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Product restructuring of Bulgarian agriculture - dilemmas and strategic directions

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The aim

- The aim of the paper is to assess the dynamics and the results of the changes in the produced products and their impact on the development of agriculture in the period of our country's membership in the European Union.
- What dilemmas causes product restructuring and what national strategic priorities and solutions should be developed?

Content of paper

- Trends in the development of crop and livestock production 2003-2016

How does Bulgarian agricultural production develop? Does this development correspond with the competitive advantages of Bulgarian agriculture, traditions and development potential?

- Trends in the development of the main plant production

How is restructured the production of grain, technical crops, vegetables and fruits?

- Changes and trends in the main livestock production

How is cattle, sheep, pig and poultry production changing?

- Discussion, guidelines and recommendations.

What are the consequences of these changes for rural areas? What are the opportunities for stimulating agricultural production?

Trends in the development of agricultural production 2003-2016



Production from branch “Agriculture” is increasing – more than twice



Gross value added increased by 27% and investment by 13% compared to 2007

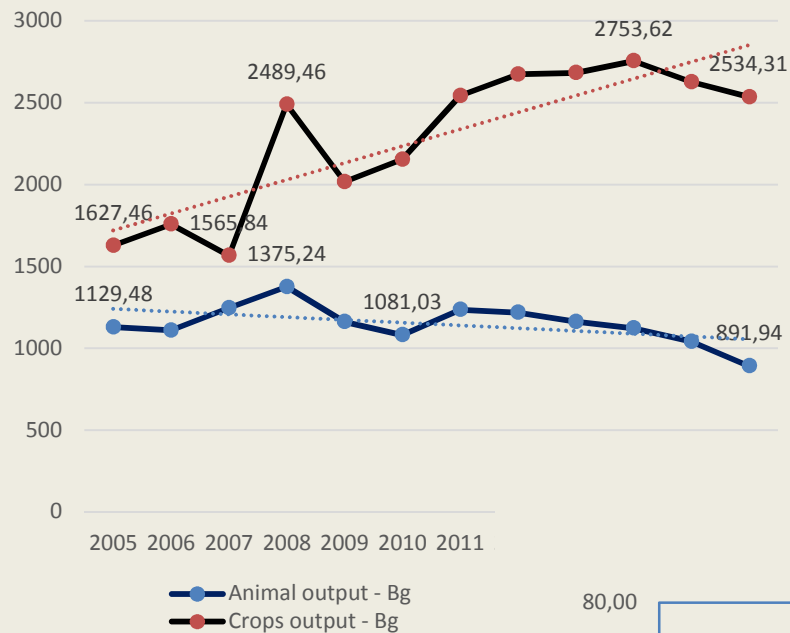


Number of agricultural holdings is decreasing – more than twice

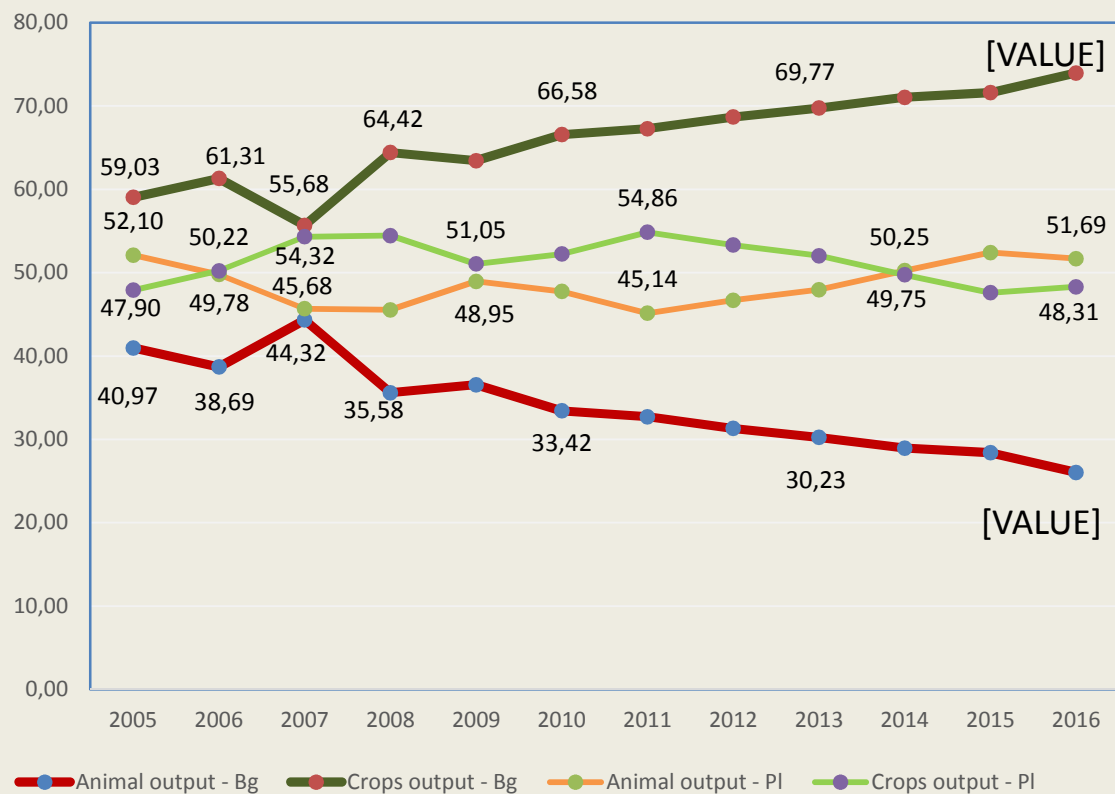


Average size of agricultural holdings is increasing - – more than three times

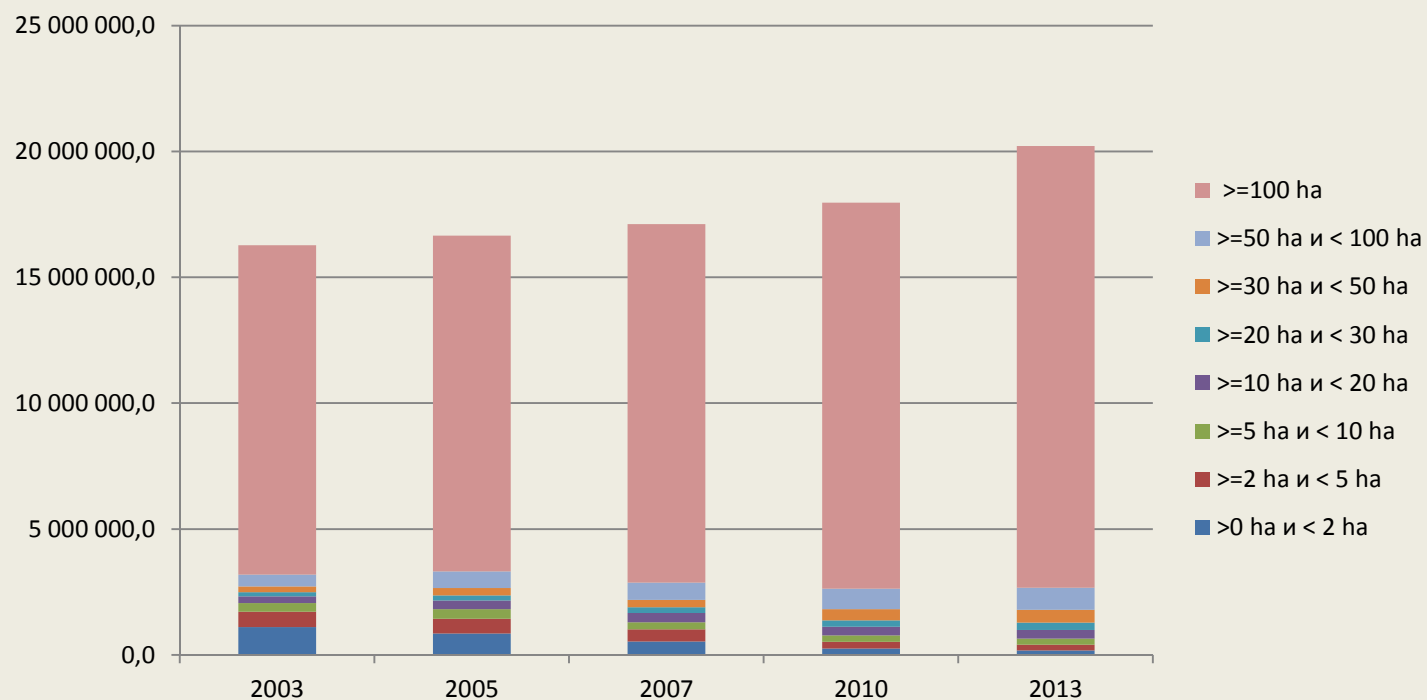
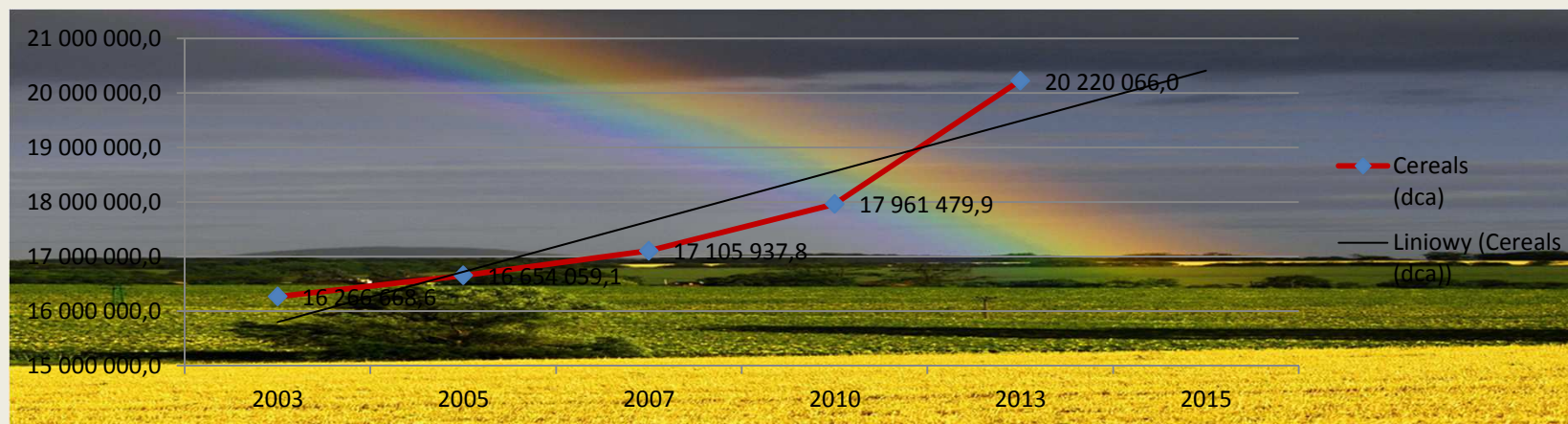
Trends in the production of crop and livestock production (mln. euro)



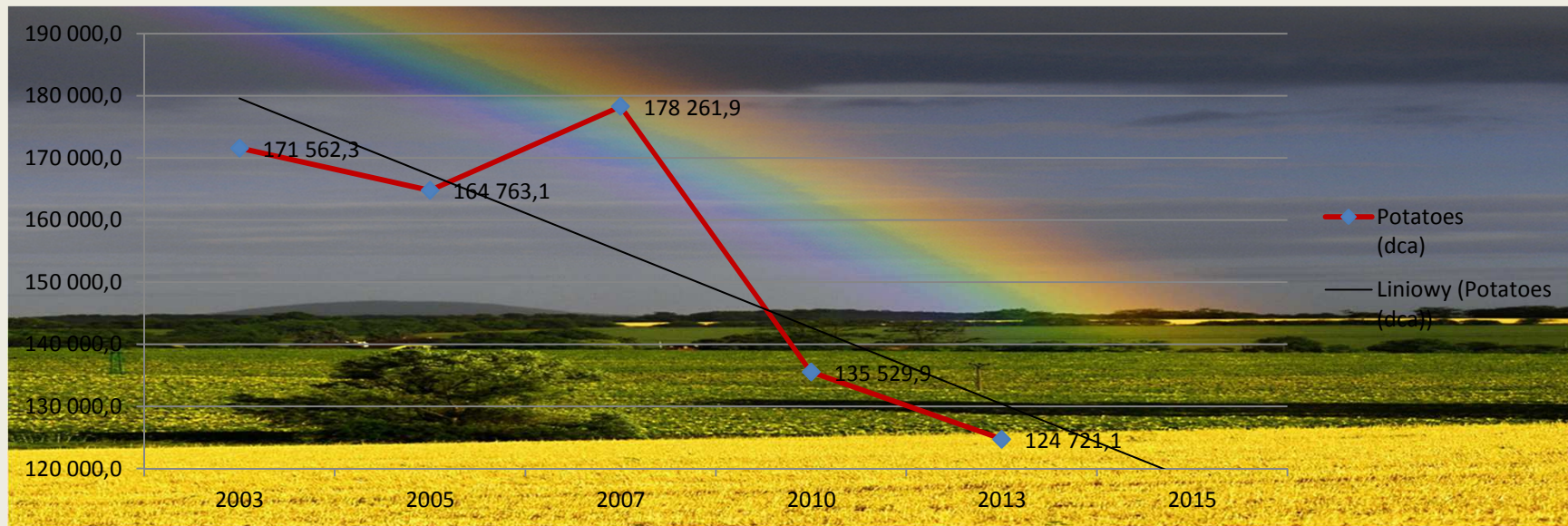
Ratio between the production of plant and livestock products in Bulgaria and Poland (%)



Structural changes- Cereals

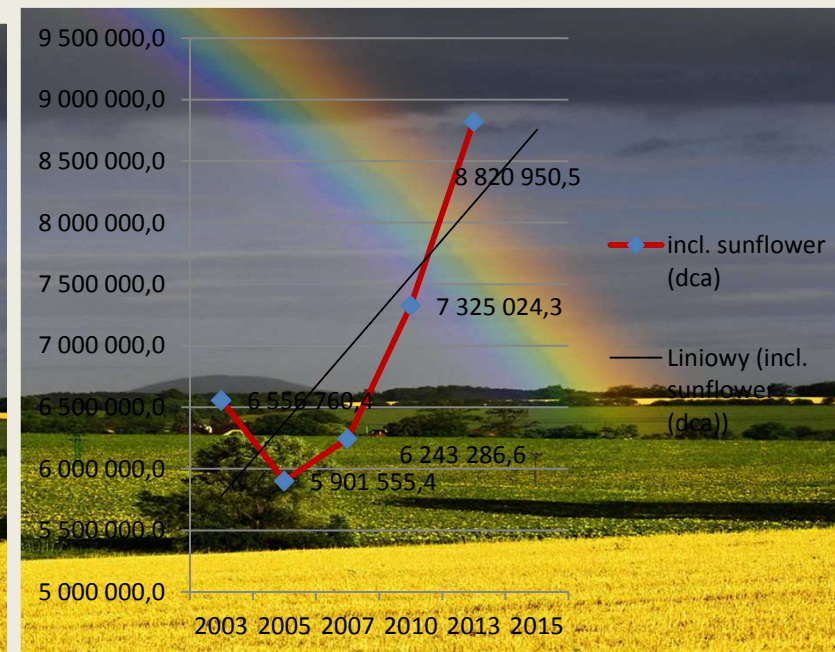
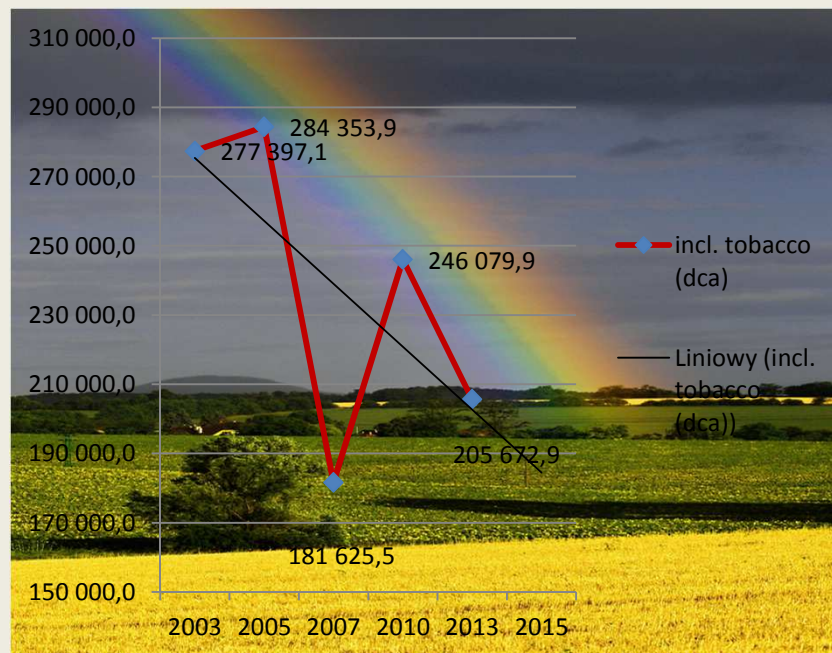
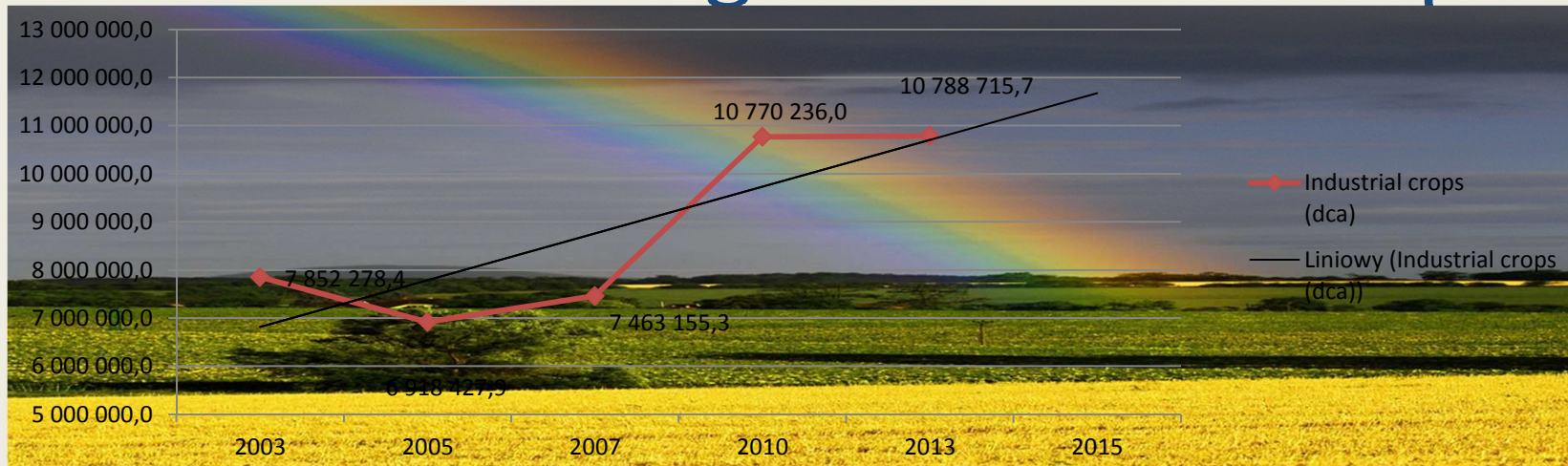


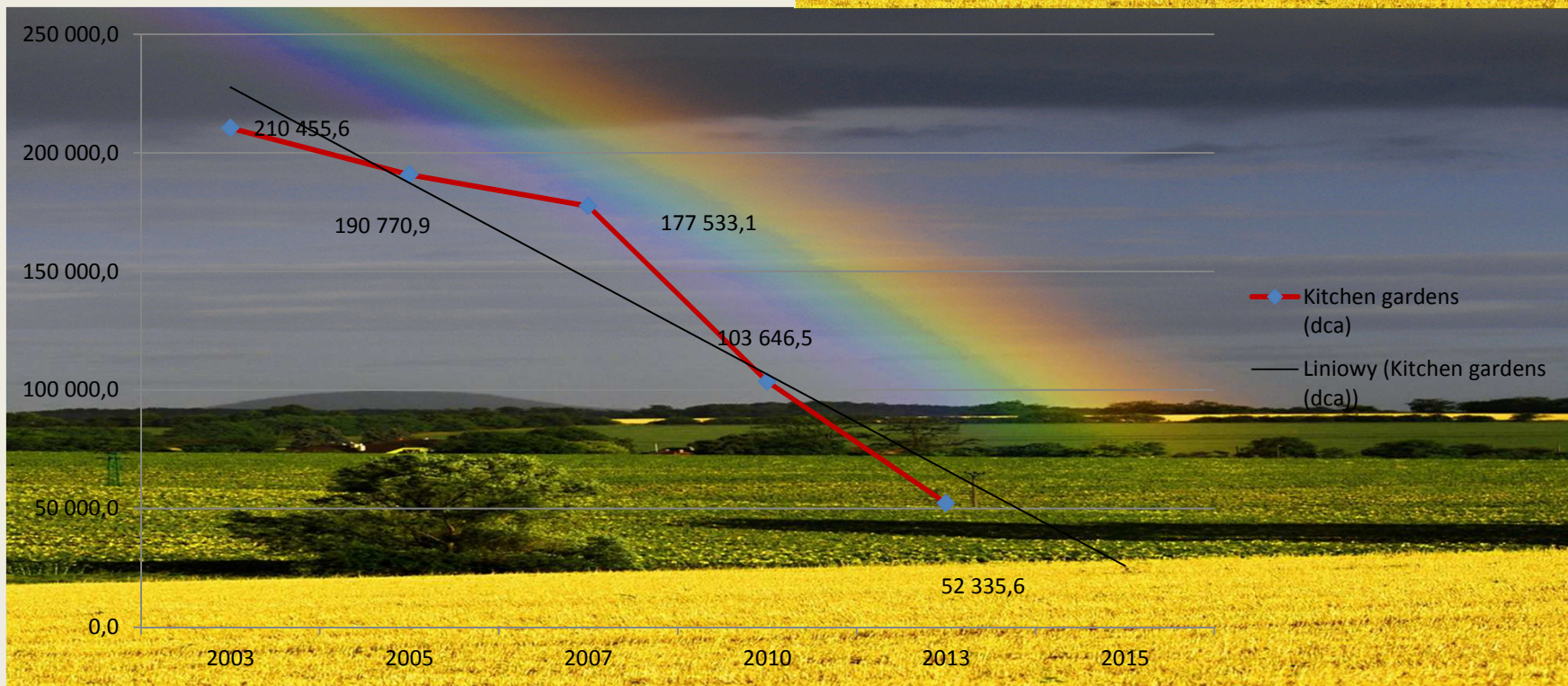
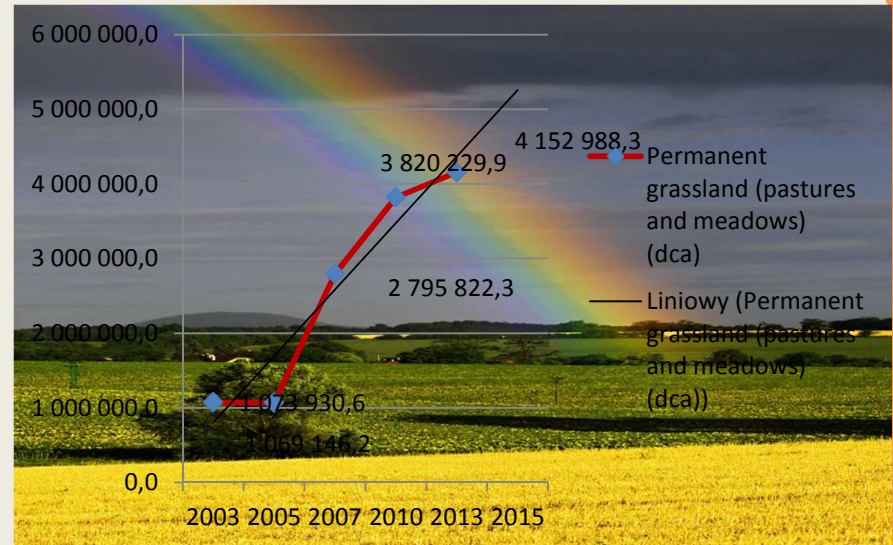
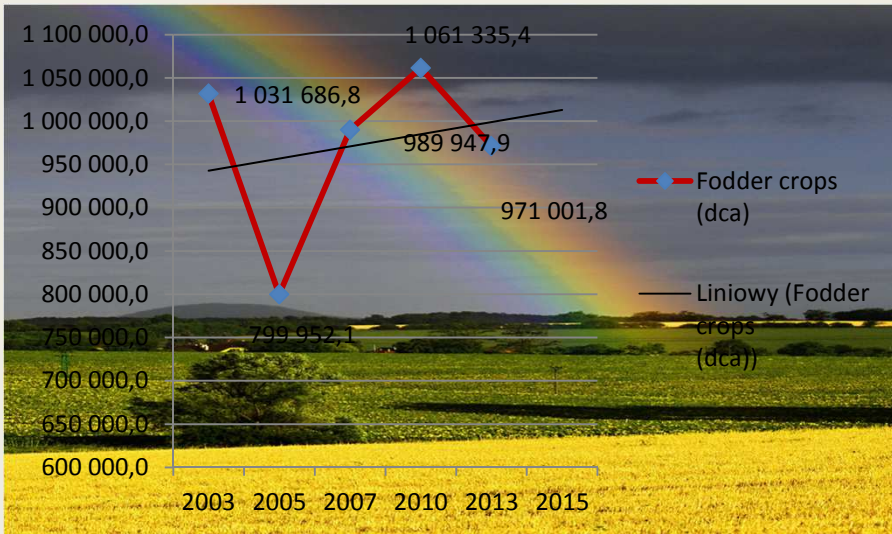
Structural changes- Potatoes

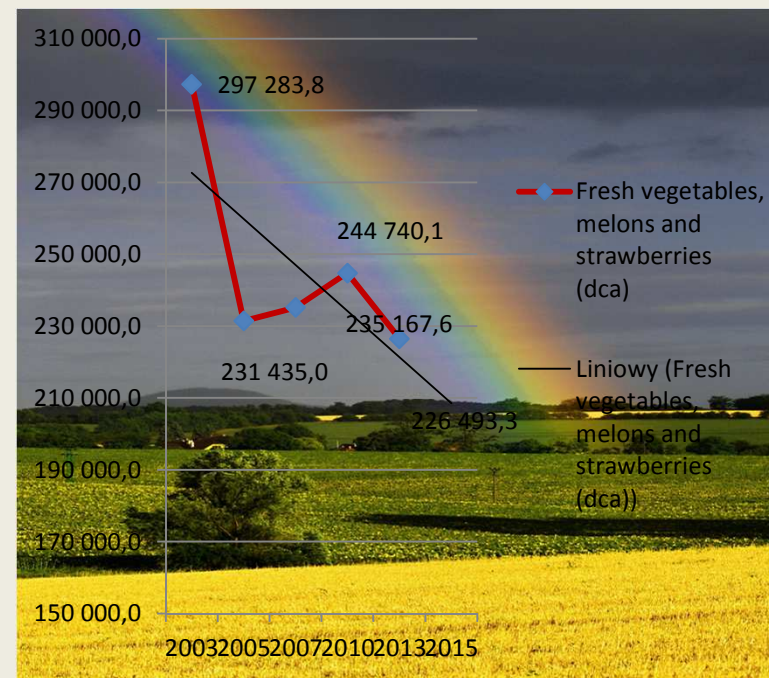
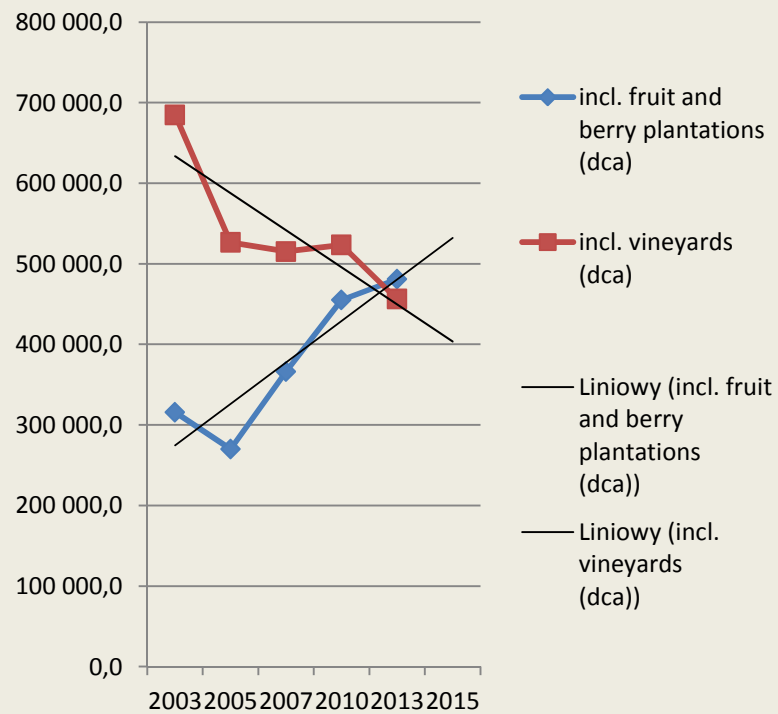
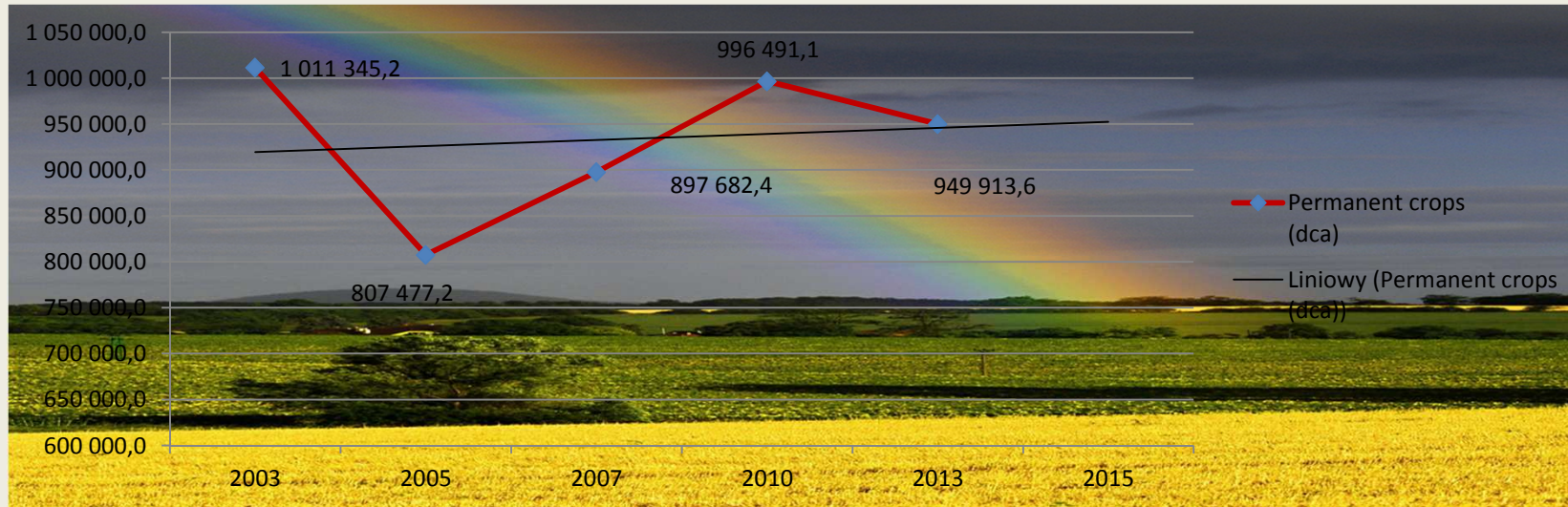


	2003	2005	2007	2010	2013
0 ha	100%	0%	0%	0%	0%
>0 ha и < 2 ha	100%	-4%	-42%	-27%	-39%
>=2 ha и < 5 ha	100%	-13%	-27%	-10%	-22%
>=5 ha и < 10 ha	100%	-15%	-29%	-3%	-5%
>=10 ha и < 20 ha	100%	-18%	-8%	28%	26%
>=20 ha и < 30 ha	100%	15%	13%	53%	58%
>=30 ha и < 50 ha	100%	-5%	2%	62%	87%
>=50 ha и < 100 ha	100%	-8%	8%	62%	63%
>=100 ha	100%	-13%	-4%	39%	40%

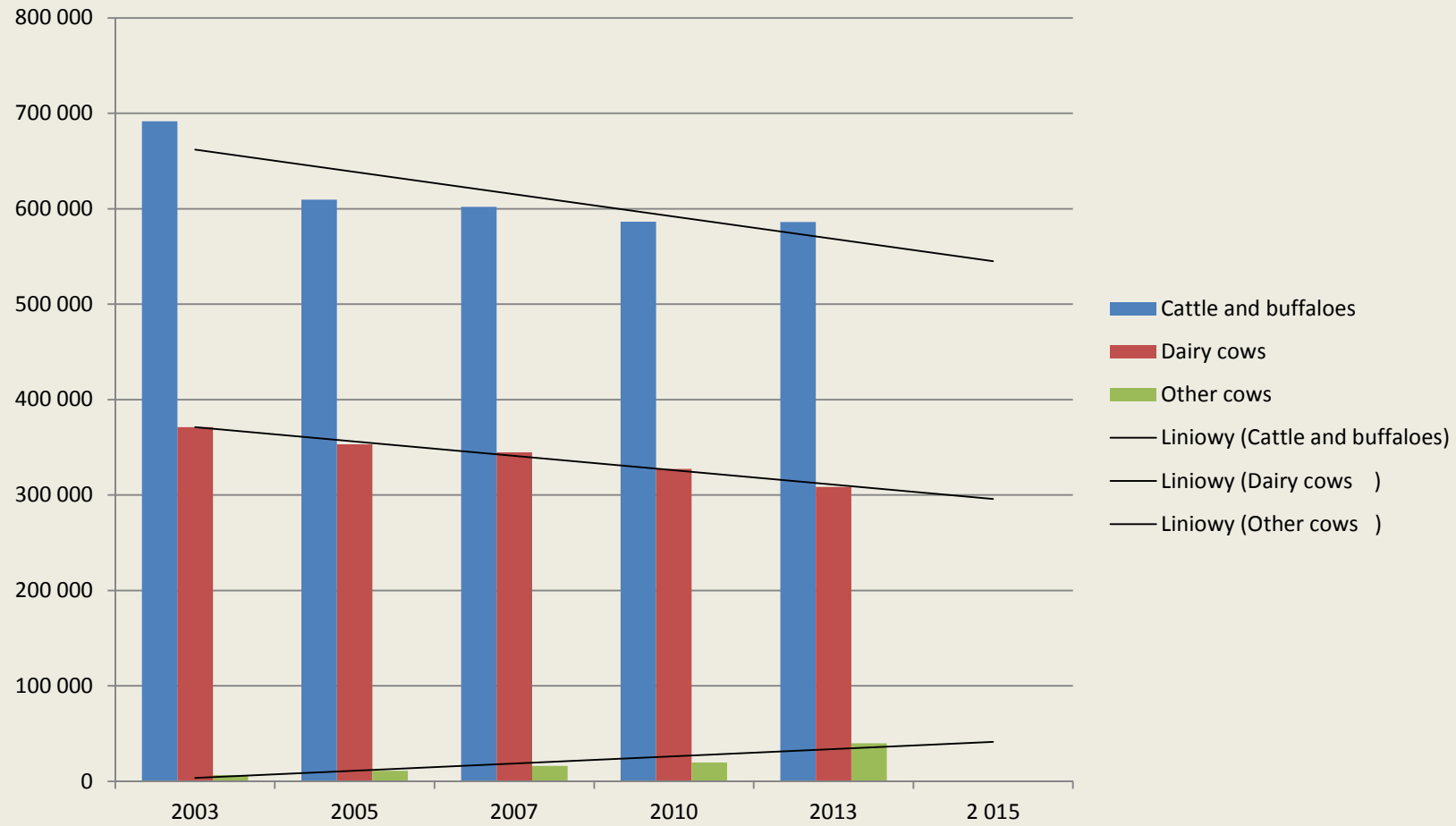
Structural changes-Industrial crops

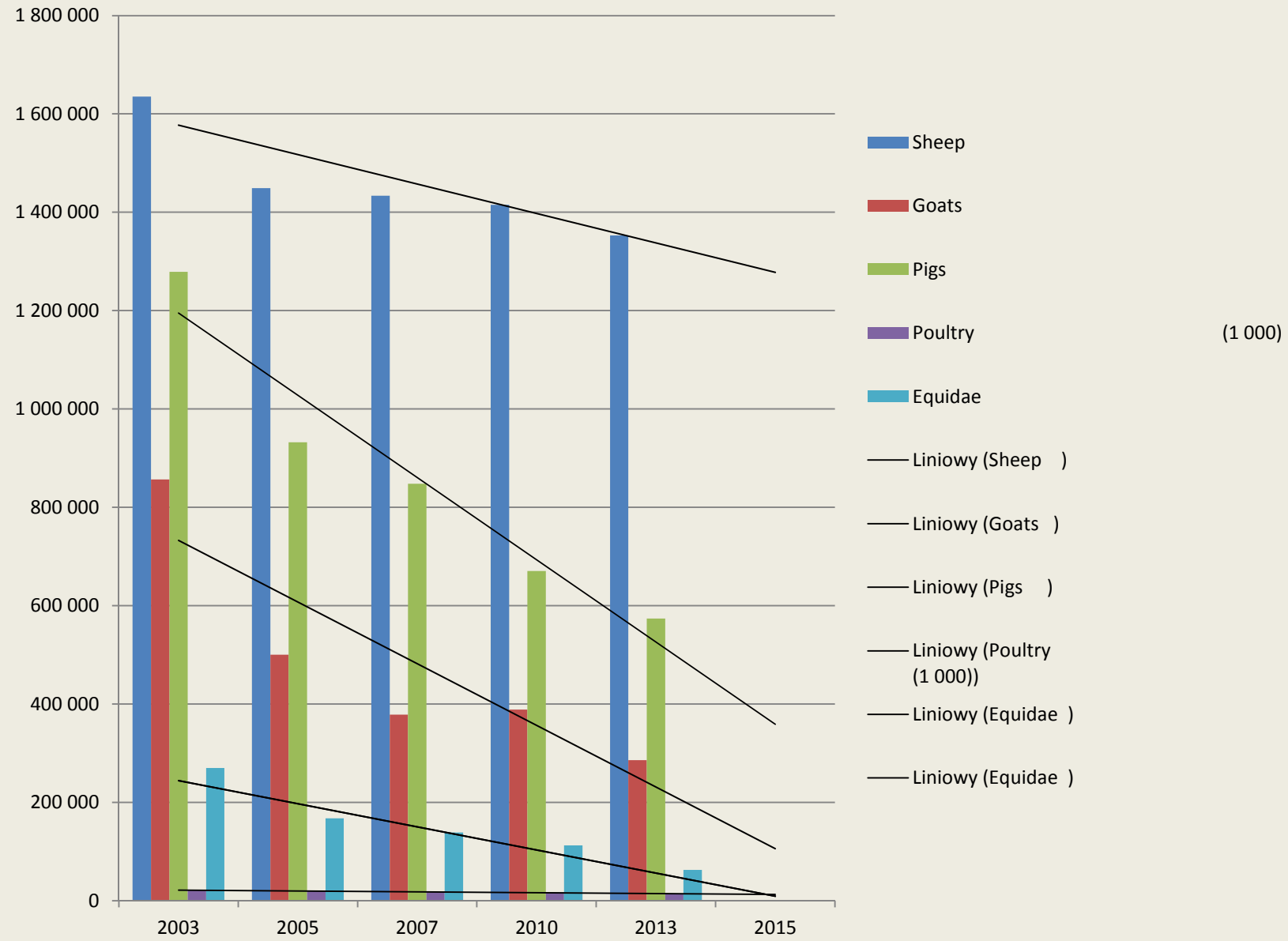






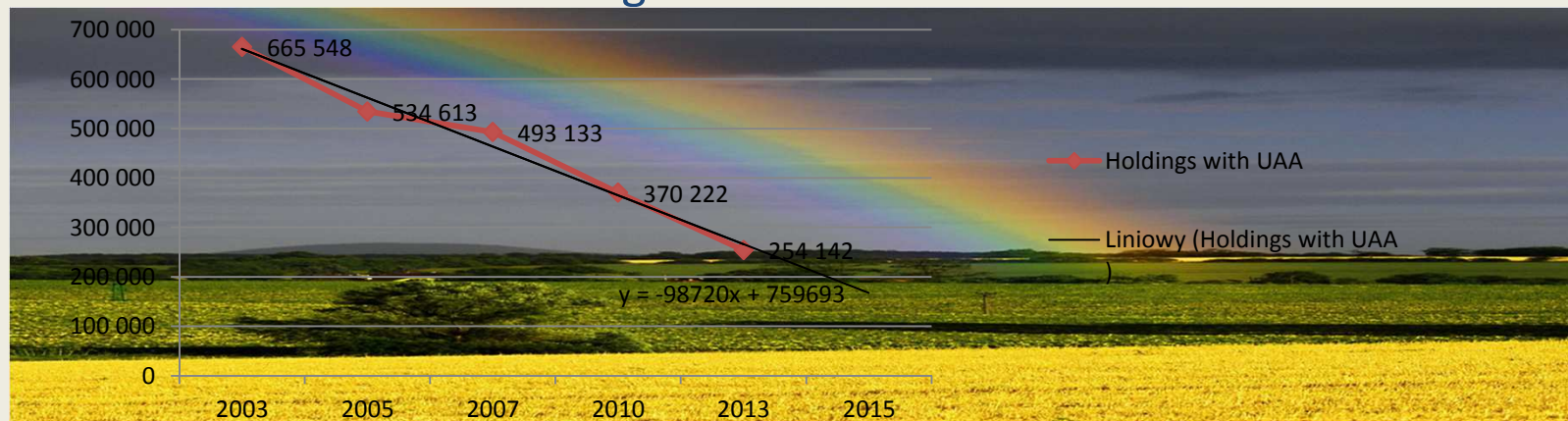
Cattle





Results of Structural change of Bulgarian agriculture

Holdings with UAA 2003-2015



Agricultural area per size classes – structural changes 2003 basic

	2003	2005	2007	2010	2013
0 ha	100%	31%	4%	22%	-11%
>0 ha и < 2 ha	100%	-23%	-29%	-50%	-69%
>=2 ha и < 5 ha	100%	-3%	-6%	-27%	-34%
>=5 ha и < 10 ha	100%	7%	4%	10%	12%
>=10 ha и < 20 ha	100%	20%	38%	72%	71%
>=20 ha и < 30 ha	100%	25%	53%	133%	154%
>=30 ha и < 50 ha	100%	12%	37%	157%	187%
>=50 ha и < 100 ha	100%	24%	62%	141%	143%
>=100 ha	100%	-2%	9%	35%	52%

Main conclusions

1. Plant cultivated area

- Cereals – increasing trend and the main structures are represented by farms over 100 ha;
- Potatoes- in a total the UAA decrease, mainly of representors of small farms;
- Industrial crops as a total are with increasing trend, represented by expanded area of sunflower, but in the group can be found tobacco which is with decreasing trend last 10 years;
- Permanent crops are represented mainly by vineyards and fruit plantations. Vineyards are slowly decreasing, and fruit plantation increasing with a slow trend.

2. Livestock breeding

- The cattle over the studied(diary and cattle and buffalos) and years is having a slow trend of decreasing;
- Sheep, Goats, Pigs, Equidae are rapidly decreasing the number of heads;
- Poultry is stable over the studied years

3. Number of agricultural holdings in Bulgaria last 10 years is decreasing, but this trend can be found out only in farms up to 5 ha. (0-2 ha decrease is 69%).

The agricultural holdings between 30 and 50 ha increased according to 2003 with 187%.

Main conclusions - 2

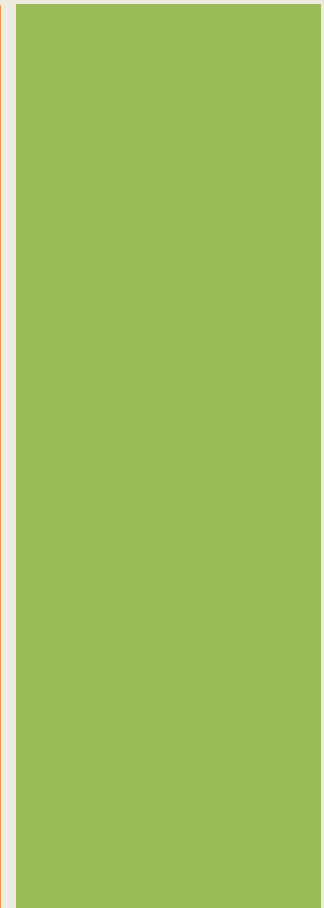
- Product restructuring has led to structural imbalances;
- The trend towards monoculture of agriculture in different regions of the country is increasing ;
- Are reduced production:
 - a) In which the possibilities for creating added value are greater;
 - b) Which more effectively use natural resources(Soil types of land with different natural fertility, water, etc.);
 - c) For which the geographical situation of Bulgaria and the natural and climatic conditions create competitive advantages;
 - d) Which create employment and higher incomes for rural residents.

Policy recommendations

- National priorities and strategic solutions for improving the conditions for development of vulnerable sectors;
- Improvement and creation of new mechanisms to stimulate the development of the so-called Vulnerable sectors;
- Improving the distribution and use of direct payments;
- Targeting of the RDP measures for vegetable growing, fruit growing, viticulture, sheep breeding and other livestock production



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Thank you for your attention!