



AGRICULTURAL ACADEMY
INSTITUTE OF AGRICULTURAL ECONOMICS



ORGANIC FARMING IN BULGARIA – NOW AND IN THE FUTURE

Associate Professor Dilyana Mitova, PhD

Institute of Agricultural Economics,
Sofia

Organic Farming in Bulgaria

- **Agricultural production systems: priority in the future**

Preserving natural resources

- **Organic farming (OF):**
A production method which main goal is producing food while protecting environment, human and animal health.

Organic Farming in Bulgaria

- **Share of OF areas in total usable agricultural area (UAA), year 2009:**

EU-27 – 4,7% avg

Bulgaria – 0,2%

Austria – 18,5%

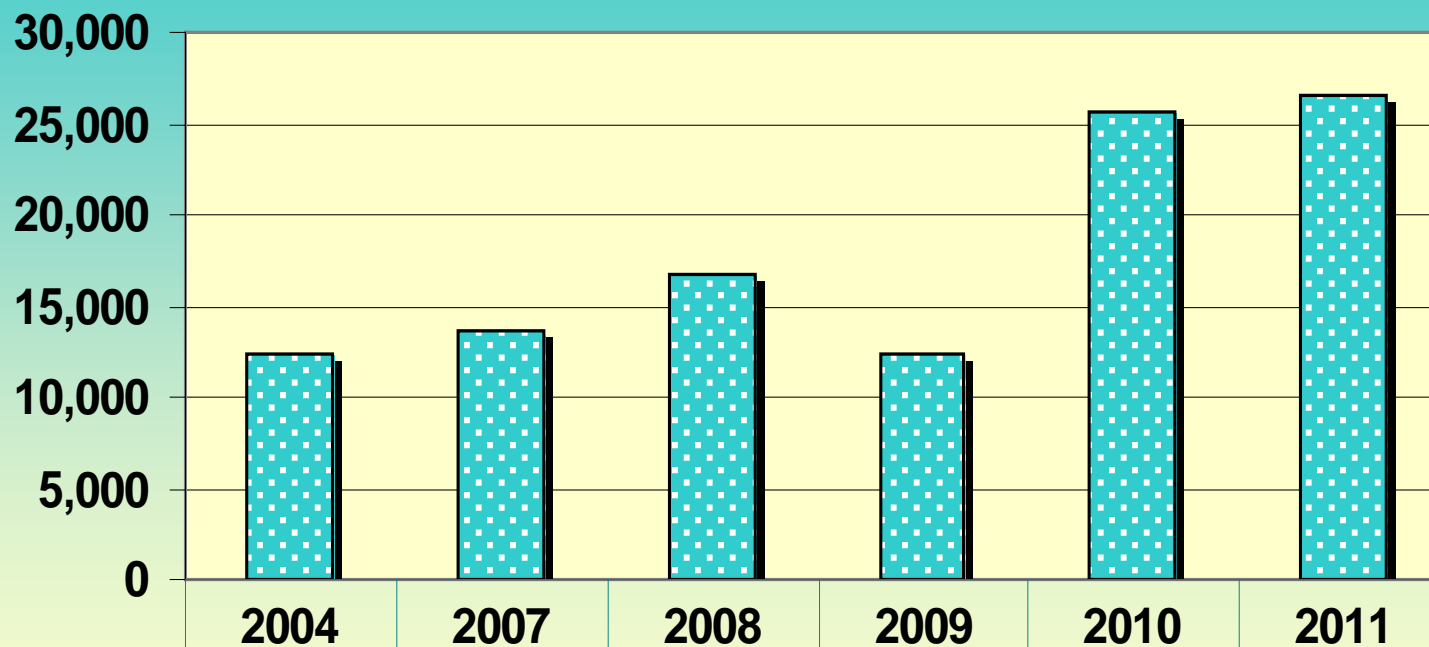
Sweden – 12,8%

Estonia – 11,0%

- **OF size in Bulgaria increasing ← EU payments**
 - In 2011 size 26 622 ha; in 2010 areas under OF increased 2,1 times compared to 2009 and reached 25 648 ha
 - In 2009 decline due to economic crisis

Organic Farming in Bulgaria

Areas under organic farming, ha



■ Area, ha

12,284

13,646

16,663

12,321

25,648

26,622

Organic Farming in Bulgaria

Areas in conversion: indicator of increased interest

- In about half of **EU-27 countries**, the areas in conversion were between 10 and 20% from all areas (2008)
- In **Bulgaria** it is 74.6% (highest in the EU-27) - followed by Romania, Spain and Poland (2008)
- In Bulgaria – 65% (2011)

=> The increase of land in conversion guarantees a significant increase of Bulgarian organic products in domestic and export markets.

Organic Farming in Bulgaria

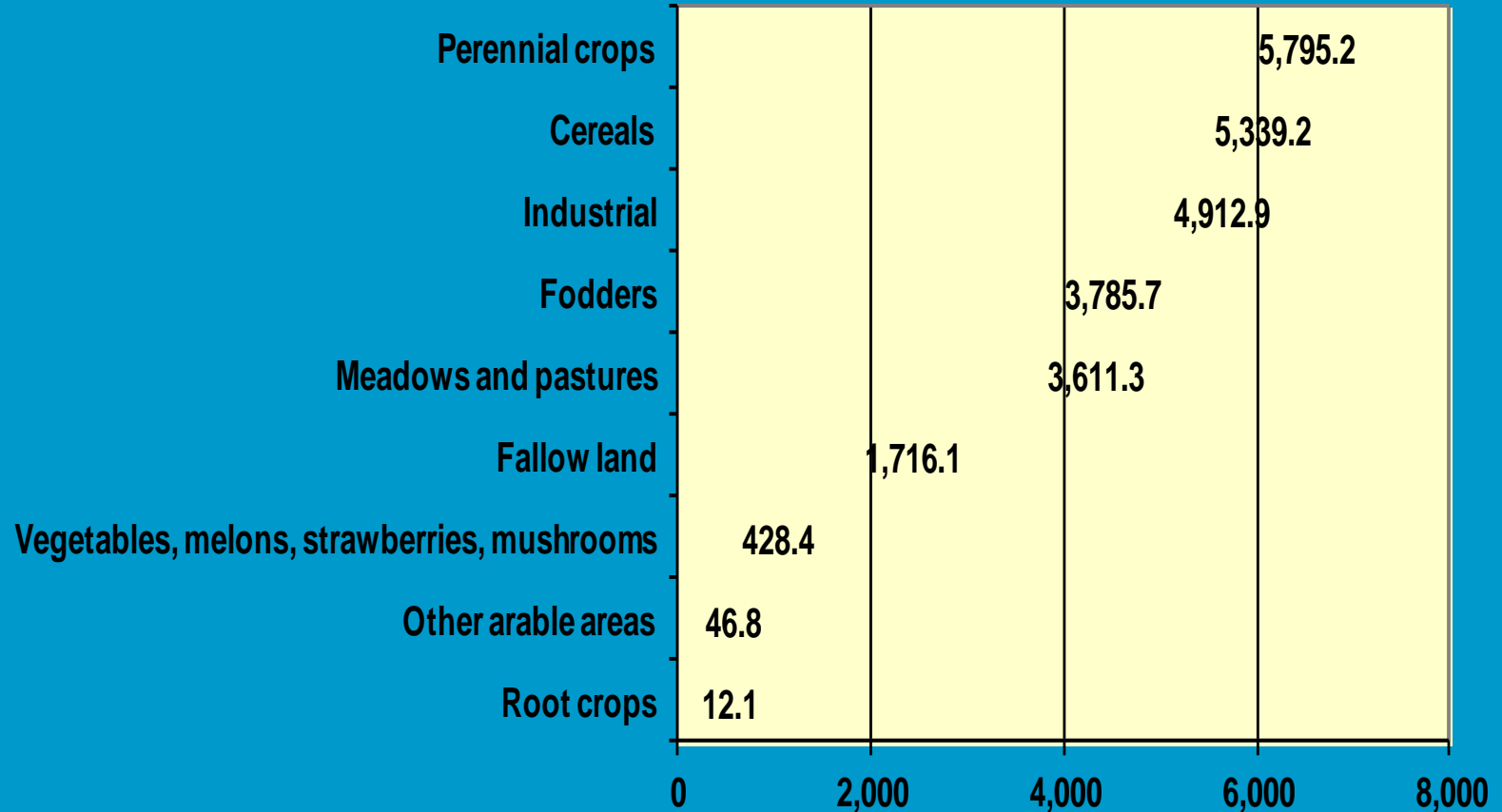
Main crops under OF (2010):

- Field crops cereals, green fodders and industrial – **55%**
- Perennial crops (orchards, berries, olives, vineyards) – **23%**
- Meadows and pastures – **14%**
- Others – **8%**

Organic Farming in Bulgaria

□

Main crops under organic farming - 2010, ha



Organic Farming in Bulgaria

- **Organic livestock:**

- Slow but firm increase
- Highest growth: **sheep** - from 2471 in 2008 to 6698 in 2010, or 2.7 times; **cattle** – from 364 in 2010 to 976 in 2011

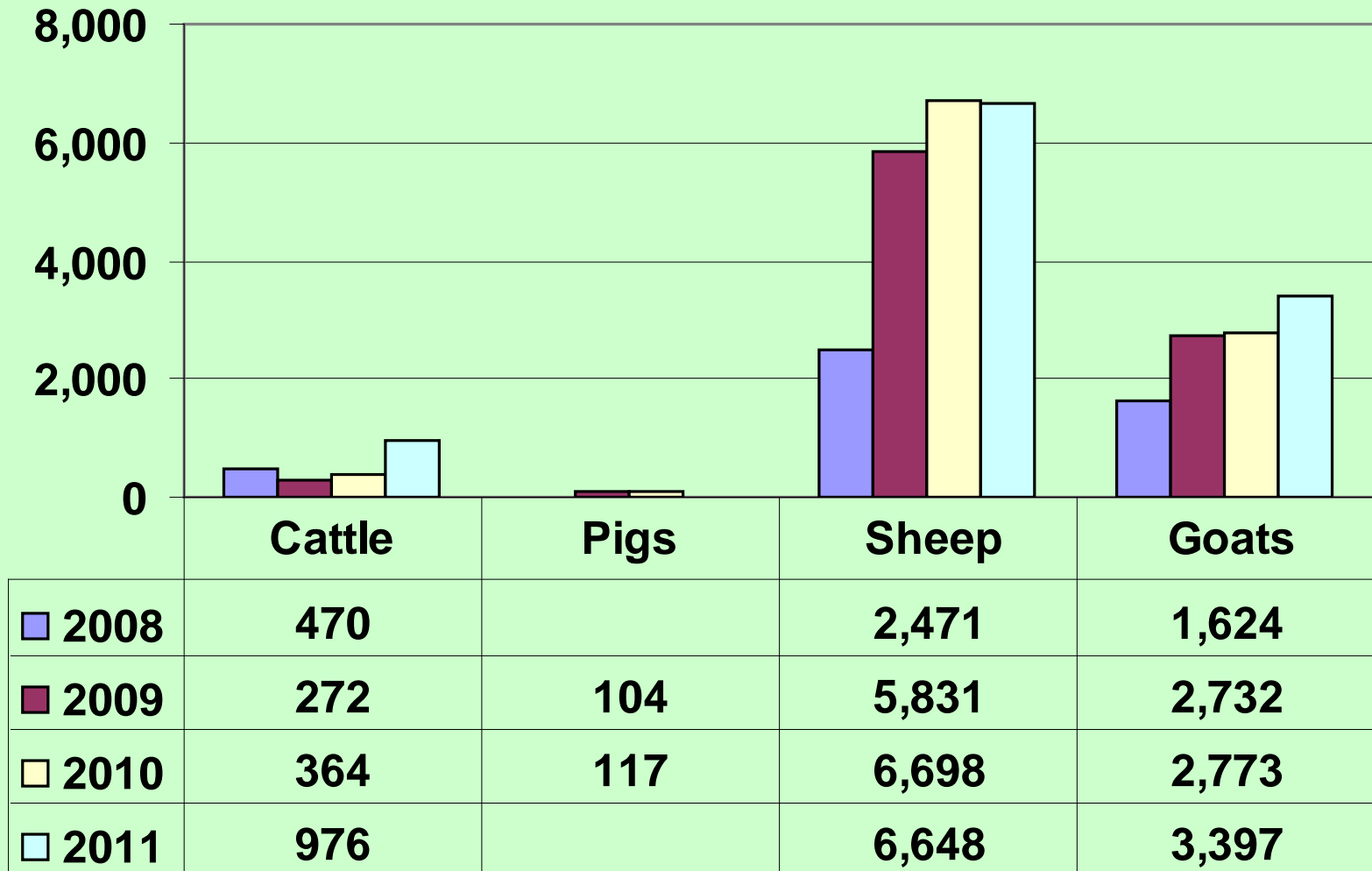
- **Certified bee population and honey production:**

- 58 855 beehives; 1263 tons organic honey in 2011
- 46 429 beehives; 1108 tons organic honey in 2010
- 41,089 beehives; 1579 tons organic honey in 2009
- 44 861 beehives; 1679 tons organic honey in 2008
- 35,747 beehives; 998 tons organic honey in 2007

=> Potential for organic livestock and honey share increase

Organic Farming in Bulgaria

Organic livestock



Organic Farming in Bulgaria

- **Size of Farm:**

- Organic > conventional agriculture
- 37 ha organic compared to 13 ha for conventional farms (EU-27, 2007)
- 50 ha organic compared to 6,3 ha for conventional farms (Bulgaria, 2007)

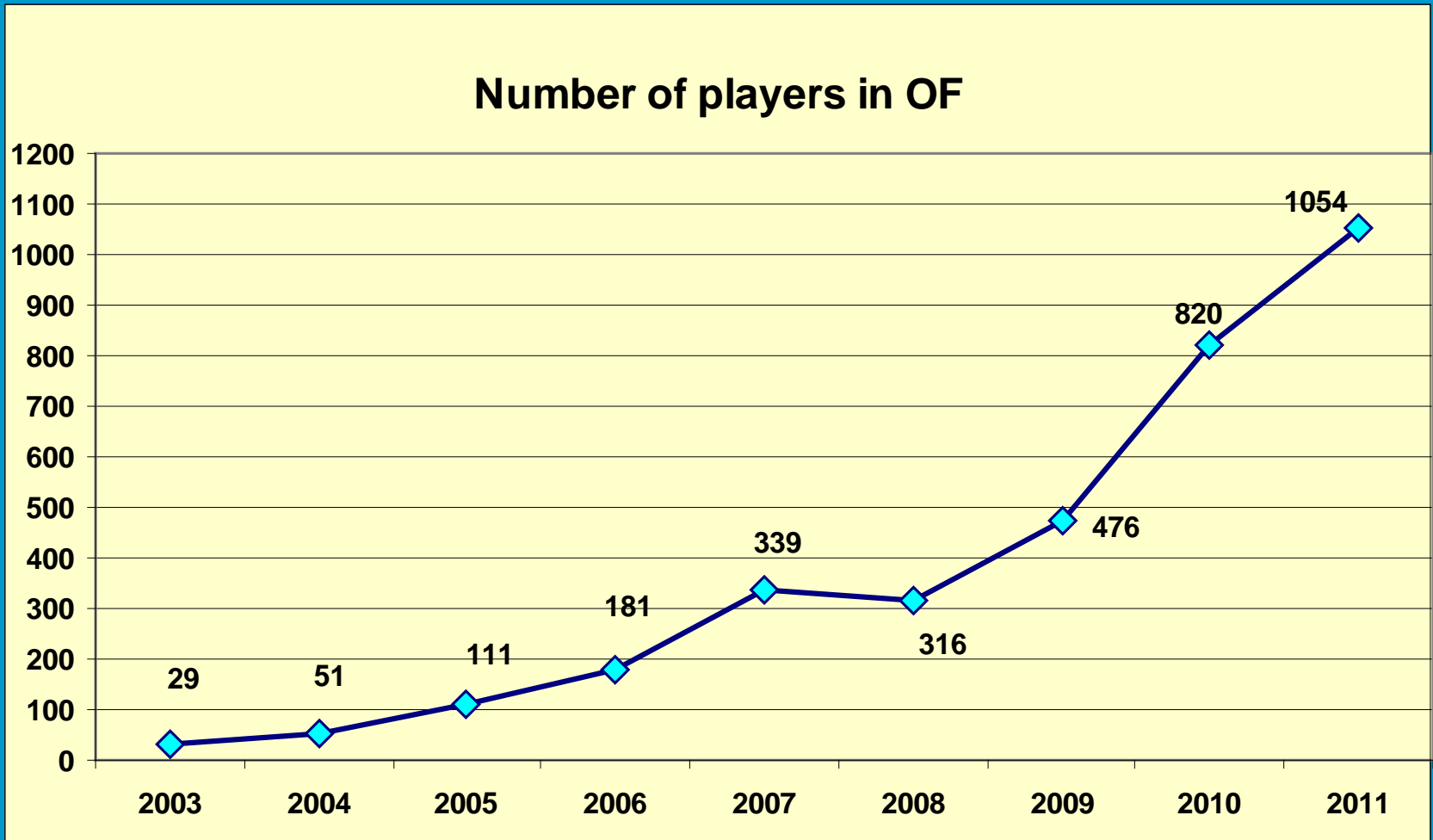
- **Certification:**

- 10 certified bodies in Bulgaria

- **Players in OF Industry:**

- Producers, processors, retailers
- Increase in the number of players in OF

Organic Farming in Bulgaria



Organic Farming in Bulgaria

- **Domestic market:**

- Demand of organic products is not large, but growing
- Market share of bio-products in Bulgaria:

2005 – 0,8 million euro (0,023% of the total food market)

2008 – 4 million euro (1% of the food market)

- **Export:**

- Quantity: between **80% and 95%**
- Top export products:
 - ✓ **wild dried forest fruits and herbs,**
 - ✓ **frozen fruits: strawberries, raspberries and blueberries,**
 - ✓ **essential oils from rose, lavender and mint,**
 - ✓ **honey**

⇒ Bulgarian organic products have great potential for export to European and world market.

National and CAP support for OF in Bulgaria

Up to 2011 the EU operative Regulations for OF are:

- **Regulation (EU) No. 834/2007 of the Council**, related to organic production and labeling of bio-products
- **Regulation of the Commission (EU) No 889/2008** for detailed rules' definition for the implementation of Regulation of the Council (EU) No 834/2007.

National and CAP support for OF in Bulgaria

- **National plans:**

In the National Plan for Development of Organic Agriculture (NPDOA) in Bulgaria in the period 2007 - 2013 and National Agro-Ecological Program (2007-2013) - NAEP are stated priorities for organic farming in the country

- No real support from Bulgarian government for OF
- No budget for implementation of plans

- **EU Subsidies:**

- Step in the right direction
- Help organic farmers sustain, organize, promote their production and to find better markets

- **Dialogue between organic farmers and institutions**

- Difficult

Example: The smallest part of paid projects under the RDP is precisely under measure 214 - Agri-environment payments. Organic producers are some of the last received money under the SAPS for 2009 and 2010.

National and CAP support for OF in Bulgaria

- During the period 2007-2013 organic production is supported by Rural Development Program (RDP) through **measure 214 "Agri-environmental payments."** The OF sub-measure supports farmers who grow organic crops and organic beekeeping, but not livestock.
- **Organic crop production and beekeeping (2010):**
 - 648 applications were submitted with total declared area of 15 697.24 ha. 332 applications have been paid for organic crops with a total area of 8 965, 92 hectares and of the total value of 2,427,366, 45 €
 - Organic beekeepers who have applied are 171 and total number of beehives was 23 647. 147 organic beekeepers have received 224 308, 57 € for a total of 14,296 beehives
- **In 2011:** Submitted 641 applications for assistance from organic growers with a total area of 20 368,50 ha and 197 applications from organic beekeepers for a total of 27,941 beehives

National and CAP support for OF in Bulgaria

OF can also be supported by :

- Expected proposal for a Regulation of the European Parliament (article 30) and the Council laying down rules for direct payments under the CAP
 - Separate measure “Organic Agriculture” (2014-2020)
 - “Green payments“(2014-2020)
- **Measure 121** "Modernization of agricultural holdings"
- **Measure 142** "Setting up producers' organizations"
- **Measure 111** "Vocational training, information and dissemination of scientific knowledge"
- **Measure 114** "Use of advisory services by farmers and forest owners."

Highlights

- Organic production in Bulgaria is in **early stages** of its development, but there are great **opportunities**.
- Bulgaria has sufficient **objective conditions** to become a major player in the organic production and market.
- Bulgarian organic products are **well received and are competitive on the European market** while the market for organic products in Bulgaria is emerging;
- Set **goals** for OF in the NPDOF are very **ambitious** and are subject to **reevaluation**
 - 8% of arable land in the country to be fully utilized for the production of organic food by 2013
 - 3% of food products on the domestic market to be organic by 2013

Recommendations

- **Implement** declared policy priority in favor of organic farming. Support for OF must be **continuous, not accidental**.
- **Complement** the Agrarian policy of support for OF with **targeted measures** which take account of specific local agro-ecological conditions and environmental and social effects of organic farming.
- **Simplify** application procedures for subsidies; to **accelerate** the disbursement of funds for agro-environmental measure of the RDP.
- **Find** an efficient mechanism for the provision of **accessible information** and consultancy services to organic producers in order to reach a **critical mass** of producers in OF;
- **Develop** new efficient technologies for organic production
- **Increase** the **quality** of organic products.

Recommendations

- Improve **coordination and cooperation** between government, NGOs, consumers and farmers to solve the problems of OF, to promote good partnership and cooperation between public and private sectors;
- Develop a **national strategy for the promotion of organically grown foods**;
- Establish a **system for market data volumes and regularity of supply**;
- Require that agricultural statistics department collects **data** for OF;
- Ensure **effective control of the market to avoid counterfeits and imitations of bio-products**;
- Support the **deliberate creation of the chain of producers, processors, distributors and consumers in OF**.

Thank you for your attention!
