40,9**	**27,3**	**29,9**	**25,3**
Oriental	29,0	35,0	27,7	17,9	21,1	18,3
Virginia	8,3	8,9	9,3	6,8	5,3	4,0
Burley	4,1	3,3	3,9	2,6	3,5	3,0
Average yield, tonnes/hectare, including:						
Oriental	1,45	1,44	1,41	1,48	1,35	1,60
Virginia	1,70	1,61	1,44	1,66	1,55	1,89
Burley	1,30	1,49	1,52	1,59	1,26	1,88

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The total production of raw tobacco was 42.4 thousand tonnes, which is 1,3 thousand tonnes more than the preceding year's output. A decline was recorded only with the Virginia varietal group.

There is an increase in the average yield per hectare in all three groups of tobacco varieties in comparison with 2007.

Fibre plants

The decrease in cotton production persisted in 2008 and harvested areas were 706 hectares, as opposed to 2007 when they occupied 930 hectares. The area was reduced by around 1.32%. The average yield remained at 0.98 tonnes/hectare versus 0.99 tonnes/hectare in 2007. Due to decrease in the number of harvested areas, production dropped by 9.8% in comparison to the preceding year, reaching 756 tonnes versus 838 tonnes in 2007.

According to 2009 data, released by the Association of Cotton Producers, areas sown with cotton occupied 650 hectares, with an expected average yield of 1.00 tonnes/hectare and expected production of 650 tonnes .

There is no data about areas sown with flax and hemp or about the production thereof.

Sugar beet

In 2006, the European Commission supported its initiative of implementing a comprehensive reform in the "Sugar" sector on the territory of the EU. The main objective of the reform is the reduction and control of excess sugar within the European Community and the control and stabilization of market prices. The sugar industry of the Republic of Bulgaria also committed to introducing reforms and "Zaharni Zavodi" Plc – Gorna Oryahovitsa, and its subsidiary "Zahar" Plc withdrew from the entire production quota set for the country, which amounts to 4,752 tonnes of white sugar. Their withdrawal hit severely domestic sugar beet growers and led to discontinuation of sugar beet production throughout the country.

Table II.21.

Production of sugar beet from 2007 and 2008 crops

Total for the country	2007	2008
Areas (harvested), hectares	1,283.60	–
Average yield, tonnes/hectare	12,68	–
Output, tonnes	16,281.00	–

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Hops

Hop yards in Bulgaria are located in the Western Rhodopi area, in proximity to the towns of Velingrad, Kostandovo and Rakitovo.

American varieties are grown, such as Nugget, Chinook and CFJ-8/Cascade/, the German variety Perle and its English peer Brewerr's Gold.

The production of hops in 2008 shrank due to reduction in harvested area and lower average yield per hectare.

In 2008, the hops harvested areas occupied 187.50 hectares, which is 48.7% less than in 2007. The average yield per hectare was 2.05 tonnes/hectare or 13.2% lower than in 2007.

The 2008 output of hops was 384 tonnes, which is 68.5% less than the total production in 2007.

In 2008, 10 hectares of new hops plantations were created.

Table II.22.

Production of hops from 2007 and 2008crops

Years	Areas (harvested), hectares	Average yield, tonnes/hectare	Output, tonnes
2007	278,8	2,32	647
2008	187,5	2,05	384

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2.2.1.4. Medical and aromatic plants

Areas planted with major medical and aromatic plants (rose oil, balm, lavender, peppermint, silibum, fennel, coriander) occupied 46,649 hectares in 2008, which is 18% more than in 2007. Harvested areas in 2008 amounted to 45,592 hectares, which is 27.1% more than in 2007. The main reason for the increase in areas harvested with medical and aromatic plants, recorded in 2008, is their high profitability.

2.2.1.5. Vegetables

Outdoor areas, used for the production of vegetables in professional and small business holdings in the marketing year 2008, occupied 53 thousand hectares. Harvested areas occupied 53.2 thousand hectares, 1.5% of which were planted with secondary crops. The vegetables output was 874.3 thousand tonnes. The largest production share is held by potatoes – 353 thousand tonnes, and tomatoes – 134 thousand tonnes.

Land used for growing vegetables in 2008 occupied 54 thousand hectares and the relative share of greenhouses was around 2%. There was a reduction of 6.0% in the harvested areas compared to 2007. Non-harvested areas stood for 1.2%.

A total of 24.5 thousand hectares were planted with fresh vegetables (tomatoes, cucumbers, peppers, watermelons, etc.), 23.9 thousand hectares of which were harvested. The largest share of land is devoted to areas planted with pepper (15.7%), watermelons (14.7%) and tomatoes (14.5%).

Areas planted with potatoes amounted to 21.8 thousand hectares in 2008, with 21.7 thousand hectares of harvested areas, and over 90% of them have been generally concentrated in the Southwestern and South Central regions.

Areas planted with leguminous crops occupied 7.6 thousand hectares, of which more than 7.5 thousand hectares were harvested. The highest relative share is held by mature beans (27%), chickpeas (23%) and peas (20%).

Table II.23.

Main areas used for vegetables production – crops 2008, hectares

Main areas	Utilised areas, crops 2008
Outdoor areas	**53,037**
Greenhouses under glass cover	485
Greenhouses under plastic cover	511
Total greenhouse area	**996**
Total area	**54,033**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, there was a slight reduction in the use of greenhouse areas compared to 2007. This is due to limited investments in the creation and building of new greenhouses, as well as the reconstruction and modernization of the existing ones. The total output of vegetables produced in greenhouses was 96 thousand tonnes, which is 7 thousand tonnes more than the output produced in 2007. Greenhouse production is dominated by several major vegetable crops, such as tomatoes, cucumbers, peppers (sweet), gherkins, salad, lettuce, etc. The vegetables production included: 52 thousand tonnes of cucumbers, which is 18.4% more compared to 2007; 770 tonnes gherkins, or 36.52% more than in 2007; 2.8 thousand tonnes pepper (sweet), which is 7.3% more compared to 2007. There is a considerable growth in the production of salads and lettuce – from 1,9 thousand tonnes in 2007 to 3.2 thousand tonnes in 2008, i.e. an increase of 62.5%.

Greenhouse output in 2008 was sold on the market in full and the majority of it (mainly cucumbers and tomatoes) was earmarked for export, mostly to EU countries. Most of Bulgarian greenhouses are modern facilities, equipped with new, state-of-the-art technology and processes for growing of vegetables; in line with EU standards for quality and environment-friendly production, which has determined the higher volume of output in 2008. The increased production of greenhouse vegetables is due to their better marketability as well – increased demand and presence of both a domestic market, and markets in other EU countries.

Table II.24.

Comparison of greenhouse production of main vegetables, 2008 and 2007 crops

Types of vegetables	Crops 2008, thousand tonnes	Crops 2007, thousand tonnes	Change compared to 2007, %
Tomatoes	35,70	38,03	-6.21
Cucumbers	52,08	43,90	18.38
Pepper, sweet	2,80	2,60	7.31
Gherkins	0,77	0,56	36.52
Salads and Lettuce	3,16	1,94	62.50
Other vegetables	1,48	2,03	-28.51
Total	**95,97**	**89,22**	**7.56**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, 8.1% more vegetables were produced than in 2007. Significant increase was recorded in the production of cucumbers and gherkins – by 9.5% compared to the preceding year. Around 404 thousand tonnes of fresh vegetables were produced in outdoor areas (excluding potatoes and leguminous crops). Tomatoes hold the largest share of the total production of fresh vegetables – around 27%, together with watermelons – around 16%. The output includes: 134 thousand tonnes of tomatoes, which is 0.71% more than the output in 2007; 59.5 thousand tonnes of pepper, or 27% less than the preceding year. The production of cucumbers and gherkins is 9.5% more than the preceding year, amounting to 62.6 thousand tonnes. Increased production was recorded with: onions – 16 thousand tonnes, a growth of 51% compared to production in 2007; cabbage – 64.9 thousand tonnes, which is 30% more than 2007; potatoes – 18% more than in 2007. The output includes 353 thousand tonnes of potatoes and around 21.5 thousand tonnes of leguminous crops (beans, lentils, peas, etc.).

The increase in the production of vegetables from 803.5 thousand tonnes in 2007 to 874.3 thousand tonnes in 2008 (nearly 70 tonnes more) is due to higher average yields per hectare in most types of vegetable crops. The production of vegetables is costly, thus resulting in higher cost price of the production, which makes its selling more difficult.

Table II.25.

Areas, production and average yield of vegetables – crops 2008

Vegetables	Harvested areas, hectares	Production, tonnes		Average yield, kg/hectare
		Total	Outdoor areas	
I. Fruit vegetables				
Tomatoes	3,473.7	134,131	98,050	28,345
Peppers – sweet	3,750.5	59,524	56,500	15,124

Eggplants	259,8	7,062	6,823	26,610
Cucumbers Gherkins	125,0 245,9	53,227 9,391	1,896 8,568	15,281 35,060
Pumpkins	260,4	4,273	4,224	16,393
Watermelons	3,507.1	79,681	79,642	22,719
Melons	1,242.3	13,667	13,529	10,955
Sweet corn	195,9	1,740	1,614	8,884
Other fruit vegetables *(cayenne pepper, zucchini, okra)*	4,137.4	8,789	8,020	–
II. Legumes				
Garden beans – green	1,148.3	6,861	6,703	5,917
Garden peas – green	1,510.8	8,817	8,202	5,836
Field beans – green	6,9	57	57	8,265
Dried vegetables				
Beans – grain	2,055.3	2,402	2,401	1,169
Lentils	1,085.1	1,084	1,084	999
Chickpeas	1,767.4	2,278	2,278	1,289
III. Flowering vegetables				
Cabbage	2,092.8	64,884	57,146	30,957
Other leaf, bud and stem vegetables *(salads, lettuce, spinach, parsley, celery, savory, parsnip, dill, cabbage, kohlrabi and Brussels sprouts, kale, broccoli, onion – green, garlic - green)*	736,6	14,520	8,547	–
IV. Root and bulb vegetables				
Potatoes	21,710.8	353,060	351,571	16,258
Carrots	618,6	13,437	13,158	21,707
Onions – bulb	1,281.3	16,013	15,688	12,485
Garlic – bulb	229,5	1,153	1,131	4,979
Leek	117,4	2,013	1,901	16,946
Seed onions	167,6	1,237	1,236	7,381
Other root vegetables *(turnips, radishes, salad beetroot, celery, parsnips)*	164,8	3,409	2,580	-
V. Strawberries	1,182.2	8,599	8,559	7,252
VI. Mushrooms	-	1,438	-	-
VII. Other vegetables	127,8	1,607	1,524	12,574
Total	**53,201.2**	**874,354**	**762,632**	**14,604**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Table II.26.

Comparison of the total production of vegetables, 2008 and 2007crops

Types of vegetables	Crops 2008, thousand tonnes	Crops 2007, thousand tonnes	Change compared to 2007, %
Tomatoes	134,13	133,18	0.71
Peppers – sweet	59,52	81,74	-27.20
Eggplant	7,06	8,31	-15.10
Cucumbers and gherkins	62,61	57,18	9.50
Watermelons	79,68	76,91	3.60
Melons	13,66	18,75	-27.12
Potatoes	353,06	298,72	18.19
Onions – bulb	16,01	10,59	51.09
Cabbage	64,88	50.00	29.77
Strawberries	8,59	5,96	44.18

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Nearly all fresh vegetables are observed to produce higher average yields per hectare compared to 2007. With tomatoes, the average yield in 2008 was 28.3 tonnes/hectare, which is 43.8% more than in the preceding year; the average yield of pepper was 15.1 tonnes/hectare, or a growth of 5.06%, while the average yield of cucumbers and gherkins was 28.4 tonnes/hectare, which is 75% more than in 2007. Increase in average yields is observed with onion-bulb – 12.5 tonnes/hectare or 48.7% more, cabbage – 31 tonnes/hectare or 40.4% more, and potatoes – with nearly 22% more (16.3 tonnes/hectare). Higher yields of different vegetable crops in 2008 were due to better agrotechnics cultivation and the use of high-yielding vegetable varieties, resistant to diseases and pests.

Table II.27.

Comparison of the average yields of vegetables, 2008 and 2007 crops

Types of vegetables	Crops 2008, tonnes/hectare	Crops 2007, tonnes/hectare	Change compared to 2007, %
Tomatoes	28,34	19,70	43.81
Peppers – sweet	15,12	14,39	5.06
Eggplant	26,61	23,32	14.13
Cucumbers and gherkins	28,39	16,22	75.10
Watermelons	22,72	22,73	-0.07
Melons	10,95	15,65	-29.99
Potatoes	16,26	13,32	22.08
Onions – bulb	12,48	8,39	48.70
Cabbage	30,96	22,05	40.36
Strawberries	7,25	4,72	53.55

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, nearly 99% of vegetable products, produced on outdoor areas, were realised, the majority of which was sold on the market (72%). The market has received nearly 60% of tomatoes produced. The quantity of tomatoes, potatoes and eggplant is the highest among the quantities of vegetables, realized in the processing plants. Cucumbers, tomatoes and potatoes hold the largest share of the vegetables for export.

In 2009, the trend of using greenhouse areas for the production of vegetables will remain at the 2008 level, with greenhouses primarily growing elongated cucumbers, tomatoes, peppers (sweet), salads and lettuce. The process of modernization of greenhouses will continue along with the use of new advanced technologies to produce high quality early vegetables, meeting the European standards.

Based on agricultural holders' intentions for 2009, it is predicted that the area planted with potatoes will increase, reaching 23.5 thousand hectares. According to expert assessments, given the favourable weather conditions in 2009, potato production is expected to exceed considerably the output reached in 2008 due to expected higher average yield per hectare.

Areas sown with pepper and tomatoes in 2009 will remain the same in terms of occupied area in 2008. It is expected that the production of pepper in outdoor areas will increase by 10-15% compared to the preceding year's production.

The lack of organization in the production of vegetables (inadequately low technological level, high production costs, high prices for irrigation water), producers' reluctance to associate in organizations of vegetable growers, the lack of commercial arrangements between manufacturers and traders for the realization of the production, the low buyout prices of vegetables and their poor quality, the lack of labour force in production and the use of low-skilled workers – are all part of accumulated problems in the production of vegetables, which subsequently lead to its decline and the reduction of land, planted with vegetables over the past few years.

2.2.1.6. Fruits

Fruit plantations

Areas with fruit plantations in 2008 occupied 40 thousand hectares, with around 55% of them being harvested. In 2008, the harvested area under fruit cultivation in agricultural holdings decreased by 22.5% compared to 2007, the largest decrease being found with prunes – 31.6%, apricots – 22.3%, cherries – 11.9%, and peaches – 2.9%. The area of plantations with prunes and damsons held the highest relative share in 2008 – 20.9%, followed by the area of plantations with cherries – 20.0%, apples – 14.8%, peaches – 12.8%, apricots – 9.0%, and walnut – 7.4%, compared to the overall fruit harvested area in the country.

Increasing is the share of perennial plants with expired depreciation period, which are not taken care of, and in 2008, they occupied 763.2 hectares.

Areas with young, yet fruitless fruit plantations (0-4 years) occupied 7,517 hectares in 2008. The largest relative share among them is held by cherries – 25.5%, followed by apples – 13.5%, peaches – 11.7%, prunes – 11.2%, apricots – 4.5%, and morello cherries – 3.9%.

In 2008, 1,917 hectares of fruit trees were planted, as there is a growing interest in the establishment of plantations of cherries, apples, peaches, prunes, morello cherries, apricots, etc. The trend of modernizing the fruit varieties structure has been preserved.

The agro-technical and phytosanitary state of young trees is very good.

In 2008, areas for the production of fruit seedlings occupied 93 hectares. Agricultural holdings have produced over 657 thousand units of cultivated fruit seedlings, 57.5% of which was realized.

Table II.28.

Harvested areas of fruits in 2008 **hectares**

Regions	Apples	Pears	Apricots	Peaches and nectarines	Prunes	Cherries	Morello cherries	Walnuts	Raspber ries	Other fruit varieties	**Total**
Northwestern	226	12	37	206	1 298	81	57	139	228	35	**2,319**
North Central	178	24	1664	373	639	373	271	327	79	68	**3,996**
Northeastern	307	23	127	179	549	150	146	343	231	95	**2,150**
Southeastern	561	31	27	1 416	522	1,655	139	532	40	300	**5,223**
South Central	1137	60	109	317	1 045	1,081	508	263	241	112	**4,873**
Southwestern	838	103	19	329	551	1,071	208	24	215	59	**3,417**
Bulgaria	**3,247**	**253**	**1,983**	**2,820**	**4,604**	**4,411**	**1,329**	**1,628**	**1,034**	**669**	**21,978**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Table II.29.

Harvested areas of fruit plants in 2007, hectares

Regions	Apples	Pears	Apricots	Peaches and nectarines	Prunes	Cherries	Morello cherries	Walnuts	Raspber ries	Other fruit varieties	**Total**
Northwestern	104	9	37	31	164	26	46	149	103	19	**688**
North Central	393	18	461	633	2,609	381	88	326	162	43	**5,114**
Northeastern	503	72	1,908	173	1,033	466	488	1,817	286	78	**6,784**
Southeastern	421	50	47	1,270	350	1,488	79	145	19	379	**4,248**
South Central	1,256	82	73	439	1,920	1,433	541	1,645	337	152	**7,878**
Southwestern	847	81	27	357	655	1,213	92	82	222	73	**3,649**
Bulgaria	**3,524**	**312**	**2,553**	**2,903**	**6,731**	**5,007**	**1,294**	**4,164**	**1,129**	**744**	**28,361**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Production

In 2008, 90 746 tonnes of fruits were produced, which is 13.2% less compared to 2007. The main reason for the reduction in production is the smaller harvested area. Fruit production is concentrated in the South Central region – 22.4%, and the Southern region – 22.3%, where the production of peaches predominates, and the North Central region – 21.4%, where apricots production predominates. There was a reduction in the output of apples, pears, peaches, prunes, cherries, walnuts, raspberries, etc.

In 2008, the largest relative share of total fruit production is held by apples – 25.9%, followed by cherries – 17.7%, peaches – 16.4% and prunes – 15.8%.

Table II.30.

Production of fruit, 2007 and 2008 crops

Fruit plantations	**Areas – harvested, hectares**		**Average yield, kg/hectare**		**Production, tonnes**	
	2007	**2008**	**2007**	**2008**	**2007**	**2008**
Apples	3,524	3,247	7,425	7,242	26,165	23,517
Pears	312	253	3,096	3,661	965	924
Apricots	2,553	1,983	3,255	6,534	8,310	12,957

Peaches and nectarines	2,903	2,820	6,471	5,286	18,788	14,908
Prunes and prunes	6,731	4,604	3,420	3,106	23,020	14,298
Cherries	5,007	4,411	3,680	3,642	18,427	16,067
Morello cherries	1,294	1,329	2,086	2,467	2,700	3,279
Walnuts	4,164	1,628	336	260	1,400	422
Raspberries	1,129	1,034	3,287	3,424	3,711	3,540
Other fruits	744	669	-	-	1,073	834
Total	**28,361**	**21,978**	**33,056**	**35,622**	**104,559**	**90,746**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Average yields

In 2008, average yields of some of the major fruit crops were lower than in 2007. This was mainly attributed to the unfavourable weather conditions in the spring of 2008 in some areas of the country – late spring frosts, which led to frostbite of fruit buds. The unfavourable age structure and the failure to deliver the necessary activities for agricultural plantations are another reason for lower yields.

The shrinkage in average yields of some of the main types of fruit trees is as follows: walnut – 26.6%; peaches – 18.3%; prunes – 9.2%; apples – 2.5%, and cherries – 1.1%.

In 2008, higher average yields were reported with apricots, where the output has nearly doubled, morello cherries - 18.2%, pears – 18.2%, and raspberries – 4.2%.

Table II.31.

Average yields of fruit, crops 2008, kg/hectare

Regions	Apples	Pears	Apricots	Peaches and nectarines	Prunes	Cherries	Morello cherries	Walnuts	Raspberries
Northwestern	3,777	4,406	4,091	2,961	2,006	1,447	1,160	359	2,392
North Central	2, 801	2,469	7,128	6,246	4,778	2,002	1,275	170	4,216
Northeastern	5,465	4,855	4,052	1,680	3,909	1,881	3,247	290	2,780
Southeastern	8,795	2,963	2,075	4,855	2,334	3,769	2,856	197	3,703
South Central	7,657	1,809	2,816	4,001	3,753	2,762	3,310	146	4,487
Southwestern	8,166	4,835	3,536	10,713	2,457	5,319	1,516	3,104	3,678
Bulgaria	**7,242**	**3,661**	**6,534**	**5,286**	**3,106**	**3,642**	**2,467**	**260**	**3,424**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Table II.32.

Average yields of fruit, crops 2007, kg/hectare

Regions	Apples	Pears	Apricots	Peaches and nectarines	Prunes	Cherries	Morello cherries	Walnuts	Raspberries
Northwestern	6,127	5,202	5,049	4,667	5,180	3,543	2,399	381	848
North Central	3,524	3,273	3,599	3,128	2,297	1,224	811	499	2,614
Northeastern	3,781	3,031	2,979	2,574	4,440	2,380	1,623	228	2,687
Southeastern	7,918	4,083	9,014	6,645	2,272	4,018	3,925	1,198	4,816
South Central	10,115	2,224	3,915	6,216	4,387	3,948	2,512	301	4,431
Southwestern	7,327	3,146	2,501	14,146	3,623	4,222	1,315	1,193	3,816
Bulgaria	**7,425**	**3,096**	**3,255**	**6,471**	**3,420**	**3,680**	**2,086**	**336**	**3,287**

Average yields are estimated for areas equal to and over 0,1 hectare
***Source:** Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2.2.2. Livestock breeding

The profile of livestock breeding in 2008 is closely linked to and depends on the new organizational and economic zone the country has entered since becoming a full-fledged EU member. After the first year of practical adaptation to the EU standards and requirements for production, marketing and control, in 2008, Bulgarian livestock breeders, NGOs and public authorities have matured into an adequate corrective, participant and beneficiary of the schemes of the Common Agricultural Policy (CAP) and its various forms of assistance. As a result, further restructuring of the farming sector, upgrade and optimisation of the manufacturing process have been under way. Quality and product diversity have improved, consumers are being offered products with designated origin, quality indicators and storage advice.

In 2008, the restructuring of the industry continued, focusing on the consolidation of livestock holdings and increasing the share of obtained cow milk compliant with the applicable EU standards for hygiene and quality. The quota system for cow milk seeks market stabilization in the "Milk" sector by achieving a balance between demand and supply, ensuring a better standard of living for agricultural holders and improving the competitiveness of dairy products.

Over the reference past period, continuation was ensured in the implementation of the CAP regimes in meat and eggs for consumption, related to classification, marking, sales and weekly reporting of price variations.

In 2008, the implementation of the Community's scale for grading pig carcasses, fit for human consumption, was affirmed. The implementation of the scale (S)EUROP determines the quality of the carcass in an accurate manner and allows the manufacturer to obtain a fair price for offered products. The assessment after the scale (S)EUROP is an incentive for agricultural holders to improve quality, which in turn will strengthen their market presence in the EU and in non-EU countries.

In order to encourage producers to pay in accordance with the quality of meat, in 2008, the Governing Board of the *Agriculture* State Fund allocated a targeted subsidy for the classification of carcasses of cattle and pigs in the amount of BGN 1,000.000.

In 2008, the National Programme on Beekeeping for the period 2008 – 2010 was launched for the first time, aiming to improve the general conditions for production and marketing of honey and bee products by agricultural holders. The programme is implemented throughout the country and its principle of assistance is to recover part of the costs incurred via five types of measures. The total approved budget for the three-year period was BGN 7,430.000, and in 2008 alone it amounted to BGN 2,370.000.

In 2007, livestock breeding holdings numbered 386.7 thousand and in 2008, they were around 55.6 thousand less. The reduction is closely related to the continued concentration and consolidation of production and affects mainly holdings raising 1 to 9 females for breeding. The next category of holdings (with more than 10 dairy cows and goats) also reported a decrease in numbers, but these holdings are experiencing an increase in the number of farmed animals (within 4.4 – 4.7%). Reduction was also observed in holdings with ewes and sows. Consolidation continued in the sector of swine breeding, where the total number of pigs decreased by 11.8%, and the number of livestock holdings – by 29.3%. A decrease of 4% was recorded in the number of poultry farms for breeding laying hens, pullets and chickens. Increase in the number of holdings and the number of animals was reported in buffaloes.

Table II.32.

Number of livestock units in 2007 – 2009

Number of animals	01.11.2007	01.11.2008 *	Outlook 01.11.2009
Bovinae, total	**602,056**	**564,904**	**563,000**
Including cows	349,851	330,356	329,000
Buffaloes, total	**8,968**	**9,222**	**9,500**
Including female buffaloes	5,153	5 311	5,400
Sheep, total	**1,526.392**	**1,474.845**	**1,470.000**
Including breeding sheep	1,233.441	1,198.110	1,198.000
Goats, total	**495,484**	**429,834**	**429,000**
Including ewes	431,884	355,187	350,000
Pigs, total	**888,609**	**783,649**	**780,000**
Including sows	85,424	76,853	76,000
Poultry, total	**18,698.000**	**17,549.000**	**16,800.000**
Including laying hens and pullets	9,253.000	8,798.000	8,500.000
Broiler chickens	7,173.000	6,967.000	6,500.000
Waterfowl	1,977.000	1,434.000	1,400.000
Other birds	295,000	350,000	400,000
Equine (horses, donkeys, mules, hinnies)	168,270	175,091***	170,000
Rabbits	332,058	303,233***	300,000
Bee colonies	718,822	652,586**	650,000

** Preliminary data, ** Data as of 01.05.2008*
Source:** Ministry of Agriculture and Food, Directorate for Agricultural Statistics, the National Veterinary Service*

In 2008, the country produced 1,316.071 tonnes of milk, which is 11,390 tonnes less than in 2007. Increases are recorded in buffalo and sheep milk, but there was a decline of 0.4% in cow milk and of 11.1% in goat milk. The largest share of total produce is attributed to cow milk – 86.9%, followed by sheep milk (6.7%), goat milk (5.9%) and finally buffalo milk (0.5%).

Table II.33.

Production of livestock produce in 2007 – 2008

Production	2007	2008	Change 2008 versus 2007, %
1. Milk, total, tonnes	1,327.461	1,316.071	-0.86
Cow milk	1,148.328	1,143.190	-0.45
Buffalo milk	7,052	7,173	1.7
Sheep milk	84,907	88,243	3.9
Goat milk	87,174	77,465	-11.1
2. Meat, total in carcass weight, tonnes	235,747.6	206,069.2	-12.6
Red meat	119,358.6	114,717.8	-3.9
White meat	116,389	91,351.4	-8.8
3. Eggs, thousands of units	1,579.270	1,507.909	4.5
4. Honey, tonnes	6,139	11,377	85.3

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2.2.2.1. Cattle and buffalo breeding

The trend of restructuring and optimising the number of animals on cattle breeding farms, which started during the period 2006 – 2007, continued in 2008.

In 2008, the first quota year for Bulgaria ended and had a report, prepared on it by the European Commission. No excess quantities over the national milk quota were reported, and therefore Bulgaria shall not make a contribution to the European Agricultural Guidance and Guarantee Fund (EAGGF) for the 2007/2008 quota period. The implementation of the national milk quota for deliveries is 85.1% of the reference quantity for deliveries amounting to 893,688.028 tonnes at an average fat content of deliveries of 37.7 g/kg. The implementation of the national milk quota for direct sales was 75.5% of the reference quantity for direct sales amounting to 85,311.972 tonnes. It is expected that the share of direct sales will continue declining in the coming years.

The number of approved purchasers was 303 in 2008, or 41 less than in the 2007. Activities of buying out cow milk were suspended mostly by traders who used to collect cow milk through collection milk centres.

The national milk quota of Bulgaria has been increased by 2% for the 2008/2009 quota period or by 19,580 tonnes. The increase was used for the allocation of individual milk quotas for dairy supplies from the national reserve. The quantities included in the national milk quota reserve for the period 2008/2009 were allocated to producers, who had expanded their production activities, as well as to new applicant producers. A total of 29,001.824 kg were allocated for supplies and 8,194.823 kg – for direct sales to 547 holdings.

In 2008, 161 transformations of individual milk quotas were performed (mainly from direct sales into deliveries) and 670 transfers of quota with or without the holding, among close relatives.

The hygiene standards for raw cow milk are set out in Regulation (EC) No.853/2004/EC of the European Parliament and the Council of April 29, 2004, laying down specific hygiene rules for food of animal origin. The Republic of Bulgaria is obliged to comply with the raw milk criteria under this Regulation as of 01.01.2007, entitled to a derogation until December 2009, regarding meeting the hygiene requirements for raw milk.

Procedures and rules are established for categorizing the holdings, producing raw cow milk, which are set out in Ordinance No.4/19.02.2008, laying down the specific requirements for the production, storage and transportation of raw cow milk and the requirements for trading and marketing of milk and dairy products.

All holdings, meeting the zoo-hygienic and veterinary-medicinal requirements and obtaining cow milk in compliance with Regulation (EC) No.853/2004/EC with indices for TVC (total viable count) up to 100,000 and TSCC (total somatic cell count) up to 400,000 were categorized in Group I.

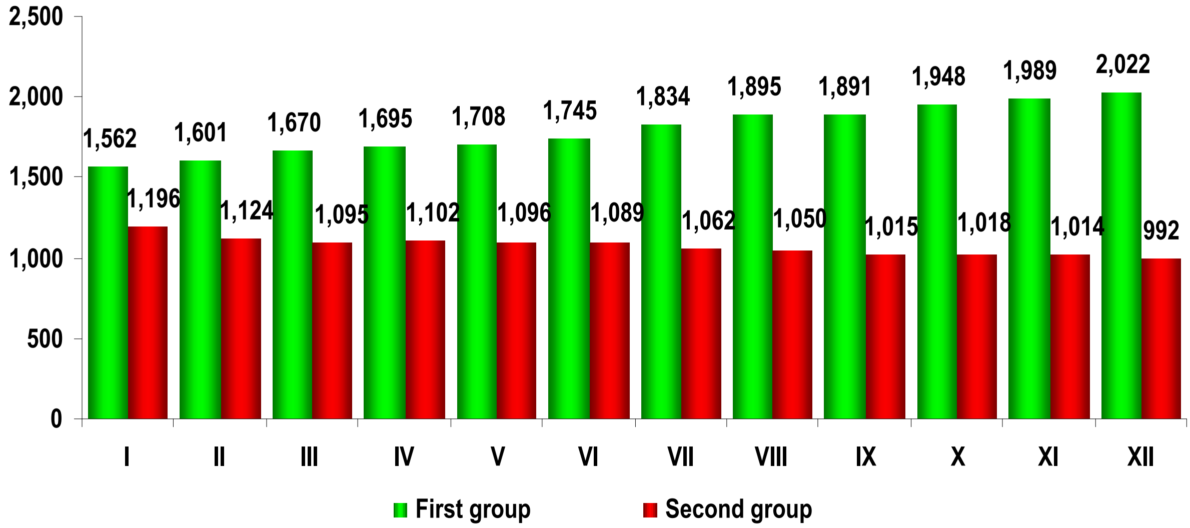
Holdings, which qualify in terms of building facilities and equipment, but whose obtained cow milk fails to meet the specified quality indices, fell in Group II.

Group III included holdings that did not comply with either of the requirements.

In 2008, the coordination of activities continued in observing the zoo-hygienic and veterinary-medicinal requirements for livestock breeding in holdings. Holdings, categorized in Group I as of 01.12.2008 numbered 2,022 with a total of 88,664 units of cows, while Group II included 992 holdings, breeding a total of 17,213 units of cows. Holdings in Group III numbered 114,373, breeding 323,192 units of cows (data for the third group of holdings was extracted from the informational system of the National Veterinary Service).

Figure II.11.

Number of classified agricultural holdings producing raw cow milk in 2008, by month



Source: *Ministry of Agriculture and Food, Directorate for Crops and Livestock Production*

In 2008, the restructuring of dairy farms continued. The number of dairy farms raising only one dairy cow decreased by 14.8% compared to 2007 and these holdings breed 63 thousand cows. In general, the number of holdings with capacity of up to 19 units of cows tends to dwindle, while the number of animals in them increases. The number of holdings with over 20 units of animals increases alike the number of animals in them. The number of holdings breeding 100 and more units of dairy cows increased by 2.1% and the number of cows in them increased by 7.7%, reaching around 29 thousand units versus 27 thousand units of livestock in 2007.

The number of holdings, breeding cows for meat was reduced. This is mainly due to the decrease in the number of holdings with 1-2 cows for meat. A positive turn in the development of meat livestock is the increasing number of cows for meat. In 2008, they were 12.3% more than in 2007.

Table II.34.

Distribution of dairy cows according to the units of cattle per farm as of 01.11.2008

Units of livestock per farm	Livestock holdings		Units of dairy cows	
	Thousand units	Change 2008/2007, %	Thousand units	Change 2008/2007, %
1-2	84, 1	-13.8	105,4	-13.1
3-9	16, 7	-14.8	73,2	-13.5
10-19	2, 8	-8.5	37,1	-6.8
20 and more	2,1	9.4	99,0	9.8
Total	**105,7**	**-13.4**	**314,7**	**-6.3**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

As of 01.11.2008, cows distributed per planning regions total 330.4 thousand units, including 97.1 thousand units in the South Central region, 51.4 thousand units in the Northwestern region, 50.7 thousand units in the Southeastern region and only 37.8 thousand in the Southwestern region. Of the total number of cows, dairy cows represent 95.3%, which is 6.3% less than in 2007.

Table II.35.

Units of cattle per planning regions

Regions	2007				2008			
	Cattle		Cows		Cattle		Cows	
	Thousand units	%	Thousand units	%	Thousand units	%	Thousand units	%
Northwestern	84,2	14.0	51,4	14.6	83,5	14.8	51,4	15.6
North Central	88,0	14.6	49,2	14.1	79,7	14.1	45,7	13.8
Northeastern	92,8	15.4	54,5	15.6	83,4	14.8	47,7	14.4
Southeastern	94,0	15.6	52,5	15.0	92,0	16.3	50,7	15.3
South Central	72,5	12.0	42,6	12.2	62,6	11.1	37,8	11.4
Southwestern	170,6	28.3	99,6	28.5	163,8	28.9	97,1	29.4
Total for the country	**602,1**	**100.0**	**349,8**	**100.0**	**565,0**	**100.0**	**330,4**	**100.0**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Buffalo farms shrank by 4.1% in 2008, but the number of buffaloes increased by 2.8%. The number of buffaloes increased in holdings, raising 3 to 19 animals.

As of 01.11.2008, buffaloes in the country numbered 9,222 units, which is 2.8% more than the preceding period. The increase in female buffaloes stood at 3.1%. According to the distribution of buffaloes, including female buffaloes per planning regions, most animals are bred in the Northwestern region – 25.6% of the total number of buffaloes, followed by the Southeastern region with 20.7%.

Table II.36.

Units of buffaloes per planning regions

Regions	2007				2008			
	Male buffaloes		Female buffaloes		Male buffaloes		Female buffaloes	
	Thousand units	%	Thousand units	%	Thousand units	%	Thousand units	%
Northwestern	2,3	25.5	1,4	27.5	2,9	31.5	1,6	29.6
North Central	1,6	17.8	0,9	17.6	1,4	15.2	0,7	13.0
Northeastern	0,6	6.7	0,3	5.9	0,6	6.5	0,3	5.6
Southeastern	1,9	21.1	1,1	21.6	1,9	20.7	1,2	22.2
South Central	0,9	10.0	0,5	9.8	0,8	8.7	0,6	11.1
Southwestern	1,7	18.9	0,9	17.6	1,6	17.4	1,0	18.5
Total for the country	**9,0**	**100.0**	**5,1**	**100.0**	**9,2**	**100.0**	**5,4**	**100.0**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, milk produced in the country amounted to 1,277.4 million litres, including 777,412 thousand litres of processed milk (9.4% less compared to 2005), and the share of cow milk was 86.9%, sheep's – 6.7%, goat's – 5.9% and buffalo's – 0.5%.

As per planning regions, the largest amount of milk was produced in the South Central region (27.1%), followed by the Southeastern region – 16.2%. Milk produced in the Southwestern region has the lowest share – 13.1%.

Compared with 2007, cow milk production is 0.4% less, whereas the average milkiness of cows in the country increased to 3,527 litres. Goat milk production is 11.1% less and the production of buffalo and sheep milk has reported a growth (1.7 and 3.9% respectively). The average milkiness of female buffaloes was 1,308.7 litres, of breeding sheep – 77.2 litres, and of ewes – 212 litres.

Table II.37.

Milk production for the period 01.11.07 – 31.10.08, thousand litres

Regions	Total milk	Cow's milk	Buffalo's milk	Sheep's milk	Goat's milk
Northwestern	189,368	151,212	1,705	13,670	22,781
North Central	174,742	157,612	781	7,955	8,394
Northeastern	193,161	166,343	278	15,171	11,369
Southeastern	207,246	179,166	1,574	15,301	11,205
South Central	345,665	313,948	1,749	21,504	8,464
Southwestern	167,202	141,612	863	11,657	13,070
Total for the country	**1,277.384**	**1,109.893**	**6,950**	**85,258**	**75,283**
Change 2008/2007, %	**- 0.9%**	**- 0.5 %**	**1.7%**	**3.9 %**	**-11.1%**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, meat production from cattle (Bovinae) was 20,028 tonnes, representing 17.5% of the total production of red meat in the country. In comparison with 2007, the yield of Bovinae meat declined by 8.1%, with most of the production being carried out in the holdings, and only 28.8% of total production being carried out in industrial production. The total number of cattle slaughtered in slaughterhouses is 4.9% less compared to 2007. Their total carcass weight also fell by 5.6%. Increase in the average live weight, at which animals were slaughtered, was observed with calves – 14.5%, and oxen – 17.2%. In general, the average live weight with Bovinae is 0.5% lower compared to 2007. The average carcass weight of Bovinae animals, slaughtered in 2008, decreased by 0.7% compared to 2007. The number of Bovinae animals slaughtered in holdings decreased by 6.9%, while the average live weight increased by 0.7%.

Table II.38.

2007 and 2008 meat production in carcass weight

Categories of livestock	Industrial production, tonnes			Meat yield on agricultural holdings, tonnes		
	2007	2008	%	2007	2008	%
Calves	855,30	1,396.30	63.25	10,228.5	8,426.8	-17.60
Other cattle and buffaloes	5,218.70	4,336.90	-16.90	5,475.5	5,769.1	5.36
Total for the country	**6,074.00**	**6,071.90**	**-0.03**	**15,704.0**	**14,195.9**	**-9.60**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, the slaughterhouses for red meat classified 9,071 units of cattle, applying the scale (S)EUROP, which determines the carcass quality,.

2.2.2.2. Sheep and goat breeding

The importance and the development of sheep and goat breeding is determined by the fact that these industries ensure the earning of a large part of the population in villages, and their production is in demand on European and international markets.

During the reference period in the sheep breeding industry, the following reductions were observed – in the number of sheep by 3.4%, and in the number of sheep farms by 11.7%. Holdings raising 1 to 9 animals decreased by 13%, compared to 2007, while holdings with over 100 ewes increased by 21.8%. The average size of sheep flocks in the country is 11 units, while ewes are 9.5 units on average per farm.

During the past period, there is a reduction in goat farms and as of 01.11.2008, they numbered 138.6 thousand, at an average number of 3.1 goats per farm. Growth of 8.2% on average was recorded in holdings raising 100 or more goats. They breed 21 thousand units of livestock.

Table II.39.

Units of sheep per planning regions in 2007 and 2008

Regions	Sheep, total, thousand units			Including ewes, thousand units		
	01.11.2007	01.11.2008	2008/2007, %	01.11.2007	01.11.2008	2008/2007, %
Northwestern	200,1	186,7	- 6.7	155,4	142,6	-8.2
North Central	216,9	200,9	-7.4	170,5	157,5	-7.6
Northeastern	284,4	290,3	2.1	231,9	222,6	-4.0
Southeastern	291,6	272,6	-6.5	245,1	233,6	-4.7
South Central	203,8	199,6	-2.1	164,4	169,2	2.9
Southwestern	329,6	324,7	-1.5	266,1	272,6	2.4
For the country	**1,526.4**	**1,474.8**	**-3.4**	**1,233.4**	**1 198.1**	**-2.8**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, the total number of goats was 429,834, which is 13.2% less than in 2007. With ewes the reduction was 12.5%, and with pullets – 15.2%.

The data shows a decrease in the number of goats, including ewes. As per planning regions, the greatest decrease was in the Northwestern region – 16.3%, while the smallest – in the South Central region – only 3.1%. The situation with the number of ewes is analogical.

Table II.40.

Units of goats per planning regions in 2007 and 2008, thousand units

Regions	Goats, total			Including ewes		
	01.11.2007	01.11.2008	2008/2007, %	01.11.2007	01.11.2008	2008/2007, %
Northwestern	121,7	101,9	-16.3	96,1	81,3	-15.4
North Central	71,0	60,5	-14.8	56,9	47,9	-15.8
Northeastern	62,1	55,9	-9.9	51,0	44,8	-12.2
Southeastern	86,9	70,9	-18.4	71,9	60,1	-16.4
South Central	96,3	85,0	-11.7	82,3	74,4	-9.6
Southwestern	57,5	55,7	-3.1	47,8	46,6	-2.5
For the country	**495,5**	**429,9**	**-13.2**	**406,0**	**355,1**	**-12.5**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The production of sheep and goat milk amounted to 160,541 thousand litres, representing 12.6% of total milk obtained in 2008. Production of sheep milk amounted to 85,258 thousand litres and of goat milk – to 75,283 thousand litres. Compared with 2007, 3.9% more sheep milk is obtained, while the production of goat milk has decreased by 11.1%. Preserved is the trend of obtaining the highest amount of sheep milk from the South Central region – 21,504 thousand litres, followed by the Southeastern region.

Leading in the production of goat milk is the Northwestern region, which produces 30.2% of goat milk in the country, followed by the Southwestern region – 17.4%.

In 2008, the production of mutton amounted to 15,768.3 tonnes, and the production of goat meat – to 5,093.6 tonnes. In slaughterhouses and in livestock holdings, 1,582.0 thousand units of sheep and 462 thousand units of goats were slaughtered, with the number of slaughtered sheep reporting a decrease of 3.2% compared to 2007, while that of slaughtered goats – of 8.9%. Total sheep slaughters in slaughterhouses are 12.0% less in 2008 than in 2007 and the production of mutton decreased by 8.9%. The average live weight of lambs, slaughtered in 2008, decreased by 0.1%.

Observation of the total meat produced from cattle in 2008 reveals a decrease of 11.8% compared to 2006 and of 10.5%, compared with 2007. The number of slaughtered goats declined by 8.9%, and that of slaughtered sheep – by 3.2%.

2.2.2.3. Pig breeding and farrowing

Pig breeding and farrowing is a sector of key importance in the production of red meat in Bulgaria. In 2008, its development was accompanied by a more thorough implementation of the Common Agricultural Policy (CAP), namely a wider application of the European system of grading pig carcases (S)EUROP. Hence, the significant improvements in the selection process, which is and remains dedicated to increasing the productive and slaughtering performance of pigs. Moreover, there is a visible change in the structure of pig farms, with the increasing share of consolidated holdings, which is related to their ability to meet the requirements for humane animal treatment and production of quality and safe produce.

During the reference period, there is a significant decrease in the total number of pigs and the number of sows in particular. The total number of pigs was 783,600 units, which is 11.8% less than in 2007, while the number of sows declined by 12.1%.

Table II.41.

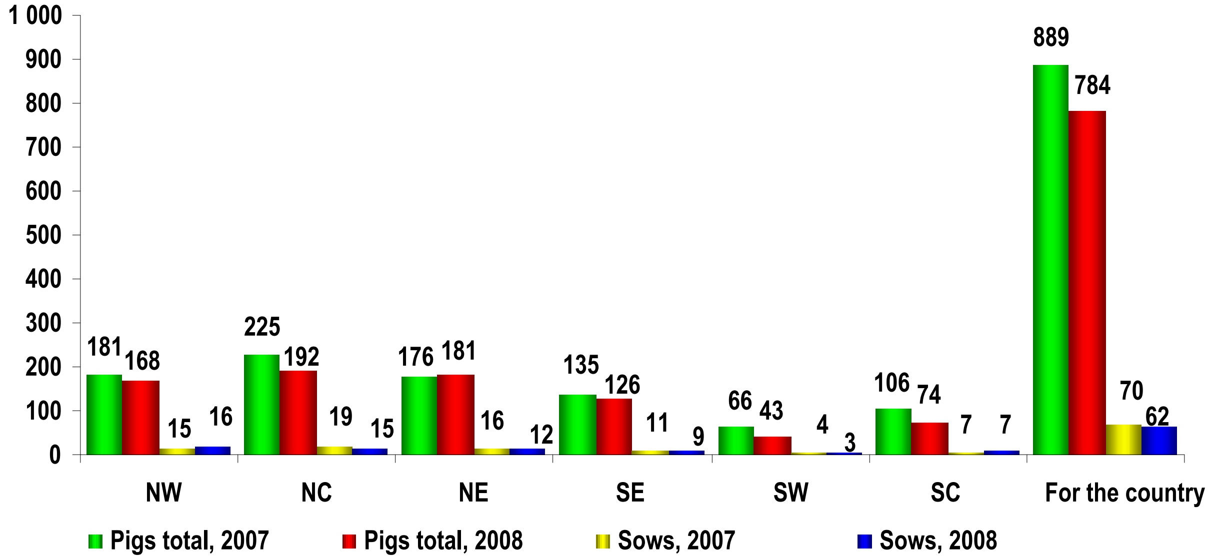
Units of pigs per planning regions in 2007 and 2008

Regions	Pigs, total			Sows		
	01.11.2007	01.11.2008	2008/2007, %	01.11.2007	01.11.2008	2008/2007, %
Northwestern	180,5	168,4	- 6.7	15.4	16.1	+4.5
North Central	225,3	191,7	-14.9	18.6	15.0	-19.4
Northeastern	176,2	181,1	+2.8	15.8	12.2	-22.8
Southeastern	134,9	125,7	-6.8	10.6	8.7	-17.9
Southwestern	65,6	42,9	-34.6	3.5	2.7	-22.9
South Central	106,1	73,8	-30.4	6.5	7.2	+10.8
Bulgaria	**888,6**	**783,6**	**-11.8**	**70.4**	**61.9**	**-12.1**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Figure II.12.

Units of pigs per planning regions in 2007 and 2008



Source: *Ministry of Agriculture and Food, Directorate for Crops and Livestock Production*

The distribution of pigs as per planning regions shows that, except for the Northeastern region where the total number of pigs has increased compared to 2007, in 2008 all regions have marked a decrease in the total number of pigs. The number of sows has increased in the Northwestern and the South Central regions, by 4.5% and 10.8% respectively .

The largest decrease in the total number of pigs was recorded in the Southwestern region – by 34.6% and the South Central region – by 30.4%, while the largest decrease in the number of sows was recorded in the Northeastern region – by 22.8%, and in the Southwestern region – by 22.9%.

The observed growth in the number of sows in the Northwestern and the South Central regions will contribute to stabilizing number of pigs in those regions.

As of 01.11.2008, the number of holdings breeding pigs has decreased by 20.4% over the same period in 2007.

The number of sows weighing over 50 kg decreased by 10%, which is due to the significant reduction in the number of holdings with a capacity of 1 to 9 and of 50 to 199 pigs, and these are holdings that have failed to meet tightened requirements for raising pigs in the light of the country's accession to the EU. Meanwhile, adverse weather and economic conditions in 2007 affected the production process in the pig breeding and farrowing industry in 2008, resulting in continuing reductions in both the number of holdings and the units of animals. The lack of financial support for this sector in the EU, respectively in Bulgaria, also contributed to the contraction of pig production.

Table II.42.

Distribution of sows weighing over 50 kg as per units of animals per farm as of 01.11.2008

Units of animals per farm	Holdings		Sows weighing over 50 kg	
	Units of animals	Change 2008/2007, %	Thousand units	Change 2008/2007, %
1-2	6,951	-19.7	8,8	-19.3
3-9	1,168	-28.7	5,4	-28.0
10-49	516	-3.7	8,4	-6.7
50-199	62	-38.0	5,4	-40.0
200 and more	55	0.0	48,9	-0,2

Total	**8,752**	**-20.4**	**76,9**	**-10.0**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The distribution of sows weighing over 50 kg as per units of animals per farm as of 01.11.2008 shows that holdings with 200 units of sows and above, as well as other animals raised there, have remained at their 2007 level and they breed 63.6% of the total number of units of sows. Only holdings raising sows with a capacity of 500 units and above increased by 41.8% and they raise 43.4 thousand units of animals. Eleven holdings breed 24.4% of the pigs for fattening, weighing over 50 kg (96.6 thousand units of pigs for fattening). This illustrates that large-scale investments in consolidated holdings make them competitive and capable of development in the new environment.

During the reference period, according to data released by the Directorate for Agricultural Statistics, pork production was 73,757.1 tonnes, which is 3.3% less than in 2007. It accounted for 64.3% of total production, which is 34.4% more than red meat industrial production in the country.

A total of 1,005 thousand pigs were realised, which is 2.8% less than in 2007.

In 2008, the slaughterhouses for red meat classified 93,971units of pig carcasses, applying the scale (S)EUROP

2.2.2.4. Horse breeding

According to data released by the National Veterinary Service, the number of equine in 2008 increased slightly (by 4%) compared to 2007, reaching 175,091 units. Around 60% of the total number of equine are horses of different categories – for work, breeding, sport, tourism or riding. There is a tendency for increasing the number of registered horses in the herd books of various breeds. Horses registered in 2008 were approximately 3.5% of the total stock of equine.

Selection and reproduction activities are completed by the National Association of Horse Breeding and through subsidies from the *Agriculture* State Fund, which financed the Programme for monitoring the performance of registered horses.

In 2008, Bulgaria was inspected by the International Stud Book Committee of purebred English horses. The feedback on the work of the Bulgarian Stud Book Committee was positive, allowing the export of purebred horses born in Bulgaria at competitive prices.

2.2.2.5. Poultry breeding

The development of the poultry sector in 2008 was affected by the unfavourable weather conditions during the second half of 2007, the inadequate supply of cereals and the steady trend of high prices of compound fodder.

As a result thereof, in 2008, there is a reduction in the number of all poultry species, except for turkeys. The total number of poultry decreased by 6.1%, including the total number of: laying hens and pullets – by 4.9%; chickens for fattening – by 2.9%; waterfowl – by 27.5%; other poultry – by 20.8%. The number of laying hens and pullets, kept in large poultry facilities, decreased by 2.9% compared to 2007. The number of large holdings with 10,000 and above laying hens and pullets decreased from 79 units to 75 units, with the number of poultry reared in them remaining relatively constant. The number of layers and pullets in sites with capacity from 10,000 units to 99,999 units of poultry increased by 2.6%.

In 2008, there is an increase of 16.6% in farms for fattening chickens, while the number of chickens in them decreased by 2.9%.

Table II.43.

Units of laying hens, pullets and chickens for fattening as of 31.12.2008

Category of poultry	2007		2008	
	Big farms	Small farms	Big farms	Small farms
Laying hens	4,358	2,980	4,302	2,815
Pullets	1,185	730	1,076	605
Chicken for fattening	7,052	121	6,820	147
Total	**12,595**	**3,831**	**12,198**	**3,567**

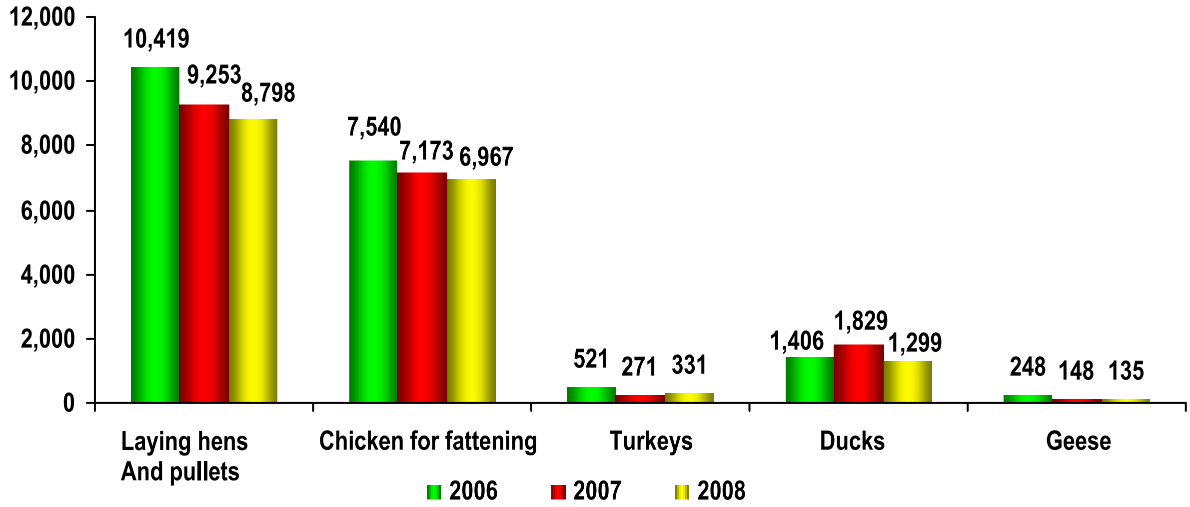
Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

As per planning regions, most poultry is reared in the Northwestern region – 23.7%, followed by the North Central and the Northeastern regions.

According to the type of poultry the majority of: hens and pullets were reared in the Northeastern region – 21.3%; chickens for fattening – in the North Central region – 28.6%; turkeys – in the Northwest planning region – 50.4%; ducks – in the South Central region – 47.2%, and geese – in the Northwest planning region – 54.1%.

Figure. II.13.

Number of poultry at the end of the year

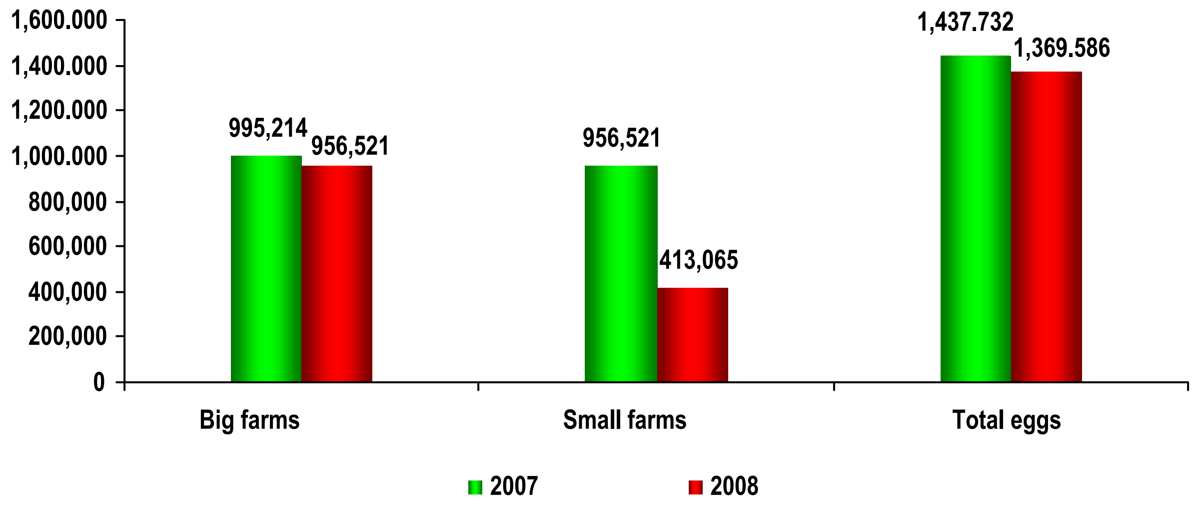


Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In 2008, 1,507.909 thousand eggs were produced in Bulgaria, which was 4.5% less than in 2007. Hen eggs increased by 99.6% of total production, but eggs for consumption were 4.7% less than in 2007.

Figure. II.14.

Number of produced eggs for consumption in 2007 and 2008



Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

As per planning regions, most eggs are produced in the Northeastern region – 22.9% of the total production, followed by the North Central and Northwestern regions. Least eggs were produced in the Southwestern region – only 0.8%.

Table II.44.

Production of eggs in 2008 per planning regions, thousand units

Region	Hen eggs	Other eggs	Total eggs	2008/2007, %
Northwestern	263,909	2,752	266,661	-13.7
North Central	300,291	1,282	301,573	-3.6
Northeastern	345,069	275	345,344	12.5
Southeastern	235,770	338	236,108	2.0
South Central	126,258	1,596	127,854	-32.4
Southwestern	230,151	218	230,369	0.2
For the country	**1,501.448**	**6,461**	**1,507.909**	**-4.5**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Production of hatching eggs from hen increased by 4.6% in 2008, the main share being held by hatching eggs for the production of broilers (89.3%), while only 8.3% are intended for hatching hens.

Poultry meat produced in 2008 was 108,552 tonnes, which is 6.7% less compared to 2007. Out of around 61 million poultry slaughtered in total – 84.1% were slaughtered in special slaughterhouses and the meat obtained there amounted to 91,341 tonnes and 15.9% directly in the holdings with produced 17,211 tonnes of meat. In industrial production, the largest share is held by broiler meat – 83.6%, followed by duck meat – 13.4%. Data shows that the decline in the production of poultry meat is due to the decline in carcass yield – 6.7% less than in 2007.

Table II.45.

Poultry meat yield in 2007 and 2008

Production	Slaughtered poultry, thousand units			Total meat and offal, tonnes		
	2007	2008	%	2007	2008	%
Total for the country	66,627	61,055	-8.4	116,389	108,563	-6.8
In agricultural holdings	8,193	8,055	-1.7	16,236	17,211	6.0
In slaughterhouses	58,434	53,000	-9.3	100,153	91,352	-8.8

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2.2.2.6. Beekeeping

At the beginning of the active season, starting on 01.05.2008, the number of apiaries in the country was 31,026, breeding 652,586 bee colonies. Thus, the average number of families in an apiary reached 21. The largest number of apiaries was recorded in the following districts: Bourgas – 2,075; Pleven – 1,802; and Haskovo – 1,787.

The district of Dobrich ranks first in number of bee colonies – 50,628 where the average number of families per apiary is 43 bees, followed by the districts of Pleven with a total of 47,311 bees, and Bourgas – with a total of 47,405 bees.

The year of 2008 was relatively good in terms of climate conditions for the production of honey. The yield of 2008 crops amounted to 11,377 tonnes, which is 85.3% more compared to 2007. The average yield per bee family amounted to 17.6 kg, which is twice bigger than in the preceding year. This yield is quite normal for a “regular” beekeeping year, unlike the disastrous 2007, when the yield per bee family had reached its lowest level, amounting to 8.6 kg.

The realization of honey in Bulgaria in the period between 01.05.2007 and 01.05.2008 is as follows:

- Direct sales to end consumers – 2,797 tonnes;
- Direct sales to retailers (in stores) – 731 tonnes;
- Sales to processing enterprises – 2,264 tonnes;
- Sales to the industry – 136 tonnes;
- For own consumption and foddering of bees – 2,051 tonnes;

Unrealized quantities of honey as of 01.05.2008 amounted to 1,229 tonnes.

According to data, released by the Directorate for Agricultural Statistics, 9,504 bee families died from poisoning, 11,777 bee families died of diseases, 20,937 bee families died of starvation and 41,873 bee families perished for other reasons.

644,954 bee families underwent treatment against varroatosis and the average cost per treatment was BGN 2.44.

In 2008, the first National Programme on Beekeeping for the period 2008 – 2010 was launched. The following activities are eligible for financial aid after the submission of an application: purchase of drugs against varroatosis; performing spring prophylactic examinations of bee families; analysis of the physico-chemical characteristics of honey; purchase of laboratory equipment for analysis of the physico-chemical characteristics of honey; purchase of bee hives and clusters.

Out of the annual budget, amounting to BGN 816,567, 35% was utilized. In this regard, Bulgaria does not differ significantly from other Member States, which have also failed to utilise in full the funds provided for the first year of implementation of their national programmes.

In order to improve the assimilation of funds granted to implement the programme, in 2009 its procedures were adjusted for implementation by the Agriculture State Fund – Payment Agency. The process of documents admission and consideration was simplified and some of the field checks were scrapped.

In 2008, support continued for the National Association of Bee Breeding in its activities of performing the essential selection events in determining the racial identity, control of the biological and productive qualities of bee families.

As a result, for the reference period, the National Association of Bee Breeding supervised over 11,000 bee colonies from the National Gene Pool and the elite of the bee population, located in 35 apiaries.

2.3. Prices

2.3.1. Prices for vegetable production

Bread wheat

The average price of bread wheat in 2008/09 marketing year stood at BGN 222 per tonne, which is nearly twice lower compared to the price in the preceding 2007/08 marketing year. The reason for the huge price drop in the 2008/09 season was the increased production of wheat from 2008 crops and the lower prices on international markets.

According to data, gathered by SAPI Ltd., the buyout campaign of 2008 wheat crops started at lower price levels over the preceding year. In July 2008, wheat was trading at an average price of BGN 262 per tonne or around 22% lower on a year-over-year basis. In the next three months (August, September, October 2008), the price remained relatively stable, fluctuating in the range of BGN 250 per tonne and BGN 266 per tonne. From November until the end of the 2008/09 marketing year, wheat price rates in the domestic market cancelled the preceding year's advance margin, recording a significant decrease, compared with year-over-year levels. Instigated by expectations for smaller production from 2009 crops over the preceding year's crops, in the last month of the 2008/09 marketing year the buyout price of bread wheat marked a slight growth, reaching BGN 219 per tonne.

Table II.46.

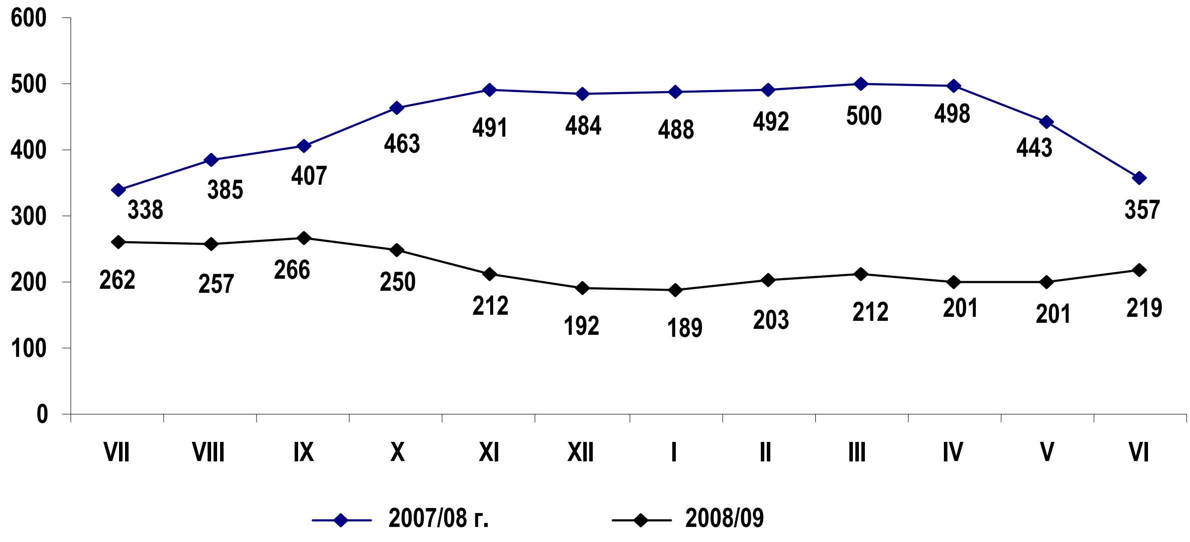
Buyout prices of bread wheat for the period 2007/08 – 2008/09

Year	Measurement unit	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	Average
2008/09	BGN/tonne	262	257	266	250	212	192	189	203	212	201	201	219	222
	USD/tonne	211	197	195	170	138	131	128	133	142	136	141	157	157
2007/08	BGN/tonne	338	385	407	463	491	484	488	492	500	498	443	357	446
	USD/tonne	237	268	290	337	369	360	367	371	397	401	352	284	336

Source: *SAPI LTD*

Figure. II.15.

Buyout prices of wheat in Bulgaria in 2007/08 and 2008/09 marketing years, BGN



Fodder wheat

In the 2008/09 marketing year fodder wheat was trading at prices varying between BGN 177 and BGN 240 per tonne. These values are significantly below prices in the 2007/08 marketing year, due to the increased supply of fodder grain.

According to data, gathered by SAPI Ltd., the buyout price of fodder wheat in early 2008/2009 (July 2008) was BGN 234 per tonne, or 28% below the preceding year. In the next three months, fodder wheat was bought out at prices from BGN 228 per tonne to BGN 240 per tonne. Starting in October 2008, buyout prices of fodder wheat plummeted under the pressure of increased supply from BGN 228 per tonne to BGN 179 per tonne in January 2009. From January 2009 until the end of the 2008/09 marketing year, the buyout prices of fodder wheat remained relatively stable, moving within the range of BGN 177 BGN per tonne and BGN 190 per tonne.

Table II.47.

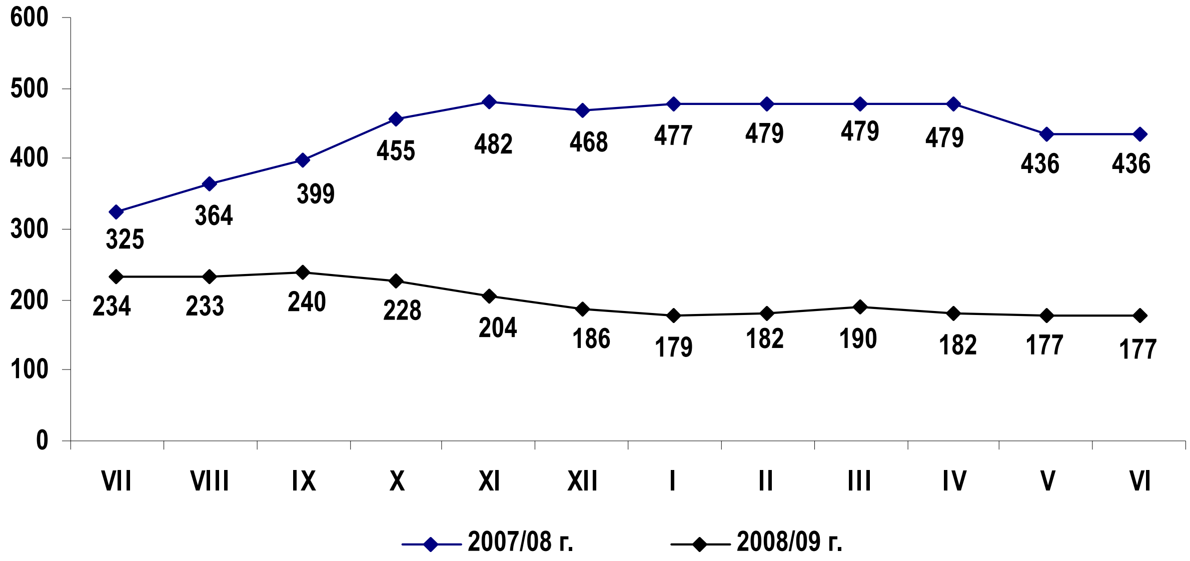
Buyout prices of fodder wheat in the period 2007/08 – 2008/09

Year	Measurement unit	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	Average
2008/09	BGN/tonne	234	233	240	228	204	186	179	182	190	182	177	177	201
	USD/tonne	189	178	176	155	133	127	121	119	127	123	124	127	142
2007/08	BGN/tonne	325	364	399	455	482	468	477	479	479	479	436	365	434
	USD/tonne	228	254	284	331	362	349	359	361	380	386	347	290	328

Source: SAPI LTD

Figure. II.16.

Buyout prices of fodder wheat in the market years 2007/08 and 2008/09, BGN



Flour and bread

Prices of flour are in direct relation to the volume of production and the buyout prices of wheat during the reference year. Low buyout prices of wheat due to the high production of 2008 crops, contributed to lowering the price of other products down the chain – flour and bread.

Following the trend in the prices of bread wheat, in the 2008/09 marketing year the prices of flour in the country fluctuated considerably below the levels of the preceding year. The average wholesale price of flour "Type 500" in the 2008/09 marketing year was BGN 547 per tonne, or 29% lower than in the 2007/08 marketing year.

According to data, gathered by SAPI Ltd., the first month of 2008/09 marketing year (July 2008), one tonne of flour "Type 500" was traded on the domestic market at a price of BGN 657 per tonne, which is around 12% more on a year-over-year basis. Reflecting the decrease in buyout prices of bread wheat, the average wholesale prices of flour followed a downward movement at the end of the 2008/09 harvesting campaign (June 2009) reaching BGN 478 per tonne.

Low buyout prices of wheat due to the high production of 2008 crops contributed to lowering the retail price of white bread. According to data, gathered by SAPI Ltd., bread was traded at BGN 1.43 per kg in July 2008, dropping to BGN 1.26 per kg in June 2009. During the first 5 months of the 2008/09 marketing year, retail prices of white bread varied from BGN 1.39 per kg to BGN 1.43 per kg, recording an increase, compared with year-over-year levels. Starting in December 2008, prices continued falling, but their levels were already below the reference levels on a year-over-year basis. From April 2009 until the end of the season, retail prices of "Stara Zagora" bread kept steady at the price of BGN 1.26 BGN per kg.

The reported average retail price of "Stara Zagora" bread in the 2008/09 marketing year stayed at the level reached a year earlier – BGN 1.34 per kg.

Table II.48.

Wholesale and retail prices of flour and bread in the period 2007/08 – 2008/09

Prices	Measurement unit	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	Average price
2008/09														
I. Flour														
1. Flour type 500														
Wholesale price	BGN/tonne	657	621	601	586	558	533	520	515	508	496	491	478	547
Retail price	BGN/kg	1,18	1,07	1,03	1,00	0,98	0,93	0,89	0,87	0,85	0,84	0,83	0,83	0,94
2. Flour type 700														
Wholesale price	BGN/tonne	628	580	555	540	517	493	481	477	471	458	453	446	508
II. Bread														
1. "Stara Zagora" bread														
Wholesale price	BGN/kg	1,29	1,28	1,27	1,26	1,22	1,16	1,15	1,11	1,07	1,10	1,10	1,11	1,18
Retail price	BGN/kg	1,43	1,41	1,41	1,41	1,39	1,35	1,34	1,30	1,26	1,26	1,25	1,26	1,34
2. "Dobroudzha" bread														
Wholesale price	BGN/kg	1,21	1,18	1,17	1,17	1,15	1,09	1,07	1,05	1,01	1,02	1,03	1,03	1,10
Retail price	BGN/kg	1,29	1,28	1,27	1,27	1,25	1,21	1,20	1,17	1,13	1,12	1,11	1,13	1,20
2007/08														
I. Flour														
1. Bread type 500														
Wholesale price	BGN/tonne	588	689	703	785	834	819	824	826	829	829	804	722	771
Retail price	BGN/kg	0,79	0,88	0,95	1,09	1,14	1,20	1,21	1,21	1,22	1,23	1,22	1,21	1,11
2. Bread type 700														
Wholesale price	BGN/tonne	565	667	680	758	807	791	790	789	794	793	769	679	740,17
II. Bread														
1. "Stara Zagora" bread														
Wholesale price	BGN/kg	1,02	1,12	1,14	1,19	1,25	1,25	1,28	1,27	1,28	1,29	1,29	1,29	1,22
Retail price	BGN/kg	1,05	1,21	1,23	1,35	1,37	1,38	1,41	1,41	1,42	1,43	1,43	1,43	1,34
2. "Dobroudzha" bread														
Wholesale price	BGN/kg	0,97	1,04	1,06	1,03	1,15	1,15	1,19	1,18	1,20	1,20	1,20	1,20	1,13
Retail price	BGN/kg	0,99	1,10	1,12	1,22	1,23	1,23	1,26	1,26	1,27	1,28	1,28	1,28	1,21

Source: *SAPI LTD*

During the 2008/09 marketing year, retail prices of “Dobroudzha” bread varied in the range of BGN 1.29 per kg and BGN 1.11 per kg. The 2008/09 marketing year started with a retail price of BGN 1.29 per kg. Reflecting the fall in prices of flour, the average retail price of “Dobroudzha” bread, continued its downward movement in the months to come, reaching BGN 1.11 per kg in May 2009. In the last month of the 2008/09 marketing year, a minimal increase in the price of “Dobroudzha” bread was reported when the average price went up to BGN 1.13 per kg.

Average wholesale and retail prices of “Dobroudzha” bread in the 2008/09 marketing year were BGN 1.10 per kg and BGN 1.20 per kg respectively, or around 3% and 1% lower compared with the average prices of the preceding 2007/08 marketing year.

Barley

Reported grain production in Bulgaria during the 2008/09 marketing year hit a record high for the last four years, reaching almost twice the necessary amount to cover domestic consumption. Increased supplies of cereals on the domestic market since the beginning of the marketing year have led to a decrease in the price of grain in the country.

Barley 2008 crops started with significantly lower buyout prices than the preceding year – BGN 244 per tonne in July 2008 versus BGN 307 per tonne in July 2007. The buyout prices continued their downward movement until January 2009 and dropped to BGN 186 per tonne. The lowest average buyout price was recorded in February 2009 – BGN 185 per tonne. In the following months, the price of barley set at BGN 186 per tonne level with a slight increase of BGN 10 per tonne being recorded in the last month of the 2008/09 marketing year.

Table II.49.

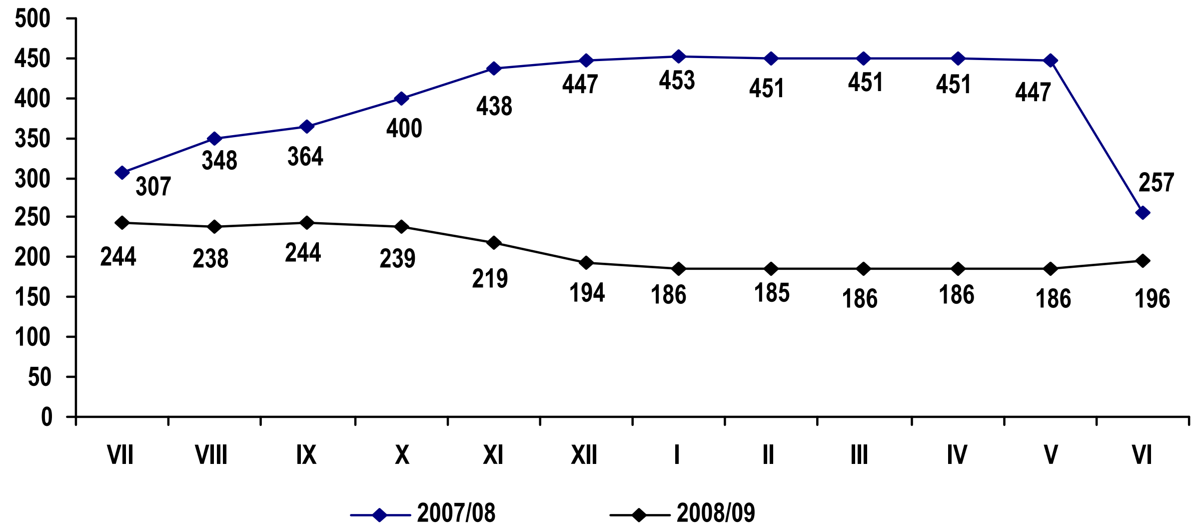
Buyout prices of fodder barley in the period 2007/08 – 2008/09 marketing years

Year	Measurement unit	VII	VIII	IX	X	XI	XII	I	II	III	IV	V	VI	Average
2008/09	BGN/tonne	244	238	244	239	219	194	186	185	186	186	186	196	209
	USD/tonne	197	182	179	163	143	133	126	121	124	126	130	140	147
2007/08	BGN/tonne	307	348	364	400	438	447	453	451	451	451	447	257	401
	USD/tonne	215	242	259	291	329	333	341	340	358	363	356	204	303

Source: *SAPI LTD*

Figure. II.17.

Buyout prices of barley in the 2007/08 and 2008/09 marketing years, BGN



Maize

According to data, gathered by SAPI Ltd., the 2008/09 marketing year started with average buyout prices of maize of BGN 265 per tonne in the country. This price level is lower compared to the beginning and the end of the previous marketing year, BGN 430 per tonne in September 2007 and BGN 424 per tonne in August 2008 respectively. In the first five months of the new 2008/09 marketing year, prices followed the trend of decrease – from BGN 233 per tonne in September 2008 to BGN 182 per tonne in January 2009. Although maize production shrank, the increase in cereal production as a whole, both in Bulgaria and on a global scale, had an impact on the price drop in cereals, including maize.

Regardless of the stagnation in the beginning of the marketing year, during the period February-July 2009, an upward movement of prices was recorded at the maize market. Buyout prices during this period rose by about 23% (from BGN 182 per tonne in January to BGN 224 per tonne in July 2009). In the last month of the 2008/09 marketing year (August 2009), the relatively good outlook for new crops reflected on the buyout price of maize and the latter slumped to BGN 210 per tonne, around 6% less, compared to the preceding month.

During the 2008/09 period, maize was trading at significantly lower levels compared to the preceding marketing year.

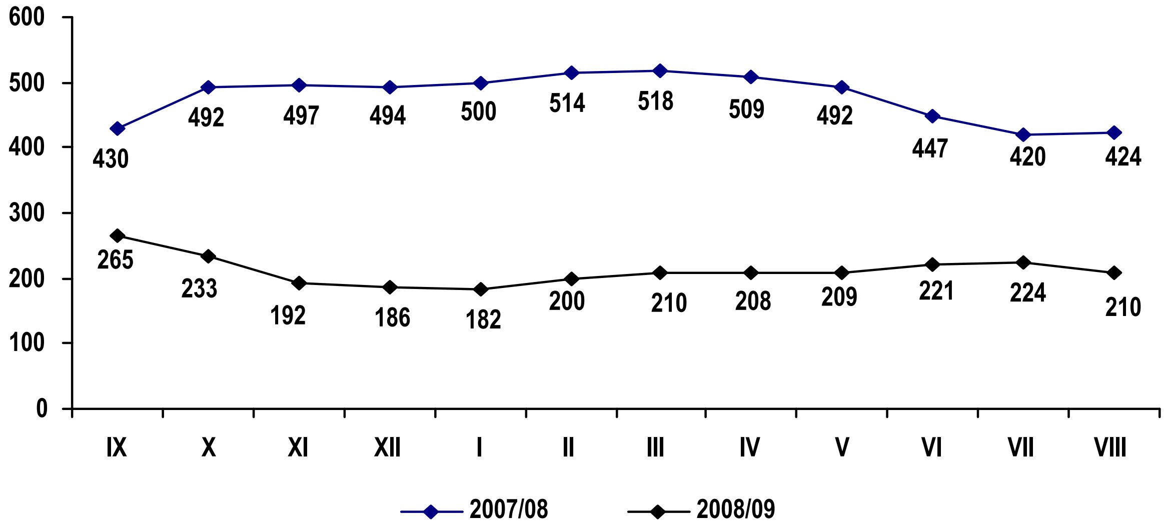
Table II.50.

Year	Measurement unit	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	Average
2008/09	BGN/tonne	265	233	192	186	182	200	210	208	209	221	224	210	212
	USD/tonne	195	158	125	127	123	131	140	140	147	158	161	153	147
2007/08	BGN/tonne	430	492	497	494	500	514	518	509	492	447	420	424	478
	USD/tonne	306	358	373	368	376	388	411	410	391	355	339	325	367

Source: *SAPI LTD*

Figure. II.18.

Buyout prices of maize and maize in the 2007/08 and 2008/09 marketing years, BGN



Sunflower

During the 2008/09 marketing year, oilseed sunflower was trading at lower prices compared with the preceding year, its average buyout price being 52% lower compared to 2007/08 marketing year.

The buyout campaign of 2008 crops of oilseed sunflower started at much lower levels than those in the preceding year (according to data, gathered by SAPI Ltd., – BGN 510 per tonne in September 2008 versus BGN 669 per tonne in September 2007), with a decrease of around 24%. In the period between September 2008 and January 2009, the buyout price of oilseed sunflower decreased by around 32%, and reached BGN 346 per tonne in January. In between January and July 2009, the buyout price of oilseed sunflower began to move upward, starting from BGN 346 per tonne in January and reaching BGN 450 per tonne in July 2009. The increase in the average buyout price of oilseed sunflower during this period was dictated by both the accrued storage costs and the already contracted supply. In September of the latest 2008/2009 marketing year, in anticipation of the new 2009 crops, oilseed sunflower prices dropped and traded at the price of BGN 429 per tonne, which is 4.7% lower than the preceding month.

Table II.51.

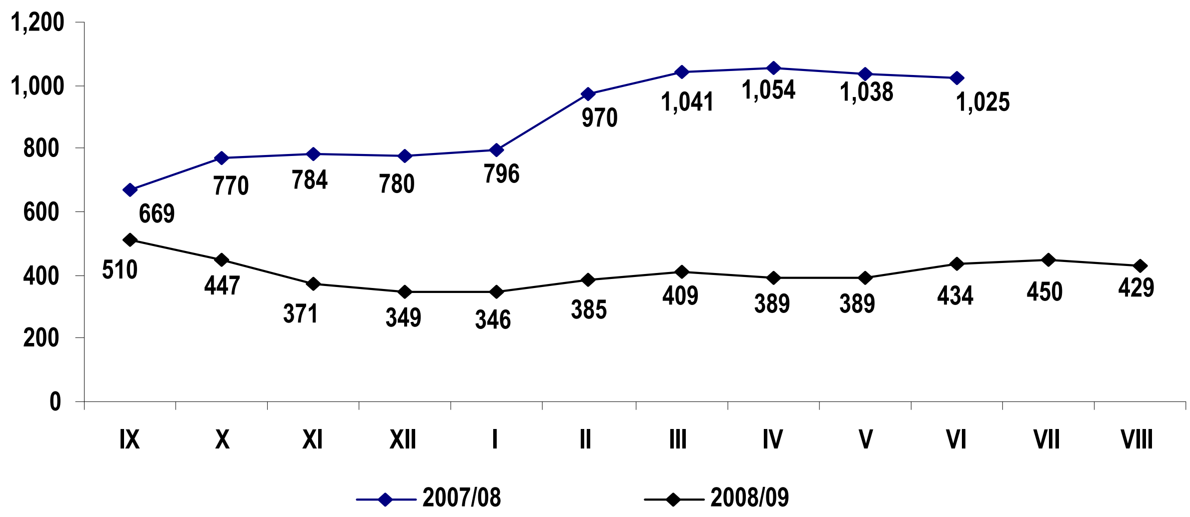
Buyout prices of oilseed sunflower in the 2007/08 and 2008/09 marketing years

Year	Measurement unit	IX	X	XI	XII	I	II	III	IV	V	VI	VII	VIII	Average
2008/09	BGN/tonne	510	447	371	349	346	385	409	389	389	434	450	429	409
	USD/tonne	374	304	241	239	234	252	273	263	273	311	324	313	282
2007/08	BGN/tonne	669	770	784	780	796	970	1041	1054	1038	1025	-	522	859
	USD/tonne	476	560	589	581	599	731	827	849	826	815	-	400	659

Source: *SAPI LTD*

Figure. II.19.

Buyout prices of maize and maize in the 2007/08 and 2008/09 marketing years, BGN



Tobacco

Raw tobacco is manufactured and purchased based on contracts signed between persons under Article 21 of the Tobacco and Tobacco Products Act and tobacco producers. In the process of negotiation the parties cannot sign contracts at prices, lower than the minimum buyout prices as set by the Council of Ministers.

Since 2007 the minimum buyout prices have been determined by the Council of Ministers per varietal groups in accordance with the appendix to Council Regulation (EEC) No.2075/92 of 30 June 1992 on the common organization of the market in raw tobacco (Classification of tobacco varieties).

Ordinance No.18 of the Council of Ministers, dated 08 February 2008, set the minimum buyout prices of tobacco from 2008 crops.

Table II.52.

Minimum buyout prices of tobacco from crops 2008

Varietal groups	I class, BGN/kg	II class, BGN/kg	III class, BGN/kg
Virginia	3,93	2,57	1,10
Burley	2,80	1,67	1,12
Basmi	7,00	4,40	1.80
Kabakoulak	3,62	2,83	1,77

Source: *Tobacco Fund*

The minimal buyout prices for “Virginia” varietal groups from 2008 crops have stayed at the 2007 crops level. Prices for the “Burley” varietal group dropped for I, II and III classes.

The minimal buyout prices for the “Basmi” varietal group from 2008 crops were increased for all three classes, compared to the minimal buyout prices in 2007.

"Kabakoulak" varietal group 2008 crops was bought out at reduced minimum price for Class I, while the price for Class II remained at the level of 2007, and prices for Class III increased by BGN 0.30 per kg, compared to the prices of 2007 crops.

Average buyout prices

The average buyout prices of raw tobacco are formed on the basis of minimum buyout prices and the quality characteristics of the crops from the reference year.

Table II.53.

Average buyout prices by years

Varietal groups	Average buyout prices			Chain index of change in average buyout price	
	Crops 2006	Crops 2007	Crops 2008	Crops 2007	Crops 2008
Basmi	3,80	4,18	4,69	10,00	12,20
Kabakoulak	1,92	2,18	2,86	13.54	31,19
Virginia	1,78	2,54	2,50	42,70	- 1,57
Burley	1,63	1,68	1,93	3,07	14,88

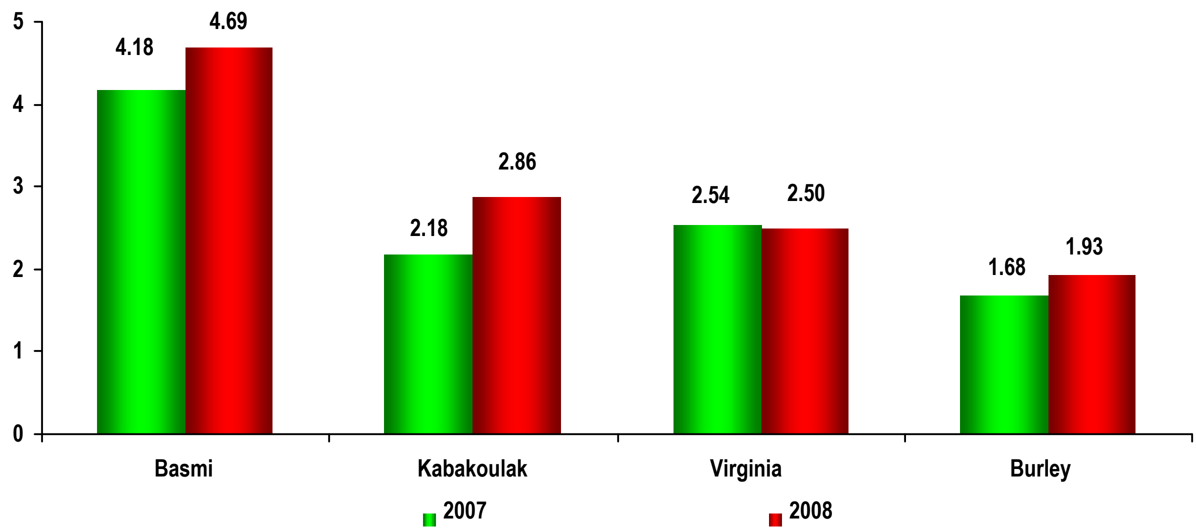
Source: *Tobacco Fund*

For varietal groups:

- "Basmi", "Kabakoulak" and "Burley" – the average buyout prices increased on an annual basis;
- "Virginia" – decreased by 1.57% in 2008 compared to 2007.

Figure. II.20.

Average buyout prices by varietal groups for 2007 – 2008 crops, BGN/kg



Source: *Tobacco Fund*

Table II.54.

Subsidised price for 2008 crops

Varietal groups	I class			II class			III class		
	Minimum buyout price	Premium	Price plus premiu m	Minimum buyout price	Premium	Price plus premium	Minimu m buyout price	Premium	Price plus premium
Basmi	7,00	4,50	11,50	4,40	4,20	8,60	1,80	3,70	5,50
Kabakoulak	3,62	3,85	7,47	2,83	3,55	6,38	1,77	3,25	5,02
Virginia	3,93	2,86	6,79	2,57	2,86	5,43	1,10	2,86	3,96
Burley	2,80	3,15	5,95	1,67	3,15	4,82	1,12	3,15	4,27

Source: *Tobacco Fund*

Subsidized prices by varietal groups per tobacco producer for 2008 crops are inflated compared to 2007, with the exception of "Burley" varietal group.

Table II.55.

End market price of producer based on the average buyout price and the premium granted per tobacco producer in 2007 and 2008

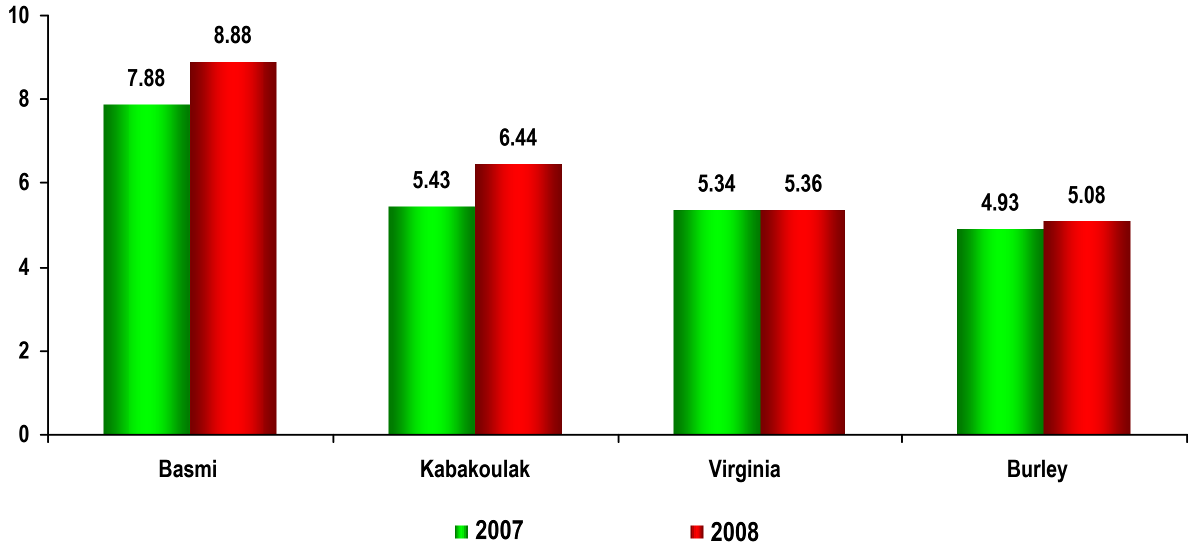
Varietal groups	End price of producer – 2007 Crops	Including:		End price of producer – 2008 Crops	Including:	
		Average buyout price in 2007	Premium for 2007		Average buyout price in 2008	Premium for 2008
Basmi	7,88	4,18	3,70	8,88	4,69	4,19
Kabakoulak	5,43	2,18	3,25	6,44	2,86	3,58
Virginia	5,34	2,54	2,80	5,36	2,50	2,86
Burley	4,93	1,68	3,25	5,08	1,93	3,15

Source: *Tobacco Fund*

There has been an increase in both components of the final market price – the average buyout price and the amount of premium for 1 kg of tobacco produce for all four varietal groups from 2008 crops, compared to 2007. It explains the increase in the final market price for all tobacco varietal groups.

Figure. II.21.

End market price of producer for 2007 – 2008 crops , BGN/kg



Source: *Tobacco Fund*

Prices of vegetables and fruits

Potatoes

The average wholesale price of potatoes in 2008 was BGN 0.55 BGN per kg – 14% less than the preceding year. In 2008, the prices of potatoes followed the typical seasonality of production and input costs for storage. Key factors for the formation of lower prices, compared to the preceding year, is the increased domestic production (by 18.19%) and the realisation of imports at lower prices.

Traditionally, the highest price levels were recorded during the first months of the year.

Table II.56.

Wholesale and retail prices of potatoes in 2008

Prices, BGN/kg	Average in 2007	2008												Average in 2008	Change 2008/ 2007, %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII		
In wholesale	0,64	0,63	0,61	0,56	0,51	0,52	0,57	0,48	0,52	0,54	0,54	0,54	0,54	0,55	-14.1
In retail	0,81	0,88	0,87	0,80	0,72	0,74	0,79	0,67	0,67	0,69	0,71	0,72	0,73	0,75	-7.4

Source: *SAPI LTD*

For the period January – May 2008, a gradual reduction in wholesale prices of potatoes is reported, as the downward movement is in the range of BGN 0.51 per kg and BGN 0.64 per kg. With the appearance of early potatoes on the market, June prices climbed up and the country's average price reached BGN 0.57 per kg. With the placement of the new 2008 crops on the market, in the next two months (July and August), price reduction typical for the season was observed. In the period September – December, the average wholesale price stayed at the level of BGN 0.54 per kg.

In 2008 retail prices, there was a trend similar to that of wholesale prices, but at higher levels. The average retail price was BGN 0.75 per kg, which is a 7.4% reduction, compared to the preceding year. The average monthly prices over the year ranged from BGN 0.67 per kg to BGN 0.88 per kg.

Tomatoes

The average wholesale and retail prices of tomatoes were BGN 1.67 per kg and BGN 2.15 per kg, marking a decrease by 9.7% and 3.6% respectively, compared to 2007.

Table II.57.

Wholesale and retail prices of tomatoes in 2008

Prices, BGN/kg	Average in 2007	2008												Average in 2008	Change 2008/2007, %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII		
In wholesale	1,85	2,21	2,14	1,99	2.36	2,18	1,29	0,93	0,92	0,94	1,57	1,64	1,84	1,67	-9,7
In retail	2,23	2,85	2,68	2,51	2,70	2,71	1,85	1,28	1,26	1,37	2,02	2,20	2,31	2,15	-3,6

Source: *SAPI L TD*

Over the year, the wholesale price ranged from 0.92 BGN/kg to 2.36 BGN/kg and the retail price ranged from 1.26 BGN/kg to 2.85 BGN/kg.

Cucumbers

In 2008, the prices of cucumbers followed the seasonal nature of production and fluctuated at levels, lower than those in the preceding year.

The average wholesale price of cucumbers in 2008 was BGN 1.78 per kg, which is 4.8% less, compared to 2007. Smaller reduction was recorded with the average retail price – by 2.7%, that fell to BGN 2.15 per kg.

Table II.58.

Wholesale and retail prices of cucumbers in 2008

Prices, BGN/kg	Average in 2007	2008												Average in 2008	Change 2008/ 2007, %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII		
In wholesale	1,87	2,46	3,16	2,57	1,92	0,87	0,96	0,91	1,00	1,32	1,72	1,75	2,70	1,78	-4.8
In retail	2,21	3,00	3,50	3,13	2,44	1,25	1,13	1,14	1,21	1,59	2,14	2,21	3,00	2,15	-2.7

Source: *SAPI LTD*

The average monthly wholesale prices in 2008 ranged from BGN 0.91 per kg to BGN 3.16 per kg. In retail trade, they spanned a broad price range from BGN 1.13 per kg to BGN 3.50 per kg. The highest prices were reported in February and the lowest – during the period May-August.

Onions

The average wholesale price of onions in 2008 was BGN 0.62 per kg, which is 19.5% less, compared to the preceding year. Reduction was recorded with the average retail price – by 11.1%, which went down to BGN 0.96 per kg.

Table II.59.
Wholesale and retail prices of onions in 2008

Prices, BGN/kg	Average in 2007	2008												Average in 2008	Change 2008/2007 %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII		
In wholesale	0.77	0.73	0.74	0.71	0.70	0.62	0.57	0.56	0.54	0.55	0.57	0.56	0.56	0.62	-19.5
In retail	1.08	1.08	1.08	1.03	0.99	0.95	0.94	0.93	0.89	0.90	0.91	0.91	0.93	0.96	-11.1

Source: *SAPI LTD*

During the first six months of the year, when the market was selling onions from 2007 crops, the price drop was gradual. In this period, the average monthly wholesale prices ranged from BGN 0.57 per kg to BGN 0.73 per kg, and retail prices ranged from BGN 0.94 per kg to BGN 1.08 per kg. With the release of the new crops in August, prices fell to an average of BGN 0.54 per kg in wholesale and BGN 0.89 per kg in retail. For the duration of the year, both wholesale and retail prices were observed to show a slight fluctuation.

Apples

The average price of apples in 2008 was BGN 1.91 per kg, or 24.8% higher than in 2007. Retail prices followed the pace of wholesale prices, but stayed at a much lower level compared to the previous year. The recorded average retail price was BGN 2.16 per kg. This is a 38% reduction, compared to 2007, when the average annual price was BGN 3.48 per kg.

Table II.60.

Wholesale and retail prices of apples in 2008

Prices, BGN/kg	Average in 2007	2008												Average in 2008	Change 2008/2007 %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII		
In wholesale	1,53	1,56	1,66	1,69	2,03	2,32	2,45	2,39	2,10	1,74	1,77	1,65	1,60	1,91	24.8
In retail	3,48	1,77	1,92	2,00	2,28	2,57	2,76	2,70	2,30	1,98	1,88	1,88	1,89	2,16	-37.9

Source: *SAPI LTD*

From the beginning of the year until June, the prices of apples increased from BGN 1.56 per kg to BGN 2.45 per kg in wholesale and from BGN 1.77 per kg to BGN 2.76 per kg in retail. This increase is the result of supply contraction, due to exhaustion of stocks of old crops and increase in prices on international markets (during this period, domestic supply depended mainly on imports). In the second half of the year, with the gradual entry of apples from the new crops, reduction of prices followed up.

2.3.2. Prices of livestock produce

Beef

In 2008, the trend of increasing prices down the beef marketing chain continued. According to data, gathered by SAPI Ltd., in 2008, the average annual buyout price of calves was 5% higher than in

2007, reaching BGN 2.32 kg of live weight, and the price of feedlot cattle recorded a 4.9% increase, reaching BGN 1.49 per kg of live weight. The reduced units of cattle and the exports of large numbers of live animals for slaughter during the year led to contracted supply to the domestic market.

The increase in buyout prices affected both wholesale and retail prices, which recorded a substantial increase over the preceding year. In 2008, the average wholesale prices of beef carcass and topside grew by 10.4% and 18.4% respectively, amounting to BGN 6.26 per kg and BGN 9.44 per kg. Due to the increase in wholesale prices, retail prices of beef on bones and topside also increased: by 11.8% and 16.4%, due to contracted customer demand.

Table II.61.

Prices of veal in 2007 and 2008

Prices	**2007 average**	**2008**													**Change 2008/ 2007, %**
		I	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**	**IX**	**X**	**XI**	**XII**	**Average**	
Buyout prices, BGN/kg of live weight															
Calves	**2,21**	2,21	2,21	2,21	2,24	2,24	2,29	2,32	2,36	2,37	2,41	2,45	2,48	**2,32**	**5.0**
Feedlot cattle	**1,42**	1,42	1,44	1,44	1,45	1,47	1,50	1,51	1,53	1,53	1,53	1,54	1,57	**1,49**	**4.9**
Wholesale prices, BGN/kg															
Beef carcass	**5,67**	5,88	5,87	5,86	5,92	6,19	6,38	6,41	6,44	6,41	6,57	6,62	6,60	**6,26**	**10.4**
Beef topside	**7,97**	8,40	8,44	8,48	8,57	8,64	9,42	10,02	10,41	10,01	10,22	10,23	10,41	**9,44**	**18.4**
Retail prices, BGN/kg															
Beef on bones	**6,46**	6,72	6,73	6,74	6,89	7,00	7,14	7,41	7,52	7,54	7,61	7,65	7,65	**7,22**	**11.8**
Beef topside	**8,40**	8,67	8,78	8,81	8,96	9,02	9,68	10,35	10,47	10,51	10,65	10,72	10,78	**9,78**	**16.4**

Source: *SAPI LTD*

During the period January-June 2009, beef prices continued their upward movement and in comparison with the same period of the preceding year, recorded a significant growth. In the first half of 2009, the average buyout price of calves (BGN 2.57 per kg of live weight) grew by 15.3%, compared to the same period in 2008, while that of feedlot cattle grew by 11.7%, reaching BGN 1.62 per kg of live weight due to the reported decline in bred cattle. Following the trend of increase in buyout prices of animals for slaughter, wholesale and retail prices also recorded an increase. Compared to the first six months of the preceding year, the increase in wholesale prices for beef carcass and beef topside was 14% and 8.1% respectively. The growth in retail prices for beef on bone and beef topside is by 14.7% and 24.3% respectively more than in the first six months of 2008.

Table II.62.

Prices of veal in the period January-June 2009 versus 2008

Prices	**2008 average I – VI months**	**2009**							**Change 2009/2008 %**
		I	**II**	**III**	**IV**	**V**	**VI**	**Average I – VI months**	
Buyout prices, BGN/kg of live weight									

Calves	**2,23**	2,52	2,54	2,58	2,60	2,60	2,58	**2,57**	**15.3**
Feedlot cattle	**1,45**	1,61	1,60	1,61	1,61	1,62	1,64	**1,62**	**11.7**
Wholesale prices, BGN/kg									
Beef carcass	**6,02**	6,65	6,78	6,87	6,88	6,93	7,04	**6,86**	**14.0**
Beef topside	**8,66**	10,43	10,42	10,66	10,77	10,8	10,81	**9,36**	**8.1**
Retail prices, BGN/kg									
Beef on bone	**6,87**	7,70	7,83	7,83	7,88	7,98	8,03	**7,88**	**14.7**
Beef topside	**8,99**	10,70	10,98	11,21	11,38	11,42	11,35	**11,17**	**24.3**

Source: *SAPI LTD*

It is expected that the observed trend of growing beef prices will continue until the end of 2009, and that prices will move at levels above those from the preceding year.

Chicken

According to data, gathered by SAPI Ltd., in 2008, the average prices of chicken meat and eggs increased, circulating at levels higher than those of the preceding year.

Substantial increase in the price of fodder, respectively in production costs related to rearing of poultry, is to a large extent the reason for price hike of the end product (poultry meat and eggs). Decline in the production of poultry meat and eggs leads to additional rise in prices of poultry products during the year.

According to data, gathered by SAPI Ltd., in 2008, the wholesale price of frozen chicken ran at levels, significantly higher than those of the preceding year. The average wholesale price of frozen chicken in 2008 was BGN 4.07 per kg, or 16.3% higher than 2007.

Following the movement of wholesale price, analogous is the situation with the retail price of frozen chicken. In 2008 it averaged BGN 4.52 per kg, which is 15.9% higher than the preceding year. In 2008, the retail price has gradually increased from BGN 4.23 per kg in January, reaching its peak in May – BGN 4.66 per kg, and then falling down to BGN 4.51 per kg in December.

Table II.63.

Prices of chicken meat in 2008 as compared to 2007, **BGN/kg**

Prices	**2007 average**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**	**IX**	**X**	**XI**	**XII**	**2008 average**	**Change 2008/2007 %**
In wholesale	**3,49**	3,74	3,84	4,11	4,19	4,19	4,20	4,14	4,09	4,05	4,10	4,10	4,05	**4,07**	**16.6**
In retail	**3,90**	4,23	4,31	4,54	4,65	4,66	4,63	4,60	4,59	4,53	4,52	4,52	4,51	**4,52**	**15.9**

Source: *SAPI LTD*

During the period January – June 2009, the average wholesale price of frozen chicken was BGN 3.88 per kg, or 4.2% lower, and the average retail price was BGN 4.39 per kg, or 2.4% lower than the same period in 2008. Reported reduction in the price of fodder mixtures for broilers for fattening in the first half of 2009 (around 9%), combined with the increased production, contributed to the price drop of the final product. Hence, the expectation that throughout the whole of 2009, prices of chicken meat will move at lower levels than those of the preceding year.

Table II.64.

***Prices of chicken meat in the period January – June 2009 as compared to 2008,* BGN/kg**

Prices	2008 Average I – VI months	2009							Change 2009/2008 %
		I	II	III	IV	V	VI	Average I – VI months	
In wholesale, BGN/kg	**4,05**	3,97	3,93	3,91	3,88	3,81	3,77	**3,88**	**-4.2**
In retail, BGN/kg	**4,50**	4,46	4,41	4,41	4,38	4,34	4,31	**4,39**	**-2.4**

Source: *SAPI LTD*

Eggs

The trend of growing egg prices in 2007, continued in 2008 as wholesale and retail price levels were higher than those of the preceding year. Throughout the year, wholesale and retail prices of eggs were higher in winter months, when production costs rose, and lower in summer months when demand is traditionally higher. According to data, gathered by SAPI Ltd., in 2008, the average wholesale price of eggs rose by 9.3% over the preceding year, reaching BGN 0.177 per egg. Retail price reported a more considerable growth – of 15.8%, reaching BGN 0.22 per egg. The main factor for the increase in egg prices during the year were the high price levels of fodder for laying hens.

In 2008, retail prices of eggs reached levels above those of the preceding year. In comparison with the preceding year, according to data, gathered by SAPI Ltd., the increase in the retail price of eggs was 15.8%, reaching BGN 0.22 per egg and the wholesale price increase was smaller, by 9.3%, thus reaching BGN 0.177 per egg.

Table II.65.

Prices of eggs in 2008 as compared to 2007, BGN, apiece

Prices	2007 average	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	2008 average	Change 2008/ 2007, %
In wholesale	**0,162**	0,197	0,190	0,194	0,199	0,177	0,140	0,142	0,160	0,175	0,180	0,181	0,193	**0,177**	**9.3**
In retail	**0,19**	0,23	0,22	0,23	0,23	0,21	0,19	0,19	0,20	0,21	0,22	0,22	0,23	**0,22**	**15.8**

Source: *SAPI LTD*

Comparing the period January – June 2009 with the same period of the preceding year, there is an increase in egg prices with the average wholesale price reaching BGN 0.194 per egg, which is an increase of 6%, and the retail price – BGN 0.23 per egg, which is an increase of 4.6%.

Table II.66.

Prices of eggs in the period January – June 2009 as compared to 2008

Prices	2008	2009	Change

	average I – VI months	I	II	III	IV	V	VI	Average I – VI months	2009/2008, %
Wholesale, BGN/apiece	**0,183**	0,198	0,201	0,202	0,200	0,194	0,171	**0,194**	**6.0**
Retail, BGN/apiece	**0,22**	0,23	0,24	0,24	0,24	0,23	0,22	**0,23**	**4.6**

Source: *SAPI LTD*

Pork meat

Unlike the previous two years (2006 – 2007), the average annual prices of pork in 2008 rose to levels, significantly higher than those of preceding years. According to data, gathered by SAPI Ltd., a significant increase in buyout prices of fattening pigs and sows was reported on the market for pork in 2008 – by 29.2% and 28.8% respectively for both categories, reaching BGN 2.48 per kg and BGN 1.97 per kg of live weight on average per annum.

The increase in the buyout prices of livestock affected the average wholesale and retail prices of pork, pushing them upwards. The increase in prices of various cuts of pork was less pronounced than that in the buyout prices and moved in the range between 11.9% and 17.4%.

Compared to the preceding year, in 2008, the wholesale price of skinned pork reported the most substantial increase – by 17.4%, reaching BGN 5.39 per kg, while the increase in the retail price of pork neck was smaller – by 11.6%.

Table II.67.

Prices of pork in 2008 as compared to 2007

Prices	2007 average	2008													Change 2008/2007, %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Average	
Buyout prices, BGN/kg of live weight															
Fattened pigs	**1,92**	2,28	2,27	2,25	2,23	2,24	2,34	2,52	2,58	2,61	2,74	2,86	2,86	**2,48**	**29.2**
Sows	**1,53**	1,81	1,81	1,78	1,76	1,78	1,85	2,03	2,05	2,08	2,15	2,26	2,23	**1,97**	**28.8**
Prices wholesale, BGN/kg															
Skinned pork	**4,59**	5,05	5,03	5,02	5,02	5,03	5,14	5,43	5,53	5,60	5,89	5,98	5,95	**5,39**	**17.4**
Pork leg on bone	**6,53**	6,90	6,88	6,88	6,86	6,90	7,20	7,52	7,60	7,65	7,77	7,82	7,79	**7,31**	**11.9**
Pork neck on bone	**7,16**	7,56	7,51	7,49	7,47	7,51	7,85	8,35	8,50	8,52	8,63	8,73	8,67	**8,07**	**12.7**
Prices retail, BGN/kg															
Pork leg	**7,05**	7,50	7,47	7,45	7,47	7,47	7,66	8,03	8,21	8,37	8,54	8,57	8,50	**7,94**	**12.6**
Pork neck	**7,68**	8,11	8,07	8,06	8,07	8,06	8,36	8,62	8,70	8,91	9,18	9,32	9,32	**8,57**	**11.6**

Source: *SAPI LTD*

Trend of increasing average pork price was also observed in the first half of 2009. The buyout price of feedlot pigs and sows in the period January – June 2009, marked a significant growth of 16.3% and 13.9% respectively, compared to the same period in 2008, due to continuing reduction in the number of pigs.

Wholesale and retail price of various pork cuts also increased although at a slower pace – in the range between 7.6% and 11.3%. Hence, the expectation for pork prices to continue to grow until the end of 2009 with average annual prices, staying above levels of the preceding year.

Table II.68.

Prices of pork in the period January-June 2009 as compared to 2008

Prices	2008 average I – VI months	2009							Change 2009/2008, %
		I	II	III	IV	V	VI	Average I – VI months	
Buyout prices, BGN/kg of live weight									
Fattened pigs	**2,27**	2,88	2,82	2,63	2,54	2,50	2,48	**2,64**	**16.3**
Sows	**1,80**	2,24	2,18	2,08	1,98	1,93	1,91	**2,05**	**13.9**
Prices in wholesale, BGN/kg									
Skinned pork	**5,05**	5,95	5,89	5,75	5,43	5,38	5,34	**5,62**	**11.3**
Pork leg on bone	**6,94**	7,73	7,64	7,51	7,35	7,31	7,26	**7,47**	**7.6**
Pork neck on bone	**7,57**	8,58	8,48	8,36	8,24	8,24	8,18	**8,35**	**10.3**
Prices in retail, BGN/kg									
Pork leg	**7,50**	8,46	8,40	8,40	8,29	8,20	8,09	**8,31**	**10.8**
Pork neck	**8,12**	9,22	9,20	9,29	9,25	9,15	9,06	**9,20**	**13.3**

Source: *SAPI LTD*

Cow milk and dairy products

The upward trend in prices of dairy products, which started in the second half of 2007, continued in 2008. One of the main factors that influenced the price increase was the decrease in the number of dairy animals. Other factors, contributing to the price increase, are increased production costs of breeding animals, affected by soaring fodder grain prices, and increased fuel and electricity costs.

In 2008, the increase varied in a wide range – from 10.5% to 24.7%, compared to 2007. The reported average buyout price of cow milk in 2008 was BGN 0.59 per litre, or 29.9% higher than the preceding year. Worth noting is the outstripping growth rate of milk buyout price, compared to the growth rate in wholesale and retail prices of dairy products. The increase in average wholesale prices of dairy products in 2008 was between 10.5% and 16.1%, while retail prices fluctuated within the range of 11.1% and 24.7%, compared with 2007. Influenced by increased buyout prices of milk, throughout 2008, wholesale and retail prices of fresh cow milk fluctuated above the levels of the preceding year. The average annual rates were: a 12.6% rise in wholesale price and 11.9% rise in retail price in comparison to 2007. In 2008, as compared to 2007, increase was observed with the average wholesale prices of other dairy products as well. The most significant growth was found with the average wholesale prices of “Vitosha” yellow cheese – by 16.1%, and cow cheese – by 15.7%. Increase in other dairy products prices is less pronounced – in the range between 10.5% and 12.3%.

Retail prices of dairy products in 2008 also recorded a growth over the preceding year. The greatest increase was recorded with prices of “Vitosha” butter and cheese, as they reached levels of BGN 1.01 per 125 g and BGN 10.52 per kg respectively, or a 24.7% and 16.8% increase.

Table II.69.

Prices of cow milk and dairy products in 2008 as compared to 2007

Prices	2007 average	2008													Change 2008/2007, %
		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Average	
Buyout prices															
Cow's milk, BGN/litre	**0,48**	0,61	0,63	0,62	0,61	0,58	0,55	0,56	0,56	0,57	0,57	0,58	0,58	**0,59**	**22.9**
Prices in wholesale															
Fresh milk, BGN/litre	**0,95**	1,03	1,05	1,06	1,07	1,07	1,07	1,06	1,07	1,07	1,08	1,09	1,07	**1,07**	**12.6**
Yogurt, BGN/apiece	**0,57**	0,61	0,61	0,62	0,62	0,63	0,63	0,63	0,63	0,64	0,64	0,64	0,64	**0,63**	**10.5**
Butter, BGN/kg	**5,29**	5,84	5,85	5,95	6,00	5,96	5,91	5,83	5,88	5,95	5,98	6,05	6,03	**5,94**	**12.3**
White cow's milk cheese, BGN/kg	**4,26**	5,02	4,99	4,95	4,92	4,73	4,67	4,87	5,06	5,07	5,04	4,98	4,80	**4,93**	**15.7**
"Vitosha" yellow cheese, BGN/kg	**8,12**	9,31	9,44	9,49	9,55	9,38	9,29	9,32	9,40	9,46	9,56	9,52	9,47	**9,43**	**16.1**
Prices in retail															
Fresh milk, BGN/litre	**1,09**	1,19	1,21	1,23	1,23	1,23	1,22	1,22	1,22	1,22	1,22	1,22	1,21	**1,22**	**11.9**
Yogurt, BGN/apiece	**0,63**	0,68	0,68	0,69	0,69	0,69	0,70	0,70	0,70	0,70	0,71	0,71	0,70	**0,70**	**11.1**
Butter, BGN/125 g	**0,81**	0,93	0,94	0,95	0,95	0,96	0,98	1,03	1,07	1,07	1,08	1,08	1,09	**1,01**	**24.7**
White cow's milk cheese, BGN/kg	**5,07**	6,00	5,97	5,85	5,78	5,68	5,66	5,81	6,03	6,02	5,93	5,84	5,66	**5,85**	**15.4**
"Vitosha" yellow cheese, BGN/kg	**9,01**	10,44	10,53	10,51	10,48	10,44	10,31	10,49	10,67	10,62	10,60	10,61	10,57	**10,52**	**16.8**

Source: *SAPI LTD*

Table II.70.

Prices of cow's milk and dairy products in the period January – June 2009 as compared to 2008

Prices	2008 average I – VI months	2009							Change 2009/2008 %
		I	II	III	IV	V	VI	Average I – VI months	
Buyout prices									
Cow milk, BGN/litre	**0,60**	0,58	0,54	0,51	0,46	0,42	0,38	**0,48**	**-20.0**
Prices wholesale									
Fresh milk, BGN/litre	**1,06**	1,08	1,08	1,08	1,08	1,08	1,09	**1,08**	**1.9**
Yogurt, BGN/apiece	**0,62**	0,63	0,63	0,63	0,63	0,63	0,63	**0,63**	**1.6**
Butter, BGN/kg	**5,92**	6,08	6,17	6,18	6,23	6,29	6,23	**6,20**	**4.7**
White cow milk cheese, BGN/kg	**4,88**	4,69	4,59	4,60	4,53	4,49	4,38	**4,55**	**-6.8**
"Vitosha" yellow cheese, BGN/kg	**9,41**	9,38	9,32	9,21	9,03	8,96	8,82	**9,12**	**-3.1**
Prices retail									
Fresh milk, BGN/litre	**1,22**	1,20	1,20	1,20	1,21	1,21	1,20	**1,20**	**-1.6**
Yogurt, BGN/apiece	**0,69**	0,70	0,70	0,70	0,70	0,70	0,70	**0,70**	**1.5**

Butter, BGN/125 g	**0,95**	1,09	1,09	1,09	1,10	1,11	1,12	**1,10**	**15.8**
White cow's milk cheese, BGN/kg	**5,82**	5,54	5,51	5,56	5,67	5,58	5,56	**5,57**	**-4.3**
"Vitosha" yellow cheese, BGN/kg	**10,45**	10,48	10,74	10,44	10,39	10,32	10,15	**10,42**	**-0.3**

Source: *SAPI LTD*

According to data, gathered by SAPI Ltd., during the first half of 2009, the buyout price of cow milk recorded a significant reduction by 20%, compared to the same period the preceding year, reaching BGN 0.48 BGN per litre. On average, in the period January – June 2009, a reduction of 6.8% was reported in the wholesale price of white cow milk cheese and 4.3% in the retail price. Wholesale and retail prices of cheese also decreased, compared with the first half of 2008, but at a slower pace – in the range between 3.1% and 0.3%.

The largest growth over this period was recorded with the price of butter as its wholesale price increased by 4.7%, and the retail – by 15.8%.

In the first half of 2009, a slight increase was recorded with wholesale and retail prices of yoghurt, by 1.6 and 1.5% respectively over the same period in 2008.

The wholesale price of milk was 1.9% higher, while the retail – 1.6%lower, compared to the period January – June 2008, and they were BGN 1.08 per litre and BGN 1.20 per litre.

2.4. State aid in agriculture

The implementation of the EU CAP provides tremendous opportunities for the development of the agricultural sector, while at the same time implying the observance of many rules and regulations by the Member States.

In the EU, particular attention is paid to competition policy. An element of this policy are the Community rules on state aid in agriculture.

Since 2007, Bulgaria has harmonised its policy of state aid in agriculture with the EU rules, which stipulate a number of restrictions and observance of certain procedures in the provision of public resources to agricultural holders.

In 2008, state aid was given:

- Existing state aid as read in Annex V of the Treaty of Accession of Bulgaria to the EU;
- Minimum aid (*de minimis*), provided in accordance with Commission Regulation (EC) No.1860/2004 of 6 October 2004 on the application of Articles 87 and 88 of the European Commission (EC) Treaty to *de minimis* aid in the agriculture and fisheries sectors, and Commission Regulation (EC) No.1535/2007 of 20 December 2007 on the application of Articles 87 and 88 of the European Commission (EC) Treaty to *de minimis* aid in the sector of agricultural production;
- New aid schemes or individual aid, authorized by the European Commission (EC).

Existing state aid schemes are all state aid schemes which have been granted, prior to the country's accession, and which the country has the right to apply only until the end of the third year of the date of the accession. To continue providing some of these grants (those that are compatible with the common market criteria) past the transition period, they should be reported to and approved by the EC.

Minimal aid in agriculture (aid *de minimis*) are benefits limited up to a size, which the EC considers does not affect competition. The granting thereof does not require authorization by the EC. Under Commission Regulation (EC) No.1535/2007 of December 20, 2007 on the application of Articles 87 and 88 of the EC Treaty to *de minimis* aid in the sector of agricultural production, the size of these benefits is set at EUR 7,500 per agricultural holding for a period of three years of activities, related to the primary production of agricultural products. With regard to processing and marketing of agricultural products, aid “*de minimis*” rules are considered in regard to industrial aid, and the total amount of *de minimis* aid, granted to an enterprise cannot exceed EUR 200,000 for a period of three years (under Commission Regulation (EC) No.1998/2006 of December 15, 2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid).

In 2008, agricultural holders received state aid in the form of targeted subsidies, interest subsidies and capital subsidies on credits to implement investment projects, tax incentives, etc. State aid is granted by the Agriculture State Fund and the Tobacco Fund, as competent bodies providing aid within the system of the Ministry of Agriculture and Food, as well as by other administrators of aid for agriculture.

Table II.71.

State aid in agriculture in 2007 and 2008

Scheme	**Funds paid out, million BGN**		**Number of recipients**	
	2007	**2008**	**2007**	**2008**
A) Existing state aid				
I. Existing state aid under Agriculture State Fund schemes, including:				
Targeted subsidies	19, 550	23,434	4,920	4,649
Capital subsidies and interest subsidies, total	15,224	13,482	931	434
Short-term credits	8,383	12,771	601	493
Long-term credits	58,358	12,160	517	274
II. Existing state aid under Tobacco Fund schemes	**105,363**	**134,081**	**26,575**	**26,533**
III. Existing individual aid				
1. Support in aid of the activities of the state-owned enterprise “Kabiyuk”, which looks after indigenous and other valuable breeds of livestock of the National Gene Pool and preserves them as national treasures	1,518	2,0	1	1
2. Loan issued to “Slatina Bulgarplod” EAD under Project for wholesale markets in Bulgaria *	0,195	0	1	0
3. Loan issued to “Market for fruit, vegetables and flowers” SA under Project for wholesale markets in Bulgaria *	0,234	0,194	1	1
4. Loan issued to “Maritsa” SA for the construction and equipment of wholesale market *	0,799	0,56	1	1
5. Loan issued to “Producer market – Pazardzhik” SA for the construction and equipment of wholesale market *	0,051	0,033	1	1
IV. Measures under SAPARD (national co-financing under the programme)	**21,944**	**33,145**	**204**	**353**
V. Tax incentives	**159,149**	**154,911**	**23,075**	**27,914**
VI. National Employment Agency aid schemes (in the agricultural sector)	**9,514**	**9,542**	**7,847**	**7,471**

VII. Other measures (reported for legal assurance)	**17,780**	**22,598**	**54,599**	**61,569**
Б) Notified new aid schemes				
1. Granting of state aid to offset losses to farmers from thoroughly destroyed / lost areas due to natural disasters or adverse weather conditions (Aid No.554/2007 in the Register of the European Commission)	7,996	23,110	402	5,225
В) Minimum aid (aid *de minimis*)				
1. Subsidy to help producers of vegetables – tomatoes and peppers in 2007	0,433		194	
2. Subsidy for purchase of fodder to feed to animals – sheep and cows	1,306		2,464	
3. Subsidy for purchase of fodder to feed to dairy animals		42,199		10,953
4. Credit granted to farmers for purchase of fodder and/or fodder components		8,789		668
5. Credit granted to poultry-farmers for the purchase of fodder and/or fodder components		5,556		75
6. Credit granted to pig-farmers for the purchase of fodder and/or fodder components		2,746		30

** Aid in the form of securities*
***Source:** Ministry of Agriculture and Food, Directorate for State Aid and Regulatory Regimes*

2.4.1. State support to agricultural holders through the Agriculture State Fund

In 2008, state support through the Agriculture State Fund was granted in accordance with the Support for Agricultural Producers Act and the Act, implementing the common organization of agricultural markets of the EU, and it is aimed at achieving the main policy priorities in the agricultural sector.

Existing state aid

Targeted subsidies under short-term aid schemes

In 2008, the Agriculture State Fund granted BGN 23.4 million under existing schemes of targeted subsidies.

Table II.72.
Existing aid – targeted subsidies

Targeted subsidies	Funds paid out, million BGN		Number of recipients	
	2007	2008	2007	2008
1. Targeted subsidy to aid the feeding of livestock and poultry of the National Gene Pool and the controlled part of the population	6,255	7,403	2,010	1,923

2. Targeted subsidy in aid of farmers who have produced and sold quality honey	0,239	0	439	0
3. Targeted subsidy to support breeding associations	0,733	0,951	22	27
4. Targeted subsidy for manufactured and sold high quality cow, buffalo, sheep and goat milk	8,971	10,777	2,087	2,194
5. Targeted subsidy for produced and sold neomaganen cotton, selected and first grade	0,223	0,18	22	21
6. Targeted subsidy for maintenance of plant genetic resources (field and perennial crops)	0,705	0,495	5	4
7. Targeted subsidy for the use of irrigation water by rice producers	0,236	0,128	24	26
8. Targeted subsidy for farmers to buy seed potatoes for seed production and consumption, (current year) crops	1,3	1,289	282	278
9. Targeted subsidy for the needs of Agricultural institutes and Regional centres of scientific and applied services with the National Centre for Agrarian Sciences (NCAS) to produce pre-basic and basic what and barley seeds	0,603	0,834	1	1
10. Targeted subsidy for classified pig, sheep and cattle carcasses of under the scale S(EUROP)	0,17	0,737	8	22
11. Targeted subsidy to support farmers from the regions, affected by floods by 31.12.2009, with the production of grain cereals, root and bulb crops, oilseed production crops	0,013	0	9	0
12. Targeted subsidy to assist meat producing livestock-breeding	0	0,455	0	136
13. Targeted subsidy for the production of queen bees	0,102	0,185	11	17
Total	**19,550**	**23,434**	**4,920**	**4,649**

Short-term funding of milk processing establishments

Under existing schemes for short-term credits, granted by the *Agriculture* State Fund, in 2008, granted loans amounted to BGN 12.8 million, allocated as follows:

- Target credit for the purchase of seeds for wheat production – utilised BGN 4,447.838 for 741,3567 decares at a standard rate of BGN 6 per decare credit. A total of 195 agricultural holders received support.
- Target credit for the purchase of fertilizers for wheat production – utilised BGN 8,323.049 for 1,371.147 decares at a standard rate of BGN 6 per decare credit. A total of 298 agricultural holders received support.

Investment loans

The scope of the existing benefits included investment programmes, facilitating the access to and use of credit resources (from the Agriculture State Fund and commercial banks), and providing capital subsidies and subsidies to cover interest.

The Agriculture State Fund has implemented three investment programmes – “Livestock breeding”, “Plant-growing” and “Agricultural Machinery”.

Activities and facilities eligible for financial assistance are as follows:

- Purchase of tribal and productive animals;
- Creation and restoration of apiaries;
- Purchase of equipment for livestock breeding;
- New construction, purchase, rehabilitation and reconstruction of farm buildings and milk collection points;
- Creation and restoration of perennial crops;
- Establishment of nursery bases;
- New construction, purchase, rehabilitation and reconstruction of greenhouses;
- Recovery of rice fields.

In 2008, projects, approved in 2007 under the investment programmes – “Livestock Breeding” and “Plant-growing” received funding, and allocations were also made available to funded projects of years, previous to 2007.

In accordance with the guidelines for the implementation of programmes, credits are granted with a maturity term of 12 months to 96 months, depending on the type of investment.

Investment projects are funded directly by the Agriculture State Fund at an annual interest rate of 6% through refinancing of commercial banks (CBs), which are contracted for cooperation with the Agriculture State Fund at 9% interest.

In 2008, the investment programmes have financed, respectively refinanced, 9 projects. Allocated credit funds amounted to BGN 12,159.868.

Table II.73.

Approved and financed / refinanced investment projects in 2006 – 2008, BGN

Investment programme	Approved			Financed/refinanced		
	2006	2007	2008	2006	2007	2008
1. “Livestock breeding”, through commercial banks	10,730.469	7,976.119	165,104	2,996.139	1,918.050	165,104
2.”Livestock breeding”, direct crediting	3,878.260	588,090	2,493.596	3,560.710	470,340	2,307.396
3. “Plant-growing”, through commercial banks	57,226.285	36,350.534	1,704.960	26,822.996	23,952.735	7,228.003
4.”Plant-growing”, direct crediting	21,045.545	2,567.460	116,000	18,034.718	5,690.861	2,459.365
5. “Agricultural machinery”, through commercial banks	54,996.087	28,298.167	0	38,898.585	25,117.627	0
6.”Agricultural machinery”, direct crediting	6,388.000	1,209.325	0	4,805.585	1,209.325	0
Total	**154,264.646**	**76,989.695**	**4,479.660**	**95,118.733**	**58,358.938**	**12,159.868**
Refinancing of projects under SAPARD	-	-	-	13,948.405	-	-

programme						
Total loans	**154,264.646**	**76,989.695**	**4,479.660**	**109,067.138**	**58,358.938**	**12,159.868**
Capital subsidies	10,325.767	6,704.197	703,983	5,726.008	5,763.096	904,468
Subsidies for interest	11,489.520	8,438.091	228,631	9,566.966	10,419.092	12,578.299

Source: *Agriculture State Fund – Payment Agency*

Grants in the form of subsidies for interest and capital subsidies to loans under the Agriculture State Fund investment programmes in 2008 amounted in total to BGN 13,482.767.

Table II.74.

Reference information for granted capital subsidies and subsidies for interest under financed / refinanced investment projects in the period 01.01. 31.12.2008

Type of subsidy	Amount of subsidy, BGN
I. Capital subsidies	
1. Capital subsidies, including:	
under Rhodope programme (20% of the credit amount)	163,560
under Northwest Bulgaria programme (14-20% of the credit amount)	77,484
under Strandzha-Sakar programme (20% of the credit amount)	663,424
Total under Section I	**904,468**
II. Subsidies for interest	
1. Subsidies for interest, including:	**6,304.650**
for young farmers (under previous years' credits)	2,265.660
for creating apiaries	141
for perennial crops	1,277.075
for the purchase of new agricultural machinery	4,033.795
2. Subsidies for interest under regional programmes, including:	**5,001.628**
under Rhodope programme (20% of the credit amount)	1,714.690
under Northwest Bulgaria programme (14-20% of the credit amount)	1,680.692
under Strandzha-Sakar programme (20% of the credit amount)	1,606.246
Total under Section II (1+2)	**12,578.299**
Total capital subsidies and subsidies for interest (I + II)	**13,482.767**

Source: *Agriculture State Fund – Payment Agency*

Investment Programme "Livestock Breeding"

For the period 01.01. – 31.12.2008, the Investment Programme "Livestock Breeding" financed 6 projects worth BGN 2,509.248. Allocated credit funds amounted to BGN 2,472.500. Capital subsidies, amounting in total to BGN 471,982, and subsidies for interest, amounting to BGN 157,118, were paid out.

Table II.75.

Targeted funds under "Livestock Breeding" programme by types of sub-directions

Subject of investment	Number of projects	Investment amount, BGN	Credit, BGN	Number of animals	Capital subsidy, BGN
I. Purchase of animals:					
Rabbits	1	98,012	83,764	130	13,636
Ewes and ewe lambs	3	127,740	116,040	705	12,008
Sows	1	2,233.496	2,233.469	8,115	436,538
Total under Section I	**5**	**2,459.248**	**2,433.300**	**-**	**462,182**
II. Purchase of buildings and equipment	1	50,000	39,200	-	9,800
Total (I+II)	**6**	**2,509.248**	**2,472.500**	**-**	**471,982**

Source: *Agriculture State Fund - Payment Agency*

Investment Programme "Plant-growing"

The Investment Programme "Plant-growing" in 2008, facilitated the creation of 40.1 hectares of vineyards by means of granting credit funds, amounting to BGN 9,687.368, including allocations under credits of previous years. Capital subsidies totalling BGN 432,486 were paid out. During the reference period, subsidies for interest, amounting to BGN 8,387.386, were paid out under the programme.

Table II.76.

Targeted funds under programme "Plant-growing" by types of perennial crops

Subject of investment	Number of projects	Investment amount, BGN	Credit, BGN	Hectares	Capital subsidy, BGN
Almonds*	0	0	110,490	0	0
Morello cherries*	0	0	75,502	0	0
Quinces*	0	0	2,200	0	0
Apricots*	0	0	13,490	0	0
Pears*	0	0	27,000	0	0
Vines	3	1,349.850	8,623.478	40,1	404,176
Hazelnuts *	0	0	57,172	0	0
Rose oil *	0	0	23,610	0	0
Walnuts *	0	0	44,770	0	0
Peaches *	0	0	82,725	0	3 730
Prunes*	0	0	91,874	0	0
Cherries*	0	0	355,051	0	24,580
Apples*	0	0	180,006	0	0
Total	**3**	**1,349.850**	**9,687.368**		**432,486**

* The amounts herein above represent allotments to projects funded in previous years
Source: *Agriculture State Fund – Payment Agency*

Investment Programme "Agricultural Machinery"

During the reference period, subsidies for interest, amounting to BGN 4,033.795, were paid out under the programme for investment credits, granted in previous years.

Regional programmes (implemented with funds under the investment programmes)

Within the Agriculture State Fund investment programmes “Plant-growing”, “Livestock Breeding” and “Agricultural Machinery”, aid is given under three regional programmes for agricultural development, namely: Programme for the Development of Alternative Agriculture in the Rhodope Mountains, Regional Programme for Northwest Bulgaria, and Programme for Agriculture and Rural Development in Strandzha-Sakar.

For the period 01.01. – 31.12.2008, the regions, included in the alternative agriculture programme in the Rhodope Mountains, were granted credits, amounting to BGN 1,284.290. Capital subsidies were paid out (including under credits of previous years), amounting to 20% of the agreed credit, worth of BGN 163,560 and BGN 1,714.690 in the form of subsidies to cover interest of the entire credit.

Table II.77.

Projects funded under the Programme for Development of Alternative Agriculture in the Rhodope Mountains for the period 01.01. – 31.12.2008

Investment	Number of projects	Investment amount, BGN	Credit, BGN	Units of animals / ha	Capital subsidy, BGN
Investment programme „Livestock Breeding”					
Ewes and ewe lambs	1	29,600	27,700	185	5,540
Total	**1**	**29,600**	**27,700**	**185**	**5,540**
Investment programme „Plant-growing”					
Morello cherries*	0	0	12,400	0	0
Vines*	0	0	1,057.145	0	136,290
Peaches*	0	0	14,920	0	3,730
Prunes*	0	0	18,700	0	0
Cherries*	0	0	128,639	0	18,000
Apples*	0	0	24,786	0	0
Total	**0**	**0**	**1,256.590**	**0**	**158,020**
Total for the regional programme	**0**	**29,600**	**1,284.290**	**185**	**163,560**

* The amounts herein above represent allotments to projects funded in previous years

Source: *Agriculture State Fund – Payment Agency*

Under the Regional Programme for Northwest Bulgaria, credit funds, amounting to BGN 1,505.505, were granted. Payments of capital subsidies were made (including for credits of previous years), amounting to 14-20% of the agreed credit, for BGN 77,484 and BGN 1,680.692 in the form of subsidies to cover interest of the entire credit.

Table II.78.

Projects funded under the Programme for Agriculture Development in Northwest Bulgaria for the period 01.01. – 31.12.2008

Investment	Number of projects	Investment amount, BGN	Credit, BGN	Units of animals / ha	Capital subsidy, BGN
Investment programme “Livestock Breeding”					
Ewes and ewe lambs	2	98,140	88,340	520	6,468

Rabbits	1	98,012	83,764	130	13,636
Total	**3**	**196,152**	**172,104**	**650**	**20,104**
Investment programme „Plant-growing”					
Almonds*	0	0	4,200	0	0
Morello cherries*	0	0	17,920	0	0
Walnuts*	0	0	39,510	0	0
Vines*	0	0	1,15.517	0	57,380
Prunes*	0	0	2,300	0	0
Walnuts*	0	0	30,220	0	0
Cherries*	0	0	2,200	0	0
Apples*	0	0	21,534	0	0
Total	**0**	**0**	**1,333.401**	**0**	**57,380**
Total for the regional programme	**3**	**196,152**	**1,505.505**	**650**	**77,484**

* The amounts herein above represent allotments to projects funded in previous years

Source: *Agriculture State Fund – Payment Agency*

In 2008, under the Regional Programme for Agriculture and Rural Development in Strandzha-Sakar, credit funds were granted for the implementation of investment programmes in accordance with the programme requirements of “Livestock Breeding” and “Plant-growing” in the payment of the respective capital subsidy – BGN 663,424 (20% of the credit amount) and interest incentives – amounting to BGN 1,606.246.

Table II.79.

Projects funded under the Programme for Agriculture and Rural Development in Strandzha-Sakar for the period 01.01. – 30.09.2008

Investment	Number of projects	Investment amount, BGN	Credit, BGN	Units of animals / ha	Capital subsidy, BGN
Investment programme “Livestock Breeding”					
Sows	1	2,233.496	2,233.496	8,115	436,538
Buildings	1	50,000	39,200	-	9,800
Total	**2**	**2,283.496**	**2,272.696**	**8,115**	**446,338**
Investment programme “Plant-growing”					
Morello cherries*	0	0	6,417	0	0
Vines	1	116,000	2,193.118	40	210,506
Walnuts*	0	0	4,350	0	0
Cherries*	0	0	75,420	0	6,580
Peaches*	0	0	8,795	0	0
Apples*	0	0	15,080	0	0
Total	**1**	**116,000**	**2,303.180**	**0**	**217,086**
Total for the regional programme:	**3**	**2,399.496**	**4,575.876**	**8,115**	**663,424**

* The amounts herein above represent allotments to projects funded in previous years

Source: Agriculture State Fund – Payment Agency

Minimum aid (aid *de minimis*)

In 2008, the following measures were implemented to provide aid *de minimis*:

- State aid for the purchase of fodder for dairy cattle – 10,953 agricultural holders were paid grants in the amount of BGN 42,199.022;
- Credits to agricultural holders for the purchase of fodder and/or fodder components – 668 agricultural holders applied for credit in the amount of BGN 500 per cow and female buffalo, and BGN 40 per sheep and goat. Paid out credit funds amounted to BGN 8,789.212;
- Credits to poultry-farmers for the purchase of fodder and/or fodder components – 75 agricultural holders applied for credits in the amount of BGN 0.50 per broiler chicken; BGN 2.00 per laying hen and BGN 4.00 per duck and turkey. Paid out credit funds amounted to BGN 5,555.613;
- Credits to pig-breeders for the purchase of pig fodder and/or fodder components – 30 agricultural holders received credits, amounting to BGN 2,746.950, for the purchase of fodder for a total of 7,849 units of sows.

New state aid schemes

In accordance with the EU's state aid rules, in 2007 Bulgaria notified the new scheme of state aid to offset losses to agricultural holders for land completely destroyed / lost due to natural disasters or adverse weather conditions.

The measure has a term of application until 01 November 2010. The scheme provides aid to compensate agricultural holders for damages due to natural disasters or adverse weather conditions. State aid is granted for thoroughly (100%) destroyed / lost land, in areas planted with crops, due to natural disasters (earthquakes, avalanches, landslides and floods) or due to adverse weather conditions, and in both cases the direct aid may not exceed 80% of the actual production cost of a given crop in the country in the relevant marketing year.

In 2008, a total of 5,223 agricultural holders were compensated. Paid out aid amounted to BGN 23,110.014 for losses on 1,532.103 decares, sown with maize, and 778,899 decares, sown with oilseed sunflower.

2.4.2. Support of tobacco production through the Tobacco Fund

2.4.2.1. Premium payments to tobacco producers

After the country's accession to the EU, the payment of premiums to tobacco producers continued as existing state aid under the Tobacco and Tobacco Products Act.

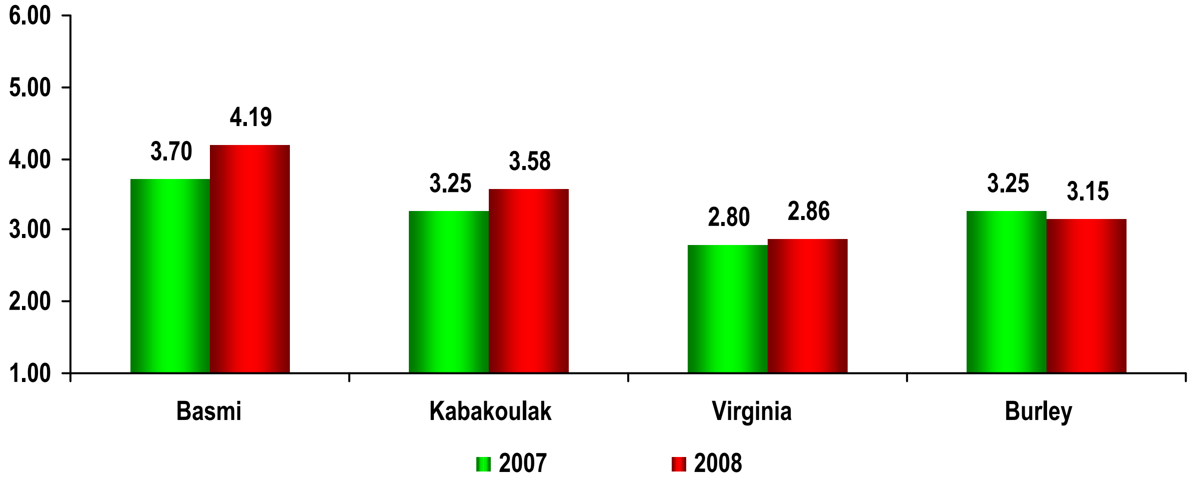
Under the Tobacco Fund (hereinafter referred to as the Fund), in 2008 premium payments were made to the amount of BGN 83,924 thousand for varietal groups "Basmi", "Kabakoulak" and "Burley" from 2007 crops, and BGN 24,062 thousand for "Virginia" varietal group – 2008 crops, or a total of BGN 107,686 thousand paid out to 26,575 tobacco producers.

Premium payments, financed from the 2009 budget of the Fund and amounting to BGN 108,142 thousand, were made for varietal groups "Basmi", "Kabakoulak" and "Burley" from 2008 crops.

The average size of the premium payment in BGN/kg by varietal groups from 2008 crops recorded a growth, compared to the average size of the premium for 2007 crops.

Figure II.22.

Average size of premium payment for manufactured and delivered tobacco in BGN/kg for 2007/2008 crops



Source: *Tobacco Fund*

2.4.2.2. Targeted financial aid for tobacco producers

In accordance with the arrangements with the European Commission, in 2007 targeted financial aid for tobacco producers was paid out only for 2006 crops.

In 2008, tobacco growers did not receive targeted financial aid within the minimal buyout prices.

2.4.2.3. Free granting of seeds to tobacco producers

Registered tobacco producers receive free tobacco seeds, whose production is funded by the Tobacco Fund.

The Management Board of the Fund endorsed the phased manufacturing programme of variety maintenance and seed production in 2008, in compliance with quantities, requested by traders for the production and buyout of 2007 crops, and the need to keep a two-year reserve of tobacco seeds, as well as genetic material.

Table II.80.

Provided funds for the production of tobacco seeds

Name	Report for 2008, thousand BGN	Report for the first half-year of 2009, thousand BGN	Outlook for the second half-year of 2009, thousand BGN
Maintenance of the variety	829	199	501
Seed production	868	316	695
Seed packaging	18	17	-
Seed storage	5	-	-
Total	**1,720**	**532**	**1,196**

Source: *Tobacco Fund*

Table II.81.

Tobacco seed quantities made available to municipalities to ensure the tobacco harvest

Name	Tobacco seed quantities, kg	Cost, thousand BGN
Distributed seeds in 2008	3,643	656
Distributed seeds in 2009	3,638	707
Total	**7,281**	**1,363**

Source: *Tobacco Fund*

2.5. Credits against warehouse receipts for grain deposits

The quantity of cereals, stored at public warehouses for 2008 crops, increased by around 50,000 tonnes over the preceding year. The increase is due to the increased quantities of maize. For the first time in 2008, public warehouses for grain storage issued receipts for rape. Despite the good harvest, the quantity of grain, stored in public warehouses, did not record a substantial growth.

At the end of 2008, granted credits against a collateral warehouse receipt for 2008 crops, amounted to BGN 28,313 thousand. Credits have decreased by BGN 19,584 thousand, compared with those, granted in 2007. Bank credits against warehouse receipts were granted by seven banks: Unionbank, United Bulgarian Bank (UBB), Allianz Bulgaria, UniCredit Bulbank, Raiffeisenbank, Piraeus Bank and the Agriculture State Fund.

Table II.82.

Issued warehouse receipts for grain deposits and their crediting

Year of crops	Warehouse receipts, number	Quantities of grain for which warehouse receipts are issued, tonnes						Total grain, tones	Number of banks crediting against warehouse receipt	Granted credits, thousand BGN
		Wheat	Barley	Maize	Sunflower	Rape	Rice paddy			
1999	5	-	-	5,000	-	-	-	5,000	3	600
2000	391	99,466	3,468	17,471	27,320	0	0	147,725	3	7,200
2001	426	124,852	2,632	0	105	0	0	127,589	5	7,200
2002	1,036	268,676	7,341	6,890	27,474	0	0	310,381	8	12,000
2003	275	22,716	15,648	3,169	31,727	0	0	73,260	6	5,000
2004	806	163,314	15,300	23,460	113,299	0	0	315,373	8	32,300
2005	573	168,385	6,910	26,083	59,894	0	194	261,466	8	20,500
2006	574	137,645	9,523	32,571	74,454	0	0	254,193	6	36,614
2007	669	118,777	14,415	11,188	47,398	0	0	191,778	6	63,208
2008*	556	101,799	5,242	19,443	37,250	31,688	842	196,264	7	28,313

**The data herein above refer for the period from 01.07.2008 to 31.12.2008*
Source: *National Service on Grain and Forage*

2.5. Other government expenditures for the agricultural sector

In 2008, out of the budget of the Ministry of Agriculture and Foods, the following activities in the agricultural sector were financed:

- Maintenance and operation of facilities to protect against the harmful effects of water – BGN 20,734 thousand;
- Purchase of anti-hailstorm missiles and specialized equipment under the Protection of Classified Information Act – BGN 5,633 thousand;
- Specialized activities under the Protection of Classified Information Act – BGN 281 thousand;
- Support for plans for land division NAR-49 – BGN 1,372 thousand;
- Support the conservation of valuable species of animals and indigent herds in the state-owned enterprise "Kabiyuk" – BGN 2,003 thousand;
- Publication of a newsletter with agromarket information – BGN 240 thousand;
- Control of quarantine pests on potatoes – BGN 388 thousand.

2.7. Taxes and fees

Agricultural holders benefit from tax incentives, stipulated in the taxation laws – the Corporate Income Taxation Act, the Individuals Income Taxation Act, the Value Added Tax Act, the Excise Duties and Tax Warehouses Act and the Local Taxes and Charges Act.

The Ministry of Agriculture and Food's total revenue from state taxes, amounted to BGN 133,035 thousand in 2008. It was realised through the following structures:

- The Central Administration of the Ministry of Agriculture and Food – BGN 36,079.720;
- The National Veterinary Service – BGN 23,288.674;

- The National Plant Protection Service – BGN 7,425.427;
- The Executive Agency for Fisheries and Aquaculture – BGN 3,479.099;
- The Executive Agency for Testing, Approbation and Variety Control – BGN 1,518.990;
- The National Service on Grain and Forage – BGN 3,312.238;
- The Control and Technical Inspection – BGN 1,089.676;
- The Executive Agency for Vine and Wine – BGN 249,435;
- The Centre for Testing of Agriculture and Forestry Machinery – BGN 127,062.

3. Activities supporting agricultural production

3.1. Plant Protection

Plant protection of wheat and barley

Weed control

In recent years there is an ongoing tendency of expanding the areas with weeds, which are rather resistant to herbicides of the 2.4D group – bur, wild poppy, field larkspur, species of mayweed, chamomile, etc. The main reasons for the established trend are: the disrupted crop rotation, the extensive use of herbicides based on 2.4D, the implementation of poor quality agronomic and plant protection projects, the wrong choice of herbicides, etc. The range, weeded with rhizome and root-knot weeds, is continuously expanding. There is an increase in areas, weeded with cereal weeds, while the share of those, treated with anti-wheat herbicides, remains small. In 2008, compared with the preceding 2007 and 2006 years, more areas were treated with anti-wheat herbicides.

In 2008, 5 thousand hectares of rhizome were treated with herbicides, containing the active substance glyphosate, versus 2.47 thousand hectares in 2007.

Table II.83.

Treated areas sown with wheat and barley, thousand hectares

Year	Total treated areas	Including areas, treated against hormone-resistant herbicides	Including against wheat weeds
2006	891,6	609,7	80,17
2007	1,047.38	813,9	51,1
2008	1,071.6	818,3	69,4

Source: *National Plant Protection Service*

Diseases and pests control

- **Mice rodents**

In 2008, harmful activities of the common vole were reported, in particular in the districts of Varna, Shoumen and Pleven where mixed populations with the steppe mound-building mouse were observed, and in the districts of Bourgas and Yambol - with the Macedonian mouse. A sound precondition for the propagation of rodents in autumn crops were the abandoned and non-harvested in 2007, due to unusual drought, areas of wheat, maize and sunflower.

Table II.84.

Treated areas sown with wheat and barley, thousand hectares

Year	Affected areas	Treated areas
2006	66	3,6
2007	136	13,2
2008	147	27,6

Source: *National Plant Protection Service*

Special attention needs to be paid to mice rodents in the regions of Northern Bulgaria and the fields of Sofia and Pernik. Mice rodents' development follows a trend of increase in their numbers, distribution range and harmful activity.

Vine plant protection

In 2008, conditions for the development and spread of major diseases and pests on vines were less favourable than in the preceding years. Hence, the satisfactory preservation of the crops and the very high quality of the harvested produce.

Vine mildew

In 2008, weather conditions (precipitation and cooling) in the second half of May and the first ten days of June were favourable for the development of mildew on the vine. They coincided with the most critical phases of the vine's development: "separation of inflorescence" – "blossoming to pee grain" – "sour grapes", which in some areas led to a stronger manifestation of the disease, but in comparison with 2007, no damage of economic significance was detected. The subsequent drought, coupled with extremely high temperatures, blocked the development of mildew on the vine.

Areas where regular plant operations were conducted in the country in 2008 occupied 82.46 thousand hectares. On this area an average of 4 treatments were conducted for mildew.

Powdery mildew

In June, the first signs of powdery mildew were detected on leaves and shoots in the districts of Plovdiv, Bourgas, Vidin, Pleven and Sliven. The grapes were reported to have been affected on a weak to medium level. Areas, treated against powdery mildew in 2008, occupied 81.48 thousand hectares, and 4 treatments were performed. Fungicides with systemic action were mainly used. There is still a very small share of used products, containing sulphur. There are no damages of economic significance.

Vine excoriosa (foma and fomopsis)

In 2008, the trend of reducing the range of spread of the disease continued as a result of the eradication of the old, infested vineyards. Weather conditions during the year were not favourable as well for the incidence and spread of excoriosa. Excoriosa infested areas in 2008 totalled 7.14 thousand hectares, while those treated - 3.31 thousand hectares, which is 46.4% of the infested area. Failure to conduct early treatments leads to the accumulation of infections, which, on its turn, will lead to an increase in the infested areas on a yearly basis.

Gray mould (botrytis)

The conditions for the incidence and spread of this disease during the first half of 2008 were not favourable. Cooling and precipitation in late August and September provoked the onset and spread of the disease. Treatment was conducted on 22.06 thousand hectares, with an average number of 2.2 treatments. In some areas (under dessert varieties) 4-5 treatments were conducted. There are no damages.

Motley grape moth

In 2008, the range of distribution of the motley grape moth persisted, but its density continued its downward trend. The treated areas also decreased over the preceding year. Pest density stood around the threshold of economic harm in the districts of Plovdiv, Sliven, Bourgas, Pazardzhik and Yambol.

A total of 14.60 thousand hectares were infested, 14.17 thousand hectares were treated and the number of treatments varied from 1 to 5. The percentage of infested areas versus the total area of vineyards with regular plant protection is 17.7%.

Vine shield bug

In 2008, the range of distribution of this pest decreased, compared to the preceding two years. One reason for the reduction is the eradication of old vines that were infested. Another reason was the conduction of a winter treatment that is known to be effective. 6.52 thousand hectares of infested areas were reported in the country. A total of 5.44 thousand hectares were treated. Most infested and treated areas were located in the districts of Plovdiv (4.5 thousand hectares), Haskovo (0.52 thousand hectares) and Sliven (on 0.33 thousand hectares).

Vine mites

In 2008, the density of the yellow vine (apple) mite was low and stood at a limited range of distribution in the districts of Pazardzhik, Sliven, Haskovo, Stara Zagora, Bourgas and Varna. The total treated area was 1.21 thousand hectares.

The pear rust mite causing the “itch vine” kept its density and range of distribution in comparison with the preceding two years. Infested areas were found in the districts of Vratsa, Montana, Vidin, Plovdiv and Sliven.

Weed control

In 2008, treated areas increased dramatically and the basic vegetative glyphosate-based herbicides were predominantly applied. The total area treated with herbicides in 2008 occupied 15.97 thousand hectares, mainly in the districts of Plovdiv, Haskovo, Sliven, Blagoevgrad, Stara Zagora, Vidin, Bourgas, Yambol and Montana.

Multi-feeding pest control

White American butterfly

The density of the first generation of the pest in 2008 was very low, and only in certain areas individual wells were recorded. The extremely high temperatures (above 36°C) further depressed the development of the white American butterfly. The only exceptions were the districts of Bourgas and Pleven, where mechanical control was put into effect in certain municipalities, parks and roadside plantations.

3.2. Fertilizing

Mineral fertilizers

In 2008, 2,068 thousand hectares were enriched with nitrogen fertilizers. Areas, enriched with phosphorus fertilizers, occupied 218 thousand hectares, while those enriched with potassium fertilizers – 163 thousand hectares.

Table II.85.

Used quantities of mineral fertilizers – tonnes of active substance

Year	Nitrogen	P_2O_5	K_2O	Total
2006	152,766	25,278	7,803	185,847
2007	177,936	29,607	13,516	221,059
2008	173,917	30,558	12,950	217,425

Source: *National Plant Protection Service*

Manure

Manure is used mainly for growing vegetables, potatoes, fruit plantations and vineyards. The trend of reducing both the quantity of and the area, enriched with manure, has persisted over the past three years. In 2008, approximately 123 thousand tonnes of manure were recovered to enrich some 5.6 thousand hectares.

3.3. Veterinary services

3.3.1. Healthcare

In 2008, the priorities of the National Veterinary Service (NVS) were animal health protection and control on the observance of rules for the protection and humane treatment.

The National Veterinary Service's most important task was its work on the implementation of the Programme for Control and Eradication of Classical Swine Fever (CSF), aimed at repealing the ban on trade with Member States of live pigs and their products, which have not undergone thermal procession. Due to the implementation of the programme, only one outbreak of CSF was reported for the entire 2008: on 25.05.2008, among pigs bred in the backyard of a farmer in the village of Treklyano, in the district of Kyustendil. All pigs that tested positive, as well as those that have had any contact with the infected ones, were exterminated immediately and the spread of the disease was prevented.

On the basis of the conducted inspection of the activities of the National Veterinary Service in regard to the implementation of the Programme for Control and Eradication of Classical Swine Fever (CSF) and the measures, taken to contain and eradicate the disease, on July 01, 2008, at the meeting of the Standing Committee on the Food Chain and Animal Health with the European Commission in Brussels, the EC adopted Decision 2008/631, enabling establishments, approved for trade with EU Member States, to trade within the Community and export to third countries pork meat and meat products, originating from the entire territory of the Republic of Bulgaria.

Regarding the spread of bluetongue disease and the economic losses it led to in most Member States in the EU, measures were taken for supervision and control. As a result, the disease was not detected on the territory of the country in 2008.

In order to ensure the health status of animals, protect people from zoonoses and ensure smooth trade within and outside the EU, in 2008 the National Veterinary Service implemented the following supervision programmes:

- Programme for Control and Eradication of Classical Swine Fever (CSF) in domestic and wild pigs;
- Programme for Monitoring of Avian Influenza in Poultry and Wild poultry in Bulgaria;
- Programme for Monitoring and Eradication of Newcastle Disease Virus;
- Programme for Monitoring of Bluetongue in Field Ruminants;
- Programme for Monitoring of Transmissible Spongiform Encephalopathies;

- Programme for Monitoring of Salmonella in Laying hens of the Genus Gallus gallus;
- Programme for Monitoring of Salmonella in Broilers;
- Programme for Monitoring of Salmonella in Breeding Flocks;
- Programme for Monitoring Mouth Disease in Cloven-Hoofed Animals;
- Programme for Monitoring of the Health Status of Fish, Reared in Industrial and Livestock Agricultural Holdings;
- State Prophylactics Programme for 2008.

In 2008, due to the timely and appropriate restrictive measures of the National Veterinary Service, the spread of the disease brucellosis in small ruminants was limited to two districts – Haskovo and Stara Zagora. On the territory of the district of Stara Zagora, two isolated cases of positive tests of brucellosis in small ruminants were detected in the village of Vasil Levski and the village of Opan. In 2008, on the territory of Haskovo District, no new outbreaks of brucellosis were reported. But the re-examination of blood samples of the affected in 2007 9 villages, as required by European Union (EU) acquis, showed small ruminants in 6 settlements to have tested positive (the village of Black Mogila, the town of Harmanli, the village of Dripchevo, the village of Mramor, the village of Valche Pole and the village of Bulgarin). The number of positive tests has increased only in the village of Mramor, Haskovo District (6 large ruminants, 76 goats, 2 billy-goats and 7 sheep), while on the territory of the remaining 5 settlements, where blood tests were carried out, only isolated cases of positive results for brucellosis in small ruminants were detected.

A programme for the monitoring of brucellosis has been prepared and it envisages the thorough testing of all small ruminants, aged over 6 months, in the areas close to the border with the Republic of Greece, as well as the districts of Stara Zagora and Yambol.

As of 30.12.2008, all localities affected by brucellosis recovered with the exception of the village of Mramor and the village of Cherna Mogila, Haskovo District, and in 2009, laboratory tests at accelerated rate will be carried out in these settlements and if they test negative in two consecutive tests carried out with a 4-month difference in between, the restrictive measures will be lifted.

In 2008, the number of positive cases of rabies was significant – 49 cases detected in 33 foxes, 6 jackals, 6 dogs and 4 cats. The National Veterinary Service prepared and sent for approval and co-financing by the European Commission DG SANCO a Programme for Oral Vaccination of Wild Animals in the period 2009 – 2013. The activities under the programme for 2009 were approved with a decision of the EC, and two vaccinations within one calendar year are envisaged. The first one is planned for the period April – May, and the second – September-October.

In the implementation of the Programme for Monitoring of Avian (Flu) Influenza on Birds, no cases of positive tests of highly pathogenic avian influenza were detected on the territory of the country. In the period 01.01. – 01.09.2008, 5 256 samples were tested.

On 21.01.2008, the low pathogenic strain of H7N7 was detected, isolated from a wild duck, shot near the village of Khan Krum, Preslav Municipality, District of Shoumen. The laboratory results were confirmed by the Community Reference Laboratory in Weybridge, UK. The National Veterinary Service took immediately all measures to prevent the spread of the disease, according to the requirements of Council Directive 2005/94/EC of December 20, 2005 on Community measures for the control of avian influenza, while repealing Directive 92/40/EEC.

Veterinary specialists, together with ornithologists, are performing checks for increased mortality in wild poultry in the regions, identified as high risk, and take samples from wild, migratory poultry for active monitoring. In the period 01.01. – 31.12.2008, 3 outbreaks of Newcastle disease were recorded in poultry, reared on “backyard” type farms: on 14.02.2008, in the location of Lilyashka Mogila, Municipality of Vratsa, District of Vratsa; on 21.02.2008 in the village of Kardam, Municipality of General Toshevo, Municipality of Dobrich; and on 20.11.2008 in the village of Kazatsite, Municipality of Dzhebel, District of Kurdzhali.

The National Veterinary Service managed to contain the disease within the confines of these settlements, and compared to 2007, identified cases of Newcastle disease have decreased significantly.

In implementing the Programme for Monitoring of Diseases in the Group of Transmissible Spongiform Encephalopathies (TSE) in 2008, four cases of scrapie in sheep were found:

- One case of classical scrapie in sheep in the village of Malak Manastir, municipality of Yambol;
- Two cases of atypical scrapie in sheep in the village of Tankovo, District of Haskovo, and the village of Tatul, District of Kurdzhali;
- One sheep from the village of Kroushari, District of Dobrich, was diagnosed positive for scrapie in the national reference laboratory for transmissible spongiform encephalopathies in Sofia, but the amount of diagnostic material was insufficient to determine the final diagnosis. Nevertheless, measures have been taken to ensure the safety of humans and animals alike. All small ruminants from the herd were exterminated and tested for transmissible spongiform encephalopathies.

Necessary measures are taken to contain and eradicate the disease scrapie in sheep, in accordance with Annex VII of Regulation (EC) №999/2001 of the European Parliament and the Council of May 22, 2001, laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies.

In 2008, the Protection of Animals Act was approved and promulgated in the State Gazette, issue 13 of 08.02.2008, which fills a gap in the Bulgarian legislation with regard to the need for legislation on some specific issues, related to humane treatment of animals, scientific experimenting on them, transportation, etc.

As required by Regulation №1/2005 of 22.12.2004 on the protection of animals during their transportation, licenses continued to be issued to drivers, transporting livestock, to ensure training for observance of the rules for humane treatment and protection of animals during transportation. A total of 152 licenses have been issued for short trips and 62 – for longer journeys.

A total of 7,188 checks were performed to verify compliance with the rules for humane treatment and protection during the transportation of animals to livestock holdings and the transfer of animals, intended for meat yield enterprises, as well as intra-Community trade and export to third countries. 121 violations have been reported.

In 2008, checks to verify compliance with the rules for humane treatment and protection were performed at:

- 3,230 cattle-breeding sites;
- 1,731 small ruminant-breeding sites;
- 7,531 pig-breeding sites;
- 785 poultry-rearing sites.

A total of 812 prescriptions were issued for improving the work and 20 acts – for administrative violations.

In September 2008, a seminar was organized and conducted with the TAIEX office – an instrument of the EC, on the implementation of the requirements for humane treatment of animals at border-check points.

Research is conducted by specialized units of the National Veterinary Service – the National Veterinary Diagnostic Research Institute, the Regional Veterinary Diagnostic Institute – Stara Zagora, and the Regional Veterinary Diagnostic Institute – Veliko Turnovo. In 2008, the work plan of the specialized units of the National Veterinary Service comprised 34 research tasks that were organized in 5 issues. Reports on all issues and tasks were discussed and adopted at a meeting of the sectional scientific councils with the National Veterinary Diagnostic Research Institute, and the Scientific Council of the National Veterinary Service, and can be summarized as follows:

- **Laboratory diagnostic work**

In 2008, extremely large and important was the task of laboratories with the Regional Veterinary Stations and the Regional Veterinary Diagnostic Institute for diagnostic tests, working on the State Prophylactics Programme and the monitoring programmes for monitoring of current diseases.

Information on research, conducted in the laboratories of the National Veterinary Service, is provided in special sample reports, which contain sampling data on self-control, as and when taken by enterprises, as well as official control, exerted by the authorities.

Checks were performed on all diagnostic laboratories in the system of the National Veterinary Service to establish their capacity, readiness for accreditation and degree of equipment. In connection to the registration with the Regional Veterinary Service of two private laboratories, inspections have taken place in the laboratories for testing food products of animal origin "Alimenti" in Plovdiv and the private testing laboratory “Lab Standard VSE” in Veliko Turnovo.

In 2008, laboratory tests and diagnostic circular test were conducted between:

– The National Reference Laboratory (NRL) on transmissible spongiform encephalopathies and the regional laboratories of transmissible spongiform encephalopathies with the Regional Veterinary Diagnostic Institute – Stara Zagora, and the Regional Veterinary Diagnostic Institute – Veliko Turnovo;

– Circular test for the testing of fodder for components of animal origin in fodder between the Regional Veterinary Diagnostic Institute – Stara Zagora, the Regional Veterinary Diagnostic Institute – Veliko Turnovo, the Regional Veterinary Services – Varna, the Regional Veterinary Services – Bourgas, the Regional Veterinary Services – Pazardzhik, the Regional Veterinary Services – Pleven, the Regional Veterinary Services – Plovdiv, the Regional Veterinary Services – Yambol, and the Regional Veterinary Services – Blagoevgrad;

– Circular test for brucellosis between the National Reference Laboratory and 15 regional laboratories;

– Circular test for leptospirosis between the National Reference Laboratory and 15 regional diagnostic laboratories;

– Circular test between the National Reference Laboratory and 2 regional laboratories under VSE;

– Circular test for trichinosis between the National Reference Laboratory and regional laboratories.

Worth noting is the progress on the accreditation of the National Reference Laboratory for exotic diseases and the National Reference Laboratory for marine fish and molluscs diseases. Documents for accreditation were submitted to the Executive Agency “Bulgarian Accreditation Service” and official audit has already been conducted. In line with the approved programme for preparation of documents for accreditation, the remaining 19 National Reference Laboratories within the National Veterinary Diagnostic Research Institute are in the process of accreditation. At this stage, 24 are the accredited laboratories for veterinary-health sector expertise in the system of the National Veterinary Service ,and it is expected that equipment for the testing of honey will be delivered to some of them.

New and updated registry of laboratories is being developed with a view of modifying the structure of the laboratory-diagnostic complex in the National Veterinary Service.

In 2008, in connection with the implementation of the PHARE project BG2006/018-343.03.02, Contract 9 – Supply of laboratory equipment to analyze the quality of raw cow milk, the National Veterinary Service was designated a beneficiary of this project. Under the project, two laboratories with the Regional Veterinary Services will be equipped: one in Haskovo, and another one in Veliko Turnovo.

Hence, the renovation of the premises and their preparation for the receival of state-of-art equipment for quality control of raw milk.

- **Laboratory diagnostic tests for diseases on the list of communicable diseases at the State Prophylactics Programme**

In 2008, under the obligatory diagnostics, laboratories within the National Veterinary Diagnostic Research Institute, the Regional Veterinary Diagnostic Institute – Stara Zagora, the Regional Veterinary Diagnostic Institute – Veliko Turnovo and the Regional Veterinary Services examined a total of 1,778,185 samples.

In 2008, the National Reference Laboratory within the National Veterinary Diagnostic Research Institute tested 206,455 samples under the State Prophylactics Programme. The laboratories of the Regional Veterinary Services – Veliko Turnovo examined 102,531 samples and the laboratories of the Regional Veterinary Diagnostic Institute – Stara Zagora - 194,524 samples. In diagnostic laboratories of various Regional Veterinary Services a total of 1,481.130 samples were put to test.

Thanks to the laboratory diagnostic tests of the National Veterinary Service under the programmes for monitoring of diseases of economic significance for the country and Europe, some diseases in animals have been reported with the sources of many of them being liquidated in due course and their spread – effectively restricted. Conducted research shows that in Bulgaria there is no FMD and bluetongue in ruminants, Bovinae spongiform encephalopathy, avian influenza and other diseases.

Some difficulties arose throughout the implementation of the State Prophylactics Programme, related to the irregular arrival of samples in laboratories, their packaging and markings as required, etc.

- **Implementation of the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants in 2008**

DG SANCO was introduced to the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants from the State Veterinary and Sanitary Control drugs and contaminants from the environment in 2008, which is being implemented by the Regional Veterinary Services and the Central Laboratory for Veterinary and Sanitary Expertise and Ecology.

After compilation and analysis of the results of the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants in 2008, it was concluded that for all categories of cattle, horses, pigs, fish, milk, eggs, rabbit meat, farmed game, wild game and honey, the implementation has been in compliance with the programme. Failure to comply with the programme is recorded in the categories of sheep, goats, lambs and kids. The Regional Veterinary Services – Plovdiv, and the Regional Veterinary Services – Razgrad have failed for lack of slaughter of sheep, goats, lambs and kids, and the failure of the Regional Veterinary Services – Sliven with regard to lambs and kids is due to the late inclusion in the National monitoring programme for control of residues, but this gap will be filled in 2009. Broilers from farms and slaughterhouses are reported to lag behind schedule.

In 2008, certain Regional Veterinary Services have not achieved the results, intended by the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants from the State Veterinary and Sanitary Control drugs and contaminants from the environment in 2008:

– Vratsa – in a sample of broiler – residues of nitrofurans;

– Veliko Turnovo – in a sample of lamb – residues of chloro-organic pesticides residues;

– Gabrovo – in a sample of honey – residues of sulphonamides;

– Veliko Turnovo – in 3 samples of honey – residues of sulphonamides;

– Plovdiv – in a sample of honey – residues of sulphonamides;

– Kurdzhali – in a sample of blood serum of cattle – residues of chloramphenicol;

– Razgrad – in 2 samples of honey – residues of tetracycline.

For any discrepancy observed, the Regional Veterinary Services shall compile a file: letter from the Central Laboratory for Veterinary and Sanitary Expertise and Ecology, together with the minutes of the sample survey, letter from the Director General of the National Veterinary Service to the Regional Veterinary Services asking him/her to take appropriate measures under Ordinance No.119/21.12.2006, and the investigation of each case.

The most common problems, resulting from identified difficulties, related to implementation of the measures in cases of discrepancy:

– Refusal of business operators on sites to perform the measures of enhanced monitoring;

– Sampling and dispatch of samples;

– Ineffective enforcement of legislation.

A work group was set up to overcome the identified problems and it developed Instruction for tracking of discrepant sampling results under the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants, approved by Order No.RD 11-911/05.11.2008 by the Director General of the National Veterinary Service.

In October 2008, training was organized for representatives of the Regional Veterinary Services on the rules for sampling, packaging and transportation of samples, control of veterinary medicinal products and fodder, and the measures that need to be taken in the cases of discrepancies in the implementation of the National monitoring programme for control of residues from veterinary medicinal products and environmental contaminants.

In the period 24 – 28.11.2008, DG SANCO carried out an initiative for the control of residual substances and contaminants in live animals and animal products, including control of veterinary medicinal products. In line with the agenda of the event, the activities of the headquarters of the National Veterinary Service and the Central Laboratory for Veterinary and Sanitary Expertise and Ecology were checked, as well as wholesale and retail sites, trading in veterinary medicinal products, a fodder mill, a registered veterinarian and agricultural holdings throughout the country. The conclusion is that the Republic of Bulgaria has a well-developed control system as far as residues are concerned. Recommendations are made to improve controls on mandatory group substances, improve the time it takes to transport the samples to the laboratory, establish instructions for action in agricultural holdings in cases of discrepancy and complete the identification system for horses.

In relation to the findings, it was decided to take into consideration the recommendations, made by DG SANCO representatives, when preparing the Programme for the control of residues in 2009,.

- **Laboratory testing of food safety testing laboratories**

In 2008, the laboratories at the National Veterinary Service for animal health expertise or food safety tested a total of 847,152 samples, 483,250 of which under official control. Samples non-compliant with the requirements under various indicators totalled 2,420. Samples, examined within the internal monitoring of enterprises, amounted to 363,902, including 3,282 samples, failing to meet the requirements under various indicators. Trichinella tests totalled 593,332, including 5 samples that tested positive for Trichinella in domestic swine and 30 – in feral pigs.

The National Reference Centre for Food Safety tested a total of 3,411 samples of food products of animal origin, and the largest number of samples were received at the National Reference Laboratory for “Salmonella and salmonellosis” – 1,448 samples.

Samples tested in 2008 for quality control of raw cow milk in the laboratories of the State Veterinary and Sanitary Control Service of Food Safety can be summarized as follows:

– Samples of official control: total count of micro-organisms – 11,442 samples; compliant with the requirements of Regulation (EC) No.853/2004 of the European Parliament and of the Council

– Test results from samples from the internal monitoring of enterprises for grading of raw cow milk, are as follows: total count of micro-organisms – 73,886 samples; compliant with the requirements of Regulation (EC) No.853/2004 of the European Parliament and of the Council of April 29, 2004, laying down specific hygiene rules for food of animal origin – 50,276 samples; samples, not corresponding to the standard – 532; total number of somatic cells – 39,031, compliant with the Regulation (EC) No.853/2004 of the European Parliament and of the Council of April 29, 2004, laying down specific hygiene rules for food of animal origin – 38,347 samples and samples, not corresponding to the standard – 684.

In 2008, the laboratories with the Regional Veterinary Services in charge of animal health expertise tested samples of self-monitoring of enterprises and individuals as follows: meat and meat products – 80,321 samples, milk and dairy products – 247,195 samples; fish and fishery products – 1,557 samples; eggs and egg products – 2,104 samples; physicochemical tests of water – 9,088 samples; tests for Trichinella – 64,484 samples, and control of contact surfaces – 57,009 samples.

- **Laboratory diagnostic tests in soft**

The laboratories with the Regional Veterinary Services tested optional diagnostic samples, totalling 44,346, including: in the National Veterinary Diagnostic Research Institute – 18,419 samples; in the Regional Veterinary Diagnostic Research Institute in Veliko Turnovo – 3,433 samples; in the Regional Veterinary Diagnostic Research Institute in Stara Zagora – 6,316 samples; in the laboratories of the Regional Veterinary Services – 16,178 samples.

In 2008, an annual plan was prepared for the mandatory and specialized training of employees of the National Veterinary Service.

According to the annual action plan for required and specialized training of employees of the National Veterinary Service, in 2008, a total of 107 training sessions were conducted (28 workshops in Bulgaria and 79 abroad) with 812 participants (671 in Bulgaria and 145 abroad), and they are reflected in the national training programme for employees of the National Veterinary Service in 2008 and the training databases.

The National Veterinary Service's main activity is receiving and processing of documents for certification of veterinarians to work in member states of the EU. By the end of 2008, it had issued 87 certificates and made 4 inquiries on behalf of authorities in charge of recognition of professional qualifications, gained in EU member states.

3.3.2. Harmonization of the State Veterinary and Sanitary Control legislation with the EU legislation and international cooperation

In 2008, the National Veterinary Service continued its priority work on harmonizing national legislation with the EU legislation in the State Veterinary and Sanitary Control field. During the reference period, the following regulations were drafted:

- Ordinance No.39 on the conditions for breeding of pet animals, consistent with their physiological and behavioural characteristics (State Gazette, issue 1 dated 06 January 2009);

- Ordinance No.17, dated 16.06.2008, on health requirements for economic aquatic animals, their products, and prevention and control of diseases in aquatic animals (State Gazette, issue 64 dated 18.07.2008);

- Ordinance No.41 on the requirements for facilities where animals are bred, reared and/or offered for pet trade, and for animal shelters (State Gazette, issue 1 dated January 6, 2009);

- Ordinance on the conditions and minimum requirements for raising and using animals in circuses, bars and other entertainment establishments, and the necessary professional skills of individuals, taking care of the animals.

In 2008, work continued for the coordination of activities under the PHARE programme. For this purpose, information is given monthly on work progress with regard to PHARE programme projects, and general monitoring reports are prepared twice a year.

In 2008, National Veterinary Service experts cooperated and participated in the preparation and conduction of the following missions:

- DG (SANCO)/2008-7687, which took place in Bulgaria from January 14 – 18, 2008 and evaluated the control system with regard to the humane treatment of: laying hens and animals, during their transportation over long distances;

- DG (SANCO)/2008-7950, which took place in Bulgaria from January 28 – February 8, 2008 and evaluated official controls on the safety of food of animal origin (meat, milk and products thereof), as well as the humane treatment of animals during slaughter or killing;

- DG (SANCO)/2008-7747, which took place in Bulgaria from 4 – 8 in February 2008 and evaluated the control system of import /transit of live animals and animal products and border check-points;

- DG (SANCO)/2008-7728, which took place in Bulgaria from February 18 – 22, 2008 and assessed control measures on Bovinae spongiform encephalopathy (BSE);

- DG (SANCO)/2008-7732, which took place in Bulgaria from February 25 – 29, 2008 and evaluated the safety measures against transmissible spongiform encephalopathies in sheep and goats;

- DG (SANCO)/2008-7736, which took place in Bulgaria from June 23 – 27, 2008 and assessed the implementation of the health rules, concerning animal by-products;

- DG (SANCO)/2008-7800, which took place in Bulgaria from June 16 – 28,2008 and assessed the official checks, carried out on site with the aim to control and eradicate classical swine fever;

- DG (SANCO)/2008-7701, which took place in Bulgaria at the Food and Veterinary Service from November 3-7, 2008, and updated the profile of Bulgaria with regard to control systems in the area of food and fodder safety, animal health protection, humane treatment of animals and plant protection;

- DG (SANCO)/2008-8013/EP, which took place from November 24 – 28, 2008 and evaluated the control of residues from substances and contaminants in live animals and animal products, including control of the State veterinary and sanitary control products;

- DG (SANCO)/2008-8023, which took place from November 17 – 26, 2008 and evaluated the systems in place for risk control of signs of salmonellosis in the sector “Eggs for consumption”.

In 2008, work began on the drafting and implementation of the Twinning Project "Entry into force and implementation of EU legislation and standards on animal health protection in Bulgaria.

During the reference year, papers on a number of stances and guidelines on matters were drawn, that are currently considered by the EU, the EU Council and its subsidiary bodies:

- Translations of preliminary plans for assessment of coming missions, as well as reports on them, formal meetings during the visit of EU experts and meetings of the Standing Committee on the Food Chain and Animal Health with the EC, and official documents, related to the activities of the National Veterinary Service;

- Reports of EU missions in Bulgaria;

- Preliminary and detailed information in relation to EU missions (training programmes, records of conducted training, contingency – plans, monitoring programmes, monitoring programmes, prescriptions, registers, etc.).

In 2008, the following activities were carried out:

- Information was collected on the National Veterinary Service priorities for the preparation of the annual programme for 2009 on the participation of Bulgaria in the process of making EU decisions and a six-month programme of priority matters in the framework of the Czech EU presidency (January – June 2009);

- National Veterinary Service experts participate in various work groups or meetings of the Council of Europe and the Standing Committee on Food Chain and Animal Health with the EC on the matters of zoonoses.

3.3.3. Information system for identifying and tracking the movement of animals

In 2008, work continued on developing and expanding the functionality of an information system for animal identification and registration of holdings in order to meet the requirements of EU legislation in the area of animal health, and support the activities of the Agriculture State Fund – Payment Agency on granting of financial subsidies to agricultural holders to cover costs per animal.

The development of the information systems included the preparation of terms of references and the development of software for:

- Creation and editing of administrative units;
- Creation and editing of the State Veterinary and Sanitary Control units;
- Creation and editing of cattle-breeding sites;
- Creation and editing of persons;
- Creation of user profiles;
- Management of consumer access to the system resources;
- User profile settings;
- Re-marking of animals and using more than one identifier;
- Provision of an extract of the information system for the needs of the Payment Agency;
- Tracking the movement of trade marks;
- Reporting data from control lists of monitoring and control of classical swine fever (CSF);
- Extraction of references:

– For a farmer;

– For the status of a cattle-breeding site as of a prior date;

– Chronological background on animal movements;

– Ordinance No.38/14.11.2008 of the Ministry of Agriculture and Food (for sites with over 50 units of ewe).

In connection with the use of the information system by the Payment Agency to make payments per animal, an interface will be built to connect and exchange data between the IACS system of the Agriculture State Fund and the information system of the National Veterinary Service. In August 2008, specialists from the National Veterinary Service visited the State Veterinary and Sanitary Control service in Romania in order to get acquainted with their system for animal identification and apply their positive experience.

3.4. Variety Testing, Approbation and Seed Control

The Executive Agency for Variety Testing, Approbation and Seed Control performs its functions, implementing the Protection of New Plant Varieties and Animal Breeds Act, as the official body with substantive expertise on the legal protection of new plant varieties. The IACS system is the state controlling body, whose functions are assigned by the Ministry of Agriculture and Food in accordance with the Seeds and Seedlings Act – an official examining authority for crop varieties and controlling body for the production and marketing of seeds and seedlings.

In 2008, the updating of regulations continued as follows:

- Drafted, adopted and promulgated Ordinance No.16/30.05.2008 on the marketing of seed of potatoes to the EU market;

- Ordinance, amending and supplementing Ordinance No.77/31.05.2006, laying down the procedures for recognizing the registration of new varieties of agricultural plant species in the Official List of Varieties of the Republic of Bulgaria and the General Catalogue of Member States;

- Ordinance, amending and supplementing Ordinance No.12/15.03.2004, laying down detailed rules for variety testing, recognition, registration in and removal of plant varieties from the Official List of Varieties of the Republic of Bulgaria;

- Ordinance, amending and supplementing Ordinance No.96, on the marketing of seed of vegetable crops to the EU market;

- Ordinance, amending and supplementing Ordinance No.31/31.03.2004, on the procedures for authorization of producers and entities, preparing seeds and seedlings, and registration of seed and seedling traders.

In order to improve the performance of the territorial units on variety testing, a number of specialized internal normative documents such as test methods for distinctiveness, homogeneity and stability (DHS), were developed for the following crops – tomatoes, peppers, cucumbers, melons, cabbage, beans, roses, tobacco, sugar beet, vine, apple, strawberry, peach, plum, corn, iris, gypsophila, sunflower, rye, canola, mint, lavender, cotton, rice, oats, soft wheat and durum wheat. Test methods for biological and cultivation characteristics were also developed.

In 2008, 19,589 services were performed, distributed as follows:

- Issued instruments for field inspection of seed – 2,140;
- Issued instruments for field inspection of seedling – 744;
- Laboratory analyses, completed in a central laboratory – 2,422;
- Laboratory analysis, completed in the territorial units – 4,275;
- Issued certificates for seed – 3,250;
- Issued quality certificates for seedling – 398;
- Issued observation protocols from performed check-ups – 3,227;
- Preparation of informative analyses – 1,295;
- Certificates, issued after packaging – 537 units;
- Issued quality certificates / documents for seedling – 387 units;
- Certificates, issued by the Central Laboratory – 899 units;
- Documents issued for the quality of fruits – 15 units.

In 2008, 175 contracts were concluded and 272 varieties, lines and/or hybrids were declared for official variety testing in the system of the Executive Agency for Variety Testing, Approbation and

Seed Control (IASAS) with a view of recognizing and including them in the Official List of Varieties of Bulgaria and the General Catalogue of the EU, as well as ensuring legal protection.

In 2008, based on requests from applicants for registration, the Official List of Varieties of Bulgaria was published for varieties of field, vegetable, fruit crops, tobacco and vine, from which seeds and seedlings can be produced and traded on the territory of the country.

In terms of arable field crops, reduction in the number of registered varieties is observed, as varieties of the European Union Catalogue can be traded freely on the country's territory, with the exception of sunflower, for which Bulgaria has received a derogation from the European Commission to prevent varieties, for which test for resistance to *Orobanche* spp has not been performed. Out of a total of 398 varieties of field crops, 170 are Bulgarian selection, 161 of which are protected in the Patent Office and have certificates for legal protection. With vegetable crops, there is a continued downward trend in the number of varieties, applying for registration, since the requirement to test these plants for biological and cultivation characteristics, in accordance with European law, has been scrapped. All varieties, published in the EU's common catalogue of varieties of vegetable species, may be produced and traded on the territory of the country. Of all applicant varieties, 105 are Bulgarian selection and 67 of them hold certificates, protecting the rights of breeders.

Table II.86.

Number of applicant varieties for inclusion in the Official List of Varieties by year

Crops	2006	2007	2008
Field	418	435	398
Vegetable	417	148	150
Fruit	478	480	306
Tobacco	60	58	62

Source: *Executive Agency Plant Variety Testing, Approbation and Seed Control (IASAS)*

The reduction in the number of fruit varieties is due to the right of producers and traders of fruit seedlings to use the so-called "List of the producer or trader of seeds and seedlings", in pursuance of the Seeds and Seedlings Act and Ordinance No.97/18.08.2006 on the trade of fruit seedlings and fruit plants, intended for fruit production on the EU market. This list is available upon request from the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS). There has been no change in the varietal structure of tobacco seedling over the years, due to the use of validated Bulgarian breeding varieties, which are duly protected and certified. After completion of the work of the expert committees and inclusion in the Official List of Varieties, an updated list of newly recognized varieties is regularly dispatched to the European Commission (EC) for inclusion in the General Catalogue of the EU for field and vegetable varieties.

In 2008, 30 certificates were issued under the Seeds and Seedlings Act, which compared with the number of certificates issued in 2007 – 15, evidenced of increased interest from breeders to use the services of the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) as an examining office. Updated is the electronic database of plant varieties, approved through the Bulgarian office for entry into the list of production and trade of CPVO and OECD (Organization for Economic Cooperation and Development) thanks to regular dispatch from the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS).

The Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) maintains the electronic register of producers, preparers and traders of seeds and seedlings. In 2008, a total of 278 certificates and 140 permits were issued to producers, preparers and traders, and 62 certificates were reissued with updated data.

State variety testing of new plant varieties on the basis of contracts with applicants includes testing for distinctiveness, homogeneity and stability (DHS), as well as testing for biological and cultivation characteristics in order to determine the suitability of new varieties to the agricultural and climatic conditions of the country and perform related testing for resistance to cold, resistance to pathogens and chemical-technological analyses.

The Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) executes post-control and conducts growing trials of the seeds, traded in the country; performs post-registration testing of new varieties, registered in the Official List of Varieties, testing of new varieties in different agro-ecological areas, and conducts preliminary, demonstrative and producing trials. The Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) prepares distinctiveness, homogeneity and stability (DHS) descriptions of commonly known varieties and descriptions of new varieties, applying for testing, approbation characteristics for the conduction of field surveys, new methods and update of the existing ones.

In 2008, DUS trials were conducted on a total of 1,651 varieties, hybrids and lines, 363 of which under contracts for variety testing, 320 – similar varieties, and the remaining 968 are set aside for the purposes of comparative collection to validate the distinctness of the applicant new varieties.

The largest number of tested varieties and hybrids were those of field crops – 862, 178 of which for trials for distinctiveness, homogeneity and stability (DHS), and 704 for comparative collection. Among them, the highest number is observed with maize – 250 lines and hybrids, including 67 trials for distinctiveness, homogeneity and stability (DHS); sunflower – 214, including 83 trials for distinctiveness, homogeneity and stability (DHS); winter soft wheat, 67 and 37 varieties respectively; and barley – out of a total of 29 varieties, 12 are tested for distinctiveness, homogeneity and stability (DHS).

There are 173 vegetable varieties, 58 of which are tested for distinctiveness, homogeneity and stability (DHS). Most varieties subject to trials were of tomatoes – 79 varieties and lines, including 25 for distinctiveness, homogeneity and stability (DHS), cucumbers – 12 and 5 respectively, melons – 12 varieties subject to trials, 5 of which tested for distinctiveness, homogeneity and stability (DHS).

5 varieties of essential oilseed production crops are maintained as a comparative collection.

Perennial crops include 245 varieties, 29 of which for distinctiveness, homogeneity and stability (DHS) trials, and the rest – set aside for comparison. It is noteworthy that most of the new applicant varieties belong to the apple family. There are 160 vine varieties, including 12 for trials for distinctiveness, homogeneity and stability (DHS) and the rest are used to establish distinctiveness.

In 2008, 2 varieties of silkworm were put to trials: inbreeding and crossbreeding.

Subject to growing trials are seeds of grain, fodder, oilseed production crops, vegetables, beet, tobacco and potatoes. In 2008, a total of 1,770 samples were received for growing trials of 48 crops – 24 field and 24 vegetable species. The samples were divided by species, varieties and categories, and are coded. And they were dispatched to the experimental fields for growing trials, according to the technological requirements for their cultivation and sowing time.

The number of samples from corn, potato, vegetable, fodder and oilseed production crops has decreased significantly in 2008 due to decline in seed production in Bulgaria and the fact that after the accession of Bulgaria to the EU and with the introduction of the principles of free trade within the Community, the Agency was stripped of its duty as a controlling authority to perform mandatory inspection of all seed lots.

By crop groups, the ratio of samples for growing trials in 2008 was as follows:

- 1,565 samples from field crops – 88%;
- 205 samples from vegetable plants – 12%.

The number of samples from corn, potatoes, vegetable, fodder and oilseed production crops has decreased significantly.

In 2008, under contracts for official state variety testing for biological and cultivation characteristics, a total of 1,269 varieties of field crops and 6 varieties of perennial crops were put to competitive variety trials.

The total number of varieties put to testing for biological and cultivation characteristics for entry into the “A” list of the Official List of Varieties is 1,275 versus 1,316 varieties in 2007.

Out of the total variety volume, 57 hybrids were envisaged for pre-testing, 567 hybrids of maize and sunflower – for micro-trials, and 53 hybrids of maize and sunflower – for macro-trials; 191 varieties (including standards) of barley, wheat, rape, maize and sunflower were envisaged for post-registration trials; and 5 hybrids of maize and sunflower – for special trials. Variety testing, as quoted above, is performed in compliance with the requirements of the established methods for biological and cultivation characteristics testing. For inclusion in the “A” list of the Official List of Varieties, 418 varieties were tested for biological and cultivation characteristics versus 408 varieties in 2007, or 2.4% more.

Out of the total number of varieties, foreign selection varieties number 1,056 (82.82%) and Bulgarian selection varieties - 219(17.18%). Compared with 2007, the trend in 2008 has moved upwards for both foreign and Bulgarian selection varieties. Standard varieties, put to test, are 142, and together with the applicant varieties for official variety testing under contracts, total 1,417 varieties versus 1,480 in 2007, which is the full volume of testing for biological and cultivation characteristics. The number of standard varieties represents 11.13% of the total number of varieties (competitive variety testing).

To support the state policy on major agricultural crops through the organization of agro-ecological testing, with a view of limitting the impact of agricultural and climatic factors, since 2006, there have been competitive variety trials – post-registration testing, involving varieties of the “A” list of the country’s Official List of Varieties.

A priority of the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) is the expansion of this activity, by increasing the number of stations in the country (private legal entities and individuals, registered seed producers) and promulgating the results from the tests.

In 2008, competitive variety trials of post-registration testing comprised 39 varieties of wheat, 11 varieties of rape, 10 varieties of barley, 68 maize hybrids and 47 sunflower hybrids (175 varieties in total, excluding the standard varieties and hybrids). The overall number of varieties, including the standard varieties and hybrids, totalled 191. Guidelines have been prepared and dispatched to the stations (15 in total) to record the trials of post-registration testing, with indicators for monitoring and reporting, specified in meetings of expert committees.

The assessment of resistance to diseases of economic significance for each kind of agricultural plant is performed against artificial infectious background. The total number of samples, tested against artificial infectious background, was 499 in 2008 (versus 470 in 2007) to a total of 43 pathogens. Under contracts, assigning artificial infectious background, resistance assessment of: 95 varieties to 1 pathogen, 117 maize hybrids (including popmaize and sugar) to 5 pathogens and 114 sunflower hybrids to 4 pathogens was conducted, and in a separate trial, 114 sunflower hybrids were assessed for resistance to sunflower broomrape (Orobanche cumana), 19 tobacco varieties – to 8 pathogens, 6 cotton varieties – to 1 pathogen, 4 varieties of field beans – to 3 pathogens, 4 varieties of sugar beet – to 6 pathogens, 8 pea varieties – to 3 pathogens, 6 alfalfa varieties – to 3 pathogens, 3 vetch varieties – to 3 pathogens, 2 Sudan grass varieties – to 3 pathogens, 4 peanut varieties – to 1 pathogen, and 3 sesame varieties – to 1 pathogen. Assessment of cold resistance was carried out for 168 varieties of winter crops, versus 138 in 2007, of which 100 were varieties of wheat and 68 – of winter rape.

In the autumn of 2008, for 2009 crops, 87 varieties were coded for phytopathological assessment of IIF – including 55 common wheat varieties, 8 hard winter wheat varieties, 6 varieties of triticale, 7 double-breasted winter barley variety, 7 multiple-breasted winter barley varieties, 4 varieties of winter oats.

A total of 163 varieties were coded for assessment of cold resistance in laboratory conditions, while being subjected to three negative temperatures under natural conditions of hardening. 95 were wheat varieties and 68 – varieties of winter rape versus 177 in 2007.

All assessment results of resistance to biotic and abiotic factors of the environment were reported to the applicants within the requested deadlines and in accordance with the methodical requirements.

Assessment results were pooled for a follow-up mathematical and statistical evaluation under the method of variance analysis, using for comparison one or two standard varieties, and in some crops – the average standard.

Under the field trial methodology, 10 indicators per crop were generalised on average by tradable green certificates (TGC). All results of the state variety testing for biological and cultivation characteristics, including variety assessment results, are dispatched on time to the applicants, in accordance with the deadlines, provided for in the contract – August, 31 for autumn crops and December, 20 for spring crops.

In 2008, an area of 384,767.9 decares sown with seed production crops was inspected. A decrease was recorded in requests for field inspection, compared to 2007. This can be explained with the fact that the year of 2007 was seriously affected by high temperatures and lack of rainfall, which significantly affected the yields. This led to a review of existing seed production areas with a view of expanding those and thus, attaining the required quantity of seeds for the country.

In 2008, the climatic conditions were extremely favourable and the average yields per decare of wheat seeds were nearly 50% higher than those of 2007 crops. Compared to 2006, the difference is greater. Out of these, approval was granted to 375,313 decares (97.5%), 2,213.7 decares (0.6%) were declassed and 7,241.2 decares (1.9%) were scrapped.

Of the inspected field crops, the largest share is held by the cereals group – 336,769 decares (88.1%), followed by oilseed and fibre crops – 27,580 decares (7.2%), fodder plants – 14,672 decares (3.8%), potatoes – 2,694.7 decares (0.7%), tobacco – 514 decares (0.1%), beet – 208 decares (0.1%). The total area of inspected field crops occupied 382,437.7 decares.

In 2008, constant monitoring and inspections were executed during all stages of seed production, preparation and marketing of seeds and seedlings to ensure the quality of seeds and seedlings, marketed within the Community.

Seed certification begins with a preliminary inspection of the required documents and control of the applicant seed production crops, which control is exerted during the sowing and vegetation phases as well.

No violations of the technological process in the preparation of seeds were found.

Particular attention was paid to preparers of small packages of vegetable seeds. Periodically, control sampling was performed after re-packaging of the vegetable seeds in small packages, mainly in the “standard" class.

In the active periods of trading of seeds and seedlings, systemic checks were carried out in the market. A total of 1,483 control samples were taken and control analysis was made on 1,368 samples.

Along with the checks in warehouses and commercial establishments of companies, registered under the provisions of Ordinance No.13/31.03.2004, checks of agricultural holders were performed for the purchase of seeds for spring sowing. Checks also covered agricultural holders and businesses, committed to sowing of rape, in terms of origin, variety, category, suppliers. No sowing of seeds of unknown origin was found. The majority of the areas have been sewn with controlled seeds of EU origin, received from registered seed dealers.

At local level, joint inspections were organized and conducted, with the participation of representatives of the Regional Plant Protection Service and the Agriculture and Forestry District Directorate, of markets, the stock exchange and wholesale markets.

Together with the Agriculture State Fund specialists of the territorial units took part in inspections, organized by the Agriculture State Fund, regarding users of credit line and seed subsidies. As a result of the checks, 328 protocols were drafted and signed.

In compliance with the instructions of the Agriculture State Fund, regarding the target subsidy for seed potatoes, the specialists of the territorial units have carried out checks of the labelling (documents) of purchased seed with origin, and issued the relevant protocols.

During the year, the territorial units certified the handover-takeover protocols for the purchase and sale of wheat seeds for 2009 crops. As a preventative measure, checks, carried out in 2008, led to the drafting of 3,227 observation protocols, which provided for prescriptions and deadlines to remove any minor irregularities, mainly from the entries in the books under Article 62 of the Seed and Seedling Act.

Under Article 27 of the Seed and Seedling Act, control was carried out at the initiating units of the seed maintenance hierarchy in institutes and companies.

Control was executed of the production, storage, movement and marketing of seedlings, mainly by producers and retailers, belonging to the "SAS" (standard) material category, the books under Article 62 of the Seed and Seedling Act and the records under Article 48 of the Seed and Seedling Act.

In 2008, no gross violations, which might have caused economic damage to consumers, were found. Nine acts of administrative violations were drawn, mostly for the sale of seed without registration under the Seed and Seedling Act, while in 2007, eight such acts were drawn.

Due to comprehensive checks and tightened monitoring by the specialists of the territorial units, guidance was provided on the procedures for registration for trade with seeds and seedlings, according to the provisions of Ordinance No.13/2004.

In 2008, the admission of documents from applicants for entry into the register of the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) for producers, preparers and traders of seeds and seedlings continued. Facilities for the production and preparation of seed and seedling, as well as commercial sites were inspected, and the corresponding protocols and statements were compiled.

In 2008, the implementation of the accreditation standards under the International Seed Testing Association (ISTA) was carried through, and an audit order was filed. After the audit, the laboratory for propagation characteristics in the Directorate was given an official certificate from the Secretariat of the International Seed Testing Association (ISTA) and the right to issue ISTA certificates. Accreditation is obtained for all activities, for which the former has been sought.

The laboratory of the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) is the only ISTA accredited laboratory for Bulgaria. It can issue internationally recognized certificates for trade with seed and forest plants for the needs of the Agriculture State Fund.

In 2008, a total of 11 ISTA certificates were issued and a significant increase is expected in 2009. To maintain the level of accreditation, the laboratory must continue participating in the round tests for professional performance, organized by ISTA, where it has participated voluntarily so far. In 2008, the laboratory participated in all four round ISTA tests for professional performance. The scope of accreditation are two of the tests, and "A"s – the highest possible, were achieved for both. For the other two tests, which are outside the scope of accreditation and wherein the laboratory has participated on a voluntary basis, the final scores were B and C. "B" is considered a good mark and no corrective measure for it is required by the ISTA Secretariat. A "C" mark was given for the analysis of vitality through electro-conductivity of pea seeds, but this is not a routine test for the country. In 2008, this test was one of its kind and the laboratory does not have the necessary calibrated equipment. Investments in equipment for analysis of viability through electro-conductivity are not envisaged, as this analysis is not required for certification and no Bulgarian producer is interested in such a test.

In 2008, the laboratory for propagation characteristics received for analysis 2,442 samples, for which 7,500 analyses were prepared.

Compared with the previous two years, there has been a tendency towards a slight decrease in the number of incoming samples and the analyses thereof. This is due to the change of the legislative framework after the accession of Bulgaria to the EU. Since 2007, Bulgaria has been a member of the Common Market of the EU, and certified seeds that are imported from member states are not subject to mandatory inspection. As a result of the implementation of the European Community acquis, there is no longer a requirement to take samples from bags for mechanical testing of the content of Cuscuta (Dodder) in alfalfa seeds, etc. A factor affecting the number of consignments for certification, and hence the number of samples, is the concentration of seed production in the hands of a few producers, which allows the formation of fewer consignments, but with the maximum permissible weight.

Most of the analyses, that are conducted in the laboratory for propagation characteristics, serve the purposes of certification, followed by informative analyses, made at the request of firms, importing certified seeds from other Member States, and analyses for inspection of the state of comparative seed collections, etc.

The Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) analyzes relatively small samples, taken randomly during market control. In 2008, a total of 93 analyses were made, distributed by crops as follows: sunflower – 61, maize – 22, vegetables – 10. Three of the analyzed samples did not meet the requirements and were removed from trading.

In 2008, tests involved 109 consignments of seed for export to third countries and the EU. They have been awarded a total of 53 OECD certificates for certified and not-finally certified seeds.

The laboratory for further control, using the electrophoresis method, has admitted for analysis and analysed a total of 438 samples of maize, sunflower, wheat for certification and parental lines for producing hybrids from Bulgarian and foreign selection.

3.5. Selection work in livestock breeding

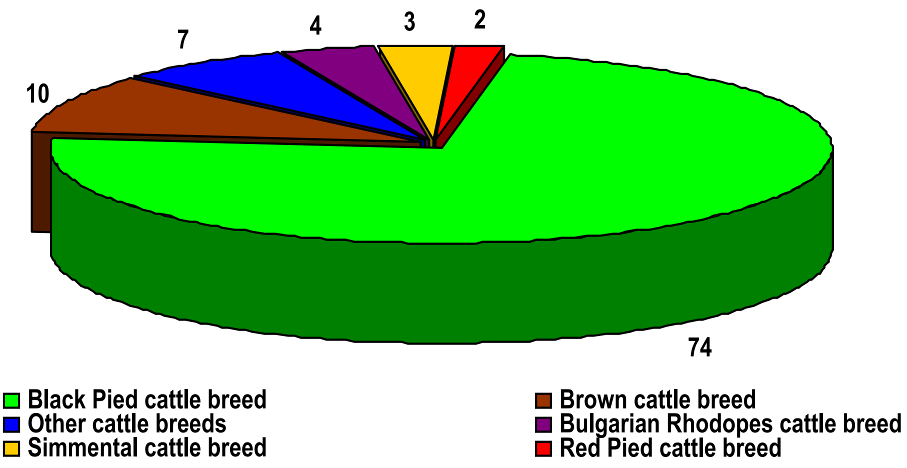
Cattle breeding and buffalo breeding

In 2008, controlled were the productive properties of a total of 32,162 units of cows and 289 units of buffaloes, including: 18,221 units of cows and 197 units of buffaloes from the National Gene Pool; 13,942 units of cows and 92 units of buffaloes from the controlled part of the population.

During the reference year, the breed structure of controlled herds was as follows: Black Pied cattle breed – 74.2%; Red Pied cattle breed – 1.9%; Brown cattle breed – 10.4%; Simmental cattle breed – 2.7%; Bulgarian Rhodopes cattle – 3.6%; and 1% - all other cattle breeds.

Figure II.23.

Breed structure of controlled cattle herds in 2008, %



Source: *The Executive Agency for Livestock Selection and Reproduction*

Controlled agricultural holdings perform the following activities:

- Monitoring of performance;
- Keeping of zoo technical records;
- Drawing of random plan;
- Exterior assessment;
- Issuance of zoo technical certificates.

Cattle breeding experts participated in the preparation and organization of three regional and one National Exhibition on Animal Husbandry.

In 2008, the updating of the software, used in cattle breeding, was completed and the following was developed: software tools for preparing stud book and zoo technical register of cows and stud book for bulls; new instruction for cattle breeding improvement work along with regulated keeping of the stud books and issuance of zoo technical certificate under the new Ordinances of the Livestock Act, DNA analysis.

DNA analysis was made for 3 domestic breeds of cattle: Iskar cattle, Rhodopes short-horn cattle and Bulgarian Rhodopes cattle. As a result, for the first time in Bulgaria, conservation work, as well as work, related to the management of genetic resources, loomed prominent. Hence, the establishment of a number of unknown so far facts, namely:

- There are high levels of inbreeding – 0.112 in the Iskar cattle, 0.118 in Rhodopes short-horn cattle and 0.064 in Bulgarian Rhodopes cattle;

- The highest genetic distances are observed between the Bulgarian Rhodopes cattle and the Iskar cattle – 0.101, while the lowest are – between the Iskar cattle and the Rhodopes short-horn cattle – 0.049;

- There is lack of balance in the population of the Rhodopes short-horn cattle, probably due to the use of artificial insemination with an insufficient number of breeding stock;

- There are genetic differences in the populations of the Iskar cattle. So great as to speak of two populations – one in the region of Sredets and another in the region of Shoumen. For the first time, the existence of two grey populations in the country - Iskar and Bulgarian grey cattle, has been proved scientifically. Work on the detailed interpretation of achieved results continues.

In 2008, male breeding stock was imported for artificial insemination at the breeding station in Sofia of the Aberdeen Angus, Red Holstein and Limousin cattle breeds.

Test implementation of the Test-Day model in cattle breeding was tried, according to methods, adopted by the International Committee for Animal Control (ICAR), which is a worldwide organization for standardization of control and development of livestock breeding, that produces and publishes rules and standards for measuring economically significant signs and indicators for the development of livestock breeding. Experience has shown that on local ground, the results from the Test-Day model do not correspond to a satisfying degree to values, measured in real terms. Further analysis found out that this was due to the great typological variety in the breeding and feeding methods and breed composition of the controlled agricultural holdings in Bulgaria, which comprise the main part of the best performing holdings. For lack of lactometer, they may remain beyond the control of productive properties. Lactometer, approved by the International Committee for Animal Control (ICAR), is an integral part of the process of introducing rules for a sufficient degree of reliability of primary information in cattle breeding, imposed by ICAR.

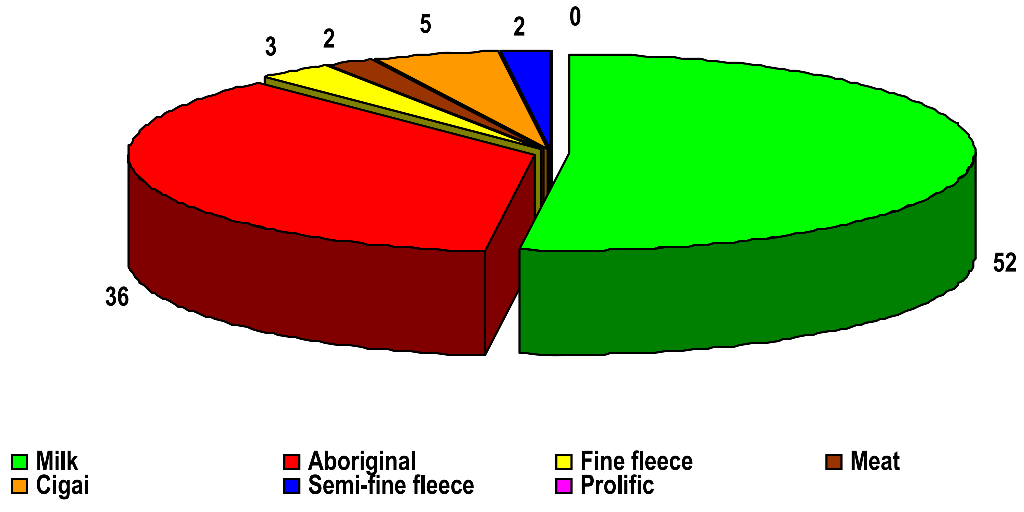
In 2008, the activities of a breeding organization were inspected, and this was considered the first assessment in cattle breeding, performed in accordance with the applicable regulations.

Sheep breeding and goat breeding

In 2008, the Executive Agency for Livestock Selection and Reproduction worked with 82,423 units of sheep, including 54,931 units in elite herds and 27,492 units in tribal herds. Sheep breeding encompassed 28 breeds of 7 sub-breeds: namely fine fleece sheep, semi-fine fleece sheep, cigai, milk, meat, prolific and aboriginal.

Figure II.24.

Structure of controlled sheep by areas in 2008, %



Source: *the Executive Agency for Livestock Selection and Reproduction*

Goat breeding worked with 2,880 units of goats of Bulgarian white milk breed, including 592 units in elite herds and 2,288 units in tribal herds.

Sheep and goat breeding involved the following activities:

- Identification;
- Monitoring of the productive properties of sheep and goats, which included the following zoo technical indicators – reproduction, live weight, exterior, milkiness, meat yield and wool yield;

- Control of breeding organizations, which included: identification checks; checks of the methods for registering animals, included in selection programmes; verification of the reliability of results from the control of productivity properties; inspection of the keeping-up of breeding books and reproduction activities checks.

For the purposes of selection, sheep in controlled herds and their offspring, approved for breeding, are numbered by tattooing a mother's number on the left ear of the lamb no later than 20 days after its birth, and an individual number on the right ear of weanlings, approved for breeding, and 100 days old lambs, approved for breeding.

All breeding rams that have horns are numbered by brand marking

In determining the reproduction indicator, the following is considered:

- The number and sex of offspring, born from any lambing or kidding;
- The number of animals that have aborted and stillborn lambs and kids.

Live weight should be checked at:

- Birth of lambs of meat producing breeds;
- Weaning and at the age of 1,5 years in other breeds.

The assessment of the exterior considers:

- The typicality of the breed;
- The harmony of the physical build;
- The degree of growth;
- The meat and fat content;
- The presence of significant defects.

The milkiness control is executed on milk sheep, by controlling individually the quantity of milked milk in litres only during the milking period, according to the nomenclature of the International Committee for Animal Control (ICAR).

In determining the yield of meat indicator, the following is controlled:

- The muscles development;
- The meat and fat content;
- The average growth rate;
- The utilization of fodder;
- Mortem analysis.

In determining the yield of wool indicator, the following is controlled:

- The amount of unwashed wool in males at 6-month age and at 1.5-year age, and in females – at 1.5-year age;
- Length of wool at 1.5-year age;
- The amount of washed wool at 1.5-year age – in laboratory;
- The tenderness of wool at 1.5-year age, at eyesight, and in male lambs – in laboratory.

In 2008, control was executed by the National Association for the breeding of synthetic population of Bulgarian milk sheep. The Patent Office approved certificates for three local sheep breeds Middle Stara Planina, Middle Rhodopes and Sakar.

In relation to the protection of diversity of local sheep and goat breeds and the programme for the conservation of breeds in Bulgaria, it was obtained and frozen semen from nine domestic breeds of sheep – Karakachan, Copper Red, Shoumen, Local Karnobatska, West Stara Planina, Replyanska, Sakar, Middle Stara Planina, Dabenska and Sofiyska. The gene pool of the Executive Agency for Livestock Selection and Reproduction stores 2,970 doses and in recent years, a total of 7,540 doses of local sheep breeds have been stored.

In the sectors of sheep and goat breeding, selection and reproduction activities are permitted to 12 breeding organizations – 11 in sheep breeding and 1 in goat breeding.

In 2007, the breeding organizations covered 65,510 units of sheep and 1,807 units of goats, and in 2008, the number of controlled animals increased to 140,643 units of sheep and 10,965 units of goats.

Pig breeding

In recent years, selection activities in pig breeding have been gradually transferred to breeding organizations. For comparison, in 2005, the Executive Agency for Livestock Selection and Reproduction monitored 24,257 units of sows on the territory of the country. In 2007, this number decreased to 17,910 units of sows, and in 2008, the actual number of monitored sows was 1,208 in livestock holdings, included in the National Gene Pool and the controlled part of the population. These are mainly indigenous animals of the East Balkan pig breed in the districts of Varna and Bourgas.

In recent years, according to the requirements of the Animal Husbandry Act, pig breeding activities moved into the hands of registered pig breeding associations. In 2009, the Executive Agency for Livestock Selection and Reproduction did not enter into agreements even with the owners of herds of the East Balkan pig breed.

In 2008, as in the preceding years, the Executive Agency for Livestock Selection and Reproduction controlled the reproduction characteristics of sows from pure-bred and breeding herds, and assessed its own effectiveness in testing young females and baby boars.

Pig breed structure is determined by the breeds Large White of English and Swedish origin, Landrace of English origin, the Bulgarian breeds – Danubian White, Landrace – ch, Polish Large White, East Balkan pig breed. Many companies, acting in compliance with the EU requirements, have started importing animals of pig breeds such as Danish Landrace and Yorkshire, Duroc, Landrace and Large White of Dutch origin. Four associations are registered in pig breeding :

- Association of pig breeders in Bulgaria – breeding;
- Association for breeding and conservation of the East Balkan pig;
- Association of breeders of specialized pig breeds in Bulgaria;
- Association of industrial pig breeding in Bulgaria.

The activities of these pig breeding organizations have been duly checked.

Horse breeding

The Executive Agency for Livestock Selection and Reproduction has set its priorities with regard to horse breeding in 2008 as follows:

- Work with international breeding organizations in its capacity as the official registrar of pure-bred Arabian stallion and pure-bred English horse breeds in Bulgaria;
- Work with the Karakachan horse breed in Bulgaria – detection and registration, identification and patenting.

Regarding the first priority, the Executive Agency for Livestock Selection and Reproduction has represented Bulgaria since 1998 in the global organization for Arabian pure-bred breeds (the World Arabian Horse Organization), so that the entire Arabian population of pure-bred horses is controlled by the Executive Agency for Livestock Selection and Reproduction, and accordingly, it shall issue all zoo technical documents for the breed. The same legal arrangement applies for the pure-bred English horse breed. The Executive Agency for Livestock Selection and Reproduction represents Bulgaria in the International Stud Book Committee (ISBC).

The second priority task aims at establishing work relations with the only indigenous horse breed in Bulgaria – the Karakachan horse. That breed has not been subject of streamline research for 60 years. The primary task is to clarify and differentiate the exterior of the Karakachan horse from the rest of mountain horses. For this purpose, exterior measurements were taken on horses from outdoor herds. The results are summarized and analyzed by a panel of Bulgarian scientists in the field of horse breeding.

In 2008, the procedure of patenting the Karakachan horse in Bulgaria was completed at the initiative of the Executive Agency for Livestock Selection and Reproduction.

The horse selection control in Bulgaria, in 2008, involved 563 units of horses, mainly from the Karakachan breed, located in the premises of the Institute for Animal Sciences – town of Kostinbrod, and the Thrakia University – city of Stara Zagora, with a total of 110 populations.

Reproduction

Range of artificial insemination

In 2008, 83,067 units of cows, heifers and buffaloes were inseminated at 24% range, which is 1.0% less than the range, achieved in 2007. The number of inseminated cows this year decreased by 2,184 units. During the year, the highest range of artificially inseminated animals was reported in the region of Vidin – 49%, followed by the region of Shoumen – 46%, and the regions of Rousse and Smolyan – 40% each. As of 31.12.2008, a total of 95,359 doses of fresh semen were sold in the country, which represents 75% of the estimated amount. Higher rates, in comparison with 2007, were recorded in the regions of Razgrad (126%), Nova Zagora (120%), Kurdzhali (114%), Lovech (112%) and Pernik (110%). The information covers inseminated animals in holdings, controlled by the Executive Agency for Livestock Selection and Reproduction.

During the reference period, the number of inseminated cows decreased compared to 2007, with the following breeds being affected: Simmental – by 1,008 units; Brown cattle – by 963 units; Bulgarian Rhodopes cattle – by 611 units; Black Pied cattle – by 508 units. At the same time, the number of RHF cattle increased by 876 units, compared to 2007.

The results of artificial insemination are reported as of September 2008, and of a total of 63,165 units of inseminated cows, 53,253 units were bred (84.3%), including 37,186 bred at first insemination, or 58.9%. The average cost per insemination was 1.20 doses and the index of breeding per cow was 1.43 doses.

During the reference period, 7 boars, available in two units of the Executive Agency for Livestock Selection and Reproduction, inseminated 2,296 sows, which is 67 sows more than in 2007.

As of 31.12.2008, the two stations for artificial insemination have a total of 26 breeding stocks: Black Pied breed – 11 units; Brown cattle – 1 head; Simmental – 2 units; Bulgarian Rhodopes cattle – 3 units; Bulgarian murra – 2 units; Limousin – 3 units; Aberdin angus – 2 units; RHF cattle – 1 head; and Iskar cattle – 1 head.

In 2008, a total of 90,568 doses of semen were received, and 3,123 doses of semen per active bull were obtained on average.

The Station for Artificial Insemination – Sofia, received 278 ejaculates from Bovinae breeding stock, and the Station for Artificial Insemination – Sliven – 736 ejaculates.

In recent years, there is a trend of reducing the number of breeding bull calves, due to complex reasons:

- Much of male breeding herds tested positive for leucosis and infectious rhinotracheitis, which limits the choice of desired calves;

- The Executive Agency for Livestock Selection and Reproduction experienced difficulties in purchasing breeding bull calves, although it offers semen to agricultural holders for cattle breeding. It is necessary to provide funds for the purchase of male calves.

As of 31.12.2008, the Executive Agency for Livestock Selection and Reproduction has at its disposal a total of 4,482.392 doses of semen, including 1,075.765 doses in the gene pool in Sofia, 3,302.072 doses in the gene pool in Sliven and 104,555 doses in operational repositories.

At the end of the year, the gene pool in Sofia had available 7,390 doses of frozen semen from 23 rams from 10 breeds of sheep: Karakachan sheep, copper-red Shoumen Sheep, Local Karnobat sheep, Replyan sheep, Middle Stara Planina sheep, Daben sheep, West Stara Planina sheep (Breznik breed), West Stara Planina sheep, Sofia sheep, Sakar sheep.

Other activities

In 2008, the development of an information system “Control of Breeding Organizations” was started.

The Livestock Act and the worked out Ordinance lay down the conditions and the procedures for exercising control over the activities of breeding organizations, authorized to carry out selection and reproduction activities.

In 2008, all breeding organizations in the country were monitored for the purpose of creating a National catalogue of livestock breeds in Bulgaria.

A national exhibition of animal husbandry was held in the city of Sliven in 2008, where sheep breeding was best represented not only by the number of units, but also by the number of breeds – 27, including 20 Bulgarian and 7 foreign breeds. They form a valuable genetic resource in livestock breeding.

3.6. Monitoring activities and impact of hail clouds

The monitoring of potential hail clouds with the aid of radar stations, as well as the effects of the use of anti-hailstorm missiles on them, is carried out by the Executive Agency for Hail Suppression, whose structure includes eight Regional Directorates – in Pazardzhik, Plovdiv, Stara Zagora, Sliven, Vidin, Montana, Vratsa, Pleven, and a Head Office in Sofia. The regional directorates host nine command panels with a different number of missile sites, which cover 25% of the arable land in the country.

The economic efficiency of the Executive Agency for Hail Suppression shall be evaluated at the end of each calendar year by a Methodology for determining the cost-effectiveness of anti-hailstorm protection, developed by the University of National and World Economy in 1990, that relies on the historical regression method. This method is in essence a comparison between indicators, characterizing the hail over the reference year, and the same indicators from preceding years, analogous in terms of hail intensity up until the creation of regional directorates for hail suppression.

The cost-effectiveness depends on the hail intensity, sown areas, yields and stock prices of agricultural products. In cases of high hail intensity and high number of hail processes and impacts, the greater the amount of saved production is, the higher the cost-effectiveness will be. With regard to the persevering trend of increasing prices of the output and the sown areas in Bulgaria, the economic and social effect of the activities of the Executive Agency for Hail Suppression has increased by times.

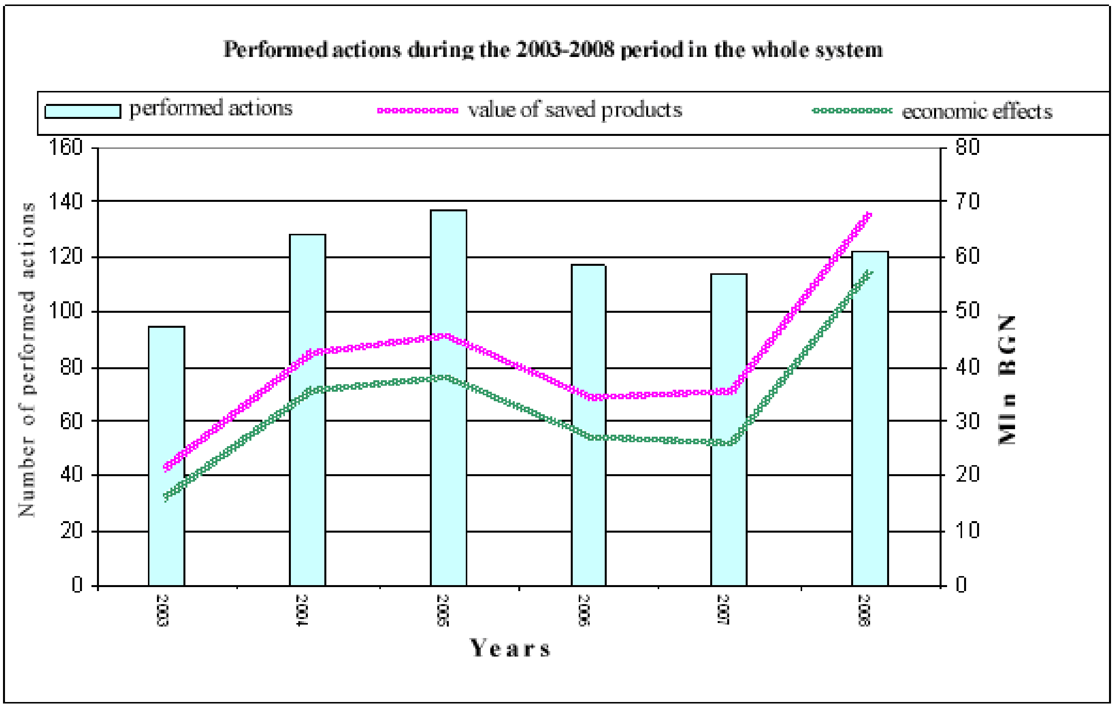
Table II.87.

Key indicators for cost-effectiveness of the activities of the Executive Agency for Hail Suppression

Indicators	2003	2004	2005	2006	2007	2008
Total protected land, thousand hectares	1,668	1,699	1,720	1,720	1,725	1,725
Arable protected land, thousand hectares	1,165	1,174	1,305	1,316	1,319	1,320
Production value in the protected land, million BGN	1,091	1,152	1,343	1,428	1,599	1,724
Value of saved production, million BGN	21,390	42,404	45,711	34,648	35,749	66,987
Cost-effectiveness of the activity, million BGN	16,085	35,800	38,400	27 121	26,297	56,521
Cost-effectiveness per 1 decare of protected area, BGN	1,38	3,05	2,94	2,39	1,99	4,74
Saved production per 1 BGN of current costs, BGN	4,03	6,43	6,25	4,60	3,78	6,40
Cost-effectiveness per 1 BGN of aggregate costs, BGN	2,86	5,27	4,71	3,54	2,77	5,37

Source: *Executive Agency for Hail Suppression*

Figure II.25.



Source: *Executive Agency for Hail Suppression*

Radar observations are made with the help of a meteorological radar – 5/MRL-5/, and noteworthy is their phased modernization that has already begun, as well as the development of a national meteorological radar network.

The management system in place for firing, together with the delivered automated projectors, increase the efficiency of the effects and the security of the airspace.

Efficiency is further enhanced by the anti-hailstorm missiles with modified flight characteristics, produced by Dunarit AD – city of Rousse and put into operation.

Three modules of the RAPIRA project are approved for automation of technological processes. They were put into practice during the 2008 active season in two Hail Suppression Regional Directorates – in the cities of Plovdiv and Pazardzhik. The modules are designed for visualization, selection and processing of radar information on a level equal to that of the most advanced meteorological radars.

The completion of this project is a qualitatively new stage in anti-hailstorm protection and preventative measures for floods, severe storm and lightning. It is an extension of the expiring capacity of radio radars and is part of Bulgaria's accession to the European meteorological networks, to which Bulgaria is not a party due to inadequacies of MRL-5.

The regional directorates and the Head Office in Sofia are included in a real time radar information transmission network.

The organization for joint audits, established by the Ministry of Agriculture and Food along with the Agriculture Regional Directorates, ensures the reliability of the results of the effects.

No activities of artificial increase and redistribution of precipitation have been performed, in spite of their inclusion in the regulations of the Executive Agency, for lack of budget funding for the purpose. Despite being part of the Agency's programme, the indexed increase in the protected from hail area, has not been satisfied, for insufficient payroll.

According to the standard operating procedure, signed with the Ministry of Emergency Situations, every three hours information in digital form on rainfall at 206 points within the protected area is sent via email. The information is transmitted to the Aerospace Monitoring Centre, the Situation Centre, the Civil Defence Regional Directorates and the Ministry of Emergency Situations.

3.7. European and international programmes and projects

The Ministry of Agriculture and Food organizes and coordinates the programming of funds under the PHARE programme in the agricultural sector and other international programmes and projects (G2G.NL short, Programme of the Flemish Ministry of Foreign Affairs for Cooperation with Central and Eastern Europe, USAID, TAIEX, etc.), related to the development of institutional structures in the agricultural sector.

In 2008, the Ministry of Finance (MF) received five proposals for projects, eligible for funding under the non-allocated funding package for administrative capacity building under the PHARE programme in 2006 – to improve the quality of milk and dairy products, organic phytosanitary control and test, and control of plant protection products, to administrate, coordinate and evaluate dossiers, authorizing plant protection and biological testing of plant protection products and to implement a system, ensuring the quality of fresh fruits and vegetables in Bulgaria.

The Ministry of Finance received two proposals for projects under the non-allocated package for administrative capacity building of the Transition Facility 2007: to strengthen the administrative capacity of the National Service for Grain and Forage in terms of traceability, control and monitoring of grain, produced and stored, to prevent and manage crises, and to strengthen the administrative capacity of the Directorate for Quality and Food Safety with the Ministry of Agriculture and Food, in terms of the control systems for quality and food safety in Bulgaria.

Five projects were submitted and approved for funding under the G2G.NL programme of the Dutch government. The projects aim to: improve the quality of raw milk in Bulgaria, strengthen the administrative capacity with regard to the implementation of the EU legislation in the poultry sector, improve the traceability along the dairy chain, improve the administrative capacity, the organization and the logistics activities of the National Service for Grain and Forage to achieve compliance with the EU legislation, strengthen the administrative capacity of the Directorate for Quality and Food Safety with the Ministry of Agriculture and Food in terms of audit and formal control.

Two projects were approved under the Programme of the Flemish Ministry of Foreign Affairs, concerning the introduction of minimal standards for good agricultural and environmental conditions in Bulgaria and the provision of support to the Ministry of Agriculture and Food to build an integrated information system for agricultural land and soils, an intelligent system to assist in the management decision-making process of regional administrations and the Bulgarian agricultural holders.

Proposals for new projects are being prepared to be submitted for approval by international donors. The objectives are: strengthening the administrative capacity of the Ministry of Agriculture and Food to carry out information and promotional programmes on the domestic market and on third countries; inventory audit and GIS – analysis of the state of protected area and creation of a regional strategy for its sustainable use; development of expert capacity to introduce the system of classification (S)EUROP in Bulgaria (training, study visits and seminars); identification and evaluation of land suitable for growing energy crops, where beneficiaries are the Rural Development Directorate of the Ministry of Agriculture and Food, etc.

Three of the developed and approved projects, financed by the European Commission's TAIEX, have been implemented – to improve the capacity of the Directorate for Supervision and Coordination of Activities of the Payment Agency of the Ministry of Agriculture and Food by providing a training in Hanover, Germany, a training in Warsaw, Poland for experts from the Directorate for Crops and Livestock Production, the Agriculture State Fund, the National Milk Board, the National Milk Producers' Association and the Association of Meat Processors, and training sessions in France and Germany for experts from the Directorate for European Integration and International Relations of the Ministry of Agriculture and Food and the National Service for Grain and Forage with regard to grain control in times of intervention.

Monitoring and supervision of 12 projects, which have already been carried into effect and which amount to EUR 29,354 million, is being performed under the financial memoranda BG 9103, BG 0101, BG 0201, BG 2003/004-937 and BG2004/016-711. These are projects that have substantially assisted in the development of the agricultural sector in Bulgaria. Among them is the establishment of a scheme for agricultural capital fund, the improvement of veterinary control at the borders, the creation of a Payment Agency, and the supply of laboratory and office equipment to a number of structures of the Ministry of Agriculture and Food.

Seven projects, whose implementation is still in progress and which amount to EUR 4,310 million, are being coordinated, supervised and monitored under the financial memorandum BG2005. These projects are related to supply of laboratory equipment to the Executive Agency for Fisheries and Aquaculture (NAFA) and the National Service for Grain and Forage and office equipment to the Agriculture State Fund; technical assistance for the creation of a Payment Agency and preparation for the creation of the Integrated Administration and Control System (IACS) in Bulgaria, further strengthening of the administrative capacity of the Control and Technical Inspection and a feasibility study for construction and equipment of an incinerator.

Contracts have been signed for six projects under the financial memorandum BG 2006/018-343 for the supply of laboratory and other technical equipment to: the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) – at the amount of EUR 1,486 million; the dairy laboratories with the National Veterinary Service – at the amount of EUR 1,287 million; the National Plant Protection Service – at the amount of EUR 0,097 million; the National Service for Grain and Forage – at the amount of EUR 0,240 million; and the National Veterinary Diagnostic Research Institute with the National Veterinary Service – at the amount of EUR 0,553 million.

Four twinning projects for training, which are being implemented and which amount to EUR 0,716 million, have been agreed under the financial memorandum BG 2006/018-343. Training sessions are conducted in the field of variety testing, phytosanitary control on quarantine organisms, biological testing, authorization and control of plant protection products, improvement of the laboratory system for diagnostics and control of the health status of animals.

There are four projects under the Transition Facility, which are at the stage of preparing the terms of reference and the technical specifications, and which will be agreed in 2009. These are technical assistance projects for the development of various software products and the supply of laboratory equipment. Five twinning projects for training, which amount to EUR 1,042 million, have been agreed with the aim to: improve the administrative capacity of the Ministry of Agriculture and Food in the field of phytosanitary control and monitoring of fodder, enhance the administrative capacity of the Directorate for Monitoring and Coordination of Activities of the Payment Agency with the Ministry of Agriculture and Food, assist the Directorate in performing its functions in accordance with Council Regulation (EC) №1290/2005 of June 21, 2005 on the financing of the common agricultural policy and Commission Regulation (EC) №885/2006 of June 21, 2006, laying down detailed rules for the application of Council Regulation (EC) №1290/2005, and exercise effective control on animal health in relation to classical swine fever and avian flu.

The implementation of the projects is subject to monitoring to ensure compliance and enforcement of control mechanisms, introduced by the Guidelines for senior programme managers, in order to ensure transparent and effective assimilation of funds under the PHARE programme and the Transition Facility of the EU. Within the implemented control system, an action plan for field checks is developed and implemented, based on developed risk analysis. Monthly meetings are held to monitor project implementation, and two subcommittees, monitoring the PHARE Programme – in May and November 2008.

In 2009 the programming and preparing of new project proposals continued:

- 11 twinning projects, which benefit different structures of the Ministry of Agriculture and Food and which amount to over EUR 1 million, have been put forward for funding under the Non-Allocated Funding Package for Administrative Capacity Building of the Transition Facility 2007. They aim at enhancing the capacity of administrative units and cover different areas such as: farm system for advice, quality and safety of food, seeds, fishing, Payment Agency, protected geographical areas, etc.;

- A project, which amounts to EUR 0,123 million, has been launched under the Non-Allocated Funding Package for Administrative Capacity Building of the Transition Facility 2007 to strengthen the administrative capacity of the National Service for Grain and Forage in terms of traceability, control and monitoring of grain, produced and stored, in order to prevent and manage crises;

- Two projects were submitted for funding under the Administrative Capacity Operational Programme and co-funding by the European Social Fund, related to the good governance, transparency and efficiency of the Ministry of Agriculture and Food;

- Two projects were approved by the regional government of Wallonia;

- 22 proposals for training sessions, which benefit different structures within the Ministry of Agriculture and Food and which are funded by the European Commission’s TAIEX (Technical Assistance and Information Exchange), have been prepared.

Proposals for new projects are being prepared to be submitted for approval by other international donors. The objectives are: strengthening the administrative capacity of the Ministry of Agriculture and Food to carry out information and promotional programmes on the domestic market and on third countries; inventory audit and GIS – analysis of the state of protected area and creation of a regional strategy for its sustainable use; identification and assessment of land, suitable for energy crops.

In 2009, monitoring of the implementation of projects under various programmes continued. Monitoring and supervision of four projects, which have already been carried into effect and which amount to EUR 16,738 million, is being performed under the financial memoranda BG 9103, BG 0101.05, BG 2003/004-937 and BG2004/016-711 under PHARE programme. These are projects that have substantially assisted in the development of the agricultural sector in Bulgaria. Among them is the establishment of a scheme for agricultural capital fund, improvement of the veterinary control at the borders, the creation of a Payment Agency, and the supply of laboratory and office equipment to a number of structures of the Ministry of Agriculture and Food. Seven projects, whose implementation is still in progress and which amount to EUR 4,310 million, are being coordinated, supervised and monitored over the year under the financial memorandum BG2005. These projects are related to supply of laboratory equipment to the Executive Agency for Fisheries and Aquaculture (NAFA), the National Service for Grain and Forage and the Executive Agency for Variety Testing, Approbation and Seed Control; information equipment to the Payment Agency; technical assistance for the creation of a Payment Agency and an Integrated Administration and Control System (IACS) in Bulgaria and a feasibility study for construction and equipment of an incinerator.

In 2009, monitoring of the implementation of contracts for five projects under the financial memorandum BG 2006/018-343 under the PHARE programme continued. The contracts are for the supply of laboratory and other technical equipment to: the Executive Agency for Variety Testing, Approbation and Seed Control (IASAS) – at the amount of EUR 1,486 million; the dairy laboratories with the National Veterinary Service – at the amount of EUR 1,287 million; the National Plant Protection Service – at the amount of EUR 0,097 million; the National Service for Grain and Forage – at the amount of EUR 0,240 million; and the National Veterinary Diagnostic Research Institute with the National Veterinary Service – at the amount of EUR 0,553 million.

Four twinning projects for training, which are being implemented and which amount to EUR 0,716 million, have been agreed under the financial memorandum BG 2006/018-343 under the PHARE programme. Training sessions are conducted in the field of variety testing, phytosanitary control on quarantine organisms, biological testing, authorization and control of plant protection products, improvement of the laboratory system for diagnostics and control of the health status of animals.

Moreover, other five twinning projects are negotiated and under implementation, totalling EUR 1,042 million, financed under the financial memorandum BG2007/019-303 under the Transition Facility, for training to improve the administrative capacity of the Ministry of Agriculture and Food in the field of phytosanitary control and monitoring of fodder, to enhance the administrative capacity of the Directorate for Monitoring and Coordination of Activities of the Payment Agency, with Ministry of Agriculture and Food, for the performance of its functions in accordance with Council Regulation (EC) №1290/2005 of June 21, 2005 on the financing of the common agricultural policy and Commission Regulation (EC) №885/2006 of June 21, 2006 laying down detailed rules for the application of Council Regulation (EC) №1290/2005, and for control of animal health in relation to classical swine fever and avian flu. The contracts for training are to be concluded in 2009.

For four projects under the financial memorandum BG2007/019-303 under the Transition Facility terms of reference and technical specifications are prepared. These are projects for technical assistance to develop various software products and for supply of laboratory equipment.

Six projects funded by the G2G.NL Dutch government programme are in progress. They are related to the improvement of the quality of raw milk in Bulgaria, strengthening the administrative capacity in connection with the implementation of the EU legislation in the poultry sector, improving the traceability along the dairy chain and strengthening the administrative capacity of the Directorate for Quality and Food Safety with the Ministry of Agriculture and Food, regarding the audit and formal review.

In implementing these projects it is vital to ensure compliance and enforcement of controls imposed by the Guidelines for senior programme managers in order to ensure transparent and effective utilization of funds under the PHARE programme and the Transition Facility of the EU. In implementing a control system, an action plan for field checks is developed and implemented based on the risk analysis developed and approved by the Senior programme officer (SPO), as well as Annual Plan for risk management, preparation of quarterly reports on the presence or absence of irregularities in the implementation of projects. Monthly and quarterly reports are being prepared for each project and monthly meetings are held to monitor the project implementation.

4. Control activities carried out by structures of the Ministry of Agriculture and Food

4.1. State Veterinary and Sanitary Control

In 2008, the activity of the State Veterinary and Sanitary Control was related to consumer health protection related to the consumption of foodstuffs of animal origin, development and implementation of policies of the State Veterinary and Sanitary Control and orderly guidance of the regional departments of the State Veterinary and Sanitary Control to perform the following activities:

- Compliance with the regulations of the “hygiene package” regarding the performed official controls by the authorities of the State Veterinary and Sanitary Control;
- Control of the establishments for production and marketing of foodstuffs of animal origin in order to verify compliance with the regulations of the “hygiene package” in order to ensure the safety of the foodstuffs of animal origin on the food chain;
- Protecting consumers' health consuming foodstuffs of animal origin;
- Establishment of a control system, which is based on certain principles – the degree of risk, flexibility, proportionality, etc.;
- Strengthening the confidence of consumers in marketed foods and the bodies in charge of the control thereupon;
- Providing coordination and interaction with various control services, which is a prerequisite for the implementation of more effective controls;
- Conduction risk assessment and classification for the production of raw materials and foodstuffs of animal origin;
- Improving the organization and management of official controlling authorities at national, regional and local level, including the official control within the individual firms.

During the year, the activities were focused primarily on:

- Approval of companies trading with EU Member states;
- Compliance with the requirements in respect of enterprises in transition;
- Re-classification of dairies and compliance with the requirements for the new class;
- Carrying out inspections at retail stores selling foods of animal origin;
- Performing regular inspections for compliance with Commission Decision 2006/805/EC of November 24, 2006 concerning animal health control measures relating to classical swine fever in certain Member States.

The checks of the State Veterinary and Sanitary Control continue to be carried in pursuance of the Guide for conducting inspections and audits, in respect of the following criteria:

- Consistency of the structure and equipment with the requirements of Regulation (EC) No.852/2004 of the European Parliament and of the Council of April 29, 2004 on the hygiene of foodstuffs and Regulation (EC) No.853/2004 of the European Parliament and of the Council of April 29, 2004 laying down specific hygiene rules for food of animal origin;
- Whether the requirements for traceability are introduced and implemented, which includes reception of animals for slaughter and/or incoming materials, by-products and final foods and whether simulation trials for traceability were performed;

- Whether the HACCP system is introduced – or if inapplicable, whether procedures based on the principles of hazard analysis and critical control points are applicable;

- Whether the requirements for health and identification mark are fulfilled;

- Whether the requirements of the Strategy for improvement of the quality of raw cow's milk and separate purchase and processing of compliant and incompliant raw cow's milk are met, and it is done with the frequency as specified in the Instruction for applying the Common multiannual national control plan, through analysis and risk assessment.

During the period January – February 2008 the Food and Veterinary Office (FVO) carried out 5 missions in Bulgaria. During their mission the State Veterinary and Sanitary Control made a demonstration assessed to beat a high professional level, which was confirmed by the experts of DG SANCO. The National Veterinary Service has proved that it has the necessary expertise to maintain an effective system for monitoring of food safety.

From 11 – 19 March 2008 a mission took place involving experts from the Russian Federation to local dairies, which have requested to carry out trade with the Russian Federation. As a result of inspections another 6 milk processing establishments have received permission to trade with Russia, thereby as of 01.01.2009 a total of 9 milk processing enterprises can carry out trade with Russia. The latest mission involved discussion on the impending visit of experts from the Russian Federation for approval of enterprises from other sectors, which have requested to carry out trade with the Russian Federation.

In June 2008 two missions of the Food and Veterinary Office (FVO) were conducted – in compliance with the requirements in the field of animal origin and of classical swine fever.

In October and November 3 more missions of the Food and Veterinary Office (FVO) were carried out. The first aimed to update the profile of the Republic of Bulgaria for the control systems in the field of food and fodder, animal health, welfare and plant protection. The second mission was to control salmonellosis, and in the field of sanitary and veterinary control it focused on eggs for human consumption; and the third mission inspected the control of residues. During the second mission the DG SANCO experts found very few inconsistencies that will be removed promptly.

The negative list to Commission Decision 2007/716/EC as regards certain establishments in the meat and milk sectors published 585 plants, including 378 from the “meat” sector and 207 from the “milk” sector.

In 2008, a total of 144 companies were approved for trade in the EU, including 97 from the “meat” sector and 47 – from the “milk” sector. From a total of 585 enterprises, 16 firms closed doors in 2008, including 9 from the “meat” sector and 7 from the “milk” sector.

All 144 companies approved for trade in the EU were voted in 2008 at 5 sessions of the Standing Committee on Food Chain and Animal Health (SCFCAH).

A priority for 2009 is the examination of the remaining 425 companies in connection with the implementation of the Plan of Action on Commission Decision 2007/716/EC as regards certain establishments in the meat and milk sectors.

In the period 08. – 13.08.2008 checks were conducted in the dairy industry and meat processing sector for compliance of the technical documentation with the labels and the actual content of the products. Part of the enterprises were found to have discrepancies between the technical documentation and the labels: additives that are added in real product, but are not included in the technical documentation and label or additives, which are included in the technical documentation, but are not reflected on the label. For these and other violations the competent authorities have taken appropriate legal action. The Directorate for State Veterinary and Sanitary Control with the National Veterinary Service has available all reports of the Regional Veterinary Services with the results of the checks.

Constant checks are made on the premises for retail sale of foodstuffs of animal origin, supermarkets, caterers and dairies. Any Regional Veterinary Services shall prepare weekly reports stating the nature of the inconsistencies found during checks at commercial establishments and the legal measures taken in view there of.

The milk processing companies are inspected for inputs of raw materials and additives in the production and their proper spelling on labelling.

In order to improve the quality of the State Veterinary and Sanitary Control inspection at the premises for retail sale of foodstuffs of animal origin weekly reporting shall be made on: commercial inspection, the acts of administrative violations and the notifications drafted. In the period from 25.08.2008 to 31.12.2008, a total of 35,602 were performed checks were performed at commercial establishments and 1,060 acts of administrative violations were drawn and 2 notifications under RASFF were prepared, which relate to tarama – caviar containing parasites (Anisakis). The first notification was submitted by the regional focal point in Plovdiv, where in the shop chain Metro tarama caviar with visible parasites was found. The second notification was submitted by the competent point of contact in the Directorate for State Veterinary and Sanitary Control, in whose territory is located the company wholesaling the caviar. The product is of EU origin.

The competent authorities of Bulgaria reacted quickly and adequately to the warning notifications – notifications in connection with the pork distributed from Ireland in the other Member States, suspected to contain dioxin, which was subsequently confirmed. Checks are performed for the presence of pork originating from Ireland in warehouses and wholesale meat processing enterprises. Out of 105,433 kg of pork entering the country only 160 kg come from Ireland, at the stores 54,392 kg of pork was discovered and banned, including 545 kg of pork and 27,320.300 kg of meat products produced from the Irish pig meat. After the meeting of the Member State Directors General in connection with this problem, they supported the opinion that it is necessary these products to be destroyed, the competent authorities responded quickly and adequately and banned pork and its products were disposed of in an incinerator. The national focal point sent the notification to DG SANCO containing information about the traceability and the destroyed quantities of meat and meat products.

In connection with the notifications received on the distribution of milk and milk-based products containing melamine, originating from China, inspections of the State Veterinary and Sanitary Control were carried out at wholesale and retail stores in the country to detect the presence of these products. It was found that the Bulgarian market trades in no such products.

In connection with the upcoming mission of DG SANCO with reference number 2008/8023 due to take place from 17 – 26.11.2008, inspections were carried out of packing and repacking eggs centres, warehouses for storage and wholesale of eggs and enterprises for the production of egg products in the country to establish that those establishments comply with the requirements of Regulation (EC) No.853/2004 of the European Parliament and of the Council of April 29, 2004 laying down specific hygiene rules for food of animal origin, Council Regulation (EC) No.1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) and Commission Regulation (EC) No.589/2008 of June 23, 2008 laying down detailed rules for implementing Council Regulation (EC) No.1234/2007. Checks are carried out in the period from 11 – 14.11.2008 and the directors of the Regional Veterinary Services submitted a report with the findings thereof.

Throughout 2008, regular inspections of the State Veterinary and Sanitary Control were carried out to meet the requirements of the Strategy for development of dairy farming and improving the quality of raw cow's milk in the period 2006 – 2009, as approved by the Minister of Agriculture and Food. In February 2008 Ordinance No.4 was promulgated in the State Gazette, including the requirements of the Strategy for development of dairy farming, the Accession Treaty of Bulgaria and Romania to the EU and the requirements of Council Regulation (EC) 2007/716/EC and Commission Decision 2007/689/EC of October 25, 2007 amending the Appendix to Annex VI to the Act of Accession of Bulgaria and Romania as regards certain milk processing establishments in Bulgaria.

In 2008, Instruction has been prepared for the sampling of raw milk. To establish the compliance with its requirements and those of Ordinance No.4/19.02.2008, the National Veterinary Service in 2008 made regular checks of small manufacturing enterprises, agricultural holdings, storage areas for milk (PSM-F) to them and milk collection points located in settlements where the pooled milk was collected from the personal holdings of the agricultural holders.

For the period from 13 – 20.08.2008 the National Veterinary Service conducted checks of both PSM-F and the milk collection points throughout the country, having verified a total of 1,574 units PSM-F and 1,686 milk collection points. It has found several deficiencies, the most significant being the following:

- Non-updated lists containing the number of dairy animals;
- There are no handover-takeover protocols for milk;
- Lack of notification letters the milk processing establishments study quality raw milk;
- In some of the milk collection points and PSM-Fs lack refrigerators for storing samples of milk or they do not work;
- As part of the milk collection points and PSM-Fs inaccuracies and incompleteness of records to be kept are found, with many erasures and corrections to the figures;
- Adequate ventilation was not provided on the premises, etc.

The deficiencies during the checks were sanctioned by acts of the National Veterinary Service: total 472 prescriptions, including 428 to owners of milk collection points and 44 owners of PSM-Fs; a total of 15 acts to establish an administrative violation, including 12 belonging to owners of milk collection points and 3 owners of PSM-F.

For the period from 01.01. – 31.12.2008 the National Veterinary Service checked the milk processing establishments, agricultural holdings, PSM-F and milk collection points, having a total of 19,238 samples of raw milk, which they sent for laboratory analysis in accredited laboratories, including 7,044 samples taken from the PSM-F, 3,131 samples taken from milk collection points and 9,063 samples taken from specialized raw milk vehicles on a reception ramp in the milk processing establishments.

In 2008, samples of raw milk were taken from the milk processing establishments under internal monitoring programmes and for the country are taken a total 73,886 samples, including 50,276 or 68.0% meeting the requirements of Regulation (EC) No.853/2004 of the European Parliament and of the Council of April 29, 2004 laying down specific hygiene rules for food of animal origin; 23,078 samples or 31.2% meeting the requirements of Ordinance No.4/19.02.2008, 532 samples or 0.7% were beyond the standard and for were taken for the total somatic cell count – a total of 39,031 samples were taken, including 38,347 samples or 98.2% meeting the requirements of Regulation (EC) №853/2004 of the European Parliament and of the Council of 29 April 2004 laying down specific hygiene rules for food of animal origin on pc and 684 or 1.8% are beyond the standard.

In 2008, inspectors of the State Veterinary and Sanitary Control have carried out the following activities:

- Inspections – 127,228;
- Audits of HACCP system in place or if that is impracticable – procedures based on HACCP principles – 687;
- Requirements – 6,485;
- Inquiries into complaints and signals – 4,074;
- Endowed acts of violations found – 1,833 at a total value of BGN 314,825;
- Enclosed sites – 203 units;

- Assigned by the prosecution's office – 5.

In connection with the notifications on the quality and safety of the foodstuffs of animal origin which have inputs of vegetable fats, the National Veterinary Service placed strict controls on their incorporation in the manufacture and marketing of finished products.

In 2008, it was approved and started the implementation of a multiannual national control plan, which has launched a continuous development process and acquiesced in the work of the State Veterinary and Sanitary Control related to determining the frequency of inspections at the premises, depending on the analysis and risk assessment. In connection with the revision of the criteria for risk assessment it is coming that at the beginning of February 2009 an analysis shall start on the implementation of annual plans for formal review.

Experts of the State Veterinary and Sanitary Control:

- Conduct a preliminary investigation of readiness and preparation of the Regional Veterinary Services for all Food and Veterinary Office missions, conducted throughout the year;
- Participate in committees that approved commercial establishments for trade with the EU;
- Carry out many checks in response to alerts and complaints of citizens;
- Develop strategies, action plans, guidelines, instructions, questionnaires, etc. for the orderly management and unifying the criteria of official veterinarians (OVL) from the State Veterinary and Sanitary Control;
- Participate in meetings of working groups of the EC related to the legislation on food safety.

For the period from 11 – 13.06.2008 training was held of the competent contact points under RASFF from the National Veterinary Service and the Regional Veterinary Services.

I n 2008, the following activities were conducted:

- 6 trainings in different regions of the country (Sofia, Pleven, Veliko Turnovo, Sliven, Smolyan, Varna) on the topic of "Development, Implementation, Monitoring and Verification of HACCP Systems", organized under a PHARE project.
- International training courses organized by DG SANCO, which are of particular importance for the implementation of the European experience in implementing public health control of the foodstuffs of animal origin, animal products and products derived thereof.

Throughout the entire 2008 year:

- State Veterinary and Sanitary Control committees paid a number of joint inspections together with the Regional Inspectorate for Protection and Control of Public Health, the Commission for Consumer Protection, various units of the Ministry of Interior, etc.
- The State Veterinary and Sanitary Control holds regular meetings with representatives of professional associations involved in the sectoral councils of the associations and meetings with business on the ground, joint training, etc. on matters relating to the provision of food by producers and retailers.

4.2. Border veterinary controls

In 2008, the State Veterinary and Sanitary Control, through the Directorate for Border Veterinary Controls organized, conducted and controlled the activities of Border Veterinary Inspection Checkpoints, where the import and transit of live animals and raw foodstuffs of animal origin and fodder takes place. The main task of the border veterinary control is prevention of intrusion and spread of serious infectious diseases in animals and those common to humans and animals (zoonoses). For this purpose round-the-clock controls are in place at all eight Border Veterinary Inspection Checkpoints along the outer border of the country (Bregovo, Kalotina, Gyueshevo, Zlatarevo, Captain Andreevo, Port Bourgas, Port Varna and Sofia Airport). There, together with other border services, border veterinary inspectors work, under whose control the importing and transit of animals and animal products is being executed in the country and within the Community. The border veterinary control of the country is part of the Community border control and through the systems connection, such as the Trade Control and Expert System (TRACES), the entire outer boundary is being monitored.

Along with these eight checkpoints, the border checkpoints at Stratsimirovtsi, Logodazh, Lessovo, Malko Turnovo, Vrushka Chouka, Oltomantsi, as external non-commercial border checkpoints, control the imports of pet products and products of non-commercial use. The export of live animals to the European Community market is also subject to border veterinary control at the authorized border checkpoints (all approved border checkpoints for commercial import, except from Bregovo). This control also applies to animal welfare during transportation.

In 2008, the Directorate for Border Veterinary Controls performed the following activities:

- Conducted a mission of the Food and Veterinary Office (FVO) in the period of February 4 – 8, 2008 concerning the control of imports and transit of products of animal origin and live animals, and control of luggage and pets entering the EU from third countries;

- Conducted a border control and fodder safety mission on 04.05.2008;

- Border veterinary inspectors executed controls of: the importation of 6,264 consignments of products of animal origin, imports of 296 consignments of live animals; 576 consignments transiting through the territory of Bulgaria;

- Carried out 6 checks related to the activity of individual Border Veterinary Inspection Checkpoints;

- Conducted training sessions of official veterinarians from the Border Veterinary Inspection Checkpoints and of experts in the Directorate for Border Veterinary Controls as follows:

  – Control of imported and transiting consignments in warehouses approved under Article 12 and the supply of ship chandlers, approved under Article 13 of Council Directive 97/78/EC of December 18, 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries; the supervision of storage and disposal of kitchen waste from international transportation vehicles; upgrading of the BG COACH system (control of the import and transit of consignments of live animals and animal product); criteria for creating the RASFF notifications (11 – 17.05.2008, Hamburg);

  – Performance and frequency of physical checks (including sampling) of consignments of live animals and animal product, implementation of border control in the import of products for personal consumption – in pursuance of Commission Regulation (EC) No.745/2004 of April 16, 2004 laying down measures with regard to imports of products of animal origin for personal consumption; and consignments of pets – (Regulation (EC) No. 998/2003 of the European Parliament and of the Council of May 26, 2003 on the animal health requirements applicable to the non-commercial movement of pet animals and amending Council Directive 92/65/EEC); supervising warehouses, approved under Article 12 of Council Directive 97/78/EC of December 18, 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries (22 – 25.04.2008, Lithuania);

  – Control over the storage and disposal of catering waste from international transportation vehicles, specific procedures for implementation of border control at port Border Veterinary Inspection Checkpoints, supervision, treatment and record keeping in warehouses and ship suppliers approved under Article 12 and 13 of Council Directive 97/78/EC of December 18, 1997 laying down the principles governing the organisation of veterinary checks on products entering the Community from third countries (26 – 30.05.200, Rotterdam);

– Animal welfare during transport – Council Regulation (EC) No.1/2005 of December 22, 2004 on the protection of animals during transport and related operations, 10 – 11.09.2008, Bourgas;

– Specific questions concerning checks on imports of animal products (17 – 20.11.2008, Vienna Border Veterinary Inspection Checkpoint – Airport).

- Participation in international working groups between Bulgaria and Turkey on the issues of improving the throughput at border checkpoints (Hamzabeyli border checkpoint);
- Participation in international working groups between Bulgaria and Serbia on issues to improve the throughput at border checkpoints;
- Preparing written observations, references and other records to ministries, departments, associations, institutes, as well as to companies and individuals;
- Issuing veterinary permits for the export of live animals – 42;

4.3. Control of the State Veterinary and Sanitary Control activity, Veterinary Medicinal Products and fodder

The control of the State Veterinary and Sanitary Control activity includes:

- Compliance with regulations observed by the territorial units;
- Analysis of proposals submitted by the territorial units related to the implementation of activities;
- Evaluation of the effectiveness of the activity of the territorial units;
- Inspection of signals, requests and complaints against illegal or irregular acts or omissions of employees of the territorial units.

The results of these checks are recorded in reports to the Director General of the National Veterinary Service.

In 2008, a total of 165 checks were carried out in the following fields:

- 37 in the Health of Animals;
- 29 in the Animal Welfare;
- 16 in the State Veterinary and Sanitary Control;
- 8 in the Border Veterinary Inspection Checkpoints;
- 75 others.

The control over the activities of the Regional Veterinary Services throughout the country is carried out under an approved plan by collecting and summarizing weekly information on:

- Highly pathogenic avian influenza in birds and the implementation of measures against an outbreak;
- Arisen natural disasters (floods, fires, hailstorms, drought, frost or snow) and epizootics, in pursuance of Article 30 of the Disaster Protection Act.

Nine due diligence inspections were carried out in the activities of the Regional Veterinary Services in order to establish the effectiveness of official controls relating to the safety of food and fodder, animal welfare, financial and accounting activities.

As a result of the checks, in 2008 a total of 165 current cases were instituted in response to inquiries, requests, correspondence with citizens, businesses, territorial units, etc. Checks were performed on signals, requests and complaints about illegal and improper acts or omissions of employees of the National Veterinary Service.

A procedure was introduced requiring written assurances to remedy any deficiencies and shortcomings found, and submitting evidence for undertaken corrective action by the Regional Veterinary Services, in connection with the identified gaps.

Events related to the control of the State Veterinary and Sanitary Control activities:

- Daily review of the proposals on operational issues for improving the operation of the Regional Veterinary Service;

- Control over the production, storage, marketing and use of the State veterinary and sanitary control products;

- Workshops at the European Medicines Agency (EMEA) for the linguistic and stylistic design of the short description, the labels and the package leaflet of medicines licensed for use in a centralized procedure;

- Joint reviews with experts from the Ministry of Agriculture and Food on the activities of the Regional Veterinary Service, for the controls carried out on raw materials and foodstuffs of animal origin.

At the beginning of each calendar year a schedule shall be prepared for carrying out complex and thematic inspections on the activities of the Regional Veterinary Services approved by the Director General of the National Veterinary Service.

The topics of inspections in 2008 covered the integrated activities of the Regional Veterinary Service, the Directorate for Border Veterinary Controls and the financial accounting activities, the implementation of monitoring programmes for animal diseases, monitoring the implementation of activities as set out in the State Prophylactics Programme, monitoring the activities carried out by the Regional Veterinary Service on veterinary and sanitary control products (manufacturing, storage, marketing and use) and fodder safety; the activities of the Directorate for Border Veterinary Controls on disinfecting vehicles (Kapitan Andreevo border checkpoint and Kalotina border checkpoint).

The control activities of the Institute for Control of Veterinary Medicinal Products (ICVMP) in 2008 included:

- 549 analyzed samples of veterinary medicinal products;

- 271 expertise observations of documentation for the issue of license to use Veterinary and Sanitary Control Medicinal Products under a national procedure;

- 14 expertise observations of documentation for the issue of license to use Veterinary and Sanitary Control Medicinal Products under a mutual recognition procedure;

- 35 expertise observations of documentation for the issue of license to use Veterinary and Sanitary Control Medicinal Products under a decentralized procedure;

- 146 expertise observations of documentation regarding the implementation of minor and major changes in Veterinary and Sanitary Control Medicinal Products;

- 16 expertise observations of documentation regarding the approval of Veterinary and Sanitary Control Medicinal Products commercials;

- 99 issued observations for the issue of license for use of Veterinary and Sanitary Control Medicinal Products;

- 7 samplings of Veterinary and Sanitary Control Medicinal Products not complying with the quality of samples.

The inspection activity of the Institute for Control of Veterinary Medicinal Products (ICVMP) includes the following:

- 4 inspections of producers of Veterinary and Sanitary Control Medicinal Products, including:

- 4 drafts of observation protocols;
- 1 draft of prescription.

• 9 inspections of sites for wholesale trade in Veterinary and Sanitary Control Medicinal Products, including:

- 9 drafts of observation protocols;
- 9 drafts of prescription.

• 6 inspections of sites for wholesale trade in Veterinary and Sanitary Control Medicinal Products to issue a license for wholesale trade in Veterinary and Sanitary Control Medicinal Products, including:

- 6 drafts of observation protocols.

• 25 inspections of veterinary pharmacies, including:

- 25 drafts of observation protocols;
- 24 drafts of prescription.

In the first quarter of 2009 an increase was reported in the number of examined applications in the Institute for Control of Veterinary Medicinal Products (ICVMP), the observations issued and the examination of samples of Veterinary and Sanitary Control Medicinal Products, but the number of verified sites for production and trade in Veterinary and Sanitary Control Medicinal Products remained the same over the same period in 2008.

The Institute for Control of Veterinary Medicinal Products (ICVMP) has introduced a system for quality management to ensure better services and a higher level of service by the public administration. A total of 83 standard operating procedures were introduced.

The system of quality management is aimed primarily at laboratory-analytical work. The recommendations of the Mission PERF III ICM Benchmarking 2003 have been introduced and continue to be implemented.

4.4. Control of residues from veterinary and sanitary control products and contaminants from the environment in live animals and products

In 2008, the Central Laboratory for Veterinary and Sanitary Expertise and Ecology performed the following activities:

• Analytical studies of samples of biological tissues and fluids to control residues from veterinary medicinal products and pollutants from livestock, raw materials and products of animal origin in accordance with National monitoring programme for control residues from veterinary medicinal products and environmental contaminants;

• Analytical studies of samples of raw animal products to control residues from veterinary medicinal products and environmental contaminants, in accordance with the Monitoring Programme for Border Control;

• Analytical studies of samples of raw animal products, fodder and water for the control of residues from veterinary medicinal products and environmental contaminants, in accordance with the monitoring programmes for internal control of residues in manufacturing establishments and for internal business information.

• Organization of the participation of the Central Laboratory for Veterinary and Sanitary Expertise and Ecology in 13 international comparative studies, namely:

– Participation in the development of the EU legislation and regulations, through working groups of the European Council to develop a regulation of the European Parliament and the Council for a Community procedure for the establishment of maximum residue limits (MRLs) in residues from pharmacologically active substances in foodstuffs of animal origin, replacing Regulation 2377/90 concerning maximum residue limits (MRLs) of veterinary medicinal products in foodstuffs of animal origin, establishing new methods for analysis of residues from veterinary medicinal products in environmental contaminants and animal origin.

In 2008, protocols for testing were admitted, studied and issued for 5,645 samples, including:

- under the National monitoring programme for control residues from veterinary medicinal products and environmental contaminants – 3,308 protocols;
- the monitoring programmes for internal control of residues in manufacturing establishments and for internal business information, import and export – 2,337 protocols.

The total number of samples in 2008 increased slightly by 1.03% over 2007. The number of samples taken under the National monitoring programme for control residues from veterinary medicinal products and environmental contaminants grew by 0.9% and the number of samples from the import, export, and the monitoring programmes for internal control of residues in manufacturing establishments and for internal business information decreased by 0.93%.

In 2008, the revenue from completed tests carried out in the Central Laboratory for Veterinary and Sanitary Expertise and Ecology was BGN 128,653, which is BGN 53,737 less than in 2007 and is due to the reduced number of indicators for research in the incoming samples.

Proceeds from the testing of samples which are not paid from the budget of the National Veterinary Service amounted to BGN 182,390.

In 2008, there are no written records of complaints and verbal complaints.

The implementation of the DG SANCO recommendations, as reflected in the Action Plan, are subject to adequate and timely funding by the Central Laboratory for Veterinary and Sanitary Expertise and Ecology.

4.5. Phytosanitary control

The priority activities of phytosanitary control include the following:

- Effective control over the importation of plants and plant products from third countries within the country and the EU;
- Analysis of the risk of introduction of quarantine pests and protection of the territory and the EU from cross-border transmission and spread of quarantine pests of plants and plant products;
- Provision of export of plants and plant products in accordance with the phytosanitary requirements of importing country.

4.5.1. Control of the importation of plants and plant products

The border checkpoints conduct can integrated phytosanitary control on all goods of plant origin imported from third countries destined for the country and the EU. After completion of the phytosanitary inspection of goods at the border checkpoint they can move freely throughout the EU.

In 2008, full control of 23,000 consignments of imports from third countries was made. Of these, 3,500 are designed for the country and the rest are shipped to other EU countries. In 2007, a total of 21,000 consignments were controlled. The border checkpoints have sent over 800 samples for laboratory analysis in the Central Laboratory for Plant Quarantine. In 11 cases of infection were established with quarantine pests and were immediately taken for elimination. In 47 cases the importation of prohibited goods was prevented under the regulations. There are numerous cases with established absence of mandatory marking on the wood packaging material – 142 in total. As a result of the controls through the EUROPHYT control system the European Commission was sent over 200 official notifications. For the two years of EU membership no official notification from the phytosanitary authorities of other Member States were received.

In implementing the programme for effective phytosanitary border control in imports of plants and plant products in 2008 the phytosanitary control covered 23,991 consignments of plant origin at the border checkpoints.

The outlook for 2009 provides for 24,000 consignments controlled.

At the border checkpoints analysis of over 14,000 samples was carried out, including 400 samples sent for identification in a regional laboratory and the Central Laboratory for Plant Quarantine and more than 1,500 analyses were committed.

4.5.2. Control of transit consignments of plants and plant products

The number of consignments processed at the border checkpoints in 2008 is less than in the years preceding before 2007.

Table II.88.

Incoming transit subject to phytosanitary control, thousand consignments

Year	Inspected transport units in transit total for the country, consignments
2005	35,5
2006	34,3
2007	2,3
2008	3,1
2009*	5,0

** Outlook*
Source: *National Plant Protection Service*

4.5.3. Control on the export of plants and plant products

In 2008, a total of 28,600 phytosanitary certificates were issued for export and re-export. There was a slight increase in exports of goods subject to phytosanitary control, and in 2007 a total of 21,000 phytosanitary certificates were issued.

Checks were carried out on 30,000 consignments. Given that the requirements of importing countries have tightened substantially, hence the responsibilities of phytosanitary inspectors increased, it is mandatory to conduct examination of the goods, laboratory analysis and subsequent issuance of a phytosanitary certificate.

4.5.4. Control on the production of plants and plant products across the country

In 2008, a total of 2,179 registered producers were subject to control. And more than 4,193 checks were conducted, within which over 4,158 plant samples were taken for analysis at the regional laboratories and 6,551 samples for analysis at the Central Laboratory for Plant Quarantine. The laboratory analysis involved 19,000 samples. As a result of phytosanitary control 2,876 plant passports have been issued, which ensures that production is controlled by the National Plant Protection Service and can move freely within the EU.

Table II.89.

Phytosanitary inspections of registered producers for the period 2004 – 2008

Year	Registered producers	Documented checks	Sample analysed at the Regional Plant Protection Services	Sample analysed at the Central Laboratory for Plant Quarantine
2004	1,392	2,628	3,559	2,564
2005	1,870	3,361	3,369	5,067
2006	2,341	4,058	3,818	7,754
2007	2,040	4,040	4,565	6,629
2008	2,189	4,193	4,158	6,551
2009	2,000	4,000	4,000	6,000

** Outlook*
Source: *National Plant Protection Service*

4.5.5. Control and testing of plant protection products

The market is accessible for only officially authorized plant protection products studied for efficacy through uniform standards of the European and Mediterranean Plant Protection Organization (EEPO). The primary objective is to offer products containing active substances included in the list of plant products permitted or notified to the EU for inclusion in this list that must be used properly according to the principles of good plant protection practice and integrated pest management.

In 2008, the bases for biological testing to National Plant Protection Service during the spring-summer period have been tested for efficacy 125 units of plant protection products, while in autumn and winter period – 10. These products have been tested in 93 sites, the total number of trials in 2008 is 300.

In 2009, the number of plant products requested for testing only during the spring summer period totals 140, including 54 fungicides, 32 insecticides, 48 herbicides and 6 growth regulators. There is a trend of increasing number of tested products. Compared with 2008, it was 12% higher in 2009. It is expected that with the adoption of applications for study during the autumn-winter season until the end of the year this percentage will increase.

Applications for renewal of authorization are submitted for 35 plant protection products whose active substances are included in the positive list of the EC. Applications for authorization are submitted for 19 plant protection products.

There are authorizations issued for 12 plant protection products, including 6 fungicides, 2 insecticides, 3 herbicides and 1 growth regulator.

The term of authorization was extended for 25 plant protection products, including 14 fungicides, 5 herbicides, 5 insecticides and 1 growth regulator.

Authorization was renewed for 39 plant protection products, including 18 herbicides, 10 fungicides, 10 insecticides and 1 growth regulator.

The term of authorization was extended for 24 plant protection products, including 5 insecticides, 23 fungicides, 6 herbicides and 2 growth regulators.

Change in the authorization was made for 4 plant protection products, including 3 fungicides and 1 herbicide.

Authorization was granted for 1 fungicide for single import and 1 insecticide for parallel import.

A total of 30 certificates were issued for authorization of plant protection products and 27 certificates were issued to extend the authorization term.

In 2008, prohibition was issued for 34 plant protection products, whose authorization was not renewed or which were unidentifiable and for 27 plant protection products, whose active substances are not included in Annex I to Council Directive 91/414/EEC of July 15, 1991 concerning the placing of plant protection products on the market.

The main objective of the control over the storage, marketing and use of plant protection products is to ensure the safety of food of plant origin, limiting the use of plant protection products carrying a health risk to humans, animals, biodiversity and environment and ensure best practices in trade with plant protection products and meeting the requirements of good plant protection practice for sustainable use.

The National Plant Protection Service maintains a register of companies authorized to carry out trading activities, repackaging, decontamination of areas, premises and crops produce against pests. In 2008 a total of 368 permits were issued, including 143 permits for trade in plant protection products, 209 for trade in plant protection products at agricultural pharmacy, 6 permits for repackaging of plant protection products, 10 permits for fumigation.

In 2008, a total of 1,914 inspections were committed on the use of plant protection products, including 1,766 inspections of agricultural holders, 69 inspections of aviation machinery, 8 inspections through fumigation and 99 inspections for decontamination of seeds. A total of 1,899 observation protocols and 461 prescriptions were drawn.

A part of the control activity on plant protection products involved the taking and analyzing of samples to verify compliance with the indicators as permitted in the authorization of the product. In 2008 the agricultural inspections at pharmacies, warehouses and workshops included the sampling of a total of 189 samples of 68 types of plant protection products. Out of all observations issued by the Institute of Plant Protection regarding a test specimen to verify the compliance of plant protection products, 111 samples showed compliance with to the indicators as permitted in the authorization of the product. Discrepancies were found with 7 samples.

During the inspections of agricultural holders a total of 311 plant samples were taken, including 71 samples under the action plan to the National programme to control the use of plant protection products in 2008, a total of 135 samples under the National monitoring programme for control residues from veterinary medicinal products and environmental contaminants and 105 samples under the Monitoring programme for residues from mycotoxins.

4.5.6. Control of fertilizers

In response to applications for registration of fertilizers in 2008 for the marketing and use in agriculture 5 new products were registered (organic, organo-mineral and bacterial fertilizers).

When carrying out inspection activities on fertilizers, 364 retail outlets and storage facilities were checked. Discrepancies were found at 10 cases and 15 prescriptions were issued. One act of administrative violation was drawn.

In the control of fertilizers for compliance with the parameters declared by the manufacturer, 199 samples for compliance were taken. The percentage of samples showing a discrepancy in terms of composition has been increasing in the last 3 years.

Table II.90.

Results from analyses of fertilizer control samples, number

Year	Storage facilities and retail outlets	Fertilizer samples for analysis	Samples showing discrepancies, %
2006	154	350	1.14
2007	488	219	4.5
2008	364	199	6.5

***Source:** National Plant Protection Service*

4.6. Control of grain, grain products and fodder

4.6.1. Licensing and control of public warehouses and grain warehouses

At the end of 2008 the number of public warehouses increased by 3 compared to the same period in 2007, while the capacity thereof increased by 74,500 tonnes.

In grain warehouses the increase is by 17 compared to 2007. The registered capacity thereof increased by 251,299 tonnes.

Table II.91.

Number and capacity of licensed and registered premises by year

Year	Public grain warehouses		Grain elevators	
	Number	Licensed capacity, tonnes	Number	Registered capacity, tonnes
1999	5	98,100	76	551,600
2000	21	238,595	105	819,555
2001	36	417,385	115	854,425
2002	42	479,185	121	913,000
2003	47	465,020	143	1,003.450
2004	47	493,770	129	1,003.273
2005	47	522,920	134	1,052.853
2006	51	515,677	138	1,081.643
2007	50	527,660	143	1,149.116
2008	53	602,160	160	1,400.415

***Source:** National Service on Grain and Forage*

The outlook for 2009 provides for the number of licensed public warehouses to reach 56 of total capacity amounting to about 650,000 tonnes, while the number of registered grain warehouses at the end of 2009 will reach 165 of total volume capacity amounting to 1,450.000 tonnes.

Over 92% of public grain warehouses are located in Northern Bulgaria, and only 7.2% are in the southern part of the country. In the Northeastern region almost half of the total number of warehouses is concentrated – 25.

In northern Bulgaria there are 73% of the total number of grain elevators, and in the south – 27% of grain elevators.

In total, in northern Bulgaria are concentrated around 80% of registered and licensed capacity for grain storage, while in Southern Bulgaria – 20.

The main part of public warehouses and grain silos represent separate grain depots for predominantly storage and marketing use. The remaining sites are mills, fodder and creamery establishments, rice factories and breweries.

The increase in the number of public warehouses and registered grain silos is due to the fact that crops 2008 was one of the best ever and the resulting yields of grain per hectare are the highest in the recent years.

With now effective, since 2008, changes in the Grain Storage and Trade Act, all persons who manage sites for grain storage with capacity exceeding 200 tonnes, shall notify thereof the National Service for Grain and Forage with a statement of their location, type and capacity.

As of 31.12.2008 declaration was made for 1,379 other sites for grain storage under the Grain Storage and Trade Act. For the most part, these sites for grain storage are managed by agricultural cooperatives and sole traders and have a total capacity of 4.6 million tonnes. They are located mainly in the Northeastern region of the country. The highest percentage of sites are located in the districts of Rousse – 19.9% with capacity of 354,797 tonnes, Dobrich – 18% with capacity of 651,079 tonnes, Yambol – 12% with capacity of 280,807 tonnes, and Varna – 9.7% with capacity of 262,660 tonnes. The lowest percentage of sites is in the districts of Blagoevgrad – 0.5% with capacity of 7,650 tonnes, and Sofia – 0.9% with capacity of 65,714 tonnes. Among other declared sites for storage of grain the prevalent type is flat warehouses and sheds, which are not suitable for long-term storage of grain.

It is expected by the end of 2009 that their number will reach 1,650 sites with a declared capacity of about 5,200.000 tonnes.

In 2008, there are 449 newly registered grain traders, bringing the current number of grain traders in the country to a total of 2,247 as of 31.12.2008.

The number of active traders of grain at the end of 2009 is expected to reach 2,529.

Table II.92.

Grain traders entered in the register, number

Year	Grain traders	Reregistered grain traders	Registered grain traders
1998 – 2003	4,371	-	-
2004	1,267	548	719
2005	1,395	734	661
2006	1,380	770	610
2007	1,804	-	440
2008	2,247	41	449

Source: *National Service on Grain and Forage*

With now effective, since 2008, changes in the Grain Storage and Trade Act, the procedure for granting permission to set up a mortgage on the warehouse premises of licensed public warehouses is considerably eased. In 2008, five permits were issued for setting up mortgage on warehouses.

A total of 786 regular inspections were carried out in the country, an average of 3.9% site, and the total output of grain inspected in carrying out regular inspections was 2,524.485 tonnes.

The results of the checks showed that the grain is stored properly and the measured quantities correspond to documented quantities, with minor deviations. In 2008 inspected quantities of grain amounted to 533,341 tonnes or 26.7% more than during the inspections in 2007, due to the greater quantity of grain. Over the past three years the annual review of the quantities of grain stored in licensed and registered warehouses has varied within 2 million tonnes.

During the checks 5 observation protocols were drawn, and violations are: 3 for storing grain on deposit at unlicensed and unregistered silos, 1 for a non-certified record of keeping the contracts of grain deposit and 1 for finding inconsistencies and the remedy thereof.

The implemented control covered a total of 780,309 tonnes of grain available for inspections. The inspected grain by types of crops is distributed as follows: wheat – 503,861 tonnes, barley – 52,950 tonnes, maize – 73,230 tonnes, sunflower – 120,619 tonnes, rape – 23,960 tonnes, rye – 526 tonnes, oats – 924 tonnes; triticale – 642 tonnes, rice paddy – 2,577 tonnes; coriander – 713 tonnes, sorghum – 300 tonnes and soybean – 7 tonnes.

In 2008, a total of 569 checks were carried out on the number of registered dealers in grain. This is 25% of all 2,247 registered traders of grain. There was a reduction of 1% compared to the checks of grain traders in 2007. The scope of inspected traders is insufficient and it will be reinforced in 2009. When carrying out the checks for breaches of the Grain Storage and Trade Act, 2 observation protocols were drawn for marketing of grain without registration and failure to comply within the seven-day notification term for changed circumstances, 2 observation protocols were drawn for finding administrative violations.

A total of 791 samples were taken and analyzed on 31,393 tonnes of grain products, or 7% of the output, which in 2008 amounted to 447,079 tonnes. It is observed an increase in the number of tested consignments which are 259 more than in 2007, and on the quantities of cereals by 6,001 tonnes. A total of 3,585 certificates of compliance were issued for 201,079 tonnes. The number of observation protocols was 50 for 1,899 tonnes, or 16 less than in 2007, for which prescriptions have been made to bring the consignments in accordance with technological documentation.

In 2008, pilot checks were made together with the Regional Inspectorate for Protection and Control of Public Health at mills in the districts of Dobrich, Bourgas and Stara Zagora. Violations have not been established. There are proposals to continue these inspections in the country, which will strengthen the control of cereal products produced in the country.

Certificates of compliance of grain and cereal products in the import and export were introduced with the changes in the Grain Storage and Trade Act as of July 2003. In 2008, the changes in the Grain Storage and Trade Act introduced evidence of compliance for shipments made within the European Community.

In 2009, the control activities were directed towards the implementation of the annual inspection plan for compliance with the requirements of the Grain Storage and Trade Act and the regulations thereto. Scheduled are 3,467 inspections to licensed public warehouses for grain, registered grain silos, other sites for storage of grain, mills, grain traders and grain producers with estimated control of 2,800.000 tonnes of grain. It is expected to make 3,700 checks and the controls carried out on the grain will cover 3,500.000 tonnes.

Table II.93.

Amounts of grain inspected for compliance

Year	Number, total	Amounts, tonnes, including	
		Import	Export
2003	-	182,761	827,941
2004	4,627	347,467	1,341.355
2005	6,103	23,758	2,302.258
2006	3,716	39,538	2,185.897
2007	1,137	107,884	550.424
2008	3,002	77,849	1,738.593

Source: *National Service on Grain and Forage*

As of 31.12.2008 issued certificates of compliance in imports and exports total 3,002 for a total of 1,816.442 tonnes. In 2008 the number of certificates of compliance of grain and cereal products increased by 1,865 (62%) over 2007. It is observed an increase of 1,158.134 tonnes (64%) in the quantities checked for compliance over the preceding year. The reason for this is both the good harvesting year in the country and the changes in the Grain Storage and Trade Act, which extend the scope of controls on imports, exports and intra-Community supplies of grain and cereal products.

In the control for compliance in exports 2,719 certificates are issued, which is 1,795 more than 2007, for a total of 1,738.593 tonnes of grain and cereal products. Over the preceding year the quantity of verified grain and cereal products for export increased by 1,188.169 tonnes (32%). The largest share is of wheat – 1,117.663 tonnes (64% of total export), followed by barley – 280,719 tonnes (16%), black oilseed sunflower – 203,705 tonnes (12%), maize – 71,147 tonnes (4%), rape – 32,158 tonnes (2%), coriander – 22,504 (1%), bright sunflower – 3,259 tonnes and other – 2,736 tonnes. Overall, the verified quantities for export are close to those verified in 2005 and 2006.

Certificates issued under the control of compliance for imports total 284 for 77,849 tonnes of grain and cereal products, which is by 71 more compared to 2007. The verified quantity of imported grain and cereal products has decreased by 30,035 tonnes (28%) compared to the preceding year. The largest share is of maize – 59,961 tonnes (77% of total imports), followed by beans – 9,006 tonnes (12%), lentils – 3,033 tonnes (4%) and other – 1,338 tonnes.

In 2008, 540 certificates were issued for compliance for intra-Community supply, including 511 certificates for shipments and 29 certificates for deliveries and the quantity of grain and cereal products over which control of compliance is effected amounts of 182,806 tonnes.

In 2009, it is expected to implement the control of import, export and intra-Community supply amounting to 2,200.000 tonnes of grain and cereal products. In 2008 such control was carried out on 1,999.248 tonnes of grain and cereal products. The increased volume of control of compliance and the quantities of grain and cereal products are due to the changes made in the Grain Storage and Trade Act expanding the scope of controls on the movement of cereals and cereal products outside the country, an increase of grain species to be controlled for compliance and the output of grain crops produced in 2008 and the expected good grain harvest in 2009.

4.6.2. Quality control of grain

Grading of wheat from crops 2008

During the harvest campaign 1,453 samples was taken on 1,425.686 tonnes of wheat from grain-producing regions of the country.

Grading is done according to basic indirect indicators of Bulgarian State Standard (BDS) and BDS ISO, which determine the consumer and commercial value of the grain.

Overall, grain of wheat crops 2008 conforms to the technology requirements of grain procession and bread production. In total 35% of the estimated production of wheat exceeds the minimum technical performance requirements – specific weight over 71 kg/hl; yield of wet gluten above 20% and a number of bakery power over 45 provisional units, which covers the needs of the grain for bread, bakery and confectionery.

The average values of wheat in the country are:

- Specific (bushel) weight – 80,0 ± 2,4 kg/hl;
- Wet gluten contents – 23,0 ± 3,0%;
- Loss of gluten elasticity – 11,7 ± 4,2 mm;
- Content of protein – 12,0 ± 1,0%;
- Drop number – 360 ± 49 seconds.

Agricultural and climatic conditions benefited the formation of good yields, but the quality of wheat from crops 2008 was relatively satisfactory for the needs of grain procession and bread production.

Table II.94.

Distribution of wheat in groups, %

Groups	I	II	II Б	III
1998	3	24	41	32
1999	0	8,5	30	61,5
2000	3,4	9,5	34,3	52,8
2001	1,1	7,6	33,9	57,4
2002	1,2	5,4	29,5	63,9
2003	7,8	13,6	35,3	43,3
2004	0,6	5,3	23,9	70,2
2005	0,4	1,1	26,3	72,2
2006	0,1	1,8	9,7	88,7
2007	1,7	5,3	16,3	76,7
2008	0,7	1,5	13,9	83,9

Source: *National Service on Grain and Forage*

Wheat grain from crops 2008 is graded in terms of quality total for the country as follows:

- First group – 0.7%;
- Second group – 1.5%;
- Second B group – 13.9%;
- Third group – 83.9%.

It is worth noting that the third group comprises wheat quantities of relatively good baking qualities, but it does not mean that the wheat of this group is inadequate for the production of bread. The large share of grain relative to Group III, in both this and the preceding years, was influenced mainly by high levels of loss of gluten elasticity. However many of them have a level of specific weight over 71 kg/hl; yield of wet gluten above 20-22% and the number of bakery power over 45 conditional units, allowing this wheat to be processed into flour and bread by smaller mills and bakeries. These amounts represent approximately 18.1% of samples analyzed relative to Group III, which can be differentiated as group III+.

Around 32% of the production of wheat has quality satisfactory for the grain processing industry.

Grading of maize from crops 2008

The National Service for Grain and Forage has, for the first time in its work, conducted a representative evaluation of maize from crops 2008 in the country for the purpose of analysis for the quality of the grain to help grain producers, traders and processors in their work.

During the campaign 534 samples were taken on 419,145 tonnes of maize from the grain-producing regions of the country.

Grading is done on basic indicators of BDS 607-73 and BDS ISO EN ISO 13 690:2008, which determine the consumer and commercial value of the grain.

The results of the analyzed samples show that maize produce for grain from crops 2008 has a relatively good value in two main indicators, namely wet and impurities contents, as set in the standard: the maximum wet content at purchase of maize for grain – 15%, impurities – 12%, including the maximum levels of impurities cereals being set at 8% and 4% for external impurities. Data show that 73.5% of samples analyzed qualify for the quality standard of maize for grain. The average values of grain in the country are as follows:

- Wet content – 14,0 ± 1,4%;
- Contents of crops (grain impurities) – 4,0 ± 3,1%;
- Contents of the external impurities – 0,8 ± 0,6%.

Overall, the quality of maize from crops 2008 satisfied the technological requirements for grains storage and procession. A total of 73.5% of the expected maize production is above the minimum performance requirements: maximum wet contents – 15%, maximum contents of impurities, respectively, 8% for crops and 4% for external impurities. The agricultural and climatic conditions benefited the formation of good yields.

4.6.3 Control of fodder

The control of fodder is implemented in the production, processing, transport, distribution, including the use of fodder comprehensive of both sites in the fodder sector and agricultural holdings, which produce or only feed fodder of livestock for breeding, whose produce is destined for human consumption.

In 2008, a total of 1,591 inspections were carried out and 762 samples were taken on 3,746 analyses.

In 2008, there was an increase of 10.0% in the number of samples compared to the previous reference period. Significantly increased the number of tests carried out – 59.8%. The average number of tests per sample in 2007 was 3.4, while in 2008 it stood at 4.9.

Compared with the previous reference period, the analyses of discrepancies of compound fodder in 2008 have increased in percentage in terms of the indicators for the group of nutrient composition and macro-elements, but discrepancies in the group of additives decreased – functional groups of “compounds of trace elements” and vitamins, and no discrepancies were found in the additives from the group of antioxidants, carotenoids and xanthophylls.

In 2008, in compound fodder increased the percentage of discrepancies in the group analysis of “growth promoters” – 38% in 2008 versus 11.5% in 2007.

The indicator “banned for using medication substances in fodder additives” in 2008 were down by 0.9% in inconsistencies compared with 6.56% in 2007.

With a few exceptions in the fodder material it is observed reduction in the disparities in the group of nutrient composition and macroelements.

No discrepancies were found in the analysis of premixes and additives.

In 2008, only 2 discrepancies were found for the content of undesirable substances, which refer to imported additives of the functional group “compounds of trace elements”.

In 2008, no cases of salmonella were found in fodder.

Compared with 2007, in 2008 there was a more than quadruple increase in the total number of registered and approved projects in the fodder sector. The change in the number of registered and approved projects in 2008 and 2009 is different for different operators.

Table II.95.

Number of registered and approved sites in 2007 and 2008

Type of operator	Number of sites as of end-2007	Number of sites as of end-2008	Change, %
Producers of fodder materials, other than the primary production of fodder	223	270	21.0
Registered traders of fodder	871	1,266	45.4
Registered producers of additives, premixes and compound fodder	216	226	4.6
Approved producers	72	73	1.4
Approved traders	65	75	15.4
Operators at the level of primary production of fodder, according to Article 5, paragraph 1 of Regulation 183/2005 of the European Parliament and of the Council of 12.01.2005 laying down requirements for feed hygiene	600	6,910	1.152
Other operators, including companies transporting fodder and operators leasing warehouses for fodder storage	100	139	39

Source: *National Service on Grain and Forage*

The increase in the total number of registered and approved sites is due to a large extent to the registration of primary producers of fodder.

4.7. Control of agricultural and forestry machinery

The mechanization of agriculture and its physical equivalent – agricultural machinery, is one of the key factors for ensuring sustainable development of agriculture. The Control and Technical Inspection with the Ministry of Agriculture and Food is the only state authority, whose main functions are entirely directed towards agricultural techniques: registration, conducting of technical reviews, control over the safety of marketing and its use, approval, aptitude for working with machinery, maintaining of a database with all available machinery on agricultural holdings in Bulgaria, statistical information about the status of agricultural and forest machinery in the country, etc.

The activities of the Control and Technical Inspection in 2008 were based on the implementation of normative documents and tasks as set in the annual plan to ensure safe agricultural and forestry machinery.

4.7.1. State of mechanization of agriculture and the structure of machinery-tractor fleet in Bulgaria.

The strategic goal for development of agriculture in Bulgaria by 2013 is to achieve and maintain a stable economic development in accordance with the requirements for environmental protection and raise the social capital potential in order to achieve a high quality of life through high employment, income and social integration.

Achieving this primary strategic goal is impossible without adequate development of the agricultural mechanization. Technical and technological innovation is a key factor for enhancing the efficiency and competitiveness of agricultural production. In this regard, it is important to analyze the indicators reflecting the level of mechanization in the industry and to outline the main trends related to the technical provision of agricultural production.

Table II.96.

Number of registered machinery by groups and their distribution according to age structure by years

Type	Year	Total number	Age											
			up to 2 years		3 - 4 years		5 - 6 years		7 - 8 years		9 - 10 years		over 10 years	
			Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Wheel tractors	2003	**24254**	533	2,2	568	2,3	603	2,5	734	3,0	1226	5,1	20590	84,9
	2004	**28903**	884	3,1	497	1,7	943	3,3	661	2,3	1168	4,0	24750	85,6
	2005	**33966**	1119	3,3	670	2,0	1002	3,0	858	2,5	1269	3,7	29048	85,5
	2006	**38597**	1542	4,0	1018	2,6	761	2,0	1275	3,3	847	2,2	33154	85,9
	2007	**43690**	2030	4,6	1325	3,0	852	2,0	1220	2,8	1072	2,5	37191	85,1
	2008	**48761**	3026	6,2	1661	3,4	1258	2,6	938	1,9	1544	3,2	40334	82,7
Caterpillar tractors	2003	**1871**	2	0,1	12	0,6	9	0,5	7	0,4	11	0,6	1830	97,8
	2004	**2059**	3	0,1	2	0,1	22	1,1	4	0,2	15	0,7	2013	97,8
	2005	**2286**	7	0,3	1	0,0	19	0,8	17	0,7	21	0,9	2221	97,2
	2006	**2449**	14	0,6	5	0,2	6	0,2	28	1,1	8	0,3	2388	97,5
	2007	**2569**	12	0,5	9	0,4	2	0,1	20	0,8	22	0,9	2504	97,5
	2008	**2510**	17	0,7	12	0,5	8	0,3	9	0,4	35	1,4	2429	96,8
Tractor trailers	2003	**14031**	41	0,3	110	0,8	120	0,9	230	1,6	371	2,6	13159	93,8
	2004	**15702**	86	0,5	58	0,4	203	1,3	163	1,0	388	2,5	14804	94,3
	2005	**17394**	117	0,7	64	0,4	167	1,0	187	1,1	420	2,4	16439	94,5
	2006	**18987**	133	0,7	84	0,4	83	0,4	262	1,4	215	1,1	18210	95,9
	2007	**20967**	208	1,0	92	0,4	81	0,4	189	0,9	236	1,1	20161	96,2
	2008	**22636**	425	1,9	138	0,6	105	0,5	108	0,5	312	1,4	21548	95,2
Coupling, shed and stationary vehicles	2003	**61400**	1492	2,4	1247	2,0	1599	2,6	2170	3,5	2282	3,7	52610	85,7
	2004	**70799**	2919	4,1	1407	2,0	2525	3,6	1913	2,7	2980	4,2	59055	83,4
	2005	**79646**	3936	4,9	1694	2,1	2643	3,3	2402	3,0	3387	4,3	65584	82,3
	2006	**84891**	4294	5,1	2844	3,4	2123	2,5	3318	3,9	2373	2,8	69939	82,4
	2007	**90384**	4820	5,3	3927	4,3	2050	2,3	3067	3,4	2809	3,1	73711	81,6
	2008	**95024**	6253	6,6	4606	4,8	3204	3,4	2506	2,6	3717	3,9	74738	78,7
Grain harvesters	2003	**6222**	173	2,8	201	3,2	208	3,3	147	2,4	129	2,1	5364	86,2
	2004	**6979**	264	3,8	170	2,4	298	4,3	173	2,5	179	2,6	5895	84,5
	2005	**7872**	356	4,5	193	2,5	309	3,9	287	3,6	237	3,0	6490	82,4
	2006	**8514**	348	4,1	246	2,9	256	3,0	403	4,7	237	2,8	7024	82,5
	2007	**8951**	267	3,0	329	3,7	226	2,5	368	4,1	347	3,9	7414	82,8
	2008	**9279**	435	4,7	338	3,6	278	3,0	299	3,2	432	4,7	7497	80,8
Ensilage harvesters and other self-propelled machinery	2003	**1284**	2	0,2	11	0,9	3	0,2	14	1,1	22	1,7	1232	96,0
	2004	**1444**	7	0,5	8	0,6	15	1,0	6	0,4	32	2,2	1376	95,3
	2005	**1600**	11	0,7	5	0,3	27	1,7	8	0,5	30	1,9	1519	94,9
	2006	**1710**	10	0,6	11	0,6	17	1,0	22	1,3	8	0,5	1642	96,0
	2007	**1811**	15	0,8	12	0,7	7	0,4	28	1,5	12	0,7	1737	95,9
	2008	**1821**	17	0,9	10	0,5	10	0,5	15	0,8	25	1,4	1744	95,8

Source: *Control and Technical Inspection*

The use of the number of registered machines to assess the state of mechanization is not a very accurate method because it does not coincide with the number of used machines. Registered wheeled tractors and couplings account for approximately 85-90% of used machinery. In grain harvesters there is full coincidence. Unregistered wheeled tractors and couplings are primarily owned by owners who do not have the necessary documents and are hardly used in agricultural production or are used in small, non-commercial holdings. However, the number of registered machinery allows certain analysis and prediction.

From these data the following conclusions can be drawn:

- There is a steady trend of revival of the machine-tractor fleet. The average age of machines reduced;
- Growing share of new tractors and coupling machinery. In 2002, the number of wheeled tractors under the age of 2 years was 2.2% out of all machinery versus 4.6% in 2007, while in 2008 it is 6.2%. The number of coupling, shed and stationary machinery of an age up to two years also increased from 2.4% in 2002 to 5.3% in 2007 and in 2008 it was 6.6%;
- In different brands of tractors, the increase of new machinery is strong. For example, in MTZ tractors, which are nearly 17% of the total number of tractors in 2008, those aged two years were 14.2%; CASE tractors aged up to 2 years accounted for 38.7%; JOHN DEER tractors accounted for 39.5%, NEW HOLAND tractors accounted for 50.5%, etc. There is a stable trend of restructuring in wheeled tractors;
- In coupling, shed and stationary machinery the renewal rate is higher than that in wheeled tractors. This trend is very visible in fertilizer machines – in 2002 those aged two years were 4.9% and in 2008 they numbered 13.6%. In plant protection machinery those values are respectively 2.3% and 10.9%, in specialized machines for vegetables and perennial plantations – respectively 3.4% and 17.7%.

In restructuring the wheeled tractors, new wheeled tractors used in agriculture have more power and it led to an increase in the average output per tractor.

Table II.97.

Distribution of wheeled tractors by power

Years	2003	2004	2005	2006	2007	2008
Average power, horse power	73,8	74,3	74,9	75,3	75,7	76,5

Source: *Control and Technical Inspection*

Another important indicator that characterizes the state of mechanization is the energy provision and capacity of tractors and grain harvesters per unit area, measured in horse power/100 hectares or KW/100 hectares. This is a dynamic indicator that changes over the years and reflects on the one hand the reduction of the arable land on the other hand, an increase of installed capacity in agriculture.

Table II.98.

Energy provision of agricultural machinery

Indicators	Period			
	2005	2006	2007	2008
Arable land, hectares	3,128.118	3,089.531	3,057.740	3,057.740
Total power of wheeled tractors, horse power	2,543.534	2,906.457	3,308.877	3,729.468

Total power of caterpillar tractors, horse power	223,182	239,096	250,811	245,051
Total power of grain harvesters, horse power	1,338.844	1,452.853	1,530.732	1,591.446
Total power of other self-propelled machinery, horse power	193,760	205,880	218,140	234,220
Total power of all machinery, horse power	4,299.320	4,588.286	5,308.560	5,800.185
Energy provision, horse power/100 hectares	135,20	148,51	173,61	189,69

Source: *Control and Technical Inspection*

Notwithstanding the trend of increasing the energy provision in recent years, under this indicator Bulgaria is lagging behind other EU Member States where the energy provision is on the average 200-230 horse power, and for Germany it reaches 460 horse power/100 hectares of arable land.

Increasing the average output per tractor and increasing the energy provision changes the age structure of power. While the number of tractors up to the age of 10 years is 17% of the total number of tractors, the power of these tractors is 21% of the total power of all tractors. The same trend is observed with grain harvesters, where grain harvesters at the age of 10 years is 20% of the total number, while their power is 22% of the total power of the grain harvesting machinery.

4.7.2. Registration of agricultural and forestry machinery

Through the registration of agricultural and forest machinery to monitor the technical condition of each machine to monitor its safety in handling and transport, maintaining a database of all machines in the territory of Bulgaria, while at the dynamics of renewal of the machine-tractor fleet and a the energy provision agriculture. Moreover, in all EU Member States have arrangements for registration of tractors and mobile machinery, and in some machines and attachments. Fact indicative of the importance of registration of agricultural machinery is now an acute need for common rules for registration within the EU. Subject of discussion is the development and adoption of a specific directive on these issues.

Registration technique is an act which is required of agricultural holdings and exclusively promote their sustainable development. Registration certificates are the only tool with which to guarantee bank loans to provide credit lines for new equipment by the Agriculture State Fund, to show completed projects under SAPARD.

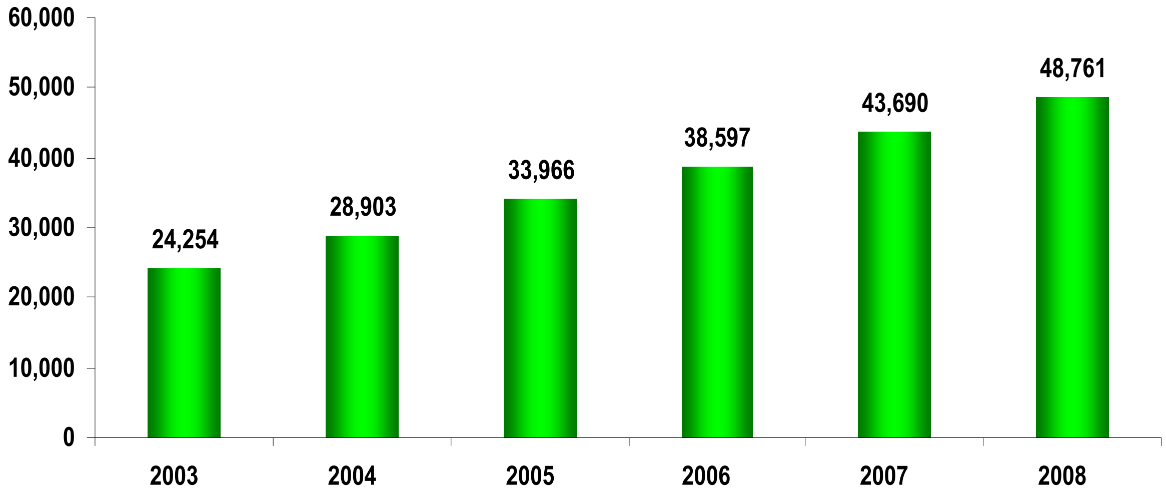
System identification, registration and issuance of documents which have been approved in the practice of Regional Services (RS) of the Control and Technical Inspection, fully satisfy the owners of agricultural and forestry machinery (ZGT) on the registration of their overall technical and administrative services. Activities for the identification and conduct of technical examinations are carried out based on location of equipment.

In 2008, RS of 25,939 the Control and Technical Inspection issued registration certificates agricultural and forestry machinery, which is nearly 30% more than in 2007 and represents 15% of the total number of registered vehicles.

In 2008, the total number of registered agricultural and forestry machinery grew by 17.9% compared to 2006 and 7.7% compared to 2007, reaching 188,875 units machines. The number of wheeled tractors grew by 11.6% and reached 48,761 units On the grain harvesters – by 3.6% and reached A total of 9,279, Coupling of sheds and stationary machines – 8% and reached 95 024 units There is a steady trend of growth of machinery park recorded in the period 2002 – 2007.

Figure II.26.

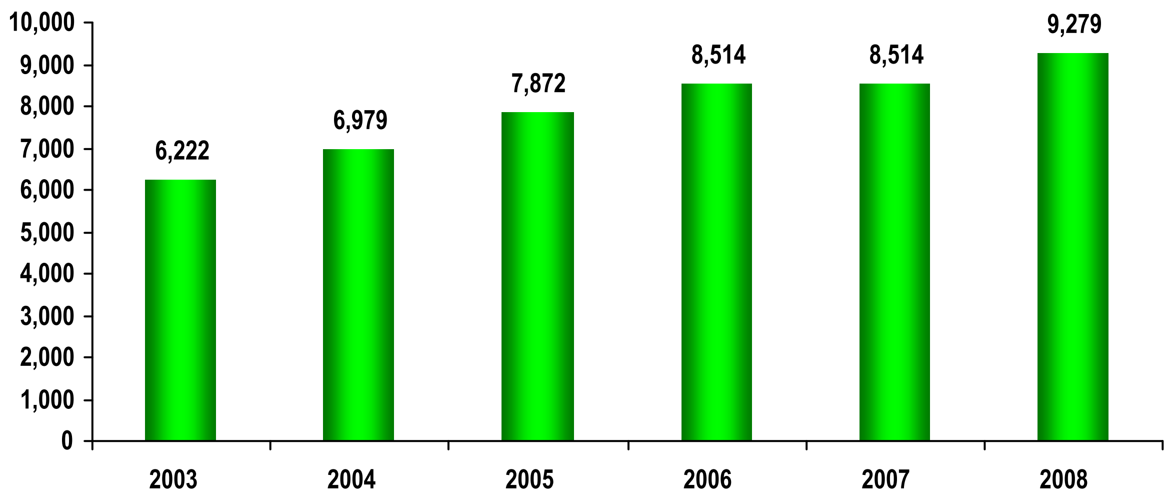
Number of registered wheeled tractors



Source: *Control and Technical Inspection*

Figure II.27.

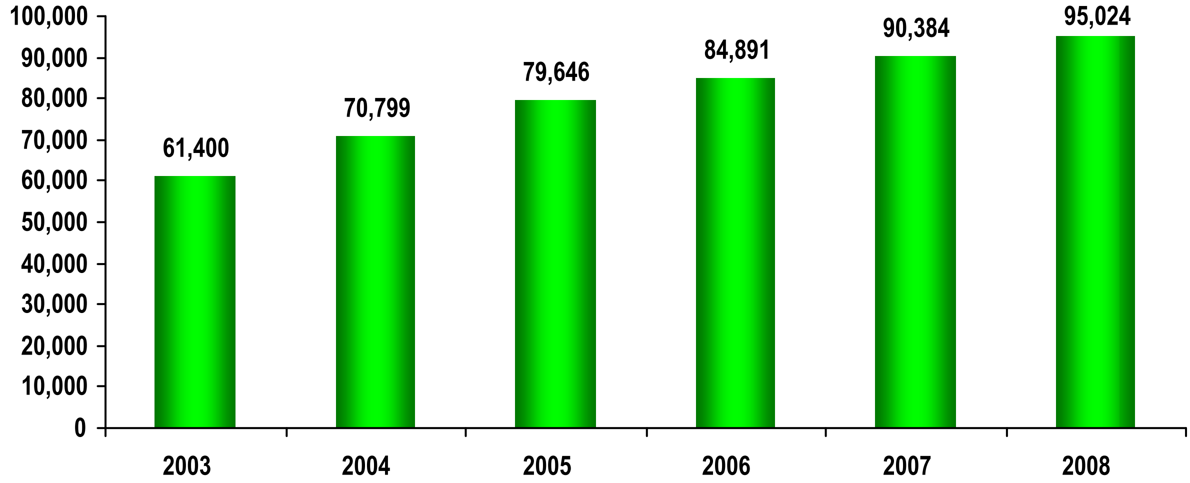
Number of registered grain harvesters



Source: *Control and Technical Inspection*

Figure II.28.

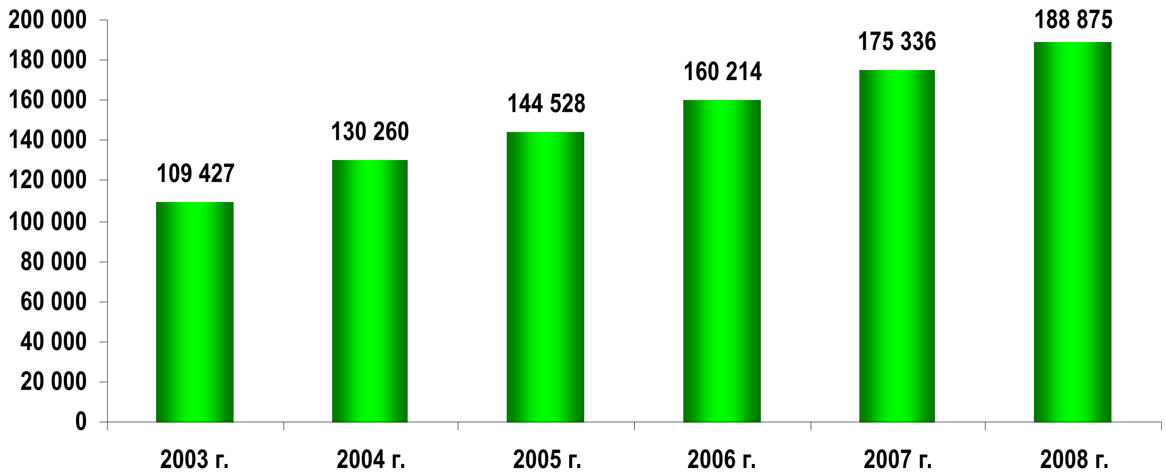
Number of registered vehicle couplings



Source: *Control and Technical Inspection*

Figure II.29.

Total number of registered agricultural and forestry machinery



Source: *Control and Technical Inspection*

Increase the number of machines registered in 2008 to 13,539 units Is due to: an initial registration of the machines which are used to date, but have not been registered, a newly purchased second-hand machines and new machines. While in 2006 the new machines are 17% registered in 2007 they were 25% in 2008 already 40%. In 2007 in agriculture in Bulgaria became A total of 1,007. new tractors against 931 units in 2006 and in 2008 are now 1,618 units in 2008 new grain harvesters are 299 units In 2007 are 89 units In 2006 – 107 units. The number of new machines and sheds coupling is 3,512 against 1,691 in 2006. They were 2,291 units in 2007.

Recent years have seen two conflicting trends – reduction of the total area of the arable land and increase the number of tractors.

Table II.99.

Arable land per physical tractor

Years	2008	2007	2006	2005
Arable land, hectares	3,057.740	3,057.740	3,089.531	3,128.118
Wheeled tractors, number	48,761	43,701	37,846	32,309
Area per 1 tractor, hectares	62,7	70,0	81,6	96,8

Source: *Control and Technical Inspection*

Despite the decreasing trend of arable area, which falls on a physical tractor, according to this indicator Bulgaria retreated significantly from other Member States.

Table II.100.

Arable land per grain harvester

Years	2008	2007	2006	2005
Wheat crops, hectares	1,375.490	1,177.423	1,210.464	1,470.926
Grain harvesters, number	9,279	8,952	8,639	8,321
Area per 1 grain harvester, hectares	148,2	131,5	140,1	176,8

Source: *Control and Technical Inspection*

Assurance of the tractor fleet with working machines is a sign of the effectiveness of the mechanization of agriculture. From the perspective of making full use of power machinery on agricultural holdings, the ratio between the tractor fleet and pushed park machines must be 1:2,5-4. in 2008 this ratio was 1:1.95. This index decreased over the years. 2007 is 1:2,21, in 2006, 1:2,26, and in 2005 – 1:2,46.

Another trend is unfavourable ratio between the chain and tractors. Caterpillar tractor respond more adequately to the environmental requirements for low soil compaction. Ratio crawler tractors to be changed from 1:3 in 1980 to 1:10 in 2002 and 1:17 in 2008 while in 2008 became Bulgaria's agriculture over 1 618 units new tractors, the chain is only 17 piece at this low power for viticulture and fruit growing. Wheeled tractors compact the soil on average five times more than chain of the same class. Agricultural holdings are still not reported the importance of soil compaction, and this is a European standard which is used as a prerequisite for making direct payments per unit area.

In 2008, began the registration of machines for earth works, as recorded 1,594 units Insufficient capacity of the Regional Services of the Control and Technical Inspection is not sufficient to cover all machines to be registered.

4.7.3. Control on the technical condition and safety of the technique

Technical condition of equipment is a factor that characterizes not only its workability and reliability, but also directly affect safety. In modern machines every little fault, especially in driving and braking system is fraught with danger, which under certain conditions can lead to serious injuries.

A second major factor which affects the safety of agricultural and forest machinery is her assurance with reflective triangles, plaques and signs and the presence of the roof of the cab of mobile devices for machines or sparkling yellow flashing light.

Capacity and qualifications of the tractor and harvester fleet also strongly affect the safe handling and transport of agricultural and forestry machinery.

Amending the Law on traffic in June 2007 for admission into the movement of tractors, tractor-trailers and mobile machinery on roads open to public use, places new demands on the technical condition and safety equipment.

All this control over the technical condition and safety of machinery as one of the most important activity of the Control and Technical Inspection.

According to the timetable of work the Control and Technical Inspection in 2008 was developed and adopted a special programme to reduce the victims of traffic accidents with farm and forestry machinery. During the period January – March 2008 the Regional Services of the Control and Technical Inspection held on a campaign to inform all owners of agricultural and forestry machinery to equip their machines with triangles and reflective signs, devices or flashing yellow light and sparkling red reflectors, as producers and importers of these machines to engage the presence of reflectors and reflective signs, according to regulatory documents.

The Regional Services of the Control and Technical Inspection of increased control in the initial registration of agricultural and forestry machinery as not to allow registration of equipment second hand without a safety certificate from the Agricultural and Forestry Machinery and Spare Parts Testing Centre in Rousse and Plovdiv. Not permitted the registration of new equipment without a certificate or declaration of compliance. This is proof that the technique that is put into use is safe.

In order to implement the harmonized European legislation, by order of the Executive Director of the Agricultural and Forestry Machinery and Spare Parts Testing Centre – Plovdiv No.31/16.04.2007 person is created to assess compliance with the Agricultural and Forestry Machinery and Spare Parts Testing Centre – Plovdiv. Its work includes monitoring procedures in the Ordinance on the essential requirements and compliance assessment of machinery and the Ordinance on the essential requirements and compliance assessment of machinery and equipment, working outdoors, in terms of noise emitted by them in the air. In 2008 based on their evaluation of the Directorate Permits for compliance assessment, the State Agency for Metrology and Technical Monitoring shall permit activity, which was notified by the European Commission (EC) under the number NB 2076.

The Programme of the Ministry of Agriculture and Food in 2008 set as objective the provision of operational use of safe and environmentally sound agricultural techniques before putting it on the market by testing, testing, type approval and certification in order to decrease the share of machinery, incommensurate with the requirements of harmonized European legislation.

The Agricultural and Forestry Machinery and Spare Parts Testing Centre – Plovdiv has the necessary accreditation for testing laboratories and certification bodies of products and notifications as a person to assess compliance by the EC on two European Directives, allowing it to carry out a lawful order set in the programme by testing and compliance assessment certification.

Table II.101.

Achieving the objective of ensuring safe and environmentally sound agricultural machinery in 2008

Performance indicators	Estimate for 2008	Report in 2008
Safety testing protocols	180	442
Protocols for verification of compliance of used machinery	148	442
Certificates of compliance	148	442
Technical identification protocols	148	442
Certificates of conformity	5	8

Source: *Agricultural and Forestry Machinery and Spare Parts Testing Centre – Plovdiv*

In the first half of 2009, in connection with the implementation of the objective of safety agricultural and forestry machinery before its launch are:

- A total of 230 machine units were tested, the same number of test protocols were issued;
- A total of 216 protocols for verification of compliance of a used equipment were issued;
- A total of 216 certificates of compliance of used equipment for registration the Control and Technical Inspection were issued;
- A total of 216 technical protocols for the identification of PPP for registration in CT were issued;
- A total of 3 certificates of compliance were issued.

In 2008, the Agricultural and Forestry Machinery and Spare Parts Testing Centre – Rousse focuses on implementation and enforcement of EU requirements for the implementation of safe and environmentally-friendly equipment.

The main activities of the Agricultural and Forestry Machinery and Spare Parts Testing Centre – Rousse of the Programme of the Ministry of Agriculture and Food “Agricultural Machinery” means

- Perform tests and inspections of new and used agricultural machinery;
- Issuance of technical protocols for identification before the Control and Technical Inspection;
- Supervision of certified products and a step in document processing applications for certification of new product.

Table II.102.

Activities of the Agricultural and Forestry Machinery and Spare Parts Testing Centre in Plovdiv to meet the requirements for the implementation of safe and environmentally sound agricultural machinery in 2008, number

Performance indicators, number	Estimate for 2008	Report in 2008
Safety testing protocols of new, used machinery and approval of the type	155	628
Protocols for verification of compliance of new, used machinery and approval of the type, number	82	629
Certificates of compliance	134	612
Technical identification protocols	248	586
Certificates of conformity	4	5

Source: *Agricultural and Forestry Machinery and Spare Parts Testing Centre – Rousse*

The Agricultural and Forestry Machinery and Spare Parts Testing Centre, integrating into the European network for testing of agricultural machinery, contributes to increasing the expertise and the quality of the test activity in terms of safety, compliance assessment and approval functions of the type produced and imported agricultural machinery in the country.

Notification expected in 2009 the Agricultural and Forestry Machinery and Spare Parts Testing Centre – Rousse as a technical service of DG Enterprise and Industry to the European Commission will contribute to enhancing the competitiveness of Bulgarian producers of agricultural machinery.

In 2008, inspectors from the Regional Services of the Control and Technical Inspection examined over 13,250 machines and their drivers. The total number of issued orders for imposing compulsory administrative measure “Suspended from Work” of damaged and unsecured machines and annual technical inspection is not crossed 1,019 units Act 730 is composed of administrative violations.

On the basis of agreements and interactions were carried out more than 950 joint inspections with the Labour Inspectorate, the regional offices of the Fire and Emergency Safety with the traffic police and other organizations.

Control the technical condition of machinery and safety plays an important role in limiting accidents and accidents with farm and forestry machinery, but can not exclude them completely. in 2008 were 12 accidents with agricultural and forestry machinery without death and 7 injuries at work, where three people died. During harvest 30 fires occurred because of faulty grain harvesters.

4.7.4. Technical reviews of the machinery

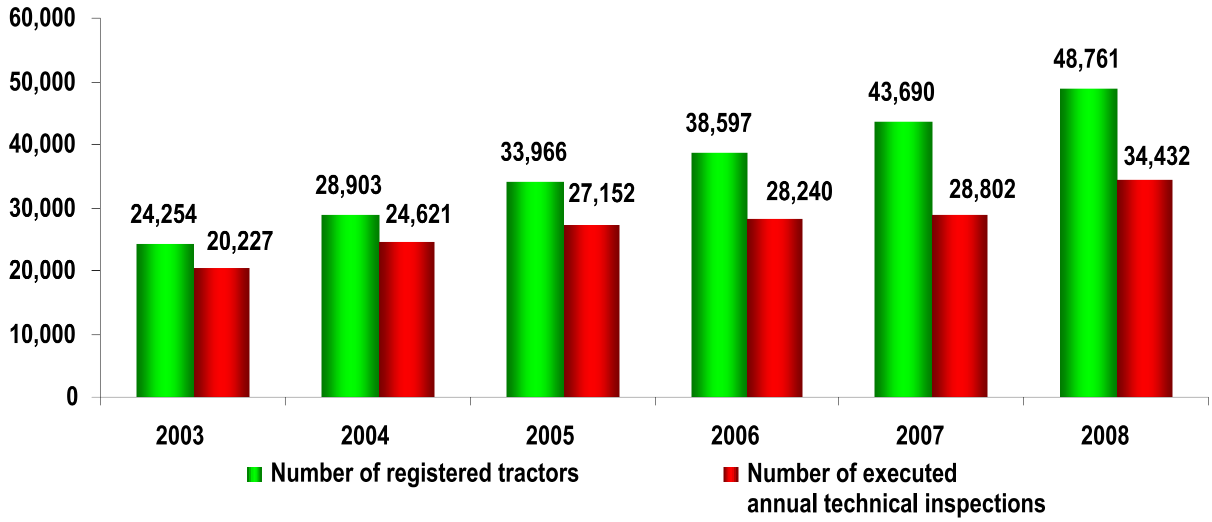
Conducting technical reviews of technology is one factor that ensures the safety of the technique. Organization and procedure for carrying out technical inspections of the roadworthiness of agricultural and forest machinery are regulated in the Ordinance No.20/27.05.2003 laying of the Ministry of Agriculture and Food.

The Control and Technical Inspection of Units have gained considerable experience in the conduct of technical reviews. Reviews the technique of owner who has more than one tractor, is held at locations based on engineering or facilities for storage.

In 2008, inspectors have carried out at the Regional Services of the Control and Technical Inspection 123,644 units technical reviews, including 34,432 units are tractors, A total of 6,495. Of grain harvesters, 59,541 units – Inventory and fixed equipment. The number of surveys conducted in 2008 is higher than preceding years – with 18% more than in 2007, with 20.5% – from 2006, with 22.7% – of 2005.

Figure II.30.

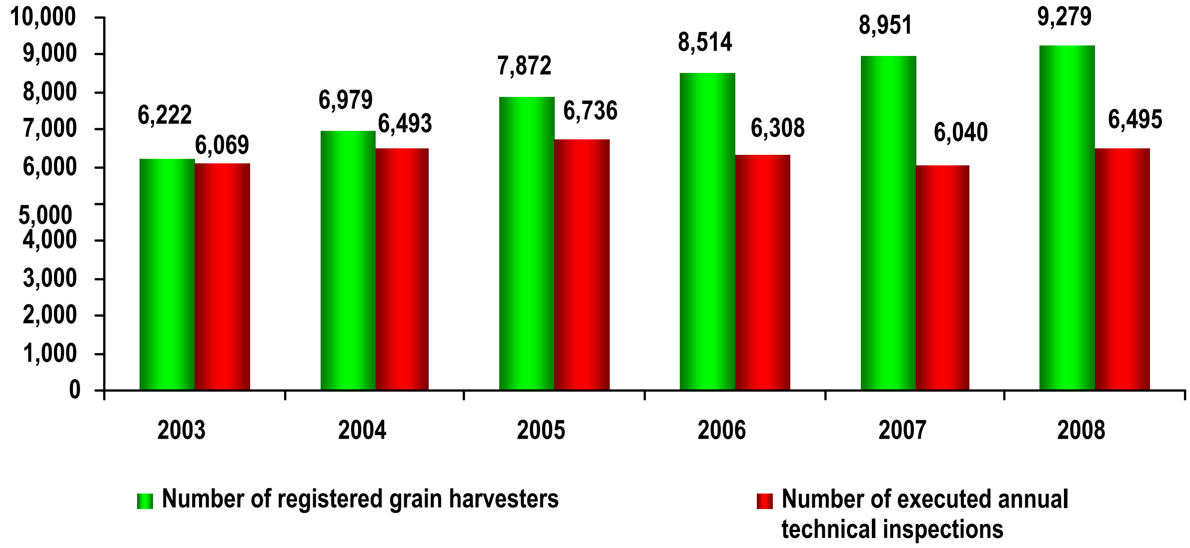
Number of registered wheeled tractors and executed annual technical inspections



Source: *Control and Technical Inspection*

Figure II.31.

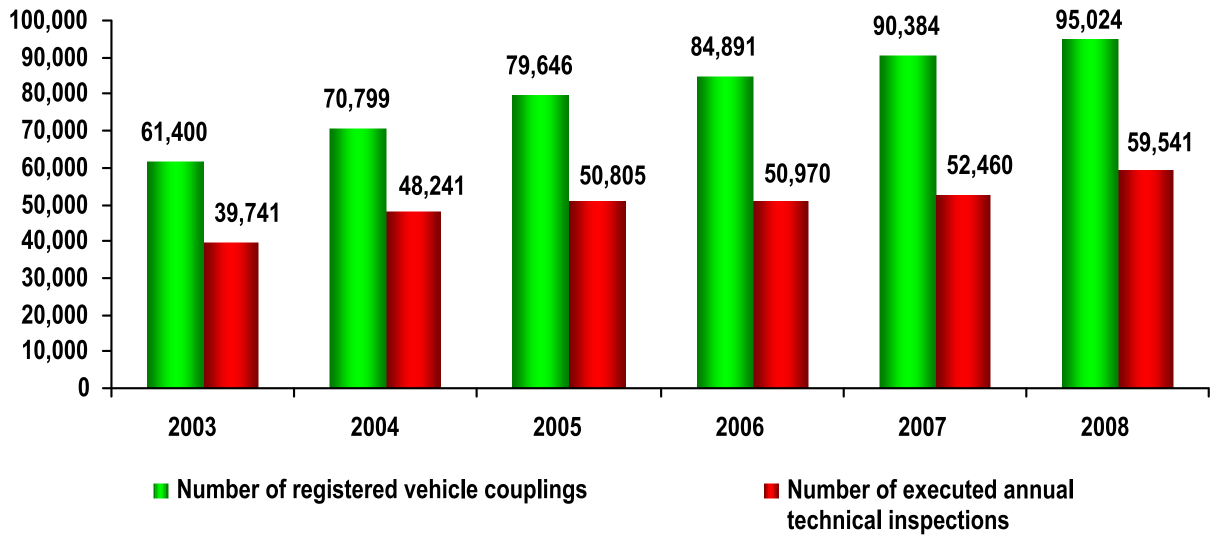
Number of registered grain harvesters and of grain harvesters with executed annual technical inspections



Source: *Control and Technical Inspection*

Figure II.32.

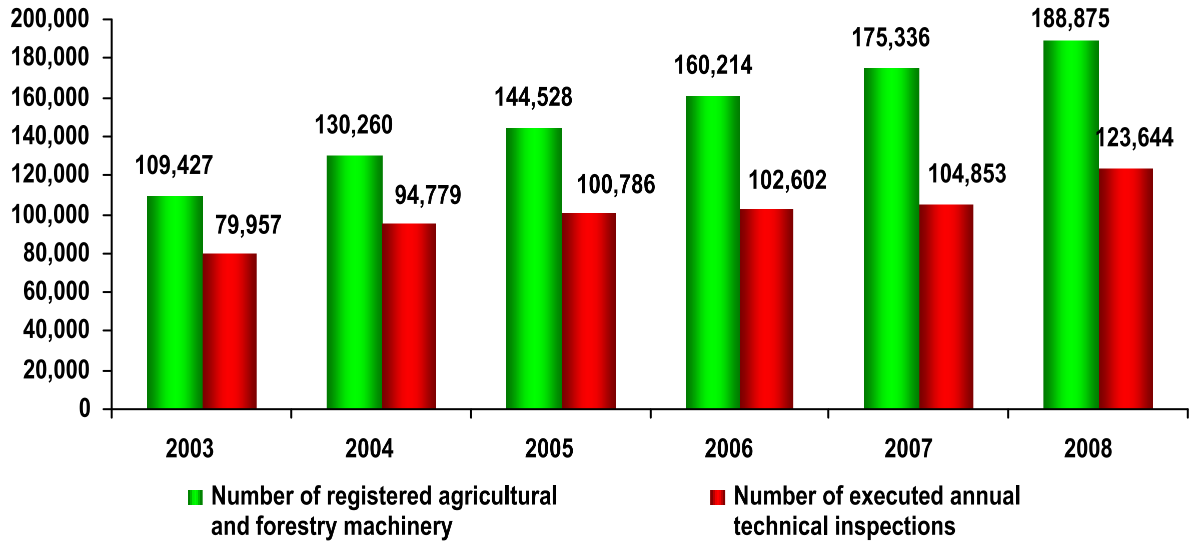
Number of registered vehicle couplings and of executed annual technical inspections



Source: *Control and Technical Inspection*

Figure II.33.

Number of registered agricultural and forestry machinery and of agricultural and forestry machinery with executed annual technical inspections



Source: *Control and Technical Inspection*

According to data released by the Directorate for Agricultural Statistics at the Ministry of Agriculture and Food, the total number of agricultural holdings has declined by about 20% compared to 2003, this trend is most pronounced for agricultural producers – individuals whose holdings have a size 10 – 50 decares and agricultural cooperatives and associations. Total arable land has decreased by about 2 million hectares. Through 2008 in a desire of owners and by imposing a coercive administrative measures 15,131 machines have been suspended from work.

Can be considered that machines which have undergone an annual technical review, have been used in agricultural production during the year. Significantly decreased use of tractors with brand UMZ, TC, T-150K, K-700, T-25 and some others. While in 2003 average about 85-90% of them have passed an annual roadworthiness test, then in 2008 their share was around 60%. In modern tractors marks CASE, JOHN DEER, NEW HOLAND, FEND, LANDINI, and others passed annual technical inspection share of over 85% and is relatively stable over the years. Similarly, and in the grain harvesters. Marks SC-5 "levels", "E" and "Don" is about 50% of the total. In 2003 an average of 95% of those marks the grain harvesters undergone annual technical inspection and are involved in harvesting and in 2007 the brand of SK-5 "levels" were involved 56.1% of "Don" – 64.3% from "E" – 57.1%. In other brands this percentage is around 80-90%.

Indicators of the structure of the equipment used in agricultural production over the years differ from the recorded performance of machines and tended to improve. For example, in 2008 tractors UMZ are 31% of the total number of tractors and have 23.6% of the installed capacity of all the tractors. For the same period of tractor brands CASE, JOHN DEER, MASSEY FERGUSON and NEW HOLAND are 3.6% of the total and 6.2% hold. The same is observed in the grain harvesters.

Agricultural holders use the newer and more productive grain harvesters tractors, and old is suspended from work and used as an operational reserve.

4.7.5. Acquisition and loss of capacity to work with equipment and certification

The ability to work with agricultural and forestry machinery is one of the decisive factors that determines the safe operation of equipment. Knowledge, skills and professional qualities of the machinery experts ensure not only the performance of agricultural operations, but also significant reduction in the risk of traffic accidents and accidents with farm and forestry machinery. These factors provided by the Control and Technical Inspection by conducting:

- Monitoring the condition of school equipment and material-technical base of educational forms;
- Participation in study committees;
- Issuance of driving licenses.

In 2008, PC are committed to the Control and Technical Inspection 226 units checks in school forms the state of school equipment and material-technical base. Total of 326 were conducted to test the acquisition of capacity to work with agricultural and forestry machinery. The distribution of the different categories shown in the following table:

Table II.103.

Distribution of driving competence acquired by category

Category	Tvk	Tvk-H	Tvk-M	Tvk-D	MTH	Gang-saws	Forklifts
Number	144	67	16	0	92	1	6

Source: *Control and Technical Inspection*

Have issued a total of 3,850 driving licenses, bringing the total number of registered drivers as of 31.12.2008 is 30,200 units

In Bulgaria continues to be a problem acquiring the capacity to work with self-propelled forestry machinery – Tvk-D category. The lack of a registered school form for this category creates enormous difficulties for companies engaged in logging. It must be borne in mind that in forestry work around 850 forest tractor and loader. Is insufficient and the number of drivers of category Tvk-M and the number of school forms recorded for training under this category.

4.7.6. Control the market and availability of type approval and compliance with approved type

The activities of the Control and Technical Inspection of related to the control of the market for new tractors, continued in 2008. It extended to new engines, installed and intended for installation in non-road equipment, including tractors.

The Control and Technical Inspection is made in a database issued by EU member states approvals for new tractors, which are periodically supplemented and sent to all Units on the Control and Technical Inspection electronically. It contains information on the numbers of type-approved names, trade name and certificate number as well as basic data and the stage of engine emissions.

Under the procedures laid down in the quality and based on statistical analysis of monthly reports by regional offices, the controls on the market of new tractors and internal combustion engines mounted on road technique can be summarized that in 2008 were screened 201 units new tractors and at the time of inspection they were accompanied by a Certificate of Compliance and was responsible for the approved type.

In connection with the joint action of the Control and Technical Inspection and Customs Agency, the control of the market for new tractors in 2008 to receive monthly information on imports from countries outside the EU. On the basis of experience and monthly updated information from the Customs Agency and the Regional Services of the Control and Technical Inspection in 2008 was made following joint activities:

- From imported 633 units new tractors from the so-called “third parties” are checked 95 units as A total of 87. They were accompanied by a certificate of compliance with the approved type;

- For other tractors were sent additional letters to the respective Regional Services of the Control and Technical Inspection, and are certified report with the requirements of the companies – importers and acts accordingly issued with penalty provisions.

- Regarding the control of the market of engines fitted to road equipment, as of 31.12.2008 has established the following:

  – Regional offices of the Control and Technical Inspection checked 135 units machines in a total of 17 companies, including their affiliates, to the presence of type-approval mark on the engine and compliance with requirements for individual stages. Verified machines 134 units meet the requirements, i.e. 99%. Only about 1 piece of grain harvester found marking engine does not meet the requirements of the Directive for which the importing company promptly notified

  – Special attention is paid in 2008 and the exemptions under the EU directives relating to "the system for a flexible mechanism", concerning the emissions of engines for road vehicles. Since the beginning of 2008 the Control and Technical Inspection in to draw up a statement containing a description of all machines for which data are obtained that are marketed in Bulgaria, according to this system, and periodically forwarded to the Regional Services of the Control and Technical Inspection electronically.

4.7.7. Exchange of information with the European Commission (EC) and authorities for approval of the Member States

In 2008, the Control and Technical Inspection participated actively in the work of EU institutions and pursue relationships and contacts with the authorities for approval:

- At the level of European institutions:

A) Committees:

1. In November 2008 the Control and Technical Inspection representatives participated in a meeting of the Committee for Adaptation to Technical Progress of agricultural tractors, which consider a proposal to amend Directive 86/297/EO shaft for removal of power – complement of type approval for the T4 category 3 (tractors for mountain areas). Is scheduled the next meeting of this Committee to vote on a directive by the Member States;

2. Adopted a proposal for amending Directive 2000/25/EC;

3. Technical review is carried out in Directives 97/68/EC and 2000/25/EC of the European Commission as a result of this is found to be technically impossible tractors categories T2, C2 and T4.1 to meet the requirements for stages IIIB and IV.

B) Working Party on Agricultural Tractors:

1. In November 2008 the Control and Technical Inspection participate in the Working Party on Agricultural tractors, which discuss the proposal for a new framework regulation on type-approval of agricultural and forestry tractors to replace the Framework Directive 2003/37/EC relating to the type-approval of agricultural or forestry tractors, their trailers and interchangeable towed machinery, together with their systems, components and separate technical units and repealing Directive 74/150/EEC and individual directives on the components and separate technical units. The aim is to simplify and improve legislation;

2. Other important issues: the exclusion of risks from tractors machinery directive, the future of caterpillar tractor, a draft regulation on the brakes and roll.

C) Expert Panel on emissions from non-road equipment engines:

At meetings in April and November 2008 to examine questions relating to the future amendment of Directive 97/68/EC of the European Parliament and of the Council of December 16, 1997 on the approximation of the laws of the Member States relating to measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery.

5. Science, education and advisory activities

5.1. Scientific research

Research institutes and regional centres for applied research services to the SAA in 2008 have drawn Total 134 projects, including 5 target subsidy financed from the budget of the academy, 53 of the Science Research Fund at the Ministry of Education, 66 other national agencies and organizations and 180 international, including 126 bilateral and 54 multilateral.

Direction of Crop production

- In 2008 for testing network Executive Agency Plant Variety Testing, Approbation and Seed Control (IASAS) included a total of 4 new variety, and acceptance for inclusion in the “A” list of national catalogue and entitled to stand are three varieties peas, durum wheat variety 'Denitsa and barley variety' Brooks;
- Estimated total cold resistance comprised 2,434 number of lines and varieties of common wheat;
- Create a rich genetic diversity of new source material, promising new candidate lines and varieties of fodder and malting barley, which are highly productive with improved grain quality, high-cold-resistant and resistant-to-draught, resistant to loose smut infection (Ustilago tritici (Pets.) Rostr.) and the disease caused by fungus Helminthosporium gramineum;
- The selection of new wheat were created hybrid crosses with which genetic material is enriched. 265/98 line has a high yield of wet gluten and extraction of grain exceeded the standard Sadovo 1 with 11%;
- Received certificate from the Patent Office for a new variety of durum wheat Victoria, established within species through hybridization;
- Recognized Executive Agency Plant Variety Testing, Approbation and Seed Control (IASAS) is a new variety of durum wheat pasta forward with exceptional qualities. Continued inclusion of experiments in remote hybridization in selection of durum wheat for the creation of genetic diversity;
- Hybrid seeds were obtained from crosses of durum wheat with Ae. umbellulata, Tr. dicoccoides, Tr. dicoccum and Tr. machectares. With the aid of embryo culture were regenerated plants of hybrid combinations with Triticale, Ae. cylindrica, Ae. kotschyi, Ae. juvenalis and Tr. timopheevi, which adapt and grow vegetation in the house;
- Receipts are certificates for four alfalfa varieties – IFK Victoria, Storgozia, IFK Vit, IFK Vera and smooth brome (Bromus inermis Leyss. Nika);
- With the pepper is created generations of advanced non-cross male-sterile basis, which were examined sputum cytology and morphology. Genotypes are generated by an increased level of resistance to biotic factors;
- With the cucumbers are rated 140 selection varieties of seed material from the greenhouse-gynoecious cucumbers, mini-, salad and small-fruit as per indicators such as type of sex, plant habitus, morphological characteristics of fruits, the presence of bitter attack by agents of mildew;
- With the potatoes was created rich source of genetic diversity shapes by methods of sexual hybridization and induced mutagenesis;
- For the production of new branches of recommended and authorized the country are wine grape varieties studies covered 12 branches and applicant branches of grape varieties Dimiat, Unie

Blanc, Pamid, Gamza, Merlot and Cabernet Sauvignon. Controls were used for populations of the species.

Direction of Livestock breeding

- Studies related to genetic characterization of species of animals;

- Created a ball estimate of 25 dairy agricultural holdings located in different regions of the country, the methodology developed for this purpose;

- An immunohistochemistry method for detection of carbonyls in muscle tissue by fluorescent microscopy. Were analyzed physico-chemical characteristics of meat from cows, changes in colour and protein fractions and stability to lipid oxidation during storage, before and after heat treatment;

- Created a feature of some quality attributes of meat from lambs of Thracian fine fleece sheep and cross breed with Sharole Mouton;

- There are formulas for gene Puha color of feathers and some loci in the source lines and the resulting new populations;

- There are less productive performance of the fish in foddering them with mono-doses formed the basis of pea flour, which requires their use by combining with appropriate protein and carbohydrate fodder;

- Developed experimental recipes are 4 combinations for growing carp fodder based on fish flour, soy isolate and pea meal as protein sources at a level of 31.70% crude protein, crude fat content of 2.64%, to Bev 48.1% and digestible Energy 3 075.88 Kcal.kg-1;

- Have created two new hybrid silkworm, characterized by a high and close to Japanese control values of the attributes weight silk sheath, and percentage of silk yield;

- Released “Guide for Animal Nutrition” (MATKOM Publishing House, Sofia 2007) – a concentrated expression of the latest scientific advances in nutrition and fodder technology.

Direction of General agriculture and food technology

- Information was collected on a national scale for the quantity of waste from livestock, crop production, municipal holdings and root residues post-wheat down their options for recovery in agriculture, composting and materials to produce biogas. Industrial marking implement technology for the use of sludge as a means of dung;

- Established a relationship between surface soil of the Ministry of Interior and speed drying in layers of leached Stafanovo. Are not defined by residues from herbicides in the test soil and grain;

- An analysis of variations in the levels of prices of basic cereals. Estimated impact of fluctuations in climate and soil characteristics on the yield of maize grown under irrigated conditions in western and eastern central Bulgaria. The influence of two scenarios for changes in rainfall during the period 2005 – 2030, by mathematical simulations;

- Created a database needed for validation of models for predicting the risk of water pollution from agricultural sources in areas with environmental restrictions;

- Following the methodologies, based on soil mapping of the country's 1:400000 M, zoning and climatic requirements of crops has made an indicative assessment of the relative suitability of the territory for the field winter and spring crops;

- A review of existing environmental regulations and rational land use and sustainable land management and analysis of traditional technologies for major crops perspective of soil protecting their effectiveness;

- Based on experiments conducted, chemical and microbiological analysis are summarized conclusions and recommendations on the use of compost from municipal organic wastes and plant residues vermicompost;
- Studies were carried out to minimize soil processing operations without the sowing and implementation processes of zero. Have been developed and integrated systems for machining combined with chemical weed-killers in the crop rotation system. New direction in research work is microbiological testing of products that accelerate the decomposition of imported post-wheat residues in soil;
- Taken into account changes in soil fertility under the influence of long rotation and fertilization in field and fodder plants. Definitely impact on growth, development, production quality, weeding, attack by pests and diseases, etc.;
- Research is carried on certified organic production fields, which in 2008 were tested 6 wheat varieties, 8 varieties multi-breasted barley and 11 double-breasted, 4 wintering variety oats rye and 2 varieties. Harvest 'in 2009 for testing are planted 27 varieties of common wheat, 5 varieties of durum wheat, 17 barley varieties, 10 varieties by 2 oats and rye and triticale variety;
- To optimise the pattern for the control of diseases and pests in terms of the Central Balkan region is carried out monitoring and population dynamics and density of the main pests on apple, plum, raspberry and black currant;
- 22 species have been created new synthetic growth regulators – combined preparations with physiological activity, tested in different crops and agricultural and climatic conditions;
- Research is brewing business and IT skills of the 26 European malting barley varieties, 14 including winter and 22 spring varieties and 8 Bulgarian winter malting barley;
- Agricultural Academy in 2008 funded the development of five targeted research projects:
- National programme to increase the resistance to drought and cold resistance of important crops;
- Systems to monitor food safety and the place and role of the Agricultural Academy;
- Use of biomass from agriculture and exploration of the energy potential of new energy crops;
- Strategy for socio-economic and demographic development of disadvantaged regions;
- National development programmes under the national strategy for development of livestock production.

Scientific services and applied activity

The main task of the service and applied scientific activity is the promotion and implementation of effective scientific products and solutions using all available media.

Table II.104.

Applied science and practical activities in 2008, number

Events	Performance
Preparation of high-profile demonstration-fields and other farms.	99
Held open days	80
Consulted on various issues	7,928
Held scientific-practical conferences, seminars, symposia, roundtables, anniversary celebrations and more	120

Conducted short courses	59
Lectures, reports and messages	961
Provide information to farmers, cooperatives and agencies	5,317
Participation in exhibitions in Bulgaria and abroad fairs	126
Contracts with farmers, cooperatives, associations and other consulting assistance	240
Promotional activity – brochures, newsletters, leaflets, videos and more	41,827
Participation in radio broadcasting	135
Participation in TV programs	81
Materials found in the press	431
Developed normative documents (standards, regulations, laws)	18
Employees of the unit have undergone special training - and our research on international service	37
Filing farmers, cooperatives and other scientific services	707
Filing expert consultants	130
Developed and presented projects and technologies	159
Permanent and temporary open shops	10
Analysis of soil, plant and animal products	33,065
Diagnostic activity	454
Recognized new varieties and hybrids, and animal breeds	66
Established technologies, expert advice	11
Supported plant gene pool	101,583
Supported livestock gene pool	24,793

Source: *Agricultural Academy*

Institute for Plant Protection

In 2008, research by the Institute for Plant Protection (sentence) involves development of 19 projects, including 8 Financing of National Plant Protection Service, 5 of the Sixth and Seventh Framework Programme of EU, 1 from the International Atomic Energy Agency and 5 of the Ministry of Education and Science (MoES).

In 2008, continued implementation of 4 projects under the Sixth EU Framework Programme – PlantProCENTRE, EUPHRESCO, Resist Vir and PEPEIRA. By the Ministry of Education and Science has approved for funding new project “Development of a diagnostic centre for plant health”. The project aims to support and integrate technological capacity in terms of classical and molecular methods for identification of regulated pests and invasive plants in the crops to structure available information in databases and to establish diagnostic reference collection.

In 2008, laboratory test block to 4 sentence are developed test methods are validated. With the validation is confirmed by examination and provision of objective evidence that they have met predetermined requirements for the use of methods:

- Determination of pesticide residues in plant material, foods and beverages of plant origin by gas chromatography and MAS spectre metric detection. It identifies 40 pesticides. Is validated in three matrices - cucumbers, strawberries and wheat;
- Determination of zearalenone (ZEA) in cereal raw materials and products with liquid chromatography and fluorescence detection. The method was developed and validated for two matrices – wheat and corn;
- Defining biotypes of Bemisia tabaci;
- Identification of viruses in plant material of cultural and wildlife and insect vector by DAS-ELISA. With the method is out 16 virus.

In addition to validated laboratory methods were verified and 6 standardized method – published by international or national standards, or published in documents adopted by international organizations and/or regional authorities within the EU:

- Determination of fumonisins B1 and B2 in raw materials and products with maize by HPLC purification by hard phase extraction under BSS EN 13585. The method is verified in the Department of Toxicology;
- Diagnosis of Thrips palmi in EPPO protocol;
- Diagnosis of Frankliniella occidentalis;
- Establishment of smallpox virus in plum (Plum pox virus) by IC-RT-PCR;
- PCR of the ITS region for the diagnosis of plant parasitic nematodes Globodera pallida and Globodera rostochiensis;
- Identification of the virus of yellow leafroll of tomato (Tomato Yellow Leaf Curl Virus – TYLCV) and gray virus in tomato (Tomato Mottle Virus – ToMoV) in plant material of cultural and wildlife.

Institute of Tobacco and Tobacco Products

Programmes involving the Institute for Tobacco and Tobacco Products in 2008 are:

- “Crop production” – to stabilize and increase the volume of tobacco production, competitiveness in the international market, the restoration of traditional renowned for their quality Bulgarian oriental tobacco varieties, maintaining the existing certified varieties of Nicotiana tabacum from the National the gene pool.

In 2008, the Institute for Tobacco and Tobacco Products rehabilitation works on 5 old Bulgarian tobacco varieties and set for maintenance of the existing 20 Gene pool tobacco variety. Stand is made of 1 120 kg of seed of Oriental and large-leaf tobacco varieties.

- “Scientific research” – a priority the development of research projects in the field of tobacco – the development of Agrotechnology related to growing conditions in different regions and the characteristics of species in those regions, the development of differentiated technologies, programmes, instructions, procedures to protect the tobacco by pests, development of technologies for drying tobacco wet content-thermal treatment to stabilize and improve product quality, research in the areas of tobacco production;

- "Quality Food" – Study of factors influencing the content in smoke emissions of substances with harmful effects on the health of the consumer, by providing modern equipment for the administration of an effective system for control of harmful ingredients in the product taste;
- "Food and fodder safety" – assessing the quality of output indicators as typical for food products, tobacco, respectively. Programme to develop an electronic disclosure EmTos programme (Electronic model for tobacco control).

Table II.105.

Activity of the Institute for Tobacco and Tobacco Products by programmes, number

Indicators	2008	2009	2010
Programme "Crop production"			
Manufactured tobacco seeds	1,120	162	200
Recovered and stored tobacco varieties	5	2	1
Maintenance of the variety	20		
Programme "Scientific research"			
Policy development	1	1	1
Development and implementation of innovations in tobacco	2	2	1
Developed projects	18	12	12
Issued in printed	43	45	50
Given scientific and practical assistance to producers	100	100	100
Introduction of new tobacco varieties	1	1	1
Created new varieties of tobacco	5	2	2
Protected dissertations and conferring theses	2	2	3
Programme "Food Quality"			
Policy development	2	1	1
Analyzed samples of soil, water, tobacco and cigarette smoke	938	800	800
Programme "Food and Fodder Safety"			
Published data for ingredients used in manufacturing (tobacco and non-tobacco) and content of controlled substances under the law.	0	1	1

Source: *Institute for Tobacco and Tobacco Products*

Institute of Rose and Essential Oil-bearing Plants

As a result of proper implementation of the necessary agricultural activities, compliance with technological instruction in 2008 indicators for the implementation of the "Crop production" are significantly increased compared to 2007 produced more than 50 thousand units more lavender cuttings and 171 thousand units more quality lavender seedlings. Until April 2009 the majority of seedlings was carried out on the market. Of rose oil is extracted C 302 thousand units more shoots and seedlings produced by 71 thousand units more in 2007.

Lavender blossoms are extracted by 7.4 tonnes over 2007, while oil rose from a 37 tonnes.

In 2008, were harvested and processed into oil over 5 tonnes of fresh sage sklareya clusters.

Are obtained and the first harvests from new plantation Shipka Vebetsina "for dried fruit" (190 kg) of cut flowers and ornamental roses (3,000 units), which is expected in the coming years a significant increase in yields.

5.1.1. International cooperation

In 2008, the institutes of the Academy of Agriculture participated in the execution of 180 international projects, including 126 units on a bilateral basis with partners from 36 countries. Institutes and 54 out projects funded by international institutions – the EU, the Food and Agriculture Organization (FAO), the International Centre for Genetic Engineering and Biotechnology (ICGEB), the Institute of Biodiversity Conservation and Research (IBCR), the International Atomic Energy Agency (IAAE), the International Maize and Wheat Improvement Centre (CYMMIT), the International Centre for Agricultural Research in the Dry Areas (ICARDA), etc.

In various European programmes are implemented 38 projects. Institutes of the Academy of Agriculture participated in the development of projects in two of the four specific programmes of the Seventh Framework Programme of EU. Specific programme under the "Capacities" launched a project to build a Balkan centre for vegetable research to knowledge transfer, research and practice. This is one of three projects to strengthen the research potential of Bulgaria in this specific programme. It is executed by the Institute of vegetable crops "Maritsa", Plovdiv. Project started and to strengthening the capacity of small and medium enterprises with a thematic focus on creating innovative technologies for sustainable production of seedlings to improve the quality and safety of the plants. in 2008 the EC approved the financing of three new projects under the "Capacities", which are currently under negotiation and will start in 2009

Since the launch of the Seventh Framework Programme in 2007 until the institutes of the Agricultural Academy have successfully participating in 10 projects, including 5 of them will start in 2009.

Academy Notes and successful participation in other European programmes such as the "Lifelong Learning" (LLL) – Leonardo da Vinci sectoral programme – by 2 projects, the European Intelligent Energy Directorate-General Energy Commission – with 1 project and eContentplus EU programme to convert the digital data in Europe more accessible, useful and usable – 1 project.

In various shares of the European programme for the coordination of research in science and technology – a programme COST, scientists from the Agricultural College are national coordinators of 14 COST – shares in the 'Food and Agriculture domain.

5.2. Education

For the academic year 2008/2009 has been agreed and approved a state reception for 383 units in 97 school classes in the procedure provided for in the Act on vocational education and training and regulations for implementation of the Education Act and in accordance with the list of professions for vocational education and training. At the beginning of the academic year 2008/2009, the total number of students in public schools is 32 Foods to 330. In 1,153 classes are taught daily in form – 24,585 students, evening form – 489, part-time – 349 and a separate form – 3,418.

Permits issued by the Minister of Agriculture and Food to conduct training for the acquisition of capacity to work with agricultural and forestry machinery in 2008 were 55. Checks are made regarding the existence and condition of the facilities (machines, cabinets, polygons, playgrounds), proper maintenance of academic records and qualifications of teachers. 266 courses were organized in which they are trained and have acquired the capacity to work with agricultural and forestry machinery 4,339 students.

In implementing the programme of measures to protect children with eminent talents of ISAs were organized and held national competitions in forestry, design of furniture and farming with students from vocational schools to Foods. On 7 students were granted annual scholarships by the Minister of Agriculture and Food.

Ranked first in the National Competition forestry school students from the Professional School of Forestry and Wood – Teteven, Bulgaria, presented to 5th International Youth Forestry

Competition in Moscow, Russia. Bulgarian players won the grand prize – first place prize and the international competition.

In 2008, organized and conducted National Exhibition of vocational schools in woodworking and interior architecture, National Competition “Young machinery expert” three competition within the national campaign “Potatoes – Tradition and Future”, launched on the occasion of International Year of the potato. In October 2008 a group of 30 students participated in Paris, France in the European meeting of students from vocational high schools.

Held in the National Student Scientific Conference “Management and sustainable development of biological resources”, organized by the University of Forestry, with reports and development joined students from 17 vocational high schools.

5.3. Office for National Agricultural Advisory

The introduction of EU requirements and standards (veterinary and plant health and animal welfare, environmental protection, quality and hygiene of production) is a challenge for agricultural holders who need assistance about how to access support under the CAP to improve knowledge and managerial skills.

In 2008, the National Service for Agricultural Advisory Service (NAAS) provide relevant and timely information, high quality consulting services to ensure appropriate level of technical and economic knowledge and skills in agriculture and forestry sectors. The number and scope of the advice offered to agricultural holders have increased significantly with the start of the Rural Development Programme 2007 – 2013 (RDP).

Following national priorities and the implementation of key aspects of the CAP of the EU in 2008 the activities that take place National Agricultural Advisory Service in the following areas:

- Advisory and consultancy for agricultural holders;
- Provide appropriate education and training for use in practice;
- Information services to agricultural holders;
- Activities related to implementation of the measures of the Rural Development Programme;
- Work on national and international projects;
- Conducting information campaigns;
- Implementation of e-information technology and improvement of information – communication facilities of the National Agricultural Advisory Service;
- Optimisation of human resources, material – providing technical and financial accounting;
- Collection of data for the Farm Accountancy Data Network (FADN).

Provide advice and consultation to agricultural holders are technological issues, the conditions for subsidies and measures of the Rural Development Programme. in 2008 the country have made a total of 59,119 units consultations – with more than 10,744 granted 48,375 in 2007 have dramatically increased their numbers by 22% due to the consolidation of experts as the best advisers to agricultural holders, the authority of the National Agricultural Advisory Service and the launch of the measures of the Rural Development Programme.

In 2008, were visited 1,019 small, 806 medium and 602 large agricultural holdings in the crop. Livestock predominates average number of visited agricultural holdings – a total of 1,838 units – 571 small, 787 medium and 480 large. Mixed agricultural holdings in alignment is observed in the number of visited agricultural holdings in different categories – 305 small, 335 medium 329 large.

Preparation of the agricultural sector to absorb the direct payments to explain the conditions for maintaining land in good agricultural and environmental condition, and improving quality of life in rural areas through the implementation of the Rural Development Programme measures and promotion of entrepreneurial activity is essential in conducting an information campaign for the Rural Development Programme and the Single Area Payment.

In 2008, continued the work of experts from National Agricultural Advisory Service collection of farm accountancy data, together with the Directorate for Agricultural Statistics of the Ministry of Agriculture and Food and Agriculture Regional Directorates. Agricultural holdings included in FADN are market-oriented and participate voluntarily.

The need for training is conditioned by the fact that only 3% of agricultural holders have a professional qualification in the field of agriculture. With approved Vocational Training Centre, National Agricultural Advisory Service can meet the objectives of Measure 111 “Vocational training, outreach activities and dissemination of scientific knowledge”. In this regard, two projects are presented in the Payment Agency for training through 150 hours of training and information activities of 18 hours.

Information activities of the National Agricultural Advisory Service is aimed at acquainting agricultural holders with innovative methods and practices of environmental protection and rational use of natural resources.

In 2008, issued 374 information materials are published 209 Articles are 130 broadcast radio and 111 television shows.

As an organization providing consulting services to Bulgarian agricultural holders, National Agricultural Advisory Service is the sole beneficiary of the measure 143 “Provision of advice and consulting in agriculture in Bulgaria and Romania”, the Rural Development Programme 2007 – 2013.

In 2008, agricultural holders are provided free of charge a complete set of advisory services on the following measures:

- Measure 112 “Creating holdings of young agricultural holders”;
- Measure 141 “Support for semi-subsistence agricultural holdings undergoing restructuring”;
- Measure 142 “Setting up producer”;
- Measure 214 “Agri-environment payments”.

The application of the agricultural holders on the measures of the Rural Development Programme will provide a resource for development and modernization of their agricultural holdings.

In 2008, in the analytical laboratory National Agricultural Advisory Service made 1,784 samples of soils, plants, fodder and water for irrigation. The total number of definitions made was 9,268.

III. WINE-GROWING AND WINE-MAKING

1. Grape production

1.1. Areas

In 2008, the area under vines in the farm are 88,570 hectares, including 81,186 hectares have been harvested. Young, non-fruit bearing vineyards have been around 7.4%, with more than 1.6 thousand hectares are planted.

Table III.1.

Vines in Bulgaria for the period 2001– 2008

Year	Areas planted with vines, hectares	Non-arable vines outside the farm, hectares	Total areas planted with vines, hectares
2001	146,995	4,190	151,185
2002	129,998	15,200	145,198

2003	103,019	28,050	131,069
2004	95,551	34,029	129,580
2005	94,724	32,118	126,842
2006	85,320	43,537	128,857
2007	97,387	22,954	120,341
2008	88,570	22,246	110,816

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Around 38% of vineyards are located in the South Central region. Areas occupied by vineyards in Southeastern region are approximately the same amount. There was an increase of 11% of harvested areas in the country over the preceding year. Due to a regrouping of the areas around the 6 – level 2 of the Nomenclature of the territorial units for Statistics (NUTS) of the EU under Regulation (EC) No.176/2008 changed the regional areas compared to 2007

The trend of reduction of area under table grape varieties. At the same time, the red wine grape varieties retain their dominant role in the structure of the vineyards with share of 60.7%. Observe that the share of white wine varieties by about 3%.

Table III.2.

Distribution of areas by location of the agricultural holding by statistical regions

Regions	Total area, hectares	Including harvested, hectares	Harvested, %
Northwestern	7,385	6,734	91.2
North Central	5,105	4,682	91.7
Northeastern	5,371	4,461	83.1
Southeastern	33,869	29,319	86.6
South Central	33,366	32,776	98.2
Southwestern	3,474	3,214	92.5
Total	**88,570**	**81,186**	**91.7**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

Table III.3.

Distribution of harvested vines by statistical regions

Regions	Red wine varieties		White wine varieties		Dessert varieties		Total vines	
	Areas, hectares	%	Areas, hectares	%	Areas, hectares	%	Areas, hectares	%
Northwestern	5,161	76.6	1,358	20.2	215	3.2	6,734	100
North Central	2,953	63.1	1,568	33.5	161	3.4	4,682	100
Northeastern	970	21.7	3,414	76.5	77	1.7	4,461	100
Southeastern	14,784	50.4	14,129	48.2	406	1.4	29,319	100
South Central	22,699	69.3	8,678	26.5	1,399	4.3	32,776	100
Southwestern	2,728	84.9	296	9.2	190	5.9	3,214	100
Total	49,295	60.7	29,443	36.3	2,448	3.0	81,186	100

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

The most common problems in the cultivation of vineyards are:

- Existence of vines aged over 30 years, have not cared for;
- Poor quality and not meeting the requested seed variety;
- Unbecoming varietal composition of soil and climatic conditions, supply and demand in the region;
- Incorrect operation of pruning in places;
- Use of low quality crop protection products;
- Lack of skilled labour force and use of primitive technology;
- Lack of cooperation between growers and harvesters.

Overcoming the backlog of problems is crucial for the future development of the sector. This can be achieved by creating conditions for the consolidation of the vineyards for easy cultivation and mechanization of processing and plant health activities, qualification of workers in the industry, implementation of scientific developments and achievements in wine growing. In 2008 have low interest by producers of grapes to the possibility of providing crop production rights from the national reserve. A total of 260 were issued. the act of crop production, including 180 units order for recrop production an area of 568.6 hectares and 80 units the act of granting rights of the national reserve of rights to plant varieties for wine area in the amount of 995.6 hectares.

1.2. Average yields

In 2008, average yields of grapes are lower by about 8% of those in 2007 have not been harvested about 0.8% of the areas under vines, as most non-harvested areas observed in North Central region. The average yield for the country in red wine grapes is 4,755 kg / hectares, with a white wine grape varieties – 3,779 kg / hectares.

Table III.4.

Average yields of grapes from vines – crops 2008, kg/hectare

Regions	**Average yields from vines**	
	Wine-making varieties	**Dessert varieties**
Northwestern	4,056	4,398
North Central	3,980	5,568
Northeastern	5,920	2,873
Southeastern	4,902	5,062
South Central	3,686	9,175
Southwestern	5,903	4,894
Total	**4,390**	**7,305**

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

1.3. Production

Production of grapes in 2008 has decreased by nearly 2% compared with 2007 – 363 539 tonnes, and the ratio of wine – table is 95 to 5 respectively. in 2008 produced 5,891 tonnes of grapes from the vines.

Table III.5.

Grapes production – crops 2008

Regions	Grapes from vines				Grapes from vines	Total produced grapes
	Wine-making	Dessert	Total produced grapes from vines	%		
Northwestern	26,437	944	27,381	8	-	-
North Central	17,990	898	18,889	5	-	-
Northeastern	25,961	223	26,182	7	-	-
Southeastern	141,741	2,055	143,797	40	-	-
South Central	115,670	12,839	128,509	35	-	-
Southwestern	17,851	930	18,781	5	-	-
Total	**345,650**	**17,889**	**363,539**	**100**	**5,891**	**369,430**

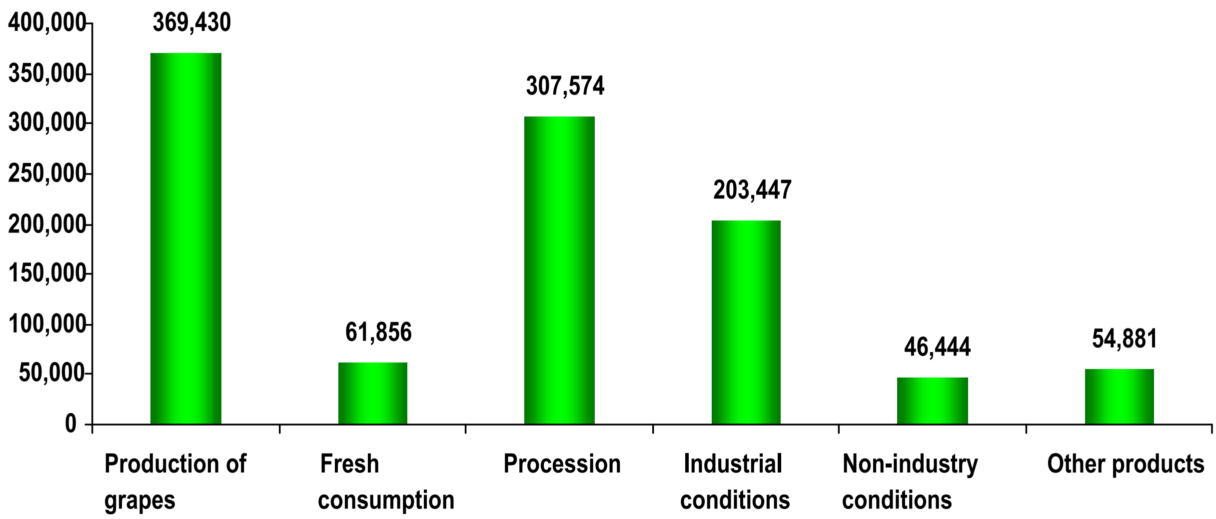
Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

In the Southeast and South Central region are produced at large quantities of grapes, 40% and 35% of the total production of grapes from vineyards in the country.

Total grapes produced in 2008 61,856 tonnes is destined for fresh consumption and 307,574 tonnes is processed into wine and other products. In comparison with 2007 has been a slight increase in the amount of grapes processed in industrial conditions. According to data released by the Executive Agency on Vine and Wine, the amount of grapes processed crops 2008 for wine and grape must of wine has 203 registered 447 tonnes.

Figure III.1.

Distribution of grapes produced – crops 2008, tonnes



According to data of the Executive Agency for Vine-growing and Wine-making

Source: *Ministry of Agriculture and Food, Directorate for Agricultural Statistics*

2. Buyout of grapes

Bought wine grapes by growing companies in 2008 was 203 446,630 tonnes. Vine crops produced by 2008 is good to very good quality and meet the technological requirements.

Table III.6.

Buyout of grapes in campaign 2008

Territorial unit	Amounts of grapes bought out, tonnes
Montana	3,085.2
Pleven	34,395.1
Ruse	23,188.7
Varna	8,466.9
Bourgas	40,290.7
Sliven	32,771.4
Haskovo	13,568.2
Plovdiv	39,574.5
Blagoevgrad	8,106.1
Total for the country	**203,447**

Source: *Executive Agency for Vine-growing and Wine-making*

3. Wine-making

The total quantity of wine and grape harvest `2008 declared the registered wine to the Executive Agency on Vine and Wine is 1,389.799 hl. Conducted by Directorate for Agricultural Statistics crop production monitoring '2008 reported a decrease of grapes destined for processing in terms non-industry – 49 tonnes of grapes. Around 93% are destined for wine production, 6% for the production of spirits and 1% for the manufacture of other products. The wine produced in conditions is non-industry 227,436 hectolitres. The total quantity of wine and grape must – crops in 2008 is EUR 1,617.235 hl.

4. Exports and imports of wine

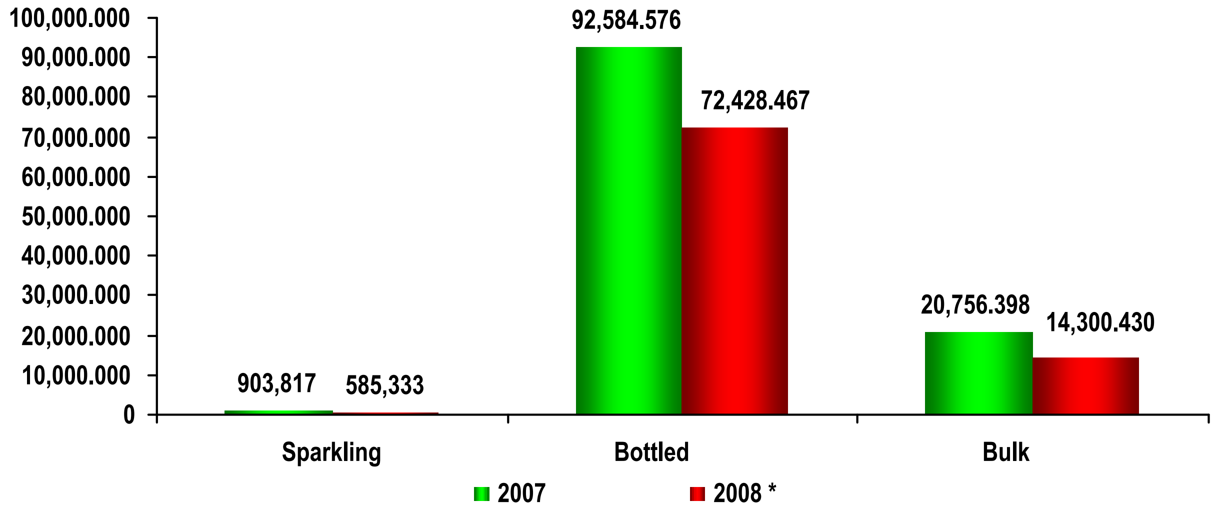
4.1. Exports

According to data released by the Customs Agency in 2008 registered a total export of 87,314.230 litres of wine, which is 23% less than in 2007 wine exported a total value of USD 109,951 thousand.

The main part of exports in 2008 is designed for markets in Russia – 54,484.620 litres and Poland – 16,897.061 litres. Markets in Britain are exported 3,227.574 litres of wine, the Czech Republic – 2,259.935 litres of Germany – 2,146.498 litres.

Figure III.2.

Exports of wine for the period 2007 – 2008, litres



**Provisional data*
Source: *Customs Agency*

The structure of exports is the largest share of bottled wine exports – 72,428.467 litres or 83% of total exports. Bulk wine were exported 14,300.430 litres or 16%, sparkling – 585,333 litres (0.6%).

Export of bottled wines

In 2008, according to the Customs Agency, exported 72,428.467 litres bottled wines – 22% less compared to 2007 average export price of bottled wine in 2008 was 1,32 USD / l at 1.085 USD / l in 2007

Markets in Russia exported 44,894.902 litres bottled wine or 62% of total exports of bottled wine to Poland is 16,174.202 litres – 22%, UK – 2,375.507 litres, Czech Republic – 2,190.172 litres, Germany – 1,071.345 litres.

Table III.7.

Exports of bottled wine in 2007 – 2008, quantity, litres

Countries	2007	2008*
Russian Federation	61,028.802	44,894.902
Poland	18,074.925	16,174.202
United Kingdom	2,617.842	2,375.507
Czech Republic	2,342.572	2,190.172
Germany	1,241.301	1,071.345
Lithuania	1,089.290	842,269
Sweden	906,475	873,128
Belarus	842,186	527,996

Latvia	605,993	349,565
Belgium	534,466	440,184
Slovakia	506,396	735,572
Canada	336,606	225,795
Mongolia	298,818	361,522
The Netherlands	274,573	167,395
Estonia	265,290	0
Kazakhstan	214,631	0
United States	198,250	242,646
Finland	150,408	98,676
France	113,345	25,472
Turkey	105,649	86,640
China	104,798	58,793
Japan	102,980	85,702
Hong Kong	76,779	72,662
Norway	75,132	54,164
Lebanon	59,670	46,404
Romania	55,768	17,820
Greece	48,618	33,504
Austria	30,942	56,852
Indonesia	30,124	0
Azerbaijan	24,959	0
Macedonia	21,880	1,360
Serbia	21,215	18,501
Croatia	19,773	0
Denmark	18,764	38,298
Taiwan	16,740	17,295
Hungary	16,625	17,030
Israel	16,461	40,553
United Arab Emirates	11,928	7,063
Brazil	10,890	0
Vietnam	9,885	20,345
Iraq	9,820	42,508

Spain	8,714	6,231
Italy	8,356	13,176
Slovenia	8,311	0
Switzerland	6,885	5,528
Cyprus	6,161	15,683
Other	14,580	76,007
Total	**92,584.576**	**72,428.467**

** Provisional data*
***Source**: National Statistical Institute*

Exports of bulk wine

In 2008, exports of bulk wines fell by 31% compared to 2007 the majority of exports of bulk wine is for Russia – 9,589.718 litres (28% less than exports in 2007). Reduction was seen in exports to Germany – from 1,999.793 in 2007 to 1,075.153 in 2008 to export markets in Sweden and the UK has increased by 12 and 15%.

The average export price of bulk wine in 2008 was 0.97 USD / l at 0.79 USD / l in 2007.

Table III.8.

Exports of bulk wine, 2007 – 2008, quantity, litres

Country	2007	2008*
Russian Federation	13,401.118	9,589.718
Germany	1,999.793	1,075.153
Sweden	1,252.572	1,403.904
Moldova	1,140.747	0
United Kingdom	741,865	852,067
France	727,237	151,815
Lithuania	305,913	141,950
Japan	299,084	253,068
Belgium	270,700	223,269
Poland	186,456	392,226
Belarus	134,154	0
Czech Republic	75,728	69,763
Turkey	54,385	15,240
Finland	42,000	21,125
Austria	30,749	0
Kosovo	26,840	0
Slovakia	22,982	10,266
Croatia	19,770	8,550
Norway	0	42,800
Greece	0	17,424

Armenia	0	22,690
Other	24,305	9,402
Total	**20,756.398**	**14,300.430**

** Provisional data*
***Source**: National Statistical Institute*

Export of sparkling wine

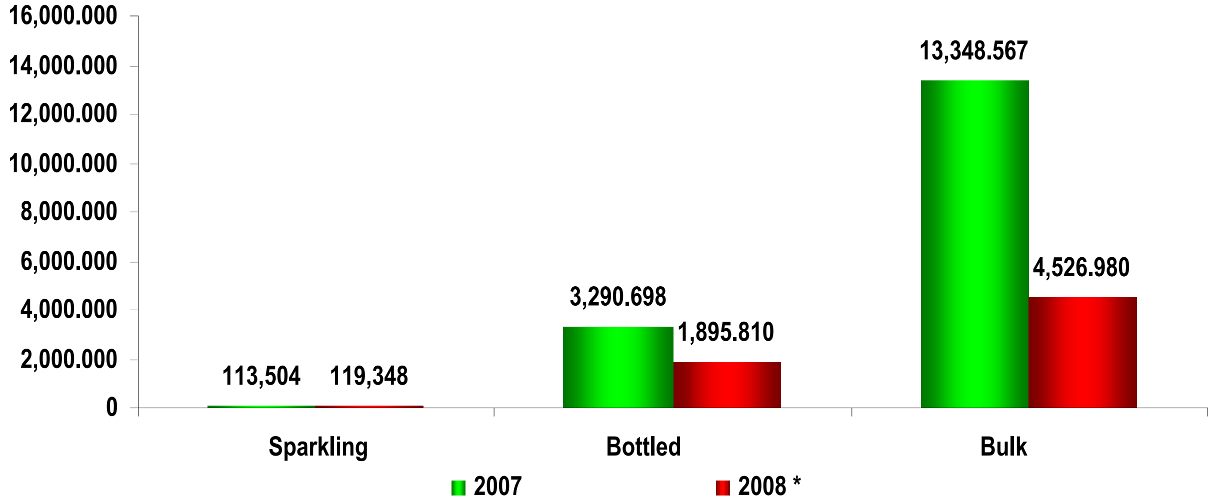
Exports of sparkling wine in 2008 is 585,333 litres. The decrease compared to 2007 is significant – 35%. The largest exports of sparkling wine is made for the market in Poland – 330,633 litres. It exports to Vietnam – 145,125 litres of Mongolia – 63,617 litres. The average export price of sparkling wines in 2008 1.71 USD/l at 1.47 USD/l in 2007.

Import

In 2008, imported 6,542.138 litres of wine, worth USD 15,756 thousand Imports compared to 2007 dropped significantly by 61%. Decrease occurred in imports of both bottled and bulk of wine by 42% and 66%. Increase in imports has only sparkling wines – 5%.

Figure III.3.

Imports of wine for the period 2007 – 2008, litres



** Provisional data*
***Source:** Customs Agency*

Registered in 2008 imports of bottled wine (1,895.810 litres) was almost twice lower than in 2007 (3,290.698 litres). On larger quantities are imported from Italy – 508,093 litres, France – 202,661 litres, Chile – 157 litres and 039 Austria – 146,032 litres.

Table III.9.

Imports of bottled wine, 2007 – 2007, quantity, litres

Country	2007	2008 *
Russian Federation	1,117.704	19,000
Romania	776,179	103,042
Italy	411,061	508,093
France	253,327	202,661
Spain	229,806	137,694
Argentina	102,708	102,610
Chile	56,133	157,039
Austria	57,135	146,032
The Netherlands	53,083	104,737
Germany	54,456	73,362
Macedonia	14,464	40,151
New Zealand	10,395	21,800
Greece	9,634	37,033
United Kingdom	8,601	11,644
South Africa	6,691	75,739
Portugal	3,105	12,348
Australia	1,615	6,111
Hungary	-	27,933
Sweden	-	23,868
Slovakia	-	18,432
Belgium	-	16,975
Czech Republic	-	16,572
Finland	-	11,340
Slovenia	-	8,946
Other	124,601	12,648
Total	**3,290.698**	**1,895.810**

** Provisional data*
***Source**: National Statistical Institute*

The situation is analogous to the importation of bulk wine, where the reduction compared to 2007 was 66% among importing countries in 2008 Spain has the largest share of exports made to 1,034.390 litres, should Romania – 813 of 386 litres, Italy – 725 to 826 litres and Kosovo – to 623,860 litres.

Table III.10.

Imports of bulk wine, 2007 – 2008, quantity, litres

Country	2007	2008 *
Macedonia	8,208.148	323,620
Spain	1,546.839	1,034.390
France	1,063.335	61,187
Chile	913,250	264,000
Romania	691,453	813,386
Italy	415,059	725,826
Germany	298,291	268 979
Russia	129,006	0
Hungary	50,387	0
Argentina	24,000	0
Algeria	8,694	0
Kosovo	0	623,860
Moldova	0	331,134
South Africa	0	48,620
Austria	0	23,808
Other	105	8,170
Total	**13,348.567**	**4,526.980**

** Provisional data*

***Source**: National Statistical Institute*

In 2008, imports of sparkling wine rose slightly – 113,504 litres in 2007 119,348 litres in 2008 the largest quantities of sparkling wine imported from Italy – 30,901 litres and France – 74,905 litres.

Table III.11.

***Imports of sparkling wines, 2007 – 2008,* quantity (litres)**

Country	2007	2008 *
Italy	61,472	30,901
France	41,165	74,905
Spain	3,492	1,714
Germany	3,740	5,289
The Netherlands	1,034	2,455
Austria	977	2,092
Other	1,624	1,992
Total	**113,504**	**119,348**

** Provisional data*
***Source**: National Statistical Institute*

IV. FISHERIES

Common Fisheries Policy (CFP) is the main tool for management of Fisheries and aquaculture in the EU. Set of rules and mechanisms for the exploitation, processing and marketing of fish and other aquatic forms Common Fisheries Policy (CFP). Common Fisheries Policy (CFP) has been established to manage resources and meet the requirements laid down in the Treaties establishing the European Community. Fish are considered a natural and mobile resource and therefore the common property. Treaties establishing the European Community, which stipulate the existence of a uniform policy in this area, i.e. need for the introduction of common rules adopted at Community level and applicable in the Member States.

The basic principles of EU's Common Fisheries Policy (CFP) are:

- Equal access of all Member States to Community waters;
- Adjustment of fishing effort and fleet of the Member States in accordance with the limited resources;
- Relative stability of fishing quotas in the allocation of resources;
- Exclusive Community competence in the representation of interests of Member States to international treaties in relations with third countries.

EU's Common Fisheries Policy (CFP) aims to:

- Ensuring sustainable development of the sector through responsible fishing and conservation of Fisheries resources;
- Long-term provision of marketing and processing industries with quality fish and fish products to consumers at reasonable prices;
- Providing a better standard of life of persons engaged in fishing activities.

The Common Fisheries Policy of the EU comprises the following main sections:

- Conservation and resource management, inspection and control;
- Common market organization;
- Structural measures;
- External relations.

In 2008, officially opened the Operational Programme for the development of the Fisheries sector.

Workshop was held with representatives of mass media on the launch of taking projects from 06 December 2008 in Operational Programme "Fisheries" 2007 – 2013

The following Ordinances are adopted and promulgated in the State Gazette:

- Measure 2.1. "Productive investments in aquaculture" under priority axis No.2 "Aquaculture, inland fishing, processing and marketing of fishery products and aquaculture" (Ordinance No.35 of October 8, 2008, promulgated in the State Gazette, Issue 91 of 21.10.2008);
- The priority axis 5 "Technical assistance" (Ordinance No.36 of October 21, 2008, promulgated in the State Gazette, Issue 93 of 28.10.2008).

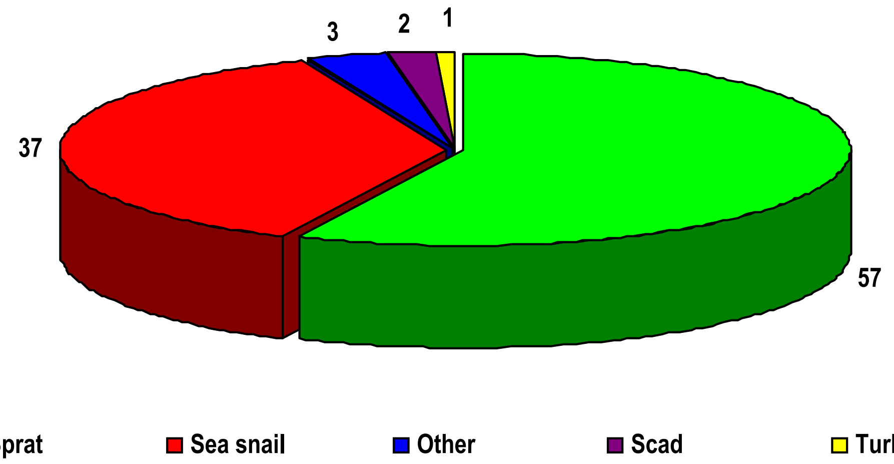
In 2008, approved the National Programme for Supporting the Sustainable Development of Fishery Resources (National restocking programme in 2008 – 2013) The programme includes general measures for conservation, restoration and protection of fish stocks and is the basis for the development of annual programmes to support sustainable development of fish populations and research activities, ensuring effective management of Fisheries resources.

1. Catches and production of fish and other aquatic organisms

The quantity of catches in 2008 fish and other aquatic organisms in Fisheries was 886,25 tonnes, including 7,664.59 tonnes in the Black Sea, 81.69 tonnes in the Danube River and 1,116.97 tonnes on inland waters. Compared to the preceding year, catches in the River Danube rose by 13.5 tonnes, inland – with 110,8 tonnes. At the same time catches in the Black Sea decreased by 165,1 tonnes.

Figure IV.1.

Catches by types of fish and other aquatic organisms in the Black Sea in 2008, %



Source: *Executive Agency for Fisheries and Aquaculture*

According to data from the Executive Agency for Fisheries and Aquaculture in 2008 registered a total catch of fish and other marine organisms in the Black Sea is a 7,664.59 tonnes, an increase of 2% less than in 2007.

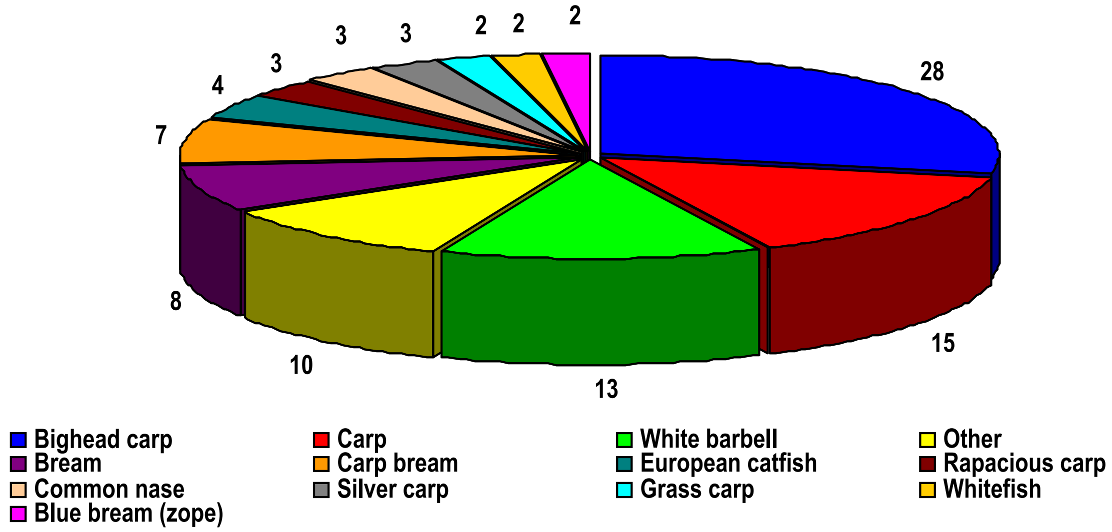
In 2008, 57% of the total catch of marine species of fish are formed by family Sprattus sprattus sulinus (Sprat, Brisling, Sprattus sprattus). The total catch amounted to 4,309.73 tonnes or 44% more than in 2007

The total catch of other marine organisms in the Black Sea – sea snail, clams and shrimp, registered in 2008 was 2,906.72 tonnes, at 4,392.99 tonnes in 2007 Despite the reduction compared to 2007, this group is the largest catches of sea snail – 2,871.55.

In 2008, catches of black mussel also decreases reaching 35.11 tonnes in 82.95 tonnes in 2007.

Figure IV.2.

Catches by types of fish and other aquatic organisms in the Danube River in 2008

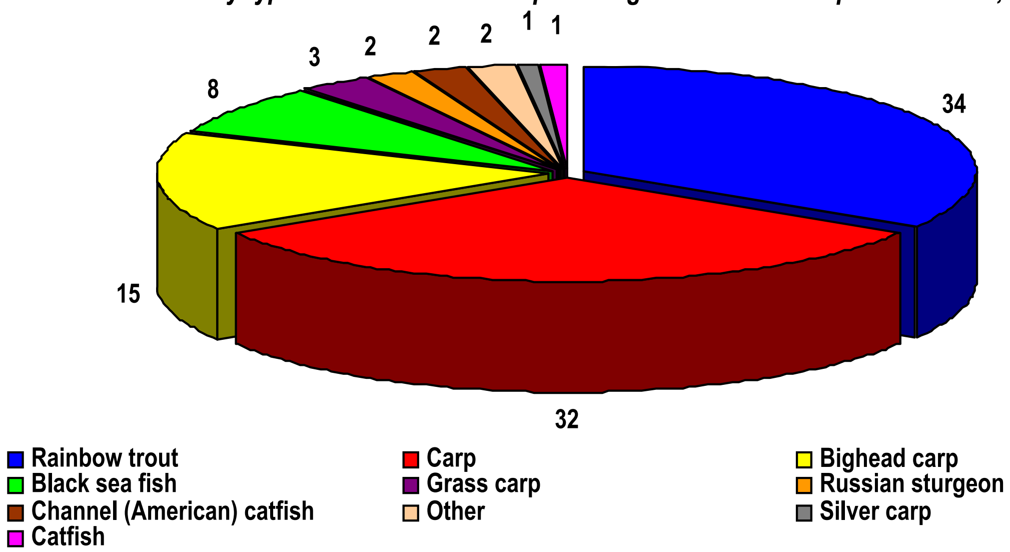


Source: *Executive Agency for Fisheries and Aquaculture*

In 2008, catches of fish in the River Danube rose by 20% compared to 2007, reaching 81,69 tonnes. Most significant is the increase in catches of silver carp – more than twice (2008 – 22,19 tonnes, with 10,88 tonnes in 2007. Increased catches are found also with carp – from 9.04 tonnes in 2007 to 12.45 tonnes in 2008.

Figure IV.3.

Catches by types of fish and other aquatic organisms in inland ponds in 2008, %



Source: *Executive Agency for Fisheries and Aquaculture*

Issued a total of 531 numbers are permanent permits for commercial fishing, including 130 units for the Black Sea, 228 number of the Danube and 173 units of inland waters. Certificates of entitlement to engage in commercial fishing are generally 3,303 units – about 1,806 Black Sea, the Danube – 1,442 number and inland waters – 55 units

Increasingly growing number of tickets issued for recreational fishing. in 2008 issued 183,454 tickets in total – with 16,725 more than in 2007

In 2008, recorded 56 fish agricultural holdings.

Were carried out 37,760 audits from them:

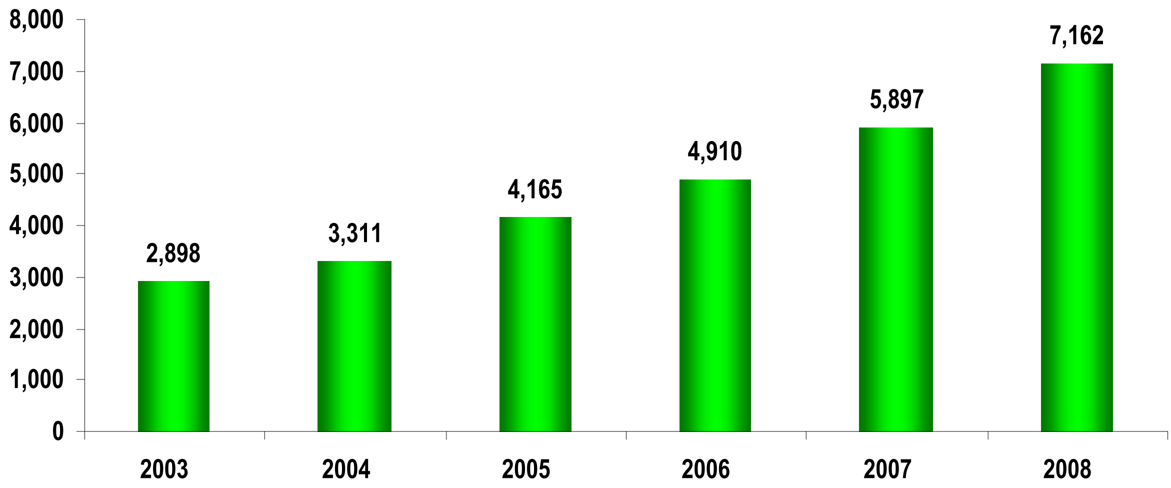
- 6,963 sites in commercial fishing;
- 16,444 sites for recreational fishing;
- 906 in fish agricultural holdings;
- 6,866 vessels;
- 4,210 outlets in fish;
- 1,442 of the signals;
- 929 together with the organs of the Ministry of Interior and the Agriculture State Fund.

Violations are found for 2,760 up order issued 2,705 are penal provisions, such as 2,132 of them are in force 2,686 were confiscated poachers number gears. Are 3 seized 725.53 kg illegally catches fish, including 2,444.95 kg is returned to water bodies and 1,280.58 kg is given as a donation.

The tendency to increase aquaculture production continued in 2008 In comparison with 2007 fish production in 2008 is 1,264.93 tonnes more and EUR 7,162.43 tonnes.

Figure IV.4.

Production of fish and other organisms for the period 2003 – 2008, tonnes

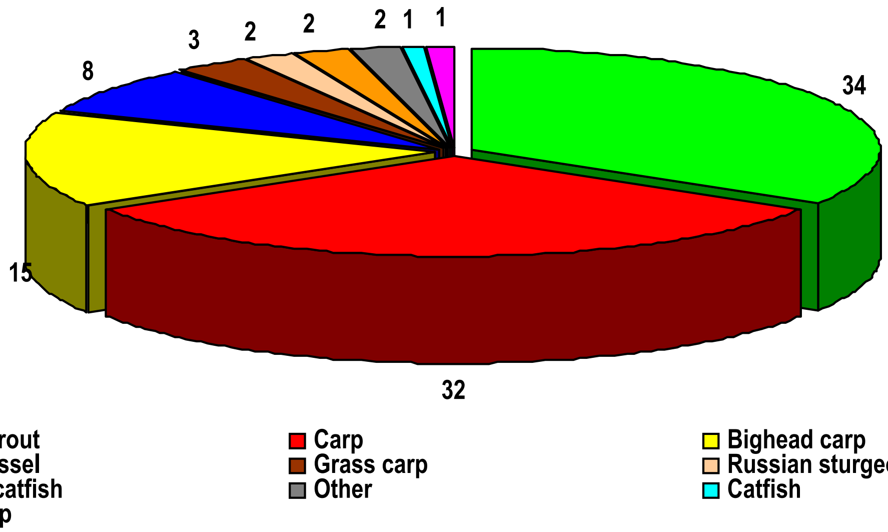


Source: *Executive Agency for Fisheries and Aquaculture*

Compared with 2007, in 2008 has increased production of rainbow trout, carp and silver carp and white coloured carp. Reported a decrease production of river trout and brook trout, carp, channel catfish and European, Russian sturgeon.

Figure IV.5.

Production of fish and other aquatic organisms in 2008, %



Source: *Executive Agency for Fisheries and Aquaculture*

Table IV.1.

Fish and other aquatic organisms in ponds for commercial fishing in 2008

№	Common and local designations and scientific names (in Latin)	Quantity in tonnes		
		Black Sea	The Danube	Inland ponds
A. Freshwater fish				
Family Acipenseridae				
1.	Sterlet (Acipenser ruthenus)		0,033	
Family Щукови (Esocidae)				
2.	Pike (Esox lucius)		0,584	7,677
Family Cyprinidae				
3.	Common roach (Rutilus rutilus)		0,097	0,075
4.	European chub (Leuciscus cephalus)		0,015	0,458
5.	Ide, orfe (Leuciscus idus)		0,433	
6.	Common rudd (Scardinius erythrophthalmus)		0,125	16,389
7.	Rapacious carp, asp fish (Aspius aspius)		2,332	0,010
8.	Tench, doctor fish (Tinca tinca)			1,770
9.	Danube bleak (Chalcalburnus chalcoides)		0,618	0.325
10.	Common bleak (Alburnus alburnus)		0,551	4,871
11.	Carp bream (Abramis brama)		5,777	5,074
12.	Bream (Abramis sp.)		1,512	
13.	Zarte (Vimba vimba)		1,492	0,180
14.	Ziege or sabre carp(Pelecus cultratus)		0,044	
15.	Common Nase (Chondrostoma nasus)		2,575	0,327
16.	Common barbel (Barbus barbus)		10,721	0,010

17.	Mediterranean barbel (Barbus meridionalis petenyi)		0,075	0,010
18.	Strucmica, Vistula or Sperchios barbel (Barbus cyclolepis)		0,020	
19.	Common carp (Cyprinus carpio)		12,452	450,202
20.	Goldfish (Carassius sp.)		6,170	155,857
21.	Silver carp (Hypophthalmichthys molitrix)		2,735	106,268
22.	Bighead carp (Aristhichthys nobilis)		22,188	311,932
23.	Grass carp (Ctenopharingodon idella)		1,531	25,769
24.	Black carp (Mylopharingodon piceus)			0,450
Family Siluridae				
25.	European catfish (Sillurus glanis)		3,641	11,856
Family Ictaluridae				
26.	Channel (American) catfish (Ictalurus punctatus)		0,039	2,456
Family Gadidae				
27.	Burbot (Lota lota)		0,149	
Family Percidae				
28.	Zander (Sander lucioperca/Stizostedion lucioperca)		1,676	9,786
29.	European perch (Perca fluviatilis)		0,214	3,477
30.	Zingel (Zingel zingel)		0,0035	
Family Catostomidae				
31.	Buffalo (Ictiobus spp.)		0,045	
B. Anadromous (migrating) fish				
Family Acipenseridae				
32.	Beluga or European sturgeon *(Huso huso)*		0,260	
33.	Starry sturgeon *(Acipenser stellatus)*			
34.	Russian sturgeon *(Acipenser gueldenstaedti)*		0,033	
Family Clupeidae				
35.	Pontic shad (Caspialosa pontica/Alosa pontica)	27,395	1,726	
C. Sea fish				
Family Squalidae				
36.	Spiny dogfish, spurdog, mud shark, or piked dogfish (Squalus acanthias)	22,752		
Family Clupeidae				
37.	Sardines, or pilchards (Sardina pilchardus)	0,210		
38.	European sprat or bristling (Sprattus sprattus sulinus)	4,309.734		
Family Engraulidae				
39.	Anchovy (Engraulis encrasicholus ponticus)	28,033		
Family Belonidae				
40.	Garfish (Belone belone)	3,613		
Family Gadidae				
41.	Whiting (Merlanguis merlangus euxinus)	0,440		
Family Mugilidae				

42.	Flathead mullet (Mugil cephalus)	9,269		
43.	Golden grey mullet (Liza aurata)	2,373		
44.	Leaping mullet (Liza saliens)	3,667		
45.	So-iuy mullet (Mugil soiuy)	0,094		
Family Atherinidae				
46.	Smelt-whiting (Atherina spp.)	2,227		
Family Pomatomidae				
47.	Bluefish (Pomatomus saltatrix)	25,146		
Family Carangidae				
48.	Mediterranean horse mackerel (Trachurus mediterraneus ponticus)	179,819		
Family Centracanthidae				
49.	Picarel (Spicara spp.)	0,655		
Family Mullidae				
50.	Goatfish (Mullus barbatus ponticus)	16,643		
51.	Red mullet (Mullus surmuletus)	2,070		
Family Scombridae				
52.	Atlantic mackerel (Scomber scombrus)	0,015		
53.	Atlantic bonito (Sarda sarda)	16,069		
54.	Family Gobiidae	25,664		
Family Scophthalmidae				
55.	Turbot (Psetta maxima)	54,621		
Family Pleuronectidae				
56.	Fassi (Platichthys flesus luscus)	0,054		
57.	Garra (Solea nasuta)	0,022		
Family Rajidae				
58.	Thornback ray (Raja clavata)	25,576		
Family Lophiidae				
59.	Angler (Lophius piscatorius)	0,012		
Family Dasyatidae				
60.	Common stingray (Dasyatis pastinaca)	1,689		
D. Aquatic animals				
Subphylum Crustacea				
61.	Deepwater prawn (Leander spp.)	0,046		
62.	Sand shrimp (Crangon sp.)	0,011		
63.	Crayfish (Astacus leptodactylus)			1,160
Subphylum BivaBGNia				
64.	Mediterranean mussel (Mytilus galloprovincialis)	35,110		
65.	Sea snail, Rapana (Rapana spp.)	2,871.547		
66.	Other aquatic organisms	0,010	1,831	0,585
Total		**7,664.585**	**81,697**	**1,116.974**

Source: *Executive Agency for Fisheries and Aquaculture*

2. Consumption of fish and fishery products

According to data released by the National Statistical Institute, in 2008 the annual consumption of fish and fishery products from households has increased to an average of 4.6 kg per person (at 4.3 kg per capita in 2007). This amount is based on monitoring carried out by households and the data do not include quantities consumed in the catering industry. Bulgaria is a country where consumption of fish and fishery products is lower in comparison with other countries. While fish is healthy food, its consumption is still low due to tight custom features of population and relatively high prices of certain fish and fishery products.

Table IV.2.

Average consumption of fish and fish products per capita per household, kg

Products	2006	2007	2008
Fish and fish products	4,3	4,3	4,6

***Source**: National Statistical Institute*

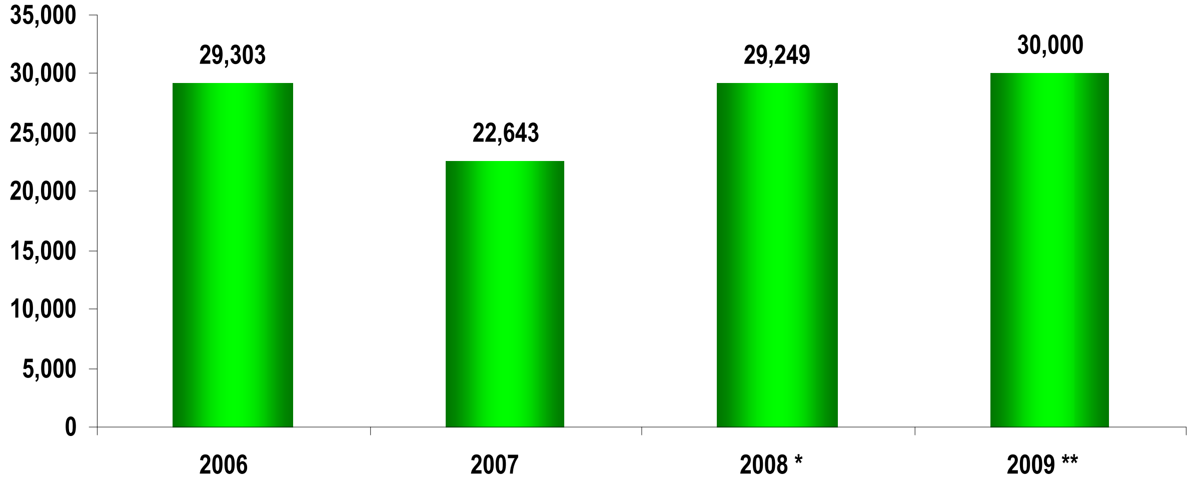
3. Import and export of fish and fishery products

Import

According to preliminary according to data released by the National Statistical Institute, in 2008 total imports of fishery products in the country increased by 29% over the preceding year decreased by 29,249 tonnes. The value of imports amounted to USD 23,309.810 The relatively high amount of imports is determined by the need to diversify the range of fish and aquatic organisms as it does not catch the country's water bodies and the need to ensure sufficient raw material for fish processing enterprises.

Figure IV.6.

Imports of fish and fish products, tonnes



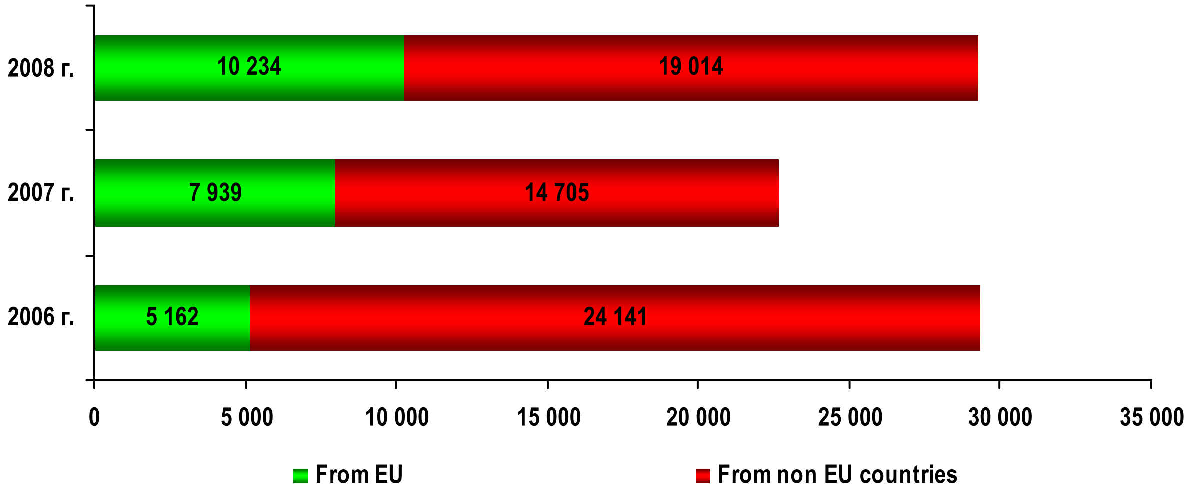
**provisional data*
***estimated data*
***Source**: National Statistical Institute*

Over the past two years have seen a change in the structure of imports of fish and fishery products. Significantly increasing trade with EU countries, such as 5,162 tonnes in 2006 delivered by the EU fish and fishery products increased to 10,234 tonnes in 2008 (98%). However, imports of fish and fishery products from third countries remains essential, although its share in total imports decreased from 82% in 2006 (24,141 tonnes) to 65% in 2008 (19,014 tonnes).

In 2008, the realized import of fish and fishery products from third countries marked increase over the preceding year by 29.3%.

Figure IV.7.

Imports of fish and fish products from the EU and non-EU countries, tonnes



The structure of imports during the year, by product, includes 26,634.10 tonnes of fish, crustaceans and molluscs (fresh, chilled, frozen, smoked, salted, fillets of fish) and 2,614.9 tonnes of fish products – ready meals and tinned fish, eggs, crustaceans and molluscs.

Table IV.3.

Imports of fish, other aquatic organisms and fish products

Products	2006			2007			2008 *		
	quantity (tonnes)	value (USD)	average price (USD/tonne)	quantity (tonnes)	value (USD)	average price (USD/tonne)	quantity (tonnes)	value (USD)	average price (USD/tonne)
Fish, other aquatic organisms and fish products, total	29,303.6	39,108.640	1,335	22, 642.5	34,518.813	1,525	29,249.0	57,288.845	1,959
Fish fillets, crustaceans, molluscs	27,734.2	35,118.297	1,266	20,749.9	29,148.246	1,405	26,634.1	47,787.853	1,794
Live fish, freshwater and marine fish	6,6	43,268	6,556	63,1	133,129	2,110	0,6	11,484	19,140
Fish, fresh or chilled	876,5	3,690.396	4,210	1,417.8	5,855.543	4,130	1,767.7	7,418.176	4,197
Fish, frozen	23,012.8	23,193.353	642	15,586.4	14,232.495	913	19,498.5	24,294.096	1,246

Fillets and other fish meat, fresh, chilled or frozen	3,108.5	5,326.574	1,714	2,867.0	5,399.003	1,883	4,358.7	10,366.083	2,378
Fish, dried, salted, smoked, liver, caviar and roes	46,5	547,171	11,768	117,1	871,237	7,440	131,9	1,254.481	9,511
Crustaceans, live, fresh, chilled, frozen, dried, salted, in brine	213,3	1,133.341	5,314	280,8	1,361.373	4,848	332,4	2,206.460	6,638
Molluscs, live, fresh, chilled, frozen, dried, salted, in brine	470,0	1,184.194	2,520	417,7	1,295.466	3,101	544,3	2,237.073	4,110
Fish, products	1,569.4	3,990.343	2,543	1,892.6	5,370.567	2,838	2,614.9	9,500.992	3,633
Prepared and preserved fish, caviar	1,478.4	3,627.195	2,453	1,766.0	4,707.875	2,666	2,351.9	8,089.682	3,440
Crustaceans and molluscs	91,0	363,148	3,992	126,6	662,692	4,998.0	263,0	1,411.310	5,366

** Provisional data*
***Source:** Customs Agency for 2006, National Statistical Institute in 2007 and 2008*

Traditionally, the largest share in total imports of fish and fishery products in the country occupies a frozen fish – about 67% in 2008 (19,498.5 tonnes, about 25% more than in 2007). The total value of imports of frozen fish for the year is 24,294.096 USD, at an average price of 1,246 USD/tonne comparing with the preceding year, in 2008 the average import price of frozen fish noted an increase of 36%.

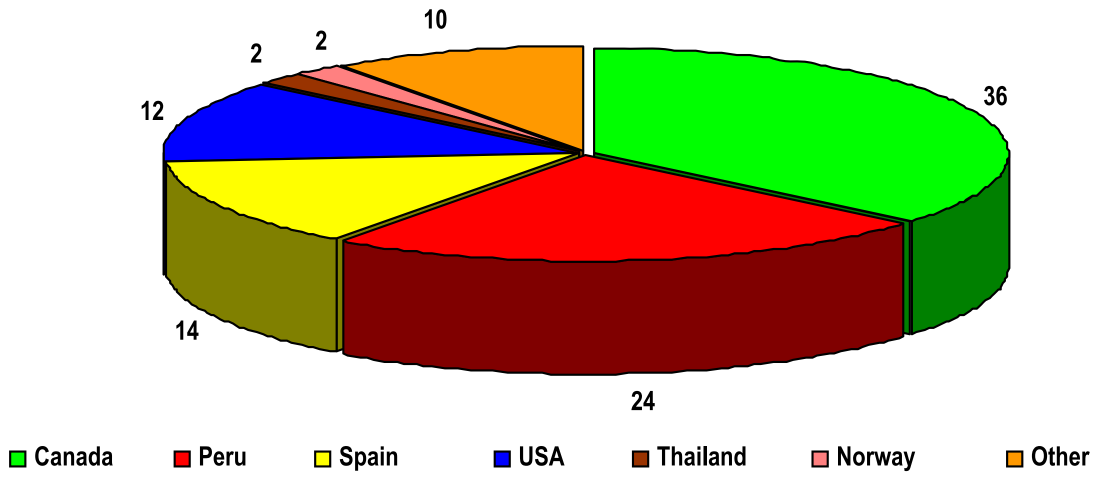
Of total imports of frozen fish during the year from third countries imported 13,500.1 tonnes, and delivered by the EU – 5 598.4 tonnes.

Traditional contractors are Canada (5,890 tonnes at an average price 1,211 USD/tonne), Peru (3,563.9 tonnes at an average price 1,112 USD/tonne), United States (1,990 tonnes on average 1,197 USD/tonne). European countries with the highest share in imports occupy Spain (2,968.1 tonnes at an average price 1,255 USD/tonne), Estonia (727,3 tonnes at an average price 1,079 USD/tonne), Netherlands (526.1 tonnes at an average price 897 USD/tonne), etc.

In Bulgaria there are no catches of mackerel, so that to satisfy the market both for direct consumption and for canning industry of imports. And in 2008 about 77% of fish is imported frozen mackerel – 14,957.8 tonnes, 27.5% more than in 2007. The average import price of frozen mackerel in 2008 has risen to 1,157 USD/tonne (39%) in 832 USD/tonne in 2007 submitted by larger quantities of frozen mackerel this year are Canada (5,545,1 tonnes), Peru (3,536.9 tonnes), Spain (2,084.1 tonnes), United States (1,745.4 tonnes), Thailand (313 tonnes), etc.

Figure IV.8.

Structure of the imports of frozen mackerel in 2008 by countries, %



Import and other species such as fish and not kept in the country, in 2008 were imported in large quantities of frozen hake – 975 tonnes, the average import price was USD 1,809 /tonne, 675 tonnes of herring with a mean import price 1,034 USD/tonne; sardine – 209 tonnes, the average import price USD 693 /tonne; scad – 188 tonnes, the average import price USD 1,134 /tonne; shark – 103 tonnes, the average import price USD 2,443 /tonne, etc.

Typically, imports of fresh or chilled fish in the country in smaller quantities. However, in 2008 an increase over the preceding year by 24.6% (1,767.7 tonnes). The total value of imported fresh fish is 7,418.176 USD Substantial quantity of fresh or chilled fish imported from Greece e (906.7 tonnes), Netherlands – (216.6 tonnes), Spain – (128.5 tonnes), less than Estonia (95.7 tonnes), Italy (76.7 tonnes), etc. According to the type of fish, higher imports of trout has been made – 550 tonnes, the average import price USD 3,428 /tonne, Pacific salmon – 306 tonnes, the average import price USD 6,391 /tonne, sardines – 146.3 tonnes, the average import price USD 524 /tonne, sea bass – 158,2 tonnes, the average import price was 6,943.4 USD/tonne, goldfish – 158, 2 tonnes, the average import Price 5,157 USD/tonne, etc.

In 2008, imports of fillets and other fish meat has increased significantly compared to 2007 by 52% and amounted to 4,358.7 tonnes, worth a total USD 10,366.083. Of total imports fillets of the year, the basic quantities are imported from third countries – 3,404.4 tonnes, and delivered by the EU are considerably smaller in size – 954.3 tonnes. Predominates imports of frozen fillets of fish species typical for the country as salmon, shark, tuna, cod, hake, etc. Growth was recorded and the average import price of USD 1,883 /tonne in 2007 to 2,378 USD/tonne in 2008 or 26.3%. The average price of imports depends on the importing country and by species and ranges from 795 USD/tonne to USD 9,076 /tonne Despite higher import prices, the demand for fish fillets increases because of their easy and quick cooking and gourmet quality.

Larger quantities of meat, fillets and other fish imported from Vietnam (1,091.1 tonnes at an average price 1,998 USD/tonne), China (1,089.7 tonnes, an average price of 2,057 USD/tonne), Argentina (592 tonnes, an average price of USD 2,253 /tonne), Germany (365 tonnes, an average price of USD 2,279 /tonne), etc.

In recent years, with the advent of large chain stores, the variety of fish and fishery products, which lead to changes in consumer preferences. Monitor and change the dietary habits of consumers and the upward trend in consumption of prepared and cooked. Increased and the quality requirements for fish and fish products, and demand for new semi-finished fish products. As a result, imports of prepared and preserved fish in the country marks an increasing trend.

In 2008, imports of prepared and preserved fish has increased by about 38% over the preceding year, reaching 2,614.9 tonnes of the total value of USD 9,500.992 In comparison with 2007 and registered a 29% increase in the average import price of fish products.

In 2008, imported 2,351.9 tonnes prepared and preserved fish (with 33% more than in 2007) and 263 tonnes canned crustaceans and molluscs – an increase of over 200% compared to 2007).

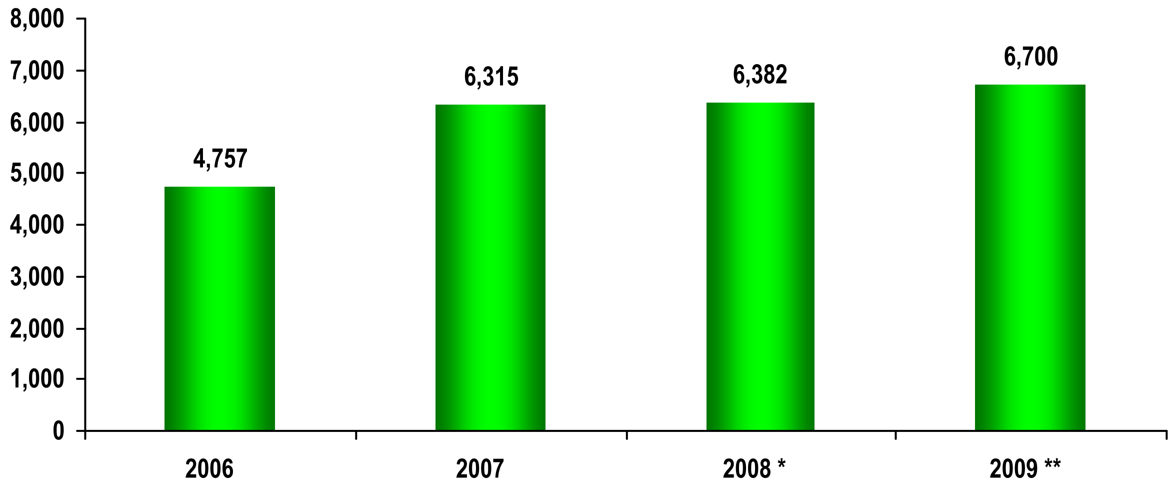
Larger quantities of canned fish during the year were imported from Lithuania (333.1 tonnes), Indonesia (369.4 tonnes), Thailand (259.3 tonnes), China (202 tonnes), etc.

Export

Over the past three years have seen a trend of gradual increase in exports of fish, aquatic and fishery products.

Figure IV.9.

Exports of fish, other aquatic organisms and fish products



**provisional data*
***estimated data*
***Source**: National Statistical Institute*

According to preliminary according to data released by the National Statistical Institute, in 2008 the total exports of fish, aquatic and fishery products has amounted to 6,381.5 tonnes, which is about 1% over the preceding year. This is due mainly to the larger quantities of marine fish species in the country this year. The value of exported fish products is the amount of USD 19,623.996 at an average export price of USD 3,075 /tonne.

The structure of exports in 2008 is containing 5,833 tonnes of fish, crustaceans and molluscs (fresh, chilled, frozen, smoked, salted, fillets of fish) and 418.1 tonnes of fish products – prepared and preserved fish, including caviar, crustaceans and molluscs.

Table IV.4.

Exports of fish, other aquatic organisms and fish products

Products	2006			2007			2008 *		
	quantity	value	average price	quantity	value	average price	quantity	value	average price
	(tonnes)	(USD)	(USD/tonne)	(tonnes)	(USD)	(USD/ tonne)	(tonnes)	(USD)	(USD/ tonne)
Fish, other aquatic organisms and fish products, total	4,756.9	15,630.839	3,286	6,314.8	19,641.384	3,110	6,381.5	19,623.996	3,075
Fish fillets, crustaceans, molluscs	4,414.3	13,473.019	3,052	5,831.8	17,769.742	3,047	5,963.1	17,439.587	2,925
Live fish, freshwater and marine fish	160.7	330,504	2,057	135.5	559,751	4,131	113.0	528,314	4,675
Fish, fresh or chilled	6.3	25,056	3,957	104.8	492,694	4,701	252.1	1,012.646	4,017
Fish, frozen	980.5	1,805.759	1,842	1,671.6	2,257.386	1,350	2,097.9	2,962.245	1,412
Fillets and other fish meat, fresh, chilled or frozen	336.5	1,514.392	4,500	224.4	1,476.669	6,581	176.8	1,238.896	7,007
Fish, dried, salted, smoked, liver, caviar and roes	227.4	1,967.222	8,651	316.2	1,990.471	6,295	390.9	1,199.386	3,068
Crustacean, live, fresh, chilled, frozen, dried, salted, in brine	1.2	9,119	7,444	28.1	284,627	10,129	4.1	29,655	7,233
Molluscs, live, fresh, chilled, frozen, dried, salted, in brine	2,701.7	7,820.967	2,895	3,351.2	10,708.144	3,195	2,928.3	10,468.445	3,575
Fish, products	342.6	2,157.820	6,298	483.0	1,871.642	3,875	418.4	2,184.409	5,221
Prepared and preserved fish, caviar	11.5	459,070	39,891	56.0	254,477	4,544	99.6	369,259	3,707

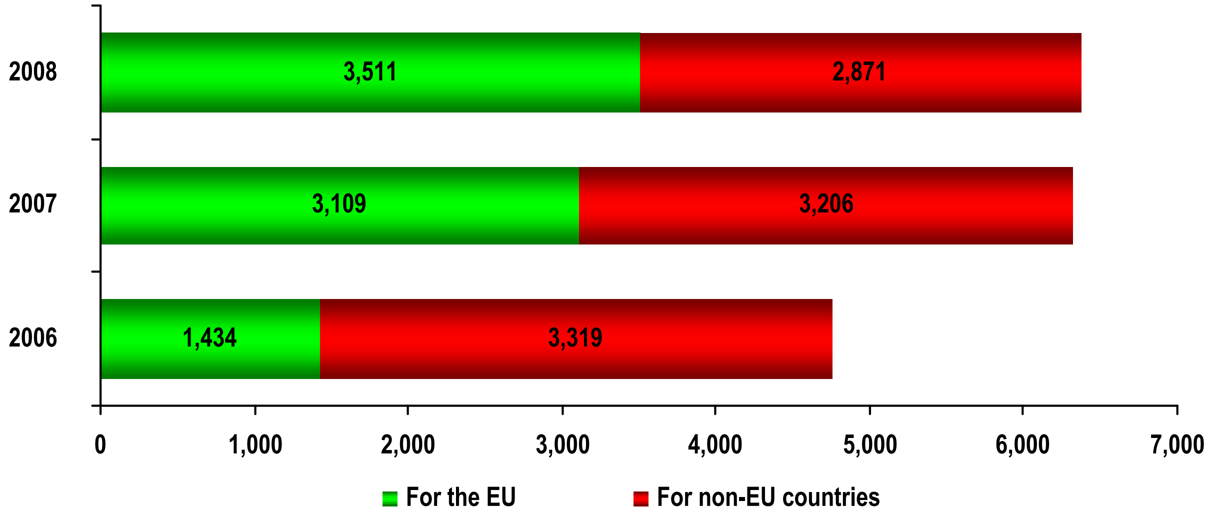
Crustaceans and molluscs	331.1	1,698.750	5,130	427.0	1.617.165	3,787	318.8	1,815.150	5,694

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 and 2008*

In the two years of membership of Bulgaria in the EU to greater exchanges with EU countries, this third decreases. in 2008 exports to the EU accounts for 55% of total exports of fish and fishery products and the amount of 3,510.5 tonnes, grew by 13% compared to 2007 and has more than doubled compared with 2006.

Figure IV.10.

Exports of fish, and other aquatic and fishery products from the EU and non-EU countries, tonnes



Source*: National Statistical Institute*

And in 2008 exports of molluscs occupies the largest share (about 46%) in total exports of fish and fishery products. Are 2 exported 928.3 tonnes molluscs, at an average export price of 3,755 USD / item.

Compared to preceding year exports of molluscs (mussels, oysters, octopus, squid, snails, etc. Vertebrates) in quantity decreased by 12.6%, resulting in lower catches during the year. Compared with 2007, average export prices grew by 11.9%.

Significant exports of molluscs in 2008 was carried out in Turkey – 942.7 tonnes, Macedonia – 514 tonnes, Republic of Korea – 501.2 tonnes, Japan – 326.7 tonnes, Greece – 278 tonnes and more.

The second volume of exports of frozen fish, which in 2008 noted an increase of 26% over the preceding year, reaching 2,097.9 tonnes (about 33% of total exports of fish). The total value of exports of frozen fish is USD 2,962.245, with average export price of 1,412 USD/tonne, with 4.6% higher than in 2007 as in preceding years, the most significant exports of frozen fish (mostly Brisling, Sprat and sprat) is made in Romania – 1,894.3 tonnes, the average export price of 1,244 USD/tonne (about 90% of total exports of frozen fish). The increase was due to larger catches of the year. Larger quantities of frozen fish are exported and the United Kingdom – 102.6 tonnes, Netherlands – 34.1 tonnes, Germany – 24.8 tonnes, etc.

In 2008, exports of dried, salted, smoked or in brine fish rose by 23.6% over the preceding year and amounted to 390.9 tonnes. The total value of exported quantity is 1,199.386 USD, the average price of 3,086 USD/tonne. Traditional partners of the country for those products Romania – 368.4 tonnes, an average price of 1,202 USD/tonne and Germany – 19 tonnes at an average price of 9,735 USD/tonne.

In 2008, exported 113 tonnes live fish, with 16.6% less compared to the preceding year. Exported mainly freshwater fish species (roach and salmon) as main destinations are Romania (79.5 tonnes), Macedonia (28.2 tonnes) and Greece (1.6 tonnes).

In 2008, decreased the export of fishery products (prepared and preserved fish, crustaceans and molluscs) than in 2007 – about 13% to 217 tonnes. This is mainly due to reductions in fish and other aquatic organisms during the year. With a 25% decreased exports of tariff heading 1,605 – crustaceans and molluscs, prepared or preserved. Exports under this heading amounted to 318.8 tonnes. Major destinations for exports of molluscs and in 2008 were Korea (222 tonnes on Wednesday. Export price of 6,054 USD/tonne), Japan (82 tonnes at an average export price of 4,994 USD/tonne) and Romania (3.6 tonnes, the average export price of 3,661 USD/tonne).

In 2008, exported 200 kg of caviar, an average price of 317 USD/kg. The main direction of black caviar in 2008 and remains the United States. The volume of exports remained at the level of the preceding year.

The catch and trade in sturgeons (meat and eggs) is regulated by the Secretariat of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), by setting annual quotas. The 2007 act moratorium on the export of caviar from sturgeon around the Black Sea region. Officially exported only caviar from farmed fish.

In April 2008 the Executive Agency for Fisheries and Aquaculture bans fishing in the Danube and Black Sea sturgeon of all species of fish.

V. AGRICULTURAL TRADE

In recent years, Bulgaria's policy in the agricultural sector is aimed at creating conditions for more efficient use of productive resources in agriculture and increasing the competitiveness of agricultural products in international markets. Agriculture ranks among the leading sectors of Bulgarian economy and a significant contribution to the formation of foreign exchange earnings of the country.

After the accession of Bulgaria to the EU national market has become part of the internal market, the Bulgarian producers and traders faced several challenges related to the size and structure of exports of agricultural products. Given the keen competition, the successful realization of the international markets are those goods produced in accordance with European requirements for good agricultural practice and food safety.

1. Level dynamics, structure and geographical distribution of foreign trade in agricultural commodities in the period 2005 – 2008

Analysis of foreign trade of Bulgaria for the last four years shows an increase of trade more than doubled – from USD 2,188.1 million in 2005 to USD 5,157.1 million in 2008.

According to data released by the National Statistical Institute and the Customs Agency in the period 2005 – 2008 exports of agricultural products in value terms increased by USD 1,472.1 million (from USD 1,267.3 million for 2005 of USD 2,739.4 million in 2008). For the same period, imports grew by USD 1,496.9 million – from USD 920.8 million for 2005 to USD 2,417.7 million for 2008. Greater growth in exports was recorded in 2008 compared to 2007 (with 67.57%), and imports – in 2007 compared to 2006 (with 58.92%).

Table V.1.

Foreign trade in agricultural commodities for the period 2005 – 2008, thousand USD

Year	2005	2006	2007	2008	Change 2008/2007	
					in value	*in percent*
Exports, FOB	1,267.316	1,316.017	1,634.750	2,739.401	1,104.651	67.57
Imports, CIF	920,827	1,117.297	1,775.603	2,417.697	642,094	36.16
Balance	346,489	198,720	-140,853	321,704	462,557	328.40

Trade turnover	2,188.143	2,433.314	3,410.353	5,157.098	1,746.745	51.22

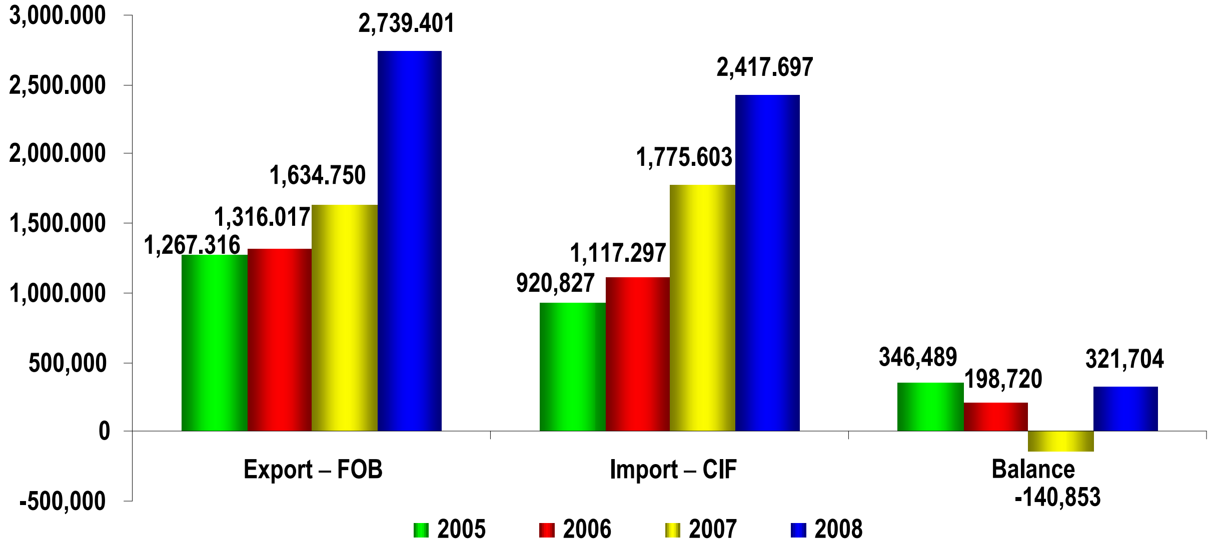
Source: *Customs Agency*

Since 01.01.2007, the export potential of agricultural sector has grown significantly, mainly because of the greater opportunities for Bulgarian processed and unprocessed agricultural goods in intra-Community market.

In 2008, the agricultural exports increased by USD 1,104.651 thousand or 39.28%, over the preceding year, while imports increased by USD 642,094 thousand or 36.16%. As a result of advanced growth rate of exports to imports has implemented a positive trade balance of USD 321,704 thousand.

Figure V.1.

Imports and exports of agricultural commodities for the period 2005 – 2008 (thousand USD)



In 2008, the share of agricultural exports to total exports was 12.55% and the share of agricultural imports – 5.16%. Increased volume of agricultural trade in 2008 has made a significant contribution to the formation of a common Foreign trade of the country. Despite the large increase of trade of the country in 2008 – from USD 48,311.774 thousand to USD 68,642.731 thousand, the share of trade of agricultural trade to the total for the country remains the same.

Table V.2.

Share of agricultural commodities in foreign trade of Bulgaria in 2007 and 2008, thousand USD

Year	2007		Share of agricultural imports and exports of the total for the country in 2007, %	2008		Share of agricultural imports and exports of the total for the country in 2008, %
	Total for the country	Agricultural sector		Total for the country	Agricultural sector	
Exports, FOB	18,438.638	1,634.750	8.86	21,832.064	2,739.401	12.55
Imports, CIF	29,873.136	1,775.603	5.62	46,810.667	2,417.697	5.16
Trade turnover	48,311.774	3,410.353	7.06	68,642.731	5,157.098	7.51

Source: *Customs Agency, National Statistical Institute*

2. Structure and geographical distribution of foreign trade in agricultural commodities in 2007 and 2008

In 2008, the largest share in trade with Bulgaria's agricultural produce in raw and processed form intra-Community loan market. The share of exports to Member States in terms of value is 56.11% of total agricultural exports, while that of imports – 75.12%.

Trade exchange in agricultural goods between Bulgaria and other Member States in 2008 increased by 44.72% compared to 2007 – from USD 2,317.1 million to USD 3,353.3 million. However, during 2008 trade deficit in agricultural goods with the EU remains negative.

Table V.3.

Imports and exports of agricultural commodities in 2007 and 2008 by economic communities, by countries and by regions

Trade zones	2007					2008				
	Exports		Imports		Balance	Exports		Imports		Balance
	million USD	%	million USD	%	million USD	million USD	%	million USD	%	million USD
All countries, including	1,634.8	100	1,775.6	100	-140.8	2,739.4	100	2,417.7	100	321.7
European Union	979.6	59.92	1,337.5	75.33	-357.9	1,537.0	56.11	1,816.3	75.12	-279.3
EFTA *	10.9	0.67	4.2	0.24	6.7	8.3	0.30	4.8	0.20	3.5
** OECD, without them the EU Countries and EFTA	391.4	23.94	373.4	21.03	18.0	425.6	15.54	155.6	6.44	270.0
Including the U.S.	64.6	3.95	18.3	1.03	46.3	69.2	2.53	21.5	0.89	47.7
Balkan countries ***	115.3	7.05	61.6	3.47	53.7	150.3	5.49	64.3	2.66	86.0
CIS	123.4	7.55	41.7	2.35	81.7	134.8	4.92	46.5	1.92	88.3
Including Russia	96.9	5.93	15.5	0.87	81.4	101.9	3.72	4.2	0.17	97.7
Ukraine	9.5	0.58	17.9	1.01	-8.4	8.8	0.32	37.5	1.55	-28.7
Arab countries	80.5	4.92	6.6	0.37	73.9	207.5	7.57	21.5	0.89	186.0
Other	40.8	2.50	162.5	9.15	-121.7	275.9	10.07	308.7	12.77	-32.8

* Includes Iceland, the Principality of Liechtenstein, Norway and Switzerland

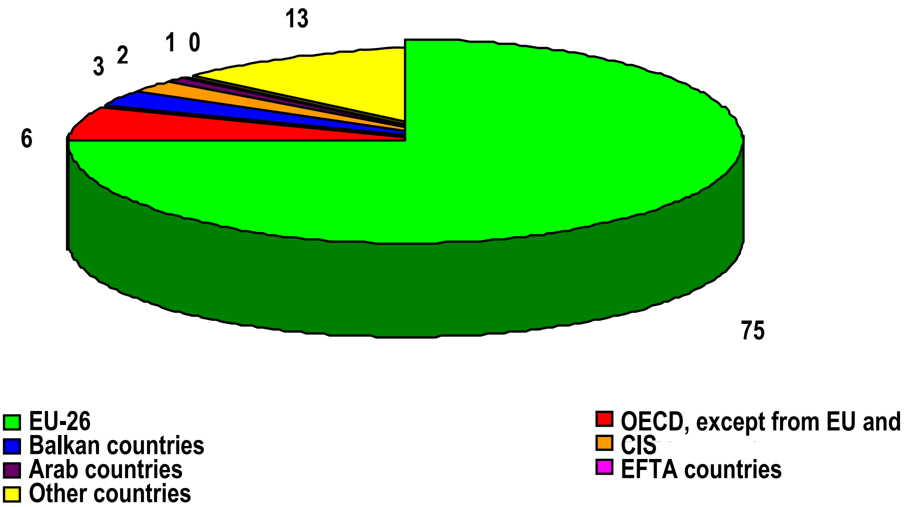
** Includes Australia, Canada, New Zealand, USA, Turkey, Japan, Korea and Mexico

*** Includes Albania, Bosnia and Herzegovina, Macedonia, Croatia and Serbia and Montenegro

Source: *National Statistical Institute*

Figure V.2.

Structure of imports of the Republic of Bulgaria by economic communities in 2008, %



Source: *National Statistical Institute*

In 2008, the largest share in agricultural exports to Bulgaria's EU exports to the loan: Romania (26.3%), Greece (20.8%), Germany (8.9%), France (6.5%) Spain (6.4%) and Netherlands (5.2%).

Table V.4.

Bulgaria trade in agricultural goods with the EU countries in 2007 and 2008

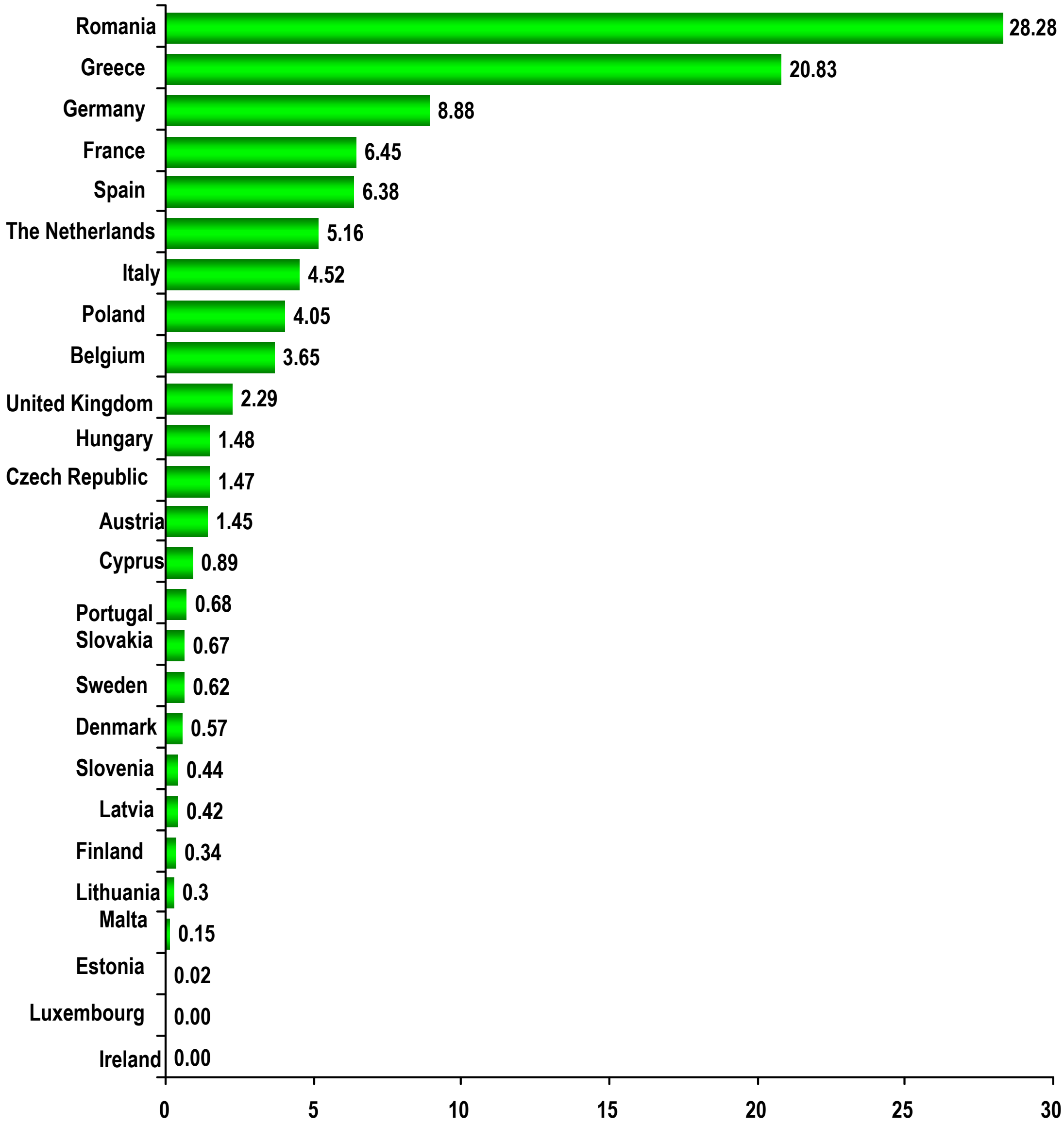
Country	2007					2008				
	Exports		Imports		Balance	Exports		Imports		Balance
	thousand USD	*%*	*thousand USD*	*%*	*thousand USD*	*thousand USD*	*%*	*thousand USD*	*%*	*thousand USD*
Austria	20,044	2.0	74,664	5.6	-54,620	22,364	1.5	108,112	6.0	-85,748
Belgium	34,947	3.6	28,095	2.1	6,852	56,087	3.6	40,873	2.3	15,215
Denmark	4,667	0.5	41,654	3.1	-36,988	8,744	0.6	30,732	1.7	-21,988
Finland	3,529	0.4	886	0.1	2,643	5,185	0.3	714	0.0	4,470
France	83,861	8.6	86,361	6.5	-2,499	99,204	6.5	100,903	5.6	-1,699
Germany	112,524	11.5	142,617	10.7	-30,093	136,466	8.9	195,398	10.8	-58,932
Greece	216,942	22.1	202,570	15.1	14,372	320,220	20.8	289,539	15.9	30,681
Ireland	38	0.0	10,939	0.8	-10,900	3	0.0	18,727	1.0	-18,724
Italy	70,551	7.2	87,785	6.6	-17,234	69,403	4.5	113,271	6.2	-43,868
Luxembourg	6	0.0	156	0.0	-150	53	0.0	247	0.0	-194
The Netherlands	38,178	3.9	160,358	12.0	-122,180	79,282	5.2	210,085	11.6	-130,802
Portugal	5,490	0.6	726	0.1	4,764	10,518	0.7	3,636	0.2	6,881
Spain	24,846	2.5	45,656	3.4	-20,851	97,994	6.4	80,531	4.4	17,464
Sweden	6,787	0.7	6,547	0.5	240	9,559	0.6	11,966	0.7	-2,407
United Kingdom	19,688	2.0	21,446	1.6	-1,758	35,256	2.3	30,497	1.7	4,759

Czech Republic	26,984	2.8	27,423	2,1	-439	22,645	1.5	27,375	1.5	-4,730
Hungary	29,237	3.0	108,337	8.1	-79,099	22,733	1.5	117,583	6.5	-94,849
Poland	58,656	6.0	102,558	7.7	-43,902	62,233	4.0	123,622	6.8	-61,390
Slovak Republic	6,103	0.6	14,760	1.1	-8,657	10,266	0.7	22,952	1.3	-12,687
Slovenia	4,323	0.4	1,201	0.1	3,122	6,710	0.4	11,583	0.6	-4,873
Lithuania	4,725	0.5	9,151	0.7	-4,426	4,662	0.3	13,050	0.7	-8,387
Latvia	6,171	0.6	662	0.0	5,509	6,435	0.4	764	0.0	5,671
Estonia	505	0.1	439	0.0	66	313	0.0	2,218	0.1	-1,905
Cyprus	8,203	0.8	4,523	0.3	3,680	13,723	0.9	11,527	0.6	2,195
Malta	2,319	0.2	64	0.0	2,255	2,250	0.1	11,527	0.0	2,237
Romania	190,261	19.4	157,892	11.8	32,369	434,726	28.3	13	13.8	184,358
Total	**979,586**	**100**	**1,337.511**	**100**	**-357,925**	**1,537.034**	**100**	**1,816.285**	**100**	**-279,251**

Source: *Customs Agency, National Statistical Institute*

Figure V.3.

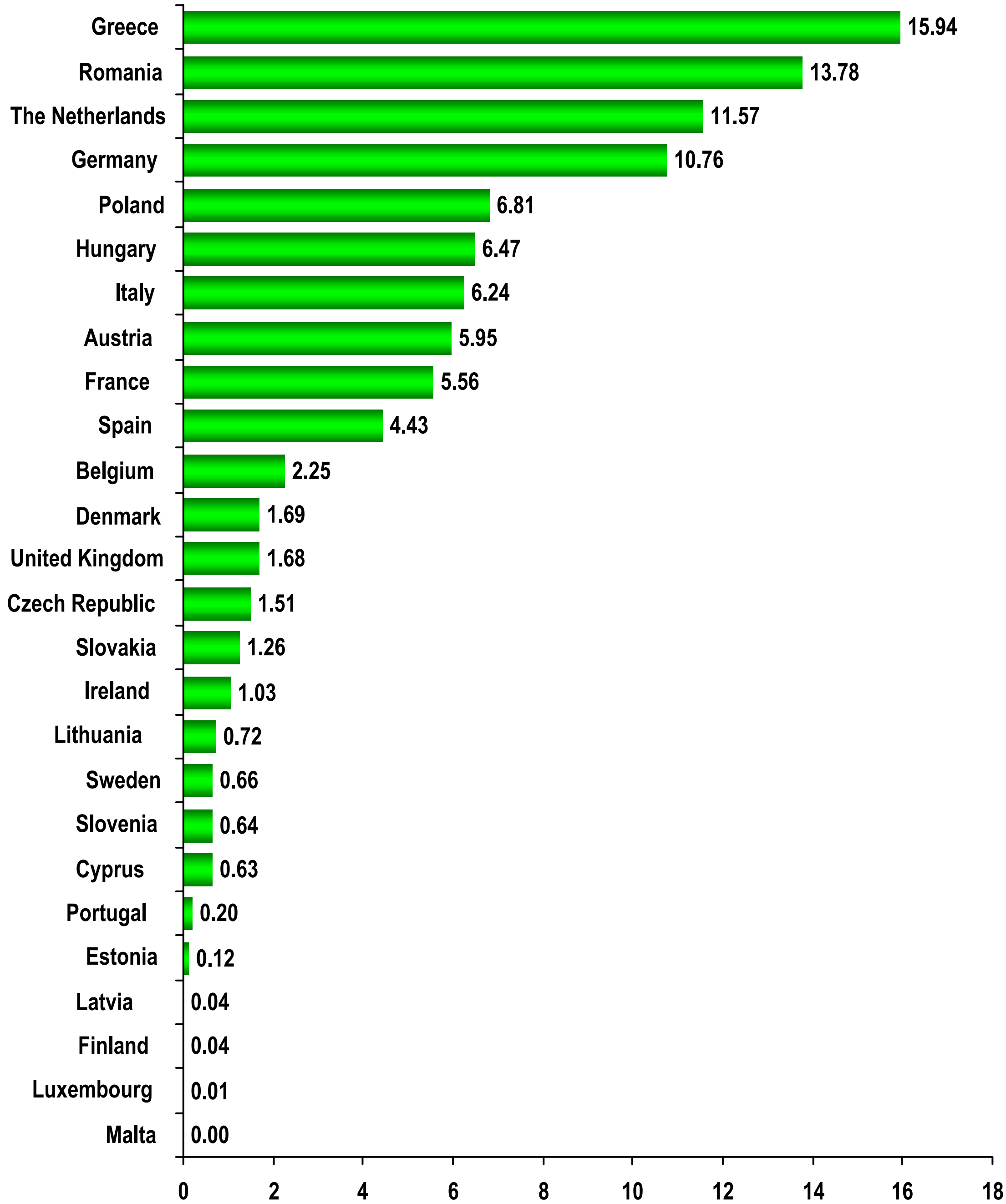
Relative share of the exports of the Republic of Bulgaria to the EU in 2008



Leading the export list of Bulgarian exports to Member States in 2008 were: wheat and mixed wheat and rye – 657,265.3 tonnes worth USD 170,645 thousand, raw or unprocessed tobacco – 32,426.7 tonnes, worth USD 132,641 thousand, bakers, pastry, wares – 36,675.7 tonnes worth USD 123,659 thousand; sunflower – 221,675.7 tonnes of worth USD 117,481 thousand; meat and offal of poultry – 11,451.9 tonnes worth USD 85,067 thousand, rape seed or rapeseed with low erucic acid – 127,751.3 tonnes, worth USD 79,006 thousand, white sugar and cane sugar – 830,164.6 tonnes, worth USD 68,165 thousand; wine of fresh grapes – 29,612.9 litres value of 45,082 thousand USD.

Figure V.4.

Relative share of the imports of the Republic of Bulgaria to the EU in 2008



The main agricultural products made in Bulgaria by the EU in 2008 are: pork, fresh, chilled or frozen – 61,316.1 tonnes worth USD 169,666 thousand, white sugar, sugar cane and sugar beet – 65,472.3 tonnes worth USD 56,250 thousand; food containing fat, sucrose, isoglucose, glucose or starch; compound alcoholic preparations, sugar syrups, flavored or containing added coloring, other food Products – 14,195.5 tonnes worth USD 64 053 thousand; maize – 153,031.9 tonnes, worth USD 59,890 thousand, oil cake in the form of pellets, resulting from the extraction of soya bean oil – 97,626.9 tonnes worth USD 50,138 thousand, raw and unprocessed tobacco – 8,471.2 tonnes, worth USD 48,541 thousand; preparations used for animal fodder – 35,458.3 tonnes worth USD 46,144 thousand.

Trade in agricultural goods with the European Free Trade Association (EFTA)

External trade in agricultural goods to Bulgaria with the EFTA countries is not very active and in 2008 reported a reduction in trade with 13.06% compared to 2007 – from 15,133 thousand USD in 2007 to 13,156 thousand USD in 2008 among the countries of EFTA, the Swiss Confederation is the preferred partner of the Bulgarian exporters of agricultural goods. in 2008 the share of exports to Switzerland represents 67.09% of total exports to EFTA countries and that of imports – 80.26%.

Table V.5.

Trade in agricultural commodities with EEA countries in 2007 and 2008, thousand USD

Country	2007			2008		
	Exports	**Imports**	**Balance**	**Exports**	**Imports**	**Balance**
Norway	1,624	279	1,345	2,434	841	1,593
Switzerland	9,237	3,636	5,601	5,914	3,859	2,054
Iceland	54	303	-249	0	107	-107
Lichtenstein	0	0	0	0	0	0
Total	**10,915**	**4,218**	**6,697**	**8,348**	**4,808**	**3,540**

Source: *Customs Agency, National Statistical Institute*

Trade in agricultural goods with the countries of the Organization for Economic Cooperation and Development (OECD)

According to data released by the National Statistical Institute, in 2008 the agricultural exports to OECD countries is 15.54% of total exports of agricultural goods and imports – 6.44%. In the same year reported an increase of 8.74% of exports during the year (from USD 391.4 million in 2007 to USD 425.6 million in 2008) and a decrease of 58.33% of imports (from USD 373.4 million to USD 155.6 million).

In the last two years Bulgaria has formed a positive trade balance in agricultural trade with OECD countries. As a result of the drastic drop in imports from these countries, in 2008 the positive trade balance has increased with USD 252 million (USD 18 million in 2007 to USD 270 million in 2008).

Balkan states

Balkan countries are preferred trading partners of Bulgaria, close to the territorial and production specialization. After the accession of Bulgaria and Romania to the EU from 01.01.2007 commercial relations with Greece and Romania have deepened and they currently are among the most preferred trading partners.

Trade exchange in agricultural goods between Bulgaria and the Balkan region in 2008 marks an increase of 62.47% compared to 2007 (from USD 1,204.440 thousand in 2007 to USD 1,956.893 thousand in 2008). In 2008 the largest trade exchange in Bulgaria is with Romania (USD 685,094 thousand), Greece (USD 609,759 thousand) and Turkey (USD 438,056 thousand).

In 2008, the most active was the export of Bulgarian agricultural goods to Romania (worth USD 434,726 thousand), Greece (USD 320,220 thousand) and Turkey (USD 319,119 thousand). The largest imports of agricultural goods is carried out by Greece (USD 289,539 thousand), Romania (USD 250,368 thousand) and Turkey (USD 118,937 thousand).

Bulgaria's trade balance with countries from the Balkan region for the past two years is positive, as in 2008 increased significantly – by 180.59% (from USD 176,912 thousand to USD 496,404 thousand). In 2008 Bulgaria had formed a positive trade balance with most countries of the Balkan region – Turkey, Greece, Macedonia, Romania, Serbia and Montenegro, Albania, Bosnia and Herzegovina and Croatia.

Traditionally positive, the greatest increase of Bulgaria's trade balance with the countries from the Balkan region in 2008 compared to 2007 is due to the almost tripled export to Romania.

Table V.6.

Trade in agricultural commodities with the Balkan countries in 2007 and 2008, thousand USD

Country	2007			2008		
	Exports	Imports	Balance	Exports	Imports	Balance
Turkey	163,834	90,473	73,361	319,119	118,937	200,181
Greece	216,942	202,570	14,372	320,220	289,539	30,681
Macedonia	27,075	46,728	-19,653	44,170	34,916	9,255
Romania	190,261	157,892	32,369	434,726	250,368	184,358
Serbia	26,585	10,501	16,083	25,844	21,980	3,864
Montenegro	2,428	42	2,385	3,903	35	3,868
Slovenia	4,323	1,201	3,122	6,710	11,583	-4,873
Albania	32,737	256	32,481	50,771	374	50,397
Bosnia and Herzegovina	3,356	411	2,945	5,989	11	5,979
Croatia	23,135	3,688	19,447	19,697	7,003	12,694
Total	**690,676**	**513,764**	**176,912**	**1,231.148**	**734,745**	**496,404**

Source: *Customs Agency, National Statistical Institute*

Trade with CIS countries

CIS countries continue to play an important role in bilateral trade in agricultural goods in terms of the need for restoration of Bulgaria's position in these markets. in 2008 Bulgarian exports of agricultural goods to CIS countries grew by 9.24% over the preceding year and represents 4.92% of total agricultural exports of the country

Exports to the Russian Federation in 2008 increased by USD 5 million or 5.16% compared to 2007, while imports decreased by USD 11,3 million or 72.9%. Formed a positive trade balance, which is recorded compared to 2007 increased by 20.02%.

Exactly in the opposite direction is the movement of trade flows of agricultural products to Ukraine – a decrease of exports by USD 0,7 million or 7.37% over the preceding year, increasing by USD 19.6 million. Imports grew by 109.5% and marked a negative trade balance, amounting to USD 97.7 million.

Trade with Arab states

The volume of trade in agricultural goods between Bulgaria and the Arab countries is growing steadily in recent years, due primarily to the increase in Bulgarian exports. Trade exchange of agricultural goods increased from USD 87.1 million in 2007 of USD 229 million in 2008 or 162.92%.

In 2008, Bulgaria had formed a positive trade balance with Arab countries, amounting to USD 186 million (151.69% more than the preceding year).

3. Structure of export and import commodity groups

Exports

According to data released by the National Statistical Institute, in 2008 Bulgaria's exports of agricultural and processed products amounted to USD 2,739.401 thousand.

The main groups of goods, forming the structure of agricultural exports in 2008 distributed by the Customs Tariff are as follows:

Section I – Live animals and animal products

The share of exports of live animals and animal products in 2008 is 12.60% of total agricultural exports. Exports of goods included in this section has increased by 6.63% in value compared to 2007 The largest share of total exports take flesh and offal, edible – 5.21% and milk and milk products – 5.49%.

Trade balance in Section I of 2008 is negative (minus USD 24,978 thousand).

Section II – plants and plant products

In 2008, the goods of this section occupy 48.92% of total exports of agricultural products. The largest share in this section hold cereals – 24.65% (wheat, barley, maize) and oilseed production crops – 16.37% (mostly oil and striped sunflower seeds). Trade balance in Section II is the amount of USD 768,639 thousand, as reported over eight times increase over the balance of this section in 2007 This is mainly due to the large growth in exports of cereals – over thirteen times (1,303.57%) and oilseed production crops – more than twice (216.30%).

Section III – Fats and oils of animal or vegetable origin

Fats and oils of animal and plant origin occupy 3.92% of total exports of agricultural goods. In 2007 exports of products in this section has more than doubled over the preceding year. Despite a significant increase of exports, forming a negative trade balance is minus USD 45,540 thousand).

Section IV – Food products, beverages, spirits and vinegar, tobacco and manufactured tobacco substitutes

Processed products occupy 34.56% of the structure of agricultural exports. In 2008 exports of goods under Section IV has increased by 29.35% compared to 2007 The greatest increase in products of Chapter 21 "Miscellaneous food products" (extracts, essences and concentrates of coffee, tea and mate, yeasts, preparations for sauces and prepared sauces, preparations for soups or broths, prepared soups or broths, ice cream consumption) – by 55.27%, sugar and confectionery products – by 54.13%, tobacco and manufactured tobacco substitutes – 48.37% and food preparations of cereals, flours and other starches – by 48.37%. In 2008 formed a negative trade balance in processed products, amounting to USD 141,108 thousand.

Table V.7.

Structure of Bulgaria's foreign trade in agricultural goods in 2007 and 2008

Code	Sections and countries	EXPORTS FOB 2008					IMPORTS CIF 2008					Balance 2007	Balance 2008
		2007		2008		2008/2007	2007		2008		2008/2007		
		Thousand USD	*Share of total export of agricultural commodities in %*	*Thousand USD*	*Share of total export of agricultural commodities in %*	*%*	*Thousand USD*	*Share of total import of agricultural commodities in %*	*Thousand USD*	*Share of total import of agricultural commodities in %*	*%*	*Thousand USD*	*Thousand USD*
	a	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL:	18,438.638		21,832.064		118,40	29,873.136		46,810.667		156,70	-11,434.498	-24,978.603
	including agricultural commodities	***1,634.750***	***100***	***2,739.401***	***100***	***167,57***	***1,775.603***	***100***	***2,417.697***	***100***	***136,16***	***-140,853***	***321,704***
	SECTION I	**323,613**	***19.80***	**345,076**	***12.60***	**106,63**	**410,464**	***23.12***	**605,363**	***25,04***	**147,48**	**-86,851**	**-260,287**
1	Live animals	30,849	***1.9***	**32,501**	***1.19***	**105,36**	**43,895**	***2..47***	**51,615**	***2,13***	**117,59**	**-13,046**	**-19,114**
2	Meat and offal for consumption	167,875	***10.27***	142,751	***5.21***	85,03	237,750	***13.39***	358,780	***14,84***	150,91 - 69,875	-216,029	
3	Fish and crustaceans, edible	17,828	***1.09***	17,571	***0.64***	98,56	29,587	***1.67***	48,996	***2,03***	165,60	-11,759	-31,425
4	Milk and dairy products, poultry eggs, natural honey, animal products, edible and not specified or included elsewhere	102,919	***6.30***	150,279	***5.40***	146,02	85,228	***4.80***	128,702	***5,32***	151,01	17,691	21,577
5	Other products of animal origin, not elsewhere specified or included elsewhere and	4,142	***0.25***	1,974	***0.07***	47,66	14,004	***0.79***	17,270	***0,71***	123,32	-9,862	-15,296
	SECTION II	**527,459**	***32.27***	**1,340.113**	***48.92***	**254,07**	**435,834**	***24.55***	**571,474**	***23,64***	**131,12**	**91,625**	**768,639**
6	Live plants and floricultural products	3,844	***0.24***	3,286	***0.12***	85,48	26,388	***1.49***	25,386	***1,05***	96,20	-22,544	-22,100
7	Vegetables, roots and tubers	58,917	***3.60***	70,350	***2.57***	119,41	78,721	***4.43***	116,470	***4,82***	147,95	-19,804	-46,120
8	Fruit, edible citrus fruit or melons	60,543	***3.70***	68,859	***2.51***	113,74	100,935	***5.68***	109,938	***4,55***	108,92	-40,392	-41,079
9	Coffee, tea, maté and spices	24,491	***1.50***	54,430	***1.99***	222,24	51,333	***2.89***	95,437	***3,95***	185,92	-26,842	-41,007
10	Cereals	143,747	***8.79***	675,168	***24.65***	469,69	100,067	***5.64***	105,768	***4,37***	105,70	43,680	569,400
11	Milling products, malt, starches, and starches, inulin, wheat gluten	15,141	***0.93***	17,912	***0.65***	118,30	24,174	***1.36***	28,588	***1,18***	118,26	-9,033	-10,676
12	Oil seeds and oleaginous fruits, miscellaneous grains, seeds and	220,018	***13.46***	448,404	***16.37***	203,80	48,023	***2.70***	76,371	***3,16***	159,03	171,995	372,033

	fruits, industrial or medicinal plants, straw and fodder												
13	Gums and resins and other vegetable saps and extracts	617	***0.04***	1,662	***0.06***	269,37	5,573	***0.31***	12,930	***0,53***	232,01	-4 956	-11,268
14	Plaiting materials and vegetable products, not elsewhere specified or included elsewhere	141	***0.01***	42	***0.00***	29,79	620	***0.03***	586	***0,02***	94,52	-479	-544
	SECTION III	**51,807**	***3.17***	**107,512**	***3.92***	**207,52**	**102,646**	***5.78***	**153,052**	***6,33***	**149,11**	**-50,839**	**-45,540**
15	Fats and oils of animal or vegetable origin and their cleavage products, prepared edible fats, waxes of animal or vegetable origin	51,807	***3.17***	107,512	***3.92***	207,52	102,646	***5.78***	153,052	***6,33***	149,11	-50,839	-45,540
	SECTION IV	**731,871**	***44.77***	**946,700**	***34.56***	**129,35**	**826,659**	***46.56***	**1,087.808**	***44,99***	**131,59**	**-94,788**	**-141,108**
16	Preparations of meat, fish or crustaceans, molluscs or other aquatic invertebrates	12,143	***0.74***	11,011	***0.40***	90,68	15,713	***0.88***	26,152	***1,08***	166,44	-3,570	-15,141
17	Sugar and confectioner y	55,580	***3.40***	85,664	***3.13***	154,13	88,835	***4.97***	160,222	***6,63***	181,38	-32,755	-74,558
18	Cocoa and cocoa preparations	21,048	***1.29***	25,862	***0.04***	122,87	76,143	***4.29***	106,682	***4,41***	140,11	-55,095	-80,820
19	Preparations of cereals, flour, starch or milk, flour confectioner y	118,250	***7.23***	175,416	***6.40***	148,34	76,927	***4.33***	97,422	***4,03***	126,64	41,323	77,994
20	Preparations of vegetables, fruits or other plants	98,819	***6.04***	95,608	***3.49***	96,75	103,816	***5.85***	102,359	***4,23***	98,60	-4,997	-6,751
21	Miscellaneo us edible products	29,562	***1.81***	45,900	***1.68***	155,27	121,428	***6.84***	126,650	***5,24***	104,30	-91,866	-80,750
22	Beverages, spirits and vinegar	152,169	***9.31***	159,307	***5.82***	104,69	133,016	***7.49***	169,337	***7,00***	127,31	19,153	-10,030
23	Waste and scrap of food suitable for animal feed	59,287	***3.63***	73,428	***2..68***	123,85	97,642	***5.50***	120,821	***5,00***	123,74	-38,355	-47,393
24	Tobacco and manufacture d tobacco substitutes	185,013	***11.32***	274,504	***10.02***	148,37	113,639	***6.40***	178,163	***7,37***	156,78	71,374	96,341

Source: *National Statistical Institute*

Leading on the export list of the country in 2008 are the following products:

- A mixture of wheat and wheat – 1 557 559.5 tonnes worth USD 440,536 thousand;
- Sunflower seeds – 411,804.7 tonnes, worth USD 263,716 thousand;
- Raw or unprocessed tobacco – 39,803.1 tonnes worth USD 178,115 thousand;
- Barley – 494,640.9 tonnes, worth USD 127,488 thousand;

- Sugar cane or beet sugar and chemically pure sucrose, solid, white sugar – 82,356 tonnes, worth USD 61,239 thousand.

Table V.8.

Key agricultural commodities of exports in Bulgaria in 2008

Product name	Quantity, tonnes	Value, USD	Relative share of total imports, %
Wheat and mixture of wheat and rye	1,557.559,5	440,536.248	16.08
Sunflower seeds, whether or not broken	411,804.7	263,715.666	10.91
Raw or unprocessed tobacco, tobacco refuse, tobacco, sun-cured Oriental type	39,803.1	178,114.654	7.37
Barley	494,640.9	127,488.124	5.27
Sugar cane or beet sugar and chemically pure sucrose, solid, white sugar	82,356	66,528.161	2.75
Seeds of rape or rape, not broken	98,877.6	61,238.708	2.53
Waffles and wafers, in immediate packaging	13,039.4	57,593.229	2.38
Cigarettes containing tobacco	5,172.4	56,525.467	2.34
Wine of fresh grapes, including fortified with alcohol, grape must other than that of No.2009, in containers holding more than 2 l	41,469.2	54,072.348	2.24
Crude oil, sunflower	40,338.9	49,696.808	2.06
Bakers bakery wares products, even with added sweeteners	15,753.6	44,826.216	1.85
Rape seed or rapeseed with low erucic acid	64,419.8	39,836.514	1.65
Whole and half carcasses of lamb, fresh or chilled	6,061.3	38,403.487	1.59
Preparations of a kind used for animal feed	11,500.7	38,073.039	1.57
Maize	201,211.8	36,076.068	1.49

Source*: National Statistical Institute*

Imports

In 2008, the country imported agricultural goods totalling USD 2,417.697 thousand.

Section I – Live animals and animal products

The share of imports of these products in 2008 is 25.04% of total agricultural imports. In this section, the largest share of total agricultural imports take flesh and offal fit for human consumption – 14.84%. In 2008 the volume of imported goods under this section increased by 47.48% compared to 2007 most significant growth in imports was observed in fish and shellfish – with 65.60%, milk and dairy products – by 51.01% and meat and offal – with 50.91%.

Section II - plants and plant products

In 2008, imports of goods from this section holds 23.64% of total imports of agricultural products. The largest share of total imports in Section II hold vegetables – 4.82%, fruit – 4.55%, cereals – 4.37% and coffee, tea, maté and spices – 3.95%. Compared to 2007 the largest increase in imports occurred in gums and resins, etc. vegetable saps and extracts – with a 132.01% and coffee, tea, maté and spices – with 85.92%.

Section III – Fats and oils of animal or vegetable origin

In 2008, imports of goods from this section occupies 5.78% of total imports of agricultural products. Reported imports of goods under Section III in 2008 increased by 49.11% over the preceding year.

Section IV – Food products, beverages, spirits and vinegar, tobacco and manufactured tobacco substitutes

Processed products in this section hold 44.99% in the structure of agricultural imports. in 2008 imports of processed goods in value terms increased by 31.59% compared to 2007, the large increase in imports occurred in sugar and sugar products (81.38%), meat products, fish or crustaceans, molluscs or other aquatic invertebrates (66.44%), tobacco and manufactured tobacco substitutes (56.78%) and Cocoa and products thereof (40.27%). It should be noted that a large share of imports in the form of material being processed in the country.

In value terms, the leading agricultural commodities in imports in 2008 are:

- Meat from animals such as pigs, chilled or frozen, boneless – 32,610.8 tonnes worth USD 86,793 thousand;
- Sugar cane for refining – 226,478.6 tonnes, worth USD 80,586 thousand;
- Raw or unprocessed tobacco, tobacco refuse, tobacco, sun-cured Oriental type – 16,378.6 tonnes worth USD 78,763 thousand;
- Maize – 205,694.1 tonnes worth USD 67,784 thousand;
- Oil-cake and other solid residues – 116,068.3 tonnes, worth USD 58,937 thousand;
- Sugar cane or beet sugar and chemically pure sucrose, solid, white sugar – 63,895.1 tonnes worth USD 54,856 thousand.

Table V.9.

Key agricultural commodities of imports in Bulgaria in 2008

Product name	Quantity, tonnes	Value, USD	Relative share of total imports, %
Meat from animals such as pigs, chilled or frozen, boneless	32,610.8	86,793.300	3.59
Cane sugar for refining	226,478.6	80,586.101	3.33
Raw or unprocessed tobacco, tobacco refuse, tobacco, sun-cured Oriental type	16,378.6	78,762.571	3.26
Maize	205,694.1	67,784.375	2.80
Oil cake and other solid residues, whether or not agglomerated ground or in the form of pellets, resulting from the extraction of soybean oil	116,068.3	58,937.207	2.44
Sugar cane or beet sugar and chemically pure sucrose in solid form: Other: White sugar	63,895.1	54,855.880	2.27

Coffee, whether or not roasted, decaffeinated	21,893.9	53,372.151	2.21
Tomatoes, fresh or chilled	58.089.0	45,007.715	1.86
Meat from animals of bovine animals, frozen, boneless	11,096.7	37,208.071	1.54
Food products, not elsewhere specified or included elsewhere	9,731.7	37,154.382	1.54
Cigarettes containing tobacco	3,490.4	35,928.838	1.49
Waters, including mineral waters and aerated waters	36,794.0	35,716.458	1.48
Meat from animals such as pigs, whole or half carcasses, fresh or chilled, of swine	13,670.4	34,895.992	1.44
Live animals such as sheep, lambs (aged 1 year)	10,764.7	31,752.194	1.31
Sunflower seeds, whether or not broken, for sowing	2,857.1	28,099.637	1.16

***Source**: National Statistical Institute*

4. Export and import of major agricultural commodities

4.1. Exports of grain and industrial crops

Wheat

During the 2008/09 marketing, exports of wheat exceeds 2,000 thousand tonnes and reached record high levels of 2,244 tonnes – a quantity much higher than the previous comparable in terms of production, and years. Increased supplies due to increased production of wheat crops in 2008 was a major influence on the volume of exports.

According to preliminary according to data released by the National Statistical Institute and the Customs Agency in 2008/09 marketing of the country are exported 2,243.731 tonnes of wheat – significantly more than in previous 2007/08 (428,169 tonnes) with 103% more than in 2002/03, as reported relatively high production of wheat. The total value of the exports in 2008/09 marketing year is 670,043 thousand BGN.

Nearly 50% of total exports of wheat during the period (1,130.128 tonnes) is directed to third parties. Most large quantities of wheat were exported to non-traditional destinations such as Pakistan (421,649 tonnes) and Djibouti (337,748 tonnes).

Significant export crop in 2008/09 and registered for the EU – 45% of all exports (1,005.250 tonnes), as major importers of wheat in Bulgaria are Spain (414,150 tonnes), Romania (272,879 tonnes) and Greece (121,738 tonnes).

Table V.10.

Exports of wheat, 2005/06 – 2008/09

Country	2005/06	2006/07	2007/08	2008/09 *
1. European Union	**424,548**	**81,996**	**175,301**	**1,005.250**
Italy	124,546	7,663	5,369	13,203
Greece	17,487	52,821	27,190	121,738
Spain	239,317	538,149	8,460	414,150
Portugal	-	54,711	2	7,698
France	-	-	-	17,662
Germany	-	-	-	658
The Netherlands	-	6,162	-	44,396
Cyprus	12,780	2,992	-	12,866
Romania	30,418	119,497	134,279	272,879
2.Countries from the region	**3,271**	**41,989**	**142,008**	**109,155**
Macedonia	13,549	3,577	8,818	16,144
Turkey	-	9,959	118,538	54,705
Albania	5,000	15,269	14,550	7,047
Serbia and Montenegro	6,851	9,601	-	-
Serbia	-	-	101	-
Georgia	7,870	3,584	1	-
Croatia	-	-	-	805
Kosovo	-	-	-	30,454
3. Other	**644,996**	**213,365**	**110,860**	**1,129.326**
Algeria	135,588	14,234	-	13,028
Bangladesh		248	11,593	8,341
Vietnam		4,815	6,706	14,910
Egypt	-	33,200	7,779	23,657
Ethiopia			7 138	-
Tunisia	153,517	23,000	-	16,419
Libya			36,799	27,995
Lebanon	-	-	3,048	12,682
Morocco	-	12,551	14,517	15,016
Syria	17,108	-	14 131	19 228
Israel	122,375	41,847	-	33,025
Philippines	-	40,691	-	-
India	-	36,982	-	2,500
Djibouti	-	-	-	337,748
Pakistan	-	-	-	421,649
Sudan	8,712	5,422	-	68,183
Mauritania	6,935		-	37,494

Indonesia	56,843	-	-	22,500
Other	143,918	375	9,149	54 951
Total wheat	**1,102.815**	**1,037.350**	**428,169**	**2,243.731**
Value, BGN	**199,103.291**	**220,182.584**	**207,509.284**	**670,043.169**

** 2008/09 – provisional data*
Source: *Customs Agency and National Statistical Institute*

Barley

According to preliminary according to data released by the National Statistical Institute and the Customs Agency in 2008/09 marketing of barley exports is more than 2,5 times more compared to the 2007/08 season. Exports estimated 470,567 tonnes at 187,996 tonnes for the preceding year. The total value of the exports was BGN 152,598 thousand.

Export activity was greatest during the first four months of the marketing year (July – August 2008), when exported, and major amounts of barley.

Exports are mainly targeted at the Arab countries – 307,477 tonnes. The largest amounts were made to Saudi Arabia – 127,008 tonnes and Syria – 100,012 tonnes.

Reported a double increase of exports to EU countries, as in the marketing

2008/09 quantities are exported 158 364 tonnes. Main destinations are Romania – 71,899 tonnes, Greece – 35,333 tonnes and Cyprus – 29,731 tonnes.

Table V.11.

Exports of barley, 2005/06 – 2008/09, tonnes

Countries	2005/06	2006/07	2007/08	2008/09*
1. European Union	**107,313**	**102,056**	**52,455**	**158,364**
Greece	26,843	47,271	17,517	35,333
Spain	10,278	28,897	-	11,453
Italy	7,675	19,313	7	167
Austria	-	925	-	1,249
Malta	-	2,837	-	
The Netherlands	10,029	-	-	
Poland	-	2,608	-	
Cyprus	9,688		-	29,731
Romania	42,800	207	34,932	71,899
Germany	-	-	-	5,421
Hungary	-	-	-	3,111
2. Countries from the region	**47**	**866**	**6,681**	**4,726**
Albania	47	42	-	
Macedonia	-	824	696	1 665
Turkey	-	-	3,754	3,061
Ukraine	-	-	-	
Serbia and Montenegro	-	-	-	
Serbia	-	-	2,231	

3. Other	**106,656**	**34,992**	**128,858**	**307,477**
Israel	21,005	15,027	2,935	54,860
Jordan	26,690	-	-	
Libya	-	-	-	13,832
Lebanon	-	5,500	-	
Morocco	15,464	-	7,185	
Saudi Arabia	43,497	-	98,181	127,008
Syria	-	14,465	10,228	100,012
Tunisia	-	-	10,329	11,627
Other	-	-	-	138
Total, tonnes	**214,016**	**137,913**	**187,995**	**470, 567**
Value, BGN	**42,744.398**	**29,134.059**	**65,769.558**	**152,597.952**

** 2008/09 – provisional data*
Source: *Customs Agency and National Statistical Institute*

Maize

According to preliminary according to data released by the National Statistical Institute and the Customs Agency in 2008/09 marketing, exported 337,921 tonnes of maize for grain. For comparison, in 2007/08, the external markets are realized only 18,619 tonnes of maize. Reason for the high growth of exports, compared with last year is producing good crops in Bulgaria since 2008, unlike the compromised crops 2007, at which smallest output contracted supply and putting pressure on exports.

The total value of the exports in 2008/09 was in the amount of BGN 91,012 thousand. This is about 2% more than the 2005/06 crop, when international markets were generated 437,650 tonnes worth BGN 73,121 thousand.

Largest share in the export structure of maize during the 2008/09 season take the EU countries (55%). Quantities realized on this destination amounted to 185,083 tonnes, repeatedly over the preceding year (9,232 tonnes). The largest quantities were exported to Spain (78,448 tonnes), Romania (46,946 tonnes) and Portugal (26,224 tonnes).

Arab countries maintain relatively high share (41%) in Bulgarian imports of maize, the total exports in 2008/09 marketing to these countries amounted to 136,698 tonnes. Main contractor of the country to import 89,407 tonnes of maize, is Syria.

For the countries of the region, exports during the 2008/09 season is 15,067 tonnes, exports are directed mainly to Serbia and Macedonia, respectively 12,000 tonnes and 3,067 tonnes.

Table V.12.

Exports of maize, 2005/06 – 2008/09

Countries	2005/06	2006/07	2007/08	2008/09 *
1. European Union	**155,677**	**119,488**	**9,232**	**185,083**
Germany	-	-	17	-
Greece	13,723	65,387	2,296	15,777
Spain	74,265	4,504	-	78,448
Italy	12,597	4,818	-	1,566
Portugal	23,000	-	-	26,224

France	84	-	-	3,280
Cyprus	7,995	42,174	-	9,642
Poland	10	18	-	-
Malta	-	-	-	3,200
Romania	24,003	2,587	6,919	46,946
2. Countries from the region	**16,370**	**103,849**	**5,634**	**15,067**
Albania	362	5,486	2,711	-
Macedonia	16,009	631	615	3,067
Turkey	-	97,733	2,308	-
Serbia	-	-	-	12,000
3. Other	**265,614**	**26,823**	**2,636**	**137,771**
Algeria	72,159	5,761	-	5,412
Egypt	35,018	-	-	27,500
Israel	30,942	-	-	-
Cameroon	3,000	-	-	-
Libya	-	-	-	4,270
Lebanon	11,192	2,662	2,623	10,109
Morocco	17,058	-	-	-
Syria	64,252	3,919	-	89,407
Tunisia	31,912	14,395	-	-
Other	81	86	13	1,073
Total, tonnes	**437,650**	**250,142**	**18,619**	**337,921**
Value, BGN	**73,120.875**	**65,475.908**	**8,207.856**	**91,011.726**

**The data for 2008/2009 are provisional*
***Source:** Customs Agency and National Statistical Institute*

Oilseed sunflower

Preliminary data on National Statistical Institute and the Customs Agency in 2008/09 marketing exported 555,096 tonnes sunflower oil, worth BGN 317,071 thousand compared with the previous 2007/08 export opportunities have increased in result of the resulting greater production of crops 2008. The volume of the realized levels increased by 84% over the preceding year.

For EU countries exported 351,015 tonnes, the largest importers Netherlands – 87,905 tonnes, Spain – 82,778 tonnes and Romania – 69,175 tonnes.

For countries outside the EU, the largest amounts were exported to Turkey – 182,346 tonnes.

Table V.13.

Exports of oilseed sunflower, 2005/06 – 2008/09

Country	2005/06	2006/07	2007/08	2008/09 *
1. European Union	**115,732**	**227,992**	**63,363**	**351,015**
Spain	100,173	68,238	-	82,778
The Netherlands	-	33,826	91	87,905
Portugal	250	37,013	-	25,429
France	4,948	61,005	66	27,336
Italy	-	9,446	-	9,116
Germany	476	2,743	567	16,118
Austria	41	2,051	131	5,411
Greece	21	52	2,331	10,999
Belgium	-	11	87	925
Finland	-	399	1,344	8,272
Slovenia	-	25	-	128
Sweden	-	199	-	4,071
United Kingdom	169	111	65	735
Poland	-	240	883	1,460
Romania	9,653	12,612	56,810	69,175
Denmark	-	22	988	1,157
2. Other	**180,698**	**352,537**	**238,293**	**204,081**
Turkey	173,903	208,270	238,112	182,346
Syria	-	1,510	-	7,241
Switzerland	-	63	-	394
Morocco	-	8,025	-	-
Pakistan	-	134,131	-	808
United States	-	101	113	116
Croatia	-	-	21	127
Macedonia	-	201	46	5,626
Other	6,796	236	1	7,423
Total, tonnes	**296,433**	**580,529**	**301,656**	**555,096**
Value, BGN	**131,407.227**	**245,977.155**	**309,428.194**	**317,070.783**

**The data for 2008/2009 are provisional*
Source: *Customs Agency and National Statistical Institute*

4.2. Import of grain and industrial crops

Wheat

During the 2008/09 crop of wheat imports in Bulgaria restore traditionally low levels. Increased production of crops 2008 is a prerequisite for the realization of approximately 15 thousand tonnes of imports, which is significantly less onerous to the preceding year, when imports of wheat in Bulgaria has reached a record high 53,413 tonnes. The total value of actual imports during the season `2008 on provisional data, is around 8,301 thousand and was mainly carried out by Member States (14,546 tonnes) by the quantities imported were significantly less compared with the same period of the preceding year. Larger quantities of wheat were shipped from Hungary – 6,359 tonnes, Germany – 3,614 tonnes, and Greece – 2,171 tonnes.

Table V.14.

Imports of wheat, 2005/06 – 2008/09, tonnes

Country	2005/06	2006/07	2007/08	2008/09 *
1. European Union	**8,086**	**8,427**	**20,741**	**14,546**
Greece	40	2,287	4,917	2,171
Germany	7,995	1,033	2,339	3,614
Italy		21	5	319
Hungary		781	5,187	6,359
France	0	18	51	25
Austria	4	4,266	3,141	1,703
Spain	44	-		-
Denmark	4	21		-
Czech Republic		-	0,2	-
Romania	1	0	5,102	355
2. Countries from the region	**46**	**60**	**32,443**	**0**
Russia		-	30,392	-
Ukraine	20	60		-
Macedonia	24	-		-
Turkey	2	-	2 051	-
3.Other	**0**	**-**	**229**	**125**
United States	-	-	5	-
Brazil	-	-	-	-
Canada	-	-	-	-
Syria	-	-	2	-
Other	0	0	222	125
Total wheat	**8,133**	**8,487**	**53,413**	**14,671**
Value, BGN	**2,852.871**	**3,640.317**	**24,213.702**	**8,300.696**

** 2008/09 г. – provisional data*
Source: *Customs Agency and National Statistical Institute*

Barley

2008 of good crops of barley is sufficient to meet domestic needs, thus the need for imports in 2008/09 marketing has been reduced. According to preliminary according to data released by the National Statistical Institute and the Customs Agency in 2008/09 marketing has made minimal imports, amounting to 137 tonnes of barley.

Maize

During the 2008/09 marketing year of maize imports regained their normal levels (around 60 thousand tonnes per year) in recent years, during which the exception unfavourable crops 2007, led to record-high volume of imported maize (341 tonnes). The majority of the quantities imported in 2008 (89%) are intended for animal fodder and industrial purposes (53,253 tonnes), worth EUR 16,479 thousand

Main suppliers of maize is Serbia – 32,326 tonnes, Portugal – 8,051 tonnes and Hungary – 6,238 tonnes.

Imported maize crop is estimated at 6,368 tonnes, as major suppliers are the EU countries – Greece – 3,801 tonnes and Romania – 1,390 tonnes.

Table V.15.

Imports of maize, 2005/06 – 2008/09

Countries	2005/06	2006/07	2007/08	2008/09 *
I. Maize for seed	**2,397**	**3,687**	**23,242**	**6,368**
Value, BGN	**10,519.956**	**16,879.997**	**29,684.847**	**16,407.971**
Austria	379	135	31	164
Belgium	-	50	-	-
Germany	2	1	76	25
Italy	-	-	57	-
Cyprus	-	72	-	37
Romania	391	1,227	950	1,390
Serbia	12	21	15	9
Turkey	10	38	16	15
Hungary	869	1,202	9,274	651
France	416	754	582	265
Croatia	274	136	406	-
Greece	-	-	10,231	3,801
The Netherlands	-	-	1,511	-
Slovakia	-	-	85	-
Other	44	50	9	11
II. Maize for fodder and industrial uses	**1,882**	**84,451**	**317,904**	**53,253**
Value, BGN	**1,080.065**	**29,853.376**	**139,003.253**	**16,479.028**
Argentina	368	626	1,251	1,005
Austria	-	36	7,808	20
Brazil	-	40,466	16,463	-
Germany	-	-	2,000	-
Greece	88	19	3,542	4,031
Spain	-	-	-	-
China	-	-	-	-
Portugal	-	-	-	8,051

Peru	0	-	-	-
Romania	-	64	81,234	315
United States	1,346	768	-	1,222
Serbia	-	7,499	5,212	32,326
Turkey	-	-	-	-
Ukraine	-	-	55,203	-
Hungary	12	34,951	142,170	6,283
France	-	-	-	-
Chile	50	22	-	-
United States	-	-	1,618	-
Other	18	-	-	-
Total, tonnes	**4,279**	**88,138**	**341,147**	**59,621**
Total value, BGN	**11,600.021**	**46,733.373**	**168,688.100**	**32,886.999**

** The data for 2008/2009 are provisional*
***Source:** Customs Agency and National Statistical Institute*

Oilseed sunflower

Bulgaria covers domestic consumption of sunflower mainly from own production, so imports have traditionally minimized. During the 2008/09 marketing, according to preliminary according to data released by the National Statistical Institute, imported 1,965 tonnes sunflower oil, for a total value of EUR 997,666. Imports was made mainly from Moldova – 1,446 tonnes.

Table V.16.

Import of oilseed sunflower, 2005/06 – 2008/09

Country	2005/06	2006/07	2007/08	2008/09 *
1. European Union	**39**	**473**	**2,282**	**361**
Greece	1	116	1,116	7
France	38	-	-	-
Germany	-	-	336	-
Italy	-	-	1	327
Hungary	-	-	-	-
Cyprus	-	-	-	-
Austria	-	-	-	-
Romania	-	358	829	27
2. Other	**5,875**	**1,141**	**6,632**	**1,604**
Ukraine	1,595	40	1,460	123
Serbia	-	-	-	-
Moldova	4,251	1,101	2,101	1,446
Turkey	-	-	1,843	-
Russia	-	-	922	-
United States	-	-	100	-
China	-	-	185	-

Other	30	-	22	35
Total, tonnes	**5,914**	**1,614**	**8,915**	**1,965**
Value, BGN	**3,205.755**	**846,375**	**8,443.330**	**997,666**

**The data for 2008/2009 are provisional*

***Source:** Customs Agency and National Statistical Institute*

4.3. Export of fruit and vegetables

Fruit

According to preliminary according to data released by the National Statistical Institute, in 2008 foreign markets have made 18,135 tonnes of fresh fruit such as export volumes are 38.4% more than in the previous 2007 accounting increase in exports of almost all types of fresh fruit, except the nut.

Table V.17.

Exports of fresh fruit, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Fresh fruit, total, including:	**5,409.0**	**13,103.0**	**18,135.0**
Nuts	4,352.0	3,981.4	2,365.9
Fruit plantations	452.5	3,856.7	4,904.8
Watermelons and melons	330.8	1,142.8	2,078.6
Grapes total	19.3	45.1	521.2
Citrus fruits	57.0	1,011.6	3,890.5
Bananas	24.0	218.5	533.4
Strawberries	4.5	1,000.6	1,069.5
Raspberries	23.7	956.7	1,383.8
Kiwi	3.8	384.5	903.6
Other fruits	141.4	505.1	483.7

** Provisional data*
***Source:** Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

In quantitative terms, exports of fruit orchards is 47.3% of total exports of fresh fruit. Quantities exported in 2008 were around 27% over the preceding year, reaching 4,904.8 tonnes (including: 2,317.9 tonnes of apples, peaches 993.6 tonnes, 810 tonnes of prunes and sloes, 447 tonnes of apricots, 231.1 tonnes pears and quinces, etc.). A substantial quantities of fresh fruit orchards are directed to Romania (2,419.4 tonnes), the Russian Federation (1,030 tonnes), Italy (436 tonnes), Spain (286.8 tonnes), Germany (281.9 tonnes), etc.

In 2008, exported 2,078.6 tonnes melons and watermelons, and from them 1,960.9 tonnes and 117.7 tonnes watermelons, melons. Watermelons quantity exported in 2008 increased almost twice compared to the preceding 2007, while exports of melons fell – from 195.5 tonnes in 2007 to 117.7 tonnes in 2008

During the year, was carried out in substantial exports of raspberries, pepper, etc. – 1,383.8 tonnes, strawberries – 1,069.5 tonnes, kiwi – 903.6 tonnes, grapes – 521.2 tonnes.

Compared to the preceding year, in 2008 the total quantity exported nuts fell by 38.4%, resulting in a lower harvest of walnuts this year. The largest quantities are exported to Turkey (638.1 tonnes), Albania (522 tonnes), Greece (333.6 tonnes), Italy (194.5 tonnes), Spain (115.3 tonnes), Romania (115.7 tonnes), etc. Largest share in total exports of nuts in 2008 hold the nuts (80%). The exports of the nuts at the rate of 1,969.4 tonnes, about 45% less in 2007 exported are 1,010.5 tonnes of walnuts in shell (twice less over the preceding year) and 958.9 tonnes shelled nuts.

The group of primary processed fruits including frozen, provisionally preserved and dried fruits. The fruits of this group are mainly used in food industry for the production of sweets, cakes, fruit milk and various types of ice cream.

Table V.18.

Exports of provisionally processed fruit, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Temporarily preserved fruit	11,001.6	11,097.5	10,488.0
Frozen fruit	14,678.4	9,955.2	6,685.2
Dried fruit	2,202.3	1,826.0	2,309.8

** Provisional data*
***Source:** Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

According to preliminary according to data released by the National Statistical Institute, the temporary export of canned fruit in 2008 was 10,488 tonnes, including: cherries – 647.5 tonnes, apricots – 9,700.3 tonnes, etc. – 140 tonnes. The largest amounts are directed towards Greece (4,879.4 tonnes), Italy (2,429 tonnes), Austria (267.6 tonnes), Australia (702.5 tonnes), South Africa (481.6 tonnes), China (470.7 tonnes), etc.

Realized in 2008 the export of frozen fruits amounted to 6,685.2 tonnes, about 33% less than the preceding year. Larger quantities of frozen fruits were imported in 2008 in Germany (1,955.9 tonnes), Italy (2,094.2 tonnes) in Switzerland (211.5 tonnes), etc.

The largest share (44%) in total exports of frozen fruit in 2008 occupy frozen raspberries and blackberries (2,946.2 tonnes), followed strawberries – 872 tonnes, cherries – 546.2 tonnes, cherries – 536.3 tonnes, etc.

In 2008, exported 2,309.8 tonnes of dried fruit, which is 26.5% more than in 2007 in the structure of exports of dried fruits with the highest share in 2008 again occupied apples (849.9 tonnes) and prunes (861,3 tonnes). Larger quantities of dried fruit are delivered to the Member States of the EU, the Netherlands (710.4 tonnes), Greece (681.3 tonnes), Germany (543.2 tonnes), etc. But to countries outside the Community – Croatia (67.1 tonnes), Russian Federation (55.1 tonnes).

Vegetables

In the year exported 22,377 tonnes of fresh vegetables, potatoes and mushrooms. The quantity exported was nearly 87% over the preceding year, resulting in increased production.

The highest share in exports of fresh vegetables are cucumbers and gherkins, tomatoes and sweet pepper. Basically, export is directed to the Member States.

Table V.19.

Exports of vegetables, potatoes and mushrooms, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Vegetables, potatoes and mushrooms, total	**11,598**	**11,979.0**	**22,377**
I. Potatoes, total	**109,2**	**321,8**	**702,1**
Seed	0,0	0,9	0,1
Consumption	109,2	320,8	702,0
II. All vegetables, including mushrooms	**11,488.5**	**11,657.3**	**21,675**
1. Vegetables			
Tomatoes	438,7	945,2	5,926,2
Sweet pepper	1,559.0	948,6	1,388.2
Onions and shallots	144,7	0,8	0,8
Cabbage	430,5	121,4	294,1
Carrots and turnips	9,0	17,8	148,8
Cucumbers and gherkins	1,7	77,1	46,2
Leek	66,8	442,7	928,9
Garlic	5,9	3,8	151,1
Zucchini	18,0	24,3	33,0
Eggplant	6,007.4	7,263.3	10,139.9
Legumes with or without the pods	35,3	230,5	41,5
Olives	23	64,8	53,9
Lettuce and chicory	499	3,0	92,5
Other	570,8	214,0	1,267.4
2. Mushrooms	**1,678.3**	**1,300.0**	**1,162. 5**
Cultivated	1,0	0,8	20,1
Wild	1,677,3	1 299,1	1,142,4

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

Exports of cucumbers and gherkins in 2008 was 10,140 tonnes, which is about 45% of total exports of fresh vegetables. Traditionally, the most important supplies are destined for markets in Germany – 4,347 tonnes and the Republic – 2,869 tonnes, Romania – 2,099 tonnes.

In 2008, exports of fresh tomatoes is approximately six times more than in 2007 and amounted to 5,926 tonnes. The largest quantities are exported to Romania – 4,873 tonnes, Germany – 663 tonnes, Macedonia – 290 tonnes and more.

Compared to the preceding year, in 2008 exports of sweet pepper increased significantly – by 46% reach 1,388 tonnes. Larger quantities of sweet pepper in 2008 were realized in the markets of Austria (1,384 tonnes), Germany (290 tonnes) and Greece (251 tonnes).

Exports of fresh potatoes for consumption, though small in volume, is more than twice the preceding year – 702 tonnes, mainly focused on Romania (643.1 tonnes).

Duding the reference year 163 tonnes mushrooms were exported. Exports of mushrooms is a favourable market niche, as are exported mainly wild mushrooms. The largest quantities are mainly focused on European markets – Italy (331 tonnes), Germany (274 tonnes) and Romania (119 tonnes).

Comparing with the preceding year, growth in exports in 2008 are reported in cabbage. 929 tonnes were exported, as in the preceding year, exports amounted to 443 tonnes. About 96% of total exports of fresh cabbage is directed to Romania – 776 tonnes, Lithuania – 70 tonnes, and Greece – 50 tonnes.

In 2008, continued the trend of recent years to increase exports of primary processed vegetables.

Table V.20.

Exports of provisionally processed vegetables, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Frozen vegetables	8,422	11,442	11,389
Temporarily preserved vegetables	662	582	672
Dried vegetables	564	563	2,106

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

Of primary processed vegetables, exports of frozen vegetables is higher – 80%. The total export of frozen vegetables in 2008 amounted to 11,389 tonnes, 0.5% less than the preceding year. Major trading partners are Greece, Germany and Poland, which imported 76% of the total quantities exported frozen vegetables. Like preceding years, in 2008 with the largest share in total exports of frozen vegetables (34%) is a sweet pepper. Its exports amounted to 3,585 tonnes, 6% more in 2007

According to preliminary according to data released by the National Statistical Institute, in 2008 exports of provisionally preserved vegetables increased by 15.5% and amounted to 672 tonnes.

Over the preceding year, in 2008 exports of dried vegetables is almost four times higher and amounts to 2,106 tonnes. More substantial quantities of dried vegetables are directed to Greece – 1,666 tonnes, Romania – 458 tonnes and more.

4.4. Import of fruit and vegetables

Fruit

In 2008, imported a total of 180,640 tonnes of fresh fruit (by 12.5% less over the preceding year). There was an increase in imports of nuts, dates, figs, pineapples and bananas. In other fresh fruit imports during the year decreased. The biggest increase was recorded in 2008 for the importation of nuts – with 35.1%, while the largest reduction in imports of kiwi fruit – by 42.8%.

Table V.21.

Imports of fresh fruit, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Fresh fruit, total, including:	**180,005**	**206,441**	**180,640**
Nuts	2,547.3	3,439.7	4,648.2
Citrus fruits	57,987.9	53,937.0	46,512.0
Bananas	48,870.9	39,238.0	39,276.8
Dates, figs, pineapple	1,422.5	1,789.4	1,899.2
Fruits	45,484.0	54,563.3	42,883.0
Watermelons, melons and papaya	9,741.8	39,230.4	33,134.4

Grapes	10,457.7	9,912.3	9,452.7
Kiwi	3,040.2	3,117.4	1,781.8
Strawberries	172.4	536.6	405.2
Other fruits	280.3	676.9	646.7

** Provisional data*
***Source:** Customs Agency for 2006, National Statistical Institute in 2007 – 2008,*

Imports of fruit orchards has declined by 21% over the preceding year of 54,563.3 tonnes to 42,883 tonnes. The largest share of total imports of fruit orchards in 2008 occupied the apples (76%). Are 32 imported 787.3 tonnes of fresh apples – 11% less than the preceding year, the largest importer of Macedonia, where imported 25,481.3 tonnes. Larger quantities are shipped from Greece – 3,384.9 tonnes, Italy – 3,564.2 tonnes, Poland – 190.6 tonnes, etc.

Imports of peaches in 2008 was 4,379.5 tonnes – about twice less compared to the preceding year. Imports of sour cherries and also reported a large reduction. At – 2,326 tonnes in 2007, the quantities of imported cherries in 2008 decreased to 88.3 tonnes, and the cherries – 1,338 tonnes in 2007 to 97.4 tonnes in 2008

According to preliminary according to data released by the National Statistical Institute, in 2008 report an increase in imports of pears and quinces (29%) and prunes and sloes (69%). Imported quantities are 1,973.7 tonnes pears and quinces and 2,903.9 tonnes of prunes and sloes.

Consumption of citrus fruits and bananas in Bulgaria is satisfied entirely by imports. According to preliminary according to data released by the National Statistical Institute, imports of citrus fruits in 2008 decreased by approximately 14%, while that of bananas has increased by about 0.1%.

Total imported citrus fruits in the country the largest share of imported oranges loan – 13,263 tonnes or 28.5% and tangerines – 13,107 tonnes or 28.1%. Are imported and 11,553 tonnes lemons and 8,527 tonnes grapefruit.

In 2008, imported 276.8 tonnes of bananas 39. Major supplier of bananas in the Bulgarian market, Ecuador – 20,281.5 tonnes, but substantial quantities are brought from Greece – 7,576.5 tonnes, Italy – 6,547.3 tonnes, Slovenia – 1,380.1 tonnes and Costa Rica – 512.7 tonnes.

In 2008, a decrease of 16% compared to 2007 marks the importation of watermelons, melons and papayas. Total imports of these fruits is estimated at 33,134 tonnes, including 30 were 597.1 tonnes melons – by 17.2% less compared to the preceding year. Larger quantities are imported from Macedonia (17,522.2 tonnes), Greece (6,414.7 tonnes), Jordan (957.3 tonnes), Lithuania (476.9 tonnes), etc.

Imports of melons in 2008 amounted to 2,530.4 tonnes, 12.4% less than in 2007, mainly from Greece (1,362.9 tonnes), Turkey (907.8 tonnes) and Macedonia (147.1 tonnes).

In 2008, imports of nuts, increased significantly over the preceding year (35%), reaching 4,648.2 tonnes. The largest imports of such products has been developed by the U.S. – 1,046.7 tonnes, Singapore – 588 tonnes, India – 450 tonnes and the EU – Greece – 654.4 tonnes, The Netherlands – 390.2 tonnes, Germany – 210, 2 tonnes, etc.

Of nuts, traditionally the largest share Coconuts, Brazil nuts, cashews. Since the country does not produce this kind of nut consumption is satisfied entirely by imports. in 2008 imported coconuts, Brazil nuts and cashew nuts were 1,842 tonnes. Larger importing these products were Singapore – India and 588 tonnes – 450.2 tonnes.

In 2008, Bulgaria imported almonds 1,338.6 tonnes – nearly twice the amount imported in the preceding year. Implemented import of pistachios in the amount of 545.3 tonnes, with about 51% more than in 2007.

According to preliminary according to data released by the National Statistical Institute, in 2008 imported 523.8 tonnes of frozen fruit – by 28.7% less than in 2007 The largest amounts of frozen fruit in

2008 were imported from China – 184 tonnes, Macedonia – 162, 9 tonnes, Greece – 102 tonnes, Hungary – 20.6 tonnes, Germany – 13 tonnes and more.

Table V.22.

Imports of provisionally processed fruit, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Temporarily preserved fruit	2,368.1	5,553. 0	6,325.7
Dried fruit	278.1	13,018.5	9,116.8
Frozen fruit	376.2	734.4	523.8

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

In 2008, imports of canned fruit temporarily increased by 13.9% over the preceding year and amounted to 6,325.7 tonnes (including: oranges – 3,322.7 tonnes, cherries – 2,786.2 tone and etc.). The most significant quantities are shipped from Greece – 4,447.8 tonnes, Italy – 1,362.5 tonnes and more.

In 2008, imports was registered on 9,116.8 tonnes of dried fruit, which is about 30% less than in 2007 During the year, with the largest share in imports of dried fruit (64%) were dried apples (5,876.6 tonnes).

Vegetables

For 2008, an increase of 13% of imported fresh vegetables, potatoes and mushrooms – 167,955 tonnes. The most significant increase was observed in sweet pepper, eggplant and tomatoes.

For the period the quantities imported pepper JAA size of 29,449 tonnes at 14,334 tonnes in 2007 Import was carried out mainly in Turkey – 17,450 tonnes and Macedonia – 11,045 tonnes, which is mainly intended for processing.

Table V.23.

Imports of vegetables, potatoes and mushrooms, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Vegetables, potatoes and mushrooms, total	**80,451.2**	**148,256**	**167,955**
I. Potatoes, total	**13,906.9**	**26,770**	**17,790.8**
Seed	3,200.0	4,190	2,315.7
Consumption	10,706.9	22,580	15,475.1
II. All vegetables, including mushrooms	**66,544.3**	**121,486**	**150,164**
1. Vegetables			
Tomatoes	9,918.4	40,290	58,089.2
Sweet pepper	3,019.4	14,334	29,448.8
Onions and shallots	25,141.8	29,806	26,273.7
Cabbage	7,302	11,655	10,279.1
Carrots and turnips	8,960	10,908	8,787.9
Cucumbers and gherkins	4,658.3	7,630	8,179.8
Leek	1,816	1,758	1,217.4
Garlic	2,595.2	952	1,181.4

Zucchini	670,4	1,112	1,176.4
Eggplant	561,0	549	798,7
Legumes with or without the pods	367	263	607,6
Olives	2,7	5,2	496,5
Lettuce and chicory	182,3	217	287,2
Other	1,346	1,936	2,652.4
2. Mushrooms	**5,0**	**71**	**687,9**
Cultivated	0,5	25	35,0
Wild	4,5	45	652,9

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 – 2008*

Imports of tomatoes in 2008 (58,089 tonnes) also marks a significant increase – 44% compared to 2007 the main suppliers and this year continues to be Turkey – 35,220 tonnes, Macedonia – 16,714 tonnes, Greece – 1,091 tonnes and more.

Increase in imported quantities is observed with fresh cucumbers and gherkins – 7% to 8,180 tonnes. The biggest importers are Turkey – 5,420 tonnes, and Greece – 1,479 tonnes.

The structure of the total imports of fresh vegetables occupies about 18%, imports of onions and shallots (25,373 tonnes). Despite the increased production in 2008 domestic supply is still insufficient, which requires supplementing its imports. Turkey is a major importer from which they entered the country 24,615 tonnes.

Imports of fresh potatoes in 2008 amounted to 17,791 tonnes (including: 2,316 tonnes – for sowing and 15,475 tonnes – for consumption), which is 34% less compared to the preceding year. Unlike 2007, in 2008 the main suppliers to the Member States of the European Union – 17,186 tonnes (97% of total imports of potatoes) Germany – 11,329 tonnes, and Greece – 2,487 tonnes.

In 2008, reported an increase in multiple imported mushrooms (cultivated and wild) – from 71 tonnes in 2007 to 688 tonnes in 2008 imports of wild mushrooms has risen to 653 tonnes (at 45 tonnes in 2007).

Table V.24.

Imports of provisionally processed vegetables, 2006 – 2008, tonnes

Products	2006	2007	2008 *
Frozen vegetables	3,308	8,380	12,139
Temporarily preserved vegetables	2,308	8,077	3,549
Dried vegetables	618	2,371	3,791

** Provisional data*
Source: *Customs Agency for 2006, National Statistical Institute in 2007 – 2008,*

In 2008, preliminary according to data released by the National Statistical Institute, has carried a total import of primary processed vegetables amounting to 19,479 tonnes at 18,827 tonnes in 2007.

Over the preceding year in 2007 by a significant increase in imports of frozen and dried vegetables – by 45% and 59.8%, while the canned temporarily made substantial decline – by 56%.

4.5. Export of live animals and animal products

Live animals

According to preliminary according to data released by the National Statistical Institute, in 2008 exported 9,953 thousand units live animals, which is more than twice the preceding year. This increase is due mainly to make substantial export of live poultry. in 2008 the total export of live poultry increased more than twice the preceding year, reaching 9,880.483 units Exported commodities are mainly old chickens (hens and cocks to 185 g) – 9,864.240 units, Including: 8,916.540 units stock day-old chicks for meat and 947,700 units – Oviparous direction. in 2008 repeatedly increased the exportation of live ducks, reaching 16,243 units.

Substantial decline in 2008 was reported in exports of live Bovinae – with 68.9% less compared to the preceding year, reaching 13,596 units at 43,709 units in 2007 Of these, 13,336 units for slaughter, and 260 pure-breeding. Export destinations were Italy (6,333 units), Greece (1,666 units), Romania (2,558 units), Croatia (1,242 units), etc.

In 2008, exports of live Bovinae animals increased by 1.3% over the preceding year and amounted to 59,219 units Of the total number of around 99% are for slaughter – 58,358 units Directed to Albania (47,200 units) Serbia (5,969 units) Macedonia (1,054 units) And Italy (3,257 units), etc.

During the year, and exported 861 units EDC breeding aimed to Greece and Italy.

Exports of live pigs is generally negligible, as from 249 in 2007 it fell in 2008 to 56 units breeders, all of Greece.

Table V.25.

Exports of live animals for the period 2006 – 2008, number

Tariff code	Animals of the kind of	2006	2007	2008*
0102	Bovinae	69,586	58,437	59,219
0104	Cattle	23,427	43,709	13,596
0103	Domestic pigs	1,136	249	56
0105	Poultry	84,780	3,310.460	9,880.483

** Provisional data*

***Source:** Customs Agency until 2006; National Statistical Institute after 2007*

Meat

According to preliminary according to data released by the National Statistical Institute, in 2008 the country exported a total of 21,007 tonnes of meat, with 25.1% less compared to the preceding year. The reduced volume of meat yield and affect the amount of realized amounts of foreign markets. There has been a decline in export volumes for most meats. Exception of pork exports, which increased twice in comparison with the preceding year, reach 1,114 tonnes, resulting from the abolition of restrictions on the export of Bulgarian pork to the EU market.

The structure of the exports of meats include: meat of Bovinae animals – 1,800 tonnes of meat from Bovinae – 6,314 tonnes, pork – 1,114 tonnes and 11,779 tonnes – poultry.

Table V.26.

Exports of meat for the period 2006 – 2008, tonnes

Tariff code	Meat from	2006	2007	2008*
0201 and 0202	Bovinae	215	3,147	1,800
0204	Cattle	8,187	7,245	6,314
0203 and of 0210	Domestic pigs	113	549	1,114
0207	Poultry	8,054	17,117	11,779

** Provisional data*

Source: *Customs Agency until 2006; National Statistical Institute after 2007*

Traditionally, leaders in the export structure are the meat of poultry and small animals. According to data released by the National Statistical Institute, in 2008 exports of poultry meat decreased significantly over the preceding year and amounted to 11,779 tonnes.

In 2008, exports of poultry meat and offal decreased by 31.2% over the preceding year to 11,779 tonnes (including: 9,524 tonnes of poultry meat and 2,255 tonnes liver and offal). Major trading partners remain the Member States. Quantities exported to the European market amounted to 11,452 tonnes or about 97% of total exports for the year. Traditionally, the most important export of meat of waterfowl, which in 2008 amounts to 7,359 tonnes (c. so am 1,896.2 tonnes vtlasten liver).

Exports of chicken meat and offal accounts for 35% of total exports and amounted to 4,136 tonnes. Destinations of exports of larger quantities of poultry are Greece – 1,717 tonnes, Romania – 1,601 tonnes, France – 209 tonnes, Malta – 191 tonnes and more.

Exports of turkey meat in 2008 in small quantities – 284 tonnes at an average price

3,584 USD/tonne, targeted to France (213 tonnes), Belgium (24 tonnes), Turkey (19.4 tonnes). Bulgaria is not a traditional producer of turkey meat and quantities of such meat are usually minor.

In 2008, export was carried out at 6,314 tonnes of meat from Bovinae, which is 12.9% less than the preceding year. Traditionally, central counterparties to the meat of Bovinae are Greece (3,597 tonnes), Italy (1,336 tonnes) and Croatia (1,093 tonnes).

Significant reduction – 42.8%, noted that exports of meat from Bovinae animals (1,800 tonnes in 2008). Frozen meat occupies a major share (92%) of total exports of Bovinae meat and amounted to 1,659 tonnes. Larger quantities are focused on Greece – 645 tonnes, Romania – 358 tonnes, Netherlands – 272 tonnes and more. Exports of fresh or chilled meat of Bovinae animals and is negligible and nasochenglavno for Italy (74 tonnes) and Greece (54 tonnes).

In 2008, exports of pork increased about twice, reach 1,114 tonnes, with 549 tonnes in 2007.

Milk and dairy products

In 2008, continued the trend in the export of milk and dairy products. Registered with 38.9% more exports of dairy products compared with last year. According to preliminary according to data released by the National Statistical Institute, in 2008 the internal market are made 32,273.1 tonnes of milk and milk products, including: milk, cream and whey – 8,745 tonnes of butter and milk fat – 2,475.1 tonnes of cheese and curd – 21,052.6 tonnes. in 2008 the total export volume, the quantities allocated to the EU accounted for around 72.1% or 23,263.3 tonnes. Our country has already established markets, but as part of the EU, the opportunities for wider access of Bulgarian dairy products increased substantially. The largest quantities of milk and dairy products were delivered to Greece – 11,922.6 tonnes, Romania – 9,011.5 tonnes, Germany – 643.3 tonnes, Italy – 488.9 tonnes, etc. In 2008 exports of dairy products to third countries accounts for 27.9% of the total and amounted to 9,009.8 tonnes. The most significant quantities are exported to the USA – 3,162.8 tonnes, Australia – 1,468.5 tonnes, Lebanon – 1,582.9 tonnes, etc.

In 2008, major increase in exports of almost all milk and milk products from Bulgaria. Compared with 2007, the most significant growth was recorded in exports of butter and milk fat – more than twice. It exports of milk, cream and whey – an increase of 43% and cheese and curd – by 31.2% over the preceding year.

Exports of cheese and cheese traditionally occupies the largest share in the export structure of dairy products in 2008 was 65.2%. Distributed are 21,053 tonnes of cheese and curd, which is 31% over the preceding year. Traditionally, export-oriented dairy products are Bulgarian white brine cheese and yellow cheese. Larger quantities of cheese and curd is a traditional target for Greece (6,555 tonnes), Romania (4,747 tonnes), USA (3,159 tonnes), Lebanon (1,571 tonnes), Australia (1,466 tonnes), Germany (586 tonnes), etc.

Table V.27.
Exports of milk and dairy products for the period 2006 – 2008, tones

Tariff code	Products	2006	2007	2008 *
0401, 0402, 0403, 0404	Milk, cream, whey	1,499	6,117	8,745
0405	Butter and milk fats	570	1,083	2,475
0406	Cheese and curd	13,784	16,042	21,053

** Provisional data*

Source: *Customs Agency until 2006; National Statistical Institute after 2007*

More than twice increased exports of oil and milk fat compared to 2007 and in 2008 amounted to 2,475 tonnes. As major trading partners of the country these products are Romania (1,945 tonnes), Greece (250 tonnes), Belgium (83 tonnes), etc.

4.6. Import of live animals and animal products

Live animals

According to preliminary according to data released by the National Statistical Institute, in 2008 total imports of live animals is estimated at 2,208.791 units, Which is 47% less than the preceding year. Marked reduction in the number of imported poultry and pigs, while an increase of imported animals of the Bovinae and Bovinae.

E made in 2008 total imports 1,749.754 units live poultry, which is 52.7% less compared to the preceding year. There has been a decline in imports in all species. In poultry, during the year in the country have entered 1,545.164 units day-old chicks (domestic fowl) and 204,090 units day-old ducks (reduction of 38% and 83.1% compared with 2007).

Major share of imported day-old chicks (domestic fowl) are palease forms – 1,259.542 units And the remaining 285,622 units are commodities. For the observed period, imports of chicks – palease forms, decreased by 14.4% compared to 2007 they were delivered from Hungary – 435,766 units, Germany – 425,719 units, France – 230,508 units, Netherlands – 101,882 units, Austria – 55,090 units and Belgium – 10 577 units Imports of chicken stock marks a significant decrease – by 72% over the preceding year. Chicks are imported commodities originating from Greece – 132,000 units, Germany – 67,804 units, Netherlands – 21,600 units, Cyprus – 15,395 units, etc.

The number of ducks imported in 2008 are destined fattening (204,090 units) Decreased by 83.1% compared to 2007 as major importing countries are Belgium – 143,589 units, France – 50,064 units and Hungary – 10,437 units.

In 2008, imports of live pigs also noted a significant decrease over the preceding year – by 59% to 12,935 units Of these, only 2,138 units are breeding and the remaining 10,797 units – Slaughter. A significant number of breeding pigs imported from France (1,104 units) Netherlands (300 units) Denmark (280 units), etc. Animals for slaughter are shipped from Greece (4,738 units) Germany (2,500 units) Hungary (2,050 units) Netherlands (1,335 units), etc.

In 2008, the number of imported live animals of Bovinae grew by 48.5%, reaching A total of 4,087, including 84% or 3,415 units intended for breeding, imported from France – 759 units, Romania – 698 units, Germany – 424 units, Hungary – 341 units, etc.

There has been a slight increase (1.5%) of imported live animals of Bovinae. Traditionally, the predominant means imports of lamb to slaughter – 435,330 units And 341 units are breeding. As in preceding years, the lambs are supplied mainly from Romania (441,544 units).

Table V.28.

Imports of live animals for the period 2006 – 2008, number

Tariff code	Animals of the kind of	2006	2007	2008 *
0102	Bovinae	2,102	2,752	4,087
0104	Cattle	363,845	435,351	442,015
0103	Domestic pigs	22,914	31,600	12,935
0105	Poultry	4,235.714	3,701.203	1,749.754

**Provisional data*
***Source:** Customs Agency until 2006.; National Statistical Institute after 2007*

Milk and dairy products

According to preliminary data released by the National Statistical Institute, in 2008 the country imported a total of 51,144 tonnes of milk and dairy products. Compared with the previous 2007 is reporting significant growth in total imports of milk and dairy products – 71.6%. There was a significant increase in imported quantities of most dairy products except butter and milk fat. Distributed species of imported dairy products are as follows: 35,117 tonnes – Milk and cream (including 24,207 tonnes of dry milk), 7,305 tonnes – whey, 4,794 tonnes – Cheese and curd, 2,816 tonnes – oil, 1,112 tonnes – acidic and sour milk. Imports were mainly from the EU, where imported 45,887.4 tonnes (89.7% of total imports). The largest quantities are shipped from Germany – 10,555.8 tonnes, Poland – 7,090.9 tonnes, Netherlands – 6,219.9 tonnes, Greece – 4,239.8 tonnes Republic – 4,231.7 tonnes and more. From countries outside the EU in large quantities are imported from Croatia – 4,627.2 tonnes, Macedonia – 542 tonnes and more.

After Bulgaria's accession to the EU created the conditions for wider access of Bulgarian products to the European Common Market and the expansion of trade with other Member States. Abolition of tariff and non tariff barriers (duties, fees, levies, etc.) Contributed to increased imports of dairy products, mainly milk and whey, which are targeted mainly for the processing industry in the country.

Table V.29.

Imports of milk and dairy products for the period 2006 – 2008, tonnes

Tariff code	Products	2006	2007	2008 *
0401, 0402, 0403, 0404	Milk, cream, whey	15,943	24,015	43,535
0405	Butter and milk fats	1,361	1,693	2,816
0406	Cheese and curd	3,598	4,097	4,794

** Provisional data*
***Source:** Customs Agency until 2006; National Statistical Institute after 2007*

Traditionally, the largest share held by imports tariff code 0402 – milk and cream, concentrated, approximately 49% of total imports of dairy products. in 2008 these imports grew more than twice the preceding year, amount to 24,967 tonnes. Principal amount (97%) of this item is powdered milk – 24,207 tonnes. Deliveries of milk powder in 2008 entirely from European countries, the most significant quantities are imported from Germany – 4,906 tonnes, Romania – 4,580 tonnes, Poland – 3,960 tonnes, Netherlands – 3,646 tonnes Republic – 2,342 tonnes, etc.

Imports of butter and milk fat in 2008 decreased by 4.9% compared to 2007 and amounts to 2,816 tonnes delivered in Poland (1,031 tonnes), Germany (777 tonnes), Netherlands (290 tonnes), Slovenia (160 tonnes), etc.

Imports of cheese and curd in the amount of 4,794 tonnes – up 17% over the preceding year. Although Bulgaria is a traditional producer of cheese in the country is importing various types of unconventional and atypical for the Bulgarian market cheeses and blue cheeses, Emmental, Cheddar, Brie, Gauda, etc. Germany (1,350 tonnes), Poland (1,217 tonnes), Denmark (457 tonnes), Netherlands (474 tonnes) are the countries from which they are imported larger quantities of cheese.

Meat

According to preliminary according to data released by the National Statistical Institute, in 2008 imported a total of 142,366 tonnes of meat, which is 17.6% more than in the preceding year. There has been growth in imports of pork, poultry and meat from Bovinae, while the meat of Bovinae animals is decreasing.

In 2008, recorded a total of 14,904 tonnes of meat from animals of the Bovinae, including: 13,535 tonnes – frozen (91% of total imports of Bovinae meat) and 1,369 tonnes – fresh and chilled meat imported mainly EU. After the accession of Bulgaria to the EU has seen significant growth in trade with EU countries, while in third countries decreased because of the high import duties. EU in 2008 were delivered 14,391 tonnes of beef meat, such fundamental quantities are shipped from Poland (2,887 tonnes), Austria (2,343 tonnes), Italy (2,191 tonnes), Spain (999 tonnes), etc. Imports from third countries amounted to 513 tonnes (from Uruguay – 374 tonnes, Argentina – 100 tonnes and New Zealand – 39 tonnes).

Table V.30.

Imports of meat for the period 2006 – 2008, tonnes

Tariff code	Meat from	2006	2007	2008 *
0201 and 0202	Bovinae	63,567	15,367	14,904
0204	Cattle	29	92	614
0203 and of 0210	Domestic pigs	18,655	57,799	68,368
0207	Poultry	42,109	47,753	58,480

** Provisional data*
***Source:** Customs Agency until 2006; National Statistical Institute after 2007*

Imports of pig meat in 2008 grew over the preceding year – by 18.3%, reaching 68,368 tonnes, including: 66,316 tonnes of fresh, chilled and frozen pork and 2,052 tonnes salted, dried, smoked, etc. Traditionally, the predominant imports of frozen meat, mainly for the processing industry. And in 2008 the largest share in total imports of pig meat that occupies a frozen meat – 69% or 46,065 tonnes.

Over the past two years – 2007 and 2008, imports of pork in Bulgaria is achieved primarily by the Member States. Countries which are supplied in large quantities of pork in 2008 were Spain (10,940 tonnes), Germany (10,590 tonnes), Austria (8,518 tonnes), France (7,307 tonnes), Poland (6,865 tonnes) Belgium (4,090 tonnes), Denmark (3,716 tonnes), Greece (3,290 tonnes), etc.

In 2008, occurred repeatedly increase in imports of meat from Bovinae – from 97 tonnes in 2007 to increase the quantities imported 614 tonnes. 456.4 tonnes were imported fresh and chilled meat and 234.3 tonnes of frozen meat from Bovinae. The most significant imports of meat such as Bovinae was carried out in Spain – 394 tonnes (64% of total imports), followed by New Zealand – 82.7 tonnes, Argentina – 74.6 tonnes, Greece – 23.7 tonnes, etc.

Increase of 22.5% compared to 2007 and reported imports of poultry meat and offal (58,480 tonnes, including: 52,468 tonnes of meat poultry and 6,012 tonnes offal). Factor for this increase is 10.6% lower poultry production, over the preceding year. Predominantly imported frozen chicken and turkey meat and offal, which is applied in the processing industry, mainly for the production of sausages and other poultry products. The quantity of imported frozen chicken meat and offal in 2008 over the preceding year increased by 17.5%, reach 51,308 tonnes (at 43,683 tonnes in 2007). Significant increase, with 76.2%, notes and imports of fresh and chilled poultry meat and offal, which in 2008 reached up to 7,172 tonnes.

Divided by species, the importation of poultry meat in 2008 is as follows: 39,138 tonnes – the meat of fowls, 19,190 tonnes – turkey meat and 152 tonnes – the meat of waterfowl. Over the preceding year reported an increase in imports of chicken meat 43.4%, while that of turkey meat decreased by 6.1%. Although multiple growth was recorded in imports of meat of waterfowl, it remains insignificant. The most significant quantities of meat and offal of poultry imported from the Netherlands – 10,352 tonnes, Germany – 8,352 tonnes, Brazil – 7,780 tonnes, Greece – 7,494 tonnes, France – 4,998 tonnes, Poland – 4,574 tonnes Italy – 4,065 tonnes and more.

VI. SAPARD PROGRAMME

1. Evaluation of the implementation

The objectives of SAPARD put under Regulation 1268/1999 were as follows:

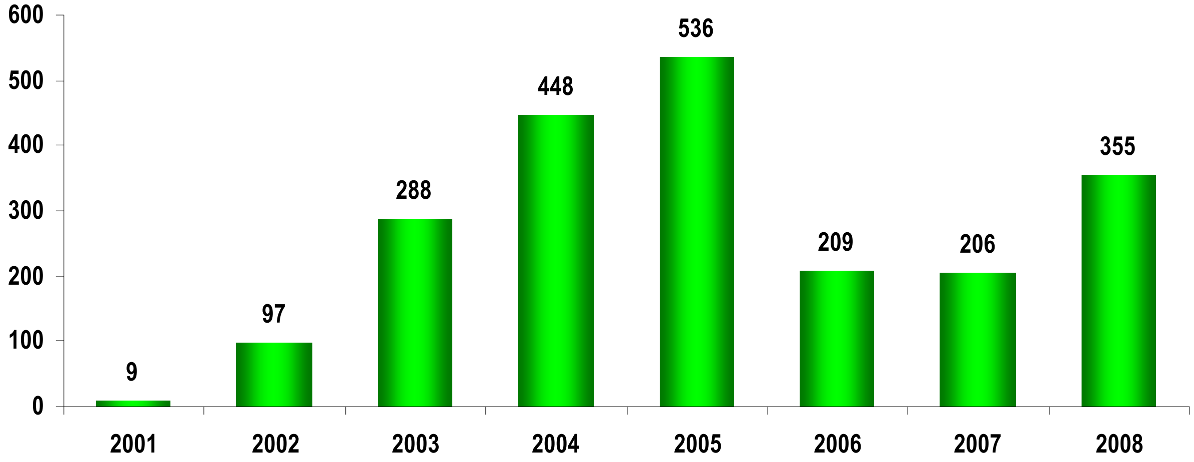
- Contribute to the implementation of the EU acquis, the common agricultural policy and related policies;
- Solving specific problems and priorities for sustainable adaptation of the agricultural sector and rural areas of the candidate countries.

Results from the implementation of SAPARD programme

- The programme has helped the sector to setup Community standards for the quality of the foodstuffs and consumer protection, health and welfare, conditions of safety and hygiene in the workplace.
- The programme has made a significant contribution to the successful completion of pre-accession process. Experience in the implementation of SAPARD experience is used in the period after accession in the preparation of the Rural Development Programme 2007 – 2013 onwards;
- Agricultural holders and processors know better EU standards. This is a continuous process that must be maintained with constant reinforcement of administrative capacity.

Figure VI.1.

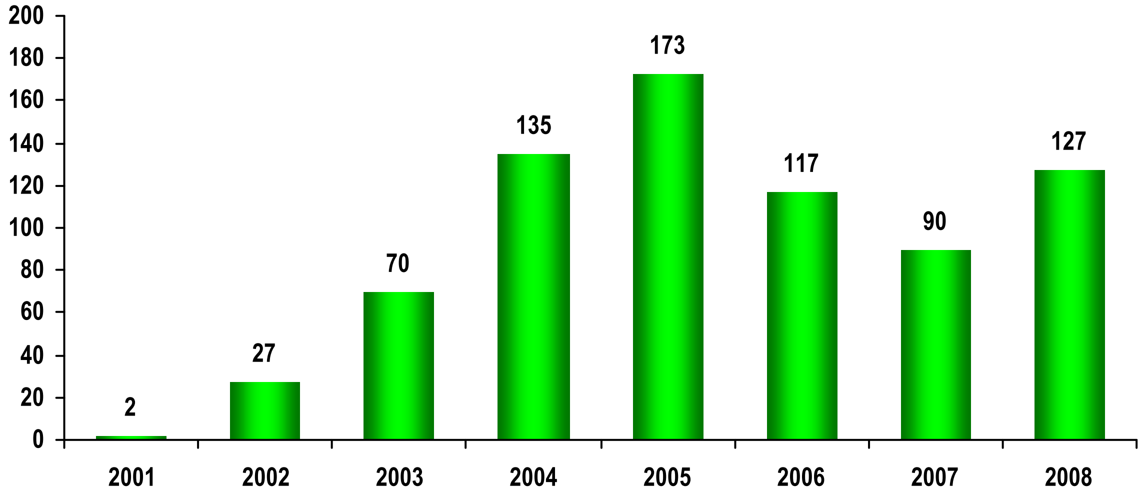
Performance of completed projects under SAPARD programme for the period 01.06.2001 – 31.12.2008



Source: *Database of projects under SAPARD programme, Ministry of Agriculture and Food*

Figure VI.2.

Implementation of SAPARD programme for the period 01.06.2001 – 31.12.2008, subsidies paid, million BGN

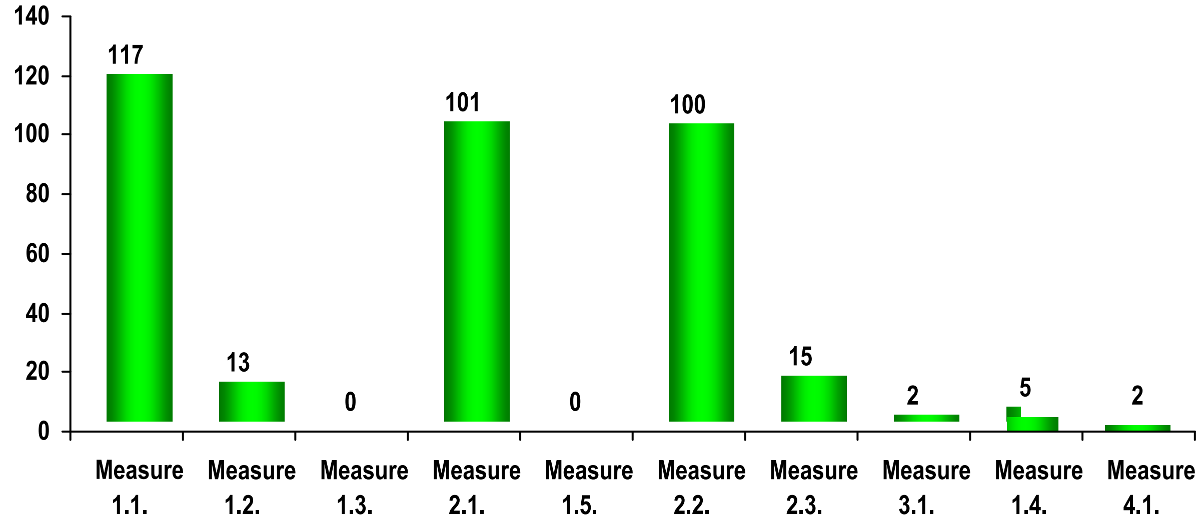


Source: *Dataase of projects under SAPARD programme, Ministry of Agriculture and Food.*

In 2008, a total of 355 projects were implemented with paid subsidy of EUR 127 million. Compared with the previous year 2007, the implemented projects have increased by 149 pc., and the paud subsidy – by EUR 37 million.

Figure\ю VI.3.

Completed projects, by measures for the period 01.01. – 31.12.2008, (number)



Source: *Database of projects under SAPARD programme, Ministry of Agriculture and Food*

To measure 1.1. "vestments in agricultural holdings" paid projects in 2008 were 117, with paid subsidy amounting to BGN 32,125.03; in 2007 paid projects were 112 with paid subsidy of BGN 28,674.469.

Paid under the measure in 2008 projects represent 33% of all projects and 25% of all paid projects.

The average amount paid to the project from the start of the measure until 31.12.2008 amounted to BGN 229,002, which is 11.7% of the maximum permissible value of EUR 1,000.000.

Under measure 1.2. "Improving the processing and marketing of agricultural and fishery products" paid projects in 2008 are 13, paid a subsidy of BGN 16,586.820. In 2007 paid a subsidy amounting to BGN 24,268.828 for 37 projects.

Paid under the measure projects for 01.01. – 31.12.2008 represent 3.67% of the total and 13.03% of the value of all paid projects.

The average amount paid to the project from the start of the measure until 31.12.2008 amounted to BGN 991,205, the average amount of the investment project in the period until 31.12.2008 was BGN 2,248.029.

In 2007 started the measure "Development of agricultural activities aimed at protecting the environment" in which selected projects are 201 in total value BGN 1,937.958 as of 31.12.2008 on this measure are not yet paid projects.

In 2008, paid for Measure 2.1 projects. "Development and diversification of economic activities and create opportunities for multiple activities and alternative incomes" are 101, with a value of subsidy paid in the amount of BGN 27,235.733.

Paid under the measure in 2008 projects representing 28.45% of the total and 21.4% of the value of all paid projects.

The average amount paid to the project from start to 31.12.2008 measure amounted to BGN 195,899.

Paying projects in 2008 under Measure 1.4. “Forestry, aforestation of agricultural land, investment in forest holdings, processing and marketing of forest products” means 5 with the value of paid subsidy of BGN 1,017.104 in 2007 for the same number of projects has been paid subsidy of BGN 896,582.

Projects under the measure approved in 2008 represent 1.4% of total projects and 0.8% of the value of all projects.

The average amount paid to the project from start to 31.12.2008 measure amounted to BGN 156,629, which is about 40% of the maximum limit of BGN 200,000.

In 2008, paid no projects under measure 1.5. “Setting up producers”. Since starting the programme until 31.12.2008 projects are paid 2, the subsidy paid amounted to BGN 79,260.

Projects implemented in 2008 under Measure 2.2. “Renovation and development of villages, protection and conservation of rural heritage” are 100, the subsidies paid to them amounted to BGN 27,251.750.49 the compare – in 2007 were paid 18 projects amounting to subsidies, amounting to BGN 19,764.334.

Paid under the measure projects in 2008 representing 28.2% of the total number of projects and 21.41% of the value of any paid projects.

The average amount paid to the project from start to measure up to 31.12.2008, amounted to BGN 444,286, which is 22.75% of the maximum permissible value of EUR 1,000.000.

Projects implemented under Measure 2.3. “Development and improvement of rural infrastructure” in 2008, are 15, the value of the subsidy is paid in the amount of BGN 22,519.440 the compare – in 2007 were paid 7 projects with the amount of subsidies –BGN 11,647.075.

Paying for projects in the measure in 2008 represent 4.23% of the total and 17.7% of the value of any paid projects.

The average amount paid to the project from the start of the measure amounts as of 31.12.2008 to BGN 1,633.776, which is 41.77% of the maximum limit of EUR 2,000.000.

In 2008, under Measure 3.1. “Improvement of vocational training” have been paid 2 projects, the value of the subsidy paid amounted to BGN 289,140 paid projects under the programme for this measure is 3.

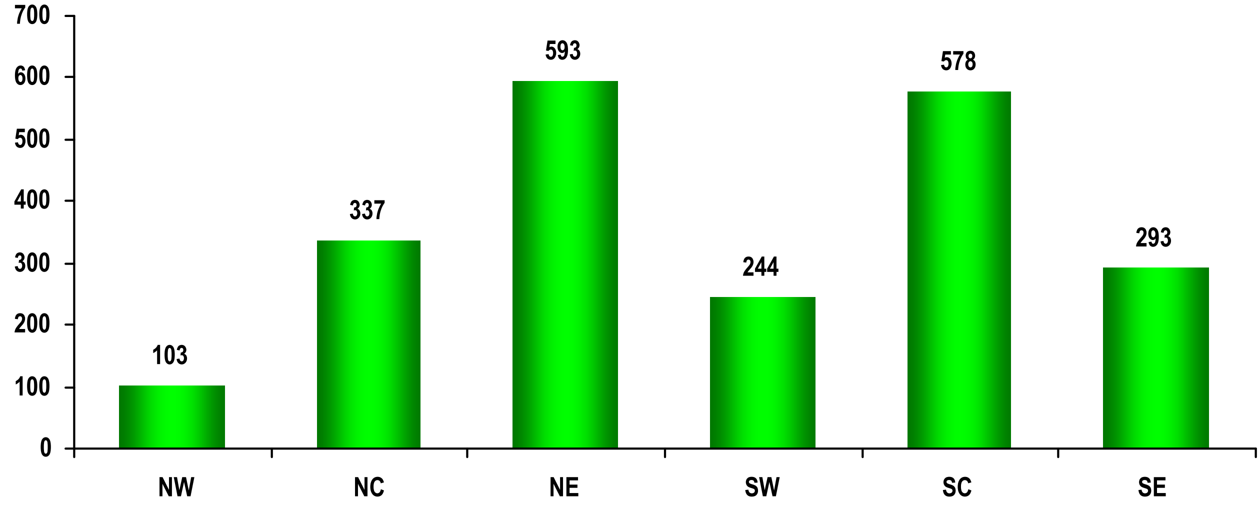
The average amount paid to the project from start to measure up to 31.12.2008, amounted to BGN 132,871.

Implement the project under Measure 4.1. “Technical Assistance” in 2008 are 2, paid subsidies amount to BGN 264,582. They represent 0.56% of the total and 0.21% of the value of all paid projects.

The average amount paid to the project from start to measure up to 31.12.2008, amounted to BGN 85,935.

Figure VI.4.

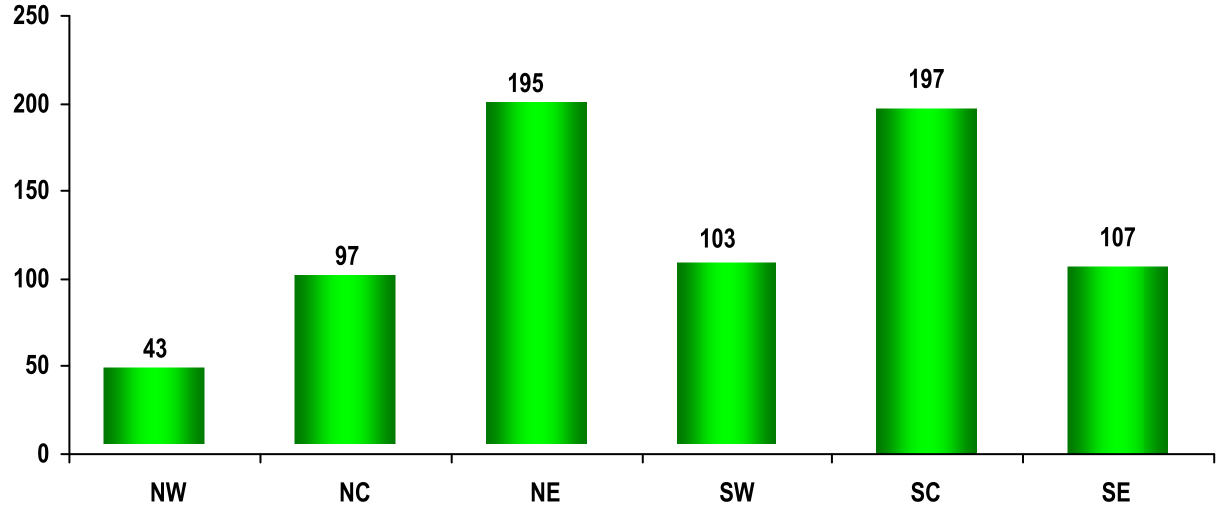
Distribution of the number of projects paid per planning regions for the period 01.06.2001 – 31.12.2008, number



Source: *Database of projects under SAPARD programme, Ministry of Agriculture and Food*

Figure VI.5.

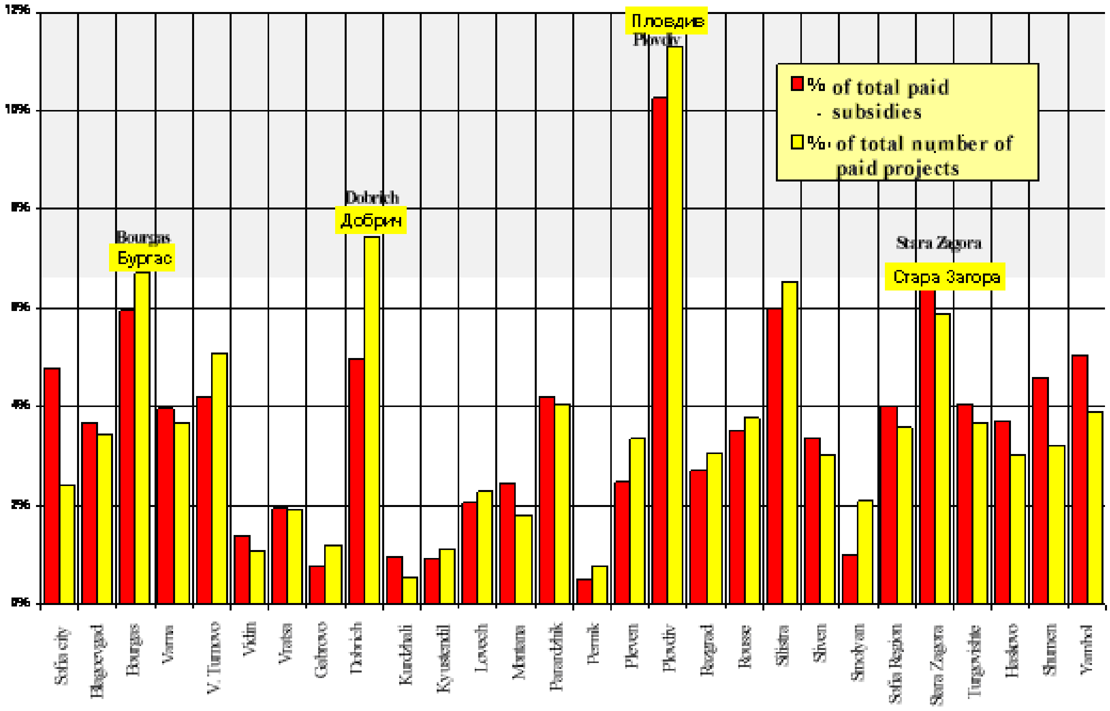
Distribution of the number of subsidies paid by planning regions for the period 01.06.2001 – 31.12.2008, million BGN



Source: *Database of projects under SAPARD programme, Ministry of Agriculture and Food*

Figure VI.6.

Distribution of the number of aid paid by districts for the period 01.06.2001 – 31.12.2008, %



Source: *Database of projects under SAPARD programme, Ministry of Agriculture and Food*

Clear from the above figures in the period 01 June 2001 – December 31, 2008, most projects have paid in the regions for planning – North (593 ea. – 27.6% of all paid projects) and South Central (578 units – 26 9%), but at least in the Northwest planning region (103 units. – 4.8%). The largest part of the subsidies were paid in the South Central region (BGN 197,310.594 – 26.6% of the total subsidy paid BGN 741,603.962 for all measures), while the smaller part – in the Northwest planning region (BGN 43,013.240 – 5.8%).

At district level most projects have paid in Plovdiv region (243 piece – 11.3% of the total), Dobrich (160 units – 7.4%), Bourgas (144 units – 6.7%) and Silistra (140 units – 6.5%) and least in areas of Kurdzhali (12 units – 0.6%), Pernik (17 units – 0.8%) and Vidin (23 units – 1,1%). The largest part of the subsidies were paid in the Plovdiv region (BGN 76,04 million – 10,3% of the total), Stara Zagora (BGN 47,9 million – 6,5%) and Silistra (BGN 44,49 million – 6%), while the smaller part – in Pernik (BGN 3,68 million – 0,5%), Gabrovo (BGN 5,7 million – 0,8%), and Kyustendil (BGN 6,96 million – 0,9%).

Of all 2,148 units paid as of 31.12.2008 projects under SAPARD 1,579 units (74%) were in rural areas, including 1,111 units (52%) are in backward rural areas.

Total subsidy paid (BGN 741,603.962) BGN 482,01.249 (65%) is paid to beneficiaries in rural areas, but BGN 334,835.013 (45%) is paid to beneficiaries in disadvantaged rural areas.

To measure “Investments in agricultural holdings” most projects have paid in the regions for planning – North (469 ea. – 34.3%) and South Central (353 units – 25.8%) and least in regions – Southwestern (57 units – 4.1%) and North (51 units – 3.7%). With regard to the subsidy paid, the biggest part of it is a Northeastern region (BGN 112,9 million – 36%) and lowest for the South West part (BGN 10,65 million – 3,4%).

Most projects implemented under the measure are in the Plovdiv region (163 piece – 11.9%) and Dobrich (132 units – 9.6%). In Sofia-city project has 3 paid, in the Kurdzhali region are only 2 units (0.1%). With regard to the subsidy paid, the biggest part of it is about District Silistra (BGN 32,2 million – 10,3%) and Dobrich (BGN 28,7 million – 9,2%).

Of all the a total of 1,368 projects paid under the measure, 987 units (72%) were in rural areas, including 745 units (54%) are in backward rural areas.

Total subsidy paid (BGN 313,274.789) BGN 220,150.149 (70%) were paid to beneficiaries in rural areas and among them – BGN 166,811.634 (53%) were paid to beneficiaries in disadvantaged rural areas.

To measure “Improving processing and marketing of agricultural and fishery products” most have implemented projects in the South Central region (78 units – 30.8%), but at least the Northwest planning region (15 units – 5.9%). Subsidies paid by the greatest part of it is directed at South Central region (BGN 84,8 million – 33,8%), while the smaller part – to the Northwest planning region (BGN 8,4 million – 3,3%).

Most projects implemented under the measure are in the Plovdiv region (35 units – 13.8%), while at least – in the Kyustendil region (1 piece – 0.4%). In terms of the approved grant, the largest part of it is to Plovdiv (BGN 36,3 million – 14,5%).

Paid by all projects (253 units) Measure of 110 piece (43%) were in rural areas, including 67 piece (26%) are in backward rural areas. Total subsidy paid (BGN 250,774.770) of beneficiaries in rural areas are paid BGN 90,738.899 (36%) and that of beneficiaries in disadvantaged rural areas are paid BGN 52,834.441 (21%).

To measure “Development of agricultural activities aimed at protecting the environment” will present completed projects.

To measure “Development and diversification of economic activities and create opportunities for multiple activities and alternative income” most have completed projects in the South Central region (101 piece – 30.1%), but at least the Northwest planning region (13 units – 3.9%). The largest part of paid subsidies is in the Southwestern region (BGN 19,04 million – 28,9%), while the smaller part is in the Northwest planning region (BGN 2,8 million – 4,2%).

Most projects paid under the measure is in Blagoevgrad (40 units – 11.9%) and in Sofia-city district of Kurdzhali and there is only 1 piece (by 0.3%). The largest part of the subsidies are paid in Blagoevgrad (BGN 9,04 million – 13,7%).

Paid by all projects (336 units) Measure of 317 piece (94%) were in rural areas, including 174 units (52%) are in backward rural areas. Total subsidies paid (BGN 65,821.904) BGN 62,396.546.96 (95%) were paid to beneficiaries in rural areas, including BGN 30,769.962 (47%) were paid to beneficiaries in disadvantaged rural areas.

To measure “Renovation and development of villages, protection and conservation of rural heritage”, most have completed projects in the South Central region (34 units – 26.4%) and least in the southeast region (10 units – 7.8%). The largest part of the subsidies were paid in the North region (BGN 12,8 million – 22,4%), while at least – in the Southeastern region (BGN 4,7 million – 8,3%).

Most projects paid under the measure is in Plovdiv (12 units – 9.3%) and at Sliven and Gabrovo – one. The largest part of the subsidies are paid in Montana (5,6 million BGN – 9,7%).

All paid projects (129 units) In the measure are in rural areas, including 97 piece (75%) are in backward rural areas. Total subsidies paid (BGN 57,312.874) BGN 42,153.564.15 (74%) were paid to beneficiaries in disadvantaged rural areas.

To measure “Development and improvement of rural infrastructure”, met most projects (7 – or 22.6%) are in the Northeastern, Southwestern and South Central region, at least in the North Central region (2 units – 6.5%). The greatest part of subsidies are paid in the Southwestern Region (BGN 12,8 million – 25,2%), while the smaller part – in the North Central region (BGN 4 million – 7,9%).

Most paid under the measure has projects in the areas of Shoumen, Stara Zagora, Vratsa, Yambol and Blagoevgrad (in 3 units – 9.7%) and in 11 areas not paid projects. With regard to the subsidy paid most part of Blagoevgrad (BGN 5,5 million – 10,9%).

All paid projects (31 units) In the measure are in rural areas, including 26 piece (84%) are in backward rural areas. Total subsidies paid (BGN 50,647.042.65) BGN 41,906.904.12 (83%) were paid to beneficiaries in disadvantaged rural areas.

To measure “Forestry, aforestation of agricultural land, investment in forest holdings, processing and marketing of forestry products” most have completed projects in the Southwestern region (6 units – 40%). The largest part of the subsidies are paid back in the Southwestern region (BGN 0,87 million – 37%). In the Northwest planning region paid no single project.

Most projects paid under the measure is in Smolyan (5 units – 33.3%) and in 20 areas not paid projects.

The largest part is back to Smolyan (BGN 0,65 million – 27,5%). In terms of the total subsidy paid under the measure (BGN 2,349.428) BGN 765,736.52 were paid to beneficiaries in rural areas, including BGN 358,507.23 (15%) – beneficiaries in disadvantaged rural areas.

To measure “Setting up producer” has been paid by 1 projects in South and Northeast region.

Entire subsidy paid under the measure is BGN 79,259 – entirely in urban areas.

Data on the geographical distribution of projects shows that most projects have paid in the regions where agriculture is generally well developed, while the tendency is observed of increasing the number and relative share of appropriate projects in less developed areas. The majority of projects are in rural areas, except those under measure “Improving processing and marketing of agricultural and fishery products” due to the fact that much of the processing plants are located in major urban centres.

2. Degree of achieving the purposes per measures

Measure 1.1 “Investments in agricultural holdings”

By 31 December 2008 were paid a total of 1,368 project. The measure is aimed at overcoming the problems of Bulgarian agricultural holdings in the mobilization of resources for investment. At this stage it is still difficult to measure its impact on agricultural production.

Table VI.1.

Physical indicators under Measure 1.1., as of 31.12. 2008

Physical indicators	Performance of completed projects by 31.12.08	Indicators set out in the National Plan for Agricultural and Rural Development
Projects for dairy cattle breeding	100	720
Projects for pigs breeding	53	100
Projects for poultry breeding for meat	26	20
Flowers, cereals, oilseeds and tobacco	689	1,500
Permanent crops:		
Orchards – new or retrofit and small fruit	276	1,700
Vines	87	600
Vegetables, essential oil-bearing crops, perennial medicinal plants	105	790

Note: *The AU monitoring system divides the projects according to the basic objective of the investment and binds the physical indicators to the type of project. In the case of investment in agricultural machinery and irrigation systems, this system leads to underestimation of the achieved results.*
Source: *Database of approved projects, Ministry of Agriculture and Food*

Table VI.2.

Indicators for monitoring and evaluation and results from 01.06.2001 to 31.12.2008

Physical indicators	Unit	Performance of completed projects	Indicators set out in the National Plan for Agricultural and Rural Development
Premises for breeding cows	number of projects	23	720
	number of units of livestock	3,964	14,250
Premises for breeding pigs	number	44	100
	number of units of livestock	560,327	23,300
Premises for the rearing of poultry meat	number of projects	21	20
	number of units of livestock	8,151.805	425,000
Greenhouses (new and retrofit)	hectares	170	62
Machinery (tractors, harvesters, couplings, cultivators, etc.)	number	4,797	2,050
	horse power	215,829	180,000
Irrigated areas as a result of the investment	hectares	3,014	3,700
Permanent crops			
Orchards, new or retrofit	hectares	2,730	3,500
Vines	hectares	2,544	4,100
Small fruit (berries)	hectares	936	1,100
Essential oil-bearing crops, perennial medicinal plants	hectares	784	1,200

Note: *The AU monitoring system divides the projects according to the basic objective of the investment and binds the physical indicators to the type of project. In the case of investment in agricultural machinery and irrigation systems, this system leads to underestimation of the achieved results.*
Source: *Database of approved projects, Ministry of Agriculture and Food.*

In the poultry sub-sector achieved underlying indicators for monitoring and evaluation. In sub-pig met a few projects, but are met by the programme set parameters for number of animals kept under better conditions. Projects already implemented provide growing conditions conforming to the requirements of the European acquis 560,327 pigs, which is pledged times more than an indicator.

On the basis of completed projects under better conditions, with the requirements of European legislation, keeping 8,151.805 poultry, which means that these sectors meet the European requirements for animal welfare.

The “Milk” sector also performs projects under the measure to improve hygiene and animal health in order to achieve the EU requirements. Expected completion in 720 breeding dairy cows, 216 projects were approved (30%), which will lead to modernization of premises 4,243 breeding cows, set in 14,250. With a fully realized and 100 projects have already paid approximately 4,000 cows are kept in upgraded facilities, meeting the requirements of European legislation.

In implementing the projects for greenhouses is also reported progress. Met is set indicator constructed and renovated greenhouses – 170 hectares, set in 62 hectares. As a result of the support of the measure is irrigated 3,014 hectares, set in 3,700 hectares.

With regard to the set number of items purchased for the machinery and power (horse power) are overfulfilled indications as to the number of purchased machines, and in terms of power (horse power).

Progress has been made regarding the fulfillment of the indicators of “permanent crops and vineyards”. As a result of investments made under the measure have been created or restored 2,730 hectares of orchards, 936 hectares of berries, 784 hectares of oil-bearing and perennial medicinal plants (65%) and recovered 2,544 hectares of vineyards. Investments contribute to the achievement of the measure in order to meet the phytosanitary requirements for the cultivation of perennial crops.

Supported was a significant number of young agricultural holders – paid 31% of projects under the measure.

Measure 1.2 “Improving the processing and marketing of agricultural and fishery products”

A total of 253 met the project. More than half of the projects and public assistance are concentrated in two regions – the South Central and Southwestern, ie, where the main consumer markets.

Of the projects are in 54% sectors – milk, meat and fish, which have the most stringent requirements in terms of environment, health and hygiene requirements and requirements relating to animal welfare.

Support for the measure meets the set in the National Plan for Agriculture and Rural Development (NARDP) objective of achieving the standards and requirements of the EU. A lower share of assisted companies in the dairy sector can be explained as a shortage in supply of quality raw milk and the process of consolidating and increasing the average size of firms. The indicator “increase income” speaks for increased competitiveness of the enterprises supported.

Measure 1.4 “Forestry, afforestation of agricultural land, investment in forest holdings, processing and marketing of forestry products”

This measure is potentially attractive to private and public beneficiaries, but the number of applications is extremely low – 18 approved projects. Potential private beneficiaries were not assisted in the creation of organizations of forest owners, while individually they are less interested in this type of long-term investments with low returns, and often have limited or no knowledge in forest management. In the same way for municipalities to invest in forest resources is not the first in the list of priorities and they rather choose "public measures" for the construction of forest roads.

Measure 1.5 “Setting up producers”

The start of the measure, however, although delayed, showing awareness of the benefits of producer organizations.

Measure 2.1 Development and diversification of economic activities and create opportunities for multiple activities and alternative income”

A total of 336 met the project. Approved investments mainly cover three of the nine activities identified for support under the measures under “Rural tourism”, “Wood, carpentry” and “Beekeeping”. Performed in backward rural areas, projects have received almost half of the disbursements.

Measure 2.2 “Renovation and development of villages, protection and conservation of rural heritage”

Projects paid under the measure were 129, including 109 for improving the street network. The measure reflects the urgent needs in rural communities.

As a result of implementation of the measure is improved 324.4 km of street network, build new – 49.2 km of and improved – 146.4 km of distribution network, build new – 90.3 km of and improved – 25.2 km of sewerage network. Authorities responsible for the management of the SAPARD Programme – Ministry of Agriculture and Food, the SAPARD Agency and National Association of Municipalities in Bulgaria conducted an active campaign to provide information and publicity prior to the start of the implementation of measures, including a series of seminars and training center help. This is to enable even the most underdeveloped rural communities to apply the measure.

Ranking of priority projects has been applied from the outset and aid granted to the most needy – the most underdeveloped rural areas. Also to be considered successful adoption of Ordinance No.40 of the Council of Ministers, permitting municipalities with approved projects under SAPARD to obtain loans from MOF for pre-financing of projects and cover the VAT.

Measure 3.1 “Improvement of vocational training”

The main objective of the measure is to support agricultural holders in improving their professional knowledge and skills. So far completed 3 projects in result including were conducted 26 courses and trained 365 people.

3. Measures (actions) to address issues related to the implementation of SAPARD

Following investigations by the European Anti-Fraud Office (OLAF) in March 2008, the EC stopped payments measure “Improving processing and marketing of agricultural and fishery products” and “markets for producers and auction”, a result of an audit of the EC in SAPARD Agency in June 2008 and payments were suspended on measures “Investments in agricultural holdings” and “Development and diversification of economic activities”. Banned for payment are projects financed with funds from the national budget.

An audit by the EC in May 2008 identified the following problems related to the effectiveness of control procedures under SAPARD:

- Existence of doubt regarding the authenticity of offers of subsidized investments, leading to a risk of artificially Stoxx prices and increased receipt of (illegal) amount of subsidy;

- New companies were created (related parties) solely with a view to applying for SAPARD, which leads to a risk of obtaining financing over the maximum for one beneficiary in contravention of the principles of sound financial management.

The EC urged the Bulgarian authorities to prepare and implement an action plan within which to carry out the following:

- Evaluation of tenders and the accuracy of invoices submitted for projects by analyzing the content and format of documents;

- Assess the reliability of the prices of equipment acquired, not only on the basis of information provided the lowest bid, and on the basis of comparable / reference prices;

- In case of companies use brokers to carry out an analysis of “contribution” of these companies and the possible negative effect on the rules of sound financial management;

- Actions to identify possible adverse payments from suppliers to final beneficiaries and/or third party - possibly through an examination of bank accounts;

- In-depth evaluation of investments / projects in which there are connected persons, in order to verify the investment and costs, and identify cases in which the related parties were created for the sole purpose of receiving additional funding under SAPARD.

For implementation of the Action Plan are responsible SAPARD Agency, the National Fund – Ministry of Finance and Foods. The plan is in conjunction with the findings of the audit of the EC and includes the following main measures:

Horizontal measures

- Hire an external consultancy company to do an economic analysis of the average market level of asset prices on all measures stopped Biannual in the period 2004 – 2008;

- Perform legal analysis of law firms on the legitimacy of support under SAPARD related parties in the context of criticism of the EC;

- Accreditation of rules of procedure of the Counter Fraud and Anti-Corruption and reporting of irregularities;

- Strengthening the administrative capacity of the Department of Internal Audit, the improvement of the model for risk analysis, establishment of an Audit Committee;

- Inspections of projects pending for payment and paid for projects that are not declared to the EC and paid in the period 26.06.2006 projects on – 26.06.2008

- Reassessment of the validity of the bids submitted by applicants through the analysis of each draft form and content of relevant documents;

- Reassessment of the validity of the invoices submitted by the beneficiaries through the analysis of each draft form and content of relevant documents;

- Assess the reasonableness of the prices of the equipment is not only the principle of adopting the lowest bid, but based on comparable / reference price list;

- Actions to identify possible adverse payments from suppliers to final beneficiaries;

- Detailed assessment of transactions with related parties involved in order to establish authenticity of the transactions and to identify cases in which companies were created solely to obtain additional financing under SAPARD.

The plan was presented to the EC on 25 July 2008 and approved by the EC on 06 August 2008, as authorized projects implemented measures (on which the EC has prevented the EU funding) to be paid with funds from the national budget.

Implementation of the Action Plan

In implementation of the Action Plan is the company hired Grant Thornton Ltd., a market analysis done for the definition and presentation of the average market prices of assets that are subject to investment costs eligible to apply under SAPARD and draw reference database with average market asset prices of all approved projects under measures 1.1, 1.2, 2.1 and 1.2.1. When preparing the reference database were examined and screened 2,905 files of assets, technical characteristics and their unit prices. Comparison is performed on according to data released by the files of beneficiaries who have applied for funding under SAPARD and current market prices for this period obtained from independent (not involved in the projects) companies, suppliers and producers of the assets. Based on the information collected an average price and formed a reference database providing information on average market prices of those assets. Identified are 51 projects (47 of paid), which is observed excess of assets over the average price, according to the reference database.

In connection with the implementation of a strict approach regarding the increased potential of asset prices to pay the remaining projects under SAPARD for measures 1.1, 1.2, 2.1 and 1.2.1 SAPARD Agency has developed and implemented by the competent authority extra controls through which to evaluate the reasonableness of the prices of the equipment is not only the principle of adopting the lowest tender, but on the basis of developed by Grant Thornton Ltd. reference database.

To conduct a thorough assessment of transactions with related parties involved and establish the authenticity of the transactions are foreign agents. consulting firms. By them are checked more than 100 projects based on risk analysis. Review is conducted and funded projects under measures 1.1, 1.2, 2.1. and 1.2.1 concerning the validity of the submitted bids, evaluation of the reasonableness of the prices of equipment, evaluation of value added in firms and companies as possible negative effects in terms of sound financial management and evaluation of transactions with related parties involved in order to establish authenticity of the transactions and to identify cases in which companies were created solely to obtain additional financing under SAPARD.

In connection with the findings of external consulting firms to pay for the remaining projects under measures 1.1, 1.2, 2.1. and 1.2.1, the SAPARD Agency has developed and implemented a number of additional inspections, which in turn provide adequate security measures taken by the agency for ensuring proper control environment and maximum protection of financial interests of the European Community, namely:

- SAPARD Agency shall reassess the validity of the invoices provided by analysis of form and content of the documentation project, examines the books of the companies involved in construction investment. Mandatory requirement and submission of logbooks and sales certified by the National Revenue Agency returns for VAT by suppliers and contractors for projects. It should be noted that this is inside information about companies that are not directly involved and are not parties to the Agriculture State Fund of contracts for support, ie these companies have the right to refuse to provide this information to the beneficiaries. In these cases, send written requests to the respective territorial divisions of the NRA to confirm that the issued and attached to the requests for payment invoices are valid, that data are accurate and they are declared to control bodies of the companies that issued them. For that purpose by the Agriculture State Fund has reached an agreement with the National Revenue Agency for cooperation and support of activity in implementing the Action Plan;

- SAPARD Agency carried out activities to identify reverse transfer from suppliers to final beneficiaries. At the same time projects' uncompleted payment verification of reverse transfers is an essential element of the checks they carry out the SAPARD Agency to ensure the correctness and regularity of payments to bona fide beneficiaries. Reliability of financial transactions is one of the controls carried out during the processing of payment requests. Is possible that additional funding of payments in number. This control is applied and inspected throughout the period of making payments under the program;

- SAPARD Agency applies additional checks for accuracy as presented in applying for SAPARD offers. They allow to identify cases of tenders submitted false and / or issued by non-existent companies. Any doubt on some of the criteria for authenticity of tenders are asked the company offered to confirm the authenticity of the bids.

With regard to the recommendation of the EC that requests for confirmation of the bids should include not only the confirmation from the supplier that the offer is made, but that the offer presented by the beneficiary is precisely that which the supplier has submitted, proposed changes in work procedures the SAPARD Agency. Stated that in case of doubt in some of the criteria for the authenticity of offers is to ask the tenderer to confirm the authenticity of the bids, together with a copy submitted when applying for money. Should be obtained confirmation neavtentichnost the tender procedure be launched for registration irregularities. This requirement applies to all currently pending payment for projects under SAPARD.

As regards the measure referred to in the Action Plan, namely that in the case of companies, firms to assess the added value of these companies and the possible negative impact on sound financial management, the SAPARD Agency applied an approach where compares the cost of each asset in this reference database exceeded market prices and if it is found Stoxx take corrective action.

This procedure ensures that even in the presence of intermediaries companies prices will be influenced and manipulated, and will be in accordance with normal market levels.

SAPARD Agency carried out an analysis of the possible types of connectivity in the projects and possible measures and actions to be taken in handling requests for payment, to avoid prejudicing the financial interests. They provide sufficient assurance that they are in compliance with national and European legislation and fully meet the recommendations made by the EC.

In order to detect artificially created conditions to circumvent the rules for support and/or maximum amount of support for processing requests for payment shall be provides for verification of connectivity between the beneficiaries.

Check is done on the basis applied to the payment request documents and findings of the field checks, while being careful about whether the investments are subject to support distinct functional (ie investment, including production and technology flows do not intersect with other ones). Analysis are subject to the artificial separation of production and technological processes in various projects to absorb additional limits on the programme.

In the case of connectivity observed between beneficiaries, in which businesses are functionally distinct and they are not artificial separation of the technological process, the processing of the request for payment is extended.

In connection found between the beneficiaries, where businesses are not functionally distinct and/or monitor the artificial separation of the technological process, to prepare a complete denial of payment of financial assistance under SAPARD and the findings of the event is recorded as an irregularity.

In carrying out the controls in the five-year monitoring period for paid projects control is used for self distinct functional, as in the case of irregularities they are registered.

“Agriculture” – SAPARD Agency carries out an inspection of paid in 2007 and

2008 SAPARD projects for the presence of connectivity, which can lead to the further limits on the programme. Inspection is carried out based on risk analysis and sampling, which will ensure that all features of the population are contained in the sample.

Other types of connectivity (between recipient and supplier / contractor between the beneficiary and tenderer (second or third offer), and between tenderers are subject to verification in case of an established Stoxx reference to the price database.

In the case of the Stoxx asset price by more than 5% compared reference database and lack of connectivity to limit the financing of the asset shall be available in this database according to accredited procedures.

In the case of the Stoxx established connectivity and asset price by more than 5% compared reference database processing of the payment request is completed and payment of the aid freeze. The project is recorded as an irregularity without financial consequences. If the indictment is brought into court for the same project to prepare a comprehensive non-payment of financial assistance. In a final Ordinance prosecutor or a court decision in favour of the beneficiary, irregularity and ends processing of the application for payment is extended, as eligible asset value is determined according to the same price of the reference database.

On the other hand, after detailed analysis of the SAPARD Agency made changes and additions to accredited procedures regarding the introduction of controls to evaluate the "added value" in connection detected, and refining the reporting of irregularities.

After detailed study and consideration to assess whether the linkage between the various categories of persons on a specific project or group of projects has led to a breach of the requirement for sound financial management of funds from national and EU budgets through inflated prices set to circumvent the National Plan for Agricultural Development and rural areas and applicable regulations of the Minister of Agriculture and Food Application under SAPARD financial measures and limits on the presence of three offers for admission.

Verification of connectivity based on a thorough analysis of documents provided by the beneficiaries, the price database prepared by the auditing firm Grant Thornton and the results of field checks. In the revised procedures and clarify the mode of action and timing of reporting of cases in which irregularities to the relevant authorities.

In submitted for approval by the National Authorizing package of documents, the SAPARD Agency has made changes in the accredited procedures regarding registration and reporting of irregularities. On entering the Agriculture State Fund began verifying information or pre-trial proceedings by OLAF, the Public Prosecutor or any other investigative body and AFCOS or because of specific facts supported by findings of an external or internal auditor involved in verification of paid projects will be registered irregularities. In connection with the increased number of irregularities in projects that need to be registered in time, the administrative capacity of the sector bad debts, Department of European funding, the SAPARD Agency has been strengthened.

As a result of the implementation of the Action Plan Agriculture State Fund has significantly strengthened infrastructure to enable effective management of conflict of interest and prevent corruption.

In connection with the construction of active communication with OLAF services and all law enforcement authorities of Bulgaria, is a “special unit under SAPARD”, together with representatives of the Agriculture State Fund and all competent authorities, including the State Agency for National Security National Investigation Office, OLAF, the Supreme Cassation Prosecution Office, the judiciary, etc.

Based on the efforts undertaken by the Bulgarian authorities on December 3 2008 the Commission allowed the deadline for implementation of the SAPARD funds be extended by one year to December 31, 2009. Report on the implementation of the Action Plan under SAPARD is presented to the EC in January 2009.

Amendments to the SAPARD programme

In relation to overcoming problems in implementing the programme during the reference period were taken and two changes in the financial plan of SAPARD.

On April 07, 2008 has sent a proposal to amend the financial plan of the programme. On the basis of outlook failure of the assimilation of the remaining non-contractual means of financing plan for 2006 on measures 1.2. “Improving the processing and marketing of agricultural and fishery products” (including in Sub-measure 1.2.1.'s Market producers and wholesale markets) in a total amount of EUR 8,696.211 (EU funds) were transferred to EUR 6,934.345 (means EU) under Measure 1.1. “Investments in agricultural holdings”; EUR 1,375.336 (EU funds) to measure 2.2. “Renovation and development of villages, protection and conservation of rural heritage and cultural traditions”, and EUR 386,530 (EU funds) to Measure 1.4. “Forestry, aforestation of agricultural land, investment in forest holdings, processing and marketing of forestry products”. The proposed amendments are approved by the European Commission decision of 26 June 2008.

On Jun 02, 2008 is sent a proposal to amend the financial plan of the programme, discussed and approved by the Monitoring Committee by written procedure in the period 20-26 May, 2008 and concerning the adjustment of the financial tables of programmes in conjunction with a reduction in outstanding funds for in 2004 amounted to EUR 27,667.869. Based on the SAPARD Agency in the analysis of data on all measures (with signed contracts and budget in accordance with the financial tables of the National Plan for Agriculture and Rural Development) was proposed to reduce the budgets of seven of the measures of the programme with the corresponding amounts as follows – by Measure 1.1. “Investments in agricultural holdings” will be deducted from the amount of EUR 5,688.988; by Measure 1.2. “Improving the processing and marketing of agricultural and fishery products” shall be deducted the amount EUR 10,776.064; By Measure 1.4. “Forestry, aforestation of agricultural land, investment in forest holdings, processing and marketing of forestry products” shall be deducted the amount of EUR 41,286; of Measure 2.1 "Development and diversification of economic activities, creating opportunities for multiple activities and alternative income" is deducted amount of EUR 5,492.775; by Measure 2.2. "Renovation and development of villages, protection and conservation of rural heritage and cultural traditions" is the amount deducted 1,555.380; by Measure 2.3. "Development and improvement of rural infrastructure" is the amount deducted EUR 4,076.576 and Measure 4.1. "Technical Assistance (Program)" deductible amount EUR 36,800. The proposed amendments are approved by decision of the European Commission (EC) of 21 November 2008.

VII. IMPLEMENTATION OF THE COMMON AGRICULTURAL POLICY

1. Health Check of the Common Agricultural Policy (Health Check of CAP)

In November 2008 in the Council of Ministers on Agriculture and Fisheries Council reached political agreement on the package of legislative measures on the review of the Common Agricultural Policy (CAP) (Health Check).

The most significant results for Bulgaria:

- have received an additional EUR 8 million annually by 2016 to the envelope for direct payments;
- given an opportunity for Bulgaria and Romania to increase to 50% national co-payments to direct payments from 2010
- Designed a special declaration of Bulgaria, in order to fully use the resources of a package of direct payments – the European Commission is committed, based on the application of unit payment scheme (SAPS) in Bulgaria, modify and adapt the area for which apply SAPS;
- prolongs the period to 2016 for Bulgaria and Romania for the mandatory application of the packets in the cross-compliance requirements on animal welfare;
- The ability to support sensitive sectors of agriculture – dairy, beef, sheep and goat meat and rice by shifting part of the Tobacco Funds for direct payments (10%);
- Saving the minimum threshold for payment of an area of 0,5 hectares (5 acres). Within the European Commission proposed a review to establish higher minimum support levels – 1 hectares or EUR 250. After the milk processing establishments discussions it is agreed that Bulgaria will apply a minimum threshold of 0,5 hectares;
- A declaration of the Council and Commission with a commitment from 2013 to equalize the levels of payment between the old and new Member States. In the review Bulgaria twice taking the initiative for the adoption of such a declaration;
- Designed a new measure of assistance in part of rural development – measure "agricultural holdings in transition";
- After 2012, a package of temporary assistance scheme for soft fruits are included in the envelope for direct payments, thus it will be increased by EUR 552,000, as well as they can be added to national support in the amount of EUR 408,000;
- It is envisaged to increase milk quotas by 1% over the next 5 years.

2. Application of the mechanisms of the Common Agricultural Policy in the various sectors

2.1. Direct payments and additional payments for the 2008 National

In 2008, under the single payment of hectares of Bulgarian agricultural holders were granted funds amounting to EUR 248,821.000, which allowed payment of EUR 65.38 per hectare.

Was prepared and issued regulations to implement the direct payment for the production of strawberries and raspberries for processing.

In order to further support the incomes of agricultural holders and compensate for the lower level of support for Bulgaria's transition period of gradual increase in payments, the country seized the opportunity to provide additional payments to the national direct payments. By decision of 14 July 2008 the EC approved the request of Bulgaria's national scheme of additional payments per hectare in 2008 with a total maximum amount to EUR 141,024.350 and maximum per hectare to EUR 47.53. Eligible for the national co-payments is the entire area under the single payment area, excluding areas occupied by vineyards, raspberries and strawberries for the processing of tobacco (for which there are other schemes and sources of assistance) and permanent grassland.

In terms of milk production in the country, Bulgaria has submitted an additional request to the EC for two support schemes through national Supplement for cow milk and ewe. These two schemes allow agricultural holders in the livestock sector, including those who work the land, obtain assistance per tonne of milk quota allocated to individual cash and ewes.

Regulations were prepared and issued to implement two additional schemes for national co-payments - to cow's milk and ewe.

On December, 16 the EC approved funding amounting to EUR 15,622.211 for cow milk and EUR 12,461.472 per ewe for the financing of two additional circuits. The decision allowed the country to provide to EUR 22.68 per tonne of cow milk and EUR 16 per ewe.

Thus, in 2008 the Bulgarian agricultural holders were granted national co-payments of up to EUR 169,108.033.

2.2. Market support mechanisms

"Field crops" sector

In 2008, work was carried out in two main directions:

1. Intervention on the grain market

The overall objective of the procedures regarding the purchase of cereals is to regulate agricultural markets. Intervention is the procedure of the EU, which acts as a market measure of support to agricultural holders. Shall provide a minimum threshold of income to agricultural holders of durum wheat, common wheat, barley, maize, sorghum and paddy rice. The procedure works as follow certain rules for financial support of the EU CAP.

In 2008, from "Agriculture" is conducted all the necessary procedures to ensure implementation of this scheme under the EC requirements.

For the 2007/2008 published two calls – the intervention of cereals and rice in the statutory deadlines. Good market situation and increased market prices predetermine the agricultural holders' not using this instrument.

For 2008/2009, the market started on 01.11.2008 reception of documents on procedure "intervention of common and durum wheat, maize, barley and sorghum". Unlike the previous marketing year, the decline in market prices of arable crops and the emerging financial crisis shaped the launch of the intervention. By the end of 2008 have made two offers for the purchase of common wheat in 1,000 tonnes. The first offer was rejected, and the second was subsequently withdrawn by the tenderer in the rising market prices for wheat. Intervention scheme is a defence mechanism and agricultural holders who choose to take advantage of it, may fail to achieve a better deal on stabilizing grain prices. This explains the withdrawal of the offer by the applicant.

At the end of December 2008 time period for submission of bids for the purchase of maize in the first tranche under Article 11 of Regulation (EC) No.1234/2007 Despite great interest, not actual bids received. The reason, which appeared as an obstacle to Bulgarian tenderers is required to submit a bank guarantee amounting to EUR 15 per tonne. The quota for maize of 700 thousand tonnes which is defined by the EC for all Member States is not yet available.

In order to ensure adequate storage space for bought in quantities, and contracts were concluded for the public storage of field crops in warehouses approved by general field crops (SPC) of the Payment Agency (PA).

For the 2007/2008 storage capacity is provided in the amount of 134,162 tonnes with 12 warehouse. Lack of bids for the purchase of grain this marketing year to reduce interest stores for the next application. This need for the 2008/2009 to be held 2 competition for the selection of storage facilities Intervention common and durum wheat, maize, barley, sorghum and rice in periods 11.09-18.09.2008 and 12.11-27.11.2008. Following that have contracts with 17 general warehouse storage capacity 113,000. This item capacity ensure the smooth implementation of the scheme in the light of tenders received for the purchase.

Between 19-26 January 2009 due to low market prices of grain are imported 4 offers for 13,100 tonnes white wheat, 3 tonnes including were withdrawn in the subsequent rise in market prices. The offer, which completed delivery and acceptance is the 3,013 tonnes common wheat and due payment for this quantity is BGN 607,858.

From July 2009 to durum wheat from October 2009 to begin implementation of rice policy change in prilgane intervention on the grain market, which from 01 July 2010 will affect field and other crops which are subject to intervention. Redemption will be effected on the basis of centralized procurement procedures of the EC, which will be triggered in the event of oversupply in the market. Only for common wheat will remain standing invitation from 01 November to 31 May for the intervention to the amount of 3 million tonnes.

Intervention in grain market, the Tobacco Funds needed to purchase the grain are the national budget and restore when making a decision by the EC for the sale of grain. From the European Agricultural Guarantee Fund (EAGF) paid technical costs related to purchasing and storage, financial costs for obtaining the necessary national funding and other expenses. in 2008 no financial cost of this instrument.

EU does not cover the cost of local taxes and because Agriculture State Fund is not exempt from paying VAT when buying products for charity and for interventions in the market of field crops in these schemes VAT is paid by the national budget.

2. "Charitable operations – to help the most needy persons in the Community" Programme

This programme aims to support the disadvantaged by providing free food products manufactured by the intervention, or purchased by the Community market through subsidies from the EU budget and is part of social policy.

Bulgaria told the EC wishes to apply this measure in the first year of membership in the EU. Regulation No.182/2008 of the EC on 28 February 2008 amending Regulation (EC) No.1146/2007 of the Republic of Bulgaria has been granted financial resources amounting to EUR 7,007.310 for the implementation of a plan to charity in 2008 for this purpose has been concluded contract with operators to implement one-quarter of the budget. Have contracted BGN 3,422.503, and they are actually paid BGN 3,422.467.

SFA has a contract with one company – a supplier of flour worth BGN 3,244.119, which are covered and transport costs amounting to 1% of the products. Operator, supplying products has paid the entire amount due.

The programme is targeted at 365,000 socially vulnerable persons and the 2008 is implemented with the participation of the Bulgarian Red Cross (BRC). Deliveries of products from the company-contractor and their distribution to eligible persons from the Red Cross took place on three stages throughout 2008 about 80% of eligible have availed themselves of the assistance. Retained the balance amount of 459,314 kg of flour is available to institutional beneficiaries.

On 09.10.2008 in the EU Official Journal published Commission Regulation (EC) No.983/2008 adopting the plan, the distribution among Member States of budgetary resources for 2009 for the supply of food from intervention stocks to the most deprived in the Community, including Bulgaria was granted the sum of EUR 8,666.207.

In 2009, it implemented a procedure for approving the non-profit purpose for distribution of food from intervention stocks for socially disadvantaged persons and call for applications for the participation of non-profit purposes in the annual plan for the EC in 2010.

In consequence, RA approve another entity a non-profit food distribution for socially disadvantaged persons, unless approved in both the preceding year.

Plan began in 2009 to help disadvantaged people, having signed a contract with BRC. Has published a call for tender to select providers of the necessary food and products. The programme is expected to assist 255,000 socially disadvantaged persons. For this plan was introduced improvements over the preceding year, i.e. possible to use the most current lists of the Social Assistance Agency.

On 16/03/2009, the contract is to cooperate with the Red Cross to carry out the Plan 'in 2009 the EC for distribution of food to socially vulnerable persons. As a result of 23.03.2009, the contract is running for the selection of operators subject to the Supply of food for distribution to persons disadvantaged lots.

The Plan for 2010 was sent to the EC request the participation of our country in 2010 fiscal year, within applications were received from three of all approved charities for this plan.

Scheme "Charitable operations" is fully financed by the EU budget.

Table VII.1.

Amount of budget spent on Plan 2008

Priority axis	Total budget of priority axis, thousand BGN	Amount as contracted, thousand BGN	Contracts to enter/value of projects under evaluation, thousand BGN	Payments made by the Managing Authority, thousand BGN
Charitable operations 2008	13,705	3,422	NO	3,422
Charitable operations 2009	16, 949	-	-	-

Source: *Agriculture State Fund*

Intervention in grain market, the Tobacco Funds needed to purchase the grain are the national budget and restore when making a decision by the EC for the sale of grain. From the European Agricultural Guarantee Fund (EAGF) paid technical costs related to purchasing and storage, financial costs for obtaining the necessary national funding and other expenses. in 2008 no financial cost of this instrument.

EU does not cover the cost of local taxes and because Agriculture State Fund is not exempt from paying VAT when buying products for charity and for interventions in the market of field crops in these schemes VAT is paid by the national budget.

"Fruit and vegetables" sector

In 2008, activities continued in three accredited schemes of work: "Fresh fruit and vegetables – operating programmes, processed fruit and vegetables" and "producer group".

Beneficiaries of the scheme "Fresh fruits and vegetables" – operational programmes may be:

1. Recognized organizations (POs) for fruit and vegetables;

2. Associations of producers of fruit and vegetables (PPA).

Help is provided to these POs established operating fund, which have been developed and approved an operational programme.

The operating fund is supported by cash contributions collected from member producers on the basis of quantity or value of actual realized market fruits and vegetables, as well as information provided by the Community financial assistance.

In 2008, continued implementation of the approved Operational Programme in 2007 with a duration of three years and the total cost for all projects BGN 444,210 Operational Programme is approved on 15.12.2007 with an estimated amount of financial assistance from the EU as defined in Article 15 (5) of Regulation 2200/1996, the EC, amounting to BGN 49,181.32

Under the scheme funding – Processed fruit and vegetables by two Bulgarian producer organizations signed contracts for the supply of raw materials approved by seven mills, which are also in the scheme for processed fruit and vegetables (for tomatoes – 6 contract; for peaches – 1 contract).

It is important that PPA OP or applying for assistance under the aid scheme has contracted for processing pre approved processor. The contract must be concluded within the following time limits:

- For tomatoes – 15 February (with possible extension to 10 March) in the period 2007/2008 campaign for contracts for tomatoes intended for processing for Bulgaria and Romania is extended to 31 July and at least 10 days before the start of deliveries;
- For peaches – 15 July, and seven working days before commencement of supply.

May be the conclusion of additional agreements to written contracts for changing the agreed quantity of raw material. This amount may increase to a maximum of 30% of the original. These amendments must be lodged within a specified time limit:

- For tomatoes – 15 September;
- For peaches – until August 15.

Aid is granted only to products delivered for processing within a particular fixed period of delivery and the quantity of material specified in the contract for processing.

Fixed periods for delivery of materials:

- For tomatoes – 15 June – 15 November;
- For peaches – 15 June – 25 October.

National thresholds agreed for Bulgaria in 2007 are:

- For tomatoes – 156,343 tonnes;
- For peaches – 17,843 tonnes.

Payment of aid is based on weight of material delivered and provide national levels.

In 2008, was paid after financial aid:

- For tomatoes: BGN 395,634, amount of processing – 5,863.4 tonnes;
- For peaches: BGN 8,360, amount of processing – 119.5 tonnes.

Following reforms in the European legislation in fruit and vegetables scheme funds processed fruit and vegetables go to the resources under the single payment area.

Were conducted information campaigns and meetings and discussions with experts from the sector, fruit and vegetables with approved organizations of fruits and vegetables. Meetings held with companies, processed fruit and vegetables, raw material producers, researchers, representatives of governmental and nongovernmental organizations on issues related to production and processing of fruit and vegetables and a suspension of aid for fruit and vegetables destined for processing in accordance with the policy of Bulgaria and the ongoing reform in the EU policy in general fruit and vegetables.

In 2009, continued implementation of the approved operational programme scheme "Fresh fruits and vegetables. Proposed framework for financing in the second year approved measures amounted to BGN 86,723 were carried out interim controls in accordance with Regulation 1580/2007 concerning the implementation of the operational programme and collection of contributions to the operational fund. In 2009, pending payment of financial assistance for the first year of programme implementation.

Perform an ongoing operational work on the scheme for processed fruit and vegetables and operational programmes: accounting controls for the distribution of aid received, and verification of implementation of the approved operational programme and collection of contributions to the operational fund.

In the month of March 2009 was paid financial assistance scheme “Processed fruits and vegetables” for processed peaches under Regulation 104/2007 of EUR 2,785.

Pending preparation of a National Strategy for Scheme “Campus fruit”, which is expected to start in 2009 – 2010 school year. The aim of the scheme is in the children to establish healthy eating habits. Fruits and vegetables will be provided free of charge to students from 1st to 4th grade will be allocated to fresh fruits and vegetables, it will give priority to those produced in Bulgaria. Distribution of fruit and vegetables will be accompanied by a campaign to promote among students of agricultural production and benefit from their consumption. In this scheme in Bulgaria will receive EUR 1,446.100 per annum, which represents 75% of its funding. The remaining 25% will be financed from the state budget of the country.

“Seeds” sector

Developed and accredited support scheme for producers of basic and certified seed is not used by the Payment Agency as Bulgaria apply the Single Area Payment.

“Milk” sector

1. Quota system

On 31.03.2009, the complete second quota year (2008/2009) for Bulgaria. It is expected that no excess of national quotas for deliveries and direct sales.

In accordance with the provisions Article 69, 70, 72 of the Act to implement the common organization of markets for agricultural products in the EU (ZPOOPZPES) initiates a compilation of ACP States to establish an administrative violation (AUAN) and issuance of criminal warrants, and methodology for the imposition of financial penalties to producers and dairy processors, who have not fulfilled their obligations under the submission of annual declarations to implement quota for direct sales and deliveries in the quota of the legislation possible. According to Article 69 of ZPOOPZPES, „Milk” sector implement the following policy: AUAN and the criminal ordinance shall be issued when the producer of cow's milk or approved purchaser declares his participation in a scheme or measure of the Agriculture State Fund for administrative services (eg. transfer of quota, etc. or applying for financial assistance).

Measures are taken to further the settlement of regulatory issues related to implementation of the milk quota system:

Was developed and adopted the Ordinance on procedures for payment of contributions in excess of the national milk quota, which is extremely positively evaluated by EC.

Is amended Ordinance No.23/2007 for the management of the national milk quota.

In 2008/2009, the quota was reporting strong interest from the beneficiaries (producers of cow milk) on the transfer of individual quota without holding under Article 21 of Ordinance No.23/2007, and making the individual quota for direct sales to individual quota for deliveries.

Accepted and processed include:

- Applications for conversion of individual quota for direct sales to individual quota for deliveries – 217 units, including 156 units authorized and 51 units refused authorization;

- Application for conversion of individual quota for deliveries to individual quota for direct sales – 5. 5 including ea. authorized;

- Application for transfer of individual quota without holding under Article 21 of Ordinance No.23/2007 – 469 units, including 368 units authorized in the authorization process 64 units and 37 piece refused authorization;

- Application for transfer of a holding individual quota – 40 units from which authorized – 35 units and 5 units refused authorization.

- A total of 280 were adopted. annual declarations met quotas for deliveries and 11 666 units quotas to be met for direct sales.

- The majority of cow's milk producers and approved purchasers, did not file annual returns for the implementation of individual quota for direct sales and deliveries within the statutory period. Therefore need to be issued 192 units acts of administrative violations

The results of the procedure for acceptance of bank guarantees by approved purchasers of cow's milk, are as follows:

- Received bank guarantees, subject to adjustment – 31 units;
- Received bank guarantees, subject to adjustment (original) – 36 units

After 31.10.2008 are exempted 154 units bank guarantees, established during the previous quota period of approved purchasers. Prepare and methodology for calculating the amount of bank guarantees, based on declared amounts, the new quota for the 2009/2010.

Procedures for the adoption of monthly returns, registration of contract / ISAAC in the Annex and the issue of a duplicate certificate of transfer (conversion) of allowances were improved, in order to facilitate candidates to be controlled.

In the last three months of the quota period 2008/2009, are accepted and processed:

- Application for transfer of individual quota without holding under Article 21 of Ordinance No.23/2007 – a total of 99 units Authorized – 74 units, Unauthorized – 4.;

- Application for transfer of a holding individual quota – 12 units Authorized – 6, Unauthorized – 2;

- Number of instruments issued for administrative violations – 123 units;
- Number of criminal warrants issued – 160 units;
- Received bank guarantees, subject to adjustment – 14;
- Received bank guarantees, subject to adjustment (original) – 66 units.

In connection with the issued and awarded punitive decrees, received payments (fines) to 31.03.2009, amounted to BGN 29,102.

During the quota period were carried out field checks as producers of raw cow milk, and collectors.

- 1,007 requests for inspection of producers (risk analysis), 293 units – On the basis of received signals and irregularities on the basis of an application process;

- 342 requests for inspection of purchasers (100% of registered approved purchasers);

- A total of 87 were drawn. acts of administrative violations and penalties to purchasers as to 29 units acts of administrative violations and penalties on producers of raw cow milk, which is the basis for the indication of incorrect data to realised quantities of milk. After processing the results of checks on-site will be determined how many of these people will be drawn penal provision.

- Integrated Administration and Control System (IACS) is optimized for building an electronic archive of all applications under the schemes of the filing of paper documentation is kept to a minimum, perform backups in the IACS.

- A number of meetings were conducted in the country with milk and approved purchasers of cow's milk with the Ministry of Agriculture and Food.

From the beginning of the new quota the 2009/2010 adopted 755 piece returns to meet milk quota for direct sales and 24 units returns to meet the quota for deliveries. After all adopted authorizing annual returns will be calculated on the quantities sold at the market as supplies and/or direct sales. Through adjustment of the national total bought cow's milk will be given to whether the country will be recorded excess of the national milk quota, which for the 2009/2010 quota was increased by 1% (EUR 1,008.565.800). In the case of registered excess of Bulgaria as a EU member state incurs an obligation to pay the relevant contribution of the excess amount to 99% of the outstanding European Agricultural Guidance and Guarantee Fund (EAGGF).

Given the growing interest of the beneficiaries (producers of cow's milk) during the previous quota period 2008/2009, concerning the transfer of individual quota without holding under Article 21 of Ordinance No.23/2007, and making the individual quota for direct sales to individual quota supplies in the 2009/2010 quota 'is expected to do relatively large number of applications.

Planned to be conducting an information campaign and organizing meetings with dairy agricultural holders and a meeting with approved purchasers of cow's milk.

The quota for the current 2009/2010, compared to an timely determination of the price fixed by the Minister of Agriculture and Food, Agriculture State Fund – Payment Agency will perform the procedure under Article 24 of Ordinance No.23/13.12.2007 (supplemented – State Gazette, Issue 76 /2008, in force since 29.08.2008) with effect from 01.08.2009, namely sale of an individual without milk quota holding (Quota Exchange).

Months of May – July are very busy because a large number of expected annual returns and applications for conversion of individual quota for direct sales to individual quota for deliveries, requests for transfer of individual quotas in Fisheries, and applications for transfer of individual quotas with / without holding.

In the last quarter of 2009 provides for increased interest in buying and selling of individual quotas.

Improvement of ISAAC will continue during the current quota period, given the expected changes in legislation and to modernize the system.

2. European scheme "School Milk"

Agreements were signed between Agriculture State Fund – AA and Ministry of Education, Culture and the Ministry of Health in conjunction with the joint activity of European scheme "School Milk".

In July is the information campaign about the upcoming launch of the scheme "School Milk". Agriculture State Fund – Payment Agency send information about the schools the opportunity to apply for the scheme "School Milk" and the requirements for participation in it by spending units – Ministry of Education, the Ministry of Culture, the Ministry of Health, the National Association of Municipalities in the Republic of Bulgaria.

The Agriculture State Fund – Payment Agency organized a meeting with dairy in order to familiarize them with the requirements relating to participation in the scheme under the regulations and EU directives and amend the national programme.

After the meetings are updated operating procedures for the scheme.

Detailed information about the scheme and conditions and application documents are posted on the website of the Agriculture State Fund.

Module is designed “School Milk” in the Integrated Administration and Control System (IACS).

Requests for approval of the scheme are made in the period 1-30 September 2008

The total number of applicants is 86 units As a general scheme involving 122 units educational institutions (kindergartens, primary and secondary schools). The number of schools participating in the scheme is larger than the number of applicants, as an applicant (such as municipalities, educational authority or a supplier of products) may represent several schools.

The total number of children who participate in the scheme is 22,537.

To all approved applicants are sent for approval to acts of the scheme, according to the procedure for approval, after which they submit requests for payment. in the period November – December 2008 were submitted 8 units payment requests. One of the schools who submitted the payment request is refused from participation in the scheme. Four requests for payment are rejected because they do not qualify under the scheme. Three requests for payment were approved and paid. The total amount paid for all approved applications is BGN 4,318.

For the period January – April 2009 meters submitted 4 requests for payment under the scheme, including 1 piece is rejected, a 3 piece are approved. The total amount that is paid for approved applications is BGN 621.

For the period May – June 2009 expect all approved applicants to submit documents for payment.

Planned to be conducting an information campaign for the school year 2009 – 2010 in both primary among officers (Ministry of Education, Culture, Ministry of Health and NAMRB) and among the dairies. For the next academic year is expected to increased interest and a greater number of applicants under the scheme.

By August 31, 2009 regular report is sent to the EC.

Since the beginning of school year 2009 – 2010, will apply the procedure developed and validated to support the cheese under the scheme.

In this regard, “Agriculture” – RA “Milk” sector sent letters to the dairies, to inform them about the possibility of next year to offer a scheme of cheese. Advanced module is “School Milk” in the IACS, as amended in the procedure.

In order to facilitate producers and applicants, “Agriculture” – Paying up a database of products eligible for subsidy under the scheme.

In 2009, the expected funding of BGN 365,000 (the maximum amount that can be drawn for 2009, calculated on the number of students participating in the scheme).

“Sugar” sector

The developed schemes that are applied in the sector are:

- Approval of producing sugar beet and isoglucose refiners and processors of industrial raw materials;
- Quota system, production quotas, tax surplus production taxes);
- Temporary restructuring amounts;

- Providing support for restructuring;
- Providing assistance for diversification.

For 2008 the approved establishments, producers of beet sugar and isoglucose refiners and processors of industrial raw materials are:

- Enterprise, full-time refiners' raw beet sugar – 6;
- Company, producer of beet sugar – 1;
- Enterprise, a manufacturer of isoglucose – 1.

Under Regulation 952/2006 on, Article 15 (a) in relation to the control of production of sugar by refiners approved collect information on:

- The average sale or buyout price for the preceding month and the corresponding quantity sold or purchased;
- The estimated level of average sale or buyout price for the current month and for each of the next two months and the estimated amount that will be sold or purchased under contracts or other transactions;

Data refers to bulk white sugar ex-factory standard quality.

Information on the average prices recorded at the national level, and the total quantities and standard deviations were sent to the EC before the end of each month.

For verification of information gathered by the operators is assigned to carry out field checks are carried out a documentary check on the results of field checks for the reference period.

In 2008, in connection with identifying, collecting and reporting amounts of traditional own resources of the Community (statements of accounts A and B) are performed:

- Establish a receivable from the production tax and surcharge payable by approved producers of sugar and isoglucose;
- Exercise of the preliminary and follow-up for completeness and accuracy of information supplied by producers of sugar and isoglucose;
- On a monthly and quarterly basis are presented to summarize the reports to the Coordinating Unit of Accounts A and B to the charges on the sugar / isoglucose and further information on these charges in the form and terms agreed with the coordination unit in accordance with Article 6 (4) of Regulation No.1150/2000 onwards;
- Forecasting the revenue from taxes on sugar and isoglucose next year for the national budgetary process at the request of the Coordination Unit, Ministry of Finance;

For the business year 2007/2008 have been established in 2008 and collected the following fees on production of sugar and isoglucose:

- Production tax (levy sugar) – BGN 111,528 on 4,752 tonnes of production quota for sugar beet;
- Taxation of isoglucose production (production fee isoglucose) – BGN 917,110 on 78,153 tonnes of on quota for isoglucose;

Additional amounts on the production of sugar and isoglucose established for the marketing year 2007/2008, which were collected in 2008 are:

- BGN 1,702 additional amount for production quota for isoglucose.

In calendar year 2008 and identified a total recoveries to traditional own resources of the Community amounting to EUR 1,030.339.

The amounts are established and paid in EUR by 75% is paid by MOF to the Community budget, while 25% remained in the state budget, as expenses for debt collection.

For 2008/2009 the business in January 2009 was a production charge isoglucose amount of BGN 1,046.720.69

Under European legislation, any company-producer of beet sugar and isoglucose paid and temporary restructuring amount. Temporary restructuring amount will be charged per tonne quota of production for a year and a permanent income for European Agricultural Guidance and Guarantee Fund (EAGGF).

2007/2008 crop established and temporary amounts accrued restructuring of enterprises amounted to EUR 7,505.897 (BGN 14,680.034) on quotas for production, totalling 82,905 item

Enterprises should pay the temporary restructuring amounts in two instalments: 60% by the end of February of the business year and 40% to October 31of the following business year.

Member States shall pay the temporary restructuring amount of the restructuring fund in two instalments: 60% to 31 March during the marketing year and 40% to November 30 of the next business year.

Table VII.2.

Amounts recovered in 2008 under schemes and measures implemented in the Sugar sector, Directorate for Supply, Sales and Marketing, Agriculture State Fund – Payment Agency

Nature of the resource	Established amount, BGN	Revenue to budget	Establishing the liability	Date of payment by enterprises	Term for payment to the European Commission
Charges isoglucose production (production fee isoglucose)	**917 109.82**	traditional own resources of the Community	January	29.2.2008	31.3.2008
	229,277.45 687,832.37	25% – BG; 75% –EU			
Production fee (levy sugar)	**111 527.54**	traditional own resources of the Community	January	29.2.2008	31.3.2008
	2,881.88 83,645.66	25% – BG 75% – EU			
Further on excess amount (quota isoglucose)	**1,701.55**	traditional own resources of the Community	April	09.5.2008	31.3.2008
	425,39 1,276.16	25% – BG; 75% – EU			
Total reported amounts (1+2+3)	**1,030.338.91**	traditional own resources of the Community			
Temporary restructuring amount (Isoglucose) I-st installment – 07/08	**7,969.684.37**	EFG3 – 100%	January	29.2.2008	31.3.2008
Temporary restructuring amount (Sugar) I-st installment – 07/08 (part)	**838,335.79**	EFG3 – 100%	January	29.2.2008	31.3.2008

Temporary restructuring amount (Sugar) I-st installment – 07/08 (part) payment under a bad decision	**130,838.53**	EFG3 – 100%	January	07.4.2008	31.3.2008
Temporary restructuring amount (Sugar) interest payment to claim bad I-st installment – 07/08	1,616.95	BG – 100%	March	07.4.2008	-
Temporary restructuring amount (Sugar) to interest on principal payment for a bad decision to I-st installment – 07/08	377.78	BG – 100%	March	11.4.2008	-
Temporary restructuring amount (Isoglucose) Second installment – 07/08	**5,313.122.92**	EFG3 – 100%	September	31.10.2008	30.11.2008
Temporary restructuring amount (Sugar) Second installment – 07/08	**428,051.99**	EFG3 – 100%	September	31.10.2008	30.11.2008
Total collected sums in 2008 calendar year	**15,712.367.24**				

Source: *Agriculture State Fund*

In 2009 were identified and collected temporary restructuring amounts amounting to BGN 5,929.672.71, and subject to a set of collection amounting to BGN 3 953 115.

Amounts paid by a company in Bulgaria, having a quota for production of isoglucose.

The only firm – approved manufacturer of sugar beet, apply for a waiver of production quota from the 2008/2009 marketing year, stating that completely forgoes production amounted to 4,752 tonnes.

Restructuring of enterprise is entitled to receive financial assistance amounting to EUR 218.75 per tonne or EUR 1,039 500. Restructuring aid is provided by the dedicated purpose fund Temporary restructuring of the sugar industry in the Community, representing part of EFGZ.

Provides 10% of aid to get this company to be allocated and distributed among agricultural holders who have contracts for the supply of sugar beet during the reference period. The aim is to compensate for losses resulting from the cessation of production and the termination of trade and financial relations with the company, a producer of sugar.

For the 2008/2009 beet producers received an additional payment of EUR 237.5 per tonne of sugar quota renounced for a total of EUR 1,128.600.

The total budget allocated for the payment of restructuring aid for Bulgaria EUR 2,168.100.

"Wine" sector

As part of the mechanisms of market support in 2008 in Bulgaria apply the measure restructuring and conversion of vineyards.

Determined by that measure the financial budget for Bulgaria 2007 – 2008 is EUR 18 044 087 (BGN 35,290.625) in eligible areas of 2,403 hectares.

Institutions responsible for implementation of the measure are the Ministry of Agriculture and Food, Executive Agency on Vine and Wine (EAVW) and Agriculture State Fund.

Of 07 February 2008 at Agriculture State Fund - Payment Agency starts reception of documents for the wine (marketing) 2007/2008

The measure provided support for 12 operations, with annual and perennial investment, enabling operations to be merged. Support is to change the structure of the vineyards, and a variety formations, changing their location, which can be combined with activities to increase the number of vines, build irrigation facilities, changing the retaining structure, building fences, etc.

Contracted are 94 investment projects, including 56 annual and 38 perennial. Financial assistance originally approved is EUR 17,219.409 (BGN 33,677.720), including the 2008 – EUR 11,911 671 (BGN 23,296.847) or 66% of the budget in 2007 – 2008

Advance payment of financial aid apply 31 units landlords, 28 units they managed to establish a bank guarantee for financial assistance BGN 15,247.091 (EUR 7,795.834), and BGN 2,382.091 (EUR 1,217.962) have been disbursed for investment actually carried out or stage of investment to 39 landlords of financial assistance.

According to the EC requirements for payments to 30.06.2008, the amounts paid under the measure "Restructuring and conversion of vineyards for the financial 2008 are BGN 17,629.182 or EUR 9,013.796, which represents about 50% utilisation of the budget allocated for Bulgaria in 2007 – 2008.

In 2008, a reform in the wine sector ", which consists of financing the sector through support programmes, including defined by the Member State support measures. The proposed by "Bulgaria National Programme for Support of wine 2008/2009 – 2013/2014", the three measures are included which are essential for the development of the sector in the country. Financing of the measures is European Agricultural Guidance and Guarantee Fund (EAGGF).

As a result of reform in the wine sector has adopted a new Basic Regulation 479/2008. A key element of reform is the promotion of the sector through the financing package for each Member State – a winemaker who will be spent based on the National Programme of measures to support its wine.

Programme to assist the wine sector in Bulgaria was approved by the EC and entered into force on 15 October 2008. It will be implemented within five years – 2009 – 2013 overall budget of EU funds for these five years has amounted to EUR 112,683.000 (BGN 220,385 million). Financial assistance for 2009 is EUR 15,608 million (BGN 30,526 million).

The three measures supported under the programme are:

- "Restructuring and conversion of vineyards" – conversion, relocation and improvement of methods and technologies for the management of the holding, for the five years of the programme for restructuring and conversion of Bulgarian vineyards have provided EUR 91,063.000;
- "Promotion in third countries" – promotional projects designed to wines with protected designation of origin or geographical indication or wines with an indication of the wine variety, for countries outside the EU, set indicative budget for the five year period, amounting to EUR 11,250.000;
- "Crops insurance" – the indicative budget – EUR 10,370.000.

Prepared and coordinated a Regulation on the terms and conditions for providing financial assistance under the National Programme for Support of wine 2008/2009 – 2013 /2014.

Use of papers launched the "National Programme to Assist the Wine Sector 2008/2009 – 2013/2014", the highest measure interest in the restructuring and conversion of vineyards, which are submitted 43 units projects with a total value of financial aid 19 million BGN to help in the measure are provided for activities under the varietal composition change by grafting or recrop production with no change of location of the property and activities related to improving methods and technologies for the management of the holding by increasing the number of vines, changing formations, the retaining structure, construction of fences, nets against poultry, erosion and irrigation facilities, balconies. Financial assistance under this measure was 75% of the value of the investment.

Tailored crop insurance are accepted 15 units applications with a value of the financial aid of 346 thousand BGN. The measure to assist producers of wine grape harvest for covering one or more insurance risks such as hail, storm, flood, heavy rain, etc. Financial assistance under the measure to 80% for insurance risks assimilated to natural disasters and 50% for other insurance risks like fire, fire on root, etc.

"Meat and beekeeping" sector

In calendar year 2008 to implement the "National Programme on beekeeping for three-year period 2008 – 2010" In the first year of the three years of the programme has a budget of EUR 2,370 000, according to the following measures and sectors:

Measure B - Combating varroasis

- Sector 1: Prophylactic examinations of colonies from beekeepers-examiners;
- Sector 2: Cost of products to combat varroasis.

Measure C - Physico-chemical analysis of honey

- Sector 1: Cost analysis of the physico-chemical characteristics of honey in accredited laboratories;
- Sector 2: Laboratory Support for the purchase of laboratory equipment.

Measure D - Renewal of hives in the community

- Sector 1: Support for new hives;
- Sector 2: Support for the purchase of Packs colonies.

In the course of implementing the National Programme on beekeeping within the prescribed period have been made 594 total units application form, respectively 70% and 60% of beekeepers have applied for assistance in the measure – and the Fight against varroasis measure D – Renewal of hives in the community. Only in 24% of applications are beekeepers said the measure with funding – the physico-chemical analysis of honey.

Phase "contract" were approved 94% of applications, they have concluded 561 units contracts with the Agriculture State Fund's grant financial assistance under the terms of the programme. Stage "Authorization" submitted 352 units payment requests. About 40% of the applicants submitted an application for admission, were dropped because of these submitted documents are not met the requirements for sufficiently supplied, legitimacy, according to the criteria for financing or candidates have not submitted requests for payment in due time.

After completing all the checks provided for in the procedure for implementing the National Programme on beekeeping are authorized 95% of requests for payment (334 units). Thereon has been paid subsidy BGN 816,567, 50% of the amount of the budget is the Republic of Bulgaria (BGN 408,284) and 50% – of European Agricultural Guidance and Guarantee Fund (EAGGF) (BGN 408 284). Funds are acquired almost 35% of the budget set in 2008 Most funds are used to measure D – Support for the restocking of hives – 64% of the estimated budget in 2008 the two sectors of the measure have approximately the same share of utilisation of budget. It fits in – and the Fight against varroasis measure C – Support for laboratories performing FHA of honey are used 5% and 1% of the budget.

Table VII.3.

Budget and financial assistance paid in BGN under the National Programme for Beekeeping for 2008

Measure, sector	Budget, BGN	Financial assistance paid, BGN			Utilised funds, %
		Total	including EFG3	including the national budget	
Measure B - Combating varroasis	**610,000**	**30,074.64**	**15,037.32**	**15,037.32**	**5**
Bee-examiners	350,000	3,297.84	1,648.92	1,648.92	1
Costs for preparations to fight varroasis	260,000	26,776.80	13,388.40	13,388.40	10
Measure C – Physico-chemical analysis	**530,000**	**3,227.12**	**1,613.56**	**1,613.56**	**1**
Costs for analysis of the physico-chemical characteristics of honey in accredited laboratories	380,000	3,227.12	1,613.56	1,613.56	1
Investment in equipment of laboratories for analysis of physico-chemical characteristics of honey	150,000	0,00	0,00	0,00	0
Measure D – Support for the renewal of hives	**1,230.000**	**783,265.60**	**391,632.80**	**391,632.80**	**64**
Support for new hives and wax bases	750,000	480,961.20	240,480.60	240,480.60	64
Support for buying packages of bees, and layers	480,000	302,304.40	151,152.20	151,152.20	63
Total	**2,370.000**	**816,567.36**	**408,283.68**	**408,283.68**	**34**

Source: *National Programme on Beekeeping, IACS module, National Apiculture Programme*

"Promotions and promotional programmes" sector

In 2008, in the field of European policy on promotions and co-promotion of approved programmes under the Act implementing the common organization of markets for agricultural products the EU and the Ordinance on procedures for the selection, implementation and monitoring of promotional programmes for agricultural and food products, the Ministry of Agriculture and Food has approved the first multinational promotional programme for third country markets. The promotional programme is of general milk and milk products.

Structures for implementation of the measure are constructed as follows:

- Entity selection of promotional programmes of the Ministry of Agriculture and Food;
- Authority for payment and performance monitoring in RA.

National co-financing is provided to European funds.

In 2008, were conducted national approval procedures of promotion programmes by the Association of Dairy Processors in Bulgaria, supported by All-Cyprus organization of cattle, which is called "European cheese, please." She was sent to the EC and was approved by DG Agriculture and Rural Development. The choice is made among

30 proposals of various projects of Member States. Project for promotion of Bulgarian and Cypriot cheese in Ukraine and Russia is worth around 5 million EUR. Commission participates in financing the project with half of its value. The other half will be provided by Bulgaria and Cyprus as the EU (30%) and imported the project organizations – the All-Cyprus organization of cattle and the

Association of Dairy Processors in Bulgaria (20%). The total amount set by the European Commission to Bulgaria in its implementation, is nearly EUR 2 million.

Multinational promotional programme “TASTE & EAT EUROMEAT” lodged of the Ministry of Agriculture and Food. It has been proposed by four Member States.

On 24.04.2009, is a contract for financial support between the Agriculture State Fund and the Association of Dairy Processors in Bulgaria for multinational promotional programme “European cheese, please.”

Conduct an information campaign to explain the scheme to “Promotional Programmes” in Shoumen of fruit and vegetables in the town of Pleven Dobrich – producers of honey and bee products, and the International Agricultural Exhibition AGRA 2009 in Plovdiv.

2.3. Quality policy – protected designations

In 2007, under the common law enforcement organization of agricultural markets in the EU (promulgated, State Gazette, Issue 96/28.11.2006) was adopted Ordinance No.16/14.09.2007 for preparing and submitting requests to the EC, on agricultural products and foodstuffs with protected geographical designations and traditional specialties, for control of compliance with product specifications and record-keeping for producers and controlling persons of the Minister of Agriculture and Food, State Gazette, Issue 79/2.10.2007 which governs the rules of national procedure, taking account of reforms in the European legislation in the sector during 2006 – 2007.

Completed the national procedure for approval of a dossier for registration in the register of agricultural products and foodstuffs with protected geographical designations protected geographical indication “Gorna sausage”. The dossier was sent to the EC for registration procedure.

Has completed the national procedure for approval of the record of controlling body supervising the compliance of “Gorna pudding” with its specification.

2.4. Trade mechanisms

Trade mechanisms governing the licensing of imports and exports, issuing export licenses for export subsidies, nomenclature of agricultural products subject to export subsidies, guarantees payment of implementing specific provisions regarding intervention and the Common Customs Tariff.

With this aim the sound administration of product marketing organization – prevent the illegal export and import controls and market intervention in the market, and compliance with international commitments accepted by the Community in the framework of GATT negotiations.

From the date of accession of Bulgaria to the European Community Foods and Agriculture State Fund administers the licensing of imports and exports of agricultural products covered by common organizations of the EU market (beef, pork, poultry, sheep and goat meat, eggs and egg white, milk and dairy products, fresh and processed fruits and vegetables, grains and cereals, rice, vegetable oils and fats, sugar, wine and alcohol). Activity licensing of imports and exports of agricultural products is carried out according to the requirements of EU legislation and align it with national legislation - the Law for the implementation of the CMO market of agricultural products in the EU, Regulation of the securities in agriculture and Ordinance the conditions and procedures for import and export of agricultural and processed agricultural products and controls on imports of agricultural and processed agricultural products.

At the end of 2009 Bulgaria has submitted a formal request to the EC for inclusion in the nomenclature of the EU export dairy products subject to export refunds in third countries, the Bulgarian dairy white cheese made from cow milk, white cheese from sheep milk cheese made from cow milk and cheese from sheep's milk.

Export licensing

Table VII.4.

Exports of cereals to third countries

CN code	Product	Quantity exported as per licenses/certificates for the period, in tonnes			Refunds paid at export, BGN
		01.01.08-30.06.08	01.07.08-31.12.08	01.01.09-30.06.09	
1001	Wheat	159,381.00	624,082.00	264,960.00	252,303.10
1002	Rye	-	497,00	-	
1003	Barley	96,00	163,336.00	-	
1004	Oats	20,00	143,00	23,00	
1005	Maize	20,00	37,275.00	62,111.00	
1006	Rice	390,00	280,00	500,00	
1008	Buckwheat, millet and canary seed	340,00	180,00	-	
1101	Wheat flour or flour mixture of wheat and rye	660,00	2,231.00	2,117.00	
1102	Cereal flours other than wheat flour or a mixture of wheat and rye	215,00	-	-	
1103	Cereal groats and meal pellets and pellets of cereals	40,00	-	-	
1104	Of cereal grains, otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or crushed), except rice of No.1006; germ of cereals, whole, rolled, flaked or ground	300,00	-	-	
1107	Malt, whether or not roasted	1,410.00	640,00	-	
1108	Starch and starch, inulin	392,00	340,00	-	
1109	Wheat gluten, whether or not dried	4,00	6,00	-	

Source: *Agriculture State Fund*

Following the reform in the grain sector, which came into force on 01.07.2008, lapsed compulsory licensing of buckwheat, millet and canary seed, flour from cereals other than wheat flour or a mixture of wheat, groats and meal, maize of cereals, processed in another way, malt, starches, wheat gluten.

Exports of wheat and wheat flour grew in the second half of 2008 compared with the first half of 2008, almost four times.

Certificates for fixing the export refunds on cereals are not issued in 2008 and first half of 2009, as the EC fixes the zero refunds in 2007

For exports of cereals and rice remains the obligation to submit a license (AGREX).

Table VII.5.

Exports of milk and dairy products

CN code	Product	Quantity exported as per licenses for the period, in kg		
		01.01.08 – 30.06.08	01.07.08 – 31.12.08	01.01.09 – 30.06.09
0406	Cheese and curd	104,755.00	127,860.00	57,775.00

Source: *Agriculture State Fund*

Exports of dairy products is driven primarily to Canada and takes place within the annual quota, and beneficiaries pay preferential duties. For the second half of 2008, these exports have increased in comparison with the first.

Table VII.6.

Exports of sugar to third countries

CN code	Product	Quantity exported as per certificates for the period, in kg			Refunds paid at export, BGN
		01.01.08-30.06.08	01.07.08-31.12.08	01.01.09-30.06.09	
1702	Glucose	6,000.00	4,000.00	2,000.00	4,589.524.96

Source: *Agriculture State Fund*

In the first half of 2008 were released three certificate of advance fixing of export refunds to glucose totalling BGN 4 379 047.09

In September 2008 the EC abolished export refunds for sugar to third countries.

For exports, sugar remains the obligation to submit a license (AGREX).

Table VII.7.

Exports of sugar added to processed fruit and vegetables to third countries

CN code	Product	Quantity exported as per certificates for the period, in kg			Refunds paid at export, BGN
		01.01.08-30.06.08	01.07.08-31.12.08	01.01.09-30.06.09	
1701	White sugar	95,800.00	117,100.00	-	205,586.97

Source: *Agriculture State Fund*

In 2008, issued 20 certificates for fixing the total amount of BGN 98,401.58

Requests for payment without the requirement for a certificate in 2008 amounted to BGN 190,137.26, and the first half of 2009 – of BGN 14,989.60.

Table VII.8.

Exports of processed products not listed in Annex I to the Treaty of Accession to third countries

CN code	Product	Quantity exported as per certificates for the period, in kg			Refunds paid at export, BGN
		01.01.08-30.06.08	01.07.08-31.12.08	01.01.09-30.06.09	
1701	Sugar from sugar cane or beet sugar and chemically pure sucrose in solid form	103,854.85	88,532.02	34,844.81	217,713.53
1005	Maize as corn starch	4,987.173.15			747,687.14

Source: *Agriculture State Fund*

In the first half of 2008 was issued one certificate for fixing the total amount of BGN 39,116.00 for the second half of the year were awarded two certificates for fixing the total amount of BGN 38,646.61

Requests for payment without the requirement for a certificate in 2008 amounted to BGN 180,264.60.

Table VII.9.

Executed exports of agricultural products not included in the Annex to the Accession Treaty for the period from 01.01.2008 to 31.12.2008

Type of activity	Number	Value, BGN
Registered traders	66	-
Issued licenses for export	538	-
Issued certificates for preliminary fixing	26	4,555.212.12
Applications for registration of prescriptions	13	-
Approved prescriptions	13	-
Released guarantees under completed licenses	308	7,919.018.44
Accrued penalties	32	119,895.26
Refunds paid at export	-	1,574.069.12

Source: *Agriculture State Fund*

Table VII.10.

Executed exports of agricultural products not included in the Annex to the Accession Treaty for the period from 01.01.2009 to 30.04.2009

Type of activity	Number	Value, BGN
Registered traders	17	-
Issued licenses for export	148	-
Issued certificates for preliminary fixing	-	-
Applications for registration of prescriptions	-	-
Approved prescriptions	-	-

Released guarantees under completed licenses	173	3,581.630.10
Accrued penalties	18	171,155.27
Refunds paid at export		2,784.091.04

Source: *Agriculture State Fund*

Each license is running on average 15 – 20 exports. Supporting documents are sent by the Customs Agency in the Payment Agency for verification. Some of the documents contained gaps, which requires they be returned for correction.

Import licensing

Via Regulation (EC) 514/2008 from 09 June 2008 amending Regulation (EC) No.376/2008 for determining the general rules for implementing the system of import licenses (AGRIM) introduced some changes related to the scope of agricultural products, which require the submission of import licenses. Changes take effect as follows:

- From 01 July 2008 – or cereals, olive oil, fresh or processed fruits and vegetables, seeds, beef, mutton, goat and pork, dairy products, eggs, poultry, ethyl alcohol of agricultural origin and other product sectors, with the exception of rice, sugar and wine;
- From 01 August 2008 – for the wine sector;
- From 01 September 2008 – for the rice sector;
- From 01 October 2008 – for the sugar sector.

In most sectors requiring the submission of import license only to imports under tariff quotas and preferential regimes (beef, dairy, sugar). In other sectors – the sheep and goat meat and wine are not required presentation of an import license. For cereals, rice, pork, poultry, olive oil, some fruits and vegetables there are no significant changes. All changes are reflected in the instructions on the procedures for issuing licenses to import products.

From 01 July 2008, products which are subject to the submission of import license are: beef, pork, poultry, eggs and egg white, milk and dairy products, fruit and vegetables (fresh and processed), grains and cereals, rice, vegetable oils and fats, sugar and alcohol

Pursuant to the requirements of the Common Market Organization of the Community relating to the licensing of imports of agricultural products from third countries and Regulation (EC) No.376 /2008 for determining the general rules of application for import licenses to bring some changes related to the scope of agricultural products from 01.01.2007. Foods maintains a register of importers of agricultural products.

For the period January 2007 – October 2009 registered a total of 315 companies, importers of agricultural products from third countries. in 2008 registered 54 new companies – importers of agricultural products have been issued 817 units licenses and 8 units extracts of licenses. Notifications to the EC in 2008 were 5,642 units. As most notices have cereal products – 2,948 units and rice – 1,339 units.

Formed in favour of the Ministry of Agriculture and Food guarantees for the implementation of licenses amounted to BGN 18,419.378.14, including BGN 12,963.527.53 has received in the form of bank guarantees and BGN 5,455.850.61 as a cash deposit account of the Ministry of Agriculture and Food.

Restored in 2008 after taking into account cash deposits from importers of used licenses amounted to BGN 19,456.460.12 (refund guarantees in 2008 exceeds the total amount of securities lodged in the year since the recoveries were formed in 2007). Confiscated in favour of the Ministry of Agriculture and Food guarantees of default for import licenses are BGN 52,493.63.

VIII. RURAL DEVELOPMENT

1. Policy for Rural Development in 2008

The Rural Development Programme in the period 2007 – 2013 (RDP) was officially approved on 19 February 2008 by Commission Decision No.755. The Agriculture State Fund – Payment Agency is the institution responsible for the financial management and disbursement of funds under it.

The total programme budget in the period 2007 – 2013 was EUR 3,242 million, including EUR 2,609 million from the EU and EUR 632 million from the state budget.

As of 31 December 2008 under the Programme funds were paid in the amount of BGN 200,431 million as follows – the national co-payments to direct payments amounting to BGN 161,006 million under measure 611 of the Rural Development Programme with the application period until the end of 2009, payments for disadvantaged areas under Measures 211 and 212 applications lodged in 2007, worth a total of BGN 38,417 million, including BGN 31,503 million from EU funds, one project under measure 143 worth a total of BGN 4,890 and 41 projects under Measure 112 of the total amount of BGN 1 002 million.

In 2008, have been prepared and published regulations to implement the 20 measures of the Rural Development Programme, which was launched in phases.

Successful implementation of projects under the Rural Development Programme is impossible without knowledge of potential candidates with the programme and opportunities for support. In this regard, efforts in 2008 were directed to conduct information campaigns to introduce potential beneficiaries and the public the opportunities to apply and support conditions. “Open Day”, seminars, radio and television broadcasts in the national and regional media, the information was published in many print media and information websites.

Analysis / Assessment of progress in the implementation of the Programme:

In 2008, 20 of these 22 measures gradually started under the Rural Development Programme.

Boot measures contribute to achieving the following objectives:

- Maintenance of farming in disadvantaged areas and prevent the abandonment of agricultural lands;
- Countering the depopulation of disadvantaged areas;
- Maintaining the landscape and biodiversity;
- Rational use, conservation and sustainable development of land and other natural resources;
- Supporting the emergence of local action groups in rural areas;
- Supporting the acquisition of skills for the establishment and functioning of such groups at the local level;
- Supporting the process for the preparation of local development strategies;
- Promote the inclusion of indigenous peoples in the development and future implementation of local development strategies.

In 2008, progress in the implementation of the Rural Development Programme (based on approved applications for assistance) was limited to the implementation of measures under Axis 1 and 2.

Under the measures of Axis 3 and 4 there are no approved project until the end of the period.

Analysis of progress towards the objectives of axes:

Measures under Axis 1

- Measure 111 “Vocational training, outreach activities and dissemination of scientific knowledge” – Ordinance No.23/14.07.2008 on conditions and procedures for granting financial assistance. In the period from 01.08.2008 to 31.10.2008 its first call for reception of applications has opened, in which 91 received training projects totalling BGN 30,137.365;

- Measure 112 “Establishment of agricultural holdings to young agricultural holders” – Ordinance No.9/3.04.2008 accepting applications for assistance launched on 17.04.2008 payments were made in 41 projects worth BGN 1,002.302. The qualitative analysis of projects approved under the measure shows that the vast majority of young agricultural holders are involved in field plants – 31% and in permanent crops – 25%. Professionals in dairy farming are 9% and 14% of applications were submitted from disadvantaged areas, which is a positive trend in terms of agricultural development in these areas by young people. The number of supported candidates on Measure 112 amounted to 13.8% from the intended objective;

- Measure 121 “Modernization of agricultural holdings” – Ordinance No.8/3.04.2008 on procedures for granting financial assistance. Taking applications for support started from 17.04.2008 the end of 2008 are filed 1,557 projects worth BGN 986,797.367. Contracts are contracts for 365 projects worth BGN 235,052.825 in the period 2 projects were rejected. There are no paid projects. Applied mainly for the purchase of agricultural machinery and equipment. Analysis of progress in achieving the goals (on the basis of approved applications for assistance) shows that the number of approved agricultural holders Measure 121 in 2008 amounted to 6.9% of the target number set in the programme, total approved investments amounted to 12.3% of the target amount under the Rural Development Programme;

- Measure 122 “Improving the Economic value of forests” – Regulation No.21 / 7.07.2008 on the procedures for granting financial assistance. Taking applications for support of the measure began on 01.12.2008 by the end of 2008 no projects submitted by the measure;

- Measure 123 “Adding value to agricultural and forestry products” – Ordinance No.18 / 26.06.2008 on procedures for granting financial assistance. Taking applications for support of the measure began on 01/11/2008. By the end of 2008 have submitted 29 projects worth BGN 94,813.640 as no projects approved or rejected the measure;

- Measure 141 “Support for semi-subsistence agricultural holdings undergoing restructuring” – Ordinance No.28/5.08.2008 accepting applications for assistance launched on 1 September 2008 have been adopted 214 projects totalling BGN 3,139.107.15 Approval of applications for assistance is to be carried out at regional level by the District payment agencies, but by the end of 2008 no projects were approved or rejected;

- Measure 142 “Setting up producer groups” – Ordinance No.27/5.08.2008 Admission of applications for assistance launched on September 01 2008 adopted 1 project worth BGN 58,674.90 by the end of 2008 no projects are approved or rejected under the measure;

- Measure 143 “Provision of advice and consultation in agriculture in Bulgaria and Romania” - Ordinance No.10/3.04.2008 on procedures for granting financial assistance. Office for National Agricultural Advisory Service (NAAS) started providing a full complement of advisory services to agricultural holders eligible to apply under Measure 112 “Establishment of agricultural holdings to young agricultural holders” and to measure 214 “Agro-environment payments”. Payments are made in a draft of the measure amounted to BGN 4,889.65 measure contributed to the improvement of advisory services provided to agricultural holders. The results of its implementation have influenced results of the measure 112.

Measures under Axis 2

The implementation of measure 211 “Payments to agricultural holders for environmental constraints in mountain areas” and measure 212 “Payments to agricultural holders for environmental constraints, other than mountain areas” is legally defined by Ordinance No.11/03.04.2008.

- Measure 211 “Payments for environmental constraints of agricultural holders in mountainous areas” – 2007 campaign have filed 22,653 applications for campaign 2008 – 24,152 applications. Payments were made during 2008 for campaign 2007 of the value EUR 14,891.995 per 19,806 candidates. Indicators that are set in the Programme for mountainous areas are disadvantaged – 60,000 agricultural holdings to receive compensation payments for 328,000 hectares area. Donated are 20,257 agricultural holdings with an area of 237,975 hectares. The qualitative analysis of performance objectives based on indicators of product / activity carried out (based on approved projects) shows that the number of supported holdings in mountain areas measure 211 by 33% of the target in the programme and 60% of the objective to land support;

- Measure 212 “Payments for environmental constraints of agricultural holders in regions other than mountain” – submitted 9,416 applications for campaign 2007; campaign 2008 – 10,017 applications. Payments were made during 2008 for campaign 2007 of the value of EUR 4,750.234 for 7,273 candidates;

- Measure 214 “Agro-environment payments” – measure 214 “Agro-environment payments” to regulate the publication of Ordinance 12 of 03/04/2008. The measure has 1,462 applications submitted. Of them 1,038 parcels have been approved for participation. Data before the final administrative inspections indicate that the areas selected for support in 2008 were approximately 42,339 hectares and the estimated annual budget for agro-environmental payments in the amount of BGN 8.8 million. the qualitative analysis of approved applications shows that the number of approved applicants Assistance under this measure represents only 2.6% set by the Rural Development Programme in goal, but agreed to support areas are 26% of the target programme. With regard to genetic resources, the number of approved projects is raised from 9.8% in the programme indicator;

Next year is projected to increase areas (mainly applicants already approved) covered by agro-environment measure and slower growth in the number of applicants.

- Measure 223 “First a forestation of agricultural land” – Ordinance No.22/7.07.2008 for terms and conditions for granting financial assistance. Accepting applications for assistance launched on Aug 01, 2008. To the end of the year there are submitted 28 projects worth EUR 1 939 868.15. By the end of 2008 no projects approved or rejected the measure. To assist eligible primary structures of the State Forestry Agency – State forestry and hunting;

- Measure 226 “Restoring forestry potential and introducing prevention actions” – Ordinance No.20/7.07.2008 on procedures for granting financial assistance. Taking applications for support started from August 1 2008 By the end of the year submitted 29 projects worth BGN 3,074.581.61 No projects approved or rejected the measure.

Measures under Axis 3

- Measure 311 “Diversification into non-agricultural activities” – Ordinance No.30/11.08.2008 on conditions and procedures for granting financial assistance. Taking applications for support of the measure began on 01.12.2008 and to the end of 2008 there are 5 projects submitted.

- Measure 312 “Support for the creation and development of micro enterprises” – Ordinance No.29/11.08.2008 on conditions and procedures for granting financial assistance. Taking applications for support of the measure began on 01/01/2009.

- Measure 313 “Encouragement of tourism activities” – Ordinance No.32/12.09.2008 laying down the conditions and procedures for granting financial assistance. Taking applications for support of the measure began on 01.10.2009 to the end of 2008 there are 2 projects submitted.

- Measure 321 “Basic services for the population and the rural economy” – Ordinance No.25/29.07.2008 laying down the conditions and procedures for granting financial assistance. Taking applications for support under this measure has started from 01.09.2008. By the end of 2008 there are submitted 90 projects.

- Measure 322 “Renovation and development of settlements” – Ordinance No.24/29.07.2008 for terms and conditions for granting financial assistance. Taking applications for support under this measure has started from 01.09.2008. By the end of 2008 has 64 proposals submitted.

Measures under Axis 4 LEADER

In the period 18 June – September 18, 2008 the first call for proposals under sub-measure 431-2 “Learning and achievement of social activity within their respective territories for potential local action groups in rural areas” was published. For this period 91 project proposals under the sub-measure were received.

Measures under Axis 5

- Measure 611 “Supplement to direct payments” – in 2008 funds amounting to BGN 161,006.510 were paid under this measure.

Financial implementation of the Rural Development Programme measures

Table VIII.1.

Rural development programme – expenditures for the period 01.01. – 31.12.2008

Measures / Axis	Name of the measurement unit	Payments, EUR		Payments, BGN	
		Public expenditure (1)	European Agricultural Fund for Rural Development (2)	Public expenditure (1)	European Agricultural Fund for Rural Development (2)
111 Vocational training, outreach activities and dissemination of scientific knowledge		0,00	0,00	0,00	0,00
112 Establishment of agricultural holdings to young agricultural holders		512,468.84	409,975.07	1,002.301.93	801,841.55
121 Modernization of agricultural holdings		0,00	0,00	0,00	0,00
122 Improving the Economic value of forests		0,00	0,00	0,00	0,00
123 Adding value to agricultural and forestry products		0,00	0,00	0,00	0,00
141 Support for semi-subsistence agricultural holdings undergoing restructuring		0,00	0,00	0,00	0,00
142 Setting up producer groups		0,00	0,00	0,00	0,00
143 Provision of advice and consultation in agriculture in Bulgaria and Romania		2,500.04	2,000.03	4,889.65	3,911.72
Axis 1	**Improving the competitiveness of the agricultural and forestry sector**	**514,968.88**	**411,975.10**	**1,007.191.58**	**805,753.27**
211 Payments for environmental constraints of agricultural holders in mountainous areas		14,893,019.44	12,212.275.94	29,128.214.21	23,885.135.65
212 Payments for environmental constraints of agricultural holders in regions other than mountain		4,750.233.67	3,895.191.61	9,290.649.52	7,618.332.61
214 Agro-environment payments		0,00	0,00	0,00	0,00
223 First aforestation of agricultural land		0,00	0,00	0,00	0,00

226 Restoring forestry potential and introducing prevention actions		0,00	0,00	0,00	0,00
Axis 2	**Improving the environment and nature**	**19,643 253,11**	**16,107.467.55**	**38,418.863.73**	**31,503.468.26**
311 Diversification into non-agricultural activities		0,00	0,00	0,00	0,00
312 Support for the creation and development of micro enterprises		0,00	0,00	0,00	0,00
313 Encouragement of tourism activities		0,00	0,00	0,00	0,00
321 Basic services for the population and the rural economy		0,00	0,00	0,00	0,00
322 Renovation and development of settlements		0,00	0,00	0,00	0,00
Axis 3	**Quality of life in rural regions and the diversification of rural economy**	**0,00**	**0,00**	**0,00**	**0,00**
411 Implementation of local development strategies. Competitiveness		0,00	0,00	0,00	0,00
412 Implementation of local development strategies. Environment / land		0,00	0,00	0,00	0,00
413 Implementation of local development strategies. Quality of life		0,00	0,00	0,00	0,00
421 Internal territorial and transnational cooperation		0,00	0,00	0,00	0,00
431 Management LAG, acquiring skills and achieving social activity in the territory		0,00	0,00	0,00	0,00
Axis 4	**LEADER**	**0,00**	**0,00**	**0,00**	**0,00**
511 Technical assistance		0,00	0,00	0,00	0,00
Axis 5	**Technical assistance**	**0,00**	**0,00**	**0,00**	**0,00**
611 Supplement to direct payments		82,321.321.27	65,857.058.18	161,006.509.78	128,805.210.10
Axis 6	**Direct payments**	**82,321.321.27**	**65,857.058.18**	161,006.509.78	128,805.210.10
Total		**102,479.543.26**	**82,376.500.83**	**200,432.565.09**	**161,114.431.62**

Source: *Directorate for Rural Development, Ministry of Agriculture and Food*

Using technical assistance to the Rural Development Programme

In 2008 Regulation No.13 for providing financial assistance for the implementation of activities under the technical assistance was prepared and promulgated in the State Gazette on 03.04 2008.

For the implementation of activities under the technical assistance Procedural rules have been prepared, approved by the Minister of Agriculture and Food.

Activities financed under the technical assistance in 2008 were used to create the preconditions for effective management and implementation. In 2008 a total of 28 applications for assistance were submitted, including 24 by the Ministry of Agriculture and Food and 4 by the Agriculture State Fund. Out of these approved were 26 (23 of the Ministry of Agriculture and Food and 3 of the Agriculture State Fund). The value of approved projects is BGN 14,917.014.70

The following activities were supported:

- Activities related to organizing meetings of the Monitoring Committee of the Rural Development Programme and working parties;
- Execution, by external agents, of analyzes, studies and other technical reports required by the Managing Authority;
- Develop and disseminate information on the Rural Development Programme by:
  - Preparation of materials for information and publicity;
  - Supporting the preparation and implementation of a communication plan;
  - Conducting seminars with the participation of socio-economic partners and potential beneficiaries;
- Participation of the administration involved in the management, implementation, supervision, monitoring and evaluation of the Rural Development Programme in local events, including the exchange of best practices;
- Preparation of the current, interim and ex-post evaluation of the Rural Development Programme;
- Hiring of additional staff needed to strengthen the capacity of the administration involved in the management, implementation, supervision, monitoring and evaluation of the Rural Development Programme;
- Participation of the administration involved in the management, implementation, supervision, monitoring and evaluation of the Rural Development Programme in international events;
- Costs related to the National Rural Network;
- Activities related to the organization and implementation of procedures for procurement and contracting activities of technical assistance (including for the preparation of the terms of reference).

Actions related to ensuring the visibility of the Rural Development Programme

In the implementation of priorities and tasks of the Ministry of Agriculture and Food in connection with awareness of citizens and agricultural holders to leverage financial assistance from the European Agricultural Fund for Rural Development (EAFRD) in 2008, a number of public events in conjunction with the implementation of the Rural Development Programme Communication Plan took place:

- Seminars, courses and discussion forums for training of trainers;
- Actions taken on projects under the Technical Assistance;
- Information seminars;
- Actions taken on projects under the Technical Assistance (TAIEX);
- Lectures;
- Printing of information materials.

2. Progress in implementing the Rural Development Programme for the period 2007 – 2013, in the first half of 2009

According to aggregated data as of 30.06.2009, adopted applications total 9,319 (except from measures 211, 212 and 214). These applications are for a total amount of BGN 3,863 billion, including a subsidy of about BGN 3,146 billion. A total of 2,118 contracts have been concluded for a total value of BGN 591,48 million and payments amounted to BGN 389,36 million.

Under measure 211 “Payments for environmental constraints of agricultural holders in mountainous areas” and measure 212 “Payments for environmental constraints of agricultural holders in regions other than mountain” a total of 66,248 applications were adopted (for the campaigns 2007 and 2008) and 37,127 applications - for the campaign 2009, while under measure 214 "Agro-environmental payments" they total 1,462 (campaign 2008) and 1,445 (campaign 2009).

Under 20 measures already started under the Rural Development Programme the progress as of 30 June 2009 is as follows:

- Measure 111 "Vocational training, outreach activities and dissemination of scientific knowledge has received" – 91 projects amounting to BGN 30,137,365;

- Measure 112 "Establishment of agricultural holdings to young agricultural holders" – have received 5,208 projects amounting to BGN 254,629.536 contracts have been signed for 933 projects for young agricultural holders. The total amount of subsidy contracts is BGN 44,779.474. orders have been signed yet for the approval of 174 projects amounting to BGN 8,524.608. So far 288 projects have been rejected, and 14 beneficiaries had their contracts cancelled;

- Measure 121 "Modernization of agricultural holdings" – have received 1,989 projects amounting to BGN 1,094.751.339. Contracts are signed for 1,078 projects amounting to BGN 529,933.813. The projects are mainly for the purchase of agricultural machinery and equipment. Rejected are 36 projects and 8 beneficiary contracts were cancelled.

The Agriculture State Fund – Payment Agency and the Ministry of Agriculture and Food have received and processed the following projects and applications:

- Measure 123 "Adding value to agricultural and forestry products" – 88 worth amounting to BGN 211,533.154;

- Measure 141 "Support for semi-subsistence agricultural holdings undergoing restructuring" – 536 amounting to BGN 7,862.437;

- Measure 142 "Setting up producer groups" – 1 project amounting to BGN 58,675;

- Measure 211 "Payments for environmental constraints of agricultural holders in mountain areas" – 24,159 applications (Campaign 2008). For Campaign 2009 are filed 26,279 applications;

- Measure 212 "Payments for environmental constraints of agricultural holders in regions other than mountain" – 10,020 applications (Campaign 2008). For Campaign 2009 are filed 10,848 applications;

- Measure 214 "Agro-environmental payments" – 1,462 applications were submitted to participate in 2008. From these applications 1,056 refer to parcels approved for participation. Approved areas in 2008 occupied approximately 42,339 hectares and the estimated annual amount of agri-environmental payments stood at BGN 8.8 million. For campaign 2009 there were 1,445 applications submitted;

- Measure 223 "First aforestation of non agricultural land" – 39 amounting to BGN 5,255.848;

- Measure 226 "Restoring forestry potential and introducing prevention actions" – 33 amounting to BGN 3,209.094;

- Measure 311 "Diversification into non-agricultural activities" – 33 amounting to BGN 14,698.650;

- Measure 312 "Support for the creation and development of micro enterprises" – 451 amounting to BGN 184,128.024;

- Measure 313 "Encouragement of tourism activities" – 18 amounting to BGN 4,360.707;

- Measure 321 "Basic services for the economy and rural population" – 443 amounting to BGN 1,678.157.362;

- Measure 322 "Renovation and development of settlements" – 249 amounting to BGN 373,075.020;

- Measure 431 “Management of the LAG, acquiring skills and achieving social activity in the territory” are carried out of 110 approved training experts – Methodists support the activities of the beneficiaries in implementing the sub-measure 431-2” “learning and achieving social activity in the territory for potential local action groups” under Priority Axis 4 LEADER. The first call for proposals has received 91 projects for consideration and approval by the Managing Authority of the Rural Development Programme amounting to BGN 15,342,030. Approved are 71 projects amounting to BGN 11,802.199. The contracts of selected candidates are awarded on June 03, 2009. Because of the refusal by one of the beneficiaries, out of 71 approved projects 70 contracts were concluded worth amounting to BGN 11,640.885;

- Measure 511 “Technical Assistance” – approved are 49 projects totalling BGN 16,768.227. Contracts have been concluded for 37 projects amounting to BGN 5,125,087 (excluding VAT).

The National Agricultural Advisory Service has prepared for free 4,239 projects under Measure 112 “Establishment of agricultural holdings to young agricultural holders”, 1,789 projects under 214 measure “Agro-environment payments” (of which 1,015 for applications in 2008 and 774 for those submitted for 2009), 546 projects under Measure 141 “Support for semi-subsistence agricultural holdings undergoing restructuring”, and 4 projects under measure 121 “Modernization of agricultural holdings” within measure 143 “Provision of agricultural advice and consultancy in agriculture in Bulgaria and Romania”. The Rural Development Programme has set a budget in 2007 and 2008 amounting to EUR 722,713,481 (public funds), including the EU contribution amounting to EUR 581,200.565. Funds in 2007 and 2008 must be paid by the end of 2010. Under measure 143 only payment request is lodged. As of 30.06.2009 four requests were made for a total amount of BGN 7,415.569.

As of 30.06.2009, the agricultural holders are paid the national co-payments to direct payments amounting to BGN 232,224 million under measure 611 of the Rural Development Programme with a term of application until the end of 2009. Payments were carried out under Measure 211 and Measure 212 for areas disadvantaged in terms of applications submitted in 2007 and 2008 totalling BGN 61,345 million. Under the measures of axis 1 were paid BGN 95,163 million, including BGN 19,214.556 for 786 projects of young agricultural holders under measure 112; BGN 74,819.047 for 262 projects under measure 121; 3 projects under measure 143 totalling BGN 1,129.483, and under the measure of technical assistance – BGN 723.780.

SECTION B

PRIORITIES AND OBJECTIVES OF THE AGRICULTURAL SECTOR POLICY AND ACTIONS TO ACHIEVE THEM

For the first time the government of the Republic of Bulgaria has topped agriculture as a priority in its policy to achieve a decent life for Bulgarian agricultural holders.

The main objective of the Ministry of Agriculture and Food (MAF) over the next four years is to achieve a competition agriculture on the global markets, which complies with tight standards for environmental protection, food safety and animal welfare within a sustainable and dynamic rural agricultural economy, which meets the expectations of citizens, taxpayers and consumers.

By a decree of the Council of Ministers, since October 2009 the State Forestry Agency became part of the structure of the Ministry of Agriculture and Food. Therefore, as from 2010 the policy for environmentally sustainable management of forest resources, hunting fauna and protected natural areas become part of the general policy of the Ministry of Agriculture and Food.

PRIORITY 1

ADMINISTRATION OF THE ECONOMIC MECHANISMS OF THE EU'S COMMON AGRICULTURAL POLICY (CAP) FOR SUSTAINABLE DEVELOPMENT OF AGRICULTURAL HOLDINGS

PURPOSE 1

CONVERSION OF AGRICULTURE AND FISHERIES INTO ATTRACTIVE BUSINESS ENSURING A HIGH STANDARD OF LIVING TO ITS EMPLOYEES THROUGH STABILIZATION AND INCOME GROWTH THANKS TO THEIR ACTIVITY

MEASURE 1

Ensuring the EU and national funding for the revival of Bulgarian agriculture

ACTIVITY 1

Updating the Rural Development Programme 2007 – 2013 (RDP) and the programming documents for its implementation, further development, amendment and supplement of the regulations implementing the programme

TASKS

1. Reflecting changes in the Rural Development Programme, resulting from the enactment of the second and third modification of the programme by amending the regulations for the implementation of measures under the Programme;
2. Optimising the budgets on measures, depending on the utilisation and the interest of beneficiaries, including allocation of unused funds for 2009 from measure 611 "National co-payments to direct payments".

ACTIVITY 2

Adequate income support for agricultural holders through the accurate application of the Single Payment Scheme per Area when conducting the annual increase of the package for direct payments and determining the amount of payment per hectare

TASK

1. Annually calculating the amount of payment per hectare based on the increased annual limit for direct payments.

ACTIVITY 3

Renovation and regular update of the digital ortho-photo map of the country and building a specialized database of the Land Parcel Identification System (LPIS) providing direct data exchange

TASKS

1. Holding a tender procedure for selection of contractor to conduct a new eye-bird photographing of territory and elaboration of a new ortho-photo map, updating the layer "Areas eligible for support";
2. Control on the decoding of the renewed ortho-photo map by conducting field inspections to control the state of physical blocks – agricultural area;
3. Construction of a specialized database of the Land Parcel Identification System (LPIS) providing direct data exchange between the Ministry of Agriculture and Food and the Agriculture State Fund – Payment Agency, for the purposes of the IACS and remote access to other users.

ACTIVITY 4

Income support for employees in agriculture, including those concerned in the EU policy for the restructuring of sectors such as tobacco, by implementing the options for national co-payments to direct payments

TASK

1. Preparation of a reasoned request to the EC to allow national co-payments to direct payments.

ACTIVITY 5

Use of mechanisms for specific support of agricultural activities in certain sensitive sectors, in line with the European legislation and the specific conditions of the country (to overcome the disadvantages of economically vulnerable or sensitive environmental areas and agricultural activities)

TASKS

1. Preparation of an analysis of options for providing specific support for certain agricultural activities;
2. Developing a proposal for the opportunities of specific EU assistance for agricultural activities in accordance with the European legislation.

ACTIVITY 6

Utilization of the funds under the National Programme to Assist the Wine Sector in Bulgaria 2008/2009 - 2013/2014, and its update

TASK

1. Preparation to update the programme;
2. Work on the implementation and utilization of funds under the National Programme to Assist the Wine Sector in Bulgaria 2008/2009 – 2013/2014;
3. Implementation of simplified application procedures and payment under the projects.

ACTIVITY 7

Amendment of the entire existing legislation in the wine sector, in order to harmonise it with the requirements of the European Union acquis in terms of the sector's reform and the drafting of implementation rules in different fields

TASKS

1. Amendments to existing standards in the wine sector
2. Preparation of rules for their implementation

ACTIVITY 8

Improving the system for monitoring the potential of vineyards, wines and products of grapes and wine

TASKS

1. Maintenance and updating of the vineyard register;
2. Ensuring the quality of wines and products of grapes and wine through regular inspection and sampling.

MEASURE 2

Effective and transparent management of the EU funds, based on better systems for monitoring and evaluation of projects for EU funding

ACTIVITY 1

Strengthening the measures for transparency and accountability in the procedures for notification of financial aid from the European Agricultural Fund for Rural Development (EAFRD)

TASK

1. Organizing information events - activities under the Communication Plan to the Rural Development Programme (RDP).

ACTIVITY 2

Analysis and update of the procedural rules of the Managing Authority (MA) and the Payment Agency in order to avoid conflict of interest in granting financial aid from the European Agricultural Fund for Rural Development (EAFRD) and refinement of the procedures for reporting cases of irregularities and violations

TASKS

1. Introducing the requirements arising from the Conflict of Interest Prevention Act in the regulations implementing the measures under the Rural Development Programme and/or the procedural rules of the Agriculture State Fund and the MA;
2. Refinement of the procedures for reporting cases of irregularities and violations in the procedural rules of the Agriculture State Fund and the MA.

ACTIVITY 3

Improving the system for collection of data on indicators for monitoring the implementation of the Rural Development Programme

TASK

1. Building an interface between the MA and the Payment Agency for the purposes of monitoring the Rural Development Programme.

ACTIVITY 4

Improving the procedures for allocation of funds under the Rural Development Programme, through decentralization of the project processing and contracting, and optimising the implementation of measures mandated to the Payment Agency

TASKS

1. Reduction of red tape when applying under the Rural Development Programme, by reducing and simplifying the number of required documents;
2. Decentralization of the project processing and contracting;
3. Optimising the implementation of measures mandated to the Payment Agency;
4. Recruitment of additional staff in the MA of the Rural Development Programme and the Payment Agency for implementing and monitoring the activities in the measures under the LEADER axis and technical assistance for the MA;
5. Improving the mechanism of work of expert committees to ensure transparency in investment measures under the Rural Development Programme.

ACTIVITY 5

Effective programming, negotiation and implementation of projects to help implement the strategic goals and priorities in the agricultural sector financed by EU programmes and other financial instruments

TASKS

1. Analysis of the needs and opportunities for the preparation of project proposals meeting the priority objectives and tasks in the field of agriculture;
2. Application of the Extended Decentralized System for Project Implementation and the systems of financial management and control;
3. Development of projects for seminars, workshops and expert missions financed by TAIEX and other donor programmes of the EU;
4. Improve the coordination and participation of the Ministry of Agriculture and Food as executing authorities under various European and international programmes and projects in non-EU countries;
5. Development and adoption of bilateral cooperation programmes.

ACTIVITY 6

Strengthening the system for implementation and monitoring of public procurement, strengthening the preliminary and subsequent control and auditing

TASKS

1. Improving the operation of structural units of the Ministry of Agriculture and Food, in conjunction with the needs of procurement;
2. Timely implementation of the procurement included in the investment programme of the Ministry of Agriculture and Food in order to effectively control and spend the budget funds of the Ministry of Agriculture and Food allotted for the conduct of public procurement;
3. Preparation and notification procedures for procurement, preparation of documentation requirements under the Public Procurement Act;
4. Strengthening the supervision on the execution of contracts from directorates applicants under the procurement;
5. Conducting audit engagements in order to assess and make recommendations for improving the system for public procurement.

MEASURE 3

Using the state aid opportunities as a tool for problem solution and priority directions in agricultural policy

ACTIVITY 1

Stimulating investment process in agriculture, for technical and technological modernization of the sector

TASK

1. Notification of state aid schemes for investments.

ACTIVITY 2

Supporting agricultural holders to reach the EU hygiene requirements for raw milk within the transition period until 2012 approved by the European Commission

TASK

1. Notification of a State aid scheme for investments to achieve the quality standard of raw milk.

ACTIVITY 3

Support to agricultural holders to reach the EU hygiene requirements for raw milk in the European Commission has approved a transition period until 2012

TASK

1. Notification of State aid scheme for investments to achieve the quality standard of raw milk

ACTIVITY 4

Conservation of the genetic resources, animal livestock breeds and local plant varieties adapted to the specific environmental conditions

TASK

1. Notification of state aid schemes for conservation of the genetic resources in accordance with the Community guidelines on state aid in agriculture 2007 – 2013.

ACTIVITY 5

Risk and crisis management designed to counter and offset the damage from natural disasters or adverse weather conditions as well as animal and plant diseases

TASK

1. Notification of state aid schemes to compensate for damage from natural disasters or bad weather, animal and plant diseases, insurance premiums, etc.

MEASURE 4

Adopting a flexibility approaching in policy architecture in the agricultural sector, reflecting the conclusions of the CAP review and discussion on global issues regarding the accelerating climate changes

ACTIVITY 1

Improvement of the national legislation in the context of the conclusions in the CAP review

TASK

1. Updating and drafting of legal documents.

ACTIVITY 2

Study of the possible problems in the country caused by global climate changes and their impact on the agricultural sector

TASK

1. Preparing an analysis of current issues and the possibility for the occurrence of others, related to accelerating climate changes

MEASURE 5

Extending the application of market mechanisms in the Common Market Organization (CMO) for agricultural products in the EU to develop competition and economically sustainable agricultural holdings

ACTIVITY 1

Implementation of market measures to support the income of agricultural holders and raise their standard of living

TASK

1. Updating and drafting of legal documents relating to the promotion of agricultural holders and the implementation of mechanisms in the CMO.

ACTIVITY 2

Implementation of the European policy and implementation of the national measures and procedures in respect of programmes promoting agricultural and foodstuff products

TASKS

1. Promotion of the opportunities available under the European policy for co-promotional programmes;
2. Conducting a national procedure for pre-approval for the promotion programmes;
3. Advising the EC of the approved promotion programmes applying for EU financing.

ACTIVITY 3

Full implementation of the European, marketing quality standards for agricultural products of plant and animal origin

TASKS

1. Strengthening the administrative capacity in the monitoring of the quality of fresh fruits and vegetables and bringing it into line with EU requirements;
2. Completing, maintaining and updating a database on traders in fruit and vegetables.
3. Introduction and effective operation of the system of risk analysis in quality control of fresh fruits and vegetables;
4. Organization and carrying out checks on compliance with the legal requirements for quality fresh fruits and vegetables in the import, export and domestic market.

ACTIVITY 4

Harmonization and adaptation of methods of control in accordance with the reform of the Common Fisheries Policy

TASKS

1. Optimisation of control activities on land and at sea on fishing activities and the required documents;
2. Effective preventive action to deter illegal fishing;
3. Implementing more precise control over the technical characteristics of fishing gear;
4. Implementing preliminary and subsequent effective control on land regarding the unloaded catches and the availability of the necessary documents, thus limiting the opportunities for unregulated sales;
5. Reducing costs for inefficient operations and increasing the efficiency of the control activity of the Executive Agency for Fisheries and Aquaculture;
6. Constant exchange of information and online control of the authenticity of the documents in real time;
7. Effective approach to data collection in the Fisheries sector;
8. Electronic transmission of data from the logbook;
9. Ensuring effective control of the declared catches.

ACTIVITY 5

Implementation of a new information system for agricultural management and monitoring of the EC, covering the market developments within the CAP

TASK

1. Implementation of the new information system after its final implementation at Community level.

MEASURE 6

Sustainable markets for agricultural products through consistent implementation of the CAP for stable administration and prevention of disruptions in agricultural produce markets

ACTIVITY 1

Ensuring sustainable operation and flexibility of the constructed agri-statistical system and the Farm Accountancy Data Network (FADN) to provide objective, consistent and comparable information on the development of the industry

TASKS

1. Conducting statistical surveys included in the National Programme for Statistical Research – employment and land use, production of major crops and vegetables, vines, fruit trees, livestock and livestock products, the structure of agricultural holdings;
2. Keeping the Farm Accountancy Data Network (FADN), which provides data on income from agricultural activities – operation of the National Committee for management of the system, maintaining a stable percentage of holdings in monitoring, construction of an integrated system for implementation, monitoring and data analysis and use of national and regional level.

ACTIVITY 2

Preparing and conducting a census of agricultural holdings in Bulgaria in 2010

TASKS

1. Conducting a trial census in 28 localities of the country;
2. 2. Conducting the actual census.

ACTIVITY 3

Provision of adequate and timely information to agricultural holders about the state of agricultural markets

TASKS

1. Preparation of situation and perspective analysis of various agricultural products.

ACTIVITY 4

Deepening and improving the quality of analytical work, preparation of strategic documents, analysis and economic evaluation of policies in agriculture as necessary for the management decision-making at both state and business level

TASKS

1. Strengthening of the administrative capacity
2. Preparation of strategic documents, analysis and economic evaluation of policies in agriculture

ACTIVITY 5

Stimulating the improvement of marketing infrastructure, storage and marketing of grain to ensure optimal storage of grain input and creating conditions for competition trade

TASKS

1. Expand and refine the scope of control over the activities of public grain warehouses, grain, other sites for storage of grain, mills and grain traders;
2. Optimise the system for storage of records and their use for the provision of financial resources;
3. Ensure traceability of grain from producer to end user.

MEASURE 7

Creating an optimal business environment by reducing and alleviating the regulatory regimes in agriculture

ACTIVITY 1

Review of existing administrative arrangements within the system of agriculture, in close cooperation with the business and NGOs

TASKS

1. Preparation of a comprehensive list of all laws and regulations in the field of agriculture, containing restrictive regimes;
2. Preparation of a proposal to ease the regulatory regimes.

ACTIVITY 2

Eliminating any unnecessary regulatory regimes, as well as easing and transferring certain regulatory regimes to the NGO sector

TASK

1. Prepare amendment to the regulations for the mechanisms to be simplified and submission for adoption to the Council of Ministers.

MEASURE 8

Creating conditions for support of small and medium-sized producers, increasing production volume and improving the process of diversification and vertical cooperation in the food chain through direct supply of small quantities of raw materials and foodstuffs of animal and plant origin to the end consumer

ACTIVITY 1

Implementation of national measures and rules to regulate the production and direct delivery of small quantities of raw materials and foodstuffs of animal origin to the end consumer

TASK

1. Implementation of the Ordinance for direct supply of small quantities of raw materials and foodstuffs of animal origin to the end consumer after notification thereof in the EC and other Member States.

ACTIVITY 2

Supporting the process of unification of agricultural holders in producer organizations

TASKS

1. Organizing information events – activities under the communication plan to the Rural Development Programme;
2. Providing consultancy assistance in the integration process of agricultural holders in producer organizations;
3. Supporting producer organizations through the European Agricultural Fund for Rural Development (EAFRD) and the European Agricultural Guidance and Guarantee Fund (EAGGF).

MEASURE 10

Sustainable development of Fisheries and aquaculture

ACTIVITY 1

Updating the National Programme for Fisheries and Aquaculture for the period 2009 – 2013 in correspondence to the state of the industry and the conservation of fishery resources

TASKS

1. Updating the state policy for developing Fisheries and aquaculture;
2. Adopting amendments to the National Programme for Fisheries and Aquaculture for the period 2007 – 2013, in accordance with state of the industry and the conservation of fishery resources;
3. Collecting scientific data to assess the state of economic valuable species in the Black Sea to their sustainable exploitation in the context of EU's Common Fisheries Policy (CFP).

ACTIVITY 2

Developing a National Plan for control of catches and landings of halibut for 2010

TASKS

1. Identification of fishing vessels engaged in fishing for turbot or halibut fishing as by-catch,
2. Development of methodology for the allocation of catch quotas for turbot in 2010 by segment;
3. Changes in the information system of the Executive Agency for Fisheries and Aquaculture in conjunction with the introduction of the system of issuing special permits;
4. Adopting amendments to the Fisheries and Aquaculture Act in relation to the normative regulation of the issuance of special permits;
5. Preparation of instructions for carrying out monitoring on the implementation of the Plan for control of turbot fishing;
6. Sending the Plan for control of turbot fishing for approval to the EC.

PRIORITY II

NEW METHODS IN AGRICULTURAL SECTOR MANAGEMENT AND IMPROVEMENT OF THE ADMINISTRATIVE CAPACITY UNDER THE EUROPEAN STANDARDS

OBJECTIVE 1

CREATION OF A EUROPEAN VISION OF ADMINISTRATION PROVIDING FOR QUALITY ADMINISTRATIVE SERVICES

MEASURE 1

Strengthening the administrative capacity of the sector

ACTIVITY 1

Optimisation of the administrative capacity in the agricultural sector

TASKS

1. Improve the interaction with administrative partners;
2. Ensure transparency of the processes in agriculture, facilitating access to information and improving communication among participants through the formation of a unified information system;
3. Create a virtual information centre for consultation and advice on issues related to the utilisation of the European programmes.

OBJECTIVE 2

IMPROVING AGRICULTURAL PRODUCTION BY IMPROVING THE CONNECTIVITY "EDUCATION – AGRICULTURAL ADVISORY – RESEARCH"

MEASURE 1

Improving the effectiveness of the advice in agriculture and applied research in the agricultural sector by improving the connection "Research – Agricultural Advisory – Agricultural Business"

ACTIVITY 1

Improving the system of agricultural advisory

TASKS

1. Realization of the PHARE project for improving the structure of the system of agricultural advisory under Council Regulation (EC) No.73/2009 of January 19, 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers;
2. Adopt changes in regulations governing the system of agricultural advisory;
3. Build a Coordination Centre as part of the structure of the system of agricultural advisory;
4. Create a database of consultancy organizations providing agricultural advisory;

5. Include the agricultural vocational schools in the system for agricultural advisory, in order to expand the advisory network.

ACTIVITY 2

Improving the quality of agricultural advisory through training, monitoring, control and evaluation of the activities of advisory organizations

TASKS

1. Organization of specializations, courses and training seminars for experts from advisory bodies;
2. Conducting monitoring, control and evaluation of the activities of advisory organizations.

MEASUREMENT UNIT 2

Improving the feasibility focus of researches in the agriculture and food sectors

ACTIVITY 1

Conducting research related to the actual needs of the Bulgarian agriculture and accelerated transfer of scientific knowledge and innovation for stabilization and development of the agricultural production in the country

TASKS

1. Maintain and create new varieties, hybrids and crop lines and technologies for conventional and organic production;
2. Maintain and create new lines and breeds and technologies for conventional and organic production;
3. Develop efficient technologies in crop and livestock production;
4. Improve the range, quality and food safety;
5. Develop strategic documents for action on mitigation of climate change;
6. Use public-private partnership in research and partnership in the implementation of best practices and innovations in Bulgarian agriculture;
7. Create technology centres for technology transfer;
8. Patent and certify new scientific products.

ACTIVITY 2

Introduction of new approaches to the financing of researches in agricultural sciences

TASKS

1. Hold tenders for funding of projects for targeted financing to address critical problems of agriculture;
2. Apply under the programmes of Scientific Research Fund, national and international programmes;
3. Develop a system of incentives to motivate the scientific potential in coordination with the Ministry of Education, Youth and Science.

ACTIVITY 3

Modernization of the research infrastructure of the Agricultural Academy

TASKS

1. Inventory of the existing research infrastructure;
2. Construction of new complex research infrastructures;
3. Increasing the efficiency of scientific infrastructure.

ACTIVITY 4

Improving the legal framework of education, advice and research in agriculture

TASKS

1. Development of regulatory documents related to research, education and consultancy services in agriculture;
2. Optimising the parameters and criteria for evaluating the products of scientific research.

PRIORITY III

RECONSTRUCTION AND DEVELOPMENT OF TRADITIONAL DOMESTIC AGRICULTURAL PRODUCTS AND RESTRUCTURING OF CERTAIN AGRICULTURAL BRANCHES

OBJECTIVE

INCREASING THE COMPETITIVENESS OF BULGARIAN AGRICULTURAL PRODUCTS IN TERMS OF BULGARIA'S MEMBERSHIP IN THE EU

MEASURE 1

Regulation and protection of Bulgarian traditional agricultural production

ACTIVITY 1

Promotion of the system of geographical designations / protected designations of origin and traditional specialties among agricultural holders

TASK

1. Conduct awareness campaigns, seminars, meetings and consultations with agricultural holders, processors and trade organizations in order to explain the benefits of quality policy - protected names and stimulate producers to apply for registration.

ACTIVITY 2

Implementation of the national procedure for approval of the applications for specifications of registration in the European register of protected geographical designations or the European register of traditional foods and approval of the control persons after the receipt of applications for approval and construction of records / database containing producers of agricultural products and foodstuffs with protected geographical designations of traditional and specific character and of controlling persons

TASKS

1. Conduct a national procedure for approval of applications for template entries in the European register of protected geographical designations or European register of traditional foods and approval of the controlling persons of any applicant designation;
2. Send the applications approved under the national procedural specifications for approval by the EC;
3. Create and maintain registers / database of producers of food with geographical designations and of traditional foods and controlling persons.

ACTIVITY 3

Building a system of protection ex officio of agricultural products with geographical designations / protected designations of origin such as intellectual property rights

TASKS

1. Preparation and adoption of amendments to the regulations of the different administrative structures in order to create legal conditions for the establishment of an official initiative for protection of agricultural products and foods with protected geographical designations as intellectual property rights;
2. Development of Guidelines for work of the teams of employees who will carry out field checks, and employees who will carry out supervisory functions;
3. Training of personnel who will carry out field checks in accordance with the regulations and operating instructions.

ACTIVITY 4

Creating alternative livelihoods on agricultural holdings affected by the restructuring of industries - tobacco, dairy, etc.

TASKS

1. Holding discussions with agricultural holders to explain the opportunities and benefits from the restructuring of certain areas;
2. Redirection of labour force and investments to alternative industries to ensure stable income for agricultural holders.

ACTIVITY 5

Carrying out continuous monitoring and inventory review of genetic resources

TASKS

1. Inventory review and monitoring of genetic resources in crop and livestock production;
2. Conservation, preservation and development of genetic resources;
3. Updating and maintenance of farm production and marketing of pure-bred and hybrid breeding material.

ACTIVITY 6

Increasing the share of organic production and introduction of integrated production systems - with low inputs, conservation of natural resources, biodiversity and human health

TASKS

1. Securing funds to implement the activities of the National Plan for the Development of Organic Agriculture in Bulgaria in the period 2007 – 2013;
2. Promotion of the National Plan for the Development of Organic Agriculture in Bulgaria in the period 2007 – 2013 and of Measure "Agro-environment payments" under the Rural Development Programme;
3. Performing advisory services to agricultural holders wishing to switch to organic farming and integrated farming schemes;
4. Discussion with agricultural holders to explain the opportunities and advantages of organic and integrated production;
5. Publishing and dissemination of information materials.

MEASURE 2

Optimising the agricultural land tenures

ACTIVITY 1

Speeding up the process of consolidation of agricultural lands

TASKS

1. Development of applicable laws and regulations
2. Improving the terms, rules and procedure
3. Establishment of a control system
4. Introducing rules for the overall structure of the agricultural areas as a basis for implementing follow-up measures to develop agriculture

ACTIVITY 2

Development of specialized software

TASKS

1. Establishment of the terms of reference
2. Award of contract

ACTIVITY 3

Administrative and expertise provision of land consolidation

TASKS

1. Create land consolidation administration through restructuring
2. Conduct trainings for experts

ACTIVITY 4

Supporting the consolidation of land through measures under the Rural Development Programme

TASKS

1. Development of regulations to introduce measure 125 under the Rural Development Programme ("Improving and developing infrastructure related to the development and

adaptation of agriculture and forestry"), including land division activities in implementing measure 126 ("Restoring agricultural production potential damaged by natural disasters and introducing appropriate prevention actions");

2. Selection and implementation of projects.

MEASUREMENT UNIT 3

Introduction of specialized software to maintain a departmental cadastre

ACTIVITY

Create a specialized map of the Ministry of Agriculture and Food (a departmental cadastre)

TASKS

1. Determine the scope and parameters of the special map
2. Establish rules for its maintenance;
3. Develop software for specialized maps;
4. Train experts of the Ministry of Agriculture and Food and its bodies.

MEASURE 4

Keeping up-to-date information on agricultural land by the State Land Fund (SLF), creating the conditions for exercising control over the bodies of land ownership and protection of agricultural land through the State Land Fund (SLF) for the possibility of providing it for non-agricultural uses in the implementation of investment projects.

ACTIVITY 1

Utilization and management of land by the State Land Fund (SLF)

TASKS

1. Develop and enforce the electronic register of lands from the State Land Fund (SLF) connected with the management, tenure and disposal thereof;
2. Elaborate rules and principles for the management and disposal of agricultural lands from the State Land Fund (SLF) to provide for their agricultural needs, in conjunction with the application of specific laws.

MEASURE 5

Introducing real market policy on the property of the State Land Fund (SLF). Achieve flexible and transparent governance.

ACTIVITY 1

Creating a land bank

TASKS

1. Participate through the existing land fund in projects of land consolidation
2. Support of land consolidation projects under the Rural Development Programme;
3. Participate in the agricultural land market;
4. Dispose of land as lease and rent;

5. Property acquisition in the private agricultural lands in certain cases;
6. Approval for temporary management of agricultural lands owned by individuals and legal entities
7. Create a special website for the exchange of information between the bank and all stakeholders

MEASURE 6

Optimisation of the irrigation infrastructure for the efficient use of water resources

ACTIVITY 1

Legislate the ownership of the irrigation infrastructure and manage the services in this area

TASK

1. Adapt the existing and create new regulations governing the operation, construction, reconstruction and modernization of irrigation systems and facilities and the ownership and operation of the Irrigation Fund.

ACTIVITY 2

Reassessing the need and usability of existing irrigation funds to optimise the national irrigation system

TASK

1. Review of the existing Irrigation Fund and analysis of its functionality in terms of production needs and changes in the regulatory environment.

ACTIVITY 3

Reducing water losses in irrigation systems

TASK

1. Build an effective system to prevent and punish invasions of the Irrigation Fund by an operational action plan.

MEASURE 7

Continuous defence of the interests of the Bulgarian agricultural sector and the Bulgarian agricultural holders through effective participation in the work of the European institutions

ACTIVITY 1

Effective participation in discussions about the future of the CAP in the process of simplification of the EU legislation and the drafting and adoption of the acts of the European Council and the EC on Agriculture, after prior consultation with NGOs

TASKS

1. Assess the impact of the implementation of new policies to simplify the CAP, after its review;
2. Active participation in discussions at Community level, with adequate positions protecting the national interests in agriculture.

ACTIVITY 2

Overall coordination and ensuring consistency and coherence in the preparation of the positions of the Republic of Bulgaria in the field of Agriculture and Fisheries under the statutory procedure

TASKS

1. Drawing of positions, protecting national interests in all matters related to agriculture and Fisheries, put forward for consideration in the EU institutions;
2. Coordination of positions produced by all Bulgarian institutions stakeholders to ensure a unified national position in accordance with the conciliation procedure;
3. Ensure consistency of presented positions in order to create for the country an image of stable partner in discussions within the EU institutions.

PRIORITY IV

ESTABLISHMENT OF A UNIFIED STATE STRUCTURE FOR COORDINATION AND CONTROL OF FOOD QUALITY AND SAFETY

OBJECTIVE 1

IMPLEMENTATION OF THE KEY OBJECTIVE OF THE EU'S COMMON POLICY ON FOOD QUALITY AND SAFETY FOR ACHIEVING HIGH STANDARD OF QUALITY OF LIFE AND CONSUMER HEALTH PROTECTION, BY GUARANTEEING THE PRODUCTION AND SUPPLY OF QUALITY AND SAFE FOOD AND AGRICULTURAL COMMODITIES

MEASURE 1

Enforcing a single official control on food safety and quality, covering all units and stages of the food chain

ACTIVITY 1

Maintaining an effective and efficient system of official controls, subject to the general principles of compliance and enforcement of the EU legislation on transparency, flexibility, no corrupt practices, conflict of interest and duplication of activities

TASK

1. Review of the national legislation and drafting proposals for amending the regulations.

ACTIVITY 2

Creating a uniform system for the official control of food and fodder, based on the application of the scientific research approach of assessment, communication and risk management and implementation of sound administrative practices of the EU to work with research institutes and universities in order to achieve flexibility, transparency and public awareness on quality and food safety

TASK

1. Preparation of the Structural Regulation of the single authority for the official control of food and fodder.

ACTIVITY 3

Establishing and keeping a register of sites for extraction, processing, storage and marketing of food and fodder

TASK

1. Joining the existing system of registers of the Ministry of Agriculture and Food and the Ministry of Health and their transition in the structure of the single authority for the official control of food and fodder.

ACTIVITY 4

Optimising and maintaining effective information systems for tracking trade in animals, raw materials and food, the system for animal identification and the rapid reporting system in case of danger arising from food and fodder, operating within the EU

TASKS

1. Transition of the existing systems RASFF and TRACES to the structure of the single authority for the official control of food and fodder;
2. Train experts to work with the systems RASFF and TRACES.

ACTIVITY 5

Achieving uniformity in the application of official control by optimising the existing authorities and accredited laboratories

TASK

1. Updating the questionnaires, instructions and manuals for the introduction of uniform principles for the control, under the European acquis.

ACTIVITY 6

Update and notification in the EU about the Bulgarian State Standard (BDS) for dairy and meat products, development and implementation of a national high quality mark

TASK

1. Drafting Bulgarian State Standard (BSS) proposals for individual food products.

PRIORITY V

ENVIRONMENTAL AND SUSTAINABLE MANAGEMENT OF FOREST RESOURCES, HUNTING FAUNA AND PROTECTED NATURAL AREAS

OBJECTIVE 1

ENSURING SUSTAINABLE AND COMPETITION DEVELOPMENT OF THE FORESTRY SECTOR, IN ACCORDANCE WITH THE PRINCIPLES OF FOREST MULTIFUNCTION

MEASURE 1

Preparation of a comprehensive legislative package to optimise the organizational structure for management of state forests by dividing the public and control functions from the economic and business activities

ACTIVITY 1

Creation of a specialized structure for the implementation of strict government control for the protection of public interests in products, services, functions in the forestry sector, based on the best national traditions and leading practices in the EU

TASKS

1. Preparation and adoption of a new Forestry Act and the new Structural Regulation of the Forestry Executive Agency;
2. Structuring of the specialized structure for the control at central, regional and local level.

ACTIVITY 2

Establishment of economically viable state forest agricultural holdings and state hunting through appropriate mechanisms for investment and cooperation with entrepreneurs in the forests and support of initiatives to develop diversified and profitable operations

TASKS

1. Under the new Forestry Act – create an enterprise (enterprises) "State forests" at national level;
2. Establish state forest enterprises at regional level in economic planning regions;
3. Optimise the number and functions of the State Forestry Husbandry and the State Hunting Husbandry and restructuring them.

ACTIVITY 3

Elaboration of a strategic document for the development of hunting in Bulgaria in the period 2010 – 2025, and updating the legal package, regulating the development of hunting in the country

TASKS

1. Development of national strategies for the development of hunting in the Republic of Bulgaria in the period 2010 – 2025;
2. Preparation and adoption of the Act amending and supplementing the Hunting and Game Preservation Act;
3. Preparation and adoption of the Rules for Implementation of the Hunting and Game Preservation Act;
4. Elaboration and adoption of regulations under the Hunting and Game Preservation Act.

ACTIVITY 4

Implementation of the certification as a leading instrument of social control in forestry and guarantee for their multifunctional management

TASKS

1. Programming for the certification of state forests by region and analysis of the necessary resources;
2. Explaining the objectives and the need for certification, including to non-state forest owners.

ACTIVITY 5

Ensuring equality of owners and government support for the development of municipal and private forest ownership

TASKS

1. Drafting of a new Forestry Act along with the relevant regulations to ensure equality of forest owners and their respective regulations;
2. Development and validation of a programme to ensure public support for the development of municipal and private property, including by providing training and advice on management and use of forests, applying with projects under the Rural Development Programme (2007 – 2013);
3. Create public forest cultivation councils with the Regional Forestry Inspectorates to resolve regional and local forestry and economic issues affecting non-state and state forests.

ACTIVITY 6

Preparation and implementation of training programmes for civil servants and employees of state trading enterprises, owners of non-state forests, including employees of their executive bodies (municipal enterprises, companies, etc.) governing them to build capacity for business planning, commercial management, conduct and finance, work with the EU programmes and measures

TASKS

1. Preparation of projects for funding under the Administrative Capacity programmes;
2. Development of programmes and schedules for training of civil servants and employees of state trading enterprises;
3. Conducting courses and seminars on pre-printed and approved projects, programmes and schedules;
4. Updating the regulations to encourage further training of staff and the introduction of regulations establishing a programme of staff development.

MEASURE 2

Stimulating the development of national forest industry complex, maintaining the existing and creating new jobs

ACTIVITY 1

Implementing a transparent, market-oriented and regionally differentiated pricing of forest products, services and functions, including the establishment of forest stock markets and doing electronic commerce with them

TASKS

1. Optimise the regulations in the forestry sector and develop a methodology to achieve a transparent, market-oriented and regionally differentiated pricing of forest products, services and functions;

2. Improve the marketing of wood by conducting regular market surveys and development of situational analysis to ensure greater efficiency in the negotiation and sale of timber.

ACTIVITY 2

Encouraging public-private partnerships and long-term contracting in the forestry sector, including infrastructure development in forests

TASKS

1. Preparation of a new Forestry Act with the relevant regulations to ensure public-private partnerships, and optimise the relevant regulations;
2. Adopt and implement a programme of construction, repair and maintenance of forest roads;
3. Preparation of projects under Measure 125 “Infrastructure related to the development and adaptation of Agriculture and Forestry of the Rural Development Programme (2007 – 2013)”, where the State Forestry Husbandries and State Hunting Husbandries can submit projects for construction, repair and maintenance of forest infrastructure provided for in their Forestry Structure Projects, including, wherever the road passes through government and non-state forests;
4. Studying the European experience and best practices for implementing and negotiating long-term projects in the forestry sector through exchange of experts, etc. and adapting thereof tp local conditions.

ACTIVITY 3

Expanding the share of utilization of woody biomass from forests for energy production from renewable sources (up to 500 MW capacity)

TASKS

1. Survey, mapping and assessment of forest woody biomass as an energy resource;
2. Participation in a national programme to implement the commitments of Bulgaria for the production of energy from renewable sources (RES);
3. Establishment of plantations of fast growing tree species for production of wood biomass for energy production;
4. Development and implementation of local and regional pilot projects for energy production based on woody biomass.

ACTIVITY 4

Easing the regulatory mechanisms in the sector, encouraging companies to introduce locally advanced controls through certification of production

TASKS

1. Review and revision of licensing and registration regimes in the Forestry sector;
2. Drafting of a new Forestry Act, along with the relevant regulations, ensuring the reduction of regulatory mechanisms in the forestry sector;
3. Encourage the registration and activities of companies from the forestry sector in small municipalities and towns.

MEASURE 3

Decentralizing the management of forest resources by gradually taking steps to voluntarily, economically, socially and environmentally justified transfer of rights, duties and responsibilities from the state to municipalities, based on long-term contracting

ACTIVITY 1

Implementation of long-term development programmes of multifunctional development of forests at regional and municipal level

TASKS

1. Inclusion in the forestry legislation framework of the requirement to develop long-term plans for multi-purpose development of forests at regional and municipal level;
2. Support the development of long-term plans for multi-purpose development of forests at regional and municipal level;
3. Conduct awareness campaigns about multifunctional forest management in the public forestry councils with the Regional Forestry Inspectorates.

ACTIVITY 2

Establishment of objective opportunities for full utilisation of EU funds for forests, promoting the development of local economy and business awareness and interest in environmentally sustainable forest management

TASKS

1. Complete the administrative capacities and structures of the Forestry Executive Agency and the State Forests Enterprise for project preparation and application for financial assistance from EU structural funds;
2. Consider the need, capacity and implementation of regional environmental and social projects in areas from the Forest Fund together with municipalities.

MEASURE 4

Improving the protection and assistance to the adaptation of Bulgarian forests to climate changes

ACTIVITY 1

Establishment of an interdepartmental Council for Scientific Services, participation in the realization and implementation of European and global projects and initiatives on prevention and adaptation of forests to climate change

TASKS

1. Perform the preparatory activities for creating an interdepartmental council, specify the participants, their status, etc.;
2. Set up the Interdepartmental Council by virtue of the respective administrative act;
3. Optimise the number and upgrade the specialized units of forest protection and forest seed control;
4. Prepare and implement a new concept for the status and operation of experimental stations within the state forestry sector.

ACTIVITY 2

Adopt measures to carry out activities on forest protection, together with police forces, NGOs, municipalities, etc.

TASKS

1. Developing, discussing and adopting a programme of measures and action plan for conservation of forests, together with the police, NGOs, municipalities, etc. in relation to new structures in the state forestry sector;
2. Optimising the system of control and conservation of forests, complying with the new Forestry Act, the new structures in the forestry sector and the principles of equality of forest owners;
3. Preparing and implementing specific measures and awareness campaigns to raise the awareness and involve local people in forest protection.

ACTIVITY 3

Update of the national plan for prevention and protection of forests from fires and improve the controls to implement activities in forest fire protection

TASK

1. Updating the national plan for prevention and protection of forests from fires and improve controls to implement forest fire prevention activities under the new Forestry Act and the new state structures in the forestry sector.

ACTIVITY 4

Development and adoption of modern, environmentally friendly modes of forest management in protected areas and those within the European ecological network "Natura"

TASK

1. Achieving and maintaining a favourable conservation status of forest habitats and habitats of species in the forests included in Natura 2000 network with particular emphasis on supporting non-state forest owners involved therein.

ACTIVITY 5

Campaigning for awareness of the benefits of forests and modern ways of their conservation among the public

TASKS

1. Development and adoption of the Communication Strategy of the Executive Agency Forestry and its regional structures;
2. Supporting national and local cultural educational and scientific initiatives related to the preservation of traditions and lifestyle of Bulgarians.

ACTIVITY 6

Implementing common European methods for assessment of non-timber production functions and services of forests and their functional and financial security in the future. Coordinating the implementation of the principle "the user pays" for forest resources with other interested agencies

TASKS

1. Study of the European acquis to ensure the financing of public benefits, services and functions of forests;
2. Drafting provisions in the new Forestry Act to ensure the payment of public benefits and services provided and furnished by forests, including the introduction of "environmental charge", etc.

ACTIVITY 7

Stimulating the production of biological products and expansion of environmental services in forest areas

TASK

1. Changes in the legislation and regulations introducing new mechanisms, management and organization of the use of non-timber products and services, providing higher revenues for owners and/or users.

PRIORITY VI

DEVELOPMENT OF VIABLE AGRICULTURAL SECTOR – ESSENTIAL FACTOR FOR THE DEVELOPMENT AND STABILIZATION OF RURAL REGIONS

OBJECTIVE 1

CREATING CONDITIONS FOR SUPPORT OF SMALL AND MEDIUM ENTERPRISES (SMEs) AND ACTIVITIES GENERATING INCOME FROM OUTSIDE AGRICULTURE

MEASURE 1

Conducting a targeted policy for rural development and revival of their traditions, taking into account the particularities of rural communities, the local capacity and promoting the local initiative

ACTIVITY 1

Support of local development strategies through the Rural Development Programme

TASKS

1. Adopting regulations for the implementation of local development strategies;
2. Creating and supporting local action groups (LAGs).

ACTIVITY 2

Supporting businesses reviving local traditions and keeping the particularities of rural communities

TASK

1. Supporting micro enterprises reviving the local traditions in rural areas.

MEASURE 2

Improving the quality of life, infrastructure development and basic services for businesses and people

ACTIVITY 1

Improving infrastructure in rural communities in terms of tourism, municipal roads, water supply and sanitation through the measures under the Rural Development Programme

TASKS

1. Support of municipal infrastructure projects related to tourism;
2. Support of municipal roads, water supply and sanitation.

ACTIVITY 2

Public works in the villages by renovation of buildings of social institutions, streets, parks, cultural buildings and buildings of local importance through the measures under the Rural Development Programme

TASKS

1. Support for the renovation of buildings of social institutions in rural areas;
2. Support for upgrading settlements in rural areas through projects for streets, parks, cultural buildings and buildings of local importance.

ACTIVITY 3

Creation of service centers for the rural population, through the measures under the Rural Development Programme, so as to provide improved access to culture, leisure and sports services for children and vulnerable groups, information and communication services

TASKS

1. Support for upgrading service centers for the rural population;
2. Support for the renovation of cultural centres, entertainment and sports services for children and vulnerable groups;
3. Support for the renovation of centres for information and communication services.

ACTIVITY 3

Achieving complementarity of investments in services and infrastructure in rural areas through the Operational Programme "Regional Development" in order to strengthen the relationship "village-city-region"

TASK

1. Coordination of support under the Rural Development Programme and the Operational Programme "Regional Development" through participation in the work of the programmes' Monitoring Committees.

OBJECTIVE 2

CREATING THE CONDITIONS FOR DEVELOPMENT OF ENVIRONMENTALLY FRIENDLY FORMS OF AGRICULTURE TO CONSERVE ENVIRONMENT AND BIODIVERSITY

MEASURE 1

Priority implementation and realization of the tasks and activities as set in the National Plan for the Development of Organic Agriculture in Bulgaria for the period 2007 – 2013

ACTIVITY

Providing funding under the National Plan for the Development of Organic Agriculture in Bulgaria for the period 2007 – 2013

TASKS

1. Update on the activities under the Plan and the funding required for the implementation thereof;
2. Prepare and coordinate the financial rationale for the period 2010 – 2012;
3. Ensure the administrative capacity to implement the Plan.

MEASURE 2

Encouraging agricultural holders to exploit the opportunities for assistance in the field of agri-environment and compensation payments in Natura 2000 sites

ACTIVITY

Commencement of the implementation of the steps planned for subsequent launch under the Rural Development Programme

TASK

1. Create a separate layer of Natura 2000 sites in the Land Parcel Identification System (LPIS) and of separate layer of lands with high nature value.