

# Tobacco producers – "active farmers" from 2023

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**As of 2023, every tobacco producer must comply with the requirement for an “active farmer”**

As of 2023, in order to be eligible to participate in the Transitional National Aid, tobacco producers must be “active farmers”.

This can be achieved in two ways:

- Producers may register under Ordinance No 3, i.e. be registered agricultural producers;
- Farmers shall be entered each year in the Register of Tobacco Producers.

## Registration of farmers in the Register of Tobacco Producers for 2023

Tobacco producers are insisting on a one-month extension, until 30 April, of the deadline for registration of farmers in the Register of Tobacco Producers for 2023, the National Association of Tobacco Producers (NAT 2010) reports. The extension of the deadline will enable more farmers to provide the necessary set of documents required for registration (legal grounds, contract with a commercial operator, etc.).

### Required documents:

1. Application form;
2. Copy of the concluded contracts for the purchase of raw tobacco;
3. Documents certifying the existence of legal grounds for the use of agricultural land with an area exceeding 5 decares (the information is provided by the Municipal Agriculture Office where legal grounds have been registered);
4. Information identifying the agricultural land on which tobacco is grown with an area of up to 5 decares (an annex in tabular form to the application);
5. Copy of the protocol for the quantities of tobacco purchased in the previous year, if it was produced.

*The proof of the quantities of delivered tobacco is provided by a weighbridge slip, a delivery-acceptance protocol for smaller producers or an invoice for larger tobacco producers.*

**From 1 March to 15 May** all tobacco producers may submit an application for participation in the scheme Transitional National Aid for Tobacco with new reference years.

The most significant change, however, is that tobacco producers will not be beneficiaries under the scheme if they do not comply with the requirement for an “active farmer”. This means that farmers in the sector may be registered pursuant to Ordinance No 3, i.e. as an agricultural producer, or through registration as a tobacco producer. Anyone who has not registered will not be able to submit an application for participation in the scheme for Campaign 2023, nor in the following years.

According to the Strategic Plan, in tobacco production the reference period is replaced by new years, which will be the new reference framework – these are **2016, 2017** and **2018**. A provision of the Strategic Plan stipulates

that when applying for 2023, tobacco producers shall have the possibility to select only one year from these three new years, which will be the new reference framework until 2027.

The package of funds that the sector will be able to use has also been fixed, with 40 million euros foreseen for the first year. As in the previous programming period, the scheme has a degressive character and this package will be reduced annually by 5%.

### Transitional National Aid for Tobacco for Campaign 2022

The State Fund "Agriculture" (SFA) transferred BGN 70 million (BGN 69,989,660) to 38,206 farmers under the scheme for Transitional National Aid for Tobacco. The financial support, approved by the Management Board of the Fund, has been paid in full for Campaign 2022 to producers who cultivated the varietal groups "Kaba Kulak", "Burley", "Virginia" and "Basmi" during the reference period 2007-2009.

The level of support was discussed with the industry at a meeting of the Tobacco Advisory Council held on 17 January 2023. The rates have been determined by Order of the Minister of Agriculture. They remain the same as for the previous two years, since the approved budget under the scheme for Campaigns 2020-2022 is identical.

For the varietal group "**Basmi**", for quantities up to and including 1 tonne, farmers receive support of BGN 2.07/kg (BGN 1.34 + BGN 0.73). For the same varietal group, but for quantities over 1 tonne up to 2 tonnes, the aid is BGN 2.01/kg (BGN 1.34 + BGN 0.67), and for production over 2 tonnes – BGN 1.34/kg.

For the variety "**Kaba Kulak**", tobacco producers with delivered and purchased quantities of over 2 tonnes during the reference period receive BGN 1.05/kg. The national payment for the variety "**Burley**" is BGN 0.77/kg, and for "**Virginia**" – BGN 0.61/kg.

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The Transitional National Aid for Tobacco has been applied since 2015. The financial support is paid in accordance with the provisions of Ordinance No 3 on the conditions and procedures for the implementation of direct payment schemes.

Farmers who have grown tobacco in at least one of the three years included in the reference period 2007–2009 are eligible for support. Their production must have been purchased and premiumed under the Tobacco and Tobacco Products Act. When the farmer has not grown tobacco during all the years of the reference period, the aid is determined on the basis of the average annual quantity of purchased tobacco by varietal groups for the years in which the crop was grown.

