



MINISTRY OF AGRICULTURE, FOOD AND FORESTRY

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

(AGRARIAN REPORT 2017)

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List of abbreviations

AEP	Agro-environment payments
AAC	Administrative Assistance and Cooperation System
BFSA	Bulgarian Food Safety Agency
BSMAEC	Bulgarian Survey for Monitoring the Agricultural and Economic Conjuncture
GDP	Gross Domestic Product
GVA	Gross Value Added
BSS	Bulgarian State Standard
Buffaloes	Coupled support scheme for buffaloes
BNB	Bulgarian National Bank
BEQ	Biological and economic qualities
BRC	Bulgarian Red Cross
RES	Renewable energy sources
VMP	Veterinary Medicinal Products
VOC	General Directorate "Verification of Official Control"
CLLD	Community-led local development
HNV	Restoration and maintenance of grasslands of high nature value
BCP	Border Check Points
BCRP	Border Crossing Points
GMO	Genetically Modified Organism
FRM	Forest reproductive materials
FEPP	Forest Economic Plans and Programs
SG	State Gazette
SFH	State Forest Holdings
VAT	Value Added Tax

SSC	Scheme for coupled support for sheep and / or goats under the selection control
SSF	Scheme for small farmers
SHA	State Hunting Areas
SOEs	State-Owned Enterprises
SLF	State Land Fund
SFA	State Fund Agriculture
SFA-PA	State Fund Agriculture – Paying Agency
EFTA	European Free Trade Association
SSCc	Scheme for coupled support for dairy cattle and / or meat-breed cows under selection control
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
EFSA	European Food Safety Authority
EERP	European Economic Recovery Plan
EU	European Union
EFSA	European Food Safety Authority
EAGF	European Agricultural Guarantee Fund
EMFF	European Maritime and Fisheries Fund
EFF	European Fisheries Fund
ERDF	European Regional Development Fund
GMOA	Genetically Modified Organisms Act
AFM	Agricultural and forestry machinery
PGI	Protected geographical indication
GDP	Payment scheme for agricultural practices that are climate and environmental friendly (Green Direct Payment)

IND	Infectious nodular dermatitis
PDO	Protected designation of origin
SPMA	Seed and Propagating Material Act
OUALA	Ownership and Use of Agricultural Land Act
EFA	Executive Forest Agency
VWEA	Executive Agency for the Vineyard and the Wine
EAFSA	Executive Agency for Fisheries and Aquaculture
EAPVFIGC	Executive Agency for Plant Variety Testing, Field Inspection and Seed Control
EASRLB	Executive Agency for Selection and Reproduction in Livestock breeding
UAA	Utilised agricultural area
IIS	Integrated Information System BFSA
IACS	Integrated Administration and Control System
TCD	Traffic Control Department
MI	Ministry of Interior
SYF	Scheme for Young Farmers
MAF	Ministry of Agriculture and Food
MAFF	Ministry of Agriculture, Food and Forestry
LAG	Local action groups
LAFG	Local Action Fishery Groups
MOEW	Ministry of Environment and Water
LDP	Local Development Strategies
NRA	National Revenue Agency
HACCP	Hazard Analysis and Critical Control Point
NB	National budget
NGF	National Guarantee Fund

NAPDP	National additional payments to direct payments
NSA1	Transitional national support scheme for bovine animals, decoupled from production
NSA3	Transitional national support scheme for ewes and / or goatmeat coupled with production
NSA4	Scheme for rearing sheep and goats in economically vulnerable municipalities in southern Bulgaria
NSA5	Scheme for rearing sheep and goats in less-favored areas
NPC	Scheme for national additional payments for suckler cows coupled with production
NDKM1	Scheme for maintaining cow's milk production in economically vulnerable farms
NDKM2	Scheme for maintaining cow's milk production in less-favored areas
NDKM3	Scheme for maintaining the production of cow's milk in nitrate vulnerable zones
NDRVM	National Diagnostic and Research Veterinary Medical Institute
NDT	Transitional National Tobacco Support Scheme, decoupled from production
NMP	National monitoring program for control of pesticide residues in food of plant origin
NMPRC	National monitoring program for residue control
NPCGMF	National Program for Control of Genetically Modified Foods
NPCRP	National program for control of pesticide residues in food
NAP	National Apicultural Programme
NR1	Payments to farmers for natural constraints in mountain areas
NR2	Payments to farmers in areas with constraints other than mountain areas
NRL	National Reference Laboratory
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
OPIC	Operational Program "Innovation and Competitiveness"
CFP	Common Fisheries Policy
OPE	Operational Program Environment"
OPRD	Operational Program "Regional Development"
OPFSD	Operational Program Fisheries Sector Development
OPDHR	Operational Program "Development of Human Resources"
CAP	Common Agricultural Policy
Cotton	Special crop payment - cotton
PMAF	Program for Maritime Affairs and Fisheries
IROUALA	Implementing Rules for the Ownership and Use of Agricultural Land Act
PPP	Plant protection products
RDP	Rural Development Program 2007 — 2013
DFI	Direct Foreign Investment
RDF	Regional Directorate of Forestry
DCM	Decision of the Council of Ministers
DHS	Distinctiveness, homogeneity and stability
SAPS	Single Area Payment Scheme
SV	Scheme for coupled support for vegetables
SVg	Scheme for coupled support for vegetables - greenhouse production
ALIS	Agricultural Lots Identification System
SIAP	System for identification of agricultural parcels

SCSC	Scheme for cows with suckling calves
SCSC	Scheme for cows with suckling calves
SCH	Scheme for coupled support for meat-breed cows and / or heifers
SDC	Scheme for coupled support for dairy cattle
LDS	Local development strategies
IA	Irrigation associations
FS	Scheme for coupled fruit support
SPC	Scheme for coupled support for protein crops
SRP	Scheme for redistribution payment
SFVP	Scheme for specific support for fruit and vegetable producers
AA	Agricultural Academy
TSP	Thematic sub-program for small farms
FBI	Food and beverage industry
FTST	Food with traditional-specific taste
CLVSEE	Central Laboratory for Veterinary Sanitary Expertise and Ecology
CLPQ	Central Laboratory of Plant Quarantine
CLCTC	Central Laboratory for Chemical Testing and Controls
RACFC	Risk Assessment Center on Food Chain
DOM	Digital Orthophoto map
PTC	Professional Training Center
CPVO	Community Plant Variety Office
RASFF	Rapid Alert System for Food and Feed

SECTION A

I. NATIONAL ECONOMY STATE AND DEVELOPMENT. MACROECONOMIC FRAMEWORK. AGRARIAN SECTOR PLACE WITHIN NATIONAL ECONOMY

According to NSI data, in 2016, country's gross domestic product has increased by 3.9% in real terms compared to the previous year ¹.

In nominal terms, the annual GDP amounted to 94,130 million BGN (48,128 million EUR).

As of the end of 2016, the inflation has marked a decrease by 0.1%, and average annual inflation for the year is minus 0.8%.

According to data provided by BNB, in 2016, the export amounts to 45,187 million BGN (23,104 million EUR), which is 48% of the GDP. The import for the year amounts to 47,112 million BGN (24,088 million EUR) or 50.1% of country's GDP. Due to export's increase coupled with a slight import's decrease the negative trade balance for the year shrank by 62.5% compared to the previous year, to -1,925 million BGN (-984 million EUR).

In 2016, direct foreign investments in Bulgaria amounted to 1,291 million BGN (660 million EUR), which is 1.4% of the GDP.

Table I.1. Basic Macroeconomic Indicators of the Republic of Bulgaria

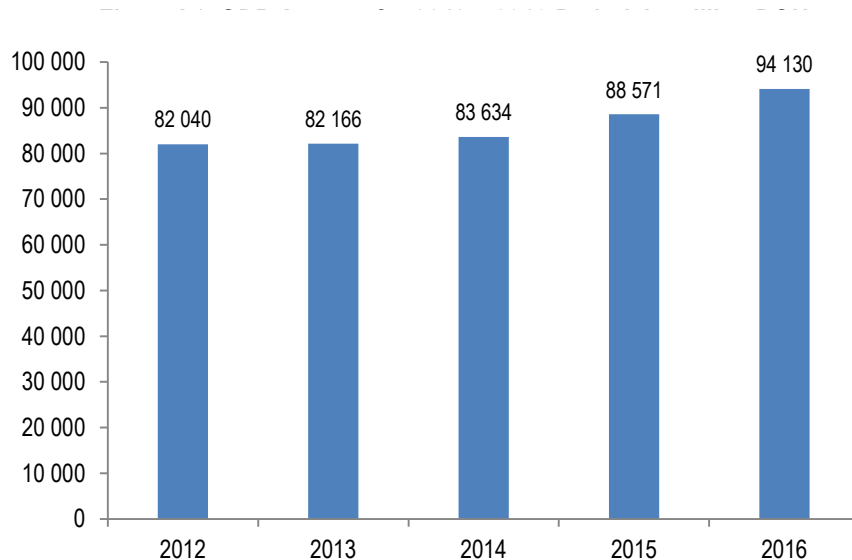
Indicator	2012	2013	2014	2015	2016
GDP at current prices, million BGN	82 040	82 166	83 634	88 571	94 130
GDP at current prices, million EUR	41 947	42 011	42 762	45 286	48 128
Real annual GDP change rate, %	0,0	0,9	1,3	3,6	3,9
Average annual inflation, %	3,0	0,9	-1,4	-0,1	-0,8
Inflation at the end of the year, %	4,2	-1,6	-0,9	-0,4	0,1
Trade balance, million BGN	-7 808	-5 736	-5 431	-5 129	-1 925
Trade balance, million EUR	-3 992	-2 933	-2 777	-2 622	-984
Direct foreign investments, million BGN	2 583	2 706	2 271	4 842	1 291
Direct foreign investments, million EUR	1 321	1 384	1 161	2 476	660

Source: NSI — GDP and Inflation, BNB — Trade Balance Data and DFI made under Balance of Payments Manual and IMF International Investment Position, Sixth Edition, 2008 (provisional data for 2016)

Gross Domestic Product

In 2016, GDP increased by 3.9% in real terms compared to the previous year. In nominal terms, it reached 94,130 million BGN (48,128 million EUR), 13,206 BGN (6,752 Euro) per capita.

¹ Real changes' speed was calculated based on comparable prices of 2010.

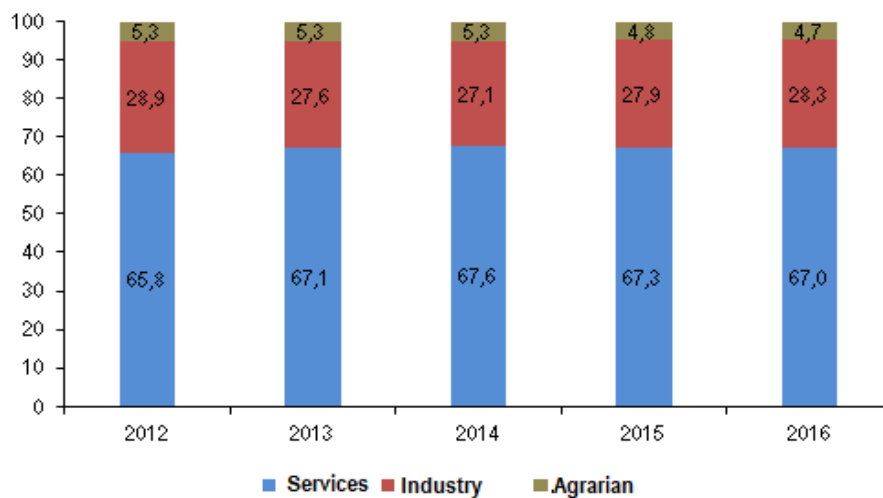


Source: NSI

Gross Value Added

The gross value added created by national economy sectors in 2016 amounts to 81,218 million BGN (41,526 million EUR) according to current prices. In actual figures, it has increased by 3.4% compared to the previous year. Agrarian sector subjects added value in 2016 amounts to 3,817 million BGN according to current prices, marking a real growth of 5.3% on an annual basis.

Figure I.2. GVA by economic sectors for 2012 – 2016 period, in %



Source: NSI

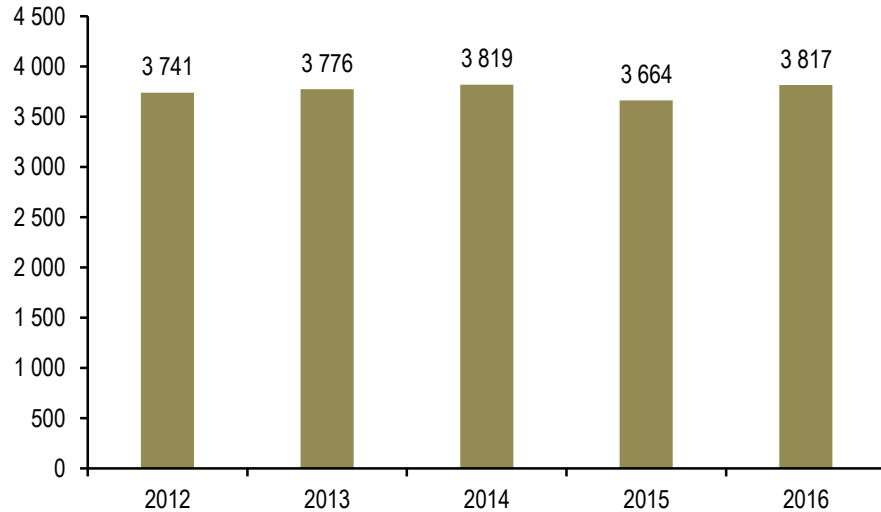
In terms of economic sectors, GVA for 2016 was distributed, as follows:

- Industry (including Construction) – 28.3%;
- Services – 67.0% ;
- Agrarian (agriculture, forestry and fisheries) – 4.7%.

Agrarian sector's share in total GVA decreased by 0.1 percentage points compared to the previous year.

According to provisional seasonally adjusted NSI data, in the first and second quarter of 2017, total country's economy GVA grew by 4.4% and 4.2% on an annual basis in real terms. Regard agrarian sector formed GVA, provisional data indicate continuation in real terms on annual basis in the first quarter of 2017 and growth of 0.9% in the second quarter.

Figure I.3. Agriculture, Forestry and Fisheries Sector generated GVA for 2012 – 2016 period in million BGN

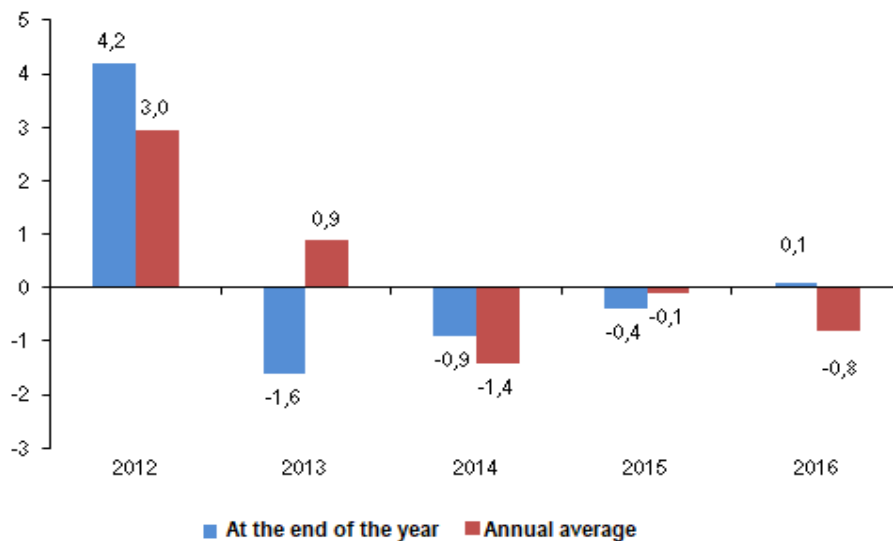


Source: NSI

Inflation

The inflation, accumulated as of the end of 2016, was 0.1%, and average annual inflation for the year was minus 0.8%. As of December 2016, the prices of food products and public catering have raised respectively by 1.1% and 1.9% on an annual basis, while the prices of non-food commodities and services decreased respectively by 0.2% and 1.1%.

Figure I.4. Inflation 2012 — 2016, %



Source: NSI

Employment and Unemployment

According to NSI data, average annual number of employed persons of 15 or more years of age in 2016 was 3,016.8 thousand, i.e. 15.1 thousand or 0.5% lower than the previous year. In Agriculture, Forestry and Fisheries Sector there was a slight decrease in employed persons number: by 2% to 203.7 thousand, leading to a minor decrease in sector's relative share to 6.8% (at 6.9% in 2015) in employment structure by economic activities.

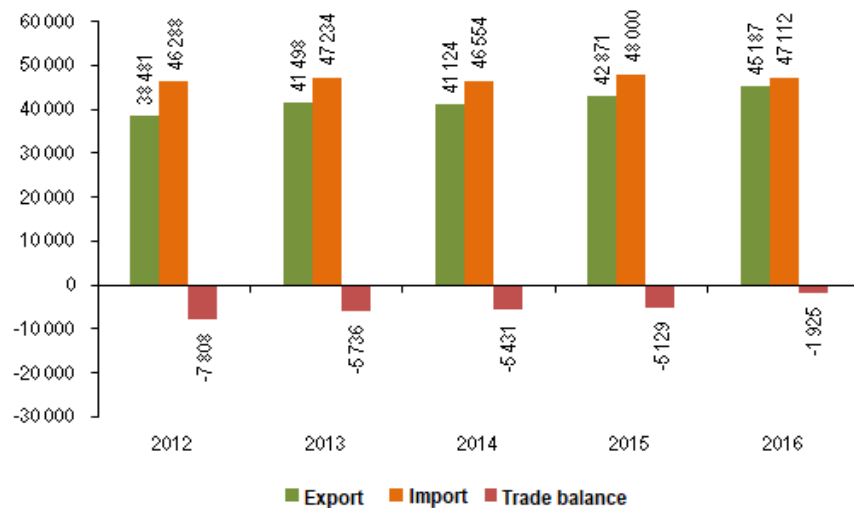
Unemployment rate declined to 7.6% or by 1.5 percentage points compared to 2015. The average number of unemployed was 247.2 thousand, or 57.9 thousand (19%) less than in 2015.

According to NSI preliminary data, in 2016, average annual employment salary of the full-time and part-time employees was 11,539 BGN, which is 1,004 BGN or 9.5% more compared to average annual salary in 2015. In agriculture, forestry and fisheries sector, annual increase for 2016 was 9.6%, i.e. to an average of 9,551 BGN.

Export and Import

According to BNB preliminary data concerning balance of payments, in 2016 the export of Bulgaria amounts to 45,187 million BGN (23,104 million EUR) — 5.4% above the level of the previous year, which is 48% of the GDP. At the same time, the import reports a slight increase - by 1.8%, to 47,112 million BGN (24,088 million EUR) or 50.1% of country's GDP. Thus, in 2016, the negative trade balance has decreased to -1,925 million BGN (-984 million EUR), compared to -5,129 million BGN (-2 622 million EUR) in 2015.

Figure I.5. Exports, Imports and Trade Balance for 2012 – 2016, in million BGN

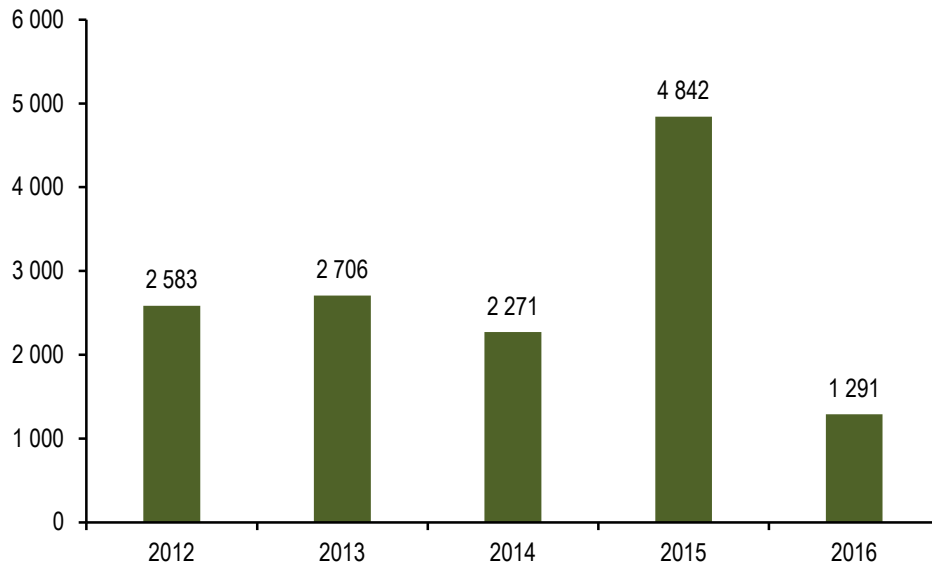


Source: BNB, provisional data for 2016.

Direct Foreign Investment

According to BNB preliminary data, for 2016, DFI into the country amounted to 1,291 million BGN (660 million EUR), which is 73% under previous year's level. Direct investments during the year equalled 1.4% of the GDP, compared to 5.5% in 2015.

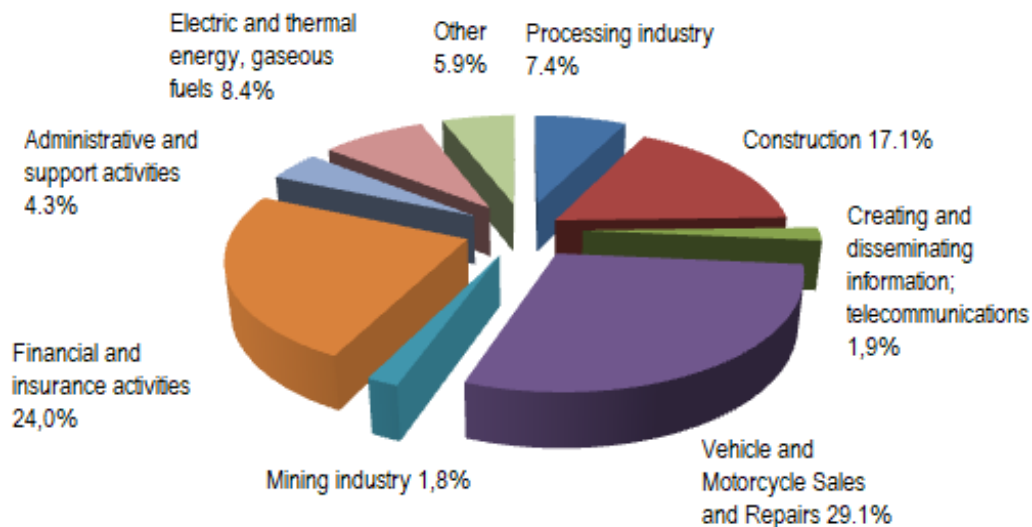
Figure I.6. Direct Foreign Investments, 2012 – 2016, in million BGN



Source: BNB (compiled data under Balance of Payments Manual, Sixth Edition, and IMF International Investment Position,); Preliminary data for 2016.

Within 2016, the biggest number of investments were attracted to Vehicle and Motorcycle Sales and Repairs and Financial and Insurance Activities Sectors (respectively 29% and 24% of the total DFI), followed by Construction, Electric and Thermal Energy, Gaseous Fuels, Processing Industry, etc. Net foreign investments in agriculture, hunting and forestry during the year were negative (-10.4 million BGN).

Figure I.7. Direct Foreign Investments by economic activities in 2016, %



Source: BNB; preliminary data, compiled under Balance of Payments Manual, Sixth Edition, and IMF International Investment Position)

II. AGRARIAN SECTOR DEVELOPMENT IN 2016 AND FORECASTS FOR 2017

1. Use of Agricultural Land and Structures of Agriculture

1.1. Use of Lands for Agricultural Purposes

The area assigned for agriculture in 2016 was 5,214,640 ha, or approximately 47% of country's territory.

Utilised Agricultural Area (UAA) consisted of arable land, perennial crops, plant nurseries, permanent grasslands and family gardens and orchards. In 2016, it amounted to 5,021,412 ha or 45.2% of country's territory, increasing with 0.2% compared to the previous year.

Arable land included crop-rotation areas, temporary meadows with grain and legumes grasses, fallow lands and greenhouses. In 2016, it declined insignificantly to 3,480,991 ha (or by 0.4%) compared to the previous year, representing 69.3% of utilized agricultural area.

In 2016, the total area under **perennial crops** was 140,966 ha - by 5.6% more than in 2015, resulting mainly of orchards area increase. Areas of **vineyards - pure crop** decreased to 52,517 ha or by 3.1% compared to the previous year.

Non-cultivated lands included both abandoned perennial crops and arable land. These lands have not been used for agricultural production for more than five years and could be recovered for operation using minimum funds. In 2016, non-cultivated land amounted to 193,228 ha, 1% more than the previous year.

Table II.1. Arable land, utilized agricultural area and area assigned for agriculture, for 2012 – 2016 period, in ha

OCCUPATION	2012	2013	2014	2015	2016
Wheat	1 194 141	1 328 062	1 305 733	1 151 225	1 215 684
Barley	176 556	182 457	218 612	191 433	168 244
Rye and triticale	24 303	31 506	37 020	24 190	30 909
Oats	16 814	20 835	21 732	13 329	15 675
Maize	525 412	518 471	480 929	524 121	468 762
Other cereals	16 046	22 938	19 768	31 479	21 304
Sunflower	854 738	928 781	877 538	851 245	887 845
Tobacco	24 857	19 265	19 072	17 443	13 930
Industrial oil seed crops	144 457	123 544	208 212	225 847	196 958
Other industrial crops	40 989	29 795	47 676	53 755	55 144
Potatoes	17 465	10 634	10 224	9 449	10 109
Peas, kidney beans, broad beans, lentils and other legumes	9 395	8 263	4 877	24 617	33 928
Fresh vegetables	24 778	26 846	29 394	37 538	46 527
Plant nurseries	///	///	///	///	///
Annual fodder crops	11 035	4 685	7 206	6 871	14 223
Meadows planted with legumes and cereals	83 489	83 237	87 715	94 682	108 793
Fallow land	128 097	121 289	92 268	235 150	191 537

OCCUPATION	2012	2013	2014	2015	2016
Greenhouses	2 113	1 509	1 412	1 314	1 419
ARABLE LAND:	3 294 685	3 462 117	3 469 388	3 493 688	3 480 991
Family gardens	22 226	16 757	17 072	15 664	15 367
Orchards	69 494	66 824	66 057	68 543	77 625
Vineyards — pure crop	77 341	60 474	53 521	54 210	52 517
Combined perennial plants	8 529	5 998	4 791	8 522	8 222
Plant nurseries	3 715	1 892	2 002	2 202	2 602
Total perennial crops:	159 079	135 188	126 371	133 477	140 966
Greenhouses	///	///	///	///	///
Permanent grasslands and meadows - orchards	1 646 993	1 381 049	1 363 984	1 368 665	1 384 088
UTILIZED AGRICULTURAL AREA:	5 122 983	4 995 111	4 976 815	5 011 494	5 021 412
Non-cultivated lands	358 239	263 698	216 125	191 258	193 228
AREA ASSIGNED FOR AGRICULTURE:	5 481 222	5 258 809	5 192 940	5 202 752	5 214 640

Source: MAFF, Agro Statistics Department

1.2. Use of Agriculture Lots

1.2.1. Agricultural Lots Identification System

Agricultural Lots Identification System (ALIS) is the main subsystem within Integrated Administration and Control System, being the basis for both areas for support declaration and payments eligibility control for such areas. Therefore, the data therein must be the most up to date and reliable.

In 2016 and 2017, Agricultural Lots Identification System data maintenance included the following activities:

- Country's digital orthophotographic map (DOM) updating under new aerial photography: 24.02% (26,656.93 km²) in 2016 and 26.67% (29,941.06 km²) in 2017. A contract has been concluded under Public Procurement Act (Reg. No. RD 51-52 of 03.08.2016) for filming and DOM developing within 2016-2019 period;
- Physical blocks updating under new DOM: borders, ways of permanent use, Areas Eligible for Support Layer under the changes, which have occurred in agricultural areas use and their state;
- Terrain inspections, using GPS devices to measure and photograph inspected blocks, of:
 - physical blocks with borders and other features which cannot be determined definitively under the new DOM;
 - a random excerpt of physical blocks updated under the new DOM and Areas Eligible for Support Layer to control the deciphering (2,347 physical blocks with a total area of 26,495.87 ha for 2016);
 - physical blocks having support areas outside block's borders or outside Areas Eligible for Support Layer (31,824 physical blocks with total area of 993,958.2 ha for 2016);
- Recording terrain inspections findings and measurements into ALIS database;

- Recording Paying Agency Technical Inspectorate spot checks findings into ALIS databases;
- ALIS data quality control and annual report on ALIS state to be sent to the European Commission;
- Determine payments per area based on updated physical blocks and Areas Eligible for Support Layer;
- Specialized Permanent Grasslands Layer update issuing orders on individual applications.

1.3. Registration of farmers

The Register of Farmers under Ordinance No.3 of 1999 serves to collect information on the farmers and their activities in order to support agriculture and rural development.

Farmers Register maintenance includes: registration of new farmers, re-registration and updating the data of already registered ones, and farmers de-registration upon their activity termination.

In 2015/2016 economic year, total number of farmers registered in the Register under Ordinance No.3/1999 rose to 98,303, i.e. 1,036 more than the previous year. At the end of June 2017, there were 94,750 registered farmers in the 2016/17 business year.

Table II.2. Farmers Registered under Ordinance No.3/1999

	2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017*
Total registered farmers	68 310	70 776	76 339	76 408	97 267	98 303	94 750

Source: MAFF, Direct Payment and Agricultural Plots Identification

* evaluation, according to data as of June 20, 2017.

1.4. State Land Fund Participation in Land Relations in Bulgaria

1.4.1. Providing SLF Own Terrains for Rent or Lease

SLF agricultural lands are provided for use as rented/leased land using bidding procedures in compliance with Agricultural Land Ownership and Use Act (ALOUA) provisions. As of 2016, the total amount of agricultural properties, provided for rent or lease by SLF to natural persons or legal entities, amounts to 103,474 ha.

In 2016, tenders have been held for SLF free farmlands rental or lease for the economic 2016-2017 year under Art.24a, para.1 of ALOUA and Art.47b, para.1 of Agricultural Land Ownership and Use Act Implementation Regulations (ALOUAIR) provisions. 269,128 dca had been announced as free farmlands, out of them 86,805 dca have been awarded, and a total 430 contracts have been signed for rent/lease.

1.4.2. State and Municipal Land Funds Pastures, Grasslands and Meadows Distribution under Art. 37i of the ALOUA

Changes in ALOUA approved in 2015 introduced new terms and conditions on rent or lease of state and municipal pastures, grasslands and meadows. These lands are not subject to tender, instead they are distributed for prices determined under market-based mechanism by appointed commissions only to owners or users of animal holdings with grazing livestock, registered in Food Safety Agency Integrated Information System, according to the number and type of registered animals.

Table. II.3. Information on Pastures, Grasslands and Meadows Distribution Campaign under Art. 37i of ALOUA

Economic year	Areas assigned under municipal council decision		Areas distributed by municipal commission		Contracts concluded for long-term use: pastures, grasslands and meadows from Municipal Land Fund		Areas distributed by SLF	SLF Areas with contracts concluded
	For general use	For individual use	For general use	For individual use	dca	dca		
	dca	dca	dca	dca	dca	dca		
2015/2016	901 621	2 480 520	341 357	624 620	1 713	295 748	7 141	4 043
2016/2017	1 074 042	3 476 926	485 597	1 269 615	4 218	600 722	57 056	33 797

Source: MAFF, Land Relations and Consolidation Directorate

1.4.3. Limited Property Rights Convey on SLF Lands

In 2016, more than 70 requests from mayors of municipalities, legal entities and natural persons have been reviewed with regard to investment intentions for development or extension of the area and/or linear sites, affecting agricultural lands property of State Land Fund. Opinions were drawn on the possibilities to provide State Land Fund properties for non-agricultural needs, and were provided to Agricultural Lands Commission for consideration. On grounds of Agricultural Lands Commission Decisions 23 letters were written. In them, under Art. 24c of ALOUA, the Minister of Agriculture and Food expressed preliminary consent to award the development of Detailed Site Development Plan for design of areas and routes, in conjunction with the development of water mains and sewerage networks, routes of power lines and technical infrastructure elements.

A total of 14 agreements for limited property rights on agricultural lands conveying have been concluded by State Land Fund on grounds of Art. 24, Par. 1 of ALOUA, and Art. 47, Par. 20 and Par. 21 of Agricultural Lands Ownership and Use Act Implementation Regulations (ALOUAIR), in relation to Art. 62, Par. 1, Art. 64, Par. 1 and Par. 2 of the Energy Act.

1.5. Activities and Contracts for Restituted Ownership Map and Registers Maintenance

Restituted Ownership Map maintenance technical activities are organized and assigned by judicial districts. Following procedures conducted under Public Procurements Act (PPA), 30 new contracts have been concluded in 2016 due previous ones' expiry. Services have been provided under 455 thousand applications submitted by citizens and businesses under Ordinance No. 49/2004. The collected fees amounting to 8 million BGN have been transferred to the state budget.

Municipalities and investors have been provided digital information from Restituted Ownership Map (ROM) for the development of GSDP and DSDP. A total of 390 administrative services have been provided amounting to 40,762 BGN. National Audit Office has carried out 850 inspections in ROM database for NRA debtors owning farmlands and lands and forests from the forest fund.

1.6. Land Relations

In 2016, guidelines, legislation implementation methodologies in the field of land relations, and model documents were made.

There is a constant interest in utilization of consolidated agricultural lands under the opportunities provided for by Chapter Va "Utilization of agricultural lands" of ALOUA resulting in increase of concluded voluntary agreements and agricultural lands official distributions number for arrays for use creation in the economic 2016/2017 year. During the campaign period there was a "hot email" for questions and answers to

MAFF regional structures administering Art.37c of the ALOUA application.

Training seminars for DDA experts have been organized, as well as multiple explanatory meetings with farmers and branch organizations in the regions.

Orders have been issued to make corrections in Restituted Ownership Map in cases of obvious factual errors. Orders have been issued as well to cull perennial crops.

Complying with Law Amending and Supplementing Cadastre and Land Registry Act, in the part regarding Restituted Ownership Map transformation into Cadastral Map and Cadastral Registers, 450 land parcels were transferred to the Agency for Geodesy, Cartography and Cadastre (AGCC) - first transmission, under a schedule made by the AGCC.

In addition, the work has been started on a pilot working place in Municipal Agriculture Service in Bozhurishte, Sofia Region to provide cadaster services to citizens on behalf of the AGCC.

Complying with Art.33 of the ALOUA and Art.11 of the ALOUAIR to issue decisions on the right of ownership, 3,063 decisions were issued, incl. 1,263 for compensation for non-restituted ownership right.

1.6.1. Regrouping (Consolidation) of Agricultural Lands

Regrouping procedures for agricultural lands in 15 areas on country's territory have been opened including the Village of Nikolaevo, Pleven Municipality, Pleven Region; Village of Suhindol, Suhindol Municipality, Veliko Tarnovo Region; Village of Fakia, Sredets Municipality, Burgas Region; Village of Asenovo, Strazhitsa Municipality, Veliko Tarnovo Region; Village of Lenkovo, Gulyantsi Municipality, Pleven Region; Town of Ugarchin, Ugarchin Municipality, Lovech Region; Village of Radyuvene, Lovech Municipality, Lovech Region; Village of Dolno Yabalkovo, Sredets Municipality, Burgas Region; Village of Gorno Ablanovo, Borovo Municipality, Ruse Region; Village of Gorsko Slivovo, Letnitsa Municipality, Lovech Region; Village of Zhrebino, Elhovo Municipality, Yambol Region; Village of Lalkovo, Elhovo Municipality, Yambol Region; Village of Markovo, Kaspichan Municipality, Shumen Region; Town of Strazhitsa, Strazhitsa Municipality, Veliko Tarnovo Region; Village of Strelets, Gorna Oryahovitsa Municipality, Veliko Tarnovo Region, as the applications embracing approximately 7 000 ha.

1.7. Agricultural Lands Protection Activities

In 2016, the Agricultural Lands Commission has considered a total of 896 applications for agricultural lands use change issuing decisions for a total area of 1,103 ha.

Regional Agriculture Directorates Commissions have considered a total of 807 applications for agricultural lands use change issuing decisions for 288 ha.

This year, commissions sessions have been held to accept recultivated terrains and recultivated area of 96.5 ha has been accepted. The lands for recultivation are 50 ha.

2. Economic and production results in 2016 and estimated data for 2017

2.1. Agriculture Economic Accounts for 2016

Table II.4. Basic economic indicators for agriculture for 2014 — 2016* period, in million BGN

	Indicators	2014	Change 2015/2014 (%)	2015*	Change 2016/2015 (%)	2016*
1	Crop and livestock production value (at producer's prices*), including:	7 604,1	-7,7%	7 015,7	-5,1%	6 661,1
1.1	Plant production	5 406,4	-6,4%	5 058,1	-2,1%	4 953,0

	Indicators	2014	Change 2015/2014 (%)	2015*	Change 2016/2015 (%)	2016*
1.2	Livestock production	2 197,7	-10,9%	1 957,6	-12,7%	1 708,1
2	Agricultural services	512,4	-5,3%	485,2	-9,4%	439,8
3	Non-agricultural inseparable secondary activities	320,8	-28,0%	230,9	-5,2%	218,8
4	Agriculture Sector's gross production value (at producer's prices**) (p4=p1.1+p1.2+p2+p3)	8 437,3	-8,4%	7 731,8	-5,3%	7 319,7
5	Agriculture Sector's end production value (at basic prices***)	8 413,9	-6,2%	7 888,1	-6,7%	7 359,7
6	Interim consumption (without internal turnover)	5 027,1	-6,1%	4 718,3	-6,8%	4 398,5
7	Gross Added Value at basic prices	3 386,8	-6,4%	3 169,8	-6,6%	2 961,2

Source: NSI data, processed by MAFF

* 2016 data are estimated and 2015 data are provisional.

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

*** Basic prices – prices with subsidies by products

2.1.1. Agriculture Sector's Gross Production Value

Agriculture Sector's Gross Production Value for 2016 at current producer's prices (provisional data) amounts to 7,319.7 million BGN, which is 5.3% below previous year's level. It is formed by the value of:

- Plant production – 4,953.0 million BGN or 67.7%;
- Livestock production – 1,708.1 million BGN or 23.3%;
- Agricultural services – 439.8 million BGN or 6.0%.
- Production of inseparable secondary activities – 218.8 million BGN or 3.0%;

Despite higher production volume achieved by structural branches such as cereals and oilseeds, white meats and eggs production, and milk production keeping the level of the previous year, in 2016, plant production value decreased by 2.1% on an annual basis, and livestock production by 12.7%, resulting of prices fall for almost all agricultural products (Annexes 2 and 3 and Subsections 2.2 and 2.3 of the Report).

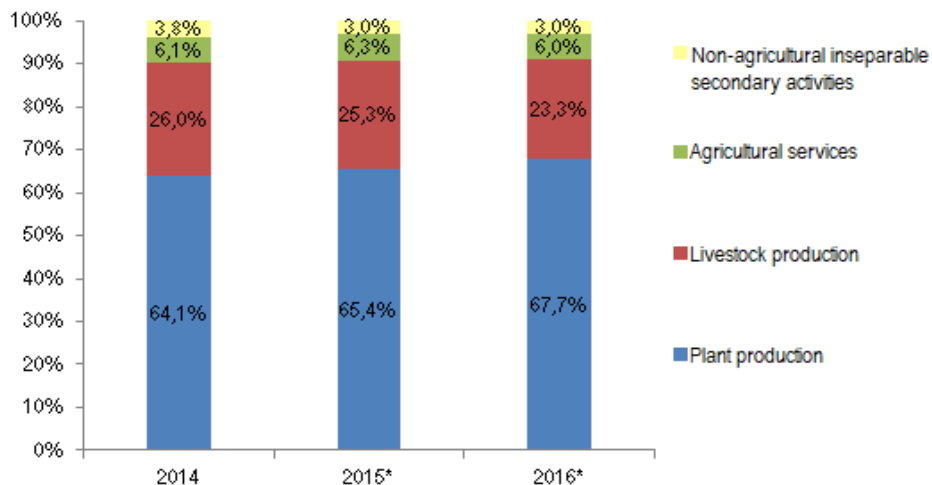
A decrease compared to the previous year was registered also for the rest components of sector's gross production value by 9.4% in provided agricultural services, and by 5.2% in non-agricultural inseparable secondary activities production.

In 2016, growing trend of plant production share in gross agricultural output value continued, at the expense of livestock production share. During the year, plant production share was almost three times bigger than livestock production share.

In 2016, sold agricultural products' (crops and livestock breeding products) total value amounted to 6,260.8 million BGN or 85.5% of Agriculture Sector's gross production (Annex 1). Sold crop production during the year amounted to 4,533.9 million BGN (61.9% of the gross production), and sold livestock production – to 1,287.1 million BGN (17.6% of the gross production). Crop and livestock production sold outside the sector amounted to 5,899.9 million BGN (including exports), and the sales between agricultural entities amounted to 360.9 million BGN.

The agricultural units have used agricultural products (seeds, seedlings, feed, etc.) produced during the year amounting to 400.2 million BGN (5.5% of the gross production) for production purposes.

Figure II.1. Structure of Agriculture Sector's Gross Production Value for 2014 – 2016* period, in %



Source: Calculations of MAFF according to NSI data
 * Data for 2016 are estimated and for 2015 - provisional..

The farms have used agricultural production for 454.6 million BGN (6.2% of the gross production) for their own consumption.

Main capital goods production (productive livestock) at own expense amounted to 105.0 million BGN.

2.1.2. Final Production Value

Based on estimated data, final agriculture production value (production value after deduction of internal turnovers) at basic prices (prices including subsidies by products) for 2016 amounted to 7,359.7 million BGN. Following the trend of gross production value components change it has decreased by 6.7% compared to the previous year (Annexes 5 and 6).

In 2016, Agriculture final production's structure preserved correlations that have already been formed between sector's branches as outlined in gross production value. In the final production, the relative share of plant production is also the largest, 67.3%. In 2016, the relative share of livestock production was 23.7%, of agricultural services – 6.0% and of non-agricultural inseparable secondary activities production – 3.0%.

In 2016, the trend of increasing grain and oilseed crops' share in final production value continued. Both crop groups taken together (respectively 2,312.2 million BGN for grain and 1,504.2 million BGN for oilseeds) formed more than half (52%) of Agriculture sector's production.

The following plant production products had the biggest contribution in forming the final value of Agriculture sector's production in 2016::

- Soft wheat – a share of 18.7%, amounting to a total of 1,379.1 million BGN.

Despite significant growth of the physical volume (by 15.2%) compared to the previous year, due to the significant downturn in prices (by 13.2%), in value terms soft wheat production remained at the previous year level.

- Sunflower – a share of 15.8%, amounting to a total of 1,165.7 million BGN.

Sunflower's physical volume grew by 5.5% and at the same time a decrease of 10.1% in the prices,

which results in a drop of production's value of 5.1% compared to the previous year.

- Grain maize – share of 8.6%, amounting to a total of 634.0.3 million BGN.

There was a 14.1% decrease in grain maize value, which at prices similar to the ones of the previous year was influenced by production's physical volume decrease (by 14.9%).

- Rapeseed and colza – share of 4.4%, amounting to a total of 324.9 million BGN (increase by 10.4%);

Rapeseed and colza production physical volume has increased significantly - by 18.4% and that compensated price decrease and contributed to a 10.4% value increase.

- Tobacco – share of 2.1%, amounting to a total of 151.0 million BGN (decrease by 18.3%).

There is a steady downward trend in tobacco final production value, influenced by production's continuing shrinking in recent years. Physical volume decreased by 34.7% on an annual basis.

In 2016, Fruit and Vegetables Sector (including potato production and vineyards) generated an output of 579.4 million BGN, 14.8% less than the previous year. The sub-sector formed a share of 7.9% in final production value. Fruit production amounted to 306.6 million BGN (a share of 4.2%) and vegetables to 272.8 million BGN (a share of 3.7%), which is a reduction in both physical volume and prices. In most fruit, there is a decrease in the physical volume but a rise in prices. There is a reduction in both wine grapes production and its prices.

Livestock breeding sub-sector's final production for 2016 amounted to 1,744.5 million BGN, 14.3% less than the previous year, which is due to the decrease in production volume and prices for most livestock products.

In 2016, livestock breeding sub-sector branches with highest contribution to Agriculture Sector's final product are:

- Milk production – share of 8.5% with 627.6 million BGN

Milk production dropped by 4.9%. Production volume's level was the same as the previous year but it was influenced by prices decrease.

- Pig breeding – share of 3.5%, with 257.8 million BGN (decrease by 7.2%);
- Poultry – share of 3.2% with 233.8 million BGN (decrease by 27.8%);
- Cattle breeding – share of 3.0% with 224.1 million BGN (decrease by 26%);
- Sheep breeding and goat breeding – share of 2.5%, with 182.7 million BGN (decrease by 19.3%);
- Eggs production – share of 2.0% with 148.6 million BGN (decrease by 12.2%).

Final production's registered decrease (compared to the previous year) in value terms, for most livestock products is a consequence of a fall in both prices and production volumes.

2.1.3. Interim Consumption

In 2016, the interim consumption used to produce sector's final production amounted to 4,398.5 million BGN, which is 319.8 million BGN or 6.8% less than the previous year (Annexes 4, 5 and 6).

The shrinkage of interim consumption compared to the previous 2016 as a whole is a consequence of a decrease in almost all of its elements except for the consumption of seeds and seedlings.

The largest decrease is in plant protection products - by 23.8% and in agricultural services - by 9.4%. Feed costs decreased by 6.5%; veterinary preparations and services - by 4.5%; fuels, lubricants and electricity - by 3.1% (despite increased physical energy consumption).

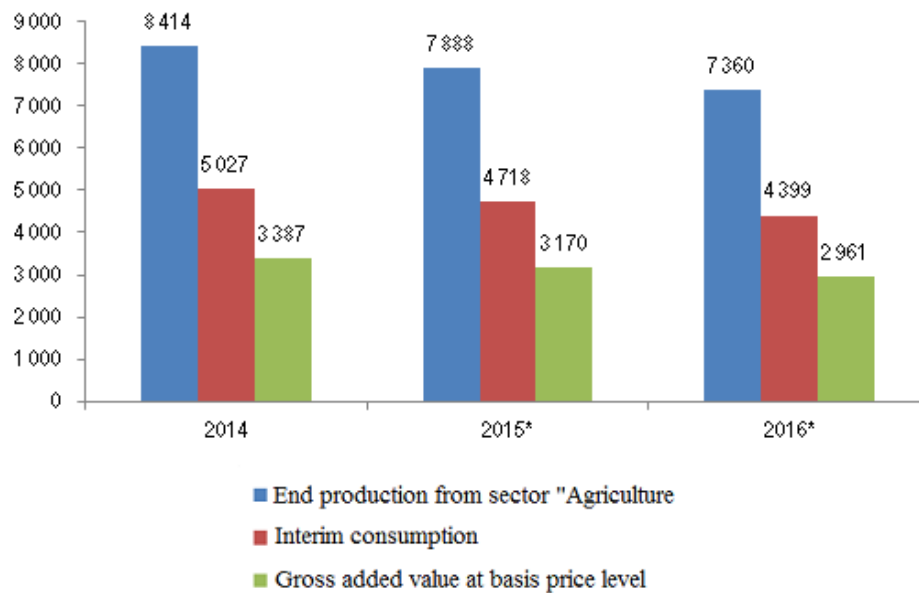
In 2016, the interim consumption was 59.8% of production value or by nearly 60 units of interim consumption 100 units of final production were produced (similar to 2015 and 2014).

The highest share of its structure is occupied by the expenses for fuels and oils - 24.9% (1,095.3 million BGN), followed by feed costs - 21.6% (951.8 million BGN), agricultural services - 10.0% (BGN 439.8 million), costs for fertilizers and soil improvement agents - 8.2% (362.7 million BGN), maintenance and repair of machinery and small size inventory - 7.2% (315.8 million BGN).

2.1.4. Gross Added Value

The gross added value (at basic prices) created in agriculture in 2016 amounted to 2,961.2 million BGN, following final production downward trend and the decrease of the interim consumption by 6.6% compared to the previous year.

Figure II.2. General economic indicators for Agriculture Sector for 2014 – 2016* period, in million BGN



Source: NSI

* Data for 2016 are estimated and for 2015 are provisional

2.2. Plant Production Performance

The reported 2016 was dynamic in terms of climatic conditions that have had a varied impact on crop production - there were periods of cooling and strongly waterlogging of soil, as a result of snow melting and heavy rains during winter months, followed by excessive thermal conditions, which favored the development of the planted autumn sowings. Critically low temperatures have been reported in March and April, causing partially, and in some places complete freezing of fruit buds, flowers and ovaries in a variety of fruit (apricot, peach, cherry, sour cherry, plum, apple) and vineyards.

The intense rainfall during May and June, accompanied by hail in many areas of the country, led to flooding and waterlogging of land and caused severe damage to crops. High temperatures and low rainfall during summer months (July and August) disrupted normal course of physiological processes in later crops.

In July, maximum daily temperatures reached extreme values, in places up to 38-39 °C, which adversely affected the pollination of later corn hybrids. Hot and dry weather caused rapid depletion of soil

moisture and dramatic need of irrigation. The lack of moisture led to a reduction of leaf turgidity and burning of lower leaves in the sunflower and the maize - turning of the leaf laminas. In early August, dry and hot weather, in places with extremely high temperatures (up to 38-39°C), disturbed the normal course of physiological processes in spring crops and negatively affected their development.

The dry and warm weather in September and October accelerated late crops development. In a part of the Upper Thracian Plain (Plovdiv) and other regions of the country, lack of rainfall of economic importance was the reason for non-germination or uneven germination of the rapeseed sown in the third ten days of September..

2.2.1. Grain Production

In 2016, higher average yields were recorded for all major cereals except rice. Combined with an increase in harvested areas, this led to a significant increase in the production of wheat, rye, triticale and oats compared to 2015. On the other hand, in the production of barley, maize and rice there was a decrease on annual basis due to the decrease in harvested areas.

Table II.5. Production of Cereals in 2015 and 2016 Harvest Years

Crop	Harvested areas (ha)			Average Yield (tonnes/ha)			Production (tonnes)		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
Wheat	1 105 916	1 192 589	7,8%	4,53	4,75	4,9%	5 011 597	5 662 721	13,0%
Rye	6 304	7 468	18,5%	1,78	2,03	14,0%	11 210	15 178	35,4%
Triticale	12 714	16 096	26,6%	3,02	3,06	1,3%	38 402	49 265	28,3%
Barley	175 957	159 830	-9,2%	3,97	4,32	8,7%	697 863	689 850	-1,1%
Oats	11 076	15 323	38,3%	1,96	2,05	4,4%	21 694	31 372	44,6%
Maize for grain	498 644	406 942	-18,4%	5,41	5,47	1,1%	2 696 923	2 226 094	-17,5%
Rice	12 410	11 988	-3,4%	5,45	5,40	-0,9%	67 684	64 773	-4,3%

Source: MAFF, Agro Statistics Department, Yields of Crops Survey

Wheat

In 2016, wheat production was 5,662.7 thousand tonnes — by 13% more than the level of 2015, due to the increase of harvested areas by 7.8% and favourable climatic conditions during crop's development.

Lands planted with wheat in 2016 were 1,195,888 ha, of which 1,192,589 ha have been harvested - by 7.8% more on annual basis.

The largest share of wheat harvested areas in 2016 occupied the Northeast region - 22.9% (272 982 ha).

The Agro Statistics Department Agricultural and Economic Conjuncture (BANCİK) Survey data for 2016 show that 8% of the wheat area was sown after wheat, and 66.1% after row crops, at 12.4% and 66.8%, respectively, in 2015. On 90.9% of areas occupied by 2016 harvest wheat good rotation was made.

Rye and triticale

The production of rye in 2016 harvest year increased by 35.4% compared to 2015 due to an increase of both the harvested area (by 18.5%) and the average yield (by 14%).

The production of triticale increased by 28.3% compared to the previous 2015, mainly as a result of harvested area increase by 26.6%. Most rye and triticale harvested areas were observed in the South Central

Region - 4,212 ha and 7,715 ha respectively.

Barley

The production of barley in 2016 amounted to about 690 thousand tonnes. This was 1.1% less than 2015 level, as the reduction of harvested areas by 9.2% was almost entirely offset by the increase in the average yield by 8.7%.

The highest amount of areas with barley during the year was in the South-eastern region - 47,926 ha or 30% of total harvested areas in the country. The Northern Central Region was the second with a share of 33 299 ha or 20.8%.

In terms of predecessors, approximately 76.7% of the areas with barley had a good crop rotation with the share of sunflower being the highest — 42.1%. Fallow lands included into crop rotation of barley were 3.8% and the areas with barley after row crops were 51.9%.

Oats

Oats production grew by 44.6% compared to 2015, mainly as a result of an increase in harvested areas by 38.3%. Most areas seeded with oats were harvested in the Southwest Region - 5,466 ha or 35.7% of the harvested areas in the country. The average yield increased by 4.4% compared to 2015.

Maize for Grain

In 2016, due areas reduction, 2,226.1 thousand tonnes of grain maize were produced - 17.5% below previous year's level. The 2016 harvested areas amounted to 411,066 hectares - 17.9% less compared to the previous year. Harvested areas shrank by 18.4% due to the drought during the summer.

The average yield of maize during the year was 5.47 tonnes/ha or 1.1% higher than 2015 harvest.

The largest share of maize harvested area was in the Northwest Region - 35.2% (143,048 ha), of total 2016 harvested area. It was followed by the Northeast Region with 29.5% (119,862 ha) and the North Central Region - 29.4% (119,476 ha).

The wheat has the biggest share as maize's predecessor - 46.6%, while the maize planted after maize occupied 27.9% of the area. The barley involved in maize crop rotation in 2016 was 4.6%.

Rice

In 2016, the production of paddy rice shrank by 4.3% on an annual basis to 64.8 thousand tonnes or 3.4% less harvested areas and 0.9% lower average yields - 5.40 t / ha.

2.2.2. Oilseed crops

Table II.6. Production of Oilseed Crops in 2015 and 2016 Harvests

Crop	Harvested areas (ha)			Average Yield (tonnes/ha)			Production (tonnes)		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
Sunflower	810 841	817 511	0,8%	2,10	2,25	7,3%	1 699 228	1 837 677	8,1%
Rape seed	170 421	171 511	0,6%	2,48	2,97	19,8%	422 092	509 251	20,6%

Source: MAFF, Agro Statistics Department

The most common oilseed crops, cultivated in the country, are sunflower and winter oil-seed rapeseed.

Sunflower

The sunflower production increased in 2016 to 1,837.7 thousand tonnes which is by 8.1% more

compared to 2015, mainly due to average yield increase by 7.3%, to 2.25 t / ha. The harvested area amounted to 817,511 ha, by 0.8% more than the previous year.

The largest share of sunflower harvested area in 2016 was located in the Northwest Region - 215,270 ha or 26% of harvested areas in the country. The second place was occupied by the Northeast Region with 188,431 ha or 23%, while the third was for the North Central Region with 170,051 ha (20.8%).

For another year, the sunflower areas having wheat as a predecessor wheat had the biggest share - 60.7%. No crop rotation was carried out on 5% of the areas.

Rapeseed

The production of rapeseed harvested in 2016 amounted to 509,251 tonnes. This was 20.6% more than in 2015, mainly due to an increase in average yield by 19.8% to 2.97 tonnes per hectare.

The area planted with rape in 2016 was 172,329 ha, of which 171,511 ha were harvested - by 0.6% more than in 2015.

The largest rape harvested areas in 2016 were reported in the Southeast Region - 48,731 ha or 28.4% of the harvested areas in the country, followed by the North Central Region with 36,552 ha (21.3%) and the Northeast Region with 35,230 ha (20.5%).

2.2.3. Technical Crops

Cotton

Over the last few years, there was a clear trend of increase in cotton production in Bulgaria. In 2016, cotton production reached 4,251 tonnes, from 1,558 tonnes in 2015 (growth of 173% on an annual basis). The areas sown with cotton amounted to 5,116 ha, of which 4,490 ha were harvested - more than twice more than in the previous year. The average yield also showed an increase compared to 2015 - by 31.9%, to 0.95 t / ha.

Tobacco

Tobacco production in 2016 amounted to 15,211 tonnes, which was 35.2% less compared to the previous 2015. Production decrease was due to a decrease of both planted areas by 25.9% to 10 049 ha and to average yield - by 13%, to 1.53 t / ha.

2.2.4. Medicinal Plants and Plants Used for Perfume Extraction

In 2016, areas sown with basic medical, aromatic and essential oil crops (Rosa Damascena, lavender, lemon balm, coriander, fennel, white thistle (silibum) and others) amounted to 53,695 ha, which was 1.7% below the level of the previous year.

Table II.7. Production of Essential Oil Crops in 2015 and 2016 Harvests

Crop	Harvested areas (ha)			Average Yield (tonnes/ha)			Production (tonnes)		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
Lavender	5 420	6 266	15,6%	3,46	3,11	-10,1%	18 768	19 504	3,9%
Rosa Damascena	3 708	3 580	-3,5%	2,29	2,49	8,7%	8 487	8 915	5,0%

Source: MAFF, Agro Statistics Department

Harvested areas of these cultures during the year amounted to 50,455 ha, which was 0.3% less than in 2015.

Lavender flower production increased by 3.9% compared to 2015, to 19,504 tonnes, while the rose flower oil production - by 5% to 8,915 tonnes.

Areas with lemon balm increased over two and a half times - from 410 ha in 2015 to 1,096 ha in 2016.

Fruit

In 2016, farms produced 198,982 tonnes of fruit - by 6.6% less than the previous year.

The South East Region occupied a leading position in fruit production with 29% of the total production for the year, followed by the South Central Region by 26.5% and the North Central Region by 18%. The production of peaches and cherries (55% and 50% of the total production in the country) was concentrated in the South-East region. In the South Central region, 46% of apples, 37% of cherries, 34% of plums and cherry plums, and 48% of pears were produced, and the North Central Region produced 90% of apricots in the country.

The largest share of total fruit production in 2016 had the plums and cherry plums - 24.4%, followed by apples - 22.5%, cherries - 19.3% and peaches and nectarines - 15.3%.

Table II.8. Production of Fruit, Harvest Years 2015 and 2016

Fruit crops	Harvested areas (ha)			Average Yield (kg/ha)			Production (tonnes)		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
Apples	4 765	4 111	-13,7%	12 260	10 887	-11,2%	58 419	44 755	-23,4%
Pears	528	410	-22,3%	5 593	4 859	-13,1%	2 953	1 992	-32,5%
Apricots and sour apricots	2 481	2 554	2,9%	5 715	6 070	6,2%	14 179	15 503	9,3%
Peaches and nectarines	3 711	3 816	2,8%	9 521	7 975	-16,2%	35 334	30 432	-13,9%
Plums and cherry plums	6 827	6 705	-1,8%	5 299	7 253	36,9%	36 176	48 630	34,4%
Cherries	8 055	8 463	5,1%	6 136	4 549	-25,9%	49 423	38 496	-22,1%
Sour cherries	1 207	1 137	-5,8%	2 838	3 119	9,9%	3 425	3 546	3,5%
Walnuts	5 055	6 280	24,2%	718	790	10,0%	3 627	4 959	36,7%
Almonds	574	987	72,0%	739	852	15,3%	424	841	98,3%
Hazelnuts	496	544	9,7%	728	410	-43,7%	361	223	-38,2%
Raspberries	1 522	1 833	20,4%	4 497	4 582	1,9%	6 845	8 398	22,7%
Others	433	351	-18,9%	-	-	-	1 856	1 207	-35,0%
Total	35 654	37 191	4,3%	-	-	-	213 022	198 982	-6,6%

Source: MAFF, Agro Statistics Department, Fruit Production - Harvest 2016

The total area planted with fruit and berry crops in 2016 was 58,504 ha, with 37,191 ha or 63.6% of them harvested. The harvested area grew by 4.3% compared to 2015, with the largest share of cherries - 22.8%, followed by that of plums and cherry plums - 18% and walnuts - 16.9%. A more significant increase in harvested area compared to the previous year was observed in almonds - 72%, walnuts - by 24.2% and raspberries - by 20.4%, and more moderate - in hazelnuts, cherries, apricots and sour apricots and peaches and nectarines by between 2.8% and 9.7%. On the other hand, harvested areas of pears, apples, sour cherries and plums and cherry plums decreased in the range of 1.8% to 22.3% on an annual basis, the most noticeable in pears. Areas that were not harvested in 2016 due to climatic, agro-technical or other reasons amounted to 6,641 ha.

Lands with young orchards not yet in production in 2016 occupied 14,627 ha. The largest share of not areas not yet in production during that year were occupied by walnuts — 51.6%, followed by other nuts (almonds and hazelnuts) — 19.2%, plums and cherry plums - 11.3% and cherries — 7.6%. In business

2015/2016 year, 65% of the new plantings were shell species, 30% — drupaceous species, and 3% — proliferous.

Compared to the previous 2015, the average yield of plums and cherry plums grew by 36.9%, while that of raspberries, apricots and sour apricots, sour cherries, walnuts and almonds - by between 1.9% and 15.3%. At the same time, the average yields of apples, pears, peaches and nectarines, cherries and hazelnuts decreased by 11.2% to 43.7%, most notably for hazelnuts.

A total of 98% of fruit harvested in 2016 were marketed. 48.4% of the fruit were directed to the marked, 34.6% to the processing industry, and 2.7% were used for own consumption.

2.2.5. Vegetables

In 2016 business year, areas used for vegetable production in the farms amounted to 60,267 ha, taking into account an increase of 29.9% compared to 2015. Open areas planted with vegetables were 59,265 ha and the greenhouses - 1,002 ha, respectively by 30.5% and 3.5% more on an annual basis. Total harvested open areas of vegetables amounted to 58,069 ha, compared to 43,914 ha in 2015.

Table II.9. Main Areas, Used for Vegetables Production –2015 and 2016 Harvests , in ha

Main areas	Harvest 2015	Harvest 2016	Change 2016/2015
Open areas	45 420	59 265	30,5%
Total greenhouse area	968	1 002	3,5%
Total area	46 388	60 267	29,9%

Source: MAFF, Agro Statistics Department, Vegetable Production - Harvest 2016

The total output of vegetables of 2016 harvest amounted to 812.3 thousand tonnes, including 699.2 thousand tonnes from open areas and 113.1 thousand tonnes from greenhouses. Compared to the previous year, the total production of vegetables in the country increased by 32.4%. The increase was observed in both production from outdoor areas by 35.5% and production from greenhouse areas by 16.4%.

In 2016, tomatoes production was the biggest - 141.4 thousand tonnes, potatoes - 127.2 thousand tonnes, watermelons - 85.7 thousand tonnes, cabbage - 75.7 thousand tonnes and pepper - 72 thousand tonnes. Cultivated mushrooms production was 1,473 tonnes.

Nearly all vegetable crops groups reported an increase in harvested areas compared to the previous 2015 and the coupled support contributed for that. Fresh legumes had more significant increase, by 77.8%; fruit-bearing vegetables (including watermelons and melons) by 58%; Brassica vegetables, by 55.3%; and dried leguminous crops by 47.2% %; root, tuber and bulb (without potatoes) had more moderate increase, by 21.5%; as well as leafy vegetables (excluding Brassica), by 8.9%. At the same time, harvested areas of potatoes and strawberries decreased by 24% and 11.4%, respectively.

The largest share of harvested areas of vegetables in 2016 were occupied by pumpkins, 20.3%, followed by potatoes - 14.4%; watermelons - 8.2%; and chickpeas - 8, 1%.

In 2016, there was a significant increase on an annual basis by type of vegetable crops in harvested areas with pumpkins - nearly five times, lentils - more than twice, green beans - almost twice, green peas - by 76.1% watermelons - by 47.5% and tomatoes - by 34.5%. The most significant decrease compared to 2015 was observed in harvested areas with okra - by 77.9%, salads and lettuce - by 65.8%, pumpkins for seeds - by 52%, seed onions - by 49% and eggplants - by 36 %.

Table II.10. Areas, Production and Average Yields of Vegetables – Harvest 2016

Vegetable crops	Open harvested areas (ha)		Production (tonnes)							Average open areas yield (kg/ha)	
			Open areas		Greenhouse production		TOTAL				
	2015	2016	2015	2016	2015	2016	2015	2016	Change 2016/2015	2015	2016
Fruit-bearing vegetables, incl.:	18 067	28 543	258 898	430 308	94 835	110 390	353 733	540 698	52,9%	-	-
Tomatoes	2 686	3 613	71 541	92 330	50 105	49 037	121 646	141 367	16,2%	26 635	25 555
Cucumbers	309	247	4 230	2 635	41 584	56 987	45 814	59 622	30,1%	13 689	10 668
Gherkins	283	296	4 263	6 722	258	309	4 521	7 031	55,5%	15 064	22 709
Peppers - sweet and hot	4 032	3 577	65 039	68 143	2 780	3 887	67 819	72 030	6,2%	16 131	19 050
Eggplants	486	311	9 902	7 801	31	104	9 933	7 905	-20,4%	20 374	25 084
Zucchini	156	184	4 418	4 951	c	33	c	4 984	-	28 321	26 908
Pumpkins	2 442	11 761	25 199	132 937	-	c	25 199	c	-	10 319	11 303
Pumpkins for seeds	2 938	1 411	2 844	7 183	-	-	2 844	7 183	152,6%	968	5 091
Melons	654	1 746	7 270	16 687	68	c	7 338	n/a	-	11 116	9 557
Watermelons	3 212	4 738	59 960	85 651	-	-	59 960	85 651	42,8%	18 667	18 077
Sweet corn	484	574	2 801	4 875	c	-	c	4 875	-	5 787	8 493
Okra	385	85	1 431	393	-	-	1 431	393	-72,5%	3 717	4 624
Fresh legumes, incl.:	1 452	2 582	5 720	12 062	3	4	5 723	12 066	110,8%	-	-
Green peas	1 064	1 874	3 400	7 395	-	-	3 400	7 395	117,5%	3 195	3 946
Kidney beans — green	361	708	2 320	4 667	3	4	2 323	4 671	101,1%	6 427	6 592
Dried legumes, incl.:	7 796	11 477	9 716	15 677	-	-	9 716	15 677	61,4%	-	-
Kidney beans – grain	3 314	2 410	3 262	2 614	-	-	3 262	2 614	-19,9%	984	1 085
Lentils	1 449	3 853	1 860	6 074	-	-	1 860	6 074	226,6%	1 284	1 576
Chick peas	2 466	4 722	3 100	6 065	-	-	3 100	6 065	95,6%	1 257	1 284
Other leguminous vegetables (peas - grain and bean)	567	492	1 494	924	-	-	1 494	924	-38,2%	-	-
Brassica vegetables, incl.:	1 945	3 020	42 962	77 637	36	138	42 998	77 775	80,9%	-	-
Cabbage	1 871	2 875	42 411	75 512	36	138	42 447	75 650	78,2%	22 668	26 265
Cauliflower	162	45	2 035	844	c	-	c	844	-	12 562	18 756
Broccoli	74	100	551	1 281	-	-	551	1 281	132,5%	7 446	12 810
Leafy vegetables (excluding Brassica vegetables), incl.:	1 039	1 131	6 854	5 885	1 929	2 031	8 783	7 916	-9,9%	-	-
Artichoke	442	585	668	874	-	-	668	874	30,8%	1 511	1 494
Savory	-	165	-	289	-	-	-	289	-	-	1 752

Vegetable crops	Open harvested areas (ha)		Production (tonnes)							Average open areas yield (kg/ha)	
			Open areas		Greenhouse production		TOTAL				
	2015	2016	2015	2016	2015	2016	2015	2016	Change 2016/2015	2015	2016
Spinach	45	96	391	1 039	73	21	464	1 060	128,4%	8 689	10 823
Dill	-	69	-	64	-	1	-	65	-	-	928
Leek	83	68	651	1 912	c	-	c	1 912	-	7 843	28 118
Onions - green	67	59	987	841	149	51	1 136	892	-21,5%	14 731	14 254
Parsley	-	40	-	189	-	4	-	193	-	-	4 725
Salads and lettuce	73	25	875	487	1 658	1 938	2 533	2 425	-4,3%	11 986	19 480
Leaf and stem vegetables not elsewhere classified (asparagus, garlic-green, etc.)	329	24	3 282	190	49	16	3 331	206	-93,8%	-	-
Root, tuber and bulb vegetables, including:	1 869	2 270	22 186	25 616	374	183	22 560	25 799	14,4%	-	-
Onions	1 074	1 365	8 926	14 921	-	-	8 926	14 921	67,2%	8 311	10 931
Garlic	187	305	717	1 799	c	c	c	c	-	3 834	5 898
Carrots	326	411	7 905	7 409	-	c	7 905	c	-	24 248	18 027
Beetroot	145	114	2 776	763	-	-	2 776	763	-72,5%	19 145	6 693
Seed onions	100	51	1 273	315	-	-	1 273	315	-75,3%	12 730	6 176
Other tuber and bulb vegetables not elsewhere classified (turnip, radish, celery, kohlrabi, etc.)	37	24	589	409	364	167	953	576	-39,6%	-	-
Potatoes	11 017	8 376	164 866	126 897	c	285	c	127 182	-	14 965	15 150
Strawberries	756	670	4 962	5 069	37	81	4 999	5 150	3,0%	6 563	7 566
TOTAL	43 914	58 069	516 164	699 151	97 214	113 112	613 378	812 263	32,4%	-	-

"c" - confidential data (these are the cases where fewer than 3 holdings in the category were considered or where one of the holdings in the category concerned covered more than 85% of the activity in this category).

* - areas and production are insignificant.

Source: MAFF, Agro Statistics Department, Vegetable Production – Harvest 2016

In 2016, fresh vegetables production on open areas (excluding potatoes and dried legumes) amounted to 556.6 thousand tonnes, which is 62.9% more than the previous year. The largest share in fresh vegetables production had the pumpkin - 19% (132.9 thousand tonnes), followed by tomatoes - 13.2% (92.3 thousand tonnes), watermelons - 12.3% (85.7 thousand tonnes), cabbage - 10.8% (75.5 thousand tonnes), pepper (sweet and hot) - 9.7% (68.1 thousand tonnes), etc.

Pumpkins production on open areas was more than five times higher than in the previous 2015. There was an increase in open areas melons production: more than twice; cabbage - by 78.0%, onions - by 67.2%, gherkins - by 57.7%, watermelons - by 42.8%, tomatoes - by 29.1%, peppers (sweet and hot) - by 4.8%, etc. Meanwhile, a significant decrease was recorded in the open areas production of seed onions, okra, salad beetroot, salads and lettuce, and cucumbers - ranging from 37.7% to 75.3%, and more moderate - in carrots, green onions and eggplants - between 6.3% and 21.2%.

In 2016, total production of dried legumes (kidney beans – grain, lentils and chickpeas) on open areas increased to 15.7 thousand tonnes or by 61.4% compared to 2015. The lentils and chickpeas recorded a significant production increase on an annual basis - respectively, by more than three and nearly twice, while a grain bean decreased by 19.9%.

The total Brassica vegetables (cabbage, cauliflower and broccoli) production amounted to 77.6 thousand tonnes, which represented 11% of total vegetable production on open areas in the country. The production of open area cabbage grew by 78% compared to 2015 and that of broccoli more than twice.

In 2016, potatoes production on open areas was 126.9 thousand tonnes - 23% below previous year's level. Greenhouse potato production of 285 tonnes was recorded in 2016.

Table II.11. Total Production of Main Vegetables in Harvest 2015 and 2016 Years

Types of vegetables	Harvest 2015	Harvest 2016	Change 2016/2015
Tomatoes	121 646	141 367	16,2%
Pepper (sweet and hot)	67 819	72 030	6,2%
Eggplants	9 933	7 905	-20,4%
Cucumbers and gherkins	50 335	66 653	32,4%
Watermelons	59 960	85 651	42,8%
Headed cabbage	42 447	75 650	78,2%
Onions	8 926	14 921	67,2%
Strawberries	4 999	5 150	3,0%

Source: MAFF, Agro Statistics Department, Vegetable Production – Harvests 2016 and 2015

In 2016, in most vegetable crops higher average yield per hectare were observed compared to 2015. The average yield of onions, eggplants, gherkins, pepper, cabbage and strawberries grew in the range of 15.3% to 50.8%. Among important vegetable crops, a more significant drop in average yield was recorded for cucumbers - by 22.1% and melons - by 14%, and less - for tomatoes and watermelons - by 4.1% and 3.2%.

Outside major vegetable crops, a significant increase in average yield per hectare compared to 2015 was observed in pumpkins for seeds - more than five times, leeks - over three times, broccoli - by 72%.

The higher average yield of some of the main vegetable crops was due to the use of high quality certified seed by the farmers and technologies the observance in vegetables cultivation.

The greenhouse production in the country was determined by several basic vegetable crops, mainly tomatoes, cucumbers, gherkins, peppers, salads and lettuce. It was developing according to market demand, having a part of produced quantities marketed outside the country.

In 2016, total greenhouse vegetables production amounted to 113.1 thousand tonnes - by 16.4% more than in 2015, due to the increased production of pepper, cucumbers, gherkins, salads and lettuce.

The greenhouse production of pepper increased by 39.8% on an annual basis, of cucumbers - by 37%, of gherkin - by 19.8%, of salads and lettuce - by 16.9%. Among main greenhouse vegetables, only tomatoes recorded a slight decline of 2.1%.

In 2016, Greenhouse area occupied by vegetable crops was 3.5% more than the previous year. The tendency to modernize existing greenhouses, apply new advanced technologies for early vegetables higher quality production continued.

There was a diversification of the types of vegetable crops cultivated in greenhouses. In addition to main greenhouse crops, potatoes, cabbage, eggplants, green onions, zucchini, spinach, strawberries and others were

produced.

Table II.12. Greenhouse Production of Main Vegetables in harvest 2015 and 2016 Years

Types of vegetables	Harvest 2015	Harvest 2016	Change 2016/2015
Tomatoes	50 105	49 037	-2,1%
Sweet peppers	2 780	3 887	39,8%
Cucumbers	41 584	56 987	37,0%
Gherkins	258	309	19,8%
Salads and lettuces	1 658	1 938	16,9%
Total	97 214	113 112	16,4%

Source: MAFF, Agro Statistics Department, Vegetable Production – Harvests 2016 and 2015

2.3. Livestock Breeding Production Performance

In 2016, national animal husbandry policy continued to be aimed at protecting farmers' interests, enhancing market orientation, increasing productivity and competitiveness of Bulgarian production. Livestock breeding remained one of priority sectors. The support for the sector involved a combination of state financial instruments and EU Funds mechanisms. Legal framework's update was made during the year. The state support's scope was expanded coupled support schemes volume was increased, the support for animals under selective control was also increased, aiming to increase livestock breeding and livestock production, producing high quality food safe for consumers' health, raising farmers' incomes and fair standard.

In 2016, the implementation continued of cattle, pigs and sheep (lambs) carcasses classification under EU scales. The classification is used for both recording and reporting of prices to the European Commission and for the needs of intervention and private storage. Moreover, the classification aims to improve market transparency and to enhance the competitiveness of meat products in the European market.

In 2016, the lasting trend continued for decrease of livestock breeding farms, mainly on account of some small farms dropping out. On the other hand, farms average size continued to increase, which was a prerequisite to achieve higher production efficiency and economic stability.

Compared to 2015, the number of cattle breeding livestock holdings declined by 9% and those with buffaloes remained without any significant change. Sheep and goats breeding farms number dropped respectively by 14.3% and 23.9%, while pigs farms dropped by 24.1%.

At the same time, in 2016, there was an increase in the number of farmed animals, excluding goats. The highest increase was recorded for buffaloes - by 13.2%. The total number of cattle and sheep increased by 1.4% and 2.1% respectively, and that of pigs by 2.7%. A more significant drop on an annual basis was recorded for the total number of goats - by 14.2%.

In 2016, as a result of coupled support schemes application in livestock breeding (including schemes for meat-breed cows and animals under selection control), the tendency continued of increasing large and small meat-breed ruminants. The number meat-breed cows grew by 12.4% and that of meat-breed ewes - by 11.0%.

The number of birds decreased to 13.7 million or by 12% compared to the previous 2015, mainly due to the decreased number of chickens for meat and ducks, by 27.3% and 8.2%, respectively.

Table II.13. Number of Animals in 2015 and 2016 and Estimation for 2017

Number of animals	01.11.2015	01.11.2016	Change 2016/2015	Projection for 01.11.2017
Cattle – total, incl.:	550 201	557 866	1,4%	565 000
cows – total	352 571	357 199	1,3%	364 000
- Meat-breed cows	76 411	85 870	12,4%	94 000
Buffaloes – total, including:	10 843	12 273	13,2%	13 000
female buffaloes	6 796	7 589	11,7%	7 600
Sheep – total, including:	1 331 894	1 360 087	2,1%	1 360 000
ewes – total	1 116 997	1 128 876	1,1%	1 130 000
- meat-breed sheep	92 447	102 655	11,0%	103 000
Goats - total, including:	276 919	237 543	-14,2%	238 000
breeding goats	219 869	199 438	-9,3%	201 000
Pigs - total, including:	600 068	616 426	2,7%	630 000
Total breeding sows exceeding 50 kg	58 149	64 509	10,9%	66 000
Birds total*, thousand birds, incl.:	15 600	13 700	-12,2%	14 500
hens and pullets	6 980	7 158	2,6%	7 200
chickens for meat	7 278	5 290	-27,3%	6 000
waterfowl	1 245	1 145	-8,0%	1 200
other poultry	97	107	10,3%	100
Equidae (horses, asses, mules or hinnies)	114 000	115 729	1,5%	116 000
Bee families**	747 434	754 105	0,9%	760 000
Rabbits	52 000	36 366	-30,1%	37 000

*Data as of December 31; **Data as of October 1.

Source: MAFF, Agro Statistics Department, BFSAs – for equines and rabbits;

In 2016, a consolidation of farms was reported in all animal species. The most significant growth was registered in the average number of farmed pigs - by 35.4%, reaching 56 animals (compared to 41.4 animals in 2015). A significant increase compared to the previous year was also observed in sheep and goat farms, with average number of animals 19.2% and 12.7% respectively.

The average number of animals in cattle and buffaloes breeding holdings generally increased by 11.4% and 13.9% respectively.

In 2016, there was a decrease in the number of dairy cows and breeding goats, respectively by 1.8% and by 9.3% on an annual basis. The number of dairy ewes remained stable (+ 0.2%) and that of buffaloes increased by 11.7%.

Compared to 2015, raw milk production declined insignificantly (by 0.3%) to 1,114,846 thousand liters.

This was due to a slight shrinkage in cow's milk production - by 0.9%, which was essential for the sector representing 88.7% of total milk yield for the year. Unlike previous year, sheep milk production increased by 7.2%, while goat and buffalo milk production remained relatively stable - by 0.4% and 0.1% more than in 2015.

The share of sheep milk in total milk production during the year was 6.9%, followed by goat milk by 3.6% and buffalo milk by 0.8%.

The South Central Region was leading again in milk production in 2016, with a share of 24.9%, followed by the Southeast Region with 20.4% and the Northeast Region by 17.0%.

Table II.14. Milk Production from 01.11.2015 to 31.10.2016 by Planning Regions, in thousand liters

Regions	Total Milk	Cow's Milk	Buffalo's Milk	Sheep's milk	Goat's Milk
Northwest	165 850	137 796	2 403	14 057	11 594
North Central	157 943	145 963	1 105	5 131	5 744
Northeast	189 644	173 329	796	8 820	6 699
Southeast	228 365	206 782	2 092	13 762	5 729
Southwest	95 178	73 905	848	14 782	5 643
South Central	277 866	251 125	1 940	20 434	4 367
Total for the country	1 114 846	988 900	9 184	76 986	39 776
Change 2016/2015	-0,3%	-0,9%	0,1%	7,2%	0,4%

Source: MAFF, Agro Statistics Department

In 2016, country's total meat production increased by 3.4% compared to the previous year, amounting to 212,356 tonnes carcass weight. Red meat production increased by 3.1% on an annual basis to 102,716 tonnes, due to the increased yield of meat in slaughterhouses (by 11%), while those in farms decreased (by 15%). The production of white meat reached 109,640 tonnes - 3.8% more than in the previous year.

In 2016, the harvested honey was 10,218 tonnes, marking a decrease of 10.3% over the previous year, due to unfavourable weather conditions during the year.

Egg production during 2016 amounted to 1,331,273 thousand pieces - 3.5% more on an annual basis.

Table II.15. Production of Animal Products in 2015 – 2016

Product	2015	2016	Change 2016/2015
1. Milk — total (thousands liters), including:	1 118 704	1 114 846	-0,3%
Cow's milk	998 093	988 900	-0,9%
Buffalo's milk	9 179	9 184	0,1%
Sheep's milk	71 810	76 986	7,2%
Goat's milk	39 622	39 776	0,4%
2. Meat – total in carcass weight (tonnes), including:	205 307	212 356	3,4%
Red meat	99 653	102 716	3,1%
White meat	105 654	109 640	3,8%
3. Eggs (thousand)	1 285 779	1 331 273	3,5%
4. Honey (tonnes)	11 388	10 218	-10,3%

Source: MAFF, Agro Statistics Department

Figure II.3. Production of meat within 2012 – 2016 period, in tonnes



Source: MAFF, Agro Statistics Department

Estimated Data for 2017

In 2017, the total number of cattle, including cows, is expected to grow by about 1.3% - 2% compared to 2016. The number of meat-breed cows is projected to increase by nearly 10% on an annual basis as a result of coupled support schemes implementation.

It is estimated to have the total number of sheep on previous year's level - about 1,360 thousand, with a slight increase in the number of dairy ewes and the meat-breed. In 2017, A light growth is expected in the total number of goats, to nearly 238 thousand animals.

In 2017, country's total milk yield is expected to be around the level of the previous year - about 1,113.6 million liters. Cow's milk production is expected to be about 986 million liters, with a modest 0.3% less than 2016, as a result of the expected decrease in the number of dairy cows, albeit slight, at the expense of meat-breed cows.

A slight increase in sheep and goat milk yield is expected in 2017, to 78 thousand liters (+1.3% on an annual basis) and 40 thousand liters (+0.6%) respectively, due to the expected slight growth of dairy animals number combined with higher average milk yields.

In 2017, meat production is expected to amount to about 208 thousand tons, including 103,000 tons of red meat and 105 thousand tons of poultry meat. The total is slightly below the level of 2016, mainly due to the expected slight decrease in poultry meat yield as a result of the damage suffered from the avian influenza.

According to MAFF, Agro Statistics Department preliminary data, 44,562 tons of red meat and 56,101 tons of white meat were produced in country's slaughterhouses during in January-July 2017. The industrial production of red meat reported a growth of 7.5%, while the white meat reported a fall of 8.5% compared to the same period of the previous year.

Within the period, nearly 88% of the total red meat production were formed of pig meat, which marked an increase of 6.3% (to 36.7 thousand tons) over the seven months of 2016. Broiler chickens white meat yield formed 81% of the total quantity by its 45 thousand tons, marking a decrease of 2.2% compared to the same period of 2016 and the produced duck meat was 34% less, amounting to 8.3 thousand tons.

2.3.1. Cattle Breeding and Buffalo Breeding

In 2016, the process of production specialization in cattle breeding continued, which was mainly due to the transfer of dairy cows to meat-breed cows.

As of 01.11.2016, the total number of cattle in the country increased to 557,866 or by 1.4% compared to the previous year. The decline in dairy cows continued, and by 2015 they were 1.7% less, reaching 271,329 animals. Meanwhile, the number of meat-breed cows grew by 12.4% to 85,870, increasing its share to 24% of the total number of cows in the country.

In 2016, due to the slight decline in the number of dairy cows, cow's milk production decreased by 0.9% on an annual basis to 988,900 thousand liters.

In 2016, the South Central Region again had the highest share in total production of cow's milk - 25.4%, followed by Southeast Region - 20.9% and Northeast Region - 17.5%. The smallest share of produced milk produced fell on the Southwestern Region - 7.5%.

In 2016, the number of dairy farms decreased by 13.1% compared to the previous year and the number of animals kept in them - by 1.7%. By the end of the year, the average size of dairy farms increased to 9.5 animals (at 8.4 by the end of 2015) with about 73% of dairy cows being bred in farms with 20 or more animals.

Compared to 2015, the largest decrease was registered in holdings breeding between 3 and 9 dairy cows - by 16.1%, followed by farms with between 10 and 19 animals - by 14.8% and those with up to 2 animals - by 14.1%. Dairy cows bred in these farms decreased by about 13%.

The increasing trend continued for the number of farms with more than 50 animals and as well as for the dairy cows in them. In 2016, the number of farms with between 50 and 99 animals grew by 4.4% on an annual basis and the number of the cows in them by 4.7%. Significant growth was seen in the farms with 100 or more animals - by 17.1%, with 14% more dairy cows.

Table II.16. Distribution of Dairy Cows According to the Number of Animals Bred in a Farm as of 01.11.2016

Number of animals per farm	Farms		Dairy cows	
	thousand animals	Change 2016/2015		thousand animals
1 - 2	19,2	-14,1%	24,7	-12,7%
3 - 9	3,6	-16,1%	16,0	-12,6%
10 -19	2,4	-14,8%	32,7	-13,3%
20 -49	2,3	-5,9%	71,6	-6,9%
50 - 99	0,8	4,4%	53,7	4,7%
100 and more	0,4	17,1%	72,6	14,0%
Total	28,7	-13,1%	271,3	-1,8%

Source: MAFF, Agro Statistics Department

In 2016, the total number of cows increased by 1.3% over the previous year to 357.2 thousand. Over one-third of them (33.7%) were bred in the South Central Region.

The majority of meat-breed cows in the country (about 89%) were bred in Southern Bulgaria, as only in South Central region were concentrated 45.2% of them. .

Table II.17. Number of Cattle by Region

Regions	01.11.2015				01.11.2016			
	Cattle		Cows		Cattle		Cows	
	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share
Northwest	66,2	12,0%	41,4	11,7%	67,6	12,1%	43,1	12,1%
North Central	63,6	11,6%	37,7	10,7%	62,0	11,1%	38,3	10,7%
Northeast	72,9	13,2%	45,1	12,8%	76,1	13,6%	43,8	12,3%
Southeast	102,9	18,7%	65,7	18,6%	106,6	19,1%	68,3	19,1%
Southwest	67,6	12,3%	44,1	12,5%	66,1	11,9%	43,3	12,1%
South Central	177,0	32,2%	118,6	33,6%	179,5	32,2%	120,4	33,7%
Total for the country	550,2	100%	352,6	100%	557,9	100%	357,2	100%

Source: MAFF, Agro Statistics Department

At the end of 2016, buffalo farms remained at the level of the previous year, with the total number of buffaloes increasing by 13.9% to 12.3 thousand. The number of female buffaloes breeding farms also remained at the level of the previous year, with the number of female buffaloes growing by 11.7%. The number of farms with 20 and more female buffaloes increased by 16.8% and the number of animals bred in them - by 18%. In 2016, nearly 84% of female buffaloes were bred in these farms, having 79% in 2015.

Northwest, Southeast and South Central Regions remained leading in country's buffalo breeding.

The production of buffalo milk in 2016 amounted to 9,184 thousand liters, which was an around the same level of the previous year (+0.1%).

Table II.18. Number of Buffaloes by Regions

Regions	01.11.2015				01.11.2016			
	Total Buffaloes		Female buffaloes		Total Buffaloes		Female buffaloes	
	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share	Thousand animals	Share
Northwest	3,2	29,6%	2,0	29,4%	3,7	30,1%	2,2	28,9%
North Central	1,2	11,1%	0,7	10,3%	1,3	10,6%	0,7	9,2%
Northeast	1,0	9,3%	0,6	8,8%	1,1	8,9%	0,6	7,9%
Southeast	2,6	24,1%	1,7	25,0%	2,6	21,1%	1,8	23,7%
Southwest	0,9	8,3%	0,6	8,8%	1,1	9,0%	0,7	9,2%
South Central	1,9	17,6%	1,2	17,7%	2,5	20,3%	1,6	21,1%
Total for the country	10,8	100%	6,8	100%	12,3	100%	7,6	100%

Source: MAFF, Agro Statistics Department

Country's total cattle meat production increased in 2016 by 5.9% or to 17,463 tons carcass weight (about 17% of the total production of red meat for the year) compared to the previous year, with a significant growth of industrial production by 27.9%, while cattle-breeding farms yield decreased by 19.6%.

Table II.19. Production of Meat in 2015 and 2016 in Carcass Weight, in tons

Categories of animals	Industrial production			Meat in farms		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
Calf and young cattle	656	760	15,8%	9 868	7 620	-22,8%
Other cattle	4 707	6 100	29,6%	3 317	2 983	-10,1%
Total for the country	5 363	6 860	27,9%	13 185	10 603	-19,6%

Source: MAFF, Agro Statistics Department

In 2016, according EU EUROP scale, a total of 11,229 adult cattle aged more than eight months have been classified. This is by 26.6% more compared to 2015. The number of slaughterhouses, performing classification during the year was eight, i.e. there was one more.

D category cows had the largest share, 58.3%, followed by A, E, B and Z categories cattle, respectively 25.9%, 6.5%, 6.1% and 3.2%.

The main part of classified beef meat came from dairy cattle with low yield and underdeveloped conformation carcasses. Therefore, the cattle classified as conformation class P (low) - 73% and fatness class 2 (low) - 70% had the highest share.

The slaughterhouses performing grading had classified 36% of the total industrial production in the country for 2016.

2.3.2. Sheep Breeding and Goat Breeding

Sheep breeding sector has a long tradition in the country, favoured by appropriate natural and climatic conditions. It is widespread in plains as well as in mountainous and semi- mountainous areas, providing a livelihood for the majority of the population in rural areas.

As of 01.11.2016, the total number of sheep increased to 1,360.1 thousand or by 2.1% compared to the same period of the previous year. The total number of breeding ewes was 1.1% more, and the increase in meat yielding breeding ewes was by 11%, to 102.7 thousand. The number of milk yielding breeding ewes registered a minimum growth of 0.2% and amounted to 1,026 thousand. The number of other sheep (including lambs) increased by 16.3%, while the number of rams was 2.1% less than a year earlier.

The consolidation of sheep breeding holdings in the country continued. As of the end of 2016, the total number of farms raising sheep and ewes decreased by 14% compared to a year earlier. At the same time, the average size of sheep farms increased by 19.2%, to 42.1 animals per holding, and that of ewes — by 17.4%, to 35.2 animals per holding.

The sheep farming was concentrated mainly in the southern regions of the country. The largest number of sheep were farmed in the South Central Region (23.1% of the total), as their number remained relatively stable - by 0.5% less than the previous year. The Southeast and Southwest Regions followed with a share of 20.9%. The South-eastern Region maintained the level of the previous year, while in the Southwest there was an increase of 17%.

Leading among northern regions remained the Northeast, where about 14.7% of ewes in the country were bred.

As of 01.11.2016, the total number of goats in the country decreased by 14.2% on an annual basis to 237.5 thousand animals and the number of breeding goat females - by 9.3% to 199.4 thousand.

Table II.20. Number of Sheep per Region in 2015 and 2016

Regions	Total Sheep, thousands			Incl. ewes, thousands		
	01.11.2015	01.11.2016	Change 2016/2015	01.11.2015	01.11.2016	Change 2016/2015
Northwest	158,9	154,7	-2,6%	129,7	123,8	-4,5%
North Central	133,4	132,9	-0,4%	108,1	106,5	-1,5%
Northeast	215,6	202,9	-5,9%	179,9	165,7	-7,9%
Southeast	273,8	292,4	6,8%	235,9	236,1	0,1%
Southwest	249	261,3	4,9%	201,8	236,3	17,1%
South Central	301,2	315,9	4,9%	261,6	260,4	-0,5%
Total for the country	1 331,9	1 360,1	2,1%	1 117	1 128,8	1,1%

Source: MAFF, Agro Statistics Department

At the end of 2016, goat breeding farms decreased by 23.9% compared to the previous year to 18.8 thousand animals, while those with breeding goat females - by 23.6%, to 18.5 thousand animals. In comparison to 2015, the total average size of goat herds increased from 11.2 to 12.6 animals, and the size of farms having breeding goat females - from 9.1 to 10.8 animals.

In 2016, only farms raising 100 and more goats were growing - by 1.9%, with the number of animals increasing by 7.1% compared to 2015. There was a reduction in farms with between 50 and 99 goats - by 8.2%, as well as in the number of goats bred in them - by 1.5%. The number of small farms with between 1-9 and 10-19 animals decreased by 26.1% and 15.7%, respectively, compared to the previous year. However, still about 1/3 of inseminated goats were bred in small farms.

Table II.21. Number of Goats per Region in 2015 and 2016

Regions	Total goats, in thousands			Including breeding female goats, in thousands		
	01.11.2015	01.11.2016	Change 2016/2015	01.11.2015	01.11.2016	Change 2016/2015
Northwest	62,5	53,2	-14,9%	46,5	42,8	-8,0%
North Central	27,4	25,9	-5,5%	21,6	20,2	-6,5%
Northeast	32	28,3	-11,6%	28,3	24,8	-12,4%
Southeast	42,7	42,9	0,5%	36,2	36,6	1,1%
Southwest	77,2	49,3	-36,1%	58,2	42,3	-27,3%
South Central	35,1	37,9	8,0%	29,1	32,7	12,4%
Total for the country	276,9	237,5	-14,2%	219,9	199,4	-9,3%

Source: MAFF, Agro Statistics Department

In 2016, leading among goat farming regions were the North-western and Southwest, with 22.4% and 20.7% of country's total goats and 21.5% and 21.2% of female goats respectively. The third largest was the Southeast Region, where 18.1% of total goats and 18.4% of female goats were bred.

In most areas, there was a decrease in goats' number, the highest being in the Southwest (by 36.1% for total goats and 27.3% for female goats). The South Central Region where there was a relative retention of goats

total number (+0.5%) and the Southeast Region, where an increase of 8% was recorded, were exceptions.

In 2016, total ovine and caprine milk production increased by 4.8% on an annual basis, to 116,762 liters, as a result of higher milk production. The yields were 76,986 thousand liters of sheep's and 39,776 thousand liters of goat's milk, accordingly by 7.2% and 0.4% more than the previous year.

Traditionally, the yield of sheep's milk is concentrated in the southern regions, where the yield is about 50% of the feedstock. The largest yield of total goat milk volume during the year was in the Northwest and Northeast Regions where 11,594 thousand liters and 6,699 thousand liters were produced respectively.

Table II.22. Classified Carcasses up to 13 kg - Lightweight 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
2015 - animals	0	0	395	220	1 419	151
2016 - animals	0	0	732	358	1 338	285

Source: MAFF, Animal Breeding Directorate

Total ovine and caprine meat production in 2016 was 0.9% above the level of the previous year and amounted to 11,784 tons carcass weight, having a share of about 11.5% of the total production of red meat in the country. The total sheep meat produced was 9,834 tons - 0.7% less than in 2015, while the total yield of goat meat increased by 10.1% to 1,950 tons.

In 2016, the classification of lightweight and heavy sheep (lambs) carcasses was applied in two slaughterhouses. A total of 2,989 of heavy and lightweight sheep (lambs) carcasses were classified, which is by 17.7% more than in 2015. Nearly 91% of them were lightweight (up to 13 kg), and 76.3% of them were classified as first-class meat.

Lightweight carcasses weighing between 10.1 kg to 13 kg C Category had the largest share - 59.8%. Followed by those weighing between 7.1 kg to 10 kg B Category, 40.2%. In 2016, like in the previous year, there were no lambs classified as A category.

Table II.23. Classified Carcasses over 13 kg - Heavy Lambs by Conformation

Conformation class	S High	E Excellent	U Very good	R Good	O Satisfactory	P Poor	Conformation class
2015	0	0	0	0	345	0	345
2016	0	0	0	0	276	0	276

Source: MAFF, Animal Breeding Directorate

In 2016, classified sheep carcasses under 12 months and over 13 kg were 276 - by 20% less than the previous year.

Table II.24. Classified Carcasses over 13 kg - Heavy Lambs by Fat Cover

Class by fat cover degree	1 Low	2 Poor	3 Satisfactory	4 High	5 Very High	Total number
2015	0	211	134	0	0	345
2016	0	189	87	0	0	276

Source: MAFF, Animal Breeding Directorate

In 2016, all classified heavy lambs had a conformation class O (Satisfactory), and classified with fat cover degree 2 (Poor) had the biggest share, 68%.

For 2017, it is expected that the number of classified sheep will keep the level of 2016, and the number of slaughterhouses making the classification will not change.

2.3.3. Pig Breeding

Country's pig breeding sector is well structured and specialized, which is a prerequisite for sustainable and stable development. The trend of country's pigs concentration in a small number (24.1%) of consolidated holdings continued in 2016 contributing to the greater production efficiency.

At the end of the year there were 616.4 thousand pigs bred in the country which is by 2.7% more compared to a year earlier.

A significant decrease was registered in small farms with 1-9 animals - by 24.5% in terms of a holdings number and by 18.9% in the number of pigs bred therein in an annual basis. These farms produced mainly meat for their own consumption and were most severely affected by the gradual deterioration of rural areas population age structure.

Compared to the previous year, in 2016, the number of holdings with 1,000 and more pigs decreased by 3.7%, while the number of animals bred therein increased by 4,2%.

Thus, at the end of 2016, the average size of pig farms grew by 35.4% to 56 animals (at 41.4 animals in 2015), as about 92% of all pigs in the country were bred in holdings with 1,000 and more animals (at 90% in 2015).

In 2016, pig production was still concentrated mainly in three regions of the country - North Central, Northeast and Southeast (where 88.1% of the total number of pigs were bred), on the other hand the total number of animals raised therein grew between 1.1% and 8.4% on an annual basis. The total number of pigs grew in the Northwest region - by 1.5%. In the other two planning regions a decrease was recorded - more significant in the Southwest (by 28.6%) and more moderate in the South Central Region (by 8.9%).

Table II.25. Number of Pigs per Region in 2015 and 2016

Region	Total pigs, in thousands			Total Sows, in thousands		
	01.11.2015	01.11.2016	Change 2016/2015	01.11.2015	01.11.2016	Change 2016/2015
Northwest	26,0	26,3	1,2%	2,0	2,7	35,0%
North Central	182,3	190,9	4,7%	12,5	13	4,0%
Northeast	179,4	181,3	1,1%	14,0	12,6	-10,0%
Southeast	157,8	171,1	8,4%	12,0	12,2	1,7%
Southwest	15,4	11,1	-27,9%	0,9	1	11,1%
South Central	39,2	35,7	-8,9%	5,5	5,7	3,6%
Total for the country	600,1	616,4	2,7%	46,9	47,2	0,6%

Source: MAFF, Agro Statistics Department

As of 01.11.2016, the total number of farms breeding sows decreased by 14.6% compared to the previous year, while the number of animals bred therein rose by 11%. Compared to 2015, there was a decrease in the number of almost all categories of holdings. The most significant decline was observed in the number of small farms with 3 to 9 animals - by 18.5%, and the number of pigs therein - by 21.1%. Only holdings breeding from 50 to 199 sows have increased by 15% compared to the previous year.

The number of sows in large farms (with 200 or more sows) grew by 13.2% on an annual basis, to 55.8 thousand animals (representing nearly 86.5% of the total number of sows in the country).

Table II.26. Distribution of Breeding Sows over 50 kg According to the Number of Animals bred by a Holding as of 01.11.2016

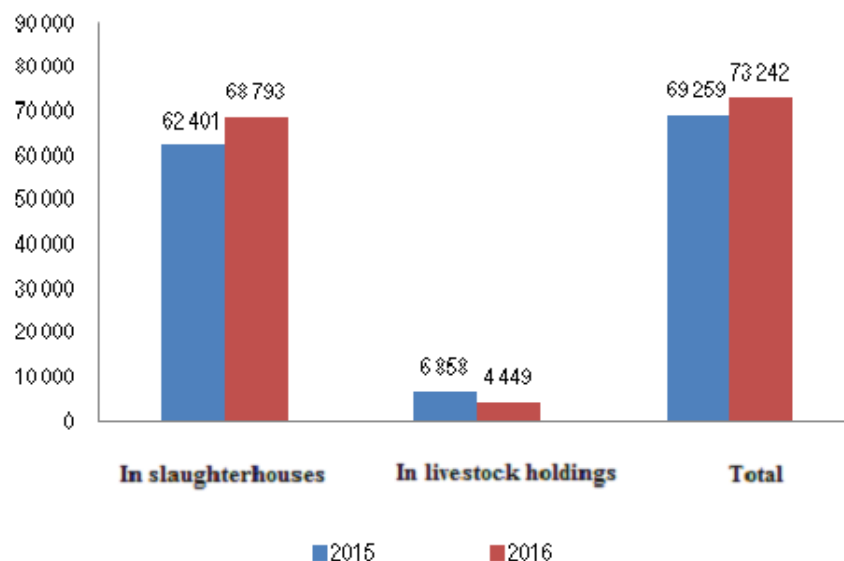
Number of animals per holding	Farms		Breeding sows over 50 kg	
	Number	Change 2016/2015	Thousand	Change 2016/2015
1-2	746	- 15,1%	0,9	-18,2%
3-9	361	-18,5%	1,5	- 21,1%
10-49	84	-5,6%	1,6	-11,1%
50-199	46	15,0%	4,7	17,5%
200 and more	36	-7,7%	55,8	13,2%
Total	1 273	-14,6%	64,5	11,0%

Source: MAFF, Agro Statistics Department

Sector's stable development is driven by the financial assistance provided under the scheme of State aid for the implementation of voluntarily undertaken five-year commitments for humane treatment of pigs, launched in 2012, which continued in 2016. The subsidies are granted annually and cover additional costs or opportunity costs associated with these commitments.

In 2016, pork meat production was 73,242 tons, which was slightly over 71% of country's total red meat production. Total harvested pork was by 5.8% more on an annual basis, due to an increase slaughterhouses production by 10.2%, to 68,793 tons, while holdings' yield decreased significantly - by 35.1%, to 4,449 tons.

Figure II.4. Production of Pork Meat in 2015 and 2016, in tonnes



Source: MAFF, Agro Statistics Department

In 2016, under (S)EUROP scale of pig carcasses classification, a total of 84,334 of animals were classified, which is by 4.2% more compared to 2015. The number of slaughterhouses, performing classification during the year, remained unchanged - two.

Over 82% of the pigs classified in 2016 were of E Class, with lean meat content of 55 to 60% by carcass' weight.

Slaughterhouses performing classification during the year classified 66% of slaughtered pigs that had

been processed by steaming (or 8% of the total industrial production in the country), since this regression equation is used only for classification of steamed pigs.

Table II.27. Classified Pig Carcasses According to Lean Meat Content

Year	S 60% and more	E 55 to 60%	U 50 to 55%	R 45 to 50 %	O 40 to 45%	P 40% less	Total (Number)
2015	1 630	64 821	14 345	141	11	1	80 949
2016	383	69511	14373	62	2	0	84334

Source: MAFF, Animal Breeding Directorate

For 2017, the number of classified pigs is expected to be around or below the level of 2016 as no new regression equation for the classification of skinned pigs has been prepared.

2.3.4. Horse Breeding

At the end of 2016, the number of equine animals in the country was about 115.7 thousand - 1.5% more than the previous year.

Table II.28. Number of Equines in 2014-2016

	2014	2015	2016	Change 2016/2015
Number of equines	112 742	114 000	115 729	1,5%

Source: BFSA

In 2014, in order to preserve equine animals, in particular horses, the first support to the sector was provided through de minimis state aid. This aid has had a favourable effect on sector's development, resulting in an increase in the number of horses in the country in 2014-2016. This contributed to the continuation of existing centuries-old cultural and historical traditions and strengthened country's position among the other EU Member States regarding this sector.

In 2016, the work on genetic resources preservation and development in horse breeding continued.

2.3.5. Poultry Raising

Poultry breeding is one of the most intensive livestock sectors, in which the process of mechanization and automation is widely spread and provides highly efficient industrial production.

By the end of 2016, the total number of birds has decreased to 13,700 thousand which means by 12.2% compared to the previous year, including 12,448 thousand hens and chickens, 32 thousand turkeys, 1,145 thousand waterfowls and 75 thousand other birds. The reported decline resulted of a decrease in the number of chickens for meat by 27.3% and of the ducks - by 8.2%. On the other hand, the number of turkeys increased by 14.3%, the number of geese - by 6.3%, and that of hens and young laying hens - by 2.6%.

The category of other birds (quails, ostriches and guinea fowls) also increased on an annual basis by 8.7%, but these species are only 0.5% of the total number of birds in the country and do not have significant economic importance.

In late 2012, the scheme was launched of State aid for the implementation of voluntary commitments for the welfare of birds (both for fattening and for laying stock) for a period of five years resulting to be a factor for sector's positive development. In 2016, scheme's implementation continued, the support was provided to both large, highly modernized poultry farms and smaller farms, producing of eggs, poultry meat and fattened liver.

At the end of 2016, farms breeding laying stock, hens and pullets, decreased by 10.5% on an annual basis, to 80,399 animals, while the number of birds bred in them grew by 2.5%. The decline in farms is

connected mainly with the contraction of small farms breeding up to 99 hens and pullets, which is 10.7% less than the end of the previous year, and a smaller decrease of those with a capacity of between 10,000 and 99,999 birds - by 3.8%.

Compared to the previous year, by the end of 2016, a significant increase was registered in farms with between 100 and 9,999 birds - by 62.7% and of those with 100 thousand or more birds - by 26.7%, as in the latter over 59% of laying hens and pullets in the country were bred.

In 2016, farms raising chickens for meat increased more than twice compared to the previous year, as the number of birds thereto decreased by 27.3%. By the end of the year, the increase in small farms (1-199 birds) was nearly three times, as it was lower in those with between 200 and 9,999 and between 10,000 and 99,999, respectively, by 13.6% and 10.6%.

A reduction was recorded only in large poultry farms with 100 thousand or more birds, which was 52.2% less compared to the end of 2015. There was also a decrease in the number of birds in these farms by 42%, having a share of 53% of the total number of chickens for meat in the country.

Table II.29. Number of Poultry at the End of the Year, in thousands

Bird species	2014	2015	2016	Change 2016/2015
Hens and growing egg-laying hens	6 815	6 980	7 158	2,6%
Chickens for meat	6 155	7 278	5 290	-27,3%
Turkeys	45	28	32	14,3%
Ducks	1 517	1 229	1 128	-8,2%
Geese	21	16	17	6,3%
Other poultry	56	69	75	8,7%
Total	14 609	15 600	13 700	-12,2%

Source: MAFF, Agro Statistics Department

Table II.30. Number of Birds by Types and Regions in 2016, in thousands

Region	Egg-laying hens and hatchlings	Chickens for meat	Hens and chickens total	Turkeys	Ducks	Geese	Other poultry	Total number of birds	Change 2016/2015
Northwest	750	388	1 138	9	5	3	6	1 161	-28,5%
North Central	1 662	2 926	4 588	6	3	1	1	4 599	5,2%
Northeast	1 480	1 295	2 775	4	97	11	2	2 889	-37,3%
Southeast	1 171	178	1 349	6	253	0	11	1 619	-1,0%
Southwest	c	c	1 016	4	2	0	53	1 075	8,9%
South Central	c	c	1 582	3	768	2	2	2 357	-0,7%
Total for the country	7 158	5 290	12 448	32	1 128	17	75	13 700	-12,2%

Source: MAFF, Agro Statistics Department, c — confidential data

At the end of 2016, about 68% of the total number of hens and chickens were bred in Northern Bulgaria, 37% of them in the North Central Region, 22% in Northeast and 9% - in Northwest Region. Most turkeys were bred in the Northwest Region - 28% of the total. Nearly 90.5% of the ducks were bred in two areas - South

Central 68.1% and Southeast Region 22.4%.

In 2016, total eggs production increased by 3.5% compared to the previous year, reaching 1,331,273 thousand pieces, incl. 1,316,872 thousand hens' and 14,401 thousand other birds'; 1,093,795 thousand out of the total number of hens' eggs were for consumption and 223,077 thousand for hatching, respectively by 1.3% and 14.8% more than the previous year.

in 2016, Northeast, North Central and South Central Regions were leading in egg production (forming each around 21% - 25% of the total production). The least eggs were produced in the Southwest Region - 6%.

Table II.31. Egg Production in 2016 by Planning Regions, in thousand pieces

Region	Hens' eggs	Other eggs	Total eggs	Change 2016/2015
Northwest	116 765	564	117 329	-10,3%
North Central	318 514	508	319 022	5,5%
Northeast	321 551	514	322 065	-0,2%
Southeast	207 975	3952	211 927	14,5%
Southwest	71 195	5 927	77 122	-1,5%
South Central	280 872	2 936	283 808	6,5%
Total for the country	1 316 872	14 401	1 331 273	3,5%

Source: MAFF, Agro Statistics Department

Table II.32. Production of Poultry Meat within 2015 – 2016 Period

Production	Slaughtered poultry (in thousand)			Total meat and by-products (in tonnes)		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
In slaughterhouses	53 913	55 058	2,1%	101 252	106 852	5,5%
In holdings	1 921	1 301	-32,3%	4 402	2 788	-36,7%
Total	55 834	56 359	0,9%	105 654	109 640	3,8%

Source: MAFF, Agro Statistics Department

In 2016, total poultry meat and by-products production increased by 3.8% on an annual basis, reaching 109,640 tonnes. Poultry meat and by-products production in slaughterhouses increased by 5.5% on an annual basis to 106,852 tonnes of carcass weight (58% of the total industrial meat production in the country during the year), while the yield on farms decreased by 36.7%, up to 2,788 tonnes.

2.3.6. Apiculture

Bulgaria has a long-lasting tradition in honey and bee products production with Balkan Peninsula varied and melliferous flora being a prerequisite for that creating excellent conditions for apiculture. The appropriate natural, climate and ecological conditions also have beneficial influence and contribute to the gradual increase of these products yield through the years.

Apiculture represents alternative employment for the population of underdeveloped rural regions providing additional income.

Table II.33. Number of Bee Holdings and Bee Families as of October 1

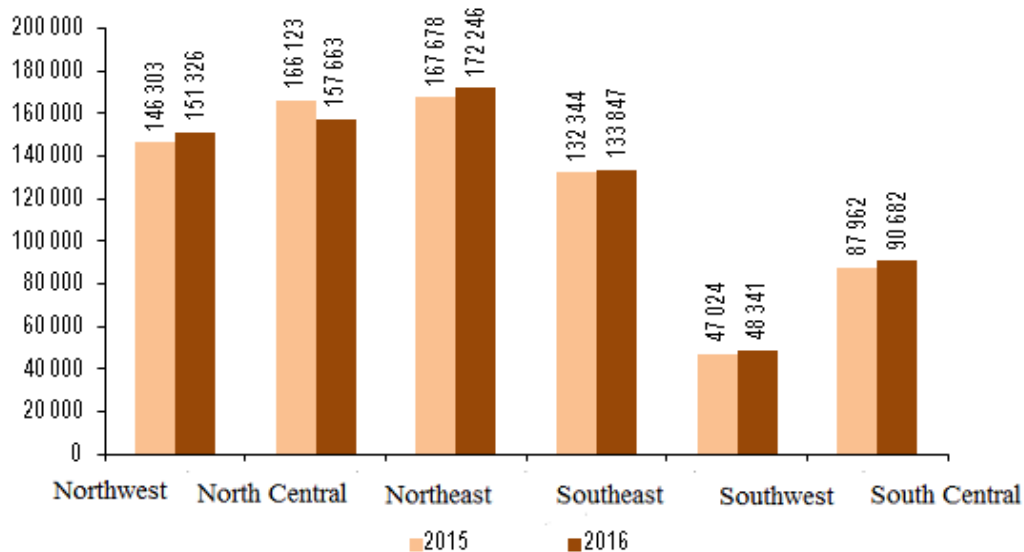
Number of bee families by holding	Number of holdings			Number of bee families			Average number of bee families		
	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015	2015	2016	Change 2016/2015
From 1 to 9	5 229	3 858	-26,2%	21 182	17 353	-18,1%	4,1	4,5	9,8%
From 10 to 49	7 487	6 196	-17,2%	162 872	139 601	-14,3%	21,8	22,5	3,2%
From 50 to 149	4 282	4 172	-2,6%	339 625	341 681	0,6%	79,3	81,9	3,3%
150 and more	971	1 080	11,2%	223 754	255 470	14,2%	230,4	236,5	2,6%
Total	17 969	15 306	-14,8%	747 434	754 105	0,9%	41,6	49,3	18,5%

Source: MAFF, Agro Statistics Department

National Apiculture Program applied since 2008 influences positively sector's development and its concentration. The Program was developed with the large-scale participation of beekeeping industry organizations.

As of October 1, 2016, there was a decrease in the number of bee holdings in the country by 14.8% compared to a year earlier. At the same time, the number of bee colonies increased by 0.9% to 754,105. As a result, the average number of bee colonies per farm reached 49.3, compared to 41.6 in 2015. Compared with the previous year, an increase was observed only on holdings with 150 and more bee families - by 11.2%, as the bee families raised therein were growing by 14.2%. For the other categories of beekeeping, a decrease of between 2.6% and 26.2% was recorded, most notably in farms with 1 to 9 bee colonies.

Figure II.5. Number of Bee Colonies by Regions in 2015 and 2016



Source: MAFF, Agro Statistics Department

The apiculture is widespread in North and Southeast Bulgaria. In 2016, about 72% of apiaries and over 82% of bee colonies were located there. The largest number of colonies was bred in the Northeast Region (22.8% of colonies' total number) and in the North Central Region (20.9%), followed by the Northwest (20.1%) and Southeast (17.7%) Regions.

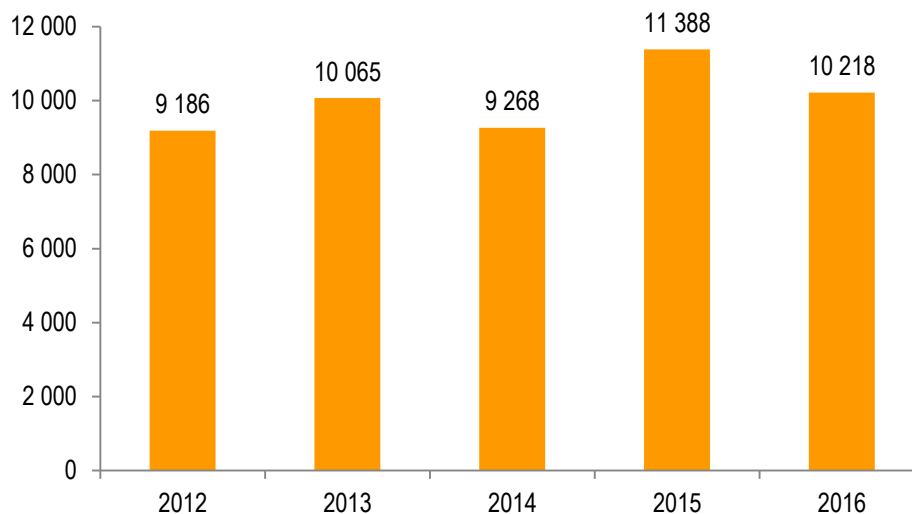
In Southwest and South Central Bulgaria, where 28% of farms were breeding 18% of bee colonies, the beekeeping was less practised.

In 2016, compared to the previous year, the number of honey-producing bee colonies increased by 3% to 610,631. The average annual yield per bee colony declined by 13% on an annual basis to 16.7 kg due to adverse climatic conditions. Therefore, honey production was 10.3% less and amounted to 10,218 tonnes.

In 2016, honey sales and average sales prices (excluding VAT) were as follows:

- direct sales to end consumers – 1,736 tonnes - 6.76 BGN / kg;
- direct sales to retailers – 535 tonnes - 5.47 BGN / kg;
- sales to processing plants – 3,759 tonnes - 4.61 BGN / kg;
- sales to the industry – 623 tonnes - 4.62 BGN / kg;
- for own consumption and bees' feeding – 1,899 tonnes.

Figure II.6. Bee Honey Production in 2012 -2016, tonnes



Source: MAFF, Agro Statistics Department

Due to lower honey production in 2016, total quantity of honey sold decreased by about 4% on an annual basis, to 8,552 tonnes. Direct sales to the industry increased most significantly - more than three times, followed by direct sales to retailers - by 63%. Direct sales to end users increased less - by 1%. A decrease by 17% and 11% respectively was reported in the sales to the industry and own consumption and bees' feeding quantities.

Under MAFF Agro Statistics Department data, in 2016, total number of colonies destroyed due to diseases, poisoning, starvation and other reasons was 37,628, or by 16.2% less than the previous year.

Varroaosis is a common disease for both Western European countries and Bulgaria. Its invasion affects honey yields significantly, and treatment measures against it – bee honey's quality. In 2016, 747,676 bee colonies (or 99% of the total) have been treated at an average price of 5.2 BGN per treatment which means that the expense was by 7.1% less than the previous year.

During the year, 632,928 bee colonies received winter feeding, 679,089 bee colonies received spring feeding and 633,180 bee colonies received autumn feeding.

In 2016, farms practising mobile apiculture increased to 639 units, or by 32% compared to the previous year, while bee colonies therein decreased by 17.8% to 44,165 colonies.

Within Third Triennial National Apiculture Program, applicable for 2014 - 2016, there was a budget amounting of 4,436,974 BGN for 2016. The beekeepers have been paid around 3.6 million BGN out of it, or 81% utilization rate of the funds.

In general, despite achieved results the sector continued needing implementation of new technologies, better bee colonies health control, and stimulation measures for apiary products marketing.

2.3.7. Rabbit Breeding

According to the Food Safety Agency, at the end of 2016, total number of registered rabbits in the country decreased by 30% compared to the previous year, to about 36.4 thousand.

Despite good natural climatic conditions and traditions in rabbits breeding, its development was poorly represented in the country due to a number of difficulties, such as:

- Rabbit breeders' insufficient vocational training;
- Obsolete equipment;
- High production expenses, which often exceed purchase prices;
- Absence of stable strategic export markets and partners;
- Rabbit meat export's strong dependence on foreign markets' developments;
- Lack of direct subsidies for rabbit farmers;
- Insufficiently developed scientific potential for the sector;
- Insufficient marketing and management on the Bulgarian market.

2.4. Organic Farming Status in Bulgaria in 2016

In recent years, organic production in the country is developing rapidly with a tendency to increase both the number of operators and the areas and number of animals involved in the control system.

Bulgaria has good prerequisites for organic production development: well preserved areas from ecological point of view. Sector's development is being stimulated by support opportunities for organic producers under Rural Development Programs and MAFF efforts together with sector's businesses and non-governmental organizations to promote the benefits to producers and users of these products and foods.

The increasing number of producers, processors and merchants joining organic production control and certification system shows that more and more people realize this type of production benefits. More and more farmers turn to organic farming, and more consumers seek healthy production unpolluted by artificial fertilizers and other chemical ingredients. The motivation of both producers and consumers comes as a consequence of land's ecological balance and their own health cares.

Information regarding organic production's 2016 status in Bulgaria is based on organic farming control entities annual reports data. Organic farming control entities officially approved by the Minister of Agriculture and Food are Balkan Biocert Ltd, Q Certification PLC, CEREC – Certification of Ecological Standards Ltd, Lakon — Private Institute for Quality and Organically Produced Food Products Certification Ltd, Kiva BTSS Eco-Garanti Ltd, Control Union Certifications Company, SGS Bulgaria Ltd, Ecogruppo Italy Ltd - Branch Ecogruppo Italy – Bulgaria Branch, Bioagricert Italy Bulgaria Ltd, Austria Bio Garantie GmbH via AUSTRIA BIO GARANTIE

BRANCH BULGARIA Foreign Trader Branch, Bulgarkontrola PLC and Organic Certifying Agency Ltd, Institute for Organic Products Control Joint-Stock Company with BIO HELLAS Company - via Institute for Organic Products Control Joint-Stock Company with BIO HELLAS Commercial enterprise, Cosmoscert Certification Services PLC, Greece, via Cosmoscert Certification Services Branch, MACOM CERTIFICATION Ltd, AGRO ORGANIC CONTROL Ltd.

2.4.1. Control System Operators

Organic farming control system gathers information within a calendar year.

Table II.34. Control System Operators (Including Subcontractors)

	2015	2016
Number of operators in the control system	6 173	7 262

Source: MAFF, according to organic production control entities' annual reports data

At the end of 2016, the total number of organic operators registered in the Ministry of Agriculture and Food was 7,262 - by 1,089 more than in the previous year. In this number, 6,961 are producers, 3 aquaculture producers, 177 organic production processors and 121 traders (importers, exporters, wholesalers and retailers). The number of subcontractors was 1,068, compared to 1,145 in 2015.

In 2016, the number of organic production control system operators was 7.4% of the total number of registered farmers under the Ordinance No.3 of 1999 on Register of Farmers Creation and maintenance. For comparison, in the previous year, this share was 6.4%.

2.4.2. Lands within Control System. Groups of Crops Cultivated Organically

During reported period, organic production in Bulgaria showed an increase of areas where organic production methods (including transition areas and organic areas) were applied, as well as certified ecologically clean areas where wild growing crops like mushrooms, herbs and berries were harvested.

Table II.35. Areas within Control System

Types of crops (ha)	2015	2016
Grain and cereals, including rice	22 191	30 940
Leguminous, protein crops for the production of grain	1 257	523
Root crops	103	92
Industrial crops – total	20 873	30 512
Green cultures / Feed crops from arable land	8 330	14 911
Fresh vegetables, melons, strawberries, mushrooms (greenhouse and field production)	1 866	3 678
Permanent plantations	25 946	34 874
Permanent pastures and meadows	31 796	38 736
Fallow land	6 209	8 075
Other crops by cultivated areas	16	11
Total areas within control system	118 571	162 352
* Wild growing crops	901 617	307 995

**Source: MAFF, according to organic production control entities' annual reports data*

**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 in Total Areas within Control System.*

In 2016, areas within control system occupied a 3.2% share of total utilized agricultural area in the country and 3.0% of the total area declared by the SAPS, at respectively 2.4% and 1.9% in 2015.

At the end of 2016, 36,149.67 ha or 22.3% of the total area within control system have passed transition period for the year.

Table II.36. Areas with Organically Raised Agricultural Crops and Transition Areas, in ha

Type of crops	Areas in transition period		Areas, which have undergone transition period		Total areas	
	2015	2016	2015	2016	2015	2016
Grain and cereals, including rice	18 540	22 102	3 650	8 837	22 191	30 940
Industrial crops	15 881	24 332	4 992	6 179	20 873	30 512
Fresh vegetables, melons, strawberries, cultivated mushrooms (total)	976	2 524	890	1 153	1 866	3 678
Permanent plantations	19 811	21 802	6 135	11 372	25 946	33 174
Permanent pastures and meadows	28 361	32 909	3 435	5 826	31 796	38 736
Forage crops from arable lands (green crops)	7 166	13 170	1 164	1 740	8 330	14 911
Fallow land	5 233	7 120	976	954	6 209	8 074

Source: MAFF, according to organic production control entities' annual reports data

In 2016, areas with grain and cereals cultivated organically were 30,940 ha, by 39% more compared to the previous year. Main cultivated crop were mainly wheat, corn, barley and oats.

Table II.37. Harvested Organic Areas in 2016, ha

Type of crops	Areas that underwent transition period	Harvested areas
Grain and cereals, including rice	8 837	2 838
Industrial crops	6 179	5 184
Fresh vegetables, melons, strawberries, cultivated mushrooms (total)	1 153	1 086
Permanent plantations	11 372	7 409
Permanent pastures and meadows	5 826	3 601
Forage crops from arable lands (green crops)	1 740	1 621

Source: MAFF, according to organic production control entities' annual reports data

Areas planted with plants used for perfume extraction, medicinal plants and herbs increased significantly reaching 18,089 ha, compared to 11,456 ha in 2015. Areas planted with lavender amounted to 4,499 ha which was the largest share in this group of crops, followed by those with coriander - 4,492 ha and fennel - 3,627 ha.

Areas planted with fresh vegetables group including artichokes, onions, carrots, lettuce, cauliflower and broccoli, watermelons, melons, strawberries and cultivated mushrooms also showed an increase by nearly 50% compared to 2015. The largest share of that crop group falls on pumpkins - 1,418 ha and artichoke - 741 ha.

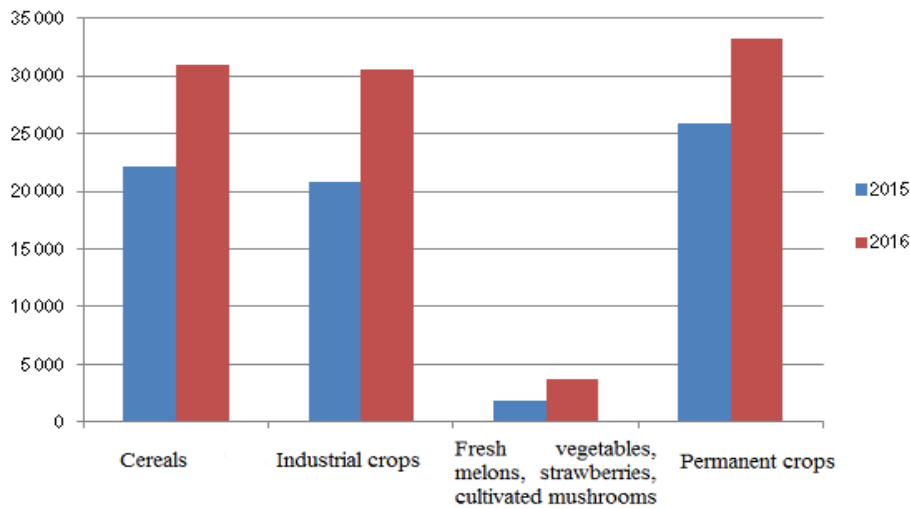
Areas under permanent grassland had almost 22% increase on an annual basis. At the end of 2016, these areas were already 38,736 ha. Arable areas with fodder (Green cultures) were 6,581 ha more than the ones in 2015. This was due to the increased operators' interest in organic farming.

In 2016, the areas under permanent organic crops amounted to 33,174 ha, which is 7,228 ha more than the previous year. The growth is mainly due to increase in areas with drupaceous fruit, pomiferous fruit, nuts and vineyards.

The interest to the group of nuts: walnuts, hazelnuts, almonds and chestnuts continued increasing. In 2016, areas covered by this group of plants reached 18,484 ha, compared to 15,366 ha in 2015.

The interest in organic vineyards cultivation continued increasing: in 2015 there were 4,199 ha of organic vineyards, and at the end of 2016 they reached 5,390 ha. Compared to the previous year, an increase was observed in areas of both wine and table grape varieties (from 4,013 ha to 5,390 ha and from 186 ha to 247 ha respectively)

Graph II.7. Areas with Main Groups of Crops Cultivated Organically in 2015 and 2016, in ha.



Source: MAFF, according to organic production control entities' annual reports data

In 2016, areas with organically cultivated crops of leguminous (protein) crops group for grain production (including seeds and mixtures of cereals and legumes) shrank to 523 ha or by 58% on an annual basis. Areas with root and bulb vegetables (potatoes and beets) showed a slight decrease - from 103 ha in 2015 to 92 ha in 2016.

Organically cultivated non-traditional crops, such as artichoke - 741 ha and kiwi - 6.7 ha though occupying small areas, indicated organic producer's efforts to meet market demands and diversify their production.

In 2016, certified ecologically clean areas where wild fruit, herbs and mushrooms were gathered were 307,995 ha, which is three times less than in the previous year.

2.4.3. Organic Livestock Breeding

In Bulgaria, organic livestock sector remains less developed than organic plant production, although in recent years there is an upward trend in organically bred animals. In 2016, the interest in the sector continued to

grow, due to organic farming support possibilities within new programming period framework. Mainly cattle, sheep, goats and bees are bred organically in the country.

Table II.38. Farm Animals within Control System (including animals in transition period)

	Number of organically bred animals		Total number of animals bred in 2016	Organically bred animals share out of the total number of animals in 2016
	2015	2016		
Cattle	4 209	9 718	557 900	1,7%
Sheep	18 792	26 809	1 360 100	2,0%
Goats	5 381	8 242	237 500	3,5%
Bee families	178 331	236 462	754 105	31,4%

Source: MAFF, according to organic production control entities' annual reports data

In 2016, the number of organically bred cattle grew more than twice (up to 9,718 animals) compared to the previous year, which is 1.7% of the total cattle bred in the country.

The number of organically bred sheep and goats also marked a significant increase compared to 2015, by 43%, to 26,809 (2% of the total number of sheep in the country) and by 53% to 8,242 (3.5% of the total number of goats).

In 2016, organically bred bee colonies reached 236,462 - 33% more on an annual basis, or 31.4% of the total number of bee colonies in the country.

Table II.39. Number of Organic Livestock that Has Undergone Transition Period and Obtained Organic Production by the End of 2015 and 2016

	2015	2016
Cattle	1 243	2 195
Sheep	10 681	7 897
Goats	3 173	3 669
Bee families	93 118	140 905

Source: MAFF, according to organic production control entities' annual reports data

In 2016, according to control entities' data, organic livestock production (passed the transition) was as follows: raw cow's milk - 967,141 tonnes, raw sheep's milk - 267,519 tonnes, raw goat's milk - 664,926 tonnes.

In 2016, organic apiculture produced 1,490 tonnes of honey, which is 64 tons less than the previous year and is almost 15% of the total honey produced in the country during the year (10,218 tonnes).

In 2016, the farmers' desire to introduce species diversity to organically bred animals continued. During the year, 3,726 turkeys, 200 geese, 307 equines (horses) and 120 other animals were bred within control system.

In 2016, 1,400 tonnes of mussels were produced, as a product that had passed the transition period and coming from the two aquiculture farms included into control system for the first time in 2015.

2.4.4. Organic Products Market

The organic market in Bulgaria is relatively new and still small, yet rapidly growing. Over the past few years there was a boom of country's organic products market. The number of specialized shops as well as the number of large retail chains included into organic food distribution increased.

Most of Bulgarian organic food and products are destined for foreign markets. Bulgaria is a traditional producer of various types of certified organic honey with excellent quality indicators, being exported to the world market.

Bulgarian organic fresh fruit and vegetables, milk and dairy products, jams, chutneys, dried fruit and nuts have excellent taste qualities and are highly valued in the European and world markets.

According to Bulgarian Food Safety Agency, competent authority responsible for the import of organic products from third countries, during 2016, in Bulgaria, there were 126 imports made of such products. Our country has imported mainly exotic products, which are not produced in the country and raw materials used in organic food manufacturing, such as cocoa, cocoa butter, different kinds of quinoa seeds, dates and dates paste, coconut oil, coconut flour, etc. Among non-EU countries, organic products are imported mainly from Peru, China, Tunisia, India, Sri Lanka, etc.

Ministry of Agriculture, Food and Forestry creates control and certification system functioning legal framework making Bulgarian bioproducts legitimate in the European Union. Moreover, Ministry promotes sector's development through information and awareness activities on organic farming benefits and advantages. These efforts are aimed to stimulate Bulgarian producers to work for Bulgarian market with bigger part of manufactured high quality products reaching Bulgarian consumers.

2.4.5. Organic Farming Financial Support

Common Agricultural Policy reforms for 2014 – 2020 program period provide for 30% direct payments for the so-called Green Direct Payments. Organic producers shall receive unconditionally Green Direct Payments for the areas within control system. Agriculture development in the European Union after 2014 and its funding is increasingly related to ecology and sustainable use of natural resources.

Under the Regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development for the period 2014-2020, Bulgaria has developed a separate measure: 11 “Organic Farming” within the new programming period of the Rural Development Programme 2014 — 2020. Two sub-measures shall be implemented under this measure:

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

The measure is expected to have a positive effect and a contribution to the sustainable development of rural areas, by contributing to the environment and mitigation of the consequences of climate change and support of small and medium farms, most of which are family farms.

By the end of 2017, preservation of upwards trends is expected in the number of organic operators and in the size of areas within control system, as well as the increase of species variety of organically cultivated crops and organically bred agricultural animals. The Ministry of Agriculture, Food and Forestry will continue working to guarantee state policy performance regarding organic farming control and supervision, compliance with the requirements of European and National laws in the field, and opportunities to support Biological producers in 2014 — 2020, as well as popularization of the benefits of organically produced food and products for human health, and the organic method as protecting environment and preserving natural resources.

2.5. Viticulture and Wine-Production

2.5.1. Grapes Production

Areas

In 2016, the areas planted with vines in agricultural holdings were 50,892 ha, 0.4% more than the previous year. About 3% of areas in the holdings were planted with young vines which were not yet in production.

In 2016, the areas newly planted with vines were 790.7 ha with 520.9 ha of them were destined for white wines production and 269.8 ha for red wines and roses production.

Table II.40. Vineyards in Bulgaria within 2007 — 2016 Period

Year	Areas planted with vines, in ha	Vineyards outside agricultural holdings, in ha	Total vineyard areas, ha
2007	97 387	22 954	120 341
2008	88 570	22 246	110 816
2009	74 018	27 416	101 434
2010	56 968	25 707	82 675
2011	52 567	25 901	78 468
2012	62 701	14 640	77 341
2013	58 236	4 900	63 136
2014	52 587	10 298	62 885
2015	50 705	12 086	62 791
2016	50 892	12 024	62 916

Source: MAFF, Agro Statistics Department

In 2016, due to economic and social reasons, over 10 thousand ha of vineyards have not been taken care of. The areas of ill-kept vineyards, as well as small and fragmented ones outside agricultural holdings, were 12,024 ha.

In 2016, total areas planted with vines were 62,916 ha, by 0.2% more compared to the previous year.

Traditionally, the largest share of vineyards in agricultural holdings (approximately 70%) was situated in the Southern part of the country, mostly in the Southeast and South Central Regions.

Table II.41. Distribution of areas with Vineyards in 2016 per Location of Holdings

Regions	Total area (ha)	Of which harvested (ha)	Harvested, %
Northwest	4 827	3 196	66%
North Central	3 254	1 647	51%
Northeast	4 229	2 704	64%
Southeast	18 110	13 206	73%
Southwest	3 889	3 492	90%
South Central	16 583	12 306	74%
Total	50 892	36 551	72%

Source: MAFF, Agro Statistics Department

In 2016, total area of harvested vineyards decreased by about 6% on an annual basis. The decline in table grape varieties vineyards was the greatest - by about 11%, mainly due to less harvested areas in the North-western and Southwestern Regions. As for red wine varieties, the largest decrease in harvested areas was observed in the Northwest Region - by 18% and in the white wine varieties - in the South Central Region - by 27%.

As a consequence of poor weather conditions, over 2,680 ha of fruiting vineyards were not harvested during the year.

Table II.42. Distribution of the Harvested Vineyards in 2016 by Statistical Regions

Regions	Red wine varieties (ha)		White wine (ha) varieties		Table varieties (ha)		Total vineyards (ha)	
	2015	2016	2015	2016	2015	2016	2015	2016
Northwest	2 930	2 413	785	727	111	56	3 826	3 196
North Central	839	862	806	700	99	85	1 744	1 647
Northeast	703	683	2 161	1 890	153	131	3 017	2 704
Southeast	6 847	6 261	6 306	6 394	641	551	13 794	13 206
Southwest	2 939	3 140	62	231	219	121	3 220	3 492
South Central	9 779	9 552	2 301	1 689	1 031	1 065	13 111	12 306
Total	24 037	22 911	12 421	11 631	2 254	2 009	38 712	36 551

Source: MAFF, Agro Statistics Department

Red wine varieties retained their dominant role in the structure of the vineyards with a relative share of about 63%, followed by the areas with white wine varieties - about 32% and the table varieties - approximately 5%.

Average Yields

In 2016, average yields from vineyards were significantly lower than in the previous year. The average wine varieties yield for the country decreased by about 14%, to 5,777 kg/ha, and table varieties yield decreased by about 31% to 5,010 kg/ha.

The highest average wine varieties yields were recorded in the Southeast and Northeast Regions, respectively 5,993 kg/ha and 5,925 kg/ha. The highest average table varieties yield (9,322 kg/ha) was recorded in the Southwest Region.

Table II.43. Average Yields of Grapes from Vineyards – harvest 2016

Regions	Average yields from vineyards (kg/ha)	
	Wine varieties	Table varieties
Northwest	4 789	4 357
North Central	4 786	2 753
Northeast	5 925	2 931
Southeast	5 993	4 978
Southwest	5 795	9 322
South Central	5 909	5 008
Total for Bulgaria	5 777	5 010

Source: MAFF, Agro Statistics Department

Production

A total of 211,083 tonnes of grapes were produced in 2016 which is 19% less than in 2015. The production of grapes from vineyards decreased by nearly 20% on an annual basis to a total of 209,613 tonnes, in the ratio of wine - 95%, table - 5%. The production from vine arbours amounted to 1,470 tonnes, about 29% above the level of the previous 2015.

Traditionally, the largest production of vineyards was reported in the Southeast and the South Central regions, forming approximately 38% and 34% of the total production.

Table II.44. Grapes Production – harvest `2016

Regions	Grapes from vineyards			Grapes from vine arbours (tonnes)	Total produced grapes (tonnes)
	Wine grapes (tonnes)	Table grapes (tonnes)	Total grapes produced by vineyards (tonnes)		
Northwest	15 037	244	15 281	-	-
North Central	7 475	234	7 709	-	-
Northeast	15 245	384	15 629	-	-
Southeast	75 838	2 743	78 581	-	-
Southwest	19 534	1 128	20 662	-	-
South Central	66 418	5 333	71 751	-	-
Total	199 547	10 066	209 613	1 470	211 083

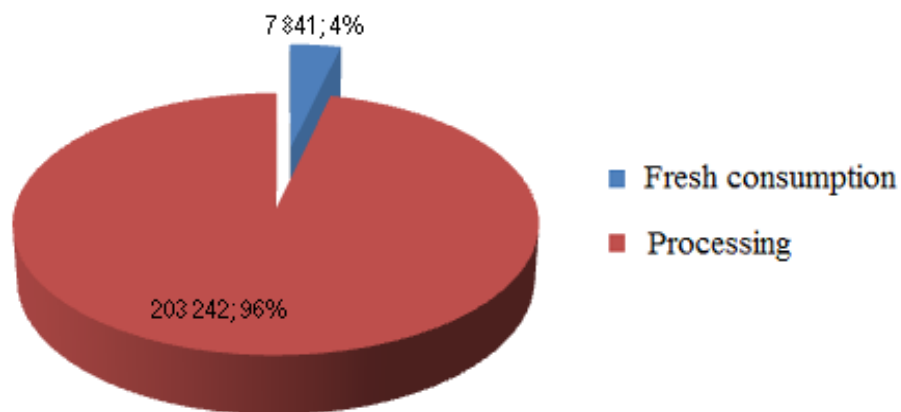
Source: MAFF, Agro Statistics Department

Of the total grapes produced in 2016, 203,242 tonnes were processed into wine and other grape-based products, and 7,841 tonnes were intended for direct fresh consumption.

According to Executive Agency on Vine and Wine, the registered wine growers have processed 173,503 tonnes of grapes from the 2016 harvest for wine and grape must.

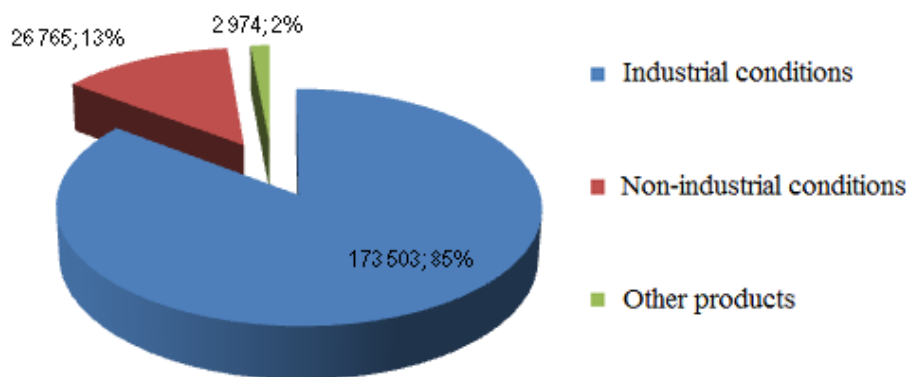
Grapes designated for processing in non-industrial conditions during the year amounted to 26,765 tonnes, and 2,974 tonnes of the processed grapes have been utilized for products other than wine and grape must.

Figure II.8. Distribution of Produced Grapes – Harvest `2016, Tonnes and Percentage



Source: MAFF, Agro Statistics Department

Figure II.9. Distribution of Grapes – Harvest`2016 Intended for Processing, Tonnes and Percentage



Source: MAFF, Agro Statistics Department

2.5.2. Wine Production

The production of wine vintage 2016, declared by the registered wine producers, amounted to 1,207,785 hectolitres (hl). This was 8% below 2015 level, as white wine production decreasing by 8% to 608,285 hectolitres, and red wine and rose production by 7% to 599,501 hectolitres. The production of grape must amounted to 37,207 hectolitres, which is 34% less on an annual basis.

The highest share of industrial production of wines vintage 2016 fell on table wines (wines without protected designation of origin or protected geographical indication) - about 69%, followed by regional wines (wines with protected geographical indication) — 30%.

Southeast region was the leader in wine production with 59% of the total industrial production, followed by the South Central Region with 18%. The wine produced in the North Central Region had the lowest share – 3.7%.

In 2016, in non-industrial conditions, 126,196 hectolitres of wine were produced, compared to 200,748 hectolitres in the previous year.

Thus, the total production of wine vintage 2016 amounted to 1,333,981 hectolitres, about 12% less than in 2015.

Table II.45. Quantity of Wine and Grape Must, Produced by Wine Production Companies, vintage 2016

Region	Volume of produced wine and grape must, hectolitres								
	Wine with PDO* (quality)		Wine with PGI** (regional)		Other wines (incl. table wines)		Must	Total wines	
	White	Red and rosé wine	White	Red and rosé wine	White	Red and rosé wine		White	Red and rosé wine
Northwest Region	0	2 515	2 169	8 966	16 690	29 481	0	18 859	40 963
North Central Region	0	1 445	9 452	10 529	9 943	13 309	82	19 396	25 283

Region	Volume of produced wine and grape must, hectolitres								
	Wine with PDO* (quality)		Wine with PGI** (regional)		Other wines (incl. table wines)		Must	Total wines	
	White	Red and rosé wine	White	Red and rosé wine	White	Red and rosé wine		White	Red and rosé wine
Northeast Region	1 277	42	28 008	7 027	22 877	10 746	627	52 163	17 815
Southeast Region	935	1 701	67 711	104 677	359 676	175 964	4 858	428 322	282 341
Southwest Region	0	0	2 190	10 119	32 787	58 733	3 597	34 977	68 851
South Central Region	0	1 596	25 813	84 322	28 755	78 330	28 044	54 568	164 248
TOTAL WINE:	2 212	7 299	135 344	225 640	470 729	366 562	37 207	608 285	599 500

Source: Executive Agency on Vine and Wine

*PDO — Protected Designation of Origin; **PGI — Protected Geographical Indication

2.5.3. Export and Import of Wine

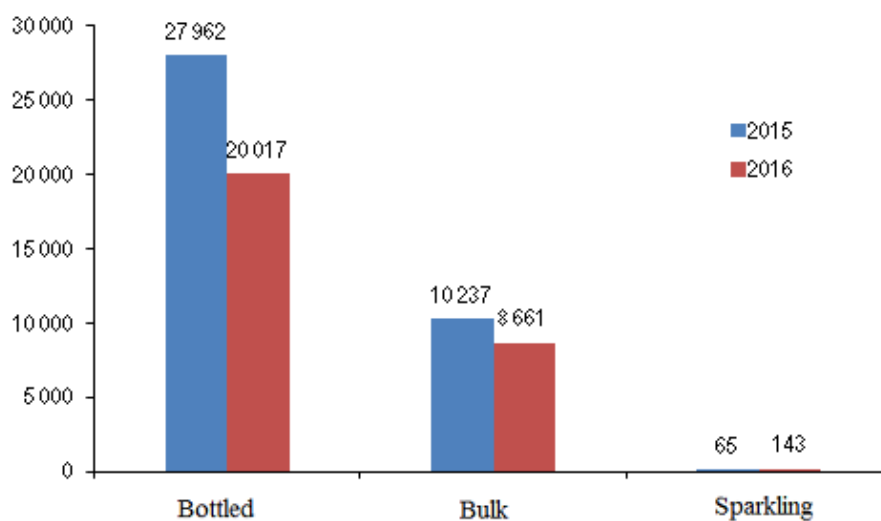
Export

According to NSI preliminary data, 2016 wine export amounted to 28,821 thousand liters - by 25% less than the previous year. The export to the EU decreased by 21.4% and that to third countries - by 43.6%. Wine exports' total value at an average price of 1.13 euro/liter was 32,707 thousand Euro which is a decrease by 9.3% on an annual basis.

Traditionally, the most significant quantities of wine have been marketed on EU markets - a total of 25,713 thousand liters (89.2% of all exports), including 14,878 thousand liters in Poland. Exports to third countries amounted to 3,108 thousand liters.

In 2016, bottled wines accounted for 69.5% of total wine exports, followed by bulk wines 30.1% and sparkling wines 0.5%.

Figure II.10. Export of Wine in 2015 and 2016, in thousand liters



Source: NSI, Preliminary Data for 2016

Export of Bottled Wines

According to NSI preliminary data, the export of bottled wines in 2016 amounted to 20,017 thousand liters, which is by 28.4% less in comparison to the previous year. In terms of value, the decrease was much less pronounced - by 5.6%, to 26,516 thousand Euro, due to an increase of the average export price by 31.9% to 1.32 Euro/liter.

In 2016, the largest quantities of bottled wines were directed to Poland - 11,731 thousand liters or about 59% of the total export of bottled wines. Compared to the previous year, exports of bottled wines to Russia shrank by 71% to 1,045 thousand liters. Relatively large exports were made to the United Kingdom (1,520 thousand liters) and the Czech Republic (1,054 thousand liters).

Table II.46. Export of Bottled Wines in 2015 and 2016, in liters

COUNTRIES	2015	2016
EU including:	22 918 372	17 563 103
Poland	14 878 353	11 730 809
United Kingdom	2 238 415	1 519 672
Czech Republic	1 231 745	1 053 519
Romania	1 321 540	760 338
Germany	524 956	476 360
Belgium	439 600	413 312
Slovakia	402 594	397 899
Lithuania	435 693	363 745
Sweden	222 805	322 558
Latvia	186 345	97 829
The Netherlands	120 967	92 156
France	519 239	82 988
Greece	93 927	72 362
Croatia	120 223	48 114
Third countries including:	5 043 990	2 453 412
Russian Federation	3 606 984	1 045 311
People's Republic of China	315 715	450 068
USA	237 183	296 912
Japan	219 417	189 426
Belarus	149 805	58 302
Iraq	65 856	51 921
Hong Kong	53 489	42 644
Switzerland	42 886	40 482
Algeria	18 723	39 009
Canada	74 551	35 967
Kazakhstan	11 322	27 243
Mongolia	18 737	24 912

COUNTRIES	2015	2016
Central African Republic	9 420	19 394
Lebanon	20 700	15 813
TOTAL	27 962 362	20 016 515

Source: NSI, Preliminary Data for 2016.

Export of Bulk Wines

According to preliminary data, 8,661.3 thousand liters of bulk wines were exported in 2016, which is 15.4% less than in 2015. Total exports decreased by 22.9% on an annual basis, to 5,849.6 thousand Euro, for 8.9% lower average export price of 0.68 Euro/liter.

Poland remained leading destination for bulk wines during the year with an export of 4,811 thousand liters which is 39.9% more than in the previous 2015. Next place was occupied by Sweden with 2,181 thousand liters, etc.

Table II.47. Export of Bulk Wines in 2015 and 2016, in liters

COUNTRIES	2015	2016
EU including:	9 791 352	8 050 284
Poland	3 439 653	4 811 021
Sweden	2 180 859	2 181 048
Germany	476 590	340 422
Belgium	150 920	175 739
Cyprus	2 684	144 325
Italy	57 718	133 749
Czech Republic	154 333	110 663
Lithuania	62 280	40 248
Greece	168 978	36 177
Slovakia	2 404	27 915
Third countries including:	445 238	611 101
Russian Federation	299 397	369 538
Japan	96 000	122 000
Iraq	39 324	66 600
Vietnam	0	18 792
TOTAL	10 236 590	8 661 385

Source: NSI, Preliminary Data for 2016.

Export of Sparkling Wines

In 2016, the export of sparkling wines grew more than twice compared to the previous year, reaching 143 thousand liters. Its total value was 342 thousand euros - 79.4% more on an annual basis, with a lower average export price of 2.39 Euro/liter.

The most significant amount of sparkling wines was marketed in Poland - 38 thousand liters. Significant growth over the previous year was marked by the export of sparkling wines to Italy - nearly sixteen times, reaching 33 thousand liters, and to the United Kingdom - about seven times, reaching 12 thousand liters.

Table II.48. Export of Sparkling Wines in 2015 and 2016, in liters

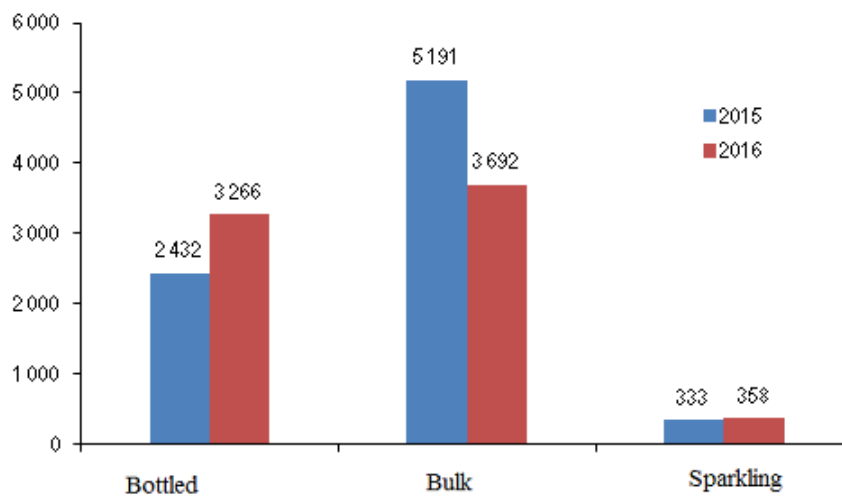
COUNTRIES	2015	2016
EU including:	37 866	99 131
Poland	30 316	37 985
Italy	2 072	32 844
United Kingdom	1 782	11 735
France	0	11 133
Germany	405	1 368
Romania	2 043	1 331
Third countries including:	27 615	43 810
Vietnam	0	26 815
Kosovo	5 832	6 102
Mongolia	0	3 420
Japan	360	1 485
Nepal	0	1 260
USA	0	1 039
Russian Federation	3	783
TOTAL	65 481	142 941

Source: NSI, Preliminary Data for 2016.

Import

Under NSI preliminary data, the total import of wines in 2016 amounted to 7,316 thousand liters, which was 8% less on an annual basis. Compared to 2015, there was a significant reduction in the volume of imported bulk wines, somewhat offset by an increase in bottled wines import. In 2016, the largest share of total wine import fell on bulk wines - 50.4%, followed by bottled wines with 44.6% and sparkling wines by 4.8%.

Figure II.11. Import of Wine in 2015 – 2016, in thousand liters



Source: NSI, Preliminary Data for 2016.

Import of Bottled Wines

In 2016, 3,266.3 thousand liters of bottled wines were imported into the country - by 34.3% more compared to the previous year. The total value of the import during the year was 11,008 thousand Euro, with average import price of 3.37 Euro/liter. More than 78% of the quantities were delivered from the EU - 2,551.8 thousand liters, which is 44.8% more than in 2015. France and Italy remained leading suppliers of bottled wines with 616.4 thousand liters and 530.4 thousand liters respectively. Compared to the previous year, imports of bottled wines from Germany grew more than three times, to 523.6 thousand liters, and that from Spain - more than twice, to 472.8 thousand liters.

Table II.49. Import of Bottled Wines in 2015 and 2016, in liters

COUNTRIES	2015	2016
<i>EU including:</i>	1 762 236	2 551 876
France	517 469	616 403
Italy	452 170	530 419
Germany	171 874	523 581
Spain	191 431	472 282
United Kingdom	63 057	83 977
Czech Republic	102 496	76 522
The Netherlands	73 509	70 115
Belgium	23 942	58 075
Greece	94 652	56 674
Portugal	24 036	26 624
Sweden	12 086	8 128
Lithuania	11 057	7 819
<i>Third countries including:</i>	669 415	714 440
Chile	337 474	273 836
New Zealand	202 968	253 019
Argentina	82 181	81 430
South Africa	29 030	40 653
Moldova	225	24 066
Macedonia	10 948	19 505
TOTAL	2 431 651	3 266 316

Source: NSI, Preliminary Data for 2016.

Import of Bulk Wines

In 2016, a decline was reported decline in the import of bulk wines to 3,692.1 thousand liters or by 28.9% compared to the previous year. The total import value decreased by 53.9% to 1,904.2 thousand Euro having in view the lower average export price of 0.52 Euro/liter (0.80 Euro/liter in 2015).

The largest imports of bulk wines during the year were made from Romania (1,643.2 thousand liters) and Italy (1,401.7 thousand liters). Deliveries from Spain shrank by 90% to 105 thousand liters.

Table II.50. Import of bulk wines in 2015 and 2016, liters

COUNTRIES	2015	2016
EU incl.:	4 879 970	3 213 884
Romania	2 081 342	1 643 239
Italy	1 510 542	1 401 685
Spain	1 076 774	104 971
France	75 890	24 950
Poland	43 220	19 805
Germany	40 483	15 492
Czech Republic	26 017	2 506
Austria	16 041	792
Slovenia	0	324
Third countries including:	311 195	478 230
Moldova	176 375	323 144
New Zealand	72 000	72 000
South Africa	48 020	47 680
Macedonia	11 500	35 406
TOTAL	5 191 165	3 692 114

Source: NSI, Preliminary Data for 2016.

Import of Sparkling Wines

In 2016, 357.5 thousand liters of sparkling wine were imported into the country, 46% more than in 2015. The quantities were mainly delivered from the EU, mainly from Italy (131 thousand liters), France (110.7 thousand liters) and Germany (69.3 thousand liters).

Table II.51. Import of Sparkling Wines in 2015 and 2016, in liters

COUNTRIES	2015	2016
EU including:	322 110	355 158
Italy	141 727	131 036
France	88 965	110 651
Germany	64 870	69 296
Spain	22 816	31 844
Sweden	0	8 844
The Netherlands	327	2 248
Third countries including:	10 867	2 382
Moldova	6 120	1 800
South Africa	3 753	225
Turkey	0	180
New Zealand	450	45
TOTAL	332 977	357 540

Source: NSI, Preliminary Data for 2016.

III. AGRICULTURAL COMMODITIES TRADE

According to NSI preliminary data processed by MAFF, in 2016, agrarian sector's relative share in country's total export, import and trade flow had an increase on an annual basis reaching respectively up to 17,1%, 10,9% and 13,8%.

Table III.1. Agricultural Commodities Relative Share in Bulgaria's Foreign Trade in 2015 -2016, in thousand EUR

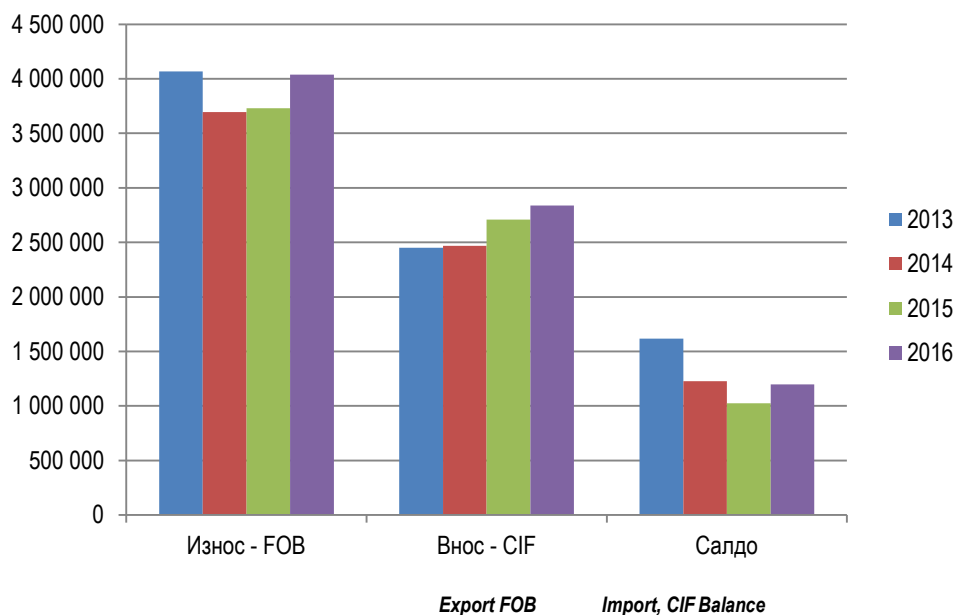
Year	2015		Agricultural sector's share in %	2016		Agricultural sector's share in %
	Country's Total	Agricultural sector		Country's Total	Agricultural sector	
Export FOB	22 982 301	3 730 850	16,2	23 575 817	4 036 993	17,1
Import, CIF	26 356 581	2 707 597	10,3	26 090 153	2 839 205	10,9
Trade flow	49 338 882	6 438 447	13,1	49 665 970	6 876 198	13,8

Source: NSI data, processed by MAFF; Preliminary Data for 2016

1. Agricultural Commodities Foreign Trade Level and Dynamics in 2016

In 2016, Bulgaria's agrarian trade flow increased by 6,8% compared to the previous year, with increase reported for agricultural commodities both export and import - respectively by 8,2%, up to EUR 4 037 million and by 4,9%, up to EUR 2 839. The forward export increase rate resulted in country's agrarian trade positive balance growth by 17,1% on an annual basis, reaching 1 198 million EUR.

Figure III.1. Agricultural Commodities Import and Export within 2013 – 2016 Period, in EUR thousand



Source: NSI Preliminary Data for 2016

Table III.2. Agricultural Commodities Foreign Trade within 2013 – 2016 Period, in EUR thousand

Year	2013	2014	2015	2016	Change 2016/2015	
					In value	in %
Export - FOB	4 069 012	3 695 105	3 730 766	4 036 993	306 227	8,2
Import - CIF	2 450 428	2 467 754	2 707 597	2 839 178	131 581	4,9
Balance	1 618 584	1 227 351	1 023 169	1 197 815	174 646	17,1
Trade flow	6 519 440	6 162 859	6 438 363	6 876 171	437 808	6,8

Source: NSI data processed by MAFF; Preliminary Data for 2016.

2. Agricultural Commodities Foreign Trade Geographical Distribution

European Union countries are Bulgaria's main partner in agricultural commodities trade, due to more favourable economic conditions on the single European market. In 2016, agrarian trade flow with EU increased by 10,9% on an annual basis. Union's share was 69,6% of Bulgaria's total agrarian export and 79,2% of agrarian import.

In general, agricultural commodities trade with third countries showed a slight decrease compared to 2015, by 3%. It was mainly due to the decrease of the trade flow with the Arab countries with 10,9%. On the other hand, there was an increase of the trade flow with Balkan Region countries – with 8%, OECD and CIS - by 3% each.

Table III. 3. Agricultural Commodities Import and Export by Economic Communities, Countries and Regions in 2015 and 2016, in million EUR

Trade areas	2015					2016				
	Export		Import		Balance	Export		Import		Balance
	EUR million	%	EUR million	%	EUR million	EUR million	%	EUR million	%	EUR million
All countries, incl.:	3 731	100	2 708	100	1 023	4 037	100	2 839	100	1 198
European Union	2 416	64,8	2 142	87,5	274	2 809	69,6	2 248	79,2	561
EFTA*	8	0,2	5	0,2	3	7	0,2	5	0,2	2
OECD**, without EU and EFTA countries	428	11,5	143	5,3	285	434	10,8	154	5,4	280
Incl. USA	71	1,9	18	0,7	53	66	1,6	21	0,7	45
Balkan Region, without Turkey and EU countries ***	125	3,4	99	3,7	26	122	3,0	120	4,2	2
CIS	83	2,2	17	0,6	66	50	1,2	53	1,9	-3
incl. Russia	61	1,6	5	0,2	56	38	0,9	10	0,4	28
Arab countries (League of Arab States)	416	11,1	16	0,6	400	375	9,3	10	0,4	365

Trade areas	2015					2016				
	Export		Import		Balance	Export		Import		Balance
	EUR million	%	EUR million	%	EUR million	EUR million	%	EUR million	%	EUR million
Others	255	6,8	286	10,6	-31	240	5,9	249	8,8	-9

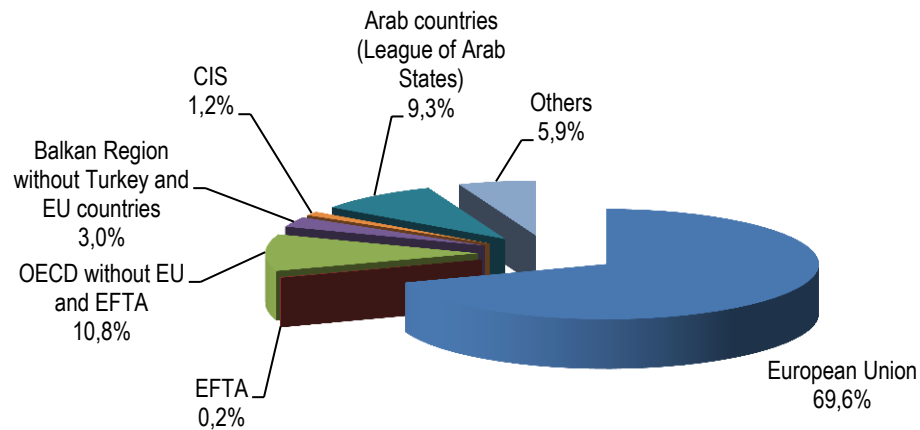
Source: NSI data processed by MAFF; Preliminary Data for 2016 .

*Including: Island, Principality of Liechtenstein, Kingdom of Norway, and Switzerland

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

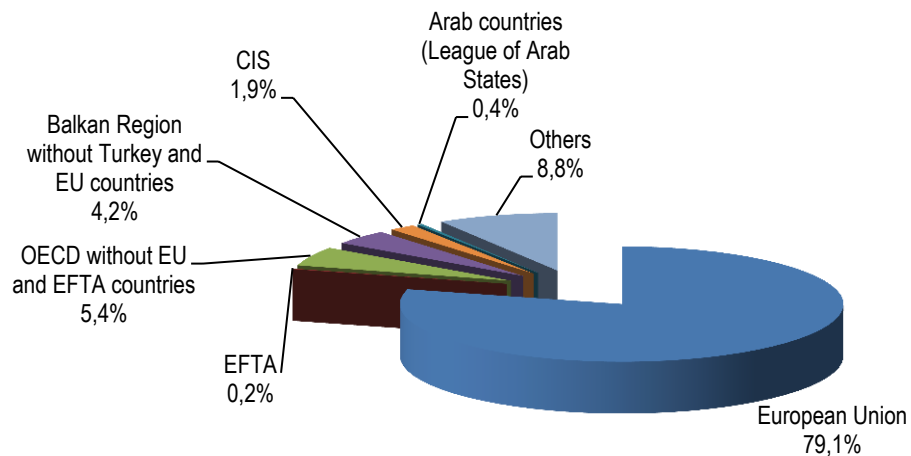
***Including: Albania, Bosnia and Herzegovina, Macedonia, Serbia, Montenegro and Kosovo

Figure III. 2. Bulgaria's Agricultural Export Structure by Economic Communities in 2016



Source: NSI, Preliminary Data

Figure III.3. Bulgaria's Agricultural Export Structure by Economic Communities in 2016



Source: NSI, Preliminary Data

Trade with the EU

In 2016, the EU remained Bulgaria's main partner in agricultural trade forming 73,5% of the total country's agricultural commodities trade flow. According to preliminary data, in 2016, agricultural trade flow with EU countries amounted to EUR 5 057 million which is by EUR 498 million or 10,9% above previous year's level. Bulgaria's export increased by 16,3% on an annual basis and EU deliveries by 4,9%. The resulting positive trade flow in the agricultural trade with the EU suffered double increase compared to 2015, reaching EUR 561 million.

During the year Bulgaria's most significant agricultural commodities exchange with EU countries was with Greece, Romania, Germany, Spain, Italy, Netherlands, Poland and France. In value terms, Bulgarian exports had the following shares: to Greece – 20,1%, Romania – 16,4%, Germany – 9,7%, Spain – 9,3% and Italy – 8,6%, whereas leading suppliers of agricultural commodities from the Union were Romania – 15,7%, Greece – 14,6%, Germany – 13,4% and Poland – 10,5%. The neighboring Greece and Romania accounted for the total of around 33,7% of Bulgaria's agricultural trade flow with the EU forming 36,5% of agricultural commodities export and 30,3% of the import from the EU.

Table III.4. Bulgaria's agricultural commodities trade with EU Member States in 2015 and 2016

Country	2015					2016				
	Export		Import		Balance	Export		Import		Balance
	EUR thousand	%	EUR thousand	%	EUR thousand	EUR thousand	%	EUR thousand	%	EUR thousand
Total	2 416 060	100	2 142 696	100	273 363	2 808 760	100	2 247 815	100	560 946
Austria	33 958	1,4	53 149	2,5	-19 192	44 736	1,6	59 739	2,7	-15 003
Belgium	60 718	2,5	42 494	2,0	18 224	158 495	5,6	52 445	2,3	106 049
Germany	209 570	8,7	294 318	13,7	-84 748	272 602	9,7	301 732	13,4	-29 130
Greece	496 285	20,5	302 546	14,1	193 738	564 707	20,1	327 200	14,6	237 507
Denmark	12 035	0,5	20 886	1,0	-8 852	11 704	0,4	27 430	1,2	-15 726
Estonia	757	0,0	1 740	0,1	-983	822	0,0	1 269	0,1	-447
Ireland	3 442	0,1	13 936	0,7	-10 494	5 095	0,2	14 750	0,7	-9 655
Spain	225 351	9,3	113 714	5,3	111 637	260 313	9,3	129 044	5,7	131 269
Italy	185 357	7,7	121 668	5,7	63 689	242 888	8,6	144 912	6,4	97 975
Cyprus	36 493	1,5	7 469	0,3	29 025	37 400	1,3	4 925	0,2	32 475
Latvia	2 817	0,1	3 159	0,1	-342	2 279	0,1	6 272	0,3	-3 993
Lithuania	9 126	0,4	9 768	0,5	-642	8 741	0,3	12 967	0,6	-4 226
Luxemburg	72	0,0	518	0,0	-446	447	0,0	556	0,0	-109
Malta	2 936	0,1	270	0,0	2 666	1 502	0,1	1 393	0,1	109
The Netherlands	151 302	6,3	184 131	8,6	-32 829	153 267	5,5	178 027	7,9	-24 760
United Kingdom	77 347	3,2	32 493	1,5	44 854	76 170	2,7	52 939	2,4	23 231
Poland	94 730	3,9	229 774	10,7	-135 044	89 490	3,2	235 113	10,5	-145 623
Portugal	50 716	2,1	3 970	0,2	46 746	48 172	1,7	3 886	0,2	44 286
Romania	453 262	18,8	371 130	17,3	82 132	459 879	16,4	352 804	15,7	107 075
Slovakia	15 727	0,7	28 788	1,3	-13 060	17 601	0,6	27 443	1,2	-9 843

Country	2015					2016				
	Export		Import		Balance	Export		Import		Balance
	EUR thousand	%	EUR thousand	%	EUR thousand	EUR thousand	%	EUR thousand	%	EUR thousand
Slovenia	5 243	0,2	6 356	0,3	-1 113	7 093	0,3	6 853	0,3	240
Hungary	27 808	1,2	100 116	4,7	-72 309	28 500	1,0	103 097	4,6	-74 597
Finland	7 412	0,3	1 066	0,0	6 346	7 503	0,3	1 300	0,1	6 203
France	164 962	6,8	117 457	5,5	47 506	205 144	7,3	117 840	5,2	87 305
Croatia	27 090	1,1	17 016	0,8	10 074	30 031	1,1	14 689	0,7	15 342
Czech Republic	33 007	1,4	49 718	2,3	-16 710	35 215	1,3	53 675	2,4	-18 460
Sweden	28 536	1,2	15 045	0,7	13 491	38 966	1,4	15 516	0,7	23 450

Source: NSI Data Processed by MAFF; Preliminary Data for 2016.

Trade with Countries Members of the Organization for Economic Cooperation and Development (OECD)

According to preliminary data, in 2016, Bulgaria's agricultural commodities export to OECD countries, except EU and EFTA countries, represented 10,8% of total agricultural export and the import from them, 5,4% of the total import. Bulgaria's positive balance in the agricultural trade with these countries decreased by 1,8% compared to the previous 2015, to EUR 280 million, because of anticipating rate of Bulgarian import increase (by 7,7%) compared to Bulgarian export (by 1,4%) .

Trade with Balkan Countries

Balkan Region countries remained of key importance in Bulgaria's agricultural trade due to their territorial proximity.

In 2016, agricultural commodities exchange with Balkan countries (including EU Members and Turkey) reached EUR 2 366,2 million- by 4,2% more compared to the previous year, as a result of increase in both Bulgarian export and import. Bulgaria's positive trade balance in the agricultural trade with these countries grew by 6,1% on an annual basis, up to EUR 504 million.

Table III. 5. Agricultural Commodities Trade Balkan Region countries in 2015 and 2016, in EUR thousand

Country	2015			2016		
	Export	Import	Balance	Export	Import	Balance
Albania	10 816	5 725	5 091	8 232	5 764	2 468
Bosnia and Herzegovina	12 443	347	12 096	11 470	1 367	10 103
Greece	496 285	302 546	193 738	564 707	327 200	237 507
Kosovo	12 271	696	11 575	9 830	884	8 946
Macedonia	49 369	26 333	23 036	56 365	28 642	27 722
Romania	453 262	371 130	82 132	459 879	352 804	107 075
Slovenia	5 243	6 356	-1 113	7 093	6 853	240
Serbia	32 851	65 812	-32 961	29 873	83 256	-53 383
Turkey	266 241	102 444	163 798	251 048	109 494	141 554
Croatia	27 090	17 016	10 074	30 031	14 689	15 342
Montenegro	7 607	0	7 607	6 559	166	6 393

Country	2015			2016		
	Export	Import	Balance	Export	Import	Balance
Total	1 373 479	898 405	475 074	1 435 086	931 119	503 967

Source: NSI Data Processed by MAFF; Preliminary Data for 2016

Neighbouring Greece, Turkey and Romania were Bulgaria's main partners in agricultural trade among the Balkan countries. Bulgaria's export to each of them exceeds significantly the import from the respective country. Negative trade balance has been reported only in the trade with Serbia.

Trade with the Countries from the European Free Trade Association (EFTA)

In 2016, agricultural commodities trade between Bulgaria and the countries from the European Free Trade Association amounted to EUR 12,5 million. This was by 3,1% below the level of the previous year, due to the decrease of Bulgarian export by 7,3%, though the import reported a 4% increase. Thus, Bulgarian positive trade balance went down to EUR 2,4 million – 54,7% less compared to 2015. Norway and Switzerland remained Bulgaria's main EFTA partners in 2016.

Table III.6. Agricultural Commodities Trade with EFTA countries in 2015 and 2016, in EUR thousand

Country	2015			2016		
	Export	Import	Balance	Export	Import	Balance
Norway	4 961	1 979	2 982	5 333	1 531	3 802
Switzerland	3 079	2 586	2 613	2 101	2 526	-425
Island	16	306	-290	34	1 007	-973
Lichtenstein	0	0	0	0	0	0
Total	8 056	4 871	5 305	7 468	5 064	2 404

Source: data of NSI processed by MAFF; preliminary data for 2016

Trade with the Countries from the Commonwealth of Independent States (CIS)

In 2016, agricultural commodities exchange CIS countries increased by 3,0% on an annual basis, reaching EUR 103 million. The agricultural import from CIS increased three times compared to the previous year, and Bulgarian export decreased by 39,8%. This led to a negative balance for Bulgaria in agricultural commodities trade with these countries amounting to EUR 3 million in 2016.

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

Agricultural commodities trade between Bulgaria and the Arab countries consists mainly in export from Bulgaria. In 2016, agricultural trade flow with these countries amounted to EUR 385 million, or by 10,9% less compared to the previous year, mainly due to the decrease of Bulgarian export. Thus, traditional Bulgarian positive trade balance decreased by 8,8% compared to 2015, up to EUR 365 million.

3. Export and Import Structure by Commodities Groups

Export

In 2016, main groups of commodities, forming agricultural export's structure under Common Customs Tariff Sections were as follows:

Section I: Livestock and Products of Animal Origin

In 2016, livestock and products of animal origin export represented 10,5% of total agricultural commodities export. Under this section, the highest relative share fell on groups of meat and offal– 4,5% and

milk and dairy products – 4,2%.

In 2016, livestock and products of animal origin trade balance was negative amounting to EUR 230 million.

Section II: Plants and Products of Plant Origin

In 2016, plants and products of plant origin export increased by 15,4% compared to the previous year, up to EUR 2 006,2 million, taking the largest relative share of 49,7% of the total agricultural export for the year. The export of cereals (wheat, barley, corn) was the largest representing 24,9% of the total agricultural export, followed by the export of oil seeds and fruit with 16,4%.

The 2016 positive trade balance under Section II amounted to EUR 1 294,4 million, or by 21,1% above the level of 2015.

Section III: Animal and Plant Fats and Oils

Animal and plant fats and oils export was 6,3% of the total agricultural commodities export in 2016. Compared to the previous year, the export under this section increased by 2,4%, up to EUR 252,3 million.

The positive trade balance under this section increased by 7,5% compared to 2015, reaching EUR 143,1 million.

Section IV: Food Industry Products, Non-Alcoholic and Alcoholic Beverages, Types of Vinegar, Tobaccos and Processed Tobacco Substitutes

In 2016, processed products export had no significant changes on an annual basis, reaching EUR 1 355,8 million or 33,6% of the total agricultural export. Tobacco and processed tobacco substitutes with their 7,7% had the largest relative share of total agricultural export among this Section's product groups, followed by food products based on cereals, flour, starch or milk – 5,3%, food industry residues and waste and prepared animal fodder– 4,7%, cocoa and cocoa products – 3,9%, etc.

In contrast to the previous year, in 2016, there was a negative balance in Section IV products trade amounting to EUR 9,7 million.

Import

Section I: Livestock and Products of Animal Origin

In 2016, livestock and products of animal origin import represented 23% of the total agricultural import. Meat and edible offal with their 12% had the largest relative share of the total agricultural commodities import under this section, followed by milk and dairy products – 7,1% and fish and crustaceans, molluscs and other aquatic invertebrates – 2,6%. Compared to the previous year, a 1,3% import increase was registered in value terms under Section I, most significantly in the field of fish and crustaceans, molluscs and other aquatic invertebrates – by 5,1%. At the same time, in meat and edible offal deliveries a decrease of 0,5% was reported.

Section II: Plants and Products of Plant Origin

In 2016, plants and products of plant origin import increased by 6,2% on an annual basis up to EUR 711,8 million, which was 25,1% of the total agricultural import. Section II products with bigger relative share in agricultural import structure were the groups of oleaginous seeds and fruit; various grains, seeds and fruit; industrial or medicinal plants; straw and fodder– 5,8%, fruit, suitable for consumption; citrus or watermelon peels – 5,5%; vegetables, plants, roots and tubers, suitable for consumption – 4,7% and coffee, tea, mate and spices– 4,5%.

Section III: Animal and Plant Fats and Oils

In 2016, animal and plant fats and oils import amounted to EUR 109,2 million, by 3,5% less compared to

the previous year.

Section IV: Food Industry Products, Non-Alcoholic and Alcoholic Beverages, Types of Vinegar, Tobaccos and Processed Tobacco Substitutes

In 2016, Section IV processed products import had the largest relative share in country's total agricultural import structure amounting to EUR 1 365,5 million, which is 48.1%. Non-alcoholic and alcoholic beverages and types of vinegar with their 8% had the highest share of the total agricultural import amongst this section's product groups, followed by cocoa and cocoa products – 7,3%, tobacco and processed tobacco substitutes – 6,5%. Compared to the previous year, Section IV import value increased by 6,7%, most significantly in various types of food products (by 17,7%) and in sugar and sugar products (by 13,4%).

Table III. 7. Agricultural and Processed Commodities Import and Export in 2015 and 2016

Code	Sections and countries	EXPORT-FOB					IMPORT-CIF					Balance 2015	Balance 2016
		2015		2016		2016/ 2015	2015		2016		2016/ 2015	EUR thousand	EUR thousand
		EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	EUR thousand
a	1	2	3	4	5	6	7	8	9	10	11	12	
	TOTAL:	22 982 301		23 575 817		2,6	26 356 581		26 090 153		-1,0	-3 374 280	-2 514 336
	including agricultural commodities:	3 730 850	100,0	4 036 993	100,0	8,2	2 707 597	100,0	2 839 205	100,0	4,9	1 023 253	1 197 788
	SECTION I	390 161	10,5	422 631	10,5	8,3	644 307	23,8	652 676	23,0	1,3	-254 146	-230 045
1	Livestock	23 552	0,6	39 755	1,0	68,8	23 989	0,9	23 499	0,8	-2,0	-436	16 256
2	Meat and edible offal	150 544	4,0	180 013	4,5	19,6	341 138	12,6	339 393	12,0	-0,5	-190 594	-159 380
3	Fish and crustaceans, molluscs and other types of aquatic invertebrates	25 144	0,7	27 741	0,7	10,3	71 450	2,6	75 084	2,6	5,1	-46 306	-47 343
4	Meat and dairy products; birds' eggs; natural honey; edible products of animal origin, not specified or included elsewhere	184 880	5,0	168 489	4,2	-8,9	194 871	7,2	201 501	7,1	3,4	-9 991	-33 012
5	Other products of animal origin not specified or included elsewhere	6 040	0,2	6 632	0,2	9,8	12 859	0,5	13 199	0,5	2,6	-6 819	-6 566
	SECTION II	1 739 205	46,6	2 006 201	49,7	15,4	670 421	24,8	711 792	25,1	6,2	1 068 784	1 294 409
6	Live plants and plant products	6 758	0,2	9 948	0,2	47,2	18 848	0,7	24 600	0,9	30,5	-12 091	-14 653

Code	Sections and countries	EXPORT-FOB					IMPORT-CIF					Balance 2015	Balance 2016
		2015		2016		2016/2015	2015		2016		2016/2015		
		EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	EUR thousand
7	Edible vegetables, plants, roots and tubers	70 656	1,9	85 693	2,1	21,3	127 719	4,7	133 699	4,7	4,7	-57 063	-48 006
8	Edible fruit; peel of citrus fruit or melons	100 495	2,7	101 232	2,5	0,7	132 790	4,9	156 503	5,5	17,9	-32 295	-55 271
9	Coffee, tea, mate and spices	85 755	2,3	94 946	2,4	10,7	126 441	4,7	126 355	4,5	-0,1	-40 686	-31 409
10	Cereals	883 051	23,7	1 005 246	24,9	13,8	69 984	2,6	62 562	2,2	-10,6	813 067	942 683
11	Milling industry products; malt; starches; inulin; wheat gluten	41 015	1,1	42 575	1,1	3,8	34 391	1,3	34 288	1,2	-0,3	6 624	8 287
12	Oil seeds and oleaginous fruit; various grains, seeds and fruit; industrial or medicinal plants; straw and fodder	547 927	14,7	663 734	16,4	21,1	149 716	5,5	164 634	5,8	10,0	398 211	499 100
13	Natural lac; gums, resins and other plant saps and extracts	2 676	0,1	2 245	0,1	-16,1	9 816	0,4	8 413	0,3	-14,3	-7 141	-6 168
14	Plaiting materials and other products of plant origin not specified or included elsewhere	872	0,0	583	0,0	-33,1	715	0,0	738	0,0	3,2	157	-154
	SECTION III	246 312	6,6	252 330	6,3	2,4	113 184	4,2	109 225	3,8	-3,5	133 127	143 104

Code	Sections and countries	EXPORT-FOB					IMPORT-CIF					Balance 2015	Balance 2016
		2015		2016		2016/2015	2015		2016		2016/2015		
		EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	Share in agricultural commodities total export in %	EUR thousand	Share in agricultural commodities total export in %	%	EUR thousand	EUR thousand
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	246 312	6,6	252 330	6,3	2,4	113 184	4,2	109 225	3,8	-3,5	133 127	143 104
	SECTION IV	1 355 175	36,3	1 355 834	33,6	0,0	1 279 686	47,3	1 365 513	48,1	6,7	75 489	-9 680
16	Products of meat, fish or crustaceans, molluscs or other aquatic invertebrates	51 447	1,4	68 235	1,7	32,6	44 675	1,6	47 698	1,7	6,8	6 772	20 537
17	Sugar and sugar products	79 563	2,1	85 404	2,1	7,3	130 055	4,8	147 483	5,2	13,4	-50 492	-62 079
18	Cocoa and cocoa products	147 842	4,0	155 861	3,9	5,4	205 355	7,6	206 958	7,3	0,8	-57 513	-51 097
19	Foodstuffs of cereals, flour, starch or milk; bakery and confectionary products	207 096	5,6	214 222	5,3	3,4	116 414	4,3	130 176	4,6	11,8	90 682	84 046
20	Foodstuffs of vegetables, fruit or other parts of plants	119 151	3,2	124 309	3,1	4,3	122 387	4,5	119 987	4,2	-2,0	-3 237	4 322
21	Various foodstuffs	94 134	2,5	82 041	2,0	-12,8	148 654	5,5	174 938	6,2	17,7	-54 521	-92 897
22	Non-alcoholic and alcoholic beverages and vinegar	118 671	3,2	123 073	3,0	3,7	208 914	7,7	227 817	8,0	9,0	-90 243	-104 743
23	Food industries residues and waste; prepared animal fodder	205 492	5,5	190 293	4,7	-7,4	125 458	4,6	127 070	4,5	1,3	80 033	63 222
24	Tobacco and processed tobacco substitutes	331 780	8,9	312 396	7,7	-5,8	177 773	6,6	183 385	6,5	3,2	154 007	129 011

Source: NSI Data Processed by MAFF; Preliminary Data for 2016.

Following products had a leading role in country's agricultural export in 2016:

Table III. 8. Leading agricultural commodities in Bulgaria's export in 2016.

Product name	Quantity (tons)	Value (EUR)	Relative share in total agricultural export in %
Wheat and wheat and meslin mix	4 414 160	693 773 454	17,2
Sunflower seeds even broken ones	688 018	370 179 099	9,2
Rape or colza seeds, even broken ones	574 259	219 037 579	5,4
Maize	1 319 047	218 034 175	5,4
Sunflower-seed, safflower or cotton-seed oil and fractions thereof, refined or not, but not chemically modified	253 101	195 533 640	4,8
Bakery, confectionary products or biscuits even the ones containing cocoa	82 131	187 636 320	4,6
Raw or non-manufactured tobacco; tobacco refuse	40 691	166 073 101	4,1
Meat and edible offal from poultry under No. 0105, fresh, chilled or frozen	40 955	149 625 548	3,7
Cigars (including those with cut ends), cigarillos and cigars of tobacco or tobacco substitutes	12 826	141 370 205	3,5
Chocolate and other foodstuffs containing cocoa	27 116	103 589 362	2,6
Preparations of the kinds used in animal feeding	93 692	85 702 956	2,1
Cheese and curd	25 308	84 648 767	2,1
Coffee and coffee substitutes, containing coffee, regardless of the proportion in the mixture	17 107	75 526 039	1,9
Fruit, shell fruit and other edible parts of plants, prepared or packed, with or without added sugar or other sweeteners or alcohol (except of ones prepared or packed with vinegar or vinegar acid, packed with sugar - squeezed, sugared or crystallized as well as jams, jellies, marmalades, mashes and gruels, prepared by brewage)	35 862	67 152 664	1,7
Food products not specified or included elsewhere	20 956	63 335 645	1,6

Source: NSI Data Processed by MAFF; Preliminary Data for 2016.

Leading agricultural commodities in Bulgaria's import in 2016:

Table III. 9. Leading Agricultural Commodities in Bulgaria's import in 2016.

Product name	Quantity (tons)	Value (EUR)	Relative share in total agricultural import in %
Meat of animals, such as sows, fresh, chilled or frozen	106 801	172 982 827	6,1
Sugar-cane or beet sugar and chemically pure sucrose, in solid form	224 797	112 484 532	4,0
Chocolate and other food products, containing cocoa	28 398	109 871 585	3,9
Coffee, even roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee, regardless of the proportion in the mixture	38 863	106 463 136	3,7
Sunflower seeds even broken ones	147 005	96 795 409	3,4
Meat and edible offal of poultry under Heading 0105, fresh, chilled or frozen	102 210	93 766 444	3,3

Product name	Quantity (tons)	Value (EUR)	Relative share in total agricultural import in %
Cigars (including these with cut ends), cigarillos and cigars of tobacco or tobacco substitutes	9 850	91 796 903	3,2
Food products not specified or included elsewhere	24 789	91 744 324	3,2
Ethyl alcohol, undenatured, of an alcoholic strength by volume of less than 80% volume; distillates, liqueurs and other spirits (except for alcohol preparations for production of spirits)	18 158	90 175 538	3,2
Bread, pastries, confectionery or biscuit products, even with added cocoa, wafer, empty capsules from pastry for medications, pastry for sealing, dry paste leaves of flour, starch and similar products	38 063	85 043 068	3,0
Raw or non-manufactured tobacco; tobacco refuse	21 858	84 852 896	3,0
Cheese and curd	24 495	68 900 174	2,4
Water, including mineral water and aerated water, sweetened with sugar or other sweeteners or aromatized and other non-alcoholic beverages (except for fruit and vegetable juices, as well as milk)	113 492	67 526 761	2,4
Preparations of the kinds used in animal feeding	60 526	63 112 329	2,2
Cocoa mass even skimmed	20 661	58 179 586	2,0

Source: NSI Data Processed by MAFF; Preliminary Data for 2016.

4. Agricultural Commodities Foreign Trade Development in 2017

According to NSI preliminary data processed by MAFF, during the first six months of 2017 agricultural commodities export decreased to EUR 1 615,1 million or by 5,3% compared to the same period of 2016. This was due mainly to the significant value reduction of exported cereals (maize - with 50,4% and wheat – with 22%), poultry meat (with 15,6%) and tobacco (with 9,9%).

In the first half of 2017, leading product groups in country's agricultural export structure were the cereal and oleaginous plants, followed by plant or animal fats, bread and pastry products, tobacco and tobacco products, poultry meat etc.

Agricultural commodities import increased to EUR 1 554,8 million or by 16,8% on an annual basis in the six months of 2017. This was mainly due to maize deliveries triple increase in value terms.

Thus, Bulgaria formed a positive trade balance amounting to EUR 60,4 million in January-June 2017, while for the same period of 2016 it was EUR 374,7 million.

Main partners in country's agricultural trade remained EU states forming about 65% of total agricultural commodities export for the first half of 2017 and 78% of total agricultural import for the period.

5. Activities supporting agricultural production export

In 2016, the Concept was developed to support Bulgarian agricultural food products export and trade and a new unit supporting the export was formed in the MAFF. The Concept was presented in details in Support the Bulgarian Campaign organized by the ministry in September – October 2016.

One of the main export supporting mechanisms was gathering and providing information about potential markets for country's agricultural production. Second main role was to facilitate export administrative formalities

and help their fulfilment (conditions, trade mechanisms and international trade norms were summarized and provided in a way easily accessible for all operators in the sector). In this regard positions and opinions have been developed to conclude agreements between the EU and third countries or organizations (Ukraine, Bosnia and Herzegovina, Brazil, Canada, MERCOSUR, TTIP). Procedures have been started on inquiry and interest for export into third countries by business operators for export of brood poultry (ducks), hatching eggs, poultry (duck's) meat, waterfowl liver and meat products of traditionally specific nature, and negotiations have been started of bilateral veterinary certificates. Associations have been supported to present and promote their products that have successfully passed the procedures and have received the sign of protected geographical indication in the corridors of European Parliament and on the Green Week in Berlin, Germany in the form of degustation.

We have worked on expanding foreign trade relations through the diplomatic missions of Bulgaria, more particularly through Economic and Commercial Sections /ECS/. Cooperation has been provided for contacts between Bulgarian agricultural sector operators and potential agricultural commodities exporters with third countries agricultural sector business operators /traders/. The procedure was finalized on joining Lithuania and Hungary's application for grain export to the USA market. The procedure has been started on joining Spain's application for cherries export to the USA market.

In the first half of 2017, the work have been started on making dossiers on potential products export by countries. Each dossier contains analytical part covering potential country's important economic sectors and respective product's trade and market therein. In the dossiers there is a part dedicated to export opportunities informing about all necessary general and specific export conditions, documentation, sanitary and phyto-sanitary requirements, customs procedures, tariffs and bilateral commercial relations.

After meetings of high level representatives of Bulgarian and Turkish Ministries of Agriculture a wish have been expressed to resume live animals export to the Republic of Turkey. Bulgarian-Turkish Agricultural Business Forum is expected to be held with both ministries and branch representatives. There, important issues of Bulgarian-Turkish commercial relations will be discussed including live animals export.

There is an interest to the markets of Saudi Arabia and Qatar too. Within 2017, high level meetings will be held aiming to strengthen existing commercial relations and to find out new markets for Bulgarian products in third countries.

IV. SUPPORTING AGRARIAN SECTOR

1. Support under the First Pillar of EU Common Agricultural Policy /CAP/

1.1. Area-Based Direct Payments, National Complements to Direct Payments and Specific Support

Area-based and headage financial support is provided by the EAGF, EAFRD and National Budget /NB/. In 2016, authorization was made of applications submitted for 2015 and 2016 campaigns.

2015 Campaign

Table IV.1. Funds Authorized for 2015 Campaign in Calendar 2016, in BGN

Scheme	Number of submitted valid applications	Budget Distribution by source of financing (%)			Authorized payments
		EAFRD	EAGF	NB	
SAPS	61 145	-	100	-	576 363 098
GDP	61 145	-	100	-	457 015 216
SRP	61 068	-	100	-	104 355 039

Scheme	Number of submitted valid applications	Budget Distribution by source of financing (%)			Authorized payments
		EAFRD	EAGF	NB	
SYF	3 269	-	100	-	950 551
SDC	6 386	-	100	-	128 227
SCH	5 383	-	100	-	77 119
SSCs	959	-	100	-	303 605
Small Ruminants /SRs/	4 227	-	100	-	5 050
SSC	1 200	-	100	-	26 453
Buffaloes	239	-	100	-	28 351
FS	4 611	-	100	-	37 484 963
SV	3 910	-	100	-	33 387 709
SVg	549	-	100	-	5 093 693
SPC	11 445	-	100	-	30 553 003
Cotton	60	-	100	-	3 858 600
SAF	9 599	-	100	-	10 571 849
NAPA1	5 999	-	-	100	28 392 966
NAPA3	7 852	-	-	100	73 766
NDT	41 298	-	-	100	93 641 790
Measure 10	3 819	75	-	25	40 021 759
Measure 11	2 116	75	-	25	28 828 693
Measure 12	10 787	75	-	25	48 203 274
Measure 13.1	25 821	75	-	25	65 009 971
Measure 13.2	10 411	75	-	25	20 175 963
Measure 214 (AEP)	4 029	75	-	25	14 251 753
Total					1 598 802 461

Source: SFA-PA

2016 Campaign

In 2016, the requirement was still in force to all applicants for direct payments to have a registration as farmers under Art. 7 of APAA. This requirement was introduced in the previous campaign and applied to all candidates except the candidates under schemes for transitional national aid and RDP 2014-2020 measures.

More than 115 500 applications have been submitted in the campaign under following schemes and measures for direct payments, financed by European and national funds:

Schemes for Direct Payments

- Single Area Payment Scheme;
- Redistributive payment scheme;
- Payment for Agricultural Practises Beneficial for the Climate and the Environment (Green Direct Payment);
- Scheme for young farmers;
- Scheme for small farmers;

Coupled Support Schemes:

- Scheme for coupled support for dairy cows;
- Scheme for coupled support for meat-breed cows and/or young cows;
- Scheme for coupled support for dairy cows and/or meat-breed cows under selection control;
- Scheme for coupled support for ewes and/or breeding goat females;
- Scheme for coupled support for ewes and/or breeding goat females under selection control;
- Scheme for coupled support for buffaloes;
- Scheme for coupled support for fruit;
- Scheme for coupled support for vegetables;
- Scheme for coupled support for vegetables - greenhouse production;
- Scheme for coupled support for protein crops;
- Special payment for crop – cotton;

Schemes for transitional national aid:

- Scheme for transitional national aid for tobacco, decoupled;
- Scheme for transitional national aid for cattle, decoupled;
- Scheme for transitional national aid for ewes and/or breeding goat females, coupled;

RDP 2014-2020 Measures

- Measure 10. Agroecology and Climate:
 - Submeasure 10.1. Payments for agrienvironment-climate commitments:
 - Strand 10.1.1. Restoration and maintenance of grasslands of high natural value (HNV);
 - Strand 10.1.2. Maintenance of habitats of protected species of ornithological importance in agricultural lands;
 - Strand 10.1.3. Control of soil erosion;
 - Strand 10.1.4. Traditional practices for seasonal pasture (pastoralism);
 - Strand 10.1.5. Preservation of local breeds in danger of extinction, important for the agriculture;
 - Strand 10.1.6. Preservation of local species in danger of extinction, important for agriculture.
- Measure 11. Organic Farming
 - Submeasure 11.1. Payments to farmers for converting to organic farming Payments for transition to practices and methods for biological agriculture – farm’s conversion from conventional to organic production (plant-growing, apiculture and organic stock-breeding);
 - Submeasure 11.2. Payments for maintaining organic farming - the farm has undergone the conversion to organic production (organic plant-growing, organic stock-breeding and organic apiculture).
- Measure 12. Payments for Natura 2000 and Water Framework Directive.

- Measure 13. Payments for regions facing natural and other specific constraints.
 - Submeasure 13.1 Compensation payments in mountain regions;
 - Submeasure 13.2 Compensation payments for other areas, facing significant natural constraints;

Area-Related Aid Schemes

In order to ensure policy's continuity, Single Area Payment Scheme was continued during 2014-2020 program period. The minimum size of admissible farms was reduced from 1 ha to 0,5 ha, with plot's minimum size of 0.1 ha, aiming to have more farmers who may receive aid under the scheme.

As to 30 June 2017, more than 96% (BGN 712 973 850) of the total budget under SAPS amounting to BGN 741 148 673 have been authorized. Based on the area declared for 2016 campaign (3,72 million hectares) the amount of aid per unit area was BGN 201,11 / ha.

The Scheme for Redistributive Payment aims to encourage economically more vulnerable small and medium farms admissible farm for aid under SAPS by higher payment per unit area for the first 30 hectares. Scheme's budget was BGN 109 268 310 and 61 646 farmers applied. The rate per unit area for 2016 campaign amounted to BGN 147,31/ ha.

The CAP for the period 2014-2020 provides for agricultural lands' ecological parameters improvement introducing a mandatory greening component in direct payments. Agrarian practices, favorable for the climate and environment are encouraged by the application of Payment for Agricultural Practises Beneficial for the Climate and the Environment (Green Direct Payment). The farmers entitled to receive payment under SAPS have to observe crops diversification practices, preserve permanent grasslands and maintain ecological focused areas on all their hectares, depending on their characteristics. The scheme had a budget of BGN 464 969 245 and 61 666 farmers have submitted applications for 2016 campaign. As of 30 June 2017, over 97% of the budget have been allocated, at a per unit area rate of BGN 126,17 / ha.

The scheme for small farmers aims to increase the competitiveness and to ensure additional income for small farms. They are released from the requirements for green direct payments and cross-compliance. 5 729 farmers have submitted applications for the aid with BGN 6 547 208 authorized.

In order to encourage young people to set up in farming the Scheme for young farmers is applied. The farmers eligible for aid should not be more than 40 years old during the year of application and should have started their agricultural activity within the last 5 years. They receive increased payment for their first 30 ha amounting to 25% of the payment under SAPS. For 2016 campaign 4 111 young farmers had submitted applications and payments have been authorized amounting to BGN 1 612 958.

Coupled Support Schemes

In 2015-2020 period, Bulgaria applies the highest admissible coupled support funding of BGN 232 million (13% + 2% for protein cultures) aiming to make direct support more fair and effective for vulnerable sectors and sectors suffering difficulties.

In 2016, the support for farmers breeding animals was made through six schemes for coupled support, directed to meat-breed or dairy cows, meat-breed young cows and ewes and breeding female goats. The farmers breeding animals under selection control were supported under different schemes for dairy and meat-breed cows and ewes and breeding female goats.

In 2016 campaign, Fruit and Vegetables Sector was supported under three separate schemes for coupled support: for fruit, for vegetables and for green-house vegetables production. The support was focused on farmers managing at least 0,5 ha agricultural areas and cultivating one or more crops eligible for support with

a minimum plot size of 0,1 ha. The payment under the schemes was per hectare, upon proving minimum yield with documents for produced crops sales.

Scheme for coupled support for dairy cows

The scheme with a budget of BGN 46 781 500 supports dairy sector farms to maintain the level of produced milk. For 2016 campaign, 6367 farmers have submitted applications for support declaring 175 576 milk cows. The support rate amounted to BGN 272 per animal.

Scheme for coupled support for dairy cows and/or meat-breed cows under selection control

The scheme is aimed at supporting farms breeding cows under selection control among other cows. For 2016 campaign, 1587 farmers have submitted applications for support declaring 84 095 animals. The annual budget of the scheme amounts to BGN 22 898 565 and support rate amounts to BGN 275 per animal.

Scheme for coupled support for meat-breed cows and/or young cows

The scheme is aimed to support Beef Meat Sector to the level needed to maintain the current production in farms breeding 5 or more cows and/or young cows, designated for meat. The scheme has an annual budget of BGN 24 866 741. For 2016 campaign, 6356 farmers have submitted applications declaring 122 798 animals. The rate for support was BGN 206 per animal.

Scheme for coupled support for ewes and/or breeding female goats

In 2016 campaign, a support has been started for the farmers breeding from 10 to 49 ewes and/or breeding female goats in order to keep the production level in this farms category. The budget under the scheme amounted to BGN 9 018 410. For the scheme, 6 528 farmers applied. With 181 100 animals declared for support, the rate per animal amounted to BGN 50,75.

Scheme for coupled support for ewes and/or breeding female goats under selection control

For 2016 campaign, a budget amounting to BGN 12 834 857 was allocated for support of farmers breeding 50 or more ewes and breeding female goats including at least one animal under selection control. Applications for support have been submitted by 2 157 farmers declaring 281 101 animals. The rate for support per animal amounted to BGN 47,10.

Scheme for coupled support for buffaloes

The support for buffalo-breeding as a vulnerable sector was implemented through separate scheme for direct payments. The support was directed to farmers, who breed 10 or more buffaloes. The annual budget under the scheme amounts to BGN 5 413 177. There were 14 015 animals declared for support by 292 farmers and a rate was formed amounting to BGN 390,20/per animal.

Scheme for coupled support for fruit

For 2016 campaign, 8 153 farmers have submitted applications for support under the scheme declaring areas of 35 954 ha. Allocated budget amounted to BGN 39 164 447 and the rate per hectare was BGN 1 342,66.

Scheme for coupled support for vegetables

Applications for support under the scheme have been submitted by 7 778 farmers, who have declared areas of 37 211 ha. The annual budget under the scheme amounts to BGN 35 325 771, at a rate of BGN 1 080,51 per hectare.

Scheme for coupled support for green-house vegetables production

Separate scheme with fixed budget has been implemented in 2015 campaign for support of greenhouse vegetables production and was applied in 2016 too. Due to this production's specific nature minimum 0.5 ha size

areas were eligible for support. It is allowed to have a combined open field and greenhouse production. For 2016 campaign, 748 farmers have applied under the scheme declaring areas of 685 ha for support. The budget under the scheme amounted to BGN 5 182 950 and the rate per hectare was BGN 8 912,77.

Scheme for coupled support for protein crops

The scheme was applied for the first time in 2015 campaign. Its purpose was to help livestock farmers indirectly supporting protein crops production for fodder, on the one hand, and on the other hand, this contributed for the fulfilment of the requirements to maintain ecologically focused areas as a part of the green requirements. For 2016 campaign applications for support have been submitted by 15 604 farmers, who have declared areas of 144 827 ha. The annual budget amounted to BGN 30 997 911, at a rate of BGN 216,47 per hectare.

Table IV.2. Authorized funds for 2016 campaign for the calendar 2016, in BGN

Scheme	Number of submitted valid applications	Allocation of the budget according to the source of financing (%)		Authorized payments
		EAGF	NB	
SAPS	61 666	100	-	501 366 507
SDC	6 367	100	-	45 318 046
SCH	6 356	100	-	24 131 850
SSCs	1 587	100	-	21 906 161
SRs	6 528	100	-	8 777 452
SSC	2 157	100	-	12 507 275
Buffaloes	292	100	-	5 238 155
NAPA1	5 752	-	100	23 994 930
NAPA3	7 526	-	100	36 588 813
Total				679 829 189

Source: SFA-PA

Special payment for cotton

There was a separate scheme to support cotton with a specially allocated budget for 2016 campaign. Applications for support have been submitted by 122 farmers, who have declared areas of 5 114 ha. The total amount of authorized payments amounted to BGN 4 393 611.

Schemes for transitional national aid

In 2016, following the consistent policy to support Stock-Breeding and Tobacco Sectors with national funds, Bulgaria took advantage of the opportunity to continue the support applying Schemes for transitional national aid for cattle, buffaloes, ewes and breeding female goats, and tobacco, under the conditions of the schemes for national top-up payments applied in 2013.

Transitional national aid for cattle and buffaloes (decoupled)

Scheme's budget for 2016 amounted to BGN 44 890 797. Applications have been submitted by 5 668 farmers. The support rate per animal for cattle was BGN 190 and for buffaloes – BGN 336.

Transitional national aid for ewes and/or breeding female goats (coupled)

The scheme had a budget of BGN 37 560 737 and applications have been submitted by 7 526 farmers with 1 090 013 animals. The support rate per animal was BGN 35,43.

Transitional national aid for tobacco

For 2016 campaign applications for support have been submitted by 41 427 farmers for the quantities of Virginia, Burley, Kaba Kulak and Basmi tobacco varieties delivered during the reference years. As of 30 June 2017, the authorized funds amounted to BGN 89 091 629.

Table IV.3. Amount of the support under schemes for direct payments and transitional national aid for 2016 campaign and budget utilization as of 30.06.2017

Scheme	Budget of 2016 campaign (in BGN)	Rate of 2016 campaign	Authorized funds for 2016 campaign (in BGN)	Utilization of the budget as of 30.06.2017 (%)
Single area payment scheme	741 159 823	BGN 201,11/ha	712 973 850	96,2%
Scheme for redistributive payment of aid	109 268 310	BGN 147,31/ha	105 443 776	96,5%
Green direct payments	464 969 245	BGN 126,17/ha	453 474 615	97,5%
Scheme for young farmers	25 % of the rate under SAPS	BGN 50,28/ha	1 612 958	100,0%
Scheme for coupled support for dairy cows	46 781 500	BGN 272/per animal	45 471 756	97,2%
Scheme for coupled support for meat-breed cows and/or young cows	24 866 741	BGN 206/per animal	24 232 489	97,5%
Scheme for coupled support for dairy cows and/or meat-breed cows under selection control	22 898 565	BGN 275/per animal	21 984 544	96,0%
Scheme for coupled support for ewes and/or breeding female goats	9 018 410	BGN 50,75/per animal	8 783 207	97,4%
Scheme for coupled support for ewes and/or breeding female goats under selection control	12 834 857	BGN 47,10/per animal	12 541 517	97,7%
Scheme for coupled support for buffaloes	5 413 177	BGN 390,20/per animal	5 238 154	96,8%
Scheme for coupled support for fruit	39 164 447	BGN 1 342,66/ha	37 539 994	95,9%
Scheme for coupled support for vegetables	35 325 771	BGN 1 080,51/ha	33 434 172	94,7%
Scheme for coupled support for greenhouse vegetables production	5 182 950	BGN 8 912,77/ha	4 983 818	96,2%
Scheme for coupled support for protein crops	30 997 911	BGN 216,47/ha	30 025 968	96,9%
Special payment for cotton			4 393 610	
Scheme for small farmers		Minimum BGN 977,50.	6 547 208	
		Maximum BGN 2 443,75.		
Scheme for transitional national aid for cattle and/or buffaloes, decoupled	44 890 797	Cattle –BGN 190 /per animal	44 723 425	99,6%
		Buffaloes – BGN 336/per animal		
Scheme for transitional national aid for ewes and breeding female goats, coupled	37 560 737	BGN 35,43/per animal	37 237 677	99,1%
Transitional national aid for tobacco			89 091 629	

Source: Direct Payments and Agricultural Parcels Identification Directorate, MAFF

Measures under RDP for payment per unit area

Measure 214. Agro Ecological Payments, RDP 2007-2013

2 553 applications for support and payment (without repetition) have been submitted under Measure 214 in 2016. This is about 35% less compared to the ones, submitted in 2015, mainly because of expired commitments or refusal of beneficiaries, who have submitted applications for support for the first time in 2013 and who couldn't commit under the measure for 2014, 2015 and 2016 campaigns.

As of 30.06.2017, the total amount of BGN 34 000 868 has been authorized for 2016 campaign under the measure.

Measures under RDP 2014-2020

Measure 10. Agro Ecology and Climate and Measure 11. Organic Farming

In 2016, under both measures, Measure 10. Agro Ecology and Climate and Measure 11. Organic Farming 5 351 and 4 235 applications for support and payment (without repetition) have been submitted respectively. This was an increase compared to 2015 campaign by 30% and 50% respectively and BGN 32 713 085 have been authorized under Measure 10 up to 30 June 2017, as well as BGN 57 845 843 under Measure 11.

Measure 12. Payments under Natura 2000 and Water Framework Directive

Under Measure 12. Payments under Natura 2000 and Water Framework Directive 11 843 applications for support were submitted for 2016 campaign. Authorized funds amounted to BGN 48 103 803.

Measure 13. Payments for Regions Facing Natural or Other Specific Constraints

As of the end of June 2017, the following payments for 2016 campaign have been made under the Measure: under Submeasure 13.1. Compensation Payments in Mountain Regions – BGN 66 340 674 and under Submeasure 13.2. Compensation Payments for Regions Other than Mountain Regions with Significant Natural Constraints – BGN 20 569 894. The budget under both submeasures for the campaign has been almost utilized (over 99%).

2017 Campaign

Table IV.4. Declared Data under Schemes and Measures for Support per Unit Area

Scheme/Measure	Submitted applications (number)	Declared area (ha)
Single Payment Scheme per Unit Area	63 337	3 808 851
Scheme for transitional national aid for agricultural land per hectare	47 045	3 303 209
Measure 12	11 550	391 564
Measure 13.1	24 425	389 531
Measure 13.2	10 513	280 633
Measure 10	4 224	279 607
Scheme for coupled support of protein cultures	17 383	199 403
Measure 214	1 357	158 677
Measure 11	3 251	91 780
Scheme for coupled support for fruit (main)	5 986	22 752
Scheme for coupled support for vegetables (main)	5 474	20 869

Scheme/Measure	Submitted applications (number)	Declared area (ha)
Scheme for coupled support for vegetables (other)	2 637	8 759
Scheme for coupled support for fruit (other)	2 787	8 519
Special payment for culture – cotton	153	5 535
Scheme for coupled support for greenhouse vegetables production	791	699

Source: SFA-PA

Note: the data are current as of 27.06.2017.

Table IV.5. Declared Data under Schemes for Support per Animal

Scheme	Submitted applications (number)	Declared animals (number)
Scheme for coupled support of ewes and/or breeding female goats under selection control	2 082	324 884
Scheme for coupled support of dairy cows	5 590	166 184
Scheme for coupled support of meat-breed cows and/or young cows	6 568	138 938
Scheme for coupled support of ewes and/or breeding female goats in mountain regions	3 087	84 343
Scheme for coupled support of dairy cows under selection control	834	68 581
Scheme for coupled support of meat-breed cows under selection control	271	12 417
Scheme for coupled support of buffaloes	266	11 068
Scheme for coupled support of dairy cows in mountain regions	186	1 489
Transitional national aid (cattle)	5 327	224 239
Transitional national aid (buffaloes)	78	3 382

Source: SFA-PA

Note: The data are current as of 27.06.2017 .

Table IV.6. Submitted Applications for Support under the Scheme for Transitional National Aid for Tobacco

Variety	Submitted applications (number)	Reference quantity (kg)
Basmi	34 383	29 580 542
Burley	1 353	6 985 364
Kaba Kulak	6 174	6 458 182
Virginia	70	8 574 921

Source: SFA-PA

Note: The data are current as of 27.06.2017

As of 27.06.2017 under the Scheme for young farmers a total of 3 542 applications for financial aid have been submitted and under the Scheme for small farmers 5 326 beneficiaries continued their participation.

1.2. Market Support Mechanisms

EU agricultural markets general organization aims to stabilize them, provide a better fair standard to the population employed in the agricultural sector, and offer food products on acceptable prices. It embraces market

support measures, regulatory market measures for quality control of agricultural products, acknowledgment of producers' organizations, issuance of import and export licenses, etc. Some of market measures are horizontal and are implemented for all agricultural sectors, others only regard one or few agricultural products.

1.2.1. Milk Sector

Temporary exceptional measures for support of animal products producers due to the crisis in some livestock breeding sectors

At the end of 2015 and in 2016, national financing was added to the temporary exceptional aid, granted by the EU under Regulation 1853/2015 amounting to 100% of the national limit, stipulated for Bulgaria. National budget resource amounting of BGN 11 740 882 have been paid to 12 642 farmers. The funds paid in 2016 amounted to BGN 10 199 774 and were allocated under the following four schemes:

- Support based on deliveries and/or direct sales of cow's milk during the quota period 2014/2015 – BGN 4 182 821;
- Support per number of dairy cows in the farm – BGN 3 433 492;
- Support per number of ewes and/or breeding female goats in the farm – BGN 2 365 903;
- Support per number of buffalo cows in the farm – BGN 217 559.

In connection with the difficulties, which continued to accompany the milk sector in 2016, the EU granted an exceptional aid for adjustment of the milk producers and the farmers in other livestock breeding sectors. According to Regulation № 2016/1613 a financial resource amounting to EUR 5 809 941 (BGN 11 363 083) was allocated for Bulgaria. Under this measure the farmers have received BGN 11 362 955 distributed in three schemes:

- Scheme for Support of Small-Size Farms: total of BGN 2 426 176 have been paid including BGN 2 127 468 for cows and buffalo cows (total of 64 233 animals) and BGN 298 708 for ewes and breeding female goats (111 897 animals).
- Scheme for Support of Ecological and Climate-Friendly Methods of Production: total of BGN 5 281 426 have been paid including BGN 4 246 356 for cows and/or buffalo cows (182 482 animals) and BGN 1 035 070 for ewes and/or breeding female goats (total of 575 039 animals).
- Scheme for Implementation of Extensive Methods of Production: BGN 3 655 353 including: BGN 2 938 164 for cows and/or buffalo cows (for 67 809 animals) and BGN 717 189 for ewes and/or breeding female goats (for 279 062 animals).

Providing Aid for Milk Production Reduction under Commission Delegated Regulation (EU) No. 1612/2016

Under the Regulation, BGN 1 250 207 have been paid in two tranches in 2016 to 234 farmers, who had declared and proved milk production reduction by total of 4 650 tonnes.

Milk Quotas

In compliance with the European legislation, the year 2014/2015 was the last when quota regime applied.

In 2016, within 18 months statutory deadline, after the expiry of quota 2014/2015 period subject to check, 482 on-the-spot inspections have been made of producers, holding individual quotas for direct sales and deliveries on farm level.

Based on risk analysis, 211 on-the-spot inspections have been made of approved purchasers under Submitted Annual Statement, Non-Submitted Annual Statement and Transportation of Purchased Row Cow Milk Criteria for 2014-2015 period.

Contractual Relations in Milk Sector

Contractual relations in Milk Sector, conditions and ways of acknowledgment of producers' organizations, their associations and interbranch organizations in Milk and Dairy Products Sector are stipulated in Ordinance No. 1 of 28.01.2015.

These relations regulation aims all kinds of row milk production sustainable development, opportunities improvement for milk producers to negotiate with purchasers and a more fair distribution of the added value along the chain of deliveries.

In 2016, purchasers have submitted 1 191 applications for registration of approximately 14 568 contracts/annexes for purchase of milk. Inspections have been made to 476 farms, producing row milk and to 250 purchasers, registered in the Register of Approved Purchasers of Cow Milk.

School Milk Scheme

The scheme applies throughout the country aiming to increase long-term milk and dairy products consumption by children, to create and encourage healthy nutrition habits. This group of food includes fresh milk and yoghurt, different types of white and yellow cheese, curd, etc. The age of included children is: kindergartens: (priority group) – all children from I to IV groups of municipal, state or private kindergartens; schools: all students of the respective school (municipal, state or private) from preparatory class to 4th grade inclusive.

Dairy products eligible for support are stipulated by categories in Appendix I of Regulation No. 657/2008 of the Commission and the rates of European aid by categories are as follows:

- Fresh pasteurized milk – BGN 0,449 without VAT for 250 ml - category I;
- Yoghurt – BGN 0,5336 without VAT for 200 g - category I;
- Dairy products with minimum 90% contents of milk and with up to 5% added sugar/honey – BGN 0,5336 without VAT for 200 g/250 ml - category I;
- Dairy products with minimum 75% contents of milk and with up to 5% added sugar/honey –BGN 0,77 without VAT for 200 g - category II;
- White brined cheese – BGN 0,36 without VAT for 30 g - category V;
- Yellow cheese – BGN 0,48 without VAT for 30 g - category V.

Until the end of 2014/2015 school year, the approvals have been issued only once and the financing was made only with EAGF funds. Since 2016, the scheme is co-financed by the national budget and the candidates are approved each year.

2015/2016 School Year

For 2015/2016 school year, 125 applicants were approved. The EU granted budget amounted to BGN 822 439 (without VAT). National funds, required for reimbursement of eligible costs for delivered products and for VAT amounted to BGN 7 323 504. At the end of 2016, BGN 5 200 419 have been paid out of the total budget of BGN 8 145 943 for the school year.

2016/2017 School Year

For the school year, 173 applicants were approved to deliver milk and dairy products to 447 880 children in kindergartens and schools (302 000 children in 2015). Scheme's total budget amounted to BGN 9 875 754

(without VAT) including BGN 1 288 103 (without VAT) from the EU, and BGN 8 587 651 (without VAT) national financing.

As of June 2017, payments were made amounting to BGN 6 112 250 including BGN 5 123 607 of national co-financing.

According to Regulation (EC) No. 791/2016 amending Regulations (EU) No. 1308/2013 and (EU) No. 1306/2013 as regards the aid scheme for the supply of fruit and vegetables, bananas and milk in the educational establishments, since 2017/2018 school year the two schemes will be combined into one, consequently national legal framework will be amended to be synchronized with European Regulations.

1.2.2. Fruit and Vegetables Sector

School Fruit Scheme

EU scheme's general objective is by offering fruit in the schools provide political and financial framework for member-states' initiatives, encouraging increase fruit and vegetables share in children's feeding.

The scheme is implemented throughout the country including children from kindergartens: (priority group) all children from I to IV group of municipal, state or private kindergartens; all students from preparatory to 4th grade inclusive from the respective municipal, state or private schools.

2015/2016 School Year

The budget under the scheme for 2015/2016 school year was BGN 13 849 127 including BGN 6 307 228 from the EU, and BGN 7 541 899 of national co-financing.

Contracts have been granted to 379 applicants. For the school year, each child was supposed to receive average BGN 27,29 without VAT or 40 deliveries of fruit/vegetable portion by BGN 0,68 each.

The funds paid by the end of the calendar 2016 amounted to the total of BGN 11 605 852.

2016/2017 School Year

In 2016/2017 school year the scheme covered 316 744 children in 3 800 schools and kindergartens with 315 suppliers approved. Scheme's total budget amounted to BGN 9 767 110 including European funding of BGN 6 071 286 and national co-financing of BGN 3 695 823.

National Strategy for School Fruit Scheme implementation in the schools in the Republic of Bulgaria for 2016/2017 school year provided for allocation of BGN 453 528 for accompanying measures and of BGN 243 014 for information activities from the total budget.

As of the end of June 2017, BGN 4 134 466 without VAT have been paid under the scheme.

Temporary Exceptional Measures Scheme

In connection with one year extension of Russian ban on certain agricultural products import including fruit and vegetables the EC issued a Delegated Regulation (EU) 2015/1369 amending Delegated Regulation (EU) No 1031/2014 laying down further temporary exceptional support measures for producers of certain fruit and vegetables. The act regulated temporary exceptional measures implementation for the period 1 July 2016 - 30 June 2017 or until reaching the eligible quantities of products in the respective Member State. Regulation's provisions were included into Ordinance No. 6 of 28 August 2014 on conditions and order for implementation of temporary exceptional measures for vegetables and fruit sector market support.

Maximum quantity of 3 000 tonnes has been established for Bulgaria for exceptional measures application, regarding: tomatoes, cucumbers, gherkins, carrots, sweet peppers, cabbage, cauliflower, mushrooms, apples, pears, raspberries, table grapes, plums and cherries, as well as 300 tonnes for peaches and nectarines.

In August 2016, applications submission procedure has been started for support under Withdrawal from the Market Measure. It was closed in September 2016 because country's limit has been reached. Six applications have been approved for withdrawal from the market of 2 265 tonnes of products. In 2016, there were no payments under this measure.

Scheme for Fruit and Vegetables Producers' Groups

The support for producers' groups /PG/ encourages the establishment of stable producers' organizations /PO/. Fruit and vegetables producers association in groups helps strengthen their influence in manufactured production negotiation process and raise their competitiveness. Within a five years period producers organizations must fulfill with all recognition requirements.

Producers' groups may use two forms of support: EU aid for their administrative and organizational strengthening calculated as a percentage their marketed production value and co-financing of investments they have made to meet the criteria for recognition as producers organizations. A condition for temporary recognition is a 5-year recognition plan submission by the producers group, which may also include some investment activities.

In 2012-2013 financial aid contracts were concluded with 12 recognized fruit and vegetables producers' groups but two of them have discontinued their activity. The rest ten functioning groups have members more than 40 member-farmers. Their purpose is have 84 members at the end of the five-year period. The groups include farmers practicing different types of vegetables production, open air field production, greenhouse production and orchards, on the territory of Plovdiv, Haskovo, Ruse, Veliko Tarnovo, Blagoevgrad, Burgas, Karnobat and Montana

In 2016, the total of BGN 14 608 001 have been paid under the scheme.

The ten functioning producers groups needed the following financial resource for 2017 for reimbursement of expenses made in 2016 and the first half of 2017 amounting to BGN 32 041 864 including BGN 15 322 394 from the EAGF funds BGN 16 719 470 from the national budget. As of 30 June 2017 payments have been made for BGN 5 106 711.

Producers Organizations Scheme

Fruit and Vegetables Producers' Organizations

In 2016, amendments were made to Ordinance No. 11 of May15, 2007 on recognition conditions of fruit and vegetables producers organizations and their associations and on conditions of approval and amendment of approved operational programs aiming to facilitate farmers' unification. Recognition conditions are as simple as possible including minimum number of documents.

Fruit and Vegetables Producers Organizations Scheme aims to unite producers' groups in marketing organizations, which would concentrate the offer, reduce production price and shorten commercial chains.

The projects, submitted by the applicants under the scheme have a minimum duration of 3 years and maximum duration of 5 years. The measure is of investment nature, with admission of administrative costs, incl. staff employment. Forming financial support amount for investment offered production valued is taken into consideration too. Scheme's annual limit amounts to BGN 1 328 395 including 85% national and 15% European financing.

In 2016, one three-year operational program was approved amounting to BGN 5 418 929. No payments under the scheme have been made.

Organizations of producers of agricultural products

In 2016, there was an extensive information campaign including more than 30 meetings with presentations of associating benefits and additional support opportunities for producers' organizations and

groups.

In 2016, 34 POs and PGs were recognized including 4 PO and 8 PG in Fruit and Vegetables Sector, 1 PG and 2 PO in Cereals Sector, 1 PO and 1 PO in Medicinal Crops and Crops for Perfume Extraction Sector; 1 PO in Honey and Bee Products Sector, and 16 PG in Milk Sector. At the end of the year, there were 56 recognized producers' organizations and groups with more than 340 member-farmers. However, the organization level in the country is still low. The value of the production manufactured by the members of PO and PG for 2015 amounted to 1,2% of country's total produced agricultural production value. Production areas cultivated by PO and PG members are 1,3% of country's agricultural areas and the number of animals they breed is about 1% of country's total number.

Next stage of producers' associations policy is existing associations concentration encouraging which would contribute to raise their competitiveness on both internal and international markets. That is why, legislative changes and amendments to the measures for support of PO and PG are expected.

1.2.3. Apiculture Sector

The Sector is supported under National Apiculture Program /NAP/, developed in cooperation with the beekeeping organizations, in compliance with Regulation 1308/2013 requirements.

Program is aimed at honey and bee products production and trade conditions improvement, production efficiency increase, Bulgarian bee honey and bee products quality and competitiveness increase, bee population preservation and sustainable development, better employment and higher incomes for the bee-keepers.

The financial aid is granted for investments, expenses or projects under the following measures:

- Technical aid for bee-keepers and bee-keepers associations;
- Fight against the varroaosis;
- Measures for support of laboratories, making bee honey physical-chemical analysis;
- Measures for support of bee hives renewal in the Community;
- Cooperation with specialized authorities in bee-keeping and bee products applied research programs implementation.

National Apiculture Program budget for 2014-2016 was BGN 13 304 651 incl.: for 2014 – BGN 4 436 150, for 2015 – BGN 4 436 975 and for 2016 - BGN 4 431 526.

Table IV.7. Budget and Paid Financial Aid under NAP for 2016, in BGN

Measure, activity	Budget	Paid financial aid			Budget execution (%)
		Total	incl. EAGF	Incl. NB	
1. Total under Measure A – technical aid for bee-keepers and bee-keepers associations	0,00	0,00	0,00	0,00	-
2. Total under Measure B – Fight against varroaosis	2 022 901	1 579 057	789 528	789 528	78%
Expenses for purchasing preparations in the fight against varroaosis approved by the Veterinary Medicinal Activity Act	2 022 901	1 579 057	789 528	789 528	78%

Measure, activity	Budget	Paid financial aid			Budget execution (%)
		Total	incl. EAGF	Incl. NB	
3.Total under Measure C - Measures for support of bee honey physical and chemical analysis	49 950	27 739	13 870	13 870	56%
Support for beekeepers for bee honey laboratory analysis	49 950	27 739	13 870	13 870	56%
4. Total under Measure D - Measures for support of bee hives renewal in the EU	2 358 675	1 978 138	989 069	989 069	84%
Activity 1 New hives purchase to replace old unfit hives and/or to increase bee colonies number in the apiary	1 037 049	1 017 777	508 888	508 888	98%
Activity 2 Bee colonies number maintenance or increase	939 141	659 129	329 565	329 565	70%
Activity 3 Purchase of queen bees	382 485	301 232	150 616	150 616	79%
5. Total under Measure E- Cooperation with specialized authorities in bee-keeping and bee products applied research programs implementation	0,00	0,00	0,00	0,00	-
Total	4 431 526	3 584 934	1 792 467	1 792 467	81%

Source: IACS, National Apiculture Programme Module - admission 2016

Bee-keepers traditionally high interest to the NAP continued in financial 2016. More than 2 050 applications for support were submitted and 1 700 contracts for financing have been concluded under them. Due to the big number of submitted applications for support in 2016 for the activities for purchase of hives and bee colonies, contracts were concluded with applicants above provided budget, under the condition to have them financed if a free resource would be available.

Under 1 480 contracts (87% of concluded contracts) investments have been made and applications for payment have been submitted. Under the rest contracts provided investment have not been made.

In 2016, under *Measure B – Fight against the varroaosis, activity Expenses for purchase of preparatuses in the fight against varroaosis* 280 274 treatments of bee colonies have been made. Costs for purchasing preparatuses amounting to BGN 1 973 821 were approved including financial aid amounting of BGN 1 579 057. During the year, the largest number of bee colonies treatments have been made compared to all previous years of NAP application.

Under *measure C - Measures for support of the carrying out of physical and chemical analysis of bee honey, activity Support of bee-keepers for carrying out of laboratory analysis of bee honey* were made 1 331 studies of indicators for analyses of bee honey in accredited laboratories under the indicators, determined in the National Programme - hydroxymethylfurfural (HMF), diastase activity, reducing sugars and sucrose, water content, indissoluble admixtures in water, electrical conductivity, free acidity and pollen. The approved costs for the made analyses were to the amount of BGN 34 674 and for them has been paid financial aid to the amount of

BGN 27 739.

Under *measure D- - Measures for support of renewing bee-hives in EU, Activity 1 - Purchase of new beehives*, were bought 15 509 hives. Costs to the amount of BGN 1 696 295 were approved and has been paid financial aid to the amount of BGN 1 017 777. Under *activity 2 - Costs for Maintenance or increasing the number of bee families* were bought 0 810 bee families. Costs to the amount of BGN 941 613 were approved and the paid financial aid amounted to BGN 659 129. Under *activity 3 - Costs for purchase and replacement of bee queens* were bought 22 235 tribal queen bees. The amount of the approved investment costs was BGN 430 331 and the paid financial aid – BGN 301 232.

Also in 2016 SFA provided an opportunity for the applicants under NAP to receive low-interest loans for financing the costs for purchase of preparatuses to fight varroaosis, hives, bee families and queen bees.

At the end of 2016 started the implementation of the National apiculture program for the period 2017-2019 with a total budget to the amount of BGN 14 275 774 from which for 2017 – BGN 4 758 590, for 2018- BGN 4 758 594 and for 2019 – BGN 4 758 590.

During the held admission for 2017 were submitted 2 238 applications for support. 1 879 contracts were executed for granting financial aid to the total amount of BGN 4 273 907.

Within the period 05.06.2017-15.08.2017 was opened an admission for applications for payment under the executed contracts. Financial aid under NAP payment deadline was 15.10.2017.

1.2.4. Wine Sector

National Support Programme for wine and winery sector 2014-2018 comprises three measures, entirely financed by EAGF - Restructuring and conversion of vineyards, Green harvesting and Promotion of markets in third countries.

For a reason of the high interest to measure „Restructuring and conversion of vineyards“, by decision of the Permanent working group for settling current issues in sector „Wine“, established by order of the Minister of agriculture and foods, to the budget of the measure for the financial 2016 have been transferred the total budget of measure „Green harvesting“ and part of the budget under measure „Promotion of markets in third countries“. Thus the budget of measure „Restructuring and conversion of vineyards per year amounted to BGN 50 885 934 and the budget of the measure „Promotion of markets in third countries“ – to BGN 1 455 186.

Under measure „Restructuring and conversion of vineyards“ in 2016 were held two admissions of applications for grant of financial aid. There have been submitted 198 applications, under which were executed 188 contracts to the total amount of the financial aid of BGN 60 532 811. The funds paid during the year amounted to BGN 41 773 139 (utilization of budget 82%).

Under measure „Promotion of markets in third countries“ in 2016 were executed 4 contracts for granting financial aid to the total amount of BGN 5 749 617, which implementation shall end in 2018. During the year were made payments to the amount of BGN 702 021 as a total number.

Within the frameworks of the held admission of applications for support for financial years 2017 and 2018, there have been submitted 147 applications, with total amount of the financial aid -BGN 60 470 913. At 30.06.2017 were made payments to the amount of BGN 5 930 529.

1.2.5. Public Intervention and Private Storage

Public Intervention

In accordance with art. 12 of Regulation (EU) № 1308/2013 of the European parliament and the Council, the member-states may each year make interventional buying up of the following agrarian products:

- Common wheat – period of buying up from 1 November till reaching 3 000 000 tons for the whole EU, but not later than 17:30 p.m. on 31 May in the next year;
- Butter and skimmed milk powder - from 1 March till 30 September;
- Durum, barley, maize and paddy, beef meat and veal–intervention buying up shall be announced only if the market situation requires so.

In 2016 there were no submitted applications for interventional purchase of agrarian products.

Private Storage of Pork

On the grounds of Regulation for implementation (EU) № 2015/2334 of the Commission in the middle of December 2015 started a scheme for private storage of pork, which implementation was suspended at the end of January 2016. Within the frameworks of the admission there were no submitted applications for support.

Private Storage of Cheese

On the grounds of Delegated Regulation (EU) № 2015/1852 of the Commission for opening of a temporary exceptional scheme for aid for private storage of some types of cheese and for preliminary determination of the amount of the aid, in December 2015 was opened an admission for applications for granting aid for private storage of cheese. There was submitted one application for support, for 260 tons of cheese. In August 2016, after termination of all physical and administrative inspections for ascertaining the realization of the contractual commitments, it has been paid a financial aid to the amount of BGN 32 643. .

1.2.6. Sugar Sector

Quota Regime Scheme

The European Union uses the quota system for the production of sugar and isoglucose in order to regulate the production in the Union. Bulgaria has a national quota for production of isoglucose amounting to 89,198 tons expressed as dry matter.

In 2016 over the production quota for isoglucose was collected a fee to the amount of BGN 1 046 721. The most part of it - 80% is provided in a budget of the EU and 20% remains for the national budget.

During the year there were not ascertained additional amounts for taxable overproduction for 2014/2015 market year. Some of the overproduced quantities were exported outside EU with export licenses of out-of-quota isoglucose or were transferred as produced in the next market year, therefore sanction was not charged.

Scheme: Approval of Companies Producers of Isoglucose and Refiners

In compliance with the provisions of the European legislation applicable to sector Sugar all raw cane sugar processing companies (full-time refiners) and sugar and isoglucose producers are subject to approval.

At the beginning of 2016 one undertaking was approved as a producer of isoglucose and two undertakings as permanent refiners of raw cane sugar.

For 2014/2015 market year were issued and realized three licenses for preferential import of sugar, determined for refining. The imported and refined quantity under these licenses amounted to 54 867 340 kg, expressed in tel quel weight.

For 2015/2016 market year the imported and refined quantity amounted to 80 409 052 kg, expressed in tel quel weight, from which 4 767 502 kg expressed in tel quel weight were imported and refined in EU from a foreign refinery, because of transfer of rights under a license.

The quantities of raw sugar for refining, which have to be imported till the end of 2016/2017 market year under issued licenses for import of sugar under tariff quotas and preferential regimes are 53 372 674 kg,

expressed in tel quel. Till the end of the calendar 2017 the operators may declare licenses for import of additional quantities for the market years 2016/2017 and 2017/2018.

1.2.7. Promotional Programmes

The promotional programmes cover activities aimed at providing information about product presentations and facilitating its marketing. The programmes may include organizing trainings, conferences with the participation of journalists and doctors, promotions in supermarkets and stores, tastings, advertising, organizing competitions, publications in specialized press and Internet, participation in exhibitions, fairs, national and international exhibitions.

The implementation of the promotional programmes leads to increase of the market share and demand of the products in the target countries, the image of the products is improved compared to other similar products and at the same time is increased the consumption of the promoted products.

In 2016 under process of implementation are the following programmes:

- European Sheep Meat and Cheese. Try the Quality, Taste the Difference. - approved by the EC in October 2014. The program was submitted by the National Association for Breeding of Synthetic Population of Bulgarian Milk Sheep Breed and aimed at markets in Croatia, Germany, Greece and Bulgaria with a total budget EUR 3 577 371 (BGN 6 996 729).
- Go, Take and Eat Organic was approved by the EC in April 2015. It was submitted by the Bulgarian Association Bio products and aimed at markets in Germany, Austria, Sweden and Denmark. Awareness and promotional activities were implemented in relation to organic fresh and manufactured fruit and vegetables, nuts and organic wine in the total amount of EUR 4 574 551 (BGN 8 947 044).
- Quality European Cheese was approved by the EC in April 2015. It was submitted by the Association of Dairy Manufacturers in Bulgaria and aimed at markets in Kazakhstan, Azerbaijan and the United Arab Emirates. Awareness and promotional activities were implemented in relation to feta cheese and yellow cheese in the total amount of EUR 3 971 789 (BGN 7 768 144).
- Enjoy EU Cherries - Multinational Programme for information and promotion of fresh cherries. Approved by the EC in April 2015. It was submitted by the National Union of Gardeners in Bulgaria and Group of Cooperatives for Fruit Production (Greece) and aimed at markets in Germany, Finland and Sweden. The total budget of the Programme was EUR 4 175 052 (BGN 8 165 691).
- A Variety of Flavors was approved by the EC in April 2015. It was submitted by the National Association for Breeding of Synthetic Population of Bulgarian Milk Sheep Breed and aimed at markets in Jordan, Kazakhstan and the United Arab Emirates. Awareness and promotional activities were implemented in relation to sheep meet and cheese in the total amount of EUR 4 457 456 (BGN 8 718 026).
- Promotion of Wines with PDO/PGI in Third Countries was submitted by the National Vine and Wine Chamber and aimed at markets in the US and China, with a budget of EUR 3 578 397 (BGN 6 998 736).
- Promotion of European Spirit Drinks with Geographical Indication (Burgas Muscat brandy, Pomorie grape brandy and tsipouro Tirnavou) was submitted by the Regional Vine and Wine Chamber South Black Sea - Burgas and the Greek Association of Wine Producers Tirnavos. The Programme was aimed at markets in the US, Russia and Belarus, with a total budget of EUR 3 910 309 (BGN 7 647 899).
- Information and Promotional Programme for Fresh Cherries in Third Countries was submitted by the National Union of Gardeners in Bulgaria and aimed at markets in Belarus, the UAE and Saudi Arabia. The Programme had a budget of EUR 1 639 645 (EUR 3 206 866).
- In 2016 under effective promotional programmes have been paid BGN 7 628 949, from which BGN 4 798 707 from EAGF and national co-financing to the amount of BGN 2 830 242. There have been

executed contracts for implementation of 3 promotional programmes to the total amount of BGN 13 661 411.

For the period 1 January – 15 June 2017 the financial support under the scheme amounted to BGN 800 837 from which BGN 500 523 European and BGN 300 314 national funds.

Since 1 December 2015 came into force new rules for implementation of promotional programmes, described in Regulation (EU) 2015/1831 and Regulation (EU) 1144/2014. The procedures for choice of promotional programmes envisage their admission to be made in a new agency of the EC– Chafea. As it was during the first admission in 2016, during the second admission in 2017 the European Commission didn't approve any regular promotional programme, submitted by Bulgarian association. Till the end of November 2017 it was expected EC to publish information about the approved multinational promotional programmes, under which there are Bulgarian proposals submitted.

1.2.8. Quality Policy: Protected Designations

In 2016 was conducted a national procedure on approval of controlling person of the protected designation „Bulgarsko rozovo maslo“ (Bulgarian rose oil).

In accordance with the envisaged procedures for registration of new producers in the data bases of the producers of protected designations under Ordinance № 16 of 2007, in 2016 to the data bases of the producers of traditional specialty guaranteed „Kayserovan vrat Trakia“ and of food of traditional specialty „Role Trapezitsa“ were registered new producers, who have the right to produce the products in accordance with the envisaged product specification.

After termination of the national and European procedure according to the requirements of Regulation (EU) № 1151/2012, in 2017 was registered one more Bulgarian protected designation at the European Register of traditional specialty guaranteed - „Pasturma govezhda“. The registration at the register was published in the OJ of the EU, by Regulation for implementation (EU) 2017/1106 of the Commission of 21 June 2017.

In April 2017 at the EC was sent a unified document and evidence for connection with the geographical environment and the recognized reputation of the product „Strandzhanski manov med“/„Manov med of Strandzha“, applying for protected designation. The application of the product, submitted by group of producers, successfully passed the national procedure and it shall be considered by EC.

In 2017 is in a process of processing under the national procedure an application-specification for Protected designation of origin „Iztochnobalkanska svinia“.

1.3. Trade Mechanisms

1.3.1. Export Licensing

Scheme: Mandatory Export Licenses for Agricultural Products for the Calendar 2016

Products, which are subject to mandatory licensing in export to third countries, regardless of whether recovery is required, were of the sectors cereals, rice and sugar. Mandatory licenses should be used for statistical purposes, for monitoring the market of these sensitive products in the EU.

For the calendar 2016 were issued 248 mandatory export licenses (with 42 less compared to the previous year), allocated by products and quantities as follows:

Table IV.8. Issued Export Licenses for Agrarian Products in 2016, by products

CN code	Description	Issued licenses (number)	Quantity, for which were issued licenses (tons)
1001	Wheat and mix of wheat and rye	35	486 643
1003	Barley	8	89 350

CN code	Description	Issued licenses (number)	Quantity, for which were issued licenses (tons)
1005	maize	37	380 320
1006	Rice	139	21 881
1101	Wheat flour or flour from mixture of wheat and rye	19	1 185
1701	Sugar from sugar cane or from sugar beet and chemically pure sucrose in a solid form	1	2.880
1702	Other types of sugar	9	24 872

Source: SFA-PA

The implementation of mandatory licenses shall be secured by guarantees. In 2016 were admitted and processed 162 guarantees, to the total amount of BGN 7 308 174; 165 guarantees have been released, to the amount of BGN 7 957 422; there have been imposed 9 penalties to the total amount of BGN 19 565 and 8 new beneficiaries were registered.

For the period from 01.01.2017 till 01.06.2017 were issued 96 mandatory export licenses, from which 94 for export of 10 944 tons of rice. There were established 44 guarantees under mandatory licenses, amounting to BGN 121 480; there have been released 55 guarantees under licenses, amounting to BGN 939 064 and penalties to the amount of BGN 1 210 were imposed.

Scheme: Export Licenses for Dairy Products to Canada for Calendar 2016

According to the Agreement between the European Community and Canada, signed in 1995, in order for the traders to get benefit from a reduced rate of duty in import of cheeses and yellow cheese in Canada, mandatorily they have to obtain an export license, issued within a quota. The license gives a right of reduced duty in case of import in Canada of dairy products under code 0406, produced in a member-state of EU. Bulgaria applies the agreement after joining EU in 2007.

In 2016 were issued 28 licenses for export of milk and dairy products for Canada within a quota, from which 15 for 43 350 kg of yellow cheese and 13 for 143 029 kg of cheese.

Compared to the previous year, in 2016 within the frameworks of the quota were exported 12 322 kg more dairy products for Canada.

For the period 01.01.2017 till 01.06.2017 under the scheme were issued 7 licenses for export of 26 951 kg of yellow cheese and 6 licenses for export of 63 566 kg of cheese.

Scheme: Export Licenses of cheese to the USA within the Quota for 2016

As a result of the negotiations between USA and the European union, held within the frameworks of the World trade organization, it was executed an agreement, by which since 2013 Bulgaria and Romania may benefit from the quota for import in USA of European cheese under code 0406 of the Combined nomenclature, with reduced import duty. For the calendar 2016 there was no interest shown by Bulgarian exporters for participation in the scheme.

1.3.2. Import Licensing

In 2016 were made many normative changes in the EU legislation, related to the trade mechanisms – it was repealed Regulation (EU) № 376/2008 of the Commission and were adopted Delegated Regulation (EU) 2016/1237 of the Commission and Regulation for implementation (EU) 2016/2039 of the Commission, effective as from 6 November 2016.

In accordance with the mentioned Regulations, mandatory licensing of the import from third countries applies also as regards rice, garlic and ethyl alcohol of agricultural origin.

The implementation of the license regime in case of import within the frameworks of the tariff quotas and preferential regimes comprises: cereals, rice, sugar, olive oil and table olives, fresh and manufactured fruit and vegetables (garlic and canned mushrooms), beef and veal, pork, milk and dairy products, eggs and egg albumin, poultry.

In 2016 were submitted 351 applications for issuance of licenses for import of agricultural products and the issued licenses were 331, from which 155 under tariff quotas and preferential regimes.

The established guarantees for performance of the obligation for import of the licenses issued in 2016 amounted to BGN 72 826 431. To importers have been reimbursed guarantees to the total amount of BGN 72 335 943.

In 2016 at the MAFF register were included 18 new importers of agricultural products. At 31.12.2016 the registered importers of agricultural products were 473.

2. Support under Second pillar of CAP

Rural Development Programme 2014-2020.

The rural development programme for the program period 2014-2020 was approved by Decision for implementation of the Commission C (2015) 3480 of 26.05.2015. Its total budget amounts to BGN 5 706 727 515 (EUR 2 917 848 203) public funds, allocated between 17 measures and thematic subprogramme for small farms development.

Submeasure 2.1.1. Aid for Consultancy Services

In 2016 under submeasure have not been provided advisory packages, there were declared for payment 1 269 packs, developed in 2015 by NASA, which appears 48% of all 2 664 submitted applications for support under submeasure 6.1 in 2015. The funds paid in 2016 amounted to BGN 1 816 539.

Submeasure 2.1.2. Consultancy Services for Small Farms

Submeasure 2.1.2 started in 2016 with a budget for the first year of implementation to the amount of BGN 7 823 200. By a procedure for internal exclusion, as a sole user of the financial aid, who to provide to the small farmers different advisory services, including also services, related directly with the implementation of measures from the thematic subprogramme for small farms, was determined the National advisory service in the agriculture.

The submeasure started in a full synchrony with the start of implementation of submeasure 6.3. Starting Aid for Small Farmers Development, which provides opportunities for these farmers to receive free advices and consultations in connection with their farms and regarding their application under the submeasure. In 2016 NASA has provided advisory services to 2 860 small farmers, 2 824 of which have been realized by the developed documents and have declared support under submeasure 6.3.

The farmers show significant interest to the advisory packs, related to agrarian practices of benefit for the climate and environment, the water policy as well as information and advices regarding measures for mitigating the consequences from the climate change and adapting to it, the biological diversity and preservation of water as well as the essence and characteristics of the system for cross compliance.

In 2016 the submeasure no payments were made. It was submitted an application for payment, to the amount of BGN 2 112 264.

Submeasure 4.1. Investments in Farms

Within the period 26.10.2016 - 07.12.2016 was held the second admission of project proposals under the submeasure, with a budget of BGN 463 524 600. There have been submitted 2 926 applications for financial support with a total amount of the public funds –BGN 1 403 579 870. The average amount of the declared

financial aid about one project proposal amounted to BGN 479 171 – significantly higher, compared to the first admission, at which the average cost of a project proposal was BGN 365 735.

During the second admission were implemented new financial conditions and evaluation criteria, based on analysis of the results from the admission in 2015. The evaluation criteria were made more précised as some of the existing ones were altered and new ones were added. A new admissible activity was added, related to investments for irrigation within the frameworks of agricultural farms. Precising of the financial conditions was made under the submeasure by reducing the maximum amount of the costs for one project proposal and change in the granted intensity of the financial aid. It was created an opportunity for submission of an application for support from recognized groups and organizations of producers.

In 2016 were executed 782 contracts for financial support, with a value of the agreed subsidy-BGN 301 837 242.

From the beginning of implementation of RDP 2014-2020 till the end of 2016 were signed 804 contracts with a value of the public costs –BGN 314 623 869. The largest share is for the executed contracts in sector „Fruit and vegetables” - 44,3%, with amount of the approved public aid-BGN 125 171 200 or 40% of the value of the approved public costs under the submeasure. Follow the projects in sector „Stock-breeding” – 38,8% of the executed contracts and approved financial aid to the amount of BGN 136 906 000 (44% of the approved public costs under the measure). The contracts in sector „Essential-oil and medicinal cultures” and the mixed or other projects are respectively with a share of 8,7% and 8,1% share and amount of the financial aid –BGN 22 491 700 and BGN 24 838 660.

The highest average value of a project was reported for sector „Stock-breeding” – BGN 440 055, mainly for the specifics of investment costs, which the stock-breeders make, including also related to construction-assembly works. The average cost of the financing of one project in sector „Fruit and vegetables” is BGN 350 088 and in production of essential-oil and medicinal cultures – BGN 322 707.

The data about the projects, completed till the end of 2016 show that the projects of larger farms (with size over 50 ha) appear 57% of all completed projects and the granted subsidy for them is 53% of the financial aid under submeasure 4.1. On a second place as far as the number of completed projects is concerned are the smallest farms (with a size less than 5 ha) - 26% of all completed projects and 36% of the paid financial aid.

In 2016 the paid funds under the submeasure amounted to BGN 64 582 848. Definitely were completed the investments under 167 projects, with a total amount of the paid financial aid –BGN 30 901 640.

Submeasure 4.2. Investments in Processing/Marketing of Agricultural Products

Submeasure 4.2. aims to improve the whole activity, economic effectiveness and competitiveness of enterprises from the food-processing industry.

The implementation of the submeasure started at the end of 2015. At the time of the held admission were submitted 597 applications for support, with declared from the applicants financial aid to the amount of BGN 823 059 314. During the calendar 2016 it was not determined a period for admission and the efforts were directed to finalization of the applications, submitted in 2015. There have been executed 178 contracts for support, with a value of the agreed subsidy to the amount of BGN 246 786 239. The average amount of the approved financial aid under the executed contracts amounted to BGN 1 378 839.

From all executed contracts the largest share of the whole agreed subsidy under submeasure have the projects with investments for encouraging the cooperation and integration between the farmers and enterprises of the processing industry – 34% (total amount of the approved financial aid –BGN 83 610 450). The approved financial aid for projects for processing of biological raw materials and production of biological products amounted to BGN 25 953 466 (11% of the total agreed subsidy under submeasure). For projects with included investments for implementation of new and energy-saving technology and innovations in the processing industry

was agreed financial aid to the amount of BGN 15 255 240 (6% of the subsidy under the submeasure).

On the basis of the executed contracts it is observed prevalence of the projects in sector „Fruit and vegetables” (42% of the contracts), for processing of animal products were approved 39% of the project proposals and 16 % of the executed contracts were for processing of essential-oil cultures.

At the end of 2016 under the measure there were no completed projects, but it can be reported a high interest to implementation of projects not only from the processing enterprises, but also from farmers, which appears indicative for their intentions to propose on the market not only agricultural raw materials, but also products with an added value.

The financial aid paid during the year amounted to BGN 5 107 109.

Important moment in connection with implementation of the submeasure in 2016 was the supplementation of the selection criteria for projects. Two new evaluation criteria were included, giving more weight of projects to applicants, making agricultural activity or processing of agrarian products from at least three years and who have not received financial aid for similar activity, and of projects, encouraging the integration of agricultural producers and processing enterprises with extended access to markets for the produced by them production, including export activity. It was also taken decision for reducing the maximum amount of the eligible costs under submeasure till the BGN equality of EUR 2 million.

It is envisaged the second admission of project proposals under submeasure 4.2 to be held in 2017. Within the frameworks of the incoming admission shall apply the new criteria for evaluation of projects and also new financial conditions, related to reducing the maximum amount of the costs for a project proposal (Third amendment of RDP, approved by EC in February 2017).

Submeasure 6.1. Starting Aid for Young Farmers

The implementation of the submeasure started in 2015. In 2016 were executed 1 380 contracts for financial aid, with amount of the public costs –BGN 67 475 100. Payments were made to the amount of BGN 55 838 601.

Major part of the approved projects of young farmers were related to agricultural production in transition to biological production (over 60% of the projects). In approximately 90% of the approved farms of young farmers it was envisaged hiring of additional labor force, required for the development of the farms.

There is still a tendency from the previous program period 2007-2013 for a high interest on behalf of the young farmers for support under the submeasure. A key role for its implementation has measure 2 „Advisory services, services on management of a farm and services on substitution in a farm“ of RDP 2014-2020, which in practice provides free advisory support upon preparation of the documents for application of young farmers.

Submeasure 6.3. Starting Aid for Small Farmers Development

The implementation of the submeasure started in 2016, with amount of the financial aid of BGN 58 674 000. This is the first purposeful admission for small farms in RDP 2014-2020, by which in fact started the real implementation of the specially developed thematic subprogramme for small farms. In order to be eased the farmers and to be reduced the administrative burden, similar to submeasure 6.1 „Starting aid for young farmers”, the implementation of the submeasure was decentralized in 28 district directorates of the payment agency. The access to support is favored also by the provided opportunity the small farms to receive free advisory support, including for development of a business plan and application for support.

The total number of the submitted applications at the district directorates of State fund „Agriculture“ for support amounted to BGN 3 815, with amount of the declared subsidy –BGN 111 920 655.

In 2016 within the frameworks of the determined budget under the Thematic subprogram, under submeasure 6.3 was paid financial aid to the amount of BGN 10 561 098.

Submeasure 7.2. Investments in Creation, Improvement or Expansion of All Types of Small-Scale Infrastructure under Measure 7: Main Services and Renovation of the Villages in the Rural Regions

In 2016 started the implementation of submeasure 7.2 „Investments in creation, improvement or expansion of all types of small-scale infrastructure“. The following criteria for classification of project proposals were approved by the Monitoring committee of RDP:

included investments for construction, reconstruction and/or rehabilitation of new and existing municipal roads and the facilities and appurtenances to them;

included investments for construction, reconstruction and/or rehabilitation of new and existing streets, sidewalks and the facilities and appurtenances to them;

included investments for construction, reconstruction and/or rehabilitation of water-supply systems and facilities and facilities in agglomerations with less than 2 000 residents in the rural regions;

included investments for construction, reconstruction, repair works, equipment and/or equipping of a social infrastructure for provision of services, which are not part of the process of deinstitutionalization of children or adults, including transport vehicles;

included investments for construction, reconstruction, repair works, restoration, purchase of equipment and/or equipping of objects, related to the cultural life, incl. mobile ones, incl. also activities under the vertical layout and improvement of the pertaining areas;

included investments for reconstruction, repair works, equipment and/or furnishing of municipal educational infrastructure of local importance in the rural regions;

included investments for reconstruction, repair works, equipment and/or furnishing of municipal educational infrastructure of local importance in the rural regions.

On the grounds of the approved criteria for selection of projects, there were developed the normative acts for application of the submeasure - Ordinance №12 of 25 July 2016.

During the period 02.09.2016 – 03.10.2016 was opened an admission of project proposals with a total budget to the amount of BGN 666 927 800. There have been submitted 925 applications for support, to the total amount of the declared financial aid –BGN 2 112 775 520 – more than three times over the envisaged budget. The consideration of the submitted projects under the conditions of a limited budget led to a preliminary ranking to be made. After the held classification is made subsequent processing of 310 project proposals, which classification is still not finalized at the end of 2016.

In connection with the train incident in December 2016 in Hitrino village, Shumen district, which caused enormous damages on dwellings and municipal infrastructure, it was taken a decision for announcement of a target admission, with a budget of BGN 19 558 000 for Hitrino municipality, including an opportunity for support of investments in public infrastructure within the building borders of the village. Admission of applications for support was made within the first three months of 2017.

Submeasure 7.6. Surveys and Investments for Maintenance, Restoration and Improvement of Villages Cultural and Natural Heritage under Measure 7: General Services and Village Renovation in the Rural Regions

The implementation of submeasure 7.6 started in 2016 after held public discussion with interested parties and adoption of Ordinance № 6 of 28 March 2016 concerning the way and conditions for implementation of the submeasure. Within a period of admission, with determined available budget to the amount of BGN 48 895 000, were submitted 348 applications for grant of financial aid, to the total amount of the declared investments –BGN 209 752 376. Till the end of the year the submitted projects were in a process of consideration and approval, there were no executed contracts for financial support and no payments were

made.

Submeasure 19.1. Assistance for Preparatory Activities

As a result of the implementation of the submeasure were realized 101 projects, with a total agreed cost of BGN 5 085 080. The projects were realized on the territory of 180 municipalities, comprising an area of 74 433 sq. km (78% of the territory of the rural regions in the country) and a population of 2,3 million people. In 2016 under the measure were paid BGN 454 053.

The activities, realized by beneficiaries included organization and conduction of approximately 1 200 public events (conferences, seminars, meetings, trainings, etc.).

Submeasure 19.2 Implementation of Operations within the Frameworks of Strategies for Community-Led Local Development

Upon the held admission in 2016 were submitted 53 applications for selection of LAG and approval of strategies for CLLD, with a declared budget for implementation of projects to the amount of BGN 226 978 613. The budget was provided by three European funds, respectively three operational programs and RDP, as follows:

- from EAFRD (RDP) – BGN 145 284 663;
- from ERDF (OPE) - BGN 3 330 418;
- under ERDF (OPIC) - BGN 42 785 458;
- under ESF (OPHRD) - BGN 35 578 073.

From all submitted strategies 23 contain measures financed only by EAFRD, 28 strategies include measures, envisaged for implementation within the frameworks of strategies OPHRD, 24 strategies envisage implementation of measures of OPIC and 3 comprise measures of OPE.

After the made selection of strategies for CLLD by a selection Commission, appointed by order of the Minister of agriculture and food, at a stage “administrative compliance and eligibility” were rejected 11 applications. At a stage “technical evaluation” and after visit on site were rejected another 2 applications.

The other 40 strategies for CLLD, engaging BGN 112 435 465 of the budget of RDP, BGN 3 146 994 of budget of OPE, BGN 29 779 468 of the budget of OPIC and BGN 21 742 545 of the budget of OPHRD, have been approved for implementation at the end of December 2016. There were executed 37 contracts for implementation of strategies for CLLD, within the frameworks of which were agreed BGN 103 634 975 of RDP.

The approved strategies comprise 74 municipalities from the rural regions of Republic of Bulgaria with 1 047 819 residents.

Submeasure 19.3. Preparation and Implementation of LAG Cooperation Activities

At the end of 2016 the Monitoring committee of RDP approved the evaluation criteria for the projects under submeasure 19.3. In 2017 shall be opened an admission for project proposals.

Submeasure 19.4. Running Costs and Popularization Community-Led Local Development Strategy

The total financial resource of support for the approved local action groups under the first admission of submeasure 19.2 was BGN 71 934 324. In 2016 under submeasure 19.4 were submitted and approved 37 applications for determination of annual budget. The approved budgets for 2016 were to the total amount of BGN 598 932.

Measure 20. Technical Assistance

At the end of 2016 under the measure were submitted 97 applications to the total amount of BGN 30

706 060. There were executed 74 contracts for financial aid, with a total amount of the public costs –BGN 21 318 220, under which was paid financial aid to the amount of BGN 7 152 567. As it was during the program period 2007-2013 in the period 2014-2020 the measure has a key role for the implementation of RDP, by realization of activities, aimed to provision of awareness and publicity, making analyses, researches, studies and evaluations as well as technical assurance and remunerations for MA and PA.

Table IV.9. Paid Funds under measures and submeasures under RDP in 2016, in BGN

Measure/ Submeasure	Name of measure/submeasure	Public funds paid
2.1.1	Advisory services for agricultural and forest farmers	1 816 539
4.1	Support for investments in farms	64 582 848
4.2	Support for investments in the development of agrarian products	5 107 109
6.1	Assistance upon starting of young farmers	55 838 601
6.3	Assistance upon starting for the development of small farms.	10 561 098
8.1	Afforestation and maintenance	506 950
9	Establishment of groups and organizations of the producers	50 387
10	Agroecology and climate	56 625 404
11	Biological agriculture	28 762 598
213 (RDP 2007-2013)	Payments under Natura 2000	93 546
12	Payments under „Natura 2000” and the Framework water directive	48 103 803
13.1	Payments for regions, facing natural or other specific constraints	64 716 837
13.2	Payments for regions, facing natural or other specific constraints	20 097 540
211 (RDP 2007-2013)	Payments to farmers for natural constraints	254 758
212 (RDP 2007-2013)	Payments to farmers in regions with constraints	52 556
19.1	Community-led local development	454 053
20	Technical assistance	7 152 567
	Total	364 777 194

Source: SFA-PA

3. Supplementary State Aid

In addition to the support under the two pillars of CAP, the agricultural sector in Bulgaria received financial support with national funds under state aid schemes, short-term and long-term loans, granted by SF Agriculture".

3.1. State Aids

The main goal of the state aid policy in the field of agriculture was improving economic efficiency of the agricultural holdings and the living standard of the employees in the sector.

State aids in agriculture were provided in accordance with EU legislation in this area and according to the capabilities of the state budget. Having in mind that these are additional means of promoting the industry, they are directed to priority and sensitive sectors that are not covered by EU funds or in cases of emergency.

The development of state aids is made on the basis of analyses of the situation of the different agricultural sectors.

The main points in the policy of state support of agriculture in Bulgaria for the period 2015 - 2020 are:

- priority support of traditional for Bulgaria, but vulnerable agricultural sectors which have considerable potential for development;
- targeting of state aid policy to reduce disparities between the different agricultural sectors;
- particular attention to small and medium farmers;

In 2016 were applied existing in the previous years schemes for state aids in sector „Plant-growing” and in sector „Stock-breeding”, as well as two schemes for state aid under the form of tax relief for the both sectors, one of which is of investment nature.

The schemes for state aids may be summarized in the following directions:

- *Investment Aids*
 - State aid for investments for investments in construction of commercial premises and purchase of commercial equipment to farmers engaged in direct deliveries of small quantities of raw materials and foodstuffs of animal origin. Applied investment aid aims at upgrading the material and technical base in agriculture and closing the production cycle;
 - investments in agricultural holdings through assigning of a corporate tax. The tax relief is designated to encourage investment in new buildings and new agricultural machinery in the production of unprocessed plant and animal production
- *Compensatory Aids*
 - State aid to offset losses suffered by farmers for completely damaged areas due to natural disasters or adverse weather conditions;
 - State aid for the prevention of diseases in plants and animals;
 - State aid for co-financing of insurance premiums in relation with insurance of agricultural production;

The compensatory aids are particularly important for farmers, since agriculture is highly dependent and vulnerable to natural conditions, the invasion of pests, diseases of plants and animals. This type of aid enables farmers to be maximally protected from unforeseen adverse circumstances.

- *Aid, encouraging the use of seeding material with a good-quality in crop husbandry and support of high level of breeding activity in livestock breeding.*
 - Aid for participation of farmers in a quality scheme for production of high- quality seeds and seedlings.
 - State aid to keep a stud book and to identify the productivity quality of livestock.

By applying the aid of this kind aims to increase the production and use of certified (quality) seeds for grain, feed, oilseeds, potatoes, tobacco, cotton and vegetable crops, as well as assisting the selection activities in the livestock sector, which in turn tends to increase not only the number of farms and animals under selection control, but also keeping the positive tendency of increase of the average number of animals in a farm as well as a change in productive indicators characterizing the type and breed.

- *Aids* aimed to improving the quality of food and raw materials of animal origin by giving special attention to the humane attitude to the animals
 - State aid for realization of voluntary commitments for humane treatment of pigs
 - State aid for realization of voluntary commitments for humane treatment of poultry

The existing schemes for the welfare of pigs and poultry notified during the 2007-2013 programming period shall apply until the end of 2017.

In 2017 the schemes were notified before for the period 2018 – 2022. The scheme for a humane attitude to the pigs was approved by the European commission in July 2017. Under the scheme for humane attitude to the poultry it is expected a decision of EC for compliance with the rules for state aids.

- *Aid for participation in exhibitions*

Such kind of support contributes both to the promotion of Bulgarian agricultural products on the market and promotion of profitable plant varieties, animal breeds, innovative and efficient technologies and practices among Bulgarian farmers. It applies in the sectors „Plant-growing“, „Stock-breeding“ and „Processing of agricultural products“.

- *De Minimis Aid*

De minimis aids are granted upon observance of the provisions of Regulation (EU) № 1408/2013. De minimis rule applies regarding aids, which for their small amount do not threaten the competition and may be granted by the member-states with no need to be approved by the European commission. The maximum amount of de minimis aid in the sector of agricultural production is EUR 15,000 per farm for three consecutive fiscal years.

This type of aid is generally aimed at a rapid effect in the presence of significant difficulties of various types in a particular agrarian sector.

The total amount of the support under the form of state aids in sector Agriculture in 2016 was to the amount of BGN 213,5 of which:

- BGN 106,6 million under schemes for state aids and de minimis aids, administered by SFA and
- BGN 106,9 million under 2 schemes for tax reliefs (assignment of a corporate tax for taxable 2016 and reduced excise rate of gasoil).

Within 2016 were given totally BGN 20,2 de minimis aid for animals, bee families and processors of oriental tobacco.

Table IV.10. State Aids in the Agriculture in 2016.

State aid	Utilized financial resource, BGN	Number of beneficiaries
Aid for compensation of the costs of the farmers related to implementation of measures under the State prophylactic programme and the Animal diseases surveillance and liquidation program	9 022 210	86 795
Aid for creation and maintenance of a herd book and for determination of the productiveness and the genetic properties of the animals.	5 473 244	4 743
Aid for compensation of material damages related to perished agrarian animals and destroyed bee hives	95 212	20

State aid	Utilized financial resource, BGN	Number of beneficiaries
Investments on building commercial premises and purchase of commercial equipment for farmers, making direct deliveries of small quantities of raw materials and foods from agrarian animals	24 059	3
Aid for realization of voluntarily undertaken commitments for humane attitude to the pigs	27 868 918	91
Aid for realization of voluntarily undertaken commitments for humane attitude to the poultry	28 162 691	321
State aid for compensation of the damages on agricultural cultures, caused by unfavourable climatic events, which may be equalled to natural disasters	5 920 698	817
Aid for compensation of costs of agricultural producers, related to implementation of measures under the National Programme for Control of perennials pests during the winter period	3 771 892	3 936
Aid for compensation of cost of agricultural producers, related to implementation of measures under the national Program for control of tomato mining moth	996 436	184
Aid for compensation of costs of agricultural producers, related to implementation of measures under the national program of measures for control of soil pests in potatoes of the family. Wire worms	809 500	208
Aid for co-financing of insurance premiums in relation with insurance of agricultural production	1 434 837	471
Aid for participation of farmers in quality scheme for the production of seeds and seedlings	1 292 043	498
Aid for participation in exhibitions	1 524 055	1 082
De minimis aid	20 187 646	
Total state aids and de minimis aids, administered from SFA	106 583 441	
Aid under the form of reduced excise duty on gas oil used for primary farm production	70 894 270	7 468
Aid for investments in farms by assignment of a corporate tax - for 2016	36 019 350	2 107
TOTAL under Schemes for state aids (incl. also through tax reliefs) and de minimis	213 497 061	

Source: SF „Agriculture“, National revenue agency, Customs agency

Note: Part of the farmers, supported by aids of de minimis type, received support also under other schemes for state aids

According to data of the National revenue agency, the declared corporate tax for assignment under State aid for investments through assignment of corporate tax for 2016 amounted to BGN 36,0 million (at BGN 36,5 million for the taxable 2015). This aid, administered by NRA, during the year was used by 2 107 farmers.

Under the state aid under the form of reduced excise duty on gas oil used for primary farm production, in 2016 were paid BGN 70,9 million. In 2017 under the scheme were paid 11,1 million more.

Data for January-June 2017

For 2017 the envisaged resource for state aids and de minimis aids in the agriculture, applied by SFA is to the amount of BGN 125,8 million. At the end of June 2017 by decision of the Managing board of SFA were

allocated approximately BGN 104,1 million from the budget, by which were utilized BGN 55,9 million or around 54%.

3.2. Short-Term Crediting

In 2016 SF „Agriculture“ granted around BGN 2,5 million as a total number, under the form of short-term credits for the farmers, compared to BGN 2,8 million in 2015. The funds were granted entirely on a target credit for purchase of a mineral fertilizer and/or seeds and the use of non-finally certified own seeds for wheat production - harvest 2017 as 59 farmers were supported.

During the year were deferred credits for stock-breeders, poultry-farmers and big-breeders, received during the period 2008 – 2012 as well as credits for potato growing, harvest 2011.

The approved resource for granting short-term credits by SFA in 2017 is to the amount of BGN 30 million.

3.3. Investment Schemes for Support of SFA

In 2016 the national support for encouraging the investments in the agriculture is made by implementation of schemes for crediting and for state aids as follows:

- Scheme for crediting with resources of SF „Agriculture“ of persons with approved projects under „National apiculture program for the three-year period 2014 – 2016 year“;
- Credit scheme of SF „Agriculture“ for investments in the agriculture;
- Scheme for crediting and state aid „Investments in construction of commercial premises and purchase of commercial equipment to farmers engaged in direct deliveries of small quantities of raw materials and foodstuffs of animal origin“.

Scheme: Crediting Persons whose Projects under National Apiculture Program for 2014-2016 Three-Year Period (NAP) Have Been Approved with Funds of State Agriculture Fund /SF Agriculture/

Through this scheme for crediting, applied for five consecutive year is given an opportunity of more agricultural producers to provide the needed financial resource for realization of their approved projects under measures B and D of NAP –costs for purchase of preparatuses for fight against the varroaosis, for purchase of hives, bee families and queen bees. Under the scheme applies an annual interest rate of BGN 4%.

For the period of admission under the scheme were submitted 88 credit applications as they were all processed and financed. The amount of the granted funds was BGN 393 508,19. According to the conditions under the scheme the credits are paid off through compensation of the due amounts from the due subsidy. In 2016 year with the received financial aid were paid all 88 credits.

SF Agriculture Credit Scheme for Investments in the Agriculture

The credit scheme of SF Agriculture for investments in the agriculture has three main strands: Plant Growing, Livestock Breeding and Technical Support. The scheme aims to encourage the investment process, to increase the competitiveness and quality of the produced agricultural production by easing the access to a credit resource.

The activities and objects, envisaged for financial support are as follows:

- creation, rehabilitation and cultivation of perennial plants and investments in greenhouse production;
- establishing animal husbandry farms and providing the relevant equipment and purchasing purebred animals, hybrid breeds and production animals;
- purchasing of machinery, facilities and inventory used in agriculture

Loans under the scheme shall have a term of repayment from 12 to 114 months depending on the type of investments that include grace periods in relation to repayment of the principal.

The investment projects are financed under annual interest rate, equal to the reference interest rate¹, applicable as of the date of conclusion of the loan agreement, but not lower than the one determined by the Managing Body of SF Agriculture for 2016 – 4% upon direct crediting and up to 7% with refinancing through commercial banks. For the loans directly financed by SF Agriculture, the processing and management fee is 0.5%.

In 2016 were approved 3 projects with a total amount of the requested resource –BGN 1 728 420 incl. 2 projects under Technical Support Strand – direct crediting by SFA to the amount of BGN 28 420 (financed within one year) and 1 project under Plant Growing Strand by refinancing of commercial bank for purchase of a greenhouse to the amount of BGN 1 700 000.

Crediting and State Aid Scheme: Investments for Commercial Premises Construction and Commercial Equipment Purchasing for Agricultural Producers, Delivering Directly Small Quantities of Raw Materials and Food of Animal Origin

In 2016 for a fifth consecutive year applied also a Scheme for a state aid: Investments for Commercial Premises Construction and Commercial Equipment Purchase for Agricultural Producers, Delivering Directly Small Quantities of Raw Materials and Food of Animal Origin.

The scheme for a state aid provides an opportunity for reimbursement of 50% of the incurred costs for commercial premises construction and commercial equipment purchase for agricultural producers, delivering directly small quantities of raw materials and food of animal origin. The scheme comprises the purchase of milk vending machines, building or adjustment of existing building/premises for the needs of an object for retail trade, purchase of refrigerators, refrigerator glass-cases and other specific commercial equipment. For provision of the financing under these projects the applicants have the opportunity to use also crediting with funds of SFA.

In 2016 SF Agriculture has approved 3 projects with investment cost of BGN 52 857 and amount of the state aid-BGN 25 016. During the year were realized investments under 3 projects (one in Sofia-district, Burgas and Sliven), incl. 1 project with an executed contract from the previous year, for which (contracts) were paid BGN 24 059 as a state aid – entirely for purchasing milk vending machines.

State Aid Payment under Support Scheme in the Form of Discount on Excise Duty on Gas Oil for Primary Farm Production

According to Decree № 227/01.09.2016 SFAgriculture has paid a state aid under the form of reduced excise duty on gas oil, used for primary farm production. The funds were paid after Customs Agency reimbursed on account of SFA the part from the excise amount under the scheme and after making the required inspections according to Act on agricultural producers support.

The mechanism under the scheme for state aid applies for the calendar years from 2015 till 2020 inclusive. The aid is granted for agricultural producers under the form of reduction of the excise rate of the gas oil, used for mechanized activities in the primary agrarian production in the Plant Growing and Livestock Breeding Sectors. Subject of support are farmers, who have a valid application for support under the Single area payment scheme (SAPS) and the schemes for coupled support for animals for the year, preceeding the year of applying under the scheme for state aid. Right of support have also the farmers, whose kinds of animals do not fall within the schemes for coupled support, but they have a registered stock-breeding object under the Veterinary-medicinal activity act.

For implementation of the aid in 2016 it was determined a budget to the amount of BGN 84 million. On the grounds of the submitted applications for applying it was determined a discount from the cost of the excise per liter purchased gasoil to the amount of BGN 0,40, as well as individual annual quotas for each beneficiary.

According to the conditions of the scheme, the National revenue agency made an inspection for compliance of the data from the invoices, under which the farmers have declared purchased gasoil, with the data specified in the sale books of the respective suppliers under each invoice.

State Agriculture Fund has paid to 6 716 farmers the first part to the amount of BGN 70 894 271 under the scheme.

Expected Data for 2017

For 2017 to agricultural reducers is expected to be granted funds under the following investment schemes:

- **Credit Scheme for Investments in Agriculture**

The expectations are till the end of the year under the scheme to be granted investment credits up to BGN 12 million. At June 2017 were submitted 7 projects. Four of them under direction „Plant-growing“ were for purchase and reconstruction of greenhouses, each project to the amount of BGN 2 million or a total amount of BGN 8 million. Under the same direction were submitted also two projects for development of perennial plants of walnuts and subcultures to the total amount of BGN 2 159 656. Under direction „Technical support“ it was approved and financed 1 project for purchase of a mower for lavender to the amount of BGN 15 000.

- **Scheme for Crediting Persons whose Projects under National Apiculture Programme 2017 – 2019 Have Been Approved with Funds of SFAgriculture.**

The expectations are till the end of the year under the scheme to be granted investment credits up to BGN 500 thousand. Till 30.06.2017 were submitted 90 credit applications to the amount of BGN 412 910, as from these were financed 88 credits to the amount of BGN 388 710.

- **Crediting and State Aid Scheme: Investments for Commercial Premises Construction and Commercial Equipment Purchasing for Agricultural Producers, Delivering Directly Small Quantities of Raw Materials and Food of Animal Origin**

The expectations are till the end of the year under the scheme to be granted state aids to the amount of BGN 200 thousand.

At June 2017 were submitted 4 applications for state aid. Commitments were undertaken for support of three of them with amount of the state aid –BGN 26 322 and one beneficiary gave up. Under undertaken commitments from 2016 was financed 1 project with amount of the paid state aid – BGN 8 976.

- **State Aid Payment under Support Scheme in the Form of Discount on Excise Duty on Gas Oil for Primary Farm Production**

In March and May 2017 SFA has paid second and third tranche of the due payments for campaign 2016, respectively to 2 653 and 22 beneficiaries, to the total amount of BGN 11 120 849. Some of the beneficiaries have received payments on more than one stage, as for campaign 2016 the total number of beneficiaries under the scheme was 7 468, and the total amount of the paid funds – BGN 81 872 372.

The expectations are at the end of 2017 and the beginning of 2018 under the scheme to be granted state aids to the amount of BGN 84 million. The aid for campaign 2017 shall be paid to agricultural producers, who have made costs for purchase of gasoil in 2016.

V. AGRICULTURAL PRODUCTION ACTIVITIES

1. Control of Agricultural and Forestry Machinery

1.1. Registration of Agricultural and Forestry Machinery

The technical and technological renovation is one of the main factors for raising the efficiency and competitiveness of the agricultural production.

Table V.1. Registered agricultural and forestry machinery in 2016

Machine type	Registered agricultural and forestry machinery	
	Total	Incl. new machines
Caterpillar tractors	196	19
Wheeled tractors	6 302	1 318
Self-propelled chassis	98	6
Other self-propelled machinery	3 449	801
Tractor trailers	1 812	576
Harvester-thrashers	922	142
Self-propelled forage harvesters	30	1
Other self-propelled machinery	98	19
Machinery for sowing and planting	1 058	583
Machinery for fertilizing and plant protection	1 222	725
Machinery for fodder-collection and fodder-processing	2 298	1 337
Soil-processing machinery	3 517	1 942
Dryers and other	40	28
Grain- and seed-cleaning machines	16	9
Irrigation machines	48	23
Forestry machines	1 550	470
Total	22 656	7 999

Source: MAFF

1.2. Technical Inspection of Machinery

The technical status of the machinery characterizes its capacity for work and good working order and causes direct influence on the safety at work and movement on the roads. The control on the technical status of the machinery and safety plays an important role for limiting the road-transport incidents and accidents with agricultural and forestry machinery and for environment protection from pollution and avoiding losses and destruction of agricultural production.

In 2016 the district directorates „Agriculture“ have made 117 346 technical inspections of agricultural and forestry machinery.

1.3. Qualification for Work with Machinery and Issuance of Certificates

The qualification for work with agricultural machinery is one of the decisive factors, which is a prerequisite for the safety work with machinery. The knowledge, skills and professional qualities of the machine operators guarantee not only the qualitative realization of the agrarian operations but also major decrease of the risk of road-transport incidents and accidents with agrarian and forestry machinery. In 2016 were issued:

- 104 licenses for implementation of training for obtaining legal capacity for work with agrarian and forestry machinery;

- 7 814 licenses for legal capacity for work with agrarian and forestry machinery.

1.4. Testing and Certification of Agricultural and Forestry Machinery

In 2016 at the centres for testing and certification in Ruse and Plovdiv were made 1 172 tests of used agricultural and forestry machinery and machines for earth work.

2. Hydromeliorations

The state policy in the field of the hydromeliorations is aimed to support the irrigation agriculture, preservation of the hydromeliorative objects- public state property, protection against flooding of the territories outside the settlements, investments in the field of the hydromeliorations and support of the processes of establishment and functioning of the irrigation associations.

2.1. Hydro-Meliorative Fund Operation and Irrigation Water Supply Service Control

The State Hydromeliorative Fund on the territory of Bulgaria comprises areas under irrigation to the size of 818 062 ha, from which the fit hectares for irrigation are 541 779. The rate of use of the existing irrigation systems during the last decade is extremely low as it runs from 4% to 8%.

According data of Irrigation Systems EAD, in 2016 the irrigated areas were 27 776 ha first irrigation and 23 388 ha second and next irrigations, and the delivered water masses during the year were 297 040 thousand m³. Compared to the previous year, it is observed increase of the areas, which were irrigated with second and next irrigations as for that were delivered less water masses at equal areas (with) first irrigation. This is due to increasing the implementation of water-saving irrigation technologies from the water users.

The prices, on which is realized the Irrigation Water Supply Service from the main supplier- Irrigation Systems EAD, are differentiated on regions and depending on the way of delivery. This enables in the regions, where more areas with more water volumes are irrigated, to be determined regional prices, which are lower than those in the regions with less irrigated areas.

In 2017 the prices, on which shall be realized the Irrigation Water Supply Service, shall be determined by new methodology, according to which the price for the service is of two components – for irrigated area and for delivered volume of water. As comparing the prices, proposed by Irrigation Systems EAD for irrigation season 2017 with the prices, effective in 2016, at declaration of two irrigations, the users of water shall pay the same cost for the service, whereas upon water use for each following irrigation the paid cost for the service shall go down.

By decision of the Council of ministers № 688 of 18 august 2016 it was adopted a General strategy for management and development of the hydromeliorations and protection from the harmful effect of the water.

The strategy places some general goals:

- Restoration and modernization of the existing hydromelioration infrastructure;
- The country to deal with the expected in the future continuous periods of dryness, accompanied by more frequent and more serious floods, leading to increasing risks for the agricultural activity in Bulgaria;
- Use of the irrigation infrastructure for satisfying the increased needs of the agrarian cultures for water;
- Secure protection of the agricultural land from the harmful effects, related to the climatic risks;
- Establishment of one sustainable sub-sector on irrigation and drainage, offering different opportunities for encouraging the competitiveness of the agriculture through improving its productivity.

It is expected till 2030 to be realized a two-stage process of legal and institutional reform, enabling a gradual, coordinated and purposeful restoration of the irrigated areas through modernization and effective

management of the hydromeliorative infrastructure in Bulgaria, as well as that the undertaken reforms shall ease the access to financing by the European agricultural fund for rural development.

2.2. Associations for Irrigation Establishment and Development Activities

On 1 July 2016 was adopted a Law amending and supplementing the Act on irrigation associations. The aim is to be eased the procedure on establishment and to be optimized the activity of the irrigation associations for speeding up the processes on development of a modern, market oriented and competitive irrigation agriculture.

By the amendments are observed the norms of the European legislation in the field of the state aids according to which the granting of right to use objects becomes free.

2.3. Dams and Water Protection Facilities Operation and Maintenance Activities

Each year MAFF develops a list of hydromeliorative facilities, which need repair works, reconstruction or development of projects for that activity. According to the requirements of the Public procurement act, procedures on award are held and contracts for services are executed as in 2016 no such procedures were held.

For protection against the harmful impacts of the water, the facilities, which appear public state property (as Danue embankments), protective dykes, drainage systems, water corrections and drainage pump stations, affected during natural phenomena may be restored by funds from the Intedepartmental commission for recovery and assistance to the Council of ministers. At the Intedepartmental commission in 2016 were confirmed documents with request for financing of constructon-assembly works for fifteen facilities for BGN 35 899 123.

The granted funds are as follows:

- About three objects were paid rescue and emergency-rehabilitation works for BGN 368 577;
 - „Correction of Maritsa river, K. Andreevo – the Border – repair – restoration works of a left dyke at km 0+400, land of K. Andreevo village, Svilengrad municipality”- to the amount of BGN 70 637;
 - GOK-1-cleaning from deposits and forming the canal profile, land of K. Andreevo village, Svilengrad municipality - to the amount of BGN 175 430;
 - GOK-2- cleaning from deposits and forming the canal profile, land of K. Andreevo village, Svilengrad municipality - to the amount of BGN 122 474;
- For one object was held a producer under PPA as it has been financed by states for BGN 250 000;
 - Correction of Mesta River, dykes – destroyed section of right dyke at km 14+750 with length 350 m in the land of Borovo Village, Gotse Delchev Municipality – repair-restoration works, partial financing.

In 2014 MAFF has assigned to Irrigation Systems EAD to implement a public service for protection against the harmful impact of the water on the territory of the whole country. In pursuance of this contract and in accordance with the forecast made by MAFF, in 2016 to Irrigation Systems EAD were paid BGN 15 million.

The spending of the funds is reported before a specially designated commission.

MAFF gathers information about the condition of the dykes of the Danube river, the corrected sections of the domestic rivers, dams (public, state and private property), the irrigation and drainage systems and facilities, including the drainage pump stations. On the grounds of the collected data were developed two summarized reports for 2016 – for the spring and autumn condition of the facilities, as both reports were sent to

the Ministry of internal affairs.

3. Plant Protection and Phyto-Sanitary Control

3.1. Plant Protection

▪ Cereal Crops Protection

In 2016 the general phyto-sanitary condition of the grain-cereal cultures was good.

Weeds Control

During the year were imported herbicides for the total size of 1 225,27 thousand ha with winter wheat, incl. 1 078,78 thousand ha with wheat and 146,49 thousand ha with barley. Treatment against broad-leaved weeds was held on 719,33 thousand ha. Anti-corn herbicides were imported for 128,664 thousand ha and herbicides against corn and broad-leaved weeds - for 377,277 thousand ha.

For the planted areas with maize were imported soil herbicides for 263,66 thousand ha. With the vegetation herbicides against types of corn and broad-leaved weeds were treat totally 246,61 thousand ha.

Pests and Diseases Control

Sunn Pest

The total size of the affected areas by the adult sunn pests was 106,471 thousand ha and treatment was made on 54,194 thousand ha.

Treatment against the larvae of the pest was made on 38,735 thousand ha, at affected 88,871 thousand ha.

Common Wheat Leech

In 2016 were treated 72,191 thousand ha against the larvae of the common wheat leech, at affected 110,097 thousand ha.

Powdery Mildew

In 2016 the affected areas with wheat by powdery mildew were 518,505 thousand ha, treatment was made on 564,997 thousand ha. Extremely early chemical treatments were made as on larger part of the treated areas the used fungicides were combined with import of vegetation herbicides.

Septoriosis

Attack of the disease was reported on 344,439 thousand ha, and treatment was held 430,729 thousand ha.

▪ Technical Crops Protection

Weeds Control

In 2016 were imported soil herbicides for 527,648 thousand ha of sunflower and 448,386 thousand ha were treated vegetationally.

In the autumn was held a chemical control on the weeds, in cases of rapeseeds mainly with soil herbicides as there were imported for 65,874 thousand ha. Vegetation herbicides were put to 78,042 thousand ha.

In 2016 were imported soil herbicides for 3,015 thousand ha of tobacco, with vegetation herbicides were treated 1,098 thousand ha.

The chemical control of the weeds at the potatoes was held by import of soil and vegetation herbicides. Soil herbicides were imported for 7,646 thousand ha, and vegetation herbicides were used for 1,541 thousand ha.

Diseases and Pests Control

Black Spots (Foma) and Gray Spots (fomopsis) on Sunflower

In 2016 was held treatment on 1,440 thousand ha against foma and on 4,554 thousand ha against fomopsis.

Mildew on Sunflower

The totally affected areas by the disease were 1,725 thousand ha.

Meligethes Aeneus

During the months April and May 2016 were held sprayings against meligethes aeneus on 130,435 thousand ha of rape.

Ceuthorrhinchus napi

In 2016 were treated 29,095 thousand ha rape against the pest.

- **Vegetables Protection**

Pest Control

Tuta absoluta

In 2016 at the most greenhouses of the country was reported a good preservation of the tomatoes. There were held from 2 to 9 sprayings with insecticides of 0,402 thousand ha.

Under filed conditions against the Tuta absoluta were held from 2 to 10 treatments on an area of 3,419 thousand ha.

In 2016 again was opened an admission for support with State aid under „National program of measures for control of Tuta absoluta”. Beneficiaries of the aid were farmers, growing tomatoes, on areas larger than 1 decar. In connection with implementation of the aid, during the year were issued 258 instructions for undertaking plant-protective actions. Total amount of 1,526 thousand ha with vegetables were attacked by the pest, including: 1,376 thousand ha of tomatoes field production and 0,15 thousand ha with greenhouse tomatoes.

- **Fruit Trees Protection**

Pests and Diseases Control

Lepidoptera

Lymantria dispar L.

In 2016 there was observed a diminution of the areal and range of attack. In the forest areas and in the bordering crops in the districts: Burgas, Vidin, Vratsa, Dobrich, Montana, Razgrad and Silistra, the Lymantria dispar L was in extremely low density and there was no need a particular chemical control to be held.

Euproctis chrisorrhoea L

In 2016 the pest was in a low population density and range of attack. In the districts Kardzhali, Kyustendil, Pazardzhik, Pernik and Razgrad was observed a low range of attack on roadside trees and bushes. In Sliven district on the fruit-trees was ascertained higher density and stronger attack compared to the previous year.

Cheimatobia

Harmful activity by *Hibernia Defoliaria* Cl. and *Cheimatobia brumata* L. on plum and abandoned apple trees was observed in the districts of Pleven, Razgrad and Sliven as in Sliven district the ascertained damages, mainly on the leaf, from the caterpillar of the *Cheimatobia* was in larger extent compared to the previous year.

Hyphantria cunea drury

As it was in the previous years, in 2016 the pest was in depression. In the district Varna, Pazardzhik, Plevan and Silistra the *Hyphantria cunea drury* kept its low population density and range of attack for first generation. The development of the second generation was in a higher density compared to the first one. The low density didn't make it necessary a particular treatment to be made.

Aporia crataegi D.

In the districts of Kyustendil and Pernik was reported an attack by the pest on roadside trees and single apple trees, in density below CCPs. The treatments against the other pests have limited the harmful activity and spread of the caterpillars of the *Aporia crataegi D.*

Treatment against the main leaf-eating species was made to 8,883 thousand ha fruit trees, including 2,48 thousand ha seed and 6,40 thousand ha stone fruit trees.

Sparganotis pilleriana Schiff and Tmetocera ocellana/ Hedyia nubiferana

Treatment against the pests was made to 1,886 thousand ha seed fruit trees.

Plant louse

In 2016 was ascertained an attack from plant louses on all fruit trees. It was reported a mass harmful activity and high population density. There were treated 3,534 thousand ha seed and 10,194 thousand ha stone fruit species, from 2 to 4 times.

Quadraspidiosus perniciosus Comst

Against *Quadraspidiosus perniciosus Comst* were treated totally 2,231 thousand ha fruit trees.

Parthenolecanium corn

In 2016 were treated 1,35 thousand ha plums from a total number of 6,401 thousand ha plum trees as there were mainly made combined sprayings with *Cydia funebrana*.

Rhagoletis cerasi L.

Range of wormy trees of 2 – 3% was reported in the districts of Kardzhali, Montana, Pazardzhik, Plevan, Silistra, Stara Zagora and Yambol. Higher extent of wormy trees of 3% to 5 – 10% of fruit was reported in non-treated massives in the region of Blagoevgrad, Varna, Plevan, Kardzhali, Stara Zagora, Targovishte and Yambol. There were treated 7,708 thousand ha.

Hoplocampa minuta Chrst.

In 2016 were treated 2,843 thousand ha from a total number of 6,401 thousand ha plum trees.

Fruit Worms

In 2016 were treated 4,192 thousand ha apple orchards against apple fruit worm, 5,109 thousand ha plum trees against plum fruit worm and 4,927 thousand ha against east fruit worm on peaches and apricot trees.

Anarsia lineatella Zell.

During the year were treated 4,968 thousand ha with peach and apricot trees.

Cemiosstoma scitella on apple trees

Against *Cemiosstoma scitella* were treated 0,662 thousand ha from a total number of 4,825 thousand ha fruit trees.

Scabs on apple and pear trees

During the year was reached a good protection of the apple and pear trees year against scabbing. In all districts of the country the reported range of attack on the leaves was from low to medium and on the fruit the range of attack was low. Higher range of attack was observed in plants with sensitive sorts.

Powdery mildew on apple trees

In 2016 against the powdery mildew were sprayed 4,136 thousand ha of apple and pear trees.

Early brown rot

In the districts of Blagoevgrad, Pazardzhik, Razgrad and Silistra, in the orchards with peach and apricot trees were ascertained losses from the disease on the annual shoots with a low to medium range of attack.

Late brown rot

In cases of peach and apricot trees the late brown rot is limited to a low range of attack and for the sensitive sorts the attacks were of medium range.

Powder mildew on peach trees

During the vegetation were held from 1 to 4 sprayngs. There were treated 3,632 thousand ha of peach trees.

Peach leaf curl

There were treated from 1 to 3 treatments of 4,134 thousand ha peach trees.

Coccomuces hiemalis on cherry and morello trees

In 2016 were made from 1 to 3 treatments on an area of 4,582 thousand ha with cherry and morello trees

Vineyards Protection

Seeds Control

In 2016 have been used soil herbicides on 0,808 thousand ha and vegetation herbicides on 23,655 thousand ha of the cultivated areas.

Pests and Diseases Control

Lobesia botrana

In 2016 were treated 27,186 thousand ha against *Lobesia botrana*, (as) of 57,709 thousand ha totally.

Schizotetranychus viticola

During the year treatment was made to 4,687 thousand ha of vineyard plants from 1 to 5 times.

Plasmopara viticola on vineyards

Against *Plasmopara viticola* were made from 2 to 8 treatments on a total area of 56,291 thousand ha of vineyards.

Powdery mildew (oidium)

In 2016 were made from 2 to 8 number of treatments to 56,291 thousand ha of vineyards.

Grey rot (botrytis)

The areas, treated against grey rot were 35,752 thousand ha, from 1 to 5 treatments were made

▪ **Plant Protection against Omnivorous Pests**

Microtus arvalis

In the spring of 2016 the total number of attacked winter wheats of *Microtus arvalis* were 57,942 thousand ha, chemical control was made to 26,32 thousand ha.

Elatariade

In 2016 at the district directorates on food safety were submitted 212 declarations by farmers for attacked 2,075 thousand ha of potatoes. Chemical treatment was made to 2,24 thousand ha, from 3,242 thousand ha attacked as a total number.

Tanymecus dilaticollis

In the spring of 2016 was observed slight decrease of the attacked areas compared to 2015 as a result of the used decontaminated seeds for sowing, with the permitted for limited and controlled use two products for plant protection (product with an active substance imidacloprid (Seedoprid 600 FS) and a product with active substance tiametoksam (Crycer 350 FS)).

Chemical control against *tanymecus dilaticollis* was made to 15,4 thousand ha of maize and 10,75 thousand ha of sunflower.

3.2. Phyto Sanitary Control

The priority activities for reaching the main operational goal in the field of the phytosanitary control in 2016 were:

- Legislation, harmonyzed with the plant health regime of the EU;
- Effective control in case of import of plants and plant products from third countries on the territory of the country and EU as an external border of the Union;
- Control during the production for duly ascertainment and avoidance the spread of the quarantine wrecking on the plants and plant products;
- Realization of phytosanitary monitoring programs, meeting the requirements of EU;
- Ensuring export of plants and plant products, according to the phytosanitary requirements of the country importer and the ICRP;

laboratory – diagnostic network.

3.2.1. Plants Production and Movement Control, Plant Products and Other Objects in the EU

The phytosanitary control in production and pavement of plants, plant products and other objects and the observations on the territory of the country as regards the regulated quarantine wreckings is made according to the Plant protection act and Ordinance № 8 for the phytosanitary control.

In 2016 were registered 3 172 producers, warehouses and market-places in the official register for phytosanitary control.

Main priority in this field is to be provided production of healthy plants and plant products, their movement on the EU territory through the system for plant passports and trouble-free export for third countries, while observing the phytosanitary requirements upon import of the country – importer. For that purpose are developed and held monitoring programs for quarantine wreckings on cultures and wreckings.

In 2016 the inspectors on plant protection of the Bulgarian agency for food safety have made phytosanitary control under 12 national monitoring programs for monitoring of quarantine wreckings at potatoes, fruit trees, vineyards, vegetables in greenhouses and in the open, strawberries and raspberries, forest plants, flowers and decorative flowers in seed-beds and in the pen, specific monitorings for wreckings and a calendar plan for monitoring of wreckings on plants and plant products, which are not included in the monitoring programs, but appear object of control.

Upon production of plants and plant production were made 5 534 inspections and were taken 5 741 samples for laboratory analysis.

In 2016 at the Central plant quarantine laboratory upon movement control on the territory of EU were submitted 108 samples and were made 540 analyses of plants and plant products.

From terrain control and monitoring programs were submitted 3 783 samples, 9 758 analyses were made. In the district diagnostic laboratories on plant health at the District directorates for food safety were analysed 2 478 samples.

The due discovery of the wreckings has given an opportunity for the phytosanitary inspectors to undertake due actions for localization the foci of contamination and their liquidation where it was possible. The following quarantine and non-quarantine wreckings were found:

- In plant samples - *Bemisia tabaci*, *Aphelenchoides besseyi*, *Globodera* sp., *Erwinia amylovora*, *Clavibacter michiganensis* ssp. *michiganensis*, *Clavibacter michiganensis* spp. *sepedonicus*, TSWV, PPV, PD, ESFY, ArMV;
- In soil samples - *Globodera pallida* *Globodera rostochiensis* and *Synchytrium endobioticum*.

In 2016 at 29 points (places) of 12 districts of the country was found the wrecker *Drosophila suzukii*, which is not a quarantine wrecker, but may cause enormous damages in the production of fruit . From 267 wiles submitted at CPQL, the pest was found in 59. The captured adults were 2 680, incl. 1 263 male and 1 417 female. In 11 samples of raspberry, danewort thicket fruit there were found hundreds larvae of *Drosophila* spp.

For the first time in 2016 it was ascertained a new wrecker – *Aceria kuko*, on goji berry. The wrecker waa found on the territory of the District directorates for food safety Plovdiv, Vratsa, Vidin, Pernik, Varna, Burgas and V. Tarnovo.

During the year were issued 2 542 plant passports of goods- local production (for the country and EU) and 82 health certificates.

3.2.2. Export Phyto Sanitary Control

In 2016 were made 12 874 inspections of parcels of plants and plant products, designated for export, for compliance with the phytosanitary requirements of the country- importer. There were issued 25 278 phytosanitary certificates for export and 212 phytosanitary certificates for re-export.

3.3. Plant Protection Products and Fertilizers Control

Plant protection products /PPP/ and fertilizers are controlled by Bulgarian Food Safety Agency under Plant Protection Act.

The main aim of the control is to be guaranteed proposing on the market, storage, pre-packing and use in the agriculture only of permitted, fit for use, efficient, safe for the health of the people and animals, environmental friendly products for plant protection and fertilizers, which meet the legal requirements for packing and labeling. The control is directed to provision of the good practices upon the trade with products for plant protection and fertilizers and the interests of the consumers and ensuring the proper use of products for plant protection and fertilizers upon production of plants and plant products.

In 2016 were permitted 218 products for plant protection, for release on the market and use according to the requirements of the Plant protection act and Regulation (EC) № 1107/2009 concerning release on the market of products for plant protection.

There were withdrawn 3 permissions for products for plant protection and were issued totally 8 rejections under applications for parallel trade, limited and controlled use and alteration of the permissions.

3.3.1. Plant Protection Products Market Offer Control Results

In 2016 on the territory of the country were held 1 660 inspections, from which 988 in agrarian pharmacies, 544 in warehouses, 20 in workshops for re-packing and 108 at non-regulated sites (municipal markets, stores etc.). There were issued 1 661 protocols for findings, 321 instructions were issued with corrective measures for elimination of the inconsistencies and (with) determined period for implementation, 113 samples were taken for analysis of PPPs, incl. 96 samples for compliance with the indicators, approved upon permission and 17 samples for extending the term for product fitness.

There were issued 29 acts for administrative violation according to the provisions of the Plant protection act.

3.3.2. PPPs' Use Control Results

Within 2016 on the territory of the country were made a total number of 7 165 inspections on the use of PPP incl. 1 645 inspections of agricultural producers with land machinery, 35 inspections upon aviation treatment, 5 upon implementation of fumigation and 357 upon decontamination of seeds. There were issued 7 270 protocols for findings, 1 255 instructions were issued and 13 acts for ascertained administrative violation were issued.

Samples of pesticide residues in pursuance of the National program for control of pesticide residues in and on food of plant and animal origin (NPCPRFPAO)

In 2016 under schedule of the program were planned 78 plant samples, but the inspectors from DDFS have taken from the field a total number of 23, because it was not determined an external laboratory, which to make identification of the used PPPs.

Samples from plants and plant products under the national program for control of pollutants in food (nitrates and heavy metals– lead and cadmium)

For 2016 according to a program it was planned taking of 49 plant samples and the inspectors from DDFS have taken from the field a total number of 46.

Plant samples for analysis for contents of GMOs

On the grounds of a Plan for risk assessment upon regulated and non-regulated growing of genetically modified higher plants in R of Bulgaria, in 2016 were taken and analyzed a total number of 11 plant samples for contents of GMOs.

The results for all analyzed samples from oil-bearing rapeseed, soy-bean and maize were negative for presence of GMO.

4. Fertilizers

4.1. Registration of fertilizers

In 2016, a total of 48 new products have been registered - organic, non-organic and organic and mineral, microbial fertilizers and soil improvement agents..

4.2. Control of fertilizers in marketing

On the territory of the country in 2016, a total of 1 258 inspections have been conducted regarding the control of fertilizers. 68 prescriptions have been prepared with respective corrective measures and indicated period for compliance. A total of 106 samples from fertilizers were collected for compliance assessment in relation to the parameters, declared by the manufacturer and the requirements of Regulation (EO) № 2003/2003. 7 administrative breach statements were drawn up.

Table V.2. Control over the fertilizers in the period 2013 - 2016

Activities	2014	2015	2016
Number registered fertilizers	26	31	48
Number of on-site inspections	470	953	1 258
Samples obtained from fertilizers for analyses	101	96	106
Breach statements	4	1	7

Source: BAFS

4.3. Use of Fertilizers

Mineral fertilizers

According to RFSDs, in 2016, the country consumed a total of 484 936 tonnes mineral fertilizers, of which 356 913 nitrogen fertilizers, expressed as nitrogen, 82 566 tonnes phosphate fertilizers, expressed as phosphorus and 45 457 tonnes potassium fertilizers, expressed as potassium. Compared to the previous year, the year saw an increase both in the total amount of consumed mineral fertilizers and individually in nitrogen, phosphorus and potassium fertilizers.

Table V.3. Utilized quantities of mineral fertilizers, tonnes of active substance

Year	Total NPQ	N	P ₂ O ₅	K ₂ O
2014	418 758	322 004	64 459	32 295
2015	460 120	341 608	63 152	34 112
2016	484 936	365 913	82 566	45 457

Source: BFSA

For crops from harvest 2016, a total of 23 140 thousand dca. have been fertilized with nitrogen fertilizers, and 15,4 kg. nitrogen is the average per dca. of fertilized area. Lands fertilized with phosphorus fertilizers are 9 790 thousand ha. - average 8,4 kg P₂O₅ and with potassium fertilizers - 7 035 thousand dca. - average 6,5 kg K₂O. There is a significant decrease of average quantity of fertilizer per decar in phosphorus and potassium fertilizers and a slight increase of average quantity in nitrogen fertilizers. In almost all areas of the country use of different types of compound fertilizers is found.

Table V.4. Areas fertilized with nitrogen, phosphorus and potassium fertilizers, thousand dca

Year	Areas fertilized with N	Areas fertilized with P ₂ O ₅	Areas fertilized with K ₂ O
2014	23 283	5 360	4 153
2015	24 576	5 263	4 548
2016	23 140	9 790	7 035

Source: BFSA

Manure

In 2016 there is a decrease in both used quantities of manure and fertilized areas. Manure was used for the fertilizing of cultures with an area of 40 703 ha, which is 39,3% less compared to the previous year. Used quantity manure is 500 235 tonnes while in 2015 it was 590 532 tonnes.

Table V.5. Used quantities and fertilized lands with manure

Year	Manure used in tonnes	Fertilized lands ha
2014	511 945	34 765
2015	590 532	67 095
2016	500 235	40 703

Source: BFSА

5. Plant Variety Testing, Field Inspection and Seed Control

State policy in the field of plant variety testing, maintenance of varieties, production, trade, import and export of seeding and planting material is carried out through the Executive Agency on plant variety testing, field inspection and seed control with MAFF.

EAVTFISC controls production, preparation, distribution, trade and storage of seed and seedlings; its certification in accordance with accepted methods, schemes and technological quality characteristics; supervise the procedure for testing, recognition and zoning of varieties of cultivated plants; annually issues official variety list Republic of Bulgaria for the varieties of field, vegetable, fruit and vine varieties; lists the newly registered varieties in the EU European Catalogues and is responsible for the full harmonization of the national legislation on seeds and seedlings with that of the Community.

The Agency is the national authority for implementation of the Organisation for Economic Co-operation and Development OECD seed schemes.

In order to meet the clients' expectations for provision of administrative services, in compliance with the highest professional standards, EAVTFISC is accredited and has effective quality systems under the ISO 9001:2008 standard, according to the International Association of Self-Testing Laboratories (ISTA) and to the Community Plant Variety Office (CPVO).

In 2016 a periodic external audit of the quality management system was carried out in compliance with the requirements of international standard ISO 9001:2008, the results of which confirm the effectiveness of the implemented management system.

The implementation of ISO 9001: 2008 has contributed to perfection and improvement of the traceability of the processes in the Agency, strengthened internal control in the implementation of processes, improved services to meet the requirements of citizens and the applicable regulations, increased competence of the employees, and hence the efficiency of serving the citizens.

State Aid Administration

Pursuant to a contract for granting state aid to promote production and use of quality seeds and seedlings, in 2016 EAVTFISC performed services to farmers related to:

- field inspection of seed crops and common balm plantations; issuing of labels;
- sampling of seed lots intended for certification;
- laboratory analysis of seed samples by crop groups;
- carrying out of follow-up control of seed lots;

- grading of certified and CAC Fruit and certified and standard vine seedling.

The quality scheme introduces additional and some higher requirements to the production process and the final product and ensures higher quality of the produced seeds and seedlings from the following crop groups: cereal, fodder, oil crops, potatoes, tobacco, cotton, certified and CAC fruit planting material, certified and standard vine seedlings and certified and standard vegetable crops. 90% of EAVTFISC customers have benefited by state aid to promote production and use of quality seeds and seedlings.

State aid is a prerequisite for achieving significant added value as a result of the use of certified seed related to quantity and quality of production.

The total value of the services provided by EAVTFISC for 2016 amounts to BGN 1 292 042.

Publishing of an official variety list of the Republic of Bulgaria

In 2016 EAVTFISC constantly exchanged information with the European Commission Member States and other international institutions regarding names, entry and removal of varieties of plants and official variety list and on the marketing of seeds and seedlings.

The official variety list of the Republic of Bulgaria is a part of the European catalogues of varieties of field and vegetable crops, which allows varieties of Bulgarian selection to be present on the EU free market. The official variety list was published on the Agency's website and promptly updated upon the entry of new plant varieties

During 2016, 900 varieties of field, vegetable, medical, aromatic and fruit trees, vines and tobacco were entered, which is 10% more than in 2015.

There was an increase in the number of registered varieties of field and vegetable crops. From a total of 540 varieties of agricultural plant species, 200 varieties are protected by a certificate of legal protection in the Patent Office. Of the total 176 registered varieties of vegetable crops, 57 have a certificate of legal protection.

The number of applications for entry of varieties of fruit trees, vines is maintained at the level of the previous year.

The number of applications for entry of varieties of tobacco in the official catalogue of the country is maintained. Of the total 33 listed tobacco varieties (including 28 varieties - Bulgarian selection) 27 have a certificate of legal protection.

Under the Law for protection of new plant varieties and animal breeds the Agency carried out essential expertise to the distinctness, uniformity and stability of new varieties of plants upon which the Patent Office issues a certificate of legal protection.

Trials for distinctness, uniformity and stability (DUS) and biological and economic qualities (BIA) of new plant varieties

In 2016, 107 contracts for official variety testing were concluded for the purpose of recognition and registration of plant varieties in the Official varieties list of the Republic of Bulgaria and the EU Common Catalogues, for obtaining legal protection and for carrying out preliminary experiments on schemes and instructions provided by the applicants. Two contracts for awarding a variety test for biological and economic qualities (BEQ) under Art. 18 of the Law on Seeds and Seedlings (LSS) were concluded.

Within the year, 970 varieties, hybrids and lines (891 for 2015) were surveyed and tried out in trials for distinctness, uniformity and stability (DUS) while 302 of them under variety testing contracts and 668 - similar varieties and a comparative collection to prove the distinctness of the new varieties claimed and to produce our variety descriptions of foreign varieties recognized by other testing offices. The comparative variety collection (seeds, seedlings and official varieties) was increased to 8 972 varieties of 114 crops.

In 2016, tests for DUS were conducted with 4 candidate varieties of sunflower and 2 candidate varieties of rice contracted by CPVO and 1 candidate variety chickpeas, commissioned by the Czech testing office. (UKZUZ).

By type of crop variety testing for DUS is distributed as follows:

- 15 types of field crops (18 in 2015);
- 1 type of essential oil and medical (12 in 2015);
- 9 types of fruit trees and vine (3 in 2015);
- 4 types of flower crops;
- 7 types of vegetable crops (12 in 2015);
- 4 types of permanent crops (4 in 2015).

The total number of varieties, excluding standard varieties tested in trials to BIA (for listing in List A of the Official Variety List and in preliminary experiments under contracts) are 1 503 (1 668 in 2015).

In preliminary test 1 298 hybrid corn, sunflower, rapeseed, common and durum wheat, triticale, and barley were set and tested of the total varieties, and 205 varieties in total are tested for BEQ. (193 in 2015)

Of the tested varieties for BEQ and preliminary tests 1 444 are foreign-selection (96.1%) and 59 Bulgarian selection (3.9%). Compared to 2015, the ratio of varieties of Bulgarian and foreign selection is preserved.

930 assessments for varieties tested for BIA were performed: 158 phytopathological, 102 for cold resistance and 670 chemico-technological and tasting. From the preliminary tests, 2 441 average samples for chemico-technological assessments were prepared and submitted to the applicants.

A total of 220 final DUS reports and BIA reports have been prepared with final results from 2 - 3 year variety test conducted by expert committees.

In 916, 9 expert committee meetings were held to discuss the results for BIA for listing in list "A" of the Official varieties list. Reports have been prepared for BIA for 17 Bulgarian selection varieties (15 in 2015) and 48 foreign selection varieties (53 in 2015)

Within the year 1 436 samples were set for ground control from 32 types of crops, from which 1 430 approved.

Registration and maintenance of databases for producers, traders and sellers of seed and seedling, under Art. 28 of LSS

In order to regulate the activities under production, preparation and marketing of seeds and seedlings, EAVTFISC maintains a public register, which allows quick orientation of the consumers and other administrative units for the persons registered for activities and groups of crops.

In 2016, 293 certificates of production, preparation and trade were issued, which is 1 more compared to 2015 and 143 authorizations.

Certification of seed and seedling

Certification of seed and seedling in 2016 was carried out in accordance with the requirements of the quality management system procedures and the "Quality Scheme for the Production of Quality Seeds and Seedling".

During the year, certification applications for 40 216 ha seed crops from different crop groups were received. The total area of arable crops inspected by EAVTFISC inspectors is 39 168 ha, with the largest share

of the grain group - 35 001 ha (89,4%), followed by fodder - 3 396 ha (8,7%), oil and fiber - 586 ha (1.5%), potatoes - 181 ha (0.4%), vegetable crops - 77 ha (0.2%), beet - 3 ha and tobacco - 1 ha. The inspected crops decreased by 9.9% compared to 2015. After conducting of field inspections, 177 ha (0.4%) were declassified in a lower category than the one applied for certification, 348 ha (0.9%) were destroyed due to lower indicators from those required.

934 hectares of seed crops from wheat, maize and fodder crops were surveyed, with 415 ha more than in 2015.

In 2016 less crops of winter common wheat, barley, oats and triticale were inspected. Growth compared to the previous year is registered at the inspected seed crops from rice (by 55.2%), maize (by 18.1%) and durum wheat (by 16.9%).

A serious decrease in the area compared to 2015 is registered at the soy-bean production and insignificant decrease at the peanuts. At the same time, areas of sunflower and cotton are increasing.

In 2016, fodder crops inspected increase by 50.9% compared to 2015.

Inspected potato, tobacco and beet crops decreased compared to 2015, while vegetable crops grow by 11.2%.

In 2016, 37 ha of vine nurseries, 46 hectares of nursery vineyards and 20 ha of vineyards were inspected. 5 350 702 graft material (4 185 024 pieces in 2015), of which 1 110 220 cultivated vines, 504 832 cuttings for grafts and 3 735 650 cutting pads were graded.

For the purposes of certification 6 567 samples of homogeneous batches of seeds are taken, such as 607 samples were taken from individuals (samplers) authorized by the Executive Director of EAVTFISC on the terms and conditions of Ordinance № 8 of October 31, 2013.

Central Laboratory carried out 4 267 analysis to determine the usefulness of the seed.

The Central laboratory, accredited by the International Seed Testing Association ISTA participated successfully in three circular international tests of onion, sunflower and wheat grass in 2016.

During the year, 141 "electrophoresis" tests were carried out to perform biochemical and genetic examinations, to determine the variety authenticity and varietal purity of seeds from parental lines and hybrids of corn and sunflower.

26 certificates were issued by the laboratory according to the requirements of the Organization for Economic Cooperation and Development Schemes for export of seed to third countries.

In 2016, 455 658 official labels were issued.

In connection with the implementation of measure 10 "Agroecology and Climate" of the RDP 2014-2020, 115 certificates were issued for already existing perennial crops and perennial crops confirming that the declared varieties are threatened by genetic erosion.

Control activities under Genetically Modified Organisms Act (GMOA) and LSS, including import and export of seeds and seedling from and to third parties.

In 2016, 800 inspections under GMOA and LSS were conducted on documents and on site. GMOA inspections did not detect the presence of genetically modified organisms in conventional seed lots.

Effective control has been achieved in the preparation and marketing of seeds and seedlings. Inspectors took 462 samples for control analysis during the conducted inspections. Germinated seeds which failed to meet the minimum requirements are suspended from trade.

Enabling business operators to perform certification activities under official control

Under the terms and conditions of Ordinance No 8 of October 31, 2013 1 authorization was issued to a private laboratory and to 3 individuals for sampling of seeds.

Expected results for 2017

Concerning the harmonization of the national legislation with the EU legislation in the field of seeds and planting material in 2107 amendments and supplements to Ordinance No 7 / 28.10.2013 on the conditions and procedure for sorting, recognition, registration and de-recognition of the varieties of plants in and from the official varieties of the Republic of Bulgaria, Ordinance No 21 / 30.06.2009 on the trade of cereal seed on the European Union market. Changes were made to Ordinance No. 29 / 22.06.2004 on the production and trade of tobacco seeds.

In March 2016, EAVTFISC was audited by the International Seed Testing Association (ISTA) to confirm the accreditation of the Central Laboratory.

The Agency was also audited by the Community Plant Variety Office (CPVO) for the purpose of confirming its status as an official testing office performing expertise on the distinctness, homogeneity and stability of new varieties to provide legal protection in the European Union.

In June 2017 a periodic external audit of the quality management system implemented in the Agency in accordance with the requirements of international standard ISO 9001: 2008 was held as an official part of the certification process to maintain certification of the management system

In 2017, EAVTFISC continued to provide services related to the implementation of state aid for the participation of farmers in a quality scheme for the production of seeds and seedlings, under a contract with the State Fund "Agriculture".

The envisaged maximum annual budget for the aid for 2017 amounts to BGN 1.5 million.

In 2017, a total of 31 456 ha were requested for field inspection, incl. 653 ha by inspectors under art. 6 of the Law on Seeds and Seedlings.

Of the stated seed production plantings, the greatest share is the group of cereals -27 833 hectares (88,5%). Also claimed were seed crops of fodder - 2 643 ha, oil and fiber - 826 hectares, potatoes - 98 ha, vegetable crops - 55 ha, beet - 1 ha.

Accepting applications for certification of spring crops goes on.

In 2017, EAVTFISC continues to implement control in preparation and marketing of seeds and seedlings.

6. Control and monitoring of grain and grain products

6.1. Control of public warehouses, granaries and other facilities for grain storage

In 2016, an increase is registered in both the number of grain storage facilities and the total storage capacity. Within the year, 263 new grain storage facilities were entered in the database maintained for this purpose and a change in the circumstances of 16 of the registered facilities was made. As of 31.12.2016, the total number of grain storage facilities in the country is 3 631, having a capacity of 14 278 492 tonnes.

A total of 1 553 inspections were carried out in 2016, including of grain storage facilities - 539 units, grain producers - 635 producers and new storage facilities for grain - 379 units. 385 statements of findings and 4 acts of administrative violations were drawn up for the established violations during the inspections.

6.2. Grading harvest '2016

For conducting a representative grading of the 2016 harvest from barley, wheat, maize, sunflower and rice paddy, 2 995 samples of 3 432 298 tonnes were taken and analysed, that is over 35% of the harvested quantity and meets the criteria for representativeness of the grading.

Grading of wheat harvested in 2016

The end results from the wheat harvest grading indicate that wheat produced in 2016, with mill and bakery qualities, meeting the requirements of traders and processors, accounted for 70.4% of the total production.

The distribution of wheat per groups is as follows:

- First group - 0,7%, and 2,3% for 2015;
- Second group - 4,4%, and 8,4% for 2015;
- Second B group - 36,3%, and 24,3% for 2015;
- Third group - 58,8%, and 65% for 2015
- During 2016 the average values of the main indicators which determine the qualitative characteristics of the grain from the 2016 harvest for the country are as follows:
 - moisture content: 11,7% \pm 0,8%
 - hectoliter mass: 77,2 kg/100 dm³ \pm 3,0 kg/100 dm³
 - wet gluten content: 23,3% \pm 3,9%
 - wet gluten content: 8,4 mm \pm 2,2 mm
 - number of bread flour strength: 50,9 cond. un. \pm 6,4 cond. un
 - protein content: 11,7% d.m. \pm 2,6% d.m.,
 - rate of relaxing (amylolytic activity): 376,7 sec. \pm 49,5 sec.
 - average value of W is 152,1

Grading barley from harvest 2016

Obtained overall results show that 61,4% of barley is of brewing type, and 38,6% - fodder. Compared to 2015, the proportion of fodder barley marks an increase of 8 percentage points at the expense of malting.

In 2016, the average basic quality parameters of barley harvest are as follows:

- protein content: 11,6% \pm 1,2%
- hectoliter mass: 62,2 kg/100 dm³ \pm 3,3 kg/100 dm³
- lot equality: 85,0% \pm 12,2%
- humidity: 12,1% \pm 1,0%
- crops impurities: 1,5% \pm 1,3%
- alien matter: 1,2% \pm 1,5%

Grading sunflower from harvest 2016

The overall results of the grading show that 79,2% of the analyzed samples meet the quality standards of sunflower seed at 61.3% during the previous harvest year. In 2016, a higher proportion of the sunflower lot with high technological qualities is reported - 94.3% of the sunflower seed analyzed meets the requirements of the fat standard at 70.5% in 2015.

The average values of the main quality indicators for the sunflower from harvest 2016 were:

- moisture content: 5,9% \pm 0,6%

- oil: 44,8% ± 2,3%
- crops impurities: 1,5% ± 1,5%
- alien matter: 3,0% ± 2,1% Grading maize from harvest 2016

The overall results show, that 76,4% of total production of maize grain meets the criteria for starch content and the minimum requirements set in the standard in terms of moisture and the presence of impurities

The average values of the main quality indicators for the corn in 2016 are the following:

- moisture: 12,7% ± 1,8%
- crops impurities: 2,8% ± 2,6%
- alien matter: 1,2% ± 1,3%
- starch content: 72,6% ± 0,9%
- hectolitre mass: 71,4 kg/100 dm³ ± 2,3 kg/100 dm³

Grading rice paddy from harvest 2016

The results of analyzed samples show that 96,6% of the analyzed quantity of rice paddy meets the requirements for first grade at 75.7% reported in 2015.

- The average values of the main quality indicators of the rice paddy harvest of the 2016 harvest were:
- moisture: 12,7% ± 1,3%
- crops impurities: 1,4% ± 0,8%
- alien matter: 0,6% ± 0,3%
- red grains: 0,5% ± 0,4%
- yellowed grain: 0,3% ± 0,1%
- bare grains: 1,6 % ± 1,2 %
- hectolitre mass: 58,1 kg/100 dm³ ± 2,3 kg/100 dm³.

7. Food chain safety

The main objective of the EU food safety policy is ensuring of high level of protection of human health and consumer interests in relation to food, as well as the effective functioning of the internal market.

The Ministry of Agriculture, Food and Forestry leads, coordinates and controls the state policy implementation and EU policy in the field of animal health and food safety, through its specialized administration.

Directorate "Policy on agro chain" assists the Minister of Agriculture, Food and Forestry in the development, coordination and implementation of the state policy in the field of quality and safety of food and fodder, animal health, plant health and plant reproductive material.

Directorate "Farming" assists the Minister of Agriculture, Food and Forestry in the development, coordination and implementation of the state policy in animal welfare. It prepares and participates in the development and coordination of draft legislation in the field of farming, animal welfare and disposal of animal by-products.

In 2016, the optimization of the statutory base continues in the fields of food and fodder safety, health protection and welfare of animals, plant health, plant reproductive material and plant protection products.

The Bulgarian Food Safety Agency (BFSA) exercises the official control of foods on the principle "from the farm to the table", following the best European practices in implementation of high standards of control in the area of safety and quality of foods, food supplements and drinks, veterinary medicine and welfare of animals, plant protection and fertilizers, phytosanitary control, fodder control, border control, etc..

7.1. Health and welfare of animals

Animal healthcare

Priority tasks of BFSA in this field are:

- Preservation of health of animals in the country;
- Preservation of the health of agricultural animals from the occurrence of hazardous virus infections, related to large economic loss;
- Providing yield of compliant unprocessed cow's milk, according to the European law
- Uninterrupted movement of animals, products and raw materials, acquired from them, by and between the member states and for export to non-EU countries;
- Protection of the population from the occurrence of zoonosis (diseases, transmitted from animals to humans).

In order to achieve these priorities in 2016 the application of a Scheme for support of farmers in the implementation of measures specified in the state prophylactic program and the programs for surveillance and eradication of animal diseases and zoonoses in the Republic of Bulgaria continued for the period of 2016-2018. For the first time, this program has been developed over a three-year period in order to deliver the diagnostics and vaccines in time for its implementation.

Developed and coordinated with the management of the Bulgarian Veterinary Union are samples of contracts for veterinary services to farmers for the implementation of the National programme for prevention, surveillance, control and eradication of animal diseases and zoonoses, for implementation of the programs for surveillance of the various diseases, as well as guidance on the implementation of the aid scheme for farmers.

Ordinance on the conditions for registration procedures for the identification of bee colonies and the Ordinance on the prevention, control and eradication of certain infectious diseases in bees was developed.

By an order of the Executive Director of the BFSA in June 2016 changes were made in some prices for services performed by the Agency in the tariff setting for the prices to be paid for the implementation of some measures under the National Program for prevention and eradication of animal diseases and zoonoses in the Republic of Bulgaria.

In 2016, the mandatory measures set out for implementation of the National program for prevention, surveillance, control and eradication of animal diseases and zoonoses were met.

The activity of BFSA is directed toward minimizing risk of occurrence and distribution of acute and exotic diseases in animals, having regard to the geographical location of the country. For this purpose national programs for disease surveillance are carried out, namely:

- Program for surveillance of avian influenza in poultry and wild birds;
- Program for control and eradication of rabies;
- Program for supervision of bluetongue in ruminants;
- Program for supervision and eradication of classical swine fever;
- Program for the control of salmonella in laying hens, broilers, breeding herds and turkeys;

- Program for supervision of TSEs;
- Program for disease control foot and mouth disease in cloven-hoofed animals.

All the aforementioned programs, with the exception of the foot-and-mouth disease control program, are co-financed by the European Commission.

In 2016, the following standard operating procedures were developed, approved and issued by the BFSA Executive Director's orders:

- Standard operating procedure for the manner and means of identification of equidae, the issue of an identification document (passport), their movement and moving, trade in meat establishments in the country and from / to Member States of the European Union and third countries and input of the data in the IIS system of BFSA- VetIS;
- Standard operating procedure for performing of intradermal tuberculosis, reporting and determination of cattle for diagnostic slaughter and reflection of results at IIS system of BFSA- VetIS;
- Standard operating procedure for obtaining, storing, administering and reporting of a vaccine for vaccination against disease-infected nodular dermatitis;
- Standard operating procedure for obtaining, storing, administering and reporting of a vaccine against bluetongue vaccination.

In 2016, in accordance with the action plan for strengthening the quality testing scheme for unprocessed cow's milk, all cattle-breeding establishments producing unprocessed milk growing more than 50 cattles were tested. Testing carried out under EU Regulation 853/2004 continues in 2017, covering cattle-breeding establishments from 10 to 49 cattles.

In 2016, 1 017 contracts were concluded between the RFSD and the registered veterinarians, and they on their behalf contracted 74 394 service contracts for livestock farmers.

Official veterinarians carried out 350 inspections of the program for prevention, surveillance, control and eradication of animal diseases and zoonoses, etc., with 245 prescriptions, 20 acts of established administrative violations and 13 punitive decrees.

In 2016, the following major diseases included in the list of priority diseases of the Animal Health Act, issued by the European Commission: Infectious Nodular Dermatitis (LND); highly pathogenic avian influenza; anthrax in cattle; bovine tuberculosis and brucellosis in small ruminants have been detected on the territory of the country.

The following measures were taken in connection with the outbreaks of infectious nodular dermatitis found in Turkey and Greece in 2015:

- weekly clinical examination of contagious nodular dermatitis of large ruminant animals bred in the municipalities bordering Turkey and Greece;
- a ban for organization of markets and exhibitions of large ruminants in the municipalities bordering Turkey and Greece;
- carrying out an inventory of large ruminants in the territory of the RFSD and updating the data in the integrated information system of the Bulgarian Veterinary Service - VetIS;
- sampling of whole blood of cattles showing clinical signs of IND and sending them for virological research to the National Veterinary Research and Diagnostic Veterinary Medical Institute (NVRDVM), Sofia;

- immediate convening of the district and municipal epizootic commissions to identify specific measures to prevent the spread of the disease on the territory of the respective districts and municipalities;
- informing mayors of the settlements in the municipalities bordering Turkey and Greece, as well as the persons breeding large ruminants for the IND clinic, compliance with the biosecurity measures at the large ruminant sites and their obligation immediately to inform the appropriate official veterinarian in the case of suspicion of a disease and / or mortality;
- familiarizing farmers in the settlements in the municipalities bordering Turkey and Greece with the means of disinfection and with the appropriate insecticides;
- increased control of animal movement and biosecurity measures in large ruminant sites;
- making ready the available disinfection equipment in the districts of Burgas, Yambol, Haskovo and Kardzhali;
- Providing diagnostic readiness in testing laboratory in Exotic and Extremely Hazardous Infections for IND disease.

On 12.04. 2016, for the first time in Bulgaria, there is a clinically established disease of infected nodular dermatitis, a disease typical for the subtropical regions. The disease was confirmed on 13.04.2016 on the territory of the villages of and Chernogoroforvo, Dimitrovgrad municipality, Haskovo district. In spite of the measures taken by BFSA to reduce the disease, the infectious nodular dermatitis continued to spread, initially covering the area of Saskovo and Stara Zagora and subsequently the districts of Plovdiv, Blagoevgrad, Pazardzhik, Kyustendil, Pernik, Sliven, etc. In addition to the measures taken for restriction of movement and carrying out disinfection with anti-insecticides, it was necessary an emergency vaccination of all cattle animals breed on the territory of the country to be carried out.

Within 1 August 2016, 217 outbreaks of infectious nodular dermatitis have been identified and BFSA has taken all necessary actions under the European legislation (Directive 92/119 / EC). All infected and contact cattle are eradicated in a humane manner and the bodies of the eradicated animals are buried to prevent the disease from spreading. The farmers of eradicated cattle, due to the disease, have been compensated in accordance with the Veterinary Activities Act.

Given the outbreaks of bluetongue in 2014 and infectious nodular dermatitis in 2016, in order to protect animals susceptible to these diseases and to protect livestock farming in the country, BFSA purchased bluetongue vaccine, serotype 4 and vaccine against infected nodular dermatitis and vaccination was made in 2016.

At the end of 2016 an outbreak of highly pathogenic avian influenza in the village of Novo selo, Vidin district was found in poultry kept in the backyard. Two outbreaks of highly pathogenic avian influenza have also been identified in Vidin, also in birds kept for personal consumption. The disease was confirmed at the laboratory and was found to be a highly pathogenic influenza H5N8 strain. All infected and contact birds are eradicated immediately. Later, highly pathogenic avian influenza was found in ducks for fattening in Plovdiv District. By the end of 2016 12 outbreaks of highly pathogenic influenza H5N8 strain were found in ducks for fattening in Plovdiv district and five outbreaks in ducks for fattening in Stara Zagora district. BFSA has taken immediate measures to eradicate all infected and contagious ducks in the outbreaks, as required by Directive 2005/94/ EC.

Established diseases dangerous to humans (zoonoses) in 2016:

In 2016 in the town of Sitovo, Silistra district, three outbreaks of anthrax in cattle and one in the village of Popina, Silistra were established. An outbreak was also found in the village of Golyam Dervent, Yambol district. The anthrax outbreaks in 2016 are a result of the gaps in the vaccination program against the disease.

As a result of the actions taken to eradicate bovine tuberculosis in Razgrad district, the disease was terminated in seven livestock farms in 2016.

In Asenovgrad municipality, Plovdiv district three new outbreaks of bovine tuberculosis - in the village of Zlatograd, in the village of Cherven, in the village of Muldava and one outbreak in the village of Kuklen, Kuklen Municipality were established in 2016.

In 2016, the outbreaks of brucellosis from the small ruminants, which occurred on the territory of the districts of Kyustendil, Pleven and Blagoevgrad, were eliminated. Thus, our country is free of brucellosis in the small ruminants and in 2017 will apply for brucellosis-free status officially in front of the European Commission.

In 2016, inspections of 628 veterinary establishments were carried out on the territory of the country and 15 acts for established administrative violations were drawn up.

The measures set out in the Action Plan on the disposal of animal by-products from the two incineration plants in the country were implemented.

In 2016, all costs for implementing the measures under the National Program for prevention, surveillance, control and eradication of animal diseases and zoonoses in Bulgaria, which are included in surveillance and eradication programs but not co-financed by the European Commission, are provided as assistance to farmers from the State Agriculture Fund.

Humane treatment of animals

Animal humane treatment is a topic that excites the broad public and is directly related to the production of safe food.

The common European platform for animal welfare launched in 2017 will serve as a common forum used by the Commission, Member States, organizations of animal protection, agriculture organizations, veterinary associations, consumers, etc.

The practice in Bulgaria shows that farmers often do not comply with standards laid down in legislation in order to increase profits from their activities. In most cases they have no possibility of comparing their practice and new scientific justifications of animal rearing. This requires the intervention of veterinary specialists in the country to ensure animal welfare.

In 2016, the issuance of licenses for transportation of live animals continues in order to meet the requirements of national and European legislation on animal welfare during transport. 95 licenses for short trips were issued and 18 - for long journeys.

A register of licenses issued for the transport of live animals is maintained and updated information on approved vehicles is maintained at BFSA.

In 2016, 24 signals from other contact points to BFSA were submitted and 675 signals from BFSA to other contact points in connection with violations of animal welfare during transportation.

In the area of animal welfare Republic of Bulgaria implements the requirements of Directive 2008/120/EC laying down minimum standards for the protection of pigs.

In relation to the welfare of experimental animals under Directive 2010/63/EC of the European Parliament and of the Council of 22 September 2010 on the protection of animals used for scientific purposes a register of permits for the use of animals in experiments is maintained.

An amendment of Ordinance No 14 of 3.02.2006 on the minimum requirements for protection and welfare in calf farming, promulgated in SG. 73 of 16.09.2016 was introduced.

Updated register of registered shelters for stray animals.

Identification (chipping) of dogs in the country continued during 2016, and the data for the latter were reflected in VetIS, the system is largely adapted for these animals.

7.2. Integrated BSAW Information System for the identification, registration and traceability of animal movements

Priority tasks of BSAW in this area are:

- timely identification and registration of farm animals (large, small ruminants, pigs, equidae species), bees, pets;
- registration of animal breeding site in accordance with national legislation;
- ensuring the traceability of animal movements in the country as well as those in the event of import and intra-community trade, together with provision of health guarantees for these movements;
- ensuring timely introduction of correct data in the IIS records in connection with the implementation of the National programme for prevention, surveillance, control and eradication of animal diseases and zoonoses in Bulgaria;
- providing up-to-date and accurate information maintained in the IIS registers to the Integrated Administration and Control System (IACS), maintained by State Agriculture Fund - Payment Agency.

To achieve these goals, in 2016, the work on developing the existing and adding new functionalities and references to BSAW-VETIS IACS continued for the purposes of official controls as well as for improving the performance of system users. Changes have been made to the Law on Veterinary Activities, in particular as regards the identification of animals, the control of their movement and the obligations of the owners or users of livestock farms respectively.

In 2016, the active work on identifying equidae species (horses, donkeys, mules and hinnies) and domestic pets (dogs) continued in the country.

Concerning the identification of equidae, an audit mission of experts from Directorate "Health and Food Audits and Analysis" DG SANTE 2016-8754 was conducted in the country between 3 and 7 October 2016 to assess the on-site health check of animals for the identification and tracking of equidae (horses).

During the calendar year 2016, in order to improve the legislation on animal identification and registration of animals, the registration of live-stock breeding sites, the increase in the effectiveness of official controls carried out by BSAW, and the provision of more opportunities for the identification of animals for their owners, started preparations for amendments and additions to several secondary legislation in this field.

In 2016, BAFS officers also conducted a significant number of checks on live-stock breeding sites: 8 656 live-stock breeding sites with 329 438 large ruminants; 664 sites with 13 488 equidae; 5 403 sites with 438 883 small ruminants; 291 sites with 109 934 pigs; 109 sites with 1 263 dogs; 1 541 beehives with 69 932 bee families.

Within a year, inspections were conducted under cross-compliance by the RFSD officers. A total of 1 168 applicants with livestock farms were selected on the basis of the performed risk - analysis by the State Fund "Agriculture" - PA.

7.3. CONTROL AND MANAGEMENT OF RISKS IN THE FOOD CHAIN

7.3.1. Food safety

The Bulgarian Food Safety Agency methodically guides and coordinates the activities of the regional directorates of Food Safety in the control of the safety and quality of: raw materials, foodstuffs, materials and products intended for contact with food; intermediate storage and processing plants for animal by-products; welfare of animals at slaughter.

In 2016, competent Authorities in "Food Control" Division implement activities aimed at: protecting health of consumers in food consumption, reinforcing consumer confidence in the food offered on the market, which is ensured by maintaining a system for control of compliance with the requirements of legislation by producers and traders of raw materials and food. The main priority over the year is also ensuring the official control system optimal performance; thus ensuring safety during production, storage and supply of raw materials and food; maintaining control system throughout the food chain to protect the health and interests of consumers.

In 2016, significant progress was achieved in meeting the strategic and specific objectives of the food control system by:

- exercising efficient control over foods and sites for trade and production of food, nutritional supplements and materials, as well as items in contact with foods, with the purpose of health protection of the consumers and conducting efficient control over the sites for production and trade with foods, incl. catering establishments, for implementing the regulatory requirements for food hygiene, stipulated in Regulation (EC) No 852/2004 on the hygiene of foodstuffs by implementing the activities referred to in Regulation (EC) No 882/2004 on official controls and the Food Act;
- implementation of the approach for risk evaluation in exercising official control over foods and facilities for production and trade with food;
- compliance with the specific requirements of foods, according to the European and domestic legislation;
- exercising of official control for compliance of the eligible values in relation to the criteria for chemical and microbiological food safety, their composition and labelling;
- exercising of thematic inspections in the sites for production and trade of foods and inspections on
- the grounds of orders by the Executive Director of BFSA;
- conducting of evaluation of efficiency in the application of systems for self-control in facilities for production of food and trade food facilities, as well as the systems for traceability - conducting audits of the HACCP systems;
- not allowing the occurrence and distribution of food explosions, including study and elimination of the reasons for the illnesses which have occurred;
- undertaking administrative penal measures, adequate to the established absences of compliance;
- raising consumers' confidence, providing independent and transparent control activity, improvement of the forms and the methods for providing information to the public for deliverables of conducting control through conducting systematic media policy;
- exercising effective control with the purpose of providing the safe catering of children in children dairy kitchens, nurseries, kindergartens, schools, children and school camps.

In 2016, a total of 179 383 official control inspections were made based on risk assessment in production, wholesale and retail food and catering, thematic inspections, unscheduled inspections and checks on signals and complaints.

Table V.6. Exercised official control

Inspections	2016	As of June 2017
1. Sites for production and wholesale with foods	33 443	13 514
1.1 Audits	2 191	712
1.2 Checks	31 252	12 802
1.2.1 Inspections traceability (Regulation 178/2002)	13 160	5 444

Inspections	2016	As of June 2017
1.2.2 General Hygiene Requirements Inspection (Regulation 1852/2004)	20 424	8 497
1.2.3 Inspections specific hygiene requirements for food of animal origin (Regulation 1 853/2004)	8 704	2 949
1.2.4 Animal by-products inspections (Regulation 1 1069/2009)	6 133	2 209
2. Retail establishments and catering establishments	145 940	51 114
Total number of inspections (including scheduled thematically, by signals)	179 383	64 628
Issued Acts for Establishing Administrative Breach (number)	2 574	827
Prescriptions(number)	11 301	4 217
Discarded production (kg/l)	574 174	41 407

Source BFSA

The results of the official inspections have shown that the approach based on risk assessment, planning and implementation of official controls is appropriate, regarding the discovery of discrepancies and ensuring food safety as effectively as possible.

The official food control in Bulgaria is carried out properly, in full compliance with European and national legislation.

Electronic national registers and lists of sites under control of BFSA are maintained. The introduction of a web-based system of registers in 2016 facilitates the access for users, business operators and institutions to up-to-date information for the registered establishments throughout the country. In 2016, the total number of registered establishments is 150 519.

Effective official control based on risk analysis on food safety in establishments for production, wholesale and retail of food and catering establishments are carried out. Additional thematic checks are carried out (winter and summer tourist season, official and religious holidays, etc.) as well checks by signals.

In 2016, the procedure for obtaining information on forthcoming exported trainings, sports camps, green schools, excursions and camps of children from kindergartens and schools, introduced in 2013, continues to operate. This ensures safe feeding of children in kindergartens, schools and for exported events, by performing checks on compliance with Ordinance No 9 of 16 September 2011 on the specific requirements for food safety and quality of foods offered in kindergartens and schools.

Control of food produced according to standards (national, approved or industry)

Control is conducted by inspections on the production sites and by sampling of foodstuffs from the commercial network.

Enterprises, producing food according to standard in 2016:

- Approved Standard "Stara Planina"- 92;
- Approved Standard "Bulgaria" - 108;
- Industry standard "Lyutenitsa" - 8;
- Industry Standard for "Refined sunflower oil" - 5;
- Bulgarian State Standard (BSS) dairy products - 45
- According to the Annual Plan for Analysis of Products taken from the commercial network and produced according to national and industry standards for 2016, 265 samples were analyzed as follows:
- Approved Standard "Stara Planina" - 93 samples;

- Approved Standard "Bulgaria"- 25 samples;
- Industry standard "Lyutenitsa" - 7 samples;
- Industry Standard for "Refined sunflower oil"- 1 sample;
- BS 15: 2010 "Bulgarian white cheese" - 45 samples
- BS 14:2010 "Bulgarian yellow cheese" - 23 samples;
- BS 12: 2010 "Bulgarian yoghurt" - 71 samples.

Out of them, 48 were non-conforming and corrective actions were taken by BFSA.

Implementation of official laboratory control programs

National program for control of pesticide residues in and over foods (NPRCRP) 2016

The total number of food samples taken in 2016 was 215, discrepancies were found in 10 of them and the respective corrective actions has been taken.

National program for control of raw materials and foodstuffs for content of chemical pollutants, food additives, materials and articles for contact with foods, foods treated with ionizing radiation (2016).

The total number of food samples taken was 523, discrepancies were found in 13 of them for which corrective actions were taken.

National program for control of genetically modified foods (NPGMF)

The total number of food samples taken was 60, discrepancies were found in 1 of them, for which corrective actions were taken.

National monitoring program for residue control (NMPRC)

The official control of residues of VMPs and pollutants in live animals and foodstuffs of animal origin is carried out through the NMPRC, which is implemented in the period from April 2016 to March 2017. The total number of samples taken was 1 273. Non-compliant results were found in 13 of them for which corrective actions were taken.

In 2016, 1 335 samples were analyzed under control programs at the Central Laboratory for Chemical Testing and Control (CLCTC) for 21 439 analyses. A total of 53 nonconforming samples (4%) were found.

The National Diagnostic Research Veterinary Medical Institute is a specialized structure of BFSA for conducting research and laboratory-diagnostic activities. The activities of NDRVMI are focused on several main areas: research; training of PhD students; expert-diagnostic activity; reference activity and participation in national and international ring-tests; printed production.

In 2016, a significant amount of research work was carried out at NDRVMI, as well as diagnostic and expert activities in the field of animal health and food safety of animal origin.

The research activities of NVDRVMI in 2016 include the development of 5 scientific responses to issues with a total of 20 scientific tasks. Besides them, the Institute participates in the implementation of 4 scientific research tasks outside of the BFSA research plan with similar institutes in the country and in one project.

There are 32 laboratories in the institute, of which 19 are reference laboratories. The reference laboratories are organized in 4 National Centers. The National Reference Laboratories (NRLs) are leading in the monitoring and control of commercially significant contagious diseases. NDRVMI participates in the implementation of the National programme for prevention, surveillance, control and eradication of animal diseases and zoonoses 2016-2018, such as transmissible spongiform encephalopathies, rabies and vaccination effectiveness control, classical swine fever, bluetongue, Newcastle disease and influenza avian, anthrax,

brucellosis, avian salmonellosis, tuberculosis, exotic and non-exotic viral diseases in fish, rotteness of bee brood, bee nosematosis and varroatosis. A total of 106 292 researches totaling BGN 785 449 were carried out in the Institute.

A total of 48 samples for official control and 197 samples for self-control were tested at the National Center for Food Safety in NRL microbiology and food organoleptics. 801 samples were analyzed and 2 176 analyzes were performed at section "Food Physiochemistry".

During the year, all NRLs tested samples for reference confirmation of positive samples from BFSA and private laboratories.

The total number of samples analyzed in 2016 by the Central Laboratory for Fodder Qualification was 4 598 with 23 812 analyzes carried out, including official controls, private customers and grain harvest grading.

In 2016, 4 212 samples were adopted at the Central Laboratory for Veterinary Sanitary Expertise and Ecology (CLVSEE). Compared to 2015, a sample reduction of about 5% was reported. The distribution of samples by programs is as follows:

- NATIONAL MONITORING PROGRAM OF CONTROL OF RESIDUES (NMPCR) - 2 051 pieces;
- NATIONAL MONITORING PROGRAM OF CONTROL OF RESIDUES (NMPCR)- import from third countries - 191 pieces;
- NATIONAL MONITORING PROGRAM OF CONTROL OF RESIDUES (NMPCR) - 31 pieces;
- RPKF (ППКФ) - 128 pieces;
- official control - 327 pieces;
- own information - 1 484 pieces.

Audits of official controls

In 2016, the following audits have been held:

- General Audit of the Control System in the Republic Bulgaria in March 2016, during which the progress of the official controls in the country and in the area of food control was reflected, and the recommendation from the 2010 audit related to official controls in the primary production of fishery products, in particular the carrying out of official controls on first sale of fish was closed;
- Audit with Ref. No DG (SANTE)/2016-8747 for assessment of systems for control of protected indications of origin, protected geographic names and foods traditionally specific in nature, carried out in the period 30 May -3 June 2016. The report concludes that in general a system of official controls in the area of protected indications of origin, protected geographical names and foods traditionally specific in nature for agricultural products and foodstuffs has been introduced. One recommendation is made to the competent authorities, namely to ensure that all registered names are subject to official controls, including verification that the product meets the relevant product specification as laid down in Article 36 (3) (a) of Regulation (EU) No 1151/2012.

The Directorate "Agri-Food Chain Policy" of MoAFF carries out audit and verification of the official control exercised by the BSAF and the audit of the Rapid Alert System for Food and Fodder. The purpose of the audit is to carry out inspection based on the principle of compliance, to determine the extent of compliance with the requirements of the legislation, the extent to which official controls are organized and conducted in conformity to the applicable provisions of Regulation (EC) No 882/2004, the Single Multi-Annual National Control Plan of the Republic of Bulgaria in January 2015 - December 2017 and the legislation, European and national in the respective sphere of control.

The audit seeks to demonstrate that official law-related activities are effectively implemented and are

suitable for achieving the objectives of the legislation.

In 2016, Program of audits of the competent bodies at the MAFF was prepared, carrying out official controls, according to Art. 4 (6) of Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with fodder and food laws, and on the protection of health of animals.

The audit program for 2016 envisages 5 audits covering different activities of official controls to assess compliance with the requirements of Regulation (EC) No 882/2004. Of these, 4 were conducted and the conducting of 1 was cancelled in connection with objectively occurring circumstances on the part of the audited entity.

The audits conducted cover 4 District Food Safety Directorates in Sofia, Plovdiv, Varna and Kardzhali. The following areas of activity were audited: food control; fodder control; border control; laboratory work; the Rapid Alert System for Food and Fodder.

A total of 10 recommendations were made to the audited organizations, of which 7 were completed, the remaining 3 are under implementation.

7.3.2. Rapid Alert System for Food and Fodder (RASFF)

Rapid Alert System for Food and Fodder (RASFF) was established by the European Commission to provide the control authorities of the Member States with an effective tool for the notification of risks to human health, arising from food or fodder, by maintaining rapid exchange of information and of the measures undertaken or to be taken to address those risks. The functioning of the RASFF system is carried out through a network of contact points, each MS designating a contact point that is in constant contact with the European Commission contact point. Commission Implementing Regulation (EU) No 16/2011 lays down the implementation measures of the Rapid Alert System for Food and Fodder.

The RASFF system operates in Bulgaria since 1 January 2007 with the accession to the EU. Contact points for efficient operation of the RASFF system were established in Bulgaria as follows:

- National Contact Point of the Republic of Bulgaria, situated in the specialized administration of the Ministry of Agriculture, Food and Forestry;
- Contact Unit in the Ministry of Health;
- Contact Unit in the Bulgarian Food Safety Agency.

In connection with the operation of the Rapid Alert System for Food and Fodder, for the period 01.01.2015 -31.12.2015 at the National Contact Point in the Ministry of Agriculture and Food a total of 2 941 notifications were received from the contact point of the European Union which were verified, analyzed and measures were taken.

By sectors, the notifications received are distributed as follows: 2646 notifications for sector "Food", 210 notifications for sector "Fodder" and 131 notifications for sector "Materials in Contact with Food".

By types, the notifications to the EU disseminated through the RASFF system are as follows:

- Notifications of warning — 817 (74 more on a yearly basis), incl. for food — 763, for fodder — 27, for materials in contact with food — 27;
- Notifications of bringing to the attention— 573 (99 more on a yearly basis) incl. for food — 507, for fodder 38, for materials in contact with food — 28;
- Notifications for monitoring — 372 (7 less on a yearly basis), incl. for food - 257, for fodder 100, for materials in contact with food — 15;

- Notifications for consignments rejected at the border- 1 159 (209 less on a yearly basis), incl. for food - 1 054, for fodder - 44, for materials in contact with food - 61;
- Notifications for information only — n/a,
- Notification "News" - 20 (19 notifications less on a yearly basis), incl. for food - 19, for fodder - 1.

In 2016 the notifications prepared and sent by Bulgaria to the European Commission were 92, broken down by types as follows:

- Notifications of warning - 2 for food;
- Notifications for bringing to attention- 2 for food;
- Notifications for monitoring - 1 for food;
- Notifications for consignments rejected at the border - 84 for foods;
- Notifications of information only - n/a;
- Notification "News" - n/a.

Notifications, in relation to which Bulgaria is an affected party according to notifications from other members of the RASFF system, and for which it was notified by the European Commission to take the necessary measures and actions, were 119 and their distribution by groups is as follows:

- Notification of warning: 29 pieces incl. for food - 25; for fodder- 3;for contact with foods- 1;
- Notifications for bringing to the attention- n/a;
- Notifications for monitoring - 22 pieces incl. for food - 21, for fodder - 1;
- Notifications of information - n/a;
- Notification "News" - 2 - for food.

All notifications (notifications) were sent to the contact points in the Bulgarian Agency for Food Safety and the contact point at the Ministry of Health to take the necessary measures and actions.

7.3.3. System of administrative assistance and cooperation

The system of administrative assistance and cooperation (AAC) of the European Commission was established by Commission Implementing Decision (EU) 2015/1918 of 22 October 2015 for establishing of a system of administrative assistance and cooperation under Regulation (EC) No 882/2004 of the European Parliament and of the Council on official controls performed to ensure the verification of compliance with fodder and food law, animal health and animal welfare rules. This Decision lays down the rules for the establishment and use of the system of AAC to support the exchange of information between the competent authorities of the Member States and between them and the Commission in accordance with Section IV of Regulation (EC) No 882 / 2004.

In 2016, the notifications received under the system of AAC for the European Union were 11 in total. Of these, Bulgaria is an affected party under 3 and has to provide information where the deadline for providing the information was observed..

7.3.4. The System of Administrative Assistance and Cooperation - Network of Food Fraud

The fight against food fraud is a priority of the EU aimed at meeting the highest food safety standards. The EU Food Fraud Network has been set up in response to the crisis with the horse meat in order to enable EU countries to work in accordance with the rules laid down in Articles 36-40 of the Regulation on official controls (Regulation 882 / 2004, rules on administrative cooperation and assistance) and on issues where national authorities face possible intentional breaches of the food chain law with cross-border implications. The EU Food

Fraud Network consists of 28 national contact points in the Member States, Sweden, Norway and Iceland and the European Commission.

In 2016, a total of 20 notifications were received under the system, in 5 of which Bulgaria was affected Member State and information was provided on them. The small number of notifications received through the system in 2016 was due to its frequent updating and its continuing development by its administrator- EC.

7.3.5. Authorization Management System to authorize applications for plant protection products /Plant Protection Products Authorization Management System (PPPAMS)

- Management system for applications for authorization of plant protection products is in place within the EU, which allows for a harmonized and effective system to be used. EU is divided into 3 zones for authorization of plant protection products (PPPs): Northern, Central and Southern Zone. Member States evaluate applications on behalf of other countries in their area and/or sometimes on behalf of all areas.
- Regulation (EU) 1107/2009 sets out the requirements, procedure and deadlines for authorizing PPPs, where applicants, Member States, the European Commission and the European Food Safety Authority are entitled to take part in the authorization process. There are different types of applications that may be submitted depending on the intended use of the PPP, the Member State(s) for which the PPPs are required, and the regulatory status of all existing authorizations.
- The management system for applications for authorization for plant protection products was developed by the European Commission to allow industry users to create applications for PPPs and submit them to Member States for evaluation. Upon receipt of the applications, Member States manage these applications within the System by approving the PPP authorization or rejecting the application.
- The objectives of the Management system for applications for authorization of plant protection products are:
 - Harmonizing the formal requirements for the application of PPPs between Member States;
 - Rationalization of the mutual recognition of PPP authorizations between Member States in order to speed up the time for placing on the market;
 - Improving the management of the evaluation process for PPP authorization;
 - Providing stakeholders with accurate and timely information on authorized or withdrawn plant protection products.

7.3.6. Control of Veterinary Medicine, Veterinary Medicinal Products and Fodder, Border Control

7.3.6.1. Control of veterinary medicinal activities

Directorate General "Verification of the official control" (VOK) with HQ of BFSA exercises control over the activity of the 28 Regional Food Safety Directorates (RFSD), coordinates the activity of its territorial units, specialized structures and directorates.

Experts from DG "VOC" organize and participate in complex inspections of the activities of RFSDs to assess the effectiveness of official control carried out in accordance with Art. 8, paragraph 3 of the Regulation (EC) № 882/2004, schedule, organize and carry out audits of official controls in accordance with Art. 4, pt. 6 of Regulation (EC) № 882/2004, carry out thematic inspections of units of BFSA and sudden inspections after signals or suspected illegal actions of employees of the agency.

Inspections are implemented under a Standard Operating Procedure (SOP) "Procedure for conducting checks on the effectiveness of official controls by the Bulgarian Food Safety Agency" approved by order of the Executive Director of BFSA.

In conformity to the approved Plan - schedule, a total of 12 inspections on the activity of the Regional

Directorate for Food Safety in Sofia-District, Pernik, Stara Zagora, Kyustendil, Lovech, Targovishte, Pleven, Pazardzhik, Smolyan, Burgas, Saskovo and Dobrich were carried out .

Upon finding of wrongful acts or omissions by employees of the respective division of BFSA, DG "VOC" prepares proposals for disciplinary sanctions under the Civil Servants Act.

Audits of official control in accordance with Art. 4 (6) of Regulation (EC) No 882/2004 shall be organized and conducted by the Audit of official controls. For 2016, 18 audits of official controls are scheduled, all of which are conducted. Conducted audits are in the fields of animal health and welfare and official food controls.

During the year, a follow-up audit was conducted to assess the implementation of corrective and preventive measures by the audited organization in relation to the 2015 audit with scope: "Evaluation of the system of official controls in retail and catering establishments - RFSD Dobrich.

The audits conducted during the year covered 18 district structures. The implementation of the Internal Audit Program in the BSAF in 2016 and by the overall audit process is conducted analysis on the degree of implementation of the planned measures and the compliance and effectiveness of the official controls carried out.

The Directorate handles all received at the HQ of BFSA complaints, warnings, inquiries, requests, correspondence with citizens, companies, NGOs, structural and regional offices of the agency. The inspections are organized and implemented in a standard operating procedure (SOP) "Procedure for inspection in letters, reports and complaints against wrongful acts or omissions of employees RFSDs" approved by order of the Executive Director of BFSA.

In 2016 GD "VOC" received, verified and processed in time 470 complaints, warnings, inquiries, requests, correspondence with institutions, companies, citizens, NGOs, structural and territorial divisions of the agency.

Experts from DG 'VOC' are in constant interaction with the police, the media, citizens, coordination networks and other non-governmental organizations that have committed to observing the provisions of the Law on Animal Protection and regulations governing the rights and attitudes towards pets, agricultural and stray animals.

DG 'VOC' collects, analyzes, summarizes and sends to the Permanent Crisis Staff of MAF weekly information on recorded increased mortality in animals as a result of natural disasters (floods, fires, hail, drought, snow or frost) arising epidemics, calamities, epiphytotic diseases as well as open fires of animal diseases or quarantine pests in the country under the Law on disaster protection.

7.3.6.2. Control of veterinary products

The official control of veterinary and medicinal products, performed by BFSA is directly related to the efficient application of prophylactics and treatment of animals, and it has relevance to the base, on which monitoring of residues of veterinary and medicinal products and/or food of animal origin, designated for human consumption have been developed.

The activities on control of veterinary medicinal products are related to licensing for use of immunologic and medicinal veterinary and medicinal products, renewing licensing for the use of immunologic and medicinal veterinary products, renewal of licenses for use, issuance of supplements, in relation to changes in circumstances, in which the products have been licensed, work on procedures for mutual recognition of VMP, decentralized procedure, transfer of rights over licenses for use of VMP, etc.

In 2016, an evaluation of VMP records has been performed, which the applicants have attached to declarations under the procedures quoted. An evaluation has been completed on the periodically submitted reports for safety within the so-called "pharmacological vigilance" - a system, which has relation not only to the

quantity and the safety of VMP, but through which adverse reactions by animals and reactions by people applying VMP to animals are being observed.

The register of VMP licensed to use is updated periodically, and the purpose shall be to support the market control of VMP, and providing the information stipulated by law to the veterinary and medical experts and outside users.

With regard to the supervision of antimicrobial resistance BFSA annually collects and summarizes data on quantities sold and used VMP with antimicrobial action of holders of licenses for the use of VMP. The information is provided to the European Medicines Agency and the Office International des Epizooties (OIE), as approved by the ESVAC/European system of supervision of the use of veterinary antimicrobials and OIE formats. Delivered in 2016, data from the BFSA are included in the Annual Report of ESVAC and the OIE on the use of antimicrobials in animals in EEA.

BFSA controls the use, production, trade, storage and advertising of VMP. Controls on trade with VMP, and the use of VMP on farms is carried out according to the Annual inspection program of BFSA for official control of VMP that determines the frequency and procedures for conducting checks based on risk assessment.

Objects of control of veterinary medicinal products are: VMP manufacturers, wholesalers of medicinal products and/or active substances, retailers of VMP /veterinary pharmacies/ holdings and veterinary practices.

Data of inspections for control on the use and trade in VMP show that the conducted inspections in the objects subject to control under DDSF exceed the minimum provided under the Inspection plan of BAFS for 2016. This is due to additional checks for implementation of prescribed instructions, checks performed in regards to complaints and signals and on the basis of risk assessment for each individual object, after which additional checks were planned, as well as under orders of the management of BAFS. In individual objects serious discrepancies are found with the regulations, which regulate the marketing and use of VMP. This requires measures to increase the efficiency of performing DDSF official control in objects trading with VMP, veterinary establishments and animal breeding sites. This requires measures for improving the skills of the VMP officers from DDSF to carry out checks, identify discrepancies and follow ups.

Most frequently absences of compliance with the requirements of the Veterinary Medicinal Activity Act and the sub-legislative statutory acts, in relation to the trade and the use of VMP are verified in case of inspections of animal breeding sites and veterinary medicinal establishments.

The established discrepancies directly increase the risk of:

- Treatment of animals with unlicensed for use VMP;
- Inability for complete traceability of the purchased/administered product and identification of treated animals;
- Unauthorized application of VMP on animals which produce food for human consumption by persons without the necessary qualifications;
- Breach of withdrawal periods after using VMP when such is required;
- Use of expired VMP or deviations in quality;
- Storage of VMP in violation of the requirements prescribed by the manufacturer
- Root cause of the discrepancy.

As a result of discrepancies found during the inspections of the sites for trade and use of VMP in 2016 407 prescriptions were issued and 39 acts for establishment of administrative violations were drawn up.

The audits carried out by the RFSD exceed the minimum laid down in the Annual Plan of official control of VMP for 2016 due to additional checks on complaints and signals and data on trade and use of VMPs in

breach of the statutory requirements.

There is a trend to increase the amount of antimicrobial products used in animal breeding sites. Actions have been taken on the risks with regard to the control of residues of antimicrobial VMP in raw materials and food of animal origin and the risks of antimicrobial resistance increase due to unjustified use of such VMPs.

7.3.6.3. Border Control

Border veterinary control is conducted in compliance with the requirements of the European and national legislation concerning the import, export and transit of: products of animal origin; live animals and fodder; products of animal origin intended for personal consumption by passengers in accordance with Regulation (EC) 206/2009; of domestic animals accompanying travellers from third countries under Regulation (EC) 576/2013.

Official control of commercial consignments of products of animal origin, fodder and live animals is conducted in accordance with Commission Decision 2007/275/EC. Control is carried out by border veterinary inspectors - official veterinarians of 8 approved by the European Commission "Border Inspection Points" (BIP).

Official border phytosanitary control (quarantine) for imports of plants and plant products for Bulgaria and EU Member States, in accordance with European standards and Directives 2000/29, 98/22 and etc. is conducted at border inspection phytosanitary control points which are identical to BIPs.

Border health control on import of "high risk" food of non-animal origin, as required by European legislation, takes place at certain points of import, first entry points and control points designated by the competent authority and notified to the EC. The designated border points for official controls on import of non-animal food products are: Kapitan Andreevo, Port of Burgas, Port of Varna, Port of Varna - West, Sofia Airport.

Kapitan Andreevo BIP is rendered in conformity to carry out both veterinary, phytosanitary and health border control.

Official border control includes carrying out of documentary, identification and physical checks, including sampling and corrective actions in case of non-compliance to the requirements of the legislation.

Official control on import of food of animal and non-animal origin, fodder, live animals, plants and plant products, materials and goods in contact with food, GMOs and import of organic food and products originating in third countries shall be carried out under strict observance the requirements of EU regulations and directives, and in compliance with national applicable legislation in the field.

The results of the control work on import of plants and plant products, food and fodder of animal origin, live animals, food and fodder of non-animal origin, organic products and foodstuffs from third countries from the monitoring of import of fresh fruits and vegetables with third country origin and final destination the Republic of Bulgaria are reflected in the report on the implementation of the Uniform Multiannual National Control Plan for food, fodder, animal health, animal welfare and plant protection (MANCP) for 2016 prepared in accordance with Art. 44 of Regulation (EC) No 882/2004..

7.3.6.4. Control of fodder

In 2016, the strategic goals assigned in the Uniform Multi-Annual National Control Plan of the Republic of Bulgaria for foods, fodder, animal health protection, animals welfare and plant protection (January 2015 - December 2017) (MANCP) for reaching the strategic goal "Efficient functioning of the control system over fodder" were completed.

In order to reach high degree of human health and animal health protection, environmental protection and protection from misleading, regular, oriented toward risk control of each of the stages of production, processing, storage, transportation, distribution, including feeding using fodder was carried out through the year. The control includes sites from the fodder sector and livestock breeding sites, which produce or only provide food for fodder of animals

Control of fodder in 2016 shall follow the following priorities:

- Reaching high degree of protection of the people's health, the animals' health and the environment through effective control at all stages of production, processing, storage, import, transportation, distribution, including animal fodder;
- Protection of users from fraud, misleads and illegal practices with fodder;
- Efficient functioning of the system for control of fodder;
- Performance of scheduled and risk-oriented control of processes in the operators of the fodder sector - at each stage of production, processing, storage and distribution of fodder, including feeding of animals;
- Exercising of control of fodder, regarding the content of unwanted and forbidden substances, as well as control of their compliance with the information, provided to clients;
- Efficient control over the genetically modified fodder, control of market launch, observation and labelling of fodder, which contain or have been produced out of GMO;
- Control on compliance with the fodder ban, related to transmissible spongiform encephalopathies

Registration and approval of establishments in the fodder sector

In compliance with the requirements of the Fodder Act and Regulation (EC) No. 183/2005 regarding hygiene of fodder, the activities performed in sector "Fodder" are performed only in sites, which have been approved or registered by the Bulgarian Food Safety Agency.

7 national registers of the approved and registered facilities in the fodder sector for the activities, specified in articles 9 and 10 of Regulation (EC) No. 183/2005 are published on the web site of BFSA.

According to bilateral agreements between the People's Republic of China (PRC) and the Republic of Bulgaria, department "Control of fodder" maintains 2 registries:

- Register of approved enterprises for export of maize to PRC;
- Register of approved enterprises for export of alfalfa to PRC.

They are public and available to users on the website of BFSA.

In compliance with the requirements of Article 19 of Regulation (EC) No 183/2005, the Register of Approved Fodder Sector Operators is available on the website of DG "Health and Safety of Food" at the European Commission.

Operators in the Fodder Sector shall be registered and/or approved for all facilities under their control, for each activity they carry out.

As of 31 December 2016 there was an increase in the number of registered sites in the fodder sector and the approved sites, respectively by 1% and by 5% on an annual basis.

As of 31.12.2016 the number of the deleted registrations, at the request of the operator pursuant to of Art. 16, par. 10 (1) of the Fodder Act is 209, decreasing by 20.8% compared to 2015.

Suspended certificates for registration in total for all activities, based on Art. 16, par. 10, item 2 of the Fodders Act and application of Art. 15 of Regulation (EC) No 183/2005, increased to 41 (17 in 2015). The most frequent reason for this is temporary suspension of the operator's activities for a period longer than one year.

As of 31 December 2016, 21 certificates of approval were issued, which is 1 more compared to 31 December 2015. In the case of the deleted approvals, there was an increase of 2 on an annual basis, reaching 13.

Table V.7. Number of registered and approved facilities in sector "Fodder" in compliance with the requirements of Art. 9 and 10 of Regulation (EC) № 183/2005 as of 31.12.2016

Activity declared	Number of registered sites	Number of approved sites
I. Registered objects under art. 9 of Regulation (EO) № 183/2005	3 379	
1. Manufacturers of supplements	4	
2. Manufacturers of premixtures of the supplements	2	
3. Manufacturers of compound fodder	266	
4. Operators carrying out the activities cutting, packaging, repackaging and sale of compound fodder and fodder materials	58	
5. Packaging, labelling, storage and marketing of fodder	8	
6. Grinding, packaging, labelling, storage and marketing of fodder	5	
7. Manufacturers of feed materials	416	
8. Merchants of fodder	2 080	
9. Operators transporting fodder	503	
10. Operators offering warehouses for rent	37	
II. Registered objects at the level of primary production of agricultural crops intended for animal fodder under Art. 9 operating under Art. 5, paragraph 1 of Regulation (EC) 183/2005 [1]	10 415	
1. Registered objects of farmers producing primary fodder upon location of the property	6 923	
2. Registered objects of farmers producing silage using silage additives, as fodder is intended only for their own farm	785	
3. Registered objects of farmers mixing fodder exclusively for their own farm without the use of additives and premixes using complementary fodder	2 594	
4. Registered objects of farmers, fodder mixing and producing silage, intended only for their own farm	113	
III. Approved objects under art. 10, operating under art. 5, paragraph 1 of Regulation (EC) 183/2005 (1)		
1. Manufacturers of fodder additives		6
2. Manufacturers of premixes, based on fodder additives from additives		5
3. Manufacturers of compound fodder		48
4. Traders of fodder additives and premixes		85
5. Operators carrying out decontamination of fodder operations		1
6. Operators carrying out fat blending		3
Total approved objects under Art. 10, exercising activities under Art. 5, § 2 of Regulation (EC) 183/2005		148
IV. Approved objects of art. 55 of the Feed Act		
1. Manufacturers of medicated fodder		10
Total approved objects of art. 55 of the Feed Act		10
Total registered and approved objects in which activities under Art. 9 and Art. 10, Art. of Regulation (EC) 183/2005		13 950

Source: BFSА

The information is provided by DG "Agriculture and Regional Policy", Ministry of Agriculture and Food. Pursuant to Article 3 par. 2 and under Article 8, par. 4 of the Decree № 3 on the establishment and maintenance of a register of farmers, those who operate under Art. 5, par. 1 of Regulation (EC) No 183/2005 (the level of primary production of feed) , declare their operations by completing general application form for registration of farmer and Appendix № 3 statement for activities with primary feed. The list of registered farmers at the level of primary production of feed under Art.5, par. 1 of Regulation (EC) No 183/2005 is published on the website of the Bulgarian Agency for Food Safety.

Table V.8. Number of registered and approved sites in Fodder Sector in 2015 and 2016

Activity declared by the operator	Number of sites as of 31.12.2015	Number of sites as of 31.12.2016	Change in %
Producers of raw materials for fodder, other than primary production of fodder	414	416	0,5%
Registered fodder traders	2 078	2 080	0,01%
Registered manufacturers of fodder additives, premixes, compound fodder	263	272	3,4%
Approved manufacturers of fodder additives, premixes, compound fodder	54	59	9,3%
Approved operators for detoxification of fodder	4	4	0,0%-
Approved traders	79	85	7,6%
Approved producers and/or traders of medicated fodder	10	10	0,0%-
Operators at the level of primary production of fodder (farmers)	9 790	10 415	6,4%
Other kinds of business operators, including establishments transporting fodder and operators lending warehouses	526	609	15,8%
Total registered and approved facilities	13 218	13 950	5,5%

Source: BFSA

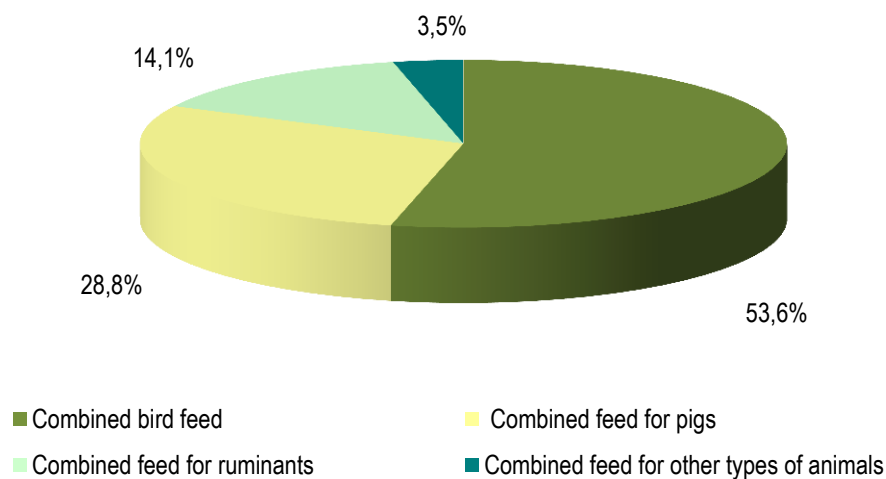
Production of combined fodder and medicated fodder

In pursuance of Art. 146 of the Law on fodder for 2016, provided data indicates a production of a total of 1 189 992 tonnes compound fodder (CF) incl. 191 497,3 tonnes containing coccidiostats. Compared to 2015, production of compound fodder is increased by 3,3 %.

In 2016, the share of the production of compound fodder for the needs of own farms was 35 % of total production, while for the market - 65. While in 2015, these figures were 36,1% and 63,9% respectively.

In the country, in 2016, medicated fodder was produced just for pigs, amounting to 30 971 tonnes - by 7.2% more than in 2015. The share of the production of medicated fodders during the year for their own farm is 59, 1% of the total quantity produced, and those for the market - 4.9%.

Figure V.1. Production of combined fodder by type of animal, in %



Source: BFSA

Table V.9. Production of medicated feed in 2016 by district

District	Medicated feed for pigs (tons)		
	For the market	For own farms	Total
Varna	4 986	13 705	18 691
Razgrad	0	1 683	1 683
Ruse	845	4 257,5	5 102,5
Stara Zagora	0	356,5	356,5
Shumen	2 891	1 982	4 873
Yambol	265	0	265
Total	8 987	21 984	30 971

Source: BFSA

In 2016, control of fodder follows the set specific basic (operational) targets that are associated with the strategic objectives set out in SMNCP of the Republic of Bulgaria for 2015 - 2017, namely:

- ensure that fodder comply with the safety requirements;
- verification of compliance with the legislation on the marketing and use of fodder (labeling).

In accordance with Art. (17) of Regulation (EC) No 178/2002 and recital (6) of Regulation (EC) No 183/2005, fodder sector operators are responsible for the safety of the fodder produced, animal health and risk prevention for the environment.

Official control on fodder is planned and on-going. The current control includes post checks upon suspicion and investigation (alerts, notifications in RASFF system, etc.).

The planned control is based on the basis of criteria for risk assessment. In 2016, Framework Plan for Fodder Control for 2016 and Operating Instructions were implemented.

Results from the control activity for 2016

The framework plan for control of fodder includes three control systems: "Fodder and feeding of animals", "Transmissible spongiform encephalopathies and side animal products", and "Veterinary and Medical Products and Residues of Veterinary and Medical Products".

• Results of the control activity under the control system "Fodder and feeding of animals"

Overall progress in achieving the strategic goals and specific objectives in the control system "Fodder and animal nutrition" is considered as positive. The number of inspections assigned in the Framework Control Plan for 2016 as of 31.12.2016 were completed at a rate of 104,3%. There were 4 119 planned inspections - 6,2% less than in the previous 2015. A lower percentage of planned inspections carried out in 2016 is based on the risk assessment of the fodder sector operators.

Within 31 December 2016, a total of 4 880 inspections were carried out, each of which was accompanied by a statement of findings.

Table V.10. Number of planned and completed inspections for 2016 of all stages of production (including primary production of fodder), processing, distribution and feeding through fodder

Number of inspections planned	Number of inspections carried out				
	Scheduled/not scheduled	ex post	investigative	upon alert	Total
3 951	4 119	569	162	30	4 880

Source: BfSA

With regard to the analysed fodder, no serious absences of compliance were observed, which would result in hazard for animal health or public health.

The cases, in which the plans for self-control by the operators of the fodder sector and the farmers are not exercised, are frequent.

The type and location where the inconsistencies were detected do not pose a potential risk to animals.

The absences of compliance established and the types of operators, in which they were found are taken into consideration in the risk evaluation in the planning process of the framework plan for control in 2017.

The reasons that lead to disparities are unawareness of the responsibility of operators in accordance with Regulation (EC) No 178/2002, insufficient knowledge of the requirements of legislation and insufficient financial resources by the fodder sector operators to invest in new equipment, which affects compliance with hygiene requirements.

In 2016, during the inspections of sites in the fodder sector, samples have been taken for analyses according to indicators, which have been declared by the producer for compliance, as well as compliance with the eligible values, designated in the law.

The total number of analyses from samples obtained for official control in 2016 is 3 096, out of which 460 samples for nutrition composition (26 of the samples are non-compliant or 5,7 % of samples which is an increase by 36,8% an annual basis), 326 samples for fodder supplements, with fixed maximum content, including the permitted coccidiostatics (absences of compliance are established in 33 samples, where the main disparity is in zinc and copper content - 10.1% of samples, which is an increase of 37.5% on an annual basis); 1 983 samples - for unwanted substances (27 non-compliant results or 1,4% which is 55,7% less compared to 2015), 91 samples - for forbidden to use medicinal substances, such as fodder supplements and contamination of non-target fodder (9 samples are non-compliant, three of which have been confirmed following a request from the operator for conducting of a re-examination).

The total non-conforming results from analyses were 9.9% of the total number of analyses performed, which is an increase in the number of non-conformities by 5.1% compared to 2015), 207 for microbiological studies -salmonella (2 non-compliant analyses were found, which is a decrease by 71.4% compared to 2015).

29 GMO fodder samples (identical number to those taken in 2015) were taken, where in 12 of them (41.4%) was found GMO - all open genetic modifications were authorized in accordance with Regulation (EC) No 1829/2003.

In the analysis of the obtained results, it is established that the cases in which the content of prohibited substances for use as fodder additives and the inconsistency of the nutrient values (fodder additives declared in the manufacturers and the laboratories established) have been increased. The identified inconsistencies of samples for analysis of the content of prohibited drug substances as fodder additives are a consequence of unauthorized use of medicinal products by manufacturers of compound fodder, mainly for pigs. For the established inconsistencies of the operators, a sanction has been imposed under the Fodder Act and the

contested punitive decrees have been confirmed by the Court of First and Second Instance. Inconsistency was established at two operators- an unavoidable transfer of coccidiostats to non-target fodder as a result of poor cleaning following the production of a compound fodder containing a target added coccidiostat.

In the analysis of the fodder samples for GMO presence in 2016, the presence of unauthorized genetically modified fodders and inconsistencies with the provisions of the legislation have not been established. One case of undeclared genetic modification in fodder (due to cross-contamination during the fodder transportation) was established during the year. In this case, timely measures and actions were taken for clarifying the reason for non-conforming results, prescriptions and corrective actions.

In 2016, a total of 295 fodder samples were analysed for mycotoxin content, incl. 70 fodder samples intended for export to third countries. Compared to 2015, fodder samples for export to third countries are 73 less. Fodder samples taken under the 2016 Framework Control Plan for Fodder are 7 or 3.1% less than in 2015. The reasons for this are reduction of non-conforming results in 2016 and meteorological situation during the year, which does not lead to the contamination of mycotoxin crops.

- **Results of the control activity under the control system "Transmissible spongiform encephalopathies and side animal products"**

The enforcement of the total fodder ban (Article 7 and Annex IV to Regulation (EC) No 999/2001) and the intra-species fodder ban (Art. 11 of Regulation (EC) No 1069/2009) on the fodder ban treatment of processed animal proteins is monitored.

During the documentary and physical inspections conducted in 2016 by the inspectors responsible for the official control of fodder, no violations of Art. 7 and Annex IV of Regulation (EC) No 999/2001 and Art. 11 of Regulation (EC) No 1069/2009 on the fodder ban were established.

Fodder samples taken from fodder for the presence of constituents of animal origin in implementation of the 2016 Framework Control Plan for Fodder are 364 and 16 samples taken during the reporting period in investigations into suspected scrapie.

Animal proteins are risky with regard to contamination by micro-organisms, so fodder samples and microbiological contamination by salmonella and enterobacteria are taken.

For 2016, fodder samples for salmonella were 33 and for enterobacteria - 18. No positive cases of salmonella or enterobacteria in fodder have been detected in laboratory testing.

In 2016, it was found that 2 operators have violated the requirements of Art. 7 and Annex IV of Regulation (EC) No 999/2001) and have produced or marketed fodder containing particles of terrestrial animals. All available batches of non-compliant fodder have been destroyed after the destruction order has been issued by the inspectors responsible for official fodder control in the relevant RFSD.

- **Fodder control under the control system "Veterinary and Medical Products and Residues of Veterinary and Medical Products"**

BFSA controls the production and marketing of medicated fodders. It also monitors for the compliance of the requirements of Regulation No. 1 of 2014 for the requirements for production and/or marketing with medicated fodder and/or by-products for their production (publ. State Gazette No. 26 of 21.03.2014).

As of 31.12.2016 a total of 10 sites for production and/or marketing with medicated fodder under Art.55c, par. 1 of the Fodder Act, have been approved.

In 2016, a total of 12 inspections of approved operators operating "Production of medicated fodder" were carried out, of which 10 planned inspections, 3 ex post and 2 investigative. Prescriptions were given with regard to the identified discrepancies.

Audits of operators in the fodder sector

In 2016, 204 audits of fodder sector operators (81,27% of the planned 251) were conducted. Out of the audits carried out during the year, a conclusion could be drawn that the operators have developed, introduced and are applying procedures based on the principles of HACCP, with which the requirements of 153

Arts. 6 and 7 of Regulation (EC) No. 183/2005 have been fulfilled. For some of the operators it has been found that the introduced procedures are not up-to-date as of this time. For any and all absences of compliance established, recommendations have been provided, under which the operators have undertaken corrective actions. They have been inspected for their completion, and have been closed.

7.3.6.5. Verification of efficiency of the official control of fodder

According to an approved "Animal Fodder Control Program for Control of Effectiveness of Official Control of Fodders by the RFSD", experts from the Fodder Control Department to "Animal Health and Animal Welfare and Animal Fodder Control" Department, HQ of BAFS, 3 scheduled inspections for assessment of the effectiveness of the control exercised by the RFSD Pernik, Blagoevgrad and Kyustendil under the provisions of Art. 8 (3) of Regulation (EC) No 882/2004 were conducted.

The program was sent to all RFSD and is published on the BAFS website:

On the basis of the findings of the inspections, the team of experts makes recommendations in order to improve the organization and planning of official control of fodder, which is effective and in line with the objectives set. 3 inspections of the effectiveness of the official control of fodder provided a total of 16 recommendations in order to improve the efficiency of the official control of fodder.

On the basis of the findings of the inspections, the team of experts makes recommendations in order to improve the organization of planning of official control of fodder, which is effective and in line with the objectives set. The conducted 3 inspections of the effectiveness of the official control of fodder provided a total of 16 recommendations in order to improve the efficiency of the official control of fodder.

Detailed reports have been prepared on the conducted inspections on the effectiveness of the official control of fodder which have been sent to the relevant District Directorate of Food Safety to provide information on the corrective action taken on the recommendations made.

During the reporting period, an unscheduled inspection of the effectiveness of the official control carried out by the Sofia District Office was conducted.

The results obtained in the "Fodder" sector are confirmed by the assessments made at the inspections of the conducted official control of fodder carried out by the General Directorate "Verification of Official Control", HQ of BAFS. Insignificant non-conformities have been identified for which recommendations have been made.

7.4. Risk analysis of the food chain

The Food Chain Risk Assessment Center is a scientific structure for risk assessment in the field of food and fodder safety, animal health and welfare, plant protection and plant health, while observing the principles of transparency, accessibility, objectivity and impartiality as an independent, responsive and trustworthy partner of the competent risk management authorities - MAFF, BAFS, etc., and to actively contribute to a high level of consumer protection.

The main objective of the FCRAC is to carry out independent scientific assessment of animal and plant health and food safety by direct assigning by the European Food Safety Authority (EFSA), BAFS or other public authorities, individuals and legal entities, contributing to the high level the protection of consumers.

The EFSA National Contact Point is located at FCRAC, which establishes the link between the EFSA, FCRAC and the national scientific risk assessment bodies of the Member States. FCRAC is working in a network of scientific organizations, as well as with competent authorities and stakeholders related to food chain safety.

FCRAC prepares independent scientific opinions and risk assessments and provides scientific and technical support on the EFSA which serve for taking food chain risk management decisions. FCRAC as a competent authority similar to EFSA, performs its tasks in conditions which enable it to serve as a reference institution by virtue of its autonomy, scientific and technical quality of the opinions and information it disseminates.

In 2016, 32 scientific opinions were drawn up in different areas, 6 risk assessments, 138 information, and 12 monthly analysis of data under the Rapid Alert System for Food and Fodder.

With regard to animal health, three cross-border and particularly dangerous diseases are the focal point of the risk assessment directorate of the FCRAC: Infectious Bovine Nodular Dermatitis, High Pathogenic Influenza A on Birds and African Swine Fever. In this regard, 5 scientific opinions were drafted as follows: "Scientific opinion on the need for conducting "emergency vaccination" against "contagious nodular dermatitis"; "Scientific evaluation of the Haematobia irritans irritans as an ectoparasite and a possible vector for transmitting of the infectious nodular dermatitis virus to cattles in Bulgaria and resistance to the virus"; "Scientific opinion on the risks to be considered before the use of unauthorized vaccines for emergency vaccination"; "Scientific Opinion on "Defining cases of influenza in order to optimize the sensitivity and specificity of laboratory tests for the purposes of supervision"; "Opinion on the outbreaks of influenza A in poultry in France caused by highly pathogenic strains: H5N1; H5N2 and H5N9 and the risk for Bulgaria ".

In connection with the above mentioned diseases, another 5 risk analyses and risk assessments and 14 reports were prepared. On-site epizootiological studies have also been conducted for contagious nodular dermatitis in cattle on the territory of the country.

Proposals for amending the regulatory framework to fight contagious nodular dermatitis, some of which have been adopted and introduced by Commission Decision have been made to the EFSA and the European Commission.

A seminar was held by the FCRAC at the AA on "Possible risks of penetration and control measures for African swine fever in Bulgaria".

A further 7 scientific opinions have been prepared concerning other areas of animal health.

5 information on different fields of the sector, as well as analyses of data from the EU information system for the announcement of some particularly dangerous animal diseases, were prepared - 52 weekly information.

With regard to different types of biological hazards, 17 information concerning biological agents causing severe diseases such as Zica virus infection, salmonellosis, food toxic infections caused by E. coli, echinococcosis, bovine tuberculosis, etc. have been prepared.

The problem of the migrant crisis in Europe which poses risks of worsening the epidemic and epizootic environment in the host European countries is also highlighted,.

With regard to the risks associated with increased pesticide content in food and fodder, 14 scientific opinions have been prepared.

2 scientific opinions, 1 risk assessment and 17 information opinion were prepared in the "Plant health" field.

With regard to the evaluation of plant protection products, 33 dossiers of plant protection products were reviewed, 58 evaluations were carried out and 16 reports were submitted for assessment of PPP to the BSAF. By passing the PPP assessment to the FCRAC, the requirement of Regulation (EC) 1107/2009 for "carry out an independent, objective and transparent assessment" by dividing the assessment of plant protection products from the control of them is met.

Two scientific opinions and 11 information opinions were prepared in the "Food contact materials and products" field.

1 scientific observation and 11 food information bulletins (related to food additives, novel foods, dietary reference values, nutrition, progress of scientific risk assessment, and analysis of RASFF notifications relating to foods) and 1 scientific observation and 10 information bulletins on GMOs were prepared in 2016.

FCRAC has produced monthly analyses of data obtained from the Rapid Alert System for Food and Fodder (RASFF) in 2016; as well as information on: molecular surveillance system based on the ability to provide comparable results from diagnostic laboratories; collection, generalization, transmission of results from laboratory tests for zoonosis and zoonotic agents; collection, summarizing, submission of results from laboratory tests for pesticide residues; collecting, summarizing, sending laboratory test results on chemical pollutants in food and fodder, etc.

In 2016, the Risk Assessment Center organized meetings, scientific conferences and trainings. FCRAC experts participated in working groups on drafting of normative documents, in international meetings and working groups of EFSA, MAFF and BAFA, etc., as well as in the preparation and implementation of projects funded by EU, EFSA and MES.

7.5. Legislative changes in the field of food safety

In terms of food safety

- A draft of a new Food Act is prepared;
- A draft law on management of the food chain is prepared;
- A draft for supplement to Ordinance No. 1 on food hygiene has been prepared. The draft was notified to the European Commission and the other Member States, a preliminary impact assessment is under preparation;
- A draft for Decree of the Council of Ministers amending and supplementing the Ordinance on specific requirements for dairy products was drafted. The draft was notified to the European Commission and the other Member States, a preliminary impact assessment is under preparation;
- Ordinance amending and supplementing Ordinance No 4 of 15 July 2014 on the specific requirements for the production of raw materials and foodstuffs of animal origin at slaughterhouse points, their transportation and placing on the market was prepared and published at SG, issue 46 of 17 June 2016.

In terms of plant and animal health the following were developed:

- Tariff to determine the prices to be paid for the implementation of measures under the programme for prevention, surveillance, control and eradication of animal diseases and zoonosis approved by Decree No 78 of 12 April 2016 of the Council of Ministers;
- Tariff for fees collected by the Food Charge Risk Assessment Center approved by Decree No 223 of 29 August 2016
- Rules of Procedure of the Center for Risk Assessment of the Food Chain, adopted by CM Decree No. 231 of 08.09.2016;
- - Rules of Procedure of the Center for Risk Assessment of the Food Chain, adopted by CM Decree No. 231 of 08.09.2016;
- Ordinance No 11 of 15 July 2016 on the conditions under which quarantine pests, plants, plant products and other objects may be used for scientific research and selection;

- Ordinance No 14 of 19 September 2016 for protection of plants and plant products from economically important pests;
- Ordinance No 19 of 8 November 2016 on the conditions and order under which biological testing of plant protection products is carried out;
- Ordinance No 21 of 23 November 2016 on the conditions and procedure for registration, labeling, placing on the market, use and control of fertilizers, soil improvers, biologically active substances and food substrates;
- Ordinance No. 1 of January 5, 2017 for storage, transportation and export of unapproved active substances, prom. in SG., issue No. 5 of 2017;
- Draft of Ordinance on the terms and conditions for production, placing on the market, trade, repackaging, transport and storage of plant protection products;
- Draft of Ordinance on the conditions and order for integrated production and control of plants and plant products. A notification under the Directive (EC) 2015/1535 with a waiting period of 3 to 6 months is forthcoming;
- Draft of Ordinance on the authorization of plant protection products - the draft is elaborated in a working group and it is at the stage of reflection of notes from internal coordination. A notification under the Directive (EU) 2015/1535 with a waiting period of 3 to 6 months is forthcoming.

Activities in 2017

Directorate "Policies on agro chain" prepared an Annual report on the implementation of the Single multi-annual national control plan for food, fodder, animal health, welfare and protection of plants for 2016 (observing the requirements of Commission Decision 2008/654/EU) and Summary/Resume of the report, following a certain structure control systems.

A process of harmonizing the national food and fodder legislation, animal health and welfare, plant health, plant propagating material and plant protection products with the newly adopted principles for safe agri-food chain at European Union level is running in 2017.

Measures have been taken for finalizing projects of the following normative documents:

- Ordinance on amending and supplementing Ordinance No 52 of 28 April 2006 on the health requirements for sheep and goats when moving or transporting them between the Republic of Bulgaria and the Member States of the European Union for determination of the health status of the establishments from which they come from, and additional guarantees for the health status of these sites;
- Ordinance on the conditions and procedure for use of plant protection products;
- Ordinance on the terms and conditions for control over trade, repackaging, storage and use of plant protection products;
- Ordinance on the content and order of keeping the public registers in the field of plant protection;
- Act on amendment and supplement to the Law on Veterinary Activities. The changes are aimed at updating the legal framework for regulation of agricultural activities. Amending Art. 133 of the Law on Veterinary Medicine, the municipal councils will be able to issue regulations for the rules in which they raise animals in the respective municipality.
- Agri-Food Chain Policy Directorate prepares draft notifications of statutory instruments of the MoAFF, which contain provisions affecting the functioning of the EU internal market and organizes and

coordinates the exchange of information regarding technical regulations notified by other Member States.

In this respect, in the first half of 2017: notifications of the national legislation of the Republic of Bulgaria on 10 drafts of normative acts; 4 responses to comments and opinions on notifications of national legislation of the Republic of Bulgaria; 1 comment on notifications of national legislation of other Member States; 124 forwarded notifications of national legislation to other Member States of competence were prepared.

8. Selection and reproduction in livestock breeding

8.1. Management of national genetic resources in livestock breeding

The Executive Agency for selection and reproduction in livestock breeding (EASRLB) assists the Minister of Agriculture, Food and Forestry in conducting the state policy in the field of breeding activities and management and preservation of genetic resources. The Agency monitors the status of national genetic resources, as well as coordination of activities, related to their management.

EASRLB takes part in the Management of national genetic resources in livestock breeding through organizing, management and participation in the activity of the National Council of Management and Preservation of Genetic Resources. In 2016, 26 meetings of the Council were held, broken down per departments of the different sectors in livestock farming, where the problems of the industry were discussed and many suggestions for improving breeding were made.

In 2016, the Agency has determined breeding herd status, risk status of the breeds and the trend of change. During the year, breeding organizations in the country controlling 26 indigenous breeds which are subject of support under Measure 214 "Agri-environmental payments" from the Program for Rural Development for the period 2007 - 2013, and measure 10 "Agri-environment and climate" of RDP the period 2014-2020

During the period 2009 - 2016, there are breeds with a decreased status as endangered breeds, but no breeds, which have become extinct. Only the breed "Pleven horse" could be defined as an extinction breed. Troubling is the state of Stara Zagora sheep, white sheep Maritsa, the Koprivshitsa sheep, Local Karnobat sheep and sheep Breznishki and of commercial breeds - of Karnobat and Thracian fine fleece, the Danube horse and the Danube white pig. Conservation will require the development of more specific measures.

EASRLB maintains an information database regarding the status of genetic resources according to sample form of the base EFABIS of the European Regional Focal point. The national system is related to EFABIS, and the latter - with the information system DAD-IS of the Food and Agricultural Organization /FAO/. This integration provides an opportunity for transfer of data from the national to the European and the global information systems, and the information has been updated in 2016.

In 2016, an update of the data in the Information System for local breeds of farm animals was carried out jointly with the breeding organizations and at the end of the year 113 161 animals from 33 breeds were registered. By unifying the information collected for each breed, the system provides effective electronic access to the data necessary for the management of genetic resources in livestock breeding for all participants in this process and provides new opportunities for information servicing.

EASRLB manages and maintains a national genetic bank with two repositories (Sofia and Sliven), which store cryopreserved sperm from different species and breeds. As of the end of 2016, in the National Gene Bank, a total of 3 046 648 doses of deeply frozen semen is stored. It supports a wide variety of conserved genetic material from 267 cattle, 18 buffaloes, 4 rams, one stallion, 20 cattle breeds, 3 buffalo breeds, one breed of sheep and one breed of horses. Thus, the Genbank contributes to the enrichment of European and global genetic diversity, meets the needs of breeding organizations, farmers and breeders. The greatest diversity is of bulls of the following dairy breeds: Holstein Bulgarian, Bulgarian brown, Bulgarian Rhodope and Brown cattle and meat breeds Limousin, Sarolta, Blonay D'akiten and Aberdeen Angus.

In addition, the Agency supports national genetic reserve as an independent part of the National Genetic Bank. Reserve guarantee the national sovereignty of the country in terms of genetic resources and the conservation of genetic diversity as a key to sustainable farming.

As of 31.12.2016 the National genetic reserve stores a total of 374 421 doses of deep frozen semen of 399 cattle, 28 buffalo stock-breeding farms, of 48 rams and 4 stallions. The doses are of 26 breeds of cattle (14 milk and 12 meat), 4 breeds of buffalo (Murra, Bulgarian murra, Jaffarabadi and Nili ravi), 16 breeds of sheep (Karakachanska, Mednochervena Shumen, Local Karnobatska, Replyanska, Srednostaroplaninska, Dabenska, Sakarska, Sofiiska, West-Stara Planina, Brezinska and crosses of the Avasi breed, Australian and New Zealand merinos, Burula, Perandel and Coridel) and 4 horse breeds (Arabian Horse, Anglo-Arabian, Pleven and Bulgarian heavy horse).

In 2016, the National Genetic Reserve was enriched by 6 504 doses of two new stock-breeding farms of the Simmental breed, three of the Bulgarian Rhodope cattle breed and two buffalo stock-breeding farms of the Bulgarian Mura breed.

In order to guarantee higher bio-security, the reserve is divided into two cryo-storage facilities - in Sofia and in Sliven.

At the end 2016 the National Genetic bank and the National genetic reserve stored total 3 421 069 doses of deep frozen semen, 8 104 doses more compared to the previous year. Of these, 366 110 doses are of threatened or endangered indigenous breeds incl. 305 620 doses of five breeds of cattle, 57 785 doses of 1 breed buffalo, 1183 doses of three breeds of sheep and 1 522 doses of two breeds of horses.

EASRLB operates and maintains two government stations for artificial insemination (GSAI) in Sofia and in Sliven, providing breeding, management and conservation of genetic resources in the country. In the stations, breeding material is produced and stored long-term of valuable high-yield breeds of indigenous autochthon breeds of animals.

In 2016 both state-owned stations for artificial insemination grew male cattle breeding stock of breeds Bulgarian brown cattle, Simmental, Sarolta, Dzhhersey, Holstein Frisian cattle, Holstein black-haired, Bulgarian brown cattle and buffalo stock-breeding farms of Bulgarian Mura breed

Within 2016, a total of 40 450 doses of deep-frozen semen in the form of sequins were produced, which is 23 010 doses more than the previous year. The big difference is due to the restrictive measures imposed on the prevention, restriction and eradication of bluetongue in ruminants in 2015.

DSIO Sliven supported depot for breeding boars to produce fresh sperm for artificial insemination of pigs and has produced 1 182 doses of fresh sperm of boars and 720 sows are inseminated, which is 217 sows less on an annual basis.

DSIO Sofia supports horse breeder depot and as of the end of 2016 the following breeds of horses are bred: 2 stallions- one Arabian Horse and one Pleven horse one stallion under 3 years of age of Arabian Horse breed; two adolescent female horses of the Pleven horse; seven mares, four of which are of the Pleven horse, one Trakenen BG and two unmarried mares used for mounting to receive semen from stallions.

EASRLB assists the breeding organizations by enabling: Study Performance of controlled signs in its laboratories; breeding males and production and storage of seeds; proof of origin of breeding animals in its laboratory.

For this purpose, the Agency manages and maintains a laboratory to control milk production and laboratory control of wool providing productivity.

In 2016, the laboratory for determination of physical and chemical composition of milk (Sliven) analysed a total of 6 818 samples (39 672 samples in 2015), of which 6 791 samples of the Association for Bulgarian

Rhodope Cattle and Dzhersey, Smolyan and only 27 samples of the Association for Breeding the Black-breasted Breed in Bulgaria, Dobrich.

Laboratory testing of rams' own productivity (Shumen), servicing the selection of the fine fleece sheep breeding provides the opportunity to determine the magnitude of certain selection samples and the quality of wool in relation to the physical and mechanical properties, the yield and the quantity of pure fibre. In 2016, a total of 924 samples of wool have been tested in it, 81 less compared to the previous year.

EASRLB provides breeding organizations with various options for joint activities, co-operation and partnerships for breeding male breeding animals, production and cryopreservation of semen from them. Cattle breeding organizations are still underestimating the activities of bull production and testing of young steers. In 2016, there were no contracts with breeding organizations to provide calves for rearing in the EASRLB bases, although organizations focus on bull production in their breeding programs.

In 2016, the National Genetic Laboratory was officially opened to serve as a credible, scientifically validation of animal origin at a contemporary level recognized by the international community and to allow reference DNA analysis to be performed. This allows for the emergence of new regularities needed to develop breeding strategies and programs for storing national genetic resources in stock-breeding.

By EASRLB, Bulgaria is a full member of the International Committee for Animal Recording (ICAR) and as such gets access to important technical information, the possibility of using existing contacts with other international organizations, expert assistance in laboratory accreditation and many others. With the introduction of modern equipment in the dairy laboratory and in the National Genetic Laboratory, Bulgaria guarantees the implementation of world-recognized methods and standards in the field of breeding activity. This creates opportunities for access to international markets for tribal animals produced by Bulgarian farmers.

The realization of insemination material of breeding facilities of the national gene pool shall be implemented by 9 licensed centres for storage of sperm. In 2015, the centres are reduced to 9 and moving lines are increased to 20.

In 2016, 46 821 doses of sperm have been realized, which is 18 639 doses less than in comparison to the previous year. Of them, 43,3% were of Bulgarian cattles and buffaloes. The demand for seeds from Bulgarian Rhodopes cattle is increasing steadily, which is at second place after the Black-breasted cattle.

During the recent years the interest for conservation of genetic diversity in livestock used for agricultural purposes is increasing. With the approval of the FAO Global Plan of Action for Conservation of Genetic Resources in Livestock, EASRLB has taken concrete steps for effective management and long-term conservation of genetic diversity in livestock breeding. For this purpose, a ten-year Conservation Program for ex situ management of genetic resources in Bulgaria has been developed. It provides for breeding from commercial and indigenous breeds of cattle, buffaloes, sheep, goats and horses from which the genetic material is to be preserved in the State stations for artificial insemination. The National Genetic Reserve and the National Genetic Bank will be enriched with potentially useful genes from 11 cattle breeds, 1 buffalo breed, 26 sheep breeds, 4 goat breeds and 13 horse breeds by the implementation of the cryopreservation program.

Under the program, over the last 3 years, EASRLB has undertaken activities for the restoration of the Bulgarian red bovine breed. In this connection, 13 typical animals were found, corresponding to the breed's birth descriptions. Semen of high class bulls are provided.

In the implementation of the programs for rescue from the disappearance and restoration of the Danube, Plevan horse and Bulgarian heavy horse, the contracts concluded in 2013 with the Association for Recovery and Development of the Plevan Horse and Gidran Breed and the Association of Breeders in Bulgaria are still effective. The aim is to obtain and trade semen from stallions of the breeds: Danube, Plevan and Bulgarian heavy horse; carrying out embryo transfer and natural cover of mares of the Danube and Plevan horse breed.

In order to prevent the disappearance of the Danube and Pleven heavy horse breeds, a team has been set up to develop, test and implement the technology for obtaining, qualifying, processing and cryopreservation of semen from stallions. In 2015, a frozen semen of stallion was successfully passed the thermal sample and it was proceeded with replenish NGF (National GeneticFund) with seminal fluid from stallions. As of 31.12.2016, 2 542 doses of semen of a type of horse were stocked.

In 2016, to promote breeding activity, EASRLB organized and held two exhibitions, funded by the Agriculture State Fund under the state aid schemes - National Exhibition of Animal Breeding - Sliven, Euro Tire Exhibition, Hannover. The Agency has also organized the third local breed festival, the village of Chuprene, in order to popularize Bulgarian local breeds.

In 2016 many meetings consulting services and professional advice to breeding organizations, NGOs and farmers on issues related to breeding; technologies of breeding, foddering and reproduction of breeding animals are provided.

EASRLB advisory activity is aimed at promoting the advantages of the cultivation of local indigenous breeds, stimulating the effective use of the national genetic resources, and implementation and successful realization of agri-environmental commitments on preserving the environment, preserving and preservation of the biodiversity of species and breeds of farm animals and improving the process of self-regulation and the introduction of good agricultural practices.

In 2016, EASRLB has continued to represent Bulgaria in international bodies and organizations related to the use and storage of European and global genetic resources in livestock breeding and to take part in different projects..

8.2. Control and coordination in breeding activities

In 2016, the EASRLB carried out planned inspections of activities of 33 breeding organizations together with 11 inspections upon complaints, signals and requests.

During the year, EASRLB has exercised control of the activity of the breeding organizations by organizing inspections of under the state aid scheme: "Assistance for keeping hereditary record and defining the productivity and genetic properties of the animals". The inspections completed include breeding activity with farms and animals as follows: 68 973 cattle, 7 493 buffalo, 205 483 sheep, 12 457 goats, 39 937 pigs, 721 243 birds, 6 721 horses, 12 612 bee colonies and 278 dogs.

Within the year a spring and autumn review was held of horse breeder flock in the State Enterprise "Kabiuk".

EASRLB conducted checks on the compliance with the breeding program by the beneficiaries subsidized under the line "Conservation of endangered local breeds" of measure 214 "Agroecology payments" and measure 10 "Agroecology and climate" from the RDP. 1 805 beneficiaries were verified, based on the results of which the corresponding payments were made.

EASRLB has controlled the activities of breeding organizations on organizing and conducting 25 exhibitions and presentations during the year under state aid schemes of SF "Agriculture". Specialized Exhibition Day of the Arabian Horses in Bulgaria at State Enterprise "Kabiuk", Shumen; Specialized exhibition of the breed Bulgarian heavy horse in Predela area, Razlog municipality; Specialized Exhibition of Horses - "Day of Bulgarian Producer", Balchik; National exhibition of horses from the Danube horse breed, Sofia; Specialized exhibition of horse breed Haflinger in the village of Konyavo; National exhibition of horses from the East Bulgarian horse breed, Shumen; Specialized exhibition of Bulgarian sport horse, village of Zhitnitsa; National show of the Jle-de-France breed, the village of Tsarevets, Dobrich; Autumn exhibition of white and splotch-faced Maritsa sheep.

Due to lack of approved breeding organizations for given breeds in 2016, EASRLB performed a selection activity in cattle breeding with 11 farms with 341 animals, distributed in the following breeds: Galloway - 200 animals, Sharole - 68 animals, Obrak - 60 animals and Bulgarian red cattle - 13 animals.

Selection activity in sheep breeds for which there are no breeding organizations in the country covers 17 farms with 3 371 sheep distributed in breeds as follows: Kotlenska - 1 151 animals, Local Karnobat -1 062 813 animals, Avas -659 animals, Chios- 297 animals, Romanov - 162 animals.

The selection of goat-breeding activities for breeds in which there are no breeding organizations in the country is carried out with 235 goats of the Boer (101 animals) and Alpine (134 animals) breeds.

This activity of EASRLB enables farmers breeding those breeds, for which there is no established breeding organizations, to apply for the schemes for conditional support for animals under selection control

In connection with the implementation of schemes for production related support in the "Animal Breeding" sector for animals under selection control, checks were carried out to determine the animals under selection control and reporting of approved animals in the VetIS system of BFSA. As of 31.12.2016 104 316 cattle, 296 118 sheep and 16 402 goats are registered in the system VetIS.

The quality of the breeding stock produced, received and distributed throughout the country, is controlled by EASRLB by maintaining a national registry of male breeding animals and a Register of breeding flocks of national gene pool.

As of 31.12.2016 the register of male breeders includes: 5 165 beef bulls, 267 buffalo bulls, 9 500 rams, 720 goats, 1 858 stallions, 500 boars and 205 dogs. The register of breeding herds included 5 129 herds, distributed as follows: Cattle - 1 825, Buffalo - 203, Sheep - 1 949, goat - 350, pig - 67, horse - 701, birds - 6. Registers included also 160 apiary and 20 dog owners.

In 2016, 1 importer of seeds is registered in the register of importers of organic products and 6 notifications were submitted for intra-community trade. During the year 17 460 doses of deep-frozen semen of 54 cattle breeders and 8 goats were imported. The registered doses are of the breeds: Holstein, Brown cattle, Simmental, Dzhhersey, Hereford, Limousin, Sarolta, Aberdeen Angus, Belgian blue cattle, Partenz cattle and of goat breeds Saanen and Alpine.

9. Agricultural science, training and advisory activities

9.1. Scientific research activities and scientific services to agriculture provided by the Agricultural academy

The research and scientific activity of the Agricultural Academy (AA) was aimed at the development of projects of national and common-European import in the field of agriculture.

In 2016, 297 national projects were developed in the Research Institutes and Testing Centers at the AA. Of these, 36 projects were funded by the Scientific Research Fund of the Ministry of Education and Science, 167 projects received funding from national agencies and organizations, and 129 projects were funded by the Academy's budget subsidy.

9.1.1. Scientific products created and introduced to production

In the Official List of Plant Varieties in the country, issued annually by EAPVTFISC, in 2016 a total of 247 AA plant varieties have been registered. Of these, 211 were included in list A (grain, fodder, technical, oil and tobacco), and 47- in List B (vegetable, decorative, medicinal and aromatic plants and vine).

The legal protection of new varieties of plants, animal breeds and other scientific achievements of the Agricultural Academy is carried out through patents for inventions, certificates for registration of marks and

certificates for protection of new varieties of plants and breeds of animals, issued by the Patent Office of the Republic of Bulgaria. For the year 2016, 16 applications were filed with the Patent Office.

The scientific products, having received legal protection in 2016 are 10, ready for conclusion of licensing agreements. This includes 5 varieties of cereals; 2 varieties of oil and technical; 2 varieties of vegetable and 2 breeds of animals.

AA owns 85% of all issued and maintained certificates for plants varieties and animal breeds in the Patent Office.

The Academy has significant and diverse intellectual property assets, having strategic importance for Bulgarian agriculture which provides the option of realizing economic benefit.

9.1.2. Transfer of knowledge and scientific products

In 2016, 77 demonstration fields were created, where 59 open days and meetings of scientific units of the Academy and farmers were conducted for getting acquainted with the latest plant varieties, animal breeds and innovation in the technological aspects of farming.

Scientists from AA actively participated in 74 short-term courses to improve skills of agricultural professionals and farmers from agricultural cooperatives in the production of basic seed production, growing of fruitful vineyards, creation and cultivation of new vineyards, production of propagating material, cultivation of vegetable crops and flowers characteristic of our regions, fighting against diseases and pests, creation of intensive permanent crops, raising and breeding of tribal breeds of animals, design of private modular farms in the field of sheep, cattle, rearing, on the competitiveness and profitability of the different types of production and technology development.

128 scientific-practical conferences, seminars, symposia, round tables were conducted, where the issues of modern agriculture, economics and marketing, as well as the financing of agricultural science were discussed.

In 2016, through participation in 100 different exhibitions and fairs of national and local nature, farmers are introduced to new varieties and technologies developed by institutes and test stations in the AA system.

9.1.3. Qualification Structure of researchers and doctoral students

The total number of scientists in AA as of the end of 2016 is 535, which according to academic positions and scientific degrees are distributed as follows: professors — 74, associated professors — 207, senior assistants — 104, assistants — 150, holders of educational and scientific degree "Doctor" - 400 scientists, and holders of doctorates in science — 18 scientists. The ratio of scientists qualified to teach and others in the Agricultural Academy is 1,1. During the year, 55 scientists left and 27 were newly employed. The tendency in recent years to reduce the number of scientists is preserved

In 2016, 28 scientists were habilitated, 14 of which have gained academic degree "professor" and 14 - "associate professor". During the year, 20 assistants have acquired academic position "assistant professor", 20 assistants and assistant professors - educational and scientific degree "Doctor" and one associate professors - academic degree "Doctor of Science".

In 2016, AA research institutes trained 15 PhD students (state funding). There were also 13 assistants in a self-study PhD. During the reporting period, 128 PhD students in total are being trained. During the year 22 PhD students have successfully defended their dissertation work and received their diplomas for educational and scientific degree "Doctor". Six institutes received 18 accreditation sheets for training in ESD "Doctor".

9.1.4. Specialized scientific periodicals

The AA publishes five specialized magazines - "Bulgarian Journal of Agricultural Science", "Plant Science", "Animal Breeding Sciences", "Soil Science, Agrochemistry and Ecology" and "Economics and

Management of Agriculture". The editorial board made decisions aimed at maintaining high criteria for assessing incoming articles and step by step moving to publication in English. New magazine indexing contracts have been concluded in the world information system for scientific and business information EBSCO Publishing.

9.1.5. International cooperation in the field of agricultural science

In 2016, research institutes and experimental stations of AA carried out international cooperation in joint research projects, participation in international seminars, conferences, consultative meetings, studying abroad, on topics of mutual interest, etc.

A total of 165 projects were performed during the year, of which 65 are of bilateral cooperation and licensing, distribution and commercial contracts.

The Academy institutes have executed 34 projects funded and supported by the EU, the Food and Agriculture Organization (FAO), the International Center for Genetic Engineering and Biotechnology, the International Atomic Energy Agency, International Center for the Improvement of Maize and Wheat (SIMMIT), etc.

During the year 8 projects under Horizon 2020, Cross-Border Cooperation between Bulgaria and Romania projects and Health and Consumers projects with the European Food Safety Authority (EFSA) have been implemented jointly with the EU.

The AA scholars are national coordinators or participants in 4 EU COST projects in the fields of "Food and Agriculture", "Individuals, Societies, Cultures and Health", and "Earth and Environment Sciences".

DZI-General Toshevo, IZ-Karnobat and IZS-Ruse have executed 52 licensing, distribution and commercial contracts with Turkey, Russia, Romania and Ukraine.

During the year economic and scientific-technical cooperation was achieved with Armenia, Azerbaijan, Vietnam, Germany, Israel, India, Indonesia, Kazakhstan, Cyprus, China, the Kingdom of Morocco, Lithuania, Moldova, Mongolia, Russia, Romania, Slovakia, Ukraine, Hungary, France, Japan, etc..

9.2. Advisory activity

Essential part of the state policy for providing advisory services for providing appropriate level of technical and economy knowledge and skills in agricultural and forestry sector with the purpose of implementation of CAP and increasing the competitiveness of Bulgarian producers is realized through the National Agricultural Advice Service (NAAS).

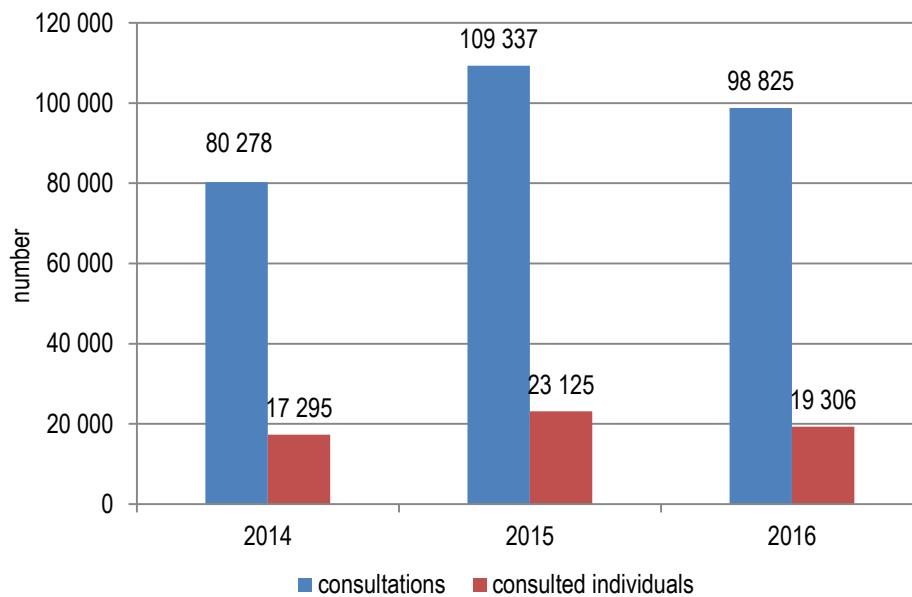
NAAS offers a comprehensive "package of consulting services", including counselling from the establishment of the farm to its full servicing in the agricultural, livestock and agro-economic aspects, organises and implements trainings for farmers.

NAAS supports the transfer and application of scientific and practical achievements in the field of agriculture and thus assists in improving the link "research - agricultural advisory - agricultural business."

NAAS organizes and conducts exported reception (consulting days) in different locations that are remote from regional centers to facilitate farmers' access to advisory services of the Office.

NAAS distributed among farmers useful information and promoted best practices in the application and implementation of projects under the RDP through the newly created so called "Farming circles", increasing the efficiency of services provided by the Office consultations and reach a greater number of farmers.

Figure V.2. Total number of consultations provided and consulted individuals at the office and on-site, for the period 2014 – 2016

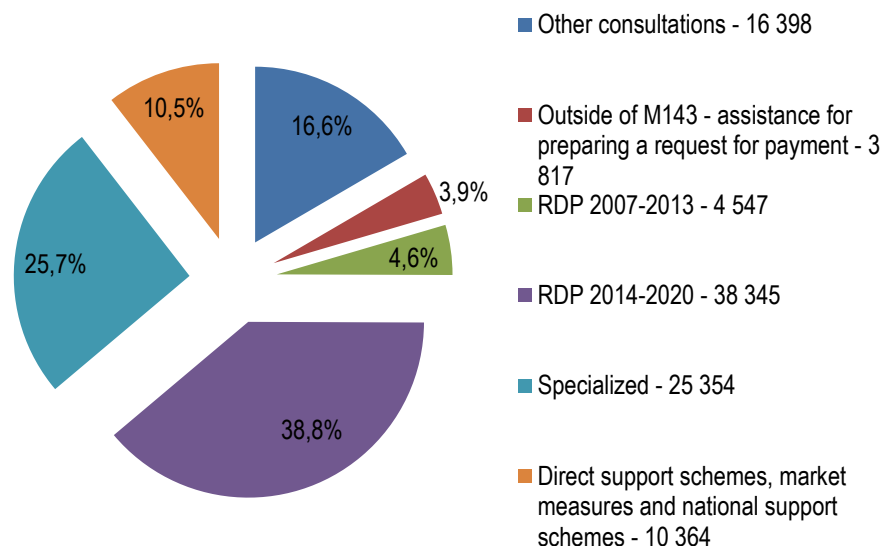


Source: NAAS

Consultations provided by NAAS are free to farmers. The office performs consulting and advisory activity mainly by experts from the territorial district offices (TDO).

In 2016, a total of 19 306 persons received 98 825 consultations from experts of NAAS. On average, a person has received about 5 consultations. The number of persons consulted during 2016 is 17% less than in the previous year.

Figure V.3. Consultations provided by type for 2016



Source: NAAS

NAAS advice provided in the office and on site at the farms is 10% less compared to 2015. The majority of persons who received counselling, benefit from the proposed comprehensive package of advisory services.

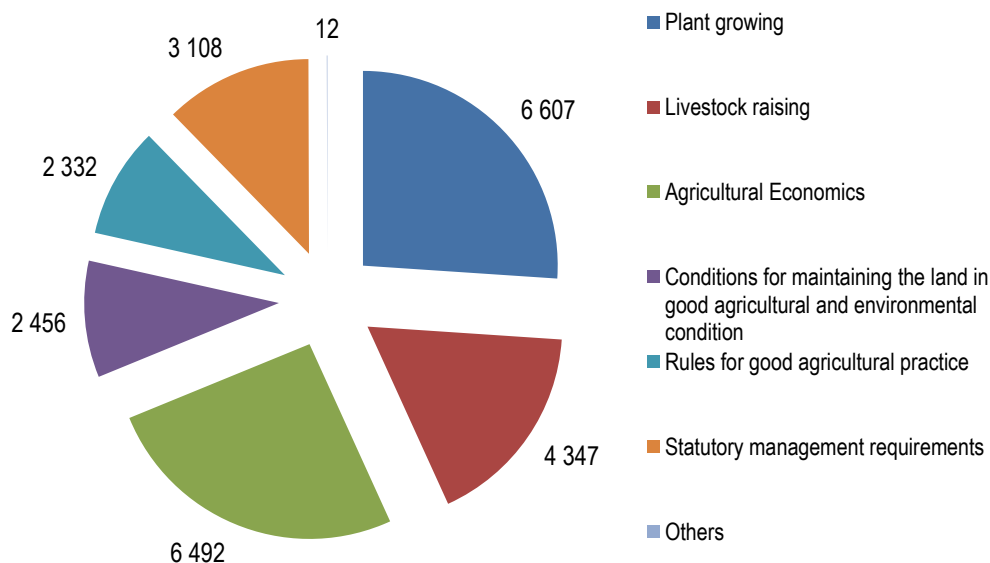
The target groups targeted activities are: farmers who have already started their agricultural activity (this group is dominated by small farms); individuals who want to start agricultural activity; persons living in rural areas, including forest owners.

In 2016, 3 680 farms were visited by NAAS, which is 21% less than the previous 2015. During the visits farmers received specific advice from experts to assess the conditions in which agricultural crops and animals are grown. All this contributes to increasing the quantity and quality of production in line with European norms and standards.

In 2016 the following types of consultations are essential:

- Consultation on RDP 2014 - 2020- 38 345 consultations provided which are 9% more compared to 2015.;
- Specialized consultations - 25 354 or 25,7 % of total consultations, increase by 11,5 % compared to 2015. They can be summarized in the following areas:
 - Plant growing incl. organic plants;
 - Livestock incl. organic livestock;
 - Agricultural Economics - consultations relating to issues of taxes and contributions in the field of agriculture, as well as annual tax returns;
 - Statutory Management Requirements (SMRs);
 - Rules for Good Agricultural Practices (RGAP);
 - Requirement to keep land in good agricultural and environmental condition (GAEC).

Figure V.4. Specialized consultations by type in 2016 , number



Source: NAAS

- Other consultations -16 398 consultations are provided, which represents 16,6% of all consultations. They have decreased by 11,8%, compared to 2015. This group includes:
 - Consultations on registration and reregistration of farmers under Ordinance No 3 of 1999.;

- Consultations on contracts for use of agricultural land;
- Consultations on safe working conditions.
- Consultation on RDP 2007 - 2013 laying down the conditions and requirements for the implementation of various measures approved by the Program projects and applications for support. 4 547 consultations were provided in 2016.
- Consultation on third National Action Plan for Climate Change (NAPCC) for the period 2013 - 2020 - 8 548 consultations provided which is 29% more compared to 2015.

This type of consultation is divided into two main groups:

- Consultation on measures with an indirect effect on the reduction of greenhouse gas emissions;
- Consultation on measures with a direct effect on the reduction of greenhouse gas emissions.
- Consultations in category „Direct Payment Schemes, Market Measures and National Support Schemes"- 10 364 consultations (10.5%). Compared to 2015, their number decreased by 21.6%. The greatest interest is shown in:
 - Consultations under the single area payment scheme;
 - Consultations on schemes for production-related support for fruit and vegetables;
 - Consultations on schemes for payment for agricultural practices beneficial for the climate and the environment (green direct payments).

9.3. Professional trainings

In the vocational training center (VTC) to NAAS is conducted a training of persons over 16 years of age to acquire, expand and improve professional qualifications to improve employability, support for career and individual development.

Trainings provide opportunities for farmers to clearly define priorities and learn how to allocate the financial resources for their implementation. In addition, they acquire knowledge and skills to manage their own business in order to increase their income. Farmers create contacts with colleagues, lecturers, researchers, companies and national units of the Ministry of Agriculture and Forestry necessary for their business.

In 2015 VTC trained 82 students, 72 of whom are farmers.

9.4. Improvement of the link "scientific research - advice in agriculture - agricultural business"

During 2016, 126 joint information meetings, seminars and events were conducted on which specialized topics and options for supporting of farmers under the measures of RDP 2014-2020, with the participation of scientists and experts from NAAS, AA, Agricultural University - Plovdiv, Trakia University - Stara Zagora, Forestry University - Sofia, Ruse University "Angel Kanchev", Shumen University "E. Konstantin Preslavski", regional directorates of the Food Safety Agency, National Union of Cattle Breeders in Bulgaria, Association plant protection industry Bulgaria, Basin Directorates to MOEW

Since 2016, information seminars with demonstrations on the farms of NAAS clients have also been launched. Seminars with demonstrations during the year are 29, with the largest number of joint events in the livestock sector - 53% and in the plant breeding sector - 32%. Over 3 300 farmers have shown interest and have visited these joint activities and events, which by their nature represent specialized training, fully oriented to the needs of farmers.

9.5. Information provision

In 2016, NAAS experts participated in 295 information events (information meetings - 142, seminars-108, seminars with demonstration- 29 and other events - 16, excluding exported reception) which is 31 events

(12% more compared to 2015). 137 information materials were prepared (calendar of the farmer, educational brochures, leaflets and brochures)

Farmers receive up-to-date information and advice on funding opportunities under the RDP 2014-2020, direct payments schemes and national support schemes in the region by exported receptions. In 2016, 1 037 exported receptions have been conducted (their number is kept) in and 4 229 people have been consulted.

The so called 27 "farming circles" keep functioning. 314 farmers have joined. Farming circles cover about 60% of all municipalities. Their aim is dissemination of useful information and promotion of best practices in the application and implementation of projects under the RDP among farmers.

9.6. Agrochemical analyses

The analytical laboratory supports the activities of the NAAS and the farmers for the implementation of the CAP and the measures under the RDP. The directions of the laboratory activity are related to the requirements for improving the activity and increasing the competitiveness of the farms.

Within the framework of the additional advisory services under Measure 143, the NAAS provides laboratory services and assists farmers undergoing restructuring. " The laboratory is also helping young farmers to provide NAAS experts with the A2B advisory packages as well as small farms when receiving consultancy packages under sub-measure 2.1.2 of the RDP 2014-2020.

The laboratory performs agrochemical analyses of soil samples for acidity (pH), digestible phosphorus and potassium, mineral nitrogen (ammonia and nitrate), total nitrogen in soils, determination of active calcium, determination of humus and determination of liming norm for acidic soils .

In 2016, 3 193 soil samples were obtained, based on which 16 519 analyses were made. Based on the analyses made, 2 090 fertilization recommendations were prepared. The samples produced came from 1 763 people. Surface soil samples under sub-measure 2.1.2 prevail - 2 877 or 90% of all samples taken during the year.

9.7. Activity of NAAS under measure 2 "Advisory services, farm management and farm relief services" of RDP 2014-2020

NAAS is the beneficiary of the financial assistance and provides to farmers, sub-measure applicants 6.1. "Start-up support for young farmers" under the RDP 2014-2020 (in accordance with Ordinance No 13 of 19 May 2015 for the implementation of sub-measure 2.1 "Assistance for provision of consultancy services" under measure 2 "Consultancy services for management of farm and farm substitution services" from the RDP 2014 - 2020) A2B advisory package to the conclusion of contracts with the selected beneficiaries of financial assistance.

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In 2016, NAAS experts prepared 1 312 reports on the young farmers' A2B CPs (consultancy package) provided, including detailed analysis, assessment and recommendations for the development of their farms.

In 2016, the implementation of sub-measure 2.1.2. "Consultancy services for small farms" under Measure 2 "Consultancy services, farm management and farm substitution services" from RDP 2014-2020 has started, while NAAS being the only advisory organization at this stage approved by the EC to provide advisory services to small farms.

Under sub-measure 2.1.2, NAAS provides six basic advisory packages entirely free of charge to small farms, contributing both to economic development and strengthening of small farms through modernization and technological renewal as sustainable and viable units and improving environmental protection and combating climate change.

The total number of applications submitted by young farmers to receive a CP under sub-measure 2.1.2. in 2016 it is 2 872 (of which 2 866 include two or more consultancy packages, and 6 are only a TA package 5.1 consultancy - preparing a business plan for sub-measure 6.3 "Start-up for small-scale agricultural development").

Out of the 2 869 applications submitted for the CP TP 5.1 Program, 2 860 small farmers have prepared and submitted a business plan and application for support under sub-measure 6.3 "Start-up support for small-scale farms". Most of the applications from the farms in the field of plant growing are 1 409, followed by livestock farms with 961 units and mixed-purpose farms with 454 units.

Plants growing farms, applicants under sub-measure 6.3, are mostly for fruit and vegetable production. In livestock farms, the proportion of bees is the highest. Bee families, fruits and vegetables are mostly grown in mixed farms.

10. Prevention of hail

The geographical location and the orography of the country predetermine Bulgaria to be one of the countries in Europe with high frequency and power of hail processes.

In recent years there has been an increase in the frequency and strength of dangerous phenomena such as hail, flood, tornado and lightning. Forecasts based on numerical models under different climate change scenarios confirm this increase in the future. One of the geographical areas where a significant increase in extreme phenomena is predicted is Southeast Europe.

Bulgaria is one of the countries in Europe, where the trend for increasing the frequency and strength of hail processes is preserved despite the observed fluctuations in the degree of hail activity over the years.

The territory protected by the Executive Agency "Hail Suppression" is 1 720 226 ha of which 1 120 000 ha is agricultural land, perennial crops and mixed-use areas in highly hail-risk areas in the districts of Vidin, Montana, Vratsa, Plevan, Pazardzhik, Plovdiv, Stara Zagora and Sliven.

The activity of EAHS is related to the prevention of formation of large ice grains in the clouds. The number of icy crystals in the cloud is small and, under conditions, they grow rapidly to large-sized hail grains. The main concepts used in anti-hail protection are: beneficial competition and early raining.

In the cloud's beneficial competition, additional artificial ice crystals are supplied, which in the process of growth compete with the natural embryos in the fight for water in the cloud. In this way the over-cooled water is redistributed between the natural and artificial icy embryos, where they do not grow to large sizes. Hail grains, falling to the ground, melt to raindrops or small-grain hail.

The implementation of the second concept is related to the stimulation of the rainfall at an earlier stage in the life of the cloud in which there are still highly developed ascending streams. Cloud water is artificially reduces and thus prevents the growth of icy embryos to large-sized hail grains.

In Bulgaria, the method of delivering a reagent - artificial ice-forming nuclei (AgJ) into the cloud by missiles is adopted. This allows a direct and continuous injection of the site specified in the cloud.

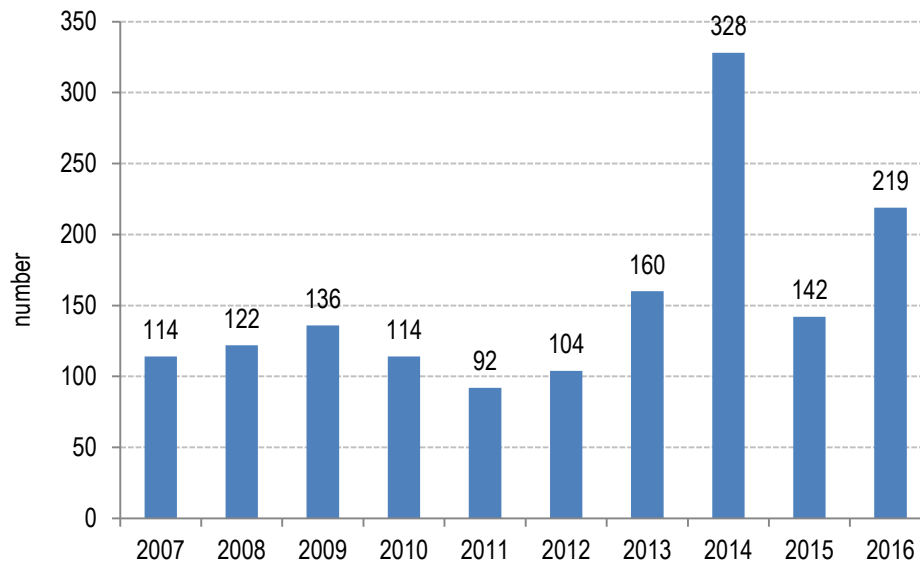
To achieve success in the active impacts, reagent sowing needs to be done at an early stage of cloudy growth before large grains. Causes of damage are:

- cloud cells with high hail parameters and hailstones formed, making it impossible realization of competition;

- hurricane winds of up to 40 m/sec, leading to a reduction in the concentration of the reagent in the area of seeding;
- a reduced concentration of the artificial competitive ice-forming nuclei due to limitation of shooting over settlements;
- insufficient seeding and discontinuation of treatment due to running out of anti-hail missiles.

EAHS has a national meteorological radar network, which provides 24 hours continuous monitoring of the atmosphere for detection and ultra-short-term forecast for strong storms, lightning, floods, hailstorms and other adverse events. Information is transmitted immediately to the Ministry of Interior, the Air Forces, the ATSA, the Department of weather forecasts -NIMH and other authorities. Meteorological information is constantly provided by the Agency's website.

Figure V.5. Conducted effects of the anti-hail system during the period 2007 - 2016



Source: EAHS

EAHS teams jointly with the District Directorates "Agriculture" carry out a survey for damages in the protected areas after each impact. The Agency receives information on the sown areas, the state and stage of crop development, re cultivated areas, average yields, etc. On the basis of the weather forecasts and the phase of development of the crops in the protected areas, the IABG Executive Director issues an order for starting and closing the active season for anti-hail protection.

In 2016, the active season for operation of anti-hail protection on the territory of the country was opened on 25 April and closed on 4 October. Of 82 days in which strong cumulonimbus clouds are developing, impacts have been made in 55. Hail-scale processes develop mainly under the impact of over-the-air cold weather fronts and formed convergent lines. Processes related to Mediterranean cyclones are twice more compared to 2015.

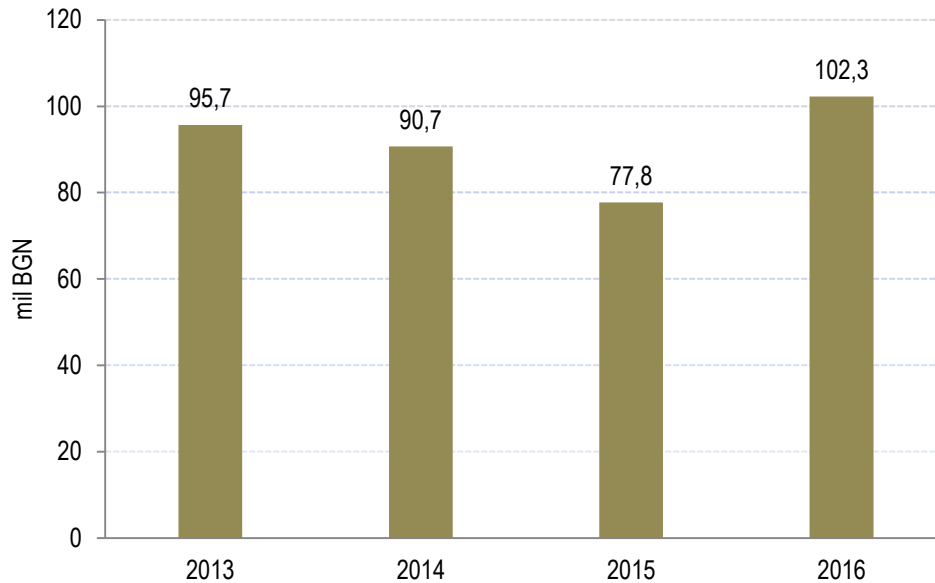
Season 2016 is classified as "high degree of hail activity" for Southern Bulgaria and Northern Bulgaria. During the year, 219 impacts were carried out and 1 090 hail cells being treated. The total area of the impacted cloud cells is approximately 7,4 million ha.

The frequency of processes in Southern Bulgaria is significantly higher compared to Northern Bulgaria. In southern Bulgaria 138 impacts were carried out on 659 hail cloud cells with a total processing time of 119 hours, and in Northern Bulgaria - 81 impacts on 431 cells with a total processing time of 80 hours.

Months of May and June 2016 are characterized by the typical high season frequency for formation of strong cumulonimbus and rain clouds; in this period 155 impacts have been realized in 34 days. During the period July - September, the frequency of processes significantly decreased, having 62 impacts per 20 days.

According to the adopted Methodology for determining the economic efficiency of anti-hail protection, in 2016 the value of the production saved as a result of the active impacts conducted by EAHS is estimated at nearly BGN 102,3 million.

Figure V.6. Value of the production saved from hails during the period 2013 – 2016, mln. BGN



Source: EAHS

Throughout the season of active impacts hail with damage to crops exist only from 23 cloud cells. In the case of 1 120 000 hectares arable land area above which hail processes have passed, hail damage to agricultural production has reached 2 870,9 ha with an average rate of striking of 50%.

In 2016, activities for the extension of the anti-hail system on the territory of the country were started. It is envisaged the areas of the sub-Balkan valley and the Haskovo region to be protected by means of a missile and another 4 stations will be added to the existing network of 3 meteorological Doppler radar stations. An optical information environment for increasing security when transmitting the radar information needed to conduct impacts is planned to be built. Preparatory work on introducing an air plane method for hail protection over areas not covered by missile defence is forthcoming.

The active season for work on anti-hail protection in 2016 was opened on April 27, 2017. The period to 20 June 2017 is characterized by high frequency and intensity. 71 impacts have been conducted on 330 clouds.

11. Reducing the regulatory and administrative burdens on business

11.1. Implement the administrative burden reduction measures covered by the packages and plans adopted by the Council of Ministers of the Republic of Bulgaria

In 2016, MAF took action to implement the measures envisaged in the Third Action Plan to reduce administrative burden on businesses by 30 per cent of the selected legislation for the period 2015 - 2017, according to item 3 of the Decision 2 of Protocol No 21 of the Council of Ministers meeting of 27 May 2015 and of the measures not implemented by the first action plan to reduce administrative burdens on business, namely:

- Third Action Plan to reduce administrative burdens for business by 30 per cent of the selected legislation for the period 2015 - 2017 - 9 measures are laid down and 1 measure dropped off. Measures included in the third plan are related to facilitation of procedures for administration of services, dropping off the requirement for providing publicly accessible documents and electronic volume of information. Amendments to sub-statutory instruments have been made for implementation of these measures. As of 31.12.2016, all 8 measures to reduce the administrative burden have been implemented, that means implementation is 100%.

- First Action Plan on reducing administrative burdens for business (2010-2012) - 5 measures included as of 31 December 2016 are in progress. The deadline for the implementation of these measures is extended until the end of 2016.

The implementation of the envisaged measures is related to changes in the Irrigation Association Act and the Ordinance for acquiring and abolishing the right to use the facilities of the irrigation infrastructure and the servicing equipment on the territory of the Association from the irrigation associations.

In 2016, the Law on amendment and supplement to the Irrigation Associations Act was adopted. A draft for amending and supplementing to the Ordinance for acquiring and abolishing the right of use on the facilities of the irrigation infrastructure and the servicing equipment on the territory of the association from the irrigation associations was prepared. The draft was adopted by the Council of Ministers at the beginning of 2017..

11.2. Repealed and relaxed regulatory regimes

In 2016 two regulatory regimes were abolished and seven were relieved, of which the required documents were reduced at 3, transformation to lower-level regimes at 2 and the scope of products subject to compulsory licensing were reduced at.

11.2.1. Repealed regulatory regimes in 2016

In 2016, two regulatory regimes were abolished, namely:

- Registration regime "Registration of farms for production of raw cow's milk" - the categorization of cow's milk farms and their entry into a register has been discontinued. The regime repealing is after the expiry of the Commission Implementing Decision (2013/686 / EC) of 25 November 2013 for amending Decision 2009/861/EC on transitional measures under Regulation (EC) No 853/2004 of the European Parliament and of the Council Parliament and of the Council on processing of non-compliant raw milk in certain milk processing establishments in Bulgaria from 1 January 2016;
- Licensing of hemp import (conformity of hemp with Art. 157 of Regulation (EC) No 1234/2007) - Special regime for issue of import licenses for hemp (conformity of hemp to Arti. 157 of Regulation (EC) No 1234/2007) / 2007) goes into the general regime for issue of import licenses from third countries -

AGRIM.

With the entry into force on 6 November 2016 of the Commission Delegated Regulation (EU) 2016/1237 of 18 May 2016 and Commission Implementing Regulation (EU) 2016/1239 of 18 May 2016 laying down rules for the implementation of Regulation (EC) No 1308/2013 of the European Parliament and of the Council as regards the system of import and export licenses, special regime for issuing an import license for hemp goes to the general system for issue of AGRIM licenses.

11.2.2. Relieved regulatory regimes in 2016

In 2016, through a change in European and national legislation - normative and sub-normative acts, 7 regulatory regimes were relieved, namely:

- Three regulatory regimes have been relieved with the amendment of the Law on implementing of the Common organization of the markets in agricultural products:

- The Regime "Registration of slaughterhouses performing compulsory classification" passes into a lower-level regime - from registration to authorization;
- The Regime "Registration of classifiers who have completed a course for the classification of cattles, pigs and sheep carcasses passes into a lower-level regime - from registration to authorization;
- The registration regime "Approval of cow's milk purchasers" is relieved by reducing the number of required documents - the requirement for submission of an order for approval by the Minister of Agriculture, Food and Forestry has been dropped off. Registration will be based on the information submitted in the registration application.
- 2 regulatory regimes were relieved by the amendments to Ordinance No. 16 of 2007 on preparation and submission of applications to the European Commission for agricultural products and foodstuffs with protected geographical indications and traditionally specific character, for control of compliance with the product specification and maintaining a database of producers and controlling persons:
 - The registration regime "Registration of producers of agricultural products and foodstuffs with geographical indications" is relieved by reducing the number of required documents, including those that are publicly available;
 - The registration Regime "Registration of producers of agricultural products and foods with traditionally specific character" is simplified by reducing the number of required documents, including those that are publicly available.
- Licensing regimes "Issuing import licenses for agricultural products from third countries- AGRIM" and "Issuing of export license for agricultural products from third countries or AGREX pre-fixing certificate" are relieved by reducing their scope. With the entry into force of the Commission Delegated Regulation (EU) 2016/1237 of 18 May 2016 and Commission Implementing Regulation (EU) 2016/1239 of 18 May 2016, the number of agricultural products that are subject to compulsory import and export licensing has been reduced for those two licensing regimes as of 6 November 2016.

11.3. Introduced electronic provision of services

In 2016 electronic provision of the following services was introduced to the MAF system:

11.3.1. Competent Implementation Body - Executive Agency for Fisheries and Aquaculture

- Acceptance of documents for issuing of a certificate for recreational fishing - carried out by the territorial units of Executive Agency for Fisheries and Aquaculture (EAFA) and by registered distributors;
- Accepting documents for registration/ de-registration of fishing vessel;
- Accepting documents for issuing of a commercial fishing certificate;
- Issuance of a certificate for commercial fishing
- Submission of declaration of origin;
- Submission of information statistical form;
- Issuing of authorization for commercial fishing by third country vessels
- Registration of centers for the first sale of fishery products.

11.3.2. Competent authority - Bulgarian Food Safety Agency

- When registering livestock breeding sites - for livestock farms, zoos, aquariums, terrariums, circuses, farms, aviaries and vivariums for breeding of wild animals;

- Authorization for placing on the market and use of a plant protection product for parallel trade.

11.3.3. Competent authority - Executive Forestry Agency

- Registration of individuals for practising forestry practice and for carrying out activities in forest areas;
- Registration of merchants - legal entities for practising forestry practice and for carrying out activities in forest areas;
- Issuance of a certificate for registration of a control forest sign
- Issuance of a certificate for registration of a production forest sign.

11.4. Impact assessments prepared and adopted in 2016

In 2016, one impact assessment of a normative act - amendment and supplement to the Ordinance on the conditions and procedure for the assignment of activities in the forest territories - state and municipal property and for the use of timber and non-timber forest products, adopted by Decree No 311 of 21 November 2016 of the Council of Ministers- was conducted.

11.5. Developed and / or adopted sub-statutory acts related to change or cancellation of fees

- By Decree No 223 of the Council of Ministers of 29 August 2016 a Tariff of Fees collected by the Food Chain Risk Assessment Center has been adopted.
- The Tariff for Fees, which are collected by the Bulgarian Food Safety Agency (adopted by Decree of the Council of Ministers No 375 of 30.12.2011, prom. SG, issue 1 of 2012), has been amended by the aforementioned Decree. By the Tariff amendments and supplements related to the approval of the tariff under Art. 6, par. 4 of the Food Chain Risk Assessment Center Act were made, given the fact that the Food Chain Risk Assessment Center is the competent authority to authorize, renew and review the approval of active substances, antidotes and synergists; to prepare a report on authorization for placing on the market and use of plant protection products, renewal, amendment and withdrawal of authorization for placing on the market and use; extension of authorization and use of plant protection product for minimum use and other requirements as required by Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 on placing of plant protection products on the market and repealing Directives 79/117 / EEC and 91/414 / EEC.

Fees for the disposal of carcasses of dead animals in the farm were introduced as required by Commission Regulation (EU) No 702/2014 of 25 June 2014 on declaring certain categories of aid in the agricultural sector and forestry and in rural areas compatible with the internal market. The requirements of EU state aid regulations determine the percentage ratio between the amount of state aid granted and the funds to be paid by the owner or user of the livestock breeding site. The introduction of these fees fulfils the requirement of the European legislation for notification of state aid for the disposal of carcasses of dead animals, namely a part of the costs to be borne by the owners or users of the livestock breeding sites=

VI. FORESTRY

1. Characteristics of the forest areas

The total area of the forest territories in the Republic of Bulgaria as of 31.12.2016 is 4 230 825 ha, of which 2 913 090 ha – state forest areas, managed by the state enterprises under art. 163 of the Forestry Act, 172 473 ha – forests in the national parks, reserves and the supported reserves managed by the MOEW, 11 415 ha – forest areas, provided for management to Educational experimental forestries, 546 931 ha – municipal forest territories, 426 082 ha – forest territories owned by private natural persons, 43 916 ha – forest territories owned by private legal entities, 20 911 ha – forest territories, owned by religious communities, and 96 007 ha – agricultural territories, that have acquired the nature of a forest.

As compared to 2015 the total area of the forest territories has increased by 7 951 ha following the inclusion of forests that have not been zoned till now to the forest territories.

The forested area increased from 3 857 658 ha in 2015 to 3 864 965 ha in 2016, as a result of inventory taking of forests not accounted for till now, and also of forestation of barren areas, reassessment of non-suitable for forestation areas during the inventory taking of the forest territories, as well as of self-afforested plants between the last two inventories of the separate forest areas and hunting farms in non-forested areas or desolated areas outside of the forest territories.

The non-afforested area increased by 644 ha to 365 860 ha. There is a decrease of the areas of barrens, burnt-out areas, meadows, arable lands, rocks, rivers, taluses, and other non-timbering forest areas, and an increase in the cutting lands, the lawns, the forest seed beds, the roads and the rides.

The forested area of coniferous forests decreased by 2 635 ha compared to 2015. This decrease is due to the observed in recent years muting of part of the mixed coniferous-deciduous plantations, obtained after creation of coniferous species, and the conducted in the last years policy of transformation of the coniferous trees, created out of their natural region of distribution. This trend will continue in the future as well. The deciduous tall woods increased by 2 445 hectares because of the transformation of sprout plantations into tall woods, the forestation of burnt areas, wind throws, reassessment of coniferous plants, and plantations with low productivity and transformation of a part of the forests for reconstruction to these forests. The sprout forests for transformation increased by 9 218 ha, while because of inclusion of plantations to the forest territories, which till now were referred in the category of "non-zoned forests", as well as because of reassessment of a part of the short forests, being deciduous sprout plantations including of winter oak, Hungarian oak, pubescent oak, cerris oak, and etc. The area of the short forests was lesser by 1 836 ha as compared to the previous year due to reassessment of the "short-trunk business class", while the sprout oak plantations were excluded from it. The achieved annual use amounts to 8 448 074 m³ standing timber, which is equal to 104,1% of the projected under forest plan (forest project) 8 117 254 3 standing timber.

From the total annual use 3 620 099 m³ were from clearings (42, 9% of the total use and 82, 2% of the projected under forestry plan) and 4 827 975 m³ – from thinnings (57,1% of the total use and 130,1% of the projected under the forestry plan). The achieved annual use of the forest areas – state property, managed by the enterprises under art. 163 of the Forestry Act, amounts to 6 517 597 m³ standing timber, which is equal to 100,7% of the projected under the forestry plan.

The total forested area of the state enterprises was increased by 5 857 ha in 2016, to 2 647 355 ha.

The non-forested area for forestation – state owned, provided for management by the SE (state enterprise) as of 2016 has decreased by 517 ha, compared to 2015, and was 48 965 ha. The non-producing forest territories amounted to 216 779 ha, while they increased by 1 431 ha as compared to 2015.

The forested area of the coniferous forests – state property, provided for management to the SE by the end of 2016 was 780 026 ha, being 2 314 ha less than the previous year, as a result of the continuing transformation of the coniferous trees into deciduous, as well as of the muting of part of the coniferous-deciduous plantations, formed after the creation of coniferous plantations, which was established by the inventory of the state forests and state hunting farms.

The total forested area of the deciduous tall forests in the forest territories of the state enterprises in 2016 amounted to 636 494 ha, by 1 245 ha more as compared to 2015, as a result of the inventory taking of non-zoned so far forests, the transformation of the sprout plantations into tall woods, and reassessment of the coniferous trees and plantations with low productivity.

The sprout forests for transformation into forest territories, managed by SE, amount to 929 522 ha, by 8 582 ha more as compared to 2015, because of inclusion of plantations to the forest territories, which till now

were referred to the category of “non-zoned forests;”, the reassessment of the combined coniferous trees with sprout deciduous timber and the sprout plantations with low productivity.

The area of the short-stemmed forests in the state forest territories has decreased by 1 845 ha - from 303 059 ha in 2015 to 301 214 ha in 2016.

2. Changes in the forest territories.

Within 2016 the following changes have occurred in the forest territories of the country:

- 33 administrative acts were issued to change the use of land properties in forest territories under art. 14 of the Forest Act (Repealed) with a total area of 89 468 hectares, with a price for the change BGN 2 149 424. Funds were allocated for compensatory afforestation in the amount of BGN 514 622.77 deposited in the bank account of the respective state enterprise. The administrative proceedings pursuant to the APC under 20 claims have been cancelled;
- 27 administrative acts were issued to change the use of land properties in forest areas under art. 77 of the Forestry Act with area of 316,218 hectares and price of the change BGN 7 377 802. Funds were allocated for compensatory afforestation in the amount of BGN 2 783 533.15;
- The designation under art. 73, par. 5 of the Forestry Act was gratuitously changed for 52,853 ha forest territories for construction of national and municipal sites of paramount importance, and 15 administrative acts were issued, which established already existing rights and obligations;
- 74 administrative acts were issued to acquire ownership of 4,681 hectares of forest territories (public-private property) representing developed and legally defined adjoining area of buildings, structures, networks and facilities under § 123 par. 3 of TFP to the Amendments to the Forestry Act (repealed), with a total selling price of the land properties BGN 564 990.61 and overhead expenses amounting to BGN 11 226.82;
- 4 administrative acts were issued for denial of the right to property on built-up and normatively defined adjoining area of buildings, structures, networks and equipment, pursuant to § 123, par. 3 of TFP to the Amendments to the Forestry Act (Repealed). Under one claim the administrative proceedings under the APC have been terminated;
- 6 orders have been issued under art. 82 of the Forestry Act to change of the use of agricultural lands into forest territories, with a total area 19 299 ha;
- 44 administrative acts were issued for approval of the right to build (pursuant to art. 56 of the Forestry Act) of an area of 1 756 ha, with a total price of BGN 212 377. 18 and BGN 4 247. 60 overheads. The attributed price of the standing timber at its current age, for the assessed plantations, amounts to BGN 4 415. 11. The assigned amounts for compensatory forestation are BGN 9 808.31:
- 24 administrative acts have been issued to establish easement pursuant to art. 63 of the FA on forest territories with an area of 7.90 ha with a total price BGN 508 917. 50 and BGN 10 176. 61 overheads. The assigned value of the standing timber at its current age for the assessed plantations amounts to BGN 11 593. 22. Funds for compensatory forestations have been dedicated of BGN 52, 623. 82.
- 14 administrative acts were issued to establish easement for an energy facility pursuant to Art. 64 of the FA on forest territories with an area of 42 168 ha with a price total BGN 1 319 474.50 and BGN

26 389.49 overheads. The calculated value of the standing timber at its current age for the assessed plantations amounts to BGN 224 301.49. The funds allocated for compensatory forestation are BGN 339 662.51;

- 7 administrative acts were issued for the right to use under the order of art. 70 of the LF on forest areas with a total area of 1 077 ha with a total price of 2 127, 55 BGN and 42,55 BGN overheads. The calculated value of the standing timber at its current age for the assessed plantations is BGN 6 048. 84. The allocated amounts for compensatory forestation amount to BGN 10 534.99;
- 10 administrative acts were issued to establish the right to use and easements pursuant to art. 16 of the FA(Repealed) on forest territories with area of 1 151 ha and a price total of BGN 55 8787.60 and BGN 1 117.57 overheads. The allocated funds for compensatory forestation are BGN 4 397.63.

3. Management of the forest territories

The management, the use and the protection of the forests are focused towards the formation and maintenance of live and multifunctional forest ecosystems, the creation of conditions for their natural renewal and improving their sustainability.

3.1. Afforestation and protection against erosion and torrents

In 2016, the main activity of EFA in this area was focused in the following aspects:

- Implementation of the objectives and parameters set forth in the program and the budget of the EFA;
- Performing Bulgaria's obligations stemming from the membership in the European Union in the field of the forest reproductive material;
- Approval and registration of basic material for forest reproductive material (FRM), the registration of the FRM, testing and grading of seeds and improving the forestry seed nursery facilities;
- Maintaining of a register of the forest nurseries in the country;
- Exercising control;
- Agreement of projects for biological recultivation in the forest territories, checks under claims, preparation of responses and statements;
- Participation in the preparation of draft normative documents;
- Implementation and coordination of projects and programs, funded by the EU.

Table VI.1. Implemented activities for the creation of forests in 2016

No.	Type of activity	Measure	Implementation for 2016
1.	Collected and harvested seeds by TP SFH/SHH	kg	42 732
2.	Produced saplings in state forest nurseries	thousand pcs.	12 536
3.	Afforested areas		24 766
	Including by : state enterprises	dca	19 872
	Municipalities	dca	4 892
	Private	dca	2
4.	Filling of crops in state forest territories	dca	3 178

No.	Type of activity	Measure	Implementation for 2016
5.	Growing of crops in state forest territories	dca	92 474
6.	Average percent of successful growth of the crops: a) state-owned:		
	- one year old	%	74,10
	- two year old	%	81,71
	- three year old	%	85,84
	b) municipal property		
	- one year old	%	64,73
	- two year old	%	67,8
	- three year old	%	60,88
	c) private property		
	- one year old	%	80,03
	- two year old	%	62,2
	- three year old	%	70,07

Source: EFA

In 2016 in order to fulfil the set objectives and tasks, the following activities were performed:

- A National list of the approved and registered sources for the production of FRM was prepared and sent to the European Commission;
- 20 new basic sources were approved and registered from the category “selected” for the production of FRM, meeting the minimum requirements of Directive 1999/105/EU;
- For the identification of the origin of FRM RFD and FSCS, 236 certificates were issued;
- In the seed control laboratories of FSCS Sofia and Plovdiv seed control certificates were graded and issued for 299 batches of seeds from deciduous and coniferous species;
- The experts of EFA and FSCS carried out 831 inspections of the condition and the work carried out in the registered basic material sources for FRM;
- 12 projects were concerted for the recultivation of damaged terrains in forest territories;
- Statement was prepared with a database of the held inventory taking of the forest plantations in the country, and recommendations were given for removal of omissions and errors;
- The cost of compensatory afforestation was determined the and orders were issued by the Minister of MAF and the Executive Director of the EFA;
- 695.61 kg seeds were stored in the seed bank for long-term storage in GSC Plovdiv from 177 batches of coniferous and 870,21 kg of 192 batches of deciduous species;
- The public register of forest nurseries in the country has been updated on a monthly basis;
- For the protection of the forest areas from erosion and torrents 578,9 ha erosion preventing forestations have been performed, 108 m² of support hedges were constructed and repairs were done on one barrage;
- BGN 13.36 mln were spent for forestation events in state forest territories.

In 2016 the afforested areas by the state forest enterprises amounted to 1987,2 ha, by 20% more compared to the previous year.

For the protection of the forest territories from erosion and torrents, in 2016 erosion preventing afforestations were performed on 523.8 ha forest territories – state property, managed by the SE, and an increase by 69,4% of the area was reported as compared to 2015.

The total quantity of the produced saplings in the state forest nurseries according to data in the reported sample “1GS” in 2016 was 12.5 mln.

The amounts spent by SE for carrying out the activities for afforestation and protection against erosion and torrents in 2016 total BGN 13 462 thousand, an increase of 5% as compared to 2015.

3.2. Cutting of the forests

In 2015, in the state forests, in order to regulate the tree composition and improve the growing conditions thinnings were conducted of an area of 42 577.6 hectares, which represents 61.9% of the forecasts of FEP/FMP . Of all thinnings held, 43.5% were of coniferous forests, 38.8% of deciduous woods, and 17.7% of the coppice forests for conversion into seed nurseries. The performance of the thinnings without material extraction in an area of 4 225.5 ha was 87,6 % of the projections of the FEP/FMP . By types of thinnings the implementation of FEP/FMP budget was 82,6 % for light provision, 37,5 % for clearings, 52 % for thinnings and 73,7 % for preparatory cuttings.

In 2016, selectional cuttings were conducted in the state forests on an area of 1 275. 3 ha, 105.4% of the projected by FEP/FMP.

The conducted thinnings during the year in the forests of age up to 40 years, state property, were on a total area of 22 127 ha, 157 ha less as compared to 2015. In 2016, the area of the raised young plantations without harvest of material amounted to 4 242,2 ha, of which 335. 7 ha was the area of the plantations where thinnings was conducted for the production of high-quality timber.

Within the year the natural regeneration was assisted by planting or sowing under the canopy and clearing of undergrowth on an area of 6 158.9 hectares.

To carry out the activities related to the management of state property forest territories in 2016 SE have spent a total of BGN 4 739 thousand or BGN 208 thousand more than the 2015.

According to the information system of EFA, in 2016 thinnings were conducted in the non-state forests on an area of 10 096. 4 ha, out of which 6 167. 7 ha municipal forests, 3 536.5 forests owned by natural persons, 264. 4 ha forests owned by legal entities and 127. 8 ha forests, owned by religious organizations.

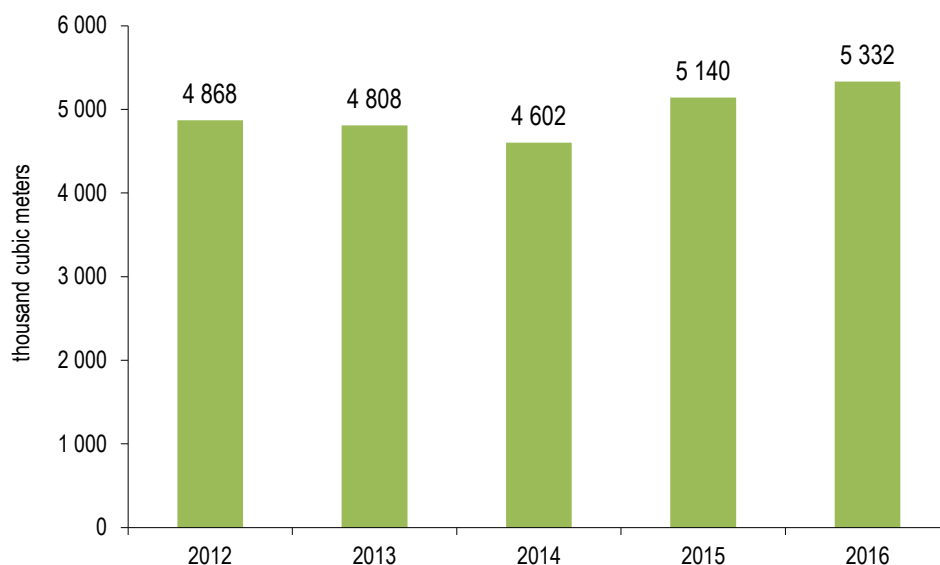
Small timber felling was performed in the state forests of standing trees to improve the quality of the produced timber and to support the process of natural self-thinning of the standing timber on 1 464. 2 ha, 1388.9 ha more than the forecasted forest plans/forest structure projects. The natural regeneration was assisted on 6 158. 9 ha, which is 88,5% of the projected in the forest plans and 289.6 ha more than the previous year.

4. Use of timber and non-timber forest products

4.1. Use of timber

In 2016 EFA and the regional directorates for forests were performing permanent control on the issued licenses for felling and on the drafted protocols for certification of the fellings exercised through the information system of the EFA. During the course of the year, licenses were issued for the felling of 8 965 534 thousand cubic meters boles, whereas of 22.05.2017 protocols were drafted for certification of the fellings for harvested 7 096 027 thousand cubic meters of boles.

Figure VI.1. Realized timber from forest areas – state owned for the period 2012 – 2016, thousand cubic meters



Source: MAF

In 2016, SE achieved a total of 5 331 804 cubic meters timber from the forest areas – state-owned, or 112.8% compared to the planned quantity for the year of 4 725 482 cubic meters. The sold timber was 192 cubic meters more (3.7%) than 2015. The greater volume achieved is due to the use of a significant quantity timber, which had suffered from abiotic and biotic factors, amounting to 1 257 thousand cubic meters.

The reported total income from timber sales in 2016 was BGN 275 835 thousand, 3% more than 2015. The reported general expenses of the use of timber were BGN 97 649 thousand.

In 2016, by means of sale of stacked timber 49.2% of the total quantities of timber were sold. The rest 50.8% were sales of standing timber to natural persons for personal use and to legal entities after the conducting of tenders. To satisfy the needs of natural persons a total of 705 thousand cubic meters timber was sold under a price list, basically for heating, which was 87 thousand cubic meters more than 2015.

The greatest demand and consumption was recorded for wood assortments for technological processing and firewood, from which 75.5% were sales of standing timber and 63.8% from sales of stacked timber, (a total of 3428 cubic meters, which was 132 thousand cu. m more than in 2015).

The weighted average selling price recorded, of stacked timber harvested from state property forest territories for 2016 was BGN 68.60 /cu. m - slightly higher (BGN 0.63 /cu. m) from the records at the end of 2015. The weighted average selling price of standing timber was BGN 36.70 /cu. m or BGN 1.50 /cu. m higher than in 2015.

The reported average cost for timber harvest for 2016 amounted to BGN 23.60 /cu. m., by BGN 0.74 /cu. m (3%) higher than in 2015.

Table VI.2. Use of timber from forest territories provided for management by SE and revenue from the sales in 2016.

Method of use and sale	Report 2015		Report 2016			
	quantity (cubic m.)	Value (thousand BGN)	Quantity		Value	
			Cubic m.	Change, %	thousand BGN	change %
I. Income from timber sales (1+2+3+4):	5 140 343	266 548	5 331 804	104%	275 835	103%
1. Sale of standing timber	2 515 675	88 464	2 710 685	108%	99 531	113%
1.1. including according to a price list to individuals for personal use	274 584	4 248	295 676	108%	3 253	77%
2. Sale of harvested timber	2 552 708	172 211	2 545 118	100%	174 620	101%
2.1. including according to a price list to individuals for personal use	377 887	19 233	295 676	78%	17 006	88%
3. Use of timber under art.116b of the FA	6 329	x	7 101	112%	x	x
4. Use of timber under art.193 of FA	65 631	1 547	68 899	105%	1 547	100%
II. Total expenses, quantity (I.1.+ II.1.), value II.(1+2+3):	5 138 742	95 117	5 338 337	104%	97 649	103%
1. Expenses for timber harvesting –total:	2 623 067	60 394	2 627 652	100%	62 135	103%
2. Expenses for making hauling roads and on-going repair of forest roads for vehicles	x	2 874	x	x	4 207	146%
3. Deductions for fund "Investments in forests"	x	31 849	x	x	31 307	98%

Source: MAF

4.2. Use of non-timber forest products

In 2016, SE reported a total of BGN 11 883 thousand income from side activities and non-timber forest products and corresponding expenses of BGN 8 568 thousand, while compared to 2015 a decrease was reported of 3% under both parameters. From the total revenues, these of use of non-timber products from the state forest areas were BGN 337 thousand, which is BGN 159 thousand less than 2015.

5. Protection of forest territories

5.1. Protection of forest territories from diseases, pests and other damages

The reports for 2016 demonstrate that the biggest influence on the health status of the forests in the country comes from the damages by abiotic factors. 7000 alerts were received for a total area of 36 000 ha, while mainly coniferous plantations were affected. Most of the damages from snow were made in RDF – Smolian (9 050, 7 ha), RDF Pazardzhik (6 530, 7 ha), RDF Kurdzhali (4 959,9 ha), RDF Plovdiv (2 262, 4 ha) and RDF Stara Zagora (258,9 ha). The affected plantations were secondarily affected by stem pests (bark beetles). The conducted sanitary fellings for use of the affected by snow, bark beetles and other causes areas are 26 350.4 ha.

In 2016 protection from the air was conducted in the coniferous forests with a total area 3 086. 6 ha, projected were 4 534.5 ha. The battle against the insect pest *Thaumetopea pityocampa* Schiff.) with products for plant protection was carried out on the basis of the active substances Spinosad and Diflubenzuron. The reported effect of the protection from the air was demonstrated by the mortality of the pests, and it was 53-98%. Total for the year for protection from the air BGN 170 000 were spent, with an average value BGN 5.50 /dca.

Ground-borne chemical and biological protection was performed on 383.5 ha for BGN 35 561. Mechanical protection was performed of an area of 440.8 ha with value BGN 9 206. The planned events for protection against pests, diseases and other damages were overperformed, except for the protection from the air, the

mechanical protection and the sanitary fellings. The sanitary fellings were performed 58% of the budgeted for 2016.

In 2016, the SE spent BGN 228 thousand to perform forest protection activities, BGN 30 thousand more compared to the previous year.

Table VI.3. Conducted forest protection events in 2016.

Event	Annual forecast 2016	Report 2016	Spent money
	dca	dca	BGN
Protection from the air	45 345	30 866	170 800
Incl. aero-chemical	7 628	691	2498
aero-biological	37 717	30 175	168 302
Ground chemical and biological protection	1 862	3 835	35 561
Mechanical protection	6 843	4 408	9206
Integrated protection	-	-	-
TOTAL:	54 050	39 109	386 367
Sanitary felling	454 819	308 434	601 934

Source: EFA

Protection of forests from fires

583 fires were registered in the country in 2016, and they affected 6 338.9 ha forest territories, while 715.6 ha were burnt by peak fires. The area of the affected coniferous forests was 935.9 ha, the affected deciduous forests were 4 193 ha, combined forests – 221.3 ha, while 988.7 ha were the burnt grass and non-afforested forest areas.

The greatest number of fires and affected areas were in the region of RDF Kurdzhali – 91 fires of an area of 3 494.9 ha, Stara Zagora – 34 on an area of 695.5 ha, RDF Burgas – 45 fires on an area of 497. 5 ha, RDF Lovech – 30 fires of an area of 402.9 ha, and RDF Sliven – 33 fires on an area of 414.7 ha. The burnt areas only in these five RDF represented almost 90% of all the affected forest areas during the year. At the same time, the smallest number of fires were registered in RDF Shumen – 5 fires on 3.6 ha, RDF Smolian – 27 fires on an area of 6.2 ha, and RDF Veliko Tarnovo – 9 fires on an area of 15.5 ha.

The greatest share of the burnt areas in 2016 were state property – 66 %, 20% were municipal property, 12% private property and 2% property of legal entities.

The main causes of forest fires in 2015 were:

- caused naturally by lightning – 4%
- unknown – 17%;
- deliberate – 5 %
- caused by human negligence – 74%.

The direct damages from the forest fires in 2016 were assessed at BGN 6 million, which is above the average value of direct damages of about BGN 5 million for the last 11 years. This amount does not include the expenses necessary for regeneration of the forest territories burnt by peak fires, which will be incurred in the next 3 years by the state forest enterprises and the rest of the owners of forest territories. The indicated financial

parameters do not include the expenses for the MoI, MD, Regional administrations, municipalities, volunteers, and other owners of forest territories for the extinction of the fires in the reported period.

During the year, as a result of the created organization and thanks to the immediate and adequate response by the forest officials, firefighters and others, in a big part of the cases of received fire alert the permeation of fire in the forest territories was prevented. This was due to a great extent to the activity of the external center with phone line: 112 to EFA.

Among the fundamental reasons, besides the meteorological factors (very wet first six months and dry and hot summer), was the negligence of the farmers, mostly in cleaning of pastures and not tilled agrarian lands. Having in mind the numerous fires established, which occurred after during the cleaning of pastures and later passing on to the forest territories, by way of order by the Minister of Agriculture and Food RD09-651 of 01.09.2016 a working group was established with representatives from the MAF, MoI - DG FPPP, MOEW, MT, SFA, EFA, NAMRB and others, with the task to submit projects for amendment and addenda to LPAL, LOUAL, LMoI, the PC and other, with the purpose of updating the administrative procedures upon the establishment of fires, the provision of a regime for imposing sanctions on owners, users, and/or candidates under the schemes and measures for direct payments in case of establishing of non-compliance with the rules for fire protection and the cause of fires, and as a whole to prevent fires on agrarian lands.

In 2016, a priority of importance for MAF and IFA was the preparation of a methodology and the performance of an assessment and map-drafting of the risk of forest fires on the territory of the country. Their preparation is important both for meeting the requirements of the Ordinance on the conditions, order and bodies for performing analysis, assessment and map-drafting of the risks from disasters, and also in connection with the performance of a thematic prerequisite (TP) "5.1 Risk prevention and management" from Annex 5 of the Agreement for partnership between the Republic of Bulgaria and the European Commission – "review of the implementation of the applicable thematic prerequisites for the European structural and investment funds 2014-2020. The document was published also on the website of EFA.

For the implementation of the activities to protect the forest territories from fire, in 2016 SE spent BGN 2 208 thousand. The funding of these activities in 2016 with amounts from the economic activity of the SE was BGN 1 433 thousand, 4% less than 2015. For the making of 2 300 241 m. mineralized strips BGN 550 thousand were spent.

6. Protected areas

Under the Law on the protected areas, there are six categories of protected areas in the country, the responsibility for whose management is shared between MAF - EFA and MoEW.

MoEW supervises the management of all protected areas and direct management of national parks and reserves.

The Ministry of Agriculture and Food, the Executive Forest Agency, as well as natural and legal persons and municipalities - owners of forests, land and water areas in the protected areas other than those that are exclusive state property, take care of their management, protection and security, under the provisions of this and other special laws.

EFA is responsible for the management of natural parks, protected areas and natural landmarks located on forest territories owned by the state. For the management of natural parks 11 departments were created -

specialized territorial units to EFA: NP "Belasitza", NP "Bulgarka", NP "Vitosha", NP "Vratsa Balkan", NP "Golden Sands", NP "Persina", NP "Blue Stones", NP "Strandja", NP "Ruse Lom", NP "Rila Monastery" and NP "Shumen plateau".

The activities for the management of protected areas and natural landmarks in forest areas are carried out by state forestry and hunting enterprises, depending on under whose territorial range the territory falls.

Regardless of the status of the protected area and property, all forest resources in protected areas are managed by MAF through the state enterprises and the relevant state forest and hunting enterprises.

In the month of February 2016 a plan for the management of Natural Park Belassica was adopted.

During the year four agreements for cooperation and joint action were concluded between NNP and SE – NNP Belassica, NNP Vitoshka and NNP Rila Monastery with SESE Blagoevgrad and NNP Vrachanski Balkan with NESE Vratsa. The agreements aim to solve issues of mutual interest in the following areas: sustainable management and protection of natural resources, protection of the ecosystems and biodiversity, ecological management of the land in the protected areas, and protected zones under the Law on biodiversity, qualification of the staff, preparation, application and implementation of projects connected with the forests and the protected areas.

After completing the projects funded by Operational Program “Environment 2007-2013” the activity of the park was directed basically towards supporting of the already constructed tourist infrastructure – placement and updating of information boards, cleaning of tourist routes, places for recreation and etc. During the year new tourist trails were built with the accompanying places for recreation and additional tourist infrastructure (signs, safety rails, benches, etc.)

The System established within the framework of a project under OPE for early prevention of fires on the territory of the SNP Vrachanski Balkan is fully operational, while 4 fires were registered in 2016. As a result of the notification of RS the fires were in control without causing serious damages.

The park directorates continued their activities in the area of reintroduction of endangered and rare species and maintaining their populations. Safeguarding was performed on electricity poles by placing guards in order to protect the birds. The feeding of birds continues, while in part of the constructed aviaries on the park territories birds were raised and acclimated – long-eared owls, Egyptian vultures, eagle owl, buzzard, barn owl, scops owl and etc., and then they were transferred to the respective parks.

SSE Vrachanski Balkan jointly with experts from the Forestry University Sofia have developed a methodology and technology for the production of birds of the species rock partridge. Pending is the development of an approach for spreading the produced birds in the environment. In the course of the year three species of the type black vulture have been observed and filmed.

The constructed education and interpretation centers in the parks have begun their activity, by periodically meeting groups of students and children from the country.

In the Youth Eco Camp in the village of Ochin Dol seminars were conducted during the year, educational weekends with the participation of school students from the towns of Vratsa, Sofia and Mezdra and an international meeting with the participation of youth from Bulgaria and Germany.

In June 2016 a visitor center Ritlite was opened, while until the end of the year it was visited by more than 740 tourists. 10 film shows of 3D films were held having as subject the protection of the environment for children from the village of Lyutibrod.

In 2016 a new summer information center was opened in natural park Shumensko Plato, where the new astronomy center in the town of Shumen is situated.

SNP have prepared and published a number of materials in local and national media with the purpose of promoting their activities. Educational events were organized and conducted with children and students from the local schools (educational trips, tests, educational activities dedicated to Children’s Day, trainings in the information – visitor centers of SNP, contests for best drawing, etc.).

SNP Belassica started its implementation of the activity “Training of staff for the development of tourism”, within whose framework staff is trained in the form of travelling trainings to hold various tourist events.

The park directorates have worked actively to support local initiatives and the development of a volunteer network.

Information campaigns have been conducted in connection with dates from the environmental protection schedule, activities were carried out with eco-clubs and schools in the villages and towns near the parks. The directorates of the parks participated also in the initiative of MAF "Buy a live Christmas tree, help a child."

The directorates of the natural parks have continued to fulfill their obligations, with respect to monitoring of important for conservation plant and animal species, included in the National System for Monitoring of Biological Diversity, while the necessary forms have been filled out and sent for entry into the system of IAE.

In the course of the year the directorates of the natural parks organized and participated in volunteer events for cleaning of the park territories, as well as in the traditional campaign of BTV "Let's clean Bulgaria for a day".

Within the framework of the Week of the Forest, the park directorates, jointly with NDF and SE, organized and conducted "Forest holiday – forester for one day".

SNP jointly with EFA participated in the traditional tourist exposition "Green Days" in May in Sofia.

In October 2016 experts from EFA organized and conducted a second training for employees of NDP, SNP and the state enterprises for working with children – "Forest Pedagogy".

Representatives of EFA and SNP Belasica and SNP Strandzha participated in sessions of the National Committee under the program "Man and the Biosphere" of UNESCO. The results were presented of the project "Preparation of the process of revision of the network of biosphere reserves in Bulgaria" of the Bulgarian Foundation Biodiversity.

As a result of the meetings conducted for territories of the natural parks, two nomination forms were prepared (Biosphere Park Belasica and Biosphere Park Uzunbudzhak", part of the SNP Strandzha), meeting the modern requirements of the program "Man and the Biosphere" of UNESCO. At the end of September the nomination form on Biosphere Park Uzunbudzhak was submitted to the Secretariat of UNESCO.

IN 2016, EFA participated in procedures for re-categorization, deletion, reduction of the area, and approval of draft plans for management of protected areas and basin directorates.

7. Forest Certification

The certified forest areas in Bulgaria as of now possess a FSC certificate. According to the annual bulletin of FSC, for 2016, the area of the certified forest areas is 1 084 554 ha, which is 25% of the total forest area in the country, the certified units are 20.

A Chain of Custody certificate is possessed by 128 certified units.

Based on decision by MAF, the State forest enterprises have undertaken actions for accelerated certification of the state forests. As a result of them, a significant area from the state forest areas was certified.

In a procedure for certification are SW state enterprise, SE state enterprise (TP SFE Maglzh, Sliven, Tvardista, Chirpan, Gurkovo, Kazanlak and farms in the territorial scope of RDF Burgas), the South central state enterprise (farms on the territorial scope of RDF Plovdiv and TP SFE Mihalkovo) and the North west state enterprise – (TP SFE Berkovitsa and Govezhda).

Taking into account the so far achieved results, it may be expected that the operating target in the Strategic Plan for the Development of the Forest Sector in the Republic of Bulgaria 2014-2023 for certification of 50% of the forest areas will be overperformed for the period of action of the plan.

Towards the end of 2016 the total area of the forest territories certified under the standard FSC, managed by the state enterprises under art. 163 of the Forestry Act, was 1 065 298 ha, or 37% of all the state

forest territories. In 2016, under the FSC standard 275 thousand ha of new forest territories were certified, managed by SE.

8. Inventory and planning in the forest areas

In 2016 meetings of the commissions were conducted under art. 34, par. 1 of Ordinance No. 18/07.10.2015 for inventory and planning in the forest territories for inventory taking of the forest territories and development of forestry plans, forestry maps, hunting plans and plans for fire protection of the forest territories in 2016-2017 for territorial subdivisions of state forest farms Mezdra, Midzhur – for part of the included Chuprene, Troyan, Borima, Sevlievo, Momchilgrad, Kirkovo, Shiroka Laka, Peshtera, Varna, Mesta, Dupnitsa, Ribaritsa, Samokov – for the part of the included Borovets and Novo Panicharevo and for territorial subdivisions of state hunting farms “Rusalka”, the village of Apriltsi and Gramatikovo. Documentation was prepared for the conducting of open public procurement tenders for inventory taking in the forest territories, and the development of forestry plans, forestry plans, forestry maps, hunting plans and plans for fire protection of the forest territories for the period 2016-2017 for the same territorial subdivisions.

In compliance with the regulations of Ordinance no.18/07.10.2015 for inventory taking and planning in the forest territories, which envisions the activities on inventory of the forest territories to be assigned in the year, preceeding the year of inventory, documentation was prepared for the conducting open public procurement tender with subject inventory taking in the forest a territories and the development of forestry plans, forestry maps, hunting plans for the period 2017-2018 for the territorial subdivisions of state forest farms Govezdha, Tsonevo, Sandanski, Krumuvgrad, Kosti, Malko Tarnovo, Zvezdets, Slaveyno, Hisarya, Alabak, the towns of Velingrad, Radomir, and Kostenets, for territorial subdivisions of hunting farms Rodhopi, Borovo, Dikchan, the village of Satovcha and Vitohko-Studena and for Educational forest farm Georgi St, Avramov, the village of Yundola.

In the course of the year, expert councils were held to adopt the commercial classes and the size of the annual use of the state forest and hunting areas, meetings of commissions for inventory taking and planning in the forest territories for approval of the performed inventory of the forest territories and the developed forestry plans, forestry maps, hunting plans and plans for fire protection of the forest territories, expert councils for approval of the protocols of the commissions for inventory and planning in the forest territories, for approval of the performed inventory of the forest territories and the developed forestry plans, forestry maps, hunting plans and plans for fire protection of the forest territories in 2015-2016. Expert councils were held to approve tasks in connection with the inventory taking of the forest territories in 2016-2017 and at the same time developing forestry maps, forestry plans, plans for hunting activities and for the fire protection activities.

In 2016 a digital Orthophoto map was provided of the associations, taking the inventory of the forest territories and developing the forestry plans, the forestry maps, the hunting plans and the plans for fire protection of the forest territories for the period 2016-2017. A methodology for control of the activities for inventory of the forest territories was developed and approved.

9. Hunting farms

In 2016, the following more important activities were performed, connected with the management and use of game:

- discussion to amend the Law on Hunting and Protection of Game in the National Assembly;
- development of a National Strategy for the development of the hunting farms in the Republic of Bulgaria;
- conducting meetings of interinstitutional working groups with the participation of IFA, MOEW and NGOs regarding the implementation of the Plan for management of the bear and the wild goat in the country;
- jointly with BFSa the combating of the distribution of rabies in foxes in North Bulgaria was organized, as well as preventive measures in the struggle against the distribution of the African Plague and the avian

flu;

- a public discussion was conducted of the Action Plan for the wolf also during a National Meeting, jointly with the general managers of the hunting associations of the Union of Hunters and Fishermen;
- 5 meetings of the Hunting Council were conducted as well as a meeting with hunting experts to RDF in SHF Vitoshko-Studena;
- an exhibition was organized "Nature hunting and fishing: 2016" in the city of Plovdiv, as well as participation in 4 international hunting exhibitions – Dortmund, Salzburg, Moscow and Varagin, as a result of which a number of agreements for hunting tourism were reached;
- 11 licenses for scientific research and development were issued;
- courses were conducted and exams were organized to acquire the right to hunt in 72 hunting associations, as well as to acquire the right for selection hunting in 15 hunting associations;
- orders were prepared for the formation of 6 game raising sections to SFF and 7 orders for amendments of the limits of the hunting regions;
- 139 tickets were issued to foreign citizens for hunting;
- participation in the categorization of 6 hunting grounds in SHF and SFF, as well as in thematic and specialized checks of the implementation of hunting events and contracts for joint activity with SHF;

In 2016, the performed hunting activities in the forest territories – state property, were in the following areas: creation and maintaining of a feed reserve; feeding of the game; construction and maintenance of biotechnical equipment – hunting hides, feeders, traps, MUDs, construction and repairs of facilities for intensive raising of game.

The total revenues from hunting activity in the forest territories – state property for the year amounted to BGN 8 995 thousand, 12% more as compared to 2015. Of them, the revenues from organized hunting tourism amounted to BGN 4 751 thousand. To implement the planned hunting and fishing events during the year BGN 10 287 thousand were spent, 8% more than 2015. The reported revenues for 2016 from concluded contracts under the LHPG in the form of annual installments for managing the game in the game raising sectors (GRS) of the SFF and the annual rent prices of facilities for hunting tourism to GRS of SFF amounted to BGN 3 104 thousand, marking an increase of 7% as compared to the previous year.

In 2017, the SE plan revenues from the hunting activity to amount to BGN 9 048 thousand.

10. Protection of forest territories and control

In 2016, the employees of the RDF and SE have performed a total of 420 384 checks of motor vehicles, persons and sites, connected with the use, processing and trade with forest, game and fish resources, which is 77 704 less than in 2015. 23 627 sites were checked under article 206 of the Forest Act, 65 418 sites for timber harvest, 124 883 vehicles, 130 952 hunters, 10 556 fishermen and 64 948 other persons.

The direct control in the country is performed by 422 forest inspectors in the RDF, while in the year they were less by ten as compared to 2015.

In 2016 under the Labour Code disciplinary punishments were imposed on twenty-one forest inspectors at RDF (23 less than 2015). Disciplinary punishments were also imposed on 449 employees from the state enterprises and their territorial subdivisions, as well as on 9 employees from the municipal structures.

In 2016 a total of 21 999 violations of the forest legislation were found. 16 864 acts were made for establishment of administrative violations, 54 more than 2015. For 3 093 violations, the perpetrators were not

found, while 2 042 violations, established with protocols, are with known perpetrators, to whom acts will be issued.

In the state-owned forest territories a total of 11 553 violations was established, in municipal property – 1 182 violations, while in private property – 3 926 violations.

Out of a total of 16 864 acts, 5 807 were issued by employees of RDF, 10 095 by employees in TP SFF/SHF, 790 by employees of the municipalities, 121 acts were issued by persons in private hunting practices and 51 by employees of the Mol (all in the territorial scope of RDF Berkovitsa).

Under the FA 15 550 acts were issued, under LHPG – 799 acts, under LFA – 166 acts, under the Law on Medicinal Plant - 22 acts, and 327 under other laws.

The employees of RDF have issued 161 acts for violations, performed by employees of TP SFF/SHF, 357 to foresters, practicing in private forest practice, and 140 acts to persons, related to the activities of management and protection of forest territories, municipal property. 61 punitive administrative measures were imposed under art. 253 of the FA.

In 2016 a total of 26 182 cubic meters illegally cut timber was established by way of acts and protocols of findings.

The revenues from the sale of confiscated items during the year amounted to BGN 153 488 in total. The greatest part of the confiscated timber was provided free of charge pursuant to art. 273 of the FA.

In 2016, IAF continued the promotion and application of Regulation (EU) No. 955/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market.

As a result of the exercised control functions of IAF and RDF 430 checks were performed, while 351 of them were of operators, and the rest – traders pursuant to the Regulation. To assist the activity of IAF information was used from the information and reference system of the Customs Agency.

Interaction with other institutions

The interaction of the employees exercising control and protection of the forest territories is mostly with employees of the Mol. If there is evidence for a crime, the structures of Mol take the cases over. On the other hand, in case of discovery of violations, connected with the forest legislation, often the Mol employees turn for cooperation and preparation of acts to the employees of the RDF or TP DFF/DHF. Only on the territorial scope of the RDF Berkovitsa employees of the Mol have prepared 51 acts.

The protection and guarding of the forest territories from fires, as well as the immediate actions for extinguishing them take place in close cooperation with MD “Fire Protection and Protection of the Population” – the Mol.

In 2016 joint actions were conducted with Directorate “Gendarmerie” to Mol, on the territory of RDF Sofia, RDF Berkovitsa, RDF Plovdiv, RDF Burgas, RDF Sliven, RDF Kardhzali, and etc.

Joint checks were undertaken with employees of NRA, the Directorate for national construction control, the Executive Agency “Chief inspection of Labour”, the State Agency for Meteorological and Technical Surveillance, and etc.

To counteract the illegal hunting and other activities, IAF has participated in the implementation of international joint checks for illegal hunting and other activities, causing damages to the environment, jointly with representatives of the Mol, conducted in the months of May, September and October. After a serious preparation, including the preparation of an operational plan with targets, place, time, structures for implementation and with the participation of employees of six regional directorates for forests, 344 checks were made of sites for timber harvesting and processing, vehicles, hunters and fishermen.

Measures undertaken for control improvement

A system was introduced for the issuing of transport tickets from a temporary warehouse electronically and their registration in a central server in EFA. Software was developed for electronic transport tickets, issued by the sites under art. 206 of the FA, and in 2017 it will be implemented. By way of an order by IAF the issue of electronic transport tickets from a temporary warehouse and from sites, in which timber arrives, is processed or is exported, was regulated. New software was developed for the processing of the act dossiers, which will be implemented in 2017.

The state inspectors at RDF passed annual trainings with lecturers from IFA and RDF.

In order to end the violations and keep away the potential perpetrators, joint actions were undertaken with the participation of the forest inspectors at RDF, employees of TP DFF/DHF and MoI. The specialized actions continue, in which the forest inspectors from one regional directorate for forests check territories of another regional directorate for forests, and these measures target additionally to eliminate the factor eventual "relatedness" at a local level. In 2016 4 specialized actions were performed.

In connection with the improvement of the level of the activities for prevention and protection of the forest territories joint terrain checks were organized and conducted by teams of forest inspectors at RDF with the mobile teams for protection of the forest territories to the corresponding forest and hunting farms.

Call center for emergency calls 112

In 2016 the center for receiving and servicing of emergency calls to phone 112 received 8 606 alerts for violations of the FA, LHPG, the Law on the protected areas, the Law for the Fishery and the Aquacultures, etc.

The greatest share of the alerts received concerns the illegal felling of forest areas – 32,5%, transport of illegal timber – 15,2%, storage of illegal timber – 8,7%, and etc. The alerts regarding fires were 27,6% of the total number of incidents, while after an analysis of the results it was established that the fires were mainly in agricultural lands and do not cover forest territories. The greatest number of alerts were received by the employees on duty at NWSE Vratsa – 19% of the total number.

The module Centre 112 of the system.iag.bg contains the filled out results from the performed checks of half of the submitted alerts (53,9%). Violations have been discovered for 10,7% of them, while the employees at the state enterprises and the regional directorates of forests have produced the respective protocols and imposed acts for administrative violations, have confiscated items – subjects and/or means of the violations. 332 of the submitted alerts were fake.

In 2016, the mobile control teams of SE performed 97 236 checks, 20 146 of them were on sites for timber harvesting, 34 603 were checks of vehicles, 28 412 of hunters, 14 075 of other persons. 3110 acts were made for establishment of administrative violations. 2 681,59 cu m. timber were confiscated, 216 carts and 128 chainsaws.

11. Strategic planning, legislation improvement and international activities

In 2016 a Concept was developed for the organization and performance of work on the development of the Strategy for the development of the hunting farms in the Republic of Bulgaria. At the end of the year the first draft of the document was developed, and after the adoption of the necessary legislative changes social discussion will be conducted.

In connection with the performance of monitoring of the results from the application of the National Strategy for the Development of the Forest Sector in the Republic of Bulgaria (NSDFSRB) 2013-2020 and the Strategic Plan for the Development of the Forest Farms (SPDFF) 2014-2023 a working group was established with participants from all stakeholders in the forest sector. In compliance with the plan-schedule three sessions

of the working group were conducted and two regional meetings (for North and for South Bulgaria) with the participation of a wide circle of representatives – more than 100 participants.

After the performed monitoring it was discovered that a system was created for forest planning on a national, regional and local level, which allows dynamic and realistic competitive development of the forest sector, based on the implementation of the goals, priorities, measures and activities defined in the forest strategic documents. A very productive interaction between the interested parties and the partners was established in the process of implementation of NSDFSRB and SPDF 2014-2023. The implementation of the national policy for the development of the forest sector contributes towards the sustainable management of the forests and the effective development of the forest sector in the European Union. The working group offered in the period 2017-2020 MAF and the interested parties and partners to undertake the necessary actions to achieve the goals by implementing the measures and the activities, reflected in the project part of the assessment.

With the purpose to provide a comprehensive and reliable information about the forests, the implementation of a project has started, funded with amounts from measure 20 “Technical Support” of PDRA (2014-2020) with subject “Providing consulting services with the purpose of preservation of the ecosystems and sustainable management of the natural resources in Bulgaria by improving of the information about the forests and the forest territories for the needs of the Rural Development Program (2014-2020)”. The law for the ratification of the Agreement for providing consulting services between the Ministry of Agriculture and Food of the Republic of Bulgaria and the International Bank for Reconstruction and Development was published in SG, issue 105 of 30 December 2016.

In 2016, an analysis was prepared for the implementation of the Strategy for Fighting the Forest Fires, and within the framework of the created working group of EFA a project was developed under the Program for Protection of the Forests from Fires.

Methodological guidelines were established for the work of EFA and its structures for applying under projects for external funding, a standing work group was established for advance review of the project proposals in order to assess their necessity and expedience for the needs of EFA.

An Annual Program of EFA was approved with objectives and activities for 2016, a report was prepared for the implementation of the EFA Program for 2015.

In 2016, drafts were prepared of the following normative acts:

- Law on the amendments and addenda of the LHPG – adopted at first reading on 17.03.2016;
- Decree of the CM, which amends and addends the Ordinance for assessment of land properties in the forest territories;
- Draft Ordinance to define the amount of the benefits for damages on forest territories, equipment constructed on them, and on forest roads’
- An Ordinance was adopted to amend and addend Ordinance No.1 of 30.01.2012 for the control and preservation of the forest territories;
- An Ordinance was adopted to amend and addend Ordinance on the conditions and terms for assigning the performance of activities in the forest territories – state and municipal property and on the use of timber and non-timber forest products;
- An Ordinance was adopted on the content, conditions and terms for the creation and maintenance of forestry maps;
- A proposal to amend and addend the FA in compliance with Decree by the Council of Ministers (CCM) 411/2016 – proposal submitted at the Ministry of Regional Development and Public Works in connection

with the approved draft of a CM Decision to approve a Draft Law on the Amendment and Addenda of the Urban Development Act (LAA of UDA) at a meeting of the Council of Ministers of 26.10.2016, which was approved by the National Assembly and promulgated in SG;

- Ordinance for the benefits/services of the ecosystems of the forest territories;
- Proposals for amendments of the Penal Code, the Law for the Administrative Violations and Punishments, The Forest Act and the Road Traffic Law were prepared, which have as purpose improving of the efficiency of the imposed punishments for performed violations/crimes in the forest territories, and the prevention of the latter.

In November 2016, in the region of activity of TP SFF Panagyurishte and TP SFF General Toshevo, a national meeting was conducted with subject "Perspectives and Directions for keeping the coppice oak forests". In 2017, EFA will develop the necessary administrative and normative changes for the implementation of the decisions of the meeting.

In 2016, EFA experts participated actively in the meetings of working forums to the European Commission, as well as in other events in the field of the forestry in the country and internationally.

Implementation of strategic activities and priorities in the forest sector by means of projects funded by EU and other international donors

In 2016 the development of project proposals by FPS Sofia, RDF Burgas, Sliven, Kurdzhali, Kyustendil, Blagoevgrad, Veliko Tarnovo, SNP Vitosha, Vrachanski Balkan, Belassica, the Rila Monastery, and other was supported under the Programs for cross-border cooperation Bulgaria-Turkey/Serbia/Macedonia/Romania/Greece and Program Balkans – Mediterranean of the EU, as well under the Phare Program for Georgia with Austrian, German and Swedish Partners.

At the meetings of the Standing workgroup for advance review of project proposals, set forth by Order No, 289/08.02.2016 a total of 19 project proposals were reviewed, issued by RDF and STZ. The respective letters of refusal or support were issued.

In 2016, the project BIO4ECO started under the programme INTERREG EUROPE of the EU. The basic goal of the project is to contribute for the improvement of the development and implementation of national and regional policies concerning the transition to low carbon economy in terms of the use of renewable energy resources, energy efficiency and use of the biomass from the forests and agriculture.

In the course of the year, the following projects were ongoing:

- Improvement of the information system to the National System for Monitoring of the Biological Diversity (IBBIS). The project includes improvement of the public interface of the National System for Monitoring of the Biodiversity, which will allow collection of volunteer data, as well as the construction of specialized modules for invasive species and for ecosystem services, development of a module for collection, mapping and analysis of the state of the ecosystems and the services that they provide, for the impact of the invasive species on the local species, as well as a module for assessment of the condition of selected species from the natural habitats and for presenting indicators for biodiversity;
- Methodological support for assessment of the ecosystem services and biophysical assessment, MetEcoSMap, predefined project 2 under the Financial Mechanism of the European Economic Area (2009-2014);
- Forest and forest areas – mapping and assessment of the ecosystem services outside Natura 2000 – FOR OUR FUTURE” under the Financial Mechanism of the European Economic Area (2009-2014). Within the framework of the implementation of the project the types of forest habitats under EUNIS were defined and mapped in the forest areas outside Natura 2000, the condition of the forest ecosystem was

assessed and mapped and the ecosystem services provided by them. A series of trainings were performed for experts of the teams for the project management and implementation, performed in Norway with the purpose of introduction of the best Norwegian practices, a starting and a final press conference was held under the project as well as many working meetings of the members of the teams for management and implementation of the project;

- Preserving the key habitats of the lesser spotted eagle in Bulgaria under the program LIFE + of the EU. The team under the project prepared and provided an Interim Report, adopted by the Secretariat of the Program. 2 meetings of the Follow-up Group were organized and conducted and an annual meeting of all the Bulgarian projects under the program, a check was successfully organized and conducted with the Secretariat of the Program;
- Briefings were conducted under PDRA 2014-2020, as well as trainings of representatives of the RDFs;
- A draft was prepared of an Action plan for the lesser spotted eagle, the inventory taking of the TP SFF Tsarevo and TP SFF Gramatikovo, TP DF Kosti was aided in the production and marketing of honey dew honey, a statement for sub-measure 15.1 from PDRA was provided to the Managing Body, 24 forest inspectors were trained on the subject of crimes against wild nature and they were equipped with binoculars, shoes, suitable for the terrain, and etc. The third campaign was conducted with subject "I protect the forests and the eagles of Bulgaria", and etc.;
- Testing of branches of poplars from member states of the EU for the production of biomass (fast-growing species), with the purpose to create a volunteer partnership with the possibility for partial funding of activities on behalf of the leading partner Bavarian seed-control station – the town of Teisendorf, Germany;
- Regeneration and protection of alluvial forests from habitat *91E0 in protected areas under NATURA 2000 and model territories in Bulgaria LIFE13 NATBG000801.

12. Funding and investment in the forest areas

12.1. Executive forest agency

In 2014 EFA reported revenues totalling BGN 11 842 884.

The budget approved by MAF for EFA for 2016 was BGN 25 797 164, allocated for the implementation of the budget programs "Specialized Activities in the Forest Territories" – BGN 21 605 529 and budget program "Planning, Protection from tampering, fires and forest preservation" amounting to BGN 4 191 635. The expenses utilized as of 31.12.2016 of the agency for the implementation of its basic functions were BGN 26 066 857.

In 2016 capital expenses were made to the total amount of BGN 852 318. During the year 30 off-road vehicles were bought for the structures of EFA, and new computers.

The directorates of the natural parks – third-line spending units and the headquarters of IFA have successfully concluded the projects implemented under the Operational Programme Environment, Operational Program Administrative Capacity, and Operational Program Human Resources Development. The final verifications of the funds and their reporting was performed in the budget 2016, while funds from the National Fund arrived in the amount of BGN 3 962 580.

The headquarters of IFA, RDF Ruse, RDF Plovdiv and SNP Rusenski Lom are beneficiaries under programmes of EU for funding of the policy for environmental preservation and biological diversity LIFE+, operational programs for cross-border, cross-national and interregional cooperation. In the reported period, BGN 1 228 037 have been received. For the implementation of the activities under the projects a total of BGN 997 938 were spent.

The headquarters of EFA implements projects under the European Economic Area with Program Operator the Ministry of Environment and Waters, which will end in the mid 2017. In the last budget year under the projects funds were received in the amount of BGN 188 619.

12.2. State forest enterprises

Reported revenue from the overall activity of state enterprises in 2016 amounted to BGN 319 068 thousand and total expenses - BGN 311 414 thousand. Compared to 2015, revenues of enterprises increased by 1,7 percent, while expenditures - by 3,1 %.

The investments made by the six SE in 2016 amounted to BGN 41 622, by BGN 9 679 thousand more than 2015. Funds from the Investments in the Forests Fund have been used for the following activities, and a total of BGN 26 454 thousand was spent:

- For the preparation of 33 projects for construction of new roads and basic repairs of existing forest roads – BGN 441 thousand;
- For the construction and basic repairs of existing forest roads, a total of 94,1 km. – BGN 19 434 thousand;
- For afforestation of 11 605 dca – BGN 6090 thousand;
- for buying of small private forest properties with a total area 54,9 ha – BGN 355 thousand.

According to the financial plans for 2017, for the performance of the total activity, SE plan the following revenues to the amount of BGN 305 081 thousand and expenses to the amount of BGN 298 184 thousand.

13. Administrative services

13.1. Register of the persons, carrying out forestry work

In 2016, the Commission for review of applications for registration of natural persons and traders in the public registers of EFA under art. 235 and art.241 of the FA in 2016 conducted 17 meetings, as a result of which certificates were registered and issued to 469 natural persons for exercising forestry activity. In the same period certificates were registered and issued to 490 traders for performing activities in the forest territories.

In the year 55 traders were deleted from the public register under art. 241, par. 1 of the FA, and 45 natural persons were deleted from the register under art. 235.

As of 31.12.2016 the total number of the registered natural persons for exercising forestry activities was 10 606, while of the registered traders – 3 652.

In connection with the performed changes to the requirements for registration of natural persons, the activity was organized for conducting of exams pursuant to art. 236 of the FA. 22 exams were conducted, 727 applicants sat for them, and 443 passed the exam.

13.2. Information services

In 2016 the following activities of greater importance were conducted:

- An online “Platform for cooperation for the protection of the Bulgarian forest” was launched, through which after a preliminary registration anytime alerts may be submitted to EFA by NGOs and citizen’s organizations;
- the project was put in operation for issuing electronic transport tickets from a temporary warehouse by mobile devices having the Android system. In the process of preparation the system administrators of the Regional Directorates for Forests at IAF, with the help of the experts from the IOVO Directorate, have trained more than 1 700 users, installed and set software for personal user devices;

- a module was introduced for programs and projects concerning the non-state forests;
- a module for the registration of vehicles with mounted GPS devices, transporting timber was introduced and put into operation;
- a new software for the Android operation system was developed and introduced providing references for the issued transport tickets, reference for CFM, reference for vehicles with GPS and access to the phones of the employees in the forests;
- the system for verification of an electronic diary was tested for the quantities of the submitted, processed and transported timber at sites under art. 206 of the FA on the territory of four regional directorates – Sofia, Ruse, Shumen, and Blagoevgrad. In this respect trainings were conducted for operation with system in the regions of RDF Ruse, Shumen and Blagoevgrad;
- as a result of a successfully concluded project, an electronic system was introduced for registration of natural persons and tradesmen for the exercising of forestry practice and for performance of activities in forest areas. A software for electronic issuing of certificates for registration of control tree markings and harvest tree markings is in the process of development;
- access was provided to the modules of the information system www.system.iag.bg for the employees of municipal forests and state enterprises, private foresters and representatives of hunting-fishing associations;
- to increase the efficiency of the control of the transported harvested timber, access was provided to the employees of the Executive Agency Automobile Administration“.

VII. FISHERY AND AQUACULTURES

1. Catch and production of fish and other aquatic organisms

Catch of fish and other aquatic organisms

According to data of the Executive Agency for Fisheries and Agriculture (EAFA), in 2016, the total catch of fish and other aquatic organisms from commercial fishing within the country marked a decline of 2,8% compared to 2015. The total amount was 8 592,2 tonnes, of which 8 540 tonnes - in the Black Sea, and 52,21 tonnes in the Danube. Compared to 2015, the catch in the Black Sea has decreased, as well as in the Danube.

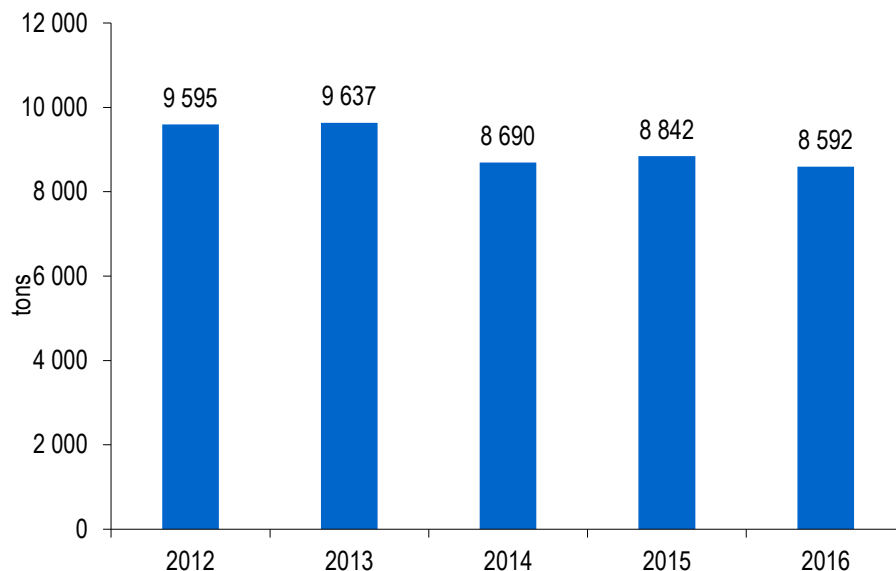
The total catch of marine fish species for 2016 amounted to 4 473,93 tonnes, by 16,26 tonnes less than 2015. Traditionally, the greatest amount is the catch of the fish from the species sprat/sprat/sprat (*Sprattus sprattus sulinus*) –which amounts to 2 289,98 tonnes – by 30,6% less than the previous year.

Of the rest Black Sea species of fish, the most essential is the catch of red mullet (*mulus barbatus*) – 874,48 tonnes, bluefish – 710,43 tonnes, trachurus – 166, 51 tonnes and goby – 63,70 tonnes.

Compared to the previous year, the catch of veined rapa whelk, taking the greatest share of the catch of aquatic organisms in the Black Sea (85% in 2016) reported a decline of 16,4%. At the same time the catch of sand mussel increased almost five times, reaching 586 tonnes, and the one of black sea mussel – more than two times, to 41,6 tonnes.

In 2016, the catch of diadromous species (shad) in the Black Sea amounts to 15,59 tonnes, which is 12% less than the previous year.

Figure VII.1. Total catch of fish and other aquatic organisms in the country, tonnes



Source: EAFA

Table VII.1. Total catch of fish and other aquatic organisms in water bodies of the country, tonnes

	2014	2015	2016	Change 2016/2015
Catch in the Black Sea—overall, including:	8 546,7	8 745,2	8 540,0	-2,3%
- marine species	3 713,7	4 490,2	4 473,9	-0,4%
- diadromous fishes, shad	20,5	17,7	15,6	-11,7%
- Veined rapa whelk, mussels and shrimps	4 812,5	4 237,3	4 050,5	-4,4%
Catch in the Danube - overall, including:	142,8	96,96	52,21	-46,2%
- freshwater fish	140,4	85,6	50,2	-41,3%
- diadromous fishes shad	1,6	0,6	1,1	73,4%
- Danube crayfish and others	0,0	10,7	0,9	-92,0%
Total catch of fish and other aquatic organisms	8 689,5	8 842,1	8 592,2	-2,8%

Source: EAFA

The catch in the Danube river in 2016 decreased by 46,2% compared to the previous year. The total quantity is to the amount of 52,2 tonnes, including freshwater fish – 50,2 tonnes, diadromous species (shad) – 1,1 tonnes.

Table VII.2. Catch of fish and other aquatic organisms from basins for commercial fisheries in 2016

№	Common and local names, scientific name /in Latin/	Quantity (tonnes)	
		Black Sea	Danube
A. Freshwater fish			
	Sturgeon species /Acipenseridae/		
1	Sterlet /Acipenser ruthenus/		
	Trout species /Salmonidae/		
2	River /Balkan/ trout /Salmo trutta fariol/		
3	Rainbow trout /Oncorhynchus mykiss/		
4	Brook trout /Salvelinus fontinalis/		0,004
5	Hunchen (Danube salmon) / <i>Hucho hucho</i> /		
	Family Coregonidae /Coregonidae/		
6	<i>Coregonus lavaretus</i>		
7	Peled /Coregonus peled/		
	Family Esocidae /Esocidae/		
8	Northern Pike /Esox lucius/		0,404
	Carp species /Cyprinidae/		
9	Common Roach /Rutilus rutilus/		0,003
10	European Chub /Leuciscus cephalus/		0,050
11	Orfe / <i>Leuciscus idus</i> /		0,019
12	Common rudd /Scardinius erythrophthalmus/		0,063
13	Asp / <i>Aspius aspius</i> /		1,014
14	Tench/Tinca tinca/		
15	Danube bleak / <i>Chalcalburnus chalcoides</i> /		0,244
16	Common bleak / <i>Alburnus alburnus</i> /		1,262
17	Common bream / <i>Abramis brama</i> /		3,127
18	Oriental bream / <i>Abramis sp./</i>		0,063
19	Great sturgeon / <i>Vimba vimba</i> /		1,546
20	Ziege / <i>Pelecus cultratus</i> /		0,002
21	Common nase / <i>Chondrostoma nasus</i> /		1,309
22	Common barbel / <i>Barbus barbus</i> /		6,700
23	Balkan barbus / <i>Barbus meridionalis petenyi</i> /		
24	Strumica barbel / <i>Barbus cyclolepis</i> /		0,002
25	Common carp / <i>Cyprinus carpio</i> /		8,630
26	Crucian carp / <i>Carassius sp./</i>		6,057
27	Silver carp / <i>Hypophthalmichthys molitrix</i> /		4,514
28	Bighead carp / <i>Aristichthys nobilis</i> /		6,731
29	Grass carp / <i>Ctenopharingodon idella</i> /		2,036
30	Black carp / <i>Mylopharingodon piceus</i> /		
31	Crucian carp / <i>Carassius carassius</i> /		
32	Macedonian great sturgeon / <i>Vimba melanops</i> /		0,010
	Family Siluridae /Siluridae/		
33	Wels catfish /<i>Sillurus glanis</i>/		4,682
	Family Ictaluridae /Ictaluridae/		
34	Channel catfish / <i>Ictalurus punctatus</i> /		
	Family Gadidae /Gadidae/		
35	Burbot/ <i>Lota lota</i> /		
	Family Percidae /Percidae/		

№	Common and local names, scientific name /in Latin/	Quantity (tonnes)	
		Black Sea	Danube
36	Zander / <i>Sander lucioperca</i> / <i>Stizostedion lucioperca</i> /		1,686
37	European perch / <i>Perca fluviatilis</i> /		0,069
38	Zingel / <i>Zingel zingel</i> /		
	Family Catostomidae / <i>Catostomidae</i> /		
39	Buffalo fish / <i>Ictiobus</i> /		
B. Diadromous Fish			
	Family sturgeon /<i>Acipenseridae</i>/		
40	Beluga / <i>Huso huso</i> /		
41	Starry sturgeon / <i>Acipenser stellatus</i> /		
42	Russian sturgeon / <i>Acipenser gueldenstaedti</i> /		
43	Siberian sturgeon / <i>Acipenser baerii</i> /		
	Family Anguillidae /<i>Anguillidae</i>/		
44	European eel / <i>Anguilla anguilla</i> /		
	Family Clupeidae /<i>Clupeidae</i>/		
45	Pontic shad / <i>Caspialosa pontica</i> / <i>Alosa pontica</i> /	15,585	1,116
C. Marine Fish			
	Family Squalidae /<i>Squalidae</i>/		
46	Squalus / <i>Squalus acanthias</i> /	83,344	
	Family Clupeidae /<i>Clupeidae</i>/		
47	European pilchard / <i>Sardina pilchardus</i> /	0,827	
48	Sprat / <i>Sprattus sprattus sulinus</i> /	2 289,989	
	Family Engraulidae /<i>Engraulidae</i>/		
49	European Anchovy / <i>Engraulis encrasicolus ponticus</i> /	54,431	
	Family Belonidae /<i>Belonidae</i>/		
50	Garfish / <i>Belone belone</i> /	3,757	
	Family Gadidae /<i>Gadidae</i>/		
51	Shore rockling / <i>Gaidropsarus mediterraneus</i> /		
52	Merlangius merlangus / <i>Merlangius merlangus euxinus</i> /	11,662	
	Family Mullet Fish /<i>Mugilidae</i>/		
53	Flat head grey mullet / <i>Mugil cephalus</i> /	8,703	
54	Mugil / <i>Mugil soiyu</i> /	0,075	
55	Golden gray mullet / <i>Liza aurata</i> /	0,699	
56	Leaping mullet / <i>Liza saliens</i> /	4,961	
	Family Atherinidae /<i>Atherinidae</i>/		
57	Atherina / <i>Atherina spp.</i> /	50,516	
	Family Serranidae /<i>Serranidae</i>/		
58	European bass / <i>Dicentrachus labrax</i> / <i>Morone labrax</i> /		
	Family Pomatomidae /<i>Pomatomidae</i>/		
59	Bluefish / <i>Pomatomus saltatrix</i> /	710,430	
	Family Carangidae /<i>Carangidae</i>/		
60	Mediterranean horse mackerel / <i>Trachurus mediterraneus ponticus</i> /	166,517	
	Family Centracanthidae /<i>Centracanthidae</i>/		
61	Spearmint / <i>Spicara spp.</i> /		
	Family Mullidae /<i>Mullidae</i>/		
62	Mulus barbatus / <i>Mullus barbatus ponticus</i> /	874,487	
63	Striped red mullet / <i>Mullus surmuletus</i> /	2,960	
	Family Scombridae /<i>Scombridae</i>/		

№	Common and local names, scientific name /in Latin/	Quantity (tonnes)	
		Black Sea	Danube
64	Black Sea mackerel / <i>Scomber scombrus</i> /		
65	Belted bonito / <i>Sarda sarda</i> /	68,105	
66	Family Gobiidae /Gobiidae/	63,702	
	Family Turbot /Scophthalmidae/		
67	Turbot / <i>Psetta maxima</i> /	42,393	
	Family Pleuronectidae /Pleuronectidae/		
68	European flounder / <i>Platichthys flesus luscus</i> /	0,158	
69	Sole / <i>Solea nasuta</i> /	0,006	
	Family Rajidae /Rajidae/		
70	Thornback ray / <i>Raja clavata</i> /	35,661	
	Family Lophidae /lophiidae/		
71	Anglerfish / <i>Lophius piscatorius</i> /	0,056	
	Family Dasyotidae /dasyatidae/		
72	Common stingray / <i>Dasyatis pastinaca</i> /	0,495	
D. Aquatic animals			
	Class Amphibia /Amphibia/		
73	Marsh Frog / <i>Rana ridibunda</i> /		
	Class Crustaceous /Crustacea/		
74	Common shrimps / <i>Leander spp./</i>	0,513	
75	European brown shrimp / <i>Crangon sp./</i>	2,779	
76	Freshwater crayfish / <i>Astacidae , Cambaridae/</i>		
77	European crayfish / <i>Astacus leptodactylus</i> /		
78	Freshwater crayfish / <i>Astacus astacus</i> /		
79	Warty Crab / <i>Eriphia verrucosa</i> /	0,216	
	Class Mussels /Bivalvia/		
80	Softshell cramp / <i>Mya arenaria</i> /	586,082	
81	Blue mussel / <i>Mytilus galloprovincialis</i> /	41,642	
82	Veined rapa whelk / <i>Rapana spp./</i>	3 419,226	
83	Others	0,022	0,861
TOTAL:		8 539,99	52,205

Source: EAFA

The greatest catch was reported with the carp – 8.63 tonnes, the grass carp – 6.73 tonnes, the common barbell – 6.70 tonnes, the Prussian carp = 6.05 tonnes and European carp – 4.68 tonnes.

In comparison to the previous year, with most commercial species of freshwater fish a decrease of the catch was observed. Most significant was the decrease of the catch of vimba – by 53.3%, black carp – 52.5%, crucian carp – 48.6%, grass carp – 41.7%, carp – 32.3%, followed by common mackerel – 27.1%, and European carp – 20.8%.

Only the catch of diadromous fish (shad, Danube mackerel) in the Danube river grew on an annual basis by the significant 73.4% to 1.12 tonnes.

According to information by EAFA, as of 31.05.2017 the reported total commercial catch of fish and other aquatic organisms amounted to 3 098 tones – by 9% more than the first five months of 2016. During this period, the catch in the Black Sea amounted to 3 085 tonnes, and the one in the Danube River – nearly 13 tonnes, respectively 9.2% more and 44% less than the same period of the previous year.

Production of fish and other aquatic organisms

According to information by EAFA, the total number of active fish breeding farms as of the end of 2016 was 683, that number was 611 in the previous year. Of them, 650 were for freshwater aquaculture, while 33 – for sea aquaculture.

In connection with the ban on the performance of commercial fishing in the inland water basins in the country, which came into effect in the month of August 2012, and the connected with it re-registration, the number of the active registered producers of aquaculture increased. Production of species of fish was reported, which are a catch in the extensive and semi-intensive hot water farms – European bream, bleak, crucian carp, perch, roach. These species are not an object of purposeful breeding and raising in the aquaculture production.

According to information by EAFA, in 2016 the total production of aquaculture (breeding material, fish and other aquatic organisms for consumption) in the specialized fish-breeding farms amounted to 15 432,40 tonnes – 13.8% more than the previous year, while an increase was reported not only with the production of fish breeding material, but in the fish for consumption.

The total reported production of aquaculture breeding stock in the fish breeding farms in 2016 was 3 048.3 tonnes. This is an increase of 13.6% compared to the previous year, mainly as a result of the increased production of aquaculture breeding stock of the three basic species of fish bred in the fish breeding farms – rainbow trout (up to 1568.7 tonnes), carp (up to 544.1 tonnes) and grass carp (up to 310.8 tonnes). The production of aquaculture breeding stock was increased of other hybrids from the Sturgeon Family.

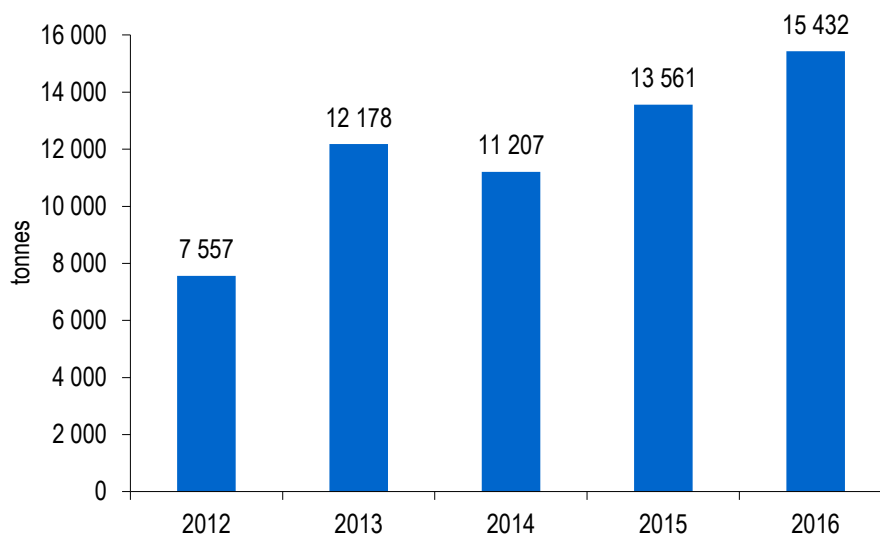
Table VII.3. Production of aquaculture breeding stock, fish and aquatic organisms in the fish farms, tonnes

Common and local names	Aquaculture breeding stock		Fish for human consumption		Total weight	
	2015	2016	2015	2016	2015	2016
Brown trout	5,6	1,7	7,9	16,5	13,5	18,2
Rainbow trout	1 027,5	1 569,7	2 321,8	3 092,2	3 349,3	4 661,9
Brook trout	0,0	0,4	8,2	8,8	8,2	9,3
Pike	21,5	3,0	29,4	23,2	50,9	26,2
European chub	0,0	0,0	0,1	0,0	0,1	0,0
Tench	1,7	0,3	3,7	2,5	5,4	2,8
Bleak	1,0	0,0	11,7	6,2	12,7	6,2
Danube bleak	0,0		0,2		0,2	0,0
Bream	0,0	0,0	0,0	0,4	0,0	0,4
Crucian carp	0,2	0,0	10,9	9,0	11,1	9,0
Carp	531,8	544,0	2 142,3	2 520,0	2 674,2	3 064,0
Prussian carp	4,4	0,9	210,5	230,9	214,9	231,8
Silver carp	450,4	61,7	226,5	113,1	677,0	174,8
Grass carp	210,0	310,8	1 576,0	1 512,7	1 786,0	1 823,4
White carp	56,0	33,0	264,3	225,6	320,2	258,5
Black carp	3,6	2,4	13,5	3,6	17,1	6,0
Wels catfish	49,4	25,4	109,3	196,2	158,7	221,6
Channel catfish	30,1	0,5	63,8	7,5	93,9	8,0
Zander	7,7	10,5	69,8	74,4	77,4	84,9
European perch	0,4	0,0	37,8	9,0	38,2	9,0

Common and local names	Aquaculture breeding stock		Fish for human consumption		Total weight	
	2015	2016	2015	2016	2015	2016
Sterlet	3,6	0,0	0,4	3,1	4,0	3,1
Beluga sturgeon	0,0	0,0	8,5	5,9	8,5	5,9
Starry sturgeon	0,0	0,0	1,3	1,0	1,3	1,0
Russian sturgeon	4,1	5,1	217,0	146,0	221,1	151,1
Freshwater crabs	0,0		2,0		2,0	
Danube crayfish	1,8	3,3	12,0	48,5	13,9	51,9
Blue mussel	259,1	454,6	3 113,5	3 376,3	3 372,6	3 830,9
- Others		0,0		2,3		2,3
- Lake salmon	1,3	0,5	0,2	3,9	1,5	4,3
- American paddlefish	1,9	7,5	3,6	47,6	5,5	55,2
Common rud	0,0	0,0	6,4	3,4	6,4	3,4
Sturgeon	0,0	0,0	3,9	0,0	3,9	0,0
Siberian sturgeon	12,8	0,0	96,2	47,8	109,0	47,8
European eel	0,82	0	1,5	5,21	2,32	5,21
African catfish	0,0	0,0	285,7	540,7	285,7	540,7
Other hybrids from the Sturgeon Family	0,3	12,9	12,6	98,6	13,0	111,5
Total	2 683,1	3 048,3	10 873,5	12 384,1	13 560,6	15 432,4

Source: EAFA

Figure VII.2. Production of fish and other organisms in specialized fish farms in the period 2012-2016, tonnes



Source: EAFA

In 2016, the production of fish and other aquatic organisms for consumption increased by 13.9% on an annual basis, reaching 12 384.1 tonnes.

Traditionally, the greatest production is the one for consumption of fish from the species rainbow trout, carp and grass carp. Compared to the previous year, there was an increase of the production of rainbow trout (by 33%) and carp (about 18%), while the one of the grass carp decreased (by 4%).

A considerable increase was recorded in the production of brook trout (by 109.4%), African catfish (by 89.3%) and catfish (by 79%)

Among the more significant fish species, there was an essential decrease compared to 2015 of the production of channel catfish for consumption (by 88.2%), black carp (by 73.1%), Siberian sturgeon (by 50.3%) and silver carp (by 50.1%).

The basic species of the sea aquacultures, raised in the offshore aquatories in the country, is the Blue mussel. In 2016, its production for consumption increased by 8.4% compared to the previous year, reaching 3 376.3 tonnes. The production of the Danube crayfish for consumption increased almost four times.

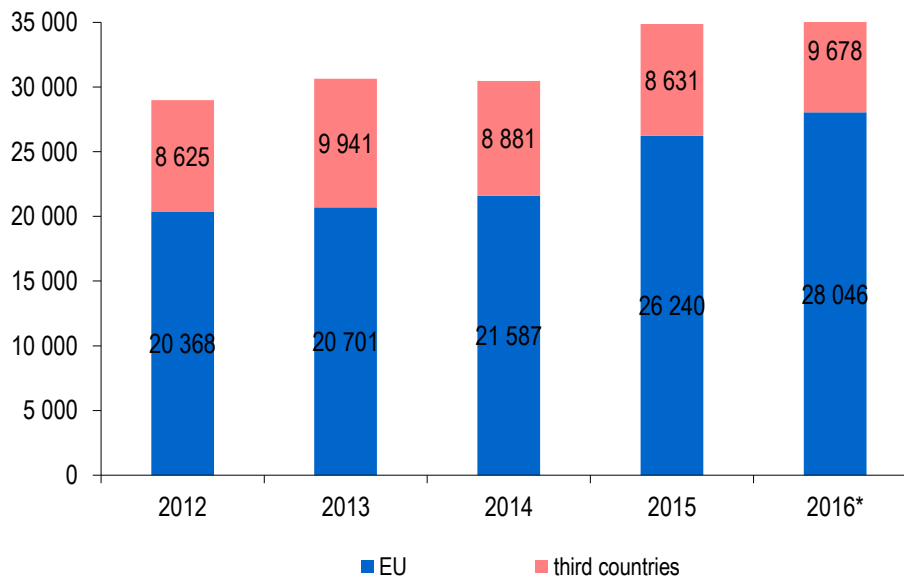
In 2017 an increase is expected in the number of the fish farms, and respectively of the production of aquacultures, for which contributes the construction of new, the modernizing and increase of production power with funding from Operational Program for the Fish Sector Development.

2. Import and export of fish and fish products

Import

According to preliminary data of the NSI, in 2016 a total of 37 724 tonnes fish and fish products were imported in the country, including 32 866 tonnes of fish, fillets, crabs and mollusks (live, fresh, cooled, frozen or dried and etc.) and 4 838 tonnes processed fish products. The total import of fish and fish products has increased by about 8% on an annual basis, while there is an increase in the import not only of fish, but of fillet, crabs and mollusks, as well as of the processed products.

Figure VII.3. Imports of fish and fish products from the EU and third countries, tonnes



Source: NSI, * preliminary data

Table VII.4. Import of fish, other aquatic organisms and fish products, tonnes

Products	2015	2016*	Change 2016/2015
Fish, fillets, crustaceans, mollusks, including:	30 975	32 886	6,2%
Live fish - freshwater and marine	274	23	-91,8%

Products	2015	2016*	Change 2016/2015
Fish - fresh or cooled, with the exception of fillets	3 789	3 496	-7,7%
Fish — frozen, without fillets	18 585	18 596	0,1%
Fillets and other fish meat, fresh or cooled, frozen	3 224	3 343	3,7%
Fish — dried, salted, smoked	356	347	-2,4%
Crustaceans	2 244	3 463	54,4%
Mollusks	1 114	1 070	-3,9%
Aquatic invertebrates other than crustaceans and mollusks	1 390	2 548	83,3%
Processed fish products, including:	3 896	4 838	24,2%
Prepared and preserved fish, caviar	2 795	3 060	9,5%
Crustaceans and molluscs, canned	1 101	1 778	61,5%
Total fish and other aquatic organisms and fish products	34 871	37 724	8,2%

Source: data of NSI, processed by the MAFF; * preliminary data

More than 74% of the total imported quantities of fish and fish products in 2016 were from EU member states. The supply from the EU increased by about 7 % compared to the previous year, amounting to 28 046 tonnes. The most significant quantities were supplied by Spain (4.8 thousand tonnes), Romania (4.6 thousand tonnes), the Netherlands (3.5 thousand tonnes), Denmark (2.4 thousand tonnes), Greece (1.7 thousand tonnes), Poland (1.7 thousand tonnes) and the UK (1.6 thousand tonnes).

The import of fish and fish products by third countries marks a growth of 12% on an annual basis, to 9 678 tonnes. During the year, the most significant was the import from Canada (1.6 thousand tonnes), Morocco (1.1 thousand tonnes), Vietnam (0.9 thousand tonnes), and China (0.8 thousand tonnes).

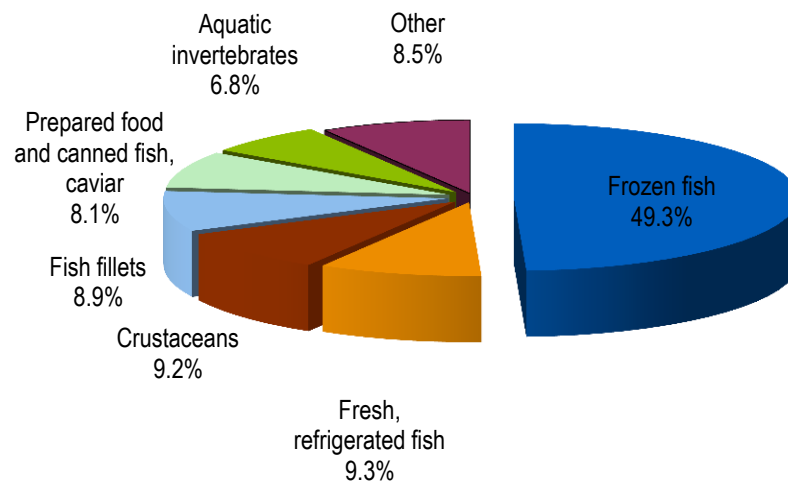
Compared to the previous year, the total import of fish, fillet, crab and mollusks (live, fresh, cooled, frozen or dried, and etc.) increased in 2016 by 6.2% reaching 32 886 tonnes.

Traditionally, more than the half of the total import of fish and fish products comprises frozen fish. In 2016 the import of frozen fish, with the exception of the fillets, remained at about the level of the previous year (+0,1%) and amounted to 18 896 tonnes. Similar to previous years, the most significant was the import of frozen mackerel, which decreased by 5.1% compared to 2015, to 11 338 tonnes. Relatively great quantities of frozen fish were imported from following species: salmon – 660 tonnes, sardines – 1 130 tonnes, herring -535 tonnes, hake – 923 tonnes, shark – 273 tonnes, trouts – 200 tonnes, horse mackerel – 306 tonnes.

The total import of processed fish products in 2016 increased by 24.2% on an annual basis. Within the framework of the year 3 060 tonnes of prepared food were imported, and canned fish and caviar, and 1 778 tonnes canned crabs and mollusks, respectively by 9.5% and 61.5% more than 2015.

According to preliminary data of NSI, in the period January – June 2017, a total of 19 773 tonnes of fish and fish products were imported – by about 24% more compared to the first six months of 2016. This includes 16 838 tonnes of fish, fillets, crab, mollusks and other aquatic organisms and 2 935 tonnes of processed fish products, respectively by 22.1% and 35.9% more on an annual basis.

Figure VII.4. Structure of the import of fish and fish products in 2016



Source: NSI, preliminary data

According to the data for the first six months, the import of fish and fish products for all of 2017 may be expected to overcome the level of the previous year. Significant quantities will be imported to diversify the assortment on the market with non-typical for the country fish species and aquatic organisms and to provide a resource for the processing plants.

Export

Under preliminary data of NSI, the total export of fish, aquatic organisms and fish products in 2016 amounted to 12 096 tonnes – by 27.6% above the level of the previous year, which is explained with the increase of the aquatic production of fish and other aquatic organisms in the country, as well as with the realization of re-export of imported fish.

Compared to 2015, the export of fish and other aquatic organisms increased by 20.3%, up to 7 110 tonnes, while the one of processed fish products (ready-made food and cans of fish, including caviar, canned crabs and mollusks) – by 39.6 % to 4 985 tonnes.

Table VII.5. Export of fish, other aquatic organisms and fish products, tonnes

Products	2015	2016*	Change 2016/2015
Fish, fillets, crabs, molusks, including:	5 911	7 110	20,3%
Live fish - freshwater and marine	1 242	1 187	-4,4%
Fish - fresh or cooled, with the exception of fillets	974	1 617	66,1%
Fish — frozen, without fillets	1 897	1 148	-39,5%
Fillets and other fish meat, fresh or cooled, frozen	216	213	-1,2%
Fish — dried, salted, smoked	383	196	-48,8%
Crabs	49	80	64,2%

Products	2015	2016*	Change 2016/2015
Molusks	1 151	2 668	131,7%
Processed fish products, including:	3 571	4 985	39,6%
Prepared food and canned fish, caviar	1 339	2 083	55,6%
Crustaceans and mollusks, canned	2 233	2 902	30,0%
Total fish and other aquatic organisms and fish products	9 483	12 096	27,6%

Source: data of NSI, processed by MAFF, * preliminary data

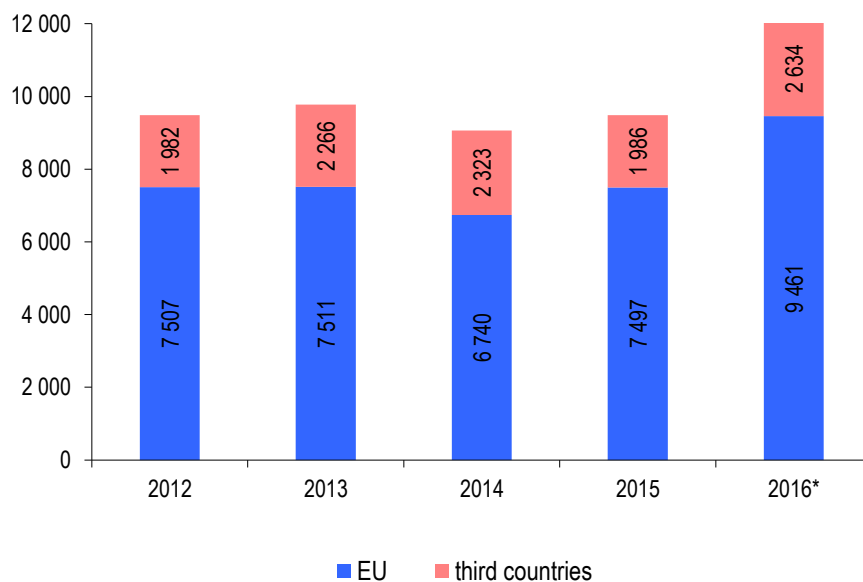
In 2016, the export of fish and fish products for the EU marked a growth of 26.2% on an annual basis and reached 9 461 tonnes, comprising about 74% of the total export of such products. The most significant was the export to Romania (4.8 thousand tonnes), Sweden (2 thousand tonnes), Greece (1.5 thousand tonnes), Spain (0.7 thousand tonnes) and Belgium (0.3 thousand tonnes).

In the case of export of fish and fish products for third countries a significant increase was reported compared to 2015 – by about 33% up to 2 634 tonnes. The greatest quantities were directed to South Korea (1.2 thousand tonnes) and Japan (0.7 thousand tonnes), followed by Serbia (0.4 thousand tonnes), China (0.2 thousand tonnes) and etc.

A significant increase on annual basis was reported in the export of mollusks (more than two times), followed by the fresh, cooled fish (by 66.1%) and the crabs (64.2%)

At the same time, a significant decrease was observed in the export of dried, salted and smoked fish (by 48.8%) and of frozen fish, with the exception of the fillets (by 39.5%), and weaker – of the one of live fish (by 4.4%) and of fillets (by 1.2%).

Figure VII.5. Export of fish, other aquatic organisms and fish products for the EU and third countries, tonnes



Source: NS, * preliminary data

In 2016, the export of mollusks took a leading place in the total export of fish, fillets, crabs, mollusks, (38%), amounting to 2 668 tonnes. The quantities were directed mostly to Greece (1 thousand tonnes), South Korea (0.6 thousand tonnes), Spain (0.4 thousand tonnes) and Japan (0.3 thousand tonnes).

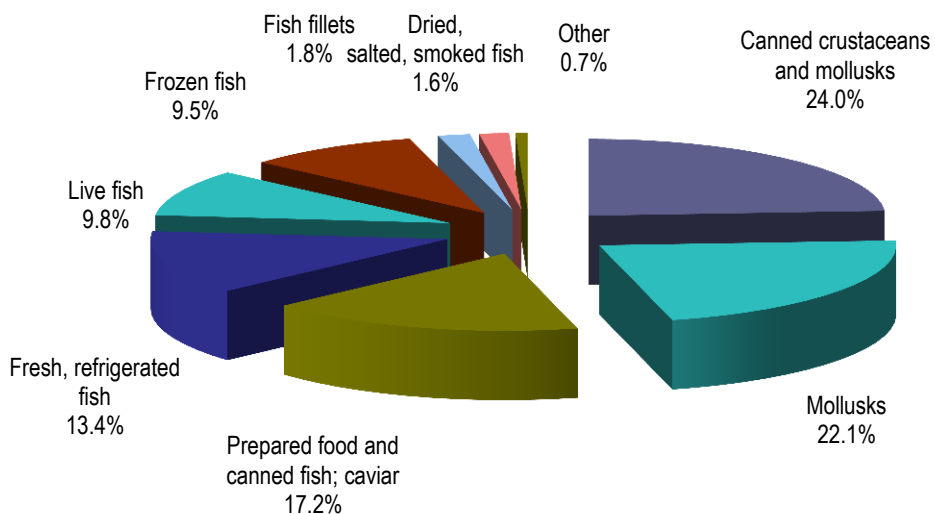
About 63 percent of the export of frozen fish comprised frozen sprats – 725 tonnes, which is a decrease of 17% on an annual basis. The export of frozen anchovies increased almost two times compared to the previous year, reaching 201 tonnes. Traditionally, the greatest quantities of frozen fish are directed to Romania (0.8 thousand tonnes).

Compared to the previous year a significant increase was observed of the export of processed fish products – by about 40%, up to 4 985 tonnes. The export of ready-made food and cans of fish, caviar and other, marked a growth of 55.6%, while of the canned crabs and mollusks – 30%. Basic destinations of the processed fish products in 2016 remained Sweden (1.9 thousand tonnes) and Romania (1.4 thousand tonnes), followed by South Korea (0.5 thousand tonnes), Japan (0.4 thousand tonnes) and Greece (0.1 thousand tonnes).

In 2017 the export of fish and fish products continues to grow. According to preliminary data of NSI, in the first six months of the year a total of 8 128 tonnes of fish and fish products were exported – by 46.6% more than the same period in 2016, while an increase was observed for all the types of products. The export of fish, fillets, crabs and mollusks and other aquatic organisms increased by the significant 60% on an annual basis, reaching 5 359 tonnes, while the one of processed fish products – by 26.6 % up to 2 769 tonnes.

Having in mind the data for the first six months, the export of fish and fish products for all of 2017 may be expected to be essentially above the level of the previous year. A prerequisite for the greater performance of export are the higher prices on the foreign markets, as well as the expected increase of the production in the fish farms.

Figure VII.6. Structure of the export of fish and fish products in 2016



Source: NSI, preliminary data

3. Operational Programme “Fisheries Sector Development”(OPFSD), funded by the European Fisheries Fund (EFF)

The strategic goal of the Operational Programme Fisheries Sector Development 2007-2013 is the transformation of fishery into a competitive, modern and dynamic sector, based on the sustainable development of the fishery and aquaculture, as well as improvement of the quality of life in the fishery areas. The financial resource of the Program is BGN 163.72 million, out of which BGN 122.79 million funding by the European Fisheries Fund (EFF) and BGN 40.93 million national co-funding. The Executive Agency for Fisheries and Aquaculture is Managing Authority (MA) of the OPFSD 2007-2013.

Implementation of OPFSD as of 31 December 2016

The cumulative progress in the implementation of OPFSD as of 31 December 2016 may be summarized through the following data:

- Total number of registered projects: 609;
- Total number of signed contracts/approved projects: 318;
- Total number of cancelled agreements: 81;
- Total agreed funds: BGN 176 820 381.15 (108.00% from the Programme's budget);
- Total disbursed funds to beneficiaries: BGN 163 717 514.38 (100.00%)
- Total certified funds: BGN 149 312 344.40.

Table VII.6. Financial implementation of OPFSD for the period 2007-2013

Axis/Measure	Agreed Funds			Actually paid funds			Fully paid funds		
	Number of contracts	Total public expenses, BGN	%	Number of payments	Total public expenses, BGN	%	Number of projects	Total BGN	%
Measure 1.1 "Public aid for permanent termination of fishing activities"	95	8 957 035,50	87,95%	95	8 954 144,43	87,92%	95	8 954 144,43	87,92%
Measure 1.3 "Investments on board fishing vessels and selectivity"	7	106 507,87	112,86%	7	94 371,16	100,00%	7	94 371,16	100,00%
AXIS 1	102	9 063 543,37	88,18%	102	9 048 515,59	88,04%	102	9 048 515,59	88,04%
Measure 2.1 "Productive investments in aquaculture"	57	54 127 091,92	116,30%	107	49 140 035,21	105,58%	55	48 759 205,69	104,76%
Measure 2.2 "Aquatic ecological measures"	1	76 281,43	184,44%	3	41 357,49	100%	1	41 357,49	100%
Measure 2.6. "Investments in processing and marketing of fishery and aquaculture products"	17	16 428 372,05	108,64%	32	15 672 733,86	103,64%	17	15 242 643,29	100,80%
Measure 2.7 "Financial engineering"	4	12 167 850,00	103,17%	3	11 696 567,28	100,00%	3	11 696 567,28	100,00%
AXIS 2	79	82 799 595,40	112,80%	145	76 550 693,84	104,29%	77	75 739 773,75	103,19%
Measure 3.1 Collective	2	871 188,53	101,59%	4	857 561,47	100,00%	2	857 561,47	100,00%

Axis/Measure	Agreed Funds			Actually paid funds			Fully paid funds		
	Number of contracts	Total public expenses, BGN	%	Number of payments	Total public expenses, BGN	%	Number of projects	Total BGN	%
Activities									
Measure 3.3 "Investments for reconstruction and modernization of fish ports, unloading sites and boat shelters"	3	28 154 850,27	100,52%	9	27 998 007,99	99,96%	3	27 998 007,99	99,96%
Measure 3.4 "Development of new markets and promotional campaigns"	19	4 869 277,27	110,58%	39	4 486 318,99	101,89%	19	4 486 318,99	101,89%
Measure 3.5 "Pilot projects"	1	938 012,38	100,00%	3	938 012,38	100,00%	1	938 012,38	100,00%
AXIS 3	25	34 833 328,45	101,82%	55	34 279 900,83	100,21%	25	34 279 900,83	100,21%
Measure 4.1.A "Financial support for implementation of local strategies for development and coverage of operating expenses of Fishers groups"	6	41 434 169,59	108,78%	328	36 247 403,52	95,16%	237	36 247 403,52	95,16%
AXIS 4	6	41 434 169,59	108,78%	328	36 247 403,52	95,16%	237	36 247 403,52	95,16%
Measure 5.1 "Technical assistance"	106	8 689 744,34	112,21%	171	7 591 000,60	98,02%	106	7 591 000,60	98,02%
AXIS 5	106	8 689 744,34	112,21%	171	7 591 000,60	98,02%	106	7 591 000,60	98,02%
TOTAL	318	176 820 381,15	108,00%	801	163 717 514,38	100,00%	547	162 906 594,29	99,50%

Source: EAFA

Note: The cases, in which the actually paid funds supercede 100% are a result of imposed financial corrections and unrecovered bad claims

Implementation of OPFSD in 2016

In connection with the end of the program period 2007-2013 and taking into account the end term for the eligibility of expenses – 31.12.2015, in 2016 no contracts were concluded under OPFSD. The paid funds for 2016 amount to BGN 13 990 296. 43. The certified funds for the year amount to BGN 13 716 560. 02.

In 2016 under priority axis 1 no payments were performed. The budget under axis 1 is BGN 10 278 230.88 (BGN 7 708 673. 16 from the EFF). For the total period of action of OPFSD under priority axis 1 a total of 122 project proposals have been submitted. The total number of concluded contracts is 104, of which 2 were annulled.

Under priority axis 2 "Aquaculture, fishing in inland waters, processing and marketing of products of fishing and aquaculture in 2016 the payments made amounted to a total of BGN 7 106 611.28. The total amount of the public funds under priority axis 2 is BGN 73 401 916. 56, of which BGN 55 051 437.42 co-funding by EFF. The certified expenses as of 31.12.2016 amounted to BGN 71 168 744.36 public funds.

The production of aquacultures in Bulgaria is dominated by the production of fish, followed by the one of blue mussel. Representatives mainly of two families of fish comprise the aquaculture production in the last years and may be defined as the traditional aquaculture for Bulgaria. From the beginning of the fishing activity in the country until now the most significant remains the production of carp fishes, followed by trouts.

The production of rainbow carp, silver carp, carp and blue mussel continues to prevail in 2016 as well, which is due to the completed projects for construction of farms for the respective species under OPFSD.

Under measure 2.1 "Production investments in the aquaculture" investment projects are supported for the construction of new farms for rearing and breeding of aquacultures and expanding and/or modernization of existing farms, which contribute to reaching of one or more of the specific targets of the measure.

The total budget under measure 2.1 as of 31.12.2016 was BGN 46 541 679.55. Under measure 2.1 a total of 192 project proposals have been submitted. The total number of concluded contracts reached 91, out of which 34 were annulled.

Table VII.7. Financial implementation of OPFSD 2007-2013 as of 30.06.2017

Axis/Measure	Agreed funds			Actually paid funds			Certified funds		
	Number of contracts	Total public expenses, BGN	%	Number of payments	Total public funds, BGN	%	Number of projects	Total, BGN	%
Measure 1.1 "Public aid for permanent termination of fishing activities"	95	8 957 035,50	87,95%	95	8 954 144,43	87,92	95	8 908 327,04	87,48%
Measure 1.3 "Investments on board of fishing boats and selectivity"	7	106 507,87	112,86%	7	94 371,16	100,00	7	94 371,16	100,00%
AXIS 1	102	9 063 543,37	88,18%	102	9 048 515,59	88,04	102	9 002 698,20	87,59%
Measure 2.1 "Productive investments in aquaculture"	57	54 127 091,92	115,89%	108	49 378 017,26	105,7	55	45 250 491,56	96,88%
Measure 2.2 "Aquatic ecological measures"	1	76 281,43	100,00%	3	57 987,95	76,02	1	57 987,95	76,02%
Measure 2.6. "Investments in processing and marketing of fishery and aquaculture products"	17	16 428 372,05	108,64%	32	15 672 419,56	103,64	17	15 065 087,51	99,62%
Measure 2.7 "Financial engineering"	4	12 167 850,00	105,84%	3	11 696 567,28	101,74	4	11 496 567,28	100%
AXIS 2	79	82 799 595,40	112,80%	146	76 804 992,05	104,64	78	71 870 134,30	97,91%
Measure 3.1 "Collective actions"	2	871 188,53	101,59%	4	857 561,47	100,00	2	857 561,47	100,00%
Measure 3.3 "Investments for reconstruction and modernization of fish ports, unloading sites and boat shelters"	3	28 154 850,27	100,52%	9	27 998 007,99	99,96	3	26 637 545,81	95,10%

Axis/Measure	Agreed funds			Actually paid funds			Certified funds		
	Number of contracts	Total public expenses, BGN	%	Number of payments	Total public funds, BGN	%	Number of projects	Total, BGN	%
Measure 3.4 "Development of new markets and promotional campaigns"	19	4 869 277,27	110,58%	39	4 465 992,94	101,43	19	4 285 421,92	97,33%
Measure 3.5 "Pilot projects"	1	938 012,38	100,00%	3	938 012,38	100,00	1	938 012,38	100,00%
AXIS 3	25	34 833 328,45	101,82%	55	34 259 574,78	100,15	25	32 718 541,58	95,64%
Measure 4.1.A "Financial support for implementation of local strategies for development and coverage of operating expenses of Fishers groups"	6	41 434 169,59	108,78%	328	35 868 499,70	94,17	237	34 864 544,63	91,53%
AXIS 4	6	41 434 169,59	108,78%	328	35 868 499,70	94,17	237	34 864 544,63	91,53%
Measure 5.1 "Technical assistance"	106	8 689 744,34	112,21%	171	7 565 955,60	97,69	106	7 565 955,60	97,69%
AXIS 5	106	8 689 744,34	112,21%	171	7 565 955,60	97,69	106	7 565 955,60	97,69%
TOTAL	318	176 820 381,15	108,00%	802	163 547 537,72	99,89	548	156 021 874,31	95,30%

Source: EFAFA

Note: The cases, in which the actually paid funds supersede 100% are a result of imposed financial corrections and unrecovered bad claims. In the table were indicated certified expenses, because of the OPFSD ending.

Under measure 2.6 "Investments in processing and marketing of products from fishing and aquaculture" –projects are supported connected with improvement of the occupational health and safety; improvement and monitoring of human health and the hygienic conditions or the quality of products; production of products of high quality to fill in the market niches; decrease of the negative impact on the environment; improvement of the use of less used species, by- products and waste; production or marketing of new products by implementation of new technologies for production or development of innovative production approaches; marketing of products with origin basically from local catch and aquaculture.

The assistance is directed into two basic directions – for construction and modernization of processing enterprises, and for construction and modernization of market structures. The greatest share in the fish processing belongs to the frozen and deeply frozen products.

The total budget under measure 2.6 amounts to BGN 15 122 309.44. Under measure 2.6 a total of 23 project proposals have been submitted. The total number of concluded contracts reached 20, while 3 were annulled.

Measure 2.7 "Scheme for financial engineering" was applied successfully until the end term of eligibility of the expenses for the program period 2007-2013, 31.12.2015.

A national warranty fund issued guaranties and counter-guaranties for 27 projects of small and medium-sized enterprises, funded under OPFSD to the total value of BGN 20, 780 thousand. The value of the certified expenses is BGN 11 496 567,28 public funding.

At the end of 2016 (the month of December) the European Commission was notified about State Assistance for the public funding supplied under measure 2.7 "Scheme for financial engineering" by OPFSD.

The notification of the Commission was performed following a recommendation of the Auditing Authority in a final report of the sixth system audit, concerning the efficient functioning of the schemes for management and control of the financial instruments, funded under measure 2.7 "Scheme for financial engineering" of the Operational Program Fishing Sector Development, where it is indicated that the provided grants under measure 2.7 are treated as falling within the range of the state assistance.

After the check, the Auditing Authority established that under 20 of a total of 22 projects, to which a facilitated access to financing was provided under measure 2.7, the maximum grant (G) was approved under other measures of the program to the amount of 60%. In this way, for the indicated 20 projects, the provided G in excess of the maximum eligible and the excess amount represent an ineligible expense under the program. The eligible amount of the G was defined for each project and the amount in excess of the maximum amount of the grant was calculated for 11 projects (above 60% of the value of each project) to be BGN 415 042. 15.

Priority axis "Measures of common interest" is directed to the modernization of fish ports, places for unloading of the catch, support of the organization of the sector, enhancing of the professional skills and the innovations in the Fishery Sector, providing stability with respect to the natural resources, dissemination of know-how related to the sector, and promotion of the fishery and aquaculture products.

The budget under Priority Axis 3 is BGN 34 209 258.25, out of which BGN 25 656 943,68 is funding from EFF and BGN 8 552 314,57 national co-funding. Under priority axis 3 a total of 64 project proposals were submitted. The total number of concluded contracts is 34, of which 9 were annulled.

In 2016 payment was performed under Measure 3.3 "Investments for reconstruction and modernization of fishing ports, unloading sites and boat shelters" to the amount of BGN 163 528,63.

As of 31.12.2016 three projects were implemented under the measure for reconstruction and modernization of the Black Sea ports in the town of Pomorie, Sarafovo quarter (the town of Burgas) and the town of Chernomorets.

Under the project for reconstruction and modernization of the Pomorie port a building was constructed for fish market and administrative services and a building – repairs workshop, port infrastructure with capacity of 120 mooring places for fish boats with a maximum length of about 7-12 m and a maximum draft depth of up to 1.2 m., as well as a navigation system. The basic technological components of the activity are catch, storage, processing and first sale of fish; production and sale of cold flakes (ice).

The implemented activities under the project for reconstruction and modernization of the Sarafovo port include construction of suitable infrastructure an equipment to provide accompanying fishing activities. Suitable communications were constructed to provide electricity and water to each boat landing place, the quay front was modernized to allow effective and hygienic unloading and treating of the fish. A fish market was constructed on the territory of the port, which will promote the distribution network of fish products in the region and will turn into a primary sale center.

Under the project for reconstruction and modernization of the Chernomorets port a breakwater, floating pontoons, pierce for fishing boats, wharfs for boats and a building for fish market were constructed. The capacity of the port was enlarged to include 96 mooring places for fishing boats with a length from 7 to 12 meters, while there is an opportunity for docking 10 ships with maximum weight of 200 tonnes and length to 25.5 meters. With the help of the constructed boat wharfs with slipway (a rail for sliding of crafts on the mainland), they may dry dock in the non-active season, while there is an opportunity for performing technical maintenance and small repairs. Under the project a fish market was constructed with refrigerating facility for initial processing of the caught fish. In this way an increase of control on the fishing activities was achieved, the unregulated sales were

limited and conditions were established for direct sale of the catch of the fishermen. Thus the customers may buy fish and fish products without the participation of resellers.

The basic goal under the Priority axis 4 is the sustainable development of the fishing regions and improvement of the quality of life of the existing fishermen communities. The budget of the axis is BGN 38 090 383,82, out of which BGN 28 567 787.87 is from EFF.

The total number of the concluded contracts with Fisheries Local Action Groups (FLAGs) under the OPFSD 2007-2013 is 6. As a result of the actions undertaken for the promotion of the measures and for the establishment of contacts and trust in the private sector, the number of the concluded contracts under the local strategies for development of FLAGs is 240. 24 contracts were concluded in 2015, as a result of which in 2016 under axis 4 payments were performed to the amount of BGN 6 449 496.95.

Cumulative progress in the implementation of OPFSD as of 30.06.2017

- Total number of registered projects: 609;
- Total number of signed contracts/approved projects: 318;
- Total number of annulled contracts: 81;
- Total agreed funds: BGN 176 820 381.15 (108% of the budget of the Program)
- Total disbursed funds to beneficiaries: BGN 163 547 537.72 (99.89%);
- Total certified funds: BGN 156 021 874.31.

On 30.03.2017, Bulgaria submitted documents to the European Commission on the closure of Operational Programme for Fisheries Sector Development 2007-2013, according to the guidelines approved by the Commission by its decision C (2015) 6731 of 06.10.2015 on the closure of the operational programmes, adopted for assistance from the European Fisheries Fund (2007-2013). The final report on the performance under the Programme was approved by the Commission as eligible according to the requirements of art. 67 of Regulation (EC) No. 1198/2006 of the Council of 27 July 2016 on the European Fisheries Fund.

The MA of OPFSD shall monitor the projects funded by the Programme, for which contracts were concluded until December 2015, by performing checks of the production programs under projects and performing checks on the site.

As of 30.06.2017 the amount of the financial corrections resulting from the monitoring of the performance of the production programs for 2016 under projects funded by measures 2.1 "Productive investments in aquaculture" and 2.6 "Investments, processing and marketing of fisheries and aquaculture products", which MA shall impose, amount to BGN 317 100.05.

4. Programme for Maritime Affairs and Fisheries 2014 - 2020

In 2015, the Maritime Affairs and Fisheries Programme 2014-2020 (MAFP) was officially approved by Decision of the European Commission of November 13, 2015. The total financial resource of MAFP amounts to BGN 222 071 249.,18, out of which BGN 172 243 341.31 from the European Maritime Affairs and Fisheries Fund and BGN 49 827 907.87 from the budget of the Republic of Bulgaria.

The Maritime Affairs and Fisheries Department of the MAF was assigned the performance of the functions of Managing Authority (MA) of the Maritime Affairs and Fisheries Programme, funded by the European Maritime Affairs and Fisheries Fund, while the functions of the intermediate body for MAFP is performed by the State Fund "Agriculture" - Paying Agency.

The common objective of the assistance, provided by the MAFP is the achievement of a dynamic, sustainable and competitive development of the fisheries and aquaculture in the period 2014-2020.

The Program contributes to the achievement of the six priorities of EMAFF for the fisheries and aquaculture:

- Priority 1: Enhancement of environmentally sustainable, innovative, competitive and based on knowledge fisheries, characterized by efficient use of the resources;
- Priority 2: Enhancement of environmentally sustainable, innovative, competitive and based on knowledge aquacultures, characterized by effective use of the resources;
- Priority 3: Promotion of the implementation of the Common Fisheries Policy;
- Priority 4: Employment growth and territorial cohesion;
- Priority 5: Strengthening the supply on the market and the processing;
- Priority 6. Enhancing the implementation of the integrated maritime policy;

According to these priorities the total 23 (twenty-three) measures have been allocated, including Measure "Technical Assistance", which will be funded for the period 2014-2020.

Since the approval of the Program until 30.06.2017 eight measures under the Programme were opened which, according to the priorities of the EU, are as follows:

Priority 1 of the EU: Enhancement of environmentally sustainable, innovative, competitive and based on knowledge fisheries, characterized by efficient use of the resources

On 23.03.2017 the call was opened *under measure 1.8 "Fishing ports, quays for unloading, fish markets and boat shelters"*, Sector "Investment in existing fishing ports" and Sector "Investments directed towards the construction and/or modernization of boat shelters"

The implementation of the measure is expected to contribute towards the achievement of a specific goal: "Improving the competitiveness and viability of the enterprises in the fishery sector, including the small scale offshore float, and improvement of occupational health and safety".

Taking into account the importance of the fishing ports, the quays for unloading and the boat shelters, the Programme for Maritime Affairs and Fisheries will support investments aimed at: increase of the energy efficiency; environmental protection and quality of the products unloaded to the shore; improvement of occupational health and safety.

The total amount of the grants under the procedure is BGN 10 400 000, allocated as follows:

- Sector "Investments in existing fishing ports – BGN 8 000 000;
- Sector "Investments directed towards the construction and/or modernization of boat shelters" – BGN 2 400 000.

The final deadline for submission of project proposals is 21 June 2017. Because of the lack of submitted project proposals within third deadline a decision was made by the MA of MAFP the period for submission to be prolonged from 21.06.2017 until 30.09. 2017.

On 21.04.2017 the call was opened *under Measure 1.3 "Final discontinuation of the fishing activities* with a budget of BGN 1 681 036. The amount of the co-funding from EMAFF is BGN 840 518, and BGN 840 518– from the national budget. The final deadline for project proposals submission is 20.06.2017. 11 project proposals were submitted.

The application of the measure will contribute to the achievement of the specific goal "Provision of balance between the fishing capacity and the available fishing opportunities". With the help of the measure adaptation will be achieved of the fishing effort of the Bulgarian fishing fleet according to the available and accessible resources and according to the capacity of the fishing fleet on segment level, while parts of the old

and ineffective boats will be scrapped in the unbalanced segments in terms of the possibilities for fishing, and that is the boats of size up to 24 m. Thus the negative impact of the fleet as a whole on the maritime environment will be reduced and this will contribute to the approximation of the fleet to the fishing opportunities.

Priority 2 of EU “Enhancement of environmentally sustainable, innovative, competitive and based on knowledge aquacultures, characterized by efficient use of the resources”

On 27.07.2016 the call for measure 2.2 “Productive investments in aquacultures”, sector “Small projects” was opened. It is directed towards the modernization of existing aquaculture farms, increasing their competitive ability and improvement of the labour conditions. Among the eligible activities are investments, which lead to lesser use of water, decrease the chemical use and antibiotics, and promote the use of renewable energy sources. An opportunity is provided for diversification of the income of the farms by means of development of additional activities, such as increase of the knowledge in the area of aquaculture and environmental protection.

The call under measure 2.2 “Productive investments in aquacultures”, sector “Small projects” was closed on 25.10.2016. The budget of the call is BGN 2 000 000. 17 project proposals were submitted to the total value of BGN 1 370 346. 19. The amount of the Grant is BGN 679 533.09. Two project proposals were not admitted for technical and financial assessment (TFA). The thus approved amount for support was for 15 project proposals to the amount of BGN 579 766.85.

On 24.02.2017 the call under Measure 2.2 “Productive investments in aquacultures”, Sector “Recirculation systems” and sector “Construction of new, as well as expansion and modernization of existing aquaculture farms” was given a start.

The activities, provided in measure “Productive investments in aquacultures in terms of the construction and modernization of the sites and diversification of the income of the aquaculture enterprises, will contribute for the improvement of the competitive abilities and viability of the enterprises in the aquacultures sector, including improvement of occupational health and safety.

The total amount of Grants under the procedure is BGN 16 872 000, of which BGN 12 654 000 are co-funded by EMAFF and BGN 4 218 000 come from the national budget.

The deadline for the submission of project proposals is 25.05.2017. 65 project proposals were submitted, of which 2 – after the announced deadline for submission, while 4 were withdrawn. The total value of the 59 project proposals subject to evaluation for administrative compliance and eligibility is BGN 70 869 548,21, while the amount of the Grant – BGN 30 482 069. 11. The indicative date for the end of the assessment is 08.09.2017.

Priority 3 of the EU: “Enhancing the implementation of the Common Fishery Policy in the Fisheries Sector”

On 20.12.2016 the call under measure 3.2 “Collection of data under the National Program for collection and management of data from the Fisheries Sector 2014-2016” has started.

The Directorate “Maritime activities and fishery” in its capacity of a MA of the MAFP 2014-2020 invites EAFA, in its capacity of a particular beneficiary to present a project proposal under the procedure by means of direct provision BG14MFOP001-3.002.

The indicative budget under the procedure is BGN 1 200 000. 00. The received project proposal by EAFA is to the amount of BGN 1 23 920. 76. The approved amount for assistance is BGN 1 123 920,76.

The application of measure 3.2 Collection of data under the National Program for collection and management of data from the Fisheries Sector 2014-2016” will contribute for the achievement of the specific objective “Improvement and provision of scientific knowledge, as well as improvement of the collection and management of data”. By the implementation of this measure the collection, management and use of primary

biological, technical, environmental and social-economic data within the National program for collection, management and use of data in the Fisheries sector 2014- 2020 will be supported.

Priority 4 of the EU: Employment growth and territorial cohesion

On 23.11.2016 a call was launched under measure 4.1 “Preparatory aid for strategies for Community Lead Local Development” (CLLD).

The application of this measure 4.1 “Preparatory aid for strategies of CLLD” is to increase the participation of the fisheries and aquaculture sectors in the sustainable development of the coastal and inland fishing regions and to guarantee the full use of the opportunities, which CLLD offers. The implementation of the activities under this measure aims to contribute to the preparation of strategies for CLLD, which will lead to the enhancement of the economic growth, social inclusion, the opening of new jobs and the providing of support for the eligibility for jobs in the communities in the coastal regions and the regions of the inland water basins, which depend on fishery and the production of aquaculture, including diversification of the activities within the fishery sector, as well as in other sectors of the maritime economy.

The total amount of the Grant is BGN 821 749. The financial aid for the performance of eligible expenses for performing the activities defined in the application for declaration of interest amounts to the BGN equivalent of EUR 25 000 or BGN 48 895.75.

The deadline for submission of project proposals is 22.01.2017. 16 project proposals were submitted to the total amount of BGN 744 762, while the amount of the Grant is BGN 744 762. Two project proposals were not admitted to TFA(territorial financial assistance). Thus the approved amount for support was for 14 project proposals to the amount of BGN 647 041.

Priority 5 of the EU: Enhancing the supply on the market and the processing

On 18.07.2016 the call for applications under measure 5.4 “Processing of the products from fishing and aquacultures” was initiated. The measure aims to support the modernization of fish processing enterprises, the implementation of new products, the improvement of occupational health and safety and adding value to the products of fishing and aquaculture. The total amount of the Grant is BGN 10 mln.

The maximum amount of the eligible Grants for one beneficiary and its related persons under the measure for the total program period is BGN 1 400 000.

The deadline for the submission of the project proposals was 16.10.2016, 28 project proposals were submitted to the total value of BGN 44 717 779.67. The amount of the Grant was BGN 20 695 812.64. 15 project proposals have passed the assessment.

At the end of 2016 the call was initiated under *measure “Technical assistance”* with a budget for the call BGN 5 500 000. Five budget lines were submitted to the total amount of BGN 5 479 394, out of which BGN 315 866 were paid.

Table VII.8. Closed calls under OPFSD 2014-2020 as of 30.06.2017

Measure	Budget of the call(BGN)	Received project proposals	Total value of the submitted project proposals	Grant	Passed through the stage of TFA	Number of approved applications	Approved amount for support	Indicative deadline for assessment report	Paid amounts
1.3. “Final cessation of the fishing activities” “	1 681 036	11	632 079,0	632 079	n/a	n/a	n/a	n/a	n/a
2.2.Productive investments in the aquacultures – small projects	2 000 000	17	1 370 346,2	679 533	15	15	579 767	01.06.2017	0

Measure	Budget of the call(BGN)	Received project proposals	Total value of the submitted project proposals	Grant	Passed through the stage of TFA	Number of approved applications	Approved amount for support	Indicative deadline for assessment report	Paid amounts
2.2. Productive investments in the aquacultures – large projects	16 872 000	59*	70 869 548,2	30 482 069	0	0	0	08.09.2017	0
5.4.Processing of the products from fishing and aquacultures	10 000 000	28	44 717 779,7	20 695 813	15	0	0	30.06.2017	0
4.1.Preparatory support for strategies of CLLD	821 749	16	744 762,0	744 762	15	14	647 041	26.05.2017	0
3.2.Collection of data	1 200 000	1	1 123 920,8	1 123 921	1	0	1 123 921	06.06.2017	0
7.1.Technical assistance	5 500 000	5	5 479 394,0	5 479 394	5	5	5 479 394	n/a	315 866
Total:	38 074 812	137	124 937 829,8	59 837 570	51	34	6 126 435		315 866

Source: Ministry of Agriculture and Food, MAF directorate

Note: *The amount is for 59 project proposals from total 65 submitted (two are outside the deadline for application and four are withdrawn).

Table VII.9 Current calls under OPFSD 2014-2020 as of 30.06.2017

Measure	Date of opening of call	Budget for the call (BGN)	Received project proposals	Deadline for application	Deadline for appointment of the assessment commission	Deadline for assessment of the project proposals
1.8 „Fishing ports, quays for unloading, fishing markets and boat shelters”	23.03.2017	10 400 000	0	30.09.2017	16.10. 2017	within 3 months of the appointment of the Evaluation Committee
Total		10 400 000	0			

Source: MoAF, MAFD

Table VII.10 Future calls under PFSD 2014-2020 until the end of 2007

Measure	Planned opening of the call	Total budget under the measure (BGN)	Balance after first call	Budget of the call scheduled for 2017 (BGN)	Balance after pending call 2017 (BGN)	Deadline for applications
*3.1. Control and implementation	July	14 542 922,1	n/a	14542922,1	0	n/a
*3.2. Collection of data	July	9 737 881,987	8 613 961,23	5 000 000	3 613 961,23	n/a
4.2 „Implementation of strategies for community lead local development”	July	34 107 073,07	n/a	34 107 073,07	0	90 days after call
1.7 Added value, quality of the products and use of the unwanted catch	July	8 752 355,581	n/a	8 752 355,581	0	90 days after opening of call
1.8 Fishing ports, quays for unloading, fishing markets and boat shelters	November	25 621 200,2	15 221 200,20	15 221 200,20	0	90 days after opening of call
*2.2. Productive investments in the aquaculture, Small projects sector	September	38 872 121,25**	21 320 588,16**	1 000 000	20 320 588,16**	60 days after opening of call
2.3. stimulating the establishment of new aquaculture producers,	October	16 624 555	n/a	16 624 555	0	90 days after opening

Measure	Planned opening of the call	Total budget under the measure (BGN)	Balance after first call	Budget of the call scheduled for 2017 (BGN)	Balance after pending call 2017 (BGN)	Deadline for applications
which develop sustainable aquacultures						of call
2.5 . Aquacultures, providing environmental services	December	11 001 543,75	n/a	n/a	n/a	90 days after opening of call
5.3 Measures for market supply	September	1 897 155,1	n/a	1 897155	0	90 days after opening of call
*5.4 Processing of the products from fishing and aquaculture	September	21 416 338,5	11 416 338,50	10 000 000	1 416 338,5	90 days after opening of the call
Total		182 573 146,5	56 572 088.09	104 648 897	25 350 887,89	

Source: MoAF, MAFD Notes: *Measures not included in IAWP for 2017, but offered by CC for voting and for which decision was taken to be included in IAWP for 2017; ** The indicated amounts refer to the whole measure 2.2 "Productive investments in aquacultures"

On 21.04.2017 a written procedure for amendment of OPFSD was initiated with several stages of approval – by the Monitoring Committee, the Council for Coordination of the Management of Funds of the EU, by the Council of Ministers and by the European Commission.

5. Common policy in the field of fisheries

The policy in the area of fishery has for its aim the establishment of conditions for sustainable development of the fishing and aquaculture. It includes measures and actions for stimulating environmentally sustainable, innovative, competitive and based on knowledge fisheries and aquacultures, characterized by efficient use of the resources. The application of the common policy in the area of fisheries contributes to environmental preservation, protects the biodiversity in the water ecosystems in Bulgaria, supports the recovery and maintenance of optimum reserves of precious species of fish in the natural waters.

In 2016, the "Common Fisheries Policy (CFP) directorate of MAF has undertaken a number of actions to achieve sustainable development in the Fisheries Sector, as well as to introduce measures for the protection and recovery of the fish resources.

In order to protect the populations of fish and other aquatic organisms temporary bans for fishing in natural and artificial water facilities were introduced in 2016 on the territory of all of the country and also bans on the exploitation of the fish populations. For the term of five years, as of 01.01.2016, the ban on catching, moving, transporting and sale of sturgeon fishes and their products, caught in the Bulgarian aquatory of the Danube River and the Black Sea was prolonged.

In view of the effective application of the European and the national legislation for the Fishery Sector (which includes commercial fishing, recreational fishing, aquacultures), in 2016 a number of normative acts were developed (Law for amendment of the Law on Fishery and Aquaculture(LFA), Regulation No. 18 of 4.11.2016 on the content of the technological description and the technological scheme for the production of aquacultures, Ordinance for amendment of Regulation no. 37 of 2008 for the use of the dams, state-property, in fishing terms and the rules for performance of commercial, recreational fishing and aquacultures on the sites – state property under art. 3 par. 1 of LFA, and etc.)

A higher degree of agreement was reached of the national policy in the area of the fishery with the policies in the areas of waters and the protection of the biological diversity, by means of participation in the development of the part, concerning the fishery and aquacultures in the Program of measures for reaching and maintenance of the good state of the water environment, in connection with the application of the Framework directive for maritime strategy 2008/56/EC, and Plans for Management of the River Basins 2016-2021 and the Programs of measures to them.

In October 2016 the third regular session of the Consultative Committee for Fishery was conducted, whose basic task is the identification of the existing problems in the sector, the preparation of recommendations and proposals for timely and scientifically grounded decisions.

Activities in 2017:

- Introduction of a temporary ban on fishing in the fishery sites under art.3, par.1, items 1 and 2 of LFA in the breeding season of the fisher (by order of the Minister of Agriculture, Food and Forests)
- Conducting of a meeting of the Consultative Committee on fishery to the Minister of Agriculture, Food and Forests;
- Discussing the quotas for sprat and turbot in 2018;
- Discussion of additional measures for the management of commercially valuable species in the Black Sea (turbot, sprat, Black Sea spiny dogfish, veined Rapa walk, White clam).

SECTION B

PRIORITIES AND OBJECTIVES OF THE POLICY IN THE AGRARIAN SECTOR, MEASURES AND ACTIONS FOR THEIR FULFILLMENT IN 2018

The state policy in the agrarian sector aims at increasing the competitiveness of Bulgarian agriculture and improving the working conditions and quality of life in the rural areas, while efficiently using the EU funds, sustainable management of the natural resources and high standards for food safety. The priorities and policy objectives in the agricultural sector, measures and actions for their achievement in 2018 set out in this section are in accordance with the National Development Programme: Bulgaria 2020 and the Government program for sustainable development of the Republic of Bulgaria 2017 - 2021.

PRIORITY 1

ACHIEVING SUSTAINABLE, COMPETITIVE AND MARKET-ORIENTED AGRICULTURE

TARGET 1: PROVIDING FIANCIAL AID WITH FOCUS ON THE SMALL AND MEDIUM-SIZED ENTERPRISES AND STIMULATING A PROFITABLE AGRICULTURAL PRODUCTION AND EQUALITY ON THE MARKET

MEASURE:

Optimal utilization of the European funds for assistance

ACTIONS:

- Contracting and payment of the funds under the Program for development of the rural areas 2014-2020 in keeping with the deadlines, provided in the indicative annual program for 2018, reducing of the deadlines for processing of documents by the administration and simplification of the application procedures.
- Supporting the small farms that have a potential to increase their production and enter the market by a Thematic sub-program for the small agrarian farms under PDRA 2014-2020.
- Establishment of conditions for successful conducting of the Campaign 2018 under the direct payments of the First Priority Pillar of CAP.
- Applying the National Program for supporting the vineyard and winery sector in Bulgaria 2014-2018.
- Applying the National Program for bee-keeping 2017-2019.

MEASURE:

Keeping of the existing and introduction of new schemes for state assistance and providing financial resources for the application of schemes for transitional state aid in the plant production and in the animal breeding

ACTIONS:

- Enhancement of the investment process in agriculture (by means of tax alleviations for investment in the agricultural farms; support for construction of farmers' markets; indirect by means of providing discounts from the value of the excise tax on gas oil, and etc.)
- Stimulating the increase on the productivity and the quality of the produce in plant cultivation and animal breeding (Schemes for protection of the genetic resources and the use of quality seeds; schemes for undertaking commitments for humane treatment of pigs and birds, and etc.)
- Implementation of schemes for state aid to promote the participation of agrarian producers in international fairs and exhibitions.

- Providing financial resources for the implementation of schemes for transitional government aid in the plant cultivation and in animal breeding.

TARGET 2: CONTINUATION OF THE POLICIES OF BALANCED AND DIVERSIFIED AGRICULTURE

MEASURE:

Prioritization of the intensive sectors in agriculture to overcome the structural disbalance in the branch.

ACTIONS:

- Implementation of schemes coupled to the production under the First Pillar of the Common Agricultural Policy for priority assistance of the intensive sectors “Animal Breeding”, “Fruits and Vegetables”, “Protein crops”.

MEASURE:

Optimization of the land relations to guarantee the efficiency of land use and increase of the income from agricultural activity

ACTIONS:

- Adopting amendments in the normative regulations, regulating the public relations in the sphere of the property and use of land.
- Promotion of the voluntary land consolidation for the purposes of agrarian production.
- Efficient management of the state agricultural fund.

MEASURE:

Establishment of optimum conditions for the development of efficient irrigation farming and prevention of the risk of floods, disasters and accidents.

ACTIONS:

- Performance of activities for reconstruction and building the necessary infrastructure for protection from the harmful impact of the waters;
- Implementation of investment projects in irrigation and protection from the harmful impact of waters under PDRA 2014-2020 (submeasure 4.1 “Investments in agricultural farms”) for investment expenses related to irrigation within the agricultural farms.
- Recovery of Irrigation Systems EAD, guaranteeing the development of the hydro meliorations.

MEASURE:

Enhancing the development of organic agriculture

ACTIONS:

- Strengthening of the control for observing the requirements for production of organic products, with the purpose of increasing the users’ trust.
- Implementation of Measure 11 “Organic Agriculture” under the PDRA 2014-2020.
- Promotion of the merits of the organically produced food and products for the human health and the organic approach to production, which protects the environment and preserves the natural resources.

TARGET 3: SUCCESSFUL HOLDING OF THE BULGARIAN PRESIDENCY OF THE EU COUNCIL AND UPHOLDING THE POSITIONS OF BULGARIA FOR STRONG AND ADEQUATE CAP AFTER 2020

MEASURE:**Providing continuity of the work performed by the Estonian Presidency****ACTIONS:**

- Close cooperation with the team of the Estonian presidency and the General Secretariat of the Council of the EU with the purpose of coordination of the approaches for action.
- Close cooperation with the European Commission and the European Parliament with the purpose of forecasting the development of the separate subjects and records.
- Comprehensive monitoring of the discussions and the positions of the member states under the separate subjects and records, expressed in different formats.

MEASURE:**Protection of the national interest while observing the principal of neutrality of the Presidency****ACTIONS:**

- Directing and focusing the discussions on identified priorities for Bulgaria:
 - reform of the Common Agricultural Policy after 2020;
 - increasing the readiness of the European Union to cope with the risks of spreading of recently considered exotic diseases on animals on the territory of the EU;
 - humane treatment of animals during transportation;
 - activation of the efforts under the implementation of the priorities in the Strategy of the EU about the forests,
 - guaranteeing the interest of all the interested member states, which perform fishing activities within the framework of bilateral agreements and the Regional organizations for Fishery management;;
 - Discussion of the opportunities for fishing in 2019, in view of the preparation by the EC of proposals for regulations for the fishing opportunities in 2019, in different water basins, including in the Black Sea.

MEASURE:**Achieving visibility of the Bulgarian Presidency****ACTIONS:**

- Participation of Bulgaria as a partner state in Green Week 2018 in Berlin – the most prestigious and leading in the world event for presenting of agricultural and food products – 19-28 January 2018
- Conducting informal and public events and meetings in Bulgaria:
 - Informal meeting of the Ministers of Agriculture (3-5 June 2018, Sofia);
 - Public meeting of the Special Committee for Agriculture (3-5 June 2018, Sofia – traditionally this meeting is conducted in parallel with the informal meeting of the ministers);
 - Public meeting of the Main Veterinary Employees (24-27 April 2018, Sofia);
 - Informal meeting of the Workgroup of the chairmen of phytosanitary employees (2-4 May 2018, Sofia);
 - Informal meeting of the Working group of CEOs in forestry in the EU (11-13 April 2018, Sofia);
 - Informal meeting of the Workgroup of the CEOs in fishery (5-7 June 2018, Burgas);
 - 43rd conference of the directors of paying agencies in the EU (16-18 May 2018, Sofia);

- Conference for regionalization of the diseases in animals – Cross-border deceases in animals, current for the EU (26-27 March 2018, Sofia);
- Joint managing committee on veterinary agreement with Canada (28-30 March 2018, Sofia);

TAREGT 4: APPLYING A COMPLEX APPROACH FOR THE PREVENTION AND MANAGEMENT OF RISKS AND CRISES

MEASURE:

Improvement and enhancing the efficiency of the system combating hailstorms

ACTIONS:

- Continuing the expansion of the system for combating hailstorms.

MEASURE:

Use of the state aid system to compensate the losses of the farmers as a result of unfavourable natural, climatic and economic conditions

ACTIONS:

- Implementation of a Scheme for state aid for co-funding of insurance premiums in the insurance of the agricultural produce.
- Implementation of a Scheme for state aid to compensate losses being the result of unfavourable climatic conditions.
- Implementation of a Scheme for state aid to compensate pecuniary damages from perished farm animals and destroyed beehives as the result of natural disasters.
- Implementation of Schemes to compensate losses as the result of diseases on plants and animals.

TARGET 5: HIGH LEVEL OF PROTECTION OF THE HEALTH OF ANIMALS AND PREVENTION AGAINST DISEASES

MEASURE:

Strengthening of the official control, guaranteeing the effective application of the normative regulations

ACTIONS:

- Conducting of a regular, based on risk assessment, official control in the area of animal breeding at all stages and units in the production chain, processing, storage, import, transportation, distribution, including feeding of the animals.

MEASURE:

Establishing conditions for conducting adequate prevention of the commercially important diseases in the animals and more effective organization in order to quickly overcome the burst outbreaks of diseases

ACTIONS:

- Implementation of the planned events in the State Prevention Program and programs for surveillance of animal diseases
- Efficient communication with branch organizations and all the stakeholders, of relevance to the breeding of animals, their humane treatment and their healthcare.

MEASURE:

Motivation and compliance in observing the requirements for humane treatment of animals

ACTIONS:

- Performance of checks for observing the normative requirements for humane treatment of animals, which provides the quality of the obtained products of animal origin.
- Use of the opportunities of the state aids for promoting the humane treatment of animals.
- Assistance under the PDRA 2014-2020, measure 14 “Humane treatment of animals”.

MEASURE

Speeding up the introduction of the new requirements towards the means for identification of the animals and the bee families

ACTIONS:

- Introducing amendments to the Veterinary Medicine Act, concerning the activities for identification of the animals and tracing their movement in the country and on exercising official control in this respect.
- Introduction of the use of an electronic identifier.

MEASURE:

Providing an adequate system for collection and disposal of animal by-products

ACTIONS:

- Implementation of the measures of the action plan for disposal of animal by-products.

TARGET 6: SCIENCE AND INNOVATION IN AGRICULTURE – AN INSTRUMENT TO GENERATE INNOVATIVE POLICIES IN THE AGRARIAN SECTOR AND AN INTELLECTUAL CENTER OF BULGARIAN AGRICULTURE ACCESSIBLE FOR BUSINESSES

MEASURE:

Transforming the national agrarian scientific branches into driving force for innovations in the agrarian business

ACTIONS:

- Modernization of the scientific infrastructure.
- Applying measures from PDRA 2014-2020 for financial support for the cooperation with the scientific community in order to implement innovative agricultural solutions and practices
- Conducting clarifying information events, including seminars and meetings and consultations with agrarian producers for clarifying the advantages and the opportunities for modernization of the farms and the implementation of innovations, including in the small and medium-sized farms.

MEASURE:

Restructuring of the Agricultural Academy

ACTIONS:

- Development of a new law and change of the way of financing and management of the Agricultural Academy for implementation of the policies in the area of agrarian sciences.

MEASURE:

Increasing the professional qualification and knowledge of the farmers

ACTIONS:

- Organization and conducting of training of the farmers, including by long-term and short-term courses and information activities.
- Providing access of the farmers to important agrarian information by organizing on a local level (municipal and towns and villages) of seminars, information events, consultant days/public reception offices and media participation.
- Providing counselling services to the farmers in various fields ((assessment of the farm and introducing improvements in connection with the EU standards concerning health and safety; the correct use of products for plant protection according to the principles of the good plant protection practices; agrarian practices in favour of the climate and the environment, and etc.), specialized councils in the area of plant production and animal breeding, as well as advice on how to make the correct decisions for management of the farm.
- Improvement of the efficiency of the system for advice in agriculture.

TARGET 7: CREATION OF CLEAR RULES FOR FUNCTIONING OF THE BRANCH ORGANIZATIONS IN THE AGRARIAN SECTOR AND REGULATION OF THEIR RELATIONS WITH THE STATE BODIES AND LOCAL AUTHORITIES

MEASURE:

Normative regulation of the relations between the representative organizations of the farmers and the state bodies and local authorities

ACTIONS:

- Adoption of a Law for the branch organizations, which clearly defines and identifies the representative structures of the branch and regulates the relations between them and the state.

TAREGT 8: PROVIDING INSTITUTIONAL SUPPORT AND ELECROIZATION OF THE ADMINISTRATION IN THE SECTOR TO MITIGATE THE ADMINISTRATIVE PROCEDURES AND PROVIDE A TRANSPARENT, ACCESSIBLE, OBJECTIVE AND EFFICIENT MANAGEMENT OF THE ADMINISTRATIVE PROCESSES.

MEASURE:

Development of the electronic management and improvement of the administrative services in the system of the Ministry of Agriculture, Food and Forests.

ACTIONS:

- Expanding the scope of the administrative services provided by the MoAFF structures electronically.
- Improvement of the access to information, collected and summarized by the system of MoAFF.
- Publishing information and collected data on the open data Portal.
- Introduction of a unified electronic register of the agrarian land properties and the farmers.
- Introduction of a unified electronic platform for management of the lands of the municipal and state agricultural fund – renting and sale by MoAFF and the municipalities.
- Development of a unified information system in the Agriculture Sector in compliance with the strategic goals, defined in “Strategy for development of the electronic management in the Republic of Bulgaria 2014-2020.

PRIORITY 2:

SUSTAINABLE DEVELOPMENT OF THE FOOD SECTOR

TAREGT 1: GUARANTEEING THE QUALITY AND SAFETY OF FOOD

MEASURES: Simplification of the legal framework for guaranteeing consumer protection by means of offering safe food on the market and reducing the informal (grey) sector in the production, processing and distribution of food

ACTIONS:

- Adoption and application of a new Law on Foods.

TARGET 2: SUSTAINABLE MARKET DEVELOPMENT OF THE FARMERS

MEASURE:

Strengthening the role of the producers along the food chain of supply

ACTIONS:

- Promotion of the use of resources produced on the territory of the country.
- Increasing of the share of the food produced in Bulgaria, offered through the commercial network, stimulation of the good and limitation of the bad faith trade practices in the food chain of supply.
- Improvement of the opportunities for presentation and supplying of Bulgarian food produced under BDS (established or branch standards) in the commercial establishments, as well as food and wine with protected geographical indication or protected name of origin.
- Strengthening the role of the state in the support of export of agricultural produce from the country by expert administrative and technical support.
- Creating opportunities for construction of farmers' markets on the territory of the municipalities, which would shorten the road of the produced agricultural products to the end consumer.
- Organization, conducting and providing effective administration of the procedures for approval and registration of agrarian products and food with protected geographical indications and with traditional specific character (quality schemes).
- Conducting campaigns for clarification of the advantages of the quality schemes.
- Support of the activity of the organizations of producers and groups of producers by European and national funding.
- Application of the European schemes for providing milk and fruit in the educational establishments.
- Promoting of the opportunities, provided by the promotional programs, for the establishment and entering of Bulgarian products on the new markets.

PRIORITY 3:

MULTIFUNCTIONAL AND SUSTAINABLE FOREST MANAGEMENT

TARGET 1: SUSTAINABLE USE OF TIMBER

MEASURE:

Reduction of the use of the fully grown forests according to the objectives and regimes for management and increasing the care for raising the young plantations

ACTIONS:

- Priority conducting of the sanitary and protective forest events to support the good health condition of the forests.

- Gradual reduction of the levels of use of timber from the fully grown forests on the grounds of performed national inventory and partial inventories.
- Increase of the volume of the thinnings to improve the condition of the young forests and development of the green economy.

TARGET 2: DEVELOPMENT OF THE LAGGING BEHIND FOREST AREAS AND IMPROVEMENT OF THE QUALITY OF LIFE IN THE FOREST AREAS

MEASURE:

Improvement of the conditions for development of the small and medium-sized businesses in the forest industry (timber harvesting and timber processing)

ACTIONS:

- Continuing the measure for preferential providing of timber resources to Bulgarian and local processors.
- Stimulation of the conclusion of long-term agreements for harvesting and sale of timber.
- Increasing the share of the sales of timber from the public forests by electronic tenders.

TARGET 3: SUSTAINABLE MAINTENANCE, PROTECTION AND INCREASE OF THE FOREST RESOURCES IN THE COUNTRY

MEASURE:

Improving fire safety in the forests

ACTIONS:

- Completion of the Unified system for fire preventive video surveillance in the forest territories.

MEASURE:

Recovery of vulnerable and damaged forest areas

ACTIONS:

- Increase of the investments and the forest cultivation activities.

TARGET 4: INCREASE OF THE EFFICIENCY AND EFFECTIVENESS OF MANAGEMENT OF THE PUBLIC FORESTS TO DEVELOP A NATIONAL GREEN ECONOMY AND A MODERN FOREST INDUSTRY

MEASURE:

Increase the efficiency and profitability of the forest activities in the state forests by investments in modern environmentally safe equipment, strengthening of the scientific research and introduction of innovative technologies in the forest sector

ACTIONS:

- Creation of stimuli for the development of the green economy, based on market principle – research, analysis, and assessment of the opportunities of the Bulgarian forest for harvesting biomass for energy purposes.

TAREGT 5: DEVELOPMENT OF THE HUNTING FARMS AND PROTECTION OF THE GAME RESERVES

MEASURES:

- Creation of a new Law for the protection of the game and hunting, which meets the modern challenges before the hunting activities, the hunting sport and with care for the game populations.

- Transforming Bulgaria into a European center for prevention and combating the diseases on the game by means of cooperation with CIC (The International Council for game protection), EFSA (The European Food Safety Agency), RDF and the national hunting associations.

TARGET 7: INTRODUCTION OF A CONCEPT FOR PAYMENT OF ECOSYSTEM SERVICES FROM THE FOREST BY MEANS OF THE REGIONAL PLANS FOR DEVELOPMENT OF THE FOREST TERRITORIES AND THE ORDINANCE UNDER ART. 249 OF THE FOREST ACT

MEASURES:

Value determination of the ecosystem services and providing utilization of funds from the EU for compensation of the owners of forests in Natura 2000

ACTIONS:

- Introduction of the Ordinance under art. 249 of the Forest Act.
- Starting Measure 15 “Ecological services and services in connection with the climate in the forest farms and protection of the forests” from the PDRA.

MEASURE:

Supporting the policies in the sphere of the biodiversity and disasters prevention

ACTIONS:

- Mapping and adding to forests to the network of old forests, which have a high conservation value, recreational and protective forests.

PRIORITY 4:

DEVELOPMENT OF THE FISHERY AND AQUACULTURE SECTOR BY MEANS OF SUSTAINABLE USE OF THE NATURAL RESOURCES AND PROTECTION OF THE ECOSYSTEMS FROM OVER-EXPLOITATION WHILE TAKING INTO ACCOUNT THE HIGH SOCIAL FUNCTION OF FISHING IN THE COASTAL REGIONS

TARGET 1: PROTECTION OF THE RESOURCES AND PROTECTION OF THE ECOSYSTEMS IN THE BLACK SEA

MEASURE:

Preparation and implementation of a program for scientific research of the impact from commercial fishing on the ecosystems in the Black Sea

ACTIONS:

- Conducting scientific research for collection and analysis of technical, biological and business data in the Fishery Sector, contributing to the protection, management and exploitation of the live water resources.
- Reporting the collected and processed data of the EC according to the requirements of the European legislation.
- Active partnership with scientific institutes for conducting joint research by collecting data for the Fishery Sector.

MEASURE:

Active prevention of the illegal, unregulated and non-declared fishing, including by means of introducing modern technologies for remote monitoring of fishing vessels.

ACTIONS:

- Undertaking steps for modernization of the equipment and the technologies to perform control in the Fishing

Sector.

- Increasing of the administrative capacity of the employees, responsible for the surveillance and control of the fishing activities.
- Providing publicity in terms of the issued licenses for commercial fishing and the established violations.

TARGET 2: COMPETITIVE AND STABLE FISHERY SECTOR

MEASURE:

Improvement of the conditions for unloading and mooring of the fishermen's boats

ACTIONS:

- Application of Measure 1.8 "Fishermen's ports, quays for unloading, fish markets and boat shelters" from MAFP 2014-2020.

MEASURE:

Supporting the initiatives for investments for storage on the board of the ship for own processing and selling of the catches

ACTIONS:

- Implementation and promotion of the measures under the Marine Affairs and Fisheries Programme 2014-2020, related to the performance of investments for storage on the board of the ship for own processing and selling of the catches.

MEASURE:

Support of the small scale fishing in the Black Sea and the Danube River

ACTIONS:

- Implementation of stimuli for diversification of the revenues and providing opportunities for increasing the added value of the fishing activity by MAFP.

TARGET 3: COMPETITIVE AND SUSTAINABLE AQUACULTURE FARMS

MEASURES:

Supporting the initiatives for investments for construction and modernization of aquaculture farms and reducing the administrative burden in exercising their activities

ACTIONS:

- Implementation and promotion of the measures under the Marine Affairs and Fisheries Program 2014-2020, related to the support for investments in the aquacultures, processing and market realization of the products from the sector.
- Stimulating the diversification of the species, raised in the aquaculture farms and the introduction of innovative approaches for intensive breeding of precious species of fish and aquatic organisms.
- Mitigating the administrative procedures for registration and reporting of the activities of aquaculture farms.

PRIORITY 5:

MOBILIZING THE POTENTIAL OF THE RURAL AREAS TO ACHIEVE A BALANCED SOCIAL AND TERRITORIAL DEVELOPMENT

TARGET 1: DIVERSIFICATION OF THE ECONOMY OF THE RURAL AREAS AND HIGH LEVEL OF EMPLOYMENT OF THE LOCAL POPULATION

MEASURES:

- Promotion of the start and development of business activities IN the form of new farms, new enterprises, new investments in non-rural activities.
- Stimulating the local development by applying the approach “Community Lead Local Development/Leader”.

TARGET 2: IMPROVEMENT OF THE QUALITY OF LIFE IN THE RURAL AREAS**MEASURES:**

- Stimulating the construction of the local infrastructure, include broadband infrastructure and modernization in the villages.
- Stimulation of the supply of local basic services.
- Promoting the protection of the local cultural and natural heritage.

To implement the measures and reach the objectives of the agrarian policy in 2018, a complex of instruments will be applied for financial aid with European and national funds.

This includes basically direct payments and market support under Pillar 1 of the Common Agricultural Policy, funded by the European Fund for guaranteeing the agriculture and implementing the measures of the Rural Development Program for the period 2014-2020 (Second Pillar of the CAP), funded by the European Agricultural Fund for development of the rural areas.

The development of sustainable fisheries and the production of aquacultures will be supported under the Marine Affairs and Fisheries Program for the period 2014-2020, funded by the European Marine Affairs and Fisheries Fund. Despite the limitations of the state budget, the sustainable development of agriculture will be assisted also by national resources – by schemes for transitional national assistance, supplementing the support with European funds under Pillar 1 of the CAP and state aid.

In total, for the program period 2014-2020 it is expected that the country will utilize about € 7.5 billion euro in the agrarian sector. To support the revenues of the agrarian farms during the present program period more than 5 billion euro European funds will be provided in the form of direct payments. More than € 2.2 billion will be allocated for the development of the rural areas and investments in agriculture under the Rural Development Programme 2014-2020.

The budget proposed by State Fund “Agriculture” for state aid in agriculture for 2018 amounts to ca. BGN 150 million.

ANNEXES

Code	Products	Current prices															
		Gross production	Losses	Initial reserves	Used in the unit			Processed by producers	Self-utilization	Sales			Sales - Total	Production of goods from main capital at own expense	end reserves	Change in the reserves	End production
					Seeds and plant propagation material	Feed additives	Other			In country		abroad					
										within the industry	outside the industry						
a	6	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
07.1	Table wine																
09	Other crop plants	32,3	2,0	28,0	1,3					6,7	20,2	11,5	38,4		18,6	-9,5	29,0
09.2	Seeds	25,9	2,0	28,0	1,3					0,3	20,2	11,5	32,0		18,6	-9,5	22,6
09.3	Other crop products	6,4								6,4			6,4				6,4
10	Production of crops	4953,0	4,8	1022,3	73,5	213,3	5,3	17,7	24,0	295,8	4183,0	55,1	4533,9		1102,8	80,0	4869,4
11	Farm animals	757,2		267,7					154,9		514,0		514,0	105,0	251,0	-16,7	757,2
11.1	Cattle	133,5		131,4					35,6		44,4		44,4	65,8	119,1	-12,2	133,5
11.2	Pigs	257,8		44,5					37,1		213,8		213,8	4,7	46,7	2,2	257,8
11.3	Horses	0,3		3,5							1,0		1,0		2,8	-0,7	0,3
11.4	Sheep and goats	131,8		38,9					37,8		67,5		67,5	34,5	30,9	-8,0	131,8
11.5	Birds	233,8		49,4					44,4		187,3		187,3		51,5	2,0	233,8
11.6	Other animals																
12	Livestock products	950,9	1,0	73,4		45,7	62,4	12,7	56,9	65,1	708,0		773,1		72,5	-0,9	841,8
12.1	Milk	673,2				45,6		12,4	30,5	30,4	554,3		584,7				627,6
12.2	Eggs	187,4	1,0	4,1		0,1	37,7	0,3	18,9	23,2	106,0		129,2		4,3	0,2	148,6
12.3	Other livestock products	90,3		69,3			24,7		7,5	11,5	47,7		59,2		68,2	-1,1	65,6
12.3/1	Greasy wool	3,0									3,0		3,0				3,0
12.3/2	Silkworm cocoons																
12.3/3	Other livestock products	87,3		69,3			24,7		7,5	11,5	44,7		56,2		68,2	-1,1	62,6
13	Livestock production	1708,1	1,0	341,1		45,7	62,4	12,7	211,8	65,1	1222,0		1287,1	105,0	323,5	-17,6	1599,0
14	Production of agricultural products (line 10 + line 13)	6661,1	5,8	1363,4	73,5	259,0	67,7	30,4	235,8	360,9	5405,0	55,1	5821,0	105,0	1426,3	62,4	6468,4
15	Production of agricultural services	439,8									439,8		439,8				439,8
16	Production of agriculture (line14 + line15)	7100,9	5,8	1363,4	73,5	259,0	67,7	30,4	235,8	360,9	5844,8	55,1	6260,8	105,0	1426,3	62,4	6908,2
17	Non-agricultural inseparable secondary activities	218,8							218,8								218,8
17.1	Agricultural products processing	218,8							218,8								218,8
17.1/1	- grains	29,5							29,5								29,5
17.1/2	- vegetables	22,6							22,6								22,6
17.1/3	- fruits	11,8							11,8								11,8
17.1/4	- wine	30,5							30,5								30,5
17.1/5	- livestock	52,4							52,4								52,4
17.1/6	- livestock products	65,6							65,6								65,6
17.1/6/1	- milk	65,6							65,6								65,6
17.1/7	- other	6,4							6,4								6,4
17.2	Other inseparable secondary products																
18	Production from Agriculture Industry (line10 +line13 + line15 + line17)	7319,7	5,8	1363,4	73,5	259,0	67,7	30,4	454,6	360,9	5844,8	55,1	6260,8	105,0	1426,3	62,4	7127,0

Source: NSI

* Data for 2016 are forecasted.

Annex 2

VALUE OF THE GROSS PRODUCTION AND GROSS ADDED VALUE FROM SECTOR "AGRICULTURE" (BY MANUFACTURER PRICES) FOR THE PERIOD 2014 -2016

(BGN mln.)

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
a	6	1	2	3	4	5
01	Grain crops	2 707,2	-7,1%	2 514,2	-5,2%	2 383,2
01.1	Wheat and spelt	1 607,4	-7,1%	1 493,4	-2,6%	1 454,4
01.1/1	Common wheat	1 585,9	-7,1%	1 473,9	-2,7%	1 433,7
01.1/2	Durum wheat	21,5	-9,3%	19,5	6,2%	20,7
01.2	Rye	7,2	-50,0%	3,6	2,8%	3,7
01.3	Barley	239,3	-9,5%	216,6	7,2%	232,2
01.4	Oats and grains	9,8	-41,8%	5,7	17,5%	6,7
01.5	Grain maize	778,7	-4,9%	740,2	-14,2%	635,0
01.6	Rice	39,0	-12,1%	34,3	10,5%	37,9
01.7	Other grains	25,8	-20,9%	20,4	-34,8%	13,3
02	Industrial crops	1 791,3	-1,1%	1 771,3	-0,1%	1 769,0
02.1	Oilseeds	1 537,5	0,6%	1 547,3	-2,6%	1 506,4
02.1/1	Rapeseed and colza	332,4	-11,4%	294,5	10,4%	325,1
02.1/2	Sunflower	1 203,4	2,4%	1 231,7	-5,2%	1 167,5
02.1/3	Soy	0,7	2757,1%	20,0	-36,0%	12,8
02.1/4	Other oilseeds	1,0	10,0%	1,1	-9,1%	1,0
02.2	Protein crops	11,1	73,0%	19,2	89,1%	36,3
02.3	Tobacco	162,6	-43,9%	91,2	-29,2%	64,6
02.4	Sugar beet	0,0		0,0		
02.5	Other industrial crops	80,1	41,8%	113,6	42,3%	161,7
02.5/1	Fibre crops	0,3	166,7%	0,8	175,0%	2,2
02.5/2	Hops	0,4	100,0%	0,8	25,0%	1,0
02.5/3	Other industrial crops	79,4	41,1%	112,0	41,5%	158,5
03	Feed crops	255,9	-50,8%	126,0	47,5%	185,9
03.1	Maize for silage	62,2	-33,1%	41,6	-25,7%	30,9

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
03.2	Root crops for feed	0,4	0,0%	0,4	-100,0%	0,0
03.3	Other feed crops	193,3	-56,5%	84,0	84,5%	155,0
04	Vegetables	282,4	-13,0%	245,7	-10,1%	221,0
04.1	Fresh vegetables	255,1	-9,1%	232,0	-12,4%	203,2
04.1/2	Tomatoes	111,4	-27,7%	80,5	-18,1%	65,9
04.1/3	Other fresh vegetables	143,7	5,4%	151,5	-9,4%	137,3
04.2	Flowers	27,3	-49,8%	13,7	29,9%	17,8
04.2/1	Plant nurseries	19,2	-50,5%	9,5	-29,5%	6,7
04.2/2	Ornamental plants, incl. Christmas trees	8,1	-48,1%	4,2	164,3%	11,1
04.2/3	Creation and growing					0,0
05	Potatoes	53,5	20,7%	64,6	-14,9%	55,0
06	Fruits	250,0	19,3%	298,2	2,8%	306,6
06.1	Fresh fruit	172,6	2,7%	177,3	23,1%	218,2
06.1/1	Apples	36,3	-34,4%	23,8	18,9%	28,3
06.1/2	Pears	2,3	13,0%	2,6	11,5%	2,9
06.1/3	Peaches	19,4	-10,8%	17,3	47,4%	25,5
06.1/4	Other fresh fruit	114,6	16,6%	133,6	20,9%	161,5
06.4	Grapes-all	77,4	56,2%	120,9	-26,9%	88,4
06.4/1	Table grapes	9,2	14,1%	10,5	7,6%	11,3
06.4/2	Other grapes	68,2	61,9%	110,4	-30,2%	77,1
07	Wine					
07.1	Table wine					
09	Other crop plants	66,1	-42,4%	38,1	-15,2%	32,3
09.2	Seeds	58,5	-45,8%	31,7	-18,3%	25,9
09.3	Other crop products	7,6	-15,8%	6,4	0,0%	6,4

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
10	Plant production	5 406,4	-6,4%	5 058,1	-2,1%	4 953,0
11	Farm animals	978,6	-5,5%	924,9	-18,1%	757,2
11.1	Cattle	167,4	-5,6%	158,0	-15,5%	133,5
11.2	Pigs	301,2	-7,8%	277,7	-7,2%	257,8
11.3	Horses	0,3	0,0%	0,3	0,0%	0,3
11.4	Sheep and goats	166,1	-0,5%	165,2	-20,2%	131,8
11.5	Poultry	340,1	-4,8%	323,7	-27,8%	233,8
11.6	Other animals	3,5	-100,0%	0,0		
12	Livestock products	1 219,1	-15,3%	1 032,7	-7,9%	950,9
12.1	Milk	916,5	-21,7%	718,0	-6,2%	673,2
12.2	Eggs	217,0	0,2%	217,4	-13,8%	187,4
12.3	Other livestock products	85,6	13,7%	97,3	-7,2%	90,3
12.3/1	Greasy wool	3,0	-10,0%	2,7	11,1%	3,0
12.3/2	Silkworm cocoons	0,0		0,0		0,0
12.3/3	Other livestock products	82,6	14,5%	94,6	-7,7%	87,3
13	Livestock production	2 197,7	-10,9%	1 957,6	-12,7%	1 708,1
14	Production of agricultural products (line10 + line13)	7 604,1	-7,7%	7 015,7	-5,1%	6 661,1
15	Production of agricultural services	512,4	-5,3%	485,2	-9,4%	439,8
16	Agricultural production (line14 + line15)	8 116,5	-7,6%	7 500,9	-5,3%	7 100,9
17	Non-agricultural inseparable secondary activities	320,8	-28,0%	230,9	-5,2%	218,8
17.1	Agricultural products processing	320,8	-28,0%	230,9	-5,2%	218,8
17.1/1	- grains	60,4	-14,6%	51,6	-42,8%	29,5
17.1/2	- vegetables	21,4	7,5%	23,0	-1,7%	22,6
17.1/3	- fruits	12,2	0,0%	12,2	-3,3%	11,8
17.1/4	- wine	30,3	0,7%	30,5	0,0%	30,5
17.1/5	- livestock	42,9	24,7%	53,5	-2,1%	52,4
17.1/6	- livestock products	147,2	-63,5%	53,7	22,2%	65,6
17.1/6/1	- milk	147,2	-63,5%	53,7	22,2%	65,6
17.1/7	- other	6,4	0,0%	6,4	0,0%	6,4

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
17.2	Other inseparable secondary activities					
18	Production from Sector Agriculture (line 10 + line 13 + line 15 + line 17)	8 437,3	-8,4%	7 731,8	-5,3%	7 319,7
19	Intermediate consumption	5 329,6	-6,6%	4 978,7	-7,8%	4 591,2
	Losses	9,4	-4,3%	9,0	-36,7%	5,7
19.01	Seeds and plant propagation material	261,1	7,6%	280,9	-2,5%	273,9
19.01/1	supplied by other agricultural farms	20,9	12,0%	23,4	15,8%	27,1
19.01/2	purchased outside the sector	139,7	7,7%	150,5	15,2%	173,4
	produced and consumed on the farm	100,5	6,5%	107,0	-31,4%	73,4
19.02	Fuels and oils	1 134,2	-0,3%	1 130,9	-3,1%	1 095,3
19.02/1	- electricity	90,7	-4,3%	86,8	-8,6%	79,3
19.02/2	- gas	28,7	-9,1%	26,1	-4,2%	25,0
19.02/3	- other fuels	1 010,9	0,3%	1 014,4	-2,6%	987,6
19.02/4	- others	3,9	-7,7%	3,6	-5,6%	3,4
19.03	Fertilizers and soil conditioners	417,2	-12,0%	367,2	-1,2%	362,7
19.03/1	supplied by other agricultural farms	8,4	2,4%	8,6	-14,0%	7,4
19.03/2	purchased outside the sector	408,8	-12,3%	358,6	-0,9%	355,3
	produced and consumed on the farm					
19.04	Plant protection products and pesticides	248,5	45,9%	362,5	-23,8%	276,2
19.05	Veterinary costs	287,2	-8,8%	262,0	-4,5%	250,3
19.06	Feed supplements	1 271,2	-19,9%	1 017,6	-6,5%	951,8
19.06/1	supplied by other agricultural farms	321,5	-9,1%	292,1	-4,1%	280,1
19.06/2	purchased outside the sector	407,1	3,4%	421,1	8,8%	458,3
19.06/3	produced and consumed on the farm	542,6	-43,9%	304,4	-29,9%	213,4
	Feed additives not included in the EAA	86,4	-32,5%	58,3	-21,4%	45,8
19.07	Maintenance and repair of machinery and small equipment	362,4	-8,8%	330,6	-4,5%	315,8
19.08	Building maintenance	177,7	-8,8%	162,1	-4,4%	154,9
19.09	Agricultural services	512,4	-5,3%	485,2	-9,4%	439,8
19.10	PHYSIM	85,2	8,1%	92,1	-17,3%	76,2
19.11	Other goods and services	476,7	-11,8%	420,3	-18,4%	342,8
	supplied by other agricultural enterprises	108,1	-12,3%	94,8	-51,2%	46,3
	purchased outside the sector	262,4	-8,8%	239,4	-4,5%	228,7
	produced and consumed on the farm	106,2	-18,9%	86,1	-21,3%	67,8
20	Gross added value by producer prices (line 18 — line 19)	3 107,7	-11,4%	2 753,1	-0,9%	2 728,5

Source: NSI

Calculations of change by yearly rates — MoAFF

* The figures for 2016 are projections, and for 2015 - preliminary.

ANNEX 3

INDICES OF THE PRODUCER'S PRICES, FOR YEARS (2010=100)

Indicators	API Code	Links	2010	2014	2015	2016
Grain crops	010000	1=2+5+6+9+10+11+12	100,0	114,1	118,7	109,4
Wheat and spelt	011000	2=3+4	100,0	120,2	122,5	109,0
Common wheat	011100	3	100,0	120,1	122,2	108,9
Durum wheat	011200	4	100,0	131,2	149,0	115,8
Rye	012000	5	100,0	120,3	121,8	127,2
Barley	013000	6=7+8	100,0	141,4	146,9	133,5
Barley for fodder	013100	7	100,0	139,2	147,2	131,9
Barley for brewery	013200	8	100,0	146,2	146,5	136,9
Oats	014000	9	100,0	147,5	165,5	140,2
Maize	015000	10	100,0	89,1	99,0	100,7
Rice	016000	11	100,0	136,7	129,2	108,4
Other grains	019000	12	100,0	118,3	125,2	115,9
Industrial crops	020000	13=14+19+20+21+22	100,0	111,5	132,5	128,9
Oilseeds	021000	14=15+16+17+18	100,0	108,7	131,3	124,6
Rapeseed and colza	021100	15	100,0	108,0	130,0	121,9
Sunflower seeds	021200	16	100,0	108,9	131,8	125,6
Soy	021300	17	100,0	137,6	85,4	92,5
Other oilseeds	021900	18	100,0	81,4	81,4	91,7
Grains with dried leguminous pods	022000	19	100,0	154,7	124,3	107,7
Raw tobacco	023000	20	100,0	109,7	111,1	121,5
Sugar beet	024000	21	-	-	-	-
Other industrial crops	029000	22=23+24+25	100,0	152,9	171,8	203,9
Fibre crops	029100	23	100,0	110,5	-	123,9
Hops	029200	24	100,0	132,1	123,7	392,1
Other industrial crops	029900	25	100,0	154,0	173,5	204,8
Feed crops	030000	26	100,0	132,9	124,8	107,5
Vegetables	040000	27=28+39	100,0	93,4	92,1	91,3
Fresh vegetables	041000	28=29+30	100,0	92,0	89,2	85,9
Tomatoes	041200	29	100,0	86,7	83,6	80,9
Other fresh vegetables	041900	30=31+32+33+34+35+36+37+38	100,0	93,5	90,7	87,2
White cabbage	041910	31	100,0	83,1	98,7	79,3
Cucumbers	041940	32	100,0	81,9	84,2	82,5
Carrots	041950	33	100,0	80,5	83,4	65,5
Onion	041960	34	100,0	70,4	77,3	66,9
green beans	041970	35	100,0	102,7	81,0	85,9
Legumen	041980	36	-	-	109,7	-
peas	041990	37	100,0	229,4	163,9	109,8
Other fresh vegetables: others	041999	38	100,0	107,6	90,7	100,8
Plants and flowers	042000	39	100,0	104,8	117,2	138,6

Indicators	API Code	Links	2010	2014	2015	2016
Potatoes	050000	40	100,0	80,0	84,2	85,9
Fruits	060000	41=42+52	100,0	102,9	102,2	100,5
Fresh fruits	061000	42=43+44+45+46	100,0	95,3	95,7	101,2
Apples	061100	43	100,0	62,6	71,6	68,5
Pears	061200	44	100,0	70,7	56,4	67,1
Peaches	061300	45	100,0	92,6	91,3	95,2
Other fresh fruits, walnuts and others	061900	46=47+48+49+50+51	100,0	108,0	105,7	114,7
Cherries	061910	47	100,0	96,1	84,1	112,6
Plums	061920	48	100,0	109,6	89,9	110,5
Strawberries	061930	49	100,0	110,0	98,7	109,9
Walnuts	061940	50	100,0	170,0	157,4	136,6
Other fresh vegetables; others	061990	51	100,0	106,5	127,9	114,9
Grape	064000	52=53+54	100,0	112,8	110,4	99,7
Table grapes	064100	53	100,0	154,2	125,8	102,0
Wine grapes	064900	54	100,0	111,9	110,0	99,6
Other crop plants	090000	55=56+57	100,0	122,9	108,0	112,3
Seeds	092000	56	100,0	137,8	131,0	162,2
Other crop plant products; other	099000	57	100,0	119,2	102,4	100,1
Plant production, total	100000	58=1+13+26+27+40+41+55	100,0	110,2	119,9	114,3
Plant production, w/o fruit and vegetables	101000	59=1+13+26+40+55	100,0	112,0	123,7	117,3
Livestock	110000	60=61+64+65+66+69	100,0	113,8	109,2	103,7
Cattle	111000	61=62+63	100,0	125,0	121,2	115,9
Cattle over 1 year old	111100	62	100,0	123,5	123,0	108,3
Cattle up to 1 year old	111200	63	100,0	126,7	119,2	124,1
Pigs	112000	64	100,0	107,2	95,7	95,2
Sheep and goats	114000	65	100,0	123,8	124,6	122,1
Poultry	115000	66=67+68	100,0	113,1	111,0	101,3
Chicken	115100	67	100,0	114,5	113,3	102,9
Other poultry	115900	68	100,0	100,3	90,7	86,9
Other animals	119000	69	100,0	109,4	124,9	119,8
Animal products	120000	70=71+74+75	100,0	122,5	114,4	107,1
Milk	121000	71=72+73	100,0	128,4	116,9	111,5
Cow's milk	121100	72	100,0	127,4	114,6	108,8
Other types of milk	121900	73	100,0	142,2	140,7	140,1
Eggs	122000	74	100,0	98,5	101,9	89,5
Other animal products	129000	75	100,0	110,0	116,2	96,2
Livestock breeding	130000	76=60+70	100,0	118,7	112,1	105,6
Agriculture, total	140000	77=58+76	100,0	112,8	117,5	111,6
Agriculture, w/o fruit and vegetables	141000	78=59+76	100,0	114,3	119,8	113,3

Source NSI

ANNEX 4

INTERIM CONSUMPTION, FACTOR EXPENSES, OTHER SUBSIDIES AND TAXES FOR 2016*

(BGN million)

Elements of the intermediate consumption	Create gross output at producer prices	Creating end products at basic prices	Produced and consumed on the farm itself	Purchase of goods and services for intermediate consumption	
				from other agricultural units	from units outside the industry
a	1	2	3	4	5
Losses	5,7		5,7		
Seeds and plant propagation material	273,9	200,5	73,4	27,1	173,4
Fuels and oils	1 095,3	1 095,3	0,0	0,0	1 095,3
• power supply	79,3	79,3			79,3
• gas	25,0	25,0			25,0
• other fuels	987,6	987,6			987,6
• other	3,4	3,4			3,4
Fertilisers and soil conditioners	362,7	362,7	0,0	7,4	355,3
Plant protection products and pesticides	276,2	276,2			276,2
Veterinary expenditures	250,3	250,3			250,3
Feed additives	951,8	951,8	213,4	280,1	458,3
Feed additives not included in EAA	45,8		45,8		
Maintenance and repair	470,7	470,7	0,0	0,0	470,7
- maintenance and repair of machines and small size inventory	315,8	315,8			315,8
- building maintenance	154,9	154,9			154,9
Agricultural services	439,8	439,8		439,8	
FISIM	76,2	76,2			76,2
Other goods and services	342,8	275,0	67,8	46,3	228,7
Intermediate consumption	4 591,2	4 398,5	406,1	800,7	3 384,4
Equity capital consumption					
- equipment	730,0	730,0			730,0
- buildings	611,8	611,8			611,8
- creation and growing	48,9	48,9			48,9
- other	17,7	17,7			17,7
Compensation of the hired persons	51,6	51,6			51,6
Other taxes on production	733,4	733,4			733,4
Other subsidies on production	4,1	4,1			4,1
Lease	1 350,3	1 350,3			1 350,3
Interest paid	1 191,3	1 191,3			1 191,3
Interest received	46,9	46,9			46,9
Losses	11,5	11,5			11,5

Source: NSI

* Data for 2016 are projections.

ANNEX 5

END PRODUCE VALUE, GROSS ADDED VALUE AND ENTREPRENEURIAL INCOME IN THE "AGRICULTURE" SECTOR (UNDER CURRENT BASE PRICES) FOR THE PERIOD 2014 -2016

(million BGN)

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
a	б	1	2	3	4	5
01	Grain crops	2 602,8	-7,7%	2 403,2	-3,8%	2 312,2
01.1	Wheat and spelt	1 524,0	-8,4%	1 396,3	0,1%	1 398,3
01.1/1	Common wheat	1 503,5	-8,3%	1 378,3	0,1%	1 379,1
01.1/2	Durum wheat	20,5	-12,2%	18,0	6,7%	19,2
01.2	Rye	6,3	-46,0%	3,4	5,9%	3,6
01.3	Barley	226,0	-8,1%	207,6	6,4%	220,9
01.4	Oats and grains	9,1	-42,9%	5,2	23,1%	6,4
01.5	Grain maize	777,5	-5,1%	738,0	-14,1%	634,0
01.6	Rice	39,0	-16,2%	32,7	11,0%	36,3
01.7	Other grains	20,9	-4,3%	20,0	-36,5%	12,7
02	Industrial crops	1 890,1	0,1%	1 892,6	-2,2%	1 850,7
02.1	Oilseeds	1 534,4	0,6%	1 543,5	-2,5%	1 504,2
02.1/1	Rapeseed and colza	332,1	-11,4%	294,2	10,4%	324,9
02.1/2	Sunflower	1 200,6	2,3%	1 228,7	-5,1%	1 165,7
02.1/3	Soy	0,7	2685,7%	19,5	-35,4%	12,6
02.1/4	Other oilseeds	1,0	10,0%	1,1	-9,1%	1,0
02.2	Protein crops	9,0	441,1%	48,7	-29,2%	34,5
02.3	Tobacco	270,0	-31,6%	184,8	-18,3%	151,0
02.4	Sugar beet	-	-	-	-	-
02.5	Other industrial crops	76,7	50,7%	115,6	39,3%	161,0
02.5/1	Fibre crops	0,3	1433,3%	4,6	-52,2%	2,2
02.5/2	Hops	0,4	100,0%	0,8	25,0%	1,0
02.5/3	Other industrial crops	76,0	45,0%	110,2	43,2%	157,8
03	Feed crops	253,2	-50,6%	125,2	48,0%	185,3
03.1	Maize for silage	61,0	-32,3%	41,3	-25,7%	30,7
03.2	Root crops for feed	0,4	0,0%	0,4	-100,0%	0,0
03.3	Other feed crops	191,8	-56,5%	83,5	85,1%	154,6
04	Vegetables	278,8	1,1%	281,9	-21,9%	220,3
04.1	Fresh vegetables	254,2	7,4%	273,1	-25,7%	203,0
04.1/2	Tomatoes	111,4	-25,9%	82,5	-20,1%	65,9
04.1/3	Other fresh vegetables	142,8	33,5%	190,6	-28,1%	137,1
04.2	Flowers	24,6	-64,2%	8,8	96,6%	17,3
04.2/1	Plant nurseries	16,5	-72,1%	4,6	34,8%	6,2
04.2/2	Ornamental plants, incl. Christmas trees	8,1	-48,1%	4,2	164,3%	11,1
04.2/3	Creation and cultivating	-	-	-	-	-
05	Potatoes	47,2	33,9%	63,2	-16,9%	52,5
06	Fruits	247,4	35,4%	334,9	-8,5%	306,6
06.1	Fresh fruits	171,8	24,6%	214,0	2,0%	218,2
06.1/1	Apples	36,2	-34,3%	23,8	18,9%	28,3
06.1/2	Pears	2,3	13,0%	2,6	11,5%	2,9
06.1/3	Peaches	19,4	-10,8%	17,3	47,4%	25,5
06.1/4	Other fresh fruits	113,9	49,5%	170,3	-5,2%	161,5
06.4	Grapes - all	75,6	59,9%	120,9	-26,9%	88,4

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
a	б	1	2	3	4	5
06.4/1	Table grapes	9,2	14,1%	10,5	7,6%	11,3
06.4/2	Other grapes	66,4	66,3%	110,4	-30,2%	77,1
07	Wine	-		-		-
07.1	Table wine	-		-		-
09	Other plant crops	66,0	-47,6%	34,6	-16,2%	29,0
09.2	Seeds	58,4	-51,7%	28,2	-19,9%	22,6
09.3	Other plant crops	7,6	-15,8%	6,4	0,0%	6,4
10	Production from plant growing	5 385,5	-4,6%	5 135,6	-3,5%	4 956,6
11	Livestock	1 108,4	2,0%	1 131,1	-20,5%	898,7
11.1	Cattle	247,5	22,4%	303,0	-26,0%	224,1
11.2	Pigs	301,2	-7,8%	277,7	-7,2%	257,8
11.3	Horses	0,3	0,0%	0,3	0,0%	0,3
11.4	Sheep and goats	209,2	8,2%	226,4	-19,3%	182,7
11.5	Poultry	340,1	-4,8%	323,7	-27,8%	233,8
11.6	Other animals	10,1		-		0,0
12	Products from livestock	1 086,8	-16,7%	905,3	-6,6%	845,8
12.1	Milk	872,5	-24,4%	659,9	-4,9%	627,6
12.2	Eggs	153,9	10,0%	169,3	-12,2%	148,6
12.3	Other livestock products	60,4	26,0%	76,1	-8,5%	69,6
12.3/1	Greasy wool	3,0	-10,0%	2,7	11,1%	3,0
12.3/2	Silk cocoons	-		-		-
12.3/3	Other products from livestock	57,4	27,9%	73,4	-9,3%	66,6
13	Production from livestock	2 195,2	-7,2%	2 036,4	-14,3%	1 744,5
14	Production from agricultural goods(lines10 + 13)	7 580,7	-5,4%	7 172,0	-6,6%	6 701,1
15	Production from agricultural services	512,4	-5,3%	485,2	-9,4%	439,8
16	Agricultural production (line14 + 15)	8 093,1	-5,4%	7 657,2	-6,7%	7 140,9
17	Non-agricultural inseparable secondary activities	320,8	-28,0%	230,9	-5,2%	218,8
17.1	Agricultural products processing	320,8	-28,0%	230,9	-5,2%	218,8
17.1/1	-grains	60,4	-14,6%	51,6	-42,8%	29,5
17.1/2	-vegetables	21,4	7,5%	23,0	-1,7%	22,6
17.1/3	-fruits	12,2	0,0%	12,2	-3,3%	11,8
17.1/4	-wine	30,3	0,7%	30,5	0,0%	30,5
17.1/5	-cattle	42,9	24,7%	53,5	-2,1%	52,4
17.1/6	-cattle products	147,2	-63,5%	53,7	22,2%	65,6
17.1/6/1	-milk	147,2	-63,5%	53,7	22,2%	65,6
17.1/7	- other	6,4	0,0%	6,4	0,0%	6,4
17.2	Other inseparable secondary goods	-		-		-

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
a	6	1	2	3	4	5
18	"Production from Sector ""Agriculture"" (lines 10 + 13 +15 +17)"	8 413,9	-6,2%	7 888,1	-6,7%	7 359,7
19	Interim consumption	5 027,1	-6,1%	4 718,3	-6,8%	4 398,5
19.01	Seeds and propagating material	160,6	8,3%	173,9	15,3%	200,5
19.01/1	supplied by other agricultural farms	20,9	12,0%	23,4	15,8%	27,1
19.01/2	bought outside the sector	139,7	7,7%	150,5	15,2%	173,4
19.02	Fuels and oils	1 134,2	-0,3%	1 130,9	-3,1%	1 095,3
19.02/1	- electricity	90,7	-4,3%	86,8	-8,6%	79,3
19.02/2	- gas	28,7	-9,1%	26,1	-4,2%	25,0
19.02/3	- other fuels	1 010,9	0,3%	1 014,4	-2,6%	987,6
19.02/4	- other	3,9	-7,7%	3,6	-5,6%	3,4
19.03	Fertilisers and soil conditioners	417,2	-12,0%	367,2	-1,2%	362,7
19.03/1	supplied by other agricultural enterprises	8,4	2,4%	8,6	-14,0%	7,4
19.03/2	purchased outside the sector	408,8	-12,3%	358,6	-0,9%	355,3
19.04	Plant protection products and pesticides	248,5	45,9%	362,5	-23,8%	276,2
19.05	Veterinary expenditures	287,2	-8,8%	262,0	-4,5%	250,3
19.06	Feed additives	1 271,2	-19,9%	1 017,6	-6,5%	951,8
19.06/1	supplied by other agricultural enterprises	321,5	-9,1%	292,1	-4,1%	280,1
19.06/2	purchased outside the sector	407,1	3,4%	421,1	8,8%	458,3
19.06/3	Produced and consumed within the farm	542,6	-43,9%	304,4	-29,9%	213,4
19.07	Maintenance and repair of machines and small size inventory	362,4	-8,8%	330,6	-4,5%	315,8
19.08	Building maintenance	177,7	-8,8%	162,1	-4,4%	154,9
19.09	Agricultural services	512,4	-5,3%	485,2	-9,4%	439,8
19.10	FISIM	85,2	8,1%	92,1	-17,3%	76,2
19.11	Other goods and services	370,5	-9,8%	334,2	-17,7%	275,0
	supplied by other agricultural enterprises	108,1	-12,3%	94,8	-51,2%	46,3
	purchased outside the sector	262,4	-8,8%	239,4	-4,5%	228,7
20	Gross added value under basis prices (line 18 - line 19)	3 386,8	-6,4%	3 169,8	-6,6%	2 961,2
21	Equity capital consumption	712,5	6,7%	760,4	-4,0%	730,0
21.1	- equipment	597,1	6,7%	637,2	-4,0%	611,8
21.2	- buildings	47,7	6,9%	51,0	-4,1%	48,9
21.3	- creation and growing	17,3	6,9%	18,5	-4,3%	17,7
21.4	- other	50,4	6,5%	53,7	-3,9%	51,6
22	Net added value under basis prices (line 20 — line 21)	2 674,3	-9,9%	2 409,4	-7,4%	2 231,2
23	Compensation of hired persons	709,4	6,1%	752,5	-2,5%	733,4
24	Other production taxes	9,9	-60,6%	3,9	5,1%	4,1
25	Other production subsidies	1 604,9	-17,4%	1 324,9	1,9%	1 350,3

Code	Products	2014	Change 2015/2014 %	2015*	Change 2016/2015 %	2016*
a	б	1	2	3	4	5
26	Income per factors (line 22 — line 24 + line 25)	4 269,3	-12,6%	3 730,4	-4,1%	3 577,4
27	Operating surplus / Mixed income (line 22 — line 23 + line 25)	3 559,9	-16,3%	2 977,9	-4,5%	2 844,0
28	Lease	858,5	17,8%	1 011,3	17,8%	1 191,3
29	Interest paid	80,7	-47,0%	42,8	9,6%	46,9
30	Interest received	25,2	-59,5%	10,2	12,7%	11,5
31	Entrepreneurial income (line 27 — line 28 — line 29 + line 30)	2 645,9	-26,9%	1 934,0	-16,4%	1 617,3

Source: NSI

Calculation of the changes by years in percentages - MAFF

* Data for 2016 are projected, and for 2015 - preliminary

ANNEX 6

END PRODUCE AND GROSS ADDED VALUE (UNDER CURRENT BASELINE PRICES) - 2015 - 2016
VALUE AND INDEXES OF CHANGE - 2016 COMPARED TO 2015

Code	Product	Links	Current value for 2015 (million BGN)	Physical value index (previous year =100)	Production value for 2016 at previous year prices - (BGN million).	Price index (previous year =100)	Current value for 2016 - (BGN million)	Combined index
01	Grain crops	1=2 + 5 + 6 + 7 + 8 + 9 + 10	2 403,20	103,30	2 481,40	93,20	2 312,20	96,20
01.1	Wheat and spelt	2=3 + 4	1 396,30	115,30	1 609,80	86,90	1 398,30	100,10
01.1/1	Common wheat	3	1 378,30	115,20	1 588,00	86,80	1 379,10	100,10
01.1/2	Durum wheat	4	18,00	121,10	21,80	88,10	19,20	106,70
01.2	Rye	5	3,40	120,60	4,10	87,80	3,60	105,90
01.3	Barley	6	207,60	95,00	197,20	112,00	220,90	106,40
01.4	Oats and grains	7	5,20	111,50	5,80	110,30	6,40	123,10
01.5	Grain maize	8	738,00	85,10	627,70	101,00	634,00	85,90
01.6	Rice	9	32,70	89,30	29,20	124,30	36,30	111,00
01.7	Other grains	10	20,00	38,00	7,60	167,10	12,70	63,50
02	Industrial crops	11=12 + 17 + 18 + 19 + 20	1 892,60	106,80	2 021,70	91,50	1 850,70	97,80
02.1	Oilseeds	12=13 + 14 + 15 + 16	1 543,50	107,30	1 656,90	90,80	1 504,20	97,50
02.1/1	Rapeseed and colza	13	294,20	118,40	348,30	93,30	324,90	110,40
02.1/2	Sunflower	14	1 228,70	105,50	1 296,50	89,90	1 165,70	94,90
02.1/3	Soy	15	19,50	56,90	11,10	113,50	12,60	64,60
02.1/4	Other oilseeds	16	1,10	90,90	1,00	100,00	1,00	90,90
02.2	Protein crops	17	48,70	204,50	99,60	34,60	34,50	70,80
02.3	Tobacco	18	184,80	65,30	120,70	125,10	151,00	81,70
02.4	Sugar beet	19	.	.	.	.	.	.
02.5	Other industrial crops	20=21 + 22 + 23	115,60	125,00	144,50	111,40	161,00	139,30
02.5/1	Fibre crops	21	4,60	278,30	12,80	17,20	2,20	47,80
02.5/2	Hops	22	0,80	37,50	0,30	333,30	1,00	125,00
02.5/3	Other	23	110,20	119,20	131,40	120,10	157,80	143,20
03	Feed crops	24=25 + 26 + 27	125,20	97,20	121,70	152,30	185,30	148,00
03.1	Maize for silage	25	41,30	91,50	37,80	81,20	30,70	74,30
03.2	Root crops for feed	26	0,40	-	0,00	-	0,00	-
03.3	Other feed crops	27	83,50	100,50	83,90	184,30	154,60	185,10
04	Vegetables	28=29 + 32	281,90	101,70	286,60	76,90	220,30	78,10
04.1	Fresh vegetables	29=30 + 31	273,10	98,60	269,40	75,40	203,00	74,30
04.1/2	Tomatoes	30	82,50	94,20	77,70	84,80	65,90	79,90
04.1/3	Other fresh vegetables	31	190,60	100,60	191,70	71,50	137,10	71,90
04.2	Flowers and plant nurseries	32=33 + 34 + 35	8,80	195,50	17,20	100,60	17,30	196,60
04.2/1	Plant nurseries	33	4,60	134,80	6,20	100,00	6,20	134,80
04.2/2	Ornamental plants	34	4,20	261,90	11,00	100,90	11,10	264,30
04.2/3	Creation and cultivation	35	.	.	.	.	.	.
05	Potatoes	36	63,20	88,10	55,70	94,30	52,50	83,10

Code	Product	Links	Current value for 2015 (million BGN)	Physical value index (previous year =100)	Production value for 2016 at previous year prices - (BGN million).	Price index (previous year =100)	Current value for 2016 - (BGN million)	Combined index
06	Fruits	37=38 + 43	334,90	81,30	272,40	112,60	306,60	91,50
06.1	Fresh fruits	38=39 + 40 + 41 + 42	214,00	83,60	179,00	121,90	218,20	102,00
06.1/1	Apples	39	23,80	76,10	18,10	156,40	28,30	118,90
06.1/2	Pears	40	2,60	92,30	2,40	120,80	2,90	111,50
06.1/3	Peaches	41	17,30	99,40	17,20	148,30	25,50	147,40
06.1/4	Other fresh fruits	42	170,30	83,00	141,30	114,30	161,50	94,80
06.4	Grapes all	43=44 + 45	120,90	77,30	93,40	94,60	88,40	73,10
06.4/1	Table grapes	44	10,50	112,40	11,80	95,80	11,30	107,60
06.4/2	Other grapes	45	110,40	73,90	81,60	94,50	77,10	69,80
07	Wine	46	.	.	.	.	.	.
07.1	Table wine	47	.	.	.	.	.	.
09	Other plant crops	48=49 + 50	34,60	50,90	17,60	164,80	29,00	83,80
09.2	Seeds	49	28,20	39,70	11,20	201,80	22,60	80,10
09.3	Other plant crops	50	6,40	100,00	6,40	100,00	6,40	100,00
10	Plant production	51=1 + 11 + 24 + 28 + 36 + 37 + 46 + 48	5 135,60	102,40	5 257,10	94,30	4 956,60	96,50
11	Livestock	52=53 + 54 + 55 + 56 + 57 + 58	1 131,10	84,70	958,10	93,80	898,70	79,50
11.1	Cattle	53	303,00	95,60	289,70	77,40	224,10	74,00
11.2	Pigs	54	277,70	88,70	246,40	104,60	257,80	92,80
11.3	Horses	55	0,30	100,00	0,30	100,00	0,30	100,00
11.4	Sheep and goats	56	226,40	80,20	181,50	100,70	182,70	80,70
11.5	Poultry	57	323,70	74,20	240,20	97,30	233,80	72,20
11.6	Other animals	58	.	.	.	.	.	.
12	Livestock products	59=60 + 61 + 62	905,30	100,60	910,70	92,90	845,80	93,40
12.1	Milk	60	659,90	100,30	662,20	94,80	627,60	95,10
12.2	Eggs	61	169,30	102,80	174,00	85,40	148,60	87,80
12.3	Other products from livestock	62=63 + 64 + 65	76,10	97,90	74,50	93,40	69,60	91,50
12.3/1	Greasy wool	63	2,70	96,30	2,60	115,40	3,00	111,10
12.3/2	Silk cocoons	64	.	.	.	.	.	.
12.3/3	Other products from livestock	65	73,40	98,00	71,90	92,60	66,60	90,70
13	Production from livestock	66=53 + 59	2 036,40	91,80	1 868,80	93,30	1 744,50	85,70
14	Production from agricultural products	67=51 + 66	7 172,00	99,40	7 125,90	94,00	6 701,10	93,40
15	Production of agricultural services	68	485,20	91,70	445,10	98,80	439,80	90,60
16	Agricultural production	69=67 + 68	7 657,20	98,90	7 571,00	94,30	7 140,90	93,30
17	Non-agricultural inseparable secondary activities	70=71 + 80	230,90	97,60	225,40	97,10	218,80	94,80

Code	Product	Links	Current value for 2015 (million BGN)	Physical value index (previous year =100)	Production value for 2016 at previous year prices - (BGN million).	Price index (previous year =100)	Current value for 2016 - (BGN million)	Combined index
17.1	Agricultural products processing	71=72 + 73 + 74 + 75 + 76 + 77 + 79	230,90	97,60	225,40	97,10	218,80	94,80
17.1/1	Grains	72	51,60	61,40	31,70	93,10	29,50	57,20
17.1/2	Vegetables	73	23,00	109,60	25,20	89,70	22,60	98,30
17.1/3	Fruits	74	12,20	76,20	9,30	126,90	11,80	96,70
17.1/4	Wine	75	30,50	99,30	30,30	100,70	30,50	100,00
17.1/5	Animals	76	53,50	99,60	53,30	98,30	52,40	97,90
17.1/6	Animal products	77≥78	53,70	128,90	69,20	94,80	65,60	122,20
17.1/6/1	Milk	78	53,70	128,90	69,20	94,80	65,60	122,20
17.1/7	Other	79	6,40	100,00	6,40	100,00	6,40	100,00
17.2	Other inseparable secondary activities	80	.	.	.	.	.	.
18	Production from Sector "Agriculture"	81=69 + 70	7 888,10	98,80	7 796,40	94,40	7 359,70	93,30
19	Interim consumption	82=83 + 86 + 91 + 94 + 95 + 96 + 100 + 101 + 102 + 103 + 104	4 718,30	96,50	4 551,20	96,60	4 398,50	93,20
19.01	Seeds and propagating material	83=84 + 85	173,90	110,80	192,60	104,10	200,50	115,30
19.01/1	Seeds and propagating material supplied by other agricultural farms	84	23,40	111,10	26,00	104,20	27,10	115,80
19.01/2	Seeds and propagating material bought outside the sector	85	150,50	110,70	166,60	104,10	173,40	115,20
19.02	Fuels and oils	86=87 + 88 + 89 + 90	1 130,90	107,10	1 211,60	90,40	1 095,30	96,90
19.02/1	Electricity	87	86,80	101,00	87,70	90,40	79,30	91,40
19.02/2	Gas	88	26,10	105,70	27,60	90,60	25,00	95,80
19.02/3	Other fuels	89	1 014,40	107,70	1 092,50	90,40	987,60	97,40
19.02/4	other	90	3,60	105,60	3,80	89,50	3,40	94,40
19.03	Fertilizers and soil conditioners	91=92 + 93	367,20	122,50	450,00	80,60	362,70	98,80
19.03/1	supplied by other agricultural enterprises	92	8,60	107,00	9,20	80,40	7,40	86,00
19.03/2	purchased outside the industry	93	358,60	122,90	440,80	80,60	355,30	99,10
19.04	Plant protection products	94	362,50	73,20	265,30	104,10	276,20	76,20
19.05	Veterinary expenses	95	262,00	96,30	252,30	99,20	250,30	95,50
19.06	Feed additives	96	1 017,60	92,30	939,60	101,30	951,80	93,50
19.06/1	Feed additives supplied from other farms	97	292,10	94,70	276,50	101,30	280,10	95,90
19.06/2	Feed additives bought outside the sector	98	421,10	107,40	452,40	101,30	458,30	108,80
19.06/3	Feed additives produced and used within the farm	99	304,40	69,20	210,70	101,30	213,40	70,10
19.07	Maintenance and repair of	100	330,60	85,90	284,00	111,20	315,80	95,50

Code	Product	Links	Current value for 2015 (million BGN)	Physical value index (previous year =100)	Production value for 2016 at previous year prices - (BGN million).	Price index (previous year =100)	Current value for 2016 - (BGN million)	Combined index
	machines							
19.08	Building maintenance	101	162,10	95,70	155,20	99,80	154,90	95,60
19.09	Agricultural services	102	485,20	91,70	445,10	98,80	439,80	90,60
19.10	FISIM	103	92,10	83,80	77,20	98,70	76,20	82,70
19.11	Other goods and services	104	334,20	83,30	278,30	98,80	275,00	82,30
20	Gross added value under baseline prices	105=81-82	3 169,80	102,40	3 245,20	91,20	2 961,20	93,40

Source: NSI