

The new concept of "active farmer"

Author(s): Растителна защита
Date: 13.03.2015 *Issue:* 3/2015



The new basic element in the direct payments scheme for the programming period (2015-2020) is the introduction of criteria and verification for the use of the term "active farmer," which is outlined in Regulation 1307/2013. Member States have the right to expand and supplement the initial definition.

Abuse by fictitious owners, who are considered farmers only on paper, necessitated strict control and a series of CAP reforms. The goal of targeted subsidizing and supporting only agricultural activity implies the exclusion of these persons from direct payments. They fall into so-called negative lists, where certain exceptions are again observed.

Who is an active farmer?

Agricultural holders who:

- at least 1/3 of their total receipts are from agricultural activity;
- are registered as agricultural producers as required under Art. 7 of the Law on Agricultural Producers;
- Their economic activity code indicates that their main activity is agricultural;

Who is NOT an active farmer and falls into the negative list?

Natural and legal persons who operate airports, railway services, water facilities, real estate services, sports grounds, and recreational areas. Direct payments are not granted to persons whose agricultural areas are mainly areas (more than 50% of the total declared agricultural area) naturally maintained in a condition suitable for grazing or cultivation and to those who do not perform minimal activities on these areas.

By national decision, the negative list for Bulgaria has been supplemented with state and municipal bodies, institutions, and legal entities that serve the activities of a state or municipal body.

Persons on the negative list can be considered active farmers if they prove one of the following conditions:

- The annual amount of their direct payments is at least 5% of the person's total receipts;
- The total amount of receipts from agricultural activity in the nearest tax year represents at least 1/3 of the person's total receipts;
- The person's economic activity code indicates that their main activity is agricultural.

The full text of the active farmer definition can be found at the Ministry of Agriculture, Directorate "Direct Payments and Market Support": Active Farmer.