



Ministry of Agriculture

# Agricultural Sector in Bulgaria

Current situation  
and future development

# Status and development of the Bulgarian Agriculture

- Gross value added (GVA) for 2021 - EUR 2,530.7 million or 4.3% of total GVA in the economy (growth by 6.1% over the previous year);
- Share of the agricultural sector in the total number of employees in the country - 6-7%;
- Final output from agriculture in 2021 - EUR 5,328.5 million;
  - Most significant contribution to its formation:

---

## In crop production:

- Cereals - 40.3%;
- Oilseeds - 21.4%;
- Vegetable production (including potatoes) - 4%;
- Fruit production - 2.7%;

---

## In animal husbandry:

- Milk production - 7.3%;
- Poultry - 2.9%;
- Pig breeding - 2.8%;
- Sheep and goat breeding - 2%;
- Cattle breeding - 1.8%.

# Status and development of the Bulgarian Agriculture

- Agriculture highly guarantees the food security of the country;
- Grain and oilseeds production - stable development and growth and significant part of exports;
- Livestock and fruit and vegetable production - upward trend in the recent years;
- Essential oils - one of the main producers of rose oil in the world (annual production of about 3 thousand tons) and the world leader in the production of lavender oil.

# Plant growing – current situation, problems and perspectives

- Predomination of the plant production in the country's agriculture;
- Cereals and oilseeds together form more than half of the value of production in the agricultural sector;
- Preliminary data for 2021, compared to 2020:
  - Wheat production – increased by 51%;
  - Rapeseed production – increased by 34%;
  - Oilseed sunflower production – increased by 15%;
  - Maize production – increased by 13%;
  - Growth in the Fruit and Vegetables sector: apricots (+142%), strawberries (+51%), raspberries (+8%), apples (+14%), watermelons (+20%) and melons (+29%);
  - Decrease in the production of field tomatoes (-12%) and potatoes (-2%);
  - Lavender flowers (+40%);
  - Decrease in the oil-bearing rose - 11,807 tons in 2021 compared to almost 15,000 tons in 2020;

## Main problems and challenges:

- COVID-19 pandemic;
- Military conflict in Ukraine;
- Low purchase prices of crop products;
- Depopulation of agricultural areas;
- Lack of organizations between producers.

# Animal husbandry – current situation, problems and perspectives

- Increase in the number of most species of farm animals: pigs (+ 17%), poultry (+12), buffaloes (+6%), cattle (+3.5 %);
- Increase of milk production (+0.4%);
- Increase of meat production is 24.8% for red meat and 2.7% for white meat;
- Main problems:
  - Rapid growth of production costs;
  - Low returns and efficiency;
  - Decline in interest;
  - Lower levels of added value.
- Priorities and measures under the Strategic Plan for Agriculture and Rural Development:
  - Increasing the effectiveness of support and economic potential;
  - Accelerating the modernization and technological renewal of small and medium farms;
  - Support for the sectors “Beekeeping” and “Milk and dairy products” for investment and non-investment activities;
  - Interventions and coupled support for the beekeeping, milk and dairy products, meat and cattle breeding, sheep and goat and buffalo sectors.

# Organic farming

- Significant progress in organic farming with area, which represents 2.3% of the total utilized agricultural area in the country (~5 million ha).
- National Plan for the Development of Organic Production, updated for the period up to 2030:
  - Improving biodiversity;
  - Promotion of organic production;
  - Sustainable use of pesticides;
  - Preservation of the nutritional balance of the soil and diversification of the cultivated crops, as the efforts of the farmers will be focused on ensuring the transition to more sustainable agriculture.

# Agricultural trade of Bulgaria

- Agricultural trade - 13-15% of Bulgaria's total trade (about 16-17% of total exports and about 11-13% of total imports);
- Leading trade partners - EU countries;
- Traditionally positive agri-trade balance for Bulgaria;
- Main export agricultural products - sunflower, lavender oil, sunflower oil, honey, wheat, corn, canned cherries, etc.;
- Increase of exports of products with higher added value - eggs, fats and oils of animal and vegetable origin, milling products, bakery products, processed fruits and vegetables and more.

# Investments

- About EUR 700 - 800 million per year invested in the agricultural sector or about 6% - 8% of the investments in the country's economy;
- Investments focused on:
  - Modernization of farms;
  - Food and feed safety standards;
  - Environmental protection;
  - Animal welfare;
  - Equipment upgrades;
  - Introduction of new technologies;
  - Modernization in the processing industry, etc.

# Advantages for foreign investment

- 10% corporate and income tax;
- Unhindered and duty-free access to the EU market;
- Provision of tax incentives related to investment in the sector;
- Up to 60% of the corporate tax of registered agricultural producers is transferred for the tax profit from the activity of production of unprocessed plant and animal products when reinvesting it in fixed assets - new buildings and new agricultural machinery – investments up to EUR 500,000;
- Support for the implementation of investment projects under state aid schemes and measures financed by EU agricultural funds;
- Benefits from the applied forms of support in the field of agriculture for foreign investors and companies registered as agricultural producers in the country in accordance with national legislation.



Ministry of Agriculture

**Thank you for your attention!**