TRENDS FOR SUSTAINABLE DEVELOPMENT OF RURAL AREAS IN BULGARIA IN THE CONTEXT OF THE EUROPEAN UNION MEMBERSHIP

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Here are presented the results of a research in the mountainous Rilo-Rhodopean parts of Bulgaria. This is a high-altitude, rural-agricultural region, suffering poverty and underdevelopment. The investigation concerns analyzes of European documentary as well as a survey among the population in some rural municipalities of the south-western Bulgaria. This research is focused on the changes in participant’s attitudes and activities after 2007. It attempts to reveal the ability of the population to meet the new policies for sustainable development and ecological requirements.

**Keywords:** rural areas; sustainable development; employment; EU membership; Bulgaria
1. Introduction and area of research

According to Eurostat¹, Bulgaria, as a EU member ranks last by GDP per capita in the whole European Union since the beginning of its membership as well as long before that. We focused our attention to some of the poorest districts of the country. These are definitely the high-altitude rural regions, where unemployment is high above average and the people’s incomes are the scarcest. People are commonly involved in farming, mainly in small family farms. Contrary to expectations right after joining EU, that Bulgaria will catch up quickly some of the old EU-members; this is not only absence, but also the differences in income levels are continuously growing bigger. Key point to our research was to reveal the financing conditions for agricultural activities for these people in attempt to discover new ways of improvement of their living standard.

Fig. 1 “Areas of research in South-Western Bulgaria, schematically”

¹ GDP of the EU countries per capita, for the period 2002 – 2013, Eurostat,
We searched information about the accessibility of funds, measures for financing agricultural activities, potential corruption practices etc. All these measures are financed by EU programs or governmental programs in collaboration with EU rules and institutions. This is the new moment for the population of these regions. They didn’t have access to EU funds before 2007. Besides that fact, and besides most of them receive finances (as revealed by the survey), the living standard of these people is very low, they almost live in poverty. The question is: “What can be done to improve the situation?”

We investigated the situation in South-western Bulgaria (Fig. 1). Here are located some of the highest mountains on the Balkan Peninsula like Rila, Pirin and The Western Rhodopes.

The survey took place in two municipalities in South-Western Bulgaria, which were very suitable for the purposes of the survey. Area A includes the villages Buntsevo, Bel Kamen, Smolevo, Avramovo and Konarsko in municipality of Yakoruda, Province of Blagoevgrad (Fig. 2 A).
Area B involved the village of Medeni Polyani, municipality of Sarnitsa, Pazardzhik province (separated from municipality of Velingrad into independent municipality since July 2014). (Fig. 2 B). Yakoruda and Sarnitsa are neighbouring municipalities, but belong to different provinces.

2. **Methods of research**

The municipalities we researched are populated by people from the Bulgarian-muslim minority, called “pomatsi”. In order to collect trustful information we undertook two basic steps:

First, we made anonymous questionnaires. They were paper-based, and the questions were easy-to-comprehend and easy-to-answer. We were aware that people who live in small settlements are strongly connected and easily influenced by each other. That’s why we made the interviews personally and anonymously.

The second step was to invite some of our best students to help. We chose native inhabitants from these areas, instructed them carefully and supervised their work. The interviews were made by the student who was local to the place. That encouraged people to answer more honestly and voluntarily.

In general, the primary information for the survey was collected on the field by filling paper based questionnaires, anonymously, with the help of our student as an assistant, who is a local person.

For the purpose of processing and analysis of the information we created an electronic data-base.

Unusual and impeding events weren’t observed during the study. The majority of respondents were enthusiastic to share their problems and to cooperate in the survey. The paper-based questionnaires used in the survey are shown on Figure 3.
I. Questions about the settlement.

1. Residence:
   - ☐ town
   - ☐ village
   - ☐ municipal centre

2. Altitude: ☐ meters ☐ people

3. Population – number:

4. Access to infrastructure:
   - ☐ railway
   - ☐ automobile road ☐ 1st ☐ 2nd ☐ 3rd category
   - ☐ border checkpoint
   - ☐ agricultural airport
   - ☐ gas station
   - ☐ gas distribution terminal
   - ☐ other

II. Questions about the family.

1. Members of the family / household
   - Total number
   - Mature (above 18 y.o.)
   - Employable

2. Engaged in family farm
   - ☐ people

3. Housing:
   - Type
   - Quadrature

4. Type of activity to subsistence of the family:
   - Main
   - Additional

III. Questions about the farm.

1. Size ☐ acres

2. Location

3. Altitude

4. Predominant soil types

5. Number of people involved in the work

6. Type of crops grown

7. Type and number of the animals bred

8. Equipment used

9. What experience do you have in your farm?
   - How many years are you engaged in this activity?
IV. Funding of economic activities and quality of administrative services.

1. Do you receive financing for agricultural activities?

2. Specify the measures or programs that you have applied for and that you receive funds:
   - Program for Rural Development
     - MEASURE 121
     - MEASURE 311
     - MEASURE 312
   - State Fund "Agriculture"
     - direct payments per area
   - Fisheries and Aquaculture
   - Agricultural market mechanisms
     - SAPARD
   - State aid
   - Other

3. Did you use any assistance in applying for funding?

4. Please specify what assistance:
   - licensed consulting assistance
   - consultant of the municipality
   - consultant from State fund "Agriculture"
   - consultant of the Ministry of Agriculture
   - other

5. What amount of money or percentage of the overall funding have you paid for consulting assistance?

6. How long did it take the procedure from application to receipt of the funds?

7. What difficulties or obstacles did you encounter during the application and receipt of the funds?

8. Did you use additional accounting services arising from the application and receipt of the funds?

9. Did you encounter corruption practices or proposals? Please, specify:

10. To what extent are you satisfied with the work of the administration involved in financing?

11. To what extent or rate the funds you received covered your expenses? (Not counting the yield received)

12. You will apply for funds in the next programming period?

13. What should be improved in the work of administration?

Fig. 3 “The paper-based questionnaires used in the survey”
We took in mind the potential obstacles that occur by anonymous surveys\(^2\) (Goldberg. R., Crandall. R. – “How Anonymity in Surveys Impacts Validity”), and this is the reason why we included the local assistant as a measure for increasing honesty and correctness while gathering information.

3. **Fieldwork and analysis.**

3.1. **Participants and area**

We included family farms and the people, working in them. There were 16 families in Yakoruda and 16 in Sarnitsa. All participants are rural people. They inhabit villages of small (500 people) to medium size (1000 people) according to Bulgarian standarts. Their settlements are located high in the mountain, at an altitude between 1300 and 1500 meters height. They are largely involved in agriculture. It is the prevailing economic activity.

The force, used for land cultivation is predominantly animal. The “horse team” is the only force for 75% of the respondents. Other 25% declare that they use tractors for land tilling. These are the bigger farm families (20 cows, 50 sheep etc.). Nearly 25% also use milking machines and mowers.

In every farm most of the family members are active participants in the agricultural work. Their experience is solid: usually between 7 and 25 years.

3.2. **Programs and financing of agricultural activities.**

This is the essential part of the survey. First, we investigated what part of the farmer families receives payments for agricultural activities. The results for this stage were obviously positive. As seen on Table 1, most of the people enjoy additional payments for their agricultural work.

This was quite surprising, because people are not very qualified in documentary and applying procedures. This circumstance reveals that the state and regional administration are obviously doing a good job. To ensure payments for 9 out of 10 farming families is an excellent achievement.

<table>
<thead>
<tr>
<th>Do you receive financing for agricultural activities?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>88 %</td>
<td>12 %</td>
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</table>

Table 1, “Do you receive financing for agricultural activities?”

Proceeding forward in the survey we attempted to discover for which measures and programs people applied for. As well as – what is the ratio between funding people applied for and funding people received?

Fig. 4 “Agricultural measures and programs applied and received funding?”
Measure 121 is executed by Operational Programme - “Development of Rural Areas“. It is about *Modernization of Agricultural Holdings*. It includes investments, directed at environmental protection are considered priority

- Eligible beneficiaries: registered agricultural producers from all municipalities, producers of primary agricultural production
- Eligible activities: purchase of new equipment, irrigation systems, covering of international standards, creation of new orchards, greenhouses, reconstructions, construction of new livestock farms etc.
- Maximum financing: € 1,5mln. grant per candidate for the entire period

Measure 311 is also executed by Operational Programme - “Development of Rural Areas“. It is about *Adding value to agriculture/forestry products*. It concerns:

- Eligible beneficiaries: micro, small and medium-sized enterprises from all municipalities, engaged in processing and marketing of forestry products and/or processing of end products
- Maximum financing: € 4 mln. grant per candidate for the entire period
- Eligible activities: Support for the purchase of buildings, equipment and machinery for the processing of end products, covering international standards

Measure 312 is also executed by Operational Programme - “Development of Rural Areas“. It is about *Diversification into non-agricultural activities*

Eligible beneficiaries: registered agricultural producers (measure 311) or micro-enterprises (312)

- Maximum financing: up to € 200 000
- Eligible activities:
- production and sale of renewable energy (solar, wind, water, geothermal energy etc) except bio-fuel production
- production and sale of bio-energy
- investments in tourism accommodation and amenities of agricultural producers and micro-enterprises

SAPARD program is **Special Accession Programme for Agriculture and Rural Development**, established in June 1999 by the Council of the European Union to help countries of Central and Eastern Europe deal with the problems of the structural adjustment in their agricultural sectors and rural areas, as well as in the implementation of the acquis communautaire concerning the Common Agricultural Policy (CAP) and related legislation. The SAPARD programme enables the Community to provide financial and technical assistance for agriculture and rural development in candidate countries as they prepare for EU accession. Measures relating to SAPARD are developing rapidly and SAPARD programmes for all the ten candidate countries have recently been approved by the STAR Committee (Committee on agricultural structures and rural development) comprised of representatives from the Member States later to be formally adopted by the Commission. The countries are Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia and Slovakia.

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This stage of the survey revealed, that most preferred, easy-to-access and commonly used is the State fund “Agriculture”, as shown on Figure 4. It provides direct payments per decare of agricultural area. This governmental measure is crucial for the farmers in the mountainous areas in Bulgaria. The procedure is, however, slow. According to our data received, it took averagely 6 months or more from applying to receiving the money. It took 6 months for 30% of the participants, 7 – 8 months for 40% of them, and 9 months for another 30% of the farmers. Most of the recommendations were towards accelerating the procedure. However, even slow, this measure obviously works, since it is enjoyed by 80% of the population. If the small farm families make good planning, they can really sustain hard times with this help.

Note: The group “Other” in Figure 4 concerns mushroom production

3.4. Difficulties in applying and corruption in agricultural financing

At this stage we investigated 3 aspects of the process of agricultural financing. These were:

- Accessibility of the services
- Corruption practices

For this purpose we asked the participants if they used any help of third parties, such as licensed consultants, paid consulting, specialists from the state institutions etc. The results are shown on Figure 5.

The results reveal that a solid part of the applicants cannot prepare their documents necessary for financing alone. Here are probably some of the roots for corruption. The situation puts these people in need and they often pay to someone to complete the application forms correctly. Sometimes it is an official help from specialists, but in other cases it is unauthorized assistance paid in cash. From those who declared using assistance, 18% used licensed
consulting assistance, 16% used the help of a consultant from the State fund “Agriculture”, and 8% used a consultant from the municipality.

![Figure 5](image)

**Did you use any assistance in applying for funding?**

- 42% No
- 58% Yes

Fig. 5 “Did you use any assistance in applying for funding?”

At the next stage we asked people if they needed additional accounting services due to the financing. The results are unambiguous and are shown on Figure 6. Farmers didn’t need additional accounting services, connected with outer financing. This fact is very relieving. The opposite case would mean enlarged spending and many other obstacles by receiving money.

![Figure 6](image)

**Did you need any additional accounting services due to the financings?**

- Yes
- No

Fig. 6 “Did you need any additional accounting services due to the financings?”
At the next stage we attempted to discover the presence or absence of corruption practices in the work of administration. We also asked people if this will affect their future intentions to apply for financial funds. We cannot be sure if the participants were absolutely honest in their answers, or if they were still a little afraid to share due to eventual consequences, but we made everything possible to minimize this threat. The results of this stage are shown on Figure 7.

![Figure 7](image)

Fig. 7 “Corruption practices in agricultural financing and their affect on future initiatives”

Our survey revealed significant satisfaction from the administrative services in the country. The question was: is this result a distortion by subjectivity, or a real statement? More likely it is a real result. This can be confirmed by the next position of the participants. The majority of them (85%) declare that they will apply for funding again. In general this is encouraging.

It is very important and alarming, that corruption really exists. Almost 20% of the respondents admitted that they were offered to participate corruption practices. They explain that they were asked to pay for acceleration of the services and procedures. Among these 15% that would not apply for funds again, these are 100% people who met corruption practices. Only 5% are the people, who had to deal with corruption and participate in agricultural programs again.
4. Conclusions

The results of the survey set up challenges for the municipal, regional and national administration and government. Although the level of satisfaction of services and accessibility to funds seems to be relatively high (nearly 80% of the participants), there is still a big group of disappointed people, who suffered corruption and other obstacles.

As a general conclusion, the majority of the farmers receive national or European finances. However, the amount of these funds is very insufficient. During the survey we discovered, that nearly 75% of the participants use “horse teams” as the only force for land tilling. At the present stage of human development it is shocking! Government in Bulgaria must provide measures to improve the life and work of the small farmers and family farmers. In the context of the European Union membership and the access of huge amounts of money on agricultural programs in EU it is true, that a few has been done so far. Bulgarian government must improve the human resources capacity in the Ministry of agriculture and the other national and regional institutions. Education and qualification courses are part of the solutions. Strict control and absence of corruption is another measure for improvement the situation. We will be monitoring these processes in future periods in order to compare results and suggest practical solutions.

5. References:

