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Improving Agricultural Markets Access for the Small and Medium Enterprises

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Abstract: Despite the increase in investment activity in the agricultural sector, the technological level a number of important offices remained very low. As a result, productivity is about 4 times lower than the total for our economy. It is also the most important cause of low incomes in agriculture, which account for about 40% of the national average. There is a disbalance in development, and this kind of funds. Most of them related to the purchase of machinery and equipment associated with the cultivation of Polish culture, and to a very small extent focused on the needs of livestock and production of fruits and vegetables, whose potential has already been several times advertised. For example, in ivatsevychy sector is dominated by amortizare equipment and lack of technological communication, with the result that 85% of dairy animals are grown in conditions that do not meet modern technological practices.

Key words: agricultural markets, small and medium enterprises.

Introduction

Traditionally strong markets of Bulgaria, as these former republics of the Soviet Union, and those in the Arab world, in fact, reached their lowest levels after a period of change since 1989. The only conclusion that is quoted is competitive in the global markets primary production from grains and oilseeds. To a large extent this relates to herbs, medicinal plants, berries, mushrooms, honey and others. For the rest of primary products from plants or animals, or processed food products, practical markets were very constricted, because where there is quality, no volume, or Vice versa. No modern packaging, design, advertising and so-called Regional, European or international exhibitions in Bulgaria, as a rule, one of the least effective.

In the end, it turns out that speaking mainly of primary products from Bulgaria preordained value. As a small country, it is true for Bulgaria outside of grains and oilseeds is likely to nesovice markets so it. where taste, color, aroma and beneficial qualities of food, cosmetic and other high value-added and functionality of new products no one could compete because of their specificity and uniqueness. It is usually products or products for which quotas to unlimited markets, not only within the EU. The above products can be added to wine, desertnet grapes, dairy and meat products from local breeds of animals and a number of fruits and vegetables grown with the terms and requirements of organic farming, for which Bulgaria is one of the countries with the best natural abilities. Added to this is the fact that the EU for the planning period, focuses on green production and a single market associated with it.

For this purpose, experts from industry associations and chambers should be the so-called business programs and strategies. A good example of this are trading mechanisms that Bulgaria is, in principle, reached two years ago in the field of agriculture and agricultural science with the Arab country of Qatar, but due to the above reasons, still can not ignore the real performance of most of them.

Or the aggregate of the most significant problems in the Bulgarian agriculture can be expressed as follows:

For the most part of foreign agricultural products already dominate in the Russian market

➤ The contribution of agriculture to gross national income is about four times less compared to 1988.

➤ Bulgarian agriculture - polarized – a small number of strong farmers and tenants (approximately 5,500), which show the profitability of agriculture and a large number of small farmers (about 250,000), and loss agriculture.

➤ Not enough purposefully and effectively develop organic agriculture

➤ Is no consolidation of producers, processors and marketing

➤ Weak financing of scientific research and development makes our conventional and biotechnological breeding potentially uncompetitive

➤ Is no need and effective interaction between University and academic science on the one hand and the other guarantors from

At the moment, one part of vegetable crops mainly corn, wheat, rapeseed and sunflower which are used in the food are and bioenergy. This can cause serious conflict and food insecurity, provided that a limited number of countries in the world that produce and export primary production of most important crops:

Wheat – 88% of exports go to USA, Canada, France, Australia and Argentina

Rice – 68% of exports of rice in Thailand, Vietnam, China and the United States

Corn – 90% of exports, 78% came from the USA and 12% in Argentina. At the end of this year, the US will be more than 220 processing plants corn in bioenergy. In 2030. about 40 – 45% of the US corn will be used for bioenergy.

Soy and 85% of exports of soybeans falls in Brazil, Argentina and the USA. In 2030год. about 20 – 25% of soybeans in Brazil and Argentina will be used to produce biodiesel. It plans to produce in 2020. 307 million tons of soybeans, 105 will be in Brazil. This is 10% of total exports Brazil /Wageningen update 2009/

Following the example of the most developed in the world agricultural countries have introduced the following principles, which should be built the strategic objectives of the agricultural sector in Bulgaria.

Agriculture on the basis of progress in knowledge, technology and innovation. The role of biotechnology and information technology, genomics, nanotechnology and information technology is of paramount importance.

- The role of a qualified human potential
- Create access policy the big and especially niche markets.
- Create cost-efficient primary production and products with high added value and high competitiveness, suitable for niche markets
- Principles of VSP
- Liberalization of markets and related conflicts for example. GMO foods – USA/Europe/
 - The role of innovation and venture capital
 - The role of intellectual property rights, geographical signs and licenses
 - The quality and safety of food and feed and their control
 - Consolidation at all levels
 - Land
 - Producers, processors and entrepreneurs
 - Science, education and extension /extension service/
 - Partnership with the international corporate business
 - Sector unions – the creation of a single chamber of agriculture
 - Climate change, Conflict of food and bioenergy
 - Demographic changes
 - Reduction of water sources and soil fertility

Support for the development of organic production

The production of quality food is becoming increasingly important for consumers. From this point of view the importance of organic production, as expected, is constantly growing. This, in turn, requires certain commitments from the state:

- Organic production, to associate with the solution of the problems of small farmers and entrepreneurs, particularly in hilly and mountainous areas and those associated with the environment (Nature, biodiversity and more.)
- Full use of funds in support of the CAP. To improve the disbursement of funds for agro-environmental measure of the RDP; to facilitate and simplify the procedures for submission of applications for grants;
- To seek new financing opportunities for organic farmers in some measure.;
- Tax and credit incentives

- Training and rigorous scientific services
- Is to raise awareness and interest, and for the accelerated development growth of organic food market in Bulgaria through practical steps to support organic agriculture all stakeholders in the stream;
- Agrarian policy to be complemented by targeted measures for specific local agro-ecological conditions, environmental, and social effects of organic farming;
- Is to find a suitable and effective mechanism for providing accessible information and advice available to manufacturers as a factor in reaching a critical mass of producers in BR; to develop and propose new and effective technology for organic production; improves the quality after switching to the binding wrap.

Improving the competitiveness of farms and enterprises agriculture, forestry and food processing sectors

Investments for modernization of production processes in industry are crucial for its competitiveness and, consequently, its viability in the longer term. While the modernization of the agricultural sector is heavily unbalanced – while progress in the production of grain and industrial crops is significant, in telecom product and livestock process behind. Among the completed projects more than those farms specializing in the cultivation of grain and technical crops, investments in which have a short payback period. On the contrary, in industries with guaranteed budgets (for the implementation of the nitrates Directive, the achievement of standards of milk quality, organic production) where investments for a much longer period and, as a rule, the acquired assets have lower liquidity, successful projects are much less Obvious, a more balanced distribution of investments between support for individual sectors.

The competitiveness of agriculture and forestry will largely depend on the modernization and development of production infrastructure. This applies to both t.N. improve land – hydro melioration, erosion control, improving soil fertility, roads etc., and for the construction of facilities for storing and stocking of products. Investment support for restoration of irrigation systems and construction of warehouses, refrigerators, roads and effective communications can be seen as a priority in the development of the Bulgarian farm in the period 2014 – 2020.

Ensure fair and stable incomes for agricultural producers

The development of vital agriculture in the EU and Bulgaria will continue to demand measures to guarantee income from agricultural activity in several directions:

- Income support through direct, not related to the production, payments. At the same time, Bulgaria was interested in changes in the organization of these payments in the following areas:
 - Relative to the alignment level of support in individual member countries. The current differences are unwarranted, hamper rational resources within the Union and lead to the loss of well-being;
 - Uniform distribution of financial assistance between individual industries and groups of farms in economy. Under the existing direct payments intensive production of livestock and telecom product, as well as a small area of farms, hurt.
 - Bulgaria is interested to expand the opportunities for support sectors with specific problems, and also to change the structure of production in regions with unfavorable socio-economic conditions;

- Promote cooperation, including and through the creation of groups of producers, with the aim of implementing economies of scale and more effective presence in the market;
- Support for the creation of a risk management system in agriculture, which will include new insurance schemes, the creation of mutual funds and so on. measures.
- To stimulate the creation of high-quality performance of personnel in animal husbandry: if the duration of work more than 1 year on the farm - additional charge from the SFA farmer or directly to the employee.

Technological innovation, modern infrastructure and rapid development and implementation of inovacije in agricultural practice

Despite the increase in investment activity in the agricultural sector, the technological level a number of important offices remained very low. As a result, productivity is about 4 times lower than the total for our economy. It is also the most important cause of low incomes in agriculture, which account for about 40% of the national average.

There is a disbalance in development, and this kind of funds. Most of them related to the purchase of machinery and equipment associated with the cultivation of Polish culture, and to a very small extent focused on the needs of livestock and production of fruits and vegetables, whose potential has already been several times advertised. For example, in ivatsevychy sector is dominated by amortizare equipment and lack of technological communication, with the result that 85% of dairy animals are grown in conditions that do not meet modern technological practices.

With particular importance for the successful development of our rural economy is rational and efficient use of water for irrigation of agricultural land. This comes from the fact that water for irrigation is becoming more and more scarce. This involves the expansion and modernization hydromeliorative structure, which is an important condition for maintaining a sustainable, competitive and environmentally friendly agriculture. This further raises the need to develop a common strategic framework for water resources management at the national level, especially when viewed in the context of the widening gap of climate change on a global scale.

Stimulate knowledge transfer and innovation in agriculture

Knowledge transfer and innovation in agricultural production is becoming the most powerful answer, and priorities of agricultural policies in the long term.

It is implied that you should pay special attention to the improvement of opportunities for modernization and innovation transfer in small and medium farms and enterprises, since they do not have sufficient own resources to purchase modern job, or if they are, it is questionable if they can use it effectively. To a considerable extent this disadvantage can be compensated with the offices of technology transfer that have been created in recent years, various agricultural universities, particularly those where equipment is at a high technological level. A good example is created in 2010 a Joint centre for genomic Sofiiski University "SV.Clement of Ohrid, who already serves as a bridge between science and small and medium business in agriculture and food industry.

Here the main issue relates to the new structural organization of education, scientific research activities will be able to maintain domestic agriculture, and how will this be done practically.

Solution should be useful through the following important events

Higher educational and qualification preparation of the employed in agriculture

Labor productivity in Bulgarian agriculture was at the level of 1/3 of the EU average. The reasons for this were complex, but among them was the level of knowledge and qualification of people employed in the industry. The effect of innovation and modernization of the agricultural sector cannot be achieved if the majority of employees have low education and inadequate vocational qualifications.

To some extent the importance of training and qualifications for development of the economy be underestimated. As the need to create a system of continuous professional training. At the same time, it was accepted that investments in human development have the highest impact.

The state of training of people employed in agriculture requires increasing the effect of the education system. This means:

- Improve the educational process in the secondary professional and special schools;
- Linking training with higher education with the needs of the economy;
- Leadership training courses line be CAREFUL on the achievement of specific results (finding a job (activity));
- Use the RDP capabilities to achieve sustainable results in improving vocational training employed in agriculture;
- Necessary, they must be constantly informed about the opportunities offered by science to:
 - the creation of new varieties and breeds of animals, characterized by a higher adaptability to climate change;
 - modern practices for irrigation, biodiversity conservation and those for precision farming;
 - the state of the markets;
 - the introduction of a number of new standards and requirements of the European community;
 - economic and technological qualifications in lending, banking, alternative sources of biofuels, organic farming, etc.;

Changes in the country after 1989 radically changed the requirements for the professional training of farmers. In place of the economy of state socialism with a rigid hierarchical system of responsibilities in the same organization occurred pluralistic structure of the holdings operating under conditions of private ownership of land and market communication. In the new conditions of modern agricultural production requires, especially from leaders, comprehensive knowledge of the technology of production, Economics and farm management, agricultural equipment and ip. Knowledge which constantly must be updated and supplemented for the development of agricultural science in the areas of productivity, adaptation to climate change and ip. All of the above demonstrates the need for strong and effective functioning of extension system and Advisory services. The national service for advices in agriculture (T) - institution in the system, travel, photo, which are imputed to these functions. But at this stage this service there is no potential to reach a huge working knowledge and able to meet the needs of access to information on many

agricultural producers. To a considerable degree of overlap between the T with the SAA and Agricultural universities In this regard is an obvious need for this activity, coordinate and integrate capabilities and efforts of regional and municipal departments, RICE, vocational schools, UNIVERSITIES and research institutes, as well as in the public sector and local social capital in the process of knowledge transfer and innovation in agricultural practices. The development of information and communication technologies open new opportunities for the dissemination of knowledge and best practices. Latest open unlimited possibilities for this activity to be coordinated remotely via a so-called virtual centres.

Overall, the development of a system of knowledge dissemination and Advisory services requires:

- Strengthen;
- Integration potential for the dissemination of knowledge and Advisory services to the Executive agencies, the SAA and services on WATER at regional and municipal level, as well as in the public sector and local social capital;
- Capacity building at the municipal level;
- The launch of the National rural network;
- A significant expansion of rural access to broadband Internet access.

Improve market access

Informants downward trend of agriculture's share in the cost of the final product becomes clearer. There are objective circumstances – changes in the structure of power, etc., but without a doubt, this development undermines the position of the additional producers, especially for smallholders. It can cause more arguments, but it should be clear that the interests they and society require purposeful measures at political level to increase the ratio of access of agricultural producers. Given that the market problems have different sizes for each and small farmers, and for individual industries, they can be combined into several groups:

The integration of the markets

The development of transport infrastructure and reduced transport costs are important for farmers. Of particular importance is the growth in port capacity. In the same direction of impact on progress in the development of communication and information access, especially broadband Internet access.

The development of market infrastructure

The functioning of a developed system of commodity exchanges, markets and markets, the latter are equipped with refrigerators and equipment for primary processing of products is key, especially for smaller producers. Present experience in this respect is not especially asynfile, which makes it even more necessary public support for projects in this area.

Cooperation manufacturers

It is necessary to encourage no taxes manufacturers and cooperation between actors in the value chain, we offer agricultural products and food products. Integrated production and shorter chain to the market would lead to avoid re-sellers and will provide a higher added value, and, consequently, higher farmers ' incomes.

Effective competitive environment

The high concentration of production in the food and processing sector and trade and public known experience in some areas put the question, for the effective

and full application of the Law on protection of competition. Tolerable cartella agreements would be disastrous for agriculture. The question arises whether this law is able to prevent the emergence of dominant economic structures and the introduction of a questionable contractual relationships.

Another group of measures affect the creation and support pluralistic structure in the purchase and sale of agricultural products. Unimpeded entry and exit of firms from this sector is particularly important, as well as the functioning of different size, organization and functions of economic agents.

Thirdly, more transparency in pricing would be beneficial to producers and consumers. Special attention should limiting cases of "asymmetric pricing", which, while increasing the device prices are rising and consumers, the ultimate price, while at lower device prices to keep consumer reach. And fourth, you should avoid practicing *zaslujavam* labeling.

Development of local markets and regional products

Large chain grocery deliveries, whose share in trade is growing, require the production of large quantities of standard and uniform products. Under these conditions, product variety and the specific quality characteristics go by the wayside. At the same time, consumer preferences for quality products that also are part of the regional identity and the diversity of conditions in the country, give chance less but requires more labour input of farms. These households should receive support for the development of sales channels, and for more direct access to consumers. In addition, recommendations for a geographic area of origin and production methods should give the status of "regional" products.

So as large corporate grocery chains is an irrefutable fact, then it is necessary that the state conducts a continuous dialogue in which to seek *vzaimnosti* economic benefits, in terms of price, quality and volume, not to be left small and medium producers and processors in side the role of "observers".

The development of local markets should take a more significant place in the agriculture Ministry. Arguments in favor of this understanding are of a different nature: meet the interests of consumers, maintains established for many years, the culture of production and consumption, contributes to the preservation of local identity and ip. From Chapter T. structural and regional policy that is effective, market-oriented measure, which can support small farms, and from these areas, natural constraints for agricultural activities. In the context of globalization success in local markets, and the products can resist the process of unification of production and consumption. Ultimately, this contribution to the preservation pluralistic agrarian structure and diversity of agricultural products and the viability and cultural heritage in rural areas.

Improved access to markets in the globalization process, allows large farms, the profitability increase through the implementation of economies of scale. A chance for small farms to produce quality products with higher added value. So far, the CAP and the agricultural policy of Bulgaria was aimed primarily at protecting the interests of large companies. The public interest requires a more balanced policy, which will allow a successful business and small companies. Strengthen and support local markets and regional products with specific qualitative characteristics of the policy, with a particularly strong potential in this area.

Conclusion

Progress in the field of competitiveness and the increasing share of products with high added value, is crucial to the viability of the Bulgarian agriculture and food industry in the world sector. The integration of agriculture and food processing sector is a realistic response to the trend of reducing the share of extractive industries in the amount of created value within the food chain. This question is especially topical for Russia, which during a long historical period has a positive balance of import and export of agricultural products. At the same time, the balance of imports and exports of food products, beverages and tobacco products in recent years has been negative. During these years, Bulgaria lost its traditional markets for such commodity groups, as it is not compensated an influx of new. Simultaneously, increased imports of food, drinks and cigarettes, primarily from EU countries. This development has its explanation, but in all cases, evidence adylbekova the process of loss of competitiveness.

In terms of dominant positions of TNCs (TRANS-national companies) in the field of food supply, when 15 commercial networks controlled 77% of the food market in the EU (CAP Reform in 2013, the Opinion elsewhere or unknown, 2011), small and naukrani Bulgarian processing companies meet strong difficulties to stabilize and expand access not only external, but already in the domestic market.

Competitiveness in the food sector along with other factors, will depend on product development and growth in the share of products with higher added value that can be achieved by:

1. Fuller integration between the processors and raw material suppliers as a condition for the production of quality and specific characteristics of food products, incl. through the implementation of complex investment projects, covering the processes from raw material production to final implementation;
2. The integration of Bulgarian producers with large companies for production, trade and delivery of food products;
3. Maintaining production of products that meet the taste preferences and habits of consumers in the domestic market, and so-called ethnic markets abroad;
4. Check for quality food products with specific national and regional features, including. and those with protected geographical designation of origin with traditional specific character and much more. would approval to market specific brands of boutique food products with high commercial value.
5. Support for the development of organic farming. This includes both the increasing use and introduction of new technologies, support certification of products; detection and market development and introduction of complex methods, combining production, travel and more. services;
6. Development and implementation of the monopoly of foreign strategy for the food product.

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