

BULGARIA

GLOBAL FORUM ON AGRICULTURE, 20-21 NOVEMBER 2006, PARIS

The globalization of the world economy nowadays demands development of the cooperation between the countries from Central, Eastern and South-Eastern Europe for the purpose of supporting the process of integration and acceptance of the challenges existing for the integration of the agricultural markets to the European markets.

The increase of the competitiveness of the agricultural production on the international markets is a basic priority in the agricultural policy. This branch of the economy has its essential contribution for the formation of the currency income for the country.

The commercial policy carried out by the country in the field of agriculture takes into account the requirements of Chapter AGRICULTURE relating the forthcoming accession of Bulgaria to the European Union, as well as the engagements undertaken within the framework of the World Trade Organization and the international financial institutions.

First of all part of the challenges for the countries non-members of the EU, are related to the fulfillment of basic national targets and priorities for carrying out reforms in the sector of AGRICULTURE in view of the process of expansion of the EU and the opening of the European market for preferential access to it of agricultural goods from third countries, most important of which are:

- Creation of the necessary conditions for the specialization of the production taking into account the national characteristics;
- Stimulation of the setting up of economically sustainable and effective agricultural farms in plant growing and cattle breeding;

- Effective use, preservation and management of the land resources, stimulation of the land consolidation (re-grouping of the available land resources) and improvement of the land-related relationships and the introduction of market principles with regard to the market of the land;
- Development of a competitive agriculture and forestry based on innovations and modernization of the of the agricultural production and the sector of processing;
- Creation of a functioning market of agricultural production by defining the market niches for the distribution and sale of the production and the creation of a normal access to them;
- Setting up of market organizations of the producers and improvement of the ways and methods of distribution and sale of the agricultural production on the domestic and the international market (setting up of large-scale markets and market places, the commodity exchanges and other market structures);
- Improvement of the infrastructure, customs and border control;
- Introduction of legislation taking into account the observation of the European requirements regarding the quality and safety of foods, the phyto-sanitary and veterinary measures, which to facilitate the export of quality goods to the European market;
- Liberalization of the trade policy and the foreign trade regime in the trade with agricultural products and goods;
- Provision of financial means for facilitating the export of agricultural products;
- Provision of sufficient financial means for the market presentation of export products and traditional agricultural products on the Community market;

- Execution of strict control on the quality and protection of the trade names and the goods with controlled geographic origin when exporting to the markets of the EU;
- Provision of sufficient information to the commercial operators regarding existing tariffs and non-tariff mechanisms, applied by the EU when conducting trade with third countries;
- Improvement of the business-environment by reducing the bureaucratic impediments before the exporters of agricultural production.

As from 2001 Bulgaria began the financing of the projects under the different measures taken for the execution of the activities relating the application of the SAPARD program, in compliance with the financial rules of the European Commission for the coordination of the support, for the countries-candidates in the period of accession. The implementation of the financial means from the European agricultural funds shall go on even after the country is accepted as a full member of the EU.

During the first three years after the accession the agricultural producers shall obtain three kinds of financial support related to:

- Market support (support of the prices by means of intervention on the market, export subsidies, etc.) to the amount of 388 million EURO;
- Direct payment for the use of agricultural land to the amount of 431 million EURO;
- Financial means for the development of the agricultural regions to the amount of 733 million EURO.

The Bulgarian agriculture shall make use of serious financial resources of about 1,5 Milliard EURO, by which its material and technical facilities shall be modernized, and this on its part shall guarantee between income for the agricultural producers and shall expand the opportunities for the realization of Bulgarian agricultural goods on the Common European market.

An important element of the Common agricultural policy of the EU is the employment of measures and actions not only for the support of the agricultural production but also for the support for the development of agricultural regions, i.e. investment into the infrastructure, preservation of the cultural heritage and the traditions of the Bulgarian villages, the creation of alternative employment for the population in the villages. The results from the application of the Common agricultural policy in the newly accepted countries-members to the EU represent an example that is encouraging for us.

At the moment the challenge, facing Bulgaria with regard to its full membership as from January 1-st, 2007, is the preparation of a National Strategic Plan and a Program for the Development of the Agricultural Regions for the period 2007-2013 for the purpose of the full employment of the European financial means. Another important challenge is the accreditation of the Settlements Agency, to distribute and control the European financial means aimed to support the Bulgarian agriculture.