



Sustainable Agriculture and Rural Development in Mountain Regions (SARD – M) Project

**Assessment of the strengths and weaknesses of
mountain policies in the SEE Europe (Balkans)**

NATIONAL REPORT FOR THE REPUBLIC OF BULGARIA

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List of abbreviations and acronyms:

AWU	Annual Working Unit
BA	Biodiversity Act
BAS	Bulgarian Academy of Sciences
BANSIC	Code of the physical nomenclature of the survey for the planted crops and the use of the territory of the country
BGL:	Bulgarian Lev
BSPB	Bulgarian Society for Preservation of Birds
CAP	Common Agricultural Policy
CGAP	Code of good agricultural practices
CS	Certification scheme
EAFRD	European Agricultural Fund for Rural Development
EU	European Union
EEA	Environmental Executive Agency
EIA	Environment Impact Assessment
EPA	Environmental Protection Act
ESU	Economic Size Unit
FMP	Forest management plans
FAO	Food and Agriculture Organisation
FAWF	Forest Areas for Wood-Felling
FLOUA	Farm Land Ownership and Use Act
GDP	Gross Domestic Product
GEAC	Good agricultural and environmental conditions
GVA	Gross Value Added
HNV	High Nature Value
HNVF	High Nature Value Farm
IFF	International Forest Forum
LFA	Less Favoured Areas
LFS	Local Forest Service
LAU	Local Administrative Unit
MoAF	Ministry of Agriculture and Forestry
MoEW	Ministry of Environment and Waters
NAAS	National Agriculture Advisory Service
NAEP	National Agri environmental Programme
NFB:	National Forestry Board
NFF	National Forest Fund
NFPS	National Forestry Policy and Strategy
NARDP	National Agriculture and Rural Development Plan /under SAPARD Programme/
NGO	Non-Governmental Organization
NNPS:	National Nature Protection Service
NPAA	National Programme for Adoption of the Aquis Communautaire
NPPS	National Plant Protection Service
NSI	National Statistics Institute
NSP	National Strategy Plan for Rural Development
NSRF	National Strategic Reference Framework

NTFP	Non- timber forest products
NUTS	Nomenclature of Territorial Units for Statistics
NSSDFS	National Strategy for Sustainable Development of the Forest Sector
PAs	Protected Areas
RDP	Rural Development Plan
SAPARD	Special Assistance Program for Agriculture and Rural Development
TBS	Territory Belonging to the Settlement
UAA	Utilised Agriculture Area

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EXECUTIVE SUMMARY

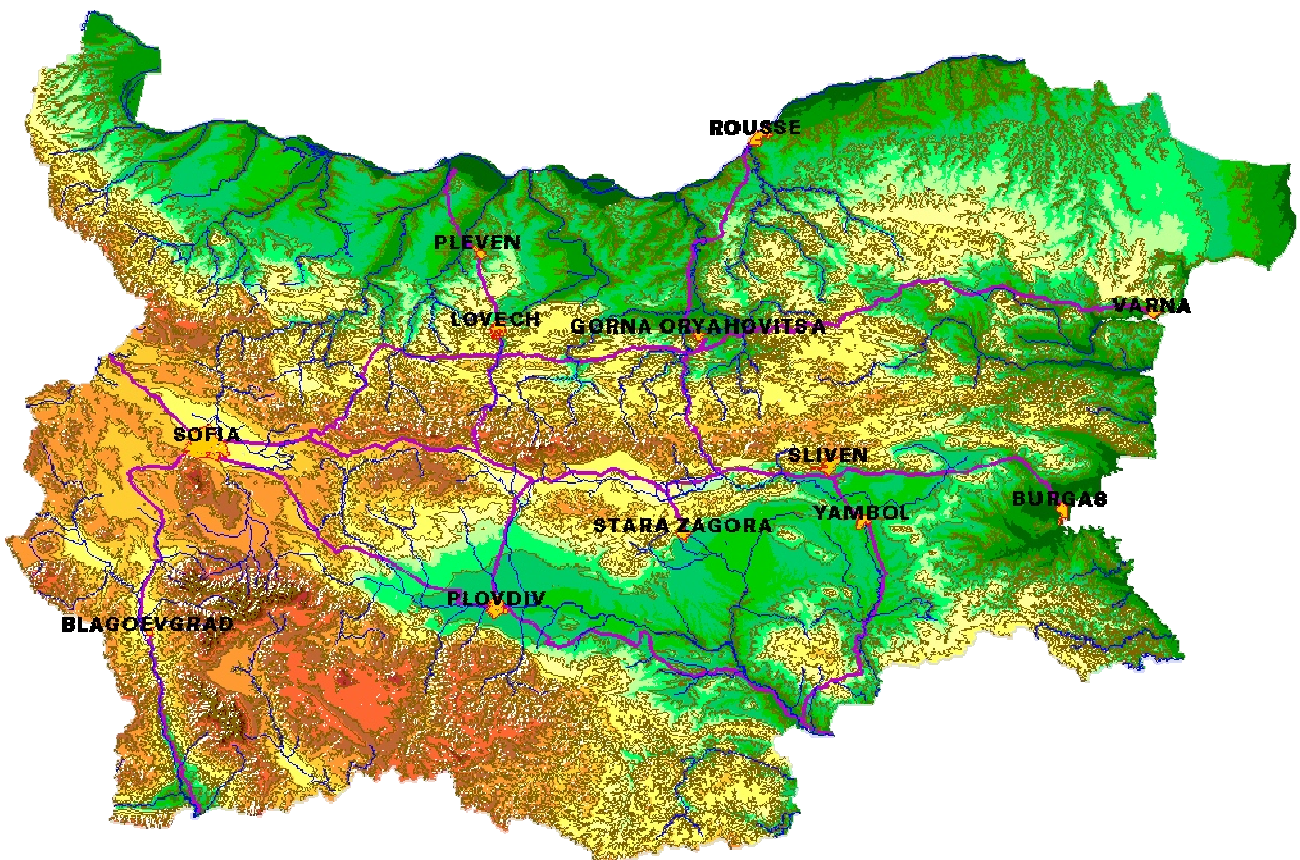
“Assessment of the strengths and weaknesses of mountain policies in the SEE Europe (Balkans): National report for Bulgaria” is being carried out in the framework of **Sustainable Agriculture and Rural Development in Mountain Regions (SARD-M)** Project. SARD M Projects aims at supporting the rural livelihoods of mountain people by facilitating the design, review, implementation and evaluation of relevant policy packages and institutional processes for promoting SARD in mountain regions at global, regional, national and local levels.

The objective of this study has the following **specific tasks**:

- carry out a rapid national assessment of strengths and weaknesses of mountain-related policies for SARD; and
- provide recommendations for the improvement of SARD-M policies and proposals for concrete follow-up activities at the SEE (Balkan) level.

The main **methodological tools** used to carry out the assignment include:

- collect, conduct research and compile relevant to SARD_M information from the national studies for mountain areas;
- desk research review of the existing SARD_M related national policy documents;

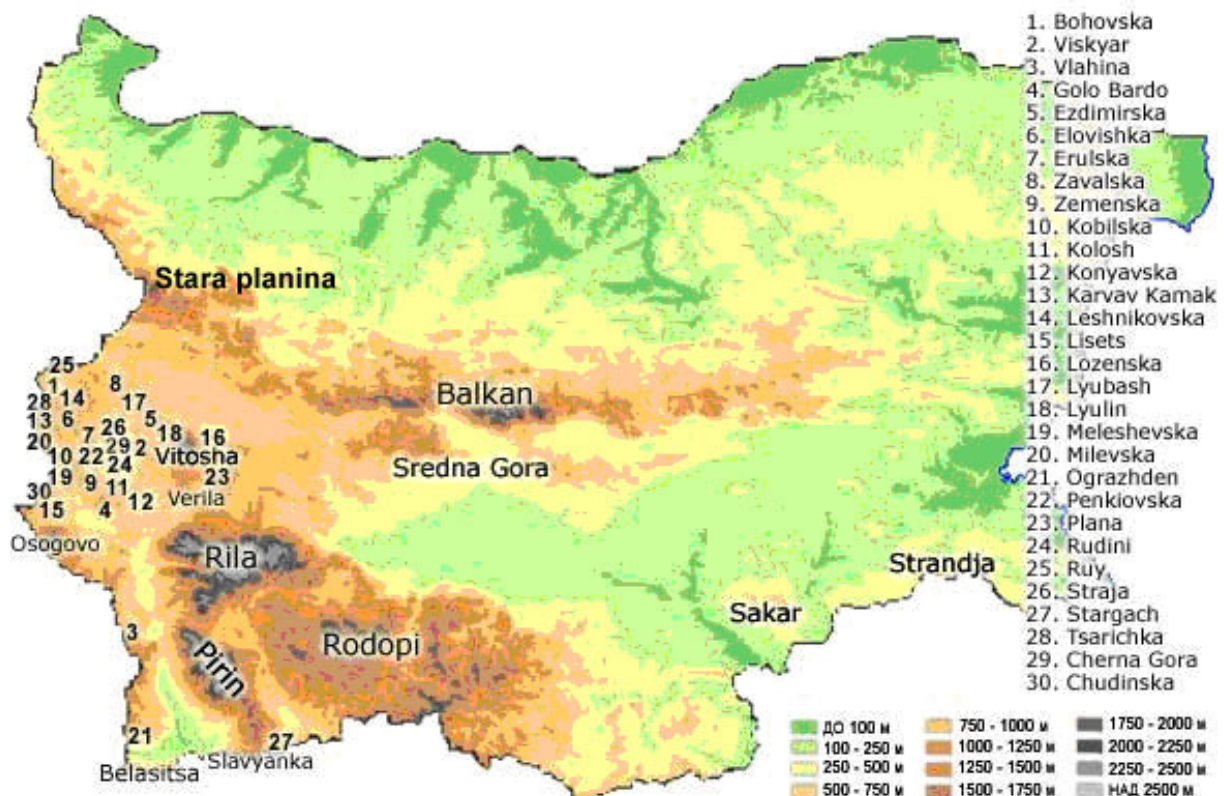


The information bellow is short description of the current situation of polices, institutions and processes related to SARD-M in Bulgaria. The experience mainly gained through the formulation of the major strategic document as well the few years experience in implementation mainly into rural areas. An attempt is done to withdraw the relevance to the

mountain regions information, as far it exists. Some expert estimation was done by the author, referring to the national data available.

The main results of assessment could be summarized as follows:

The mountain areas cover 45 % of the territory of Bulgaria or approximately 50 000 sq. km. There are 39 mountains with more than 120 peaks more than 2000 m a.s.l. altitude. The mountain areas are rich in natural resources: 82 % forests, 71 % of pasture areas, 65 % of tobacco fields and potatoes, etc. are located in these regions. The whole area of the virgin forests (103 350 ha or 2,9% of the total forest area) is also located in the mountainous areas as well.



Bulgaria is located on the crossroads of three broad bio-climatic regions – the mid-European continental, Eurasian steppe, and Mediterranean – which creates a diverse range of transitional climatic conditions. The combination of habitat types and biogeography results in a level of biodiversity that ranks among the highest in Europe, and includes a wide range of relic and endemic plant and animal species (especially in the high mountain forest zone) dating back to the Tertiary and Quaternary periods. Particularly important habitats include various types of typical mountainous forest associations, such as: dwarf pine forests, beech forests, chestnut forests and the euxine oak forests of the Strandja Mountains.

Geographically, areas of the highest species richness for all taxonomic groups include the Stara Planina, Pirin, Rhodope (especially its Eastern part), and Strandja mountains. The most important habitats of endemic species are located in the Stara Planina, Rhodope, Pirin, Vitosha, Rila and Strandja mountain regions and the Strouma river valley. The Rilo-Rhodopian mountain region and West and Central Stara planina mountain is part of

powerful European endemic floristic centers located in Central part of the Balkan (Flora Europaea).

Although there are no precise data about the settlement network of the mountain regions, based on the expert's estimations, about 1715 settlements can be considered as a mountainous. It is an expert's estimation also that population living in the mountains is approximately 1 300 000, out of which 500 000 citizens are living in the towns, while the rest (appr. 800 000 citizens) are living in villages. There is only one district town located in the mountain area - Smolyan (800 - 1000 m a.s.l), with a population of 47 160 citizens. Nine of all 27 district centers are placed in the proximity of mountain areas: Blagoevgrad, Vratza, Gabrovo, Kyustendil, Pazardzik, Pernik, Plovdiv, Sliven, and the capital Sofiya. They belong to five administrative territorial units levels NUTS II (Planning regions: North West, North Central, South West, South Central, South-East planning regions).

Last few decades mountain regions are facing process of accelerating depopulation and aging population. Lack of job creation opportunities, agriculture market and extension problems and poor living conditions (bad road infrastructure, inadequate medical care and social life, education of young, lack of culture events, poor broadcast media covering) discourage young families to stay in the region. Mountain municipalities have significant problems to maintain the quality and access of basic services in those small settlements. Given the small size of the population, the access to basic services is highly dependent on the quality and accessibility of the road infrastructure. The lack of job opportunities in these areas leads to high level of long-term unemployment. In 2004, the long-term unemployment rate in rural areas was 11.3% compared to 3.6% in urban areas. Although there are no precise data about mountainous areas, bearing in mind the general tendency for this country, the unemployment rate in the mountain settlements is even higher. The tendency for migrating to the urban areas is significant.

Currently there is still no national wide policy targets on mountains development, but there are a variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, which has potential to influence on the mountainous regions. There are seven Operational Programmes, which are operating on the national level that target different problems of the mountain areas and providing opportunities for improvement of the infrastructure, services, transport network, human resources, environmental conditions, etc. The National Rural Development Programme (2007-2013), among others targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests), introducing Less Favoured Areas, organic farming and processing, as well is encouraging development of: sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS and the Rural Development Program 2007 -2013.

Since 1st of January 2007 Bulgaria joined the European Union and thus added some 50 000 km² mountainous areas and less than 1 300 000 inhabitants to European mountain community.

Rural development planning has been one of the successes of Bulgaria's accession process. Bulgaria has a national agricultural and rural development policy to address its structural problems; a real transformation has happened in less than seven years. The introduction of the EU rural development pre-accession instrument, SAPARD, has triggered a public debate in Bulgaria on policy objectives for agriculture, and on an integrated approach for rural areas. It has had a profound impact on political dynamics, at both the local and national

level, and on support in Bulgaria for Europeanization. SAPARD has been a critical engine for capacity-building, with its requirements for decentralised funding structures in which the disbursement of funds is delegated to a national agency under EU auditing rules and supervision. Decentralised EU funding has encouraged the creation of local institutions, which have to agree local priorities for scarce resources, and to co-ordinate bids for EU co-funding, and administer the disbursement of funding, under EU evaluation. The SAPARD allocation from the EC was 52 millions € from 2000 to 2003, and 68 millions € from 2004 to 2006. Investment under SAPARD has been focussed on agricultural holdings and equipment, and food processing industries, and in non-agricultural employment in rural areas. This level of co-ordinated funding was a very powerful incentive to bring about institutional change. The Ministry of Agriculture and Food Supply plays the main role in designing and implementing the policies for SARD-M. The Rural Development Directorate in charge of rural development policy and it is subordinated to the Ministry of Agriculture and Food Supply. The key institutions are increasingly committed to protect and use natural and cultural values of the mountains for their long term protection and for catalysing the economic growth in these regions.

The Council for Regional Development was created in order to coordinate the regional policy at national level, and the regional councils for development are set up for each of the six Planning Regions, and for the implementation of the Regional Development Plans. Bulgaria already introduced the concept for the establishment of a National Rural Development Network, and the rural development measures are supported by the national budget funds. The policy formulation processes and the preparation of strategic documents are supported by the consultation with different stakeholders.

Some of the weak points includes following:

The financial support for the implementation of some strategic documents and realization of its concrete measures is missing. There is no coherence among the strategic documents and the better coordination with the biodiversity conservation is lacking.

Most of the SARD-M related policies are missing effective monitoring system, which would provide necessary feedback.

The EU and National bureaucracy hampers the implementation of some rural development programs.

On the institutional side there is no sufficient administrative capacity to efficiently implement Rural Development Programs and also internal coordination and effectiveness is missing.

The integrated multi-sector approach is lacking and the cooperation between the institutions responsible for environment and agriculture concerning the implementation of activities for biodiversity conservation is not established.

The future scope of development of a SARD-M could cluster a range of initiatives in the field of sustainable tourism, agriculture, forest management, sustainable use of land, water and natural resources, energy efficiency, waste management and recycling, education, capacity development.

Following are some of the challenges that the SARD-M can address:

- Balance the territorial development to overcome the disparities in the mountainous urban and rural areas

- Improve and utilize the human and social capital in the areas to facilitate innovation and entrepreneurship for sustainable growth
- Foster the application of the best available environmental technologies and environmental management practices for the wise use of the natural resources and the preservation of the natural heritage

1. GENERAL OVERVIEW ON BULGARIAN AGRICULTURE AND RURAL DEVELOPMENT

Name of the country: Republic of Bulgaria
Location: South-eastern, Balkan Peninsula, 42°41'N, 23°19'E
Territory: 110,993 sq. km.
Capital: Sofia
Independency Day: 22 September, 1908
Liberation Day: 3 March, 1878
Constitution: 12 July 1991
Population: 7 973 671 (2001)
Ethnic groups: Bulgarians 83,6%, Turks 9,5%, Romas 4,6%, others 1,5%
Languages: Bulgarian and minority languages
Religion: Orthodox: 84%, Muslims 12%, Jewish 1%, Catholics, Protestants and Armenians
EU Member State: 1 st January 2007

1.1. Background info on Bulgaria

The territory of Bulgaria is 111.000 km² with a population of 7.973.671 citizens (2001), which implies a density of 71.8 inhabitants per sq. km. These demographic data are decreasing. The country is surrounded by five countries and has 1, 808 km borders and the Black Sea coastal line 354 km. (source: data of National Statistics Institute).

The main physic-geographical zones are: lowland, plain, low mountains, middle and high mountains, each one with specific characteristics. The lowland and plain areas, located in the north and south east part of Bulgaria, occupies 55% of county's surface. About 45 % of the country's territory is mountainous areas (above 600 m. a.s.l.), as follows: the low mountainous areas are 15 % of county's surface and the middle and high mountains are 30 % of county's surface. The highest point is reaching 2925 m. a.s.l. (Mussala, Rila mountain).

The hydro-geographical network of the country is rather complex and in most regions quite dense, without big rivers. There are 6 natural lakes and 48 major river systems with a total length of the river network - 19,761 km. Almost all of them are linked with the mountains, e.g five major Bulgarian rivers of a cross-border character (Arda with its tributaries, Maritza, Mesta, Struma, and Tundza) take their sources from the mountains.

Bulgaria is located on the crossroads of three broad bio-climatic regions – the mid-European continental, Eurasian steppe, and Mediterranean – which creates a diverse range of transitional climatic conditions. The complex topography of mountain ridges, foothills, lowlands, and plains provides a high degree of variation in habitats from alpine forest belts. The combination of habitat types and biogeography results in a level of biodiversity that ranks among the highest in Europe, and includes a wide range of relict and endemic plant

and animal species (especially in the high mountain forest zone) dating back to the Tertiary and Quaternary periods. Particularly important habitats include various types of typical mountainous habitats: dwarf pine forests, beech forests, chestnut forests and the euxine oak forests of the Strandja Mountains.

Natural communities of the country represent habitats for 94 species of mammals, 383 birds, 36 reptiles, 207 species of fish, 16 amphibians, about 27, 000 insects and other invertebrates, above 3,500 species of vascular plants and more than 6,500 non-vascular plants and fungi. Endemic plant species account for about 5% of entire flora, while 8.8% of non-insect invertebrates and 4.3% of insect species are also endemic. Endemic vertebrates include 12 freshwater fishes, 1 amphibian subspecies, 4 reptile subspecies, and at least 4 subspecies of mammals. Rare flora and fauna includes more than 700 vascular plants (many of which are endemics found in the mountain regions), 567 species of non-insect invertebrates, approximately 1,500 insect species, 29 species of fish, 2 snakes, 78 birds (including 16 from the IUCN List of the Globally Threatened Species), and at least 10 large mammal species and subspecies.

Geographically, areas of the highest species richness for all taxonomic groups include the Stara Planina, Pirin, Rhodope (especially its Eastern part), and Strandja mountains. The most important habitats of endemic species are located in the Stara Planina, Rhodope, Pirin, Vitosha, Rila and Strandja mountain regions and the Strouma river valley. The Rilo-Rhodopian mountain region and West and Central Stara planina mountain is part of powerful European endemic floristic centres located in Central part of the Balkan (Flora Europaea).

There are 37 typical Bulgarian animal breeds have been endangered during the last several decades – 6 are irreversibly extinct, 12 are almost extinct, 16 are endangered and 3 are potentially endangered (National Biodiversity Strategy, 1995). The mountainous landscape is irreversibly linked with some of them: Rhodopiyan short horn cattle, Karakachan sheep, Karakachan horse, Karakachan dog, Stara planina horse and Rila mountain horse.

Vegetation, plants and animal species are also important natural resources and are assessed as important source for the Bulgarian economy: the medicinal plants are more than 750 species. and more than 250 species are of an economical value. Bulgaria annually exports approximately 15 500 tons of herbs with clear prospects for growth in the exported quantities. More than 90% of this harvest is collected from the mountain regions: mainly Sredna gora and Stara planina mountain, and to some extend Rhodopy mountains.

Bulgaria operates an extensive network of protected areas, which cover more than 556,303 ha, or 5% of the country and combines areas with different types of protective regime, including: (i) strict reserves (55 reserves, 76,978 ha) correspond to IUCN category 1; (ii) managed reserves (35 reserves, 4,452 ha) – areas managed for protection purposes; (iii-iv) national parks (3 parks, 193,048 ha) and nature parks (10 parks, 236,973 ha) – territories managed mostly for protection and recreation; (v) nature monuments (426 monuments, 23,153 ha) – protected individual features of nature; and (vi) protected territories (103 territories, 21,700 ha) - areas managed in accordance with the case-specific conservation requirements. About 85% of protected areas are located in the mountainous and semi-

mountainous areas: the most significant of them are: 3 National Parks (Pirin, Rila nad Central Balkan); 6 from all 10 Nature Parks (Vitosha, Sinite kamani, Bulgarka, Rilski manastir, Strandza, Vrachanski Balkan).

Natura 2000 Network The current Natura 2000 list includes 224 sites under the Habitat Directive 92/43/EEC and 114 Bird Directive 79/409/EEC, covering approximately 30% of country's territory. An random estimation indicates that about 75% of all Natura 2000 network is located or linked with mountain areas.

1.2. Short overview of the rural areas

1.2.1 Administration Bulgaria is divided into 6 planning regions (NUTS 2). Mountainous landscape is dominating in five of them: Northwestern (West Stara planina), North Central (north slopes of Central Stara planina) South Western (Pirin, Rilo-Rhodopian mountains), South Central (Central Stara planina and Rhodopy mountains), and to some extend South Eastern region (Strandza and Sakar mountains) .

Administrative-territorial structure of the country with Six Planning Regions (NUTS 2 level) Planning regions (2003)

Planning regions	Area 2003 (km ²)	% of the total area of the country	Population 2003 (persons)	% of the national total	Population density (persons / km ²)	Arable land 2003 (m ² / capita)	Number of districts	Number of municipalities
Republic of Bulgaria	111001.9	100.0	7801273	100.0	70.3	6.400	28	264
Northwestern	10288.2	9.3	512593	6.6	49.8	11.900	3	32
North Central	18320.0	16.5	1165806	14.9	63.6	8.600	5	41
Northeastern	19923.4	17.9	1285803	16.5	64.5	9.300	6	49
Southeastern	14647.6	13.2	782653	10.0	53.4	8.600	3	22
South Central	27516.2	24.8	1944382	24.9	70.7	5.000	6	68
Southwestern	20306.5	18.3	2110036	27.0	103.9	2.500	5	52

There are 28 administrative regions (NUTS 3) and 263 municipalities (LAU 1), of which 231 municipalities are classified as rural ones. The settlement network in Bulgaria consists of 7 large cities with population above 100 000, 27 medium-sized towns (with population between 30 000 and 100 000, 174 towns with population from 10 000 – 30 000 inhabitants and 200 rural towns with population below 30 000. The total number of Bulgarian settlements is 4667, of which 3650 are with a population less than 2000 inhabitants.

The settlement network in Bulgaria consists of 7 large cities with population above 100 000, 27 medium-sized towns (with population between 30 000 and 100 000), and 200 rural towns with population below 30 000. The high share of the rural population is living in small settlements. There are 3650 settlements with a population below 2000 people and about 15% of the rural population is living in settlements below 500 residents.

1.2.2 population The rural areas represent 81% of the Bulgarian territory and 42% of the population (Figure 1). The population density in the rural areas is half the country average (35.8 inhabitants/km² vs. 71.8 inhabitants/km², 2001, respectively). There are 3650

settlements with a population below 2000 people and about 15% of the rural population is living in settlements below 500 residents.

Although, there are no precise data about the settlement network of the mountain regions, based on the expert's estimations about 1715 settlements can be considered as a mountain ones. It is an expert's estimation that population living in the mountains is approximately 1 250 000, of which 450 000 citizens are living in the towns, while the rest (app. 800 000 citizens) are living in villages. There is only one district town located in the mountain area - Smolyan, located on an attitude of 800 - 1000 m. a.s.l., with a population of 47 160 citizens. Nine of all 27 district centers are in the proximity of mountain areas Blagoevgrad, Vratza, Gabrovo, Kyustendil, Pazardzik, Pernik, Plovdiv, Sliven, and the capital Sofiya. They belong to five administrative territorial units levels NUTS II (Planning regions: North West, North Central, South West, South Central, South East planning regions).

The mountain areas are barely populated or have no settlements at all. The settlement of Stara planina, Pirin and Rila are located in the foothills of the mountains, while there scattered rural settlements within the Rhodopy area, Sredna gora, Strandza and Sakar mountain. The Rhodopy has more villages than any other mountain region of Bulgaria. The approximate total population of small towns and villages within the Rhodopy is approximately 370,000 inhabitants.

The Rhodopy region covers a total area of 14 341 sq. km, which claims about 13 % of the entire territory of the country. These territories comprise 1024 settlements altogether, of which 28 towns with total population of 567 805. The settlements belong administratively to 36 municipalities in 6 districts, with unevenly distributed population. Density of population varied 1:10 and is the highest in the municipalities of Peshtera, Krichim, Kurdzhali, Peroushtitsa, and Asenovgrad. All municipalities (with the exception of the municipalities of Gurmen and Satovcha in the district of Blagoevgrad) belong to the South Central Planning Region. The socio-economic survey of the Rhodope region, carried out by GEF project "Conservation of Globally Significant Biodiversity in the Landscape of Bulgaria's Rhodope Mountains", revealed that the average monthly income per household is 239 leva (122 €) and that 65% of the people, when asked what their most pressing priority was, cited "making a living."

1.2.3 Education The educational status of the rural population is significantly lower than that of the urban population. The illiteracy rate in rural municipalities is two times higher than in urban areas (1.7% of the population between 25 and 64 years of age. Almost half of the population in rural areas have no secondary education, compared to 20% in urban areas. There are significant differences in the shares of the population with university education – 5.5% in rural areas versus 20.6% in urban areas. The share of adults 25-64 participating in education and training is only 1.3% in Bulgaria, and in the predominantly rural NUTS 2 regions it is even lower – 0.9%.

1.2.4 Employment According to NSI Labour Force Survey (LFS) in 2004, the economically active population in the predominately rural areas was 1 851 000 people and in the intermediary rural areas – 878 000 people (Table 2).

Table 1 Population by Age (2004)

Type of Region	Population Below Working Age		Population at Working Age		Population Above Working Age		Total	
	Thousand	%	Thousand	%	Thousand	%	Thousand	%
OECD definition								
Predominantly Rural regions	710.0	15.8	2 721.0	60.4	1 071.5	23.8	4 502.5	100.0
Intermediate Regions	302.3	14.8	1 254.1	61.6	481.0	23.6	2 037.4	100.0
Predominantly Urban regions	162.1	13.3	806.7	66.1	252.3	20.7	1 221.2	100.0
National definition								
Rural	517.7	16.0	1 836.3	56.8	878.2	27.2	3 232.2	100.0
Urban	656.7	14.5	2 945.5	65.0	926.6	20.5	4 528.9	100.0
Total	1 174.4	15.1	4 781.8	61.6	1 804.9	23.3	7 761.0	100.0

Source: NSI (MAF calculations).

Rhodopy mountains: Administrative structures

	Entire Rhodopes	Western	Central	Eastern Rhodopes Nature Park
Planning region	South Central	South Central Southwestern	South Central	South Central
Administrative district	6	Blagoevgrad Pazardzhik Plovdiv, Smolyan	Kurdzhali	Kurdzhali Haskovo
Number of municipalities	36	19	9	8
Number of settlements	1024 Towns - 28 Villages - 996			
Total population	567 805	364 123	175 371	118 311

Source: GEF project "Conservation of Globally Significant Biodiversity in the Landscape of Bulgaria's Rhodope Mountains"

Rhodopy mountains: Distribution of settlements according to the number of their inhabitants

Settlements	Western Rhodopes	Central Rhodopes	Eastern Rhodopes	Entire Rhodopes	For the country
Under 100 people	31.9	38.1	45.3	38.1	27.4
101 – 200	12.8	23.9	20.7	19.7	13.4
201 – 500	17.8	27.3	25.4	23.9	23.2
501 - 1000	14.8	5.3	6.6	8.5	16.4
1001 - 2000	10.2	3.2	0.0	4.5	10.4
2001 - 5000	9.2	1.4	0.4	3.5	5.0
5001 – 10 000	2.0	0.7	1.2	1.2	1.2
Over 10 000	1.3	0.2	0.4	0.6	2.1

Source: GEF project "Conservation of Globally Significant Biodiversity in the Landscape of Bulgaria's Rhodope Mountains"

Table 2 Economically Active Population and Employed in Rural and Urban Regions (2004)

Type of Region	Economically active population		Employed		Economic activity rate	Employment Rate
	Thousand	%	Thousand	%	%	%
Predominantly Rural regions	1 850.6	55.7	1624.0	55.6	47.9	42.1
Intermediate Regions	878.1	26.4	764.3	26.2	49.9	43.4
Predominantly Urban regions	593.3	17.9	533.9	18.3	56.1	50.5
Total	3 322.0	100.0	2922.2	100.0	49.7	43.7

Source: Labour Force Survey, NS (MAF calculations)

Significant disparities in the employment and unemployment has been noted at regional level, especially at the lower territorial levels. The employment level is the lowest in North-West Region and highest in the South-Western Region. In all others with the exception of the South-Western Region, the share of the employment in agriculture is highest which is typical for underdeveloped regional economies. The low labour force participation rate is explained by the poor employment opportunities in rural areas.

According to 2004 LFS, the total number of employed in the predominately and intermediary rural regions was 2 388 000 people. The employment rate was very low – 42% of the labour force. The registered unemployment rate in rural municipalities has been decreasing for the last years but still it remains very high - 19.2% in 2004. In 34 rural municipalities, the unemployment rate exceeds 30%. There are significant and persistent disparities in the unemployment rate of urban and rural areas.

A significant problem in rural municipalities is the high level of long-term unemployment. In 2004, the long-term unemployment rate in rural areas was 11.3% compared to 3.6% in urban areas. The high long-term unemployment rate is explained by the lack of employment opportunities in rural areas and the deteriorating quality of the labour force. The surveys of rural areas show that despite the high unemployment, entrepreneurs encounter difficulties in finding qualified labour force. The high unemployment rate of young people is an additional problem that leads to emigration of the young labour force from rural area.

The share of people living in poverty is significantly higher in rural areas. This is related to the lower wages, the higher unemployment and underemployment rates, the high share of population living on pensions and social security benefits, as well as to the high costs of social services. The latest World Bank study on poverty in Bulgaria revealed that poverty rates were four times higher in villages, and the households that lived in villages comprised 66% of the poor population¹. The survey also revealed higher poverty rate among ethnic minorities. Thus, poverty rate among Roma people was 62%, among Turks - 21% and among Bulgarians - 6%. All conducted studies registered that ethnic minority groups, mainly Roma, were at a higher risk of social exclusion. The higher poverty rate among ethnic minorities is determined by the significantly higher unemployment rate, especially among Roma people. These high rates are due to their low education levels and the overrepresentation among low-skilled jobs.

The data from Rhodopy area indicates following trends: lower levels of registered unemployment as compared to real unemployment; persistent loci of registered long-term

¹ World Bank. Bulgaria Poverty Assessment Report, 2002.

unemployed (about 44%) and of young people (about ¼). There are significant differences between different sub-regions, as well as between different municipalities: most aggravated situation obtained in the Western Rhodopes, and most favorable in the Central Rhodopes, where the proportion of employed on a payroll, of self-employed, and of working pensioners is the highest (see Table on socio-demographic characteristics: employment status).

Rhodopy mountains: assessment of unemployment

Basis: active population	Western Rhodopes	Central Rhodopes	Eastern Rhodopes
Registered unemployment			
Unemployed	18,8% (42 338 people)	15,8% (19 613 people)	13,9% (10 744 people)
Unemployed in the 16-29 age bracket	26. 7%	27,7%	25,9%
Unemployed for more than one year	44,2%	43,4	43. 7%
Representative survey			
Self-determined as unemployed	33%	18%	32%
Self-employed	10%	12%	6%

Source: GEF project "Conservation of Globally Significant Biodiversity in the Landscape of Bulgaria's Rhodope Mountains

1.2.5 Access to Basic Services: In all rural municipalities, the settlements are grouped around the municipal centre (usually a small rural town, or a big village). In the municipal centre are located institutions, providing part of the basic services for the rural population – secondary and/or vocational schools, health care centres, bank offices, etc. The small rural towns are evenly spread throughout the country. On the contrary, there is uneven dispersion of large towns, and related to it different access to specialised services, science, education and culture, etc. The remoteness of the large portion of rural areas from large urban centres results in disparities in socio-economic development within the rural areas.

A special problem is the high share of the rural population living in small settlements. There are 3850 settlements with a population below 2000 people and in these settlements reside nearly half of the rural population (Table 1). In very small settlements below 500 residents live about 15% of the rural population. Municipalities have significant problems to maintain the quality and access of basic services in small settlements. Given the small size of the population the access to basic services of the population in small settlements is highly dependent on the quality and accessibility of the road infrastructure.

The share of the population below working age in rural areas was about 45% of the total population below working age (in 2004). The rural areas, however, have problems in retaining the young population, as in rural areas the population at working age is 7 percentage points lower than population below working age in the same areas. It is 38% of the total population at working age.

The quality of technical and social infrastructure in rural areas has deteriorated significantly due to under-investments in infrastructure development and maintenance. This results in deterioration of the quality of life and threatens the ability of rural areas to maintain their population and attract investments. The quality of the infrastructure differs by type and size of settlements. The gaps between the municipal centres and the villages are quite

pronounced. The municipal centres usually have better street infrastructure, water supply, and sewage and waste collection systems.

The road network in rural areas is relatively well developed but it is poorly maintained. A recent World Bank survey indicated that nearly two-thirds of the rural residents expressed discontent with the quality of inter and intra municipal settlements roads and half of them were not satisfied with the quality of roads to agricultural fields².

The municipalities are responsible for the management of more than 16 000 km of municipal roads and the streets within the rural settlements (Table 3). A large portion of the municipal roads have not been repaired for more than 15 to 20 years and are in poor condition.

Table 3 Road Network in Rural Municipalities (km)

Type of rural area	Number of municipalities	Motorways	1st class roads	2nd class roads	3rd class roads	Municipal roads	Streets ¹
Rural municipalities included in agglomeration areas	52	188	680	1 011	2 446	4 528	10 624
Other rural municipalities	178	145	1 225	1 944	6 396	11 561	20 284
Total rural municipalities	231	333	1 905	2 955	8 842	16 089	30 907

Note: Data on streets covers information on 187 municipalities. The remaining rural municipalities have no exact data on the streets network.

Source: MAF, Survey of basic services in rural municipalities, 2007.

According to Municipal strategies for the period 2007-2013 there is a need to reconstruct more than 8 600 km of roads and 4 900 km of streets in rural municipalities. The investments needed amount to about 1800 MEUR, of which 1200 MEUR in municipalities not included in agglomeration areas³. The MAF survey showed that the reconstruction of municipal roads and streets is rated as the highest priority by more than 50% of the rural municipalities.

1.2.6 Heritage and Tourism The recreational function of the mountains is the main prerequisite for the development of tourism in this region. The main type of tourism in the region is winter ski tourism, concentrated in the Pirin area – Bansko and Dobrinishte, and Rhodope – Pamporovo. Despite the existence of protected territories and wealth of biodiversity, the alternative forms of tourism as eco-tourism and rural tourism are relatively little known and underdeveloped. A Strategy and Action Plan for development of eco-tourism was developed in 2003-2004.

Bulgarian rural municipalities have rich historical and culture heritage. There are about 330 museums. About 6 500 cultural monuments of national and local importance are located in the rural municipalities as well as in mountains. Quite rich is rich historical and culture heritage of Strandza and Rhodopy and Stara planina mountain.

There is a good potential for development of green tourism in rural municipalities, but it is still underdeveloped. The specialised surveys show that almost half of the national territory has a large resource potential for developing attractive tourist products. The majority of municipalities have sufficient natural and built resources to develop recreation tourism. In

² World bank. Bulgaria: Survey on Rural Development Needs, 2004.

³The National Spatial Urban Model identifies three hierarchical levels of cities functioning as centers and their agglomerations in which the territory of Bulgaria is divided. The agglomerations consist of urban core (respectively the capital, the large cities - over 100 000 inhabitants, and medium-size cities – over 30 000 inhabitants) with functions of national or regional significance.

2006, however, tourism had a tangible contribution to incomes and employment in only 35 rural municipalities (60% of which mass sea and ski, or spa resorts).

More than 80% of rural municipalities put tourism as a priority in their development strategies for the period 2007-2013. Nearly two-thirds of rural municipalities identified in their strategies specific projects for rural tourism development. Thus, there are about 1200 projects for the development of tourism infrastructure, restoration of historical and cultural monuments, and other tourism related projects, amounting to 185 MEUR. About one-third of these projects are identified in smaller rural municipalities, with the population below 10 000. More than 60% of these projects are implemented in the mountain areas.

Currently rural tourism generates a very small share of the Bulgarian tourism revenues and particularly to the mountainous regions. It is concentrated in a limited number of regions: mainly West and Central Stara Planina Mountains, and the Rhodopi Mountains). During the last few years a few villages located close to the National Parks offer rural tourism products, mainly one-day round tours. National Parks Central Balkan and Rila are listed in the PAN Park initiative of the WWF. The number of travel agencies that offer rural tourism in Bulgaria is small but their experience shows that the demand for rural tourism has been growing. Most of the rural sites are visited by Bulgarian tourists during their holidays or during weekends /national holidays. There are rural tourist products offered to foreign markets, as well.

Accommodation is a key element of the tourism supply that strongly impacts on the level of tourism development and its impacts on a particular area. In 2004, there were 107 000 bed places in rural municipalities, but 80% of them were concentrated in 12 municipalities, specialised in mass sea (all municipalities located along the Black sea coast) and ski tourism (Pamporovo (Rhodopy mountains), Bansko (Pirin mountain), Borovetz (Rila mountain), Vitosha mountain). Because of this concentration at present in many areas of the country tourism development is hampered by the lack of accommodation, while in others the key gap is the quality/standard of accommodation and the respective services provided. Among the greatest obstacles for tourism development in rural areas in Bulgaria is insufficient development of tourism attractions and facilities as well as difficult access to tourism amenities, national parks and tourist sites.

There is a significant problem of lack of trained human resources and strategic planning and marketing of rural tourism resources and products. Few municipalities have some kind of touristic strategies – identified tourist products, bed and breakfast services, etc.: West Stara palnina: Chiprovtsi, Central Balkan: Aprilci, Kalofer, and a variety in the Rhodopy mountains. An advantage is that the capacity of non-profit organisations offering support for rural tourism development has improved significantly.

The conflict arises as the extensive development of tourism, big tourist centres and the related infrastructure threaten absorbing and directly affecting large natural areas. These problems can be reduced with the proper realization of the priorities of the National Rural Development Program - Axis 3, focused on the and priority development of ecological tourism, rural tourism and other types of alternative tourism

1.3. Short overview of the agricultural sector

The country's agricultural land is 5,725 663 ha, or 51.6% of Bulgaria's total area. This figure is summing up the utilized agricultural areas (UAA) and agricultural lands, which were not used last three years (NSI, 2005). In the period 2000-2005, about 149 000 ha has changed their

use and have been moved to other land category. During this period the UAA has decreased with about 317 000 ha, and arable lands – with 272 000 ha. The UAA includes arable lands, permanent grasslands with agricultural purposes, family private and green houses. In 2000-2005 the abandoned lands have increased with about 168 000 ha, the share of LFA is relatively stable, while the area of grasslands with low productivity potential was increasing.

Land Use, 2004 % in mountains

Type	ha (000)	% of total area	% of UAA
1. Land area	10 876.1	98.0	
1.1 Utilised agricultural area	5 330.5	48.0	
<i>Of which</i>			
<i>Arable land</i>	3 296.8		61.8
<i>Permanent grassland</i>	1 800.8		33.8
<i>Permanent crops</i>	215.8		4.0
<i>Other areas including kitchen gardens</i>	15.1		0.3
<i>Crops under glass</i>	2.0		0.0
1.2 Wooded area	3 734.5	33.6	
<i>Of which Forest area</i>	3 601.3		
1.3 Other land area	1 811.1	16.3	
2. Inland waters	223.2	2.0	
Total area	11 099.4	100.0	100.0

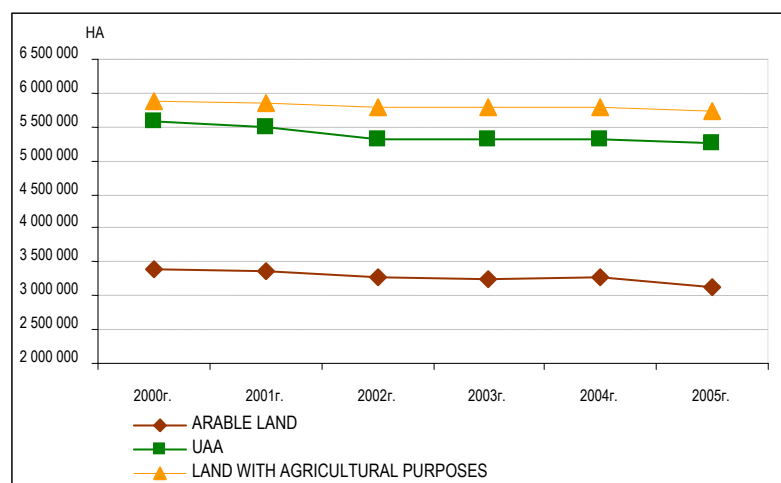
Source: Agrostistics Directorate, MAF, 2003.

The arable land is including permanent crop areas, fallow (set-aside) and temporary grass lands. It represents 76.8% of total agricultural land and is concentrated in 3 of NUTS2 regions –North-East, North-Central and South-Central region. (2004, MoAF statistics). Permanent grasslands and meadows-orchards accounted to 34% of the UAA (1.8 million ha) and permanent crops – 4% (0.2 million ha).

- **Utilized agricultural land (UAA):** 5.3 million ha (48 % of country territory)
- 4% of the **UAA** are perennial crops
- 34% of the **UAA** is grassland

The fallow land was 0.44 million ha or 8.2% of the arable land. Fallow lands are part of the arable lands, but with no production value in the year of monitoring. They are kept under this category for two years, no matter if they are maintained or not. In 2005 the surface of fallow areas was 348 000 ha or 11,1% from the arable land.

Figure1. Structure of the agricultural lands



Source: MoAF, Directorate: Agro statistics

The surveys shows that 20% to 40% from the arable land is used for monoculture production or is kept as fallow land more than one year. The process of land restitution has resulted in a significant fragmentation of the land ownership in Bulgaria. The average size of the agricultural plots is 0.6 ha. The size of the plots varies by regions, depending on the natural conditions and the crop structure - from 0.26 ha in Smolyan NUTS 3 region to 1.99 ha in Dobrich region². Due to the fragmented land ownership, 79% of UAA of agricultural holdings is leased. About half of the land used by the holdings of natural persons is leased and 93% of the land of cooperatives and farming companies.

There were about 7 000 agricultural holdings, managed by legal entities in 2003 (including cooperatives). They accounted for 70% of the UAA of all holdings, included in the 2003 census, with an average of 290 ha per holding. Agricultural co-operatives used to have an important contribution to the agricultural value added in the transition period, but their role has declined in the last 2-3 years. In 2003 there were about 2 000 cooperatives, which farmed 40% of the UAA. The 2005 Farm Structure Survey registered a 23% decline in the number of cooperatives and a 24% drop of their UAA. The large share of very small agricultural holdings contributes to the small average size of Bulgarian agricultural holdings – on average 1.6 Economic Size Units (ESU). These holdings are primarily self-subsistent farms, which market only a fraction of their produce. There are substantial differences between the size of the holdings managed by natural persons and those managed by legal entities (cooperatives, limited companies, sole traders, partnerships). In 2003, the vast majority of the agricultural holdings were operated by natural persons (658 600). These were predominantly small agricultural holdings, 99% of which reported less than 5 ha of UAA.

In terms of area, the most important permanent crop is grape, which accounted for 129.6 thousand ha or 61% of the total permanent crop area. In 2004, about 85 thousand ha of vineyards were harvested and about 351 thousand tons of grapes were produced. About 50% of the vineyards are kept by physical entities. The tobacco is an important industrial crop in Bulgaria. The total output of tobacco (raw leaves) in 2004 was estimated at 69.6 thousand tons. The South Central region accounts for 61% of all the tobacco produce. In 2004, there were about 62 thousand registered tobacco growing producers. About three-fourths of them planted less than 0,5 ha, but they accounted for one third the total produce.

A significant part of the crop production comes from agricultural holdings with mixed type of farming. Mixed holdings produce half of the root crops, one third of barley, vegetables and maize.

Livestock production contributed to 35.7% of the Bulgarian agricultural output. In 2004, the cattle herd amounted to 672 thousand, sheep – 1 692 thousand, pigs – 931 thousand, goats - 718 thousand. In 2004, the poultry-stock amounted to 19.5 million, out of which 88% - hens. The predominant part of the poultry production is concentrated in large holdings (93%). It is worth noting that 38% of the poultry, 28% of the pigs, 3% of the cattle, sheep and goat are bred in holdings, which have no UAA. The structure of stock-breeding farms which is typical for Bulgaria of the last years - numerous small farms, preserves in 2002 as well. In 2002, the total number of stock-breeding farms has increased with 2.2% compared to 2001. New element in stock-breeding development in 2002 is the expansion of the national structure for preservation and reproduction of valuable breeds of animals and birds with high genetic potential.

Table 1: Structure of agricultural gross output (2004)

Utilised Agricultural Areas	% of total
Crops	51,8
Cereals	18,3
Vegetables	14.4
Industrial crops	8.5
Livestock	31.4
Milk	9.5
Sheep and goat	4.7
Poultry	4.7
Pig breeding	4.5
Services	5.5
Secondary non separated non-agricultural activities	11.4
TOTAL	100

Source: Agrostistics Directorate, MAF

According data from Agricultural Census (2003), 1.35 million people were engaged in agricultural activities, of which 93% were engaged in farms less than 5 ha and 72% in farms less than 1 ha. The percentage of full time employees is only 25%. The 2005 Farm Structure Survey, registered a significant decline of 20% in the number of people, engaged with agricultural activities. The number of full-time employed shrunk by a higher percentage – 25% and went down to 254 000 people. One of the major problems in the sector is the unfavourable age structure of the farmers. The According to the agricultural census data, barely 5% of the holdings' owners are young people -less than 35 years of age. The overall structure of the agricultural labour force – 156 800 were less than 35 years of age and their number was reduced by 55 000 in the 2003-2005 period. The exodus of young people from agriculture is a serious problem that requires special measures for retaining the young labour force.

In 1991 the Law for Agricultural Land Ownership and Land Use launched the restitution of land ownership rights. The Law was designed on the basis of historic justice, and efficiency

objectives were not considered a priority. As a result of land reform 98% of agricultural land now is privately owned and the remaining 2% is under legal dispute. As regards to the grasslands and pastures, the share of public and state ownership is still predominant and is 71.3%.

1.4. Short overview of the forestry sector

Bulgarian forests are subdivided into three groups according to their main functions: commercial forests (designed for timber production), protective forests, called also forests of special functions (designed for protection of water, soil etc.) and protected areas.

The commercial forests include all the forests where the primary goal, together with maintaining their ecological functions, is timber harvesting. The protective forests include quite variable sub-categories: water-preserving, erosion-preventing, soil conserving, recreational, green zones and systems, country parks etc. In 2000 the share of forests with economic functions is 65.9% of the total forest area; protective and recreational forests amount to 26.6% and the forests and forestland in protected areas are 7.5%.

A National Forest Policy and Strategy “Sustainable forest development in Bulgaria 2003-2013” was adopted in 2003. The audit report notes the strategy as a good example of a document, establishing a framework for sustainable development. The strategy is a framework and basis for identification of activities, funded by the grant scheme.

The mountain forest represent about 2/3 of the all forests in Bulgaria.

Bulgaria possesses a great diversity of forests due to the specific geographical position, its mountainous relief, and mainly the human impact. In terms of the total forest area, 89.7% is wooded land, 68.1% of this wooded land (2.5 million ha) has primarily timber production functions. The other 21.6% are protective forest areas, 6.5% of these are recreation forests and 15.1% are forests with other protective purposes. The remaining 10.3% of the total forest area is made up of tracks and natural meadows.

Total forest area in Bulgaria in 2005

Total Forest Area	million ha	% of total
Wooded land	3.65	89.7
(High stems forests)	2.5	61.4
(Coppice forests)	1.2	29.5
Non wooded land and grassland	0.42	10.3
Total	4.67	100.0

Source: National Forestry Board, 2006.

High stems forests account for 61% of the forestry area in Bulgaria (above table)⁴. They produce high quality timber (saw timber and furniture). In contrary, coppice forests are established for fire wood supply and they are not able to reach the high quality and quantity of timber seen from high stems forests. For this reason, for the last 40 years the forestry

⁴ National Forestry Board data is used for the analysis in this section.

policy in Bulgaria has been focused to the transformation of coppices into high stems forests.

The surface of virgin forest in Bulgaria is 103 350 ha, which presents 2,9% of the forest area. The future management and usage of these forests is extremely important issue on national level. About 75 000 ha from the virgin forest are included in the protected area network. The natural high-stem forest occupied 30% from wooded area (1,1 mln ha) and are an extremely important genetic resource. Most of it is in the mountain area.

About 32% from the forest fund is managed in order to protect environmental functions of the forests: 13,4 % from forest fund is designated as protective forests, diminishing the erosion processes, etc., while the recreational forest (6,4%) and some other protective forests (3,8%); Pastures cover 8,2 % (335 381 ha) from NFF national forest fund. The forests are also a refuge for of about 80% from the protected species and 60 % from endangered species (429 species of which 43 recognized as a globally threatened species). During the last ten year the area of protected areas was not extended at all.

Bulgarian forests were subject of nationalisation in 1947. In 1998 the process of restitution has started. On the turn of 2005 the process of restitution was considered almost completed. Nowadays (2005), the state continues to be the biggest owner possessing 76,8% of the national forest fund, municipal forests are 11,5%, private forests are 9,6% and other legal entity – 2,1% (schools, churches and monasteries, forest cooperatives, etc.).

Due to the ongoing restitution of former non-state forests, the share of non-state forests will increase. The structure of forests' ownership is uneven throughout the country. The private forests are in the form of small plots, predominantly below 1 ha. Because of the small plot sizes of private forest property and the fact that owners' often live in urban areas away from their forest plots, the interest for managing these forests is low.

It is estimated that more than 30% of all private forest owners live in big cities without any relationship to their ownership. They have no motivation to do appropriate and expensive silvicultural activities in their forests.

The majority of biodiversity in Bulgaria finds its natural habitat in the forests. The species composition of forests is very rich, which is a result from their particular situation. The biogeographic position between the Mediterranean, Steppe and European broadleaved forest areas and from sea level up to 2900 m explains the great diversity in species composition. Also the variety in relief and of basic rocks that contributed to the variety of soils and the wide range of hydrological conditions, have established ecological niches for rich biological diversity, including trees and shrubs. Nowadays, on the territory of the Bulgarian forests are preserving: over 80% of the protected plant species; over 60% of the endangered animal species; over 60% of the priority habitats; 8 from the 12 landscape complexes, defined in the National strategy for preservation of biodiversity as unique and representative for Bulgarian biodiversity; Populations of 43 globally endangered species.

The average age of the forests in Bulgaria is 51 years with a wide spread. In non-state forests, more than 119 000 hectares are younger than 40 years old. This corresponds to a share of approximately 64% of the total area of all non state owned conifer forests. Furthermore, more than 60% of all forests are younger than 40 years, especially in coniferous forests. The young conifers dominate in non-state forests in Bulgaria. These are plantations, which were established 20-40 years ago in a very high stand density. For this reason, the stability against wind, heavy snows and insects is much lower in comparison to natural forests. Therefore, these stands require thinnings and other actions to improve stability and productivity.

There is no official data on the contribution of the forestry sector to GVA gross value added and employment. Unofficial estimates assume that the forestry share is about 0.5% of GVA. According to FAO, about 34 300 people were employed in the forestry sector in 2000.

The main silviculture practices in Bulgaria for transforming coppiced forests are clear cuts, if these stands are between 40-60 years old. Due to the low quality stands as well as the decrease of increment in the next generation, transforming coppice into high stem forests is urgent.

The insufficient road infrastructure and its poor maintenance hamper forestry activities. In Bulgaria, the average density of forest roads is approximately 7.8 m/ha, it varies between 3 m/ha in mountain regions up to 15 m/ha in low lands. Most of them are not useable for timber trucks because of poor maintenance. Especially in the mountains more than 100 million m³ of growing timber stock is not open for use.

Significant investments, however, are needed for improvement of the forest-management, wood felling and improvement of the forest infrastructure. The improvement of the economic value of forests could be achieved by planting appropriate species for timber production, including biomass production and investing in installations and equipment for processing and utilization of this wood biomass.

1.5. General information about mountain areas

1.5.1 geography Since the beginning of XX century the geographers in Bulgaria define as the lower boundary of the mountain regions the height contours with altitude of 600 meters and over. The scientists identify 39 mountains. There are 123 peaks more than 2000 m a.s.l altitude: Pirin – 33 peaks, Rila – 32 peaks, Rhodopes – 11 peaks, Stara planina – 20 – peaks. Mousalla Peak in Rila Mountain – 2925 m a.s.l. is the highest peak on the Balkan Peninsula. Almost 400 high-mountain lakes are scattered around Rila and Pirin mountains. For practical reasons and for purposes of this report we will use the definition of the Ordinance N 14/01.04.2004 of the Ministry of Agriculture and Forestry and the Ministry of Regional Development and Public Works, for „Defining of the settlements in rural and mountain regions” for mountain regions:

“Art. 3 (1).....territories, which are above 600 meters in altitude or below 600 meters, but with a difference of more than 200 metres between its highest and its lowest point on 1 km² area and with gradient of the terrain 12%.

(2) Mountain municipalities are considered those in which more than half of the territories of the settlements included in them, are mountain regions.”

Bearing in mind the above mentioned definition we can consider that on the 1st January 2007 Bulgaria added more 50 000 km² and less than 1 300 000 inhabitants to the mountain community of the European Union. The future of this area is equally important for Bulgaria and for the EU, as it is part of the European mountain areas.

1.5.2 mountain policies: As far there is no single policy or institution dealing with the mountains in Bulgaria it is quite difficult to rely on precise data available for the mountains. For the purpose of the report, in order to be able to present some data as well trends in the

mountain regions, the author grouped mountains in few but significant mountain areas: Rilo-Rhodopy mountain, including also Belasitza and Slavianka mountain (about 17 400 km²) located in the South Bulgaria and Stara planina – Balkan range (12 600 km²) crossing Bulgaria from West to the East and dividing country to South and North part.

1.5.3 Economic development A number of institutions and organizations (including the Government, local administrations, NGOs) have launched or planned many projects and initiatives for the improvement of socioeconomic situation in the Stara planina, Rila, Pirin and Strandza and Rhodopy mountains. Generally, there are many and multifarious initiatives in the region: related to power generation, tourism, agriculture, infrastructure, ecology. E.g. in Rhodopy region it includes also big construction projects such as Gorna Arda hydropower project, the new tourist complexes of Syutkya and Perelik; in Rila – Seven Rilski lakes; and expanding the huge water catchment area of Rila mountain; Central Balkan – new tourist complexes, etc. On a regional level (part of the mountains), i.e. activities unfold basically within two or three initiatives/sectors: tourism, timber/wood processing, Gorna Arda project, and agriculture, sporadic opening a wood processing enterprises in Rakitovo (Rhodopy area); Berkovitz (West Stara planina); small hydropower station – all over the mountain areas. This leads to extremely high expectations about concrete projects and their eager defence on the part of local population.

The planned ecological projects are mainly environmentally related, while any projects pertaining to the protection and sustainable use of biodiversity are practically missing. The existing network of protected territories incl. Natura 2000 site lacks any management plans and any advantages/harms from such type of management remain unknown in the region of Rhodopes, West Stara planina, Slavyanka.

The basic natural resources, such as forests, waters and underground mineral riches, have been subject to intensive direct exploitation and interference in the natural processes: sophisticated water reservoir systems, predominantly for power generation were built (a total of 20 water reservoirs capturing 90% of the surface waters in the Rhodopes for purposes of power generation), timbering and ore mining were carried out. Generally, the sector approach still dominates: there are three concessions for underground prospecting in the Eastern Rhodopes and new direct water economy initiatives are planned (the Gorna Arda Cascade, Tsunkov Kamuk Water Reservoir), as well as construction of tourist complexes in territories of high conservation significance.

1.5.4: Environmental services: The “market” value of indirect utilization of biodiversity and entire landscape has not been calculated, nor used: ecotourism is practically undeveloped, though frequently used as a phrase, without being linked to its basic concept as tourist activity of educational value, which could bring environmental benefits and earnings to local communities. Justifications of the new alternative agricultural program started in 30 municipalities have once again shown that it rather relies on expansion and launching of new agricultural practices as a compensation for the closedown of mines, than on environment friendly practices.

The richest in floristic aspect are the Balkan Mountains, Rhodopy, Pirin Mountain, followed by Rila Mountain, limestone terrains of the Western Bulgaria, Osogovska Mountain, Strandzha Mountain. The arctic and the boreal elements in the mountain fauna are represented by Euro-Siberian species with specific requirements to the environment conditions. In the alpine region above the upper boundary of the forest prevails the tundra

(arctic) fauna. In the mid mountainous and low mountainous belt the Central European types prevail. From the invertebrate these are snail, weevil, blue marten, leaf wasp, etc. The reptiles are represented by viper, viviparous lizard, the amphibians by mountain frog and toad, and the birds by titmouse, swallow, sparrow, dove, and crow. The most wide spread mammals are bear, wild cat, fox, wolf, wild boar, red deer, etc. The Euro-Siberian species in Bulgaria are the same as those spread in Central and even in Northern Europe.

Mountains contain rich water resources: from all 48 major rivers in Bulgaria, 37 rivers with a length of 8 520 km are formed in the mountainous regions. They are part of the Danube river basin – app. 20 % or the river flow, 20 % belong to the Black sea basin, less than 11 % belong to the Aegian sea basin. Most of the rivers are located in Balkan range (Star planina) – 23 rivers. The watersheds of rivers Yantra, Iskar and Kamchia are the largest ones. The largest watershed in Rilo-Rhody massif are rivers Struma (6450 km²) Maritza (5550 km²), Mesta (4950 km²) and Arda (3420 km²). Around 36% from all dams are also located in the mountains while their water volume is about 70% of the total water resources of the country.

1.5.5 Economic overview: The economic structure of the mountain areas is not homogeneous, primarily due to the disparities in terms of economic power, innovation, competitiveness and accessibility between urban areas and rural areas. Urban areas benefit from the (re)development of the manufacturing industry and the expansion of services, while rural areas are confronted with strong dependence on agriculture, fishing, forestry, mining and tourism. In general, there is an increase in the weight of services in the total composition of the gross domestic product (GDP).

There are about 8 300 km² pasture areas, 157 km² – natural meadows and high mountainous grasslands in mountainous region. The high percentage of pastures and Natural meadows in the predominantly mountainous relief of the region are an opportunity to develop sheep and cattle-breeding. The mountainous region offers opportunities for breeding pigs and goats and raising poultry. A large part of the manufactured animal production does not have a stock character. It is mainly used for the direct needs of the farming families.

According to agri-statistics data the average size of cultivated land per farm in Bulgaria is 4.44 ha. In the mountainous areas in the country the size of the cultivated land per farm is between 1.44 ha - 1.82 ha. The statistical data indicates that the land used by a mountain farm situated on rugged terrain is 3 times less than the average land used per farm for the country. This fragmentation of the agricultural lands leads to much higher production costs. Production in small firms and personal farms does not yet make use of effective technologies, balanced feeding and optimal use of the genetic diversity of the animals. The potential for growth of the sector is connected with the development of stockbreeding. There are excellent conditions for meadow breeding. This also offers an opportunity to produce certified organic products.

2. SARD_M related policies in Bulgaria

2.1. System of governance

Bulgaria is a parliamentary republic, based on the principles of distribution of the power to Legislative, Executive and Judicial one. Legislative power/branch: concentrated in the

Parliament. It is an unicameral National Assembly or Narodno Sobranie - 240 seats; members elected by popular vote to serve four-year terms.

The institution of President of the Republic has a relatively recent history and is associated with Bulgaria's transition to democracy and with the new structuring of institutions within the context of this transition. The presidential institution in Bulgaria came into being upon the adoption of the country's new Constitution on 12 July 1991. The establishment of a republic with a parliamentary system of government was accordingly accompanied by introduction of the institution of President of the Republic as head of State.

Among others, as head of State, the president has a power to promulgate the laws and is a matter of practical relevance to the separation of powers. The President decrees the promulgation in the State Gazette of the laws adopted by the National Assembly. The laws enter into force three days after their promulgation and the state bodies and the citizens are bound to observe and implement them. The president also endorses changes in the boundaries and in the administrative centres of political units on a motion by the Council of Ministers.

The executive power is prerogative of the Council of Ministers (CoM). The Council of Ministers nominated by the prime minister and elected by the National Assembly elections: president and vice president elected on the same ticket by popular vote for a five-year term (eligible for a second term); chairman of the Council of Ministers (prime minister) nominated by the president and elected by the National Assembly; deputy prime ministers nominated by the prime minister and elected by the National Assembly. The CoM also nominates and elects the Districts Governors, which represents the executive power at the districts level. Members of the CoM are ministers, chairmen of the agencies, having a level of responsibility as the Ministries. In addition to the function of being the highest executive body in the country, the CoM approves and issues legal acts, secondary legislation, decrees, resolutions, and instructions, and has a mandate to initiate laws and to suggest them to the Parliament.

Judicial power/branch: Supreme Administrative Court; Supreme Court of Cassation; Constitutional Court (12 justices appointed or elected for nine-year terms); Supreme Judicial Council (consists of the chairmen of the two Supreme Courts, the Chief Prosecutor, and 22 other members; responsible for appointing the justices, prosecutors, and investigating magistrates in the justice system; members of the Supreme Judicial Council elected for five-year terms, 11 elected by the National Assembly and 11 by bodies of the judiciary)

Legal system: civil law and criminal law based on Roman law; accepts compulsory ICJ jurisdiction

2.2. Major governmental institutions related to the SARD_M

2.2.1 The central administration counts 224 administrative structures, including the administration of the Council of Ministers, 16 ministries with some 36 executive agencies (relevant to the administrative level of the ministries – e.g. State Forestry Agency). There is no single policy established for the mountain regions, however the state provides a comprehensive framework: seven (7) Operational programmes and a National Rural Development programme (2007-2013) which recognises the potential of mountain resources among others within the rural areas. Key institutions are increasingly committed to protect

and use natural and cultural values of the mountains for their long term protection and for catalysing the economic growth in these regions.

2.2.2 The Ministry of Agriculture and Food Supply, carries out activities related to the protection, restoration and maintaining of the soil fertility, the protection of the water from contamination with nitrates from the agricultural production, the use and protection of the forests, as well as managing, coordinating and monitoring the implementation of the government policy in agriculture, forestry, hunting and fish husbandry. The MoAF is implementing the overall state policy in the agriculture: grain production, grain trade and storage, cereals processing, feed production, trade and processing; plant production and animal breeding as well as activities, related thereto; development of irrigation infrastructure in agriculture, structural adjustment of the hydro-amelioration fund and establishing of Water User Organizations; managing, using and safeguarding of forests and game, as well as activities, related thereto; investments in agriculture and forestry; producing, preparing, distributing and storing of seeds and planting materials. MAF is also responsible for developing and implementing agricultural policy, which accounts for 15 % of the country's GDP. As with the forestlands, the restitution of agricultural lands to private ownership has almost been completed and more than 80 % of all agricultural lands are now privately owned. Most of this agricultural land is cultivated in small family plots, and throughout Bulgaria an estimated two million farmers farms on a subsistence basis. The MoAFS has branches in each municipality, which are maintaining the land cadastre. The National Agricultural Advisory System (NAAS) at the MoAF provides support, expertise and consultancy to farmers. The NAAS operates on three levels as follows:

- National level – NAAS overall activity is managed by the Science and Education Department of MoAF. Apart from the Head office of the MoAF, there are also three national Information, Training, Agri-business Centres and an Analytical Laboratory for Agro-chemistry Advice;
- Regional level – the regional advisory services operate under the Regional Offices of the Agriculture Ministry;
- Local level – since September 1997 the number of local extension services has increased to 30. Another 3 specialised extension services have been established to provide advice in plant protection, irrigation, vine growing and the wine sector. All services have been continuously supported by the PHARE Program.

2.2.3 The Ministry of Regional Development and Public Works (MRDPW) implements the national policy in the area of: territorial planning and public works, development of the water supply and sewerage systems, development of the National Plan for Regional Development. MRDPW is responsible for coordination and preparation of the National Economic Development Plan, of the National Regional Development Plan and of the Operational program Regional Development.

There are 28 provinces (oblasti) which are clustered in six Planning Regions: North West, North Central, North East, South West, South Central, South East. The Planning Regions are formed on the basis of districts depending on their geographical location, economic development, number of population and prospects for development.

For each of the six Planning Regions, in accordance with the Law on Regional Development (promulgated in State Gazette No.14/ 20.02.2004, amended in State Gazette No.32/

12.04.2005), Regional councils for development are set up. Members of the Regional Council for Development are representatives of: Ministry of Regional Development and Public Works, Ministry of Finance, Ministry of Environment and Waters, Ministry of Agriculture and Forestry, Ministry of Economy and Energy, Ministry of Labor and Social Policy and Ministry of Transport and Communications, appointed by the relevant minister, district governors of the districts included in the relevant Planning Region, as well as one representative of the municipalities of each district included in the Planning Region concerned.

In order to coordinate the regional policy at national level, a Council for Regional Development is created, within the Council of Ministers, which consists of ministers, regional governors and a representative of the National Association of municipalities. Directorates for technical assistance, coordination and management of regional programs and plans are also established within the structure of the district administrations in the centers of the Planning Regions.

BOX Regional Council for Development functions:

1. Discusses and coordinates the drafts of the District Development Strategy for the Planning Region concerned;
2. Discusses and approves the draft of the Regional Development Plan of the planning region concerned in compliance with the principle of partnership;
3. Discusses and coordinates the measures to be included in the National Operational Program for Regional Development;
4. Adopts a preliminary evaluation of the projects submitted in implementation of the measures included in the National Operational Program for Regional Development,
5. Submits opinions on the annual reports and on the final report;
6. Interacts with the district councils for development and the central bodies of the executive power;
7. Carries out other functions assigned by an act of the Council of Ministers or the Minister of Regional Development and Public Works.

BOX Directorates for technical assistance, coordination and management of regional programs and plans functions:

1. Support the activity and act as secretariat to the Regional Council for Development;
2. Organize the elaboration and coordination of the regional development plans and submit them for consideration to the regional council for developments;
3. Participate in the discussion of the main measures, programs, activities and projects in the elaboration of the National Operational Program for Regional Development;
4. Participate in the preliminary evaluation of the projects for implementation of measures proposed by the final recipients, included in the National Operational Program for Regional Development and in particular in the part concerning the planning region;
5. Support methodologically the final aid recipients in the implementation of the projects approved;
6. Provide assistance to the applicants for aid to meet the requirements laid down in the regulations;
7. Coordinate and interact with the central structures of the executive power for implementing the measures planned;

8. Support the collection of information for analysis and evaluation of the implementation of the National Operational Program for Regional Development for the territory of the planning region concerned;
9. Participate in the preparation of intermediate and annual reports concerning the progress of the implementation of the National Operational Program for Regional Development;
10. Draw up regular information on the process of planning and implementation of the National Operational Program for Regional Development for the territory of the planning region concerned;
11. Carry out other functions defined in their Rules of procedure.

2.2.4 Administrative responsibility for forests resides within the State Forest Agency (SFA). The SFA has main responsibility for formulation and implementation of the forest policy and sustainable management of the forest, direct management of state forest fund and control over all forest lands. The SFA is a juridical entity with state budget and statute of an executive agency. The Head of NFB (National Forest Board) is reporting directly to the Minister of Agriculture and Forestry. The NFB is organized on 3 levels consisting of: central body, 16 Regional Forest Directorates, 141 State Forest Services, 37 State Game Breeding Husbandries, 2 Forest Seed Control Stations and 3 Forest protection stations. Within the structure of the NFB there are also 10 Nature park Directorates which are under Ministry of Environment and Waters (MOEW) administration. All these bodies are administrative units and are financed by the state budget. However the game breeding stations have certain limited rights to carry out economical activities. National Office for Forest Planning (Agroslessproekt), is a state firm, which prepares forest management plans. The three forest protections stations are monitoring the development of pest invasions in the country. They are developing programs for combat against pest diseases, based on the scientific methodologies and are advising state forest services and private forest owners for carrying out the activities needed

Municipal forest organizations are an important player in the Bulgarian forest sector in the future. During 2003-2005 a forestry management offices has been established in 12 municipalities (Municipality Forest Offices). They are responsible for management of the municipal forest areas in accordance with the Forest Law regulations and requirements. The NFB is carrying out the control over the forest management within the Municipality Forest Offices.

The forest private ownership is fragmented and is with a small side lands, but most of the private forests are located in the mountain areas. Last five years two NGOs were established bringing together representatives of the private owners from non-state forest sector. During last five years about 20 forestry co-operations were established in the Rhodopy mountain region. A professional association of the private forester practitioners was established as well – Bulprofor. This could be considered as a first steps towards the improvement of the management of private forest. E.g the fact that Forest cooperative Borika succeeded to introduce the principles of sustainable management of the forests over 2000 ha and as a result it was among the first certified forest organizations in Bulgaria. Such approach is impossible to be followed by small sized forest owners. The Bulprofor is very active in representing the community of the forest practitioners into the development of the national policy documents. However, non-state forests owners do not have the needed neither qualification nor financial resources to manage the forest in sustainable way. In the long

term this is quite an important issue as more than 70% of Bulgarian forests are located in the mountain areas.

In 2005 the reported number of NFB staff figured out at 7 540 individuals. The number of people working in the forest sector totaled 14 500, which presents 0,4% employees of this country. (NFB Annual report, 2005). The state forest administration is traditionally well structured and organized system, incl. rural areas. The specialized forest bodies (as forest protection stations, seed control stations, etc) are able to meet the current needs of the forestry sector, however the equipment is old and not properly maintained. The special mandate of the NFB to formulate the forest policy, but also to manage and maintain the state forests in Bulgaria, is requesting much more staff than the current one (an average 2 person/1000 ha forests). The current situation of combining the political and public functions and economical ones, sometimes led to certain contradictions. Recently the CoM took decision to establish a special Governmental body to respond to an urgent a need of reorganization and institutional strengthening of the of the forest sector. The forest sector is among few organizations which are represented quite well on local level in the mountainous regions.

2.2.5 The Ministry of Environment and Water (MOEW) and its Regional bodies (15 Regional Environment Inspectorates, 4 River Basin divisions, 3 Directorate of National parks) is concerned in the elaboration and the implementation of the environmental policy. The decisions and the position of the country in the environmental protection sector are taken directly by the Government, while the central state institution responsible for the policy in environmental protection is the Ministry of Environment and Water.

The MOEW is responsible for the following main activities:

- the development and implementation of the national policy in the environmental sector;
- the preparation of the legislative and regulatory framework mainly in the following areas: water management, ambient air quality and waste management, nature protection, chemicals, noise, accidental discharges to the environment and management of the risk of industrial incidents, horizontal legislation, adaptation of the national legislation to the European Union Acquis;
- the management of the protected areas which are exclusive state property and the distribution of the water resources;
- the issuing of permits for use of natural and mineral resources;
- the elaborating of decisions on the environmental impact statements for large plants and activities of national importance.

The MoEW is responsible for managing Strict Nature Reserves, Managed Nature Reserves and National Parks through its National Nature Protection Service (NNPS) and its National Park Directorates, housed in its Regional Inspectorates of Environment and Waters offices (RIEW). For this purpose, in March 1994, the MoEW established the National Nature Protection Service (NNPS) which has responsibility for management, supervision and control over all protected areas. The NNPS is branch of the MoEW. The MoEW manages protected areas, totaled 184 310 hectares and the land of these PAs is under public state ownership.

The other PAs, e.g. the ones located in the NFF, are managed by the NFB, but under the supervising of the MoEW.

The National Environmental Protection Fund is a department in the structure of the MOEW. The NEPF is the main source of funds for co-financing of projects with international funding and projects implemented with local financing.

The Executive Environmental Agency is a specialised body of MOEW. The Agency is responsible of the following main tasks:

- Carrying out of the monitoring and the analytical-laboratory activities;
- Elaborating the methodological guidelines for the Regional Inspectorates as regards the measurements and the analyses;
- Collecting and processing the information and issuing information bulletins about the state of the environment;
- Preparing and publishing of an Yearbook for the State of Environment in Bulgaria.

2.2.6 The Ministry of Finance is responsible for the management of national and external financial resources, particularly the funds provided within the framework of the EC funded programs.

3. Policies and Strategies

3.1. Sustainable development in the national context

As a UN member, the Republic of Bulgaria participates actively in the global activities for development of sustainable development strategies, and presented its position at the Johannesburg Summit. However the country currently does not have a national strategy for sustainable development or another equivalent document. Individual ministries, within their prerogatives and for the purpose of their activities, have adopted internal rules, methodological rules, instructions etc.

In 2002 with the support of the UNDP an outline of the **National Sustainable Development Strategy** was drafted. It identifies the responsibility for sustainable mountain development in Bulgaria to: Environment and Water; Agriculture and Forests; and Regional Development plus Construction and municipalities, while NGOs contribute to national processes. At present there is no single/integrated national strategy for sustainable development in Bulgaria or other equivalent document. General principles of sustainable development have been incorporated in sectoral programs, methodological rules, instructions etc.

A **consultative intergovernmental Council** has been established in 2006 with a decision of the CoM to coordinate activities towards sustainable development, led by the Ministry of Economy. The main task of this body – elaboration of National Sustainable Development Strategy with main components: Climate change, Sustainable transport, Sustainable consumption patterns, Protection and management of natural resources; Human health; Demography and social issues; Poverty reduction, horizontal issues: good governance, development of knowledge technologies as well monitoring indicators. However for the

time being the National Sustainable Development Strategy is still not approved by the government.

In May 2004 the Minister of Environment and Waters established the **Interdepartmental Commission on Sustainable Development and Environment**, the resolutions of which have only advisory nature, including reviews of national strategies, programs and plans related to SD.

National plan for regional development: aims at creating prerequisites for sustainable and balanced development of the different regions in Bulgaria, reduction of the interregional differences in employment and income, establishment of regional trans-border cooperation and European integration.

National Strategy for the Environment 2000 – 2006 **Operational Program “Environment” 2007 – 2013** - draft version adopted by the Council of Ministers in December 2005. The final version of the OP is adopted by the end of 2006. The Program provides the framework for utilization of funds from the EU Cohesion fund.

National Biological Diversity Conservation Strategy – adopted in 1998. A five years Action Plan for its implementation has been developed and is still in force, covering the time until the beginning of the new planning period – 2007 – 2013. Many of the envisaged activities have not been implemented yet. An important part of the envisaged activities is related to the use of biological resources. The Action plan contains criteria and indicators for sustainable use of biological resources, which should not change in negative direction.

Regional Development Act: creates statutory obligations for particular bodies to conduct activities for management, organization and coordination of all sustainable development issues of national importance. The Act provides for a specific order for the development, approval, adoption and reporting plans for regional development on the local, municipal, regional, and national level.

Environmental Protection Act: provides for the development of a National Strategy for the Environment, municipal programs for the environment, national plans and programs for components of the environment. Separate legislative acts require the design of programming and planning documents: Waste Management Act - national and municipal programs for waste management; Farmers Support Act, Energy Act, Biodiversity Act, Air Cleanness Act, Subterranean Resources Act, Safe Nuclear Energy Use Act, etc.,

Biological Diversity Act, Protected Areas Act, Medicinal Plants Act together with the related executive acts regulate the conservation and sustainable use of the biodiversity. Other relevant Acts are **Agricultural Lands Protection Act, Ownership and Use of Agricultural Land Act, New Plant Sorts and Animal Species Protection Act, Forestry Act, Hunting and Game Protection Act, Fisheries and Aquaculture Act, etc.** (see paragraph 6, annex)

3. 2. Agriculture and Rural Development policies and strategies – pre-accession period

During last three decades several national wide attempts were undertaken to formulate a national wide more comprehensive policy towards sustainable development of mountain areas. A comprehensive survey was carried and national priorities were identified. As a result a Draft Law on mountains has been developed. However after the political changes in nineties none of these efforts have resulted in policy documents able to guide and manage the cluster of problems in the mountain areas. Most of these efforts were driven by the relevant international obligation to which Bulgaria was party – elaboration of a management plans for national parks in Rila, Central Stara planina, Pirin, as well a comprehensive GEF in Rhodopy mountains, which are mainly targeting a nature protection, more than a wide range of mountainous problems.

Currently there is still no national wide policy on mountains developed, but there are a variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, which have potential to influence the mountain regions. Bellow is a description of the main policies and strategies, which take into account and respond to the specific challenges of the Bulgarian mountains in an adequate and satisfactory manner:

As since the 1st January 2007 Bulgaria became a member state, most of info is linked with the accession process and less with a practical experience, stemming from implementation process. For the sake of practicality they are divided into two periods – before and after 1st January.

The Government of Bulgaria has prepared a **National Program for the Adoption of the Acquis (NPAA)**, which lays down the priorities and time frame for meeting EU Accession requirements in different sectors. This is in line with the EU Agenda 2000 Framework, which provides the overall strategy for applicant countries from Central and Eastern Europe in preparing for EU Accession. As set out in the NPAA and the general provisions of the EU Agenda 2000, the country's priorities in Agriculture (including forestry and fisheries) are focused on the following two aspects:

- Economic:
 - building a modern and competitive agricultural sector meeting EU economic criteria, i.e. a sector able to operate under the pressure of EU market forces by implementing a strategic investment policy that mobilises all financial resources in a good mix aimed at the implementation of the acquis in agricultural production and trade, forestry and fisheries;
 - sustained agricultural and rural development in compliance with environmental protection requirements on the basis of stable rural communities, alternative employment, economic diversification, and large-scale infrastructure.

- Legal-administrative, including:

- agricultural (veterinary and phytosanitary control included) legislation alignment with the EU acquis and preparation for the implementation of CAP (Common Agricultural Policy) mechanisms by sectors and commodity groups;
- bringing the existing administrative capacity and procedures into line with EU membership requirements targeted at the enhancement of the organisation capacity for the implementation and enforcement of the acquis as well as for the undertaking of functions and responsibilities related to EU membership;
- building organisational structures, which will ensure the implementation of the legal mechanisms in Bulgaria's co-operation with the EU under the Accession Partnership Framework.

The **Bulgarian National Development Plan (NDP)** is a national strategic document developed to meet the requirement of the EU for the programming period 2000-2006. It presents the long-term public investment program of the country, consisting of investments in both physical and human capital. NDP defines the vision, the strategic goals and the national development priorities as well as the necessary financial resources and institutional framework required for their realization. Regarding programming and management of the EU funds after 2007, the role of the NDP is to structure and present the strategic choices made by the national investment policy in order to ensure adequate coordination, justification and provision of financing of the interventions, co-financed by the EU resources.

The **National Agriculture and Rural Development Plan (NARDP) for 2000-2006** under the EU Special Accession Program for Agriculture and Rural Development (**SAPARD**) has been adopted by the Council of Ministers by Government Decision 726 of 22 November 1999. The Multi-annual Financing Agreement was signed in December 2000 and provisional allocation of public funds for whole programming period is 511,80 MEUR. The NARDP brings together EU financing with matching contributions from national sources (government, municipal and private sector). The community contribution is 385,27 MEUR. The official launch of the SAPARD program was on June 1, 2001 with detailed regulation for implementation of 3 accredited measures. On 14th August, 2003, the SAPARD Agency was granted conferral of management for 7 other measures from NARDP. The implementation of last measure – 1.3 “Development of Environmentally friendly practices and activities” started in September 2006.

Three main EU Pre-Accession instruments are facilitating the Government of Bulgaria in making this transition, in cooperation with the support of multilateral and bilateral partners and IFIs. The SAPARD assistance is focusing on agricultural reform, sustainable rural development and promotion of small and medium sized enterprises. The ISPA programme is providing investments for environment, infrastructure and transport sectors. The PHARE programme, which has been active over the past decade, will continue to provide institution building and investment support in line with the country's emerging priorities with respect to the Accession process.

National Ecotourism and Action Plan, 2004, provides a tool to galvanize local social and political elements of rural development and link them to income generation, economic growth and improvements of rural economies. Ecotourism development is based on a balance between the conservation, economic and social policies of the government. This is in line with European policies and is a guarantee for the effective implementation of the

sustainable development principles in Bulgaria. The Strategy outlines the development of Ecotourism for a period of 10 years, while the Action plan covers a period of five years. The documents suggest geographical foci for ecotourism development in Bulgaria. The document was approved by the Ministry of Economy, Ministry of Agriculture and Agrarian Reform and the MoEW. The Action plan suggests practical ways to turn mountain environment, traditions and customs and rural life way of life into a profitable and beneficial dimension of Bulgaria's sustainable Tourism Agenda. The successful implementation of the National Ecotourism Strategy and Action Plan depends to an exceptional degree on the initiative of local authorities, national, regional and local tourism associations, protected area and cultural site managers, NGOs, and private businesses.

National Forestry Policy and Strategy for 2002 – 2014 is a framework policy document, based on the multifunctional principles for forest management. The document was elaborated in November 2002 – August 2003 with the support of the World Bank, the Swiss Government through the Bulgarian – Swiss Forestry Project and the German Centre for Technical Cooperation (GTZ) through the Bulgarian – German Forestry Project. NFSP sets the policy frame for the forest sector development for the next 10 years. The process of elaboration of the NFPS led to elaboration of few Drafts of new policy documents - E.g elaboration of the principles of the Draft Strategic Plan for development of Forestry sector 2007-2011; New Draft of Forestry Law and elaboration of New Concept of fire protection and measure against illegal cutting. NFSP has been approved with a Council of Ministers decision and has been reviewed and approved by the Agriculture and Forests Committee of the Parliament, but it still not approved by the Bulgarian Parliament. The document has no specific references to the mountainous regions, however the overall framework will have an impact on the forest sector – particularly on the issues of providing added value to the forest products (certification schemes, rural areas linked with the forest sector, protection of biodiversity, incl. nature parks management, etc.) In July 2007 the CoM took a decision for establishment of a new governmental body (State Forestry Agency) to deal with the forest policy issues. The elaboration of the future functions of this body is still under development and discussions. (the expected deadline is September 2007).

Some other strategies/policy documents related to the SARD_M issues are: National Action Plan on Climate Change (2000), the National Biodiversity Strategy and Action Plan (1999), National Strategy for the Environment and the Action Plan for 2000-2006 (2001); National Biodiversity Plan (2005-2010); Management plans for protected areas; Concept for strategy for protection of the virgin forests, (2006), National Programme for sustainable land management and combat with desertification, etc.

The concept of protection of natural resources is set in a norm of highest rank - Article 15 of the Constitution states: "The Republic of Bulgaria shall ensure the protection and reproduction of the environment, the maintenance and diversity of living Nature, and the sustainable use of the country's nature and other resources". For implementing this constitutional obligation different legal acts regulating the social relations regarding the protection of natural resources and their sustainable use have been adopted. The principle of integration of environmental protection policies in the sector policies is provided for by the Environmental Protection Act.

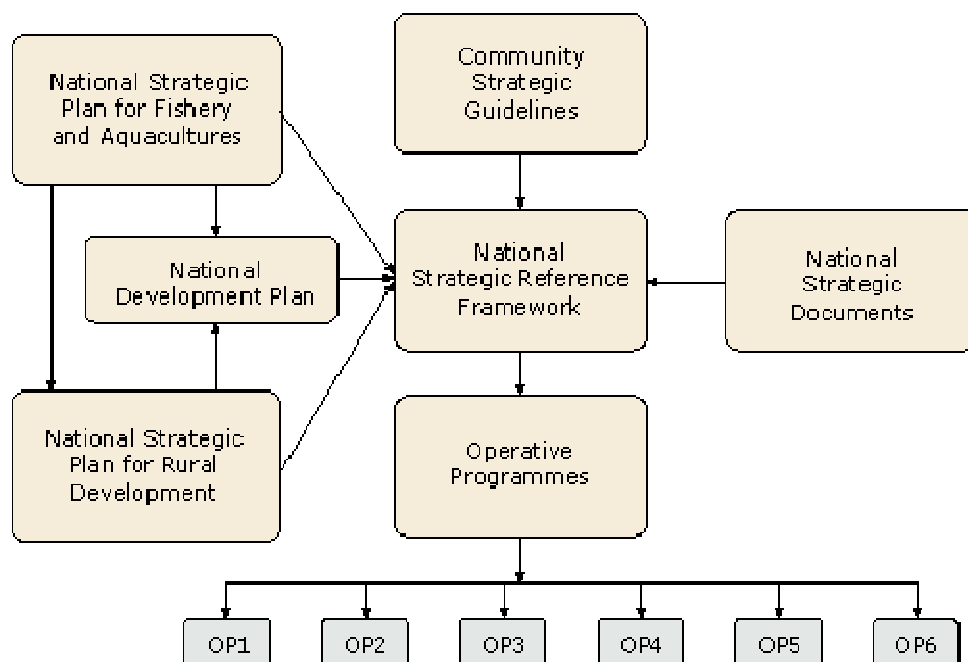
3.3. Agriculture and Rural Development policies and strategies (after 1st January 2007)

In addition to the NDP, which is the requirement of the EU for the programming period 2000-2006, the new regulations and strategic documents on the EU international investment policies for the period 2007-2013, were prepared by the Bulgarian Government - Council of Ministers for the justification of the EU funds' assistance:

- **National Strategic Reference Framework 2007-2013**: (OP : operational programme)
 - OP "Development of the Competitiveness of the Bulgarian Economy";
 - OP "Human Resources Development";
 - OP "Transport";
 - OP "Environment";
 - OP "Regional Development";
 - OP "Administrative Capacity";
 - OP " Technical Assistance "
- National Strategic Plan and Program for Rural Development 2007- 2013;
- National Strategic Plan and Program "Fishery and Aquacultures" 2007-2013.

The resources available to Bulgaria as a Member State after 2007 are divided into the following EU funds:

- ✚ **Structural Funds:**
 - European Regional Development Fund;
 - European Social Fund;
 - Cohesion Fund;
- ✚ European Agricultural Fund for Rural Development;
- ✚ European Fishery Fund.



The National Strategic Reference Framework 2007-2013 (NSRF) is the strategic document for the absorption of the EU Structural funds that needs a formal adoption by the European Commission. It is elaborated on the basis of the NDP 2007-2013 and consists of the strategic platform for justification and coordination of the EU Structural funds' financial assistance. Although there is no specific references in NSRF for the mountainous regions all four priority areas are contributing to solving most of the mountainous problems through providing investments in agricultural and forestry sector with the aim restructuring encouragement of innovations in the process of processing and adding of value and encouragement of production of biological products; protection of environment and sustainable land management; Creating employment and improvement of infrastructure and services in rural areas; and investments in participation of local communities in the development of rural areas.

The Seven Operational Programmes express in concrete form the NSRF strategy in their relevant thematic areas at operational level. The OP Managing Authorities, which are responsible for the preparation, organization and management of each OP, are appointed with Council of Ministers Decision № 965/16.12.2005.

National Rural Development Plan (2007–2013) contains the measures which Bulgaria intends to implement for the period 2007 -2013 in order to fulfil the strategic objectives. The measures are grouped in 4 Axis:

- Axis 1 (the whole country) aims at increasing the competitiveness of agriculture and food sector ;
- Axis 2 (different scope depending on the type of the measures) aims at sustainable land management and sustainable forestry management practices;
- Axis 3 (rural areas) aims at increasing the quality of life in rural areas;

- Axis 4 (at local level for implementation of the local development strategies in rural areas) is aimed at implementation of Leader approach.

Financial allocation by priority Axes in the NSP 2007-2013

Priority Axes	% from the budget	EARFD amount (MEuro)	National (MEuro)	Total public (MEuro)
Priority Axis 1	40%	985,45	246,36	1 231,81
Priority Axis 2	26%	640,54	140,61	781,15
Priority Axis 3	30%	739,09	184,77	923,86
Priority Axis 4	2,5%	61,59	15,40	76,99
Technical assistance	4%	98,55	24,63	123,18
Complements to Direct Payments		145,47	36,37	181,84

The objectives of the **National Rural Development Plan** will be addressed by 30 Measures. The implementation of the program will start with 23 Measures, which are listed in Table 24 and will be implemented in the entire programming period 2007-2013, with the exception of Measures 143 and 611, which will be implemented until the end of 2009.

Measures Starting in 2007

Axis /Measure			Programming period
Axis 1 - Improving the competitiveness of the agricultural and forestry sector			
1.	111	Training, information and diffusion of knowledge	2007-2013
2.	112	Setting up of young farmers	2007-2013
3.	121	Modernization of agricultural holdings	2007-2013
4.	122	Improving the economic value of the forests	2007-2013
5.	123	Adding value to agricultural and forestry products	2007-2013
6.	141	Semi-subsistence farming	2007-2013
7.	142	Setting up producer groups	2007-2013
8.	143	Provision of farm advisory and extension services in Bulgaria and Romania (According to Annex VIII Section I D of the Act of Accession of Bulgaria and Romania (years 2007-2009))	2007-2009
Axis 2 - Improving the environment and the countryside			
9.	211	Natural handicap payments to farmers in mountain areas	2007-2013
10.	212	Payments to farmers in areas with handicaps, other than mountain areas	2007-2013
11.	214	Agri-environmental payments	2007-2013
12.	223	First afforestation of non-agricultural land	2007-2013

13.	226	Restoring forestry potential and introducing prevention actions	2007-2013
Axis 3 - Quality of life in rural areas and diversification of the rural economy			
14.	311	Diversification into non-agricultural activities	2007-2013
15.	312	Support for the creation and development of micro-enterprises	2007-2013
16.	313	Encouragement of tourism activities	2007-2013
17.	321	Basic services for the economy and rural population	2007-2013
18.	322	Village renewal and development	2007-2013
Axis 4 - Leader			
19.	41	Implementation of the local development strategies:	2007-2013
20.	421	Inter-territorial and trans-national cooperation	2007-2013
21.	431	Running costs, acquisition of skills and animation	2007-2013
Other Measures			
22.	511	Technical assistance	2007-2013
23.	611	Complements to direct payments	2007-2009

Regional Development Plans (RDPs) 2007-2013 are prepared for the six Planning Regions. The Regional Development Plans are medium-term documents containing analysis of the social-economic state of the respective planning region, main development objectives and priorities, required actions and indicative financial resources for achieving these objectives. The RDP are drawn up in conformity with the provisions of the National Strategy for Regional Development 2005-2015, as well as with the priorities and specific aims laid down in the respective District Development Strategies for 2005-2015.

The Regional Development Plans include:

1. Analysis of the economic, social and environmental state and potential for development of the relevant region for planning;
2. Objectives, priorities and measures for development;
3. Areas for targeted impact;
4. Ex-ante evaluation of the plan with regard to expected outcomes;
5. Indicative financial table – by financing sources, measures and priorities, summarizing the resources necessary for the implementation of the plan concerned;
6. Terms and procedure for carrying out consultations with partners at regional level concerning the fulfilment of the plan.

National Plan for development of organic farming 2007-2013, was developed and adopted by the Council of ministers in March 2007. Apart from keeping the present markets and expanding the access to other foreign markets, a number of measures have already been put in place, primarily aiming at developing internal market for organic products, which is practically non-existing at present. Important place in the National Action Plan is reserved for the measures, targeting the enrichment of variety of organic products. The documents set forth strategic objectives: Development of internal market for organic produce; 8% of the UAA should be managed under organic production methods by the year 2013; Effective legislative framework, supporting the development of organic agriculture and a system for control and certification of organic products has been established.

Draft Strategic Plan for development of forestry sector 2007- 2011 (2006) is under inter-ministerial discussion as well. Four strategic objectives are formulated: Economical strengthening of the forestry sector; Restoration and protection of healthy forest ecosystems, biological diversity of the forests and their environmental functions; Contribution to the quality of life through improvement of the social functions of the forests; Better integration in the international processes related to the forest sector.

Concept for strategy for protection of the virgin forests has been developed by Forestry Research Institute, Bulgarian Academy of Sciences (2006). Almost whole area of the virgin forests is located in the mountainous areas.

The National Regional Development Strategy (NRDS) for the period 2005-2015 is the fundamental document formulating the long-term objectives and priorities of the country's regional policy. It outlines the strategic directions and levels of the regional policy and acts as a starting point for getting and distributing EU assistance for implementation of the programmes related to regional development. More specifically, the tasks of the NRDS are as follows:

- To define the strategic objectives of the regional development of the country during the period 2005-2015.
- To outline achievable strategy for achievement of these objectives through identification of the major priority directions of regional development and setting in place the institutional framework for implementation of the strategy.
- To provide milestones for formulation and application of sectoral policies of regional impact and to lay the basis for coordination of the regional development policy with the rest of the policies in the planning regions.
- To provide a framework for the planning and programming documents at the other territorial levels.
- To ensure coordination between the regional development policies and spatial planning policies with a view to achieving a balanced territorial development.
- To involve all stakeholders

The mountain areas have been taken into account within the Bulgarian Rural Development Programme, among others targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured Areas, organic farming and processing, as well is encouraging development of sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS.

The place and the role of the NRDS in the system of strategic planning and programming documents related to regional development have been defined in the Regional Development Act. The NRDS defines the strategic directions of the regional development policy. It outlines the "top-down" approach, serving in this way as a milestone for the district strategies for regional development, the municipal and regional development plans and the National Operational Programme for Regional Development. They should transpose the goals and priorities of the NRDS in compliance with the specific regional circumstances and the designation of the individual documents.

The NRDS builds on and develops further the positive practices of the regional development policy of recent years by integrating them into the goals and priorities of the National Development Plan. It takes account of the already enforced and the newly approved objectives of the EU structural and The National Planning System The new Regional Development Act (RDA) of 5 February 2004 treats regional development as “a process of policy formulation and implementation targeted at the achievement of balanced and sustainable development of the administrative-territorial units, as grouped in planning regions on the territory of Bulgaria”. The RDA points out that the implementation of the state regional development policy rests, among other, on the principles of “partnership, openness and transparency at all levels of planning, programming, financing, monitoring and evaluation”, and “inter-agency coordination among the competent authorities in the process of planning, financing, implementation, monitoring and evaluation”.

Municipal development plans (MDP) - are mid-term planning documents prepared for a period of seven years, which aim at the development of the entire municipality, not only the municipal centre. The time frame for preparing the plans is related to the state policy cycle – preparation of a three year budget forecast, as well as the budget plans of the European Union.

The “bottom-up” approach used in the process of planning preparation is combined with the “top-down” approach. This ensures that the realization of the main goals and priorities of the regional planning can be supported by real measures, including projects of national importance.

The link and coordination of the MDP and the strategic planning and programming documents for regional development at national and district level has decisive importance. The compliance of Municipal Development Plan (MDP) and Implementation Program for the municipal development plans (IPMDP) with the new Regional development act (RDA) will ensure inclusion of the planned programs and activities in the National Operative Program for Regional Development (NOPRD) and its supplement, which is a condition for their funding. Funding local projects by external sources will become extremely difficult unless these projects are part of a planning document, which was publicly agreed.

Measures identified by the MDP, which have beyond-municipal importance, become part of the NOPRD, provided that they are in accordance with the priorities, goals and measures identified in the RDP. When the municipalities are joining efforts for the implementation of projects of mutual interest, their development plans will also have to be coordinated. Also, some specific projects from the IPMDP can be included in the program amendment to the NOPRD.

The RDA determines the authority of the municipal councils to discuss and adopt MDP and IPMDP, and to approve the reports on the implementation of the program based on a proposal by the mayor. The mayor of the municipality organizes the preparation of the MDP and the IPMDP, leads and supervises the activities for implementing the IPMDP and submits annual and final report for the implementation of the program to the municipal council for approval. RDA determines certain principles for preparation of MDP:

- Partnership, publicity and transparency during planning, programming, financing, monitoring and evaluation;
- Concentration of resources for achieving the goals of local development;

- Supplementing the funding from national public sources and co-financing from other sources;
- Inter-agency coordination of the activities of the bodies in charge during the planning and programming process, securing resources, implementation, monitoring and evaluation;
- Coordination with the other structural policies, instruments and activities at national and regional level.

The **National Environmental Strategy 2000 – 2006** was developed with participation of the central and local administration, business and NGOs. It was approved the Council of Ministers in June 2001 (Decision of the Council of Ministers 455/20.06.2001). An integral part of the Strategy is the fundamental principles as preventive control, polluter pays, integrated policy and environmental protection by government, public and industry. The main 6th EU Environmental Action Plan objectives are also incorporated. After this the Strategy was under revision for the next period (2006-2013) identifying the responsible authorities, as well as all necessary financial funds and expected results from the particular activities. This document should give framework of the priorities and measures regarding the reduction of environmental pollution in Bulgaria. For the implementation of this strategy, the **Sectoral Operational Program “Environment 2007- 2013”** was developed. The challenge is to implement the public involvement procedures into practice on regional and local level. One of the weaknesses in biodiversity conservation listed by National Strategy an Action Plan for the Environment 2000-2006 was the “lack of cooperation with agriculture concerning the implementation of activities for biodiversity conservation”.

6 main objectives :

- **National Biodiversity Conservation Action Plan (NBCAP 2005-2010)** – Main objectives are:
 - Conservation, strengthening and restoration of key ecosystems, habitats, species and their genetic resources;
 - Ensuring of possibilities for sustainable use of biological resources.
- **National Forest Policy and Strategy** developed with international donors assistance was adopted by the Council of Ministers in 2003.
- **National Programme for Water Resources Conservation in Conditions of Drought** was adopted by the Council of Ministers in 2001 in view of climate changes observed and the resulting reduction of regeneration in the natural hydrological cycle after 1980. It contains detailed water resources assessment and identifies issues of priority concern. The Programme specifies legal, institutional and investment measures for a 10 year period aimed at ensuring water resources conservation; overcoming water shortages; availability of water for irrigation purposes; public awareness raising related to water saving and rational water use.
- **National Programme for Priority Construction of Urban Wastewater Treatment Plants** for settlements of over 10 000 population equivalent (1999-

2014), adopted in 1999 by the Council of Ministers of the Republic of Bulgaria. This investment programme identifies the necessary urban wastewater treatment plants for settlements of over 10 000 population equivalent. Construction of 81 new, as well as reconstruction and modernization of 23 operating plants is planned. Out of the 104 priority facilities, 36 should be built and reconstructed up to 2007. Investment needed is about 550 million EURO. This Programme is currently being updated to include settlements with population equivalent between 2 000 and 10 000.

- **National Programme for the Construction of Sewerage Systems (1999-2014)** was prepared by the Ministry of Regional Development and Public Works to complement the Programme for Urban WWTPs.
- **NATURA 2000** - By the date of accession (January 1, 2007), Bulgaria was supposed not only to transpose the Habitats and Birds Directives into its national legislation but also to submit to the European Commission its list of Natura 2000 sites. Globally Bulgaria appears to be largely on track with its preparations for implementation of Natura 2000, although there are still some important issues to be addressed. Site identification is notably being carried out through government-financed projects managed and supported by non-governmental organizations.

3. 4. SARD-Mountain related issues

3.4.A. Objectives of the national Rural development Plan (NRDP)

During the Accession process, huge efforts were undertaken by the Bulgarian government agencies to develop, adopt and start implementing a sound Rural Development Policy, which is particularly relevant to the development of Bulgarian Mountain regions, which inevitably have a strong rural character.

3.4.A.1. The development of integrated rural tourism based on social, cultural, natural and human resources of the rural areas is an important instrument for creation additional income and jobs in rural areas and to preserve the rural heritage. Bulgarian rural areas have significant resources for rural tourism development, particularly in the mountainous areas. Currently resources of more than 70 rural municipalities in the mountainous areas are underutilised due to lack of traditions and underdeveloped rural tourism products. The fragmentation of the well packed tourism services and insufficient investments in product development and marketing are identified among main obstacles for rapid rural tourism development.

Integrated tourism intend to liaise variety of resources of rural areas, based on the named as: rural, ecotourism, mountainous, adventure (tracking, biking, rafting,), thematic: based on traditional cultural and historical heritage, crafts, religion, cuisine and wine traditions, ethnography, traditional music etc.

Activities that could be funded include:

- Investments supporting improvement of the tourist infrastructure and access to the tourist attractions;
- Development of regional tourist products and services;
- Development of services for sustainable tourism;
- Marketing of the tourist destinations;
- Support for providers of the tourist services;
- Development of the settlements.

3.4.A.2. In order to develop farming methods aimed at **conservation and protection of the environment**, compensation payments to the producers in mountainous and other less favoured areas for maintaining the land in good condition, prevention of land abandonment and depopulation of these areas, the National Strategic Plan used the following criteria for designation of mountain areas:

- at least 700 m average altitude above sea level;
- at least 20% average terrain slope;
- between 500 and 700 m average altitude above sea level combined with average terrain slope of at least 15%.

Types of areas	TBS	Total area (ha)	Agricultural fund area (ha)	Total area (%)	Agricultural fund area (%)
Mountainous					
min. 700 m	969	2 876 415.79	983 375.73	25.98	15.15
min. 20%	632	1 162 220.69	433 235.58	10.50	6.68
min. 500 m + min. 15%	85	167 487.08	88 353.38	1.51	1.36
homogenization:					
Homogenization above 75% of the borders	74	89 956.68	53 286.42	0.81	0.82
Mountainous total:	1 760	4 296 080.24	1 558 251.55	38.80	24.01
Total in Bulgaria	4 667	11 073 672.33	6 489 321.70	100.00	100.00

Source: MAF National Rural Development Programme

The mountain areas are designated on the LAU 2 level – which for Bulgaria means Territory Belonging to the Settlement (TBS). Homogenization is made of TBS or groups of TBS, which are neighbouring the mountain settlements and for which 75% of their border is surrounded by mountain settlements. The territory of the group of TBS that are homogenized is less than the average territory of the TBS in the country.

The second objective of NRDP targets the preservation of natural resources and the improvement of the countryside and the focus is on solving the environmental problems and threats in the rural areas, and relevant to the mountainous regions:

- conservation and restoration of important habitats and natural systems in accordance with national objectives and the EU's goal for halting biodiversity loss by 2010;
- improvement of water quality and the prevention from contamination from agricultural sources in accordance with EU environmental obligations, including the Nitrate and Water framework directives;
- prevention of soil degradation processes and preservation of soil diversity and fertility;
- developing renewable energy potential in order to meet national/EU sustainable management of forests and forest land;

There are several measures in the programme that are specifically targeting the environmental problems, and which could be considered as an influential to the mountainous areas, as well:

- the measures for advisory services and capacity building among farmers envisage special training module for implementation of good farming practices including crop rotation, green cover during the winter and proper storage and use of manure, fertilizers and plant protection materials.
- The agri-environmental measure apart from support to organic agriculture and preservation of high nature value farmland envisage also support to practices that reduce soil and water pollution and prevent soil erosion.
- The scheme for prevention of erosion includes support for grasslands buffer strips; run-off holding furrows; crop strips; conversion of arable land to pasture; practices for improvement of pastures; creation of terraces; anti erosion practices in vineyards and orchards.
- Measures that Bulgaria has chosen to implement for sustainable management of forests are: afforestation of non-agricultural land and Restoring forestry potential and introducing prevention actions.

3.4.A.3. Bearing in mind that about 82 % of Bulgarian forests are located in the mountain areas, to be put at the very beginning and developed the following measures addresses the environmental problems of the forest sector, could be also considered as:

- Application of environmentally sustainable forestry systems;
- Rehabilitation of forests on deforested territories, increasing their sustainability and satisfaction of forest products needs;
- Forest conservation – improving forests health status including adaptation to climate changes;
- Forest protection – improvement of forest resources protection from illegal activities;
- Use of timber – optimum use of timber potential (up to 8 million cubic meters per year during 2010 – 2013);

- Integration of biodiversity conservation into forestry practice;
- Development of adequate systems for biodiversity conservation “in situ” and “ex situ”;
- Forest protective functions – multifunctional forests management that assures the implementation of their protective functions;

3.4.B Concrete measures of the NRDP and operational programmes

3.4.B.1. Tourism: Under the Axis 3, the National Rural Development Program (2007-2013) will support rural municipalities to develop tourism attractions and facilities enhancing the local tourism potential and activities and will contribute to the Quality of the life in rural areas and diversification of the rural economy”. Measures under Axis 3 “are aimed at: Diversification into Non-Agricultural Activities and Encouragement of Tourism Activities; Basic Services for the Economy and Rural Population Village Renewal and Development. The support for investments of farmers into non-agricultural activities will facilitate their entrance, or expansion in sectors having potential for market growth. This will bring additional income to farmers and will redirect labour from agriculture to more productive jobs, easing the underemployment problem these measures are expecting to be launched by the Ministry of Agriculture and Food in July 2008.

The support for development of non-agricultural activities of farmers will also create employment opportunities for the non-farming population and may contribute to slowing the outward migration from rural areas. The rural areas will also benefit from additional and better quality services for the rural population.

The RDP through the Leader Axis will activate local stakeholders to develop tourism products that are based on the advantages of their own territory and through concerted multi-sectoral actions to enhance the tourism potential of those areas will contribute to the wider objectives of the Regional Development OP.

The RDP will support under Axis 3 of private investments in accommodation and tourism amenities, which are identified as a major constraint, and will contribute to the improvements of basic Services for the Economy and Rural Population, village Renewal and Development; for Support for the Creation and Development of Micro-Enterprises - Encouragement of Tourism Activities and thus, by support of locally driven initiatives the RDP for 103 rural municipalities of which more than 70 are mountain municipalities.

3.4.B. 2. : Other measures, Operational Programs:

The description of the measure of the National Rural Development Program (2007 – 2013) particularly relevant to the mountain regions:

Measures aimed at improving human potential	Measures aimed at restructuring physical potential
<ul style="list-style-type: none"> • Vocational training and informational actions for persons engaged in the agricultural and forestry sectors; • Setting up of young farmers; • Use of advisory services by farmers and forest holders 	<ul style="list-style-type: none"> • Modernization of agricultural holdings; • Improving the economic value of forests; • Adding value to agricultural and forestry products; • Cooperation for development of new products, processes and technologies in

	<p>the agriculture and food sector and in the forestry sector;</p> <ul style="list-style-type: none"> Improving and developing infrastructure related to the development and adaptation of agriculture and forestry
<p>Measures targeting the sustainable use of agricultural land</p>	<p>Measures targeting the sustainable use of forestry land:</p>
<ul style="list-style-type: none"> Natural handicap payments to farmers in mountain areas; Payments to farmers in areas with handicaps, other than mountain areas; Payments under Natura 2000 for agricultural lands Agri-environmental payments; There are 1744 mountain LFA and they 38,70% of the territory of the country and 23,92% of the Agricultural Land Fund 	<ul style="list-style-type: none"> First afforestation of non-agricultural land; Restoring forestry potential and introducing prevention actions Payments under Natura 2000 for forests
<p>Measures to diversify the rural economy:</p>	<p>Measures to improve the quality of life in rural areas:</p>
<ul style="list-style-type: none"> Diversification into non-agricultural activities; Encouragement of Tourism Activities; Support for the Creation and Development of Micro-Enterprises 	<ul style="list-style-type: none"> Basic services for the economy and rural population; Village renewal and development;

The support for the activities related to agricultural land use in the mountainous less favoured areas and observance of good farming and environmental conditions in these areas are provided to prevent abandonment of farming land in these areas and to increase the attractiveness of the countryside, and to prevent the depopulation of rural areas. The factors, which have unfavourable impacts on the income of farmers in the less favoured areas, may be classified as technical, technological, natural, organizational, and economic. The impact of natural factors only is taken into account in determining the criteria for the designation of the mountainous less favoured areas. These natural factors include: the altitude above sea level, the slope and a combination of these two factors. The designation of LFAs in Bulgaria has been undertaken at the level of settlements (LAU2). Designation is based on the territory belonging to a settlement (TBS). The reason the TBS is used to delineate LFAs is because not all settlements in Bulgaria possess agricultural land. The beneficiaries are Agricultural producers – natural or legal entities. The objectives of the measure are:

- To maintain the agricultural activities in the mountain areas and to prevent land abandonment;
- To conserve and improve the existing biodiversity within mountain areas;

- To contribute to the rational use, conservation and sustainable development of land and other natural resources in mountainous areas;
- To reduce the depopulation of these areas.

Conversion mechanism for common pastures: Where common pastures are used by farmers for grazing, LFA support will be granted to each of the agricultural producers using the common pastures in accordance to his right (permission) for use of a certain acreage of the pasture. The General Rules for the common pasture use are laid down in Article 48a of the Law of Referendum (SG 100/22.11.1999 last amended by SG 13/ 9.2.2007), and Article 24 paragraph 11 of the Law for Land Ownership and Land Use (SG 17/1.3.1991, last amended SG 59/20.07.2007). The beneficiaries have to comply with the standards for GAEC.

The payments aim to compensate the additional expenditures or lower economic performance associated with the natural handicaps faced for agricultural production in the mountainous less favoured regions. There is a differentiated level of payment depending on the area supported per farm, as follows:

Hectares	EUR/ha
0 – 50.0	90
For the part above 50.0 – 100.0	40
For the part above 100.0	0

By Decision 685/24.08.2004 was approved the draft Act amending and complementing the Act for support of agricultural producers, including support in the less-favoured areas and areas with environmental restrictions. In October 2004 the Management Board of SF "Agriculture" took a decision on implementation of a 2 years pilot scheme for support of agricultural producers in less favoured areas in the pilot municipalities of Batak, Boliarovo, Varshetz, Malko Tarnovo, Kotel and Chuprene. All of these areas except Boliarovo were defined as mountainous. The budget allocation of the scheme is as follows:

- Basic payment – 300 BGL/hectare (1 € = 1,95 BGL)
- Additional payments – 60 BGL / hectare for:
- Young farmers (aged up to 40 years at the moment of payment) - 20 BGL/hectare;
- Members of producers' groups - 40 BGL/hectare
- Minimum area for participation in the scheme was 0.3 ha for mountain areas.

Participation of the farmers in this pilot scheme was as follows:

Municipality	No of applicants	Contracted ha	% of agricultural land
Malko Tarnovo	11	203,77	1,1%
Chuprene	71	436,01	3,2%
Varshetz	47	516,32	4,6%

Batak	26	204,88	3,1%
Kotel	75	1117,03	4,1%
Total	179	2498,03	5,4%

According to the data 28% of the participants (97) were young farmers, cultivating 2604 ha. All of them have received additional financial support 20 BGL/ha. The minimum area for application in the mountain areas is 0.3 ha and for the other less favoured areas it is 0.5 ha. The maximum admissible area for participation of single agricultural producer in the scheme is 50 ha. Concerning non-cultivated lands (common pastures and pastures) the condition for support is the observance of the density of animal units - 0.5-2.0 per ha following the requirements for good farming practice.

The analysis of the results from the implementation of the pilot scheme concerning compensatory payments for the agricultural producers in the less favoured areas in the six pilot municipalities for 2005 shows that 348 agricultural producers have applied for participation. 97 of them were young farmers which is 28% of all participants. Among the applicants there were no representatives of agricultural producers' organizations in any of the municipalities. This is due not only to the fact that their relative share in the agricultural production is low as a rule, but also because a small number of the young agricultural producers have managed to join the scheme.

Typical for all municipalities as a whole is that the prevailing number of agricultural producers has larger farms:

Farm size (ha)	Farms (number)	Beneficiaries (% of all beneficiaries)
0,3 – 1	14	4 %
1 to 3 ha	52	15 %
3 to 10 ha	85	24%
10 to 50	196	56%

The total size of agricultural land for all pilot municipalities that was approved to participate in the pilot scheme was 7 994 ha and the total land requested from the participants to participate in the scheme was 12 126 ha of which 10 793 ha is cultivated land and 1 333 ha are common pastures and pastures. The difference between these figures arises from the fact that 4132 ha or 34% of the land did not meet the eligibility criteria in the scheme.

As per the data from SFA 346 beneficiaries have received compensatory payments and 2 of the applicants have dropped out. The amount paid refers to 7 865 ha. The total amount of the subsidy for all pilot municipalities is 2 411 597 BGL, where 52 088 BGL, or 2%, for young farmers. The subsidy structure shows that 70% of the funds have been received by agricultural producers from the pilot municipality of other non-mountainous LSFs . The average amount of the compensatory payment for all pilot municipalities is 307 BGL per ha. Its size is biggest in the alpine municipalities where the relative share of the young agricultural producers compared to all producers was highest.

Result of the agreed compensatory payments under the pilot scheme for 2006: till 20.05.2006, 339 agricultural producers have applied under the pilot scheme with total area

size of 7 800 ha. Compared to the previous 2005 the number and the area of the applicants under the scheme is almost the same. There is no increase of the number of applicants and the areas because of the financial condition set by SFA not to increase the areas compared to 2005.

Operational programme (OP) “Human Resources Development” aims to enhance human capital by interventions in 8 priority areas targeting increase in employment levels and productivity of the labour force, improved access to high-quality education and lifelong learning, and strengthening the social inclusion. Measures that will have impact on mountainous areas are: under Axis 1 “Improvement of the employability of the labour force. 1.1. “Improvement of the employability through entrepreneurship development in rural areas”; 1.2. “Labour market integration of vulnerable ethnic minority groups in rural area”; measures under Axis 2 “Increase in employment levels and productivity of the labour force” 2.1. “Improvement of the adaptivity of the labor force”. At the beginning of 2007 more than 400 strategic document came into force in Bulgaria: 117 strategic documents on central level, 6 regional development plans, 28 regional development strategies and more that 250 municipal development plans. The great number of strategic documents has led to low horizontal activity of administration under different strategies at the same time. The OP **“Human Resources Development”** earmarks funds for human resources and capacity needed for developing, implementing and monitoring specific policies and strategies. It also supports the administrations in performing impact assessment when developing their strategies. There are no specific references for the mountain regions, however the institutional strengthening of the administration of mountainous administrative units will lead to improvement of these areas.

Operational programme (OP) “Regional Development ” 2007-2013: the following measure measures under Axis 3 are related to SARD-M “Sustainable tourism development ” – operation 3.1. “Improvement of the tourist attractions and their infrastructure”; operation 3.2. “Development of regional tourist product and marketing of tourist destinations”, operation 3.3.” International marketing” ; operation 4.3. “ Small scale local investments” The tourism development actions under the Regional Development OP have national or regional focus and aim to improve the overall consistency and effectiveness of the national tourism policy implementation. Regional Development OP will support national/regional tourism products development and implementation, development of tourism infrastructure and attraction in municipalities with a population above 10 000 people, the majority of which are rural an thus will significantly contribute to the development of tourism in the mountainous areas. It is difficult to come up with an exact figures about the size of population to be affected by this policy.

Operational programme (OP) “Competitiveness” aims to develop a competitive and efficient production and business potential and to assist the necessary structural changes in the economy that will have impact on mountain areas are: Axis 2: targets at improving the efficiency of enterprises and creating a favourable environment for business in rural areas”, operations 2.1. Establishment of network of organizations providing consultancy and information services for enterprises and 2.2. “Infrastructure creation for supporting businesses in rural areas.

In 2007 an Association for development of mountain regions was established in Bulgaria. Representatives of local authorities, business and juridical persons got together to tackle with the specific problems of the mountain regions. The aim of the association is through active participation into the EU integration process to achieve balanced and sustainable development of mountainous municipalities. There are few permanent commissions which are targeting the improvement of legislation framework and exchange good practices.

4. Assessing the impacts, strengths and weaknesses of policies, institutions and processes for SARD-M

It is difficult to evaluate the real impact of the past programs on agriculture and rural development as the new National Rural Development programme (2007-2013) which recognises the potential of mountain resources among others within the rural areas just started with the implementation. This is due to the fact that monitoring and feedback were among the weakest points of these policies.

As from 2007 a new system is developed for monitoring, control and evaluation of the rural development programs, including procedures.

Overall, the most evident impact on Bulgarian agricultural sector after one year of joining the EU is production increase and improvement of its standards. There has been an improvement in financing mechanisms for small- and medium-sized farm operations, and increase of financial support thanks to EU subsidies.

Before EU accession the Bulgarian farming systems had low input, low productivity and a rich variety of plant and animal species compared with the EU and so now the focus should be given to well-targeted rural development measures to minimize a likely increase in environmental pressures from farming as agriculture is an important factor in shaping the environment.

The most promising impacts in the area of biodiversity, nature conservation, and also in the mountain agriculture could have the revised National Environmental Strategy (2006-2013) with the National Biodiversity Conservation Action Plan (NBCAP 2005-2010) if there is stronger cooperation between institutions in charge for environment and agriculture, as well as if there is enough political will and financial sources for the implementation.

The main challenges in the mountain areas are taken into account in the different strategic documents of the government. The Bulgarian Rural Development Programme, among others targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured Areas, organic farming and processing, as well is encouraging development of sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS.

The following analysis assesses strengths, weaknesses, opportunities and threats (SWOT) of policies, institutions and processes for SARD-M in Bulgaria:

Strengths	Weaknesses
Policies	
<ul style="list-style-type: none"> As Bulgaria joined the EU in 2007, it has adopted the EU legislative framework regarding the Agriculture, Rural Development, Forestry and 	<ul style="list-style-type: none"> There is still no national wide policy on mountains developed in Bulgaria.

Strengths	Weaknesses
<p>Environment, which represents a good policy base.</p> <ul style="list-style-type: none"> •The National Agriculture and Rural Development Plan (<i>NARDP</i>) for 2000-2006 under the EU Special Accession Program for Agriculture and Rural Development (<i>SAPARD</i>) has provided a good framework for the rural and sustainable agriculture development, through its different measures. •The National Rural Development Plan (2007–2013) contains the measures which Bulgaria intends to implement for the period 2007 -2013 in order to fulfil the strategic objectives. The measures are grouped in 4 Axis: <ul style="list-style-type: none"> Axis 1 (the whole country) aims at increasing the competitiveness of agriculture and food sector ; Axis 2 (different scope depending on the type of the measures) aims at sustainable land management and sustainable forestry management practices; Axis 3 (rural areas) aims at increasing the quality of life in rural areas; Axis 4 (at local level for implementation of the local development strategies in rural areas) is aimed at implementation of Leader approach. •Elaboration of the National Agri - Environmental Program (NAEP) 2007 – 2013 •The National Regional Development Strategy (NRDS) for the period 2005-2015 is the fundamental document formulating the long-term objectives and priorities of the country's regional policy. It outlines the strategic directions and levels of the regional policy and acts as a starting point for getting and distributing EU assistance for implementation of the programmes related to regional development. •Regional Development Plans (RDPs) 2007-2013 are prepared for the six Planning Regions. •The National Forestry Policy and Strategy for 2002 – 2014 as a framework policy document, provides multifunctional principles for forest management as 2/3 of the forests in Bulgaria are mountain forests. •National Plan for development of organic farming 2007-2013, was developed and adopted by the Council of ministers in March 2007. It set forth strategic objectives: Development of internal market for organic produce; 8% of the 	<ul style="list-style-type: none"> •Not all strategic documents have financial support for their implementation and the realization of concrete measures is missing. •No coherence among the strategic documents; better coordination with the biodiversity conservation is lacking. •The EU and National bureaucracy hampers the implementation of some rural development programs. •Most of the SARD-M related policies are missing effective monitoring system, which would provide necessary feedback.

Strengths	Weaknesses
<p>UAA should be managed under organic production methods by the year 2013; Effective legislative framework, supporting the development of organic agriculture and a system for control and certification of organic products.</p> <ul style="list-style-type: none"> • The National Ecotourism and Action Plan, 2004 suggests practical ways to turn mountain environment, traditions and customs and rural life way of life into a profitable and beneficial dimension of Bulgaria's sustainable Tourism Agenda. • The National Environmental Strategy 2000 – 2006. The strategy was based on the fundamental principles such as preventive control, polluter pays, integrated policy and environmental protection by government, public and industry. 	
Institutions	
<ul style="list-style-type: none"> • The co-ordinated funding under SAPARD was a very powerful incentive to bring about institutional change in Bulgaria. • Functioning Rural Development Directorate in charge of rural development policy and subordinated to the Ministry of Agriculture and Food Supply. • Key institutions are increasingly committed to protect and use natural and cultural values of the mountains for their long term protection and for catalysing the economic growth in these regions. • Council for Regional Development is created in order to coordinate the regional policy at national level. • Regional councils for development are set up for each of the six Planning Regions, and for the implementation of the Regional Development Plans. 	<ul style="list-style-type: none"> • There is no sufficient administrative capacity to efficiently implement Rural Development Programs.
Processes	
<ul style="list-style-type: none"> • Rural development planning has been one of the successes of Bulgaria's accession process. Bulgaria has a national agricultural and rural development policy to address its structural problems; a real transformation in less than seven years. • The introduction of the EU rural development pre-accession instrument, SAPARD, has 	<ul style="list-style-type: none"> • The role of the social and economic partners in the rural development is not very clear. • Most of the Natura 2000 sites still lacks any management plans. • Lack of cooperation between the institutions responsible for environment and agriculture concerning the implementation of activities for biodiversity conservation.

Strengths	Weaknesses
<p>triggered a public debate in Bulgaria on policy objectives for agriculture, and on an integrated approach for rural areas.</p> <ul style="list-style-type: none"> • Consultative process with different stakeholders during preparation of strategic documents was established. • Introduced concept for the establishment of a National Rural Development Network in Bulgaria. • The rural development measures are supported by the national budget funds. • Investment in local communities involvement in the rural areas development. 	<ul style="list-style-type: none"> • Lack of internal coordination and effectiveness. • Lack of integrated and multi-sector approach

Opportunities	Threats
Policies	
<ul style="list-style-type: none"> • Variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, has influence on the policy towards mountain regions. • The country's priorities in Agriculture (including forestry and fisheries) are focused on the sustained agricultural and rural development in compliance with environmental protection requirements on the basis of stable rural communities, alternative employment, economic diversification, and large-scale infrastructure. • Development of national policy and support mechanisms for farmers in the LFA and Areas with environmental restrictions. • Integrated development programs of the Ministry of Agriculture and Food, targeting regions with specific environmental and/or socio-economic problems. 	
Institutions	
<ul style="list-style-type: none"> • Building or improving capacity of institutions/agencies responsible for the management of agriculture and rural development policies. 	<ul style="list-style-type: none"> • Increasing bureaucracy • Lack of cooperation at local-governmental level. • Limited Human, financial and institutional resources for the implementation of Natura

Opportunities	Threats
<ul style="list-style-type: none"> • Strengthening the administrative capacity of the Rural Development directorate to implement the support schemes. • Building local capacity for SARD-M initiatives. 	<p>2000.</p>
Processes	
<ul style="list-style-type: none"> • Increasing EU support for improvement of the competitiveness of agriculture, forestry and food industry. • Increasing demand for the Bulgarian rural tourism products on the domestic and international markets. • Cross-border exchange and management of shared natural resources programmes with neighbouring countries: Serbia, Macedonia, Greece and Turkey. 	<ul style="list-style-type: none"> • Ageing population, negative population growth and out-migration from the rural areas. • Underdeveloped/Weak social capital for local development.

5. Main findings and recommendations

5.1. Main findings: The Ministry of Agriculture and Food Supply plays the main role in designing and implementing the policies for SARD-M. The Rural Development Directorate is in charge of rural development policy and it is subordinated to the Ministry of Agriculture and Food Supply.

The MoAF has branches in each municipality, which are maintaining the land cadastre. The National Agricultural Advisory System (NAAS) at the MoAF provides support, expertise and consultancy to farmers.

Other ministries, such as Ministry of Regional Development and Public Works, Ministry of Finance, Ministry of Environment and Waters, Ministry of Agriculture and Forestry, Ministry of Economy and Energy, Ministry of Labor and Social Policy and Ministry of Transport and Communications, state administration bodies, public administration bodies, regional governments, regional bodies, offices, municipalities participate in the policy implementation processes.

Currently there is still no national wide policy targets on mountain development, but there are a variety of strategic national programs for territorial planning, economic development, decentralization and local government reform, national ecotourism action plan, which has potential to influence on the mountain regions. There are seven Operational Programmes, which are operating on the national level that target different problems of the mountain areas and providing opportunities for improvement of the infrastructure, services, transport network, human resources, environmental conditions, etc. The National Rural Development Programme (2007-2013), among others targets sustainable use of mountain resources (production of biomass and renewable energy, sustainable use of forests, introducing Less Favoured Areas, organic farming and processing, as well is encouraging development of

sustainable tourism, and improving the basic services and infrastructures in the implementation of the policies laid down in the NRDS and the Rural Development Program 2007 -2013.

Rural development planning has been one of the successes of Bulgaria's accession process. Bulgaria has a national agricultural and rural development policy to address its structural problems; a real transformation in less than seven years. The introduction of the EU rural development pre-accession instrument, SAPARD, has triggered a public debate in Bulgaria on policy objectives for agriculture, and on an integrated approach for rural areas. Investment under SAPARD has been focussed on agricultural holdings and equipment, and food processing industries, and in non-agricultural employment in rural areas. This level of co-ordinated funding was a very powerful incentive to bring about institutional change.

The key institutions are increasingly committed to protect and use natural and cultural values of the mountains for their long term protection and for catalysing the economic growth in these regions.

The Council for Regional Development was created in order to coordinate the regional policy at national level, and the regional councils for development are set up for each of the six Planning Regions, and for the implementation of the Regional Development Plans. Bulgaria already introduced the concept for the establishment of a National Rural Development Network, and the rural development measures are supported by the national budget funds. The policy formulation processes and the preparation of strategic documents are supported by the consultation with different stakeholders.

5.2. recommendations: The future scope of development of a SARD-M could cluster a range of initiatives in the field of sustainable tourism, agriculture, forest management, sustainable use of land, water and natural resources, energy efficiency, waste management and recycling, education, capacity development.

Following are some of the challenges that the SARD-M can address:

- Balance the territorial development to overcome the disparities in the mountainous urban and rural areas
- Improve and utilize the human and social capital in the areas to facilitate innovation and entrepreneurship for sustainable growth
- Foster the application of the best available environmental technologies and environmental management practices for the wise use of the natural resources and the preservation of the natural heritage

5.2.1.: territorial development: To achieve a balanced development and to create good links between rural and urban centres is a main challenge of the SARD-M. It requests investments to:

- diversify existing economic activities
- generate new business activities, especially for SMEs
- create employment, especially for young people in remote areas
- improve infrastructures
- ensure a minimum level of economic services

- attract new firms and qualified personnel.

To achieve more equity in living conditions between cities and rural areas means investment in cooperation between local authorities and stakeholders in the field of :

- local transport
- waste management
- energy production and use
- environment protection
- culture and education
- knowledge and social infrastructure.

Clustering is also needed in agriculture. It has the following advantages, as it will:

- improve production
- enhance the speed of diversification and innovations
- improve of hygiene and sanitary conditions
- add value to the local products
- increase the competitiveness.

5.2.2.: Human and social capital: Many of the investments to achieve a balanced territorial development are not so much technical investments or hardware. They are investments in people, who need new knowledge and new skills. Therefore in planning these investments, planners have to include a component to strengthen capacities of the human and social capital. This can mean specific training and professional updating. It also means stakeholder involvement, public participation or the involvement of end users in the development of programs.

5.2.3.: Introduce appropriate technologies and management practices: To facilitate the smooth transition from current agricultural practices to environmentally friendly agricultural practices and economic activities compatible with sustainable land management over the long-term, a specially designed sustainable agricultural activities should be designed and implemented tailored to the needs of local farmers. These activities should help farmers smoothly easily to convert to sustainable environmentally friendly agricultural practices and nature resource management activities in the mountainous areas. Farmers have to be encouraged to apply for funding via different financial sources. The main valuable source for optional funding is the National Rural Development Program 2007 – 2013 of the Ministry of Agriculture and Food Supply.

One great challenge for mountain areas is to preserve biodiversity and natural heritage through wise use of natural resources. For the SARD - M therefore the challenge is to introduce environmental technologies in the field of renewable energy, improvement of energy efficiency, recycling etc. And good management practices in the field of the protected areas, land use, forests, Natural disasters and waste management.

Challenge to implement and enforce Natura 2000. Beyond site selection, however, preparations are relatively limited. Human and financial resources available for Natura 2000 as such are scarce; legislation, though officially transposed, has substantial gaps;

preparations for management of future sites and issues of public consultation have yet to be addressed.

5.3 Summary: The scope of development of a SARD-M could cluster a range of initiatives in the field of sustainable tourism, agriculture, forest management, sustainable use of land, water and natural resources, energy efficiency, waste management and recycling, education, capacity development.

In cooperation with research, innovation can increase the regional capacity to generate new and improved products, technologies and services that can provide employment opportunities especially for young people.

In the field of agricultural entrepreneurship it can encourage the development of business clusters to increase the production, stimulate diversification and add value to the local products.

The fostering of the employment of best environment friendly technologies and best Natural resource management practices may reduce the pressures from human activities, and may contribute to the improvement of the environment in the mountainous areas and to stimulate better management of the rich natural assets and protected areas. The idea behind this is if the agriculture, forestry, and tourism sectors recognise biological and landscape diversity as the core asset of their industry, they can actively strive to maintain and enhance nature and landscapes.

The improvement of human and social capital can improve the living and economic conditions in rural areas, to overcome the existing disparities between the urban centres and the countryside and to limit migration from mountainous rural areas. To realize this, investments are needed to assure the availability of a well-educated and skilled workforce and to overcome the problems with depopulation, the highly dispersed and ageing population, poor technical and social infrastructures, and inadequate services.

Special attention could be paid to the cross-border exchange and management of shared natural resources programmes with neighbouring countries: Serbia, Macedonia, Greece and Turkey. The SARD-M could be clustered around development of an innovation potential.

6. Annex

Protected Areas Act (1998) The PAA regulates the effective management, protection, control and guarding of protected areas to achieve sustainable use of the natural resources therein in the interest of the present and future generations. This act of law defines the individual protected area categories and their protection regimes, and identifies the responsibilities of government institutions in planning and carrying out the required activities; it ensures the involvement of all interested authorities, organizations and persons in the procedures of preparation, adoption and implementation of management plans.

Biodiversity Act (2002) With its adoption, this act of law revoked the Nature Protection Act (1967). The **Biodiversity Act** BA conforms to the European directives on birds and habitats. It regulates the conservation and sustainable use of the country's biological diversity. The law regulates the establishment and maintenance of a National Environmental Network as a system of protected areas, protected zones and buffer zones with the purpose of protecting and conserving the habitats of wild animals not later than August 13, 2006.. The Biodiversity Act defines protected and animal species and regulates the measures for their conservation. An achievement of this act is defining action plans for plant and animal species. Such plans are developed not only for the species under protection or subject to regulated use or reintroduction, but also in other cases stipulated in the law. The law sets forth a requirement for permits for introduction of non-native species and for reintroduction of native species. The permits are issued by the Head of the National Department of Forests for tree, bush and hunting species, and by the Minister of Environment and Water for all other species.

Forest act (1997) This is the fundamental administrative law regulating the management, reproduction, use and protection of forests in the Republic of Bulgaria. It lays down rules for the uses of forests and forest lands, construction in the forest lands, changes of forest lands and disposal of forests and forest lands. The Forests Act regulates the management of the state forests and the competence for control over all forests and forest lands. The most recent amendments, in 2003, set out more detailed requirements for the forestry officials, their authority and obligations related to their activities. Special timber export and import rules and measures to protect the forests from fire are introduced. The Act sets provisions for administrative penalties for non-compliance with its provisions and for illegal use of forest resources. The sanctions provided for are fines and expropriation of the subject of violation and the objects used in its perpetration.

Hunting and Game Protection Act (2000) It regulates the conservation of game animals as the fundamental principle of organization and management of the hunting economy with the main objective of preserving the gene pool and the diversity of species, increasing, and ensuring sustainable development of, the game animal stock, diversifying the fauna and preserving the ecological balance in the natural environment. Hunting is subject to

permitting. The Hunting and Game Protection Act envisages measures for game animal conservation.

Fisheries and Aquacultures Act (2001) This act of law regulates the organization, management, use and conservation of the country's fish resources with the aim to ensure sustainable development of the fish resources, restoration and conservation of the biological diversity and diversifying the fish resources in the aquatic ecosystems.

Medicinal Plants Act (2000) Medicinal plant protection is provided for in detail in this special act of law. It regulates the management of activities of conservation and sustainable use of the medicinal plants, including gathering and buying out of herbs produced from them. A system of measures and activities is provided for with the aim to preserve the biological diversity of medicinal plants.

Environmental Protection Act (2002) Environmental Protection Act is the latest environmental law and is fully compliant with the environmental *acquis* and the international commitments of the country. Of particular importance for the protection of natural diversity, including forests, are the proclaimed principles of sustainable development, conservation, development and preservation of the ecosystems and their inherent biodiversity, and the integration of the environmental protection policy into the sector and regional policies for economic development.

Water Act (2000) The Water Act regulates the ownership and management of the waters on the territory of the country, as well as the ownership of water systems and facilities. The Act aims at a coherent and balanced management of waters providing health protection and sustainable development.

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