

How does support with European funds and funds from the state budget work

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*Producers of fruit and vegetables are supported in three ways during the current programming period 2014–2020. Under direct payments, Bulgaria has notified the European Commission of the implementation of **three schemes** of coupled support for fruit and vegetable producers.*

In three ways fruit and vegetable producers (field and greenhouse production) are supported during the current programming period:

- with funds from the European funds;
- through measures under the Rural Development Programme (also European funds);
- with funds from the State budget.

I. The first way of support is with funds from **direct payments** (European funds) through the following schemes:

- Single Area Payment Scheme (SAPS) – indicative rate BGN 162.00/ha for 2015;
- Coupled Support Scheme for Fruit (indicative rate BGN 1,662.00/ha for 2015);
- Coupled Support Scheme for Vegetables (field production) – (indicative rate BGN 2,071.00/ha for 2015);
- Coupled Support Scheme for Greenhouse Vegetables (indicative rate BGN 8,814/ha for 2015);
- Redistributive Payment Scheme (indicative rate BGN 148.60/ha for 2015);
- Payment Scheme for Agricultural Practices Beneficial for the Climate and the Environment – Green Direct Payments (indicative rate BGN 125.70/ha for 2015);
- Young Farmers Scheme (indicative rate BGN 40.50/ha for 2015).

The guaranteed separate budgets for the schemes for coupled direct support for fruit and vegetables will be in addition to the basic direct payment schemes – the Single Area Payment Scheme and the Green Direct Payments.

Under direct payments, Bulgaria has notified the European Commission of the implementation of **three schemes** of coupled support for fruit and vegetable producers for the period 2015–2020, as follows:

1. Coupled Support Scheme for Fruit – eligible for support are farmers with eligible areas of at least 0.5 ha (together or separately) of the following species: apples, pears, apricots, early apricots, peaches and nectarines, plums (*Prunus domestica*), sweet cherries, sour cherries, walnuts, table grapes, strawberries and raspberries. The budget for 2015 under this scheme amounts to EUR 20,024,464 and the expected level of support is about EUR 507/ha.

2. Coupled Support Scheme for Vegetables – eligible for support are farmers with eligible areas of at least 0.5 ha (together or separately) of the following vegetables – field production: tomatoes, peppers, cucumbers, gherkins, head cabbage, bulb onions – mature, eggplant, carrots, garden peas – green, garden beans – green, garlic – mature, potatoes, watermelons, melons and pumpkins. The budget for 2015 under this scheme amounts to EUR 17,861,580 and the expected level of support is about EUR 470/ha.

3. Coupled Support Scheme for Greenhouse Vegetables – eligible for support are farmers with eligible areas of at least 0.5 ha (together or separately) of the following vegetables (greenhouse production): tomatoes, peppers and cucumbers. The budget for 2015 under this scheme amounts to EUR 2,650,000 and the expected level of support is about EUR 2,500/ha.

Given the relatively smaller size of holdings in the sector, fruit and vegetable producers also benefit from the introduction of the redistributive payment in the form of a top-up for the first 30 ha for all holdings (launched already in 2014), as well as from the Small Farmers Scheme, providing a payment from EUR 500 to EUR 1,250 per holding (voluntary entry into the scheme only in 2015).

II. The second way of support is through financing under measures of the **Rural Development Programme 2014–2020**. The “Fruit and Vegetables” sector will be given priority support under the Programme through the definition of project evaluation criteria and targeted calls. Farmers producing fruit and vegetables may apply with projects under the following measures of the RDP 2014–2020 (European funds):

- Measure 4 – Investments in physical assets;
 - Sub-measure 4.1. Investments in agricultural holdings;
 - Sub-measure 4.2. Investments in processing/marketing of agricultural products;
- Sub-measure 6.1. Start-up aid for young farmers under Measure 6 Development of farms and enterprises;
- Measure 9 – Setting up of producer groups and organisations;
- Measure 10 – Agri-environment-climate;
- Measure 11 – Organic farming.

III. The third way is support with **funds from the State budget** through State aid:

- State aid for investments in agricultural holdings through corporate tax relief;
- State aid for compensating damage to agricultural crops in the event of 100% loss of production as a result of adverse climatic events that may be equated to a natural disaster;
- State aid for co-financing insurance premiums for the insurance of agricultural production;
- State aid de minimis – for fertilisers, plant protection products, irrigation water;
- State aid for compensating the costs of farmers related to the implementation of measures under the National Programme for Pest Control in Permanent Crops during the Winter Period;
- State aid to farmers under a Quality Scheme for the production of seeds and planting material;
- State aid for compensating the costs of farmers related to the implementation of measures under the “National Programme of Measures for the Control of Tomato Leafminer – *Tuta absoluta* Meyrueck (*Lepidoptera*)”;
- State aid for compensating the costs of farmers related to the implementation of measures under the “National Programme of Measures for the Control of Soil Pests in Potatoes from the family Wireworms (*Elateridae*)”.