



MINISTRY OF AGRICULTURE AND FOOD

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

(AGRARIAN REPORT 2012)

AGRARIAN REPORT 2012

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List of abbreviations	
BFSA	Bulgarian Food Safety Agency
BANCIK	Bulgarian Survey for Monitoring the Agricultural and Economic Conjuncture
GDP	Gross Domestic Product
GVA	Gross Value Added
BDS	Bulgarian State Standard
BNB	Bulgarian National Bank
BEP	Biological and Economic Properties
BRC	Bulgarian Red Cross
VMP	Veterinary Medicinal Products
BCP	Border Check Points
BCrP	Border Crossing Points
GMO	Genetically Modified Organism
SFE	State Forestry Enterprises
SFH	State Forest Holdings
VAT	Value Added Tax
AHFSD Directorate	Animal Healthcare and Food Safety Directorate
SHA	State Hunting Areas
SLF	State Land Fund
SFA	State Fund Agriculture
SFA-PA	State Fund Agriculture – Paying Agency
EFTA	European Free Trade Association
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
SMNCP	Single Multi-Annual National Control Plan for Foods, Animal Feed, Animal Health and Welfare and Plant Health
EERP	European Economic Recovery Plan
EU	European Union
EAGF	European Agricultural Guarantee Fund
EFF	European Fisheries Fund
AFM	Agricultural and forestry machinery
PGI	protected geographical indication
PDO	protected designation of origin
SPMA	Seed and Propagating Material Act
OUALA	Ownership and Use of Agricultural Land Act
EFA	Executive Forest Agency
EAFA	Executive Agency for Fisheries and Aquaculture
EAPVTFISC	Executive Agency for Plant Variety Testing, Field Inspection and Seed Control
EASPAH	Executive Agency for Selection and Reproduction in Animal Husbandry
UAA	Utilised agricultural area
IACS	Integrated Administration and Control System
TCD	Traffic Control Department

TCI	Technical Control Inspectorate
MI	Ministry of Interior
MAF	Ministry of Agriculture and Food
LAG	Local action groups
NRA	National Revenue Agency
HACCP	Hazard Analysis and Critical Control Point
NAPDP	National additional payments to direct payments
NDRVMI	National Diagnostic and Research Veterinary Medical Institute
NMP	National monitoring program for control of pesticide residues in food of plant origin
NMPCR	National monitoring program for control of residues of veterinary medicinal products and environmental contaminants
NAP	National Apiculture Programme (2011-2013 r.)
NRL	National Reference Laboratory
NGS	National Grain Service
NSI	National Statistical Institute
NAAS	National Agricultural Advisory Service
DD 'Agriculture'	District directorates 'Agriculture'
DFSD	District Food Safety Directorate
OECD	Organisation for Economic Co-operation and Development
CIS	Commonwealth of Independent States
CMO	Common Market Organisation
OPFSD	Operational Program Fisheries Sector Development
CAP	Common Agricultural Policy
IROUALA	Implementing Rules for the Ownership and Use of Agricultural Land Act
PPP	Plant protection products
RDP	Rural Development Program 2007-2013
FDI	Foreign direct investment
RDF	Regional Directorate of Forestry
DCM	Decision of the Council of Ministers
SAPS	Single Area Payment Scheme
SIAL	System for Identification of Agricultural Lots
IA	Irrigation associations
AA	Agricultural Academy
CLVSEE	Central Laboratory for Veterinary Sanitary Expertise and Ecology
CLPQ	Central Laboratory of Plant Quarantine
CLCTC	Central Laboratory for Chemical Testing and Controls
DOM	digital orthophoto map
PTC	Professional Training Center
CPVO	Community Plant Variety Office
RASFF	Rapid Alert System for Food and Feed

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SECTION A

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

In 2011 the Gross Domestic Product (GDP), according to preliminary data, registered an increase¹ of 1,7% in real terms compared to the previous year.

In nominal terms, the 2011 GDP amounted to 75 265 million BGN (38 483 million EUR).

The average annual inflation for 2011 was 4,2%, while the inflation by the end of the year compared to the same period of 2010 – 2.8%.

According to BNB data the exports in 2011 amounted to 39 634 million BGN (20 264 million EUR), or 52.7% of the GDP. The imports in the year amounted to 43 851 million BGN (22 420 million EUR) or 58,3,% of the country's GDP. Since the growth rate of exports outpaced the growth rate of imports, the negative trade balance (FOB-FOB) decreased to -4 217 million BGN (-2 156 million EUR).

In 2010 the foreign direct investment in Bulgaria were as high as 3 415 million BGN (1 746 million EUR), which makes 4,5% of the GDP.

According to the National Employment Agency in 2011 the unemployment level is within a relatively narrow range with weak, mainly seasonal fluctuations. The unemployment rate at the end of December 2011 was 10,4%, with 1,2 points higher than the level a year earlier.

Table I.1. Basic macroeconomic indicators of the Republic of Bulgaria

Indicator	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11
GDP, billion BGN	33,189	35.812	39,824	45.484	51,783	60,185	69,295	68,322	70,511	75.265
GDP, billion EUR	16.969	18,310	20,361	23,255	26.476	30,772	35.430	34,932	36.052	38.483
Annual real growth rate of GDP, %	4,7	5.5	6.7	6.4	6.5	6.4	6.2	-5.5	0,4	1,7
Average annual inflation rate, %	5.8	2,3	6.1	5.0	7,3	8.4	12,3	2.8	2.4	4,2
Inflation at the end of the year, %	3,8	5.6	4,0	6.5	6.5	12.5	7,8	0,6	4,5	2.8
Trade balance, billion BGN	-3,673	-4,744	-5.777	-8.625	-10,879	-14,171	-16.816	-8.164	-5.405	-4,217
Trade balance, billion EUR	-1,878	-2.426	-2.953	-4,410	-5.562	-7,245	-8.598	-4,174	-2.764	-2.156
FDI, billion BGN	1,917	3,619	5,351	6.165	12.168	17,704	13,159	4,766	2,252	3,415
FDI, billion EUR	0,980	1,851	2.736	3,152	6,222	9,052	6.728	2.437	1,151	1,746

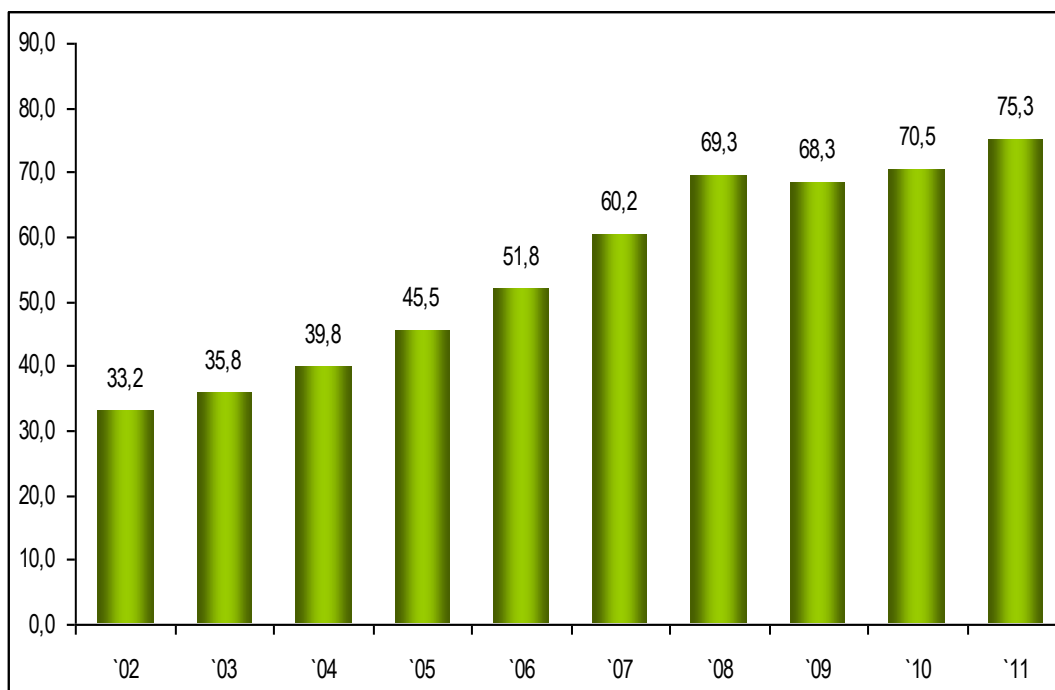
Source: NSI – GDP, GDP growth rate and inflation; BNB – trade balance and FDI. Preliminary data for 2011.

Gross Domestic Product

In 2011, Bulgaria's GDP grew by 1,7% in real terms compared to the previous year. In nominal terms it amounted to 75 265 million BGN (38 483 million EUR), whereas the GDP per capita reached 10 109 BGN (5 169 EUR).

Figure I.1. Level of the GDP for the period 2002 – 2011, billion BGN

¹ The real growth rate was calculated on the basis of the values of the respective indicator according to comparable prices for 2005.



Source: NSI; preliminary data for 2011.

Gross Value Added

The gross value added (GVA) generated by the sectors of the national economy in 2011, amounted to 64 831 million BGN (33 147 million EUR) at current prices. compared to the previous year, GVA grew by 1,8% in real terms. The value added of the operators in the agrarian sector in 2011 was 3 637 million BGN at current prices – by 22,2% in nominal terms above the level in 2010.

In terms of economic sectors, GVA for 2011 was distributed, as follows:

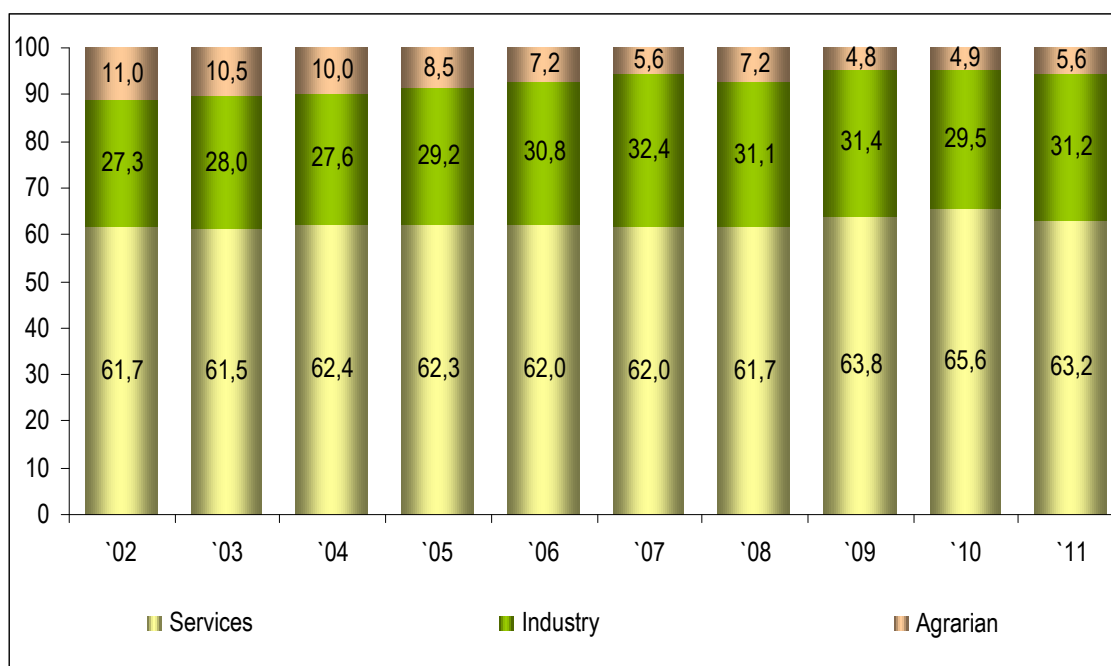
- Industry (including Construction) – 31,2%;
- Services – 63,2% ;
- Agrarian (agriculture, forestry and fisheries) – 5.6%.

The share of the agrarian sector in the total GVA grew by 0,7 points compared to 2010.

According to preliminary data from NSI the total GVA of the country's economy for the first six months of 2012 was 29 782 million BGN (15 227 million EUR) at current prices. The relative share of the economic sectors within the GVA for the first semester of the year is: industry – 32.7%; agrarian sector – 4,7% and services – 62.6%.

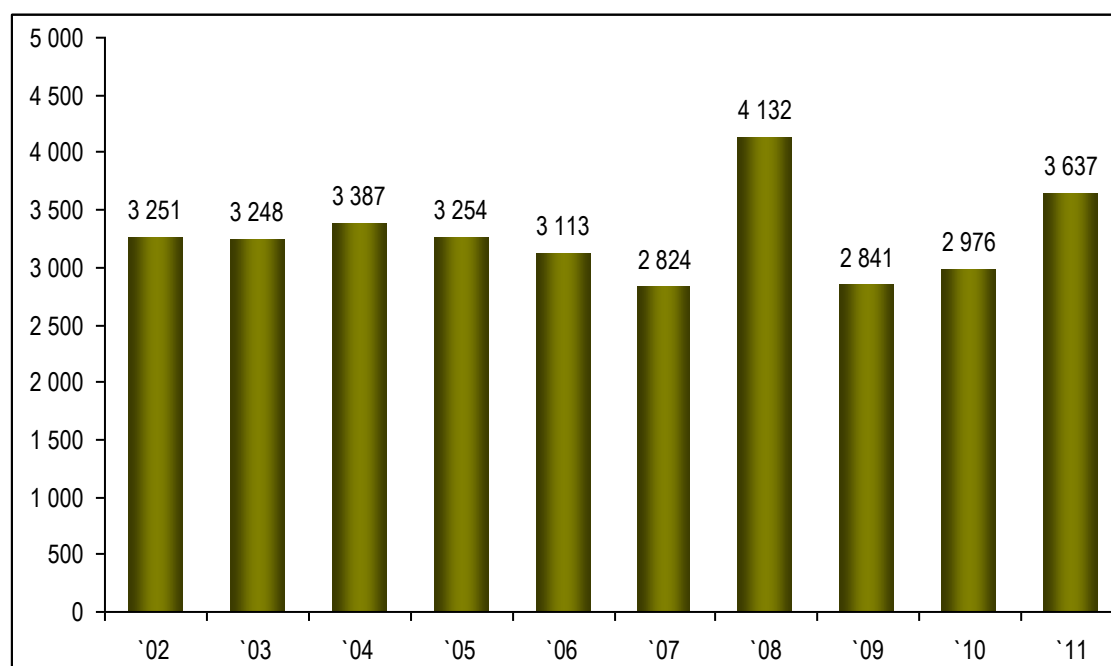
In the first semester of 2012 the agrarian sector generated GVA of 1 383 million BGN, by 14,5% more compared to the same period of 2011 in nominal terms. In real terms, the value added of the sector grew by 9,2% compared to the first semester of the previous year.

Figure I.2. GVA by Economic sectors for the period 2002 – 2011, %



Source: NSI data processed by MAF; preliminary data for 2011.

Figure I.3. GVA generated by sector "Agriculture, forestry and fisheries" 2002 – 2011., million BGN

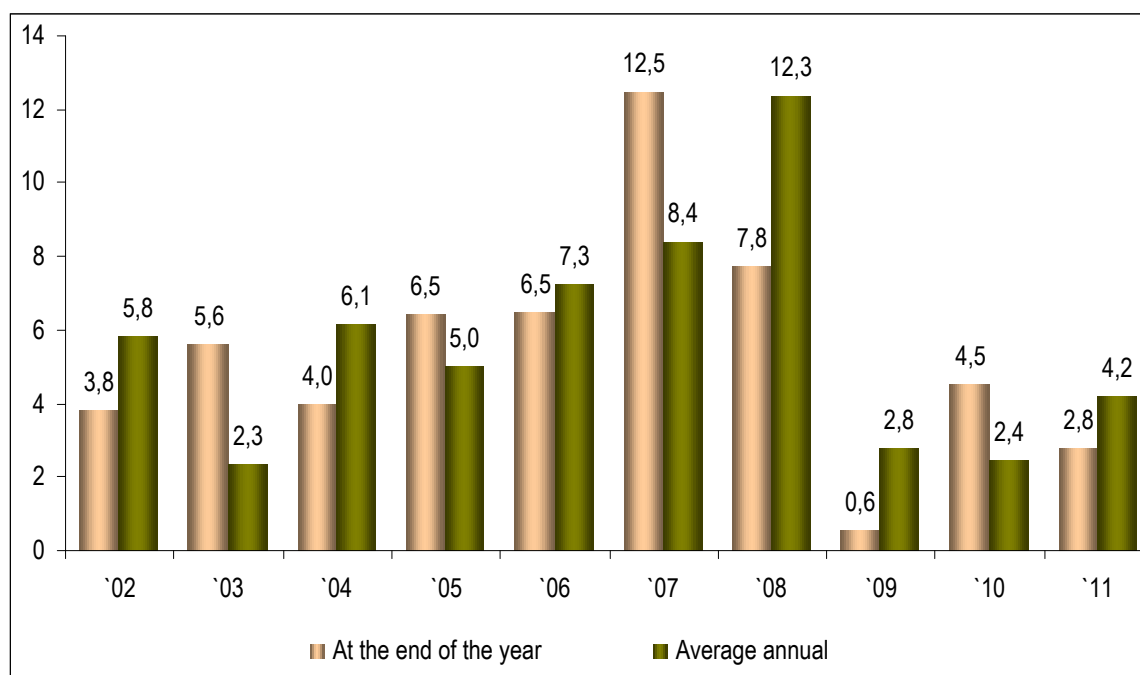


Source: NSI, preliminary data for 2011.

Inflation

The average annual inflation for 2011 was 4,2%, and the inflation accumulated by the end of the year was – 2,8%. At the end of 2011 food prices higher by 4,2% on an annual basis, the prices of non-food products – by 1,8%, public catering prices – by 3,8%, and service prices – by 1,6%.

Figure I.4. Inflation, %



Source: NSI

Employment and unemployment

As a result of the positive economic indications the rate of employment in 2011 began to decrease more slowly compared to the previous year. According to NSI data the average annual number of employees aged 15 and more is 2 949,6 thousand, by 103,2 thousand less than 2010 compared to a twice larger drop in the period 2010/2009 – 200,8 thousand people.

In 2011, according to data provided by the National Employment Agency, the average number of unemployed people registered at the employment office was 332 601 people, by 18 344 people or 5,2% less compared to 2010.

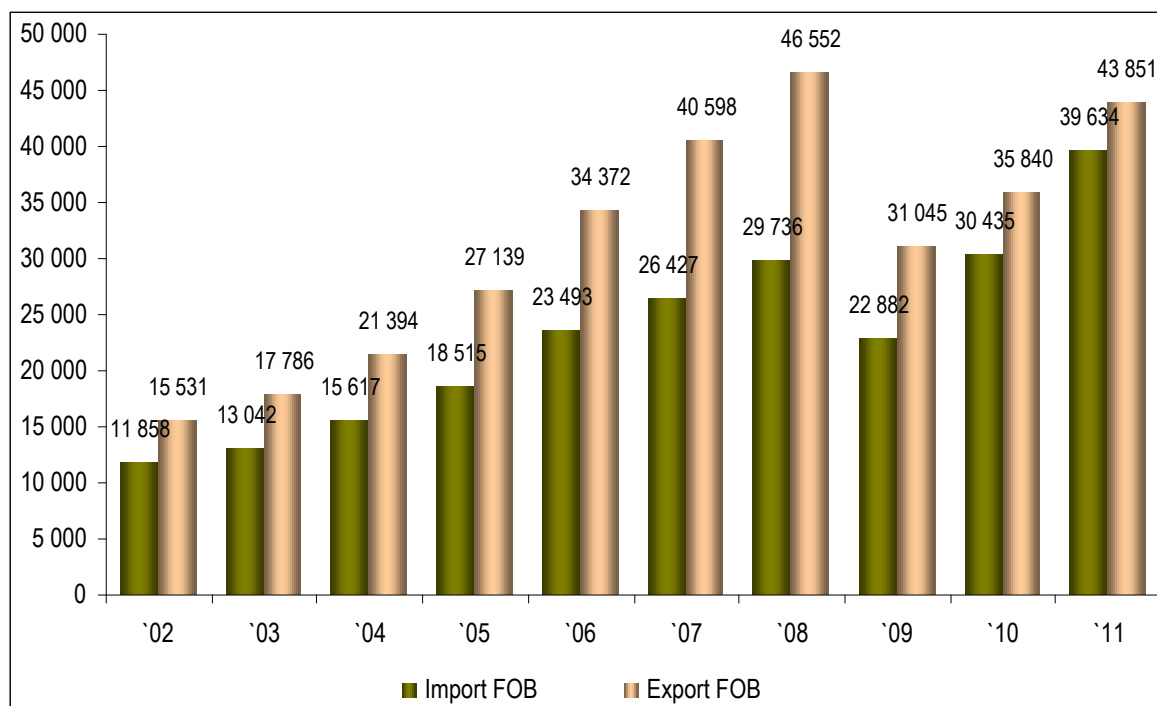
Since the beginning of the year until September the unemployment rate gradually decreased from 11,0% to 9,4% which was followed by gradual increase up to 10,4% in December. The average annual unemployment rate was 10,1%, by 0,7% higher than the rate in 2010.

According to preliminary data from the NSI in 2011 the average annual salary of employees under employment contracts, including the annual bonuses, was 8 478 BGN, which is by 710 BGN or 9,1% higher than 2010. The increase in the sector Agriculture, Forestry and Fisheries is by 9,9% to an average of 6 318 BGN for 2011.

Import and export

According to data from the BNB, Bulgaria's exports in 2011 increased by 30,2% compared to the previous year to 39 634 million BGN (20 264 million EUR), which is 52,7% of the GDP. The imports in accounted for 43 851 million BGN (22 420 million EUR) – by 22,4% more compared to 2010 and represents 58,3% of the country's GDP.

Figure I.5. Imports and exports for 2002 – 2011, million BGN

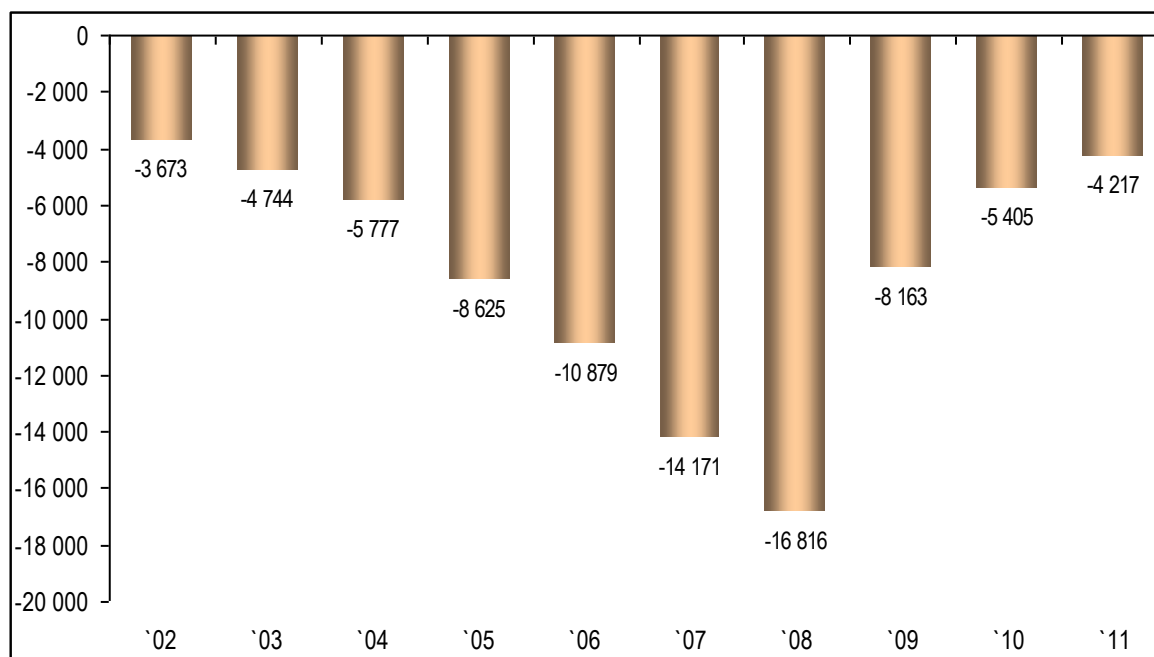


Source: BNB

In 2011 the negative trade balance decreased for a third year in a row to -4 217 million BGN (-2 156 million EUR), compared to -5 405 million BGN (-2 764 million EUR) for 2010.

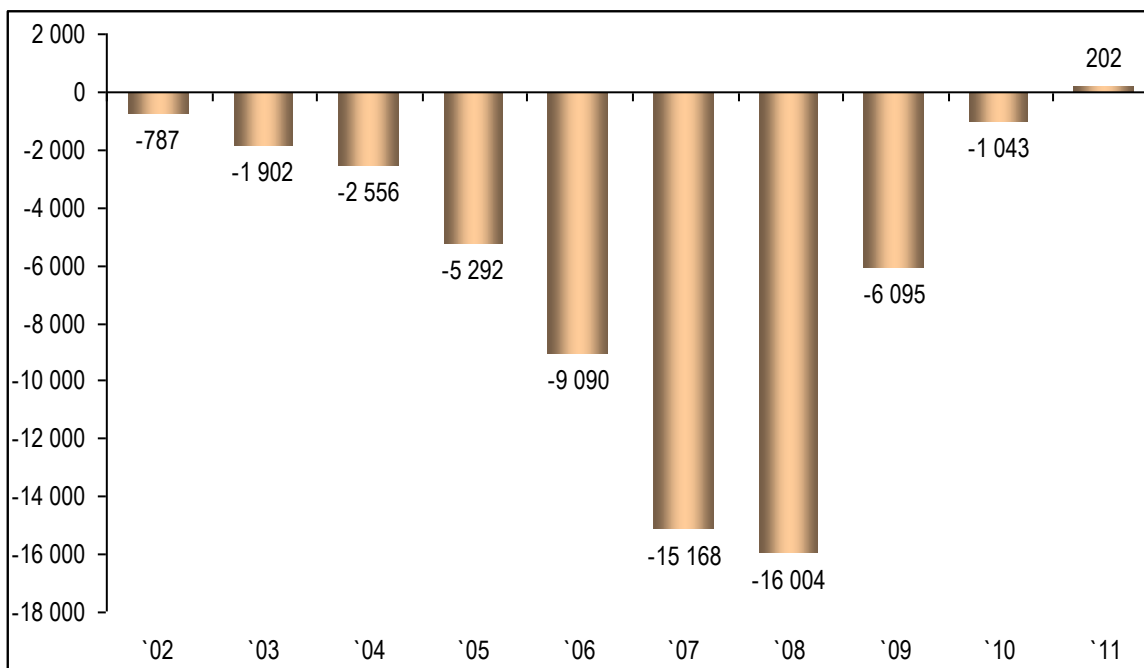
The shrinking negative trade balance contributes to the formation of a positive balance of 202 million BGN (104 million EUR) under the current account for 2011.

Figure I.6. Trade balance for the period 2002 – 2011, million BGN



Source: BNB. Preliminary data for 2011.

Figure I.7. Current account for the period 2002 – 2011, million BGN

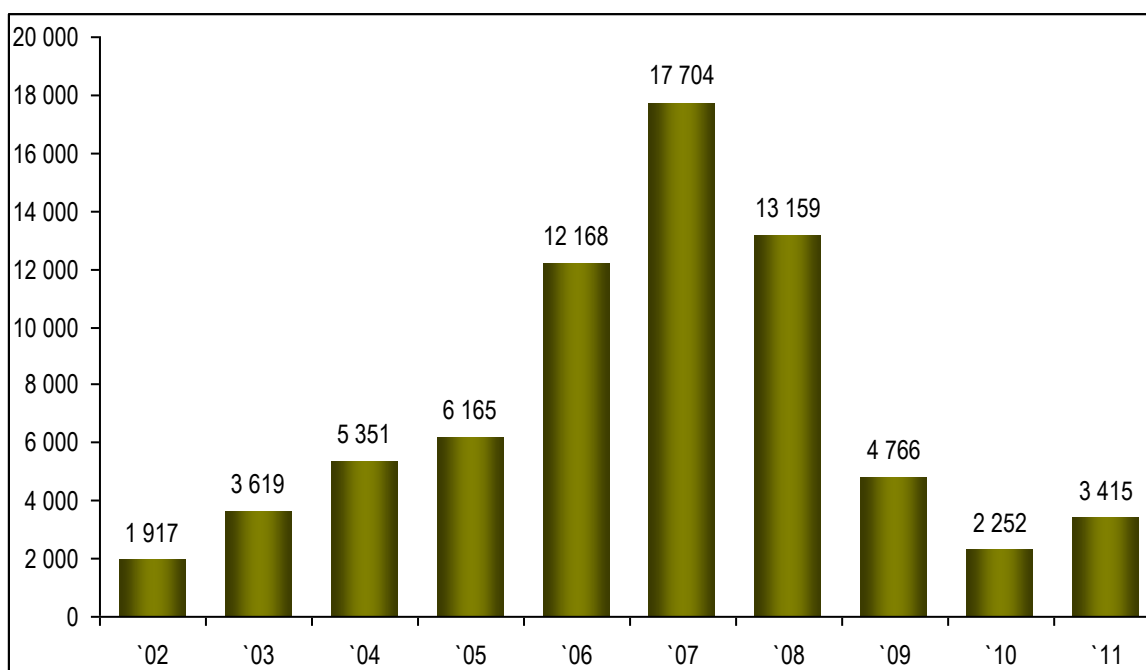


Source: BNB

Foreign direct investments

According to data from the BNB, the FDI for 2011 amounted to 3 415 million BGN (1 746 million EUR), by 52% more compared to the previous year. The direct investments during the year represent 4,5% of the GDP, compared to 3,2% in 2010.

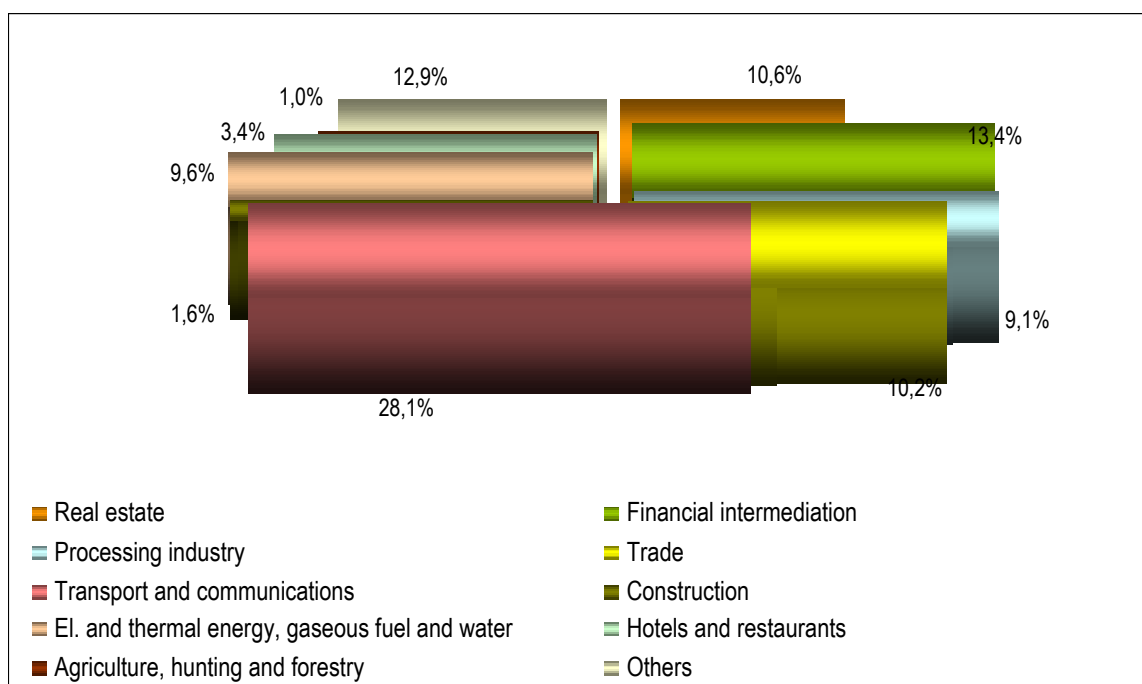
Figure I.8. Foreign direct investments 2002 – 2011, million BGN



Source: BNB

The largest number of investments over the year was attracted by sectors 'Transport, warehousing and communications' (28.1% of all FDI) and 'Financial Intermediation' (13,4%). The FDI in the sector of agriculture, hunting and forestry in the year represent only 1% of the total volume of investments in the country.

Figure I.9. Foreign direct investments by economic activities in 2011,%



Source: BNB

II. DEVELOPMENT OF THE AGRARIAN SECTOR IN 2011 AND PROJECTIONS FOR 2012

1. Use of agricultural land and structures in agriculture

1.1. Use of lands for agricultural purposes

Land for agricultural purposes in 2011 was 5 486 572 ha, accounting for approximately 50% of the territory of the country.

Utilised Agricultural Area is composed of arable land, perennial crops, permanent grasslands, family gardens and greenhouse areas. In 2011 it was 5 087 948 or 45.8% of the territory of the country. The UAA increased by 0.7% compared to the previous year.

Arable lands are lands included in crop-rotation, temporary meadows occupied by cereals and leguminous plants and fallow land. In 2011 the arable land increased by 2% compared to the previous year, occupying 3 227 237 ha or 63.4% of the Utilised Agricultural Area. This growth is mainly due to the expanded area growing wheat, maize, sunflower and industrial oil seed crops.

Artificial meadows occupied by leguminous plants and cereals in 2011 decreased by 4.6% compared to 2009 down to 88 908 ha, which represents 2.6 % of the arable land and 1.7% of the Bulgaria's Utilised Agricultural Area.

Fallow lands are arable lands which were not cultivated during the year of monitoring. Cultivated or not, these areas remain in this category for no more than two years. In 2011 the fallow land decreased by 16.1% compared to 2009 and occupied 174 110 ha. This accounts for makes 5.4% of the arable land and 3.4% of the Bulgaria's Utilised Agricultural Area compared to 6.6% and 4.1% in the previous year respectively.

The orchards in 2011 accounted for 1.4% of the Bulgaria's UAA, and the areas occupied by orchards decreased approximately by 4.7% compared to the previous year. **The mixed perennial plants** increased by 17.8%.

The areas occupied purely by **vineyards** in 2011 decreased by 5.1% down to 78 468 ha compared to 2010 which is 1.5% of the country's UAA.

Permanently productive meadows, highland meadows, grasslands with low productive potential and meadows/ orchards in 2011 occupied 678 308 ha or 33% of the country's UAA.

The family gardens in 2011 increased by 4.1% compared to the previous year up to 22 517 ha or 0,4% of the country's UAA.

Uncultivated lands are lands excluded from the crop-rotation process and have not been used for agricultural production for more than two years. Their operational recovery is possible using minimum funding. The percentage of uncultivated land in 2011 was around 3.6% of the country's total area and has decreased by 9.6% compared to the previous year.

Table II.1. Arable land, utilised agricultural area and area with agricultural purposes for the period 2008 – 2011, ha

Employment	2008	2009	2010	2011
Wheat	1 114 427	1 254 151	1 095 703	1 152 999
Barley	223 004	264 689	250 640	174 010
Rye and triticale	15 296	17 034	16 116	17 841
Oats	40 230	28 894	24 627	17 163
Maize	348 402	303 881	360 046	430 914
Other cereals	13 217	9 809	9 259	12 006
Sunflower	723 962	687 209	734 314	795 319
Tobacco	26 742	27 865	31 652	21 710
Industrial oil seed crops	102 899	115 013	209 347	233 934
Other industrial crops	49023	60731	74738	54458
Potatoes	21 648	14 068	13 824	16 852
Kidney bean, peas, broad beans	5 868	3 803	3 670	5 982
Lentils, chick-peas and other legumes	3 857	5 754	2 169	2 094
Fresh vegetables	30 001	28 715	29 420	27 227
Fodder crops, roots			96	
Other fodder annual crops	7 352	6 349	7 366	3 804
Meadows sown with beans	99 362	94 226	87 718	83 503
Meadows sown with cereals	2 468	1 183	1 191	1 301
Other crops on arable land	3 314	2 806	3 014	2 010
Fallow land	229 471	196 336	207 616	174 110
Arable land	3 060 543	3 122 516	3 162 526	3 227 237
Family gardens	25 763	21 411	21 629	22 517
Orchards	69 893	71 995	72 913	69 478
Vineyards - pure crop	100 873	84 438	82 675	78 468
Other perennial plants	14 888	10 197	10 133	11 940
Permanent grasslands and meadows-fruit orchards	1 828 865	1 719 028	1 701 990	1 678 308
Utilised agricultural area	5 100 825	5 029 585	5 051 866	5 087 948
Land for agricultural purposes	5 648 206	5 490 113	5 492 891	5 486 572

Source: MAH, 'Agrostatistics'

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

In 2011 the total area of agricultural land in SLF – private/state property - amounted to 224 574 ha.

Rent (lease) relations in agriculture

The agricultural lands of the SLF are provided for use as rented/leased land using bidding procedures in compliance with the provisions of the Ownership and Use of Agricultural Land Act (OUALA). In 2011, the total size of the agricultural land of the SLF rented/leased out to natural persons or legal entities amounted to 91 191 ha (40.65% of SLF, private/State property).

A total of 64 916 ha of SLF agricultural land was announced for lease/rent under tender procedures held by DD 'Agriculture', of which 23 221 ha were leased out by December 2011 including 18 641 ha for growing annual field crops.

The Minister of Agriculture and Food is authorised to provide SLF land to be used free of charge by research institutes, agricultural vocational schools, schools, prisons, nursery-gardens, etc., for the purposes of their main activities. 20 651 ha of state land was provided for used under this procedure.

Compensation of owners with nominal compensation bonds

In compliance with State's liabilities pursuant to the Ownership and Use of Agricultural Land Act to compensate owners the Ministry of Agriculture and Food organises and conducts auctions for sale of agricultural land from the State Land Fund (SLF) to holders of nominal compensation bonds. In 2011, at the auctions for sale of lands from the State Land Fund, holders of nominal compensation bonds purchased a total of 113,224 ha of agricultural land from the SLF worth 396 586 nominal compensation bonds.

Establishing limited real rights on land from SLF

In 2011 more than 100 requests by mayors of municipalities, legal entities and natural persons in connection with investments intentions to build or expand sites and/or linear sites affecting agricultural land, property of SLF, were reviewed. Opinions were prepared on the possibilities to provide real properties from the State Land Fund for non-agricultural needs which were submitted for consideration to the Commission for the Agricultural Lands. 44 letters were prepared on the grounds of the Commission's decisions wherein the Minister of Agriculture and Food, pursuant to the provisions of Art. 24c of the OUALA, expressed his prior consent for commissioning a detailed structure plan for designing sites and routes for the construction of water supply and sewerage networks, power supply lines, gas transmission pipelines for the needs of Bulgartransgas EAD, construction of technical infrastructure elements requested by the Road Infrastructure Agency.

The Minister of Agriculture and Food issued 4 consents for commencement of procedure for development of a detailed structure plan to determine the legally required area for the facilities in connection with procedures undertaken by owners of buildings and facilities to acquire title of the land – private/State land on which the construction was performed pursuant to the provisions of Art. 24c of the Ownership and Use of Agricultural Land Act.

5 contracts for establishing right to build on 3.6 ha agricultural land of the State Land Fund were prepared pursuant to article 24 (1) of the OUALA, article 47 of the Implementing Rules for the OUALA in connection with article 62 (1) of the Energy Act (for sites of wind generators, steps of electric posts) and in connection with a signed contract for provision of concession for underground natural resources.

5 contracts instituting easements – right of passing, right of way and limiting the use of SLF land – were prepared on the grounds of article 24 (1) of OUALA, article 47 (21) of the IR of OUALA in connection with article 64 (1) and (4) of the Energy Act.

2 contracts for temporary lease of SLF land for non-agricultural needs were concluded in 2011.

Activities to protect agricultural land

The activities for protection of agricultural land involve preservation and recovery of the properties of agricultural land, recultivations measures and exercise of strict control on the changes of land use for various investment intentions.

In 2011 the Agricultural Land Commission reviewed a total of 405 proposals for approval of sites and/or routes for design and 338 for change of the use of agricultural land and passed decisions

for changing the land use of 3 252,2 ha. The committees under the District Directorates of Agriculture reviewed 2 006 proposals for change of the use of agricultural land and passed decisions for change of the use of 1 133 ha. A commission was set up in the course of the year for approval of recultivated areas and it approved 75,25 hectares of recultivated area. The areas intended for recultivation are 837 hectares and 3 commissions held meetings.

1.3. System for Identification of Agricultural Lots

The System for Identification of Agricultural Lots (SIAL) is a main subsystem to the Integrated Administration and Control System on the basis of which application forms for support to areas are submitted and control of the eligibility of payments for such areas is exercised. Therefore the data in the system must be as up to date and reliable as possible.

In 2010, the maintenance of the SIAL database included the following activities:

- Updating 46% of the digital orthophotomap of the country on the basis of new aircraft mapping performed in 2011;
- Updating the physical fields of the new DOM – borders, method of long-term use, layer called "Areas eligible for support under the SAPS" according to the changes in the use of the agricultural areas and their status;
- Field inspections with GPS devices of:
 - physical fields, the borders and other characteristics of which may not be determined definitively under the new DOM;
 - a random sample of physical fields updated under the new DOM and the layer "Areas eligible for support under the SAPS" to control the deciphering;
 - physical fields where support is claimed for areas outside the physical field or outside the layer "Areas eligible for support under the SAPS"
- Recording of the findings and measurements from such field inspections in the SIAL databases;
- Recording the findings from inspections on the spot performed by the Technical Inspectorate of the Paying Agency;
- Quality control of SIAL data and preparation of an annual report on the condition of SIAL to the European Commission;
- The payments per area for 2011 by State Fund Agriculture were determined on the basis of the updated physical field and layer "Areas eligible for support under the SAPS for 2011".

Submitting applications for support: Campaign 2011

Campaign 2011 was organized and carried out in 2011 for submission of applications for support that included:

- The employees of the District Directorates of Agriculture and of the Municipal Agricultural Services were trained to work with the software of State Fund Agriculture - Paying Agency to enter the data from the application forms for registration;
- Providing application forms for support and of graphic material to locate the areas used by the applicants for support;
- Assisting the applicants for support with the completing of the applications for support and the identification of the agricultural areas used by them;
- Entry of the applications into the System for Registration of Applicants and the application forms for support - a module of the Integrated Administration and Control System;

- Submission of the completed general application to the relevant territorial structure of the Paying Agency.

The submission of applications for support for areas for 2011 was conducted on the basis of the DOM, the physical fields and the „Areas eligible for support under the SAPS for 2010” updated in 2010.

1.4. Registration of agricultural producers

In 2011 the total number of the agricultural producers registered in the Register under Ordinance № 3/1999 was 65 504, and in 2012 – 67 614.

The Register of agricultural producers collects information of the agricultural producers and their activities in order to support agriculture and rural development

The registered agricultural producers are entitled to free advice and information on prices and markets of agricultural products from the National Agricultural Advisory Service and to free information, analyses and projects from the District Directorates of Agriculture.

Table II.2. Agricultural producers registered under Ordinance № 3/1999

	2006	2007	2008	2009	2010	2011	2012 r.
Total number of registered agricultural producers	77 899	80 308	95 770	99 087	69 306	65 504	67 614

Source: MAH, Agriculture and Land Tenure Directorate General

1.5. Structure of agricultural holdings

In the second half of 2010 the Ministry of Agriculture and Food conducted a nationwide census of the agricultural holdings in compliance with the Census of the Agricultural Holdings Act. The census was based on a methodology complying with EU legislation requirements - Regulation (EC) 1166/2008 and Regulation (EC) 1200/2009. It guarantees comparability of the results on the structure of agricultural holdings in Bulgaria and the agricultural production methods with those of the other EU Member States.

The agricultural census is a major source of information on the condition and trends of agricultural development. Its task is to provide a current economic, social and ecological picture of the agrarian sector required for taking decisions under the Common Agricultural Policy.

The agricultural census in 2010 covered 370 222 agricultural holdings on the territory of the country which perform at least one of the following activities within the meaning of the census act – they manage agricultural land (UAA), raise farm animals, grow agricultural products or maintain the land in good agricultural and environmental condition and meet the criteria in Annex № 2 to article 5 of the Act.

357 074 of all agricultural holdings manage agricultural land and 279 657 raise farm animals, poultry and bees. The relative share of agricultural holdings that both cultivate agricultural land and raise animals is the largest - 266 644 or 72% of the total number. The agricultural holdings without UAA are 13 148 - 13 013 of these raise farm animals and the others grow mushrooms, raise silkworms, other animals or have hatcheries. The agricultural holdings without UAA grow about 46% of the counted birds, 44% of the pigs and 8% of the cattle.

The total size of the agricultural area utilized by the holdings is 3 616 965 ha and the average size of one holdigns is 10.1 ha. The census of the UAA of holdings did not cover grazing land, commons or other permanent grasslands used by many farmers for collective grazing of animals the size of which in 2010 was 876 thousand ha.

Table II.3. Use of land by categories of agricultural land

Categories of utilised agricultural area (UAA)	Agricultural holdings (number)		Area (hectares)	
	2003	2010*	2003	2010*

Utilised agricultural area	654 808	357 074	2 904 480	3 616 965
Arable land	533 251	250 728	2 674 907	3 124 928
Grain crops	369 436	119 640	1 626 667	1 796 148
Technical crops	88 354	57 694	785 228	1 077 024
Feed crops	189 871	75 332	103 169	106 134
Potatoes	209 523	88 750	17 156	13 553
Strawberries, fresh vegetables and flowers	188 687	72 107	29 872	24 708
Seeds and plant propagation material	1 751	1 399	876	533
Other crops on arable land		236		343
Fallow land	28 521	12 491	111 940	106 486
Family gardens	534 033	227 926	21 046	10 365
Permanent grasslands	198 129	107 267	107 393	382 023
Permanent crops - total	260 747	118 610	101 135	99 649
Orchards	58 511	42 827	31 576	45 505
Nurseries	497	489	952	1 334
Vineyards	223 580	87 002	68 487	52 336
Other permanent crops	267	204	121	474

Source: MAF, Agrostatics Department, agricultural census

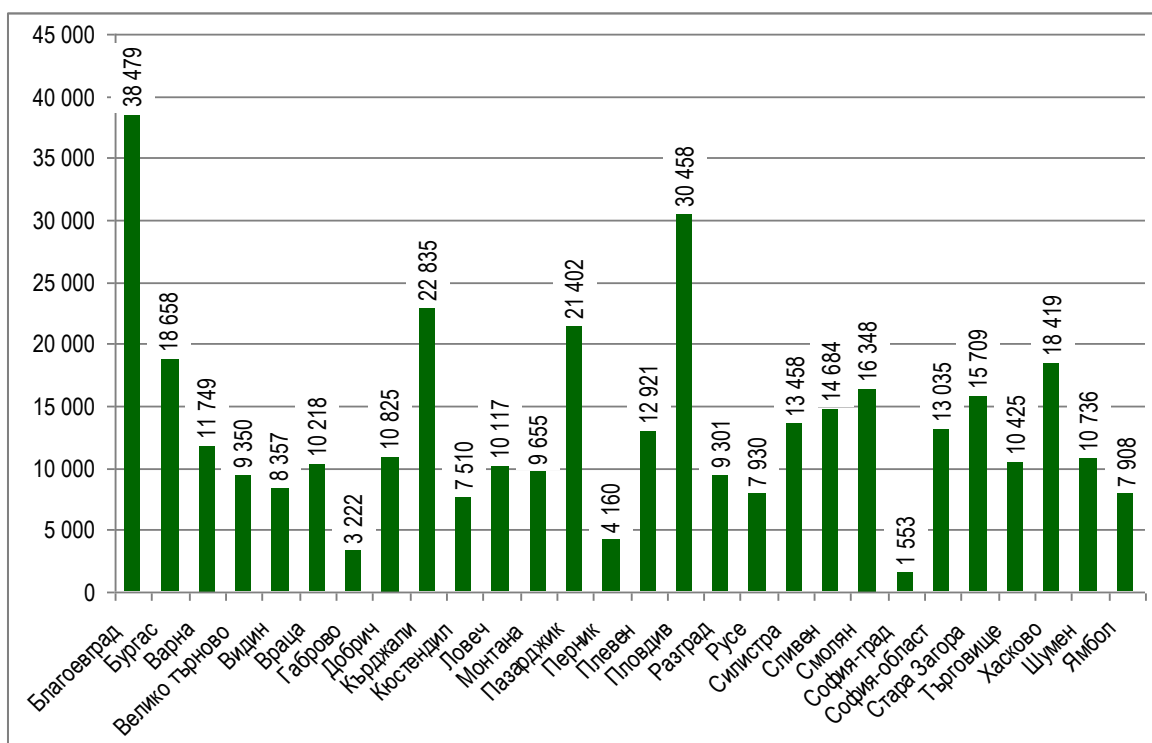
* preliminary results

The data of the number of holdings and the utilized agricultural area outline clearly two trends. There is, on one hand, considerable reduction of the number of agricultural holdings – by 44.4% compared to the previous census in 2003. On the other hand, the UAA has increased by approximately 24.5%. As a result, the average area used by an agricultural holding increased more than twice – from 4.44 ha in 2003 to 10.1 ha in 2010 – which shows there are processes of amalgamation of farms and the plots used.

The territorial distribution of the agricultural holdings is uneven due to various natural, climatic and socio-economic factors.

The District of Blagoevgrad has the largest number of agricultural holdings – 38 479, which represents 10.4% of all farms in the country. It is followed by the District of Plovdiv with 30 458 farms or 8,2% of the total number. The number of holdings in the districts of Sofia City – 1 553 and Gabrovo – 3 222 is the smallest or respectively 0.4% and 0.9% of the total number.

Figure II.1. Territorial distribution of the agricultural holdings by districts in 2010



Source: MAF, Agrostatics Department – „Census of agricultural holdings in 2010 – preliminary results”

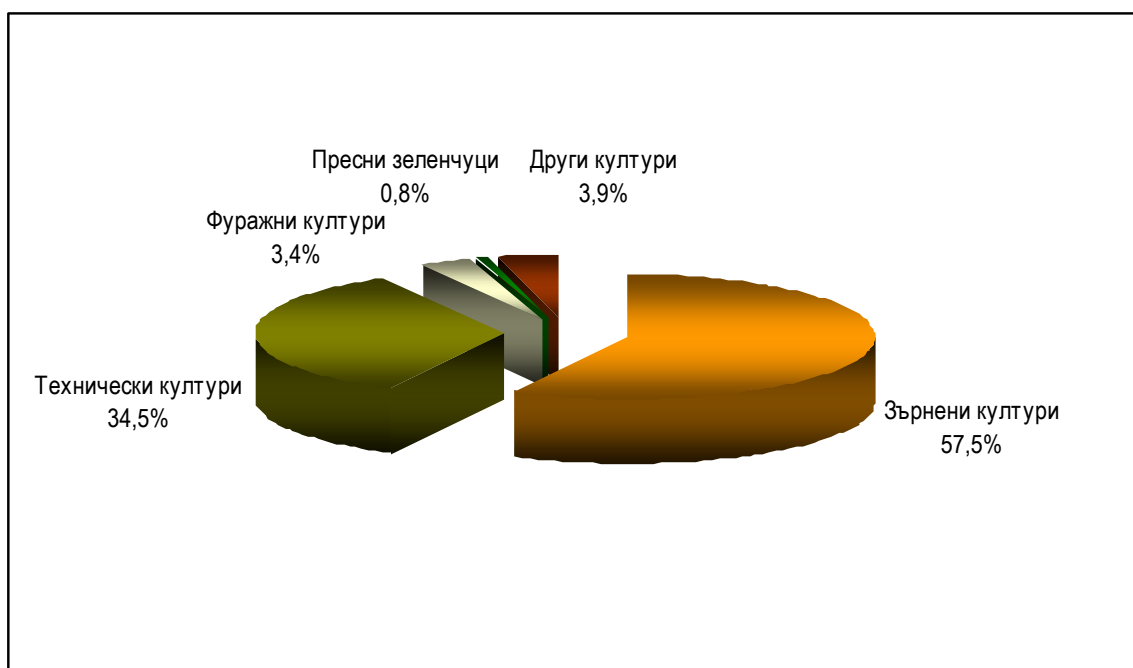
Blagoevgrad, Burgas, Varna, Veliko Tarnovo, Vidin, Vratsa, Gabrovo, Dobrich, Kardzhali, Kyustendil, Lovech, Montana, Pazardzhik, Pernik, Plevен, Plovdiv, Razgrad, Ruse, Silistra, Sliven, Smolyan, Sofia-City, Sofia-District, Stara Zagora, Targovishte, Haskovo, Shumen, Yambol

1.5.1. Structures in plant production

The arable land covered over the period of the census was 3 124 928 ha. The cereals occupied 1 796 148 ha, the technical crops - 1 077 024 ha, the feed crops – 106 134 ha, the fresh vegetables – 24 708 ha and other crops – 343 ha.

The structure of arable land is presented on Figure II.2.

Figure II.2. Structure of arable land in 2010



Source: MAF, Agrostatics Department – „Census of agricultural holdings in 2010 – preliminary results”

Technical crops – 34,5%
 Fodder crops – 3,9%
 Fresh vegetables – 3,4%
 Other crops – 0,8%
 Cereals – 57,5%

1.5.2. Structures in livestock breeding

According to the preliminary data the total number of the agricultural holdings raising farm animals, poultry and bee families in 2010 was approximately 680 970 or by about 63% less compared to 2003 (1 848 973 farms in 2003).

Table II.4. Farms and animals raised in them by types and categories in 2010, number

Types and categories of animals	Agricultural holdings		Farm animals	
	2003	2010*	2003	2010*
Cattle - total	211 968	95 357	682 985	576 339
Cows including:	194 699	86 210	377 593	347 291
milk cows	193 684	85 454	371 008	327 462
other cows	1 754	1 113	6 585	19 829
Other cattle	140 209	57 818	305 392	229 048
Buffaloes - total	2 379	1 028	8 731	10 038
Female buffaloes	2 023	817	4 571	6 323
Other buffaloes	1 543	672	4 160	3 715
Total equidae	254 196	92 806	269 972	112 632
Goats - total	269 044	84 581	856 854	388 864
Goats which have kidded and young female breeding goats	265 571	84 120	772 963	344 300
Other goats	40 499	14 391	83 891	44 564
Sheep - total	237 742	91 792	1 635 223	1 415 179
Ewes and ewe lambs for breeding	234 617	91 132	1 528 795	1 272 475
Other sheep	43 751	19 999	106 428	142 704
Pigs - total	278 844	82 265	1 278 933	670 469
Breeding sows weighing 50 kilograms and over	54 545	15 235	208 222	73 547
Piglets under 20 kilograms	26 837	3 963	334 804	140 881
Other pigs	236 957	75 478	735 907	456 041
Poultry - total	494 298	185 455	21 796 380	17 491 187
Laying hens, pullets and roosters	476 242	180 253	8 981 103	7 875 278
Chickens for fattening	164 427	19 457	9 755 288	7 564 578
Turkeys	87 951	15 869	930 017	172 794
Ducks	44 936	7 907	1 432 267	1 543 763
Geese	43 632	7 779	454 453	68 131
Other birds	7 710	5 398	243 252	266 643
Female rabbits	62 866	23 704	220 248	144 873
Productive bee families	37 636	23 982	409 656	588 694

Source: MAF, Agrostistics Department – „Census of the agricultural holdings in 2010* – preliminary results”

2. Economic and production results in 2011 and projection data for 2012

2.1. Economic accounts for agriculture for 2011

Table II. 5. Basic economic indicators for agriculture for 2009-2011, million BGN

	Products	2009	2010	Change 2010/2009	2011 ***	Change 2011/2010
1	Value of the production from plant production and livestock breeding (producer's prices), including:	6 236.0	6 390,9	+ 2.5%	7 538.8	+18%
1.1	Plant products	3 912,3	4 243,9	+ 8.5%	5 100,8	+20,2%
1.2	Animal production	2 323,7	2 147,0	- 7,6%	2 438.0	+13,6%

	Products	2009	2010	Change 2010/2009	2011 ***	Change 2011/2010
2	Production from agricultural services	505.1	491,8	-2.6%	508.9	3,5%
3	Non-agricultural inseparable supplementary activities	732.1	657,3	-10,2%	619,8	-5.7%
4	Value of the gross production of sector Agriculture (producer's prices*) (p4=p1.1+p1.2+p2+p3)	7 473,2	7 540,0	+ 0,9%	8 667,5	+15.0%
5	Value of final production of sector Agriculture (basis prices**)	7 454,3	7 474,8	+0,3%	8 506.6	+13,8%
6	Intermediate consumption (without internal turnover)	4 919,4	4 823,5	-1,9%	5 329,9	+10,5%
7	Gross Value Added (basis prices**)	2 534,9	2 651,3	+4,6%	3 176.7	+19,8%
8	Operating surplus / Mixed income	2 548.4	2 720,5	+6.8%	3 211,6	+18.1%
9	Entrepreneur's income	2 194,4	2 241,3	+2.1%	2 645,3	+18.0%

* *Producer's price - prices without subsidies by products*

** *Basis prices – prices with subsidies by products*

*** *The data for 2011 are preliminary*

Source: NSI

Value of the gross production of sector Agriculture

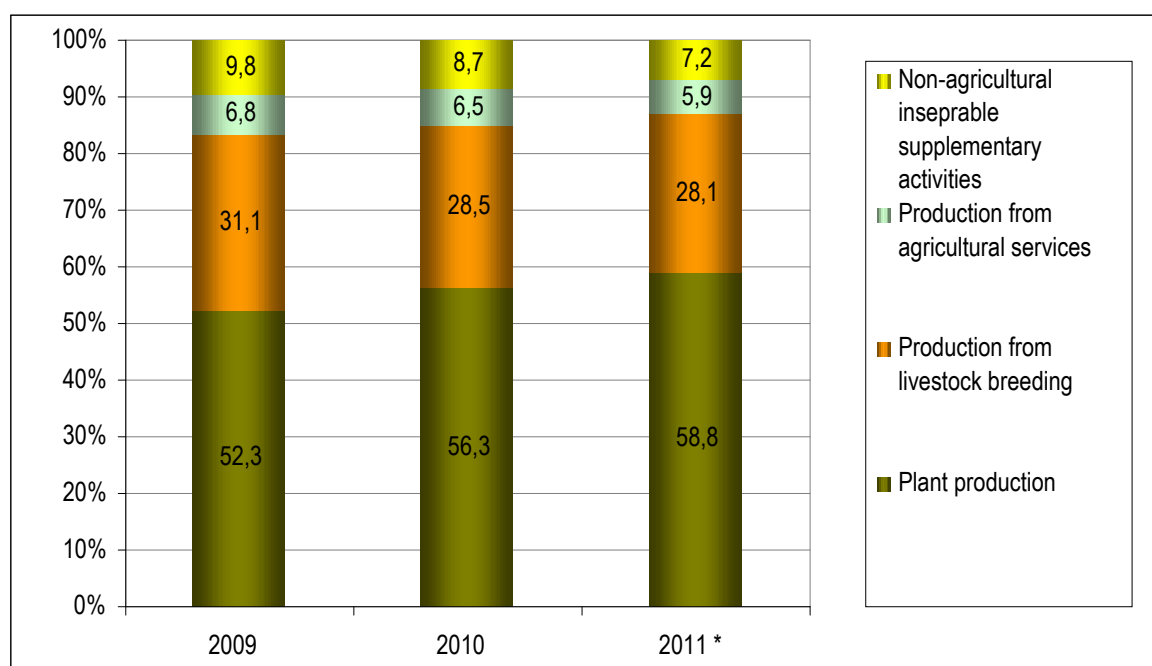
The value of the gross production of sector Agriculture for 2011 at current producer's prices is 8 667,5 million BGN. It is formed by the value of:

- Plant production – 5 100,8 million BGN or 58.8%;
- Production from livestock breeding – 2 438.0 million BGN or 28.1%;
- Production from inseparable supplementary activities – 619,8 million BGN or 7,2%;
- Agricultural services – 508.9 million BGN or 5.9%.

In 2011 the value of the production from plant production and livestock breeding increased considerably compared to 2010 – respectively by 20,2% and 13,6%. Moderate growth is registered in the value of agricultural services – by 3,5%. Only the value of the production from the non-agricultural inseparable activities decreased – by 5.7%. The total value of the production from sector 'Agriculture' grew by 15% compared to 2010. It is determined both by the increase in plant production and animal production and the growth of the prices of most agricultural products.

The disbalance in the development of the two main subsectors – plant production and animal production - deepened. In 2011 the share of plant production in the total value of the agricultural production grew by 2.5 percentage points compared to 2010 and 6.5 percentage points compared to 2009. Thus, in 2011 the value of plant production is twice higher than the value of animal production.

Figure II. 3. Structure of the value of the gross production from sector Agriculture for the period 2009 – 2011, (%)



71,6% of the gross production (6 202.4 million BGN) was marketed in 2011 through sales. Agricultural production for 6 146.5 million BGN was marketed outside the sector and the sales between agricultural companies within the sector are worth 603,4 million BGN (Annex № 1).

Plant production worth 4 588.7 million BGN (52.9% of the gross production), animal production worth 1 613,7 million BGN (18.6% of the gross production) and products from the processing of the agricultural produce worth 619,8 million BGN (7,2%) were sold.

The production used for self-consumption in the holdings in 2011 takes up a share of 7,9% of the gross production and is worth 683,8 million BGN. Plant production worth 122.2 million BGN was used – mainly vegetables and cereals, and animal production worth 561,6 million BGN – meat, milk and eggs.

The production of commodities-main capital (production of productive animals) at own expense is worth 129,7 million BGN.

Value of the final production

The value of final production in agriculture (value of production after deduction of internal turnovers) at basis prices (prices including subsidies by products) for 2011 amounts to 8 506.6 million BGN, and growth of 13,8% (1 031,8 million BGN) compared to the previous year following the trend of change in the gross production (Annex. № 4).

The structure of final production in agriculture for 2011 retained the ratios already formed between the areas of focus within the sector as outlined in the value of the gross production. In the final production the relative share of plant production is the largest – 58.4%. In 2011 the relative share of animal production was 28,3%, of the production from inseparable non-agricultural supplementary services – 7,3% and of the agricultural services – 6.0%.

The data from the economic accounts for 2011 indicate deepening of the disproportions both between the main subsectors 'Plant Production' and 'Livestock Breeding' and within the subsector of Plant Production itself. There is growth in the value and respectively increase of the relative share of the value of the production from sector 'Agriculture' in subsectors 'Grain Production' and 'Technical Crops' (mainly oil seed crops) compared to decrease in subsectors 'Vegetable Production' and 'Fruit Production' (except grape production).

In 2011 the value of the production in subsectors 'Grain Production' and 'Technical Crops' is respectively 2 339,2 million BGN and 1 801,6 million BGN. The two sectors together form 83,3% of the value of plant production and about half (48.7%) of the value of the production in sector 'Agriculture' as a whole. The value of the grain production increased by 41.9% compared to 2010, and that from subsector 'Technical Crops' – growth of 23,3%, determined both by better production results and growth of prices. At the same time the unfavourable trends in the development of 'Vegetable Production' and 'Fruit Production' continue. In 2011 the value of vegetable production dropped by 35% compared to the previous year down to 234,5 million BGN, while fruit production (fresh fruit, without grapes) – by 11.9% down to 124,6 million BGN. This decrease is affected both by the decreasing volume of production (especially in vegetable production), and by the downward trend of the prices of most vegetables and fruit in 2011 compared to 2010 (Annex № 5). The production of vegetables is far below the level of theyears up to 2008 which generated value of 1 billion BGN and more.

The following products from plant production had the biggest contribution to the value of the final production of sector 'Agriculture':

- Soft wheat – 15.4% (1 307,6 million BGN);
- Sunflower – 11.7% (996.5 million BGN);
- Maize for grain – 8.5% (726,3 million BGN);
- Rape and colza – 4,9% (417,9 million BGN);
- Tobacco – 3,3% (278.4 million BGN);
- Barley – 2.4% (205.4 million BGN);
- Grapes – 1.5% (128.0 million BGN).

In 2011 the value of plant production grew by 18.1% compared to the previous year.

The value of animal production has also increased compared to 2010 – by 13,8%.

The strands of the animal production subsector that were most important in 2011 for the formation of the final production of sector 'Agriculture' are:

- Production of milk – with share of 10,7% of the value of the final production of sector 'Agriculture'(913,5 million BGN) and growth of 24,4% compared to 2010;
- Poultry – with share of 4,5% of the value of the final production of the sector (382.8 million BGN) and growth of 5,3 % compared to 2010;
- Sheep and goats – with share of 3,5% (300,1 million BGN) and growth of 25.5% compared to 2010;
- Pigs – with share of 3,2% (270,1 million BGN) and growth of 16,3% compared to 2010;
- Egg production – with share of 2.6% (222.5 million BGN) and drop of 4,6% compared to 2010

Intermediate consumption

The intermediate consumption needed for creation of final production in the sector, increased by 10,5% compared to 2010 to 5 329,9 million BGN (Annexes № 2 and 4). In 2011 100 value units of final production were created by consuming 62.7 value units of commodities and services – intermediate consumption, or the intermediate consumption represented 62.7% of the production value. For comparison, in 2009 and 2010 this share was respectively 66.0% and 64,5%.

Largest share in the structure of intermediate consumption for 2011 occupy the costs of feed – 30,2% (1 607,8 million BGN), followed by the costs of fuel and oils – 21.6% (1 150,1 million BGN),

agricultural services – 9,6% (508.9 million BGN) and the costs of fertilizers and soil improvers – 7,8% (417,4 million BGN).

Compared to the previous year there is growth in the value of almost all elements of intermediate consumption and the largest growth is registered by feed – by 21.2%, veterinary costs – by 14,4% and fuel and oils – by 13,0 %.

Gross Value Added

The gross value added (according to basic prices) generated in agriculture in 2011 was 3 176.7 million. It grew by 19,8% (or by 525.4 million BGN) compared to the previous year. This increase is determined to a large extent by the advancing rate of growth of the final production value (13,8%) compared to the growth of intermediate consumption (10,5%).

Equity capital consumption

In 2011 the equity capital used was 393,8 million BGN, by 4,8% less compared to the previous year.

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

In 2011 the mixed income/operating surplus amounted to 3 211.6 million BGN, with increase of 491.1 million BGN or 18.1% compared to 2010, mainly as a result of the increased value added of the sector.

Compensation of employees, lease payments, interest received and paid

In 2011 the costs of wages and social contributions of employees amounted to 458.0 million BGN, by 34,2 million BGN or 8.1% more compared to 2010.

The costs of lease payments amounted to 545.8 million BGN, where the upward trend compared to previous years is preserved.

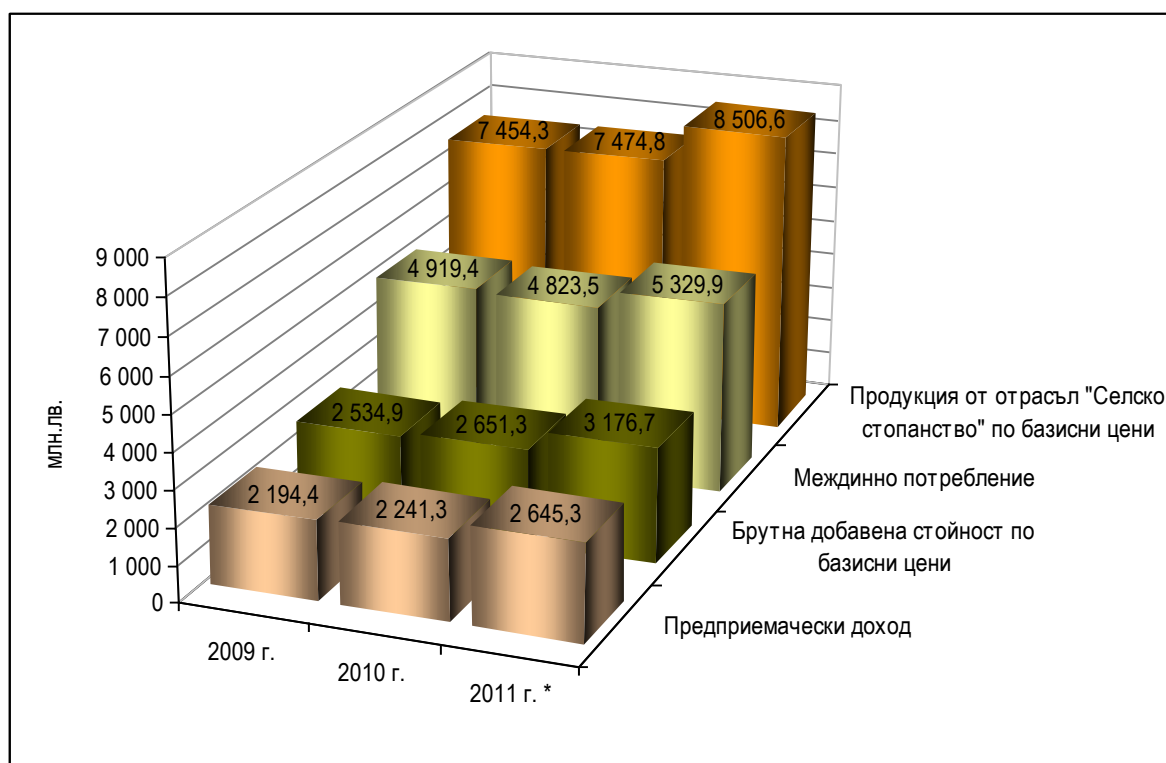
The interest paid under loans in 2011 was 30,3 million BGN, by 34,7% more compared to the previous year.

Entrepreneurial income

The entrepreneurial income in sector 'Agriculture' in 2011 increased by 18% compared to 2010, up to 2 645,3 million BGN. The growth trend of this indicator over the years follows the trend of the gross value added and is also influenced by the increasing amount of the subsidies to the sector.

During the years since Bulgaria's accession to the EU the share of subsidies in entrepreneurs' income has increased – from 23,0% for 2007 to 33,6% for 2011 according to preliminary data.

***Figure II.4. Main economic indicators of sector 'Agriculture' for the period
2009 – 2011***



Source: NSI, * preliminary data for 2011.

Production of sector "Agriculture" at basic prices

Interim consumption

Gross added value at basic prices

Entrepreneurial approach

2.2. Production results in plant production

The winter, spring and summer months of 2011 were characterized by relatively favourable conditions for the development of agricultural crops in the country. The condition of the autumn crops was normal after the winter season. In terms of weather conditions the conditions during the summer were very dynamic, with storms and torrential rains which led to floods and overmoistening of areas and damages by hail.

According to data of the Agrostatistics Department of MAF, in 2011 the production of cereals and fruit increased compared to the previous year, while the production of oil seed crops, technical crops and vegetables decreased.

2.2.1. Grain production

In 2011 97,8% of the areas sown with cereals were intended for grain.

The areas sown with cereals were 1 770 034 ha which is close to the level of the previous year. In comparison to 2010 there was considerable increase of the areas sown with maize for grain by 22% and unsubstantial growth of the areas with wheat – by 0,5%. At the same time the areas sown with rye decreased by 4,6%, and those with triticale and barley – respectively by 22 and 27%.

Due to the higher yield of harvest year 2011 the total production of cereal crops increased by 5.4% compared to the previous year up to 7 522 714 tons.

Wheat represents 59,3% of the total production of grain in the year, and maize - 29,4%.

Table II.6. Production of cereals in harvest years `2010 and `2011

Crop	Harvested areas (ha)		Average yield (tons/ha)		Production (tons)		
	2010	2011	2010	2011	2010	2011	Change 2011/2010
Wheat	1 131 565	1 137 462	3,62	3,92	4 094 597	4 458 492	8.9%
Rye	10 795	10 298	1.62	1.92	17 511	19 840	13,3%
Triticale	11 010	8 590	2.67	3,08	29 443	26 522	-9,9%
Barley	245 328	178 993	3,40	3,95	833 271	707 022	-15.2%
Oats	24 353	14 793	1.73	1.97	42 045	29 230	-30,5%
Maize for grain	327 525	399 421	6.25	5.53	2 047 414	2 209 204	7,9%
Rice	11 977	11 791	4,80	5.05	57 432	59 619	3,8%

Source: MAF, 'Agrostatistics'

Wheat

The wheat produced in 2011 is 4 458 thousand tons - by 8.9% more compared to 2010, mainly due to growth of the average yield by 8,3% (3,92 tons/ha).

The areas sown with wheat in 2011 were 1 152 999 ha of which 1 137 462 ha were harvested. The size of harvested areas with wheat is in the Northeast Region - 272 179 ha, followed by the Northwest Region with 241 045 ha and the North Central Region with 240 287 ha.

According to data from a BANCİK inquiry in 2011 the share of areas with wheat sown after preceding surrounding crops (maize and sunflower) is 55.1%, growing by 3,6 points compared to 2010. In 2011 the wheat sown after merged surface crops (wheat and barley), occupied 22.1% of the areas. The crop rotation of wheat included 3,2% of the areas which in 2010 were occupied by fallow land.

According to data from the Agrostatistics Department of MAF based on an interview the forecasted area for wheat for harvest year 2012 was about 1 173 thousand ha.

Rye and triticale

In 2011 the production of grain from rye increased by 13,3% compared to the previous year up to 19,8 thousand tons. This increase is due to the considerably higher average yield (by 18.8%), while the size of harvested areas decreased by 4,6%.

The production of triticale in harvest year `2011 decreased by 9,9% compared to the previous year down to 26.5 thousand tons as a result of combined decrease by 22% of the harvested areas partially compensated by increase of the average yield by 15.4%.

The sowing intentions of farmers for harvest year `2012 are: rye – 14 thousand ha and triticale – 12 thousand ha.

Barley

The areas sown with barley in 2011 amount to 178 993 ha, which is 27% less compared to 2010. Thus, despite the reported increase of the average yield by 16.2%, the production of barley decreased by 15.2% compared to 2010 and amounts to 707 thousand tons.

The size of harvested areas with barley is largest in the Southeastern Region - 58 971 ha, followed by the North Central Region - 35 687 ha and the Northwest Region - 33 929 ha.

In 2011 63% of the areas with barley were subjected to crop rotation after crops different from wheat and barley. The share of areas with barley sown after preceding crop sunflower is the highest – 31,3%.

The areas sown with barley in harvest year `2012 are projected to be about 192 thousand ha.

Oats

29 thousand tons of oats were produced in 2011 - by 30,5% less compared to 2010 as a result of the substantially less harvested areas (by 39,3%), despite the reported higher yield (by 14,5%).

Maize for grain

The maize for grain produced in 2011 increased by 7,9% compared to the previous year up to 2 09 204 tons, with 22% increase of the harvested areas.

The reported average yield was 5.53 tons/ha, by 11.5% less than the yield in 2010.

The areas sown with maize for grain in 2011 are 415 512 ha of which 399 421 ha were harvested. The size of harvested areas with maize in the Northwest Region is the largest - 157 120 ha, followed by the Northeast Region - 108 872 ha and the North Central Region – 98 667 ha.

According to BANCİK inquiry data, in 2011 maize occupied 13,4% of the arable land and 23,9% of the areas with cereals. In 2011 47,6% of the areas were sown with maize after preceding wheat and barley crops. Maize is sown after sunflower on 13,4% of the areas. The share of maize grown as a single crop is increasing – 20,2% of the areas.

According to projections made by the Agrostatics Department of MAF, the areas occupied with maize for grain for harvest year `2012 are 447,6 thousand ha.

Rice

The production of paddy rice of the last few years has been gradually increasing. In 2011 the rice produced was 59 619 tons, by 3,8% more compared to the previous year. The reported average yield increased by 5.4% up to 5.05 tons/ha.

11 791 ha of rice were harvested in 2011 - by 1.5% less compared to 2010.

2.2.2. Oil seed crops

The most common oil seed crops grown in Bulgaria are sunflower and rape.

Sunflower

The production of sunflower in 2011 decreased by 6,3% compared to 2010 and amounted to 1 439 thousand tons. The average yield was 2.24 tons/ha, by 8.5% less compared to harvest year `2010.

In 2011 the areas sown with sunflower were 795 319 ha, or 22.5% of the arable land. Compared to 2010 this is an increase by 8,3%. 747 131 ha were harvested, by 2.4% more compared to the previous year.

The size of the harvested areas with sunflower is the largest in the Northwest Region - 183 712 ha, the North Central Region – 174 831 ha and the Northeast Region – 171 688 ha.

In 2011 wheat and barley had the largest share in the crop turnover of sunflower (66.4% of the areas). Sunflower was grown as a single culture on 8.4% of the areas with this crop.

According to 'Agrostatics' data the projected size of the areas sown with sunflower in harvest year `2012 was 755.8 thousand ha.

Rape

In 2011 the production of rape amounted to 510 910 tons, by 4,6% below the level of the previous year. The average yield decreased by 12.6% compared to 2010 down to 2.24 tons/ha.

The areas sown with rape in 2011 were 232 763 ha. 231 309 ha of them were harvested, by 9,1% more than harvest year `2010.

According to data of the Agrostatics Department, the forecasted area sown with rape for harvest year `2012 was 234 thousand ha.

2.2.3. Technical crops

Fibre plants

In 2011 the size of areas sown with cotton increased to 953 ha, compared to 558 ha in 2010. However, the harvested areas decreased by nearly 26% compared to the previous year, down to 415

ha. The average yield also decreased to about 1 ton/ha, compared to 1.59 tons/ha in 2010. As a result the production of cotton in 2011 dropped by 53,3% to 414 tons.

No production of flax and hemp was reported in 2011.

Tobacco

According to data of the Agrostistics Department of MAF, in 2011 the areas occupied by tobacco decreased by 13,7% compared to the previous year down to 21 717 ha. Of them 21 702 ha were harvested – by 11.5% less compared to the harvested area of 24 518 ha in 2010. At the same time, the average yield of tobacco increased by 11.7%. Slight decrease of the production of tobacco was reported as a result - by 1.1% - from 41 056 tons in 2010 to 40 607 tons in 2011

Hops

The downward trend of the previous years in the production of hop cones in 2011. The hops produced in the year amounted to 44 tons - by 47,6% less compared to 2010, as a result of both declining harvested areas - by 39,3%, and declining average yield - by 12.1%.

Table II.7. Hops production in 2010 and 2011

Total for the country	2010	2011	Change 2011/2010
Harvested areas (ha)	84,3	51.1	-39,4%
Average yield (tons/ha)	0,99	0,87	-12.1%
Production (tons)	84	44	-47,6%

Source: MAF, 'Agrostistics'

The decreased production is partly due to the aging of the hop plants and the absence of new once. This in turn leads to increased cost of production.

As a result of the economic crisis the demand of hops in the European and world market is changing. Consumers increasingly tend to prefer beer with less bitter taste. This reduces requires less hops for brewing which is reflected in the market demand and the price of raw materials.

Hop fields in Bulgaria are located in the South Central Region, District Pazardjik, municipalities of Velingrad, Rakitovo and Kostandovo. The plantations consist mainly of the American varieties Nugget and CFJ-8/Cascade/ and the German variety Perle.

2.2.4. Medicinal crops and aromatic crops

The areas occupied by the main medicinal crops and aromatic crops (Rosa Damascena, lemon balm, lavender, mint, silybum, fennel, valerian, coriander) in 2011 take up 54 4 87 ha, which is by 22.9% less compared to 2010. The harvested areas in 2011 amount to 48 9 72 ha, by 25.5% less compared to the previous year.

2.2.5. Vegetables

In economic year 2011 the areas used for the production of vegetables in professional and small farms were 46.7 thousand ha, of which 45.68 thousand ha – open areas and 1. 06 thousand ha – greenhouses. A total of 46.6 thousand ha were harvested – by 9,3% more compared to the previous year.

In 2011 the vegetables grown in open areas occupied 45.62 thousand ha. The harvested areas increased by 9,2% compared to 2010.

43,02 thousand ha were sown with fresh vegetables (tomatoes, cucumbers, pepper, watermelons, potatoes, etc.), and 42.20 thousand ha of them were harvested. The largest relative share belongs to the harvested areas with potatoes (38.4%) and peper (11%), followed by tomatoes (9,1%) and watermelons (9%).

Pulses occupied 4,39 thousand ha, and 4,35 thousand ha of them were harvested which is by 16,3% less compared to 2010. Lentils (38.7%), followed by chick peas (38.5%) and dry beans (21.9%) have the largest relative share of harvested pulses.

The areas used for second and intermediate crops increased by 108.8% compared to 2010.

The total production of vegetables in 2011 decreased by 9,1% compared to the previous year down to 692 thousand tons, and the production from main areas dropped by 11.2%.

Table II.8. Main areas used for production of vegetables – harvest year `2010 and harvest year `2011 ha

Main areas	Harvest `2010	Harvest `2011	Change `2011/2010
Open areas	42 162	45 680	8,3%
Glass greenhouses	488	369	-24,4%
Polyethylene greenhouses	540	691	27,9%
Total greenhouse area	1 028	1 060	3,1%
Total area	43 191	46 740	8.2%

Source: MAF, 'Agrostatistics'

368.0 thousand tons of fresh vegetables (without potatoes and pulses) were produced in open fields in 2011. Watermelons (18.5%), tomatoes (18.4%), pepper (17,2%) and headed cabbage (12.1%) have the largest share in the total production of fresh vegetables.

A total of 103,1 thousand tons of tomatoes were produced in the year which is by 10% less than 2010. The production of watermelons decreased by 10% compared to the previous year, down to 68 thousand tons, and the production of pepper - by 4% down to 66 thousand tons. The production of headed cabbage decreased by 43,4% compared to 2010. There is a substantial decrease in the production of aubergines – by about 37%. The production of onions and potatoes had a more moderate decrease – respectively by 12.5 and 7,5%. Among the main vegetables, there is an increase in the production of melons (by nearly 72%) and strawberries (by nearly 23%) compared to 2010.

Table II.9. Total production of main vegetables in harvest years `2010 and `2011

Types of vegetables	Harvest `2010 (tons)	Harvest `2011 (tons)	Change `2011/2010
Tomatoes	114 605	103 145	-10,0%
Pepper	69 080	66 298	-4,0%
Aubergine	10 747	6 826	-36,5%
Cucumbers and gherkins	65 668	58 852	-10,4%
Watermelons	61 967	68 002	9,7%
Melons	8 841	15 160	71,5%
Potatoes	251 205	232 314	-7,5%
Headed cabbage	78 939	44 643	-43,4%
Onions	19 146	16 750	-12,5%
Strawberries	5 727	7 027	22,7%

Source: MAF, 'Agrostatistics'

In 2011 the production of greenhouse vegetables increased by 2.6% compared to the previous year to 86,3 thousand tons. Greenhouse production of characterized by several main vegetables such

as tomatoes, cucumbers, sweet pepper, gherkins, lettuce and others. The production of greenhouse tomatoes in 2011 increased by 13,4% compared to 2010, reaching approximately 35 thousand tons. 40,7 thousand tons of greenhouse cucumbers were produced in the year which is by 9% less than 2010. The production of gherkins increased more than five times up to nearly 1.5 thousand tons. The greenhouse production of sweet pepper decreased by 7,7% compared to 2010 down to 3 thousand tons, while the production of lettuce increased by about 41% up to 2 thousand tons.

The green house production of tomatoes, pepper and lettuce in 2011 was fully realized and a large part of it (mainly tomatoes) is intended for export mainly for EU countries. In 2011 there was increased demand for vegetables, produced indoors both in this country and in the other European countries.

The drop in the indoors production of long (slicer)cucumbers in 2011 was due to the critical situation on the vegetable caused by the bacteria *Escherichia coli* which necessitate withdrawal of large amounts of cucumbers from the market and their destruction and/or provision for animal feed.

Most of the greenhouses in Bulgaria are modern facilities with new and modern technologies and processes of growing vegetables that meet European standards of production, quality and environmental protection.

Table II.10. Indoors production of main vegetables in harvest years `2010 and `2011

Types of vegetables	Harvest `2010 (tons)	Harvest `2011 (tons)	Change `2011/2010
Tomatoes	31 127	35 296	13,4%
Cucumbers	44 765	40 752	-9,0%
Sweet peppers	3 164	2 919	-7,7%
Gherkins	282	1 494	429,8%
Lettuce	1 444	2 031	40,7%
Other main vegetables	1 784	1 682	-5,7%
Total	82 566	84 174	1.9%

Source: MAF, 'Agrostatistics'

The average yield per hectare was lower for the main vegetable crops compared to 2010. The decrease of the average yield of potatoes in 2011 was nearly 21% compared to that yield in 2010. The average yield of tomatoes in 2011 was 17 576 kg/ha, which is nearly 38 % less compared to 2010, for peppers the drop was 2%. The drop in the average yield is biggest in headed cabbage (42%).

The lower average yield per hectare in 2011 for all main vegetables grown in the open is due to non-compliance with the technologies of their growing by farmers. Many of the farmers use their own seed for production because of the high market prices of the certified vegetable seeds.

The unfavourable weather conditions during the months when vegetables are grown in the open in 2011 in some regions also had a negative impact on the average yield and the production.

81.1% of the vegetables produced in 2011 were marketed and 72.2% of them were intended for the market. About 97,4% of the produced watermelons, 95.4% of the melons, 92.8% of the carrots, 90,05% of the headed cabbage and 81.7% of the onions were sold on the market.

The vegetables delivered to the processing plants account for 9,7% of the total production for the year and the largest share belonged to carrots, peppers and tomatoes.

16% of the production was allocated for own consumption. Potatoes had the largest share - 32.2%, followed by onions - 14,4% and tomatoes - 6.2%.

About 2,3% of the vegetables produced in 2011 were intended for export and the share of cucumbers is the largest (20,2%).

Table II.11. Areas, production of average yield of vegetables – harvest year `2011

Vegetables	Harvested areas (ha)	Production (tons)				Average yield (kg/ha)
		Total	From main areas	From intermediate and second crops	Greenhouse products	
I. Fruit-bearing vegetables	16 489,9	337 471	249 963	6 065	81 443	
Tomatoes	3 860,3	103 145	65 736	2 113	35 296	37 401
Sweet peppers	4 620,5	66 298	62 098	1 281	2 919	13 717
Aubergines	3 467	6 826	6 510	217	99	19 403
Cucumbers	550,7	52 171	11 375	44	40 752	20 734
Gherkins	235,7	6 681	5 174	13	1 494	22 007
Zucchini	164,1	3 881	3 207	173	501	20 600
Pumpkins	61,8	817	817	0	0	13 261
Watermelons	3 793,5	68 002	66 362	1 640	0	17 926
Melons	1504,4	15 160	14 595	560	5	10 074
Sweet maize	315,3	2 013	2 013	0	1	6 385
<i>Other fruit-bearing vegetables (hot pepper, okra)</i>	1 036,9	12 476	12 076	24	376	-
II. Legumes	6 301,2	16 959	16 768	159	32	
Green beans	262,2	1 561	1 502	27	32	5 832
Green peas	1 683,1	10 329	10 231	98	0	6 137
Broad beans - green	38,8	469	467	2	0	12 103
Dries vegetables						
Beans – dried	954,4	1 011	985	26	0	10 590
Lentils	1 860,0	1 872	1 866	6	0	1 110
Chick peas	1 676,7	1 717	1 717	0	0	1 024
III. Leafy vegetables	4033	62 919	57 806	2 676	2 437	
Headed cabbage	2 554,2	44 643	42 562	2 045	36	17 464
Leek	178,5	4 052	4 009	39	4	22 673
Lettuce	427,3	4 886	3 460	1	1 425	8 100
Spinach	94,7	736	657	10	69	7 404
Broccoli	114,9	920	848	68	4	7 974
Shallot	176,2	1 659	1 659	0	0	9 416
Cauliflower	191,9	2 465	2 263	200	2	12 838
<i>Other leafy vegetables (lettuce, parsley, savory, fennel, kohlrabi and Brussels sprouts, kale, broccoli, green onions, green garlic)</i>	296,1	3 558	2 348	313	897	-
IV. Root and bulb vegetables	18 659,4	205 000	261 832	2993	175	-
Potatoes	16 218,7	232 314	230 450	1 801	63	14 320
Carrots	426	11 997	11 614	383	0	28 163
Onions	1 498,8	16 750	16 117	632	1	11 175
Garlic	4 06,0	1 665	1 612	36	17	4 059
Radishes	10,5	143	51	3	89	5 066
Celery	6,9	58	24	29	5	7 646
<i>Other root vegetables (turnip, beetroot)</i>	92,5	2 073	1 964	109	0	-

Vegetables	Harvested areas (ha)	Production (tons)				Average yield (kg/ha)
		Total	From main areas	From intermediate and second crops	Greenhouse products	
V. Strawberries	1 011.1	7 027	6 910	37	80	6 871
VI. Cultivated mushrooms	9,7	2 171	0	0	2 171	-
VII. Other vegetables	47,1	139	78	54	7	2 803
Total	46 552.2	691 686	593 357	11 984	86 345	-

Source: MAF, "Agrostatistics"

Over the past few years the development of vegetable production in the country has been limited by various factors, such as shortage of financing for consolidation and modernization of production; irrigation problems (poor condition of the irrigation infrastructure, insufficient irrigation equipment, high cost of water) that have a negative impact on the efficiency of production; aging population in vegetable-growing areas; reluctance of producers to associate in producers' organizations; absence of commercial arrangements between producers and retailers to market the finished product. The unsatisfactory quality of vegetable production, the lack of labor force for production and the use of low-skilled workers are some of the problems accumulated in the sector. These problems, together with the adverse weather conditions during the vegetation period of the vegetables (hail, torrential rains and floods, early autumn frosts) are the cause for the relatively small size of the areas with vegetables and a decline in the production of vegetables in the last few years.

Although direct payments per area support also the income of producers of fruit and vegetables they seem to be a discouraging factor for the development of this sector because of the lower attractiveness of the sector compared to other areas of plant production with lower costs of production per unit area (such as cereals).

Expected data for the current 2012

The greenhouse areas for production of vegetables are expected to be preserved in 2012 at the level of 2011. The main grown vegetables will be long cucumbers, tomatoes, sweet pepper, lettuce. The process of modernization of greenhouses will continue and new and state-of-the-art technologies will be introduced for production of high quality early vegetables meeting European standards.

The provision of 13 million BGN state aid to producers of fruit and vegetables through a State aid scheme under State Fund Agriculture justifies a projected increase in the areas planted with potatoes, tomatoes, peppers, cucumbers, melons and other main vegetable crops and their size is expected to reach over 50 thousand ha in 2012. According to expert assessments the areas occupied by pepper and tomatoes in 2012 will increase by 10-15% compared to 2011.

Due to the anticipated higher average yield per hectare for tomatoes, cucumbers and peppers under favorable weather conditions the production of vegetables in 2012 is expected to be significantly above the level of 2011 mainly for vegetables grown indoors.

As a result of the provision of 15 million BGN EU funding in 2012 under a specific aid scheme for supporting producers of fresh fruits and vegetables per ton of high-quality products produced in Bulgaria the quality of the produced vegetables supported under the scheme is expected to be high, which is a prerequisite for the better realization on the European market and for higher income for farmers.

2.2.6. Fruit

163 108 tons of fruit were produced in 2011 which is by 7,3% more compared to 2010. A leader in the production of fruit in the year was the South Central Region by 27% of the total production, followed by the Southeast Region - 26%, the Southwest Region - 19% and the North Central Region - 14%.

Apples had the largest relative share in the total production of fruit in 2011 - 25%, followed by plums - 22.0% and cherries - 18%.

Table II.12. Production of fruit, harvest years `2010 and `2011

Fruit	Harvested areas (ha)		Average yield (kg/ha)		Production (tons)		
	2010	2011	2010	2011	2010	2011	Change 2011/2010
Apples	5 201	4 890	8 320	8 264	43 235	40413	-6.5%
Pears	546	469	2 688	4 208	1 468	1 974	34,5%
Apricots	2 445	2 606	4 741	4 577	11 587	11 931	3,0%
Peaches	4 264	4 225	5 737	6 728	24 467	28 422	16.2%
Plums and wild plums	7 489	6 938	4 499	4 666	33 688	32 371	-3,9%
Sweet cherries	7 692	7 747	3 244	3 880	24 951	30 063	20,5%
Sour cherries	1 575	1 624	1 794	2 664	2 825	4 328	53,2%
Walnuts	5 251	5 192	236	463	1240	2 406	94,0%
Raspberries	1699	1 634	3 598	4 683	6 109	7 650	25.2%
Other	2 616	3 226			2 507	3 550	41.6%
Total	38 778	38 551			152 077	163 108	7,3%

Source: MAF, 'Agrostatistics'

The areas with fruit and berry plantations in the farms in 2011 were 44 715 ha, of which 38 551 ha were harvested – by 0,6% less compared to 2010. The harvested areas in the Northeast Region increased by 20% and in the Southwest Region by 16% compared to the previous year. The harvested areas in the South Central Region and in the Southeast Region decreased respectively by 12 and 10%.

The trend of increasing harvested areas with apricots by 6.6%, with sour cherries – by 3,1% and with cherries – by 0,7% continued in 2011.

There is a decrease in the harvested areas with pears by 14,1% and with apples – by 6,0% compared to 2010.

The areas with young fruit plantations not yet reached full production in 2011 occupy 3 136 hectares. The new fruit plantations created in the period 01.10.2010 - 30.09.2011 were 1 127 ha. The largest relative share in the total area with young plantations occupy walnuts - 21%, followed by plums - 19%, apples - 8% and peaches - 6%.

According to data of the Executive Agency for Plant Variety Testing, Field Inspection and Seed Control about 104 thousand fruit propagating plants produced in the country were graded in the period from 01.10.2010 to 18.11.2011.

In 2011 the reported average yield from the main fruit plants were higher or around the level of 2010. The highest average yields were registered in the Southeast Region and the South Central Region.

There is a considerable increase in the average yield of pears – 56.5% and sour cherries - by 48.5% compared to 2010. The average yield of sweet cherries – by 19,6% and peaches – by 17,3% have also substantially increased. Although slightly below the previous year's levels the average yield of apples and apricots remains high.

Among the main fruit plantations most considerable increase of the production compared to 2010 is reported for walnuts – increase by 94%, sour cherries – by 53,2% and pears – by 34,5%. The production of raspberries, sweet cherries and peaches also increased considerably. Only the production of apples and plums decreased slightly – respectively by 6.5 and 3,9%.

2.3. Production results in livestock breeding

The processes of restructuring and modernization of livestock breeding, further specialization and concentration of production continued in 2011.

This was a crucial year for the raising of laying stock and the time limit for prohibiting the use of unenriched cage systems for rearing laying hens expired at the end of the year.

As an EU Member State Bulgaria is obliged to implement the criteria to raw milk laid down in Regulation 853/2004/EU of 01.01.2007. In 2011 the derogation period for implementation of the hygienic requirements to raw milk was extended to the end of 2013.

The application of the EU scales for grading pig and cattle carcasses continued in 2011. The scale (S)EUROP for grading sheep (lamb) carcasses is applied since 1 January 2011. Right to grade have only slaughterhouses with trained and competent graders. The Ministry of Agriculture and Food maintains a database of slaughterhouses which apply the grading system. A similar database is maintained also for the graders who underwent training and received a certificate for grading carcasses of cattle, pigs and sheep and for withdrawn certificates.

The uniform classification of the carcasses underlies the average price for each class of meat in the EU. The grading according to the grading systems (S)EUROP in the sectors for beef, pork and mutton is very important for the purposes of registration of prices and implementation of intervention rules in these sectors. Their application aims to improve the transparency of the market and the competitiveness of the meat products on the European market.

To support farmers a scheme of national co-financing for slaughter of cattle has been applied since 2011 which is linked to the production for farmers who delivered at least 5 cattle for slaughter at a slaughterhouse or for export to a third country by 30.11.2011

In 2011 started the second three-year National Apiculture Programme for implementation in the period 2011 - 2013. The total approved budget for the new programming period was increased three times and amounted to 19 588 638 BGN and the financial resources only for 2012 amount to 6 532 501 BGN.

During the year there was a process of consolidation of farms with grazing livestock and the number of holdings raising up to 9 animals (cattle, buffaloes, sheep and goats) decreased while the number of holdings with 10 and more animals increased. The farms with 10 and more ewes increased by 15.4% compared to the previous year, and those with 10 and more mated goats – by 43%.

On 1.11.2011 the total number of holdings rearing breeding sows increased by 6.4% compared to the same period of 2010.

The consistent policy of support livestock breeding contributed to increasing the number of cattle, buffaloes and sheep in 2011. The number of buffaloes increased most substantially in total and the number of female buffaloes respectively by 7% and 16.4%. The national co-payment scheme for buffalo breeding introduced in 2011 motivates buffalo breeders to raise more animals. The increase in cattle breeding is less prominent - by 2.4%, and there is increased interest among animal farmers in raising cows for meat. The share of cows for meat in the total number of cows increased from 5.7% in 2010 to 7% in 2011.

The number of sheep has grown for the first time since 2006 and their total number increased by 6,3% compared to 2010, and the number of ewes - by 7,3%.

By the end of 2011 the number of goats decreased by 4,2% compared to a year earlier, and the number of pigs - by 8.4%. The decrease in the total number of poultry is 8% mainly because of the substantial drop in the number of hens while the number of chickens for meat increased by 4,1%.

The number of cattle, buffaloes and sheep is expected to continue to grow in 2012 while the number of goats, pigs and poultry – to stabilize.

Table II.13. Number of animals in 2010 and 2011 and projections for 2012.

Number of animals	01.11.2010	01.11.2011	Change 2011/2010	01.11.2012 projections
Cattle – total, including:	544 456	557 641	2.4%	565 000

cows	326 808	329 977	1.0%	330 000
Buffaloes – total, including::	9 241	9 887	7,0%	10 500
female buffaloes	5 444	6 339	16.4%	6 800
Sheep – total, including::	1 367 987	1 454 617	6,3%	1 500 000
ewes	1 093 009	1 173 200	7,3%	1 200 000
Goats - total, including::	356 334	341 362	-4,2%	341 000
goats which have kidded	278 033	272 859	-1.9%	273 000
Pigs - total, including::	664 000	608 266	-8.4%	608 000
sows	65 952	63 969	-3,0%	63 000
Poultry total, including::	15 934 000	14 656 000	-8.0%	15 130 000
hens and pullets	7 800 000	6 627 000	-15.0%	6 620 000
chickens for meat	6 263 000	6 522 000	4,1%	7 000 000
waterfowl poultry	1 684 000	1 393 000	-17,3%	1 395 000
other poultry	187 000	113 000	-39,6%	115 000
Equidae (horses, asses, mules or hinnies)	181 000	135 846	-24,9%	140 000
Bee families*	613 262	547 676	-10,7%	560 000

Source: MAF, 'Agrostatistics', BFSA – for Equidae; projections for 2012 – Animal Breeding Directorate

* data on 1st May.

1 285 531 tons of milk were produced in 2011 which is by 0,6% more compared to 2010. The biggest increase was registered in the yield of buffalo's and sheep's milk – respectively by 11.8% and 5.1%, while the increase in goat's and cow's milk is smaller - respectively by 1.9% and 0,1%. The share of cow's milk in the total amount of produced milk is 87,6%, followed by sheep's milk – 6.9%, goat's milk – 4,8% and buffalo's milk – 0,7%. The average cow's milk production increased by 0,6% compared to the previous year up to 3 562 litres, and that of goats – by 3,8%, up to 219 litres. The average milk yield of ewes and female buffalo decreased respectively by 3,1 and 4%.

In terms of planning regions the regions with the largest share in the total milk production are the South Central Region (25.6%) and the Southeast Region (24,8%) followed by the Northeast Region and the Northwest Region. The share of the milk produced by the Southwest Region is the lowest (10,5%).

Table II.14. Milk production in the period 01.11.2010 - 31.10.2011 by planning regions, thousand litres

Region	Total milk	Cow's milk	Buffalo's milk	Sheep's milk	Goat's milk
Northwest	167 077	133 353	2 080	14 063	17 581
North Central	151 178	132 268	859	10 330	7 721
Northeast	169 557	147 594	1 207	14 001	6 755
Southeast	309 342	284 567	1 448	15 028	8 299
Southwest	131 059	102 906	1 207	14 037	12 909
South Central	319 498	292 345	1 792	18 817	6 544
Total for the country	1 247 711	1 093 033	8 593	86 276	59 809
Change 2011/2010	0,6%	0,1%	11.8%	5.1%	1.9%

Source: MAF, 'Agrostatistics'

The total production of meat in 2011 was 213 305 tons - by 0,4% less compared to 2010, as a result of decreased production of white meat (poultry meat). The production of poultry meat decreased by 2.9% to 103 856 tons while the production of red meat increased by 1.9%, up to 109 449 tons of carcass weight.

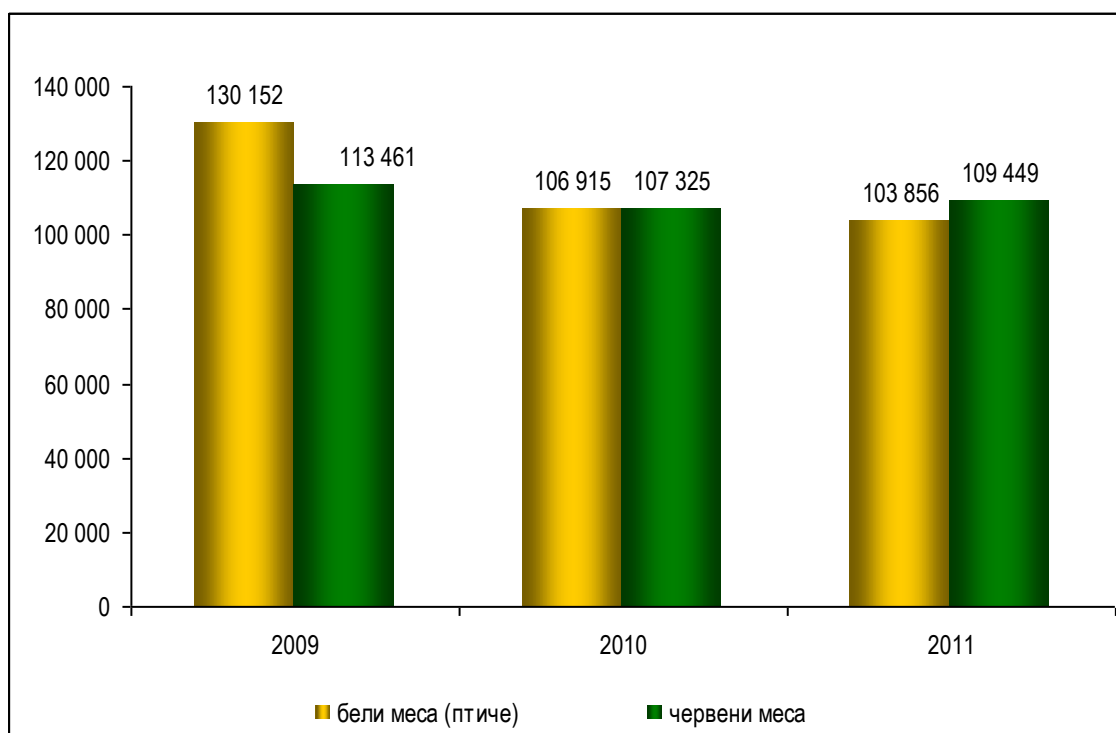
17,6% less eggs were produced during the year. The production of honey dropped by 9,5% compared to 2010.

Table II.15. Production of animal production 2010 – 2011

Production	2010	2011	Change 2011/2010
1. Milk -total (tons), including:	1 277 704	1 285 531	0,6%
Cow's milk	1 124 360	1 125 824	0,1%
Buffalo's milk	7 933	8 868	11,8%
Sheep's milk	85 001	89 296	5,1%
Goat's milk	60 410	61 543	1,9%
2. Meat – total in carcass weight (tons), including:	214 240	213 305	-0,4%
Red meat	107 325	109 449	1,9%
White meat (only poultry meat)	106 915	103 856	-2,9%
3. Eggs (thousand)	1 437 543	1 185 034	-17,6%
4. Honey (tons)	10 595	9 592	-9,5%

Source: MAF, 'Agrostatistics'

Figure II.5. Meat production, 2010 – 2011, tons



Source: MAF, 'Agrostatistics'

White meat (poultry meat)

Red meat

2.3.1. Cattle breeding and buffalo breeding

In 2011 the total number of cows increased by 1% compared to the previous year reaching about 330 thousand. At the same time the number of milk cows decreased by 0,4% down to 306.8 thousand heads and represents 93,0% of the total number of cows in the country.

1 093 033 thousand cow's milk were produced in the country in 2011 which is by 0,1% more compared to 2010.

In terms of planning regions the regions with the largest share in cow's milk production are the South Central (26.7%) and the Southeast Region (26.0%) followed by the Northeast Region and the Northwest Region. The share of the cow's milk produced by the Southwest Region is the lowest (9,4%).

By decision of the European Commission of December 2011 the period of derogation for achievement of the hygienic requirements to raw milk laid down in Regulation (EC) № 853/2004 was extended to the end of 2013.

There are financial resources for achievement of the hygienic requirements to cow's milk production allocated under the Rural Development Programme for the period 2007 – 2013 through the so called guaranteed budget under measure 121 Modernization of the agricultural holdings.

In 2011 the intensity of the financial support for projects designed to meet industry standards for good quality cow's milk was increased by 5 to 15% in the form of state aid. In 2011 and 2012 periods for acceptance of applications by second and third group farms were set in order to achieve the production standards of good quality cow's milk. The application process is relieved by provision of credits by State Fund Agriculture.

The Ministry of Agriculture and Food maintains and updates on a monthly basis a register of farms producing raw milk categorized as 1st, 2nd and 3rd group according to the criteria laid down in Ordinance № 4/19.02.2008 on the specific requirements to the production, the storage and the transportation of raw cow's milk and the requirements for trading in and marketing milk and milk products.

The coordination of the activities for ensuring compliance with animal hygiene and veterinary medical requirements to the rearing of farm animals in animal farms continued in 2011.

At the end of 2011 the farms categorized as 1st group (meeting the standards for buildings, equipment and quality of raw cow's milk) increased by 5.7% compared to a year earlier and reached 2 752 while the total number of cows reared in those farms increased by 26,3% to 131 320. At the same time, the farms categorized as 2nd group decreased by 37%, down to 519 and the number of cows raised in them by 28%, to 10 168 cows.

Table II.16. Number of categorized farms for production of raw cow's milk and number of raised animals, 2010 -2011

Groups of farms	01.12.2010		01.12.2011		Change 2011/2010	
	Number of farms	Number of cows	Number of farms	Number of cows	Number of farms	Number of cows
1 st group	2 603	103 939	2 752	131 320	5.7%	26,3%
2 nd group	825	14 115	519	10 168	-37,1%	-28.0%

Source: MAF, Animal Breeding Directorate

The trend of more and more milk farms passing into 1st group continued also in 2012. On 03.09.2012 this group contained 3 051 categorized farms and the number of milk cows reared in them reached 137 036.

In 2011 there was a slower rate of consolidation of milk farms. According to data of the Agrostatistics Department of MAF the average number of milk cows per holding remains under the level of the previous year – 4,1 cows.

By the end of 2011 more than 216 thousand milk cows or 70,4% of all milk cows in the country were raised in farms with 5 or more animals. In comparison to the previous year, the number of holdings raising between 1 and 9 milk cows increased by 0,5%, and the animals raised in them - by 0,2%. The number of holdings raising between 10 and 19 milk cows increased by 9,5% compared to 2010, and the animals raised in them - c 10,7%. The number of farms with 100 and more milk cows continued to grow. Their number increased by 21%, and the number of the cows in them - 43 thousand – by 10,4% more compared to the previous year.

Table II.17. Distribution of milk cows according to the number of animals per holding on 01.11.2011

Number of animals per holding	Farms		Milk cows	
	Thousand cows	Change 2011/2010, %	Thousand cows	Change 2011/2010
1 - 2	58.6	2.0%	72,3	2.4%
3 - 9	9,9	-7,7%	45,7	-3,2%
10 -19	3,4	9,5%	44,5	10,7%
20 and more	2.8	-14,1%	144,3	-3,9%
Total	74,8	0,2%	306.8	-0,5%

Source: MAF, 'Agrostatistics'

There is increasing interest in recent years in cattle farming for meat. In 2011 the number of cows for meat increased by 24,1% compared to the previous year, up to 23,1 thousand taking into account the concentration of the production in fewer but bigger holdings. The total number of holdings with cows for meat decreased by 22.5% compared to 2010 mainly due to the registered drop by 29,9% of the holdings with 1-2 cows for meat. At the same time, the holdings with 30 to 49 cows for meat and the number of animals in them have increased more than twice. The number of holdings with over 100 cows for meat increased more than three times compared to 2010, and they raise 4,6 thousand animals or 20% of all cows for meat.

In 2011 the total number of the cows in the country was 330 thousand, over 1/3 of which were raised in the South Central Region (34,6%). The number of cows in the South Central and the Southwest Regions increased by 9% compared to the previous year, while in the other four regions it decreased within the range 1.5 – 9,1%, most significantly in the Southeast Region.

Table II.18. Number of cattle by planning regions

Regions	2010				2011			
	Cattle		Cows		Cattle		Cows	
	thousand	%	thousand	%	thousand	%	thousand	%
Northwest	65,3	12.0%	42,3	12.9%	65.0	11.7%	41,3	12.5%
North Central	70,0	12.8%	38.9	11.9%	67,8	12.2%	38,3	11.6%
Northeast	72.9	13,4%	43,4	13,3%	70,9	12,7%	41,4	12,5%
Southeast	112.2	20,6%	63,4	19,4%	100,6	18,0%	57,6	17,5%
Southwest	53,1	9,8%	34,1	10,5%	61,9	11,1%	37,2	11,3%
South Central	171.0	31,4%	104,7	32,0%	191.4	34,3%	114,2	34,6%
Total for the country	544,5	100,0	326.8	100,0%	557,6	100,0%	330,0	100,0%

Source: MAF, 'Agrostatistics'

At the end of 2011 the farms breeding buffalo decreased by 12,3% compared to a year earlier while the total number of buffaloes increased by 7%. A similar trend is observed with regard to farms with female buffaloes – the farms decreased by 5.1% and the number of female buffaloes increased by 16.4%. About 69% of female buffaloes (4,367 thousand female buffaloes by 38.5% more compared to 2010) are reared in farms with over 20 female buffaloes.

The largest percentage of buffaloes is raised in the Northwest Region (25,3%), followed by the South Central Region (20,2%) and the Southeast Region (19,2%).

Table II.19. Number of buffaloes by planning regions

Regions	2010				2011			
	Total buffaloes		Female buffaloes		Total buffaloes		Female buffaloes	
	thousand	%	thousand	%	thousand	%	thousand	%
Northwest	1.9	20,6%	1.2	22,2%	2.5	25,3%	1.5	23,8%
North Central	1.8	19,6%	0,9	16,7%	1,3	13,1%	0,7	11,1%
Northeast	0,7	7,6%	0,4	7,4%	1,1	11,1%	0,8	12,7%
Southeast	1.8	19,6%	1.1	20,4%	1.9	19,2%	1.2	19,1%
Southwest	0,6	6,5%	0,4	7,4%	1,1	11,1%	0,9	14,2%
South Central	2.4	26,1%	1.4	25,9%	2.0	20,2%	1.2	19,1%
Total for the country	9,2	100,0	5.4	100,0%	9,9	100,0	6,3	100,0%

Source: MAF, 'Agrostatistics'

8 593 thousand litres of buffalo's milk was produced in 2011 in the country - by 11.8% more compared to the previous year as a result of the substantial growth of the number of raised female buffaloes.

The total production of bovine meat increased by 6.5% compared to 2010 up to 20 887 tons carcass weight and forms 19,1% of the total yield of red meat in the country. The industrial production of bovine meat increased by 4,1%, and the production in animal farms - by 7,3%, as a result of the larger number of slaughtered animals.

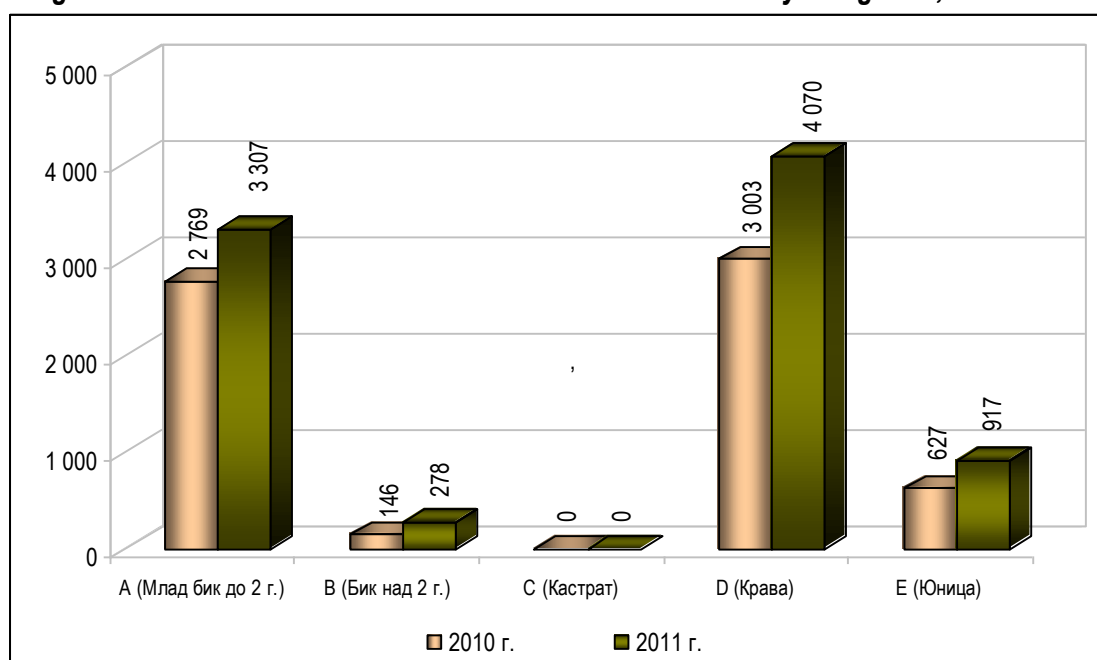
Table II.20. Meat production in 2010 and 2011 in carcass weight

Categories of animals	Industrial production, tons			Meat in farms, tons		
	2010	2011	Change 2011/10	2010	2011	Change 2011/10
Calves and young bovine	643	755	17,4%	9 533	10 376	8.8%
Other bovine animals	4 063	4 142	1.9%	5 371	5 613	4,5%
Total for the country	4 706	4 897	4,1%	14 904	15 990	7,3%

Source: MAF, 'Agrostatistics'

A total of 8 572 adult bovine animals were graded according to the scale EU EUROP in 2011 in nine slaughterhouses performing grading. The number of classified bovine animals is by 14% more compared to 2010, which is explained with the national co-payments for slaughtering of bovine animals from State Fund Agriculture.

Figure II.6. Total number of classified adult bovine animals by categories, 2010 – 2011

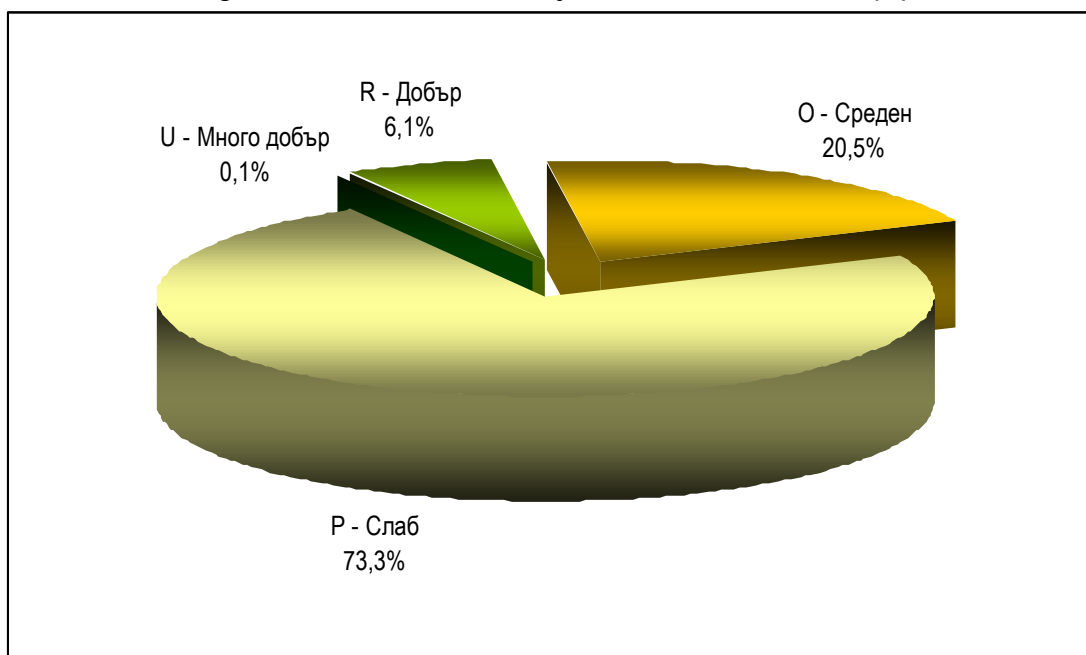


Source: MAF, Animal Breeding Directorate

- A (Young bull up to 2 years)
- B (Bull over 2 years)
- C (Steer)
- D (Cow)
- E (Heifer)

The percentage of classified bovine animals with conformation class P (poor) and fat cover class 2 (poor) is the largest. This is explained with the fact that the cattle farming sector in Bulgaria is developed mainly for milk production and meat production from bovine animals is less developed. Most of the beef comes from animals with poorly developed conformation of the carcasses and low yield.

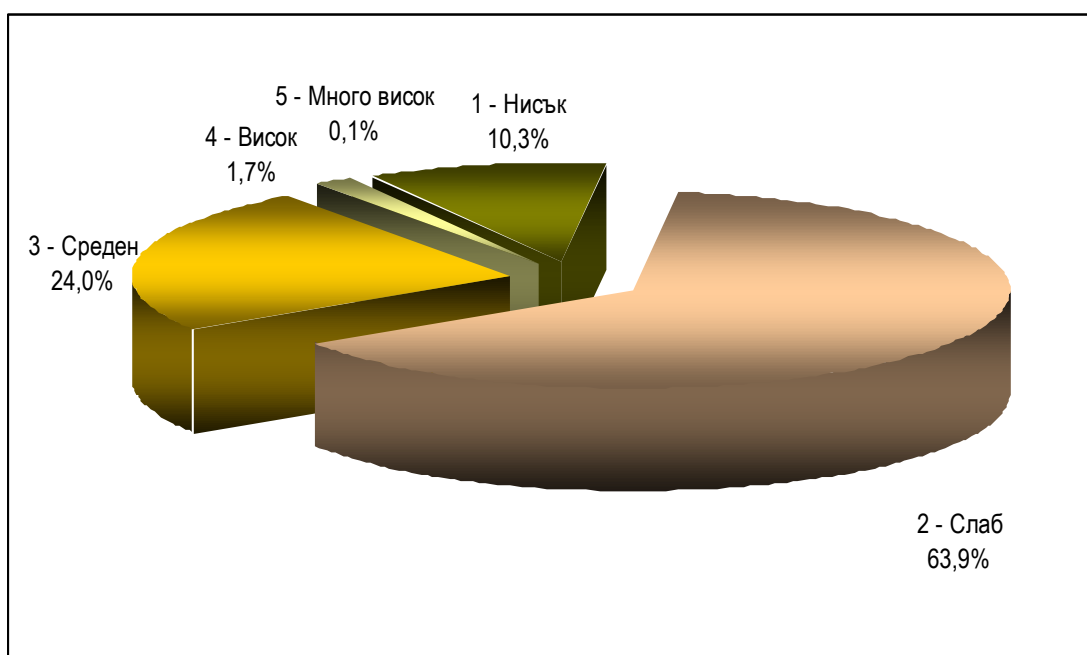
Figure II.7. Classified cattle by conformation in 2011 e (%)



Source: MAF, Animal Breeding Directorate

- U – Very good, 0,1%
- R – Good, 6,1%
- O – Average, 20,5%
- P – Poor (73,3%)

Figure II.8. Classified cattle by fat cover in 2011 (%)



Source: MAF, Animal Breeding Directorate

- 1 – Low, 10,3%
- 2 – Poor, 63,9%
- 3 – Medium, 24,0%
- 4 – High, 1,7%
- 5 – Very high, 0,1%

The slaughterhouses performing the grading classified 46% of the total industrial production in the country for 2011.

The inspections of the application of the classification at the slaughterhouses continued during the reporting period. They are performed by districts and cover all approved slaughterhouses included in the database of MAF in accordance with the Law on the Implementation of the Common Organization of the Agricultural Markets in the EU. The deficiencies found during the inspections are related mainly to the information marked on the label and the mandatory information that must be contained in the payment documents issued for the purchased beef.

The inclusion of two new slaughterhouses meeting the requirement of mandatory classification is expected to contribute for increasing the number of graded bovine animals in 2012. On the other hand, the removal of national co-payments under the slaughter scheme will probably make farmers less interested in submitting their animals to slaughterhouses performing grading.

2.3.2. Sheep breeding and goat breeding

There was a process of consolidation of sheep's farming in 2011. For the first time since 2006 there was growth of the number of sheep – by 6,3% compared to 2010. At the same time, the number of sheep farms decreased by 28.8%. As a result the average number of sheep per holding increased by 49,6% - from 13,1 in 2010 to 19,6 in 2011.

The farms with up to 49 female breeding sheep decreased by 31.1%, and the sheep in them are by 11.0% fewer. The farms with over 100 mated sheep increased by 20,6%, and the ewes - by 30,0%, up to about 571 thousand heads. The average size of herds with ewes in 2011 reached 16.

In 2011 the biggest percentage of sheep was is grown in the South Central Region – 22.4%, followed by the Northeast Region and the Southeast Region by approx. 19%. The number of sheep and ewes increased in almost all planning regions compared to the previous year except the Southeast Region where the total number of sheep decreased by 6,3% and of ewes - by 1,3%. The North Central

Region saw a considerable growth of sheep in total and of ewes, respectively by 25.0% and 32,3%. The growth in the onther regions is morederate.

Table II.21. Number of sheep by regions in 2010 and 2011r.

Regions	Total sheep, thousand			Including ewes, thousand		
	01.11.2010	01.11.2011	Change 2011/2010	01.11.2010	01.11.2011	Change 2011/2010
Northwest	134,4	142,7	6,2%	114,5	122,1	6,6%
North Central	174,3	217,9	25,0%	137,0	181,3	32,3%
Northeast	257,6	274,7	6,6%	186,2	201,5	8,2%
Southeast	290,4	272,1	-6,3%	227,7	224,7	-1,3%
Southwest	201,0	221,5	10,2%	167,5	177,7	6,1%
South Central	310,3	325,7	5,0%	260,1	265,9	2,2%
Total for the country	1 368,0	1 454,6	6,3%	1 093,0	1 173,2	7,3%

Source: MAF, 'Agrostatistics'

At the end of 2011 the total number of goats was 341.4 thousand - by 4,2% less compared to a year earlier. The goats which have kidded decreased by 1.9%.

The farms rearing goat decreased by 28.2% compared to the previous year. About 77,8% of the goats which have kidded are raised in farms with up to 49 animals. Compared to 2010, the goats which have kidded reared in these farms decreased by 6.9%. The farms with 50 and more goats which have kidded increased by 27,6%, and the animals in them – by 43,5%.

The number of goats has decreased most substantially compared to 2010 in the Southeast Region – by 16.8%, followed by the Northeast Region – by 12,3%. The number of goats increased in thee regions: more substantially in the South Central Region – by 7,5% and less substantially in the Northwest and the Southwest Regions – respectively by 1.7 and 0,6%.

In 2011 the total number of goats which have kidded decreased by 1.9% compared to the previous year, down to 272.9 thousand goats. The number of goats which have kidded increased only in the Northwest Region and in the South Central Region respectively by 6.2% and 2.5%. The number of goats which have kidded is the largest in the Northwest Region – 65.0 thousand goats, and the smallest – in the North Central Region– 31.7 thousand goats.

Table II.22. Number of goats by regions in 2010 and 2011

Regions	Total goats, thousand			Incl. goats which have kidded, thousand		
	01.11.2010	01.11.2011	Change 2011/2010	01.11.2010	01.11.2011	Change 2011/2010
Northwest	71.5	72.7	1.7%	61.2	65.0	6.2%
North Central	44,4	41.5	-6.5%	35.4	31.7	-10,5%
Northeast	48.7	42.7	-12,3%	35,3	34,4	-2,5%
Southeast	66.8	55.6	-16,8%	45,2	44,0	-2,7%
Southwest	78.1	78.6	0,6%	60,6	56,5	-6,8%
South Central	46.8	50,3	7,5%	40,3	41,3	2,5%
Total for the country	356,3	341,4	-4,2%	278	272,9	-1,9%

Source: MAF, 'Agrostatistics'

146 085 thousand litres of sheep's milk and goat's milk were produced in 2011 which represents 11.7% of the total amount of milk produced in the country. The amount of sheep's milk produced was 86 276 thousand litres, and of goat's milk – 59 809 thousand litres. Compared to 2010 the production of these types of milk increased respectively by 5.1% and 1.9%.

Traditionally, the production of sheep's milk is highest in the South Central Region – 18 817 thousand litres despite the registered decrease by 2.1% compared to 2010. It is followed by the Southeast Region with 15 028 thousand litres. The production of sheep's milk was lowest in the North Central Region– 10 330 thousand litres.

The production of goat's milk is highest in the Northwest Region – 17 581 thousand litres, followed by the Southwest Region with 12 909 thousand litres, where there is an increase of 23,4% compared to the previous year. The production of goat's milk is the lowest in the South Central Region – 6 544 thousand litres.

The production of mutton in 2011 was 11 811 tons - by 11,3% less compared to 2010. The total number of animals slaughtered in slaughterhouses and farms decreased by 13,8% compared to the previous year, down to 1 099,5 thousand animals. The production of meat in farms is almost four times higher than in slaughterhouses.

The production of goat's meat in 2011 increased by 11,3% compared to 2010 to 4 116 tons. There is an increase both in the number of slaughtered goats – by 1.8%, and in the live weight of the slaughtered animals.

Since 1 January 2011 MAF reports on a weekly basis to the EC the average weighted selling prices of the mutton (lamb's meat) graded according to the scale (S)EUROP. The classification is performed in two slaughterhouses which graded 7 975 carcasses during the year, 69% of which were light lambs (up to 13 kg). The percentage of light lambs graded as first class is 82%.

Table II.23. Classified carcasses up to 13 kg “Light lambs”

Category	A		B		C	
Weight	≤ up to 7 kg		7,1 - 10 kg		10,1 - 13 kg	
Quality	first	second	first	second	first	second
Class by fat cover degree	(2) , (3)	(1) , (4)	(2) , (3)	(1) , (4)	(2) , (3)	(1) , (4)
Number	114	36	1 138	198	3 244	737

Source: MAF, Animal Breeding Directorate

The classified sheep's carcasses of sheep aged above 12 months and over 13 kg were 2 508, distributed in the following classes according to conformation and degree of fat cover:

Table II.24. Classified carcasses over 13 kg “Heavy lambs” by conformation

	S Supreme	E Excellent	U Very good	R Good	O Medium	P Poor
Number	0	0	291	693	1 158	366
Percentage	0,0%	0,0%	11.6%	27,6%	46.2%	14,6%

Source: MAF, Animal Breeding Directorate

Table II.25. Classified carcasses over 13 kg “Heavy lambs” by fat cover

	1 Low	2 Poor	3 Medium	4 High	5 Very high
Number	103	731	1 210	379	85
Percentage	4,1%	29,1%	48.2%	15.1%	3,4%

Source: MAF, Animal Breeding Directorate

The percentage of classified heavy lambs with conformation class O (medium) and class according to degree of fat cover 3 (medium) is the highest.

2.3.3. Pig breeding

Pig breeding occupies a major share in the production of red meat in the country. In 2011 about 66.2% of the red meat is produced by the pig breeding sector.

The process of bringing family farms in compliance with the welfare standards for pig production continued in 2011.

By 01.11.2011 the total number of pigs decreased by 8.4% compared to a year earlier down to 608,3 thousand and the number of sows in a main herd - by 1.6% down to 53,4 thousand.

Table II.26. Number of pigs by regions in 2010 and 2011

Region	Pigs in total, thousand			Sows, thousand		
	1.11.2010	1.11.2011	Change 2011/2010	1.11.2010	1.11.2011	Change 2011/2010
Northwest	120,8	49,0	-59,4%	9,6	4,6	-52,1%
North Central	178,4	179,2	0,4%	13,3	14,0	5,3%
Northeast	151,4	144,9	-4,3%	12,6	12,1	-3,9%
Southeast	129,9	159,8	23,0%	10,0	14,3	43,0%
Southwest	30,5	31,3	2,6%	2,0	3,2	60,0%
South Central	53,0	44,1	-16,8%	6,7	5,2	-22,4%
Total for the country	664,0	608,3	-8,4%	54,2	53,4	-1,6%

Source: MAF, 'Agrostatistics'

Most substantial decrease compared to the previous year was registered in the Northwest Region – by 59,4% in the total number of pigs and by 52,1% in the number of sows followed by the South Central Region – respectively by 16,8 and 22,4%. At the same time, there is a substantial increase of the total number of pigs by 23% and of the number of sows – by 43% in the Southeast Region. There is slight increase in the total number of pigs and a sharp increase in the number of sows – by 60% in the Southwest Region.

By 01.11.2011 the number of holdings rearing breeding sows increased by 6,4% compared to the same period of 2010 while the number of animals raised in them decreased by 3%. There is a substantial decrease of the holdings with 10 to 49 sows - by 33,5%. In the other categories of holdings rearing breeding sows there is an increase and it is largest in holdings with 50 to 199 animals – by 27,3%, followed by the holdings with 3 to 9 breeding sows - by 13,3%. Compared to the previous year the number of farms with 200 and more animals increased by 2,2%.

Table II.27. Distribution of breeding sows over 50 kg according to the number of animals reared by a holding on 01.11.2011

Number of animals per holding	Holdings		Breeding sows over 50 kg	
	Number	Change 2011/2010	Thousand	Change 2011/2010
1-2	5 983	6,9%	7,5	10,3%
3-9	955	13,3%	3,9	14,7%
10-49	145	-33,5%	2,5	-49,0%
50-199	42	27,3%	4,0	17,6%
200 and more	46	2,2%	46,1	-2,9%
Total	7 171	6,4%	64,0	-3,0%

Source: MAF, 'Agrostatistics'

The holdings rearing between 1 and 9 pigs decreased by 37,9% compared to 2010 down to 59,7 thousand. They raise about 100 thousand animals or 16,4% of the total number of pigs.

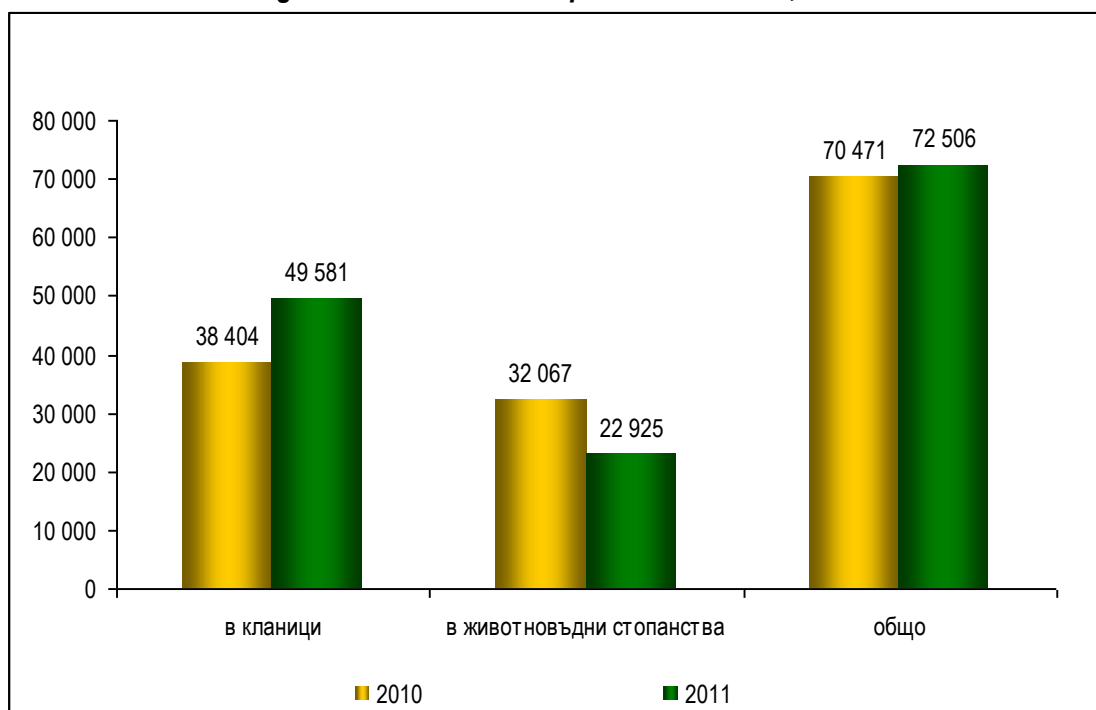
As a whole, pig breeding remains one of the most concentrated sectors in livestock breeding and 74,6% of all pigs are concentrated in 59 farms with 1 000 and more pigs.

The negative trend of decreasing production of pork characterizing the previous four years was overcome in 2011.

According to data of the Agrostatics Department of MAF, the pork produced during the year was 72 506 tons - by 2.9% more compared to 2010. There is a change in the ratio of meat produced in slaughterhouses and in farms. In 2011 the amount of pork produced in slaughterhouses increased by 29,1% compared to 2010 to 49 581 tons, which represents 68.4% of the total amount of pork, compared to 54% in 2010. The meat produced in animal farms decreased by 28.5% down to 22 925 tons or 31.6% of the total production of pork during the year.

764,2 thousand pigs were slaughtered in slaughterhouses - by 36,3% more compared to the previous year with decreasing average live weight (102 kg). The number of slaughtered pigs decreased in farms by 23,4% down to 279,1 thousand pigs along with the average live weight - by 5,3% (down to 128.8 kg).

Figure II.9. Production of pork in 2010-2011, tons



Source: MAF, Agrostatics
 In slaughterhouses
 In livestock farms
 Total

In 2011 the grading scale of pig carcasses (S)EUROP is applied in three slaughterhouses, two slaughterhouses fewer than by the previous year. The total number of graded pigs in the year was 62 548, by 89% more compared to 2010.

The distribution of classified pigs in classes according to the content of lean meat is as follows:

The percentage of pigs in class E with lean meat content from 55 to 60% of the carcass weight is the largest. In 2011 the number of pigs graded as class S with lean meat content of 60% and over decreased compared to the previous year but there is an increase of the classified carcasses in the other classes.

Table II. 28. Classified pig carcasses according to the content of lean meat

Year	S 60% and more	E from 55 to	U from 50 to	R from 45 to	O from 40 to	P 40% less	Total (number)
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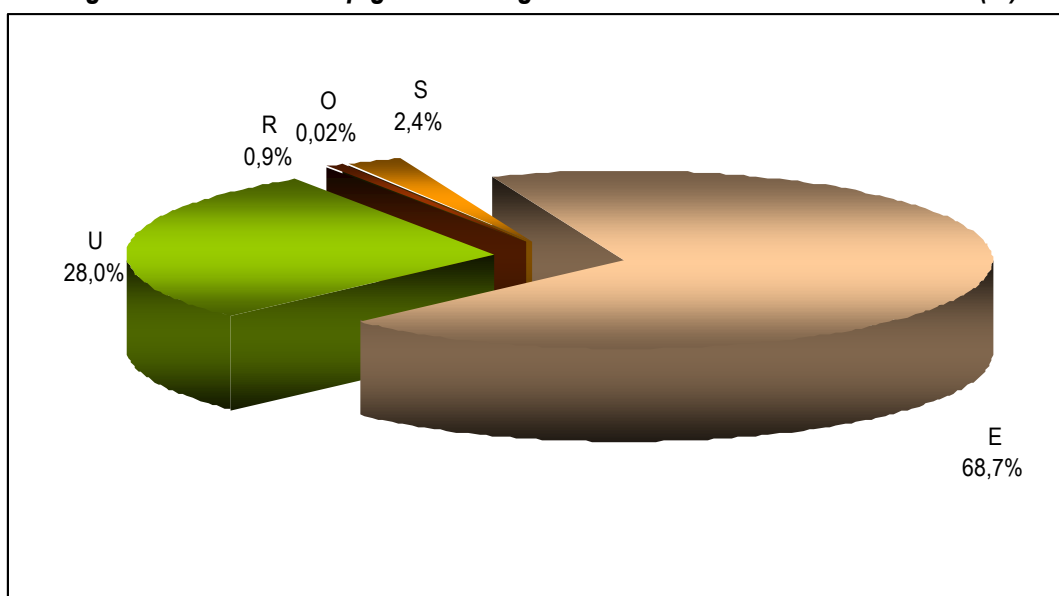
		60%	55%	50 %	45%		
2010	1 818	29 041	2 107	105	0	0	33 071
2011	1 490	42 963	17 543	540	12	0	62 548

Source: MAF, Animal Breeding Directorate

The application of the European scale for grading pig carcasses stimulates pig producers to improve the selection in the process of pig breeding and to increase the lean meat in the carcass.

The main reason for the small number of slaughterhouses performing grading is that according to the method authorized for Bulgaria only steamed carcasses can be classified. A large number of the slaughterhouses do not have the required equipment while traders demand mainly skinned pigs for meat. In this connection, a new regression equation for grading of skinned carcasses will be prepared in compliance with the European legislation.

Figure II.10. Classified pigs according to the content of lean meat in 2011 (%)



Source: MAF, Animal Breeding Directorate

2.3.4. Horse breeding

According to data of the Bulgarian Food Safety Agency the number of equidae in the country at the end of 2011 was 135 846 – by 24,9% less compared to a year earlier. Of them, 7 543 were registered horses and 74 184 – work horses. Asses, mules and hinnies represent 38.8% of the total number of equidae reared in the country.

The identification of horses in compliance with the European legislation and the preservation and development of the genetic resources in horse breeding continued in 2011. Permission was granted to new breeding organizations working with East Bulgarian horse, Plevan horse and Bulgarian sports horse.

Table II.29. Number of equidae in the period 2009-2011

	2009	2010	2011	Change 2011/2010
Number of equidae	170 468	181 000	135 846	-24,9%

Source: BFSA

2.3.5. Poultry raising

2011 was a critical year for the egg production strand of the poultry raising sector in the country which involved ending the process of reconstruction and modernization of farms and setting up systems that guarantee the welfare of poultry in accordance with European requirements.

In order to achieve the legally stipulated time limit for reconstruction - 1 January 2012 – MAF started at the beginning of 2011 and information campaign that included visits of experts to all 28 districts in the country. Two reception points were opened for projects for reconstruction and modernization of poultry raising sites under measure 121 “Modernization of the agricultural holdings” of the Rural Development Programme 2007 - 2013. The intensity of the aid under the measure was increased with financing from the state budget. In addition, in order to be financially relieved beneficiaries may obtain a loan from SF Agriculture at preferential interest rate for a repayment period of 60 months.

In 2011 there was a decrease of all categories farms raising hens and pullets and the decrease was most substantial in holdings with 100 to 9 999 birds (by 29%) and with 10 000 to 99 999 birds (by 23,2%). At the end of the year the large poultry farms with 10 000 and more laying hens and pullets were 54 (compared to 92 a year earlier) and they raise 4 252 thousand birds or 64% of the total number of hens and pullets. The farms raising chickens for meat decreased by 68.5%, while the number of chickens in them increased by 4,1%.

On 31 December 2011 the total number of poultry in the country was 14 656 - by 8% less compared to the same period of 2010 and there was a decrease in all main types of poultry except in the chickens for fattening. The laying hens and the pullets are by 15% less compared to the previous year and represent 45.2% of the total number of poultry. The number of chickens for fattening increased by 4,1% compared to the previous year up to 6 522 thousand birds. The number of ducks dropped by 17,5% and represents 9,2% of the total number of poultry in the country. At the end of the year the turkeys were 84 thousand – by 46.8% less compared to a year earlier and they are raised mainly in small farms. Geese decreased by 10,7% and represent 0,3% of the poultry raised in the country. The number of the other types of poultry (quail, ostriches and guinea fowl) was preserved.

Table II,30. Number of poultry at the end of the year, thousand

Types of fowl	2009	2010	2011	Change 2011/2010
Hens and young laying hens	8 778	7 800	6 627	-15.0%
Chickens for meat	7 224	6 263	6 522	4,1%
Turkeys	247	158	84	-46.8%
Ducks	1 024	1 628	1 343	-17,5%
Geese	81	56	50	-10,7%
Other fowl	46	29	29	0,0%
Total	17 400	15 934	14 656	-8.0%

Source: MAF, Agrostatistics

By planning regions the largest number of poultry is raised in the North Central Region– 39,2%, followed by the Northeast Region by 16.8% and the South Central Region by 15.5%. More than 42% of the hens and chickes for meat are raised in the North Central Region. The ducks are concentrated in the South Central Region (53%), and the turkeys and geese - in the Northeast Region. Most ostriches, quail and guinea fowl are raised in the Southwest Region.

In 2011 the production of eggs dropped by 17,6% compared to 2010 down to 1 185 034 thousand eggs of which 99,4% are eggs from hens. Of these, the eggs for consumption were 1 018.6 million, by 21.1% less compared to 2010.

By planning regions the largest number of eggs were produced in the North Central Region– 24,9% of the total number of eggs produced in the year, followed by the Northeast Region and the South Central Region. The least number of eggs was produced in the Southwest Region.

Table II,31. Egg production in 2011 by planning regions, thousand

Region	Eggs from hens	Other eggs	Total eggs	Change 2011/2010
Northwest	149 066	733	149 799	-30,3%
North Central	295 419	702	296 121	-10,6%
Northeast	264 940	685	265 625	-9,9%
Southeast	140 044	1 294	141 338	-41,0%
Southwest	96 673	2 184	98 857	-3,7%
South Central	232 329	965	233 294	-8,2%
Total for the country	1 178 471	6 563	1 185 034	-17,6%

Source: MAF, 'Agrostatistics'

In 2011 the production of breeding eggs from hens increased by 14,8% compared to the previous year. Nearly 89% of are breeding eggs for the production of chickens for fattening (141 834 thousand eggs).

The total production of chicken meat decreased by 2.9% compared to the previous year down to 103 856 tons which is 63,4% of the total industrial production of meat in 2011. Nearly 95% of the total production of chicken meat in the year came from slaughterhouses - 98 609 tons, of which 76.4% - meat from broilers.

Table II,32. Production of chicken meat in the period 2009-2011

Production	Slaughtered birds (thousands)			Total meat and subproducts (tons)		
	2009	2010	2011	2009	2010	2011
In slaughterhouses	59 491	54 418	52 266	103 037	99 065	98 609
In farms	14 453	4 044	2 384	27 115	7 850	5 247
Total	73 944	58 462	54 650	130 152	106 915	103 856

Source: MAF, 'Agrostatistics'

2.3.6. Apiculture

The production of honey in Bulgaria benefits from the wide variety of plant species and the relief of the country.

In 2011 the number of farms keeping bee families was 21 882, by 20,4% less compared to 2010.

Apiculture in Bulgaria is still characterized as being extensive and patchy, with a large number of producers and a small number of professional bee keepers keeping 150 and more bee families. The trend of decreasing number of farms keeping a small number of bee families (from 1 to 9) continued to decline in 2011. They represent currently 40,7% of the total number of bee farms and their number is 8 913 which is by 24,4% less compared to 2010. 44,2% of the farms keep between 10 and 49 bee families and 13,2% - between 50 and 149 bee families. The apiaries keeping over 150 bee families increased by 5.8% compared to the previous year, but their percentage remains only 1.8% of the total number.

Table II,33. Bee keeping farms according to the number of bee families on 01.05.2010

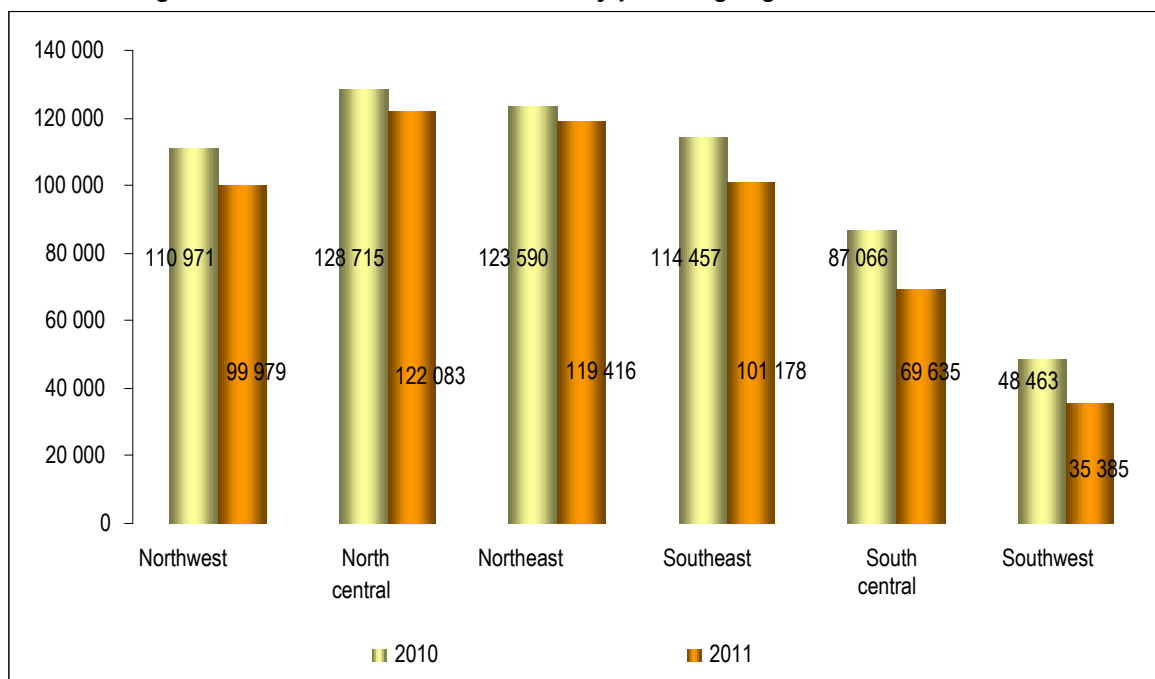
Number of bee families by classes	Number of farms		Change 2011/2010 r .
	2010	2011	
From 1 to 9	11 794	8 913	-24,4%
From 10 to 49	12 099	9 677	-20,0%
From 50 to 149	3 206	2 892	-9,8%
150 and more	378	400	5,8%
Total	27 477	21 882	-20,4%

Source: MAF, 'Agrostatistics'

According to data of the Agrostatistics Department of MAF, the bee families in the country decreased in 2011 by 10,7% compared to 2010 down to 547 676 families.

The number of bee families kept in the North Central Region - 122 083 families – is the largest, followed by the Northeast Region and the Southeast Region respectively by 119 416 and 101 178 bee families. Traditionally, the largest number of bee families is concentrated in the districts of Dobrich, Burgas and Pleven. The average number of bee families per holding increased to 25 in 2011 compared to an average of 22 families in the previous three years.

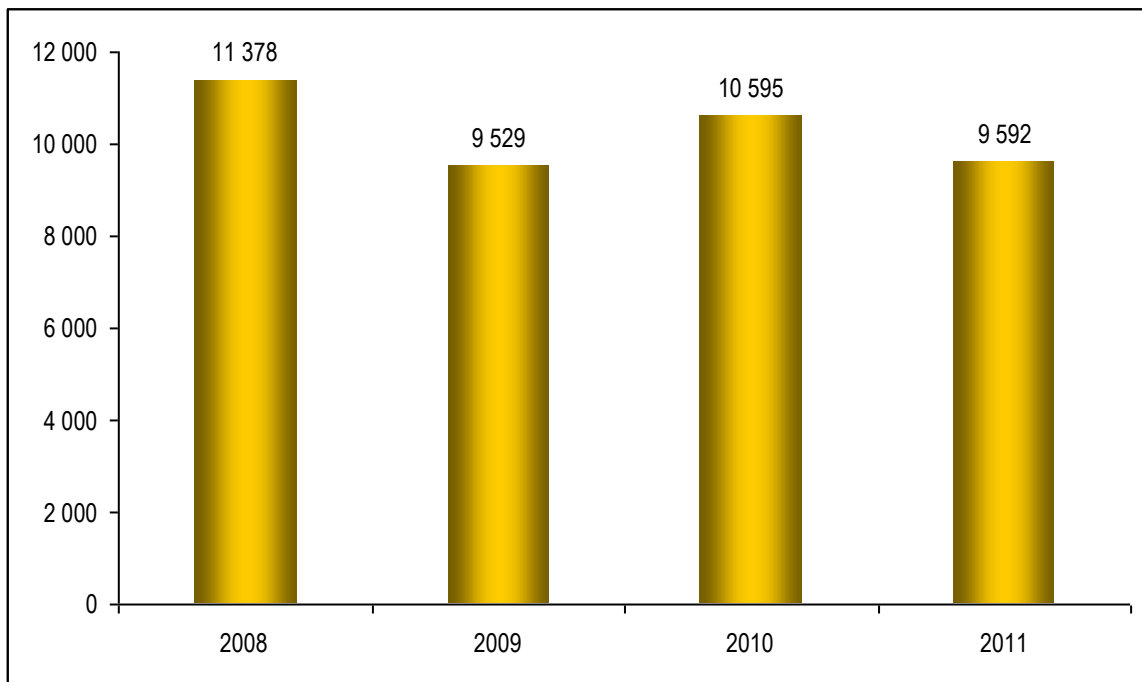
Figure II.11. Number of bee families by planning regions in 2010 and 2011



Source: MAF, 'Agrostatistics'

In 2011 honey was produced by 488 950 bee families - by 13,9% less compared to the previous year. At the same time, the average yield from a bee family increased from 19,0 kg in 2010 to 20,0 kg in 2011. As a result, the production of honey decreased by 9,5%, down to 9 592 tons.

Figure II.12. Production of bee honey 2008-2011, tons



Source: MAF, 'Agrostatistics'

A total of 9 304 tons of bee honey were produced in the period 01.05.2010 - 01.05.2011 which are distributed as follows:

- direct sales to end consumers – 2 365 tons;
- sales to retailers – 470 tons;
- sales to processing plants – 3 958 tons;
- sales to the industry – 188 tons;
- for own consumption and feeding the bees – 2 323 tons;

The share of the sales to processing enterprises is the largest (42.5%). The direct sales to end consumers decreased by 19,7% compared to the previous year and take up 25.4% of the total realized honey. The amount for own consumption and feeding bee families increased by 8.8% compared to 2010.

According to data of the Agrostatistics Department of MAF 15 232 bee families were poisoned, 14 656 were destroyed by diseases, 12 560 were destroyed due to hunger and 67 119 were destroyed due to other reasons in 2011. The total number of destroyed bee families in the year amounts to 109 567, which is 50,2% more compared to 2010.

The Varroa destructor is still the most widespread and economically most important disease plaguing the bees in Bulgaria. 541 568 bee families of a total of 99% of all bee families were treated in 2011.

In 2011 the number of bee keepers practicing mobile apiculture decreased by 59%, and their percentage in the total number of bee keepers declined to 2.1%. Some of the factors restricting this type of beekeeping is the lack of coordination of the agricultural holdings and the ensuing absence of market of bee pollinating, the problems with poisoning of bee families by plant protection measures and the increased transport costs.

In 2011 started the second three-year National Apiculture Programme for the new period 2011 - 2013. The total approved budget for the new three-year period is increased three times and amounts to 19 588 638 BGN where the financial resource only for 2012 amounts to 6 532 501 BGN.

As a whole, the beekeeping sector needs introduction of new technologies, better control of the health status and measures to support the realization of bee products.

2.4. Situation of organic farming in Bulgaria in 2011

The information of the situation of organic farming in Bulgaria for 2011 is based on the data from the annual reports of the following controllers of organic farming that are officially approved by the Minister of Agriculture and Food: Balkan Biocert OOD; QCertification JSC; CERES – Certification of Environmental Standards OOD; Lacon OOD; BCS Oko-Garantie GmbH; Control Union Certifications B.V.; A CERT European organization for certification S.A.; Inspection Institute for Organic Products “BIOHellas”; SGS Bulgaria Ltd.

The positive trend of organic farming development continued in 2011. At the end of the year the total number of organic farmers, processing companies and traders registered at the Ministry of Agriculture and Food was 1 054, which is nearly 30% more compared to the previous year. After the nearly double increase in 2010, the areas covered by the organic production control system continued to increase reaching 26 622 ha in 2011.

Table II,34. Areas with organic farming

	Areas in transition 2011	Areas after transition 2011	Total 2010	Total 2011
Areas within a control system (ha)	14 718	5 900	20 320	20 618
Permanent pasture and meadows (ha)	1 519	2 972	3 611	4 491
Fee land/fallow land (ha)	1 057	456	1 716	1 513
Total areas within a control system (in transition and after transition) (ha)	17 294	9 328	25 647	26 622
Wild growing crops* (ha)	22 600	521 055	546 195	543 655

*Wild growing crops – mushrooms, herbs and forest berries are collected in certified environmentally clean areas but the areas are not cultivated and are not included under Total Areas within a Control System

Source: MAF, on the basis of annual data provided by the controllers of organic farming

As a whole, in 2011 the areas within a control system increased compared to the previous year with different dynamics of the different types of crops. From the plant growing strand of organic farming producers prefer best cereals, technical crops and permanent plantations.

In 2011 the areas occupied with cereal crops increased by 22% compared to the previous year up to 6 521 ha. The main crops are wheat, maize, barley and rye. The areas with rye increased twice and a half compared to the previous year. There is a substantial increase also in the areas with maize.

The areas occupied with technical crops also increased substantially compared to 2010 while those with fodder crops from arable land ('green' crops) decreased.

In 2011 the areas with organically grown permanent plantations increased by 11% compared to 2010 up to 6 443 ha. Especially high is the interest in nut bearing plants – walnuts, hazelnuts, almonds and chestnuts. The areas planted with apples, plums and apricots registered within a control system increased in 2011. At the same time the areas planted with cherries registered within a control system decreased.

Table II,35. Areas with organically grown agricultural crops

Types of crops	Areas in transition (ha)	Areas after transition (ha)	Total area (ha)
----------------	--------------------------	-----------------------------	-----------------

	2011	2011	2010	2011
Cereals, including rice	4 980	1 541	5 339	6 521
Technical crops - total	3 350	2 495	4 913	5 845
<i>Including Rosa damascena</i>	516	329		845
Fresh vegetables, melons, strawberries, cultivated mushrooms (total)	467	203	428	670
Permanent plantations	5 087	1 356	5 795	6 443
Permanent pastures and meadows	1 519	2 972	3 611	4 491
Fodder crops from arable land ('green' crops)	771	225	3 786	996
<i>including alfalfa</i>	649	73		722
Fallow land	1 057	456	1 716	1 513
Total areas*	17 295	9 328	25 648	26 622
Wild growing crops	22 600	521 055	546 195	543 655

* Including areas which are not reflected in the table

Source: MAF, on the basis of annual data provided by the controllers of organic farming

The areas with organically grown vegetables in 2011 were 670 ha – by about 240 ha more compared to 2010, and the increase is due to the fact that the control system included about 292 ha artichoke in the control system. The areas with tomatoes and cucumbers are preserved while those with watermelons and melons decreased.

In 2011 the permanent pastures and meadows within a control system increased by 880 ha compared to the previous year, while the fallow land decreased by about 200 ha.

Olive plantations were included in a control system for the first time in 2011. The inclusion of crops which are not typical of Bulgaria shows clearly the desire and efforts of organic farmers to diversify the crops grown by them.

Over the last two years the size of the certified environmentally clean areas for picking wild growing berries, herbs and mushrooms exceeds 540 thousand ha.

A positive trend is observed also in the organic farming of animals.

In 2011 the number of organically raised cattle increased more than twice and a half compared to the previous year – from 364 in 2010 to 976 – and an organic farm with 200 bisons was registered for the first time in Bulgaria.

The number of bee families registered within a control system in 2011 reached nearly 59 thousand which is by 27% more compared to 2010. A precondition for such increase is the good acceptance of the organic honey on the European market.

In 2011 more than 10 thousand sheep and goats are raised organically and the number of goats increased by over 20% compared to the previous year. There is interest for starting organic farming of poultry.

Table II,36. Number of organically reared animals

	2010	2011
Cattle	364	976

Sheep	6 698	6 648
Goats	2 773	3 397
Bee families	46 429	58 855

Source: MAF, on the basis of annual data provided by the controllers of organic farming

As a result of the larger number of cattle raised in organic manner, in 2011 increased the production of organic cheese and yoghurt.

As a result of the increased number of bee families, the amount of the produced organic honey increased by 14% compared to the previous year. Bulgaria is a traditional producer of various types of biologically certified honey with excellent quality indicators and a large amount of the produce is marketed outside the country.

Table II,37. Organic products of animal origin

	2010	2011
White cheese (tons)	118	144
Yoghurt (tons)	74	194
Honey (tons)	1 108	1 263

Source: MAF, on the basis of annual data provided by the controllers of organic farming

The positive trend of development of organic farming in the country is expected to be preserved in 2012. The number of organic farmers and the areas within a control system as well as the number of organically raised livestock and beehives are also expected to increase. One of the factors contributing to the increasing interest in organic production in the country is the support provided under Measure 214 “Agri-environmental payments” under the Rural Development Program 2007-2013, submeasure “Organic Farming” with strands ‘Organic Plant Production’ and ‘Organic Apiculture’. Many organic producers who are at a stage of transition and after transition apply under this measure. New and higher levels of compensation payments to organic producers were officially approved with the sixth amendment of the RDP which is an additional incentive to increasing organically grown products.

Organic operators are supported also through other RDP measures such as Measure 121 Modernization of agricultural holdings, Measure 142 Setting up of producer groups, Measure 111 Vocational training, information activities and dissemination of scientific knowledge, etc.

Another factor for development of organic farming is the growing demand of organic products worldwide in recent years. Most of the organic products produced in Bulgaria are exported and are well accepted on the European and the world market.

The number of controllers authorized by the Minister of Agriculture and Food to control the methods of organic farming is expected to increase in 2012 which is related to the trend of annual growth of the number of controllers included in the system of control.

2.5. Viticulture and wine-production

2.5.1. Production of grapes

Areas

In 2011 the areas of vineyard plantations in holdings decreased by 8% compared to the previous year, down to 52 567 ha, of which 46 145 ha were harvested. About 3% are the young not yet fully productive vineyards and about 210 ha were planted with new vines in the spring of 2011. The areas of untended vineyards in holdings due to social and economic reasons were 3,7 thousand ha,

compared to 4 thousand ha for 2010. The untended vineyards outside the holdings are about 26 thousand ha. The total vineyard areas were 78 468 ha – by 5% less compared to 2010.

Table II,38. Vineyards in Bulgaria in the period 2002 - 2011

Year	Areas with vineyards, ha	Untended vineyards outside holdings, ha	Total vineyard areas, ha
2002	129 998	15 200	145 198
2003	103 019	28 050	131 069
2004	95 551	34 029	129 580
2005	94 724	32 118	126 842
2006	85 320	43 537	128 857
2007	97 387	22 954	120 341
2008	88 570	22 246	110 816
2009	74 018	27 416	101 434
2010	56 968	25 707	82 675
2011	52 567	25 901	78 468

Source: MAF, Agrostistics

The largest percentage of vineyards is in the Southeast Region – about 35% and in the South Central Region – 33%.

Table II,39. Distribution of the areas by location of holdings in the statistical regions, 2011

Regions	Total area (ha)	Of which harvested area (ha)	Harvested, %
Northwest	4 950	4 150	84
North Central	3 302	2 243	68
Northeast	4 949	4 211	85
Southeast	18 249	15 687	86
Southwest	3 675	3 343	91
South Central	17 442	16 511	95
Total	52 567	46 145	88

Source: MAF, Agrostistics

The total size of the harvested areas with vines decreased in 2011 by about 6% compared to the previous year. The largest decrease was registered in dessert grapes - by about 10%, mainly due to the fewer harvested areas in the Southwest Region and the Southeast Region. The harvested areas of red wine grape varieties decreased mainly in the North Central and the Southeast Regions while the harvested areas of white wine grape varieties decreased mostly in the North Central and the Northwest Regions.

The red wine grape varieties still have a leading role in the structure of vineyard plantations with a relative share of about 62%. The areas with white wine grape varieties increased by 2% compared to 2010.

Average yield

In 2011 the average yield from vineyards were considerably higher than the previous year. For wine grape varieties the average yield in the country increased by about 16% to 5 219 kg/ha, where the yield of red wine grape varieties was 5 363 kg/ha, and the yield of white wine grape varieties – 4 903 kg/ha. For dessert grape varieties the increase is by over 67%, up to 5 091 kg/ha.

The highest average yield for white wine grape varieties was reported in the North Central Region and for the red wine grape varieties – in the Southwest Region, respectively 5 751 kg/ha and 5 599 kg/ha. For the dessert grape varieties the highest average yield (6 090 kg/ha) was registered in the Southwest Region.

Table II.40. Average yield of grapes from vineyards – harvest `2011, kg/ha

Regions	Average yield from vineyards (kg/ha)	
	Wine grape variety	Dessert grape variety
Northwest	4 978	4 911
North Central	4 861	4 876
Northeast	5 043	2 890
Southeast	5 127	3 749
Southwest	5 257	5 299
South Central	5 460	6 090
Total	5 219	5 091

Source: MAF, Agrostatistics

Production

A total of 243 839 tons of grapes were produced in 2011 - by 6% more compared to 2010. The grapes from vineyards is 240 531 tons where wine grape varieties accounted for 95% and dessert grape varieties – 5%. The production from vine arbours was 3 308 tons.

Traditionally, the largest amount from vineyards was reported in the Southeast and the South Central regions forming respectively about 33% and 38% of the total production.

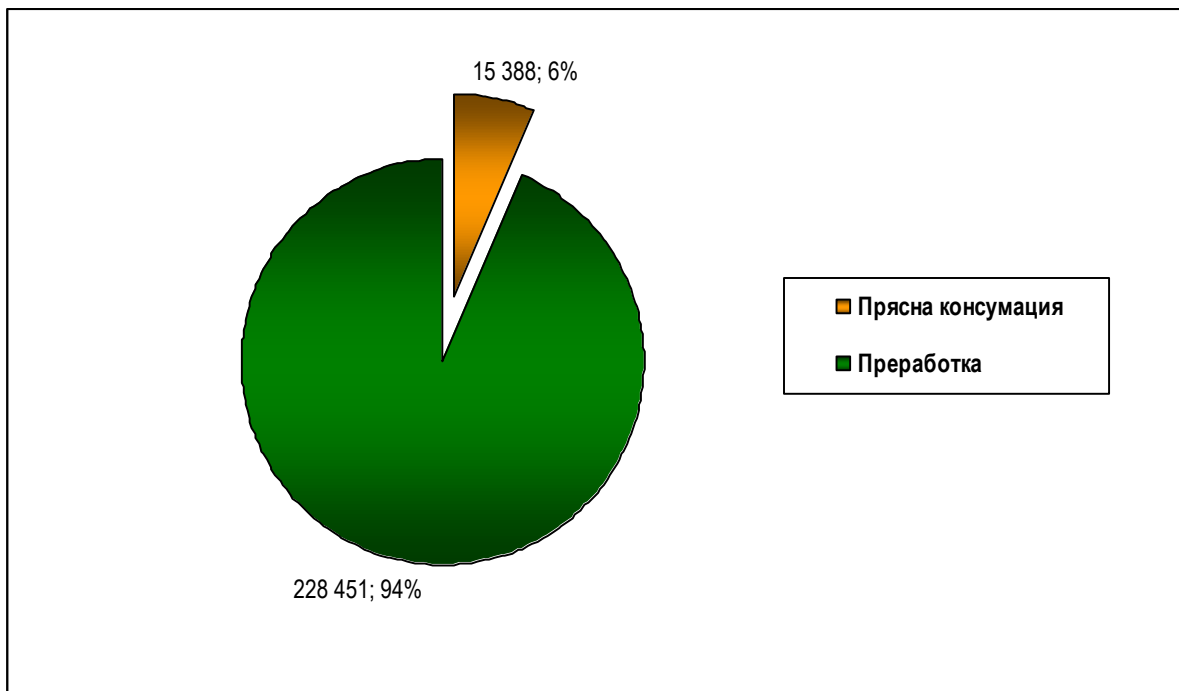
About 228.4 thousand tons of the grapes produced in 2011 were processed into wine and other grape-based products, and 15,3 thousand tons were intended for direct consumption of fresh grapes.

Table II.41. Grapes production – harvest `2011

Regions	Grapes from vineyards			Grapes from vine arbours (tons)	Total produced grapes (tons)
	Wine grapes (tons)	Dessert grapes (tons)	Total grapes from vineyards (tons)		
Northwest	19 285	1 355	20 640	.	.
North Central	10 466	437	10 903	.	.
Northeast	20 328	520	20 848	.	.
Southeast	77 621	2 054	79 675	.	.
Southwest	17 045	532	17 577	.	.
South Central	83 706	7 182	90 888	.	.
Total	228 451	12 080	240 531	3 308	243 839

Source: MAF, 'Agrostatistics'

Figure II.13. Distribution of produced grapes – harvest `2011, tons and percentage



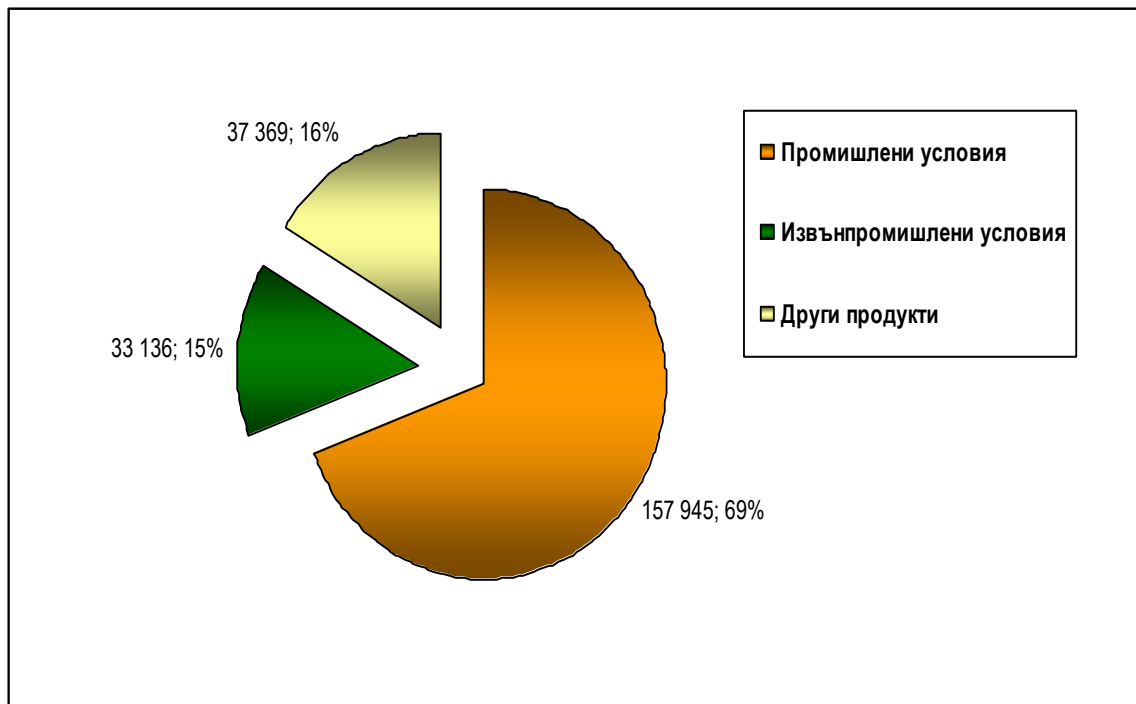
Source: MAF, 'Agrostatistics'

- Consumption of fresh grapes
- Consumption of processed grapes

According to data provided by the Executive Agency for the Vineyard and the Wine the registered wine producers processed 157 945 tons of grapes from harvest `2011 for production of wine and grape must.

The grapes intended for processing outside industrial facilities is 33 thousand tons, of which 95% was for production of wine and about 5% for other products and alcoholic beverages based on grapes.

Figure II.14. Distribution of grapes – harvest `2011 intended for processing, tons and percentage



Source: MAF, 'Agrostatistics'

Industrial conditions
 Outside industrial facilities
 Other products

2.5.2. Wine production

The production of wine from harvest `2011 declared by registered wine producers was 1 049 797 hectolitres – by about 6% more compared to the previous year. The production of grape must was 48 437 hectolitres.

Table II.42. Amount of wine and grape must produced by wine production plants, harvest `2011

Region	Amount of produced wine and grape must, hectolitres								
	Wine with PDO* (quality)		Wine with PGI** (regional)		Other wines (incl. table wine)		Must	Total wine	
	white	red and rose wine	white	red and rose wine	white	red and rose wine		white	red and rose wine
Northwest	314	4 637	1 489	6 256	18 009	36 871	0	19 812	47 764
North Central	0	4 124	9 731	8 509	54 224	41 792	949	63 955	54 425
Northeast	2 157	0	21 951	10 728	18 192	21 707	8418	42 300	32 435
Southeast	1 489	7 698	104 414	139 354	110 475	64 821	21 965	216 378	211 873
Southwest	0	0	1993	5 736	21 633	21 987	218	23 626	27 723
South Central	0	3 492	16 244	96 250	55 000	138 520	16 887	71 244	238 262
Total wine	3 960	19 951	155 822	266 833	277 533	325 698	48 437	437 315	612 482

Source: Executive Agency for the Vineyard and the Wine

*PDO - Protected designation of origin; **PGI - Protected geographical indication

The largest percentage of the industrial production of wines – harvest `2011 – was taken up by table wines (wines without protected designation of origin or protected geographical indication), followed by the regional wines (wines with protected geographical indication). The production of red wines and rose wines increased by 13% compared to the previous year and forms 58% of the total production of wine by the registered wine producers. At the same time, the industrial production of white wines decreased by 3%.

A leader in the production of wine is the Southeast Region with 41% of the total industrial production, followed by South Central Region with 30%. The share of the wine produced in the Southwest Region is the smallest – 4,9%.

The production of wine outside industrial facilities decreased by 29% compared to the previous year down to 138 674 hectolitres.

So the total production of wine – harvest `2011 – is preserved around the level of wine year 2010/2011 and amounts 1 188 471 hectolitres.

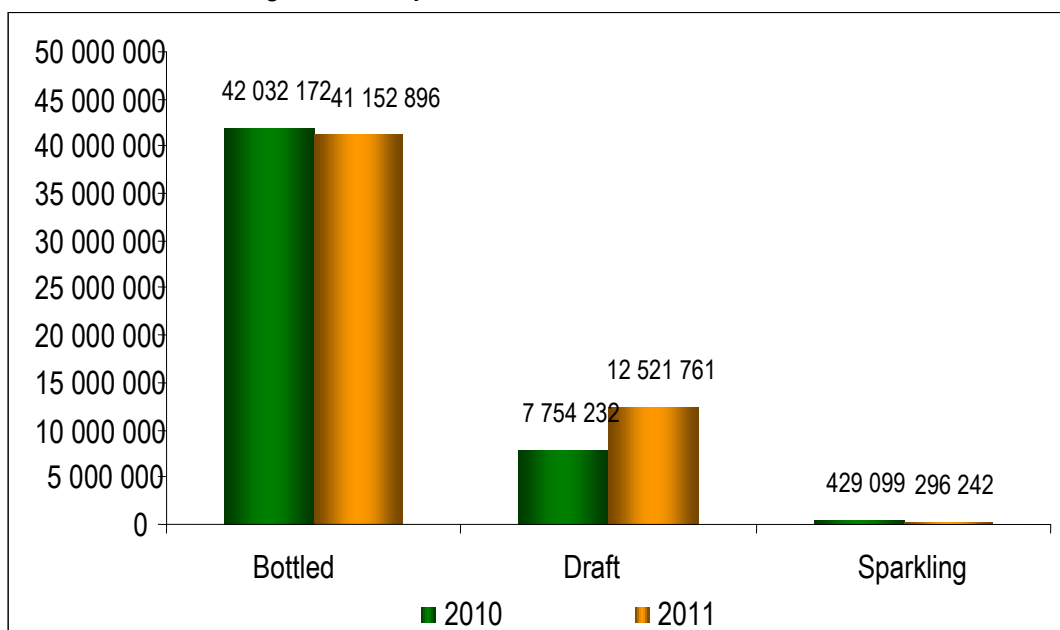
2.5.3. Import and export of wine

Export

According to NSI data in 2011 the export of wine amounted to 53 970,9 thousand litres which is by 7,5% more compared to 2010. The total value of the exported wine increased by 5,3% up to 66 482 thousand USD.

Traditionally, the largest amounts of wine are intended for the Russian market – 18 763 thousand litres and the Polish market – 13 897 thousand litres. Larger amounts were exported also to Romania (6 445 thousand litres), the Czech Republic (4 174 thousand litres) and the United Kingdom (2 377 thousand litres).

Figure II.15. Export of wine in 2010 and 2011, litres



Source: NSI

The largest share in the export of wines in 2011 was occupied by bottled wines – 76,3%, followed by draft wines 23,2% and sparkling wines with 0,5%.

Export of bottled wines

According to NSI data 41 153 thousand litres bottled wine were exported in 2011 which is by about 2% less compared to 2010. The total export amounts to 55 262 thousand USD – close to the level of the previous year, at a slightly higher average export price of 1,34 USD/litre.

Most significant remains the export of bottled wines to Russia – 16 637 thousand litres or over 40% of the total export followed by the export to Poland - 10 903 thousand litres. Relatively large amounts were exported also to Romania (3 980 thousand litres) and the Czech Republic (2 433 thousand litres).

Table II.43. Export of bottled wines in 2010 and 2011, litres

Countries	2010	2011
EU including:	20 809 044	22 902 225
Poland	11 827 285	10 903 436
Romania	787 355	3 980 471
Czech Republic	2 354 910	2 433 302
United Kingdom	2 160 732	2 280 982
Germany	852 086	973 058
Belgium	704 249	612 160
Lithuania	863 565	563 813
Sweden	396 002	305 885
Slovakia	307 595	157 410
Third countries including:	21 223 128	18 250 671
Russia	19 872 198	16 636 636
Mongolia	163 110	320 488
People's Republic of China	150 996	183 572
Iraq	39 194	161 016
Hong Kong	70 896	108 427
USA	192 459	106 982

Canada	113 881	78 773
TOTAL	42 032 172	41 152 896

Source: NSI

Export of draft wines

In 2011 the export of draft wines increased significantly by about 62% compared to the previous year, reaching 12 522 thousand litres. In terms of percentage the increase of export is slightly lower – by 46% up to 10 563 thousand USD due to decreased average export price by about 10%. The largest amount of draft wine was exported to Poland – 2 845 thousand litres and Romania – 2 464 thousand litres. The export to the Czech Republic increased three times reaching 1 719 thousand litres.

Table II.44. Export of draft wines in 2010 and 2011, litres

Countries	2010	2011
EU including:	4 020 884	10 048 478
Poland	1 075 388	2 844 982
Romania	105 424	2 464 138
Czech Republic	505 913	1 718 770
Sweden	1 297 707	1 327 658
Italy	400	329 452
Hungary	343	293 190
Belgium	258 250	287 363
Greece	2 712	268 453
Third countries including:	3 733 348	2 473 283
Russia	3 524 952	2 125 827
Japan	97 575	172 020
People's Republic of China	377	149 009
Croatia	-	4 335
Thailand	-	3 900
Turkey	3 528	3 720
TOTAL	7 754 232	12 521 761

Source: NSI

Export of sparkling wines

The downward trend in the export of sparkling wines of the previous year was continued. 296 thousand litres of sparkling wines were exported in 2011 which is by 31% less compared to 2010. At the same time the value of export decreased by 15.7% due to increased average export price by 22%.

Table II.45. Export of sparkling wines in 2010 and 2011, litres

Countries	2010	2011
EU including:	244 057	194 813
Poland	162 990	148 446
Czech Republic	22 050	21 735
Greece	981	7 207
Belgium	1 080	3 780
Romania	53 460	523
Italy	2 205	1 791
Third countries including:	185 042	101 429
Iraq	900	66 622
Vietnam	127 800	16 200
Mongolia	24 705	-
USA	-	3 240

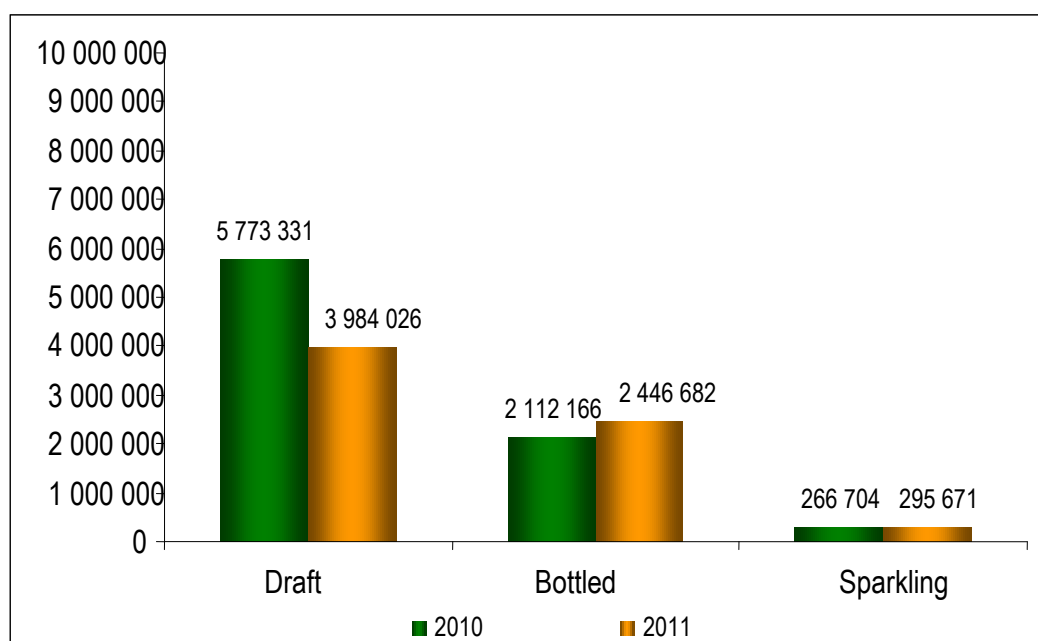
Benin	9 607	2 700
Kosovo	2 592	2 160
Ghana	4 950	1 044
TOTAL	429 099	296 242

Source: NSI, preliminary data for 2011.

Import

A total of 6 726 thousand litres of wine 14 705 thousand USD were imported in 2011. Compared to the previous year, import decreased by 18% in terms of percentage. There is a significant decrease of the import of draft wines by 31% partially compensated by the import of bottled and sparkling wines - respectively by 16% and 11%.

Figure II.16. Import of wine for the period 2010 – 2011, litres



Source: NSI, preliminary data for 2011.

The registered import of bottled wines in 2011 was 2 447 thousand litres – by 16% more compared to the previous year. The total worth of the import in the year was 8 850 thousand USD at average import price of 3,80 USD/litre. Over 80% of the imported amount came from the EU. The largest amount of bottled wines in the year was imported from Italy (848 thousand litres) and France (399 thousand litres), followed by Chili (289 thousand litres), Spain (211 thousand litres) and Germany (195 thousand litres).

Table II.46. Import of bottled wines in 2010 and 2011 litres

Countries	2010	2011
EU including:	1 678 280	1 968 059
Italy	606 859	848 384
France	246 884	398 881
Spain	195 125	210 809
Germany	104 861	195 347
The Netherlands	48 936	74 612
Greece	18 384	57 855
Slovakia	-	45 068
Czech Republic	255 271	44 157
United Kingdom	23 841	42 346

Austria	114 555	12 381
Third countries including:	430 815	478 623
Chili	215 000	289 277
Argentina	62 185	63 475
New Zealand	-	31 177
Georgia	6 789	25 765
Macedonia	47 292	23 810
South Africa	66 669	19 657
TOTAL - litres	2 112 166	2 446 682

Source: NSI, preliminary data for 2011.

The import of draft wines in 2011 dropped by 31% compared to the previous year down to 3 984 thousand litres, at average import price of 0,76 USD/litre. Although lower by 27% than the previous year, the import from Italy continues to form about 80% of the total import of draft wines with 2 965 thousand litres. It is followed by Spain with 536 thousand litres and Macedonia with 125 thousand litres.

Table II.47. Import of draft wines in 2010 and 2011, litres

Countries	2010	2011
EU including:	4 900 265	3 690 539
Italy	4 038 447	2 965 425
Spain	339 374	536 086
Germany	120 284	85 230
Romania	337 900	21 504
Austria	344	16 784
Hungary	-	15 840
Third countries including:	873 066	293 487
Macedonia	822 838	125 030
South Africa	3 069	71 717
New Zealand	-	48 000
Moldova	46 235	24 000
Georgia	924	1 500
TOTAL - litres	5 773 331	3 984 026

Source: NSI, preliminary data for 2011.

296 thousand litres of sparkling wines were imported in 2011 - by 11% more compared to 2010. The value of the import was 2 504 thousand USD. Largest amounts of sparkling wines were imported from Italy (99 thousand litres), Spain (83 thousand litres) and France (78 thousand litres).

Table II.48. Import of sparkling wines in 2010 and 2011, litres

Countries	2010	2011
EU including:	258 529	291 631
Italy	143 864	98 632
Spain	5 078	83 011
France	76 447	77 640
Germany	13 048	24 520
United Kingdom	-	3 285
The Netherlands	4 221	2 377
Third countries including:	8 175	4 040
South Africa	7 560	2 795
Moldova	-	1 125
Turkey	-	120
TOTAL - litres	266 704	295 671

Source: NSI, preliminary data for 2011.

III. TRADE IN AGRICULTURAL COMMODITIES

The trade in agricultural commodities takes up a significant percentage of the total foreign trade turnover of the country and it traditionally generates a positive trade balance.

In 2011 the relative share of the agrarian sector in the total export, import and commodity turnover of the country remains close to the levels of the previous year – respectively 16%, 10% and 13%.

Table III.1. Relative share of agrarian commodities in the foreign trade of Bulgaria in 2010 – 2011, thousand USD.

Year	2010			2011		
	Total for the country	Agrarian sector	Share of agrarian sector	Total for the country	Agrarian sector	Share of agrarian sector
Export, FOB	20 603 881	3 461 868	16.8%	28 066 247	4 566 889	16,3%
Import, CIF	25 540 886	2 524 460	9,9%	32 400 020	3 140 454	9,7%
Commodity turnover	46 144 767	5 986 328	13,0%	60 466 267	7 707 343	12.7%

Source: NSI data processed by MAF; preliminary data for 2011.

1. Level and dynamics of the foreign trade in agrarian commodities

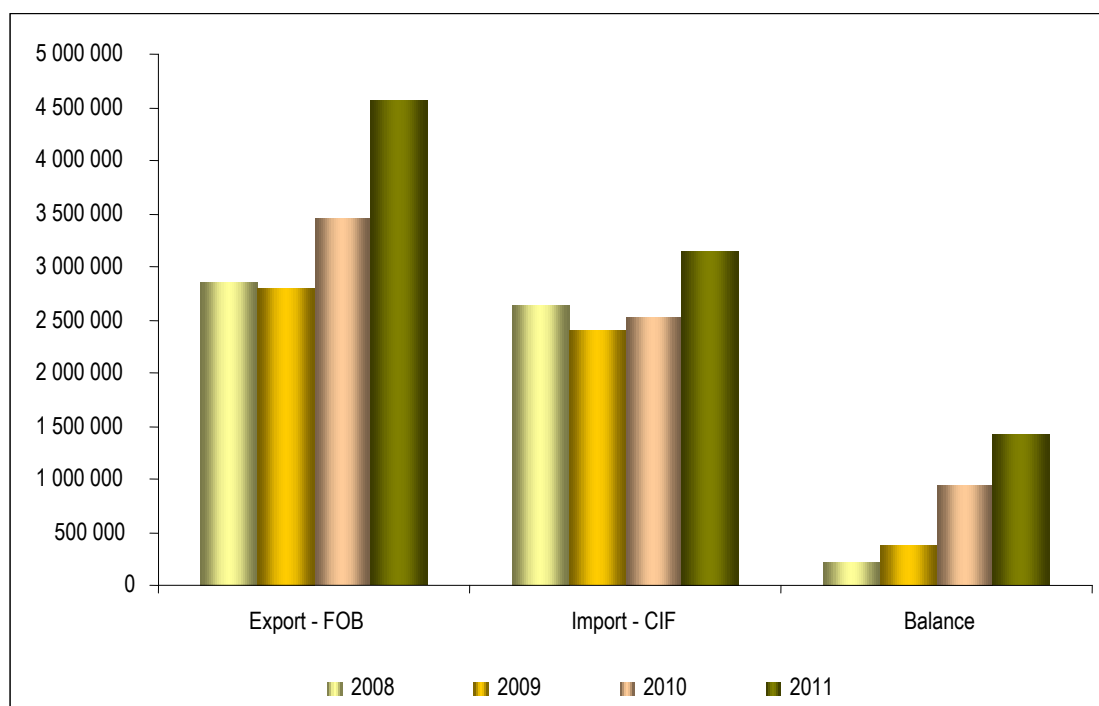
According to preliminary NSI data processed by MAF, in 2011 the export of agricultural commodities was worth 4 566.9 million USD and increased by 31.9% compared to the previous year. At the same time the import of agricultural commodities increased by 24,4% up to 3 140,5 million USD. Thus the positive trade balance in the country's agrarian trade in 2011 reached 1 426.4 million USD, by 52% more compared to 2010.

Table III.2. Foreign trade in agrarian commodities for the period 2008 – 2011, thousand USD

Year	2008	2009	2010	2011	Change 2011/2010	
					value	%
Export, FOB	2 858 152	2 791 486	3 461 868	4 566 889	1 105 021	31.9
Import, CIF	2 639 064	2 405 965	2 524 460	3 140 454	615 994	24,4
Balance	219 088	385 521	937 408	1 426 435	489 027	52.2
Commodity turnover	5 497 216	5 197 451	5 986 328	7 707 343	1 721 015	28.7

Source: NSI data processed by MAF; preliminary data for 2011.

Figure III.1. Import and export of agrarian commodities for the period 2008 – 2011, thousand USD



Source: NSI data processed by MAF; preliminary data for 2011.

2. Geographical distribution of foreign trade in agricultural commodities

Over the past few years the countries from the European Union became a major partner for Bulgaria in the trade with agricultural commodities. In 2011 the agrarian commodity turnover with the EU grew by 31%, and the Union's share in the total agrarian export of the country reached 74,3%, and that in the total agrarian import - 80,5%. There is growth also in the trade with agricultural commodities with third countries where the commodity turnover with the Arab League and the Commonwealth of Independent States increased most significantly.

Table III.3. Import and export of agrarian commodities by economic communities, countries and regions in 2010 and 2011, million USD

Trade areas	2010					2011				
	Export		Import		Balance	Export		Import		Balance
	mln. USD	%	mln. USD.	%	mln. USD	mln. USD	%	mln. USD	%	mln. USD
All countries, of them:	3 461.9	100	2 524,5	100	937,4	4 566.9	100	3 140,5	100	1426.4
European Union	2 509,5	72,5	1 996,2	79,1	513,3	3 391,3	74,3	2 528,0	80,5	863,3
EFTA*	7,6	0,2	6,2	0,2	1.4	9,8	0,2	3,9	0,1	5.9

Trade areas	2010					2011				
	Export		Import		Balance	Export		Import		Balance
	mln.	%	mln.	%	mln.	mln.	%	mln.	%	mln.
OECD**, without EU and EFTA countries	466.2	13,5	135.1	5.4	331.1	501.1	11.0	133,3	4,2	367,8
incl. USA	68.0	2.0	15.7	0,6	52,3	68.9	1.5	27,0	0,9	41.9
Balkan countries ***	139,1	4,0	86.9	3,4	52.2	190,6	4,2	86.4	2.8	104,2
CIS	82.0	2.4	17,6	0,7	64,4	115.4	2.5	32.1	1.0	83,3
incl. Russia	50,8	1.5	4,0	0,2	46.8	63,0	1.4	9,5	0,3	53,5
Arab countries (League of Arab States)	102.4	3,0	18.6	0,7	83,8	247,5	5.4	42.8	1.4	204,7
Others	155.1	4,5	263,9	10,5	-108.8	111.2	2.4	314,0	10,0	-202.8

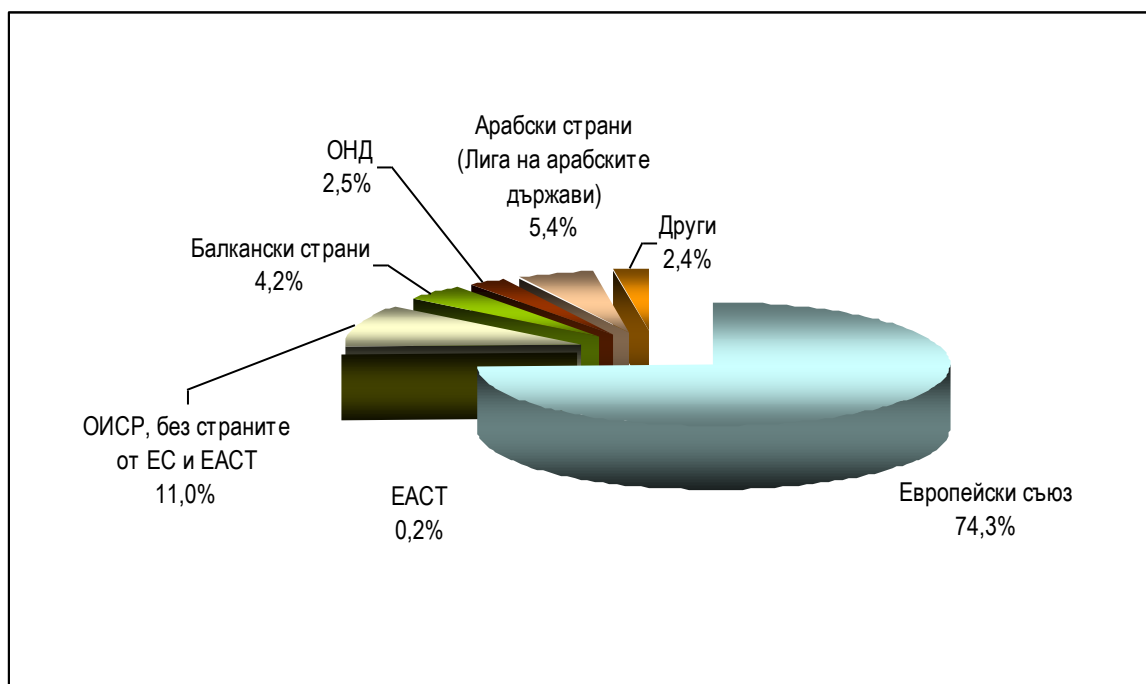
Source: NSI data processed by MAF; preliminary data for 2011.

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

** Includes Australia, Canada, New Zealand, USA, Turkey, Japan, Republic of Korea and Mexico

*** Includes Albania, Bosna and Herzegovina, Macedonia, Croatia, Serbia, Montenegro and Kosovo

Figure III.2. Structure of Bulgaria's agrarian export by economic communities in 2011



Source: preliminary NSI data processed by MAF

EFTA – 0,2%

OECD without EU and EFTA countries – 11,0%

Balkan countries – 4,2%

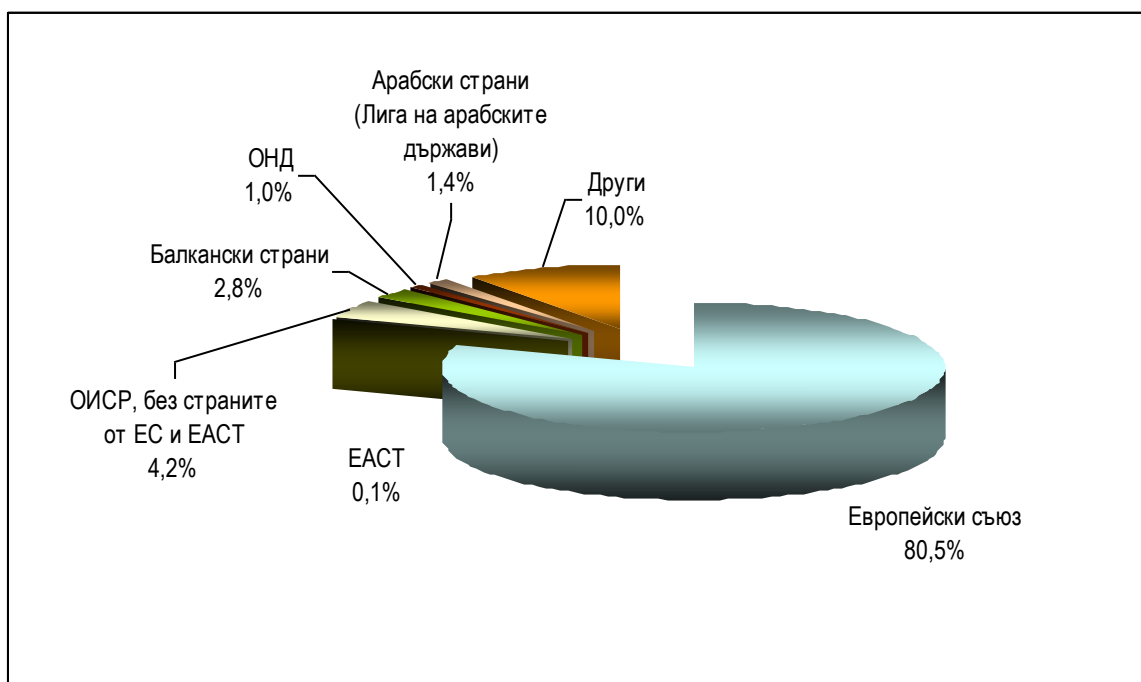
CIS – 2,5%

Arab countries (League of Arab States) – 5,4%

Others – 2,4%

European Union – 74,3%

Figure III.3. Structure of Bulgaria's agrarian import by economic communities in 2011



Source: preliminary NSI data processed by MAF

EFTA – 0,1%

OECD without EU and EFTA countries – 4,2%

Balkan countries – 2,8%

CIS – 1,0%

Arab countries (League of Arab States) – 1,4%

Others – 10,0%

European Union – 80,5%

Trade with the EU

According to preliminary NSI data processed by MAF, in 2011 the trade in agrarian commodities with the EU countries amounted to 5 919,3 million USD which is by 31.4% more compared to the previous year. According to estimates the export for EU Member States increased by 35.1%, and the import from there – by 26.6%. As a result, the positive balance in the agrarian trade with the EU increased by about 70% compared to 2010, reaching 863,3 million USD.

Bulgaria's main partners in the trade with agricultural commodities among EU Member States in 2011 are Romania, Greece, Germany and Spain. Most of the exports of agricultural products from Bulgaria are intended for Romania – 25%, Greece – 17,6% and Spain – 10%. Main suppliers of agrarian commodities from EU Member States are Romania – 18.8%, Greece – 17% and Germany – 11.1%.

Table III.4. Bulgaria's trade in agrarian commodities with EU Member States in 2010 and 2011

Country	2010					2011				
	Export		Import		Balance	Export		Import		Balance
	Thousand USD	%	Thousand USD	%	Thousand USD	Thousand USD	%	Thousand USD	%	Thousand USD
TOTAL	2 509 470	100	1 996 219	100	513 250	3 391 311	100	2 527 994	100	863 316

Country	2010					2011				
	Export		Import		Balance	Export		Import		Balance
	Thousan	%	Thousan	%	Thousan	Thousand	%	Thousan	%	Thousan
Austria	43 973	1.8	71 153	3,6	-27 180	61 095	1.8	72 916	2.9	-11 821
Belgium	167 083	6.7	55 636	2.8	111 447	131 381	3,9	60 706	2.4	70 675
Denmark	7 680	0,3	27 973	1.4	-20 293	39 714	1.2	23 625	0,9	16 089
Finland	7 065	0,3	1 135	0,1	5 930	13 174	0,4	1 318	0,1	11 856
France	157 628	6,3	108 803	5.5	48 825	245 777	7,2	140 312	5.6	105 465
Germany	193 894	7,7	232 747	11.7	-38 853	260 183	7,7	279 514	11.1	-19 331
Greece	415 773	16.6	367 538	18.4	48 235	597 011	17,6	428 696	17,0	168 316
Ireland	106	0,0	13 298	0,7	-13 192	307	0,0	15 411	0,6	-15 103
Italy	162 634	6.5	99 432	5.0	63 202	242 680	7,2	126 502	5.0	116 178
Luxemburg	207	0,0	124	0,0	83	826	0,0	141	0,0	685
The Netherlands	90 359	3,6	193 583	9,7	-103 225	220 285	6.5	202 158	8.0	18 127
Portugal	42 695	1.7	2 318	0,1	40 377	87 082	2.6	2 954	0,1	84 128
Spain	224 163	8.9	87 701	4,4	136 462	338 729	10,0	113 635	4,5	225 093
Sweden	13 484	0,5	6 548	0,3	6 936	18 782	0,6	9 105	0,4	9 677
United Kingdom	44 476	1.8	24 696	1.2	19 780	44 306	1,3	37 498	1.5	6 808
Czech Republic	23 278	0,9	32 345	1.6	-9 067	32 273	1.0	49 049	1.9	-16 777
Hungary	42 779	1.7	109 895	5.5	-67 116	42 669	1,3	161 922	6.4	-119 253
Poland	62 193	2.5	140 278	7,0	-78 086	81 824	2.4	186 675	7,4	-104 851
Slovak Republic	12 269	0,5	31 663	1.6	-19 394	20 045	0,6	37 938	1.5	-17 893
Slovenia	4 300	0,2	16 665	0,8	-12 366	4 870	0,1	13 011	0,5	-8 141
Lithuania	9 073	0,4	8 300	0,4	774	9 861	0,3	8 824	0,3	1 038
Latvia	2 944	0,1	700	0,0	2 244	3 514	0,1	867	0,0	2 647
Estonia	287	0,0	2 201	0,1	-1 914	1 027	0,0	2 230	0,1	-1 202
Cyprus	30 114	1.2	12 879	0,6	17 235	44 586	1,3	78 077	3,1	-33 491
Malta	2 063	0,1	884	0,0	1 179	2 306	0,1	194	0,0	2 113
Romania	748 953	29,8	347 725	17,4	401 228	847 001	25.0	474 718	18.8	372 283

Source: NSI data processed by MAF; preliminary data for 2011.

Trade with the countries from the Organisation for Economic Co-operation and Development

According to preliminary NSI data in 2011 the export of agricultural food from Bulgaria for OECD countries took up 11% of the total agrarian export and the import from OECD was 4,2% of the total.

The positive trade balance in the agrarian trade with OECD countries increased from 331.1 million USD in 2010 to 367,8 million USD in 2011.

Trade with Balkan countries

In view of the territorial proximity and its product specialization the countries from the region of the Balkans preserved their importance in the agrarian trade of Bulgaria. The trend of Bulgaria's positive balance in the trade with agrarian commodities with the countries from the region over the past few years continues and in 2011 it reached 926.4 million USD - by 34% more compared to the previous year. The agrarian commodity turnover with the Balkan countries increased by 23% compared to 2010 to 3 122.6 million USD. The main trade partners of Bulgaria in the region are Romania, Turkey, Greece, Republic of Macedonia and Kosovo, and the country has a positive trade balance with these countries. A negative trade balance is reported in the trade with Serbia and Slovenia.

Table III.5. Trade in agrarian commodities with the Balkan countries in 2010 and 2011, thousand USD

Country	2010			2011		
	Export	Import	Balance	Export	Import	Balance
Turkey	309 561	107 393	202 168	384 997	95 281	289 716
Greece	415 773	367 538	48 235	597 011	428 696	168 316
Republic of Macedonia	46 297	44 096	2 201	73 495	30 010	43 485
Romania	748 953	347 725	401 228	847 001	474 718	372 283
Serbia	17 576	37 216	-19 640	25 268	49 724	-24 456
Montenegro	8 612	17	8 595	7 691	6	7 685
Slovenia	4 300	16 665	-12 366	4 870	13 011	-8 141
Albania	30 146	1 595	28 550	27 196	2 425	24 772
Bosna and Herzegovina	6 434	71	6 363	13 484	988	12 496
Kosovo	13 220	151	13 069	25 114	29	25 085
Croatia	16 821	3 773	13 048	18 388	3 232	15 156
TOTAL	1 617 692	926 241	691 451	2 024 515	1 098 118	926 397

Source: NSI data processed by MAF; preliminary data for 2011.

Trade with the countries from the European Free Trade Association

In 2011 the agrarian commodity turnover between Bulgaria and EFTA countries was preserved at the previous year's level and amounts to 13,7 million USD. There is a significant increase of the agrarian export for EFTA – by about 30%, combined with shrinking imports from there by about 37%. As a result, the positive trade balance for Bulgaria increased over 4 times up to 5.9 million USD.

Trade with CIS countries

In 2011 the commodity turnover of agricultural commodities with CIS countries grew by 48% compared to 2010, reaching 147,5 million USD. The balance also increased – by 29,3%, up to 83 million USD in 2011.

Trade with the Arab countries (League of the Arab States)

After the reported drop in the previous year, in 2011 the agrarian commodity exchange between Bulgaria and the Arab countries increased over two times up to 290,3 million USD. The positive trade balance for Bulgaria also increased significantly – from 83,8 million USD in 2010 to 204,7 million USD in 2011.

3. Structure of export and import by groups of commodities

Export

In 2011 the main groups of commodities that formed the structure of the agrarian export by sections in the Common Customs Tariff are:

Section I - Live animals; animal products

The export of live animals; animal products in 2011 has a relative share of 11.7% in the total agrarian export. The meat and edible meat offal continue to occupy the largest share in the total export - 5.1% followed by the dairy produce - 3,8%.

The trade balance in the trade with live animals and animal products in 2011 is negative and amounts to 394 866 thousand USD.

Section II - Vegetable products

In 2011 the export of vegetable products represented 51,3% in the total agricultural export. The largest relative share is held by oil seeds and oleaginous – 23,1%, followed by cereals (wheat, barley, maize) with 21,3%. The export under section II for 2011 increased by 44,4% compared to 2010.

There was a positive trade balance under section II in 2011 amounting to 1 732 996 thousand USD, by 58.2% more compared to 2010.

Section III - Animal or vegetable fats and oils

The export of animal or vegetable fats and oils took up 4,7% in the total agricultural export in 2011 and increased by 52.8% compared to 2010 (from 141 271 thousand USD to 215 828 thousand USD).

The trade balance under this section increased more than eight times compared to 2010 up to 44 886 thousand USD.

Section IV - Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes

In 2011 the export of prepared foodstuffs increased by 17,3% compared to the previous year and takes up 32,3% in the structure of agricultural export. The tobacco and manufactured tobacco substitutes have the largest share in the total agricultural export – 9,6%, followed by sugars and sugar confectionery – 4,7% and Preparations of cereals, flour, starch or milk – 4,4%.

The trade with products under section IV in 2011 had a positive trade balance of 43 419 thousand USD - by about 42% less compared to 2010.

Import

Section I – Live animals; animal products

In 2011 the imports of live animals and animal products represented 29,6% in the total agricultural import. The meat and edible meat offal occupy the largest share in the total agrarian imports – 17,3%. In 2011 there was an increase in the worth of imported commodities under this section by 36.6% compared to the previous year.

Section II – Vegetable products

The import of vegetable products in 2011 increased by 15.8% compared to 2010 and occupies 19,4% in the total agricultural import. Fruit and vegetables have the largest relative share in the total import respectively 4,8% and 3,7%.

Section III – Animal or vegetable fats and oils

In 2011 the import of animal or vegetable fats and oils represented 5.4% in the total agricultural import. The worth of the imported commodities under section III increased by 25.7% compared to 2010.

Section IV – Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes

The prepared foodstuffs from Section IV take up 45.5% in the structure of agricultural import of the country in 2011. Sugars and sugar confectionery have the largest share in the total agricultural import – 9,9%, followed by tobacco and manufactured tobacco substitutes – 6.8% and beverages and spirits – 5.8%.

In terms of percentage the import of prepared foodstuffs increased by 21% compared to the previous year. Most significant is the increase of imported sugar and sugar confectionery – by 39,1%, fish and crustaceans, molluscs and other aquatic invertebrates – and 32.6% and beverages and spirits – 32,3%.

Table III.6. Structure of the foreign trade of Bulgaria in agrarian commodities in 2010 and 2011

Co de	Sections and countries	EXPORT-FOB					IMPORT-CIF					BALANCE	BALANCE
		2010		2011		2011/2010	2010		2011		2011/2010	2010	2011
		Thousand USD	% of the total export of agrarian commodit ies	Thousand USD	% of the total export of agrarian commodit ies	Change %	Thousand USD	% of the total import of agrarian commodit ies	Thousand USD	% of the total import of agrarian commodit ies	Change %	Thousand USD	Thousand USD
a		1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL:	20 603 881		28 066 247		36.2	25 540 886		32 400 020		26.9	-4 937 005	-4 333 773
	<i>incl. agrarian commodities:</i>	3 461 868	100	4 566 889	100	31.9	2 524 460	100	3 140 454	100	24,4	937 408	1 426 435
	SECTION I	442 144	12.8	535 033	11.7	21.0	680 520	27,0	929 898	29,6	36.6	-238 377	-394 866
1	Live animals	45 877	1,3	93 436	2.0	103,7	46 605	1.8	94 666	3,0	103,1	-728	-1 230
2	Meat and edible meat offal	208 086	6.0	234 118	5.1	12.5	391 194	15.5	542 262	17,3	38.6	-183 109	-308 144
3	Fish and crustaceans, molluscs and other aquatic invertebrates	26 467	0,8	30 297	0,7	14,5	52 797	2.1	59 410	1.9	12.5	-26 330	-29 113
4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	157 179	4,5	171 447	3,8	9,1	174 122	6.9	215 581	6.9	23,8	-16 943	-44 134
5	Products of animal origin, not elsewhere specified or included	4 535	0,1	5 734	0,1	26.5	15 802	0,6	17 979	0,6	13,8	-11 267	-12 244
	SECTION II	1 622 361	46.9	2 342 705	51,3	44,4	526 703	20,9	609 709	19,4	15.8	1 095 658	1 732 996
6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage	6 755	0,2	8 378	0,2	24,0	19 144	0,8	21 727	0,7	13,5	-12 389	-13 349
7	Edible vegetables and certain roots and tubers	81 509	2.4	84 465	1.8	3,6	107 804	4,3	115 281	3,7	6.9	-26 296	-30 817
8	Edible fruit and nuts; peel of citrus fruit or melons	76 826	2.2	90 589	2.0	17,9	119 075	4,7	149 978	4,8	26.0	-42 249	-59 390
9	Coffee, tea, maté and spices	53 820	1.6	66 095	1.4	22.8	94 303	3,7	111 899	3,6	18.7	-40 483	-45 804

Co de	Sections and countries	EXPORT-FOB					IMPORT-CIF					BALANCE	BALANCE
		2010		2011		2011/2010	2010		2011		2011/2010	2010	2011
		Thousand USD	% of the total export of agrarian commodit ies	Thousand USD	% of the total export of agrarian commodit ies	Change %	Thousand USD	% of the total import of agrarian commodit ies	Thousand USD	% of the total import of agrarian commodit ies	Change %	Thousand USD	Thousand USD
10	Cereals	728 634	21,0	970 553	21,3	33,2	72 249	2,9	87 540	2,8	21,2	656 385	883 014
11	Products of the milling industry; malt; starches; inulin; wheat gluten	54 243	1,6	66 973	1,5	23,5	18 771	0,7	23 985	0,8	27,8	35 472	42 988
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	619 341	17,9	1 053 049	23,1	70,0	88 484	3,5	88 671	2,8	0,2	530 857	964 378
13	Lac; gums, resins and other vegetable saps and extracts	453	0,0	1 303	0,0	187,9	6 490	0,3	10 061	0,3	55,0	-6 037	-8 757
14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	780	0,0	1 301	0,0	66,8	382	0,0	568	0,0	48,9	399	733
	SECTION III	141 271	4,1	215 828	4,7	52,8	135 946	5,4	170 942	5,4	25,7	5 324	44 886
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	141 271	4,1	215 828	4,7	52,8	135 946	5,4	170 942	5,4	25,7	5 324	44 886
	SECTION IV	1 256 094	36,3	1 473 323	32,3	17,3	1 181 291	46,8	1 429 904	45,5	21,0	74 803	43 419
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	24 587	0,7	28 158	0,6	14,5	38 904	1,5	51 574	1,6	32,6	-14 317	-23 416
17	Sugars and sugar confectionery	174 782	5,0	212 783	4,7	21,7	223 091	8,8	310 416	9,9	39,1	-48 309	-97 633
18	Cocoa and cocoa preparations	72 148	2,1	73 347	1,6	1,7	136 248	5,4	148 793	4,7	9,2	-64 100	-75 447
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	183 774	5,3	198 835	4,4	8,2	95 197	3,8	110 320	3,5	15,9	88 577	88 515
20	Preparations of vegetables, fruit, nuts or other parts of plants	138 360	4,0	140 990	3,1	1,9	111 254	4,4	131 880	4,2	18,5	27 106	9 110
21	Miscellaneous edible preparations	47 769	1,4	53 771	1,2	12,6	136 419	5,4	149 168	4,7	9,3	-88 650	-95 398
22	Beverages, spirits and vinegar	126 100	3,6	167 654	3,7	33,0	138 141	5,5	182 704	5,8	32,3	-12 040	-15 050
23	Residues and waste from the food industries; prepared animal fodder	125 577	3,6	158 966	3,5	26,6	106 158	4,2	131 353	4,2	23,7	19 418	27 613
24	Tobacco and manufactured tobacco substitutes	362 997	10,5	438 821	9,6	20,9	195 880	7,8	213 695	6,8	9,1	167 117	225 125

Source: NSI data processed by MAF; preliminary data for 2011.

The following products had a leading role in the agrarian export of the country in 2011:

Table III.7. Leading agricultural commodities in the export of Bulgaria in 2011

Description of product	Quantity (tons)	Value (USD)	Relative share in the total agrarian export (%)
Sunflower seed whether or not broken	1 040 706	671 400 651	14,7
Wheat and mix of wheat and rye	2 137 202	579 379 057	12.7
Rape or colza seeds, whether or not broken	475 837	303 242 834	6.6
Maize	932 336	261 214 967	5.7
Cigarettes containing tobacco	16 206	211 458 024	4,6
Unmanufactured tobacco; tobacco refuse, sun-cured Oriental type tobacco	37 752	187 678 918	4,1
Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen	47 426	183 862 911	4,0
Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa	61 649	176 169 399	3,9
Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified	121 278	152 402 293	3,3
Cane or beet sugar and chemically pure sucrose, in solid form	113 489	129 979 066	2.8
Barley	343 115	92 989 351	2.0
Cheese and curd	22 901	88 770 980	1.9
Preparations of a kind used in animal feeding	34 296	78 302 858	1.7
Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel	122 852	74 048 768	1.6
Live sheep or goats	22 208	71 375 692	1.6

Source: based on preliminary NSI data, processed by MAF

Leading agricultural commodities in the import of Bulgaria in 2011 are:

Table III.8. Leading agricultural commodities in the import of Bulgaria in 2011

Description of product	Quantity (tons)	Value (USD)	Relative share in the total agrarian import (%)
Cane or beet sugar and chemically pure sucrose, in solid form	296 080	277 835 076	8.8
Meat of swine, fresh, chilled or frozen	102 173	246 811 963	7,9

Description of product	Quantity (tons)	Value (USD)	Relative share in the total agrarian import (%)
Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen	101 975	201 420 763	6.4
Unmanufactured tobacco; tobacco refuse	28 941	142 045 929	4,5
Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products	45 766	1 103 196 600	3,5
Milk and cream, concentrated or containing added sugar or other sweetening matter	42 711	95 628 452	3,0
Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	24 842	95 068 219	3,0
Chocolate and food preparations containing cocoa	21 842	94 054 887	3,0
Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs and other spirituous beverages	13 774	83 861 343	2.7
Live sheep or goats	23 203	79 658 910	2.5
Food preparations not elsewhere specified or included	16 632	75 549 600	2.4
Cigars, cheroots, cigarillos and cigarettes, of tobacco or tobacco substitutes	6 197	65 126 283	2.1
Preparations of a kind used in animal feeding	43 843	58 325 257	1.9
Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil	121 800	56 689 389	1.8
Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 2009	72 121	56 046 066	1.8

Source: based on preliminary NSI data, processed by MAF

IV. SUPPORTING THE AGRARIAN SECTOR

1. Pre-accession SAPARD programme

In 2011 under the SAPARD Programme payments were made to 26 projects worth 11 206 905.74 BGN in total, of which payments to 15 projects based on completed administrative inspections and received final acts by competent authorities verifying the absence of violations, to 6 projects – after issued enforcement documents and to 5 projects – on the basis of effective court decisions.

Under measure 11 “Development of agricultural activities aimed at environment protection” with implementation deadline at the end of 2012, for the third agro-ecological year (2009-2010) 97 applications for payments were accepted and processed with authorized financial aid of 863 420,51 BGN (authorized subsidy for payment from the national budget of 155 415.69 BGN, and from EAFRD - 708 004,82 BGN).

95 applications for payment are accepted and processed under measure 11 for fourth agri-environmental year (2010 – 2011). Financial aid under 65 projects amounting to 475 383,31 BGN was

authorized for payment in 2011. Compensatory aid under another 26 projects was paid out by March 2012. The total amount of the aid authorized for payment is 334 889,86 BGN.

Applications for payment under measure 1,3 for the fifth agri-environmental year will be accepted, processed and paid in the period September – December 2012 with total approved amount of 1 506 741 BGN.

2. Implementation of the EU Common Agricultural Policy

2.1. Support under the first pillar of CAP

2.1.1. Direct payments per area, national additional payments and specific support

Direct payments are one of the instruments of EU's CAP which is implemented consistently with its other instruments – measures for rural development and measures for market regulation. The main purpose of direct payments is to support the income of farmers. It results from the considerably lower profitability of agriculture compared to the other economic activities. The direct payments contribute to preserving and stabilizing agricultural production and are an important tool to counteract natural climatic and economic crises. Although indirectly, they have a positive impact on the investment activity in agriculture and from there – on the competitiveness and viability of agricultural holdings.

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

Direct payments in Bulgaria are distributed by Single Area Payment Scheme (SAPS) and are provided from the EU budget.

Table IV.1. Absorption of the financing under SAPS

	Authorized payments under SAPS, BGN	Financial package, BGN	Authorization %
Campaign `2007	324 169 459	395 261 312	82.01
Campaign `2008	407 697 766	486 644 111	83,78
Campaign `2009	518 090 009	566 784 972	91.41
Campaign `2010	573 056 813	638 903 142	89,69
Campaign `2011*	723 167 647	782 388 453	92.43
Total	2 546 181 694	2 869 981 990	88.72

Source: SFA-PA

* The data is as of 18.10.201.

Applications submitted during campaigns `2010 and `2011 were authorized under the schemes and measures for direct payments and national additional payments in calendar year 2011. The distribution of the financing from the European Agricultural Guarantee Fund, European Agricultural Fund for Rural Development and the national budget is as follows:

Table IV.2. Authorized finances in 2011 for campaign `2010

Scheme/measure	Authorized payments (thousand BGN)	Financing EAGF (%)	Financing EAFRD (%)	Financing national budget (%)
SAPS	573 274,92	100	-	-
NAP	288 709,49	-	-	100
HP 1	30 367,61	-	82	18
HP 2	8 281.29	-	82	18

AEP	12 401.06	-	82	18
SR	354,74	100	-	-
NAPT	69 246.79	-	-	100
NAPA1	3 364,92	-	-	100
NAPA3	1 739,31	-	-	100
NAPCSCEP	309,30	-	-	100
NAPSCEP	225,38	-	-	100
NAPCSCM	362.11	100	-	-

Source: SFA-PA

Table IV.3. Authorized funding in 2011 for campaign `2011

Scheme/measure	Authorized amount (thousand BGN)	Financing EAGF (%)	Financing EAFRD (%)	Financing national budget (%)
HP 1	37 949,08	-	82	18
HP 2	13 141.81	-	82	18
AEP	14 324,08	-	82	18
NAPA1	28 428.03	-	-	100
NAPA3	19 135.25	-	-	100
NAPCSCEP	3 404,28	-	-	100
NAPCSCM	29 605.58	100	-	-

Source: SFA-PA

Campaign `2011

The following schemes and support measures are implemented in connection with direct payments for campaign `2011:

- Single Area Payment Scheme (SAPS);
- National additional payment scheme per hectare of agricultural land (NAAP);
- National additional payment scheme for tobacco unentangled with production (NAPT);
- National additional payment scheme for cattle unentangled with production (NAPA1);
- National additional payment scheme for cows with sucking calves entangled with production (NAPCSCEP);
- National additional payment scheme for slaughter of cattle entangled with the production (NAPSCEP);
- National additional payment scheme for breeding ewes and breeding female goats entangled with the production (NAPA3);
- Scheme for maintenance of the production of cow milk in economically vulnerable farms (NAPCSCM1);
- Scheme for maintenance of the production of cow milk in unfavoured regions entangled with production (NAPCSCM2);
- Scheme for maintenance of the production of cow milk in nitrate vulnerable zones (NAPCSCM3);
- Scheme for rearing breeding ewes and breeding female goats in economically vulnerable farms in South Bulgaria (NAPCSCM4);
- Scheme for rearing breeding ewes and breeding female goats in unfavoured regions (NAPCSCM5);
- Scheme for supporting producers of strawberries and raspberries intended for processing (SR);
- Payments for natural handicaps to farmers in mountain areas (HP1) - measure 211 under RDP 2007-2013;
- Payments to farmers in areas with handicaps, other than mountain areas (HP2) - measure 212 under RDP 2007 - 2013;
- Agri-environment payments (AEP) - measure 214 under RDP 2007 - 2013.

- Payments under Natura 2000 and payments related to Directive 2000/60/EC – for agricultural land – measure 213 under RDP 2007 - 2013.

Table IV.4. Authorized funds for campaign `2011

Scheme	Proportional distribution of budget (%)			Number of filed applications	Number of applications with authorized payments	Authorized payments (BGN)*
	EAGF	EAFRD	National budget			
SAPS	100	-	-	87 795	87 747	723 167 647,6
NAAP	-	-	100	68 449	68 406	89 632 364,68
NAPA1	-	-	100	8 101	8 099	55 448 645,7
NAPA3	-	-	100	5 820	5 818	19 171 156,73
NAPCSCEP	-	-	100	2 428	2 428	4 696 495,9
NAPSCEP	-	-	100	153	131	340 899,57
NAPT	-	-	100	37 432	35 845	72 126 924,53
SR	100	-	-	231	230	339 726,35
NAPCSCM1	100	-	-	3 466	3 466	13 659 831,04
NAPCSCM2	100	-	-	1 483	1 482	8 122 371,12
NAPCSCM3	100	-	-	443	443	8 236 521,39
NAPCSCM4	100	-	-	807	806	596 368,48
NAPCSCM5	100	-	-	1 325	1 325	748 270,81
Measure 211 – HP1	-	82	18	29 210	28 708	42 446 578,35
Measure 212 – HP2	-	82	18	11 490	11 325	14 543 220,78
Measure 213 – Natura	-	82	18	2 427	2 392	4 629 039,46
Measure 214 – AEP	-	82	18	1 972	1 685	20 037 503,67
Total						1 077 943 566,16

Source: SFA-PA

*The payments were made in the period 1.12.2011 – 18.10.2012

Schemes for support by hectare

87 795 applications for support under SAPS were submitted in. By 18 October 2012, 723 167 647,6 BGN was authorized from the total budget of 782 388 453 BGN. On the basis of the area declared under the scheme - 3 555 929,67 ha, the amount of the support per unit area was 224,02 BGN/ha.

68 449 applications were filed under the scheme of national additional payments per hectare of agricultural land. The total authorized amount by 18 October 2012 was 89 632 364,68 BGN at a rate of 30 BGN/ha. The area declared under the scheme was 3 161 516,41 ha.

231 applications were filed under the scheme for growing fresh strawberries and raspberries for processing with declared area of 1 049,79 ha. The authorized amount was 339 726,35 BGN.

Schemes not entangled with production

A budget of 73 000 000 BGN was allocated to the National additional payment scheme for tobacco unentangled with production. By 18 October 2012 the amount authorized for campaign `2011 was 72 126 924,53 BGN for 35 845 applications.

8 099 applications were authorized under the National additional payment scheme for cattle unentangled with production with total authorized amount of 55 448 645,7 BGN. For the first time buffaloes that were present in the holding on the reference date 28.02.2009 were supported under this scheme.

Schemes for supporting the animal production sector:

Two new schemes were introduced for campaign `2011 to provide more opportunities for supporting the animal production sector - for rearing breeding ewes and breeding female goats in unfavoured regions and for rearing breeding ewes and breeding female goats in economically vulnerable farms in South Bulgaria. The financing under these two schemes comes from EAGF.

Campaign `2012

The budget under SAPS for campaign `2012 amounted to 923 560 053 BGN and the financing for specific support was 55 740 300 BGN. Separate payments are allocated for soft fruit (strawberries and raspberries) of 442 636 BGN.

During campaign `2012 one more scheme for specific support was started – for improving the quality of fruit and vegetables with a period of implementation 2012 - 2013 and the following years. The purpose of the measure is to improve the quality of the tomatoes, cucumbers, pepper, cherries, peaches (including nectarines) and apricots produced and offered on the market. The support is provided per ton of fruit and vegetables produced on the territory of the country and certified. The total amount of the support is 15 059 660 BGN a year.

Table IV.5. Input data for campaign `2012 – comparison with campaign `2011

Scheme/measure	No. of applications campaign `2012	No. of applications campaign `2011	Area (ha)/ animals/ bee families) campaign `2012	Areas (ha)/ animals/ bee families) campaign `2011
AEP-total*	2 630	1 972	-	-
AEP (areas)	2 051	1 525	148 482.28	68 422.77
AEP (animals)	509	404	42 863	36 375
AEP (bee families)	260	198	35 613	27 941
NAAP	67 233	68 449	3 226 113,35	3 161 516.71
HP 1	27 149	29 210	310 068.47	296 688.53
HP 2	11 250	11 490	224 562.44	209 417,88
Natura 2000	3 689	2 427	116 996.53	79 405.92
SAPS	84 233	87 795	3 606 373,42	3 555 929,67
NAPA 1- cattle	8 015	8 101	308 190	307 956
NAPA 3	6 052	5 820	786 207	734 689
NAPA 4	922	807	22 508	19 136
NAPA 5	1 608	1 325	34 251	27 454
NAPCSCEP	3 555	2 428	69 823	49 144
NAPCSCM 1	3 431	3 466	74 241	72 107
NAPCSCM 2	1 427	1 483	42 669	40 198
NAPCSCM 3	649	443	71 234	50 015
NAPT	41 887	37 432	-	-
SSAP	1 431	0	-	-

Source: SFA-PA

*AEP total does not represent a sum of AEP (areas), AEP (animals) and AEP (bee families). The data per area (ha)/animals/bee families for 2011 and 2012 represent the declared number of applications.

In the middle of July 2011 the changes in the existing schemes for specific support with regard to cow's milk and breeding ewes and breeding goats aimed to alleviate the requirements to the applicants for support were notified to the EC. As a result, the farmers' interest in the two schemes increased during campaign `2012 compared to the previous year. The interest in measure 213 'Payments under Natura 2000 and payments related to Directive 2000/60/EC – for agricultural land' and measure 214 'Agro-ecological payments (AEP) - under RDP 2007 – 2013' increased.

The projected financing from the national budget for the national additional payment schemes for 2012 in accordance with the notification submitted tby Bulgaria is presented in the following table:

Table IV.6. Required financing for implementation of the national additional payment schemes for 2012

Scheme	Ceiling (million BGN)	Per unit (BGN)
NAPDP per ha	270 170 300	92,10 BGN/ha
NAPDP for tobacco (unentangled)	74 320 400	
NAPDP for cows with sucking calves (entangled)	4 623 511	293,4 BGN/head
NAPDP for cattle (unentangled)	61 298 684	
NAPDP for breeding sheep and breeding goats (entangled)	53 657 373	41,07 BGN/head

Source: MAF

2.1.2. Mechanisms for market support by sectors

2.1.2.1. Sector 'Field crops'

Intervention on the grain market

The intervention is an EU market mechanism to ensure a minimum threshold of income for agricultural producers of common wheat, durum wheat, barley, maize and sorghum. The purchase procedures follow the financial assistance rules under the EU Common Agricultural Policy.

2010/2011 market year

Two offers for purchase of common wheat were published under scheme "Purchase of cereal crops" in the period 01.11.2010 – 31.05.2011. Since the market price of wheat considerably exceeds the intervention price during that period no offers were made for purchase of grain. At the end of October 2011 a notice was published for purchase of common wheat at a fixed price for the new intervention period 01.11.2011 – 31.05.2012 until the amount of 3 000 000 tons for the entire EU is reached. By the end of 2011 no offers for purchase of common wheat were submitted.

A competition for selection of warehouses under scheme "Storage of cereals" was held in the period 25.10.2010 – 25.11.2010. Contracts with 4 warehouses with total storage capacity of 19 300 tons were signed to provide facilities for market year 2010/2011 if necessary. No payments were made under these contracts due to the absence of offers for purchase of intervention grain. One-month payments to the warehouse holders for storage and withdrawal of the wheat and barley purchased during intervention year 2009/2010 were made with a total amount of 632 532.63 BGN, VAT excluded (funds from EAGF) and 126 506.55 BGN, VAT (funds from the national budget).

The entire quantity of intervention reserves stored in Bulgaria is intended for the programme "Charity operations, plan 2011.

2011/2012 market year

A competition for selection of warehouses under scheme "Storage of cereals" was held in the period 17.10.2011 – 17.11.2011. Contracts with 9 warehouses with total storage capacity of 49 200 tons were signed to provide the required storage facilities for the intervention period. 9 000 000 BGN is allocated to cover storage costs in case storage is needed. Since there was no purchase the storage contracts are automatically terminated on 31.07.2012.

Provided in 2012 the European Commission adopts a regulation for opening a tender procedure a notice for intervention purchase of common wheat will be published on 1 November 2012 with an acceptance period by 31 May 2013. 10 000 000 BGN is allocated to cover storage costs in case condition for purchase arise.

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

The purpose of the programme is the support persons in disadvantaged position by providing them with free food from products made from the intervention reserves or purchased from the EU market with subsidies from the EU budget.

Table IV.7. Financial implementation of Programme: Charity Operations in the period 2010 - 2012, BGN

Plan	Annual budget	Agreed funds	Fulfillment (%)	Paid funds	Fulfillment (%)
2010	16 753 054	16 753 054	100	16 533 495	98.69
2011	21 597 586	21 597 586	100	21 335 365	98.79
2012 г.	41 931 053	41 929 782.26	99,99	41 929 782.26	99,99

Source: SFA-PA

Plan 2010

A contract was signed with the Bulgarian Red Cross for the implementation of the annual plan under the Programme. The budget of plan 2010 was 16 753 054 BGN allocated for:

- 1 724 tons sugar from Italy;
- 3 013 tons of soft wheat from the intervention stocks of Bulgaria,
- 44 239 tons of cereals from Hungary;
- 6 852 tons of cereals from Austria;
- 4 068 447 BGN for purchase of cereals.

The budget provided 4,5% for transport costs and 1% for administrative costs of the cost of the relevant product.

A public procurement was conducted for supply of the products to the warehouses of the BRC and 6 contracts were signed with the selected operators for supply of flour, rice, sugar, macaroni, spaghetti and common biscuits. More than 258 000 people were supported under the annual plan.

Plan 2011

The budget granted for the implementation of Plan 2011 under the Programme amounted to 21 597 586.47 BGN. A partner to State Fund Agriculture - Paying Agency in the implementation of the annual plan was the Bulgarian Red Cross.

Due to the exceptionally high interest in the Programme measures were taken to expand the regulatory basis aimed at broadening the range of beneficiaries. Two more groups of beneficiaries were included in the second distribution of food to socially disadvantaged people who are entitled to benefit from the support – mothers/foster mothers receiving allowances for raising a child up to 1 year of age and families receiving allowances for raising children with disabilities. Thus the number of people supported under plan 2011 exceeds 265 000.

Suppliers of flour, rice, spaghetti, semolina, vine leaves rolls and farina were selected through a public procurement procedure and contracts for supply of products were signed against delivery of:

- 7 398.410 tons of intervention barley from Slovakia, with intervention value of 1 465 936.48 BGN, VAT excluded, for supply of 2 415 000 kg flour type 500 (or equivalent) to the storage facilities of BRC.

- 19 966,323 tons of intervention barley from Slovakia, with intervention value of 3 956 169,13 BGN, VAT excluded, for supply of 3 760 000 kg 1st quality rice, to the storage facilities of BRC.
- 9 302,378 tons of intervention barley from Slovakia, with intervention value of 1 843 192.69 BGN, VAT excluded, for supply of 1 116 000 kg spaghetti to the storage facilities of BRC.
- 17 462.989 tons of intervention barley from Slovakia, with intervention value of 3 460 153,28 BGN, VAT excluded, for supply of 1 057 000 kg of ordinary waffles to the storage facilities of BRC.
- 3 500,900 tons of intervention barley from Slovakia, with intervention value of 693 675.67 BGN, VAT excluded, for supply of 915 000 kg wheat semolina to the storage facilities of BRC.
- 3 586.500 tons of intervention wheat, 36 772.100 tons of intervention barley from Bulgaria with total intervention value of 7 996 737,68 BGN, VAT excluded, for supply of 3 000 000 kg vegetarian vine leaves rolls to the storage facilities of BRC.
- 5 328.400 tons of intervention barley from Bulgaria with intervention value of 1 055 780,35 BGN, VAT excluded, for supply of 303 000 kg maize farina to the storage facilities of BRC.

The fulfillment of the contracts was secured by bank guarantees amounting to a total of 30 931 157,44 BGN.

Three deliveries of products to the storage facilities of BRC were performed for the implementation of plan 2011. 6 types of food and products were given to each beneficiary - 5 kg of rice, 1.5 kg spaghetti, ordinary waffles – 1.5 kg, wheat semolina – 1 kg; vegetarian vine leaves rolls – 1.7 kg and maize farina - 0,420 kg.

Flour was added to the listed foods in the second and third tranches because this lot of the public procurement was appealed before the Commission for Protection of Competition and the signature of the contract was delayed. A total of 12 566 tons of food were distributed, delivered to 26 district warehouses and redirected for distribution at 342 points throughout the country. After the annual plan was completed, the undistributed products were provided to social and health institutions.

In November 2011 transport expenses amounting to 204 716.46 BGN, VAT excluded were paid to the supplying companies. 1% administrative costs were paid to the BRC up to 204 716.46 BGN, VAT excluded, and transport expenses - 3,5% amounting to 716 507,58 BGN, VAT excluded.

Plan 2012

BRC is the only charity organization that applied for partnership with SFA-PA for the implementation of plan 2012. A budget of 4 183 873 EUR (8 182 819 BGN), granted in the form of 39 150,874 tons of intervention barley from the United Kingdom and Finland was allocated to Bulgaria for the implementation of Plan 2012 by Regulation (EU) 562/2011. Subsequently, the total budget for Bulgaria for plan 2012 was increased by Regulation (EU) № 208/2012 to 21 439 336 EUR (41 931 053 BGN) by adding 14 004 438 EUR (27 389 880 BGN) to the value of the intervention grain for purchase of foodstuffs from the market. The budget allocated by the EU for 2012 was increased nearly 3 times compared to that for 2011. Three public procurements were held by the end of September 2012. The first had seven lots – flour, rice, spaghetti, maize farina, ordinary waffles, ordinary biscuits and macaroni against intervention stocks provided to Bulgaria by the United Kingdom and Finland.

The agreed amounts of foodstuffs under the lots for the first public procurements are as follows:

- lot № 1 - „Supply of flour type 500 (or equivalent) to the storage facilities of BRC against withdrawal of 7 850,00 tons of intervention barley from Finland” a contract is signed for supply of 3 201 000 kg flour type 500 against provision of intervention products with total value of 1 555 415.47 BGN, VAT excluded;

- lot № 2 – „Supply of 1st quality rice (or equivalent) to the storage facilities of BRC against provision of 7 409,286 tons of intervention barley from Finland”. The contract is signed for supply of 2 100 000 kg rice against provision of intervention products with total value of 1 468 091.47 BGN, VAT excluded;
- lot № 3 - „Supply of spaghetti to the storage facilities of BRC against provision of 5 156.00 tons of intervention barley from the United Kingdom” – a contract is signed for supply of 1 001 000 kg spaghetti against provision of intervention products with total value of 1 021 620,66 BGN, VAT excluded;
- lot № 4 – „Supply of maize farina to the storage facilities of BRC against provision of 912.890 tons of intervention barley from Finland”. The contract is signed for supply of 37 800 kg maize farina against provision of intervention products with total value of 180 881.94 BGN, VAT excluded;
- lot № 5 – „Supply of ordinary waffles to the storage facilities of BRC against provision of 11 250,00 tons of intervention barley from Finland”. The contract is signed for supply of 372 000,00 kg ordinary waffles against provision of intervention products with total value 2 229 098.60 BGN, VAT excluded;
- lot № 6 – „Supply of ordinary biscuits to the storage facilities of BRC against provision of 3 004,833 tons of intervention barley from Finland”. The contract is signed for supply of 216 000 kg ordinary biscuits against provision of intervention products with total value 595 383,91 BGN, VAT excluded;
- lot № 7 – „Supply of short macaroni to the storage facilities of BRC against provision of 3 561.754 tons of intervention barley from Finland”. The contract is signed for supply of 701 000 kg short macaroni against provision of intervention products with total value of 705 733,41 BGN, VAT excluded.

A second public procurement was conducted for the additional funds of 14 004 438 EUR provided by the EC for purchase of foodstuffs from the market with subject “Supply of foodstuffs for distribution to people in disadvantaged position under lots of plan 2012 – second tranche”. Contracts for supply of the following products to the the storage facilities of BRC were signed:

- lot № 1 - „Supply of 1st quality crystal sugar to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 2 800 000 kg sugar against advance payment of 5 394 000 BGN, VAT excluded;
- lot № 2 - „Supply of 1st quality sunflower oil to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 2 290 000,00 litres 1st quality sunflower oil against advance payment of 6 231 000,00 BGN, VAT excluded;
- lot № 3 - „Supply of 1st quality dried beans to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 3 020 000 kg dried beans against advance payment of 5 927 200 BGN, VAT excluded;
- lot № 4 - „Supply of lentils to the district warehouses of the BRC for distribution to people in disadvantaged position“. The contract is signed for supply of 3 760 000,00 kg lentils against advance payment of 5 282 400,00 BGN, VAT excluded;
- lot № 5 - „Supply of 1st quality one-fruit jam to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 777 777,777 kg 1st quality one-fruit jam against advance payment of 2 387 000,00 BGN, VAT excluded;
- lot № 6 - „Supply of potato flour to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 315 000,00 kg potato flour against advance payment of 2 168 279 BGN, VAT excluded.

A third public procurement with subject "Supply of foodstuffs for distribution to people in disadvantaged position under lots of plan 2012 – third tranche" was conducted with the outstanding financial resources of 2 300 431 EUR. It had two lots for supply of honey and instant coffee with chicory. The following contracts were signed for supply to the storage facilities of BRC:

- lot № 1 – „Supply of instant cereal coffee from chicory to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 72 000 kg instant cereal coffee with extract from chicory against advance payment of 1 399 584,00 BGN, VAT excluded;
- lot № 2 „Supply of herbal bee honey (polyfloral) to the district warehouses of the BRC for distribution to people in disadvantaged position”. The contract is signed for supply of 514 571.00 kg herbal bee honey against advance payment of 2 825 000 BGN, VAT excluded.

100% of the allocated budget of 42 million BGN was absorbed for the implementation of Plan 2012 and contracts for supply of approx. 21 000 tons of foodstuff consisting of 15 types of foodstuffs to the storage facilities of BRC were signed. According to Regulation (EU) № 419/2012 and Regulation № 208/2012 all payments under Plan 2012 must be performed in advance by 15 October 2012. To guarantee the implementation of Plan 2012 all companies suppliers deposited guarantees of 110% of the value of each lot (except for the 7 lots under the first public procurement where the guarantee is 150 EUR/ton for the intervention grain weighed by the operators).

All due amounts for supply of foodstuffs to the storage facilities of BRC and all transport costs were paid to the companies operators under the concluded contracts in advance and within the deadlines in accordance with the requirements of the European legislation. Advance payment was made also of the administrative, warehouse and transport expenses to the charity organization.

The products will be distributed in two tranches in September and at the end of October at the premises of BRC to over 308 000 helpless persons according to lists prepared by the Social Support Agency in compliance with Ordinance № 18/22 October 2007.

In case any foodstuffs are left after the two tranches the undistributed quantities will be given to institutional beneficiaries (assisted living facilities for children, residential homes for elderly people, community social care, etc.).

Plan 2013

In connection with the implementation of Plan 2013 the BRC expressed its intention to work in partnership with SFA-PA. A detailed application was to the EC for inclusion of the Republic of Bulgaria into the plan with a request for a budget of over 41 000 000 BGN.

In the middle of October 2012 the EC voted a draft implementing regulation for Plan 2013 allocating a budget of 19 093 054 EUR (37 342 767,80 BGN) to Bulgaria.

2.1.2.2. Sector “Meat and apiculture”

Intervention and private storage of meat

No schemes for public intervention for beef, veal and pork and private storage of beef, veal, mutton and goat’s meat were applied in 2011. Pursuant to Regulation (EU) № 68/2011 the scheme for private storage of pork is open from 1 to 27 February 2011. No applications for signing contracts for private storage of pork were received during the period.

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

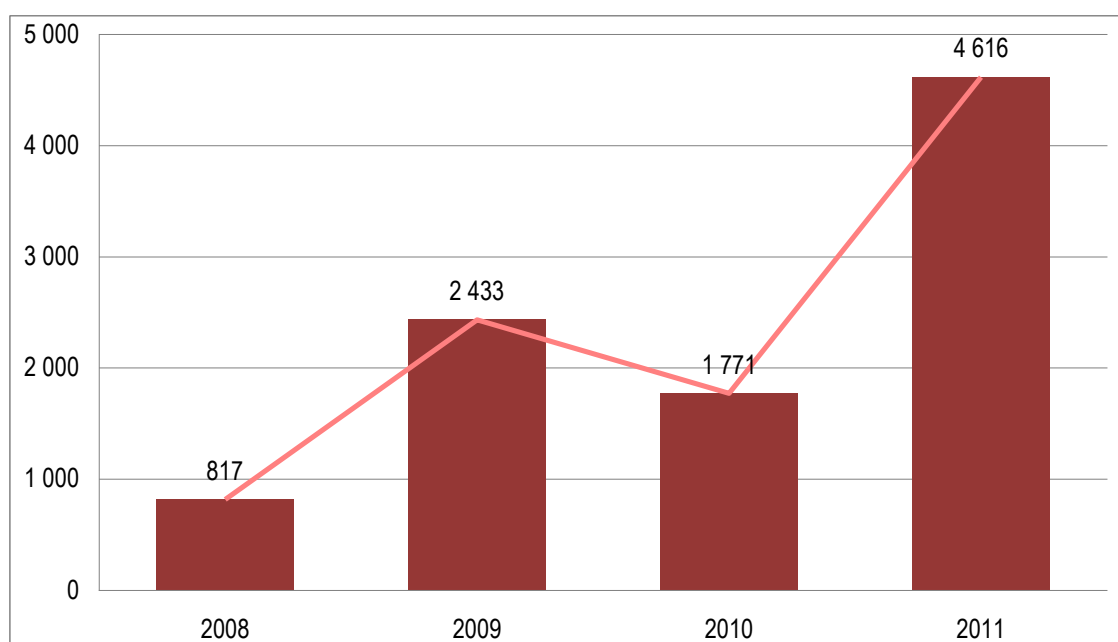
In 2011 started the implementation of the measures included in the second three-year National Apiculture Programme (2011 - 2013) with a budget nearly three times higher compared to the budget for the previous three-year period. NAP envisages new measures to support the beekeepers in Bulgaria aimed mainly at upgrading the qualification of those working in the sector, development of good practices in apiculture and popularization of Bulgarian bee products.

Table IV.8. Budget of the National Apiculture Programme for 2011-2013 by years, BGN

Year	Total annual budget	Funds from EAGF	Funds from the national budget
2011	6 553 588.52	3 276 794,26	3 276 794,26
2012	6 532 501.08	3 266 250,54	3 266 250,54
2013	6 502 549,96	3 251 274,98	3 251 274,98
Total	19 588 639,56	9 794 319,78	9 794 319,78

Source: MAF

Figure IV.1. Amount of the paid financial assistance under NAP for the period 2008-2011 thousand BGN



Source: SFA-PA

Acceptance `2011

In 2011 there is an increased interest in the measures of NAP. About 1 500 applications for support were submitted resulting in 1 481 contracts for financing. Nearly 80% of the beneficiaries with signed contracts made the investments and submitted applications for payment. The other candidates did not fully realize their investment intentions due to various reason such as lack of sufficient capacity of suppliers (of bee hives, layers and bee queens) who would implement the obligations undertaken to the beneficiaries, the absence of free financial resources, etc.

After the performance of all verifications required by the procedure for implementation of NAP, subsidies of 4 615 703 BGN were paid to over 98% of the submitted applications for payment. A high percentage of absorption of the budget under the programme – over 70% - was achieved. The subsidies paid in 2011 exceed 2.5 times the financial aid received in the previous financial year.

Table IV.9. Financial aid paid under the National Programme for Apiculture for 2011, BGN

Measure under NAP	Budget	Financial assistance disbursed			Absorption of funds %
		Total	including:		
			EAGF	National budget	
Measure A – Technical assistance to beekeepers and associations of beekeepers	241 460	106 999	53 500	53 500	44,31
Measure B – Combat against Varoatosis	416 007	245 326	122 663	122 663	58.97
Measure C – Support measures for carrying out analyses of honey	34 906	9 467	4 733	4 734	27,12
Measure D - Measures to support the restocking of hives in the Community	5 662 216	4 090 500	2 045 250	2 045 250	72.24
Measure E – Cooperation with specialized bodies for putting into practice the applied research programmes in the sphere of apiculture and bee products	199 000	16 411	81 705	81 705	82.17
Total	6 553 589	4 615 703	2 307 851	2 307 852	70,43

Source: IACS, module National Apiculture Programme – acceptance '2011

Three projects were realized in 2011 under *Measure A – Technical assistance* which involved development of a single programme and methodology for training trainers and events were held aimed to popularize the Bulgarian bee honey and bee products.

Spring preventive examinations of 10 039 bee families were performed under *Measure B Combat against Varoatosis, sector 1 – Expenses for veterinary control and assistance to apiarists-checkers* in 2011. The amount of the approved expenses was 10 432 BGN and the financial aid was 9 388 BGN. 109 647 bee families were treated under *sector 2 – Expenses for purchase of preparations to combat varoatosis*. Expenses for purchase of preparations worth 294 923 BGN were approved and related financial aid of 235 938 BGN.

555 analyses of honey were performed in accredited laboratories according to the indicators of the Programme – hydroxymethylfurfural, diastatic activity, reducing sugar and sucrose, water content, insoluble additives in water, electrical conductivity, free acidity, mechanical additives, mineral substances and pollen - under *Measure C – Support measures for carrying out analyses of honey*. Expenses of 11 834 BGN were approved and financial aid worth 9 467 BGN was paid.

33 618 beehives were purchased under *Measure D - Measures to support the restocking of hives in the Community, sector 1 – Purchase of new beehives*. The approved expenses were 4 279 947 BGN and financial aid of 2 995 963 thousand BGN was paid for these expenses. Under *sector 2 – Expenses for maintenance or increasing the number of bee families* were purchased 13 264 bee families. The approved expenses were 1 450 809 BGN and the provided financial aid was 1 014 766 BGN. 8 924 bee queens were purchased under *sector 3 – Expenses for purchase and replacement of queens*. Investment expenses of 132 952 BGN were approved and the subsidy amounts to 79 771 BGN.

Two research projects were realized in 2011 under *measure E – topic 2 “Testing modern technologies for preserving queens during the winter season” and topic 3 “Establishing genetic and morpho-etological markers of resistance of bee families to diseases in order to set up a system of*

selection activities, conservation of national genetic resources and protection of bees against diseases and disappearance”.

Acceptance `2012

The payment of financial aid under all measures and sectors of NAP for financial year 2012 finished on 15 October 2012. The highest percentage of utilization of the budget under NAP for the second three-year period and the largest amount of the absolute value of the paid financial resource for the entire period of the programme was realized during the indicated period.

The high efficiency in the process of applications for support and payment under NAP achieved by improving the automation of the module in the Integrated system for administration and control, by decentralization of the work, by requiring fewer documents from the candidates can be indicated as factors determining the high results at the expense of administrative inspections performed by SFA officials.

At the same time, Bulgarian beekeepers were supported to make the investments under the programme and through loans provided by SF Agriculture under preferential conditions to the candidates under measure E of NAP.

Table IV.10. Budget, signed contracts and approved applications for payment under NAP in 2012, BGN

Measure under NAP	Budget	Signed contracts		Accepted applications for payment		Approved applications for payment	
		No.	Financial aid	No.	Requested amount	No.	Paid financial aid
Measure A	399 877	4	399 877	3	169 092	3	151 519
Measure B, C (sec.1), D	5 940 902	1 182	6 171 648	1 076	5 173 090	1 068	5 046 732
Measure E	191 722	2	191 722	2	172 370	2	169 533
Total	6 532 501	1 188	6 763 247	1 081	5 514 552	1 073	5 367 783

Source: IACS, module National Apiculture Programme – acceptance `2012. The data are current as of 15.10.2012.

The analysis of the results by years of application of the measures of the National Apiculture Programme shows that there was a high rate of absorption of the planned budget. The programme is the most preferred source to finance the activities of Bulgarian beekeepers because of the low cost of preparation of investment projects and the short deadlines for processing the applications and receiving financial aid. The measures and sectors planned for support correspond to the maximum extent of the needs of the beekeeping sector and allow for consolidation and for improvement of the competitiveness of farms, replacement of the used equipment, effective prevention, improving the quality of the produced honey and providing a safe and high quality product to end-users.

2.1.2.3. Sector ‘Milk’

A common organization of the market of milk and dairy products is implemented in EU countries in order to stabilize the markets, to achieve optimal balance between demand and supply, to stimulate the consumption of milk and milk products and to improve the competitiveness of milk products.

The common organization of the milk market is carried out using various instruments – a quota system for cow’s milk, intervention measures, aid for private storage, foreign trade mechanisms.

New European legislation regulating the written contractual relations between producers and buyers, the recognition of producers’ organizations and intersector organizations in the sector of milk and dairy products and improving the transparency in the sector is expected to enter into effect which will improve the relations down the chain between all operators in the milk sector and prevent the occurrence of disturbances when the quota system for cow’s milk expires in 2015,.

Scheme – Milk quotas

The purpose of the milk quota system is to regulate the production of milk and dairy products in the EU. Each Member State has a national quota distributed among producers of cow's milk. The national milk quota of Bulgaria, set at the time of the country's accession to the EU, is 979 million kilograms. The distribution covers the amount of milk that every producer can offer on the market without making a payment for the relevant quota year. There are two types of quotas: an individual quota for supplies and an individual quota for direct sales. Each producer, depending on the needs of the farm, may hold both types of quotas.

An annual increase of the national quota by 1% is applied since quota year 2009/2010 which makes the possibility of a surplus levy less likely.

Table IV.11. Fulfillment of the national quotas for supply and direct sales for quota years 2007/2008-2010/2011

Quota period	National quota for supply, tons	Realized amounts for supply, tons	Fulfillment of the quota for supply, %	National quota for direct sales, tons	Realized amounts for direct sales, tons	Fulfillment of the quota for direct sales, %
2007/2008	893 688	760 564	85.10	85 312	52 425	61.45
2008/2009	912 238	797 258	87,40	86 342	61 543	71.28
2009/2010	928 425	809 655	87,21	80 141	56 869	70,96
2010/2011	942 195	472 471	50,15	76 456	19 184	25.09
2011/2012	951 617	463 169	48.67	77 221	16 775	21.72

Source: SFA-PA

Quota year 2010/2011

In quota year 2010/2011 the purchase and sale of quotas amounted to a total of 598 491.53 BGN. The fixed price per kilogram quota for supplies with fat content 38 g/kg and for direct sales is 0,15 BGN increased by 0,05 BGN compared to the price of the previous quota year.

The interest in the sale of milk quotas is growing. The amounts offered for sale exceed many times those for purchase. A second term for acceptance of applications for purchase of quotas was announced in order to realize the available quantities for sale. The applications of 64 producers were approved and paid but due to shortage of funds only some of the approved applications were paid - to 152 producers of a total of 981 approved producers.

Quota year 2011/2012

1 022 602.09 BGN was paid to producers of cow's milk who submitted applications for sale of individual quota in quota year 2011/2012. During this quota period the amounts for sale exceeded many times those for purchase so a second term for acceptance of applications for purchase of quotas was announced during which 144 producers purchased quota. The purchased amounts were 74 480 kg quotas for direct sales and 1 007 760 kg quotas for supplies. Due to shortage of funds, payments were made to 546 applications out of a total of 624 approved applications.

Quota year 2012/2013

The fifth quota year for Bulgaria finished on 31.07.2012. 1 326 declarations for execution of milk quota for direct sales and 224 declaration for execution of quota for supplies of a total of 274 approved buyers were accepted and authorized.

The new fourth quota market started on 01.08.2012. For quota year 2012/2013 the Minister of Agriculture and Food approved by order fixed price of 0,01 BGN for kilogram of cow's milk for supplies and 0,01 BGN for kilogram of cow's milk for direct sales.

The low price led to increased demand of quotas up to a level exceeding the amount offered for sale. The higher demand is determined also by the shorter period for submission of applications for sale laid down in Ordinance № 23 for management of the national milk quota according to which this year the applications for sale start on 5 September until the requested amount of individual milk quotas for purchase is achieved but not later than 10 October of the calendar year.

The requested amounts of 7 006 628 kg for supply and 95 800 kg for direct sales were not achieved by the deadlines because of the low price. Therefore the submitted applications for purchase are ranked and priority was given to the producers with 1st category farms. The outstanding quantity is distributed proportionally between the other candidates.

Scheme “School milk”

The programme “School milk” aims to encourage the consumption of milk and yoghurt and other milk products produced in the EU. Subsidies to schools and other educational institutions are provided through this programme so as to help create healthy eating habits since the earliest age. The programme is implemented in Bulgaria since school year 2008/2009. Beneficiaries of the aid are children and students attending regularly kindergartens/preschool institutions and primary schools.

9 applications for payment for a total of 21 educational institutions (kindergartens, primary and secondary schools) were submitted for school year 2010/2011 under scheme “School milk”. The number of the educational institutions participating in the scheme is higher than the number of the applicants as one applicant (for example a municipality, an educational body or a product supplier) may represent several educational institutions. One of the submitted requests was reject, 7 were approved and 1 is in a process of checks on the spot.

2 162.56 BGN was paid from the budget of te European Union. The total number of the children who participated in the scheme in school year 2010/2011 was 3 223.

12 applications for payment were submitted by educational institutions and 1 municipality for 9 educational institutions (kindergartens, primary and secondary schools) were submitted for school year 2011/2012 under scheme “School milk”. Payments totalling 3 742.59 BGN were made, entirely from the EU budget. The number of the children who participated in the scheme was 2 176.

2.1.2.4. Sector “Wine”

A reform was made in the EU in 2008 which consisted in financing the sector through support programmes including aid measures determined by the Member State. Three measures are included in the “National programme for supporting the wine sector 2008/2009 – 2013/2014” proposed by Bulgaria which are important for the development of the sector in the country. The measures are financed by the European Agricultural Guarantee Fund.

Financial year 2010/2011

11 469 235.87 BGN or 26.62% were paid out of the total budget of 43 070 627,60 BGN (22 022 000 EUR) of the Programme for 2011.

Contracts were signed in 2011 and financial aid was paid to 14 beneficiaries under scheme “Permanent uprooting of wine vineyards”. 607 546.59 BGN was paid out of the budget of 629 577,89 BGN (321 903 EUR) allocated to Bulgaria under the measure, i.e. the rate of absorption was 96.50%.

Measure “Restructuring and conversion of wine vineyards”

The budget allocated to Bulgaria for financial year 2010/2011 amounted to 34 758 477,60 BGN. 12 activities (which can be combined) are envisaged for supporting one-year and multi-year investments. The support is aimed at changing the structure of vineyards such as variety, formation, location, which can be combined with activities to increase the number of vines, construction of irrigation facilities, change of supporting structures, building fences, etc. 51 investments were agreed, of which 48 are in a process of implementation because three beneficiaries refused to execute their contracts. The

initially approved financial aid is 21 593 666.73 BGN of which 10 365 800,28 BGN or 29,82% of the budget under the measure was paid for 2011.

Measure “Insurance of the harvest”

The annual budget of the measure is 4 009 390 BGN. The support is aimed at producers of wine grapes who have insured their harvest against one or more insurance risks such as hail, storm, flood, torrential rain, etc. The financial assistance under the measure is up to 80% for insurance risks that are equivalent to natural disasters and to 50% for other insurance risks such as fire, root fire, etc. 56 applications for assistance were submitted under the measure. 1 103 435.59 BGN or 27.52% of the budget was paid under this measure.

Measure “Promotions in third countries”

The budget under the measure for the financial year amounted to 4 302 760 BGN. two projects were submitted that were rejected by the Standing Interagency Advisory Committee as non-compliant with the requirements.

Financial year 2011/2012

Measure “Restructuring and conversion of wine vineyards”

The annual budget of the measure is 51 099 186.60 BGN. 50 projects were submitted, of which 42 were approved by October 2012 with total financial aid of 16 004 119,01 BGN. 26,252 782.10 BGN was paid since the beginning of 2012 until the middle of October. The support under the measure includes changing grape varieties by grafting or replanting with or without changing the location of the property and activities related to improvement of the methods and technologies of vineyard management, by increasing the number of vines, changing the formations, the supporting structures, building fences, nets against birds, anti-erosion and irrigation facilities, terraces.

Measure “Insurance of the harvest”

The budget allocated to Bulgaria for the financial year was 1 858 010,00 BGN. 57 applications were accepted under the measure. By the middle of October payments were made under 57 applications totalling 1 176 329,25 BGN. The support is aimed at producers of wine grapes who have insured their harvest against one or more insurance risks such as hail, storm, flood, torrential rain, etc. The financial assistance under the measure is up to 80% for insurance risks that are equivalent to natural disasters and to 50% for other insurance risks such as fire, root fire, etc.

Measure “Promotions in third countries”

The budget under the measure for the financial year amounted to 5 280 660,00 BGN. No interest was expressed in the measure and no project was submitted.

On 15 June 2012 r. began the acceptance of documents for payment of compensation in case of loss of income as a consequence of the implementation of measure “Restructuring and conversion of wine vineyards”. Due to the anticipated substantial interest funds were transferred from measures “Insurance of the harvest” and “Promotions in third countries” totalling 8 214 360 BGN.

2.1.2.5. Sector “Fruit and vegetables”

Scheme “Groups of fruit and vegetable producers”

After the CMO reform in sector “Fruit and vegetables” the new Member States were allowed to continue with the possibility to support producer groups. Producer groups are producer organizations that have not fulfilled yet the criteria for recognition, but may apply for temporary recognition and receive support to achieve those criteria. The aim is to increase the level of organization of fruit and vegetable producers in the new Member States which is currently quite low. Organization provide producers with a number of advantages - better position for bargaining the produce, planning and reducing the cost of production, implementation of coherent agricultural practices. Producer groups can benefit from two forms of assistance - EU support for their administrative and organizational strengthening (set as a

percentage of the value of their marketed production) and co-investments made towards meeting the criteria for recognition as producer organizations. The investments made by groups of fruit and vegetable producers are funded up to 75% by EU funds and the national budget and 25% by the members of the group.

The regulatory basis of the terms and procedures for recognition of fruit and vegetable producer organizations was amended 2011 to settle the possibilities of supporting producer groups with regard to investments. A condition to grant temporary recognition to a producer group is the submission of a five-year plan for recognition which may include investment activities. After implementation of recognition plans, the producer groups should become producer organizations. The maximum amount of investments by a producer group in one year is 2 933 700 BGN.

Three investment programmes were submitted by 30.06.2012 by fruit and vegetable producer groups from the district of Plovdiv. These are investment projects with total worth of 39 503 238 BGN. Two projects were approved with a total value of 30 983 298.53 BGN and a subsidy of 27 315 892.90 BGN. Five more plans for recognition are expected to be accepted by the end of 2012 with total investment expenses of 14 864 080 BGN for 2013.

The total budget for investment costs for 2013 is 23 715 794,19 BGN of which 25% (5 928 948.55 BGN) is to be paid by the recognized producer groups.

School fruit scheme

In order to increase the consumption of fruit and vegetables by creating healthy eating habits among schoolchildren a scheme for giving fruit and vegetables to children in educational establishments - project "School Fruit" – was launched in 2010. This scheme is funded by EAGF and the state budget in the form of national co-financing.

450 applicants including 789 schools and kindergartens and 96 439 children and students within the target group were approved for school year 2010/2011 under project "School Fruit". 1 153 173,03 BGN was paid under 1630 applications for payment covering about 100 000 children. VAT totaling 145 102,37 BGN was paid.

A budget of 3 771 043,17 BGN was allocated for school year 2011/2012 for project "School Fruit" and the budget includes 2 828 282,38 BGN from EAGF and 942 760,79 BGN from the national. The scheme includes 801 schools and 121 179 children.

2 894 899,04 BGN or 76.8% of the budget for school year 2011/2012 was paid under the scheme by 15.10.2012.

For school year 2012/2013 Bulgaria requested 2 828 282,38 BGN from EAGF. The planned national co-financing amounts to 942 760,79 BGN.

The acceptance of applications for approval of applicants under the scheme for school year 2012/2013 ended on 20.09.2012 and showed exceptional interest in the measure on the part of educational establishments, companies and municipalities on the territory of the country. The total number of educational establishments which applied for participation in school year 2012/2013 was 1 383, and the number of registered beneficiaries was 405. The number of children covered by the scheme for school year 2012/2013 is 179 126, by 47% more compared to school year 2011/2012. They represented 56% of the total number of the target group in the country of 320 064 children aged between 6 and 10.

The information campaigns of SF Agriculture for promoting the scheme in Veliko Tarnovo and Plovdiv and the website of the scheme <http://schoolfruit.dfz.bg/> contributed to popularizing the scheme.

Scheme "Extraordinary measures for supporting the market in the vegetable sector"

The scheme "Extraordinary measures for supporting the market in the vegetable sector" started in the spring of 2011 in connection with the crisis caused by the distribution of the bacteria *Escherichia*

coli in the sector of fresh vegetables. Aid of 3 852 702 BGN was paid to 82 producers of vegetables meeting the criteria for financing.

2.1.2.6. Sector 'Sugar'

Scheme "Quota regime"

The European Union applies a system of quotas for production of sugar and isoglucose to regulate the production at Community level. For economic year 2010/2011 Bulgaria has a national quota for production of isoglucose of 89 198 tons as dry matter.

In February 2011 a charge of 1 046 720,69 BGN was collected from the production of isoglucose. 75% of the charge is transferred to the EU budget and the outstanding 25% - to the national budget. An additional amount of 412 660.01 BGN, which is also included in the EU's own resources, was collected in December 2011 in connection with Regulation № 1240/2011 providing a possibility to realize certain amounts of out-of-quota isoglucose on the EU market.

Scheme "Approval of enterprises producers of isoglucose and refiners"

In conformity with the provisions of the EU legislation applicable to sector 'Sugar' all raw cane sugar processing enterprises – 'permanent refiners' and sugar and isoglucose producers are subject to approval. In Bulgaria there are six approved operating „permanent refiners" and one enterprise producing isoglucose.

Schemes "Assistance for restructuring" and "Assistance for diversification"

Two schemes "Aid for restructuring" and "Aid for diversification" are implemented in the country in connection with the restructuring of the sugar industry and the payments were made in 2009 and 2010 respectively. In 2011 there was follow-up control on the activities of beneficiaries with regard to the performance of their contractual obligations under the schemes.

2.1.2.7. Sector 'Promotional Programmes'

The promotional and information campaigns allows for permanent placement of quality European products on the internal market and on the markets in third countries. Object of promotion can be meat and meat products, milk and dairy products, wines with protected designation of origin and protected geographical indication, fresh and processed fruit and vegetables, organic products, honey and bee products, processed products based on grains and rice. Promotional programs are financed with resources from EAGF (50%), from the national budget (30%) and from the implementing body (20%).

As of October 2012 Bulgaria implements the following promotional programmes:

- "European cheese, please" – the first multi-national promotion programme with Bulgarian participation proposed jointly by the Pancyprian Organisation of Cattle Farmers and the Bulgarian Association of Dairy Processors with a period of implementation by the end of 2012. The programme promotes Cypriot cheese – halloumi, kefalotyri, anari and Bulgarian cheese – white brine cheese and kashkaval on the markets of Russia and Ukraine. The total budget of the programme is 4 988 000 EUR (9 755 530 BGN). 635 085.89 BGN was paid under the programme by 18.10.2012 of which 396 928.24 BGN was provided by EAGF and 238 156.95 BGN by the national budget.
- "Awareness project for promotion of dairy products (white brined cheese, kashkaval) of the domestic market (Germany, Spain)" is the first independent Bulgarian promotional programme approved by the EC. It was proposed by the national Association of Dairy Processors with a budget of 6 200 345.61 BGN. 1 707 947,46 BGN including 1 067 467,16 BGN from EAGF and 640 480,30 BGN from the national budget was paid under the programme by 18.10.2012.
- "Open the Seal of Taste" (approved by the EU in 2011) – promotional programme for processed fruit and vegetables - lyutenitsa, roasted peeled peppers, rose jam, rosehip marmalade and peach compote intended for the markets of Germany, Poland and Romania. It is proposed by

the Union of the Processors of Fruits and Vegetables with a total budget of 5 834 086.86 BGN. 770 293,33 BGN including 481 433,33 BGN from the EAGF and 288 860,00 BGN from the national budget was paid under the programme by 18.10.2012.

- The Bulgarian-Romanian programme “Interstate programme for promotion of wine to third countries” (approved by the EC in 2011) is aimed at promoting Bulgarian and Romanian wines with PDO/PGI in Russia and China. The agreement for assistance was signed in April 2012. The programme with a three-year implementation period is proposed by the Thrace Regional Vine and Wine Chamber and the Romanian Association of Wine Producers and Wine Products “Dobrudja” with a total budget 3 188 798 EUR (6 236 651.13 BGN). 456.61 BGN of which 285,38 provided by the EAGF and 171.23 BGN provided by the national budget was paid by 18.10.2012.
- “European dairy products every day” - approved by the European Commission in February 2012, proposed by the Association of Dairy Processors. The program promotes white brine cheese, kashkaval and yogurt on the markets of Australia and the UAE, with a budget of 6 461 065.49 BGN and has three years of implementation. The contract for financial assistance was signed in April 2012. 424 824,41 BGN, of which 265 515.26 BGN provided by the EAGF and 159 309,15 BGN – by the national budget, was paid by 18.10.2012.
- Promotion of dairy products in third countries "- approved by the European Commission in February 2012. The programme has a three-year implementation period and is implemented by the National Association of Dairy Processors to promote white brine cheese, kashkaval and yogurt on the markets of Russia and Brazil with a total budget of 5 616 568.65 BGN. 1 305,30 BGN of which 815.81 BGN provided by the EAGF and 489,49 – by the national budget, was paid by 18.10.2012.
- “Interstate programme for promotion of wines with PDO/PGI in third countries (Switzerland, USA and China)” – approved by the European Commission in June 2012. This is a Bulgarian-Greek programme filed jointly by the National Vine and Wine Chamber and the Greek Association ENOABE to promote Bulgarian and Greek quality wine on the markets of Switzerland, USA and China for period of three years. The total budget of the programmes is 4 633 737 EUR (9 062 662.82 BGN).

2.1.2.8. Quality policy - protected designations

The quality policy related to protected designations with the distinctive logo of quality of the EU is a tool that is gaining popularity in the country and attracts the interest of the representatives of different sectors in order to enhance the competitiveness of Bulgarian agricultural products and foodstuffs in the European and world market.

The legal framework for official market control on the use of protected designations is laid down in Ordinance № 6/05.05.2011 on the specific requirements to the official control on the use of protected geographical indications and foodstuffs that are traditional specialities.

In 2011 the protected geographical indication of “Gornooryahovski sudzhuk” was entered in the European Register of protected designations of origin and protected geographical indications. The registration is done after Cyprus withdrew its objection against the homonymous match of the word “sudzhuk” in the name of PGI “Gornooryahovski sudzhuk”. Producers of PGI “Gornooryahovski sudzhuk” and a database controllers is published on the website of MAF. Information was submitted to the Patent Office for official registration of PGI “Gornooryahovski sudzhuk” in the State Register of Bulgaria.

Bulgarian producers have shown increasing interest in applying for registration of raw-dried meat products in the European Register of traditional specialities guaranteed. The applications-product specifications applying for registration as traditional specialities submitted in 2010 were processed in 2011. A national approval procedure, including documentary checks and inspections on the spot of the production of each applying producer was conducted for these products. In the middle of 2012, the documents of four products applying for registration as traditional specialities guaranteed were sent to

the Commission: fillet "Elena", kayserovan vrat "Trakia", roll "Trapezitsa" and plain dried beef and buffalo and kayser (pastarma: govezhda i bivolska obiknovena, govezhda i bivolska kayser). A national procedure (checks on the spot) of the product "Lukanka Panagyurska" is underway.

MAF received documents in January 2012 from the Association of the Producers of "Bulgarian rose oil" for registration of protected geographical indication "Bulgarian rose oil". A national approval procedure is at an advanced stage and the documents are to be sent for consideration at European level by the EC.

2.1.3. Trade mechanisms

2.1.3.1. Licensing of exports

Scheme "Export refunds for agricultural products"

Export refunds are paid for certain agricultural products and processed agricultural products when they are exported to third countries, to compensate the difference between the higher prices of the products in the EU and prices outside the EU. The amount of the refunds and the conditions of payment are determined by the Commission depending on the situation on the European and the world market and for some products the refund rates may vary depending on the destination.

Eligible for payment in 2011 are the refunds for products from the sectors producing poultry meat and eggs, beef and veal, pork and processed products outside Annex I (for eggs added to the processed products).

135 licences for advance fixing for export of poultry meat and egg powder totaling 1 673 530 BGN were issued in 2011 - nearly triple increase of refunds fixed with licences compared to the previous year.

126 applications for payment of refunds were accepted with total value of 1 603 978 BGN for products from the sectors of poultry meat and eggs. Here again, there is nearly a triple increase compared to the applications submitted and processed in 2010.

Payments were made for 98 applications with issued licences and total value 1 233 347 BGN for products from the sectors of poultry meat, eggs and beef (for the previous year – 29 applications totalling 459 656 BGN).

56 licences for refunds in the sectors of poultry meat and eggs with total value 696 478 BGN were issued in the period 1 January – 18 October 2012. A total of 56 applications were paid with a total amount of 613 490 BGN. In view of the market situation in the sector of poultry meat there is big interest in export to third countries and more specifically to Iraq, Georgia and Armenia. The total amount of export refunds is expected to exceed 1 million BGN in 2012.

Scheme "Compulsory export licences for agricultural products"

The products subject to compulsory licensing for export to third countries, irrespective of whether export refund will be requested, are from the sectors of cereals, rice and sugar. The compulsory licences are used for statistical purposes to monitor the market of these sensitive products.

256 compulsory export licences (about 30% more compared to 2010) were issued in 2011. The percentage of export licences for wheat and a mixture of wheat and rye is the largest – 116 licences for 107 709 tons, maize – 50 licences for 206 586 tons, rice – 39 licences for 1 506 tons and others.

288 guarantees were established under issued licences amounting to 3 284 893 BGN. 240 guarantees worth 2 771 437 BGN were released and 12 fines with a total amount of 14 220 BGN were imposed.

257 export licences were issued and 151 guarantees with a total value of 2 478 196 BGN were established in the period from 01.01.2012 to 18.10.2012. In case the upward trend of the export of cereals, rice and sugar is preserved in the second semester of 2012, the licences issued for the whole 2012 may be expected to exceed those issued in the previous year by about 20%.

Scheme “Licenses for export of dairy products to Canada ”

According to the Agreement between the European community and Canada signed in 1995, the use of reduced duty on the import of cheese and kashkaval to Canada within a quantity quota would require an export license issued by the State of origin. The Agreement entered into force for Bulgaria on the date of the country accession to the EU on 01.01.2007.

14 export licences for milk and dairy products for Canada were issued in 2011 including: 10 for 132 196 kg cheese and 4 for 25 763 kg kashkaval.

The licences for export of milk and dairy products to Canada issued in the period 1 January – 18 October 2012 are 39 in total including 26 licences for 195 438 kg cheese and 13 for export of 40 825 kg kashkaval.

2.1.3.2. Licensing of imports

The imports of the following agricultural products from third countries require licenses: cereal crops, rice, sugar, olive oil and table olives, fresh and processed fruits and vegetables (garlic and preserved mushrooms), beef and veal, pork, milk and dairy products, eggs and egg albumin, poultry meat and ethyl alcohol of agricultural origin. For some products licenses are required only in the case of import within tariff quotas and preferential regimes (beef, milk and dairy products, sugar) while for others the license must cover the whole import.

479 applications were submitted for licensing and 372 licences were issued in 2011. The largest number of import licences are issued for rice - 109, bananas – 79, sugar – 50, maize – 43 and garlic - 40.

Two permanent tenders for import of sugar falling within CN code 1701 with reduced customs duty for market years 2010/2011 and 2011/2012 were opened under Regulation (EC) № 634/2011 and № 1239/2011 of the Commission in 2011. Five tenders were conducted in the period 01.07-30.09.2011 resulting in three licenses for sugar imports at reduced duty. Three tenders were conducted in December 2011 with no licenses issued as the duty proposed by the Bulgarian operators is lower than the duty set by the European Commission.

Guarantees for execution of licences amounting to 1 365 680 547,33 BGN were registered in 2011 in favour of MAF. Guarantees for execution of licences were refunded after distribution of tariff quotas and for participation in tenders for import of sugar amounting to 1 391 630 674,15 BGN.

The guarantees confiscated in favour of MAF due to non-performance of obligation for import amount to 82 642.45 BGN. The amount of the sanctions imposed in 2011 is the highest for the entire period of effect of the system of import licences in Bulgaria.

2.2. Support under the second pillar of CAP – implementation of the Rural Development Programme 2007-2013

The Rural Development Programme for the period 2007-2013 includes a package of measures aimed at improving the competitiveness of agriculture, forestry and food processing, preservation of natural resources and environment, improvement of the quality of life and employment opportunities in rural areas. The total budget of the Programme for the period 2007-2013 amounts to 6 511 575 134 BGN, of which 5 246 184 587 is provided by the EU (EAFRD) and 1 265 390 547 BGN is provided from the national budget.

Eight formal requests for changes in the RDP were sent to the European Commission by 31.12.2011. Two notifications amending the Programme were sent in 2011 - seventh notification in April and eighth notification in November. By the end of June 2012, all eight requests for changes in RDP were approved.

A Guarantee Fund was created with the eighth amendment of the RDP in order to overcome the problems associated with providing own financial resources and implementation of projects under RDP for private beneficiaries under measures 121 “Modernization of the agricultural holdings”, 122

“Improving the economic value of forests” and 123 “Adding value to agricultural and forestry products”. It will facilitate access to finance for small and medium enterprises by compensating the insufficient bonds and securities when applying for loans.

The Guarantee Fund of the RDP was established as a separate financial unit within the “National Guarantee Fund” JSC (part of the Bulgarian Bank for Development), with capital amounting to 335 008 982 BGN, of which the contribution of the EU is 268 007 186 BGN and the national contribution - 67 001 796 BGN. The Guarantee Fund is expected to secure loans of over 1 200 000 000 BGN.

Amendments were made in 2011 and by the middle of 2012 to the regulations related to changes in compensation payments under measures 211, 212 and 214; transfer of funds to the most attractive measures – 112, 121, 321, changes in measures 223 and 226; provision of interest-free loans to beneficiaries – municipalities under forestry measures; providing possibilities to local action groups and municipalities for advance payments under projects set out in local development strategies of LAGs. The rate of advance payments for municipalities and legal entities - beneficiaries was increased from 20 to 50%, an alleviated regime was introduced in case of advance payments through a guarantee contract.

2.2.1. Achieved progress in the implementation of the RDP by axes

23 of the measures for financial grants under the Rural Development Programm were implemented in 2011. Measure 114 “Use of advisory services by farmers and forest owners” and measure 213 “Natura 2000 payments” started in 2011 in addition to the measures implemented in 2010. 3 907 applications for support (without measures 211, 212 and 214) with total value of 961 820 719,88 BGN were received in the year. The value of the requested subsidies amounted to 579 596 192.27 BGN.

Measures under Axis 1

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

No documents were accepted under this measure in 2011. Compared to the previous year the number of approved projects increased by 13%, and their value – by 7%. Payments were made under 26 contracts worth 1 470 762 BGN.

The analysis of progress towards achievement of the objectives (on the basis of effective contracts as of 31.12.2011) showed that the implementation with regard to the number of people who can be trained with the support under measure 111 is 157% on the basis of submitted projects and 13% on the basis of paid projects. The people trained under the measure in 2011 are 2 575.

95 with a total value of the agreed subsidy of 23 790 618 BGN were signed for the period from the launch of the RDP until 31.12.2011 under measure 111.

Measure 112 Setting up of holdings of young farmers

No new applications were accepted in 2011 due to exhaustion of the budget under the measure. As a result of the cancellation of contracts from previous periods, funds were released and another 12 applications for support were approved; 11 new contracts worth 537 845 BGN were signed. Payments were made under 19 contract totalling 408 762 BGN. Changes were made in the legislation providing some relief to the beneficiaries under the measure.

The analysis of progress towards the objectives (based on contracts for support) shows that the implementation of the target to support young farmers under measure 112 by 2011 is 101%. The qualitative analysis of projects under the measure for which payments were made shows that the majority of young farmers is engaged principally in horticulture - 31%, with orchards - 28% and field crops – 16%. The production of traditional crops in Bulgaria is preferred by 78% of the young farmers and 9% are engaged in livestock activities. The mixed farms are 8%. In category ‘other’, which accounts for 5%, the main areas are apiculture and alternative farming - California red worms and snails. The

proportion of young women farmers is 42% - close to the proportion of women working in agriculture (43%).

Although the acceptance of projects under measure 112 stopped in the middle 2009, the interest in this measure remains high. To satisfy this interest, additional funds were provided with the seventh amendment to the measure RDP and new documents will be accepted in the second half of 2012.

4 124 contracts with total value of the agreed subsidy of 200 068 067 BGN were signed since the beginning of the RDP until 31.12.2011 under 112. Payments were made under 4 085 contracts amounting to 99 530 517 BGN.

Measure 114 Use of advisory services by farmers and forest owners

The fifth amendment of the RDP (March 2011) approved a new measure which is measure 114 Use of advisory services by farmers and forest owners. The aim is to support farmers and forest owners to improve the sustainable management of their holdings by using advisory services. Beneficiaries of the measure can be farmers who are registered in the IACS and/or are registered as farmers under Ordinance № 3/1999. The financial aid amounts to 80% of the total eligible costs proven by invoices and payment documents issued on the basis of those invoices but no more than 2 934 BGN (1 500 EUR) for a full package of consultations. The maximum amount of eligible costs for the package of consultations in the sphere of forestry is 469 BGN (240 EUR).

58 applications for support worth in total 94 623,22 BGN were accepted in the period for acceptance of documents (14.11.2011- 22.12.2011).

57 contracts for support worth in total 111 328 BGN were signed from the beginning of 2012 until 25.06.2012 under measure 114.

Measure 121 Modernization of the agricultural holdings

Two targeted admissions of documents under the four types of budgets and one admission for sector Fruits and vegetables were held in 2011. At the beginning of the year, the state aid for investments to meet the Community standards in the production of cow's milk and to raise laying hens notified by the fifth amendment of the RDP was granted by making amendments in Ordinance № 8/03.04.2008. With the granted stated aid the intensity of the aid increased by 5% - 25% for the different types of investments in these sectors.

553 applications for support with a total value of public expenditure of 119 591 480 BGN were received in 2011. 291 contracts were signed with a value of public expenditure of 56 860 491 BGN. Compared to the previous year the number of approved projects increased by 68% and their total value – by 8%. The average value of projects decreased, i.e. a larger number of small farmers apply for funding under the measure. 274 projects with a total value of public expenditure of 60 359 200 BGN were agreed and they include investments under the so called “guaranteed budgets” for priority sectors.

Measure 121 is applied very successfully in terms of investments in plant production - in 2011 these investments accounted for 74% of the approved public expenditure and 88% of the financing paid under projects. The changes in the sixth amendment to the RDP taking into account the interests of sector Fruit and vegetables contributed to these results. 170 projects with a value of public expenditure of 27 285 366 BGN - nearly 40% more than the budget for the target admission - were received to support the investments in the sector.

The analysis of the contracts concluded in 2011 showed that 11,2% of the projects and 11,8% of the public expenditure involve investments in disadvantaged region (respectively at 9,4% and 9,5% in 2010). The proportion of new projects in disadvantaged areas increased significantly – 64 projects, which is 22% of all signed contracts.

In 2011 funds were disbursed under 20 projects under the European Economic Recovery Plan, with total public expenditure of 903 580 BGN which accounted for 7% of the budget. The largest amount of financing (598 475 BGN) was provided to projects related to the restructuring of the dairy

sector, thus achieving 9% of the objectives. 305,105 BGN (13% performance of objectives) was paid under projects related to water management. No payments were made for investments related to renewable energy sources.

69% of the submitted applications were approved and 2 431 contracts for support were signed under measure 121 for the period from the launch of the RDP until 31.12.2011. The amount of public expenditure under these contracts was 629 013 206 BGN. Payments were made under 1 843 contracts worth 452 668 815 BGN.

215 applications for support under the measure were received from 01.01.2012 to 25.06.2012. 132 contracts with public expenditure of 20 559 463 BGN were signed in that period.

Measure 122 Improvement of the economic value of forests

Due to changes in the conditions of the measure approved by the fifth notification of the RDP and the application of the "de minimis" rule, financial support per one project in 2011 was changed from 1 173 480 BGN to 391 160 BGN while the maximum amount of total eligible costs was preserved at 1 173 480 BGN. During the year one application was submitted for financial assistance with a total investment of 708 326 BGN and public expenditure of 424 996 BGN.

The main reasons for the insignificant interest in applying for support under the measure are:

- Small-sized private property (90% of restituted forests are less than 1 ha), resulting in a small amount of support;
- Owners are away from their forests and are not interested in them;
- The associations of forest owners (forest cooperatives) have met their most pressing needs by using support under measure 1.4. of SAPARD;
- Municipalities which own forests prefer to prepare and implement projects related to other activities (for example measures 321 and 322) and the possibilities to apply under measure 122 remain in the background;
- The slow processing of the few submitted applications discourages potential applicants.

2 applications for support under measure 122 were received and one contract with public expenditure of 370 243 BGN was signed in the period 01.01.2012 – 25.06.2012.

Measure 123 Adding value to agricultural and forestry products

In order to alleviate the conditions for application under this measure, amendments were made to Ordinance № 18/26.06.2008 in 2011. They clarify eligibility criteria for providing support to sectors and allow beneficiaries to receive advance payment of up to 50 % of the approved costs. A new mechanism for securing advance payments by signing a guarantee contract was approved.

A total of 198 applications for support were submitted in 2011 with a total public expenditure of 185 434 406 BGN. The payments under measure 123 increased significantly – 56 548 045 BGN (increase of 500% compared to the previous year) was paid under 93 contracts (increase by 745% compared to 2010).

Micro enterprises (70%) dominate the concluded contracts and their share increased by 7 percentage points compared to 2010, followed by small enterprises - 28% (down by 5 points) and medium enterprises - 2% (down by 2 points). The projects with payment are dominated by micro enterprises (61%). In 2011 balance was achieved between signed contracts and projects with payments according to the type of beneficiaries which indicates that the access to finance for small enterprises has improved. 10 contracts for investments under EERP were signed.

The analysis of the progress towards the objects based on concluded contracts shows that performance of 39% of the target of supported enterprises can be achieved with regard to the contracts, 46% for realized investments and 31% for enterprises that introduced new products, processes and technologies.

242 contracts with a total value of the agreed subsidy of 236 994 183 BGN were signed since the launch of the RDP until 31.12.2011 under measure 123. Payments were made under 104 contracts worth 65 990 221.74 BGN.

246 applications for support were received under the measure and 154 contracts with a value of public expenditure of 141 945 763 BGN were signed for the period 01.01.2012 - 25.06.2012.

Measure 141 Supporting of Semi-subsistence Farms Undergoing Restructuring

The measure was fully decentralized with the start of the acceptance of applications for support at the beginning of 2011. The regional directorates of SFA-PA were delegated rights not only to accept and evaluate applications for support, but also to approve or reject them. As a result, the administrative time limits for approval of applications for assistance were significantly reduced and the absorption of funds under the measure was improved.

2284 projects with a value of public expenditure of 33 502 854 BGN – which is over 2,5 times more compared to the previous year – were submitted in 2011. Compared to the period 2008-2010, the growth rate is 38%. 1 908 applications with a value of public expenditure of 27 987 498 BGN (2 times increase compared to 2010) were approved which represented 97,3% of the applications reviewed in 2011. During the year, payments were made under 2 638 applications totaling 7 735 189 BGN.

The analysis of the measure indicates that its objectives can not be met by the measure itself. To this end, 174 770 735 BGN of public funds from the budget of measure 141 was transferred to other measures with the seventh amendment of the RDP.

2 812 applications for support with a total value of public expenditure of 41 218 485 BGN were approved for the period from the launch of the RDP until 31.12.2011. Payment were made under 2 297 contracts with a total value of 9 819 268 BGN.

1 713 applications for support were received under measure 141 and 708 contracts with a value of public expenditure of 10 385 298 BGN were signed from the beginning of 2012 until 25.06.2012.

Measure 142 Setting up of producer groups

During the period of acceptance of documents under the measure (14.03.2011 - 30.12.2011) no applications for recognition and supporting of producer organization were received. One application submitted in 2010 was rejected in 2011 and one application is under consideration. Payment of 28 409 BGN was made under an application for payment filed in 2010.

The main reasons for the lack of interest in the measure are the difficulties in the cooperation of small agricultural holdings, the lack of mutual trust, the insufficient skills to manage the marketing organization (accounting, company/cooperative management), etc.

The regulatory changes reflecting the sixth modification of the RDP extend the scope of the members of producer organizations and add new eligible sectors - eggs and fertilizers from Californian red worm.

Measure 143 Provision of agricultural advice and consultancy in agriculture in Bulgaria and Romania

Since the launch of the measure its sole beneficiary is the National Agricultural Advisory Service. It provides farmers with free advisory services under measures 112, 141, 214, 121 and 311 of the RDP.

In 2011 NAAS provides a full package of advisory services under measure 141 "Support for semi-subsistence farms undergoing restructuring" and prepares business plans for measures 121, 122, 123 and 311. The Service has developed 2 292 projects – 3,6 times more compared to 2010. The prepared papers for application of semi-subsistence farms are 40% more compared to those in the

period 2008-2010. Payments were made during the year under 4 contracts worth 1 323 415 BGN in total.

The analysis of the progress towards the objectives (based on paid NAAS projects) shows that the total number of farmers assisted under measure 143 is 39% of the target number in the Programme, and the increase is by 12 points compared to 2010. The measure achieved better its objectives with regard to young farmers - 85% performance and 59% achievement of agri-environmental targets. Significant progress was made on semi-subsistence farms - 19% performance of the goals (compared to 5% by the end of 2010).

143 payments were made under 14 contracts with a total value of 5 999 082 BGN under the measure since the launch of the RDP until 31.12.2011.

Measures under Axis 2

Various measures and actions were undertaken in 2011 to improve the utilization of funds under the measures of axis 2 and to achieve the environmental goals of the RDP. Sector "Agroecology" was created within department "Direct payments" of SFA – PA, directly responsible for the implementation of measure 214 "Agri-environment payments". Changes were made in the regulations for implementation of measures in order to simplify the requirements and to remove any unnecessary bureaucracy to potential and current candidates. The sixth amendment of the RDP approved new, higher levels of compensation payments under measures 211, 212 and 214, which contributes to the creation of favorable conditions for raising farmers' interest in axis 2. The text of measure 213 "Natura 2000 payments - for agricultural land", which started in 2011, was approved.

For the first time since the launch of the RDP in 2011 the compensation payments under measures 211, 212 and 214 are paid within the calendar year at the new, higher levels approved by the sixth notification of the RDP.

The specialized information campaign within which 28 seminars for farmers willing to apply under measures 211, 212, 213 and 214 was conducted played an important role for the progress of the measures under axis 2.

Measure 211 Natural handicap payments to farmers in mountain areas

The sixth amendment of the RDP approved new, higher levels of compensation payments under measure 211. The comparison between the rates before and after the amendment is presented in the table below:

Table IV.12. Levels of compensation payments under measure 211

Ares for which assistance is granted (ha)	New rate (BGN/ha)	Old rate (BGN/ha)
up to 50 ha	254,3 BGN/ha	215.1 BGN/ha
from 50 ha to 100 ha	136.9 BGN/ha	97,8 BGN/ha
over 100 ha	58.7 BGN/ha	No assistance

Source: MAF, MA of RDP

29 210 applications for a total area of 296 688.53 ha were submitted for campaign `2011 under the measure. Payments for campaigns `2010 and 2011 amounting to 64 783 919 BGN were made in 2011 which represented growth of 87% compared to 2010.

The qualitative analysis of the implementation of the measure indicates that it contributes significantly to achieving the objectives laid down in the indicators of the results. 71% of the farms from mountainous areas under the measure were supported In 2011 (for campaign` 2010). There is an increase of 3 percentage points compared to the previous year. The objective of supported area is performed 79% according to the applications authorized for 2010.

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

Besides for measure 211, the sixth modification of the RDP approved higher levels of payments also under measure 212 as reflected in the table below.

Table IV.13. Levels of compensation payments under measure 212

Ares for which assistance is granted (ha)	New rate (BGN/ha)	Old rate (BGN/ha)
up to 50 ha	136.9 BGN/ha	97,8 BGN/ha
from 50 ha to 100 ha	58.7 BGN/ha	39,1 BGN/ha
over 100 ha	29,3 BGN/ha	No assistance

Source: MAF, MA of RDP

11 489 applications with a total area of 209 417,88 ha are submitted under the measure for campaign `2011. The public expenditure authorized by 30.06.2012 amount to 13 340 575 BGN. Compared to 2010 the areas with applications for support are by 3% more, compared to 2007 - by 16%.

The deadlines for processing the applications were reduced in 2011. As a result, a large number of the payments for campaign `2011 were made before 31.12.2011. In calendar year 2011 financing was paid for campaigns `2010 and 2011. The public expenditure paid under measure 212 reached 20 719 745 BGN which represented increase of 138% compared to 2010.

The quality analysis of the measure indicates that it contributes substantially to the achievement of the objectives laid down in the indicators of the results. 113% of the farms planned under the measure for campaign `2010 were supported in 2011. There is growth of 4% compared to the previous year. The performance of the objective for the supported area on the basis of paid applications is 83%.

Measure 213 “Natura 2000 payments for agricultural land”

In 2011 started the implementation of measure 213 Natura 2000 payments for agricultural land. The measures provides farmers with one more opportunity to receive additional funds for saving the traditional agricultural landscape and for using environmentally friendly agricultural methods.

2 427 applications were submitted by farmers cultivating land within the environmental network of Natura 2000, for a total area of 79 406 ha. The total amount of the payments is expected to reach approx. 6 000 000 BGN.

The analysis of the measure based on the submitted applications shows that the implementation in terms of number of supported holdings is 49%.

Measure 214 Agri-environment payments

Since the launch of the RDP, 2011 was the most successful year with regard to measure 214 "Agri-environment payments". The joint efforts of SFA and MAF, on the one hand, and the Association of Organic Producers, the environmental NGOs, the beekeepers, the associations of breeders rearing rare local breeds, etc., on the other hand, led to increased activity in the utilization of the funds supporting agri-environmental activities.

During campaign `2011 the measure received 1 972 applications - by 11% more compared to the applications submitted in 2010. In 2011 the financing paid under measure 214 amounts to 27 066 316 BGN, which is an increase of over 6 times compared to 2010 and represents 76% of the budget under the measure for the entire programming period. The largest share of the authorized financing is intended for activities under strand "Organic plant production" - 46%, followed by those for "Management of lands with high natural value" - 23% and "Conservation of endangered native breeds" - 16%.

The data analysis based on applications and areas submitted in 2011 under the respective strands shows that the farmers are most interested in “Organic plant production” (33%), “Restoring and maintaining grasslands of high natural value” - HNV1 (31%) and “Conservation of endangered native breeds” (21%). In terms of declared areas, the interest is highest in the activities under the “Restoration

and maintenance of grassed areas with high nature value" - HNV1 (42% of the areas applying for support under measure 214), followed by "Organic plant production" and "Traditional practices for seasons grazing/pastoralism" (30% and 24% of the areas).

In 2011 the interest in strands "Crop rotation for preservation of soil and water" and "Maintenance of the habitats of protected species in arable land located in ornitologically important locations" is the levels of campaign `2010.

There is a significant growth of the applications submitted under campaign `2012 and the areas declared under these two strands. 1 718 or 88% of the submitted applications were approved according to non-conclusive data by 30.06.2012.

Measure 223 Initial afforestation of non-agricultural lands

4 applications for support with a value of public expenditure of 652 868,06 BGN were submitted in 2011 under the measure. Considerable decrease (over 85%) was observed compared to previous years in terms of submitted projects and value of the requested subsidy. The interest in the measure remains low.

There is progress with regard to the approval of projects. 20 projects with a value of public expenditure of 2 752 200 BGN (9% increase compared to 2010) were approved in 2011. Payments were made under 14 applications with a value of public expenditure of 377 469 BGN.

Main applicants for support under the measure are municipalities (59% of the approved and 55% of the paid projects), the structures of the State Forest Agency – state forest and hunting areas (34% of the approved projects and 41% of the paid projects) and private owners of forests (3% of the approved projects and 5% of the paid projects).

The analysis of the progress towards the goals shows that the performed afforestation achieved the to a highest extent the objective to mitigate climate change - 12% on the basis of approved contracts and 7% on the basis of paid contracts, for the quality of water – 9% on the basis of approved contracts and 5% on the basis of paid contracts, for prevention of marginalization and abandonment of land - 10% on the basis of approved contracts and 5% on the basis of paid contracts.

44 contracts with a value of public expenditure of 5 671 820 BGN were signed under the measure since the launch of the RDP by the end of 2011. Payments were made under 22 contracts with a total value of 750 633 BGN.

Measure 226 Recovery of the forest potential and implementation of preventive actions

In 2011 actions were taken to improve the absorption of funds under measure 226. The sixth amendment of the RDP extends the areas with medium risk of forest fires so the entire territory of the country will be eligible for implementation of preventive actions against forest fires. Changes were made in the legislation regulating the conditions of implementation of the measure. Some requirements were added to the technological plan for afforestation which reduce the number of the required documents. The size of eligible forest roads was increased from 1500 to 5 000 linear meters. The municipalities applying for support under this measure may borrow from the central budget pursuant to Decree № 59 of 11 March 2011.

10 applications with a value of public expenditure of 3 137 415 BGN, respectively by 74% and 24% less compared to 2010, were received during the year. 27 contracts with a value of public expenditure of 2 997 984 BGN were approved. Payments were made under 14 contracts with a value of public expenditure of 445 172 BGN.

The analysis of the progress towards the goals shows that performance of 8% was achieved on the basis of approved applications and 4% on the basis of paid contracts with regard to the number of supported recovery activities. With regard to the indicator of afforested areas, the target of 170 000 ha was achieved to a much higher extent - 70% on the basis of approved applications and 17% on the basis of paid contracts.

48 contracts with a value of the approved subsidies of 5 046 158 BGN were signed under measure 226 for the period since the launch of the RDP until 31.12.2011. Payments were made under 20 contracts with a total value of 626 726 BGN. 12 projects with a value of public expenditure of 281 635 BGN were fully paid.

Measures under axis 3

Measure 311 Diversification to non-agricultural activities

In 2011 the interest in applying under the measure slightly decreased compared to 2010 but remained higher than the period 2008-2009. 155 applications with a value of public expenditure of 49 862 916.43 BGN were submitted during the year. 172 projects with a total value of 60 564 764 BGN were approved. Payments were made under 53 projects with a value of public expenditure of 9 101 156 BGN.

Most numerous are the projects approved for production of renewable energy with a total value of 44 885 610 BGN or 46% of the value of all projects. They are followed by projects for development of tourism - 42 104 462 BGN. In terms of projects for which payments were made most numerous are those for development of tourism with a total value of investments 12 544 501 BGN (46% of the value of all projects), followed by projects for production of renewable energy - 10 934 878 BGN.

10 contracts including investments under EERP for renewable energy amounting to 3 450 031 BGN were signed by the end of 2011. If these projects are implemented, the rate of absorption of the financing will reach 96%. Payments were made in 2011 for 2 projects under EERP with a total value of public expenditure of 121 260 BGN (3% of the budget).

195 contracts for support with a total subsidy of 66 859 297 BGN were signed since the launch of the RDP under measure 311. Payments were made under 53 contracts with a value of public expenditure of 9 101 156 BGN.

84 contracts for support with a value of public expenditure of 25 989 780 BGN were signed under measure 311 for the period 01.01.2012 - 25.06.2012.

Measure 312 Support for the creation and development of micro enterprises from the RDP

580 projects with total value of 166 752 478 BGN were received under measure 312 within the period for acceptance of projects in 2011. 423 projects with value of public expenditure of 131 979 340 BGN were approved during the year which is almost twofold increase compared to 2010. Payments were made under 128 contracts (growth of 464% compared to the previous year) with value of 28 195 259 BGN (increase by 730% compared to 2010).

40 contracts for renewable energy including investments under EERP were signed with a total value of 14 408 379 BGN by the end of 2011. If these investments are realized, the utilization of the budget will be 100%. In 2011 payments were made for 12 projects under EERP with a total value of public expenses of 1 742 618 BGN (12% of the budget).

The results from the indicator for the realization of the investments under the measure shows performance of 76%. The performance with regard to the non-agricultural gross value added in the supported holdings in million euro is 525%, and in terms of created jobs - 34%.

656 contracts with a value of public expenses of 198 388 033 BGN, which is slightly more than 30% of the total number of submitted applications, were signed for the period from the launch of the RDP until 31.12.2011. Payments were made for 186 applications for payment under 156 projects with a value of 31 592 565 BGN. Final payments were made under 69 projects with a value of public expenses of 19 933 514 BGN (63% of the paid amounts).

153 contracts for support with a value of public expenses of 45 169 185 BGN under measure 312 were signed from the beginning of 2012 until 25.06.2012.

Measure 313 Encouragement of tourism activities

64 applications for support under measure 313 with a total value of 22 683 089 BGN were accepted in 2011. Compared to the previous period for acceptance of applications 2009, the number of the submitted projects is increased by 36%, and the value of the planned public expenditure - by 35%. There is progress with regard to the approval of projects. The first 30 projects under the measure with a value of public expenditure of 7 688 374,20 BGN were approved in 2011. Payments were made under 27 projects with a value of 3 700 730 BGN.

The analysis of the progress of projects for which payments were made shows that the goal to support new tourist activities is achieved 11%, and to realize investments under the measure – 10%. The goal to open new jobs was achieved 14%.

Three applications for support were submitted under measure 313 for the period 01.01.2012 - 25.06.2012.

Measure 321 Main services for the population and the economy of the rural areas

In order to intensify the utilization of funds under measure 321 Decree № 59/11.03.2011 on the conditions and procedure for granting interest-free loans to municipalities from the central budget to fund the costs of final payments for projects approved under the RDP and their restoration was adopted in 2011. Decree № 367/29.12.2011 on the implementation of the state budget of the Republic of Bulgaria in 2012 provides for a mechanism for financing the cost of VAT of municipalities beneficiaries under RDP when making advance payments and for interest-free loans under Decree № 59/11.03.2011 for budget year 2012.

With the seventh amendment of the RDP makes possible to support the investments in social centers for children/young people under the measure to implement the Action Plan of the National Strategy "Vision for deinstitutionalization of children in Bulgaria" by transferring additional money to the budget of the measure. The acceptance of projects announced in late 2011 is intended for applications relating to the implementation of the Strategy. No applications were received by 31.12.2011. Projects will be accepted also in 2012.

64 applications with a value of public expenditure of 210 286 320 BGN were approved under measure 321 in 2011. Payments were made under 83 contracts with value of 132 918 240 BGN.

15 contracts including investments under EERP amounting to 36 019 969 BGN (100% of the allocated budget) related to management of water were signed by the end of 2011. Payments were made under all projects with value of 17 956 200 BGN (50% of the budget).

The analysis of the progress towards additional specific indicators and quantified targets (based on data from approved applications) shows that the target number of supported activities can be achieved with better values of the indicators related to improvement of road infrastructure and water infrastructure and to a lesser extent for projects with information and communication technologies, cultural and social aspects.

A total of 224 contracts with a value of public expenditure of 725 534 761 BGN were signed under measure 321 for the period 2009-2011. The approved projects are 30% of the submitted applications and 27% as value of public expenditure. Payments were made under 212 projects with a value of 344 077 231 BGN. Fully paid are 2 projects with a value of public expenditure of 719 734 BGN.

16 applications for financial support were received under measure 321 from the beginning of 2012 until 25.06.2012.

Measure 322 Renovation and development of settlements

No applications were received under this measure in 2011. 58 contracts with a value of public expenditure of 64 594 759 BGN were signed. Payments were made under 57 contracts with a value of 32 683 434 BGN. The number of paid applications increases while the paid financing decreases compared to 2010.

Measure 322 is one of the successfully implemented measures. The analysis of the progress of goals (on the basis of approved applications) shows that the target number of settlements where the activities are implemented may reach 46%, while the implementation of the indicator of investments made under the measure may reach 68%. The analysis of the progress of projects for which payments were made shows that 43% of the target number of settlements and 31% of the investments under the measure are achieved.

522 projects with a total value of public expenditure of 594 855 800 BGN were received under the measure for the period 2008 - 2011. 239 contracts (46% of the submitted projects) were signed with a total value of 274 323 929 BGN. A total of 369 applications for 220 projects with a total value of 127 029 051 BGN were paid under the measure.

23 applications for financial support were received under measure 322 from the beginning of 2012 to 25.06.2012. 63 contracts with a value of public expenditure of 8 305 055 BGN were signed.

Measures under axis 4 LEADER

Measure 41 Implementing local development strategies and measure 431-1 Management of LAGs, acquisition of skills and achievement of social activity on the territory of local action groups implementing local development strategies under priority axis 4 LEADER of the Rural Development Programme 2007 – 2013

The first call for selection of local action groups was published in 2010. 55 applications were submitted for approval of LAGs and their local development strategies. The Evaluation Commission started work on 17.03.2011 and finished on 16.09.2011. In the middle of October 2011 were signed contracts for financing with the approved 16 local action groups with a total value of 61 515 848 BGN.

The second term for submission of applications under measure 41 and under measure 431 was from 14.10.2011 to 07.11.2011. 71 applications for grants under measure Implementing local development strategies and measure Management of LAGs, acquisition of skills and achievement of social activity on the territory of local action groups implementing local development strategies were submitted. The budget for support of the second batch of applications amounted to 64 186 497 BGN.

431 payments were made under 62 contracts under measure with value of 9 028 807 BGN in 2011.

10 395 638 BGN under 100 contracts for support under the measure was paid from the launch of the RDP until 31.12.2011.

Measure 511 Technical assistance

The activities financed as technical assistance in 2011 were aimed at creating preconditions for efficient management and implementation of the RDP. 131 applications for support were submitted in 2011 of which 107 of the MAF and 24 of the SFA with a total value of 22 284 407 BGN. Four applications were cancelled and withdrawn worth 1 062 983 BGN. The projects agreed under the measure were 108 with a total value of 13 172 849 BGN. 10 230 043 BGN under 67 contracts was paid during the year.

304 applications for support with value 63 087 145 BGN, of which for MAF - 247 and for SFA - 57 were submitted from the launch of the measure in 2008 until 31.12.2011. A total of 247 contracts with a value of 33 225 811 BGN were signed. Payments were made under 128 contracts with a value of 17 768 898 BGN.

88 applications for support with a value of 6 050 417 BGN were submitted in the first semester of 2012. Contracts were signed for 64 projects with a total value of 10 280 373 BGN.

2.2.2. Financial implementation of the RDP by measures

Public financing amounting to 1 703 464 474 BGN (EAFRD and national co-financing), representing 27% of the RDP budget and 335 008 982 BGN for a financial engineering scheme (guarantee fund), which is 5% of the RDP budget was paid to final beneficiaries in the period 2008 -

2011 under the RDP. The total funds paid for the period amount to 2 038 473 456 BGN (32% of the RDP budget).

Most public financing was paid at the end of 2011 to projects under the measures of axis 1 amounting to 635 505 357 BGN, which represents 31% for the financing paid under the RDP. The payments are mainly under measures 121 and 112. 515 499 985 BGN (25% of the paid financing), of which 344 078 027 BGN under measure 321 was paid under the measures of axis 3. 301 173 640 BGN (15% of the financing for the period) was paid under axis 6 Additional payments to direct payments. There is considerable growth under axis 2 – the public financing reached 223 120 096 BGN (11%).

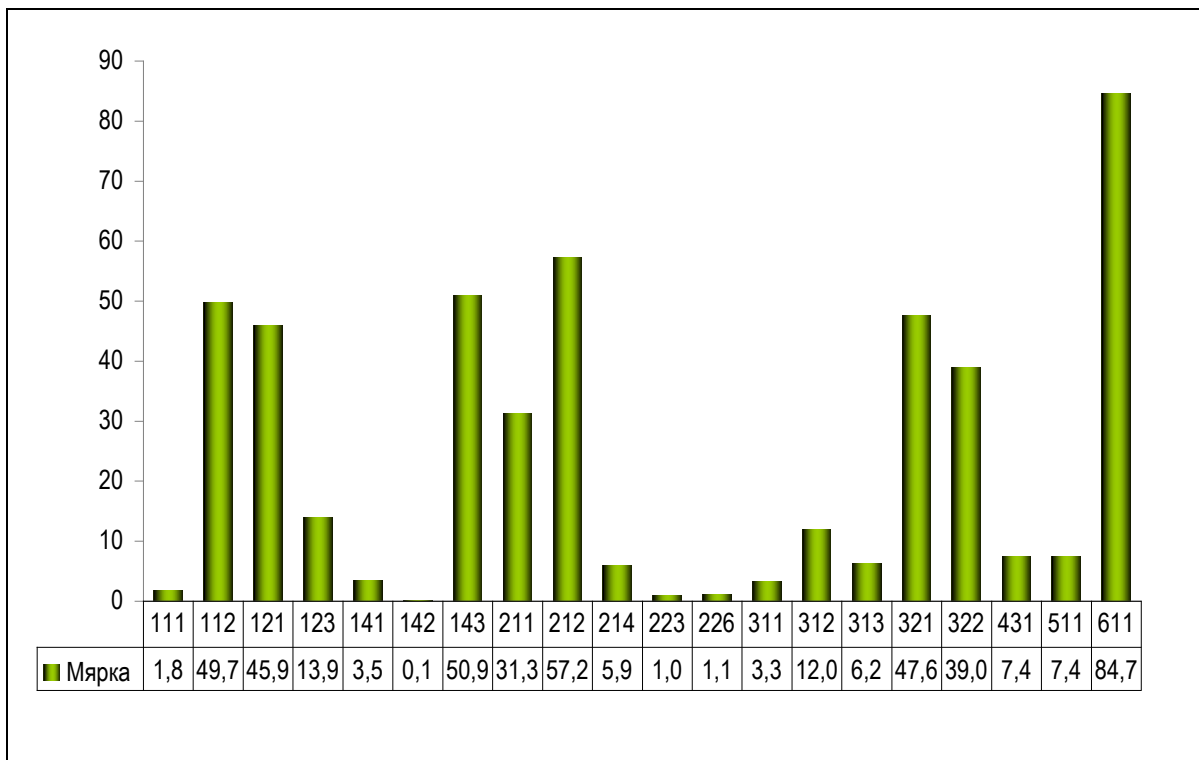
Table IV.14. Amounts paid under the RDP in 2010, 2011 and with accumulation for the period 2008-2011 under measures BGN

Measure/Axis	2010	Share of the total funds paid in 2010 under the RDP	2011 (without a guarantee fund)	Share of the total funds paid in 2011 under the RDP	Total 2008-2011 without a guarantee fund	Share of the total funds paid in 2008-2011 under the RDP
111 "Vocational training, information activities and dissemination of scientific knowledge"	0	0%	1 470 762	0%	1 470 762	0%
112 "Setting up of holdings of young farmers"	62 965 025	9%	408 762	0%	99 530 660	5%
121 "Modernisation of Agricultural Holdings"	215 319 889	30%	97 651 138	12%	452 668 815	22%
122 "Improving the Economic Value of Forests"	0	0%	0	0%	0	0%
123 "Adding Value to Agricultural and Forestry Products"	9 442 602	1%	56 548 045	7%	65 990 222	3%
141 "Supporting of Semi-subsistence Farms Undergoing Restructuring"	2 084 883	0%	7 735 189	1%	9 819 268	0%
142 "Setting up of producer groups"	0	0%	28 409	0%	28 409	0%
143 "Provision of agricultural advice and consultancy in agriculture in Bulgaria and Romania"	3 148 838	0%	1 323 415	0%	5 998 082	0%
Axis 1	292 961 238	41%	165 165 720	20%	635 506 218	31%
211 "Natural handicap payments to farmers in mountain areas"	34 600 058	5%	64 783 919	8%	142 628 671	7%
212 "Payments to farmers in areas with handicaps, other than mountain areas"	8 720 912	1%	20 719 745	2%	43 504 815	2%
214 "Agri-environment payments"	4 310 583	1%	27 066 316	3%	35 609 251	2%
223 "Initial afforestation of non-agricultural lands"	373 558	0%	377 469	0%	750 633	0%
226 "Recovery of the forest potential and implementation of preventive actions"	181 889	0%	445 172	0%	626 726	0%
Axis 2	48 187 000	7%	113 392 622	14%	223 120 096	11%
311 "Diversification to non-agricultural activities"	0	0%	9 101 156	1%	9 101 156	0%

Measure/Axis	2010	Share of the total funds paid in 2010 under the RDP	2011 (without a guarantee fund)	Share of the total funds paid in 2011 under the RDP	Total 2008-2011 without a guarantee fund	Share of the total funds paid in 2008-2011 under the RDP
312 "Support for the creation and development of micro enterprises"	3 397 225	0%	28 195 259	3%	31 592 565	2%
313 "Encouragement of tourism activities"	0	0%	3 700 730	0%	3 700 730	0%
321 "Main services for the population and the economy of the rural areas"	211 159 903	29%	132 918 240	16%	344 077 231	17%
322 "Renovation and development of settlements"	94 345 836	13%	32 683 434	4%	127 029 051	6%
Axis 3	308 901 008	43%	206 598 977	25%	515 499 985	25%
431 "Acquisition of skills and achievement of social activity on the territory of potential local action groups in rural areas"	1 367 104	0%	9 028 907	1%	10 395 638	1%
Axis 4	1 367 104	0%	9 028 907	1%	10 395 638	1%
511 "Technical assistance"	5 354 980	1%	10 230 043	1%	17 768 898	1%
Axis 5	5 354 980	1%	10 230 043	1%	17 768 898	1%
611 "Additional payments to direct payments"	65 218 107	9%	-747 116	0%	301 173 640	15%
Axis	65 218 107	9%	-747 116	0%	301 173 640	15%
Total	721 989 437	100	503 669 154	100	1 703 464 474	100

Source: MAF, MA of the RDP

Figure IV.2. Absorption rate of the funds under the RDP by 31.12.2011 with accrual, by measures, %



Source: SFA - PA

Measure

2.3. Additional state aid

In addition to the support under the two pillars of the CAP, Bulgarian farmers receive financial support and also under state aid schemes, short-term and long-term credit lines.

State aid and minimum aid ("de minimis"), granted in accordance with Regulation (EC) № 1535/2007 and notified and approved by the EC are implemented in 2011. The "de minimis" rule applies to aid which does not threaten competition because of its small size and may be provided by Member States without the need for approval by the European Commission. Regulation (EC) № 1535/2007 sets the maximum amount of de minimis aid in the field of the production of agricultural products at 7 500 EUR (14 669 BGN) per holding for a period of three consecutive fiscal years.

In 2011 farmers received state aid in the form of target subsidies, interest subsidies and capital subsidies under loans for implementation of investment projects, tax relief, minimal support and other benefits. State aid is granted through State Fund "Agriculture" as well as through other administrators of aid in agriculture outside of the Ministry of Agriculture and Food.

State aid amounting to over 28 million BGN was paid through State Fund "Agriculture" in 2011 to support 14 043 agricultural producers. 1682 farmers received corporate tax allowance of 30,5 million BGN in 2011 in line with the state aid for investments in agricultural holdings, administered by the National Revenue Agency.

Table IV.15. State aid in agriculture in 2010 and 2011 provided through SFA and through corporate tax allowance

State aid	2010		2011	
	million BGN	Number of recipients	million BGN	Number of recipients
State aid to offset losses suffered by farmers for completely damaged areas due to natural disasters or adverse weather conditions	1.172	73	1.240	245

State aid	2010		2011	
	million BGN	Number of recipients	million BGN	Number of recipients
Target subsidy to help farmers to buy seed potatoes for seed production and for consumption	1.484	365	1.511	405
Aid to encourage the production and use of quality seeds	0,723	1	0,883	1
Aid to co-finance insurance premiums to insure agricultural production	0,536	193	0,520	238
Temporary State aid to support farmers with agricultural production in order to preserve and maintain farms and production in the current financial and economic crisis	23,046	6 896	-	-
Aid to keep a stud book and to identify the productivity and genetic quality of livestock	2.298	28	2.772	33
Aid to keep a stud book and to identify the productivity and genetic quality of Bulgarian shepherd dogs and Karakachan dogs	0,003	2	0,010	2
Support for participation in exhibitions and fairs - National Livestock Show, town of Sliven; Regional Exhibition on Buffalo Farming, town of Razgrad; National assembly to determine local Bulgarian breeds, town of Kalofer	-	-	0,140	1
Support for participation in sheep farming exhibitions - Regional Exhibition on Sheep Farming, town of Kostinbrod; Municipal Exhibition on Sheep Farming, town of Elin Pelin; Municipal Exhibition on Sheep Farming, town of Godech; Municipal Exhibition on Sheep Farming, town of Breznik	-	-	0,030	1
Loan in favour of "Market for fruit, vegetables and flowers" JSC under project for wholesale markets in Bulgaria – an element of state aid	0,077	1	-	-
Loan in favour of "Maritsa" JSC for building and equipping a wholesale market – an element of state aid	0,036	1	0,036	1
Aid for investments in agricultural holdings to achieve the minimal requirements for protection of laying hens laid down in Directive 1999/74/EC of the Council*	n/a	n/a	n/a	n/a

State aid	2010		2011	
	million BGN	Number of recipients	million BGN	Number of recipients
Investments in agricultural holdings to achieve compliance with the requirements of quality in production and storage of raw milk laid down in Regulation (EC) № 853/2004*	n/a	n/a	n/a	n/a
Minimal aid (de minimis) - total	0,134	17	21.156	13 116
Aid for investments in agricultural holdings through corporate tax allowances	0	0	30,554	1 682

Source: SF Agriculture – National Revenue Agency

Notes: *transferred as state aid increasing the intensity under measure 121 of the RDP; n/a – not applicable.

New schemes for State aid

Eleven new schemes for state aid in agriculture were developed and notified to the European Commission and changes were made to 2 existing schemes from the beginning of 2011 until the middle of October 2012 as follows:

1. Investments for construction of commercial premises and purchase of commercial equipment for farmers engaged in direct supply of small quantities of raw materials and foodstuffs of animal origin;

2. Aid to co-finance insurance premiums to insure bee hives with bee families;

3. Aid for participation in dog shows – World Cup 2012 – Odessa, Ukraine, World Cup 2012 – Lorca, Spain, European Cup – Berlin, Germany and printing a catalogue “Background, current state and future of the Bulgarian Shepherd Dog”;

4. Aid for participation in sheep farming exhibition – Specialized regional autumn exhibition of White and Patch Faced Maritsa sheep in the village of Izbegli, municipality of Asenovgrad, Plovdiv;

5. Aid for participation in sheep farming exhibition – National fair of sheep farmers in Bulgaria, town of Veliko Tarnovo;

6. Amendment of state aid scheme „Aid to encourage the production and use of quality seeds” in order to include 5 additional crops in the scope of the scheme (tomatoes, cucumbers, peppers, watermelons and melons);

7. Amendment of state aid scheme „Aid for investments in agricultural holdings through corporate tax allowances ” in order to include the investments in irrigation equipment in the scope of the scheme;

8. Aid to compensate the costs of farmers related to the implementation of measures under „National programme for measures to control tomato leafminer - Tuta absoluta Meyrick (Lepidoptera)”;

9. Reduced excise duty on gas oil used for primary farm production through a fuel voucher system;

10. Aid to implement voluntary commitment for welfare of pigs;

11. Aid to implement voluntary commitment for welfare of poultry;

12. Aid for participation in a horse fair – National Horse Fair of Haflinger Horses – town of Razlog, National Fair of Danube Breed Horses – city of Sofia, National Fair of Bulgarian Heavy Draft horse - town of Pernik, National Fair of Karakachan Horse - town of Smolyan, National Fair of English Thoroughbred Horse - town of Balchik, National Fair of Bulgarian Trotting Horse - town of Pazardhik;

13. Aid for participation in sheep farming exhibition - Regional Sheep Farming Exhibition – city of Ruse, Regional Sheep Farming Exhibition – town of Stara Zagora and printing catalogue “Breeding

rams and ewes producing rams of the breed Ile-de-France”, a manual “Preventive Veterinary Measures at the Farm” and a farmer’s manual “The breed Ile-de-France in Bulgaria”;

De minimis aid

The following de minimis aid was granted in 2011:

1. Scheme for de minimis aid for regions affected by the foot-and-mouth disease;
2. Scheme for de minimis aid for feeding the animals in 2011;
3. Scheme for de minimis aid for purchase of seeds and fertilizers for production of cotton;
4. Individual de minimis aid setting up farms by young farmers to establish nursery-gardens with perennial plants and/or decorative species, including acacia;
5. Individual de minimis aid.

The de minimis aid aid in 2011 amounted to 21 155 660 BGN.

The total amount of the financing in the form of de minimis aid for a period of three tax years (2009 - 2011), including paid subsidies, calculations of gross equivalent under paid credits in 2009 and 2010 and calculated gross equivalent in case of rescheduling of loans in 2009 and in 2010 amount to 22 248 580 BGN.

2.3.1. Short term support through State Fund Agriculture

In 2011 were implemented 18 support schemes for farmers. Under the current short-term funding schemes support was received by 14,894 farmers (9,480 for 2010), and were rescheduled loans for the purchase of feed and / or feed ingredients that were received in 2008, 2009 and 2010.

The total amount of funds contracted and disbursed in short-term lending and funding measures equals BGN 39,843,000, including: BGN 28,180,000 – paid in the form of subsidies, and BGN 11,663,000 – paid in the form of loans.

Rescheduling of loans received in 2008, 2009 and 2010

In 2011, farmers that have used loans to buy feed and / or feed ingredients in 2008, 2009 and 2010, were given the opportunity to reschedule those loans by 26.11.2012, by repaying the interest due on the loans by 15.11.2011, the interest rate being 6 %, but not less than the reference rate for Bulgaria, applicable at the date of conclusion of the annex by virtue of which the loan was rescheduled. In this case rescheduling does not include State aid elements and No gross grant equivalent is generated and accumulated under "de minimis" aid.

Out of 3,344 contracts signed in total, 2,908 farmers rescheduled their loans, reaching the overall amount of BGN 59,324,000. The remaining contracts are repaid or due. A total of 1,870 borrowers (over 64%) have recovered the interest due on loans amounting to BGN 2,846,000, which is nearly 60% of the interest payable on annexes.

Estimated data for 2012

For 2012, the estimates are total funds available for short-term support schemes to amount to about to BGN 69 million, including approximately 49 million BGN for subsidies and state aid, and BGN 20 million – for loans.

Spending of funds allocated for the provision of grants and loans will be carried out in the following areas:

1. support for co-financing of insurance premiums in relation with insurance of beehives with swarms;
2. support for co-financing of insurance premiums in relation with insurance of agricultural production;

3. Scheme for the award of State aid for maintaining the herd-book and identifying the productivity and genetic qualities of the livestock;
4. Scheme for the award of state aid for the keeping of stud-book and identifying the productivity and genetic qualities of dogs of the "Karakachan" and Sheepdog breeds;
5. support for participation in an exhibition in sheep farming - the National Festival of sheep farmers in Bulgaria in the city of Veliko Tarnovo;
6. support for participation in International Dog Shows - Odessa – Ukraine, Lorca – Spain, Berlin – Germany;
7. support for participation in exhibitions of horses;
8. support for participation in exhibitions of sheep farming - indigenous sheep breeds;
9. State aid to offset the losses of farmers in areas completely failed due to natural disasters or severe climate conditions in 2011;
10. Aid scheme to encourage the production and use of high quality seeds;
11. State aid to combat Tuta absoluta;
12. State aid De minimis for cotton producers;
13. State aid De minimis for swarms;
14. state aid de minimis for ewe and goat in gestation;
15. State aid De minimis for potato growers;
16. state aid De minimis for producers of fruit, vegetables and mushrooms;
17. state aid De minimis for freshwater fish farming;
18. Support for participation in exhibitions and fairs through the Executive Agency for Selection and Reproduction in Animal Breeding (EASRAB) – National Livestock Show – the city of Sliven, regional exhibition in buffalo farming – the city of Razgrad, national fair – the city of Kalofer;
19. Support for participation in regional specialized autumnal exhibition of sheep of the breeds "White" and "Vakli Marishki" – the village of Izbegli, Plovdiv;
20. support for exhibitions in sheep farming for the breed "Ile de France" in Bulgaria;
21. Support for participation in the international exhibition for stock farming Euro Tier, the city of Hannover, Germany – 2012;
22. support for the implementation of voluntary commitments concerning animal welfare for swine;
23. support for the implementation of voluntary commitments concerning animal welfare for birds;
24. award of loan to purchase mineral fertilisers and seed for the production of wheat crop harvested in 2013;
25. Credit for keeping animals for farming purposes (cows, buffaloes, ewes and goats in gestation).

2.3.2. Investment schemes of State Fund Agriculture

In 2011, domestic support for encouraging investment in agriculture is implemented by applying a credit scheme for investment in agriculture and a scheme for refinancing — by resources coming from State Fund Agriculture — of commercial banks for loans provided under measures of the RDP.

The credit scheme for investment in agriculture has three main strands – "Crop Husbandry", "Animal Husbandry" and "Technical support". The scheme is targeted at promoting the investment process, enhancing the competitiveness and quality of the produced agricultural production by means of facilitating access to credit resources.

The activities and facilities eligible for financial support are, as follows:

- creation, rehabilitation and cultivation of perennial plants and investments in greenhouse horticulture production;
- establishing animal husbandry farms and providing the relevant equipment and purchasing pure-bred animals, hybrid breeds and production animals;
- purchasing of machinery, facilities and inventory used in agriculture.

Investment projects are funded directly by the State Fund Agriculture at an annual interest rate equal to the reference interest rate², applicable on the day of conclusion of the credit contract, but which shall not be lower than the interest rate set by the managing board of the SFA for 2011 – 6%, and by refinancing of commercial banks. During the current year the SFA renegotiated interest terms for refinancing, resulting in reduction of the interest rate accrued on new loans from 9 to 7 percent on an annual basis. For credits directly financed by the SFA the processing and management fee is reduced from 1% to 0.5%.

In 2011, 17 projects were approved, amounting to BGN 1,797,500, out of which 14 projects were financed, and, respectively, refinanced. The credit resources granted amount to BGN 1,208,554, including BGN 94,394 for tranches under funded projects from previous years.

Table IV.16. Allocation of funds broken down into strands and lending method

Lending scheme	Financed /re-financed			
	amount	Loan (in BGN)	Capital grants (in BGN)	Interest subsidies (in BGN)
1. "Animal Husbandry" Strand - through commercial banks (CB)	2	200 000	-	593 694
2. "Animal Husbandry" Strand - through direct lending	6	324 500	-	59 851
3. "Crop Husbandry" Strand - through commercial banks (CB)	-	87 440	5 460	520 259
4. "Crop Husbandry" Strand - through direct lending	1	35 454	-	114 194
5. "Technical Support" Strand - through commercial banks (CB)	-	-	-	871 226
6. "Technical Support" Strand - through direct lending	5	561 160	-	
Total amount under the credit scheme	14	1 208 554	5 460	2 159 224

Source: SFA, the "Lending Register" Information System

"Animal Husbandry" Strand

For the period 01.01.-31.12.2011 under the "Animal Husbandry" strand were financed eight projects reaching an investment value of BGN 585,544. The credit resources granted amounted to BGN 524,500. During the reporting period under the programme were paid subsidies aimed at covering interest expense amounting to BGN 653,545. Resources were allocated as shown below:

Table IV.17. Allocation of resources under the "Animal Husbandry" Strand

² The reference interest rate shall be defined in compliance with the Communication from the Commission on the revision of the method for setting the reference and discount rates (OJ C 14, 19.1.2008, p. 6'1)

Subject of the investment	Number of projects	Value of the investment (in BGN)	Loan (in BGN)	Number of animals
I. Purchase of animals, including:	3	173 870	146 500	-
Heifers and cows in gestation	2	66 500	66 500	51
Ewes in gestation	1	107 370	80 000	547
II. Purchase of buildings and equipment	5	411 674	378 000	-
TOTAL (I+II):	8	585 544	524 500	-

Source: SFA, the "Lending Register" Information System

"Crop Husbandry" Strand

Under the "Crop Husbandry" Strand in 2011 support was granted for the creation of 28 decares of cherries. Loans of an overall value of BGN 122,894 were granted, including installments on loans from previous years. Capital grants under existing state aid measures were paid, totaling BGN 5,460. During the reporting period under the strand concerned interest subsidies were also paid, amounting to BGN 634,453.

Table IV.18. Allocation of resources under the "Crop Husbandry" Strand

Subject of the investment	Number of projects	Value of the investment (in BGN)	Loans (in BGN)	decares	Capital grant (in BGN)
Implantation of permanent crops					
Vineyards	*	-	72 554*	-	-
Cherries	1	49 358	50 340	28	5 460
Total	1	49 358	122 894		5 460

Source: SFA, the "Lending Register" Information System

* The amounts cited represent installments under projects financed in previous years.

"Technical Support" Strand

In 2011, under the programme 5 projects received funding, their investment value amounting to BGN 741,324. Lending resources totaling BGN 561,160 were granted. For projects financed in previous years for the purchasing of new farm machinery interest subsidies were paid amounting to BGN 871,226.

Table IV.19. Allocation of resources under the "Technical Support" Strand

Subject of the investment	Number of projects	Value of the investment in BGN	Loans (in BGN)	Number of machines
Tractors	3	595 333	443 160	3
Towed machinery	2	145 991	118 000	
Total:	5	741 324	561 160	

Source: SFA, the "Lending Register" Information System

Capital grants and interest subsidies under existing state aid measures

Capital and interest subsidies represent state aid measures that Bulgaria had the right to negotiate within a three-year period following its accession to the EU as existing State aid implemented before the accession. In 2011, capital grants and interest subsidies under undertaken commitments from previous years were paid, as follows:

- Capital grants and subsidies covering interest expense throughout the term of the loan under the regional programmes of the State Fund Agriculture – Programme for Alternative Agriculture in the Rhodopi region (20% of the loan amount), Regional Programme for Northwest Bulgaria (14% and 20% – for mountain areas) and the Programme for Agriculture and Rural Development in the Strandja-Sakar region (20%).
- Subsidy aimed at covering interest expenses throughout the term of investment loans to young farmers;
- Subsidy aimed at covering interest expenses related to the purchasing of new farm machinery.

Table IV.20. Allocation of subsidies broken down into strands

Nature of the subsidy	Amount of the subsidy (in BGN)
1. Capital grants, including:	5 460
- under the Strandja-Sakar Programme (20% of the amount of the loan)	5 460
2. Interest subsidies, including:	2 159 224
- for of young farmers	31 119
- for the purchasing of new farm machinery	871 226
- under the Programme for the Rhodopi region	74 233
- under the Programme for Northwest Bulgaria	666 557
- under the Programme for the Strandja-Sakar region	516 089
Total amount of subsidies (1+2):	2 164 684

Source: SFA, the "Lending Register" Information System

Scheme for refinancing — by resources coming from the State Fund Agriculture — of commercial banks for loans provided under measures of the RDP

In order to provide financial resources for the implementation of projects under the RDP measures in May 2011 was approved a scheme for refinancing — by resources coming from the State Fund Agriculture — of commercial banks for loans expended on projects under measures Nos 121, 122, 123, 223, 226, 311, 312 and 322 of the RDP. For implementation of the scheme contracts were concluded with 18 commercial banks. The scheme was launched in September 2011 and the interest of farmers with regard to it marked steady growth.

The lending under the scheme is implemented under significantly more favorable interest rates - the amount of the annual interest rate was reduced from 9.0% to 7.0%. The repayment term of the loan is 60 months, including the utilisation period and the period of grace. The refinancing amounts to up to 100% of the investment costs approved for funding, reduced by advances paid and / or interim payments, but shall not exceed BGN 500,000.

For the period September - December 2011 were committed financial resources for the refinancing of 53 credits amounting to BGN 15,499,688. Through these loans will be realized investments totaling over 30 million BGN. Until 31.12.2011 were granted funds equal to BGN 8,176,735, through which were refinanced, in full or in part, 38 bank loans. The remaining financial resources committed will be implemented in the course of 2012.

Estimated data for 2012

For 2012 it is estimated that investment credits worth about 80 million BGN will be granted. The expected amount of subsidies and state aid measures is in the range of 5 million BGN. Spending of

resources envisaged for the provision of loans and grants will be carried out in the following areas:

- Payment of undertaken commitments from previous years – in 2012 commitments were undertaken under concluded contracts (valid until the end of 2009) for loans and installments on loans equal to BGN 7,192,333 and under installments on capital grants and interest subsidies, amounting to BGN 1,530,000.
- The credit scheme for investment in agriculture – it is estimated that by the end of 2012 under the scheme will be provided investment credits worth about 1 million BGN. As of October 2012 were funded six loans worth BGN 321,210.
- The Procedure for re-financing, via commercial banks, of projects under the RDP – as of October 2012 were funded 188 new loans amounting to BGN 45,716,000. Having in mind the strong interest in the scheme, it is expected that by the end of the year will be re-financed loans in the range of 70 million BGN.
- The Lending Scheme using resources from the State Fund Agriculture for persons with approved projects under the National Programme on beekeeping – as of 31.07.2012 – the deadline for submission of applications for credit – 146 requests for credit worth BGN 967,420 were submitted, out of which 141 loans totaling BGN 932,889 were financed.
- The state aid scheme "Investments for the construction of commercial premises and purchase of commercial equipment for farmers engaged in direct supply of small quantities of raw materials and foodstuffs of animal origin" – it is estimated that by the end of the year under the scheme will be granted state aid in the amount of about 200 thousand Luvs. As of October 2012, 15 projects were submitted, having investment costs at the value of BGN 206,958 and amount of the aid of BGN 94,370, out of which to 11 projects was disbursed state aid amounting to BGN 75,908.

V. ACTIVITIES RELATED TO AGRICULTURAL PRODUCTION

1. Control of agricultural and forestry machinery

1.1. Situation of mechanisation in agriculture and structure of the machinery stock and tractor fleet

The technical and technological modernisation of agricultural production is one of the major factors for increasing efficiency and competitiveness.

Table V.1. Number of machines registered in groups and broken down by years based on the age structure for the period 2007—2011

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	2007	43 690	2 030	4,6%	1 325	3,0%	852	2,0%	1 220	2,8%	1 072	2,5%	37 191	85,1%
	2008	48 761	3 026	6,2%	1 661	3,4%	1 258	2,6%	938	1,9%	1 544	3,2%	40 334	82,7%
	2009	52 605	3 394	6,5%	1 974	3,8%	1 649	3,1%	999	1,9%	1 442	2,7%	43 147	82,0%
	2010	55 925	3 239	5,8%	2 514	4,5%	1 929	3,4%	1 438	2,6%	1 152	2,1%	45 653	81,6%
	2011	59 452	3 251	5,5%	3 168	5,3%	2 118	3,6%	1 582	2,7%	1 113	1,9%	48 220	81,1%
CRAWLER TRACTORS	2007	2 569	12	0,5%	9	0,4%	2	0,1%	20	0,8%	22	0,9%	2 504	97,5%
	2008	2 510	17	0,7%	12	0,5%	8	0,3%	9	0,4%	35	1,4%	2 429	96,8%

										%				
	2009	2 474	26	1,1%	14	0,6%	11	0,4%	4	0,2%	28	1,1%	2 391	96,6%
	2010	2 470	32	1,3%	35	1,4%	21	0,9%	11	0,4%	11	0,4%	2 360	95,5%
	2011	2 443	37	1,5%	46	1,9%	22	0,9%	11	0,5%	10	0,4%	2 317	94,8%
TRACTOR TRAILERS	2007	20 967	208	1,0%	92	0,4%	81	0,4%	189	0,9%	236	1,1%	20 161	96,2%
	2008	22 923	425	1,9%	425	1,9%	105	0,5%	108	0,5%	312	1,4%	21 548	94,0%
	2009	24 103	672	2,8%	180	0,7%	117	0,5%	94	0,4%	226	0,9%	22 814	94,7%
	2010	25 127	787	3,1%	263	1,0%	153	0,6%	110	0,4%	135	0,5%	23 679	94,2%
	2011	26 252	893	3,4%	531	2,0%	194	0,7%	89	0,3%	96	0,4%	24 449	93,1%
TRAILED, MOUNTED AND STATIONARY MACHINERY	2007	90 384	4 820	5,3%	3 927	4,3%	2 050	2,3%	3 067	3,4%	2 809	3,1%	73 711	81,6%
	2008	95 024	6 253	6,6%	4 606	4,8%	3 204	3,4%	2 506	2,6%	3 717	3,9%	74 738	78,7%
	2009	103 008	8 893	8,6%	5 454	5,3%	4 546	4,4%	2 378	2,3%	3 449	3,3%	78 288	76,0%
	2010	106 749	10 155	9,5%	5 153	4,8%	5 039	4,7%	3 348	3,1%	2 752	2,6%	80 302	75,2%
	2011	108 434	8 675	8,0%	7 653	7,1%	5 207	4,8%	3 479	3,2%	2 553	2,4%	80 867	74,6%
COMBINE HARVESTER-THRESHERS	2007	8 951	267	3,0%	329	3,7%	226	2,5%	368	4,1%	347	3,9%	7 414	82,8%
	2008	9 258	435	4,7%	338	3,7%	278	3,0%	278	3,0%	432	4,7%	7 497	81,0%
	2009	9 659	666	6,9%	277	2,9%	339	3,5%	251	2,6%	393	4,1%	7 733	80,1%
	2010	9 821	798	8,1%	239	2,4%	375	3,8%	285	2,9%	333	3,4%	7 791	79,3%
	2011	10 158	728	7,2%	500	4,9%	336	3,3%	233	2,3%	319	3,1%	8 042	79,2%
FORAGE HARVESTERS AND OTHER SELF-PROPELLED MACHINERY	2007	1 811	15	0,8%	12	0,7%	7	0,4%	28	1,5%	12	0,7%	1 737	95,9%
	2008	1 821	17	0,9%	10	0,5%	10	0,5%	15	0,8%	25	1,4%	1 744	95,8%
	2009	1 840	16	0,9%	14	0,8%	9	0,5%	8	0,4%	28	1,5%	1 765	95,9%
	2010	1 827	20	1,1%	13	0,7%	9	0,5%	13	0,7%	17	0,9%	1 755	96,1%
	2011	1 836	22	1,2%	16	0,9%	13	0,7%	5	0,3%	11	0,6%	1 769	96,4%

Source: Technical Control Inspection (TCI)

The available data on registered machines for the period 2007 - 2011 show a steady trend of modernisation of the machinery and tractor fleet. The average age of the machines in Bulgaria has decreased.

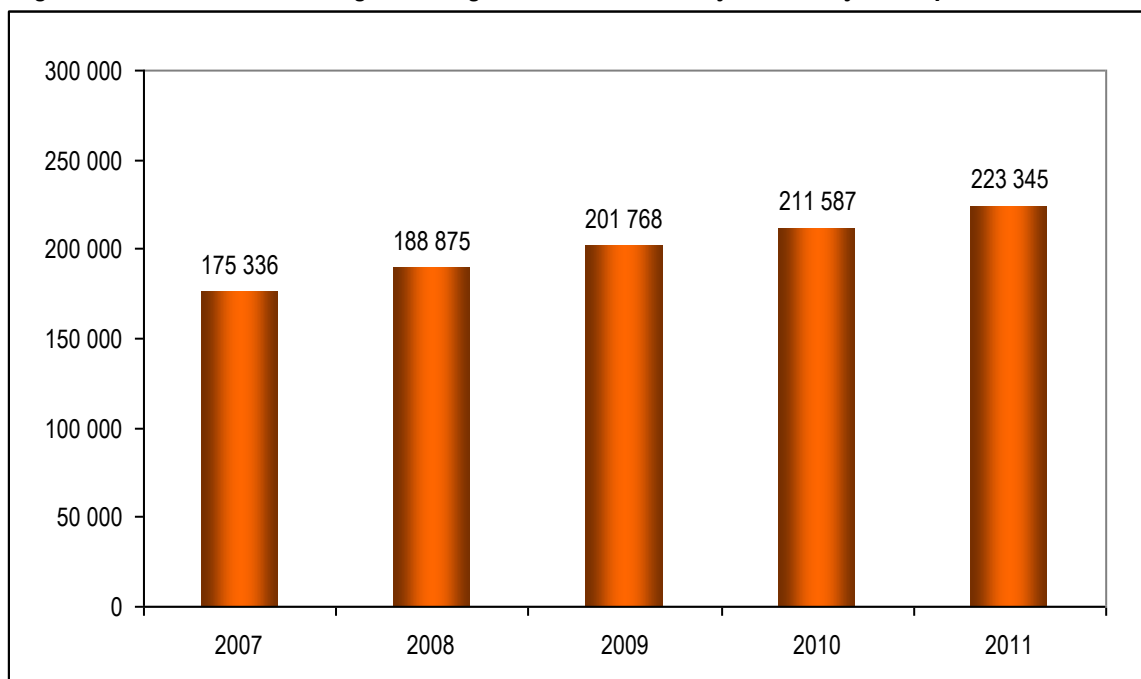
In 2011 the share of wheeled tractors under the age of 2 years has already reached 5.5%, being 4.6% in 2007. The number of trailed, mounted, and stationary machines up to two years of age increased from 5.3% in 2007 up to 8% in 2011, while the share of combine harvester-threshers up to two years of age grew from 3 percent in 2007 to 7.2% in 2011.

1.2. Registration of agricultural and forestry machinery

Monitoring of the technical state of each machine and control over the safety at work and during transportation is performed through the registration of agricultural and forestry machinery. As the national authority for registration of agricultural and forestry machinery and equipment for earth works, the Technical Control Inspection maintains a database containing all machines in Bulgaria. Throughout 2011, permanent exchange of data with the National Revenue Agency, the Court and the Prosecutor's Office, the bodies of the Ministry of the Interior and the Paying Agency was carried out, in order to prevent illegal disposal of equipment and to provide assistance in searching for such equipment.

In 2011, the total number of registered agricultural and forestry machinery reached 223,345 - a 5.6% increase compared to the end of 2010. The number of wheeled tractors increased by 6.3% reaching 59,452 machines and that of combine harvester-threshers reached 10,158, marking an increase of 3.4% compared to 2010. Trends are similar for trailed, mounted, and stationary machines. As a whole, the trend of increase of the registered machines observed in recent years still persists.

Figure V.1. Total number of registered agricultural and forestry machinery in the period 2007 – 2011



Source: Technical Control Inspection (TCI)

1.3. Control of the technical condition and safety of machinery

The technical state of the machinery is not only important for the efficiency and functionality of the equipment, but also for its safety. Any minor malfunction, especially in the gear necessary for controlling and the braking system under certain conditions could lead to serious injuries. Another major factor that affects the safety of agricultural and forestry machinery is its provision with reflective triangles, plates and markings and the presence of devices producing blinking or flashing yellow light mounted on the roof of the cab of self-propelled machinery. The legal capacity and qualifications of combine harvester-thresher and tractor drivers also affects the safe handling and transport of agricultural and forestry machinery.

In 2011, 20,500 machines were examined and 623 administrative offence statements, 536 decisions imposing an administrative penalty, 63 orders for suspension of work and 73 observation protocols were drawn up.

Joint inspections were carried out, 425 of which with the Labour Inspectorate, 525 with the regional units of the "Fire-Safety Services", 62 with the traffic police and 403 with other organizations. The joint inspections help to improve the effectiveness of control activities.

The control during the procedure of initial registration of agricultural and forestry machinery and equipment for earth works was enhanced. Registration of new machinery without a certificate or declaration of conformity is not allowed, which is evidence that the machinery that is being put into use is safe.

In 2011, registers of all companies - manufacturers and importers of trailed, mounted, and stationary machinery and facilities were examined and developed. More than 26 prescriptions for compliance with the requirements of statutory Instruments ensuring the safety of the machines were drafted.

The Technical Control Inspection aims to ensure the safety of agricultural and forestry machinery prior to placing it on the market by means of testing, type approval and certification. In this context, the activities of the Technical Control Inspection are focused on the introduction and implementation of European standards ensuring safe and environmentally friendly agricultural machinery. This contributes to reducing accidents and fatalities at work in the agricultural sector.

Through the issuance of certificates and test reports companies that are manufacturers of agricultural machinery are enabled to elaborate correct technical specification files based on which to issue declarations of conformity and thus, to export their products in the European Community without any restrictions, while following the rules of the harmonized legislation.

For the purpose of testing and certification, the necessary accreditation by the Executive Agency "Bulgarian Accreditation Service" was maintained, in conformity with the requirements of international standards and European legislation.

The services carried out have contributed to the elimination from the market and the phasing out of agricultural and forestry machinery, which is dangerous to consumers' health and pollutes the environment, to facilitating imports and exports of the said machinery, as well as to reducing costs of manufacturers by introducing requirements for the production of high-quality and competitive products, applicable in the EU, and creating prerequisites for building a competitive economy.

For the period 01.01.2011 - 31.12.2011 testing and certification of agricultural machinery was carried out, as follows:

Table V.2. Testing and certification of agricultural machinery

"Agricultural Machinery" Programme	Measurement unit	2011 - planned quantities	2011 - reported quantities
Performance indicators			
1. Test reports from safety tests of newly purchased and second-hand machinery and type approval.	number	380	1324
2. Protocols on conformity assessment of newly purchased and second-hand machinery and type approval.	number	380	1316
3. Certificates of Conformity	number	340	1316
4. Protocols for technical identification	number	340	1284
5. Certificates of Conformity	number	8	14

6. Drafting of legislation	% of projects assigned by the Ministry of Agriculture and Food	100	100
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Source: Technical Control Inspection (TCI)

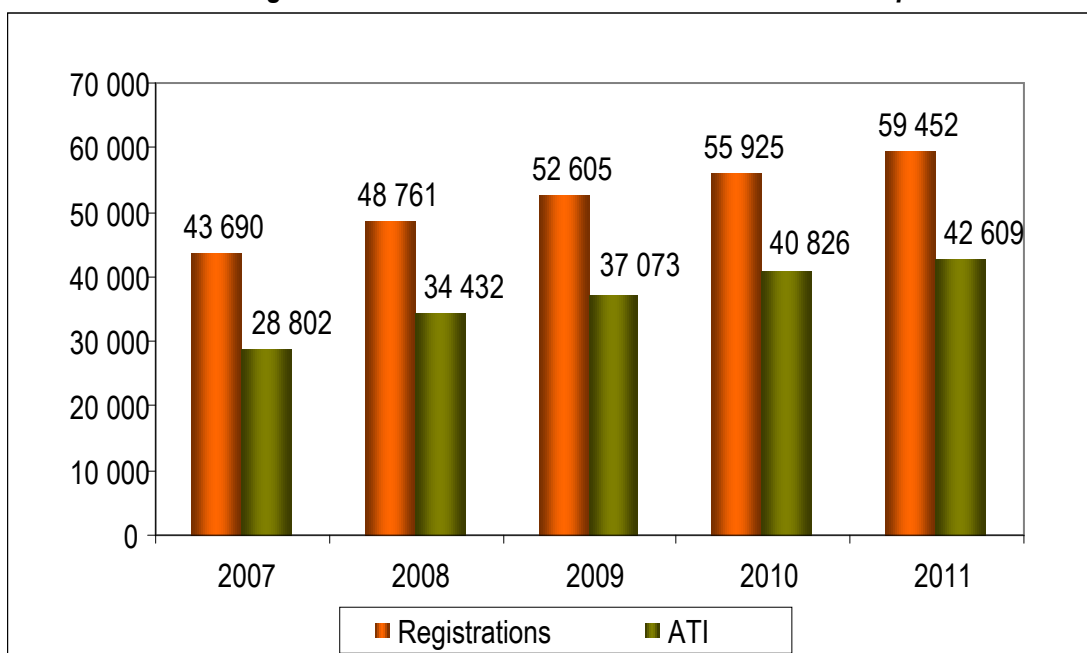
The set estimated values were exceeded, despite difficulties in connection with the transfer of testing centres in Ruse and Plovdiv under the umbrella of the Technical Control Inspection.

Work on the implementation of Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for Community action to achieve the sustainable use of pesticides is underway. Specialists from the Technical Control Inspection, together with the coordinator of implementation of the said directive – Bulgarian Food Safety Agency – have passed training to test the equipment for pesticide application intended for professional use.

1.4. Technical inspections of machinery

A major factor that ensures the safety of agricultural and forestry machinery at work and during transportation is the carrying out of technical inspections of machinery.

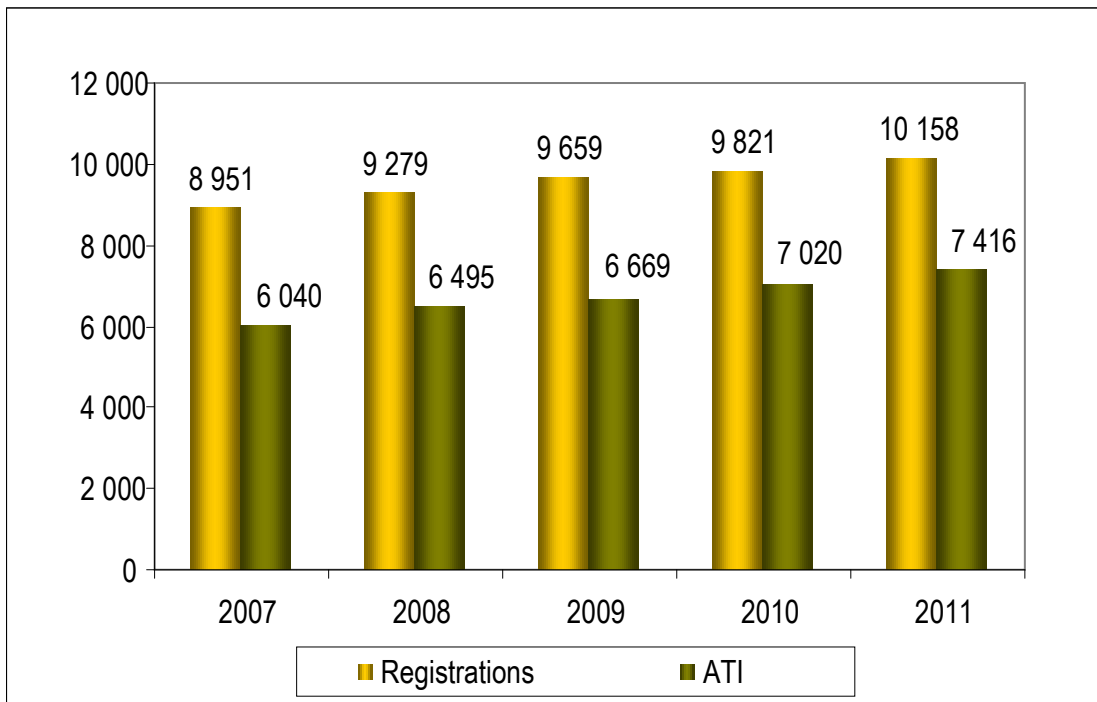
Figure V.2. Number of registered wheeled tractors and annual technical inspections carried out



Source: Technical Control Inspection (TCI)

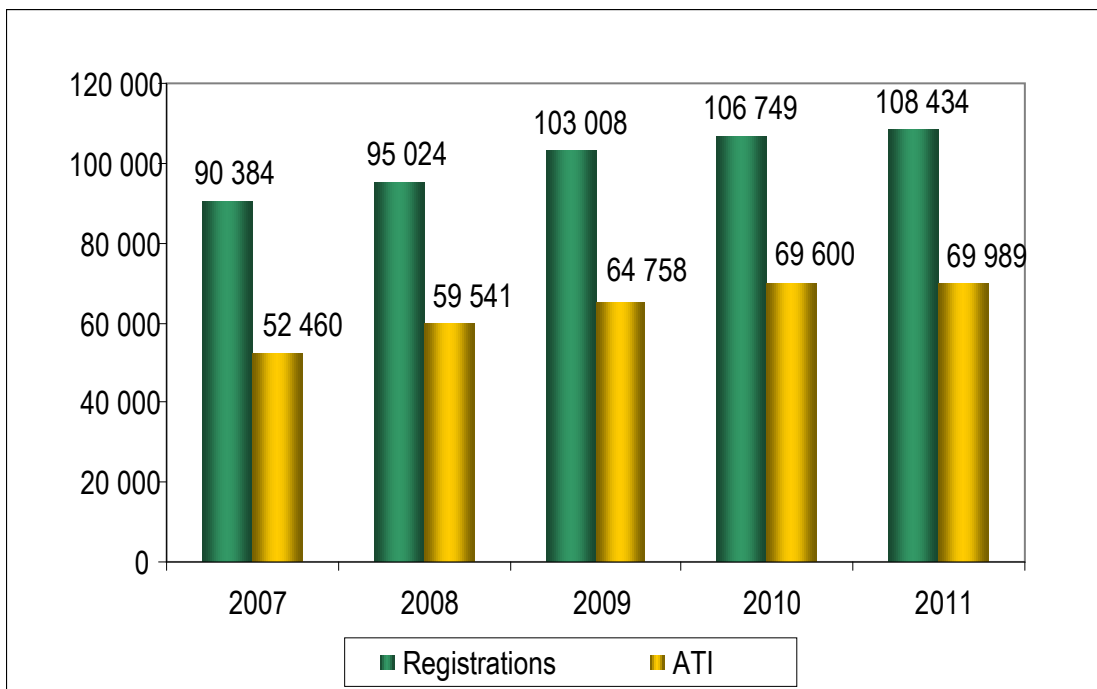
In 2011, inspectors from the regional offices of the Technical Control Inspection carried out a total of 150,093 technical inspections, of which 42,609 were annual technical inspections of wheeled tractors and 7,416 were inspections of combine harvester-threshers. In general, inspections exceed the numbers from last year - by 4.4% in terms of tractors, by 5.6% in terms of combine harvester-threshers and by 4.1% in terms of the total number of annual technical inspections performed.

Figure V.3. Number of registered combine harvester-threshers and annual technical inspections carried out



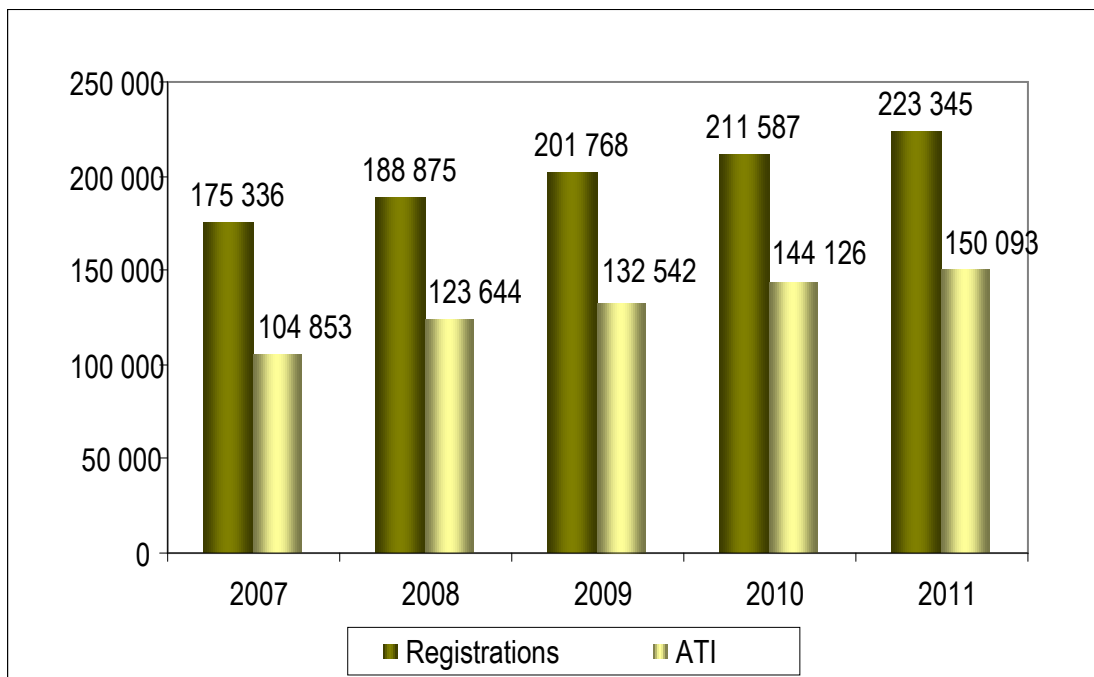
Source: Technical Control Inspection (TCI)

Figure V.4. Number of registered towed machinery and annual technical inspections carried out



Source: Technical Control Inspection (TCI)

Figure V.5. Number of registered agricultural and forestry machinery and annual technical inspections carried out



Source: Technical Control Inspection (TCI)

1.5. Award and withdrawal of competence for work with machinery and issue of licenses

A major factor that determines the safe use of agricultural and forestry machinery is the award of authorisation to work with such machinery. The reduction of risks of accidents and incidents involving agricultural and forestry machinery and the implementation of agricultural operations depend on the knowledge, skills and professional qualities of mechanics. These factors are ensured by the Technical Control Inspection by:

- control of the state of the school equipment and material and technical base of forms of educational and training activities;
- participation in Examining Boards;
- issuing licenses.

In 2011, the regional offices of the Technical Control Inspection carried out 31 inspections of the state of school equipment and material and technical base in forms of educational and training activities. A total of 318 exams for licenses to work with agricultural and forestry machinery were carried out.

During the year 6,176 licenses to work with agricultural and forestry machinery and machines covered by category Tps (portable and stationary equipment), of which 4,614 covered by categories Tvk (Wheeled and crawler tractors and aggregated to them working machines), Tvk-A (Specialized and specific self-propelled agricultural machinery) and Tvk-Am (Specialized and specific self-propelled ameliorative machinery (machines for earthworks)) were issued. In 2011, 346 exams for licenses to work with agricultural and forestry machinery were carried out, including 154 exams for category Tvk, 89 for category Tvk-A, 17 for category Tvk-Am and 86 for category Tps.

1.6. Market control and the presence of type approval and conformity with the approved type

The work of the Technical Control Inspection is related to pursuing global priorities in the areas of environment and ensuring the health of people by using safe and environmentally friendly technology in agriculture.

In 2011, the Inspection was also involved in implementing procedures related to exemptions of vehicles produced as "the last of a series", exemptions under Directive 97/68/EC on reduction of emissions from engines to be installed in non-road machinery and tractors, related to the "flexibility scheme" system, as well as in maintaining a database of certificates of type approval for new wheeled tractors, issued by Member States.

During the year were also performed procedures related to type approval of machinery in compliance with European law, implementation of the "flexibility scheme" system on emissions of pollutants from engines to be installed in non-road machinery, according to the provisions of Directive 97/68/EC, and maintenance of database of certificates of type approval for new wheeled tractors, issued by Member States, and special attention was paid to the exceptions under the Directive.

With regard to surveillance of the market of new machinery in terms of the presence of a valid certificate of conformity with a type approved under Directive 2003/37/EC and market surveillance in terms of the presence of a certificate of type approval under Directive 97/68/EC on emissions from non-road machinery engines, in 2011, some changes have been made.

The Technical Control Inspection carries out constant supervision and registration of new wheeled tractors through its regional offices in the districts. The data from the monthly inspection of market surveillance of new wheeled tractors carried out were sent to the headquarters for compilation and analysis. The analysis includes verification of the certificates in the European Type Approval Exchange System (ETAES).

In 2011, 386 new machines from manufacturers established in EU Member States and imported from third countries were inspected. At the time of inspection 376 machines were in compliance with European requirements for presence of EC certificate of conformity with an approved type and display of the EC type-approval mark on the engine.

As regards imports from third countries, the Technical Control Inspection and the Customs Agency work in co-operation. In 2011, 456 new wheeled tractors from third countries were imported, regional offices of the Technical Control Inspection inspected 185 items of machinery complying with the legal requirements.

For the purposes of registration and control of the market of new machinery a database is developed and maintained containing certificates for type approval of new wheeled tractors issued by Member States of the EU.

With regard to control of the market for new wheeled tractors and internal combustion engines mounted on non-road machinery, regional offices have inspected 72 machines in 28 companies altogether on the presence of the type-approval mark on the engine and compliance with requirements for individual stages. All non-road machines inspected displayed the type-approval mark in accordance with Directive 97/68/EC.

2. Hydromelioration

The state policy in the irrigation and hydromelioration sector is aimed at providing support to irrigated agriculture, protection of irrigation facilities - public property, prevention of flooding of areas outside cities and villages, investment in hydromelioration and support to the process of establishment and operation of irrigation associations.

2.1. Control of the activities related to the operation of the irrigation facilities and the service "water supply for irrigation"

According to Decision of the Council of Ministers No PMC 512/2000 r. on the balance and purpose of irrigated land in the country suitable for irrigation are 541,779 hectares.

With its regional branches, "Irrigation Systems" Ltd. maintains and operates the state irrigation facilities of the country, which consist of 236 irrigation systems and irrigation fields, covering 740,600 hectares of agricultural land, supplied by:

- 168 dams with a total storage reservoir volume 3.1 billion m³;
- 188 pumping stations;
- 2,238 km penstocks;
- 530 km derivation channels;

- 5,441 km open canal network, including 75% - lined network;
- 9,269 km closed piping network;
- 420 water catchments, out of which 243 are massive;
- 612 equalisers, out of which 503 are lined.

During the 2011 irrigation season, "Irrigation Systems" Ltd. provided 311,533 thousand m³ for irrigation of 27,649 hectares of arable land – for the first irrigation – and 15,054 hectares – for the second and subsequent irrigations. Total area of irrigated decares covers 42,703 hectares. Compared to the previous irrigation season, water masses supplied increased by 12.7% and the total area of irrigated decares - by 33.1%.

Areas planted with rice in 2011 amounted to 12,203 hectares, for which 288,594 thousand m³ were supplied, compared to 10,893 hectares and 261,408 thousand m³ in 2010 respectively.

By Order No RD 09-162/17.03.2011 of the Minister of Agriculture and Food, for the 2011 irrigation season were approved the following prices for the "water supply for irrigation" service (without VAT):

- Gravity supplied water - 0.230 BGN / m³
- including areas planted with rice - 0.020 BGN / m³;
- 1-st pumping level - 0.410 BGN / m³
- including areas planted with rice - 0.025 BGN / m³;

In 2011, the central budget did not allocate funds for restoration and repair of hydromelioration infrastructure intended for irrigated agriculture.

According to data from "Irrigation Systems" Ltd., all branches of the company are ready for 2012 irrigation season. The necessary inspections of the facilities were carried out and part of the problems that occurred was removed. However, inadequate resources provided for repair of canals and facilities will undoubtedly affect the operating losses of water in these facilities.

2.2. Activities for operation and maintenance of dams and facilities for protection against harmful water impacts

Pursuant to Article 4, Para. 2 of the Transitional and Final Provisions of the Law on the State Budget of the Republic of Bulgaria in 2011, BGN 4,197,448 were disbursed in order to implement preventive measures preventing the harmful water impacts on protective dikes on the rivers Luda Yana, Elshishka, Struma, Mesta and Cherni Lom.

In 2011, repair and restoration works on 30 sites worth BGN 3,446,877 were completed, and during the first half of 2012 three transitional sites worth BGN 750,570 were completed.

By Decisions of the Interdepartmental Commission for Recovery and Support under the Council of Ministers, funds totaling BGN 7,147,484 were allocated for 2012, broken down as follows:

- BGN 4,041,877 for repair and restoration works and preventive activities on regulations of the rivers Lesnovska, Maritza, Sazliyka and others.
- BGN 3,105,607 for the dams Tsonevo (Georgi Traykov) – "Repair of the main drain for ameliorative purposes"; Malko Sharkovo – "Reinforcement and restoration works on the dry slope" and Pancharevo – "Reconstruction of the tower of the main drain".

As of June 2012 contracts for implementation were signed and construction works on 22 sites commenced.

In connection with Decree No. 201 of 14.07.2011 of the Council of Ministers, in 2012 was launched the implementation of an engineering project on research, design and execution of construction works related to prevention of flooding of surrounding agricultural lands and adjacent

structures and embankments of automobile highways "Trakia", Lot 4, section Yambol - Karnobat, worth BGN 13,104,000.

The project provides regulations on the rivers "Azmak Dere", "Marash" and "Mochuritsa" including construction of the drainage pumping station "Veselinovo".

2.3. Control of the activities related to the setting up and development of irrigation associations

According to data provided by "Irrigation Systems" Ltd. as of July 2012 irrigation associations established on hydromelioration infrastructure, which is entered in the company's assets, are 27 and are concentrated in the following areas:

- North Eastern Bulgaria – IA "Chayka 99", IA "Shabla –Tyulenovo", IA "Belgun", IA "Elana", IA "Lydzha – Kavarna 2", IA "Irechek", IA "Krystyo Rakovski", IA "Vaklino";
- Eastern Bulgaria – IA "Kamchiyska Dolina";
- Northern Bulgaria – IA "Lom – North", IA "Silistra Hydromeliorative Pool", IA "Danube", IA "Rosa – Karaysen 08", IA "Gerlovo", IA "Koylovtsi", IA "Orient 2005", IA "Voden Svyat – 2", IA "Sveta";
- Southern Bulgaria – IA "Korten – East", IA "Mladovo – Nova Zagora", IA "Negovanka 98", IA "Oryahovska Voda", IA "Hydro – 1", IA "Ormana", IA "Mogila";
- Western Bulgaria – IA "Sandanska Bistritsa".

Almost all associations in the Northeast and East of Bulgaria perform active operations over an area of about 7 thousand hectares.

The remaining associations are less active. With expired and not renewed contracts conferring established right of free use of the hydromelioration facilities owned by "Irrigation Systems" Ltd. are IA "Korten – East", IA "Mladovo – Nova Zagora", IA "Negovanka 98", IA "Oryahovska Voda", IA "Ormana", IA "Hydro – 1".

3. Plant protection

In 2011, the number of economically important pests on major crops for which the Bulgarian Food Safety Agency performs systematic observations is optimized to include 117 enemies, diseases and weeds, compared to 200 in 2010. Based on these observations, continued the release of the "Bulletin on occurrence, prevalence, density, development, degree of offense, time limits, ways and means to control pests on agricultural crops" (Бюлетин за поява, разпространение, плътност, развитие, степен на нападение, срокове, начини и средства за борба с вредителите по земеделските култури). Through these bulletins farmers are informed about new regulations in the field of plant protection, plant protection products and fertilisers. In 2011, the Regional Directorates for Food Safety issued between 6 and 15 bulletins, depending on economically important pests, which are subject to continuous monitoring and diagnostics in the field, and on weather conditions during the year. 696 farmers, district and municipal councils, were informed by the bulletins issued.

Plant protection of wheat and barley

• Controls on weeds

In recent years, due to inappropriate farming practices, distortion of crop rotation and the uptake of minimal processing practices, conditions for mass distribution and strong preservation of weed seeds in the soil were created. The longstanding use of hormone-like herbicides allowed the permanent distribution and multiplication of resistant broadleaf weeds (species of goose grass and chamomile, Galium aparine, Veronica officinalis, coriander, wild poppy, cockle, violet types, Centaurea cyanus, etc.) and grass weeds (field foxtail, wild oats, brome grass, wind bentgrass and others). Root weeds (Sorghum halepense) and coppice root weeds (thistle, bindweed, lepidium perfoliatum L, rubus blackberry, etc.) have also developed root formations.

In 2011, a total of 1,038.36 thousand hectares of winter cereals were treated, including 887.12 thousand hectares of wheat and 151.24 thousand hectares of barley. On 691.57 thousand hectares, or 66.6% of the total treated areas, were applied herbicides against broadleaf weeds. Shallow cultivation before sowing of winter cereals and continuous one-sided use of herbicides against broadleaf weeds over the years has enhanced problems with grass weeds in areas where they were not a problem. With a view to overcome these processes vegetation herbicides are increasingly used for simultaneous control over broadleaf weeds and grass weeds. Such herbicides were applied on 261.1 thousand hectares (25.2% of the total treated areas). In 2011, more areas were treated with herbicides against grass weeds compared to the previous two years.

Table V.3. Areas with winter cereals treated with herbicides against weed species, thousands of hectares

Year	total area treated	Including against broadleaf weeds	Including against broadleaf and grass weeds	Including against grass weeds
2009	1162,76	882,32	0	83,81
2010	1115,77	905,79	31,3	77,14
2011	1038,36	691,57	261,1	96,17

Source: Bulgarian Food Safety Agency

- **Controls on pests**

- **Common vole (*Microtus arvalis*)**

In surveys conducted on winter cereals in the spring of 2011 an increase in the natural range of the common vole (*Microtus arvalis*) was observed, compared to autumn and winter of 2010. Damage is varied depending on the density of the enemy, and is manifested in rarefaction of crops around the colonies, reaching between 3 and 10-15%.

In the spring of 2011, out of the total 77.65 hectares of winter cereals attacked (6.3% of the sown area) chemical control by authorized rodenticides was applied on 21.68 hectares (28% of infested and 1.8% of the sown areas).

Table V.4. Areas with winter cereals attacked and treated against common vole (*Microtus arvalis*), thousands of hectares

Year	2009	2010	2011
Attacked areas	170	182,4	77,65
Treated areas	39	65,8	21,68

Source: Bulgarian Food Safety Agency

- **Plant protection of vines**

- **Controls on weeds**

The areas planted with new vines are kept clean from weeds. In the old vineyards weed infestation is heavy. Mainly mechanical cultivation treatments are carried out, which is why the distribution of root and coppice root weeds is widening.

In 2011, vegetation herbicide, mainly based on glyphosate, were applied on 17% of the utilised agricultural area.

- **Controls on pests and diseases**

Grapevine moth (*Lobesia botrana* Schiff.)

In 2011, the density above the threshold of economic harm in the main vine-growing regions was detected only in Yambol region by I-st generation caterpillars. For II-nd generation caterpillars damages on sour grapes range from 0 to 5%, and for III-rd generation they reach 1–6 percent damaged clusters. A trend of decreasing density is observed, as well as a slight contraction in the natural range.

16.2 thousand hectares or 22.8% of the total area of vines in production were treated.

Grape vine mites (*Schizotetranychus viticola*)

The variable weather with frequent precipitation and lower temperatures in April and May of 2011 delayed the activation of wintering females of spider mites and their migration on developing buds and leaves. In early summer the degree of infestation was below the threshold of economic harm reaching from 1 to 3 mobile forms per leaf in Bourgas, Sliven and Stara Zagora regions. High temperatures and dry weather in late summer are responsible for increasing the density (5-8 representatives of mobile forms per leaf) and expanding the natural range of *Schizotetranychus viticola* compared to 2010.

Areas treated against grape vine mites during the year reach 4.7 hectares or 6.62% of the utilised vineyards.

Grape vine mildew (*Plasmopara viticola*)

Conditions for germination of winter zoospores of the pathogen were created mainly by the rainfall throughout the first half of May 2011. The temperature increases and rainfall during the first half of June have created favorable conditions for the development of mildew on vines. In the main vine-growing regions were reported between 4 and 9 incubation periods of the disease.

The high temperatures and low atmospheric humidity that followed in July and August limited the development of the disease, except in areas with local precipitation.

In 2011, between 2 and 8 treatments were performed, on 68.65 thousand hectares.

Powdery mildew (*Oidium mangiferae*)

In the beginning of June 2011 on single vines in individual vineyards has been observed mealy coating on leaves, inflorescence and sour grapes in different regions of the country. At the end of the said month and in the beginning of July the weather conditions were conducive to the development of the pathogen. In August 2011 the weather conditions limited the development and spread of *Oidium*.

The reported degree of attack varied from mild to moderate, being higher in vineyards where sensitive varieties are grown. Areas treated against *Oidium* during the year amounted to 68.65 hectares and 2 to 8 treatments were carried out.

Gray mold rot (*Botrytis cinerea*)

At the end of June 2011 in separate vineyards in Pleven region attack on up to one percent of the grain was registered, which represents a moderate risk for infection. The dry and hot weather in July, August and September restricted the manifestation of the disease.

The reported attack reached 10-12%. In most of the vineyards spraying with fungicides was implemented in order to simultaneously combat the major diseases prevailing in vineyards.

Areas treated against gray mold rot covered 23.36 thousand hectares and 1–4 treatments were carried out.

Excortiose on the vine (*Phomopsis viticola*)

This disease is observed mostly in older plantations. Rainfall in the month of June 2011 led to the onset of the disease and its prevalence in the regions of Burgas, Vratsa, Veliko Tarnovo, Vidin, Pleven, Plovdiv, Pazardzhik, Sliven and Yambol. Underestimating the individual early treatments has led to accumulation of infection stock. Chemical control begins with sprayings against *Oidium* and mildew and

is not consistent with the epidemiology of the pathogen. The trend of decrease in the representation of excoriose in recent years is due to uprooting of old vine plantations where the disease was rampant.

In 2011, 2.98 hectares were treated against excoriose on the vine.

Crown Gall (*Agrobacterium vitis*)

This disease is mainly found in old vineyards. In the past one or two years it is a problem for the newly planted vineyards in Blagoevgrad region and its range of prevalence is expanding.

- **Pests on multiple crops**

Moroccan locust

In the route surveys carried out in April 2011 on uncultivated areas of the municipality of Petrich multiplication of the population of Moroccan locust was reported. Due to insufficient funding the implementation of chemical control in the shortest time-limits possible was delayed. The delays created conditions for diffuse dispersal of the enemy in neighboring waste areas. Treatment with ground equipment was applied on 120 hectares, the reported effect on the 14-th day being 90% mortality.

In most areas of Kardzhali District, the pest has been established in grassland and pastures without affecting the agricultural crops. Chemical control is only carried out in the municipalities of Kardzhali and ArdiNo over an area of 14 hectares.

By the middle of June 2011 in the territories of the municipalities Madjarovo and Ivaylovgrad, Haskovo region, an increase in the density of the Moroccan locust population was found. The immediate proximity to settlements of outbreaks of larvae and the inefficiency of local control measures enforced aviation treatment to be carried out, which continued after the enemy had developed wings. A total of 800 hectares were treated.

In infested regions were treated a total of 934 hectares of areas infested by Moroccan locusts.

3.1. Phytosanitary controls

The priority activities under the phytosanitary controls in 2011 are again the following:

- Effective control over the import of plants and plant products from third countries on the territory of the country and the EU, in view of the fact that Bulgaria is external border of the Union;
- Controls over the production for the purpose of timely detection and prevention of the spread of quarantine pests on plants and plant products;
- Development, updating and implementation of phytosanitary monitoring programmes that take into account EU requirements and implementation of decisions of the European Commission on urgent measures against certain pests;
- Providing export of plants and plant products in compliance with the phytosanitary requirements of the importing country;
- Development of the laboratory diagnostic network in the country;

3.1.1. Border phytosanitary (quarantine) control on imports of plants and plant products

Phytosanitary control of all goods of plant origin imported from third countries is carried out at phytosanitary border inspection posts established at every border crossing point. After the inspection is performed, those goods are allowed to move freely throughout the EU.

In 2011 phytosanitary control activities were carried out, including documentary, identity and plant health inspection of 22,504 lots of imports from third countries, and documentary control of 8,000 lots of transited consignments. The border crossings checkpoints have submitted 365 samples for laboratory analysis at the Central Laboratory for Plant Quarantine and 1,147 analyses were carried out. In two cases infection by quarantine pests was established and immediate measures for eradication of the infection were undertaken. In 81 cases importation of goods prohibited under the regulations was

prevented, and in 158 cases confiscation and destruction of batches not meeting the phytosanitary import requirements were performed. In 2011 in 34 lots missing mandatory marking on the wood packaging material was found. As a result of the controls implemented through the system EUROFIT of the European Commission 121 official notification were sent.

3.1.2. Control of the export and re-export of plants and plant products

In 2011 a total of 28,143 phytosanitary certificates for export and 8,567 phytosanitary certificates for re-export were issued. Verification of compliance with phytosanitary requirements of the importing country was performed over a total number of 32,176 consignments of plants and plant products intended for export.

A trend towards a slight increase in exports of vegetable origin is manifested, lead by exports of timber, followed by exports of grain (wheat and sunflower) and coriander.

3.1.3. Control of the production of plants and plant products

In 2011, controls were carried out over 2,582 registered manufacturers, warehouses and marketplaces. 5,613 inspections were performed over the production of plants and plant products. 2,788 phytosanitary plant passports of goods produced locally were issued. Control checks on crops and plantations established with imported material covered an area of 85,989 decares, and on those established with material from the EU – 95,385 decares.

Measures undertaken aiming at eradication of established infection outbreaks of quarantine pests cover a common area of 1,357 decares, with a total number of 109 outbreaks (10 in potatoes, 7 in vines, 84 in fruit plants, and 8 outbreaks in vegetable crops).

Table V.5. Phytosanitary controls of registered producers for the period 2009 - 2011

Year	Registered producers	Documented inspections	Samples analysed at the National Service for Plant Protection	Samples analysed at the Central Laboratory of Plant Quarantine
2009	2 307	4 554	2 704	6 179
2010	2 356	4 626	2 347	4 896
2011	2 582	5 613	4 096	3 694

Source: Bulgarian Food Safety Agency

An integral part of the production control is the development and implementation of phytosanitary monitoring programmes covering different plant species for the purpose of timely detection and prevention of the spread of quarantine pests on the territory of the country and the EU. These programmes make it possible to ensure the free movement of plants and plant products subject to control within the EU by means of plant passports and plant labels or seamless export to third countries, respecting all their phytosanitary requirements.

3.1.4. Testing, registration and control of plant protection products

The main purpose of the registration of plant protection products is that products offered shall contain active substances that are included in the European Union list of authorised substances or substances notified for inclusion in that list.

The biological testing plan in 2011 covered a total of 126 products, including 62 fungicides, 28 insecticides, 32 herbicides and 4 plant growth regulators. For most of the products covered applications were submitted and tests were performed for more than one use.

In 2011 were submitted: 40 applications for authorising the placing on the market of plant protection products, 34 applications for renewal of authorisations of plant protection products; 28 application for authorisation under the mutual recognition procedure.

Authorisations were granted for: 14 plant protection products; 1 product with renewed authorisation; 2 products under the mutual recognition procedure; 3 plant protection products for further use; 6 plant protection products for limited and controlled use; 8 products for parallel trade; 11 products for minor uses. Suspended were 24 plant protection products.

59 certificates authorising plant protection products for marketing and use in the country were issued.

Control of plant protection products aims to ensure the marketing, storage, repackaging and use in agriculture only of plant protection products that are authorised and fit for use, efficient, safe for human or animal health to the greatest extent possible, and environmentally friendly, that are labeled in Bulgarian and packaged in original sealed containers from the manufacturer or repackaged by a person who has the relevant permission.

In 2011, the controls were performed under the annual National market control plan and the annual National plan to control the use of plant protection products, as well as the National inspection programme.

During the year a total of 138 permits were issued, including 41 for the wholesale of plant protection products, 86 for retail trade in agricultural pharmacies, 10 for fumigation and 1 for repackaging of such products. Changes into the authorisation of 85 companies holding permits for the activity concerned were introduced, based on submitted applications for a change in circumstances by the said companies, and 25 additional outlets were included (agricultural pharmacies and warehouses).

In the country a total of 1,197 sites were registered, including 859 outlets for retail sales of plant protection products (agricultural pharmacies), 325 warehouse for storage and wholesale of plant protection products (own warehouses rented cells) and 13 workshops for re-packaging of plant protection products. In Bulgaria there are 4 companies producing plant protection products.

In 2011, a total of 1,790 inspections were carried out, of which 1,160 were of agricultural pharmacies, 432 of warehouses, 17 of workshops for repackaging and 181 of unregulated sites (municipal markets, shops, etc.). 1,745 observation protocols were drawn up, 430 prescriptions including corrective measures to rectify the discrepancies were drafted, and 205 samples of plant protection products were taken in order to establish the compliance of 76 types of plant protection products. 61 acts for establishment of administrative violation were drawn up under the Law on plant protection.

In terms of checking the composition of plant protection products (in order to determine compliance with the benchmarks approved in the product authorisation procedure) in 2011 were carried out inspections of agricultural pharmacies, warehouses and factories and a total of 206 samples for compliance of 77 types of plant protection products were taken. For all violations found observation protocols were drawn up, including instructions for their removal, or acts for establishment of administrative violation were issued.

Results of control activities on the use of plant protection products

Control over the use of plant protection products by farmers is directed towards verifying the appropriate use of plant protection products in the production of plants and plant products, while complying with good plant protection practice, combining the forecast methods with the principles of sustainable use of plant protection products.

In 2011, a total of 3,943 inspections on the use of plant protection products were carried out, including 3,798 inspections of farmers, 30 inspections of aviation treatment, 78 inspections of fumigation and 37 inspections of seed decontamination.

The control activities implemented in 2011 covered 5% of the registered farmers.

For the deficiencies detected 1,069 instructions stating a time-limit for their removal were drawn up, which were documented in observation protocols. 11 acts for establishment of administrative violation were drawn up pursuant to the provisions of the Law on plant protection and the Law on beekeeping.

In 2011 were received a total of 2,513 notification letters pursuant to Ordinance No 15 on measures for protection of bees and beehives and 35 complaints for dead bees, based on which inspectors took 8 plant samples (including 5 samples of wheat and 3 samples of rape) and issued 4 acts of violation of the Law on beekeeping.

Plant samples

In the course of inspection of farmers a total of 251 plant samples were taken, including 49 leaf samples used for the identification of plant protection products used, 71 plant samples under the monitoring programme for pesticide residues in plants intended to be used as food or in food and 52 plant samples under the monitoring programme for pesticide residues in plants intended for feed, as well as 79 leaf and plant samples taken in connection with letters and order by the Bulgarian Food Safety Agency, as well as relating to participation in committees processing signals and complaints from citizens on the establishment of damages due to herbicide effects or death of bees.

In only four of all analyzed samples the presence of pesticide residues was proven, but the maximum levels were not exceeded. For proven discrepancies instructions were issued to farmers for the appropriate use of authorized plant protection products and strict adherence to recorded doses and the quarantine term of the products. Samples taken under the monitoring programme for pesticide residues at the level of primary production of feed were analyzed at the National Diagnostic and Research Veterinary Institute of the Bulgarian Food Safety Agency - a qualitative method under accreditation for organophosphorus and carbamate compounds, but their presence has not been demonstrated in any of the analyzed samples.

In 2011, a total number of 46,169 registered plant production farmers checked the records "Journal of chemical treatments carried out and fertilisers used, soil improvers and biologically active substances", covering 4,505 farmers.

Throughout the year a total of 704 checks on the compliance with the Rules of good agricultural practice and the minimum requirements for mineral fertilisers and plant protection products under Ordinance No. 11 on the conditions and procedures for implementation of measure 214 "Agri-environmental payments" of the RDP for the period 2007 - 2013 were carried out. 704 observation protocols were drawn up. There were 164 discrepancies in the implementation of the rules and, correspondingly, 161 instructions for remedial actions were drafted. Only 15 farmers were subject to repeated inspections to correct deficiencies. Those repeated inspections were insufficient, since they did not provide exhaustive information on removal of discrepancies.

The main gaps in compliance with the rules allowed by farmers relate to: improper storage of livestock manure, failure to adhere to requirements on fertilisation of slopes, failure to set silo, lack of warehouses for storage of plant protection products, etc.

Controls over genetically modified agricultural crops

Pursuant to the Plan for Risk Assessment in regulated and unregulated cultivation of genetically modified higher plants in Bulgaria, in 2011 were collected and analyzed a total of 20 plant samples. The results for all analysed samples from crops (oilseed rape, sunflower and maize) were negative in terms of presence of GMOs. In the course of control activities were not identified any plant protection products and fertilisers made from or containing GMOs.

4. Fertilisers

4.1. Registration of fertilisers

In 2011, a total of 13 new products were registered – organic, organo-mineral, straight and compound fertilisers and soil improvers, including nine individual products and 4 products in the form of a product group consisting of several variants with the same origin and production technology, which diverge in the ratio of nutrients.

4.2. Control of fertilisers offered on the market

In the course of control activities on fertilisers in 2011 were inspected 409 retail outlets and storage warehouses. 56 discrepancies were established, for which 38 instructions for remedial actions were drafted. 1 act for establishment of administrative violation was issued. In the scope of controls on fertilisers for compliance with indicators declared by the manufacturer were collected 179 samples for compliance testing, submitted for analysis in the Central Laboratory for Chemical Testing and Control. 22% of the samples were not compatible with the analyzed parameters. In all cases of non-compliance steps were taken according to the requirements of the Law on plant protection.

4.3. Use of fertilisers

According to data from the Regional Directorate for Food Safety, in 2011 in the country were used: nitrogenous fertilisers – 192,357 tonnes (expressed as nitrogen); phosphatic fertilisers – 29,550 tonnes (expressed in P₂O₅) and potassium-based fertilisers – 14,351 tonnes (K₂O). A reduction in the amount of fertilisers used is observed, compared to the preceding year.

Table V.6. Quantities of fertilisers used expressed in tonnes of active substance

Year	Total amount of NPK	Nitrogen	P ₂ O ₅	K ₂ O
2009	220 037	177 553	30 661	11 823
2010	258 916	199 083	39 034	20 799
2011	236 258	192 357	29 550	14 351

Source: Bulgarian Food Safety Agency

In 2011, nitrogen fertilizers were applied on 20,376 thousand hectares, with an average amount of fertiliser per decare enriched area equal to 9.4 kg of nitrogen. Areas enriched with phosphorus fertilisers cover 4,237 thousand hectares, with an average amount of 7 kg P₂O₅ per decare, while with potassium-based fertilisers were treated 2,529 thousand hectares, with an average amount of 5.7 kg K₂O per decare. In 2011, a slight increase in fertilised areas is observed compared to 2010, but the average amount of fertilisers per decare (in tonnes) has decreased. In a growing number of areas in the country a variety of compound fertilizers is used.

Table V.7. Areas treated with nitrogen-, phosphorous- or potassium-based fertilisers

Year	Areas treated with N (thousands of decares)	Areas treated with P ₂ O ₅ (thousands of decares)	Areas treated with K ₂ O (thousands of decares)
2009	21 905	3 184	1 249
2010	19 578	3 275	2 359
2011	20 376	4 237	2 529

Source: Bulgarian Food Safety Agency

Use of sludge in agriculture

In 2011, 17 permits for the use of sludge in agriculture were issued on fields with a total area of 364.16 hectares. The total amount of treated sludge permitted for use is 10,600 tonnes (expressed as dry matter) in growing of sunflower and maize crops.

5. Plant Variety testing, Field Inspection and Seed Control

The Executive Agency for Variety Testing, Field Inspection and Seed Control is the official testing body examining crop varieties and the controlling body under the Ministry of Agriculture and Food in the field of production and marketing of propagating and planting material.

The Agency performs its functions under the provisions of the Law on the protection of new plant varieties and animal breeds, as the official body that performs substantive expertise concerning legal protection of new plant varieties in accordance with the provisions of the Law on propagating and planting material and the Law on genetically modified organisms as a state supervisory authority.

In 2011 were updated regulations on propagating and planting material, which transposed directives amending main EU Directives. Elaborated and published were regulations amending existing regulations, developed were a number of specialized internal regulations such as testing methods for distinctness, uniformity and stability testing, in accordance with technical protocols of the Community Plant Variety Office (CPVO), testing methods for value for cultivation and use, evaluation criteria and methods for comprehensive assessment in tests for the Bulgarian Industrial Association (BIA), methodology for determining moisture.

The Agency's activities during the year were aimed at optimizing the system and criteria of state variety testing and its organization for the purposes of successful integration into the European structures in terms of legislation, administrative management and organisational methodology.

The work relating to accreditation of the Executive agency for variety testing, field inspection and seed control as a testing office of the CPVO is underway; this would allow the recognition of tests of new varieties performed by the Agency for the protection of the right of the plant breeder across the EU.

In 2011 were submitted applications for formal recognition of 194 varieties, lines and / or hybrids for variety testing and registration in the official variety list of the Republic of Bulgaria and in the EU common catalogue, and for protection.

Table V.8. Number of varieties for which requests for inclusion in the Official Variety List are submitted, by year

Year	Bulgarian selection - new applications	Foreign selection - new applications
2009	159	171
2010	107	114
2011	90	104

Source: Executive Agency for Variety Testing, Field Inspection and Seed Control

In 2011 there was a decline in the total number varieties for which applications for official variety testing were submitted, which is explained by the free movement of seeds in the EU and the elimination of the need for compulsory registration of varieties in the official variety list of the country.

Compared with previous years, there is a trend of decline in the number of varieties submitted to BIA for variety testing for inclusion in Schedule "A" of the official variety list of the country, compensated by an increasing in the number of varieties in pre-testing, micro- and macro plot trials, experiments with different densities and vegetative herbicide treatment according to BIA methodologies.

Of the total number of varieties submitted for official variety testing under contracts concluded, 1,980 varieties are foreign selections (96.87%) and 64 varieties are Bulgarian selections (3.13%). Compared to 2010, in 2011 there a trend of increase of foreign selection varieties (17.5%) on account of the reduced number of tested varieties of Bulgarian selections.

In 2011, 228 varieties were recognized, of which 82 were approved in terms of distinctness, uniformity and stability, value for cultivation and use, for inclusion in Schedule A of the official variety list of the country, and 56 - for inclusion in Schedule B of the list.

Table V.9. Varieties recognized in the period 2009 - 2011 (number)

Year	Schedule A	Schedule B	Only distinctness, uniformity and stability	Total number
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2009	81	36	128	245
2010	77	55	119	251
2011	82	56	84	222

Source: Executive Agency for Variety Testing, Field Inspection and Seed Control

Compared to previous years, in 2011, there was retention of the varieties recognized for Schedule A and increase the number of varieties recognized for Schedule B of the official variety list of Bulgaria. A trend towards an increase in the number of recognized varieties for inclusion in the official variety list of the country and EU common catalogues of agricultural and vegetable species is observed, due to the growing number of requests for official variety testing.

In January 2011 was published the official variety list of Bulgaria for varieties of arable crops, vegetable and fruit crops, tobacco, and vines, which can be used for production and trade of propagating and planting material throughout the country.

Table V.10. Number of varieties for which requests for inclusion in the Official Variety List are submitted

Crops	Year 2009	Year 2010	Year 2011
Arable crops	397	558	471
Vegetable crops	135	174	136
Fruit crops and vines	300	286	117
Tobacco	60	53	33

Source: Executive Agency for Variety Testing, Field Inspection and Seed Control

As far as arable crops are concerned, there is a decrease in the number of listed varieties, as within the country can be traded freely varieties of listed in the European catalogue of the EU. 139 of all 471 varieties of arable crops are protected by a certificate of legal protection in the Patent Office.

In vegetable crops continued the trend of decrease in the number of varieties notified for inclusion due to elimination of the requirement for BIA testing of these crops under European law. All varieties published in the Common EU catalogue of varieties of agricultural plant species can be produced and marketed in the country. Of the 136 species recorded, 21 species possess certificate of legal protection.

In fruit crops the decrease in the number of varieties is due to the right of manufacturers and retailers of fruit seedlings to use the so-called "list of the manufacturers of seeds and planting material" pursuant to Article 13, paragraph 4 of the Law on propagating and planting material an Ordinance No. 97/18.08.2006 on the marketing of fruit plant propagating material and fruit plants intended for fruit production in the EU market.

Of the listed 33 varieties of tobacco, 30 varieties possess certificate of legal protection. 30 of all varieties are Bulgarian selection.

In 2011, conditions were created for the use of quality seeds for the production of agricultural products.

The Agency participated in the preparation and implementation of a scheme of State aid granted through State Fund "Agriculture" to promote the production and use of high quality seeds. The goal is to help increase the production and use of certified (quality) seeds for cereals, fodder plant seeds, seed of oil plants, potatoes and tobacco through the provision of subsidized services of the EAVTFISC to small and medium enterprises in the plant breeding sector – farmers registered under Ordinance No 3 of 1999.

In pursuance of the contract to provide State aid to promote the production and use of quality seeds in 2011, EAVTFISC provides services to farmers related to field inspection of seed crops, issuing

stamps, sampling seed from seed lots intended for certification, laboratory analysis of seed samples broken down in groups of crops, performing subsequent control on seed lots.

By applying the scheme farmers are relieved in terms of costs of services provided by the Agency relating to the certification of seeds.

In 2011, 42,388 hectares of seed crops were subject to inspection – 7% less than in the previous year, of which:

- 41,533 hectares (98%) were approved;
- 197 hectares (0.5%) were downgraded;
- 657 hectares (1.5%) were discarded.

Approximately 93.6% of the inspected arable crops belong to the group of cereals - 39,648 hectares, while the rest are fodder crops – 923 hectares (2.2%), oil and fiber plants – 1,337 hectares (3.2%) and potatoes - 455 hectares (1.0%).

In 2011, the Agency activity was focused on improving and expanding the scope of controls on movement of seeds between producers, traders and consumers, certification and control of propagating and planting material, laboratory testing of seed lots intended for certification for the purposes of ensuring high-quality certified seeds for farmers. Thus public expectations for increased monitoring of marketed seed have been met. Over 3,000 observation protocols from inspections performed were issued.

Due to limited financial resources during the year not all of the envisaged laboratory analyses for genetically modified organisms were carried out.

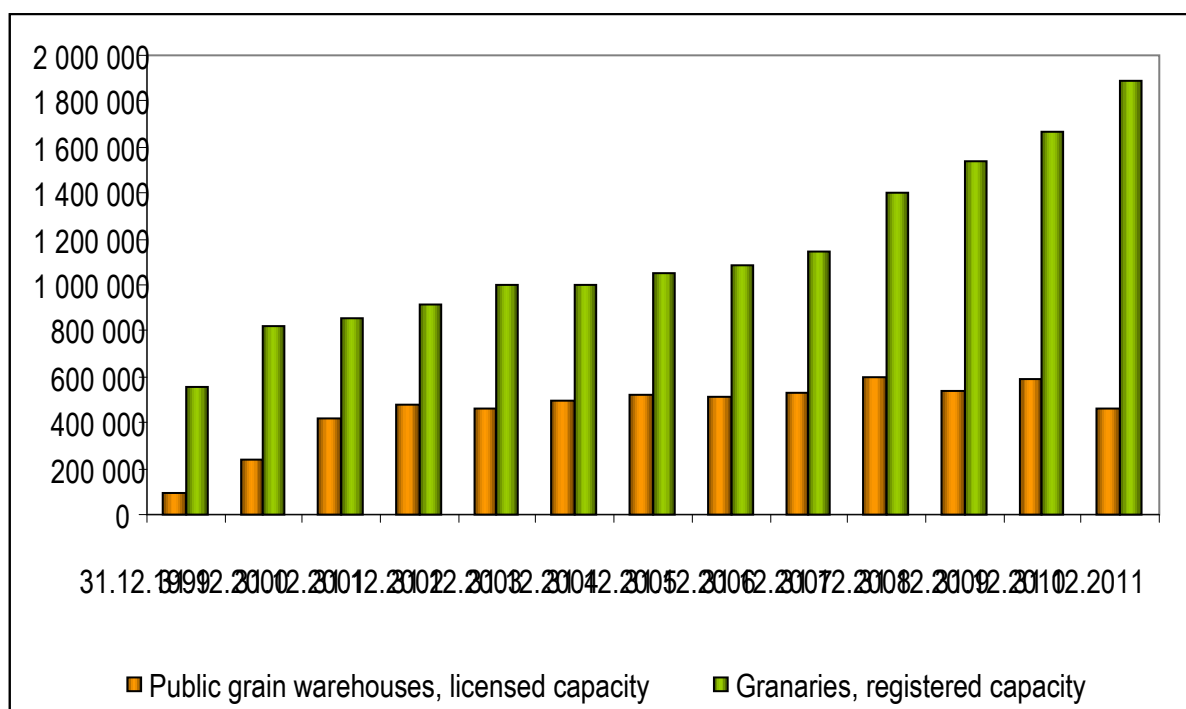
6. Control of grain and grain products

6.1. Licensing and control of public warehouses, granaries and other storage facilities

According to the National Grain Service, as of 31.12.2011 other grain storage facilities licensed, registered and declared in the country are as follows:

- Public grain warehouses - 44 units with a total capacity of 457.88 thousand tonnes;
- Granaries - 189 units with a total capacity of 1,887,965 tonnes;
- Other storage sites - 2,457 units with total declared capacity of 7,923,779 tonnes.

Figure V.6. Capacity of licensed and registered sites by years expressed in tonnes



Source: National Grain Service

Public warehouses are 4 units less than at the end of 2010, and their total licensed capacity was reduced by 135 thousand tonnes. In 2011, nine licenses of public grain warehouses were terminated and four new licenses were issued.

Nearly 88 percent of public grain warehouses, which account for over 93% of the total licensed capacity, are located in Northern Bulgaria, and only 6.4 percent are located in the southern part of the country.

The total amount of grain that was subject to warrant for the period 1 July–31 December 2011 totalled 120,125 tonnes, being 179,996 tonnes for the same period of the previous year.

In 2011, the trend of increase in the numbers of registered grain silos observed in the last few years persisted. Compared to previous year their number rose by 11, and their registered capacity grew by 224,095 tonnes. Approximately 77.3 percent of the country's grain silos are located in Northern Bulgaria.

In Northern Bulgaria are also located approximately 72 percent of the declared other grain storage facilities, accounting for over 74 percent of the total capacity.

In 2011, 3,082 periodic inspections of licensed, registered and other grain storage facilities in the country were carried out, of which 729 were performed in co-operation with the National Revenue Agency, the Economic Police and the Bulgarian Agency for Food Safety.

In the course of inspections performed were examined 2,908,440 tonnes of grain and grain products (compared to 2,106,935 tonnes in 2010). In 2011, experts at the National Grain Service have compiled 164 acts establishing administrative violation (compared to 136 in 2010) and 150 observation protocols (compared to 185 in 2010), and have issued 159 criminal orders (compared to 119 in 2010).

As of 31.12.2011 the number of active traders in grain production in the country amounted to 2,344, 52 of which newly registered and 100 – re-registered. Removed from the register were 374 merchants, including: 22 on request submitted by the company, 23 due to violation under the Law on storage and marketing of grain and 329 due to failure to renew their registration within the stipulated time limit. 326 grain traders were checked for proper execution of commercial transactions.

In 2011, conformity checking was carried out on 1,952,772 tonnes of grain and grain products, based on which 3,838 certificates of conformity for imports, exports and intra-Community supplies were issued.

365 inspections on grain processing enterprises were carried out, whereby the surveillance over 223,875 tonnes of grain products was carried out – 28.9 percent more than in 2010.

In conjunction with the declared quantities of manufactured, sold and available grain during the year were inspected 618 registered farmers.

6.2. Grading harvest `2011:

Grading of wheat harvested in 2011

During the harvesting campaign were collected 1,661 samples from 1,774,630 tonnes of wheat from grain-producing regions of the country (27 regions), representing 39.8% of the sample with respect to preliminary data on the harvested amounts.

The final results of the grading of the wheat crop in 2011, conducted by the National Grain Service, showed the following distribution of wheat into grades:

- First grade – 1.7 percent;
- Second grade – 9.6 percent;
- Second B grade – 43.6 percent;
- Third grade – 45.1 percent.

The share of wheat with very high quality for bread production rose to 54.9%, compared to 23.8% for the 2010 harvest.

The results of the analyzed batches of wheat from the 2011 harvest show a very good quality of grain based on technological parameters - the best compared to the previous seven harvest years. The percentage of harvested wheat having high quality for bread production is approaching 66.5%, which, on the one hand, meets the needs of the grain processing industry to full extent, and, on the other hand, covers the demand of different types of flour necessary for the production of quality bakery and confectionery products, including those for production compliant to the approved standard.

Grading of barley harvested in 2011

In 2011, for the first time representative grading of barley crops was performed by the National Grain Service.

Grading was based on 405 medium samples collected for analysis of 246.190 tonnes of barley batches in 21 grain-producing regions in the country, representing 34.9 percent of the produced barley harvest 2011.

Overall results relative to harvested production showed that 61.8% of the barley harvested in 2011 is brewing barley, and 38.2% is feed barley.

The average values of the main quality parameters of barley harvest 2011 are as follows:

- protein content: 11.5 ± 1.4 %;
- specific weight: 64.8 ± 3.7 kg / hl;
- uniformity of batches: 76.7 ± 17.7 %;
- moisture content: 11.7 ± 1.0 %;
- crops (cereals) impurities: 1.9 ± 2.7 %;
- foreign matter: 0.9 ± 0.9 %.

Grading of maize harvested in 2011

In the course of grading were collected 527 medium samples for analysis from 22 grain-producing regions in the country, which amounted to 733.650 tonnes of maize batches. Medium samples collected for analysis from the National Grain Service form 33.2% of maize produced from harvest 2011.

The data generated based on medium samples analyzed showed that harvested corn crop in 2011 has relatively good values for the three main quality parameters - moisture, starch and impurities.

The average values of the main quality parameters of maize harvest 2011 are as follows:

- moisture: 13.1 % \pm 1.4 %, compared to 14.3 % \pm 1.1 % for harvest 2010;
- crops impurities: 3.5 % \pm 1.9 %, compared to 3.6 % \pm 2.5 % for harvest 2010;
- foreign matter: 1.0 % \pm 0.7 %, compared to 0.9 % \pm 0.7 % for harvest 2010;
- starch content: 72.5 % \pm 0.8 %.

The review by year shows that maize matching the standard, harvested in 2011, was the best compared to crops from the previous four years.

Grading of sunflower crops harvested in 2011

In 2011, for the first time representative grading of sunflower crops was performed.

Collected were 678 medium samples for analysis from 24 grain-producing regions in the country, which amounted to 520.620 tonnes of sunflower crop batches. Medium samples collected for analysis form 36.2% of sunflower crops produced in 2011.

Evidence from the analysis shows that sunflower crops harvested in 2011 have relatively good values in terms of the three main quality parameters - moisture, oil content and impurities, and 33.5 percent of the analyzed samples meet the requirements of the quality standard for sunflower seed quality. Given that in case of deviation from the baseline values for impurities rebate must be made, and in case of deviation in moisture respectively a bonus must be applied, the results show that 48.9% of the analyzed batches meet the requirements of the standard. This share referred to the harvested production represents 704 thousand tonnes, and fully meets the technological requirements of oil manufacturing and oil processing industry in the country who need an annual average of 540 thousand tonnes of raw material.

The average values of the main quality parameters of sunflower crops harvested in 2011 are as follows:

- moisture content: 6.3 % \pm 1.0 %;
- oil content: 42.0 % \pm 2.4 %;
- crops (cereals) impurities: 1.6 % \pm 1.2 %;
- foreign matter: 3.4 % \pm 1.7 %.

Determination of the quality of grain intended for intervention buying-in

In 2011 experts from the National Grain Service took six samples from 12,441 tonnes of bought in intervention grain, of which 1 sample of 3,650 tonnes of wheat and five samples of 8,791 tonnes of barley. Samples were taken at the time of intervention discharging of grain out of licensed and registered capacities, and the quantities concerned were bought in 2010.

7. Food safety

The main objective of the EU food safety policy is the ensuring of high level of protection of human health and consumer interests in relation to food, including traditional products, and in relation to the effective functioning of the internal market.

The Ministry of Agriculture and Food manages, coordinates and supervises the implementation of the state policy in the field of food safety, through its specialized administration.

In 2011 was established a single authority for food control in the face of the Bulgarian Agency for Food Safety. In the first year of its existence Bulgarian Agency for Food Safety managed to bring together and cover the food control based on the principle 'From the Farm to the Fork', by following the best European practices in the implementation of high standards of monitoring in the field of food safety and quality of food, dietary supplements and beverages, veterinary medicine and animal welfare, plant protection and fertilisers, phytosanitary controls, feed, border control, etc.

Since the beginning of 2011, on a monthly basis, on the website of the Ministry of Agriculture and Food a newsletter is published, reflecting the new European legislation, as well as current and topical information on the safety of food and feed, animal health and welfare, GMOs and plant health. The newsletter is intended to facilitate the work of the experts performing the official controls along the food chain and academic circles, associated with the food industry, as well as all industrial associations.

7.1. Health and welfare of animals

Animal health

A priority task of the Bulgarian Agency for Food Safety is the protection of animal health and carrying out controls on the observance of rules for the protection and welfare of animals.

With a view to ensure the health status of animals, to protect people from zoonoses and to guarantee the smooth trade between EU Member States and with third countries, in 2011 Bulgarian Agency for Food Safety implemented the surveillance programmes listed below:

- Programme for control and eradication of classical swine fever in domestic and wild pigs;
- Programme for surveillance on influenza in poultry and wild birds in the Republic of Bulgaria;
- Programme for surveillance on and eradication of Newcastle disease in birds;
- Surveillance programme of bluetongue in ruminants;
- Surveillance programme of transmissible spongiform encephalopathies;
- Surveillance programme of salmonellosis in laying hens of Gallus gallus kind;
- Surveillance programme of salmonellosis in broilers;
- Surveillance programme of salmonellosis in breeding flocks;
- Surveillance programme of salmonellosis in turkeys;
- Surveillance programme of foot-and-mouth disease in cloven-hoofed animals;
- Surveillance programme of health of fish grown in industrial farms and fish farming facilities;
- State disease prevention programme for 2011

In 2011 were not detected outbreaks of diseases included in the list of the World Organisation for Animal Health in domestic animals, with the exception of foot-and-mouth disease in cloven-hoofed animals.

In early 2011 on the territory of the country (on the border with Turkey) were detected outbreaks of foot-and-mouth disease. Thanks to the timely and adequate steps taken by the Ministry of Agriculture and Food and the Bulgarian Agency for Food Safety, in cooperation with other government departments, outbreaks of foot-and-mouth disease that appeared in January 2011 in Southeastern Bulgaria were liquidated and the spread of the disease was stopped in early April 2011. Measures undertaken are laid down in Directive 2003/85/EC. The disease was confined to the territory of Bourgas region. For the purpose of diagnosis and monitoring of the disease were tested a total of 47,820 blood samples. Within short terms, reduction of the areas which were subject to restrictive measures was

successfully negotiated with the European Commission, in order to reduce economic losses for producers, processors and traders, and the relevant decision of the Commission was officially published on 1 July 2011. Since 7 April 2011 No new outbreaks of foot-and-mouth disease in livestock were established in the country. Throughout 2011 constant monitoring was carried out and subsequently were not detected any new cases of the disease. In addition, Bulgaria presented the Plan to control foot-and-mouth disease in wild animals in Bulgaria, which will be implemented in the next one year in the southeast of the country, namely, the so-called cordon sanitaire.

The implementation of the programme for eradication of the virus of classical swine fever is aimed at protecting the country from the prevalence of the disease and lifting the ban on intra-Community trade in live swine. The programme includes serological and virological studies of domestic, East-Balkan and wild pigs, clinical examination and provision of biosecurity measures implemented on animal husbandry farms for pig rearing. Moreover, in 2010 a programme for the oral vaccination of wild pigs was implemented, only in municipalities near the borders with Serbia, Macedonia and Romania, where three vaccination campaigns including two rounds of placing of vaccination baits were carried out. As a result of the implementation of the programme for eradication of classical swine fever in 2011 No cases of the disease have been established. With the implementation of this programme, the European commission will allow Bulgaria participate in intra-Community trade in live pigs.

In 2011 continued the implementation of the programme for the oral vaccination of foxes aimed at eradication of the rabies virus. A vaccination campaign on the territory of 19 regions is carried out. At the National Diagnostic and Research Veterinary Institute of the Bulgarian Food Safety Agency – Sofia were carried out laboratory tests aimed at establishing the percentage of vaccinated foxes out of the total number of deaths and killed. In 2011, only one positive case of rabies was registered in Bulgaria.

Due to the complicated epizootic situation with regard to rabies in the Republic of Macedonia and demonstrated positive case of rabies near the Bulgarian border a review of the programme became necessary. For 2012 it is provided that vaccination campaign covering 40 kilometres from the border with Macedonia in Blagoevgrad region shall be carried out.

In the course of implementation of the surveillance programme of avian influenza (flu) in 2011 No positive cases of highly pathogenic avian influenza were detected in the country.

In December 2011, six outbreaks of low pathogenic avian influenza in ducks Mulard were recorded in the country. Five of the outbreaks were located in Plovdiv region, and one of them - in Haskovo region. All measures set out in the contingency plan approved by the European commission were introduced and 16,229 birds were destroyed.

In 2011, in the implementation of surveillance programmes of salmonellosis in laying hens, breeding poultry, turkeys, broilers and pigs the following tests were performed:

- In terms of breeding flocks and herds - 127 flocks and herds were tested for the relevant *Salmonella* spp. (*Salmonella enteritidis*, *Salmonella Hadar*, *Salmonella infantis*, *Salmonella Typhimurium*, *Salmonella virchow*). One flock had a positive result for *S. Typhimurium* and one flock had a positive result for *S. Agona*;
- In terms of laying hens – a total of 252 flocks were tested for infection with *Salmonella*: 4 flocks had a positive result for *Salm. Enteritidis* and 11 flocks had a positive result for other *Salmonella* spp.;
- In terms of broilers - a total of 1,493 flocks were tested for *Salmonella* infection. In the period at hand, 12 flocks had a positive result for other *Salmonella* spp.

By implementing effective biosecurity measures at farm level the occurrence and spread of the disease among birds were significantly reduced.

During the year the emergence and spread of particularly dangerous viral infections were not allowed, e.g. bluetongue in ruminants, classical swine fever, plague in small ruminants, sheep and goat pox and other diseases mentioned in the former A list of the World Organisation for Animal Health.

In 2011, one outbreak of anthrax was established in Veselie village, Municipality of Sozopol, Bourgas region, and all necessary measures were taken, in particular vaccination of all animals susceptible for anthrax.

Outbreaks of Q fever and tularemia were reduced.

In 2011 the Bulgarian Food Safety Agency implemented the Surveillance program for transmissible spongiform encephalopathies (bovine spongiform encephalopathy and scrapie in small ruminants) in accordance with requirements laid down in Regulation (EC) No 999/2001 of the European Parliament and of the Council of 22 May 2001 laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies, and its amendments. The programme has been approved for co-financing by the European Commission. The objectives of the programme are:

- surveillance of bovine spongiform encephalopathy and scrapie in small ruminants in the Republic of Bulgaria and conducting research on various breeds of sheep for scrapie resistance;
- rapid detection of transmissible spongiform encephalopathies in ruminants and undertaking timely precautionary measures to limit the spread of infected animal products and eradication of the infection;
- Ensuring user safety in relation with the consumption of meat and products originating from large and small ruminants within the scope of intra-Community and international trade.

Animal welfare and protection of animals

Bulgaria's policy in the field of animal health and welfare is fully in line with the new EU strategy "Prevention is better than cure". The Strategy for Animal Health 2009 - 2013 is aimed at ensuring the health status of animals, protecting people from zoonoses and ensuring the smooth trade between EU Member States and third countries.

In 2011, the official controls with respect to animal protection and welfare for the most part was oriented towards performance of inspections in various animal husbandry facilities and controls of the long distance transport of farm animals.

According to requirements set in Council Regulation (EC) No 1/2005 of 22 December 2004 on the protection of animals during transport, continued the award of licenses to drivers of vehicles transporting live animals, by means of which compliance with the rules for the welfare and protection of animals during transport is ensured. In 2011, 181 licenses for vehicles for short and long distance journeys were issued.

In the context of control of compliance with the rules on animal welfare 4,939 inspections of facilities were carried out in animal husbandry farms. In the context of control of compliance with the rules on animal welfare during transport 96 inspections during transportation, 14,793 destination checks, 4 inspections of livestock markets, 912 inspections of places of departure and 438 inspections of intermediate points were carried out.

For established violations prescriptions were issued and acts for establishment of administrative violation were drawn up.

In 2011, the work of the Ethics Committee on animal welfare matters continued and eight permits for work with experimental animals were issued.

During the year, a registry of resident shelters for stray dogs has been developed and posted on the website of the Bulgarian Food Safety Agency.

As the main controlling body under the Law on Animal Protection, the Ministry of Agriculture and Food shall develop, coordinate and implement policy in the field of animal welfare and shall promote protection of animals.

In 2011, experts from the Ministry participated in several events to discuss matters in this area, such as: the problem with the population of stray dogs; the problem of combating crimes related to violence against animals and the health threat of the spread of "the syndrome of disappearance of bees", observed in the U.S.A and some parts of Europe, which affects Bulgarian bees.

The veterinary part of the National Programme against echinococcosis in animals is prepared and submitted for approval and co-financing by the European Commission.

In connection with the Implementing Decision on granting Union financial assistance for the period 01.04.2011 - 31.12.2011 for the EU reference laboratory for bee health, adopted by the European Commission, a "Programme for the participation of Bulgaria in a science project of the Community Reference Laboratory" to determine the reasons for the increased mortality of bees in the Member States, was developed and sent to the European Commission for co-financing.

7.2. Information system for identification and tracking of animal movement

For the purposes of official veterinary supervision and implementation of the single multi-annual plan, in 2011 official veterinarians carried out a total of 100,256 inspections of holdings aimed at animal identification and tracking of animal movement, animal health, biosecurity measures and compliance with animal welfare rules. A total of 840 violations were established and 1,461 instructions and acts were drawn up. The aim of all inspections performed was to clarify the health status of animals kept in those holdings and to determine the health status of the facilities.

Throughout the year, the following types of discrepancies and violations were found:

- marking of animals is not completed within the statutory time limits and movement of animals is not recorded in due time by private veterinary practitioners;
- failure of registered veterinarians to implement the state prevention programme;
- movement of animals without required papers;
- delay in the replacement of lost ear-tags;
- breached biosecurity measures;
- delay in notification of established deaths and abortions in animals to veterinarians;
- in case of slaughter of healthy ruminants in a backyard for the purposes of own consumption, animal owners do not inform veterinarians in order to take samples of the brains, as is required under Regulation No 999/2001/EC;
- failure to comply with the requirements of Regulation No 1/2005/EC – animals are moved in unapproved vehicles without licenses issued for the transport of live animals;
- overstocking of laying hen farms;
- as a whole, swine holdings do not meet the animal welfare requirements - they are not restructured, No toys for piglets are put in place;
- the necessary freedom of movement for calves according to their physiological needs is not ensured, there is not enough space provided for laying, getting up and turning smoothly;
- zoo-hygiene parameters in holdings are above normal - high concentrations of ammonia, hydrogen sulfide and carbon dioxide;
- keepers do not possess the necessary qualifications for growing animals and sometimes cause them pain and unnecessary suffering;
- there are discrepancies in the manner of keeping of the necessary documentation by the owners of holdings and private veterinarians responsible for the holding concerned.

The Information system VetIS, which passed under the direction of the Bulgarian Agency for Food Safety, has been updated with regard to all divisions of the agency, nomenclatures and documents relevant to the change of type and name of the newly established organisation.

In connection with the implementation of the requirements of Regulation (EC) No 853/2004 of the European Parliament and of the Council concerning requirements on raw cow's milk, during the year was created the necessary organisation for conducting physical inspections of dairy cattle farms belonging to second and third groups. Results of the inspections and updating of data were entered in the information system of the Bulgarian Agency for Food Safety – VetIS. The necessary analyses based on data from the information system were presented to the European Commission in connection with the request for extension of the derogation under Regulation (EC) No 853/2004 by 31.12.2013 (approved by the Commission by its decision of December 2011).

In connection with the establishment of cases of foot-and-mouth disease on the territory of Burgas region, the information system was updated in terms of data on animals and their owners within the cordon sanitaire, by itemizing all information concerning veterinary measures that were implemented. Data from the Information system of the Bulgarian Agency for Food Safety – VetIS – was provided to the State Fund Agriculture for the purposes of compensation of animal owners.

7.3. Control activities

7.3.1. Food safety

With regard to the monitoring on food safety of products manufactured and marketed in the Republic of Bulgaria and materials and articles contacting foodstuffs, the main objectives for 2011 are as follows:

- Protecting consumers' health in food consumption;
- Boosting consumer confidence towards foods placed on the market;
- Maintaining a control system to monitor compliance of the manufacturers and retailers of food, materials and articles in contact with foodstuffs with the applicable legal requirements;
- Providing optimal efficiency of the system of official controls, thus ensuring safety in the production, storage and supply of raw materials and foods;
- Maintaining a control system along the entire food chain, aimed at protecting the health and interests of consumers;
- Maintaining updated national registers of facilities manufacturing and trading in food and foodstuffs, materials and articles in contact with food;
- Participation in the development of quality standards for certain types of foods in terms of their safety;
- Focusing special attention on issues that are of particular public interest and are related to the safety of food - namely food offered in nurseries, dairy kitchens, kindergartens, schools; carrying out controls in resorts during the tourist season, strengthening the monitoring in catering facilities frequented by students in cases of trainings and tours carried out, and more;
- Planning, coordination and methodological guidance in the implementation of control over products containing, consisting of or produced from GMOs, which are used as food, raw materials, components and ingredients for their production;
- Performing an adequate assessment of control activities and, consequently, optimising the performance of control authorities and minimising the impact of the subjective factor;
- Establishing and maintaining current and easily accessible data: facilities authorized to produce foods complying with standards; a list of fishing vessels engaged in fishing and more.

In 2011, the official controls implemented by the Bulgarian Agency for Food Safety on the safety of food products manufactured and marketed within the EU or exported to third countries, were planned activities (based on risk assessment), activities based on signals and complaints, or thematic activities (imposed by order of the Executive Director of the Agency).

In the performance of official controls, one of the following methods, laid down in Regulation (EC) No 882/2004, was used: checks, inspections, ante-mortem inspection of animals and post-mortem examination of the carcasses and meat production hygiene; animal welfare during transport, unloading and stunning of animals; monitoring, audits of HACCP or system for food safety of business operators; sampling.

The frequency of planned inspections is determined based on the approved and endorsed "Instruction on the application of multi-annual national control plan for raw materials, food, food additives and materials in contact with food".

Official controls on facilities manufacturing and trading in food is carried out in accordance with the applicable European and national legislation.

Table V.11. Current official controls carried out in 2011

Indicator	Value
Inspections at manufacturing and wholesale facilities, catering facilities and retail outlets trading in food	227,288
HACCP audits carried out	839
Instructions issued	25,766
Acts for establishment of administrative violation drawn up	6,423
Samples taken for official controls	463,523
Waste food	391,359.26 kg
Facilities closed	1,112

Source: Bulgarian Food Safety Agency

In 2011, a total of 463,523 samples for laboratory examination under official controls were collected. For the purposes of meeting the requirements of Ordinance No 4/19.02.2008 on specific requirements for the production, storage and transportation of raw cow's milk and requirements on trading and marketing of milk and dairy products, out of the total number of samples, 18,958 samples of raw milk were taken, based on the following indicators: plate count of micro-organisms, somatic cell count, and inhibitors.

For the purposes of official controls, by the end of 2011 in the national registers of facilities manufacturing and trading in food and foodstuffs, materials and articles in contact with food, maintained by the Bulgarian Agency for Food Safety, are listed the following: National register of manufacturing facilities and wholesale traders of food and foodstuffs of animal origin; National register of manufacturing facilities and wholesale traders of food and foodstuffs of non-animal origin; National register of catering facilities and retail outlets trading in food.

7.3.2. Official controls on the safety of food products, produced in accordance with established standards, industry standards, Bulgarian state standards, and on foodstuffs as traditional specialities guaranteed and foods with protected geographical indication

In 2011, with the enactment of Ordinance No 6 of 5 May 2011, started the implementation of controls by the Bulgarian Agency for Food Safety on preventing the unlawful use of protected geographical indications and designations of traditional specialties guaranteed.

Table V.12. Official control of the safety of food products produced in accordance with established standards, industrial standards, Bulgarian state standards, traditional specialties guaranteed and foods with protected geographical indication in 2011

Indicator		Number of inspections
Established standard "Bulgaria"	Official control inspections	210
	Inspections based on signals	11
Established standard "Stara Planina"	Official control inspections	7 209
	Inspections based on signals	2
BSS	Official control inspections	84
	Inspections based on signals	1
Traditional specialties guaranteed and foods with "protected geographical indication" (Ordinance No. 6 of 05.05.2011)	Official control inspections	49
	Inspections based on signals	1

Source: Bulgarian Food Safety Agency

In 2011 continued the performance of audit missions by experts of the Directorate-General for Health and Consumers (DG SANCO) of the European Commission on official control activities concerning food safety.

In general, the audit missions conducted showed that the Agency has the necessary expertise to maintain an effective system for monitoring food safety.

Table V.13. Audits on official control activities in 2011

Reference No. and subject of the audit	Period
2011-8944 – Powers of official controls concerning animal by-products and their derivatives	13.06.2011 – 24.06.2011
2011-8944 – Controls on transmissible spongiform encephalopathies	13.06.2011 – 24.06.2011
2011-8924 – Border controls on live animals and food of animal origin	12.09.2011 – 16.09. 2011
2011-6086 – Main follow-up audit aimed at updating the profile of Bulgaria	26.09.2011 – 30.09.2011
2011- 8994 – Powers of official controls concerning hygiene, traceability and labeling of food of non-animal origin and bottled waters	30.07.2011 – 07. 12. 2011

Source: Bulgarian Food Safety Agency

7.3.3. Rapid Alert System for Food and Feed

The Rapid Alert System for Food and Feed (RASFF) is common for all EU Member States. The RASFF system supports Member States in their actions, allowing rapid exchange of information on risks arising from food or feed, and on measures taken or to be taken to control these risks and aims to provide to control bodies effective operational tool for the notification of risks to human health arising from food and feed productions.

The "Animal Health and Food Safety" directorate at the Ministry of Agriculture and Food acts as the contact point for the Republic of Bulgaria in the Rapid Alert System for Food and Feed.

In 2011, through the RASFF system were received, processed and shipped a total number of 3,812 notifications. Of these, 635 were alert notifications, 573 were information notifications that require follow-up, 744 were information notifications for attention, 1,860 were border rejection notifications, and 20 were advisory notifications.

Notifications in which Bulgaria is a party concerned in 2011 were 144 altogether. Of them, 29 were alert notifications, 10 were information notifications, 105 were notifications rejected at border checkpoints. All notifications were submitted and processed in due time and the necessary feedback information was forwarded to the European Commission.

7.3.4. Food quality control

The quality control of food includes activities related to the assessment of the conformity of the quality characteristics of foods with requirements of national standards, standards developed by professional organizations and approved by the competent authority. In performing these activities, experts from the Bulgarian Food Safety Agency participate in checks of the conformity of quality characteristics of foods produced in enterprises with the aforementioned standards.

Checks carried out in 2011 by experts of the Agency and their presentation to the general public helped boost consumer confidence in the products manufactured according to standards and the increased demand for such goods on the market.

As a result, in 2011 to the nine registered companies manufacturing products according to Bulgarian state standards for dairy products were added 11 newly registered companies. The number of registered enterprises manufacturing meat products under the established standard "Stara Planina" remained the same as in 2010 – 95.

Increased consumer demand for products manufactured under standards brought about enhanced interest from the part of other industrial associations, as a result of which in 2011 the following standards were drafted and approved:

- Established standard "Bulgaria" (for bread and flower);
- Industry standard – "Lyutenitsa".

In 2011 the number of enterprises eligible to manufacture products under the established standard "Bulgaria" is 63, and that of enterprises manufacturing products under the industry standard "Lyutenitsa" – 4.

In 2012 Bulgarian Food Safety Agency continues to conduct enhanced scrutiny of the quality characteristics of food manufactured under food standards, including by sampling for the purpose of laboratory testing. These control activities aim to increase consumer confidence in food manufactured under food standards, which in turn stimulates the production of standard products.

A programme of checks in 2012 was developed with a view to control the quality characteristics of foods with respect to national standards, standards developed by industrial associations and approved by the competent authority. As of October checks were performed in 19 enterprises.

A programme for the collection of samples from the market envisaged for analysis of products manufactured under national standards, standards developed by industrial associations and approved by the competent authority was developed, aimed at assessment of quality characteristics. Its goal is to compare results from samples taken under the programme and samples taken under the monitoring programmes of the producers themselves.

As of 30.09.2012 samples collected and analysed are, as follows: Established standard "Stara Planina" – 120, Established standard "Bulgaria" – 53, Industry standard – "Lyutenitsa" – 16, dairy products (BSS 15:2010 – Bulgarian white cheese in brine, BSS 12:2009 Bulgarian yoghurt, BSS 14:2010 Bulgarian cheese) – 36.

7.3.5. Border control

In 2011, Bulgarian Agency for Food Safety through the "Border control" directorate supervised the strict compliance with EU and national legislation in the import, export and transit through the territory of the EU of goods listed below:

- Animals, germ products, raw materials and foodstuffs of animal origin, animal by-products and products derived from them, feed materials, feed additives, premixes, compound feed and transport vehicles, which transported the specified goods;
- Phytosanitary inspection of plants, plant products and other products;
- Control of food of non-animal origin and materials / articles intended for food contact.
- Vehicles that transport them are also subject to control.

Each consignment crossing the border inspection posts, is subject to documentary, identity and physical checks.

The main tasks of border control include: achieving a high level of protection of human health and animal health; preventing the introduction and spread of pests of plants and plant products and preventing the placing on the EU market of food of non-animal origin and materials / articles intended for contact with foods from third countries, posing a serious and immediate risk to human life and health.

For this purpose 24 hours non-stop monitoring of border crossing points is carried out. The border control of the country is part of the Community border control and through connection systems, such as the TRACES system, all external borders are subject of monitoring and control.

In 2011, on border crossing points were processed 3,685 consignments of products of animal origin, 256 consignments of feed and 229 of live animals.

6,408 consignments of small and large ruminants, registered horses and eggs for breeding were processed for export.

Sampling intended for analysis during the physical check is carried out pursuant to the National monitoring programme for control of residues of veterinary drugs and environmental contaminants in live animals and animal products for 2011, or where there is a suspected non-compliance. During the year 191 samples from animal products were taken and 162 samples of feed were collected.

As a result of official controls carried out in the introduction of products of animal origin and live animals and established discrepancies in carrying out documentary, physical and identity checks, 43 consignments were returned and 5 were destroyed.

In making random and targeted checks on passengers arriving from third countries were seized and destroyed 786 kilograms of meat and meat products and 454 kilograms of milk and milk products.

Pursuant to the programme for effective border phytosanitary control in the import of plants and plant products, in 2011 phytosanitary control of 222,504 consignments of vegetable origin was conducted on border crossing checkpoints.

Over 180 samples were sent from the border crossing checkpoints for laboratory analysis in the Central Laboratory of Plant Quarantine and 548 analyses were performed.

In 2011 on the border crossing points were processed 31,003 consignments of non-animal origin introduced from third countries, 3,130 samples were taken and 123 consignments were rejected.

7.3.6. Control of veterinary medical activities, veterinary medicinal products and feed

7.3.6.1. Control of veterinary medicinal activities

Control over the activity of 28 Regional Directorate of Food Safety, specialised structures and departments at the office of the Bulgarian Agency for Food Safety is carried out in case of discrepancies and according to approved plan and schedule for conducting due diligence, orders of the Minister of Agriculture and Food and orders of the Executive Director of the Agency.

For this purpose, information about any natural disasters (floods, fires, hail, drought, snow or frosts) and epizootic diseases that occurred is collected on a weekly basis, in accordance with the Law on disaster and accident protection.

In 2011, a total of 361 files on complaints, alerts, inquiries, requests, correspondence with citizens, companies, NGOs, structural and territorial divisions of the Bulgarian Agency for Food Safety were initiated and completed within the due term. The majority of the complaints were related to violations of the Law on Animal Protection by citizens and infringements in accommodation of stray dogs (insulators, shelters).

6 instances of due diligence on the activities of the Regional Directorates for Food Safety were performed – in Veliko Tarnovo, Vratsa, Sliven, Targovishte, Yambol, and Dobrich – in order to establish the effectiveness of official controls on the safety of food and feed, animal health, control of veterinary medicinal products, animal welfare, laboratory control, legal, financial and accounting activities. Reports on the findings of the due diligence carried out and recommendations are submitted to the Director of the respective Regional Directorate for Food Safety, stating the defined time limit to remove established discrepancies and requiring documentary evidence of the actions taken.

The established discrepancies in 2011 were mostly related to the storage, marketing and use of veterinary medicinal products, the provisions for animal welfare, hygiene requirements during production, transportation and commercial marketing and requirements on labeling of products.

The analysis of specific discrepancies shows that the main reason is the insufficient knowledge of the regulations.

Implementation of the National monitoring programme for control of residues of veterinary drugs and environmental contaminants in live animals and animal products for 2011

The National monitoring programme for control of residues of veterinary drugs and environmental contaminants in live animals and animal products for 2011 is implemented by the regional veterinary services, sending monthly reports for samples taken on a plan basis, and by the Central Laboratory for Veterinary Sanitary Expertise and Ecology.

Pursuant to the National programme, in 2011 were received samples from animal husbandry farms for different kinds of animals, slaughterhouses, milk collection stations, processing plants and warehouses for extraction, processing and storage of various food categories.

The number of samples sent from different regions is as planned by animal species and categories of products. In 2011, under the programme from different regions were sent to the Central Laboratory for Veterinary Sanitary Expertise and Ecology a total of 2,902 samples, of which a larger number of analyzes was carried out. In 2011 an agreement with "SGS Bulgaria Ltd." was concluded for examining samples under the programme: of residues included in Group A₂ – antithyroid residues in meat and urine; Group A₆ – nitrofurans in honey; Group B₂₆ – nitroimidazoles in meat and eggs; Group B_{2c} – pyrethroids in meat and honey; Group B_{2e} – nonsteroidal anti-inflammatory drugs in meat and milk.

In 2011, at the Central Laboratory for Veterinary Sanitary Expertise and Ecology were tested 82 samples from ducks from slaughterhouses. In one of the samples from ducks and particularly in the muscles was detected chlortetracycline content - 179.13 µg / kg, and aminoglycosides.

During the year, the presence of No other residues of veterinary medicinal drugs, environmental contaminants above the maximum residue limits or residues of illegal use of prohibited substances was detected.

Implementation of the National monitoring programme for control of pesticide residues in and on food of plant origin for 2011

The National monitoring programme for control of pesticide residues in and on food of plant origin for 2011 is implemented by the Regional Directorates for Food Safety in terms of samples taken and by the Central Laboratory for Chemical Testing and Control.

In 2011, in the Central Laboratory for Chemical Testing and Control were tested 159 samples with a total of 15,700 analyses of pesticide residues; in 11 samples (6.9% of the total samples) excess of residues of pesticides was detected, and in 40 - residues below the admissible levels.

Samples tested for the purpose of official controls in 2011:

Since the establishment of the Bulgarian Agency for Food Safety, for the purpose of official controls on food have been tested:

- 10,373 samples for safety and hygiene of food, out of which 8,174 samples were tested for salmonella bacteria, and 5,369 samples – for listeria; the National Reference Laboratory at the National Diagnostic and Research Veterinary Institute confirmed 98 positive results for salmonella. At the national reference laboratories at the National Diagnostic and Research Veterinary Institute were confirmed 37 positive results for *Listeria monocytogenes*;
- 2,259 samples intended for food quality characteristics (physical and chemical parameters), of which 681 were non-compliant;
- 15,500 samples of raw milk, of which 490 were non-compliant;
- 280 samples in the NRL "Water content of poultry" at the National Diagnostic and Research Veterinary Institute, of which 86 were non-compliant;
- 247,913 samples for the presence of *Trichinella*, out of which in the NRL 'Trichinella' at the National Diagnostic and Research Veterinary Institute were confirmed 38 positive results;
- In 2011 the Central Laboratory for Chemical Testing and Control received 65 samples from the border crossing checkpoints pursuant to Commission Regulation (EC) No 1152/2009 on special conditions governing the import of certain foodstuffs from certain third countries due to contamination risk by aflatoxins. In 10 of them (15% of the total number) was demonstrated aflatoxin content exceeding the established maximum amounts admissible;
- In the Central Laboratory for Chemical Testing and Control have been received 2,533 samples of imports from Turkey in the framework of implementation of controls under Regulation (EC) No 669/2009, amended by Regulation (EC) No 187/2011 as regards the increased level of official controls on imports of certain feed and food of non-animal origin, and the content of 5,066 different indicators was analysed; the samples containing pesticide residues in amounts exceeding the maximum are 37 (about 1.5% of total number);
- In the Central Laboratory for Chemical Testing and Control have been received 23 samples of nuts, grains and cereals, and coffee provided to be tested for aflatoxins, ochratoxin A and zearalenone under the market control programme;
- 185 samples of fruits and vegetables imported from third countries were analyzed for content of 6,617 residues of pesticides in the Central Laboratory for Chemical Testing and Control; in 20 samples (about 17% of the total) pesticide residues in excess of the maximum levels laid down in EU legislation were demonstrated.

In external laboratories based on an agreement between the Ministry of Agriculture and Food and the Ministry of Health were examined:

- 710 samples of food of non-animal origin, tested for safety and hygiene;
- 552 samples tested for quality characteristics;
- 65 samples tested for presence of GMOs;
- 286 samples – for pesticide residues;
- 106 samples – for presence of mycotoxin;
- 447 samples – for presence of nitrates;
- 345 samples – for presence of heavy metals;

For the purposes of official controls of feed were examined:

- 569 samples for presence of protein of animal origin, none of them positive, in the NRL 'Animal protein feed' at the National Diagnostic and Research Veterinary Institute;
- 194 samples for the presence of Salmonella, 3 of them positive, confirmed by the NRL "Salmonella";
- 266 samples for pesticide residues, mycotoxin and dioxins, 26 of them were sent for confirmation to external laboratories, there were No confirmed positive results;
- 6 samples for the presence of GMOs were tested in external laboratories, one was positive, but the requirement for labeling was complied with;
- 244 samples for quality characteristics of grain, grain products, feed and feed materials, 5 of them non-compliant.

7.3.6.2. Control of veterinary medicinal products

The official control of veterinary medicinal products is implemented at central and regional level by inspectors from the "Control of Veterinary Medicinal Products" directorate of the Bulgarian Agency for Food Safety and the regional directorates for food safety. Activities related to the control of veterinary medicinal products, include licensing for use in Bulgaria of veterinary medicinal products, post-licensing control, pharmacovigilance, control on the production, importation and marketing of veterinary medicinal products, good manufacturing practice and market surveillance and actions taken in cases of variations in the quality of veterinary medicinal products.

The number, frequency and consistency of the inspections carried out at the sites are not always based on a preliminary risk assessment for each site, which reduces the effectiveness of controls.

With regard to inspections carried out in the framework of official control of trade, storage and use of veterinary medicinal products, in 2011 a trend of increase in the number of unannounced inspections conducted in sites subject to control was observed, due to applying the approach of risk assessment in inspection planning.

Due to enhanced control and increased administrative penalties imposed, there is a trend of decrease in the number and severity of violations of the Law on Veterinary Activities related to the control of veterinary medicinal products, established by the inspections.

7.3.6.3. Control of feed

Bulgarian Agency for Food Safety provides the methodological guidance, coordinates and monitors the performance of the control activities carried out by the regional directorates for food safety in the feed sector.

Main priority in the control of feed is the attainment of a high level of protection of human health, animal health and the environment by means of effective monitoring at all stages of production, processing, storage, import, transportation, distribution, including animal nutrition.

In 2011, for the purpose of improving and standardizing the work of inspectors and experts carrying out official controls on feed in the Regional Directorates for Food Safety were developed models of documents, procedures and work instructions.

Registration and approval of establishments in the feed sector.

In compliance with requirements provided under the Law on feed and Regulation EC No 183/2005 laying down requirements for feed hygiene, activities performed in the Feed sector shall only be carried out in establishments approved and registered by the Bulgarian Agency for Food Safety.

Bulgarian Agency for Food Safety maintains a Register of approved establishments and a List of registered establishments in the feed sector for activities specified under Articles 9 and 10 of Regulation (EC) No 183/2005. National lists / registers are public and available to users on the Agency website: www.babh.government.bg.

As of 31.12.2011, the total number of registered and approved establishments in the country is 7,201, with 7.6% less than those in 2010. Compared to the previous year, the number of approved manufacturers of feed decreased by 2.6 percent and that of registered establishments engaged in activities at the level of primary production of feed – 16%. At the same time an increase in the number of approved feed business operators in accordance with Article 10 of Regulation (EC) No 183/2005 – by 6.3%, in the number of registered traders – by 11.3% and in the number of Feed business operators transporting feed and lending warehouses – by 17.4% is observed.

Table V.14. Number of registered and approved establishments in 2010 and 2011

Activity declared by the operator	Number of establishments by end 2010	Number of establishments by end 2011	Difference 2011/2010
Producers of feed materials other than at the level of primary production of feed	282	296	5,0%
Registered traders in feed	1 671	1 860	11,3%
Registered manufacturers of feed additives, premixes, compound feed	223	224	0,4%
Approved manufacturers	76	74	-2,6%
Approved traders	80	85	6,3%
Operators at the level of primary production of feed (farmers)	5 245	4 406	-16,0%
Other kinds of business operators, including establishments transporting feed and operators lending warehouses	218	256	17,4%

Source: Bulgarian Food Safety Agency

In 2011, operational targets were implemented, laid down in the Single multi-annual national control plan of the Republic of Bulgaria for food, feed, animal health, animal welfare and plant protection (January 2008 - December 2011), in order to attain the strategic objective "Effective operation of the systems of feed control".

With a view of achieving a high level of protection of human health and animal health, environment protection, and protection from fraud and misleading information, regular risk-oriented control over the processes in the production of different types of feed and products themselves is carried out at each stage of production, processing, storage, transportation, distribution, including feed nutrition. Control covers both establishments in the feed sector and holdings that produce or just feed feedingstuffs for animals that are raised for food production and their produces are intended for human consumption.

Pursuant to Article 17 of Regulation (EC) No 178/2002 feed business operators shall be responsible for ensuring the safety of products manufactured by them, the protection of animal health and the prevention of environmental risks.

Official controls on feed encompass planned and ongoing control activities. Ongoing control activities include ex post controls in cases of doubt and investigation (based on alerts, notifications under the RASFF system, etc.).

Planned control activities are organised within a programme that is based on risk. In 2011 were implemented the "Framework Plan for control of feed in 2011" and the "Operating Instructions" for its implementation, which have been prepared on the basis of control set out under the Single Multi-Annual National Control Plan (SMANCP) – 2008–2011.

The number of inspections, sampling and analyses are defined so as to ensure control at all stages of the chain in the feed sector.

Controls cover: control over the processes (production and documentary check); control over products (collecting samples intended for analysis - nutritional composition, additives, unwanted and banned substances) and control over the observation of labeling requirements and protection from deception and advertising.

Overall progress in achieving the strategic goals and specific objectives in the control system "Feed and animal nutrition" is considered as positive. Compared with the previous year, 2011 has seen an increase in the number of inspections carried out. The planned number of inspections under the Framework control plan for 2011 was implemented at 79.9%, one of the main reasons for the decreased number of inspection being the changes in the number of declared activities of business operators belonging to various groups throughout the year.

In 2011, a total of 2,422 inspections were carried out, of which: 415 of manufacturers of feed additives, premixes and compound feed; 120 of approved traders in feed additives and premixes, produced on the basis of additives; 203 of manufacturers of feed materials; 1,016 of traders in compound feed and feed materials; 64 of business operators lending warehouses, transport or shipping companies, and 604 of establishments mixing feed only for the needs of their own holdings without using additives and premixes. For each inspection performed an observation protocol was drawn up, 1,152 instructions in cases of established discrepancies were prepared, specifying deadlines for their removal.

In the course of inspections of establishments in the feed sector during the year a total of 487 samples of feed materials, compound feed, premixes, and feed additives, were taken, and they were subjected to 1,442 analyses based on the following indicators: macronutrients, vitamins, nutritional composition, undesirable substances - mycotoxins, pesticides, dioxins, heavy metals and microbial contamination – the presence of Salmonella.

11 acts establishing administrative violations were drawn up, 17 foreclosures were imposed and 2 approvals were suspended for a period of one year.

Table V.14. Number of inspections planned and carried out in 2011 at all stages of production (including primary production of feed), processing, distribution and feed nutrition

Number of inspections planned	Number of inspections carried out				
	planned	ex post	investigation	based on alert	total
3 033	1 777	587	22	36	2 422

Source: Bulgarian Food Safety Agency

In terms of feed analysed No major discrepancies were reported, that would lead to animal health hazards.

In the sector of feed business operators discrepancies in terms of available facilities and equipment were observed. They are due to insufficient financial resources for investments that affect compliance with hygiene requirements. Many of the smaller operators wind up their activities due to economic reasons.

There are rare cases in which the systems of self-control put in place by feed business operators do not correspond to the activities carried out by the operator concerned, neither to production volumes, often due to formal transfer of such systems from establishments operating in the food business.

The type and location where the inconsistencies are detected do not pose a potential risk to animals.

The inconsistencies established and their distribution were taken into account in the risk assessment during preparation of the framework control plan for 2012.

The reasons that lead to inconsistencies often are: lack of consciousness, respectively lack of awareness of the responsibility of operators in accordance with Regulation (EC) No 178/2002; insufficient knowledge of legal requirements, such as requirements of Regulation (EC) No 178/2002 and Regulation (EC) No 183/2005, and insufficient financial resources of feed business operators.

Analyses of samples taken under the official control of feedingstuffs

In 2011, there was an increase in the number of samples taken by 5.5 times compared to 2010. Samples taken were analysed for compliance with parameters declared by the manufacturer, and for compliance with the limit values set out in the legislation.

248 analyses of feed have been performed, for nutritional composition and macro elements, 198 for content of feed additives from the group of trace elements and vitamins, 242 for content of undesirable substances in feed - arsenic, cadmium, lead and mercury, 53 for content of undesirable substances in feed - pesticides, 611 for content of undesirable substances in feed - mycotoxins, 2 for content of undesirable substances in feed - dioxins and dioxin-like polychlorinated biphenyls, 82 for the presence of salmonella in feed and 6 for content of GMOs. The analyses found no discrepancies with the exception of one positive sample of feed material for the presence of undesirable substances in feed - pesticides, and two positive results for the presence of mycotoxins. Arbitration samples were sent for confirmatory analysis to an external laboratory, but the results received were negative.

Control over the production and marketing of medicated feed

The production and marketing of medicated feed is controlled by the Bulgarian Agency for Food Safety, care being taken to comply with the requirements of Ordinance No 20 of 2006 on the production, storage, dispensing, transportation, decontamination, detoxification and destruction of medicated feed.

As of 31.12.2011 there are seven approved enterprises producing medicated feed.

The results of the official controls carried out and samples taken for laboratory analysis do not demonstrate any serious violations of the legislation on feed concerning residues of pharmacologically active substances.

Control of transmissible spongiform encephalopathies and animal by-products

The implementation of the feed control plan under the monitoring system "Transmissible spongiform encephalopathies and animal by-products" is managed and coordinated by the Bulgarian Agency for Food Safety.

The Feed control plan for 2011 was prepared in order to implement the Single multi-annual national control plan of the Republic of Bulgaria for food, feed, animal health, animal welfare and plant protection from 2008–2011, approved by the Minister of Agriculture and Food.

All stages of importation, trading, storage, use, transport or utilization of animal by-products and derived products as feed, are subject to control.

Compliance with the feed ban is controlled by sampling and monitoring of raw materials of animal origin and compound feed containing them.

In 2011, 537 samples for the presence of proteins of animal origin were taken.

Laboratory testing for the presence of proteins of animal origin conducted during the year did not demonstrate any positive, inconsistent results.

Due to the fact that animal proteins are at risk of contamination with microorganisms, samples are taken of processed animal protein (fish meal, blood meal), blood products, feed containing them,

and milk replacers containing them, in order to be analysed for microbiological contamination. Of animal protein intended for the production of compound feed or invested in such feed, as well as animal proteins intended for trade, samples to test the presence of salmonella are taken.

Samples taken to test the presence of Salmonella in 2011 were 131. In laboratory tests carried out No positive, inconsistent results were established.

Inspections are planned taking into account the type of establishment, the frequency of deviations from legal requirements, discrepancies or violations found in the previous year. Inspections are carried out in parallel with those under other control systems in the feed sector.

7.3.6.4. Audit of official controls

By Order of the Minister of Agriculture and Food, since May 2011 nine experts from the "Animal Health and Food Safety" directorate of the Ministry of Agriculture and Food were appointed for conducting audit of official controls carried out by the Bulgarian Agency for Food Safety on food quality and safety of food, feed, animal health and welfare and plant protection products.

Experts conducting audits are trained in standard BS EN ISO 19011 for internal auditors. Two experts have been trained under the programme of the European Commission, DG "Health and Consumers" - "Better training for safer food", entitled "Creating and implementing an audit system".

In carrying out the audits the "Animal Health and Food Safety" directorate applies a written procedure (questionnaires, schedules, reports annexed with recommendations) required to audit the activities of the official control bodies under the Ministry of Agriculture and Food, in compliance with the requirements of Regulation (EC) No 882/2004, Commission Decision No 677/2006 and the international standard BS EN ISO 19011:2004.

In 2011, according to the approved schedule, were planned and performed five audits of the control bodies under the Ministry of Agriculture and Food, as follows:

- Regional Directorate for Food Safety, city of Lovech;
- Regional Directorate for Food Safety, city of Montana;
- Regional Directorate for Food Safety, city of Dobrich;
- Regional Directorate for Food Safety, city of Varna;
- Regional Directorate for Food Safety, city of Shumen.

In order to improve the efficiency and effectiveness of official controls based on the principles of fairness, transparency, professionalism and absence of conflict of interest, during the five audits conducted by the competent authorities of the Ministry of Agriculture and Food were prepared a total of 40 recommendations related to established inconsistencies, as follows:

- food sector - 8 recommendations;
- feed sector - 19 recommendations;
- animal welfare - 4 recommendations;
- with regard to enforcement and implementation of measures under the Law on plant protection - 9 recommendations.

From 40 recommendations made, 30 were implemented. Upon completion of each audit, report was submitted to the Minister of Agriculture and Food.

7.3.7. Risk Assessment Centre

The Risk Assessment Centre was established by the Law on the Bulgarian Agency for Food Safety (SG. No 8 of 25.01.2011) as a self-standing legal entity within the structure of the agency and a third-rate authorising officer. It carries out an independent scientific assessment of the risks relating to food safety, human health, animal and plant health, as well as other activities in the competences of the

Bulgarian Agency for Food Safety, in accordance with Article 10, paragraph 1 of the Law on the Bulgarian Agency for Food Safety.

The Risk Assessment Center prepares scientific reports on risk assessment of the impact of various pathological factors on human, animal or plant health. Where there are problems arising or threatening to arise related to food safety in a national or regional scale, the centre brings together groups of leading scientists, researchers and experts in the country region concerned and seeks information from leading international organisations, primarily from the European Food Safety Authority (EFSA). Based on analyzes prepared by the centre and reports on specific problems in the world / EU / Bulgaria, the management of the Bulgarian Agency for Food Safety may take management decisions to eliminate or reduce the impact of the damaging / contaminating / risk factor.

In 2011, the Risk Assessment Centre issued seven scientific opinions on the following diseases: foot-and-mouth disease, bluetongue, African swine fever, avian influenza, contamination of dried mushrooms by radioactive ¹³⁷Cs, the plant pest *Drosophila suzukii*, and on strengthening the administrative capacity of the Bulgarian Agency for Food Safety for the implementation of effective epizootic surveillance in municipalities along the Turkish border. Also, the centre is in the process of developing a scientific opinion on bovine tuberculosis.

The Risk Assessment Centre has prepared numerous analyzes and information documents related to food safety and human health on Schmallenberg virus, E. Coli O104: H4, the tomato moth, resistance to pesticides and antimicrobial resistance, GMOs and other. A number of meetings on various issues were organised - the empty beehive syndrome; the tomato moth pest, arguments "for" or "against" the emergency vaccination against foot-and-mouth disease; problems related to antimicrobial resistance, collecting data on zoonoses, collecting data on chemical contaminants.

The centre compiled a List pursuant to Article 10, paragraph 3 of the Law on Bulgarian Agency for Food Safety as required by Commission Regulation (EC) No 2230/2004 of 23 December 2004 laying down detailed rules for the implementation of European Parliament and Council Regulation (EC) No 178/2002 with regard to the network of organisations operating in the fields within the European Food Safety Authority's mission. Currently, the list includes 24 national scientific organisations.

By decision of the Management Board of EFSA, in June 2012 the Risk Assessment Centre was included in the list of relevant scientific organisations that support the work of EFSA.

7.3.8. Legislative changes in the area of food safety

In 2011, a draft law amending the Law on Food was elaborated. The change was prompted by the need to supplement the existing provisions and schedules by articulating the missing procedures in order to enable the conducting of more effective control by the official control authority.

Ordinance No 9 of 16 September 2011 on specific requirements for safety and quality of food offered in kindergartens and schools was adopted, laying down clear requirements for the safety and quality of basic food groups, offered in childcare establishments, to ensure that children are offered food that will not harm their health and development.

The follow-up of the SMANCP of the Republic of Bulgaria by the end of 2011 was prepared. In addition, the SMANCP for the next three years (January 2012 - December 2014) was drafted. The SMANCP is published on the website of the Ministry of Agriculture and Food.

The European Commission was forwarded the Annual Report on the implementation of the SMANCP for 2010, prepared in accordance with Article 44 of Regulation (EC) No 882/2004 of the European Parliament and the Council on official controls performed to ensure the verification of the requirements of feed and food law, requirements for animal health and welfare and Article 29g, paragraph 2 of the Law on food.

In 2011 continued the active participation of experts from the Ministry of Agriculture and Food in the working group "Food and Nutrition" at the National Center of Public Health and Analyses in conjunction with "National Action Plan for Food and Nutrition 2011-2016".

During the year was launched the elaboration of a model structure of the organisation "Food Banks". By Order of the Minister of Agriculture and Food was established an interdepartmental working group to develop a model of the structure of the organisation "Food Banks" – a form of participation of state institutions in order to ensure preconditions for the functioning of the Food Bank structure and to propose legislative and organisational changes enabling the establishment and development of food banks.

The "Animal Health and Food Safety" directorate shall issue certificates of conformity with the quality characteristics of dairy products produced under BSS pursuant to Article 63, paragraph 3 of the Law on Marks and Geographical Indications and orders issued in this regard by the Minister of Agriculture and Food.

For the purpose of registration of users of the designation of origin, the Bulgarian Agency for Food Safety was defined as competent authority and standard forms and procedures were approved for assessing compliance with the quality characteristics of the products "Bulgarian cheese", "Bulgarian white cheese in brine" and "Bulgarian yoghurt" produced under BSS, and their relationship with the geographical environment.

In 2011, orders of the Minister of Agriculture and Food for the demarcation of the geographical location for manufacturing of the products "Bulgarian cheese", "Bulgarian white cheese in brine" and "Bulgarian yogurt" were amended. The orders define the quality characteristics and the relationship of those products with the geographical environment.

In 2011 were issued 12 certificates, 4 of them to companies manufacturing products under BSS "Bulgarian yogurt", 6 - to companies manufacturing products under BSS "Bulgarian white cheese in brine" and 2 - to companies manufacturing products under BSS "Bulgarian cheese".

The Ministry of Agriculture and Food maintains a register of certificates of conformity with the quality characteristics of dairy products manufactured under BSS. The register is published on the website of the ministry.

In 2011 and early 2012 were amended three regulations concerning feed safety: Ordinance No 10 from 17.02.2003 on special-purpose feed (promulgated in SG No 97/2011); Ordinance No 10 of 17.04.2009 on the maximum concentrations of undesirable substances and products in feedingstuffs (promulgated in SG No 103/2011) and Ordinance No 109 for the official control on feed (promulgated in SG No 20/09.03. 2012).

In 2011 was adopted the amendment proposed by the Ministry of Agriculture and Food of the Criminal Code (promulgated in SG No 33/2011), through which the act of cruelty to animals is criminalised and the purposes of general deterrence are achieved, and educational and warning impact on all members of society is attained.

In November 2011 were also amended the Law on Animal Protection and the Law on Veterinary Activities, in order to harmonise their provisions with amendments introduced to the Criminal Code. The amendments allowed for the extension of the period for withdrawal of the population of stray dogs into shelters, which aims to allow extra time for municipalities to control the over-population of stray dogs.

By Decision of the Council of Ministers No 56 of 03.02.2011 pursuant to Article 75, paragraph (1) with reference to Art. 82, paragraph 1 of the Law on Genetically Modified Organisms of the Republic of Bulgaria the cultivation of genetically modified maize MON 810 in the Republic of Bulgaria was banned. The ban imposed is based on the precautionary principle and Article 23 of Directive 2001/18/EC, in order to ensure a high level of protection of the Bulgarian agriculture and the environment from the potential for creating resistance to bt-protein in target and non-target wildlife and its accumulation in soil ecosystems.

8. Selection and reproduction in livestock breeding

8.1. Management of national genetic resources in livestock breeding

The management of genetic resources in livestock breeding is aimed at conservation of threatened indigenous local breeds in danger of being lost to farming that represent national wealth of the country, as well as at maintaining and developing commercial breeds that form national genetic resources.

Coordination of activities related to the management of national genetic resources in animal husbandry is carried out by the Executive Agency for Selection and Reproduction in Animal Husbandry.

In 2011, 20 meetings of the National Council on Genetic Resources in Animal Husbandry were held, broken down per departments of the different sectors in livestock farming, where the problems of the industry were discussed and many suggestions to improve breeding were made.

The EASRAB has two repositories of the National Genetic Bank - in Sofia and in Sliven, where as of 31.12.2011 are stored a total number of 3,177,670 doses of deep-frozen semen from 20 cattle breeds, 3 buffalo breeds and 10 sheep breeds.

In addition, the Agency is in charge of maintaining the national genetic reserves, thereby guaranteeing national sovereignty in terms of genetic resources, conservation of livestock biodiversity, maintaining the purity of the smaller populations, conservation of indigenous local breeds with unique genetic characteristics and high breeding flexibility and adaptability of the natural growing environments.

As of 31.12.2011, at the National genetic reserve are stored a total number of 346,202 doses of deep-frozen semen from 30 breeds of cattle and buffalo species.

The presence of deep-frozen semen of 397 depots of breeding male animals contributes to enhancing European and global genetic diversity and meets the needs of breeding organisations, farmers and breeders on an individual and collective basis. The greatest diversity is observed in bulls of the following dairy breeds: Bulgarian Black and White cattle, Holstein-Friesian, Bulgarian Brown cattle and Bulgarian Rhodope and Brown cattle, and the following meat breeds - Limousin, Blonde d'Aquitaine and Aberdeen Angus - black and red.

The National genetic bank and the National genetic reserve store a total number of 115,234 doses of semen of 13 indigenous local breeds threatened or in danger of being lost to farming, who are national treasures.

The EASRAB operates and maintains two government stations for artificial insemination in Sofia and in Sliven, providing breeding, management and conservation of genetic resources in the country. In the two stations in 2011 were produced a total number of 47,025 doses of deep-frozen semen.

The Agency assists the breeding organisations by: providing the opportunity to explore the qualitative indicators of controlled characteristics in laboratories of the EASRAB; creating opportunities for holding male animals and production and storage of semen, creating opportunities to prove the origin of breeding animals in the laboratory of EASRAB.

For this purpose, in 2011 the EASRAB operated and maintained three state laboratories for the analysis of qualitative indicators of animal products covering the needs of selection. In both laboratories for the purpose of determining the physical and chemical composition of milk (in Shumen and in Sliven) were tested a total of 282,306 samples, which is 31,697 more than the numbers in 2010.

By the opportunity to use the laboratories for physical and chemical analysis of milk samples is achieved equality, comparability of results, transparency, self-control among breeding organisations and objective scrutiny from the part of the EASRAB.

The laboratory testing rams based on own productivity, covering selection in fine wool sheep breeding (city of Shumen) makes it possible to determine the magnitude of some breeding traits and the quality of the wool in terms of physical and mechanical properties, yield and quantity of pure fiber. In 2011, in the laboratory were examined 1,070 samples of wool, with 8.4% more than in last year.

In 2011, at the National Immunological Laboratory for the purpose of establishing the origin and determining the blood type of animals (in Sofia) were analysed 144 blood tests in total. Blood samples examined in the cattle breeding sector were provided solely by artificial insemination stations, and in the sheep breeding sector – by research institutes and breeding organisations.

In connection with the need to protect rare local breeds, in 2011 the EASRAB became a full partner in the programme "Linking nature protection and sustainable rural development" of the Swiss Confederation aimed at construction, provision of equipment and accreditation of a national genetic laboratory.

Activities in the field of reproductive are performed by licensed semen storage centres. Since 01.03.2011, the number of licensed semen storage centres was reduced from 28 to 19, in order to optimize maintenance costs. In 2011, 86,228 doses of semen were realized, exceeding by 2,604 doses or 3.1% those in the previous year.

Based on the available genetic diversity of 282 depots of bovine and buffalo breeding animals at the National Genetic Bank, realized doses of deep-frozen semen in 2011 include 25 breeds and 275 livestock units of bovine and buffalo bulls.

In order to stimulate the implementation of breeding programmes by breeding organizations, the Agency provides to the insemination technicians and farmers Dewar flask containers for the storage of cryo-preserved semen based on co-operation agreement without charge. In 2011 were concluded 267 contracts.

During the year, eight stallions from the horse-breeding depot of EASRAB were provided to private farmers, stud farms and equestrian clubs based on a co-operation agreement, in order to improve the genetic quality of horses in Bulgaria.

Another type of service provided to farmers is the maintaining in the city of Kyustendil of three depots of breeding male animals of the breed Bulgarian White Dairy, used for natural insemination of goats; in 2011 were performed 150 natural inseminations.

At the base of EASRAB in Sliven is maintained a pedigree rabbit farm for the production of breeding animals.

In 2011, in the school training insemination technicians in the city of Sliven were conducted 7 courses for insemination technician for cows and were trained 20 insemination technicians.

Experts from the Agency provide methodological assistance in conducting breeding activities and in maintaining herd books of 240 ewes and 70 ovine animals of the Lakota breed and 200 ewes and 70 ovine animals of the Charollais sheep breed (imported from France) – those are breeds for which No breeding organisations exist.

The creation of new breeds and hybrids of animals is coordinated by the EASRAB through organising, managing and providing technical support to the activities of the State Breed Commission and performing the necessary substantive expertise at all levels. In 2011, the Patent Office submitted three requests for substantive expertise to the State Breed Commission. Following consideration were recognized two dog breeds – "Bulgarian Barak" and "Bulgarian Ludogorie Beagle".

For the purposes of promoting national genetic resources and the effect of breeding activity in 2011 the EASRAB organised three exhibitions funded under a State aid scheme financed by the State Fund "Agriculture"- e.g. the Specialised exhibition in buffalo, the city of Razgrad; the Sixth National Festival for the protection of local Bulgarian breeds in the locality "Panitsite", the city of Kalofer, and the ninth National Livestock Show in Sliven. On those events the status and trends in the development of pedigree farming in the country were presented and national genetic resources were demonstrated.

In 2011, as a result of the conducted monitoring of livestock and breeding animals and with the cooperation of breeding organisations an up-to-date catalogue of livestock breeds in Bulgaria was compiled, which represents 98 selected breeds, indigenous local breeds and primitive breeds of 11 animal species.

During the year many meetings with farmers and representatives of breeding organizations were held in order to discuss issues relating to increasing the number of animals under selection control, selection funding, implementation of the Common Agricultural Policy of the EU, etc.

8.2. Activities of breeding organisations

In 2011, in the livestock breeding sector 39 breeding organisations were operating, as follows:

- cattle rearing - 8 breeding organisations with a total number of 46,685 cattle controlled;
- buffalo rearing - 2 breeding organisations with a total number of 4,669 animals controlled;
- sheep farming - 13 breeding organisations with a total number of 158,903 sheep controlled;
- goat rearing - 2 breeding organisations with a total number of 5,022 goats controlled;
- horse breeding - 5 breeding organisations with a total number of 2,402 horses controlled;
- pig production - 4 breeding organisations with a total number of 36,977 pigs controlled;
- poultry breeding - 2 breeding organisations with a total number of 884,949 birds controlled;
- beekeeping - 1 organisation controlling 11,625 swarms;
- Dog breeding - two breeding organizations with a total number of 576 controlled dogs related to agriculture.

Compared to the previous year an increase in the number of animals used for breeding activities is observed, in the following sub-sectors: goat rearing – by 143%; cattle rearing – by 31%; sheep farming – by 15%; pig production – by 11%; beekeeping – by 7%, and buffalo rearing – by 4%. At the same time a decrease in the number of animals, used for breeding activities, is observed in the following sub-sectors: horse breeding – by 46%, poultry breeding – by 23%, and breeding of dogs related to livestock – by 10.6%.

In 2011, the following six breeding organizations first started their activities: the National Association for Meat Cattle Breeding, the Association for Breeding Dairy Sheep Breeds, the Breeding Association of Local Breeds; the Association of Horse Breeders in Bulgaria, the association "Bulgarian Sport Horse", the "Association for Recuperation and Development of Pleven Horse and Girdan Breeds in Bulgaria".

Currently, all breeding organisations operating in the country are authorized and have in place protected breeding programmes for a long period of time, i.e. conditions are created for their sustainable operation.

8.3. Control and coordination in breeding activities

In 2011, the EASRAB carried out planned inspections of activities of all breeding organisations. The activities of breeding organisations in different breeding sub-sectors was subject to control in terms of: presence of identification, authentication, breed and breed appurtenance of animals; qualification of animals, implementing case plans, monitoring the productive symptoms, a background inspection of breeding activities.

The inspections found that three breeding organisations were not engaged in breeding activities, as a result of which their permission for breeding activity was withdrawn. These are: "Bulgarian Simmental Association - 99", "National Rabbit Breeding Association" and "Bulgarian Breeding Association of Rabbit Farming".

Thirteen breeding organisations were given mandatory instructions specifying deadlines to remedy the established violations.

In 2011 EASRAB supported the Paying Agency of the State Fund "Agriculture" by ensuring the lawful spending of funds under the national and European budget and funds allocated to farmers for breeding activities. The Agency implemented controls over the activities of breeding organisations

through carrying out inspections on the state aid schemes "Support for the keeping of stud-book and identifying the productivity and genetic qualities of animals" and "Support for the keeping of stud-book and identifying the productivity and genetic qualities of Bulgarian Shepherd dog and Karakachan dog breeds".

In 2011 continued the establishment and keeping of a Register of male animals for breeding purposes and a Register of breeding herds, launched in 2010. In the Register of male animals for breeding purposes by the end of 2011 were included 9,319 animals, broken down into species, as follows: for cattle breeding and buffalo rearing – 5,214 animals; for sheep farming – 3,031 animals; for goat rearing – 160 animals; for pig production – 507 animals; for horse breeding – 407 animals. By the end of the year in the Register of breeding herds were included 2,985 herds distributed as follows: for cattle breeding – 770; for buffalo rearing – 119; for sheep farming – 857; for goat rearing – 41; for pig production – 72; for horse breeding – 1,010; for poultry – 18; for beekeeping – 98.

9. Agricultural science, training and advisory activities

9.1. Scientific research activities and extension services in agriculture provided by the Agricultural academy

The activities of the Agricultural academy in 2011 were oriented towards structural improvements and enhancement of the administrative capacity in the management of the system in order to create optimum conditions for experimentation and to effectively address the problems of research in the field of agriculture.

In 2011, a bill amending the Agricultural Academy Law was drafted. The proposed amendments aimed at strengthening the collective concept and restoring the academic principles in the management of the Agricultural academy; the introduction of principles of competition and programming in the formation and utilization of the academy's financial resources and other measures to optimize costs of research.

9.1.1. Scientific products created and introduced to production

In 2011, 169 national research projects were developed, 170 international research projects were implemented, and 16 projects under the seventh framework programme of the EU were pursued.

Scientific research was conducted in the following areas: crop husbandry, animal husbandry, soil science, general agriculture and land reclamation, agricultural economics and food technology. During the year, 41 projects were completed, work continues on 118 projects and 41 new research projects were launched. As a result of studies carried out, in 2011 were validated 28 new varieties of wheat, sunflower, sesame, mung bean, corn, vegetables and fruit crops, as well as two breeds of silk butterflies.

9.1.2. Transfer of knowledge and scientific products

In 2011 were created 92 demonstration fields, where open days and meetings of scientific units with Bulgarian and foreign farmers were conducted. Organising open days in all areas of research and practice in the Agricultural academy has proven to be the most accessible form for faster realization of the achievements of agricultural science by its immediate users - agricultural cooperatives, establishments, farmers and companies. Throughout the year were organised 91 open days. In addition, 58 more short courses for qualification upgrading of agricultural experts and farmers from agricultural cooperatives were carried out, as well as 216 conferences on scientific research and practice, seminars, symposia, and round tables.

For the 20th consecutive time the Agricultural academy participated in the International Agricultural Exhibition "Agra 2011", through its scientific research institutes and experimental stations. The departments presented through multimedia presentations, exhibits and informational materials many scientific research products, promising varieties, hybrids, high quality seeds and planting materials, pedigrees of animal breeds, modern technologies in agriculture and food industry, green and

cost-effective technologies for crop husbandry, animal husbandry, information services, agribusiness projects, and management systems.

In order to improve the relationship with farmers, in September the Agricultural academy signed a framework contract with the National Agricultural Advisory Service for organisation of joint events. By the end of 2011 were carried out 10 seminars on topical issues.

The Agricultural academy organised the development of specific methodology tailored to conditions in 2012 harvest year for examination of autumn crops. A proposal was made the examination to be carried out by joint teams from the institutes of the Agricultural academy and the Institute of Irrigation and Land Reclamation of the Bulgarian Academy of Sciences and recommendations for overcoming the effects of autumn and winter handicaps to be provided. Due to lack of funds, this initiative was not brought to an end.

One of the important areas in which efforts have been made in the Agricultural academy system is vocational training. In 2011, 18 courses were conducted with a duration of 150 hours of training. The total number of students trained comprised 549 farmers and persons employed in agriculture. Of these, 223 trained in the specialty "Animal husbandry", 325 in "Agroecology", and 12 under the Operational Programme Human Resources Development 2007-2013, profession "ecologist". 537 certificates for vocational training were issued.

9.1.3. Qualification structure of researchers by ranks and degrees, doctoral studies and publishing activity

The total number of scientists in the Agricultural academy as of 31.12.2011 is 681, which are distributed as follows in terms of positions and academic degrees: professors - 40, associated professors – 308, senior assistants - 221, assistants - 112, holders of educational and scientific degree "Doctor" - 459 scientists, and holders of doctorates in science - 23 scientists.

The ratio of scientists qualified to teach and others in the Agricultural Academy is 1.05 in favour of those qualified to teach.

In 2011, the number of authorised competitions for academic positions has increased compared to the previous year. 36 competitions for academic qualification were authorised, of which 16 for professors and 22 for associate professors.

At the Agricultural academy in 2011 were trained a total of 63 doctoral students in educational and scientific degree "Doctor" in accredited doctoral programmes, including 22 students in full-time study, 15 students in part-time studies, and 26 students – in independent form. During the year from training with the right to defend a thesis were suspended 10 doctoral students, while 11 have successfully defended their theses.

For the academic 2011/2012 year, the Agricultural academy announced a competition for admission of doctoral students in 18 institutes. The total number of vacancies announced is 81, in 24 scientific disciplines. Compared to previous years, increased interest in young people in the scientific career is observed. Documents for participation in the competition submitted 44 candidates under 13 specialties, in 15 research institutes. Successful and enrolled are 26 doctoral candidates.

In 2011, one research institute received programme accreditation with the right to conduct studies in the educational and scientific degree "Doctor" in two scientific disciplines, and two others are following the procedure.

The publishing activity of the Agricultural academy covers 7 scientific journals: "Bulgarian Journal of Agricultural Science", "Agricultural Science", "Plant Science", "Animal Science", "Soil Science, Agrochemistry and Ecology", "Economics and Management of Agriculture" and "Agricultural Machinery".

In scientific journals in 2011 were processed and published 513 scientific papers and review articles by authors from the Agricultural Academy system, external authors and authors from abroad.

In the middle of the year the publication "Bulgarian Journal of Agricultural Science" received an impact factor 0.153, which increased the importance of the publication and, consequently, the desire of authors to publish therein.

9.1.4. International cooperation in the area of agricultural science

In 2011, research institutes and experimental stations of the Agricultural academy participated in international cooperation activities together with scientists from more than 40 countries through joint research projects, participation in international seminars, conferences, consultative meetings, studying abroad, hosting meetings with foreign scientists and discussing themes of mutual interest, etc. 170 projects were implemented, of which 117 bilaterally with partners from 30 countries. Institutes worked on 53 projects funded and supported by various international institutions - the EU, the Food and Agriculture Organization, the International Centre for Genetic Engineering and Biotechnology, Bioversity International, Italy, the International Atomic Energy Agency, the International Maize and Wheat Improvement Center, the International Center for Agricultural Research in the Dry Areas and more. 34 projects are implemented under various European programmes. The research institutes of the Agricultural Academy participate in 16 projects under the 7th Framework Programme of the EU, the EC contribution amounts to EUR 2,161,120 for their overall performance. The Academy participated successfully in the EU eSontentplus programme for the conversion of digital data in Europe into more accessible, useful and usable formats, the EU Programme for transnational and cross-border cooperation in South East Europe, the programmes of the Executive Agency for Health and Consumers and those of the European Food Safety Authority. The funding of departments of the Agricultural Academy under other European programmes totals EUR 596,503. In various projects under the European programme for coordination of research in science and technology (COST), scientists from the Agricultural academy are national coordinators or participants in 15 COST - activities in the following areas: "Food and Agriculture", "Biomedicine and Molecular Biosciences," "Individuals, Societies, Cultures and Health", "Earth Sciences and Environment" and others.

The Agricultural academy implements direct scientific cooperation agreements with similar research organisations from the Socialist Republic of Vietnam, the People's Republic of China, Morocco, Romania, the Russian Federation, Moldova, Ukraine, France and the Joint Research Centre (JRC) of the European Commission.

9.2. Advisory activities

Achieving an appropriate level of technical and economic knowledge and skills in the agricultural and forestry sector is crucial for improving the competitiveness of Bulgarian products. Government policy in this area is implemented through the National Agricultural Advisory Service.

The National Agricultural Advisory Service offers a comprehensive "package of consulting services", including counseling from the establishment of the farm to its full servicing in the agricultural, livestock and agro-economic aspects.

In 2011, a total number of 15,376 persons were consulted by officials of the NAAS, having received a total of 55,028 consultations. The average amount of consultations received by one person is 3.6.

All advice offered by the NAAS are free for farmers. NAAS perform consulting and advisory activities primarily through experts working in its regional offices. In 2011, the number of the consultations given in the office and on-the-spot in farms increased by 9% compared to 2010, and reached 55,028 consultations. Most of the persons who received consultation benefited from the comprehensive "package of consulting services" offered by NAAS and sought advice in various areas.

As in 2010, about 89% of the consultations were given in the office and 11% - on the spot.

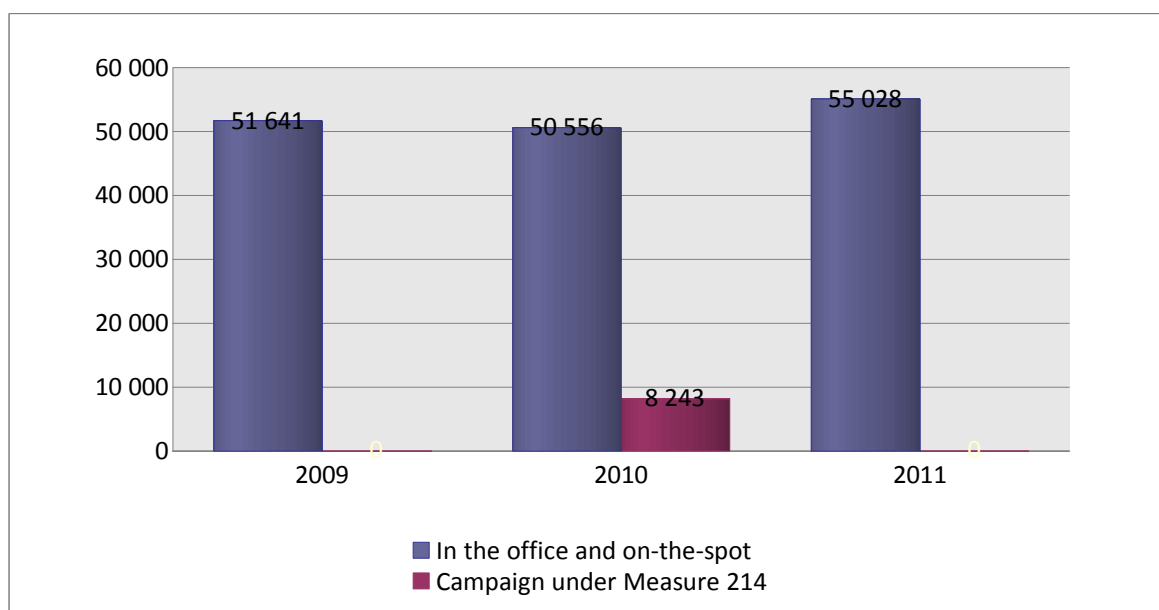
Persons who consult NAAS belong to three main groups:

- farmers who have already started their agricultural activity; this group is dominated by small farms;

- persons who want to start farming activities, but have not done so yet;
- Other persons living in rural areas, including forest owners.

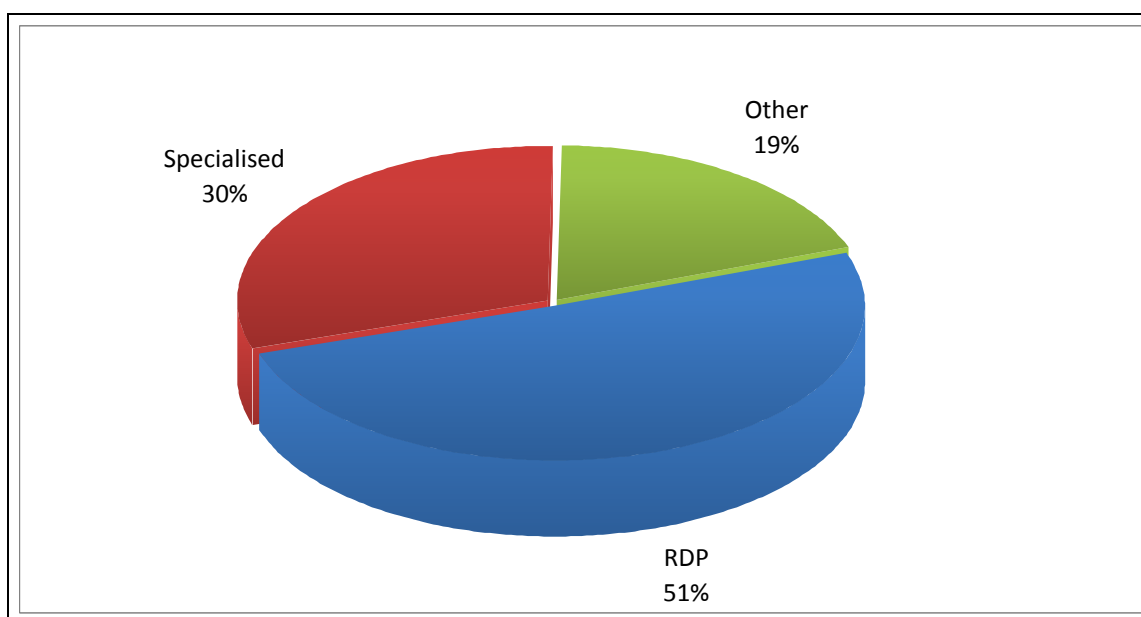
In 2011 the number of farmers who received counseling on-the-spot by means of visits to farms represent 19.4% of the total number of persons consulted, compared to 10% in the previous year. The increase in this share stems from the policy of diversification of services offered and the means of their delivery of the National Agricultural Advisory Service, and its policy to adapt to the needs of users of consultancy services. The results show that the NAAS is a respected and sought-after partner for farmers. Moreover, there is a change in the type of consultation, which farmers need - seeking of advice on solving specific problems in farms, as well as complex solutions, is becoming more and more common.

Figure V.7. Total number of consultations for the period 2009–2011



Source: National Agricultural Advisory Service

Figure V.8. Consultation provided by NAAS in 2011 by major types



Source: National Agricultural Advisory Service

In 2011 consultations concerning the implementation of the rural development programme occupy a major share of the total of advice provided - 51 percent. The interest of farmers to funding opportunities under rural development programmes remains high. This is due on one hand to the deepening financial crisis and deteriorating conditions for financing of the agricultural sector through banks, and, on the other hand - to the accelerated rate of absorption of resources under RDP, which significantly increases the interest in applying for such funding.

Specialised advice in the field of agriculture accounted for 30 percent. This group includes consultations in agronomy, animal husbandry and agricultural economy.

Third ranks the "Other" category with 19 percent. These consultations were mainly related to funding under the first pillar of the Common Agricultural Policy of the EU and statutory requirements in various sectors. The proportion of this type of counseling expanded significantly in recent years.

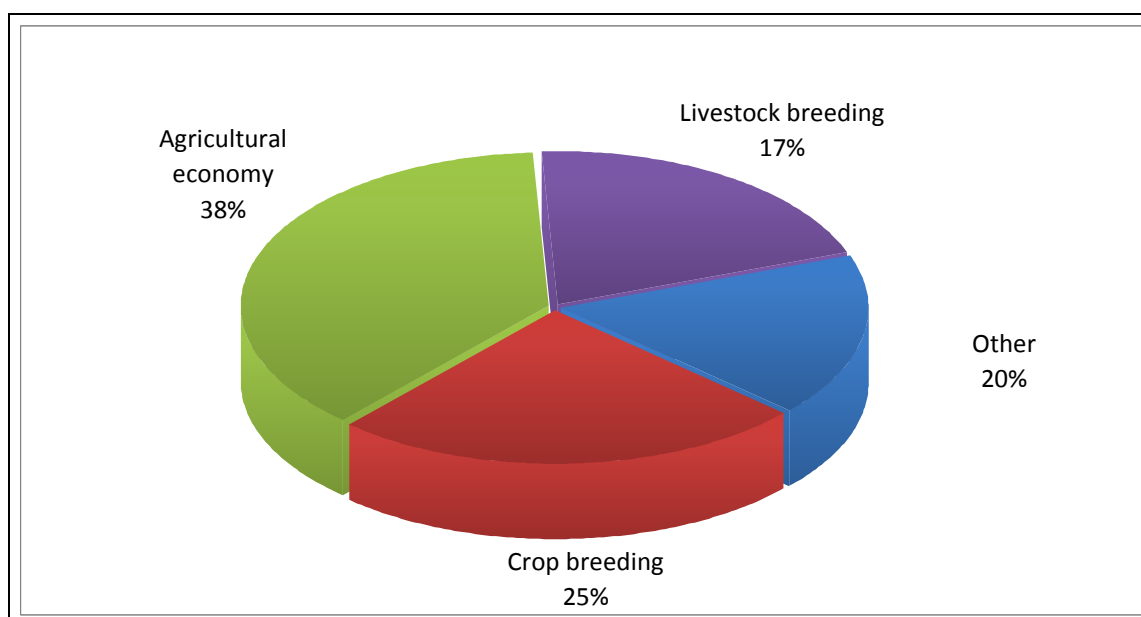
In terms of individual measures under the rural development programmes, in 2011, the most interest and the largest proportion of advice were provided again under Measure 141 "Support for semi-subsistence farms undergoing restructuring". The number of consultations under this measure increased by 11 % over that of the previous year and reached 16,531. Consultations under Measure 112 "Setting up of young farmers" accounted for 13%, maintaining the level of 2010. Most of them were given to young farmers already approved for the successful implementation of their projects. Interest towards the Measure 112 remained high, despite the suspended acceptance of applications for support hereunder, due to the depletion of resources.

Interest towards investment measures is observed among approved candidates under measures 112 and 141, who wish to continue their development with the aid of funds from the rural development programmes, as well as among farmers for whom this would be the first application under the rural development programmes.

The National Agricultural Advisory Service continues to provide consultations to farmers already approved under Measure 214, and in 2011 were provided 844 consultations related to submission of requests for payment and the implementation of projects in the second and third years.

Interest in Measure 142 "Setting up of producer groups" remained low, although a slight increase in the number of consultations was discerned.

Figure V.9. Specialised consultations broken down into types (focus) in 2011 (%)



Source: National Agricultural Advisory Service

In an ever-changing and highly competitive environment, the largest proportion of specialised consultations is in the field of agricultural economics – 38 percent (6,237 consultations). The main topics

of interest to farmers are taxation, social security and finding markets for their products. In second place with 25% are consultations in the field of crop husbandry. Other specialist consultations cover topics primarily in the field of good agricultural practices and conditions for maintaining land in good agricultural and environmental condition. Their number is increasing due to their growing importance for enhancing the competitiveness of agriculture, compliance with statutory requirements and access to funding under the first pillar of the common agricultural policy (CAP). Consultations on animal husbandry account for 17%. Although the proportion is smaller compared to other specialised consultations, holdings need more and in-depth consultations in order to comply with the rising requirements in that sector.

The main topics of specialised consultations given in 2011 can be summarized in the following areas:

Crop husbandry

- agrotechnical and plant protection measures for different crops;
- technology of growing different crops;
- creation and restoration of perennial crops and vines;
- organic agriculture - opportunities, conditions, requirements, certification;
- measures for restoration and maintenance of pastures;
- management and use of water resources;
- New agricultural machinery for crop growing.

Animal husbandry

- animal health and hygiene requirements applicable to holdings;
- feeding of various animals and poultry, according to their age and physiological condition;
- organic animal husbandry;
- good agricultural practices and conditions for maintaining land in good agricultural and environmental condition.

Agricultural economics and farm management

- business planning;
- social security and taxation of farmers;
- market analyses;
- marketing of agricultural products;
- cost calculation;
- agrostistics;

Other

- Safety at work;
- Financing and lending schemes for farmers (outside the RDP);
- Agrochemical analysis of soil;
- Registration of farmers under Ordinance No 3 of 1999;
- Registration and / or categorizations of holdings, including apiaries;

- Registration in the Bulgarian Agency for Food Safety (plant protection), keeping books and publishing documents;
- Conclusion of contracts for use of agricultural land.

Consultations in the latter group ("Other") have experienced steady growth over the past three years.

Education and training

In 2011, the Vocational Training Centre (hereinafter: the VTC) of the National Agricultural Advisory Service, licensed in 2007 by the National Agency for Vocational Education and Training has trained 658 farmers - 2.4 times more than in 2010. In order to meet the needs of training of farmers and due to the risk of enforcing penalties on over 600 beneficiaries under measures 112 "Setting up of young farmers" and 214 "Agri-environmental payments" of the RDP, due to failure to complete the mandatory training in 2011, VTC of the National Agricultural Advisory Service conducted outreach activities for farmers with 8–18 hours duration. The 18 hours of information activities conducted covered the topic "Measure 214 Agri-environment payments - general agri-environmental studies" and were intended for candidates approved under measure 214 "Agri-environmental payments" of the RDP, applying for the first time in 2010. 572 farmers were trained in 30 groups. 8 hours of information activities were conducted on "Key issues in the protection of environmental components in the agricultural sector" and were intended for candidates approved under Measure 112 "Setting up of young farmers" of the RDP.

Information assurance

An important part of advisory activities is also related to information assurance, including preparation of information materials, participation in media events, organising and participating in outreach events and giving presentations on specialised topics in the field of agriculture.

In 2011, experts from the National Agricultural Advisory Service have organised and / or participated in 380 outreach events, of which: 149 seminars, 156 information meetings, 20 advisory days, 7 demonstrations and 48 other events. The National Agricultural Advisory Service actively participated in information meetings conducted with the technical assistance provided under the RDP, concerning measures 112, 121, 142, 214 and 213 of the RDP 2007 – 2013, as well as an in the information campaign of the Ministry of Agriculture and Food entitled "RDP Open Day".

Developed were a total of 354 information materials (agricultural calendars, brochures, educational materials, leaflets, etc.). - 18 percent more than in 2010. The largest proportions of them were educational leaflets and the monthly "Calendar of the farmer" (of the plant breeder and the livestock breeder).

The most common topics in information materials are as follows:

- opportunities documents required to apply under Measure 141 "Support for semi-subsistence farms undergoing restructuring" of the RDP 2007 – 2013;
- social and health insurance for farmers in 2011;
- taxation of farmers in 2011;
- necessary documents for record keeping on the activities of young farmers and semi-subsistence farms;
- basic requirements for the implementation of the approved business plans under Measure 112 "Setting up of young farmers";
- direct area payments in 2011;
- "Calendar of the plant breeder and the livestock breeder" for the month concerned - current seasonal specialised information.

Activities of the National Agricultural Advisory Service under measure 143 of the RDP 2007 – 2013

The National Agricultural Advisory Service is the sole beneficiary of the measure 143 "Provision of farm advisory and extension services in Bulgaria and Romania" under the Rural Development Programme 2007–2013. Since the launch of the measure in 2008, experts from the National Agricultural Advisory Service have provided to farmers free of charge a total number of 10,977 package of consulting services as follows:

- under measure 112 "Setting up of young farmers" - 4406 packages;
- under measure 214 "Agri-environment payments" – 2,617 packages;
- under measure 141 "Support for semi-subsistence farms undergoing restructuring" - 3,925 packages;
- under measure 121 "Modernisation of agricultural holdings" - 27 packages;
- under measure 311 "Diversification into non-agricultural activities" - 2 packages.

In addition, the National Agricultural Advisory Service prepares business plans under measures 121 "Modernisation of agricultural holdings", 122 "Improving the economic value of forests" 123 "Adding value to agricultural and forestry products" and 311 "Diversification into non-agricultural activities" of the RDP for persons having received full package of consulting services for applications under measure 141 and measure 112, approved financial support for these measures and who have declared in their business plans the intention to apply for assistance under the relevant investment measure.

The National Agricultural Advisory Service continues to provide a full package of consulting services to persons eligible to apply under Measure 141 "Support for semi-subsistence farms undergoing restructuring" and prepares business plans under measures 121, 122, 123, and 311 of the RDP to persons having received full package of consulting services for applying under measure 141 of the RDP.

For 2011 four requests for payment were submitted, containing a total number of 2,005 transceivers records complemented by supporting documents. The value of requests submitted amounts to BGN 3,003,710.09. The above amount includes pending projects from previous requests.

Of all packages of consulting services examined by the Paying Agency of the State Fund "Agriculture" in 2011, which were provided by the National Agricultural Advisory Service in the period 2008-2011, 2,379 projects worth BGN 1,323,414.51 were approved, including:

- under measure 112 – 24 projects;
- under measure 214 – 652 projects;
- under measure 141 – 1,692 projects;
- under measure 121 – 11 projects.

VI. FORESTRY

1. Structure of forest areas

The overall area of the forest areas as of December 31, 2012 was equal to 4 148 114 hectares of which: 3 774 778 hectares of wooded areas (including dwarf pine: 23 953 ha); 68 308 hectares of woodless areas, subject to afforestation (including burnt-out areas: 2 566 hectares, wood-cutting areas: 9 004 hectares and barren: 56 748 hectares) and 305 028 hectares of forest areas for production other than wood (arable areas: 4 592 hectares, meadows: 2 541 hectares, glades: 111 064 hectares, nursery-gardens: 1 717 hectares, roads and clearing: 42 492 hectares, as well as rocks, rivers, screes, etc: 142 662 hectares).

If compared to 2010 the overall area grew by 9 967 hectares (0,2 %) which was due to forest areas unaccounted for so far.

The afforested area (including the dwarf pine) has been growing from 3 761 299 hectares in 2010 to 3 774 778 hectares in 2011. This increase of 13 479 hectares (0,4%) was due to: forests non-inventoried so far, self-afforested areas and abandoned lands outside the forest areas, afforestation of treeless areas, as well as reassessment of non-afforestable areas as regards stock-taking of the forest areas.

The non-afforested forest area was reduced by 3 512 hectares to 373 336 hectares compared to 2010, 2 450 hectares barren, wood-cutting areas and burnt-out areas and 1 062 hectares, respectively—in non-wood-production forest areas less.

1 117 274 hectares of the overall wooded area (without the dwarf pine) or 29,8% were coniferous forests and 2 633 551 hectares or 70,2%—deciduous forests. The natural plantations were with total area of 2 916 420 hectares, of which coniferous: 430 175 hectares (14,8%) and deciduous: 2 486 245 hectares (85,2%). The forest crops were of area of 834 405 hectares, of which coniferous were 687 099 hectares (82,3%) and deciduous—147 306 hectares (17,7%).

The area of the state forest areas was 3 088 464 hectares: 74,5% of the overall forest area of the country, of which 2 907 273 hectares (70,1%) were managed by the state forestry enterprises, and by the state forestry and state-game reserves respectively, 169 931 hectares (4,1%): by the Ministry of Environment and Water and 11 260 hectares (0,27%) were given to be managed by training and experimental forestries. The municipal forest areas occupied an area of 495 734 hectares (11,95%); forest areas, owned by individual private persons: 423 308 hectares (10,2%); forest areas, owned by individual legal persons: 32 784 hectares (0,79%); forest areas, owned by religious communities: 22 773 hectares (0,55%), and forest areas, representing forests placed on former agricultural lands: 85 051 hectares (2,05%).

Compared to 2010 the overall area of the state forest areas increased by 21 693 hectares, while the non-state forest areas, owned by private and legal persons by 4 262 hectares. The overall area of the municipal forest areas, the forests, placed on former agricultural lands and those, owned by religious communities was reduced by 7 960 hectares, 7 558 hectares and 510 hectares respectively.

In 2011 a stock-taking of the forest areas over 418 853 hectares was carried out. Forest management projects of 16 SF and one SGP, as well as forest arrangement projects for the forests, owned by eight municipalities and the forests, owned by natural persons within the territorial scope of activities of SF Pirdop were made and adopted at expert technical and economic councils.

2. Changes in the forest areas

Over the period 01.01.2011—31.12.2011 the following changes had occurred in the forest areas of the Republic of Bulgaria:

- As a result of a total of 13 cases concluded, property right was acquired by both natural and legal persons over built-up and legally defined adjoining areas to buildings, building constructions, networks and equipment over 2,5222 hectares of the State forest areas, in accordance with the Forest Act. The State property in the forest areas had decreased by the same amount of area and, at the same time, the budget of the Executive Forest Agency was credited by BGN 359 330.
- As a result of a total of 75 cases concluded, the use of 109,8223 hectares of forest areas to the value of BGN 4 467 026 has been changed. The funds received by EFA in 2011 for the compensatory afforestation on woodless area non-less than the area affected by the exclusion, when the intended use of the forests has been modified, amounted to BGN 557 927. These data referred to the completion of the procedures instituted under the Forest Act repealed in the early April 2011 and in terms of the new Forest Act (Prom. SG.19/2011). When the new Forest Act came into force a decentralization of the procedures for change of the use of land sites in

forest areas which are private state property with an area up to 50 acres was carried out, and the same were conducted by Committees in the Regional Directorates of Forestry at the location of the properties.

- Pursuant to Article 73 (5) of the Forest Act (Prom. SG. 19/2011), the usage of land sites in forest areas with an area of 3,6701 hectares was changed from the date of entry into force of the detailed development plan in order to be established essential national and municipal sites. This provision has reduced the administrative burden of procedures for the change of use of land sites in the forest areas, for the state and the municipalities for the establishment of essential national and municipal sites.
- In 2011 were issued a total of 45 acts for the establishment of rights in rem over land sites in forest areas (right of use and easement under Article 16 of the Forest Act, as well as compensations for easements around overhead and underground power cables arising pursuant to Article 166 of the Forest Act) on a total area of 24, 7011 hectares, of which 4 were decisions of the Council of Ministers and 41—orders of the Minister of Agriculture and Food. The cost of the rights in rem amounted to BGN 384 349, and the amount of the overhead costs was BGN 7 663. The funds for the compensatory afforestation, due to a right in rem totaled BGN 137 992.
- In 2011 have been established rights of rem over land sites in forest areas with a total area of 28, 2343 hectares and cost amounting to BGN 318 526.

Forest areas owned by natural and legal persons and by municipalities with forest areas-state property have not been substituted over the year.

The Council of Ministers has drafted and adopted in 2011 an Ordinance for the assessment of the land sites in the forest areas, effective since August 16, 2011.

3. Forest areas management

3.1. Afforestation and protection against erosion

The overall area of the new forests created in 2011 was 1 774.9 hectares of which 1 498.3 hectares were in state forest areas which was 13% less compared to 2010, and 276.6 hectares were in municipal and private forest areas.

Table VI.1. Implementation of provided for silvicultural activities in state forest areas in 2011

Silvicultural activities	Plan	Report	Expenditures budget + economic activity, thousand BGN
1. Collection, yield and purchase of seeds: tonnes	24.7	23.7	181.78
2. Production of afforestation seedlings: million	18.3	23.3	2 796.61
3. Preparation of soil for afforestation—hectares	1 542.5	1 603.0	3 436.86
4. Completed preparation of soil—hectares		364.6	
5. Afforestation in SFA—hectares	1 424.5	1 498.3	1 646.04
6. Crop replenishment—hectares	624.8	633.5	541.47
7. Cultivating crops—hectares	12 172.3	9 281.4	2 840.76
8. Crop fencing: thousand of linear metres	18.02	13.1	31.33
9. Cleansing areas for afforestation—hectares	270.7	280.9	115.66
10. Average rate of crops interception:			
- 1-year		77.4%	
- 2 year		81.2%	
- 3 year		82.0%	

Source: Ministry of Agriculture and Food

The overall amount of funds spent on afforestation activities in forest areas, which are state property in 2011 was BGN 11 591 thousand, mainly funds from the budget of the EFA and funds from the economic activity of State Forestry and State-game reserves. For the afforestation of 69.4 hectares under the Rural Development Programme were allocated BGN 260 thousand of these funds and another BGN 18 thousand were provided for preservation and restoration of 47.0 hectares Black Sea oak habitats, under the project “Life 09”, NAT/Bg/000229. The afforestation in municipal and private forest areas was carried out with funds of the owners.

In the state forest nursery-gardens over the year have been produced 23,3 million seedlings of which 18,3 million were provided for afforestation and 5 million for decoration. To collateralise the afforestation in 2012 a soil preparation of area of 364,6 ha has been made.

Table VI.2. Estimated data for the current 2012

Performance indicators/unit	Expected implementation
A. State forestry enterprises:	
1. Collection, yield and purchase of seeds: tonnes	10.589
2. Production of afforestation seedlings: million	21.870
3. Preparation of soil for afforestation: hectares	1 200
4 Afforestation in the State Forest Areas: hectares	1 157
5 Crop replenishment: hectares	533
6 Cultivating crops: hectares	8 380
7. Crop fencing: thousands of linear metres.	21.135
8. Cleansing areas for afforestation—hectares	272
B. Executive Forests Agency at the Ministry of Agriculture and Food:	
1. Approval and registration of basic material for production of seeds and other forest reproductive materials (FRM)—number	50
2. Certificates issued to identify the origin of forest reproductive materials (FRM)—number	100
3. Grading seed lots—number	200
4. Registration of FRM suppliers—number	5
5. Control status of registered basic sources of FRM—number	120
6. Maintaining poplar nursery-gardens for the production of planting material and storage of genetic fund-hectares	15.5
7. Produced poplar cuttings—thousand	300
8. Produced poplar afforestation seedlings—thousand	50
9. Preparation of a national list of registered basic sources concerning the implementation of Directive 1999/105/EC—number	1

Source: MAF/ EFA

In 2011 to improve the afforestation results have been produced 187 thousand container seedlings for afforestation of difficult terrains. The insufficient funding that year halted the implementation of events within the scope of forest protection against erosion, except for anti-erosion forestation covering 519,7 hectares.

In 2012 1 157 hectares state forest areas were provided for afforestation. Reducing the volume of planned afforestation in 2012 was in accordance with the modern requirements for sustainable forest management, as reflected in the Forest Act and giving priority to the natural regeneration of the forests instead of planting. In this respect the production of seedlings has been reduced and in 2012 was provided the production of 21, 87 million units or 1, 45 million units less compared to 2011.

3.2. Conducting fellings in the forests

In 2011 were adopted a Forest Law (Prom. SG. 19/08.03.2011) and an Ordinance No 8 on fellings in the forests (Prom. SG 64/19.08.2011), reflecting the accepted principles for sustainable, environmental and multifunctional management of the forest areas.

Silvicultural activities that were held over the year aimed at maintaining and increasing the basic functions of the forests by growing forests, giving preference to their natural regeneration, conservation of genetic resources, maintenance and restoration of biodiversity within them. Restorative fellings were carried out on 59 726 hectares—94, 5% of the predictions under the forest management plans and programmes. The trend toward increase of the amount of restorative fellings with prior and concomitant seed regeneration carried out in the state forest areas continued—from 92% of the total area of restorative fellings conducted in 2010 up to 97% in 2011. Thus the necessary conditions for the highest degree of recovery of natural regeneration potential of plantations were created.

In 2011 in order to improve sustainability, health and productivity of the forests were carried out cultivating fellings over an area of 75,272 hectares which was an increase by 8,5% compared to 2010.

The area of the cultivating fellings carried out in the forests - state property was 15% higher than in 2010. The area of the cultivating fellings with no material yield, which are essential for the formation of the structure and the quality of the young forest stands increased by 48%.

Selection fellings were carried out on an area of 1 361, 3 hectares or 125,8% from the pre-scheduled.

In order to improve the quality of the wood produced in 2011 a pruning of standing poplar trees was carried out over 1,261 hectares.

Over the year assistance was provided to natural semen forest recreation by afforestation or sowing under the old foliage and felling of subforest over an area of 1 622 hectares or 38,5% more than in the previous 2010.

In 2011 assistance was provided for to natural restoring over an area of 2,162 hectares of forest areas owned by the state.

4. Use of wood and non-wood forest products

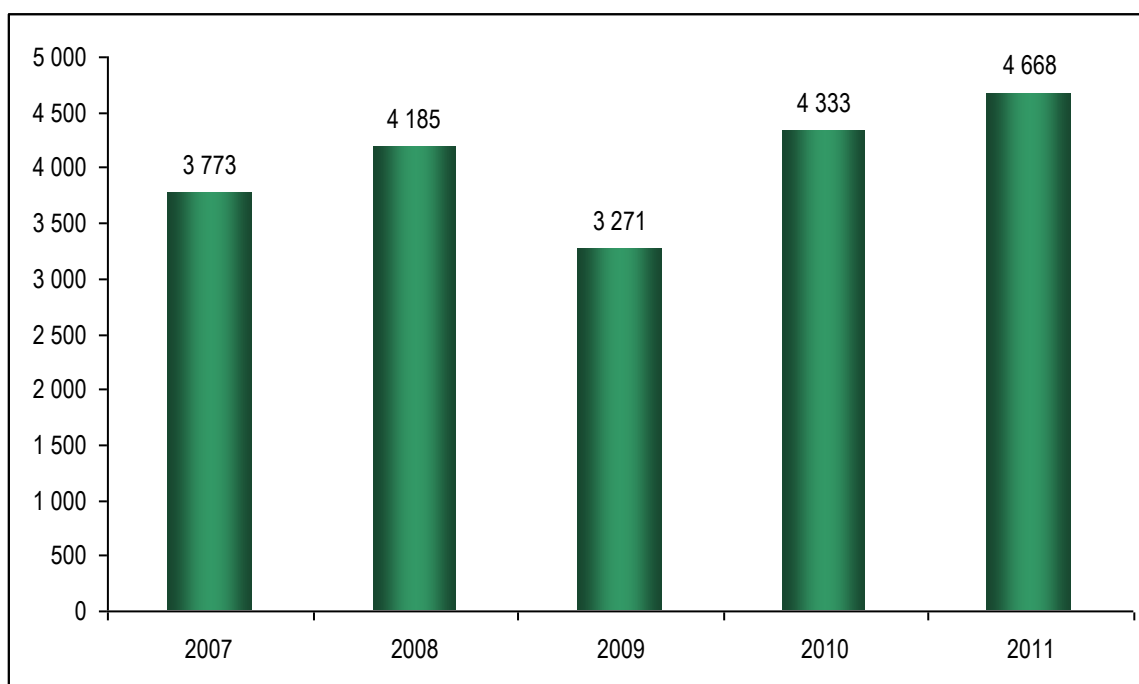
4.1. Use of wood

In 2011 the use of wood from all forest areas amounted to 7 414 215 cubic meters standing volume—90,4% as provided for by the forest plans and forest arrangement projects and 10,2% more than the wood harvested in 2010. 4 147 374 cubic meters or 55,9% of the total annual use were obtained by restorative fellings and by cultivating fellings: 3 266 841 cubic meters (44,1%). The reported restorative and cultivating fellings over the year were 94,5% and 85,7% respectively, compared to the expected according to the respective forest plans and forest arrangement projects.

In the forest areas which are state property the realised use of wood in 2011 amounted to 5 621 388 cubic meters standing volume, or 91,6% of the expected according to the forest plans and forest arrangement projects. 51.6% of these were derived by restorative fellings and 48.4% by cultivating fellings during the performance of respectively 93.1 and 90.1% compared to the expected according to the forest plans and forest arrangement projects.

The wood volume sold in 2011, harvested from forest areas which are state property amounted to 4 668 125 cubic meters lying volume or 105% compared to the quantity planned for the year. The quantity of sold wood volume was 7, 7% more compared to 2010 and the highest wood volume realised in the last five years (Figure VI.1).

Figure VI.1. Wood realised for the period 2007–2011, thousand cubic meters



Source: MAF, EFA

In 2011, 92% of the total quantity of wood were realised through sale from stock. The remaining 8% were realised in standing position – to natural persons for their own needs, as well as to legal persons after the auctions. After tendering were sold 57% of the wood volumes. To meet the needs of the natural persons were sold out totally 559 thousand cubic meters wood, mainly firewoods.

The reported revenues from the wood sale in 2011 were 9% more than planned, due to the market situation and the tendering procedures.

The greatest demand and consumption over the year was reported for a range of wood for technological processing and firewoods, of which are generally sold 2.861 million cubic meters or 129 thousand cubic meters more than in 2010. The reported average selling price of wood harvested from forest areas—state property was 59, 67 BGN/cubic meters, 7% more than in 2010. The average selling price of standing wood was 34, 92 BGN/cubic meters, and the increase compare to 2010 was 3, 4 times. The average cost of wood in 2011 remained the level of 2010 and amounted to 20.81 BGN/cubic meters.

In 2012 according to the approved financial plans of the state enterprises it was expected the overall annual use of wood from forest areas—state property, to be in the amount of 4,777 million cubic meters.

In the forest areas provided to training and experimental forestry in 2011 was reported annual use in the amount of 58 309 cubic meters standing wood pulp—115,1% of the expected according to the forest plans.

The annual use in the municipal forest areas in 2011 amounted to 706 445 cubic meters of standing wood pulp—64,3% of the expected according to the forest plans. The annual use of forests, owned by natural and legal persons amounted to 999 245 cubic meters of standing wood pulp—116,4% of the expected according to the forest plans and programmes (forest arrangement projects).

The implementation of wood harvesting in 2011 compared to the expected according to the forest management plans by category wood was: large construction wood: 1 299 178 cubic meters (100, 3%), medial construction wood: 1 147 255 cubic meters (75,5%), small construction wood: 219 797 cubic meters (32,6%) and firewoods: 3 518 768 cubic meters (121,9%). The overall production of construction wood was 2 666 230 cubic meters or 76, 4% of the expected.

Table VI. 3. Use of wood from state forest areas and revenue from the sales in 2011.

Method of use and sale	Plan 2011		Report 2011			
	Quantity (cubic meters)	Value (BGN thousand)	Quantity		Value	
			(cubic meters)	% as per plan	BGN thousand	% as per plan
1. Sell of standing wood	51 618	1 177	182 640	354	6 374	542
2. Sell of standing wood to natural persons	206 335	3 188	253 513	123	2 802	88
3. Wood production	4 110 287	89 756	4 238 756	103	88 124	98
I. Total wood production (1+2+3)	x	x	4 674 909	x	x	x
4. Sell of harvested wood	4 188 797	236 656	4 231 971	101	253 022	107
- including through auctions	2 155 049	126 547	2 491 467	116	159 384	126
- including in pricelist (direct negotiations)	2 033 748	110 109	1 740 504	86	93 638	85
II. Totally used wood (1+2+4)	4 446 750	241 021	4 668 124	105	263 206	109
III. Realisation subject to deducted expenditure: Quantity (1+2+4); Value(1+2+4-3):	4 446 750	151 265	4 668 124	105	175 082	116

Source: MAF

4.2. Use of forest products other than wood

In 2011 the revenues from the use of forest products other than wood and grazing in the state forest areas amounted to BGN 1 668 which was BGN 562 or 25% less than the previous year. The trend toward decrease in the revenues from basic and traditional sources (wild mushrooms, Christmas trees, berries, herbs, etc.) continued.

With the adoption in 2011 of the new Forest Law and an Ordinance on the terms and conditions for the implementation of procurement activities in forest areas – state and municipal property and the use of wood and non-wood forest products, a change in the terms and conditions of the use of non-wood forest products was made. Two new mechanisms for making such use were introduced: through assigning the production and the sale of raw and/or processed products and through the lease of certain forest areas. The first results of these regulatory changes are expected in 2012.

5. Forest areas protection

5.1. Forest areas protection from diseases, pests and other damages

In 2011 the general health of the forests in the country was good. Shade tree pathology observations in stationary objects of the forest protection stations and shade tree pathology surveys in the forests and all forest nursery-gardens have been made all year round. In the spring briefings with experts from RFD, SF and SGR, municipal forestries and other stakeholders were carried out. The most significant part of the measures reducing and preventing the massive defoliation of the forest plantations from economically important insect pests was the air combat against the phyllophagous organisms harmful to coniferous and deciduous trees and crops. The air combat was mainly against gypsy moth in the deciduous forests and pines processionary in the coniferous forests. The treatment effect was estimated at 82% to 97%

Table VI.4. Carried out forest protection activities in 2011, funds spent and provided for 2012

	Projection 2011 (ha)	Report 2011 (ha)	Funds disbursed (Thousand BGN)	Projection 2012 (ha)
Air combat including:	18 982.2	4 630.3	137.710	28 888
Air chemical	11 251.7	3 118.7	72. 372	
Air biological	7 730.5	1 516.6	65.338	
Land chemical and biological control:	1 128.4	673.72	40.391	712
Mechanical combat	3 288.3	1 936.92	26.433	686
Integrated combat	5 480.2	1 826.9	2.663	5
Overall	28 879.47	9 067.84	207.197	29 691

Source: EFA/MAF

As a result of gradation of the most dangerous phyllophagous pest in the deciduous forests - gypsy mouth that started in 2011 more than 30 000 hectares private, municipal and state forests have been attacked. In this regard 2012 provided for an air combat over 28 000 hectares.

In 2011 the implementation of sanitary and cultivating activities in the coniferous forests attacked by woodworms and other cauline blast, for rehabilitation of the wood in the affected areas continued. The good forests health over the year was due to good forest management, by, at the same time, keeping to the lowest possible levels of expenses on forest protection, and to the exact application of the provisions contained in the respective legal regulation documents on forest protection, to the introduced information system containing a data base accumulated during the shade tree pathology monitoring and to the efficient collaboration with the scientific institutions involved.

Protection of forests against fires

In 2011 there was a sharp increase in the number of the forest fires in the country and slightly so in respect of the protected forest areas. A total of 635 forest fires were registered throughout the year and the affected areas were 6 882, 6 ha, compared to 222 fires on an area of 6 526 ha in 2010.

The average area of a forest fire in 2011 decreased to 10.8 ha vs. the average for 2010 which was 29.0 hectares and the average for the period 2001—2009, which was 18 hectares. The result achieved was due to the improved response organization in the event of forest fires and particularly due to the effective intervention of the teams, serving the 48th specialized vehicles for forest fire-fighting.

What was typical for fires within the forest areas in Bulgaria over the last 11 years was the existence of two peaks—spring (in February, March and until the mid-April) and summer (in July, August and September). It must be noticed that in 2010 and 2011 in the forest areas of the country has been identified a new phenomenon—large number of forest fires in late fall and even winter.

The largest number of fires in 2011 occurred within the territorial scope of activity of RFD Sofia: 78 and of RFD Blagoevgrad: 69. The largest fires in terms of the burnt forest area were the fires within the territorial scope of activity of RFD Lovetch: 1 121.8 ha and RFD Berkovitsa: 1 026, 6 ha.

According to EFA, 6 227 ha or 90% out of a total of burnt down area were forested, while 656 ha or 10% were non-afforested forest areas. The largest share of the burnt down areas over the year was owned by the state: 4 608 ha (67%); followed by private persons property: 1 324 ha (19%), municipal property: 917 ha (13%); religious organizations property: 94 ha and private legal persons property: 23 ha. The direct damage to forest areas and EFA facilities, subsequently to DGP, amounted to BGN 1 883 544 vs. BGN 77 394 in 2010 and vs. an average of BGN 3 000 000 for the period 2001—2008.

The causes of occurrence of forest fires in 2011 were as follows: setting fire on vegetation covered areas (stubbles and grasslands): 258 (41%), negligence: 146 (23%), natural: 7 (1%), intentional: 31 (5%), unknown: 193 (30%).

In 2011 for fire-fighting activities in forest areas have been spent BGN 970,920 970 or 55, 3% of the expected financial resource for the year. BGN 411 634 out of these funds were from the budget, BGN 447 473 from economic activities and BGN 112 083 under the Rural Development Programme.

The resources provided for fire-fighting activities in 2012 amounted to BGN 524 368, and by the end of July 2012 the funds spent for fire-fighting in the forests amounted to BGN 509 661.

As of June 30, 2012 SF and SGR performed 3 projects with a total value of BGN 529 thousand under Measure 226 of RDP 'Restoring the forestry potential and introducing prevention actions'.

6. Protected territories

In 2011 the Council of Ministers approved Plans for SNP management of the Natural Parks (NP) 'Vratchanski Balkan', 'Shumensko plato' and 'Zlatni Piasatsi'. The Plans for SNP management of the NP "Belashtitsa" and NP "Balgarka", financed with funds under Environment Operational Programme 2007-2013, continue to be developed.

The implementation of the project 'Protection and rehabilitation of 11 natural habitats in riverside and dampzones in 10 NATURA 2000 sites in Bulgarian forests', LIFE08 NAT/BG/281, launched in 2010 still continues.

All the preparations, related to the implementation of project activities, were made during the year. Programmes for recovery of 13 rare plant species were prepared. Young forests in Strandzha were grown and the provided appropriate habitats within the Vitosha Project Area were planted with white willow. Rare and endangered plant species in two zones were recovered (NZ Persina and NZ Vitosha). An infrastructure for the protection and maintenance of the habitats was constructed.

Natural Parks Directorates continued the implementation of the following international projects:

- project 'ECP—2007-317007—Nature SDI+'—Strandzha SNP and Vitosha SNP;
- A network of protected areas along the Danube—development and implementation of international strategies for the conservation of the natural heritage on the Danube;
- 'Cross-border conservation measures focusing protection of small cormorant and ferruginous duck in specific location within the territory of Bulgaria and Romania' – 'Green Borders';
- 'PERIURBAN – parks on the periphery of urban areas – improvement of the environmental conditions';
- Project 'Establishment of a national center for training of specialist and managers within the protected areas in the Republic of Bulgaria in Natural Park 'Rila Monastery'.

7. Forest certification

In 2011 the State Forestry "Dospat" and the "Lingum" Jsc. were certified by granting a certificate under FSC. Procedure for performing group FSC Certification of 39 territorial divisions of the state forest enterprises with a total area of 878 112 ha launched during the year. The certified state forestries and state-game reserves will receive their certificates in 2012, after the final audit.

8. Private forests

In order to improve the work with non-state forest owners in 2011 was provided methodological support to the Regional Directorates of Forestry, related to the performance of their supervisory functions under the Forestry Act. Checks on problems and conflicts occurred in the management, the control and protection of the private forests were carried out.

9. Game-preserve activity

In 2011 the following activities were implemented associated with the management and use of the game and the maintenance of ecological balance in the upper reaches of the rivers:

- The adoption of amendments to the Law on Hunting and Game Protection (Prom. SG. 8, 19, 39 and 77/2011);
- An amendment and a supplement to the Rules on the application of the Law on Hunting and Game Protection (Prom.SG. 48/2011) was drafted and adopted;
- Financing of game-preserve, fishery related and other activities in the State game-preserve regions amounting to BGN 1 910 000 was ensured;
- Approximately 480 000 thousand small fish of river trout and rainbow trout were produced for fish stocking of reservoirs and upper river reaches used for sport fishing in the state forest areas;
- In a joint effort with the Bulgarian Agency for Food Safety measures for countering the spread of foot and mouth disease among cloven-hooved animals in Bourgas, Varna, Shoumen, Sliven, Yambol and against rabies among foxes in Northern Bulgaria were timely organised;
- Participation in six hunting expositions – Dortmund, Salzburg, Madrid, Moscow, Rambouillet and Athens, where have been achieved a number of arrangements for hunting tourism this season was organised;
- The seventeenth edition of the specialised international exhibition ‘Nature, hunting, fishing, hiking’ was held in Plovdiv;

In the state forest enterprises were carried out the following hunting activities:

- Establishment and maintenance of forage base, feeding of game, construction and maintenance of biotechnical equipment—waiting, feeders, traps, mud, repair and construction of facilities for intensive management of game;
- A public procurement for farm game-poultry was completed focussing conservation of the ecological balance. Into the farms to the SGR were hatched and raised to 45 days of age 32 thousand pheasants, 14 thousands partridges, 6 thousands half-wild duck, 400 American turkeys and 200 guinea-hens;
- The programme for resettlement of game (mouflons, fallow deer and wild pigs) in the SGR regions, as well as the resettlement of 480 000 units of salmon used as an aquaculture stock in reservoirs and upper river reaches for fishing was successfully completed;
- The reported revenues from the organized hunting tourism in 2011 were EUR 2.720 million, which was EUR 671 thousand, or 33% more than in 2010.

10. Protection of forest areas and control

In 2011 the forest areas protection officers have made over 350 thousand checks on persons, vehicles and objects related to the use, processing and marketing of forest, game and fish resources. The successful cooperation between institutions and NGOs, especially with the Ministry of Interior in conducting joint actions aimed at preventing and detecting violations in the forests continued.

For the administrative violations of the forest and environmental legislation determined throughout the year have been drawn up 14 190 acts on which were issued 5 869 penalty orders. The number of such acts decreased by 18% compared to 2010.

The most frequent target of violation remain firewood, although the volume detained in 2011 was reduced three times compared to 2010: from 46 726 cubic meters in 2010 to 12 186 cubic meters in 2011. The quantity of illegal wood detained in the country in 2011 r. was 6 838 cubic meters, which was 27% compared to the quantity detained in 2010.

The analysis of the reported data showed resistance of the trend observed over the last five years toward low punishability rate of persons who have committed crimes under Article 225 of the Criminal Code,. A significant part of the cases are returned for administrative proceedings. In 2011 in a

very small percentage of the cases was initiated pre-trial proceedings and the convictions were only 2% of those files.

The key problems related to the control and protection of the forest areas were:

- Low punishability of persons who have committed crimes related to Article 235 of the Criminal Code;
- Low efficiency of the application of the imposed administrative punishments (low collectability of amounts after enforced criminal enactments);
- Majority of the offenses are committed by persons, engaged in forestry practice;
- Insufficient number of officials performing control on forest areas protection.

In 2011 the EFA has made 20 checks on signals from different institutions, thus generating 80 recommendations, most of which were completed in time.

As a result of the control carried out over the period from February 1, 2011 to July 31, 2011 by the EFA Specialized control group were made 64 reports, 53 acts of administrative violations for 601 cubic meters illegal wood and 5 acts under the Hunting and Game Protection Law. 4 motor vehicles, 1 hunting weapon and 440 l. m. webs have been seized.

11. Participation in international activities and projects

In 2011 the active involvement of the Ministry of Agriculture and Food and EFA in the EC working forums concerned the sustainable forest management continued. In June 2011 representatives of the Ministry of Agriculture and Food and EFA took part in Ministerial Conference on the Protection of Forests in Europe, held in Oslo during which have been signed a Ministerial decision: European forests in 2020 and a Ministerial mandate for negotiating the development of legal binding agreement for European forests.

Over the year successfully completed the project 'FUTURE forest' under the INTERREG IV C programme where EFA was a key partner. In 2011 the participation of EFA and the state enterprises under Article 163 of the Forest Act continued in the implementation of World Bank project "Project supporting the institutional reform in the forest sector - IDF GRANT No TF- 096228" and of project 'Conservation and restoration of Black Sea oak habitats' with co-ordinating beneficiary SGR Baltchik and associated beneficiaries—SGR Nessebar and OFES Bourgas.

In 2011 EFA participated actively in the implementation of the PHARE Twinning project 'Further support to sustainable forestry management' and 'Conservation of the genetic fund and restoration of priority forest habitats in NATURA 2000 sites', with associated beneficiary Vitosha Initiative Group Association.

12. Financing and investments in forest areas

12. 1. Executive Forest Agency

According to data reported by EFA as of December 31, 2012 the amount of the incurred capital costs was BGN 528 thousand, significant part of which was invested in the reconstruction of forest roads and bridges and the construction of new forest roads.

In connection with the implementation of project activities and programmes, financed by the European Union and international organizations, the Agency budget has received BGN 1.286 thousand.

12.2. State forest enterprises

In 2011 six state enterprises for managing the forest areas-state property under Article 163 of the Forest Act, which present legal persons with the status of state-owned enterprises under Article 62 of the Commercial Law were established. The state forest enterprises are registered in the Commercial register with business activity under the Forest Act, allowing them to conduct economic

activity and to invest additional funds for the creation and management of new forests, maintenance and development of forest infrastructure, increasing the game reserves, conservation and protection of the forest areas-state property.

The state enterprises established under Article 163 of the Forest Act are legal successors of the assets and liabilities of the existing at the date of their registration independent state forestries and state-game reserves. Data from the opening balances shows that at the date of entry in the Commercial register the state enterprises started its activity by adopting total current financial result profit of BGN 757 thousand. After the taxation they ended 2011 with total financial result profit of BGN 3,520 thousand, which was 70% increase compared to 2010.

Total revenues reported by the state forest enterprises since their establishment until the end of 2011 amounted to BGN 158 279 and the costs were BGN 154 317. Revenues from the wood sale were 89.9% of the total revenues.

The fees transferred by SFE to the budget of MAF in 2011 were total of BGN 11,070 thousand. Since the registration of the state enterprises until December 31, 2012 in 'Investment in Forests' fund has been accumulated funds in the amount of BGN 10,622 thousand.

According to the financial plans for 2012 the state forest enterprises planned for the overall business revenues of BGN 271,688 thousand and expenditures of BGN 267,860 thousand. The revenues provided for 'Investment if forests' fund in 2012 amounted to BGN 39,122 thousand, of which BGN 9,781 thousand will be transferred to the budget of MAF.

13. Public registers of natural persons exercising private forestry practice and businessmen, carrying out activities in the forest resources.

In 2011, 2 444 certificates to natural persons exercising forestry practice and 706 certificates to businessmen carrying out activities in the forest areas were issued. The respective figures of certificates issued in 2010 were 349 and 623. The sudden increase in the number of the certificates issued to natural persons to exercise forestry practice was due to the requirement of the new Forest Act for the registration in the public register of EFA of all persons engaged in forestry activity in the forest areas. The new Forest Act was also the reason for the increase of the registered businessmen for carrying out activities in the forest areas.

The total number of registered natural persons exercising forestry practice as of December 31, 2012 has reached 5 101 while 3 014 in 2010. At the end of 2011, 3 359 businessmen were registered to carry out activities in the forest areas while 41 were written off over the year.

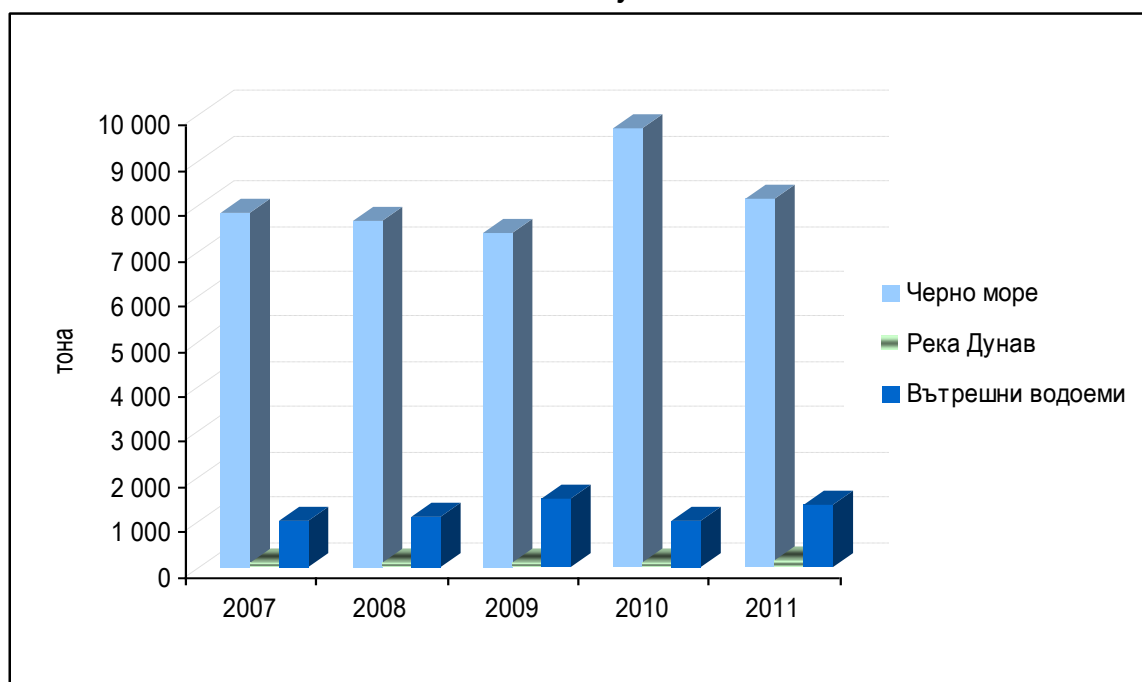
VII. FISHERIES

1. Catch and production of fish and other aquatic organisms

Catch of fish and other aquatic organisms

According to the data provided by the National Agency for Fisheries and Aquaculture in 2011 the total catch of fish and other aquatic organisms for the country within the scope of commercial fishing amounted to 9 634,5 tonnes of which in the Black Sea: 84,6%, in inland waters: 14% and 1,4% in the Danube.

Figure VII.1. Total catch of fish and other aquatic organisms in water bodies of the country



Source: NAFA

Legend: tonnes the Black Sea

The Danube

Inland waters

After about a 20-percent increase registered in 2010, the total catch of fish and other aquatic organisms in 2011 decreased by 10,6%, however it remained significantly above the levels from the previous years. As regards the catch in the Black Sea was reported significant decrease compared to 2010, partly offset by the increase of the catch in the inland waters of the country and in the Danube.

In 2011 the catch of fish and other aquatic organisms in the Black Sea amounted to 8 147.6 tonnes – 15.9% less than in 2010 mainly because the reported decline of the catch of aquatic animals (Veined rapa whelk, mussels and shrimps) by 35.4%, down to 3 121.9 tonnes.

Approximately 38.3% of the catch in the Black Sea in 2011 was shaped by the Veined rapa whelk, which decreased by 35.4% compared to 2010, but remained above the levels of 2008 and 2009.

Table VII.1. Total catch of fish and other aquatic organisms in water bodies of the country, tonnes

	2008	2009	2010	2011	Variation 2011/2010, %
Catch in the Black Sea—overall, including:	7 665.6	7 394.5	9 685.9	8 147.6	-15.9
- marine species	4 730.6	5 096.4	4 793.8	4 973.9	3.8
- diadromous fishes shad	27.4	37.4	59.1	51.8	-12.3
- Veined rapa whelk, mussels and shrimps	2 907.6	2 260.7	4 832.7	3 121.9	-35.4
- other	0.01	0.03	0.3	0.02	-93.1
Catch in the Danube – overall, including:	81.2	96.1	86.6	136.3	57.4
- freshwater fish	77.4	90.6	78.6	122.7	56.1

	2008	2009	2010	2011	Variation 2011/2010, %
- sturgeons	0.3	0.3	1.1	0.1	-90.9
- diadromous fishes shad	1.6	2.6	4.5	6.2	38.1
- other	1.8	2.6	2.4	7.3	210.6
Inland waters catch—overall	1 118.4	1 494.2	1 001.7	1 350.6	34.8
Fish and other aquatic organisms overall catch	8 865.3	8 984.8	10 774.2	9 634.5	-10.6

Source: NAFA

As regards the catch of marine species was reported a slight increase compared to the previous year by 3.8%, up to 4 973.9 tonnes. Traditionally the most significant is the catch of fish belonging to the species *Sprattus sprattus sulinus* (minnow, sprat). The catch in 2011 amounted to 3 957.9 tonnes or 2.1% less in comparison with 2010. The quantities of Mediterranean horse mackarel and red mullet caught increased nearly two and a half times up to 394.8 and 209.1 tonnes respectively. Out of the catch of other Black Sea fish, much more significant was that of Thornback ray: 93.4 tonnes, gobies: 85.2 tonnes, spiny dogfish: 81.0 tonnes, turbot: 38.1 tonnes, bluefish: 29.4 tonnes. The catch of the first three of these fish species has increased compared to the previous 2010 up to 92.5% for gobies, while the catch of turbot and bluefish decreased by 18.1% and 53.7% respectively.

In 2011 the catch of diadromous fishes (Shad) in the Black Sea amounted to 51.8 tonnes – 12.3% less than the previous year.

In 2011 the catch of fish in the Danube increased by 57.4% up to 136.3 tones compared to the previous year, including: freshwater fish: 122.7 tonnes, sturgeons: 0.1 tonnes, shad: 6.2 tonnes and other fish: 7.3 tonnes.

The largest quantities caught include Barbell: 28.4 tonnes, Common bream:14.5 tonnes, Bighead carp: 12.4 tonnes, Wels catfish: 12.0 tonnes and Common carp: 10.2 tonnes. The catch of all these species, except for the bighead carp, has increased compared to the previous year. The most significant was the growth of common bream and barbell – about two and a half times.

The catch of fish and other aquatic organisms in the inland waters reported in 2011 amounted to 1 350.6 tonnes—34.8% more than in 2010 and an increase was observed for almost all of the common species.

Traditionally the most significant was the catch of Common carp, which marked growth by 28% compared to the previous year, up to 630.8 tonnes. The second in that ranking was the catch of Bighead carp: 352.1 tonnes (+42.7%), Prussian carp: 185.5 tonnes (+47.3%) and Crucian carp: 93.7 tonnes (7.5 times more than in 2010). Among the more important species significantly reduced the catch of Silver carp (-69%), Whitefish (-17.4%), European catfish (-8.6%) and the Grass carp (-7%). The catch of crayfish contracted to 0.1 tonnes, at 1.6 tonnes in 2010.

Table VII.2. Catch of fish and other aquatic organisms in water bodies for commercial fishing in 2011

No.	Common and local names, scientific name /in Latin/	Quantity (tonnes)		
		Black Sea	Danube	Inland waters
A. Freshwater Fish				
	Family Acipenseridae /Acipenseridae/			
1	Sterlet / <i>Acipenser ruthenus</i> /		0.00	0.01
	Family Salmonidae /Salmonidae/			
2	Brown trout / <i>Salmo trutta fariol</i> /			

No.	Common and local names, scientific name /in Latin/	Quantity (tonnes)		
		Black Sea	Danube	Inland waters
3	Rainbow trout / <i>Oncorhynchus mykiss</i> /			7.00
4	Brook trout / <i>Salvelinus fontinalis</i> /			
0	Hunchen (Danube salmon) / <i>Hucho hucho</i> /		0.00	
	Family Coregonidae /Coregonidae/			
5	European whitefish / <i>Coregonus lavaretus</i> /			
6	Peled (Northern whitefish) / <i>Coregonus peled</i> /			
	Family Esocidas /Esocidas/			
7	Northern Pike / <i>Esox lucius</i> /		1.59	7.98
	Family Cyprinidae /Cyprinidae/			
8	Common Roach / <i>Rutilus rutilus</i> /		0.14	0.09
9	European Chub / <i>Leuciscus cephalus</i> /		0.14	0.52
10	Orfe / <i>Leuciscus idus</i> /		0.33	
11	Common rudd / <i>Scardinius erythrophthalmus</i> /		0.23	5.95
12	Asp / <i>Aspius aspius</i> /		2.31	0.08
13	Tench / <i>Tinca tinca</i> /		0.04	0.22
14	Danube bleak / <i>Chalcalburnus chalcoides</i> /		2.99	0.41
15	Common bleak / <i>Alburnus alburnus</i> /		3.68	2.15
16	Common bream / <i>Abramis brama</i> /		14.48	2.33
17	Oriental bream / <i>Abramis sp.</i> /		0.06	
18	Vimba bream / <i>Vimba vimba</i> /		7.50	0.06
19	Ziege (sabre carp) / <i>Pelecus cultratus</i> /		0.03	
20	Common nase / <i>Chondrostoma nasus</i> /		2.97	0.24
21	Common barbel / <i>Barbus barbus</i> /		28.39	0.09
22	Balkan barbus / <i>Barbus meridionalis petenyi</i> /			0.04
23	Strumica barbel / <i>Barbus cyclolepis</i> /		0.08	0.01
24	Common carp / <i>Cyprinus carpio</i> /		10.22	630.79
25	Prussian carp / <i>Carassius sp.</i> /		6.45	185.48
26	Silver carp / <i>Hypophthalmichthys molitrix</i> /		5.70	15.06
27	Bighead carp / <i>Aristichthys nobilis</i> /		12.39	352.11
28	Grass carp / <i>Ctenopharingodon idella</i> /		2.90	15.58
29	Black carp / <i>Mylopharingodon piceus</i> /			0.01
0	Crucian carp / <i>Carassius carassius</i> /		0.11	93.67
0	Macedonian vimba / <i>Vimba melanops</i> /		0.02	0.01
	Family Siluridae /Siluridae/			
30	Wels catfish / <i>Sillurus glanis</i> /		11.97	12.93
	Family Ictaluridae /Ictaluridae/			
31	Channel catfish / <i>Ictalurus punctatus</i> /			0.23
	Family Gadidae /Gadidae/			
32	Burbot / <i>Lota lota</i> /		0.54	0.01
	Family Percidae /Percidae/			
33	Zander / <i>Sander lucioperca</i> /Stizostedion lucioperca/		7.29	12.28
34	European perch / <i>Perca fluviatilis</i> /		0.07	2.58
35	Zingel (Zingel zingel)		0.03	
	Family Catostomidae (Catostomidae)			
36	Buffalo fish (<i>Ictiobus</i>)			1.34
B. Diadromous fish				

No.	Common and local names, scientific name /in Latin/	Quantity (tonnes)		
		Black Sea	Danube	Inland waters
	Family Acipenseridae /Acipenseridae/			
37	Beluga (sturgeon) / <i>Huso huso</i> /		0.10	
38	Starry sturgeon / <i>Acipenser stellatus</i> /			
39	Russian sturgeon / <i>Acipenser gueldenstaedti</i> /			
0	Siberian sturgeon / <i>Acipenser baerii</i> /			
	Family Anguillidae /Anguillidae/			
40	European river eel / <i>Anguilla anguilla</i> /			
	Family Clupeidae /Clupeidae/			
41	Shad, Alosa immaculata / <i>Caspialosa pontica</i> / <i>Alosa pontica</i> /	51.80	6.20	
	C. Sea fish			
	Family Squalidae /Squalidae/			
42	Spiny dogfish / <i>Squalus acanthias</i> /	81.01		
	Family Clupeidae /Clupeidae/			
43	Sardine / <i>Sardina pilchardus</i> /	4.16		
44	Minnow, sprat / <i>Sprattus sprattus sulinus</i> /	3957.90		
	Family Engraulidae /Engraulidae/			
45	European anchovy / <i>Engraulis encrasicolus ponticus</i> /	18.11		
	Family Belonidae /Belonidae/			
46	Garfish / <i>Belone belone</i> /	4.53		
	Family Gadidae /Gadidae/			
47	Shore rockling / <i>Gaidropsarus mediterraneus</i> /			
48	Black Sea Merlangius merlangus / <i>Merlangius merlangus euxinus</i> /	1.38		
	Family Mugilidae /Mugilidae/			
49	Flathead mullet / <i>Mugil cephalus</i> /	14.69		
50	Haarder/ So-iuy mullet (<i>Mugil soiyu</i>)	0.43		
51	Golden grey mullet / <i>Liza aurata</i> /	2.63		
52	Leaping mullet / <i>Liza saliens</i> /	7.51		
	Family Old World silverside /Atherinidae/			
53	Atherina / <i>Atherina spp.</i> /	16.52		
	Family Serranidae /Serranidae/			
54	European seabass / <i>Dicentrarchus labrax</i> / <i>Morone labrax</i> /	0.02		
	Family Pomatomidae /Pomatomidae/			
55	Bluefish / <i>Pomatomus saltatrix</i> /	29.39		
	Family Carangidae /Carangidae/			
56	Mediterranean horse mackerel / <i>Trachurus mediterraneus ponticus</i> /	394.84		
	Family Centracanthidae /Centracanthidae/			
57	Spicara / <i>Spicara spp.</i> /	0.61		
	Family Mullidae /Mullidae/			
58	Stripped mullet / <i>Mullus barbatus ponticus</i> /	176.20		
59	Red mullet / <i>Mullus surmuletus</i> /	32.92		
	Family Scombridae /Scombridae/			
60	Atlantic mackerel / <i>Scomber scombrus</i> /	0.40		
61	Atlantic Bonito / <i>Sarda sarda</i> /	8.26		
62	Family Gobiidae /Gobiidae/	85.18		
	Family Scopthalmidae /Scopthalmidae/			

No.	Common and local names, scientific name /in Latin/	Quantity (tonnes)		
		Black Sea	Danube	Inland waters
63	Turbot / <i>Psetta maxima</i> /	38.06		
	Family Pleuronectidae /Pleuronectidae/			
64	European flounder / <i>Platichthys flesus luscus</i> /	0.04		
65	Sole / <i>Solea nasuta</i> /	0.02		
	Family Rajidae /RAJIDAE/			
66	Thornback ray / <i>Raja clavata</i> /	93.43		
	Family lophiidae /lophiidae/			
67	Anglerfish / <i>Lophius piscatorius</i> /	1.21		
	Family Dasyatidae /dasyatidae/			
68	Common stingray / <i>Dasyatis pastinaca</i> /	4.48		
D. Aquatic animals				
	Class Amphibia /Amphibia/			
69	Marsh frog / <i>Rana ridibunda</i> /			
	Class Crustaceous /Crustacea/			
70	Common shrimps / <i>Leander spp./</i>	1.28		
71	European brown shrimp / <i>Crangon sp./</i>	0.03		
72	Freshwater crayfish / <i>Astacidae , Cambaridae/</i>			1.18
73	Danube crayfish / <i>Astacus leptodactylus</i> /			0.07
74	European crayfish / <i>Astacus astacus</i> /			
75	Warty crab / <i>Eriphia verrucosa</i> /			
	Class Mussels /Bivalvia/			
76	Soft-shell clam / <i>Mya arenaria</i> /	0.40		
77	Blue mussel / <i>Mytilus galloprovincialis</i> /	1.32		
78	Veined rapa whelk / <i>Rapana spp./</i>	3 118.87		
79	Other	0,02	7.33	0.12
OVERALL:		8 147.6	136.3	1 350.6

Source: NAFA

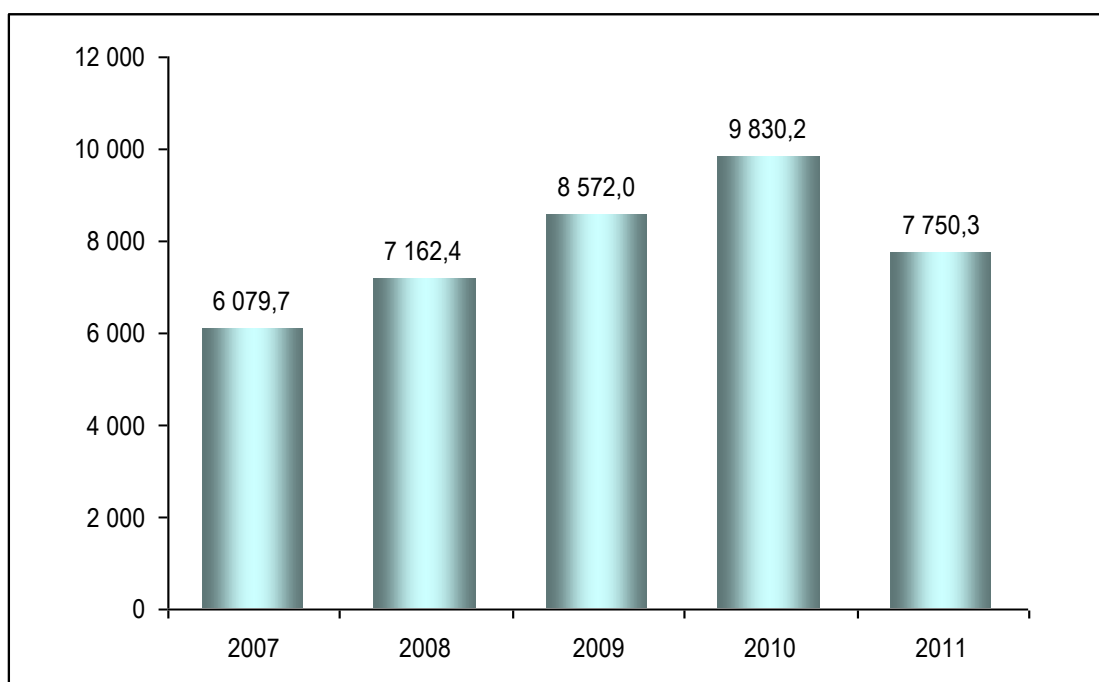
In the first half of 2012 the total quantity of fish and other aquatic organisms caught within the scope of commercial fishing decreased by 5.8% compared to the same period last year and amounted to 3 713.7 tonnes, including: 3 290.5 tonnes in the Black Sea, 48.8 tonnes in the Danube and 374.4 tonnes in inland waters.

Production of fish and other aquatic organisms

According to NAFA the total number of active fish farms at the end of 2011 was 322, compared to 277 at the end of 2010.

Unlike the trend toward gradual increase observed over the last few years in 2011 the total aquaculture production (aquaculture stock and fish, as well as other aquatic organisms for consumption) in the fish farms decreased by 21.2% compared to the previous year down to 7 750.3 tonnes.

Figure VII.2. Production of fish and other organisms in specialized fish farms for the period 2007—2011, tonnes



Source: NAFA

The annual decrease was a result of the reported dramatic decline in the production of fish for human consumption (-30.3%) while the aquaculture stock production marked growth (+16.9%). As factors contributing the decreased production of fish for human consumption in 2011 might be indicated the high mortality, as well as the large fish quantities eaten by herons and cormorants.

In 2011 the total aquaculture stock production in the fish farms needed to maintain the fish populations and to increase the number of economically valuable fish species, increased by around 17% compared to the previous year up to 2 218.7 tonnes. This is mainly due to nearly twice as high aquaculture stock production of rainbow trout—951.6 tonnes.

Table VII.3. Production of aquaculture stock, fish and aquatic organisms in the fish farms, tonnes

Common and local names	Aquaculture stock		Var. 2011/2010, %	Fish for human consumption		Var. 2011/2010, %	Total weight		Var. 2011/2010, %
	2010	2011		2010	2011		2010	2011	
Brown trout	4.4	12.1	173.3	17.8	17.4	-1.8	22.2	29.5	33.0
Rainbow trout	476.4	951.6	99.7	2 908.7	1 534.8	-47.2	3 385.1	2 486.4	-26.5
Brook trout	0.9	0.1	-89.2	1.1	0.1	-92.7	2.0	0.2	-91.1
Northern pike	3.9	6.0	54.2	18.8	16.9	-9.9	22.7	22.9	1.1
European Chub	0.0	0.0		2.6	1.2	-52.9	2.6	1.2	-51.3
Tench	0.1	4.0	5 585.7	0.0	0.0		0.1	4.0	5 585.7
Common Bleak	3.0	0.0	-100.0	3.0	6.8	130.7	6.0	6.8	14.7
Common bream	0.0	0.0		7.5	7.3	-2.5	7.5	7.3	-2.5
Common carp	698.1	621.9	-10.9	1 905.8	1 389.6	-27.1	2 603.9	2 011.5	-22.7
Prussian carp	1.0	0.2	-80.0	167.7	218.6	30.3	168.7	218.8	29.7
Silver carp	3.7	64.1	1 620.4	28.5	93.0	226.2	32.2	157.1	387.2
Bighead carp	209.7	203.8	-2.8	1 294.2	926.3	-28.4	1 503.9	1 130.1	-24.9
Grass carp	94.9	51.0	-46.2	168.5	162.4	-3.6	263.4	213.4	-19.0
Black carp	0.0	0.0	-100.0	0.0	0.1	110.5	0.0	0.1	86.0
Wels catfish	39.9	36.9	-7.5	87.2	78.2	-10.3	127.1	115.1	-9.5
Channel Catfish	112.5	105.0	-6.7	108.0	98.0	-9.3	220.5	203.0	-8.0
Zander	3.7	4.5	22.3	17.6	16.4	-6.8	21.3	20.9	-1.8
European perch	0.2	0.0	-100.0	1.8	1.0	-41.3	2.0	1.0	-46.8

Sterlet	0.7	0.4	-47.0	0.4	0.0	-100.0	1.0	0.4	-66.6
Beluga sturgeon	0.0	1.3		115.1	61.0	-47.0	115.1	62.3	-45.9
Starry sturgeon	0.0	0.0		0.0	6.1		0.0	6.1	
Russian sturgeon	10.3	37.8	265.4	333.2	215.4	-35.4	343.6	253.1	-26.3
European river eel	0.0	0.0		0.2	0.0	-100.0	0.2	0.0	-100.0
Danube crayfish	0.5	0.4	-14.6	9.9	6.2	-36.9	10.3	6.6	-35.9
Blue mussel	213.6	104.5	-51.1	698.3	642.1	-8.0	911.8	746.6	-18.1
Lake salmon	1.7	8.2	386.4	7.2	1.7	-76.8	8.9	9.9	10.9
Paddlefish	0.0	0.1	130.8	0.6	0.3	-38.6	0.6	0.4	-27.5
Common rudd	0.2	0.0	-100.0	6.4	4.7	-26.3	6.6	4.7	-28.3
Barramundi	0.0	4.4		8.2	0.0	-100.0	8.2	4.4	-46.4
African catfish	18.0	0.0	-100.0	9.7	1.8	-81.8	27.7	1.8	-93.6
Siberian sturgeon	0.0	0.6		0.0	18.6		0.0	19.1	
Other	0.0	0.0		4.4	2.4	-45.5	5.0	5.6	12.2
Overall	1 897.4	2 218.7	16.9	7 932.8	5 531.6	-30.3	9 830.2	7 750.3	-21.2

Source: National Agency for Fisheries and Aquaculture (NAFA)

The reported production of fish and other aquatic organisms for human consumption in 2011 was 5 531.6 tonnes which was 30.3% less compared to the previous year and the decrease was observed in almost all reared fish.

The overall production (aquaculture stock and fish for human consumption) of rainbow trout, common carp and bighead carp remained the most significant. As regards those three species was reported decrease of about 23-27% compared to the previous year. The overall production of Russian sturgeon (-26.3%), channel catfish (-8%), beluga sturgeon (-45.9%), grass carp (-19%), etc., also decreased.

Blue mussel is the main aquatic organism grown in the Black Sea. In 2011 the production in the specialized fish farms was 746.6 tonnes or 18% less than the previous year. The production of Danube crayfish decreased by 35.9% to 6.6 tonnes compared to 2010.

In comparison with 2010 an increase in the overall production among the most important economic species has been recorded only for the Silver carp: 4.9 times, Prussian carp: 29.7%, Common bleak: 14.7% and Lake salmon: 10.9%.

According to data provided by NAFA as of June 7, 2012 the number of registered fish farms amounted to 607, of which 353 were active.

After a significant decrease registered in 2011 it was expected in 2012 the production of aquacultures in the specialized fish farms to recover to a level in line with the trend observed by 2010.

2. Consumption of fish and fish products by households

There was a trend observed over the last few years toward slight increase of the consumption of fish and fish products by households in the country. According to the National Statistical Institute, in 2011 it has reached an average of 5.4 kg per household member, which was 1.9% more compared to the previous year. These figures do not include the quantities consumed in restaurants.

Table VII.4. Consumption of fish and fish products average per household member, kg

Products	2008	2009	2010	2011
Fish and fish products	4.6	4.8	5.3	5.4

Source: NSI

3. Imports and Exports of fish and fish products

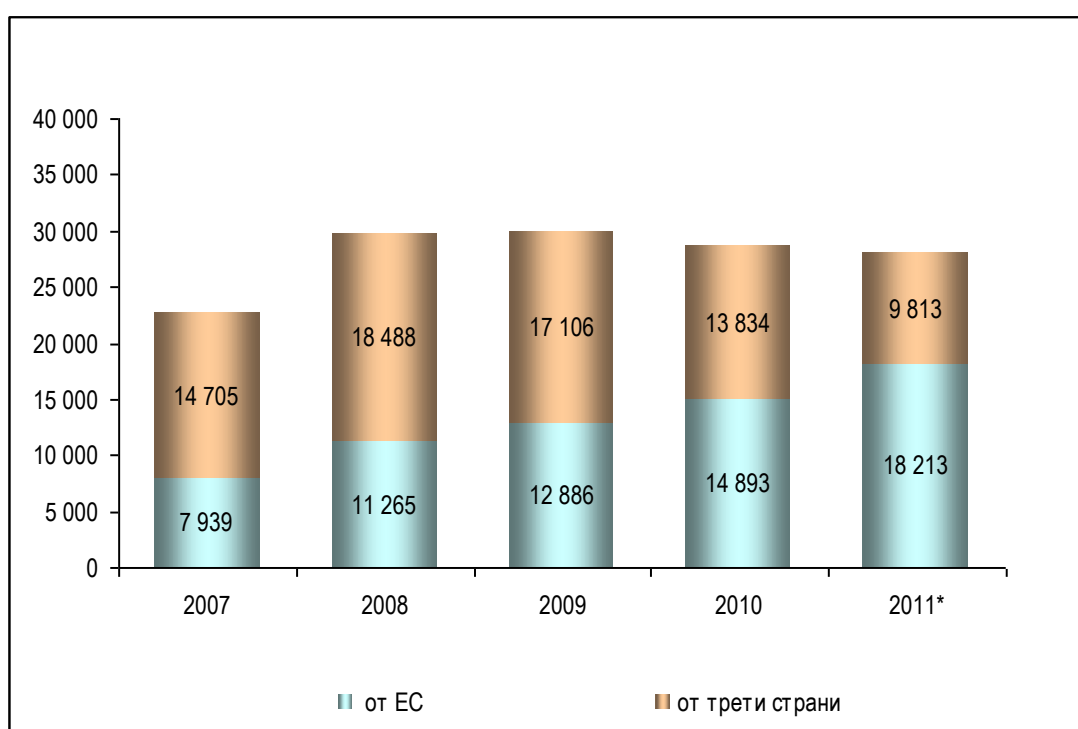
Imports

According to preliminary figures provided by the National Statistical Institute, in 2011 the total imports of fish and fish products to Bulgaria decreased slightly by 2.4% compared to the previous year down to 28 026 tonnes. The value of the imports amounted to USD 68 729 which was 14.3% more than the previous year, mainly due to the 17% higher import prices.

The trend observed over the last five years toward increase in the imports of fish and fish products from the EU State Members continued in 2011. EU supplied levels increased by 22% if compared to the previous year, reaching 18 213 tonnes or about 65% of the total imports for the year (vs. 52% in 2010). The most significant quantities have been delivered from Spain, the Netherlands, Greece, Romania, Poland, Czech Republic, the United Kingdom, France, Estonia and Lithuania.

The imports of fish and fish products from third countries decreased by 22% compared to 2010, down to 9 813 tonnes. Canada, China, Vietnam, Argentina, Island, Morocco, Peru, Norway, Turkey and USA remain key partners.

Figure VII.3. Imports of fish and fish products from the EU and third countries, tonnes



Source: NSI, * preliminary data

Legend: (blue) from the EU

(brown) from the third countries

By type of products the structure of the imports in 2011 included: 25 092 tonnes of fish, fillets, crustaceans and molluscs (live, fresh, chilled, frozen or dried, etc.) and 2 934 tonnes of processed fish products (prepared and preserved fish, caviar, canned crustaceans and molluscs).

Table VII.5. Imports of fish, other aquatic organisms and fish products

Products	2010			2011*			Var. quantity 2011/2010
	quantity	value	Aver. price	quantity	value	Aver. price	
	(tonnes)	(thousand, USD)	USD/tonnes	(tonnes)	(thousand, USD)	USD/tonnes	%
Fish, fillets, crustaceans, molluscs, including:	26 426	51 786	1 960	25 092	57 866	2 306	-5.0

Live fish – freshwater and sea	0,4	3	7 758	2	14	6 551	425.0
Fish-fresh or chilled, without fillets	1 943	10 993	5 658	2 371	14 645	6 178	22.0
Fish - frozen, without fillets	16 826	21 230	1 262	16 537	24 649	1 491	-1.7
Fish fillets and other meats of fish, fresh or chilled, frozen	6 706	14 380	2 145	4 488	11 353	2 530	-33.1
Fish – dried, salted, smoked	178	1 528	8 609	183	1 650	9 025	3.0
Crustaceans	215	1 557	7 234	308	2 168	7 026	43.4
Molluscs	558	2 095	3 753	1 203	3 387	2 817	115.3
Processed fish products, including:	2 301	8 344	3 626	2 934	10 863	3 703	27.5
Prepared and preserved fish, caviar	1 982	6 597	3 329	2 581	9 033	3 500	30.2
Crustaceans and molluscs, canned	319	1 747	5 471	353	1 830	5 182	10.6
Total fish, other aquatic organisms and fish products	28 727	60 131	2 093	28 026	68 729	2 452	-2.4

Source: NSI, * preliminary data

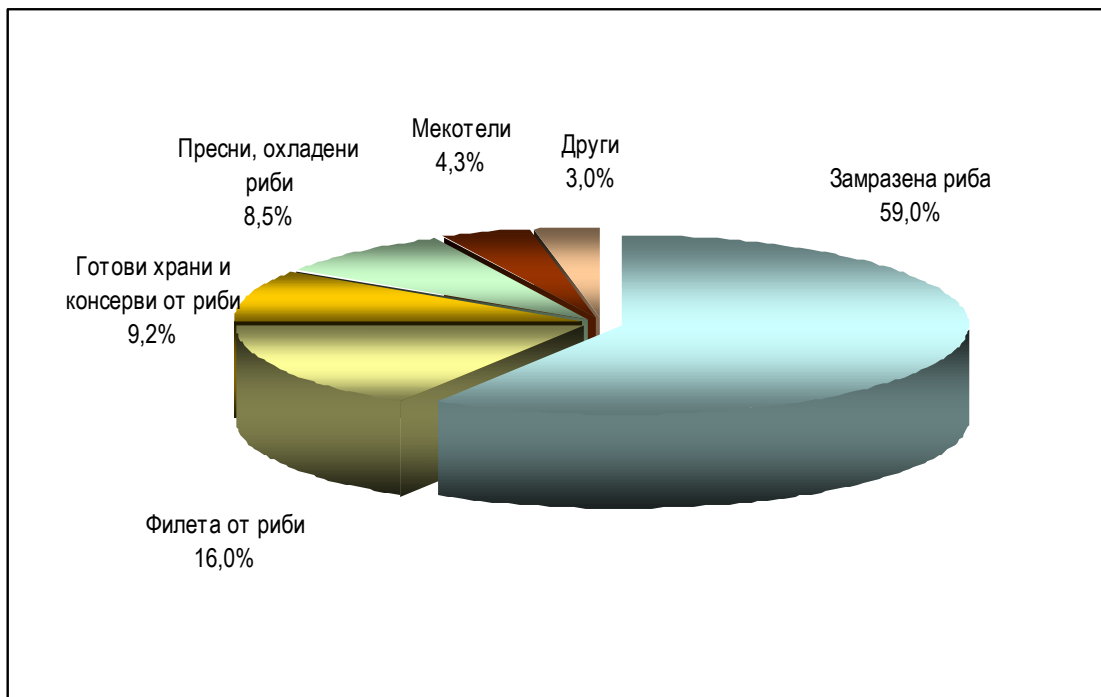
Traditionally the largest share in the structure of the total imports of fish and fish products is occupied by frozen fish. The imports of frozen fish (without fillets) slightly decreased in 2011 by 1.7% compared to the previous year down to 16 537 tonnes, representing about 59% of the total imports of fish and fishery products for the year.

Approximately 67% of the imported frozen fish in 2011 was mackerel (11 523 tonnes) which was 12.2% less than the previous year and could be explained by the higher import price. Due to the minimum mackerel catch in Bulgaria there is a considerable annual import to meet the market demand for direct consumptions and for canning. In 2011 the most significant quantities of frozen mackerel were imported from Spain (2 669 tonnes), the Netherlands (2 459 tonnes), Canada (2 197 tonnes) and Romania (883 tonnes).

Over the year were imported and relatively large quantities of the following types of frozen fish: sardines, sprats, skippers, European sprat: totally 962 tonnes, herring: 525 tonnes, hake: 743 tonnes, scad: 157 tonnes, sardines: 96 tonnes, trouts: 88 tonnes, pacific salmon: 69 tonnes and common dogfish: 22 tonnes.

In 2011 the imports of fillets and other meats of fish decreased by 33% compared to the previous year down to 4 488 tonnes, which marks about 16% of the total imports of fish and fish products. The reported decrease was mainly due to increase of the import prices with 18%. The most significant was the import from Vietnam - 1 511 tonnes which was 58% less than in 2010. Significant quantities were shipped and from Romania: 615 tonnes, China: 572 tonnes and Argentina: 336 tonnes.

Figure VII.5. Structure of the imports of fish and fish products in 2011, %



Source: NSI, preliminary data

Legend:

Other – 3.0%	Fresh, chilled fish – 8.5%	Fillets of fish – 16.0%
Molluscs – 4.3%	Prepared and preserved fish; 9.2%	Frozen fish – 59.0%

In the course of the year in the country were imported 2 371 tonnes of fresh and chilled fish (without fillets) – 22% more than in 2010. The most significant was the import from Greece (1 130 tonnes), Czech Republic (541 tonnes), Spain (199 tonnes), Sweden (111 tonnes), Italy (89 tonnes) and Turkey (78 tonnes).

By types of fish the most significant was the import of fresh and chilled salmons – 898 tonnes, pacific salmon – 362 tonnes, carp – 327 tonnes and herring – 42 tonnes and the imported quantities increased by between 28 and 40% compared to the previous year.

In 2011 the import of mussels and crustaceans significantly increased. The import of mussels (mainly frozen mediterranean mussels, squid and scallops, etc.) was 1 203 tonnes – two times more than the previous year but at almost 25% lower average import price. The import was basically from Greece, China and Italy.

The imports of crustaceans increased by 43.4%, up to 308 tonnes, mainly delivered from Estonia, Italy, Belgium and China.

With over five times more than in 2010 the imports of live fish (mainly freshwater species) remained negligible – totally 2 tonnes, mainly from Greece.

In 2011 the total imports of processed fish products increased by 27.5% compared to the previous year up to 2 934 tonnes. Over the year 2 581 tonnes prepared and preserved fish and caviar or 30.2% more compared to the previous year, were imported mainly from Lithuania, Germany, Thailand and China. The imports of canned crustaceans and mussels increased year on year by 10.6%, up to 353 tonnes. The largest quantities of these products were imported from Chili, Belgium, Slovenia, Germany and India.

According to preliminary figures provided by the National Statistical Institute, in the first six months of 2012 were imported 14 286 tonnes of fish and fish products which were about 5.6% more than the same period of the previous year. By the end of the year it is expected the imports of relatively large quantities of fish and fish products to continue with a view of placing on the market of atypical for

the country fish and aquatic organisms and providing enough raw material for fish processing factories. It is expected the overall imports for the year to be around the level of the previous 2011.

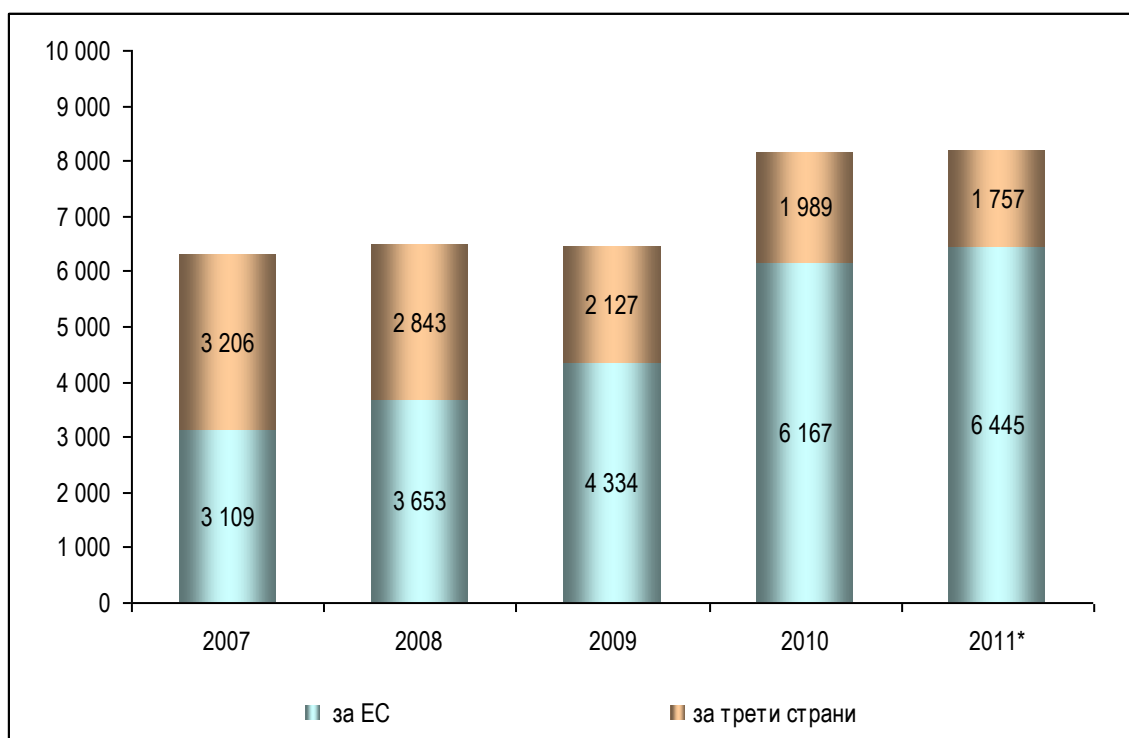
Exports

The National Statistical Institute estimated the total exports of fish, aquatic organisms and fish products in 2011 at 8 202 tonnes, which marked a slight increase by 0.6% compared to the previous year, despite the reported decrease of the catch and the production of fish and other aquatic organisms in the country. Due to the slightly higher average export price (by 3%), the total value of the exported fish products increased by 3.6% compared to 2010, totaling USD 29 090 thousand.

In 2011 the exports to the EU increased by 4.5% compared to 2010 up to 6 445 tonnes and now accounts for about 79% of the total export of fish, aquatic organisms and fish products (vs. 76% in 2010). The most significant quantities were exported to Romania, Sweden, Greece, France, the United Kingdom, Poland, Italy and Spain.

The exports of fish and fish products for third countries amounted to 1 757 tonnes—11.7% less than in 2010 and main destinations were the Republic of Korea, Macedonia, Japan, Serbia, Russian Federation, Albania and Croatia.

Figure VII.6. Exports of fish, other aquatic organisms and fish products from EU and third countries, tonnes



Source: NSI * preliminary data

Legend: (blue) for the EU

(brown) for the third countries

The structure of the exports in 2011 included: 7 125 tonnes of fish, crustaceans and mollusks—live, fresh, chilled, frozen, smoked or salted and 1 077 tonnes of processed fish products (prepared and preserved fish, including caviar, canned crustaceans and molluscs).

There was an increase in the exports of crustaceans, live fish, molluscs and processed fish products compared to the previous year (from 9.7% to more than eight times) except fresh, frozen, dried fish and fillets vs. which decrease was reported (from 2.8 to 69%).

In 2011 the exports of frozen fish (without fillets) was still holding the largest share in the total exports of fish and fish products (about 30%) amounting to 2 436 tonnes. This was 7.7% less than the previous year, which was explained by the lower catch over the year.

Traditionally the most significant quantities of frozen fish (mainly sardines, sprat or minnow, mackerel) were exported to Romania – 1 747 tonnes, but this was about 19% less than the previous year. More significant were the deliveries of frozen fish for the United Kingdom, Poland and Croatia.

Table VII.6. Exports of fish, other aquatic organisms and fish products

Products	2010			2011*			Var. quantity 2011/2010 %
	quantity	Value	Av. price	quantity	Value	Av. price	
	(tonnes)	(thousand, USD)	USD/t	(tonnes)	(thousand, USD)	USD/t	
Fish, fillets, crustaceans, molluscs, including:	7 330	24 447	3 335	7 125	25 533	3 584	-2.8
Live fish – freshwater and sea	182	485	2 661	435	959	2 204	138.9
Fish-fresh or chilled, without fillets	1 729	6 838	3 955	1 126	8 931	7 935	-34.9
Fish - frozen, without fillets	2 639	4 674	1 771	2 436	4 561	1 872	-7.7
Fish fillets and other meats of fish, fresh or chilled, frozen	986	4 970	5 043	306	2 617	8 553	-69.0
Fish – dried, salted, smoked	379	1 180	3 117	357	911	2 553	-5.7
Crustaceans	131	360	2 748	1 055	2 385	2 260	705.3
Molluscs	1 285	5 940	4 622	1 410	5 171	3 666	9.7
Processed fish products, including:	827	3 633	4 394	1 077	3 557	3 302	30.3
Prepared and preserved fish, caviar	473	1 499	3 170	705	1 420	2 014	49.1
Crustaceans and molluscs, canned	354	2 134	6 029	372	2 137	5 745	5.1
Total fish, other aquatic organisms and fish products	8 157	28 080	3 443	8 202	29 090	3 547	0.6

Source: NSI, * - preliminary data

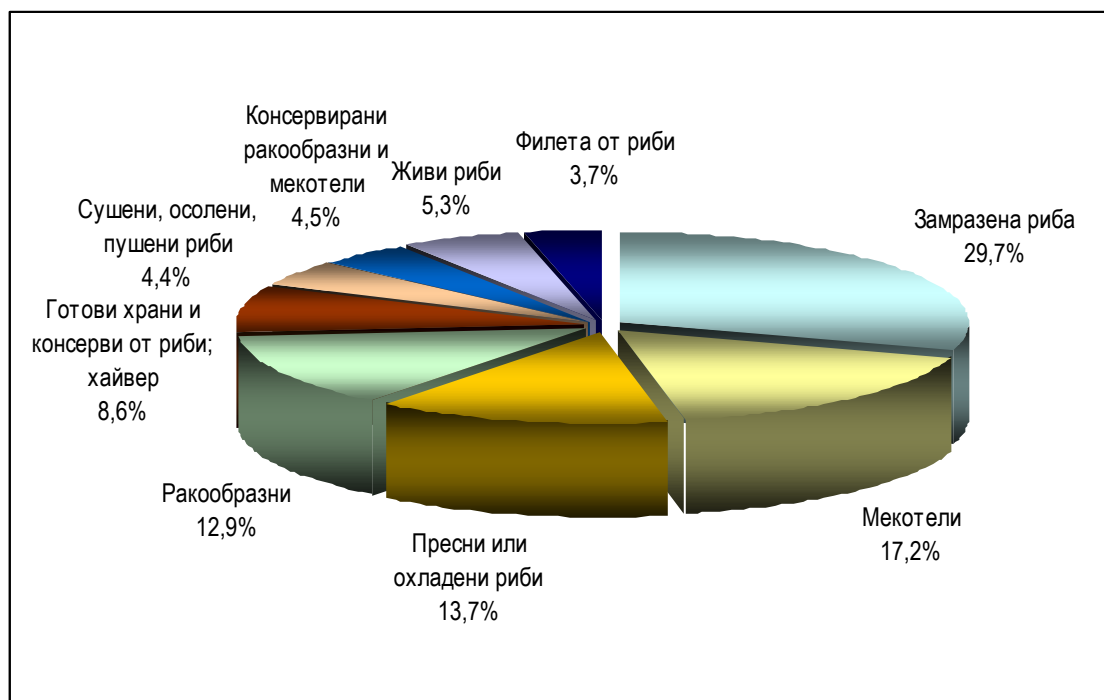
In 2011 the exports of molluscs formed 17.2% of the total exports of fish and fish products and marked growth by 9.7% compared to the previous year up to 1 410 tonnes. Main destinations of the exports of these products were Korea with 627 tonnes, France - 398 tonnes and Japan with 300 tonnes.

The third ranking were the exports of fresh or chilled fish (excluding the fillets) with 1 126 tonnes or 13.7% of the overall exports of fish and fish products in 2011. The exported fish was mainly from aquaculture production (carp, etc.). The quantity of fresh or chilled fish, sold abroad in 2011 decreased by approximately 35% compared to 2010, due to the lower production in the fish farms over the year. The largest quantities were exported to Romania: 566 tonnes, Greece: 224 tonnes and Serbia: 159 tonnes.

In 2011 the exports of crustaceans increased over 8 times compared to the previous year, up to 1 055 tonnes at an average price of USD 2 260/tonnes (-17.8%). The registered exports were mainly of frozen ocean pink shrimps – 1 029 tonnes with major destination Sweden. Small quantities of crustaceans were exported to Romania: 18 tonnes, Serbia: 7 tonnes, etc.

The exports of processed fish products (prepared and preserved fish, crustaceans and molluscs) marked growth by 30.3% in comparison with 2010, amounting to 1 077 tonnes. However due to the significant decrease of export prices (average of 25%) the total value of the exported processed fish products decreased by 2.1% compared to the previous year to USD 3 557.

Figure VII.7. Structure of the exports of fish and fish products in 2011



Source: NSI, preliminary data

Legend:

<i>Fillets of fish – 3.7%</i>	<i>Live fish – 5.3%</i>	<i>Canned crustaceans and molluscs- 4.5%</i>	<i>Dried, salted and smoked fish – 4.4%</i>
<i>Prepared and preserved fish; caviar – 8.6%</i>	<i>Crustaceans – 12.9%</i>	<i>Fresh of chilled fish – 13.7%</i>	<i>Molluscs – 17.2%</i>
<i>Frozen fish – 29.7%</i>			

The exports of prepared and preserved fish increased by 49% up to 705 tonnes compared to 2010. The most significant quantities were for permanent partners as Greece: 288 tonnes, Romania: 252 tonnes, Spain: 91 tonnes and Macedonia: 18 tonnes.

In 2011 the exports of prepared or canned crustaceans and molluscs amounted to 372 tonnes which was 5, 1% more than the previous year. Main destinations of the exports of these products in 2011 were Korea: 126 tonnes, Japan: 141 tonnes and Greece: 79.

According to preliminary data of the NSI in the first half of 2012 have been exported 4 392 tonnes of fish and fish products which was 27,2% more than the same period of the previous year. The exports throughout 2012 was expected to be significantly above the level of 2011. A prerequisite for the realization of higher export of fish and fish products were the higher prices on the foreign markets.

4. Operational Programme ‘Fisheries Sector Development’ (OPFSD) financed by the European Fisheries Fund (EFF).

A key strategic effect pursued by the Operational Programme ‘Fisheries Sector Development’ (2007-2013) was the transformation of the sector into a competitive, modern, dynamic and based on aquaculture sustainable development and life quality improvement in the fisheries areas. The total budget of the Operational Programme ‘Fisheries Sector Development’ (2007-2013) is equal to EUR 101 168 996 (BGN 197 869 357), of which 75% is the share of funding by the European Fisheries Fund (EFF) and 25% is the share of national co-financing.

Overall progress on the OPFSD by December 2011.

The accumulated physical progress in the implementation of OPFSD by December 2011 may be summarised as follows:

- Total number of registered projects: 200;
- Total number of signed contracts/approved projects: 76 (of these 43 contracts signed with private beneficiaries);
- Total agreed funds: BGN 60 708 055.97 (30, 68%)
- Total disbursed funds to beneficiaries: BGN 24 798 827.74 (12, 53%);
 - Advance payments—5 totaling BGN 1 027 574.86.
 - Interim payments—4 totaling BGN 1 720 217.45.
 - Final payments—46 totaling BGN 22 051 035.43.
- The funds under 46 projects amounting to BGN 22 381 994.99 have been finally paid.

Physical progress in the implementation of OPFSD in 2011:

- Total number of registered projects: 80;
- Total number of signed contracts/approved projects: 37;
- Total agreed funds: BGN 35 908 842.40 (18, 15%);
- Total disbursed funds to beneficiaries: BGN 17 251 218.84 (8, 72%);
- The funds under 30 projects amounting to BGN 15 089 088.41 have been finally paid.

Table VII.7.
Financial implementation of OPFSD for the period 2007—2011.

Measure under OPFSD	Number of concluded contracts	Value of concluded contracts in BGN	Number of payments	Value of payments in BGN	Number of projects finally paid	Value of payments in BGN
Measure 1.1. 'Public aid for permanent cessation of fishing activities'	9	1 986 393.13	7	1 539 347.65	7	1 539 347.65
Measure 1.3. 'Investments on board of fishing vessels and selectivity'	2	59 309.33	2	56 858.88	2	56 858.88
Measure 2.1. 'Productive investments in the aquaculture'	28	20 791 658.04	17	5 031 337.11	8	2 614 504.36
Measure 2.6. 'Investments in processing and marketing of fisheries and aquaculture products'	1	304 251,78	0	0.00	0	0.00

Measure 2.7 'Financial engineering'	2	15 167 850.00	2	15 167 850.00	2	15 167 850.00
Measure 4.1 'Support for implementing the integrated local strategies and running costs of fisheries groups'	3	21 113 583.05	3	2 110 698.60	3	2 110 698.60
Measure 5.1 'Technical assistance'	31	1 285 243.30	24	892 735.50	24	892 735.50
Overall	76	60 708 288.63	55	24 798 827.74	46	22 381 994.99

Source: NAFA

In 2011 were opened for submission measures under all priority axis of OPFSD.

Out of a total of registered 200 project proposals since the approval of the Operational programme on December 14, 2007 by the end of 2011, 80 were registered in 2011. By December 31, 2011 the funds agreed reached 30.68% of the total programme budget, while the money paid made 12.53%.

In 2011, 70% of the total value was disbursed out of the gratuitous financial assistance disbursed for the period 2007—2011. For the same period the number of project proposals of measures opened for acceptance was 10 and Measure 3.1. 'Collective activities' and Measure 3.4. 'Development of new markets and promotional campaigns' opened for acceptance of project proposals earlier than prescheduled.

As of 2011 procedures under all measures of the Operational Programme have been worked out. There were two monitoring committees for OPFSD to propose changes in the programme budget, in connection with funds relocation in axis 4, which concerned the creation of three more Local Initiative Fisheries Groups.

In 2011 NAFA has transferred to National Guarantee Fund, established at the end of 2010 funds amounting to EUR 4 687 447.27 (BGN 9 167 850, 00). The National Guarantee Fund resources represent 4, 63% of the overall programme budget.

Table VII.8.
Financial implementation of OPFSD as of October 18, 2012

Measure under OPFSD	Number of concluded contracts	Value of concluded contracts in BGN	Number of payments	Value of payments in BGN	Number of projects finally paid	Value of payments in BGN
Measure 1.1. 'Public aid for permanent cessation of fishing activities'	29	4 673 603.25	17	3 173 268.93	17	3 173 268.93
Measure 1.3. 'Investments on board of fishing vessels and selectivity'	6	92 532.90	2	56 858.88	2	56 858.88
Measure 2.1. 'Productive investments in the aquaculture'	56	45 488 193.70	27	8 349 037.43	10	5 888 131.57
Measure 2.2 'Aqua-environmental'	2	84 781.43	0	0.00	0	0.00

measures'						
Measure 2.6. 'Investments in processing and marketing of fisheries and aquaculture products'	8	6 238 379.27	3	1 129 430.97	1	302 822.87
Measure 2.7 'Financial engineering'	2	15 167 850.00	2	15 167 850.00	2	15 167 850.00
Measure 3.4 'Development of new markets and promotional campaign'	3	498 787.38	0	0.00	0	0.00
Measure 3.5 Pilot projects'	1	131 231.60	0	0.00	0	0.00
Measure 4.1.A. 'Support for implementing the integrated local strategies and running costs of fisheries groups'	6	41 434 169.59	10*	4 301 989.82	10*	4 301 989.82
Measure 5.1 'Technical assistance'	55	2 290 155.05	38	1 602 419.04	37	1 602 419.04
Overall	168	116 099 684.17	99	33 780 855.07	79	30 493 341.11

*6 payments under projects through Local Initiative Fisheries Groups (LIFG) and 4 payments on running costs of LIFG

Source: NAFA

Accumulated physical progress in the implementation of OPFSD as of October 18, 2012:

- Total number of registered projects: 321;
- Total number of signed contracts/approved projects: 168 (of these 108 contracts signed with private beneficiaries);
- Total agreed funds: BGN 116 099 684.17 (58, 67%);
- Total disbursed funds to beneficiaries: BGN 33 780 855.07 (17, 07%).
 - Advance payments – 12 totaling BGN 2 774 260.37.
 - Interim payments – 8 totaling BGN 3 293 358.44.
 - Final payments – 79 totaling BGN 27 713 236.26.
- The funds under 79 projects amounting to BGN 30 493 341.11 or 47, 62% of the total number of contracts have been finally paid.

One of the main priorities in terms of OPDFS in 2012 was the improvement of the legal framework in order to facilitate the access of candidates and utilization of funds from the EDF and minimize the expected loss of funds at the end of the year. All measures under OPDFS have been opened and it is expected the interest of the beneficiaries to be focused on the attractive measures 1.1 'Permanent cessation of fishing activities', 2.1 'Productive investment in aquaculture', 2.6 'Investments in processing and marketing of fisheries and aquaculture products', 3.1 'Collective activities', 3.3 'Investments in reconstruction and modernization of fishing ports, landing sites and shelters' and 4.1.A. 'Support for implementing the integrated local strategies and running costs of fisheries groups'.

In 2012 have been recognized the other three local initiative fisheries groups under priority axis 4 'Sustainable development of fishing areas' under Operational Programme Fisheries Sector Development and approved local development strategies.

5. Administrative penalty activity in fisheries and aquaculture management

In order to protect fishery resources and to support their reproduction in 2011 NAFA has taken measures for enhancing the efficiency of control of both amateur and commercial fishing and minimizing poaching. In pursuance of the Fisheries and Aquaculture Act the following activities were undertaken in 2011:

- A total of 1 208 termless commercial fishing authorisations were issued, including: 896 for the Black Sea; 162 for the Danube; and 150 for inland waters;
- A total of 3 911 commercial fishing certificates were issued;
- A total of 457 commercial fishing capacity certificates were issued;
- 78 non-net fisheries devices were marked;
- 6 287 net fisheries devices were marked;
- 57 persons breeding fish or other aquatic organisms were registered;
- 197 797 amateur fishing licences were issued/revalidated.

In the context of conducting administrative penalty activity in the case of fisheries and aquaculture management in 2011 a total of 26 051 inspections were performed, of which:

- 4 215 at fisheries sites;
- 12 100 at sites of amateur fishing;
- 859 at fishing vessels;
- 3 824 on vessels;
- 2 809 in sites for fish trade; at fish trade shops;
- 1 138 as a result of warnings from public;
- 1 106 jointly with the Ministry of Interior and Executive Forest Agency's authorities territorial units.

In comparison with 2010 the number of inspections performed at fish farms grew up by 12 % and those of the joint inspections by 18 %, while the number of inspections performed at fisheries sites and at sites of amateur fishing went down by 26 and 4% respectively.

As a result of the inspections carried out on violations of Fisheries and Aquaculture Act in 2011, 2 780 statements for established offences were drawn up and 7 767 statements on findings were issued as well as 2 600 punitive enactments, of which 2 090 came into force.

As a result of statements on findings and statements identifying administrative violations drawn up, 5 354 poacher fisheries instruments and devices were seized (+30% in comparison with 2010) and 12 137, 17 kg of illegally caught fish were seized (about 1, 2 times less in comparison with 2010). Out of the overall quantity of confiscated fish and other aquatic organisms in 2011, 6 327, 9 kg were returned to the water basins, 5 463, 1 kg were provided as donations and 346, 2 kg were destroyed.

SECTION B

OBJECTIVES OF THE POLICY IN THE AGRARIAN SECTOR AND MEASURES AND ACTIONS FOR THEIR COMPLETION IN 2013

The main objective of the State policy in the area of agriculture was to achieve agriculture competitive at the world markets and vibrant rural areas which observe strict standards of environment protection, food safety and humane treatment of animals.

2013 will be a year of continued implementation of the measures envisaged for achieving the objectives of the Government Programme for the European Development of Bulgaria. Important priority in the activity of the Ministry of Agriculture and Food during the year will be defending the interests of Bulgarian agriculture in determining the final parameters of the Common Agricultural Policy of the European Union post—2013 and preparation for its implementation.

OBJECTIVE

TRANSFORMATION OF AGRICULTURE AND FISHERIES INTO AN ATTRACTIVE KIND OF BUSINESS ENSURING HIGH LIVING STANDARD OF THOSE EMPLOYED BY STABILISATION AND INCREASING THE INCOME FROM THEIR ACTIVITY

Measure

- ***Guaranteeing EU and national financing for revival of the Bulgarian agriculture***

Actions

- Reflecting the amendments made to RDP ensuing from the enforcement of the fifth, the sixth and the seventh notification of RDP, by amending and supplementing the ordinances for the implementation of the measures under the Programme;
- Application of simplified procedures for applying for and payments to the projects under the RDP;
- Using the opportunities of the Guarantee Fund to facilitate the access to financing projects under RDP aimed at supporting small and medium-sized enterprises – beneficiaries under measure 121 'Modernization of Agricultural Holdings', 122 'Improvement of the economic value of forests' and 123 'Adding value to agricultural and forestry products';
- Adequate assistance supplementing the income of Agricultural Producers by accurate application of the Single Area Payment Scheme where the increase of the package for direct payments and defining the amount for payment per hectare, is implemented annually.
- Drafting a motivated request to the European Commission for authorising national additional payments to the direct payments to support the income of those employed in agriculture;
- Drawing up an analysis of the ways of providing specific assistance to determined agricultural activities in specified sensible sectors, in conformity with the EU legislation and Bulgaria's specific conditions (to the effect of overcoming unfavourable factors, for economically vulnerable or environmentally sensitive areas and agricultural activities).
- Drawing up a proposal for EU specific support scheme to be provided to agricultural activities in conformity with EU legislation;
- Efforts focusing the implementation of 2008/2009–2013/2014 National programme for assistance in the viticulture and wine production sector in Bulgaria;

Measure

- ***Efficient and transparent management of EU funds, based on good systems for control and assessment of projects for EU financing***

Actions

- Strengthening the transparency and publicity measures at the time of announcing financial assistance allocation procedures to be granted by the European Agricultural Fund for Rural Development by means of information activities, conducting awareness campaigns targeted to the RDP measures to which there was little interest and to new start-up measures, printing and propagation of brochures and leaflets, topic broadcasts and specialised consultative broadcasts in the national and regional media, lectures, video clips;
 - Carrying out systemic audit of the implementation of application of measures under the RDP;
 - Improving the system for collection of data on the indicators for monitoring the application of RDP by setting up interface between the Managing Authority and the Payment Agency;
 - Improving the procedures for allocation of funding under RDP, by decentralisation of projects processing and contracting and optimisation of the application of measures delegated by the Payment Agency;
- Decrease of the bureaucratic procedures at the time of application, by simplifying the requestable documentation;

Measure

- ***Using the opportunities of the State aids as an instrument for solving challenges and priority guidelines in the agricultural policy***

Actions

- Application of the approved by the European Commission schemes for State aids focusing the incentives for the investment process in agriculture; risk and crisis management; storing genetic resources and local breeds; encouraging the production and use of high-quality seeds;
- Development, notification to the European Commission and application of new State aid schemes;

Measure

- ***Extention of application of market mechanisms of the Common organisation of the EU agricultural markets (CMO) for establishing competitive and economically viable farms***

Action

- Updating and drawing up legal regulation documents on the assistance to Agricultural Producers and the application of CMO mechanisms;
- Timely updating of market standards for quality of the poultry meat and eggs for human consumption in line with the amendments to the European legislation;
- Maintaining information system for collecting, processing and reporting of the average weekly sales price in the European Commission of white meats and eggs;
- Maintaining information system for collecting, processing and reporting of the average weekly sales price in the European Commission of beef, pork and mutton;
- The Implementation of Community's scales for classification of slaughterhouse carcasses of cattle, swine and sheep in Bulgarian enterprises;
- Making control in slaughterhouses applying classification and price reporting;

- Strengthening the administrative capacity in the area of the application and control on classification and bringing it in conformity with the EU requirements;
- Maintaining and updating of database of slaughterhouses, performing classification;
- Maintaining and updating of database for classifiers applying the classification and database of withdrawn certificates;
- Application of the system for purchase and sale of milk quotas;
- Collecting and reporting the prices of cow milk and dairy products to the EC;
- Maintenance of a register of the producers of cow milk and milk quotas;
- Maintenance of a register of the approved purchasers;
- Introduction of written contractual relations in the milk and milk products sector, recognition of producer organizations (including transnational) and inter-branch organizations in the milk sector. Establishment of control and transparency procedures;
- Maintenance of a public register of raw cow milk producing farms classified in 1st, 2nd and 3rd groups and a Register of independent accredited laboratories;
- Encouraging increasing the farms meeting the requirements of Regulation 853/2004/EU laying down specific hygiene rules for raw materials and foods of animal origin;
- Application of the National Apiculture Programme for the period 2008-2010 – 2011-2013.
- Promoting the opportunities provided by the EU policy for co-financing Promotional Programmes;
- Carrying out a national procedure for preliminary approval of Promotional Programmes;
- Application of European schemes for providing milk and fruits in academic institutions, charities, etc.;
- Implementation of European Commission's Information system for agricultural management and monitoring comprising the market processes within CAP;

Measure

- ***Sustainable agricultural markets by consistent implementation of CAP for sustainable administration and avoiding sharp ups and downs on the agricultural markets.***

Action

- Statistical research included in the National Statistical Programme: employment and use of land, production of main agricultural crops and vegetables, vineyards, fruit orchards, livestock breeding and animal products, structure of farms;
- Maintenance of a Farm Accounting Information System providing data on income from agricultural activity: functioning of the National Committee for System Management, maintenance of a stable sample reflecting farm monitoring;
- Adequate and timely informing the Agricultural Producers on the situation of the agricultural markets;
- Preparing strategic documents, analyses and economic assessment of policies in agriculture necessary for taking managerial decisions both on State and on business level;

Measure

- ***Establishment of an optimal business environment by reducing and relieving regulatory regimes in agriculture.***

Action

- Relieving regulatory regimes, annulling or limiting the scope of regimes in accordance with the 2010-2013 Programme for Better Regulation;

Measure

- ***Establishing conditions for assistance to small and medium producers, increasing the volume of production and improvement of the process of vertical diversification and co-operation along the food chain by direct supplies of small quantities of raw materials and foods of animal and vegetable origin to the end consumer***

Actions

- Encouraging direct supplies of animal products through state aid investment scheme;
- Assistance to the process of associating the Agricultural Producers in producer organisations by EAFRD and EAGGF;
- Promotion of information activities: activities governed by the RDP communication plan;
- Consultative assistance in the process of association of Agricultural Producers in producer organisations;

Measure

- ***Sustainable development of fisheries and aquaculture***

Actions

- Optimal use of the funds from the European Fisheries Fund provided for the implementation of Operational Programme 'Fishery Sector Development' 2007-2013;
- Implementation of the 2013 Annual Fisheries Control Programme;
- Collection of scientific data for assessment of the condition of economically valuable species in the Black Sea with the effect of their sustainable exploitation within EU CFP.

OBJECTIVE

ESTABLISHMENT OF AN EUROPEAN VISION OF THE ADMINISTRATION PROVIDING QUALITY ADMINISTRATION SERVICES

Measure

- ***Strengthening the administrative capacity of the sector***

Actions

- Optimizing the administrative capacity in the agrarian sector;
- Carrying out effective contacts with different partners: State institutions and NGOs;
- Ensuring transparency of the processes in agriculture, facilitating the access to information and improving the communication between participants by a single information system;

OBJECTIVE

IMPROVING AGRICULTURAL PRODUCTION BY IMPROVEMENT OF THE RELATION “EDUCATION: ADVICE IN AGRICULTURE: SCIENTIFIC RESEARCH”

Measure

- ***Improving the applied orientation of the scientific research in agriculture and the foods***

Actions

- Maintaining and designing new varieties, hybrids and lines of agricultural crops and technologies for conventional and organic production;
- Maintaining and establishing new lines and animal breeds and technologies for conventional and organic production;
- Elaboration of efficient technologies in plant-growing and livestock breeding;
- Application of public-private partnerships in the scientific research and partnership to introduce good practices and innovations into Bulgarian agriculture;
- Patenting and certifying new scientific products;
- Transfer of scientific products into the production – conclusion of license agreements;
- Participation in projects under programmes of Bulgarian Science Fund, national and international programmes;
- Modernization of the scientific infrastructure of the Agricultural Academy.

OBJECTIVE

INCREASING THE LEVELS OF COMPETITIVENESS OF BULGARIAN AGRICULTURAL PRODUCTS IN THE CONTEXT OF BULGARIA'S EU MEMBERSHIP

Measure

- ***Regulation and protection of the production of the traditional Bulgarian agricultural production***

Actions

- Conducting information campaigns, seminars, meetings and consultations with agricultural producers, branch organisations and processing enterprises with the purpose of explaining the advantages of the quality policy: protected denominations and stimulating producers to apply for registration;
- Conducting a national procedure for approval of specification application forms for entry in the European Register of Protected Geographical Indication or the European Register of Traditional Speciality Guaranteed and for approval of persons controlling each applying denomination;
- Forwarding the specification application forms as approved according to the national procedure to the European Commission for further approval procedure;
- Maintenance of a register of food producers with protected geographical indications, a register of traditional speciality guaranteed, and a register of the controlling persons;
- Support for restructuring industries, as tobacco growing and replacement with alternative of producing it;

- Permanent monitoring and stock taking of genetic resources in plant-growing and livestock breeding;
- Conservation, storage and development of genetic resource;
- Increasing the percentage of organic production by providing financing for implementation of the activities under the National Plan for Development of Organic Agriculture in Bulgaria in the period 2007-2013;
- Implementation of information campaigns on: measures under axis 1 (114, 112, 121, 123, 141, 142); measures under axis 2 (211, 212, 213 and 214); measures under axis 3 (311, 312, 313, 321 and 322) and “forestry measures” 122, 223 and 226 of OPDFS 2007-2013.
- Providing consultant services to farmers wishing to launch organic production and schemes for integrated agricultural production;
- Conducting discussions with farmers to explain the opportunities and advantages of the organic and integrated productions;

Measure

- ***Optimizing the use of agricultural lands***

Actions

- Support for the process of re-allocation of agricultural lands;
- Encouraging the application of environment-friendly practices through assistance under measure ‘Agri-environment payments’ under the RDP.

Measure

- ***Optimising the irrigation engineering infrastructure for efficient use of water resources***

Actions

- Work on development of Strategy for management and development of irrigation and drainage in the Republic of Bulgaria;
- Reconstruction and modernization of sprinkler installations and facilities preventing the harmful effects of water in order to comply with the need of reducing the water losses in the irrigation system.

Measure

- ***Permanent protection of the interests of Bulgarian agricultural sector and of Bulgarian agricultural producers by effective participation in the process of EU institutions work.***

Actions

- Active participation in the discussion on CAP future after 2013 and defending the positions reflecting the interests of Bulgarian agriculture;
- Participation in the process of simplification of EU legislation and drafting and approving Council and European Commission legal regulations in the area of agriculture and rural development after preliminary consultations with NGOs;
- Overall co-ordination and providing consistency and agreed proceedings in the case of drafting Bulgaria’s positions in the scope of agriculture, rural and fisheries development in accordance with the provisions under the legal procedure in force.

OBJECTIVE

ACHIEVING HIGH STANDARDS OF QUALITY OF LIFE AND HEALTH PROTECTION OF CONSUMERS BY GUARANTEEING PRODUCTION AND OFFER OF QUALITY AND SAFE AGRICULTURAL RAW MATERIALS AND FOODS

Measure

- ***Implementation of effective single official control on safety and quality of foods, covering all units and stages of the food chain***

Actions

- Application of high standards as regards the control in the field of safety and quality of foods, food additives and drinks, veterinary medicine and humane treatment of animals, crop protection and fertilisers, phytosanitary control, fodders, border control, etc.;
- Continuous co-operation with the European Food Safety Authority (EFSA), with all structures of the European Union involved in food safety activities, vegetation health activities, animal health care activities and humane treatment of animals activities, and with the food safety authorities across the EU Member States and third countries.
- Implementation of consistent policy of co-operation with branch organizations in the country for development of standards aimed at increasing the quality of key food products;
- Improving the quality of administrative services by preparing information materials, introduction of best practices, development of procedures, instructions and guides, aimed at the official control bodies and the business.
- Enhancement of the quality of the foods produced in Bulgaria through certification of the safety and traceability of food systems in accordance with the standards ISO 22000:2005 and 22005:2008.

OBJECTIVE

SUSTAINABLE AND COMPETITIVE DEVELOPMENT OF THE FOREST SECTOR IN CONFORMITY WITH THE PRINCIPLES OF FORESTS MULTIFUNCTUANAL MANAGEMENT

Measure

- ***Drawing up an overall legislation package for the implementation of the Forest Act and development of strategic documents, laid down in it.***

Actions

- Drawing up a National Strategy for the Development of the Forest Sector 2013—2020;
- Specifying the implementation of the National Strategy for the Development of the Forest Sector by developing a strategic plan for development of the forest sector;
- Drawing up and adoption of subordinate documents related to the application of the Forest Act;
- Efforts to be made to prepare regional plans on forest areas development;

Measure

- ***Stimulating the development of the national forest sector, preserving all existing workplaces and creating new workplaces.***

Actions

- Stimulation of public-private partnerships and long-term agreements in the forest sector, including for the purposes of development of infrastructure in the forests;
- Improving the co-ordination between participants and optimisation of the 'wood-final product' chain;
- Alleviating the regulatory mechanisms in the sector, encouraging local companies to introduce advanced control mechanisms through certification of the production;
- Application of transparent, market oriented and regionally differentiated price policy in regard to forest products, services and functions, in management of the state forestry enterprises;
- Development of long-term programmes for multifunctional development of forests at regional and municipal level;
- Expanding the share of utilization of biomass yielded in forests for production of power from renewable sources (capacity up to 500 MW).

OBJECTIVE

IMPROVING PROTECTION AND SUPPORT ADAPTATION OF BULGARIAN FORESTS TO CLIMATE CHANGE

Measure

- ***Enhancing the quality of forest statistical information on the management of forest areas using up-to-date communication technologies and computer systems.***

Actions

- Preparation of the implementation of National inventory of the forest ecosystems in Bulgaria based on adopted European criteria and indicators for sustainable forest management as a tool for identifying medium-term and long-term priorities in the management of forest resources;
- Studying and preparation for establishing an integrated forest information system.

Measure

- ***Carrying out activities on forest protection jointly with police offices, representatives of municipalities and NGOs.***

Actions

- Providing efficient cooperation between institutions and representatives of the local authorities for improving the joint activity aimed at avoiding offences and solving cases thereof;
- Development and introduction of an integrated information system of issue and accounting of documents for wood lumbering and transport, as well as hunting licences;
- Improving media coverage on forest protection issues, engaging public and sharing positive experience accrued for conservation of forest wealth.

Measure

- ***Application of modern and environment-friendly regimes of forest management in protected areas and those falling within the scope of the Natura European environmental network.***

Action

- Preserving the favourable conservation status of forest habitats and habitats of species in the forests falling within the scope of NATURA 2000 environmental network with particular emphasis upon the assistance to non-State owners of forests included there;

Measure

- ***Carrying out awareness campaigns for enlightening the use of forests and modern ways of protection thereof delivered to public.***

Actions

- Periodical information campaigns and other activities jointly with NGOs and other institutions interested in the fate of Bulgarian forests;
- Drawing up a project on the initiative called 'Forest dialog' and on the Forest Communication Strategy of Ministry of Agriculture and Food and the State forestry enterprises.
- Targeted information campaign to explain the 'forest measures' 122, 223 and 226 under RDP (2007-2013).

Measure

- ***Implementation of all-European methods for assessment of non-wood-production functions and uses of forests and the financial and functional provision thereof in a future period. Co-ordinated introduction of the principle 'User pays' for forests resources, with the other interested entities.***

Action

- Development of a methodology for assessment and valuation of ecosystem benefits and services, provided by the forest areas;

OBJECTIVE

CREATING CONDITIONS FOR ASSISTANCE TO SMALL AND MEDIUM-SIZED ENTERPRISES AND PROMOTING ACTIVITIES GENERATING NON-FARMING INCOME

Measure

- ***Promotion of purposeful rural development policy and recovering their traditions taking into account the rural communities' specifics, local potential and encouraging the local initiative.***

Actions

- Establishing and providing support to local initiatives groups;
- RDP support to local development strategies;
- Support for micro-enterprises recovering local traditions in rural regions.

Measure

- ***Improving the quality of life, development of infrastructure and the key services for business and population.***

Actions

- Support for tourism-related municipal infrastructure projects;
- Support for municipal roads, water-supply and sewerage;

- Support for renovation for accommodation resources belonging to social institutions in rural regions;
- Support for renovation of settlements in rural regions by implementing projects improving streets, parks, community centers and other buildings with local importance;
- Support for renovation of servicing centers for rural communities;
- Support for renovation of community centers, entertainment and sport facilities, and services provided for children and vulnerable groups;
- Support for renovation of information and communication centers;
- Support for new social service forms for children and youth within the implementation of the 'National Strategy 'Vision of de-institutionalisation of children in the Republic of Bulgaria';
- Drawing up and distribution of manuals and guidelines for the implementation of projects and contracts under measures 311, 312, 313, 321, 322, 123, 213;
- Targeted support for the most severely affected by the flood in February 2012 small farmers from the municipalities of Haskovo Region under measure 141 of RDP.
- Targeted support for the most severely affected by the flood in February 2012 municipalities of Haskovo Region, including investments in construction, reconstruction and/or rehabilitation of water-supply and sewerage systems and facilities, as well as existing municipal roads and bridges under measure 321;
- Targeted support for the most severely affected by the flood in February 2012 municipalities of Haskovo Region, including investments in reconstruction and/or construction of road network, pavements, squares, public gardens under measure 322.

OBJECTIVE

CREATING CONDITIONS FOR DEVELOPMENT OF ENVIRONMENT-FRIENDLY FORMS OF AGRICULTURE AIMED AT ENVIRONMENT PROTECTION AND BIODIVERSITY

Measure

- ***Priority implementation of objectives and activities as set out in The 2007-2013 National plan for development of organic agriculture in Bulgaria***

Action

- Implementation of activities, provided to be financed under the Technical assistance of RDP 2007-2013;
- Implementation of control activities and procedures in the field of biological production, provided in the European legislation.

Measure

- ***Encouraging farmers to make use of the opportunities for assistance available for agri-environmental and compensation payments in locations falling within the scope of Natura 2000***

Action

- Development and dissemination of guidelines for projects under measures 213, 214 of RDP;
- Improving regulatory frameworks under agri-environment measures of RDP.

APPENDIXES

Appendix No. 1

Gross and end production from Agricultural Industry by producer prices for 2011*

(million BGN)

Code	Products	Current prices															
		Gross production	Losses	Available reserves	Used in the unit			Processed by producers	Self-utilization	Sells			Sells - total	Production of fixed capital goods on own account	End reserves	Change in reserves	End production
					Seeds and propagating material	Feed additives	Others			within the country		abroad					
										within the industry	outside the industry						
a	b	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
01	Cereals	2452.3	1.8	962.6	98.4	293.8	12.6	2.5	30.0	194.6	1994.0	22.0	2210.6	0.0	764.6	-198.0	2338.9
01.1	Wheat and spelt	1447.6	1.0	486.5	83.4	150.8	8.5	1.5	20.9	116.1	1169.1	11.5	1296.7	0.0	371.2	-115.3	1354.6
01.1/1	Common wheat	1399.2	1.0	484.6	82.2	148.1	8.3	1.4	19.8	114.3	1128.8	10.7	1253.8		369.1	-115.5	1307.6
01.1/2	Durum wheat	48.4	0.0	1.9	1.2	2.7	0.2	0.1	1.1	1.8	40.3	0.8	42.9		2.1	0.2	47.0
01.2	Rye	5.5	0.0	4.2	0.4	1.6	0.0	0.0	0.1	0.4	3.5	0.0	3.9		3.6	-0.6	5.0
01.3	Barley	218.4	0.1	123.5	11.1	35.0	1.7	0.1	4.9	15.8	242.1	0.3	258.2		30.6	-92.9	205.3
01.4	Oats and grains	9.4	0.0	26.1	0.8	5.5	0.3	0.0	0.5	1.3	13.4	0.0	14.7		13.7	-12.4	8.3
01.5	Grain maize	730.7	0.5	299.1	1.7	95.0	2.1	0.4	3.3	59.6	542.2	10.0	611.8		314.8	15.7	726.2
01.6	Rice	29.1	0.0	11.6	0.6	0.0	0.0	0.5	0.0	0.3	19.2	0.2	19.7		19.9	8.3	28.5
01.7	Other grains	11.6	0.2	11.6	0.4	5.9	0.0	0.0	0.3	1.1	4.5	0.0	5.6		10.8	-0.8	11.0
02	Industrial crops	1735.5	2.0	540.7	2.7	15.1	1.2	2.8	5.1	249.6	1624.2	17.3	1891.1	0.0	356.1	-184.6	1729.5
02.1	Oilseeds	1443.3	1.7	274.9	1.5	10.1	0.5	2.3	2.2	245.3	1180.3	14.1	1439.7	0.0	260.2	-14.7	1439.6
02.1/1	Swede rape and turnip rape	418.8	0.4	12.5	0.4	0.1	0.0	0.0	0.1	179.3	231.7	3.4	414.4		15.9	3.4	418.0
02.1/2	Sunflower	998.8	1.3	251.8	0.5	9.5	0.5	2.3	1.3	65.7	915.5	10.6	991.8		243.4	-8.4	996.5
02.1/3	Soya	5.3	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	5.3	0.0	5.3		0.0	-0.1	5.3
02.1/4	Other oilseeds	20.4	0.0	10.5	0.6	0.4	0.0	0.0	0.8	0.3	27.8	0.1	28.2		0.9	-9.6	19.8
02.2	Protein crops	23.1	0.1	20.4	1.2	5.0	0.0	0.0	2.8	2.6	2.3	0.0	4.9		29.4	9.0	21.7
02.3	Tobacco	206.4	0.1	236.3	0.0	0.0	0.0	0.3	0.0	0.6	393.6	2.5	396.7		45.7	-190.6	206.4
02.4	Sugar beet	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0
02.5	Other industrial crops	62.7	0.1	9.1	0.0	0.0	0.7	0.2	0.1	1.1	48.0	0.7	49.8	0.0	20.8	11.7	61.8
02.5/1	Fibre crops	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.4		0.0	0.0	0.4
02.5/2	Hop	0.3	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0	1.1		0.0	-0.9	0.2
02.5/3	Other industrial crops	62.0	0.1	8.2	0.0	0.0	0.7	0.2	0.1	1.1	46.5	0.7	48.3		20.8	12.6	61.2
03	Fodder crops	287.1	1.3	767.2	0.0	662.0	4.8	5.2	5.5	29.9	2.2	0.3	32.4	0.0	343.4	-423.8	281.3
03.1	Maize for silage	17.7	0.0	0.0	0.0	10.7	0.3	4.8	0.1	1.6	0.3	0.0	1.9		0.0	0.0	17.5
03.2	Root crops for fodder	0.1	0.0	0.2	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.0	0.1		0.0	-0.2	0.1
03.3	Other fodder crops	269.3	1.3	767.0	0.0	651.1	4.5	0.4	5.4	28.3	1.8	0.3	30.4		343.4	-423.6	263.7
04	Vegetables	238.6	2.9	46.2	0.6	4.6	0.5	0.5	60.0	5.2	188.5	7.0	200.7	0.0	15.0	-31.2	234.6
04.1	Fresh vegetables	235.0	1.2	27.2	0.1	4.6	0.3	0.5	53.3	5.0	181.4	7.0	193.4	0.0	8.9	-18.3	233.5
04.1/2	Tomatoes	58.0	0.4	0.0	0.0	0.0	0.0	0.0	19.4	3.3	34.3	0.7	38.3		0.0	0.0	57.7
04.1/3	Other fresh vegetables	177.0	0.8	27.2	0.1	4.6	0.3	0.5	33.9	2.7	147.1	6.3	155.1		8.9	-18.3	175.8
04.2	Flowers	3.6	1.7	19.0	0.5	0.0	0.2	0.0	6.7	0.2	7.1	0.0	7.3	0.0	6.1	-12.9	1.1
04.2/1	Plant nurseries	2.6	1.7	19.0	0.5	0.0	0.2	0.0	6.7	0.2	6.1	0.0	6.3		6.1	-12.9	0.1
04.2/2	Ornamental plants, incl. Christmas trees	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0		0.0	0.0	1.0
04.2/3	Creation and growing	0.0	0.0								0.0		0.0	0.0		0.0	0.0
05	Potatoes	104.5	0.8	66.3	69.4	8.9	1.2	0.0	21.0	3.6	9.5	1.2	14.3		55.2	-11.1	33.1
06	Fruit	253.0	0.1	9.8	0.0	1.2	0.7	28.1	0.6	36.8	186.8	2.8	226.4	0.0	5.8	-4.0	252.3
06.1	Fresh fruit	124.4	0.1	9.8	0.0	1.2	0.1	0.6	0.4	2.1	121.4	2.5	126.0	0.0	5.8	-4.0	124.2
06.1/1	Apples	13.7	0.0	7.0	0.0	1.2	0.1	0.1	0.0	0.5	13.8	0.0	14.3		4.9	-2.1	13.5
06.1/2	Pears	0.3	0.0	1.2	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	1.4		0.1	-1.1	0.3
06.1/3	Peaches	15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.5	0.0	15.5		0.0	0.0	15.5
06.1/4	Other fresh fruit	94.9	0.1	1.6	0.0	0.0	0.0	0.5	0.4	1.6	90.7	2.5	94.8		0.8	-0.8	94.9
06.4	Grapes-all	128.6	0.0	0.0	0.0	0.0	0.6	27.5	0.2	34.7	65.4	0.3	100.4	0.0	0.0	0.0	128.1
06.4/1	Table grapes	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.1	0.0	4.1		0.0	0.0	4.1
06.4/2	Other grapes	124.5	0.0	0.0	0.0	0.0	0.6	27.5	0.2	34.7	61.3	0.3	96.3		0.0	0.0	124.0
07	Wine																
07.1	Table wine																
09	Other crops	29.8	0.0	2.7	0.1	0.0	0.0	0.0	0.0	6.1	7.1	0.0	13.2	0.0	19.2	16.5	29.7
09.2	Seeds	24.2	0.0	2.5	0.1	0.0	0.0	0.0	0.0	0.3	7.1	0.0	7.4		19.2	16.7	24.1
09.3	Other crop products	5.6	0.0	0.2	0.0	0.0	0.0	0.0	0.0	5.8	0.0	0.0	5.8		0.0	-0.2	5.6

Gross and end production from Agricultural Industry by producer prices for 2011*

(million BGN)

Code	Products	Current prices															
		Gross production	Losses	Available reserves	Used in the unit			Processed by producers	Self-utilization	Sells			Sells - total	Production of fixed capital goods on own account	End reserves	Change in reserves	End production
					Seeds and propagating material	Feed additives	Others			within the country		abroad					
										within the industry	outside the industry						
a	b	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
10	Crop production (from 01 to 09)	5100.8	8.9	2395.5	171.2	985.6	21.0	39.1	122.2	525.8	4012.3	50.6	4588.7	0.0	1559.3	-836.2	4899.4
11	Livestock	1145.7	0.0	730.6	0.0	0.0	0.0	0.0	333.0	0.0	683.7	0.0	683.7	129.7	729.9	-0.7	1145.7
11.1	Cattle	185.6	0.0	339.9	0.0	0.0	0.0	0.0	48.6	0.0	70.0	0.0	70.0	68.2	338.7	-1.2	185.6
11.2	Pigs	270.1	0.0	37.1	0.0	0.0	0.0	0.0	13.3	0.0	235.2	0.0	235.2	14.3	44.4	7.3	270.1
11.3	Horses	4.1	0.0	14.3	0.0	0.0	0.0	0.0	0.1	0.0	1.3	0.0	1.3	3.5	13.5	-0.8	4.1
11.4	Sheep and goats	279.6	0.0	209.7	0.0	0.0	0.0	0.0	107.6	0.0	111.2	0.0	111.2	43.7	226.8	17.1	279.6
11.5	Poultry	382.8	0.0	59.7	0.0	0.0	0.0	0.0	137.0	0.0	265.4	0.0	265.4		40.1	-19.6	382.8
11.6	Other animals	23.5	0.0	69.9	0.0	0.0	0.0	0.0	26.4	0.0	0.6	0.0	0.6		66.4	-3.5	23.5
12	Livestock products	1292.3	2.8	64.7	0.0	78.1	51.1	6.3	228.6	77.6	830.7	21.7	930.0	0.0	60.1	-4.6	1160.3
12.1	Milk	962.2	1.3	0.0	0.0	77.4	0.0	5.4	139.4	52.3	686.4	0.0	738.7		0.0	0.0	883.5
12.2	Eggs	248.4	1.5	2.2	0.0	0.7	23.7	0.9	80.2	7.3	128.8	5.9	142.0		1.6	-0.6	222.5
12.3	Other livestock products	81.7	0.0	62.5	0.0	0.0	27.4	0.0	9.0	18.0	15.5	15.8	49.3	0.0	58.5	-4.0	54.3
12.3/1	Greasy wool	1.9	0.0	2.6	0.0	0.0	0.0	0.0	0.0	0.0	1.7	0.0	1.7		2.8	0.2	1.9
12.3/2	Silkworm cocoons	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0	0.0
12.3/3	Other livestock products	79.8	0.0	59.9	0.0	0.0	27.4	0.0	9.0	18.0	13.8	15.8	47.6		55.7	-4.2	52.4
13	Livestock products (11+12)	2438.0	2.8	795.3	0.0	78.1	51.1	6.3	561.6	77.6	1514.4	21.7	1613.7	129.7	790.0	-5.3	2306.0
14	Production of agricultural products (10+13)	7538.8	11.7	3190.8	171.2	1063.7	72.1	45.4	683.8	603.4	5526.7	72.3	6202.4	129.7	2349.3	-841.5	7205.4
15	Production of agricultural services	508.9													508.9		508.9
16	Agricultural production (14+15)	8047.7	11.7	3190.8	171.2	1063.7	72.1	45.4	683.8	603.4	5526.7	72.3	6202.4	129.7	2858.2	-841.5	7714.3
17	Non-agricultural inseparable secondary activities	619.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	619.8	0.0	0.0	0.0	0.0	0.0	619.8
17.1	Agricultural products processing	619.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	619.8	0.0	0.0	0.0	0.0	0.0	619.8
17.1/1	- grains	183.4									183.4						183.4
17.1/2	- vegetables	51.7									51.7						51.7
17.1/3	- fruit	14.2									14.2						14.2
17.1/4	- wine	12.3									12.3						12.3
17.1/5	- livestock	210.1									210.1						210.1
17.1/6	- livestock products	138.7									138.7						138.7
17.1/6/1	- milk	138.7									138.7						138.7
17.1/7	- other	9.4									9.4						9.4
17.2	Other inseparable secondary activities																
18	Production from Agriculture Industry (16+17)	8667.5	11.7	3190.8	171.2	1063.7	72.1	45.4	683.8	603.4	6146.5	72.3	6202.4	129.7	2858.2	-841.5	8334.1

Source: NSI

* The data for 2011 are preliminary.

Appendix No. 2

Intermediate consumption, factor costs, other subsidies and taxes for 2011*

(million BGN)

Elements of intermediate consumption	For creation of gross production	For creation of end production	Produced and consumed within the farm	Purchase of goods and services for intermediate consumption	
				from other agricultural units	from units outside the industry
a	1	2	3	4	5
Loss	11.9		11.9		
Seeds and propagating material	364.5	193.3	171.2	49.2	144.1
Fuels and oils	1,150.1	1,150.1	0.0	0.0	1,150.1
- power supply	87.3	87.3			87.3
- gas	38.0	38.0			38.0
- other fuels	1,020.5	1,020.5			1,020.5
- other	4.3	4.3			4.3
fertilisers and soil conditioners	417.4	417.4		18.0	399.4
plant protection products and pesticides	210.2	210.2			210.2
Veterinary expenditures	294.8	294.8			294.8
Feed additives	1,607.8	1,607.8	985.5	329.9	292.4
Feed additives not includes in EAA	78.0		78.0		
Maintenance and repair	555.8	555.8	0.0	0.0	555.8
- maintenance and repair of machines and small size inventory	374.0	374.0			374.0
- building maintenance	181.8	181.8			181.8
Agricultural services	508.9	508.9		508.9	
Fisim	110.0	110.0			110.0
Other goods and services	354.0	281.7	72.3	107.8	173.9
Intermediate consumption	5,663.4	5,329.9	1,318.9	1,013.8	3,330.7
Fixed capital consumption	393.8	393.8			393.8
- equipment	337.8	337.8			337.8
- buildings	26.8	26.8			26.8
- creation and growing	7.2	7.2			7.2
- others	22.0	22.0			22.0
Remuneration of employed	458.0	458.0			458.0
Other production taxes	3.5	3.5			3.5
Other subsidies based on production	890.1	890.1			890.1
Royalty	545.8	545.8			545.8
Interest paid	30.3	30.3			30.3
Interest received	9.8	9.8			9.8

Source: NSI

* The data for 2011 are preliminary.

Appendix No. 3

Gross production value and gross added value in agricultural industry for 2011 by producer process

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
01	Cereals	1,389.9	24.6	1,731.5	41.6	2,452.3
01.1	Wheat and spelt	826.2	17.2	968.1	49.5	1,447.6
01.1/1	Common wheat	810.3	18.3	958.6	46.0	1,399.2
01.1/2	Durum wheat	15.9	-40.3	9.5	409.5	48.4
01.2	Rye	9.1	-57.1	3.9	41.0	5.5
01.3	Barley	209.3	-23.2	160.8	35.8	218.4
01.4	Oats and grains	14.7	-38.1	9.1	3.3	9.4
01.5	Grain maize	305.8	79.9	550.1	32.8	730.7
01.6	Rice	17.8	64.0	29.2	-0.3	29.1
01.7	Other grains	7.0	47.1	10.3	12.6	11.6
02	Industrial crops	933.2	49.7	1,397.1	24.2	1,735.5
02.1	Oilseeds	673.0	69.8	1,142.9	26.3	1,443.3
02.1/1	Swede rape and turnip rape	133.9	122.6	298.0	40.5	418.8
02.1/2	Sunflower	520.1	55.9	810.9	23.2	998.8
02.1/3	Soya	0.1	1,100.0	1.2	341.7	5.3
02.1/4	Other oilseeds	18.9	73.5	32.8	-37.8	20.4
02.2	Protein crops	39.3	-41.5	23.0	0.4	23.1
02.3	Tobacco	179.2	-13.4	155.1	33.1	206.4
02.4	Sugar beet	-	-	-	-	-
02.5	Other industrial crops	41.7	82.5	76.1	-17.6	62.7
02.5/1	Fibre crops	2.3	-73.9	0.6	-33.3	0.4
02.5/2	Hop	1.2	-58.3	0.5	-40.0	0.3
02.5/3	Other industrial crops	38.2	96.3	75.0	-17.3	62.0
03	Fodder crops	575.3	-34.2	378.5	-24.1	287.1
03.1	Maize for silage	46.2	-51.3	22.5	-21.3	17.7
03.2	Root crops for fodder	1.1	-54.5	0.5	-80.0	0.1
03.3	Other fodder crops	528.0	-32.7	355.5	-24.2	269.3
04	Vegetables	475.7	-23.3	365.0	-34.6	238.6
04.1	Fresh vegetables	441.9	-22.9	340.6	-31.0	235.0
04.1/2	Tomatoes	63.5	10.7	70.3	-17.5	58.0
04.1/3	Other fresh vegetables	378.4	-28.6	270.3	-34.5	177.0
04.2	Flowers	33.8	-27.8	24.4	-85.2	3.6
04.2/1	Plant nurseries	33.4	-30.2	23.3	-88.8	2.6
04.2/2	Ornamental plants, incl. Christmas trees	0.4	175.0	1.1	-9.1	1.0
04.2/3	Creation and growing	-	-	-	-	-
05	Potatoes	211.0	-40.4	125.7	-16.9	104.5
06	Fruit	310.4	-23.1	238.7	6.0	253.0
06.1	Fresh fruit	131.3	7.6	141.3	-12.0	124.4
06.1/1	Apples	23.5	53.6	36.1	-62.0	13.7
06.1/2	Pears	1.6	56.3	2.5	-88.0	0.3
06.1/3	Peaches	11.2	46.4	16.4	-5.5	15.5
06.1/4	Other fresh fruit	95.0	-9.2	86.3	10.0	94.9
06.4	Grapes-all	179.1	-45.6	97.4	32.0	128.6
06.4/1	Table grapes	11.2	-58.9	4.6	-10.9	4.1
06.4/2	Other grapes	167.9	-44.7	92.8	34.2	124.5
07	Wine	-	-	-	-	-
07.1	Table wine	-	-	-	-	-
09	Other crops	16.8	-56.0	7.4	302.7	29.8
09.2	Seeds	7.6	-59.2	3.1	680.6	24.2
09.3	Other crop products	9.2	-53.3	4.3	30.2	5.6
10	Crop production	3,912.3	8.5	4,243.9	20.2	5,100.8
11	Livestock	1,196.0	-13.9	1,030.1	11.2	1,145.7
11.1	Cattle	189.7	-11.0	168.9	9.9	185.6

Gross production value and gross added value in agricultural industry for 2011 by producer process

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
11.2	Pigs	317.1	-26.8	232.2	16.3	270.1
11.3	Horses	4.9	-44.9	2.7	51.9	4.1
11.4	Sheep and goats	276.4	-19.7	221.9	26.0	279.6
11.5	Poultry	370.0	-1.8	363.5	5.3	382.8
11.6	Other animals	37.9	7.9	40.9	-42.5	23.5
12	Livestock products	1,127.7	-1.0	1,116.9	15.7	1,292.3
12.1	Milk	809.3	-4.3	774.2	24.3	962.2
12.2	Eggs	247.5	3.8	256.9	-3.3	248.4
12.3	Other livestock products	70.9	21.0	85.8	-4.8	81.7
12.3/1	Greasy wool	2.8	-32.1	1.9	0.0	1.9
12.3/2	Silkworm cocoons	-	-	-	-	-
12.3/3	Other livestock products	68.1	23.2	83.9	-4.9	79.8
13	Livestock products	2,323.7	-7.6	2,147.0	13.6	2,438.0
14	Production of agricultural products	6,236.0	2.5	6,390.9	18.0	7,538.8
15	Production of agricultural services	505.1	-2.6	491.8	3.5	508.9
16	Agricultural production	6,741.1	2.1	6,882.7	16.9	8,047.7
17	Non-agricultural inseparable secondary activities	732.1	-10.2	657.3	-5.7	619.8
17.1	Agricultural products processing	694.0	-8.9	632.1	-1.9	619.8
17.1/1	- grains	184.7	-20.6	146.6	25.1	183.4
17.1/2	- vegetables	71.1	-12.0	62.6	-17.4	51.7
17.1/3	- fruit	45.7	-54.9	20.6	-31.1	14.2
17.1/4	- wine	86.0	-41.4	50.4	-75.6	12.3
17.1/5	- livestock	139.2	32.7	184.7	13.8	210.1
17.1/6	- livestock products	138.9	13.6	157.8	-12.1	138.7
17.1/6/1	- milk	138.9	13.6	157.8	-12.1	138.7
17.1/7	- other	28.4	-66.9	9.4	0.0	9.4
17.2	Other inseparable secondary activities	38.1	-33.8	25.2	-	-
18	Production from Agriculture Industry	7,473.2	0.9	7,540.0	15.0	8,667.5
19	Intermediate consumption	5,128.4	-1.7	5,043.4	12.3	5,663.4
	Loss	8.3	12.0	9.3	28.0	11.9
19.01	Seeds and propagating material	304.2	-3.0	295.1	23.5	364.5
19.01/1	supplied by other agricultural enterprises	58.4	-27.7	42.2	16.6	49.2
19.01/2	purchased outside the industry	173.3	-3.2	167.7	-14.1	144.1
	Produced and consumed within the farm	72.5	17.5	85.2	100.9	171.2
19.02	Fuels and oils	940.0	8.3	1,017.7	13.0	1,150.1
19.02/1	- power supply	113.9	-26.0	84.3	3.6	87.3
19.02/2	- gas	49.3	-35.7	31.7	19.9	38.0
19.02/3	- other fuels	770.7	16.5	897.5	13.7	1,020.5
19.02/4	- other	6.1	-31.1	4.2	2.4	4.3
19.03	Fertilisers and soil conditioners	377.3	-1.9	370.3	12.7	417.4
19.03/1	supplied by other agricultural enterprises	13.2	10.6	14.6	23.3	18.0
19.03/2	purchased outside the industry	364.1	-2.3	355.7	12.3	399.4
	Produced and consumed within the farm	-	-	-	-	-

Gross production value and gross added value in agricultural industry for 2011 by producer process

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
19.04	Plant protection products and pesticides	172.6	17.8	203.4	3.3	210.2
19.05	Veterinary expenses	267.5	-3.7	257.7	14.4	294.8
19.06	Feed additives	1,692.0	-21.6	1,326.6	21.2	1,607.8
19.06/1	supplied by other agricultural enterprises	346.0	-19.3	279.1	18.2	329.9
19.06/2	purchased outside the industry	453.0	-22.3	352.0	-16.9	292.4
19.06/3	Produced and consumed within the farm	893.0	-22.1	695.5	41.7	985.5
	Feed additives not includes in EAA	52.8	13.1	59.7	30.7	78.0
19.07	Maintenance and repair of machines and small size inventory	249.6	31.0	326.9	14.4	374.0
19.08	Building maintenance	134.7	44.1	194.1	-6.3	181.8
19.09	Agricultural services	505.1	-2.6	491.8	3.5	508.9
19.10	Fisim	103.2	2.1	105.4	4.4	110.0
19.11	Other goods and services	321.1	20.0	385.4	-8.1	354.0
	supplied by other agricultural enterprises	51.2	32.6	67.9	58.8	107.8
	purchased outside the industry	194.5	29.5	251.8	-30.9	173.9
	Produced and consumed within the farm	75.4	-12.9	65.7	10.0	72.3
20	Gross added value by producer proces	2,344.8	6.5	2,496.6	20.3	3,004.1

Source: NSI

* The data for 2011 are preliminary.

Appendix No. 4

Emd production value, gross production value and entrepreneur income in agriculture industry for 2011 by current basic proces

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
01	Cereals	1,321.5	1.2	1,648.4	41.9	2,339.2
01.1	Wheat and spelt	774.2	1.2	896.9	51.0	1,354.5
01.1/1	Common wheat	759.0	17.0	888.1	47.2	1,307.6
01.1/2	Durum wheat	15.2	-42.1	8.8	433.0	46.9
01.2	Rye	8.5	-57.6	3.6	38.9	5.0
01.3	Barley	198.5	-22.9	153.0	34.2	205.4
01.4	Oats and grains	13.0	-36.9	8.2	1.2	8.3
01.5	Grain maize	305.0	79.7	548.2	32.5	726.3
01.6	Rice	16.1	77.0	28.5	0.4	28.6
01.7	Other grains	6.2	61.3	10.0	11.0	11.1
02	Industrial crops	1,045.2	39.8	1,461.5	23.3	1,801.6
02.1	Oilseeds	671.0	70.0	1,140.8	26.2	1,439.5
02.1/1	Swede rape and turnip rape	133.7	122.7	297.8	40.3	417.9
02.1/2	Sunflower	518.4	56.1	809.2	23.1	996.5
02.1/3	Soya	0.1	1,000.0	1.1	381.8	5.3
02.1/4	Other oilseeds	18.8	73.9	32.7	-39.4	19.8
02.2	Protein crops	38.6	-44.0	21.6	0.9	21.8
02.3	Tobacco	294.8	-23.9	224.3	24.1	278.4
02.4	Sugar beet	-	-	-	-	-
02.5	Other industrial crops	40.8	83.3	74.8	-17.2	61.9
02.5/1	Fibre crops	2.4	-75.0	0.6	-33.3	0.4
02.5/2	Hop	1.2	-58.3	0.5	-40.0	0.3
02.5/3	Other industrial crops	37.2	98.1	73.7	-17.0	61.2
03	Fodder crops	571.9	-34.2	376.5	-25.4	280.9
03.1	Maize for silage	46.0	-51.1	22.5	-22.7	17.4
03.2	Root crops for fodder	1.1	-54.5	0.5	-80.0	0.1
03.3	Other fodder crops	524.8	-32.6	353.5	-25.5	263.4
04	Vegetables	475.0	-24.1	360.6	-35.0	234.5
04.1	Fresh vegetables	441.6	-23.6	337.3	-30.8	233.4
04.1/2	Tomatoes	63.5	9.6	69.6	-17.2	57.6
04.1/3	Other fresh vegetables	378.1	-29.2	267.7	-34.3	175.8
04.2	Flowers	33.4	-30.2	23.3	-95.3	1.1
04.2/1	Plant nurseries	33.0	-32.4	22.3	-99.6	0.1
04.2/2	Ornamental plants, incl. Christmas trees	0.4	150.0	1.0	0.0	1.0
04.2/3	Creation and growing	-	-	-	-	-
05	Potatoes	205.0	-42.0	118.9	-72.1	33.2
06	Fruit	310.2	-23.0	238.7	5.8	252.6
06.1	Fresh fruit	131.1	7.9	141.4	-11.9	124.6
06.1/1	Apples	23.4	53.0	35.8	-62.0	13.6
06.1/2	Pears	1.5	66.7	2.5	-88.0	0.3
06.1/3	Peaches	11.0	49.1	16.4	-5.5	15.5
06.1/4	Other fresh fruit	95.2	-8.9	86.7	9.8	95.2
06.4	Grapes-all	179.1	-45.7	97.3	31.6	128.0
06.4/1	Table grapes	11.2	-58.9	4.6	-10.9	4.1
06.4/2	Other grapes	167.9	-44.8	92.7	33.7	123.9
07	Wine	-	-	-	-	-
07.1	Table wine	-	-	-	-	-
09	Other crops	15.6	-56.4	6.8	336.8	29.7
09.2	Seeds	6.4	-60.9	2.5	864.0	24.1
09.3	Other crop products	9.2	-53.3	4.3	30.2	5.6
10	Crop production	3,944.4	6.8	4,211.4	18.1	4,971.7

Emd production value, gross production value and entrepreneur income in agriculture industry for 2011 by current basic proces

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
11	Livestock	1,255.8	-12.8	1,094.6	11.1	1,215.9
11.1	Cattle	233.9	-7.6	216.1	8.9	235.3
11.2	Pigs	317.1	-26.8	232.2	16.3	270.1
11.3	Horses	4.9	-44.9	2.7	51.9	4.1
11.4	Sheep and goats	291.8	-18.0	239.2	25.5	300.1
11.5	Poultry	370.0	-1.8	363.5	5.3	382.8
11.6	Other animals	38.1	7.3	40.9	-42.5	23.5
12	Livestock products	1,016.9	0.3	1,019.7	16.7	1,190.3
12.1	Milk	767.3	-4.3	734.3	24.4	913.5
12.2	Eggs	213.6	9.2	233.2	-4.6	222.5
12.3	Other livestock products	36.0	45.0	52.2	4.2	54.4
12.3/1	Greasy wool	2.8	-32.1	1.9	0.0	1.9
12.3/2	Silkworm cocoons	-	-	-	-	-
12.3/3	Other livestock products	33.2	51.5	50.3	4.2	52.4
13	Livestock products	2,272.7	-7.0	2,114.3	13.8	2,406.2
14	Production of agricultural products	6,217.1	1.7	6,325.7	16.6	7,377.9
15	Production of agricultural services	505.1	-2.6	491.8	3.5	508.9
16	Agricultural production	6,722.2	1.4	6,817.5	15.7	7,886.8
17	Non-agricultural inseparable secondary activities	732.1	-10.2	657.3	-5.7	619.8
17.1	Agricultural products processing	694.0	-8.9	632.1	-1.9	619.8
17.1/1	- grains	184.7	-20.6	146.6	25.1	183.4
17.1/2	- vegetables	71.1	-12.0	62.6	-17.4	51.7
17.1/3	- fruit	45.7	-54.9	20.6	-31.1	14.2
17.1/4	- wine	86.0	-41.4	50.4	-75.6	12.3
17.1/5	- livestock	139.2	32.7	184.7	13.8	210.1
17.1/6	- livestock products	138.9	13.6	157.8	-12.1	138.7
17.1/6/1	- milk	138.9	13.6	157.8	-12.1	138.7
17.1/7	- other	28.4	-66.9	9.4	0.0	9.4
17.2	Other inseparable secondary activities	38.1	-33.9	25.2	-	-
18	Production from Agriculture Industry	7,454.3	0.3	7,474.8	13.8	8,506.6
19	Intermediate consumption	4,919.4	-1.9	4,823.5	10.5	5,329.9
19.01	Seeds and propagating material	231.7	-9.4	209.9	-7.9	193.3
19.01/1	supplied by other agricultural enterprises	58.4	-27.7	42.2	16.6	49.2
19.01/2	purchased outside the industry	173.3	-3.2	167.7	-14.1	144.1
19.02	Fuels and oils	940.0	8.3	1,017.7	13.0	1,150.1
19.02/1	- power supply	113.9	-26.0	84.3	3.6	87.3
19.02/2	- gas	49.3	-35.7	31.7	19.9	38.0
19.02/3	- other fuels	770.7	16.5	897.5	13.7	1,020.5
19.02/4	- other	6.1	-31.1	4.2	2.4	4.3
19.03	Fertilisers and soil conditioners	377.3	-1.9	370.3	12.7	417.4
19.03/1	supplied by other agricultural enterprises	13.2	10.6	14.6	23.3	18.0
19.03/2	purchased outside the industry	364.1	-2.3	355.7	12.3	399.4
19.04	Plant protection products and pesticides	172.6	17.8	203.4	3.3	210.2
19.05	Veterinary expenses	267.5	-3.7	257.7	14.4	294.8
19.06	Feed additives	1,692.0	-21.6	1,326.6	21.2	1,607.8
19.06/1	supplied by other agricultural enterprises	346.0	-19.3	279.1	18.2	329.9
19.06/2	purchased outside the industry	453.0	-22.3	352.0	-16.9	292.4

Emd production value, gross production value and entrepreneur income in agriculture industry for 2011 by current basic proces

(million BGN)

Code	Products	2009	Change 2010/2009 (%)	2010	Change 2011/2010 (%)	2011 *
a	b	1	2	3	4	5
19.06/3	Produced and consumed within the farm	893.0	-22.1	695.5	41.7	985.5
19.07	Maintenance and repair of machines and small size inventory	249.6	31.0	326.9	14.4	374.0
19.08	Building maintenance	134.7	44.1	194.1	-6.3	181.8
19.09	Agricultural services	505.1	-2.6	491.8	3.5	508.9
19.10	Fisim	103.2	2.1	105.4	4.4	110.0
19.11	Other goods and services	245.7	30.1	319.7	-11.9	281.7
	supplied by other agricultural enterprises	51.2	32.6	67.9	58.8	107.8
	purchased outside the industry	194.5	29.5	251.8	-30.9	173.9
20	Gross Added Value by basic prices	2,534.9	4.6	2,651.3	19.8	3,176.7
21	Consumption of fixed capital	348.4	18.8	413.8	-4.8	393.8
21.1	- equipment	299.0	18.8	355.2	-4.9	337.8
21.2	- buildings	25.7	19.1	30.6	-12.4	26.8
21.3	- creation and growth	5.9	16.9	6.9	4.3	7.2
21.4	- others	17.8	18.5	21.1	4.3	22.0
22	Gross added value by basic prices	2,186.5	2.3	2,237.5	24.4	2,782.9
23	Remuneration of employed	446.6	-5.1	423.8	8.1	458.0
24	Other production taxes	3.5	31.4	4.6	-26.1	3.4
25	Other subsidies based on production	812.0	12.2	911.4	-2.3	890.1
26	Income by factors	2,995.0	5.0	3,144.3	16.7	3,669.5
27	Operating surplus / Mixed income	2,548.4	6.8	2,720.5	18.1	3,211.6
28	Royalty	328.5	39.3	457.5	19.3	545.8
29	Interest paid	82.5	-72.7	22.5	34.7	30.3
30	Interest received	57.0	-98.6	0.8	1,125.0	9.8
31	Предприемачески доход	2,194.4	2.1	2,241.3	18.0	2,645.3

Source: NSI

* The data for 2011 are preliminary.

Appendix No. 5

End production value for 2011* - by basic prices for 2010 and 2011

(million BGN)

Code	Products	Value by prices from 2010	Change in prices for 2011 compared to 2010 (%)	Value for prices from 2011
01	Cereals	1,786.1	31.0	2,339.2
01.1	Wheat and spelt	1,014.7	33.5	1,354.5
01.1/1	Common wheat	978.9	33.6	1,307.6
01.1/2	Durum wheat	35.8	31.0	46.9
01.2	Rye	4.1	22.0	5.0
01.3	Barley	128.9	59.3	205.4
01.4	Oats and grains	6.0	38.3	8.3
01.5	Grain maize	592.6	22.6	726.3
01.6	Rice	30.3	-5.6	28.6
01.7	Other grains	9.5	16.8	11.1
02	Industrial crops	1,458.9	23.5	1,801.6
02.1	Oilseeds	1,078.9	33.4	1,439.5
02.1/1	Swede rape and turnip rape	283.7	47.3	417.9
02.1/2	Sunflower	773.1	28.9	996.5
02.1/3	Soya	6.2	-14.5	5.3
02.1/4	Other oilseeds	15.9	24.5	19.8
02.2	Protein crops	26.7	-18.4	21.8
02.3	Tobacco	297.4	-6.4	278.4
02.4	Sugar beet	-	-	-
02.5	Other industrial crops	55.9	10.7	61.9
02.5/1	Fibre crops	0.3	33.3	0.4
02.5/2	Hop	0.3	0.0	0.3
02.5/3	Other industrial crops	55.3	10.7	61.2
03	Fodder crops	205.1	37.0	280.9
03.1	Maize for silage	17.4	0.0	17.4
03.2	Root crops for fodder	0.0	-	0.1
03.3	Other fodder crops	187.7	40.3	263.4
04	Vegetables	253.0	-7.3	234.5
04.1	Fresh vegetables	246.0	-5.1	233.4
04.1/2	Tomatoes	55.7	3.4	57.6
04.1/3	Other fresh vegetables	190.3	-7.6	175.8
04.2	Flowers	7.0	-84.3	1.1
04.2/1	Plant nurseries	6.1	-98.4	0.1
04.2/2	Ornamental plants, incl. Christmas trees	0.9	11.1	1.0
04.2/3	Creation and growing	-	-	-
05	Potatoes	31.8	4.4	33.2
06	Fruit	256.5	-1.5	252.6
06.1	Fresh fruit	130.8	-4.7	124.6
06.1/1	Apples	18.4	-26.1	13.6
06.1/2	Pears	0.4	-25.0	0.3
06.1/3	Peaches	15.6	-0.6	15.5
06.1/4	Other fresh fruit	96.4	-1.2	95.2
06.4	Grapes-all	125.7	1.8	128.0
06.4/1	Table grapes	5.9	-30.5	4.1
06.4/2	Other grapes	119.8	3.4	123.9
07	Wine	-	-	-
07.1	Table wine	-	-	-
09	Other crops	15.5	91.6	29.7
09.2	Seeds	9.0	167.8	24.1
09.3	Other crop products	6.5	-13.8	5.6
10	Crop production	4,006.9	24.1	4,971.7
11	Livestock	1,165.2	4.4	1,215.9
11.1	Cattle	216.1	8.9	235.3
11.2	Pigs	256.5	5.3	270.1
11.3	Horses	3.9	5.1	4.1
11.4	Sheep and goats	271.2	10.7	300.1
11.5	Poultry	394.7	-3.0	382.8
11.6	Other animals	22.8	3.1	23.5

End production value for 2011* - by basic prices for 2010 and 2011

(million BGN)

Code	Products	Value by prices from 2010	Change in prices for 2011 compared to 2010 (%)	Value for prices from 2011
12	Livestock products	1,046.5	13.7	1,190.3
12.1	Milk	733.3	24.6	913.5
12.2	Eggs	262.9	-15.4	222.5
12.3	Other livestock products	50.3	8.2	54.4
12.3/1	Greasy wool	1.8	5.6	1.9
12.3/2	Silkworm cocoons	-	-	-
12.3/3	Other livestock products	48.5	8.0	52.4
13	Livestock products	2,211.7	8.8	2,406.2
14	Production of agricultural products	6,218.6	18.6	7,377.9
15	Production of agricultural services	501.0	1.6	508.9
16	Agricultural production	6,719.6	17.4	7,886.8
17	Non-agricultural inseparable secondary activities	570.3	8.7	619.8
17.1	Agricultural products processing	570.3	8.7	619.8
17.1/1	- grains	143.9	27.4	183.4
17.1/2	- vegetables	56.2	-8.0	51.7
17.1/3	- fruit	13.6	4.4	14.2
17.1/4	- wine	11.9	3.4	12.3
17.1/5	- livestock	209.0	0.5	210.1
17.1/6	- livestock products	126.5	9.6	138.7
17.1/6/1	- milk	126.5	9.6	138.7
17.1/7	- other	9.2	2.2	9.4
17.2	Other inseparable secondary activities	-	-	-
18	Production from Agriculture Industry	7,289.9	16.7	8,506.6
19	Intermediate consumption	4,883.2	9.1	5,329.9
19.01	Seeds and propagating material	184.9	4.5	193.3
19.01/1	supplied by other agricultural enterprises	47.0	4.7	49.2
19.01/2	purchased outside the industry	137.9	4.5	144.1
19.02	Fuels and oils	1,013.3	13.5	1,150.1
19.02/1	- power supply	76.9	13.5	87.3
19.02/2	- gas	33.5	13.4	38.0
19.02/3	- other fuels	899.2	13.5	1,020.5
19.02/4	- other	3.7	16.2	4.3
19.03	Fertilisers and soil conditioners	347.9	20.0	417.4
19.03/1	supplied by other agricultural enterprises	15.0	20.0	18.0
19.03/2	purchased outside the industry	332.9	20.0	399.4
19.04	Plant protection products and pesticides	214.9	-2.2	210.2
19.05	Veterinary expenses	296.9	-0.7	294.8
19.06	Feed additives	1,392.0	15.5	1,607.8
19.06/1	supplied by other agricultural enterprises	285.6	15.5	329.9
19.06/2	purchased outside the industry	253.2	15.5	292.4
19.06/3	Produced and consumed within the farm	853.2	15.5	985.5
19.07	Maintenance and repair of machines and small size inventory	369.6	1.2	374.0
19.08	Building maintenance	179.8	1.1	181.8
19.09	Agricultural services	501.0	1.6	508.9
19.10	Fisim	107.5	2.3	110.0
19.11	Other goods and services	275.4	2.3	281.7
20	Gross Added Value	2,406.7	32.0	3,176.7

Source: NSI

* The data for 2011 are preliminary.