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ORGANIC FARMING IN BULGARIA AND EU – COMPARATIVE DIMENSIONS

The report examines the state of organic farming in Bulgaria and the EU for the period 2000-2016. An important aspect is the type of production (arable land, orchard) of organic farms. The choice of type of production differs between regions and Member States and depends on various factors (including the technical aspects related to organic production and the structure of consumer demand). In the course of the study the methods of comparison, statistical methods, etc. are used. The results are aimed at identifying existing differences between EU countries in the field of bioproduction development.
JEL: Q10; Q12; Q15

1. Status of Organic Farming in Bulgaria and the EU

The organic production sector in the EU is developing rapidly. Over the last decade, the EU's area of land used for organic farming has increased on average by half a million hectares per year. At present, there are over 186 000 organic farms in the Union. Bulgaria has achieved the largest growth of organic farming in the EU in recent years. This is apparent from official EC data published in early 2018. By the end of 2016, the EU has over 12 million hectares of organic production, this trend growing in all Member States except the United Kingdom.

The increase in the area between 2012 and 2016 is 18.7%. In the period 2012-2016, Croatia and Bulgaria registered a growth of more than 100% of the total organic farming area. Five EU Member States report a downward trend: Greece (-25.9%), Malta (-35.1%), Poland (-18.1%), Romania (-21.5%) and the United Kingdom (16.9%). In the case of Malta, however, the area for organic farming is small and the reduction of 35% is in absolute terms – 13 hectares. Spain, Italy and France have the highest common areas for organic farming between 2012 and 2016.

Within the EU, the land used for organic production in 2016 has increased by 21% compared to 2010, which is just over 11 million hectares. Increases over this period were observed in all Member States, with the exception of the United Kingdom (-29%) and, to a

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lesser extent, the Netherlands (-4%). By contrast, Croatia (from 16,000 hectares in 2010 to almost 76,000 ha in 2015, or +377%) and Bulgaria (+362%), reported an almost fourfold increase from the land used for organic farming. The same is observed in France (+61%), Ireland (+53%), Lithuania (+49%) and Cyprus (+48%).

Bulgaria is the EU leader in growth in the number of organic farmers over the past five years. The number of registered producers in the beginning of 2015 is nearly 4,000, increasing over five times over the last five years, with a growth of 17% on average in the Community. This trend is most intense in 2012 – the number of farmers is doubled. Then the pace slowed down and in early 2015 it remained almost at the level of the previous year. Certified organic areas or in transition to organic farming in Bulgaria are growing almost four times between 2009 and 2014. The most intense was the growth in 2010 (the area is doubled), 2012 (by 56%) and 2013. (44%) when they reach their peak of over 56,000 hectares. The rise for the period under review is the strongest among the 28 Member States of the European Union and more than 14 times faster than the Community average. Bulgaria also has the highest growth in terms of the share of organic production relative to the total utilized agricultural land. Despite the dynamic development, the country remains among the least widely distributed organic farming in the EU, both in absolute terms and relative terms. Only 1% of agricultural land is used in this area.

Bulgaria is also the country with the highest share of transition from the total organic production among the Member States – over 2/3, at 10% on average for the EU. This is a prerequisite for supplying production in this market niche to grow ever more intensively (Ruscheva, Todorov, Grozdanova, 2010).

2. Analysis of organic production – basic crops

An important aspect is the type of production (arable crops and perennials) of organic farms. The choice of type of production in the regions and Member States depends on various factors (including the technical aspects of organic production and the structure of consumer demand).

Much of the land is used for permanent meadows and pastures, but also for perennials (such as fruits) and for cereals. When considering the organic farming area compared to the total area of the different agricultural holdings in Europe, the available data show that organic crops (in total) account for 5% of the total area cultivated in the EU-28.

The comparison of the main categories of use for the biological sector shows interesting features. The share of permanent crops is high in the organic sector (15%), as the demand for fruit and vegetable products is among the highest in the organic market. The share of permanent meadows and pastures represents more than 50% of the total area occupied for organic production.

Conversely, cereals cover more than 30% of the total EU farmland, but a lower percentage of organic land use. The explanation lies in the fact that organic farming systems are wider than in conventional farming (greater dependence on grazing on permanent pasture). Permanent meadows and pastures are often eligible for agri-environment payments and easier and less risky to transform into the organic sector than other crops (eg field crops). Depending on the national characteristics of agri-environmental and / or environmental payments for rural development and the characteristics of land use at regional level, this could lead to preference for the development of permanent meadows and pastures for organic production.

2.1. Permanent meadows and pastures

At the level of Member States, the area for permanent meadows and pastures is the highest in absolute terms in Spain, Germany, the United Kingdom, the Czech Republic, France and Italy where it is about 0.4 million hectares or more.

In Bulgaria almost 18% is the increase of the areas with permanent meadows and pastures. At the end of 2016, they are already 38,736 hectares, compared with 31,796 in 2015. Growth of 6,581 hectares in 2016 also marks the areas under forage crops (Green Crops), due to the increased interest of operators in organic livestock farming.

2.2. Field crops: grain crops, oilseeds and protein crops for grain production

Among arable crops, cereals are the most important category of 1.4 million hectares in 2015, 14.6% of the total organic land in the EU. This represents 2.5% of the total area of cereals in the EU.

The largest areas of cereals are located in Germany and Italy (about 0.20 million hectares), and in Italy and Spain (about 0.2 million hectares). In 2015, France, the largest cereal producer in the EU, has raised more than 186,000 hectares of organic cereals. Poland ranks fifth with more than 101,000 hectares. Among the restrictions that prevent the development of arable crops in the organic sector are pest control and management. Other factors are weed control, which in the case of wheat is often noted as a major technical difficulty encountered in the organic sector, as the use of chemical herbicides is forbidden. In addition, the main obstacle is the lack of resources to develop new varieties of cereals that should not be controlled through the use of regular pesticides and fertilizers.

Organic areas with oil crops are estimated at around 212,214 hectares in 2015, and the areas for technical crops – about 273,087 hectares in 2015 for the EU-28.

Cereals in Bulgaria are mainly grown wheat, maize, barley and oats and in 2016 are 30 940,09 hectares, which is more than 28% more than in the previous year. Areas occupied by technical crops in a control system in 2016 are 30 512,05 ha (including areas with oil rose, aromatic crops, medicinal plants and spices). Growth of about 9 639 hectares more than in 2015.

There is a significant increase in areas with aromatic crops, medicinal plants and spices, which reach up to 18 088,83 ha, more than 36% more than in 2015 (11 456 hectares). The largest share of this group of crops occupies the lavender area, which amounts to 4 498,63 hectares, followed by a coriander with 4 491,77 hectares. and fennel -3,626.56 hectares.

Another important category of crops are bean and protein crops for grain production, which play a specific role in the organic sector. First of all, since beans have a high rotational value in organic production systems, contributing to the maintenance of soil fertility. Stimulation is also a legal obligation under Council Regulation (EC) No 834/2007. Second, they play an important role in organic feed because they can replace other ingredients of protein food (eg organic soybeans) that can hardly be delivered. In addition, the use of cultivated protein crops on the organic feed holding in mixed livestock production systems and livestock breeding guarantees the traceability of the protein feed ingredients. It is estimated that in 2015 301 461 hectares of organic dried leguminous crops will be grown in the EU-28. France is the largest producer of organic dry pulp with over 68 000 hectares in 2015, followed by Spain, Italy and Germany, with about 39 000 hectares, respectively 37 000 hectares and 33 000 hectares.

In Bulgaria, in 2016, cropped crops of grain crops (including seeds and mixtures of cereals and leguminous crops) fell almost threefold in the year 2016 compared to the previous year. 1 257 hectares in 2015 fell to 523 hectares in 2016. The root crops group (potatoes and beets) also dropped slightly. Areas of 103 hectares in 2015 declined to 92 hectares in 2016.

2.3. Vegetables

The vegetable sector is an insignificant part of the organic area: 145 639 hectares in 2015. Poland is the Member State with the largest area under organic farming – 41 819 hectares, followed by Italy with 29 487 hectares, France with 16 832 hectares , Spain with 13 578 hectares and Germany – 11 190 hectares.

In Bulgaria, an increase of nearly 50% compared to the previous 2015 is observed in the group of fresh vegetables such as artichokes, onions, carrots, lettuces, cauliflower and broccoli, watermelons, melons, strawberries and cultivated mushrooms. The largest share of this crop group is for pumpkin -1418 hectares and artichoke -741 hectares.

Organically grown non-traditional crops such as artichokes – 741 hectares and kiwi – 6.68 hectares, although in small areas, show the efforts of organic farmers to meet market demand and diversify the crops they cultivate.

2.4. Perennials

Perennials are an important category in the organic market. At EU level, the organic area of permanent crops is more than 1.2 million hectares. In 2015, in the EU, the areas under permanent management occupy 34% (454,227 hectares).

Areas in Bulgaria occupied with organically grown perennials amount to 34 874 hectares in 2016, which is 8 928 hectares more than in the previous year. Growth is mainly due to the growth of areas with stone fruit species, pome fruit, nuts and vines.

2.4.1. Grapes

The EU's organic vineyards are mainly located in Spain, which cultivates 96,591 hectares of grapes, followed by Italy (83,643 hectares) and France (70,496 hectares). In Germany, the areas under organic vineyards are 6 766 hectares, Greece with 5 431 hectares, Austria with 5 100 hectares and Portugal with 2 719 hectares.

In Bulgaria, the interest in organic cultivation of vineyards continues to increase, from 4 199 hectares in 2015 at the end of 2016 to 5 390 hectares. The increase is due to the increase of areas with wine varieties from 4 013 hectares to 5 390 hectares and the desert varieties of 186 hectares in 2015 by the end of 2016 are 247 hectares.

2.4.2. Nuts

In 2015, the EU has 190 580 hectares of organic nuts, of which 23 494 hectares in Bulgaria, Poland and Hungary. The remaining 167 086 hectares of organic nuts are mainly located in Spain and Italy.

At EU level, walnuts and olives occupy the largest share of organic perennial crops in 2015 (14% for nuts and 34% for olives). The reason is that these two types of production are much sought after in connection with the olive oil market, as well as the fact that there are less difficulties in producing them from an agronomic point of view. This can not be said, for example, for the production of grapes, because vines are very susceptible to disease.

In Bulgaria, interest in the group of gilts - walnuts, hazelnuts, almonds and chestnuts continues to grow. In 2016, the area of this crop group increased to 18,484 hectares, at 15,336 hectares in 2015.

3. Conclusion

In conclusion, it can be said that the market for organic farming and organic products has seen a significant growth during the analyzed period. The amount of land used for organic production has increased considerably, and the number of producers. A very important factor influencing the growth of organic farming is the growth in the market value of organic production and especially the increase in demand for organic products. In general, it is obvious that organic farming is a specific market niche on the world and European agricultural markets. Its development is particularly related to new trends in consumption, as well as to the growth of the economy of individual countries, and especially to the per capita income growth in individual countries.

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