

# State aid for producers and processors of rose blossoms

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*Date:* 29.09.2021 *Issue:* 9/2021



As of 1 October 2021, the State Fund „Agriculture“ – Paying Agency (SFA-PA) is opening an application period under the scheme „Aid in support of ensuring liquidity of farmers, producers of oil-bearing rose for overcoming the consequences of the negative economic impact of COVID-19“. It is being implemented for the first time and will provide economic stabilisation to farmers after the damage caused by the collapse in demand for rose blossoms as a result of the restrictive measures undertaken in connection with the pandemic.

Applications will be submitted at the regional directorates of the State Fund „Agriculture“ and will continue until 15 October this year. The funds will be paid to the rose producers by 5 November 2021.

## **BGN 2 million in support of rose producers**

The Management Board of the State Fund „Agriculture“ (SFA) has approved financial resources amounting to BGN 2 million in support of rose producers. Producers will be subsidised under the scheme „Aid in support of ensuring liquidity of farmers, producers of oil-bearing rose for overcoming the consequences of the negative economic impact of COVID-19“. The State aid, which was notified by the European Commission in July, is implemented under the Temporary Framework for State aid measures in the context of the coronavirus crisis.

Through the scheme, rose producers will be compensated for the expenses they have incurred for the production of oil-bearing rose blossoms used for processing. The State aid will provide economic stabilisation to farmers after the damage caused by the collapse in demand for rose blossoms as a result of the restrictive measures undertaken in connection with the pandemic.

### **Who is eligible for aid**

Support will be provided to registered farmers, micro, small and medium-sized enterprises that do not have contracts concluded for the purchase and sale of oil-bearing rose blossoms with processing enterprises during the current year. Producers who have signed contracts with rose distilleries but have not delivered their production to them (do not have a declaration of the quantities of oil-bearing rose blossoms produced and marketed under the contracts concluded for the current marketing year) are also eligible for financing. Applicants must also hold a valid registration in the Register under the Oil-bearing Rose Act.

The aid that eligible farmers will receive is up to BGN 100 per decare. It is provided in the form of direct non-repayable funds to cover part of the costs incurred for the production of oil-bearing rose blossoms up to the period of harvesting in 2021.

The Management Board of the SFA has tasked the Fund, together with the competent directorates of the Ministry of Agriculture, Food and Forestry, with drawing up guidelines for the provision of the aid.

### **SFA “Agriculture” BGN 444 thousand for processing rose blossoms**

The SFA has paid BGN 444,339 to 7 rose processors under *de minimis* aid to compensate part of the costs for processing oil-bearing rose blossoms, harvest 2021.

The period during which enterprises could apply under the scheme lasted from 2 to 20 August. A total of 15 applications were submitted under the aid, of which 11 are eligible. The remaining 4 rose processors will receive

their subsidies after the completion of additional administrative checks.

Enterprises processing oil-bearing rose blossoms (Damascena and Alba), registered under the Oil-bearing Rose Act, are eligible for support. The amount of aid is BGN 0.30 per kilogram of processed oil-bearing rose blossoms. Processors must have purchased oil-bearing rose from farmers at a price per 1 kg of rose blossoms not lower than BGN 2/kg, VAT excluded, in a volume of not less than 70% of the volume in 2020.

*Source: State Fund „Agriculture“ - PA*