



MARKET TRENDS BEFORE TRADE IN AGRICULTURAL PRODUCTS IN BULGARIA

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ABSTRACT

The purpose of this report is to study the sale of agricultural products in the conditions of sustainable functioning of the food chain in Bulgaria and analysis of market trends and regulatory challenges to trade. Expected results in the development are the monitoring of the implementation of the common agricultural policy and the possible positive impact in the direction of increasing and stabilizing Bulgarian agriculture, income in the industry, improving market orientation, increasing the competitiveness of Bulgarian food and meeting consumer requirements for quality products. The object of study is Bulgarian agriculture and the market orientation of its products. The conclusions we can draw are that there is potential for development, but it must comply with the requirements of European legislation, which is aimed at improving the quality of agricultural products offered on the market.

Key words: agricultural products, market orientation, market tendencies, quality production

INTRODUCTION

Since 2007, Bulgaria has been part of a community in which there are many regulations and norms. One of the most regulated areas is that of agriculture, which in turn largely determines the way of sale of agricultural products. It has a particularly strong influence on the organization of the markets for individual agricultural products, which consist of rules laid down in Community decisions regulating the production of and trade in agricultural products in all EU Member States. In Bulgaria, the organizations adopted by the EU on the markets of agricultural products are introduced through the Law on Implementation of the Common Organizations on the Markets of Agricultural Products of the European Union, which entered into force in 2007. These rules and regulations cover the following elements: common marketing standards, consumer information, producer

organizations, intervention-based price support, trade mechanisms with third countries. (1)

MATERIAL AND METHODS

Methods used are analysis and synthesis, induction and deduction, statistical processing of information, etc.

RESULTS

The study of the production and sale of agricultural products in recent years has identified many difficulties in Bulgarian agriculture: insufficient regulatory framework; consolidation of agricultural lands; depopulation of rural areas; lack of sufficient support for small and medium-sized agricultural holdings; cumbersome bureaucratic process (waste of time and costs); difficulties for small farmers in applying for European programs; difficulties in protecting agricultural products from foreign encroachments. These encroachments, in turn, are a precondition for depopulating rural areas, damaging biodiversity and running deficits for the local economy. A number of norms and

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regulations at the national level create conditions for adaptation only to those who have a high material, human and expert resource. Accordingly, small farmers do not have enough lobby and representation in decision-making processes, unlike large agricultural producers. This is also one of the deficits of the new Common Agricultural Policy (CAP). The lack of facilitation in the bureaucratic process continues to isolate and respect some small farmers from the CAP. (2). Farmers are repeatedly forced to travel to the municipal or district center, or sometimes even to the capital, to resolve administrative issues. The loss of colossal amounts of time and administrative costs discourages many family farms from benefiting from CAP support. A significant problem for family farms and small farmers, which is not related to the CAP, is the inability to protect agricultural production from encroachments in rural areas. The family farm remains the dominant model worldwide, including in Europe. Here we can mention that 69% of the land in the EU is grown by family farms. In recent years, since becoming a full member of the EU, Bulgaria has been developing in the direction of intensive agriculture, with a predominance of large agricultural producers and monoculture farms, and the new CAP fails to limit these processes despite the changes that aim to do just that. The products, raw materials and food offered by small farms are largely considered to be environmentally friendly, obtained without the use of mineral fertilizers and preparations, tasty and produced at home, but due to financial difficulties and lack of funds - not meeting the requirements of legislation. The reasons are mainly related to the high requirements of the European and national regulatory framework for the production and sale of food products. This is what prompted the Committee on Agriculture and Rural Development to draw up and submit to the European Parliament in 2013 a report on the future of small farms. Its main priority is to provide adequate financial, technical, advisory and administrative support for their conservation and development, which will have an effect on the entry of new young farmers in the sector, as well as prevention of aging and depopulation in rural and mountainous areas. Bulgaria, as well as on the preservation of local traditional foods. In

order to provide real support, Bulgaria is given the opportunity to introduce basic support schemes, which include targeted support for small farmers and increase and maintain their incomes, as well as increase their competitiveness. (3) In addition, European policy provides an opportunity to stimulate young farmers who have started agricultural activity in the last five years and are not more than 40 years old in the first year of application. The accumulated problems in the field of agriculture are a constant commitment of the CAP, but the member states themselves must find the most sustainable policy and opportunities to solve the problems depending on the national specifics. Moreover, the CAP is a flexible instrument of pan-European policy, which inevitably follows the trends in solving global problems related to sustainable agriculture, climate change, soil pollution, etc. Opportunities for overcoming the problems in the production and sale of agricultural products in Bulgaria can be outlined in several areas: improving the quality of modern technologies for the production of agricultural products; encouraging and supporting family farms and small farmers; increasing the role of the human factor as a corrective of negative processes and phenomena. The need to overcome the problems or minimize them in the production and sale of various raw materials and products of agricultural activity is largely determined by the qualities of the modern farmer not only in farm management but also in the implementation of production technologies and regulations. . It is a known fact that entrepreneurs in agriculture carry out their activities in conditions of a certain uncertainty, which is caused primarily by the impact of the environment. Every agricultural enterprise faces unpredictable situations that can disrupt its sustainability and development. In this regard, the role of the agricultural entrepreneur is extremely important for the sustainable development of agricultural production. Of particular importance is his competence and understanding of the need to apply new environmental technologies and limit intensive production methods. In the modern agricultural enterprise special knowledge is needed in terms of: introduction and approval of new production, new technology, changes in the production structure, in the organization of labor and

personnel. The quality implementation of production technologies leads to the receipt of quality raw materials from registered producers who comply with good agricultural practices and issue certificates for safety and quality of products according to European standards and after the submission of the relevant payment documents. Effective management of modern environmentally friendly agricultural systems that guarantee quality agricultural production is related to knowledge. Only in this way can all natural factors for sustainable development of ecosystems be used. On this basis, it is undoubtedly possible to increase the quality of production in the implementation of production technologies in today's dynamic conditions of market-oriented economy.

In her report on the same topic, Nencheva I. discusses that "Bulgarian agricultural production after 2000 is relatively stable, but at a level that does not meet its natural potential. The modernization of the sector is far from complete, while at the same time there are signs of unbalanced development. Imports and exports of agricultural goods are mainly directed to EU countries, with the overall balance being positive. Agricultural policy since our accession to the EU in 2007 has focused on the absorption of agricultural support - through direct payments and the RDP (Rural Development Program). The depopulation of most rural areas continues. The structural changes in Bulgarian agriculture have not yet allowed the creation of productive production that will utilize the agricultural potential of the country and the opportunities of foreign trade in agricultural goods. (4)

In this regard, in recent years, much has been said about the development of organic farming in our country. (5) There are already farmers who have started to work in this way, but there are still many people who are not aware of the concepts of this type of agriculture, products and food. Organic product is a term that means an agricultural product intended for consumption and produced in an organic way. Organic production excludes the use of any artificial additives and enhancers and genetically modified organisms. Unlike the so-called natural products, which are sufficient to be produced from natural raw materials, the requirements for organic

products are much stricter: the exclusion of any artificial improvers and ingredients not only in the processing of products, but also in the cultivation of raw materials. They also have special requirements for the environment of growing products, etc., defined in the relevant legislation. Organic food is a product of organic farming that is grown and processed without the use of synthetic substances in cultivation - such as synthetic fertilizers, pesticides, antibiotics, hormones, growth regulators, as well as food additives such as preservatives, colors, artificial sweeteners and auxiliaries. substances in processing. The use of genetically modified organisms and their derivatives is prohibited in organic food. The production of this type of products is carried out according to requirements specific standards and is subject to control by certification bodies, which may be public and / or private (independent). From year to year, organic production systematically and convincingly conquers its territory worldwide, as well as in Bulgaria. Organic farming is practiced in over a hundred countries around the world. An increasing number of consumers are looking for healthy, nutritious and uncontaminated products with artificial fertilizers and other chemical ingredients. Their motivation varies from concerns about the ecological balance of the earth to concerns about their own health.

The main focus in the production of organic products in Bulgaria is placed on perennial crops - apples, strawberries, raspberries, plums, hazelnuts and rose oil are the products that make up the main share of organic products exported from our country. (6)

For the development of organic farming, it is good to know what is meant by this term - it is a comprehensive systematic approach based on a system of processes that lead to ecosystem resilience, preserve food, good nutritional values, animal welfare and social Organic farming is characterized by the responsible use of energy and natural resources, the maintenance of biodiversity and the local ecological balance, the preservation and improvement of soil fertility, animal welfare and attention to their specific behavioral needs. Organic or organic animal husbandry - means to keep breeds of animals adapted to local conditions, using methods of

breeding close to the natural way of life, which reduce stress and ensure good health. The use of regu growth inhibitors and the use of antibiotics is kept to a minimum. The ratio between the number of animals and the arable land is also strictly monitored. It is mandatory to provide enough space for the manifestation of their natural behavior as an outdoor walk. Some products, such as herbs and wild mushrooms, which are not grown in the true sense of the word but are harvested naturally, are considered organic if they are harvested from areas where there is no industrial pollution or chemical treatment, and are also processed biologically.

There is a progressive development of this type of agriculture around the world, with the largest increase in certified areas in Latin America and Africa. The continents rank at the top of Australia and Oceania, where about 1/3 of the world's certified areas are, followed by Europe and South America. The country with the largest area of biologically managed land is Australia, followed by Argentina and Brazil.

In Bulgaria, organic production is still poorly represented - as a percentage of the total agricultural area, the areas for it in our country have the lowest share among all other EU countries. Most of the ecological products are exported abroad, as about 6-7% find a market in Bulgaria as well.

According to statistics, over 90% of the currently produced certified organic products in Bulgaria are exported mainly to Western European countries, the United States and Canada. These are mainly herbs, fruits, vegetables, honey and nuts. And among the most common organic wild products are mushrooms, herbs and nuts.

In Bulgaria, organic production is still in its infancy, although according to general expert estimates this is a very suitable sector for Bulgaria - both because of its real natural resources and less polluted land, and because of its image as a traditional producer of quality agricultural products. (7) Only the organic beekeeping and the production of bee products, traditional agricultural activity in our country, show high and competitive results. Like most other EU members in the country, there is not

enough official (statistical, reporting, etc.) information on the state and development of the digitalization of agriculture. All this makes it very difficult both to analyze the state and development of this important national system and to make comparative analyzes with other member states of the union. Digitization enters farms through traditional machines and suppliers of raw materials, which "connect" their products and services. Traditional providers offer new digital services such as Global Navigation Satellite Systems (GNSS) targeting machines, value-added sensors and (cloud) portals, and market advantages for their products. New providers are offering new digital solutions that allow Internet or telephone access to services that until recently required the physical presence of an expert or did not exist at all. For example, farmers living in remote areas can organize and deal with supply constraints. Virtual markets are a promising way to connect isolated farmers with their markets increase their trade opportunities. The path of digitalization to farms. At the farm level, however, there are still a number of obstacles to the introduction of digital technologies. Not all farmers have the skills to use them, and many are unaware of their potential benefits. In addition, the technologies currently being developed do not always fully meet the needs of farmers: this depends on the characteristics of the farm. And most of all, most farmers are not ready to leave the decisions in their work entirely to technology, and therefore it is necessary to build trust in them. In practice, the key question is which types of farms or food producers would benefit and can use the new technologies and which formats are appropriate for them.

CONCLUSION

In the current period we are actively working on problems related to the lack of modern machinery and machines, innovative production, environmentally friendly production, construction of buildings and infrastructure in the villages and rural areas of Bulgaria. In the sale of agricultural products in the conditions of sustainable functioning of the food chain in Bulgaria we can conclude that in the conditions of market trends and regulatory challenges to trade it is necessary to support the development of the agricultural sector. The implementation of

the common agricultural policy will have a positive effect in increasing and stabilizing Bulgarian agriculture, income in the sector, improving market orientation, increasing the competitiveness of Bulgarian food and meeting consumer requirements for quality products, if the requirements for regulatory norms are available. of the EU. Bulgarian production has the potential to develop, but this development must comply with these requirements of European legislation. Changes and trends in global agricultural markets in the context of climate change and sustainable development mean that the CAP must change again to be able to meet the challenges of the 21st century. This means that the CAP is a dynamic policy that must always be adapted to changing circumstances. The production of agricultural products is a labor-intensive endeavor, for which the future farmer must have a clear vision of his benefits and contributions to it and of the possibilities for its support. With a good legislative policy and financial support for the production and sale of agricultural products not only from the EU but also from the state, our agriculture will slowly but surely approach that of the EU countries. Innovation, reform and digitalisation would also contribute to a more favorable development of agriculture and a modernly organized enterprise.

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