

Axis 4 Factsheet: BULGARIA

Geographical map: Bulgaria



1. Context in which Axis 4 is being developed and main challenges faced.

Bulgaria is located in south-eastern Europe and occupies the central part of the Balkan Peninsula. It is bordered by Turkey and Greece to the south, FYROM and Serbia to the west and Romania to the north.

Bulgaria has a Black Sea coastline of 398 km, of which almost 30% is sandy beaches with the remaining 70% being rocky coastline. The Danube river stretches for 2 888 km along its northern border, while other significant rivers include the Maritsa and the Iskar.

Its population of 7.7 million inhabitants is a very low consumer of fisheries products with an annual consumption per capita in 2005 of just 4.2kg, compared to the EU average of 21kg¹. However, despite the low demand for fisheries products,

Bulgaria is only able to meet consumer demand for half of the estimated 45 000 tons consumed. The other half is provided by imported fish and some 90% of the imported products consist of frozen fish and fillets, the remaining 10% being made up of fresh fish and processed products. Since 2006, low cost imports from Indonesia, China and Vietnam have developed. Part of the imported fish processed in Bulgarian factories is re-exported to the European and other markets.

The production of the Bulgarian fisheries sector accounts for a very small part (0.14%) of Bulgarian GDP. However, although the fisheries industry is small it provides vital employment at regional level. The total Bulgarian fish production exported is about 1 500 tons per year. More than 50% of the entire export of fish products is made of molluscs (mussels and Rapana). The total income from the fisheries sector amounted to €14.3 million in 2005.

In 2003, the fisheries sector in Bulgaria employed about 12 260 workers, which is about 0.38% of the national workforce². This sector can be broken down into marine fisheries (The Black Sea); aquaculture; inland fisheries and fish processing.

Marine fishing accounts for 59% of Bulgaria's total catch of 13 307 tonnes³, made up of largely sprat, anchovies, horse mackerels and whiting. The Black Sea has specific characteristics, including low salinity levels, which limit the opportunities for marine fishing. Bulgaria's fishing fleet is made up overwhelmingly of small boats under 12 meters long, some 95%. Of the 2 556 registered Bulgarian fishing vessels in 2007 only 67 were over 15 meters. Inland fishing accounts for just 8% of Bulgaria's total production, principally in the Danube and other rivers and basins. Aquaculture accounts for 33% of production⁴ in Bulgaria and potentially has high capacity due to the availability of around 65 000 ha of water surface area. At present only 14% of available area is being used, traditionally by intensive and semi-intensive methods.

Overall there are 26 working processing plants in Bulgaria however many of the fish and aquaculture producers have their own processing facilities situated close to the fresh fish production sites, which allows them to improve the quality of the products and to add higher value. The processing of *Rapana Venosa* has become a significant activity, with six companies involved (one in Sozopol, two in Burgas, two in Varna, and one in Balchik). These companies receive live *Rapana* directly from fishermen and the sales revenue of the *Rapana* for 2005 was estimated at € 4.2 million

¹ FAO 2005

² Bulgaria Operational Programme

³ 2007 figures, Eurostat 2008

⁴ 2007 figures, Eurostat 2008

2. The national response in terms of Axis 4

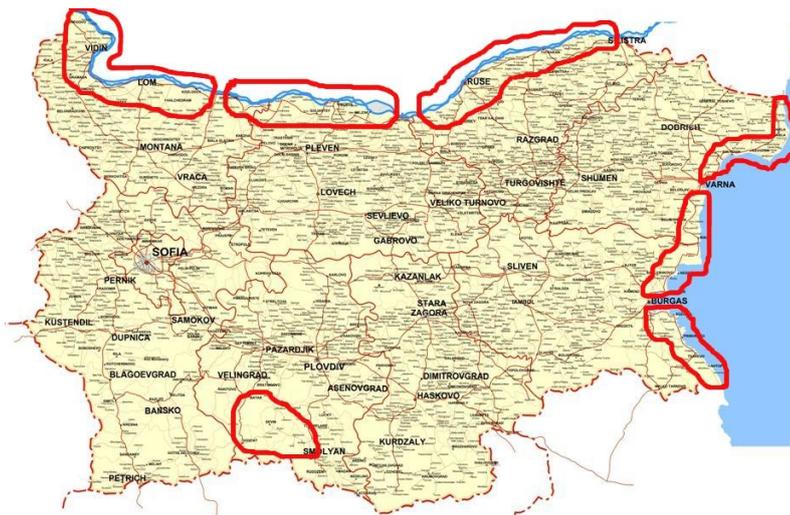
Until the beginning of the 1990s, Bulgaria was an important force in ocean fishery. However, the transition to market economy, privatization, significant fuel price rises and a series of other factors resulted in closure of the company "Okeanski ribolov" (Ocean fishing). Bulgaria's capacity to catch fish is now restricted to the 12 mile zone in the Black Sea. The strategic vision for Bulgaria is for a competitive, modern and dynamic fisheries sector, based on sustainable fisheries. With this in mind, the implementation of activities under Axis 4 has a main target of improving the quality of life in existing fishing communities. In so doing, support will be provided for: implementing the integrated local strategies and running cost of the groups and undertaking cooperation actions. The main challenges for implementing Axis 4 are building capacity and developing animation in order to generate interest in the sector.

3. The areas and their key characteristics

The National Agency for Fisheries and Aquaculture, who are responsible for the implementation the EFF in Bulgaria, defined which areas of Bulgaria will be eligible for Axis 4 funding. The selection of the areas was based on four criteria: 1) Population of the areas should comprise between 10 000 and 50 000 inhabitants; 2) the territory covered by the group must be between 400 km² and 5 000 km²; 3) areas along the Black Sea within 15km of the shore and inland fishing areas where fishing activities are important and 4) the level of dependence on fisheries in the area.

It is envisaged that up to 6 FLAGs will be established in Bulgaria and priority will be given to groups located along the coastline of the Black Sea, the Danube River and in inland areas with a high concentration of aquaculture activities. In Bulgaria, Axis 4 is likely to be targeted at small and remote areas, tourist areas, mainly on the Black Sea and inland areas. Three FLAGs have been approved and established in 2011 which are: Glavinitsa Tutrakan – Slivo Pol on the Danube river, Shabla – Kavarna – Balchik which is on the Black Sea and High Western Rhodopes "Batak – Devin – Dospat" which is inland in the Rhodopes mountains.

Map showing the potential areas for the implementation of Fisheries groups



<u>Fisheries area</u>	<u>Area (km²)</u>	<u>Population</u>	<u>Pop.Density/ inhab/km²</u>
○ Glavinitsa – Tutrakan – Slivo Pole	1 231	44 401	36
○ Shabla – Kavarna – Balchik	1 335	45 481	34
○ High Western Rhodopes "Batak – Devin – Dospat"	1 534	29 061	19

4. The selection process

In the selection process of the Bulgarian FLAGs there were two calls for proposals: the first call for Expressions of Interest in late 2009 with the second call announced between 15 April and 10 May 2011. In the first round five areas went on to develop strategies as part of a two stage competitive selection process and three were successful. The second round saw three areas applying with one new actor joining the process. The calls cover both the areas and the partnerships at the same time as they are so interlinked

A selection committee has been established to evaluate the proposals and its decision will be based on the following criteria: 1) composition of the partnership; 2) quality of the local strategy; 3) capacity to implement the strategy. The actions foreseen in the integrated strategy will be presented in business plans covering the programming period. The groups will have full responsibility for the choice of actions to be implemented.

5. The groups

The three existing FLAGs are set up as voluntary independent associations, registered as non-governmental legal entities to perform activities which are of public benefit. The three approved FLAGs vary in size and composition.

- Glavinitsa – Tutrakan – Slivo Pole has 26 Founders out of which 12 are legal entities and 14 are people. Four of these are from business, four from the public sector and 18 are NGOs.
- Shabla – Kavarna – Balchik has 40 founders which includes 7% representation from the public sector and the remaining 83% from the private sector
- High Western Rhodopes FLAG, “Batak – Devin – Dospat”, has 12 founders with three representatives from the public sector, three from the business sector and the remaining six from NGOs. In total there are 2 representatives from the fisheries sector.

The three approved groups in Bulgaria are working independently of LEADER, however there is a potential LAG in the area of the High Western Rhodopes FLAG, “Batak – Devin – Dospat”, and this organisation is a member of the FLAG.

6. The strategies

Priorities of the local development strategies in Bulgaria are to strengthen the competitiveness of fisheries areas through improving the effectiveness of those employed in the fishery sector and adding value to fisheries and aquaculture products. They also focus on promoting local entrepreneurship and creating conditions for sustainable development in the fishery areas. Diversifying economic activities in the fisheries areas is another key priority in Bulgaria as is promoting the development of eco-tourism through the utilisation of the natural and cultural resources of the fisheries areas

7. Key features of administrative and financial systems

EFF budget 2007-2013 and funding from National level

% of EFF Budget on Axis 4	EFF Budget on Axis 4 /€	National Funding /€	Total Budget / €	Average Budget per group / €	Number of groups
15	12 001 456	0	12 001 456	3.5 to 4 m	6

- Potential beneficiaries present project to FLAG
- FLAG verifies that the project is in line with strategy
- FLAG refers them to the Managing Authority for eligibility check
- FLAG and Partner’s Council selects projects
- Paying Agency makes payment to final beneficiary

8. Networking and capacity building

Bulgaria set up an official national network on 15 June 2010. This is a structure within the MA of the Operational Programme (NAFA). The main objective of the National Network is to support the FLAGs in their efforts to contribute to the sustainable development of their fisheries areas. The activities include the following:

- Analysing, providing and disseminating information on good practice, experience and knowledge applicable in Bulgaria under the different activities/measures of the Operational Programme
- Facilitating good mutual relations between Bulgarian FLAGs and other EU FLAGs, including the organization of meetings, conferences and exchange of good practices and experience as well as promoting joint projects between FLAGs at regional and international level
- Creating a database necessary for the implementation of the local development strategies and for their monitoring and control by NAFA
- Maintaining the database with the contact details of all FLAGs in the country
- Interaction with FARNET and providing information about the FLAG activities and the results achieved

9. Resources or ideas that may be of interest to other countries

Bulgaria developed eleven Local Initiative Groups for Rural and Fisheries development under a UNDP project. This experience should be used within the country and can also be shared with other counties.

10. Contacts and links

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