

LAND STRUCTURAL CHANGES AND DEVELOPMENT OF VEGETABLE PRODUCERS IN BULGARIA

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Abstract

Land structural changes and development of small farmers are public phenomena arising on the basis of land use as an indispensable mean of production in the agricultural sector. After the transition from one political ideology to another, which lasted more than three decades, more than 10 years were necessary for the Bulgarian government to complete the land reform. The value of the gross agricultural output had declined during the last years. The national policy in most countries maintains agricultural consultancy organizations that aim to offer additional assistance services to small-scale farmers. The legislation should set out the objectives and scope of the consultancy activity, focusing on the way of development of rural areas. The relation between research activity should be regarded as the basis for the development and implementation of agricultural programs. The purpose of this article is to present and analyze the structural changes of land use for small-scale farming and development of the vegetable producers in Bulgaria. A number of contemporary scientific quantitative and qualitative methods are used to achieve the intended objective set in this study: systematic and comparative analysis, monographic analysis and expert assessment. The methodical framework of this article provides a summary overview of the main changes in the agricultural policy and the structure of land relations in Bulgaria. The processes in land relations, as public relations, are dominated by the changes in the institutional environment and socio-cultural traditions. The paper also has a narrow focus on achieving the key goal of presenting the links between land structural changes and their impact on the development of vegetable producers in Bulgaria. The results pointed out the fragmentation of the use of agricultural land, and the existence of a large number of small farms. For the research, we used data of the Ministry of Agriculture, Food and Forestry. The main conclusions are related to the land productivity in Bulgaria regarding field vegetable production is low despite the favourable soil and climatic conditions typical of the area. The structural changes present that the land used is mainly concentrated among small producers who are mainly vegetable producers. The large number of small-scale agricultural farmers is typical for Bulgaria and the main reason for this is the land reform carried out in the 1990s, when the land was returned in real borders to its owners and their heirs.

Key words: *land relations, land reform, land structural changes, small scale farms, vegetable sector, Bulgaria*

INTRODUCTION

The main function of extension services is to provide training and professional advice in the sphere of agricultural production, marketing activities of farmers, distribution and use of natural resources, as well as the participation of young farmers and their involvement in agricultural production and improvement of services offered in rural areas. The factors that influence extension services can be categorized as economic, geographical and political. Economic factors have an impact on the internal organization of extension services. Geographical factors influence the development of agricultural farms as well as the need for specialized knowledge of the

agencies which offer extension services. Political factors are related to the level of development of extension services and education [2]. The relation between research activity and extension services should be regarded as the basis for the development and implementation of agricultural programs. The large number of small-scale agricultural farmers is typical for Bulgaria and the main reason for this is the land reform carried out in the 1990s, when the land was returned in real borders to its owners and their heirs. The key reason for the existence of so many small-scale farmers is the land reform in the 1990s. Following the implementation of the land reform, the land was returned to the owners and/or their heirs within the real boundaries

before the collectivization in the 1950s. This process of agricultural land restitution has resulted in a trend of extremely fragmented ownership structure and a large number of land plots per owner as affirmed Vranken, Noev and Swinnen (2004) [11], Kostov et al. (2004), Mathijis et al. [3], Yovchevska (2016) [12], cited by Dirimanova (2023) [2].

The purpose of this article is to present and analyze the structural changes of land use for small-scale farming and development of the vegetable producers in Bulgaria.

MATERIALS AND METHODS

In Bulgaria there is no comprehensive study on the state of land relations in the implementation of the CAP policy and, in particular, the consultation of farmers.

The relevance and need for development of a methodology related to the study of land relations in Bulgaria is derived from the link between the land management and the increasingly dynamic regional and national processes related to circular economy policies, bio-economy and food security.

The methodical framework of this article provides a summary overview of the main changes in the agricultural policy and the structure of land relations in Bulgaria. The processes in land relations, as public relations, are dominated by the changes in the institutional environment and socio-cultural traditions. The paper also has a narrow focus on achieving the main goal of presenting the links between land structural changes and their impact on the development of vegetable producers in Bulgaria.

The study is focused on the role of land structural changes in the development of land relations in Bulgaria, as well as the range of development of vegetable producers in Bulgaria related to the social, economic and legal environment in Bulgaria [9].

For the research, we used data of the Ministry of Agriculture, Food and Forestry.

A number of contemporary scientific quantitative and qualitative methods are used to achieve the intended objective set in this study: systematic and comparative analysis, monographic analysis and expert assessment.

The results pointed out the fragmentation of the use of agricultural land, and the existence of a large number of small farms.

The analyzed indicators are number of vegetable producers by regions in Bulgaria, semi-subsistence farms and small-scale farmers who do not participate in national and European programs.

RESULTS AND DISCUSSIONS

Most of the problems in the agricultural sector started when the cooperatives were destroyed and the land was returned to its owners within real boundaries [1].

Unfortunately, this working model was violently destroyed and the big tenants, who constitute about 3%, took over 95% of the arable land in Bulgaria. For all the known advantages of concentration, the existence of large-scale land owners in Bulgaria will inevitably have a negative impact on the recovery of Bulgarian agriculture. The monoculture farming of cereals, rape and sunflower, practiced by a number of Bulgarian farmers due to the high degree of mechanization in farming activities, has left other producers unemployed, which in turn has depopulated many Bulgarian villages [1].

Since 1991 Bulgaria has adopted the Agricultural Land Ownership Act. So far the law has been amended more than 73 times. The state neither manages nor directs land trade, and at the same time it avoids the problem of land consolidation. The land consolidation that is taking place in Bulgaria is not for the sake of the production itself, but to make it easier to sell or rent land [11].

There have also been huge changes in the structure of arable land. The area under permanent crops and vegetables has drastically decreased - by more than 10 times. There has been a trend towards preservation of areas planted with cereals, and a rapid growth of areas planted with sunflowers and rape, which number has increased more than 10 times. There has been a high degree of monoculture farming, with these two crops accounting for 94% of arable land.

The small-scale agricultural production is result not only of the land reform, it has also its

traditional roots in Bulgaria. In the past, before the process of collectivization, landowners cultivated small plots of land that were sufficient to produce enough agricultural produce and food to satisfy their own needs.

The results of the social and economic changes are that Bulgaria is still in a period of dynamic institutional changes that are actively affecting the state of land relations [11].

Since 1991 Bulgaria has adopted the Agricultural Land Ownership Act. So far the law has been amended more than 73 times. The state neither manages nor directs land trade, and at the same time it avoids the problem of land consolidation. The land consolidation that is taking place in Bulgaria is not for the sake of the production itself, but to make it easier to sell or rent land [9].

In this regard, the latest changes and the adoption of new legislation are a responsible economic and political act that would provide better conditions for the development of agriculture, reduce the administrative costs of farmers and lead to an improvement of the socio-economic environment in the rural areas of the country.

The Land Act sets out the rules relating to the administrative procedures for creation of land units, voluntary consolidation of agricultural land with change of the ownership right, registration of the relevant documents for the use of agricultural land for the purposes of support under Single Area Payment Schemes, etc. [9]. Compared to the basic direct payment schemes applied in most of the other Member States of the European Union, the amount of basic income support for Bulgarian farmers under this system is linked, in a simpler form, to the area of land declared by each farmer. Bulgarian authorities dedicate 13% of the allocated funds for direct payments (the maximum eligible rate) for voluntary coupled support – i.e. payments are linked not only to the number of hectares cultivated, but also to specific products or processes - beef and veal, fruit and vegetables, milk and dairy products, sheep and goat meat and protein crops. (European commission: Bulgaria and CAP, 2016) [4].

The study identified several groups of small farmers in Bulgaria:

- Newly established farms /by young people/;
- Semi-subsistence farms;
- Small-scale farmers who do not participate in national and European programs.

The limitation of the large number of small-scale farmers is based on several criteria: Farmers must be aged up to 40 years to be vegetable growers, they must cultivate at least two crops and the farm size must be up to 4 economic units. This group of young farmers in most cases has no agricultural education and needs different types of extension services [10]. Their needs are related to the development of business projects requiring the application of specific measures of the Rural Development Program (RDP) for period 2014-2020. Most of the small-scale and semi-subsistence farmers specialize in vegetable production. This production is typical for them and they can easily provide the final vegetable products in the markets. The vegetable producers are mainly located their production in the South Central Region of Bulgaria. They use 47% of the farmland in the South Central Region for vegetable production (Figure 1).

The area of the South Central Region is 22,365.1 km² or 20.1% of the country's territory. The utilized agricultural area in the south central region amounts to 779,818 hectares. The territorial structure is as follows: agricultural territories are 48.1%, forest territories – 45.1%, and the urbanized territories occupy only 3.9%. The south central region is among the most biodiverse areas in the country. They are located on the territory of the region 11 nature reserves, 9 maintained reserves, 155 protected areas [13].

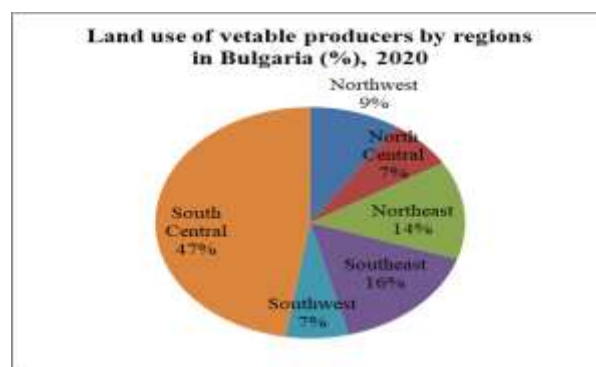


Fig. 1. Land use of vegetable producers by regions in Bulgaria (%)

Source: Own figure, by using data of the NSI [5] processed by MAFF [4].

Bulgaria is characterized by a large number of small-scale farmers, who produce mainly to meet household needs, while another part of the production is sold on the market. The key reason for the existence of so many small-scale farmers is the land reform in the 1990s. The large numbers of small-scale farmers who are vegetable producers are again in South Central Region of Bulgaria - 41% and Southwest Region - 24% (Figure 2). Most of them do not participate in national and European programs. One reason is that they do not meet the requirements of the RDP measures for which they can apply. Another reason is that a large number of small-scale farmers are reluctant to participate in EU and government programs because of the high transaction and administrative costs during project implementation period. The tendency is that these producers are mostly interested in

applying good agricultural practices and innovation [7].

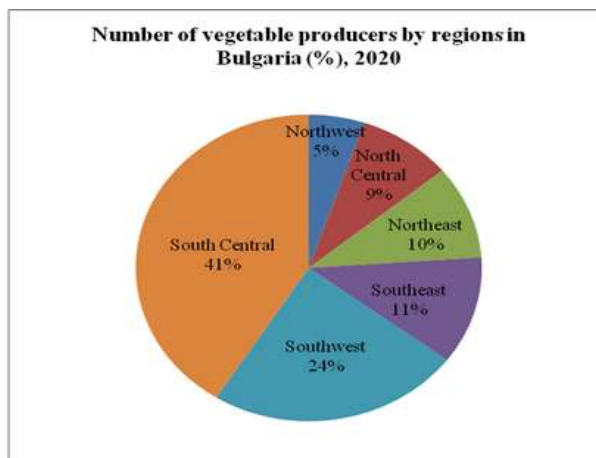


Fig. 2. The share of vegetable producers by regions in Bulgaria (%)

Source: Own research by using data of the NSI [5] processed by MAFF [4].

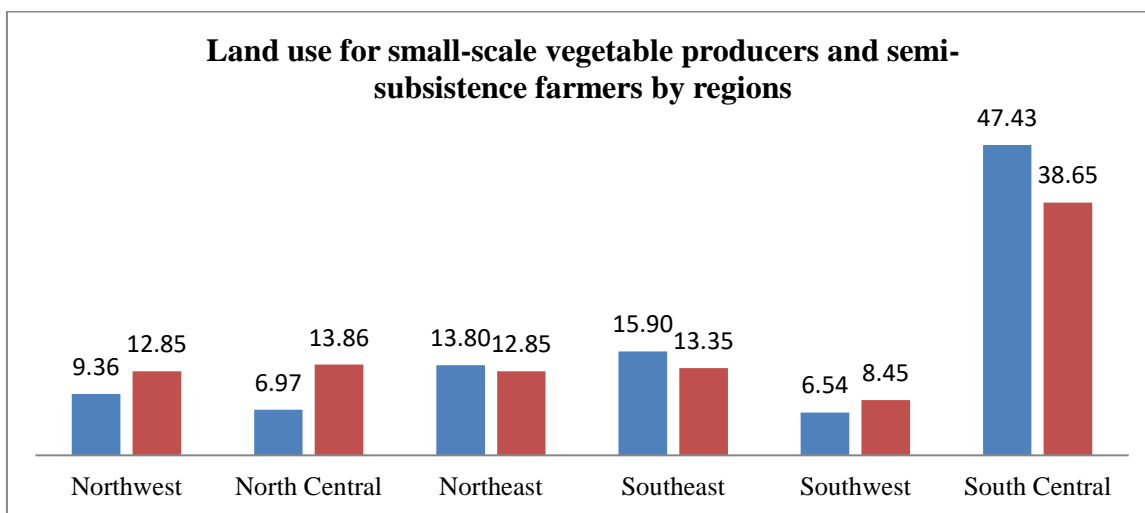


Fig. 3. Land use for small-scale vegetable producers and semi-subsistence farmers by regions (%), 2020

Source: Own research by using data of the NSI [5] processed by MAFF [4].

Note: Land use for semi-subsistence farmers (Red); Land use for small-scale vegetable producers (Blue).

There have also been huge changes in the structure of arable land. The area under permanent crops and vegetables decreased by more than 10 times [8]. There has been a trend towards preservation of areas planted with cereals, and a rapid growth of areas planted with sunflowers and rape, which number has increased more than 10 times.

There has been a high degree of monoculture farming, with these two crops accounting for 94% of arable land.

In recent years, registers a permanent trend to reduce the harvested areas and realization of

average yields far from the biological potential of cultivated vegetable varieties. Often, the obtained production is also weakly competitive compared to the increasing quality requirements of the national, regional and general European market. Small semi-subsistence farms in Bulgaria produce mainly for domestic consumption and to supplement their household income. This type of farming has economic potential for the future development of these farms. The number of such small-scale farms in the country is very high. The land use for small-scale (47.43%)

and semi-subsistence (38.65%) vegetable farmers is again very high for South Central Region of Bulgaria (Figure 3).

They are usually not well-developed and need to be restructured in order to be competitive on the Bulgarian and European markets. According to the interviewed semi-subsistence farmers who have participated in RDP measures, all of them have used extension services to prepare business plans required for the application process [6].

CONCLUSIONS

Bulgarian vegetable producers are among the farmers most affected by economic and political changes in the last 30 years despite their reputation as the best gardeners in Europe before 1989. The administration of land relations and, in particular, of land use, sets out important boundary conditions for land markets and the institutional framework is a decisive factor [13]. The focus of the new CAP in the next programming period will continue to support small and medium-sized farms. Financial support for small-scale farmers will also increase in the new programming period, which would encourage the younger generation to take up farming. The provision of extension services in Bulgaria should continue to be one of the CAP policy priorities in the future.

The return of the land, and above all within real limits, took place without a clear vision for the future. The link between science and production was severed, which set our agricultural development back in its developmental age. The law on the return of land within real boundaries was associated with the idea of creating conditions for a land market. The landowners, to whom the property of the land was returned, were unable to create a material basis for managing the land, fragmented into thousands of pieces among the heirs, most of whom lived in the cities. The relation between research activity and extension services should be regarded as the basis for the development and implementation of agricultural programs.

The land productivity in Bulgaria regarding field vegetable production is low despite the

favorable soil and climatic conditions typical of the area. The structural changes present that the land used is mainly concentrated among small producers who are mainly vegetable producers.

The region in which they develop production is the South Central region, which is characterized by a large number of small farms and fragmented production.

The policy of the new EU measures should be aimed at supporting small and semi-market farmers.

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