

Country report on the implementation of the new CAP and its possible effects on permanent pastures:

Bulgaria

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Natura 2000 municipal pasture at Gintzi village, West Stara Planina mountain

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Introduction

Agriculture plays an important economic, social and cultural role in Bulgaria. Bulgaria is also a country with a very high percentage (over 34 %) of its territory falling in Natura 2000 areas. Therefore, the implementation of CAP rules and supporting mechanisms plays a crucial role for conservation of these areas.

1. Pillar 1 payments for permanent grasslands

1.1. EU framework

Different countries have different systems for calculating Pillar 1 basic payments. Most EU12 countries and some EU15 have a flat-rate system for all farmland; some have a flat-rate system but with a lower payment specifically for certain types of land; some have a regionalised system designed to maintain as far as possible the historic distribution of payments (generally keeping very low payments on permanent grasslands and much higher payments on irrigated cropland). As a consequence, similar types of land with similar livestock use have very different levels of payment across the EU.

1.2. Use of payment regions

For the period 2014-2020 the country has decided to continue with the implementation of Pillar 1 Single Area Payment Scheme (SAPS). For 2015 Bulgaria is applying the single region system.

1.3. Payment rates, redistributive criteria and small farmers

1.3.1. Payment rates

The indicative SAPS payment for 2015 is €85/ha, while the estimated greening payment is €66/ha, giving an approximate total payment of €151/ha. In addition, a redistributive payment of €77/ha is paid on the first 30 ha.

1.3.2. Use of reduction coefficients

Bulgaria has not taken up the possibility to apply reduction coefficients for pastures with landscape features and trees. In general, grasslands parcels with more than 100 trees and/or scrubs per ha have zero eligibility for Pillar 1 SAPS support.

1.4. Implications for pastures

The system applied currently in Bulgaria is largely the same as in the previous programming period 2007-2013, where more than one third of the grasslands in Bulgaria were not considered eligible for Pillar 1 payments. It is considered that the redistributive payment will have greater positive impact on the development of small farms than the specific small farm support scheme that Bulgaria is also applying.

2. Pillar 1 coupled payments for livestock

2.1. Implementation, including objectives and any targeting criteria that are applied to favour certain farming systems

Bulgaria has decided to implement coupled payments for livestock. This is a continuation of the national support schemes applied in the period 2007–2013. Support will be offered to dairy cows; suckler cows and heifers; ewes and she-goats and buffalos. Support for pedigree livestock registered with breeds societies is higher, on the assumption that productivity, which policy aims to encourage, will be higher where genetic selection with the assistance of breed societies is carried out. Coupled support will be offered also for fruits, vegetables and protein crops.

The eligibility condition is the number of heads that the farmer has, and there is a retention period of 80 days after the submission of the claim. Farmers can choose only one scheme per animal. For dairy cows, ewes and she-goats, as well as buffalos, as well as dairy cows, suckler cows and heifers in breeds' registers, the minimum number is 10 animals. The coupled support for suckler cows and heifers will be offered to farmers that have more than 5 suckler cows and/or heifers. The coupled support scheme for ewes and she-goats is offered to farmers with 10 to 49 animals, while the support for ewes and she-goats under selection control is for more than 50 animals.

The payment rates are as follows:

- Dairy cows - €123/ head;
- Suckler cows and heifers- €114/head;
- Dairy and suckler cows under selection control– €198/head;
- Ewes and goat (mothers-does) – €23/head;
- Ewes and does under selection control – €31/head;
- Buffalos – €215/head

2.2. Implications for pastures

At this stage it is difficult to evaluate whether the coupled support schemes will have positive impact in preventing the abandonment of grasslands. It is clear that these schemes might help the livestock farmers, but without any requirements to use grasslands, the impact on the actual pastures is unclear. It is also not clear what will be the impact of the retention period condition.

3. Pillar 1 eligibility rules for pastures with landscape features and trees

3.1. EU Framework

EC DELEGATED REGULATION 640/2014 on IACS sets out the options for MS to design eligibility rules for pastures with landscape features and trees. This is supplemented by the LPIS Guidance Document [DSCG/2014/33 – FINAL]. These texts are critical to the issues that interest us. It is difficult to summarise all the options in these documents without repeating large sections of the texts.

There is a key choice for MS on how to calculate a parcel's eligible area: either subtracting each ineligible feature, including a limit on the permitted number of trees per hectare; or applying a pro-rata reduction in proportion to the percentage of the parcel covered by ineligible features.

Some key points:

- Pastures that consist of >50% trees and/or shrubs should be classified as PG-ELP (permanent grassland with established local practices), and should appear as such on the national LPIS. If the trees/shrubs are grazable "for their whole area" (i.e. entirely accessible to grazing), then there is no upper limit. In this case the pasture can consist predominantly of trees/shrubs, but it must be classed as PG-ELP on the LPIS.
- Trees and shrubs that are NOT grazable for their whole area can be eligible only up to a limit of 100 trees per hectare. If there are more than 100 trees per hectare, then the whole parcel is ineligible.
- Alternatively, MS may apply a pro-rata system or "reduction co-efficient", designed to reduce the eligible area of a parcel in proportion to the presence of ineligible features. There should be no reductions for the presence of grazable trees and shrubs.
- Groups of trees that hamper agricultural activities should not be eligible, they should be classed as woods.
- Landscape features and trees can be protected under MS implementation of GAEC7 (see below), this makes them automatically 100% eligible, even if they are not grazable.

The new category of PG-ELP is very important, as it provides the opportunity for pastures that are predominantly ligneous to be 100% eligible. Under the EU definition of PG-ELP, *established local practices shall be any or a combination of the following:*

- *practices for areas for livestock grazing which are traditional in character and are commonly applied on the areas concerned;*
- *practices which are important for the conservation of habitats listed in Annex I to Council Directive 92/43/EEC (1) and of biotopes and habitats covered by Directive 2009/147/EC of the European Parliament and of the Council (2).*

3.2. Approach applied to grazable and non-grazable vegetation, accessible vegetation, patches of shrubs/trees, etc.

3.2.1. Treatment of pastures with trees

In Bulgaria the grasslands are divided into 3 broad groups:

- Grasslands used for grazing,
- Grasslands used for mowing, and
- Grasslands maintained in good agricultural condition.

It is up to the farmer to decide how he/she declares the land use or grasslands maintenance. If a farmer does not have grazing animals and does not produce hay, then he can declare the grasslands as maintained in a good agricultural condition.

The eligibility criteria for the support of such grassland also differ. They are set out in Ordinance 2/17.02.2015 on the eligibility conditions of agricultural land for area based support schemes. Art. 9 of the ordinance stipulates:

1. Grasslands are eligible for support when:
 - i) They have no more than 100 trees and/or bushes per hectare higher than 0.5 m (regardless of height in the case of *Pinus mugo* (dwarf pine) and juniper) scattered across the parcel;
 - ii) Scattered¹ buildings, cliffs, rocky areas, eroded or degraded land occupies no more than 10% of the total grassland area, after excluding ineligible areas under Article 7, paragraph 2.
2. Both permanent and temporary grasslands that are used for grazing animals and meet the requirements of paragraph 1 are eligible for support.
3. Grasslands for mowing are eligible when meeting the requirements of paragraph 1 and when, depending on the climatic and soil conditions, mowing has been carried out in such a way that the grass height does not exceed 0.7 m at any time of the year.
4. Permanent grasslands maintained in good agricultural condition that allows grazing or mowing, are eligible if they meet the requirements of paragraph 1 and minimum activities as defined in Article 6², paragraph 1, pt. 3 and 4, are carried out and which ensure that the grass height does not exceed 0.35 m at any time of year.
5. When on-the-spot checks find that permanent grasslands or parts of them been burned, they are not eligible for support. However, the grasslands user can submit a document issued by the Fire Safety office of the Ministry of Internal Affairs certifying that the burning was a result of a natural phenomenon or of the actions of others.
6. For grasslands within designated Natura 2000 areas paragraphs 3 and 4 are applied according to the conditions and restrictions introduced by these orders.

¹ Article 7, paragraph 2 : Agricultural areas or parts of them, in which the elements occupied by trees or bushes, buildings, cliffs, rocky areas, eroded or degraded land are located compactly and take, individually or jointly, more than 100 m² are not eligible for support

² Article 6, paragraph 1, pt. 3: grass cutting and / or removal of weeds; pt.4: removal of bushes.

3.2.2. Treatment of other features

In Bulgaria 'dense scrub' is not eligible, but grasslands are eligible if they are maintained in good agricultural condition (e.g. minimum agricultural activities are carried out and the grass height does not exceed 0.35 m at any time of year).

3.3. Implementation of GAEC7 on pastures

In Bulgaria, GAEC 7 requires the retention and maintenance of the following landscape features:

- The existing field boundaries of the agricultural parcel or the farmer's block;
- Existing terraces within the agricultural parcel or farmer's block;
- Permanent pastures, which must be kept from the invasion of unwanted vegetation - bracken (*Pteridium aquilinum*), (white/false) hellebore (*Veratrum* spp.), ailanthus (*Ailanthus altissima*), desert false indigo (*Amorpha fruticosa*).
- Hedges and standing trees must not be trimmed during the nesting period (1st March – 31st August).

3.4. Use of PG-ELP and other specific inclusion/exclusion of land cover types

Bulgaria is not using the PG-ELP clause and there is no such code in LPIS/IACS in Bulgaria.

3.5. Implications for pastures

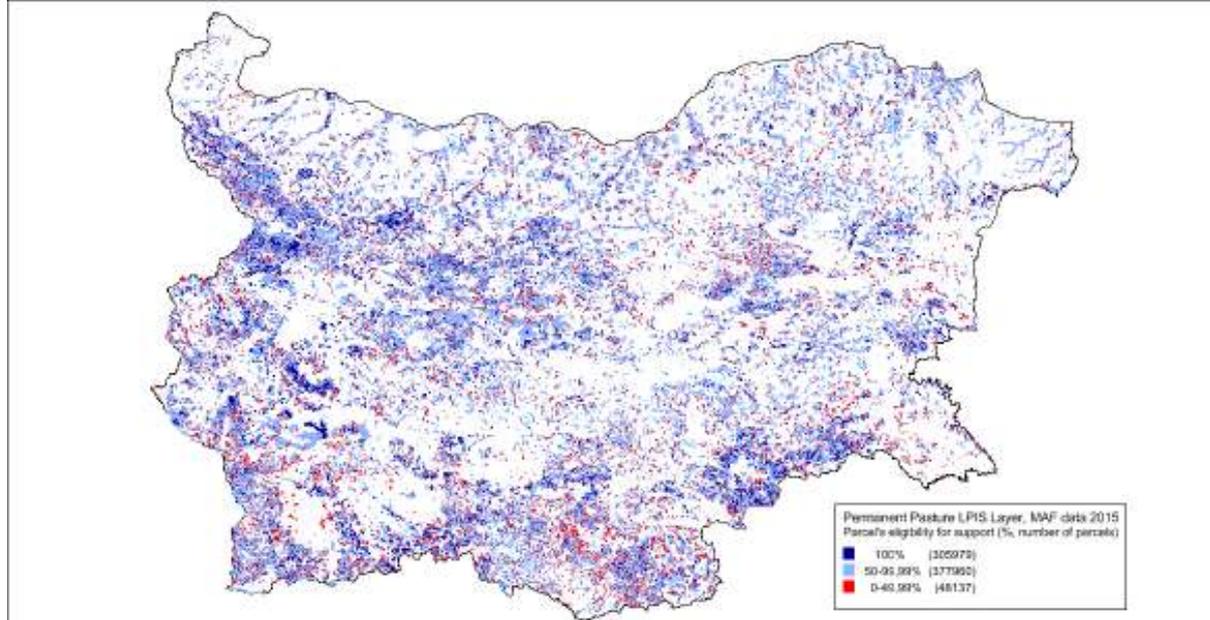
In 2015 the Ministry of Agriculture and Food (MAF) published for the first time the data of the newly established 'permanent grassland layer' in the LPIS, which shows that the total coverage of permanent pastures in Bulgaria in 2015 (all pastures, meadows and *meri* (areas near settlements traditionally used for grazing) under private, public, collective, church or other ownership) is 881,895 ha (Kazakova, 2015). The proportion of this permanent pasture that is included in the LPIS "eligibility layer" is 73%, covering an area of 642 895 ha.

In the period 2007 – 2013, Bulgaria applied a SAPS 'eligibility rule' of a maximum of 50 trees/shrubs per ha. In 2007, LPIS data reported 751,000 ha of eligible permanent grasslands, but in 2009 this area decreased to 436,000 ha due to the exclusion of the permanent grasslands physical blocks with the so called 'LPIS code 6' (e.g. physical blocks with more than 50 scrubs/trees per ha), irrespective of whether or not the blocks were grazed. The current data shows that changing the 'eligibility rule' threshold to 100 trees/shrubs per ha has been enough to increase the eligible permanent grassland area in LPIS by 206 895 ha - an increase of 47% compared to the area of eligible permanent grasslands in 2009.

At the same time, the National agricultural statistics department reports 1,368,665 ha of permanent grasslands in 2015, which include productive pastures; alpine pastures; low productivity grasslands and orchard-meadows. There is a "loss" of almost half a million hectares in LPIS, mainly due to the eligibility criteria for CAP support and the different classifications used in the LPIS and BANCİK systems. Furthermore, the Land Use Monitoring Report of MoA (BANCİK, 2015) also reports a reduction of 473 476 ha in the area of grasslands used, from 1,842,141 ha in 2007 to 1,368,665 ha in 2014.

The map below presents a more detailed visualization of the LPIS parcel's eligibility issue. It also reveals that the eligibility issue of the physical blocks which are included in LPIS is not related to location (mountainous or lowland).

Map 1: Eligibility of Permanent Grasslands in LPIS 2015



Map produced by Y.Kazakova on the basis of MAF, LPIS 2015 data

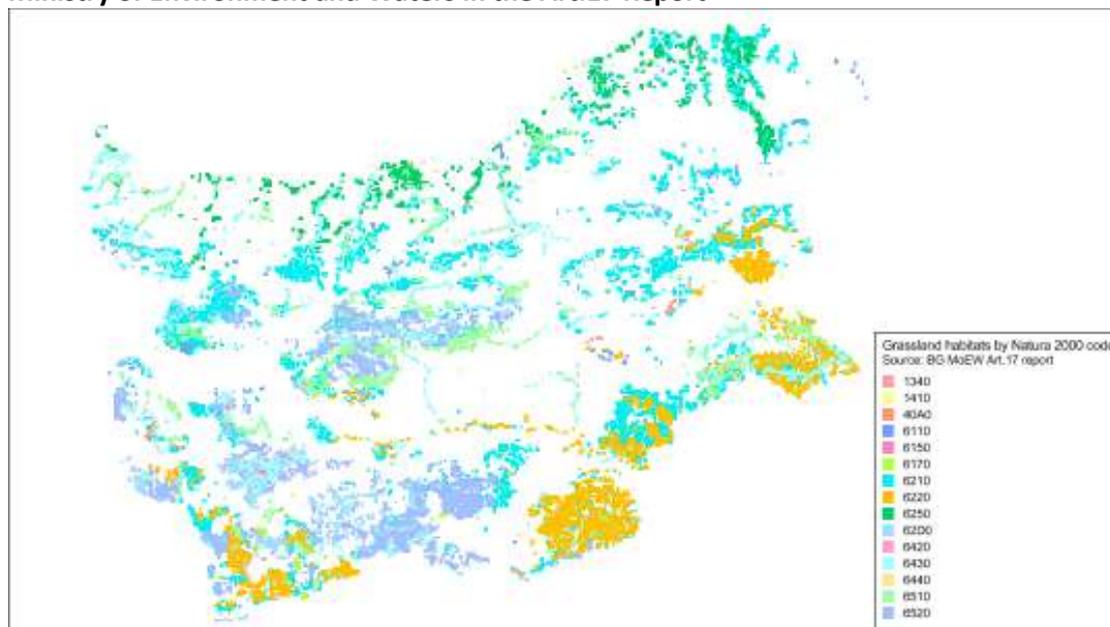
The data reveals several issues:

- The eligibility rules are still not adapted to the local conditions. They do not encourage active livestock farmers, but favour so-called 'subsidy farming'.
- PG-ELP clause is not used by Bulgarian authorities, because this will require additional efforts to develop new rules, which would add back in the "lost" half a million hectares of permanent grasslands.

Farmers in Bulgaria (especially livestock breeders and small farmers) were not very well informed about the recent changes in the system. Nevertheless, several associations complained about the decisions taken in Bulgaria concerning permanent grasslands. The National Association of Farmers and Livestock Breeders – Struma 2012 and the National Union of Small Family Farmers and Producers asked for a regional definition of permanent pastures in Bulgaria that would take into account the altitude, geographical situation and the specific characteristics of the region. A proposal was made also to at least develop different definitions for lowland permanent pastures and the pastures in mountain ANC. These associations also asked for the introduction of reduction coefficients. The MAF did not accede to these requests.

A map of Natura 2000 grasslands habitats reveals that a regional differentiation of grasslands would make sense from biodiversity conservation perspective too.

Map 2: Distribution of Grasslands habitats by Natura 2000 code as reported by the Bulgarian Ministry of Environment and Waters in the Art.17 Report



Map produced by Y.Kazakova on the basis of MoEW data
<http://natura2000.moew.government.bg/Home/Documents>

4. Pillar 1 “maintenance” and “minimum activity” rules

4.1. EU framework

The key Regulation is Delegated Regulation 639/2014 supplementing Regulation 1307/2013 establishing rules for direct payments to farmers.

The Regulation states that in order to fulfil the obligation to maintain the agricultural area in a state suitable for grazing or cultivation without preparatory action going beyond usual agricultural methods and machineries, MS must define:

- at least one annual activity to be carried out by a farmer. Where justified for environmental reasons, Member States may decide to recognise also activities that are carried out only every second year;
- the characteristics to be met by an agricultural area in order to be deemed maintained in a state suitable for grazing or cultivation.

These criteria must not require production, rearing or growing of agricultural products. MS may distinguish between different types of agricultural areas.

It seems as though this wording does not explicitly exclude MS from defining minimum grazing requirements, so long as this is not defined in terms of rearing livestock (production). However, the Commission has stated in several meetings that they do not want to see minimum LU/ha as a requirement, for fear of WTO complaints about incentivising production. They have recommended mechanical cutting as the minimum activity on grazing lands.

4.2. Implementation

As already described grasslands in Bulgaria are divided into 3 categories:

- Pastures;
- Meadows;

- Grasslands that are maintained in a condition suitable for mowing and/or grazing by cutting the grassland removing the shrubs, or by cleaning and use of herbicides.

Different minimum activity rules are applied for the different grasslands types. The minimum activity rules are set in Regulation 2 /17.02.2015 on the eligibility conditions of the agricultural land for area based support schemes.

According to it, the agricultural area is maintained in a state suitable for grazing or cultivation if depending on the land use at least one of the following activities is done:

- ploughing;
- disking;
- grass cutting and / or removal of weeds;
- cleaning and treatment with herbicides.

Areas suitable for grazing should not be ploughed or disked.

4.3. Implications for grasslands

In Bulgaria, it is up to the farmer/applicant to decide how he will claim his grassland. The definition of the “minimum activity” allows so called “subsidy farmers” to maintain the agricultural land without real production, since the direct payments are higher than the costs of one ploughing or mowing. There are some mountain areas in Natura 2000 zones where the grass is cut and left on the pastures, e.g. in Godech municipality. The lack of a requirement to remove the cut grass from the parcel significantly worsens the grassland composition and potentially damages valuable habitats.

A HNV grassland that is not in Natura 2000 site, and is not used for grazing or mowing, can be kept ‘in a state suitable for grazing or cultivation’ by the application of herbicides, posing a real threat of biodiversity loss.

Permanent pastures are used and managed by livestock farmers, so the minimum activity has to be linked with having livestock. Maintaining the pastures in so called ‘good agricultural condition’ by only topping the grass is a short term solution with no clear environmental benefits. Such practices are carried out without any regard to what will happen to the land over the next 5 or 10 years.

5. Protection of environmentally sensitive grasslands

5.1. EU framework

EFNCP has been proposing for many years a stronger incentive under Pillar 1 for farmers to conserve semi-natural grasslands, through a special grasslands payment with simple conservation requirements. DG ENV has also been pressing for better protection measures, leading to a new mechanism for designating and protecting “environmentally sensitive grasslands”. Under Article 45 of the main Direct Payments Regulation 1307/2013:

- *Member States shall designate permanent grasslands which are environmentally sensitive in areas covered by Directives 92/43/EEC or 2009/147/EC, including in peat and wetlands situated in these areas, and which need strict protection in order to meet the objectives of those Directives.*
- *Member States may, in order to ensure the protection of environmentally valuable permanent grasslands, decide to designate further sensitive areas situated outside areas covered by Directives 92/43/EEC or 2009/147/EC, including permanent grasslands on carbon-rich soils.*

- *Farmers shall not convert or plough permanent grassland situated in areas designated by Member States under the first subparagraph and, where applicable, the second subparagraph.*

The new CAP also maintains the existing mechanism designed to prevent an overall decline in the extent of permanent grassland declared by farmers at MS level, or more specifically the ratio of grassland to other farmland, as follows:

- *Member States shall ensure that the ratio of areas of permanent grassland to the total agricultural area declared by the farmers in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 does not decrease by more than 5 % compared to a reference ratio to be established by Member States in 2015.*

Environmentally sensitive permanent grassland areas outside the areas covered by the Habitats and Birds Directives shall be designated on the basis of one or more of the following criteria:

- *covering organic soils with a high percentage of organic carbon, such as peat land or wetlands;*
- *hosting habitats listed in Annex I to Directive 92/43/EEC or protected under national legislation;*
- *hosting plant species listed in Annex II to Directive 92/43/EEC or protected under national legislation;*
- *being of significant importance for wild bird species listed in Annex I to Directive 2009/147/EC;*
- *being of significant importance for wild animal species protected under Directive 92/43/EEC or protected under national legislation;*
- *covering permanent grassland of high nature value as defined by objective criteria to be established by the Member State;*
- *covering soils with a high risk of erosion;*
- *being located in a sensitive area designated within the river basin management plans pursuant to Directive 2000/60/EC.*
- *Member States may decide every year to add new designated areas and shall inform the farmers concerned of that decision in due time.*

5.2. Implementation of ESPG

5.2.1. Environmentally-sensitive grassland definition and identification

The Bulgarian definition says that ESGs are all grasslands in Natura 2000 areas (designated in compliance with the Law on biodiversity). Their identification is based on the Permanent grasslands (PG) layer within the LPIS system. The criteria applied for the creation of LPIS PG layer comprise:

- The grasslands parcels have to be bigger than 0.1 ha;
- They have to be classified as pastures, meadows, commons (*meri*) or other grasslands in the Land restitution map (cadastre map);
- They have to be in physical blocks with permanent grasslands, in which payments for grasslands have been claimed at least once in the last 5 years.

Thus, the ESGs are a subset in the PGs layer, covering all grasslands in Natura 2000 zones.

There is both a Permanent Grassland layer in LPIS in Bulgaria; if a grassland falls within this layer, but lies outside a Natura 2000 site, it is currently not considered as ESG and can be ploughed with a written permission of the Minister of Agriculture.

5.2.2. Rules concerning ploughing and conversion

MAF experts explained that there are two types of controls for permanent grasslands:

- If a grassland defined as an ESG is ploughed or converted, the farmer will be sanctioned on the basis of the 'Greening' requirements set out in EU Regulations. The only provision showing that these grasslands cannot be converted says that each year by 1st of March the Minister of agriculture can allow by exception to convert grasslands that are not included in the ESGs layer, if the area of the newly created grasslands is higher than the converted ones. The latter can happen only when an application is submitted in the period 1st October till 31st January, explaining the reasons for the conversion and indicating the areas that will be converted to grasslands.
- If the farmers want to convert or plough a grassland outside the ESG they can do so **only** with the written permission of the Minister of Agriculture. In any other case they will be subject to penalty.

5.3. Implications for pastures

It is too early to estimate the implications of these provisions will be for the grassland. In theory, if the current definitions are applied correctly, they can prevent the ploughing/conversion of permanent grasslands in future. However, there is no clear guidance (especially for farmers) on how the system will work. The sanctions and penalties are also not described (or developed), except for the ones relating to over-declaration. The new system is still under development, with many vague or unclear implementation rules and procedures, which suggests that once again it will be a "learning-by-doing" experience for Bulgarian administration and farmers.

6. Control of the ratio of permanent pasture area to the total agricultural area declared by farmers

6.1. Implementation nationally and for individual farmers

The control of the ratio of permanent pasture area to the total agricultural area applies only at the national level. It does not affect individual farmers unless the ratio at national level decreases by more than 5%. On paper at least, there is a high degree of central control and monitoring of conversion, since farmers cannot convert grasslands in the 'permanent grasslands' layer without Ministry consent, but the control is over the *ratio*, not the absolute area, so that the abandonment of arable land (for example) or of pastures would both have impacts on national compliance.

6.2. Implications for pastures

It is unlikely that the actual permanent pasture rule will help maintaining the total grasslands area in the country, mainly because many of the grasslands are not included in the permanent grasslands layer. In LPIS there is a category called 101 Scrub and grasslands, that is considered "non-agricultural area" and is thus excluded from support. We do not have data whether part of these areas are grazed or mowed, but for sure most of them are HNV and many are in Natura 2000 areas. Even if we consider only the areas categorised as "agricultural area", only 46% of HNV grasslands were eligible for SAPS support in 2013 (see table 2 below).

7. Pillar 2 payments

7.1. Relationship between eligibility for Pillar 1 payments and for Pillar 2 area payments

In Bulgaria, the eligibility criteria for grasslands support through Pillar 1 payments strongly influence the Pillar 2 area based schemes, where similar criteria apply, with the exception of the:

- Maintenance of HNV grasslands scheme under Measure 10 “Agri-environment – climate”;
- Measure 12 “Natura 2000 payments”.

7.2. Payments in Areas with Natural Constraints (ANC)

Bulgaria implements the ANC measure with two sub-measures:

- Payments for mountain ANC;
- Payments for other ANC.

In Bulgaria 26,36% of the UAA is designated as mountain or other ANC. It is expected that in 2018 the country will also introduce payments for specific ANC.

There are no additional specific eligibility rules for ANC, other than the limitation of payments to farmland situated within ANC. The eligibility criteria are thus the same as those for the Pillar 1 support schemes, namely:

- Minimum farm size is 0.5 ha; small farms with a total area of less than 0.5 ha are excluded from support unless they apply together as a single entity.
- Minimum size of the agricultural parcel is 0.1 ha;
- Farmers have to be active farmers (but maintaining land in a condition suitable for grazing or cultivating is sufficient to fulfil this criterion);
- Land is eligible if it is within the LPIS layer for land in good agricultural condition, the so called LPIS eligibility layer (thus there are the same exclusions of permanent pasture as for Pillar 1, as explained above).

The payment is a flat rate for all land use types; there are no grassland-specific criteria.

Table 1. Payment rates for ANC (€/ha)

	Mountain ANC	Other ANC
First 50 ha	130	70
Second 50ha	70	30
Any additional land	30	15

Source: RDP 2014-2020

7.3. Agri-environment (AE) and Natura 2000 payments for extensive grazing/semi-natural pastures

In Bulgaria there are two schemes under the Agri-environment and climate measure that support the extensive management of semi-natural habitats:

- Restoration and maintenance of HNV grasslands;
- Traditional practices for seasonal grazing.

The **Restoration and maintenance of HNV grasslands** scheme supports only grasslands included in the LPIS High Nature Value farmland layer, which was developed specifically for this scheme. Grasslands outside the LPIS eligibility layer for Pillar 1 are also eligible for support. Grasslands in Natura 2000 areas are not eligible for support, so as to avoid double payment with the Natura 2000 payments on agricultural land measure. The commitments are for a minimum period of 5 years and every year the farmer declares whether he will maintain his grassland parcels by mowing or grazing.

The management requirements for mowing are:

- No use of mineral fertilisers and plant protection materials;
- No new drainage systems;
- The first mowing has to be carried out between the 15th of June and the 15th of July in the lowlands; and between the 30th of June and the 15th of August in the mountain ANC;
- The mowing must be carried out by hand or by slow mowing machine from the centre to the edge of the parcel; or from one side to the other;
- The mown grass has to be removed from the grassland or dried and gathered in haystacks.

The management requirements for grazing are:

- No use of mineral fertilisers and plant protection materials;
- No new drainage systems;
- Grazing density between 0.3 -1 LU/ha.

Payments rates also differ depending of the way of management of the grasslands:

- Mowing: €113.15/ha
- Grazing: €126.8/ha

The “**Traditional practices for seasonal grazing**” scheme supports the traditional seasonal grazing of alpine grasslands in the three national parks (Rila, Pirin and Central Balkan) in Bulgaria. RDP 2014-2020 envisages that in 2016 the scope of the scheme will be enlarged to include also alpine pastures in Natura 2000 areas with enforced management plans and natural parks. The requirements are:

- Farmers must have at least 10 cows; 50 sheep or a mixed herd of 10 LU (sheep and cows);
- Alpine grasslands have to be grazed for minimum 3 months in the period May – October;
- Grazing is carried out according to the grazing density specified in the management plan for that National Park;

The commitment is for minimum 5 years, but the grassland parcels can be changed as long as the total area does not decrease by more than 10%.

The payment rates are as follows:

- Seasonal grazing without herd dogs: €179/ha
- Seasonal grazing with herd dogs: €182/ha

Bulgaria also implements the **Natura 2000 measure** for sites with designation orders in force and where there are specific restrictions on agricultural land use. The payments depend on the restrictions that are listed in the designation orders as well as the geographical situation of the site. For grasslands the payments vary between €17 and €108/ha. Payments for Natura 2000 sites in ANC are lower than the areas that are not designated as ANC (the assumption being that the loss of income is lower).

The commonest restrictions for grasslands in Natura 2000 sites are:

- Ban on the removal of landscape features (hedges, single and group tree)
- Prohibition of mowing before 1 July
- Prohibition of ploughing and afforesting meadows, pastures and commons and turning them into arable land and/or permanent crops.
- Prohibition on the use of pesticides and fertilisers in pastures and meadows.
- Prohibition of mowing before 15 June or 15 July (depending on the region) from the periphery to the centre with fast-moving technology.

There are several cross-compliance restrictions which are in principle compensated by greening, but remain in the above list, since some farmers will be ineligible for Pillar 1 and only able to claim

Natura 2000 payments. The commitments under Natura 2000 measure are annual, so that many farmers prefer to apply for that measure rather than undertaking a five-year agri-environment commitment. However, payments under Natura 2000 measure are lower than those available in the HNV AE scheme.

7.4. Implications for pastures

The eligibility criteria for Pillar 2 area based measures for grasslands allow grasslands areas outside the Pillar 1 LPIS eligibility layer to be supported. Nevertheless, the higher Pillar 1 payments incentivise farmers to try to make their grasslands eligible for Pillar 1 support. The sanctions for declaring ineligible land are so high that usually farmers refrain from declaring any grassland not mapped in the Pillar 1 eligibility layer until they “clear” the land. The result (at least in 2007-2013) has been that many HNV grasslands have been ploughed up or clear-cut in order to make them eligible for Pillar 1 support.

LPIS category 101 “Scrub and grasslands” is considered Non-agricultural land and is thus excluded from support. We do not have data on whether a proportion of such areas are grazed or mowed. However, even if we take the agricultural area according to LPIS, only 46% of HNV grasslands were eligible for SAPS support in 2013. The situation has changed with the introduction of the new definition, but it is too early to assess the effects on HNV farming areas.

Table2. Eligibility of HNV farmland in Bulgaria in 2007, 2012, 2013

LPIS categories considered as potential HNV farmland	HNV farmland as designated in 2007	HNV farmland as designated in 2012	HNV UAA as designated in 2013	of which in LPIS SAPS eligibility layer	Share of HNV in SAPS eligibility layer
	ha	ha	ha	ha	%
TOTAL AREA		2 465 560			
AGRICULTURAL AREA	1 630 035	1 726 620	1 694 834	1 051 240	62
Arable land	359 611	504 651	576 274	532 421	92
Perennials	40 155	59 601	59 178	28 399	48
Household gardens		73 708	73 295	6 595	9
Pastures, meri, meadows	951 256	809 530	686 163	317 206	46
Mixed land use	279 013	279 128	299 923	166 617	55
NON-AGRICULTURAL AREA	-	-	-	-	-
Scrub and grassland	n.a.	738 939,71			

Source: MAF, LPIS

8. CAP context indicators on grassland habitats and on extensive livestock

8.1. Indicator on grassland habitats

8.1.1. EU background

Indicator 36 is a new CAP indicator: Conservation status of agricultural habitats (grassland). However, essentially it is the same data as reported by MS to the Commission under Article 17 of the Habitats Directive, on the conservation status of Annex 1 habitats.

The Commission guidance on the CAP indicators states the following:

- *The indicator on conservation of agricultural habitats is essential for the diagnostic and SWOT of RDPs. It will enable to assess the level of ambition of the Natura 2000 measures proposed*

by MS in the programme for the focus area on biodiversity. The information is complementary to the FBI (farmland birds index) which is not an indicator on habitats and only focused on common birds. It is also relevant for the first pillar as EFA, the grassland measure of the greening and cross compliance are complementary key elements which contribute to the improvement of the conservation status.

- For the 2001-2006 reporting, the figures on grassland (only dataset available in relation to agriculture since the habitats directive only covers habitats related to grassland, none on permanent crops and arable), for each MS at national level and also broken down by biogeographical level, are already available. BG, RO and HR were not covered.

- For the 2007-2012 reporting, data will also be available for grassland for each MS at national level, and also broken down by biogeographical level. In some MS, the data will also most probably be collected at NUTS 2 level (UK, IT, DE, BE), but it has to be discussed with those MS their potential availability. An indicator will be provided in 2014-15 (depending on MS reporting) on the basis of the data reported by MS in 2013 and used for the monitoring of progress in reaching Target 3a of the EU 2020 Biodiversity Strategy.

- For the 2013-2018 reporting, the feasibility of a split at NUTS 2 level is under discussion.

Data for the biogeographical regions in each MS have been included in the database. Maps and more information on the biogeographical regions can be found in the following link: http://ec.europa.eu/environment/nature/natura2000/sites_hab/biogeog_regions/index_en.htm

8.1.2. Implementation

Data for RDP context indicator 36 is based on the 2012 EIONET survey (21% of the habitats are in favourable condition, while 43% have unfavourable status). It is expected that a survey will be carried out for this indicator (funded by the RDP Technical Assistance measure) between now and 2018, following which the data will be updated.

According to the Bulgarian Priority Action Framework (PAF) 84% of Annex 1 habitats are in "unfavourable-unsatisfactory" conservation status, 5% are in "favourable" conservation status and 1% are rated "unknown". The figures differ substantially from the EIONET figures included in the RDP. The status by biogeographical regions is provided in table 3. The main threats for Annex 1 habitats are identified as intensive grazing, burning, urbanization, pollution and afforestation with alien species.

Furthermore, the PAF reports that 94% of the grasslands habitats in Natura 2000 areas are in unfavourable-unsatisfactory condition (MoEW, 2014).

Table 3. Conservation status of Annex 1 habitats per biogeographic region in Bulgaria
(percent of all Annex 1 habitats)

Biogeographic region	Conservation status		
	Favourable	Unfavourable-unsatisfactory	Unknown
Continental	8	63	2
Alpine	9	51	1
Black Sea	3	44	
Bulgaria	5	84	1

Source: MoEW, PAF-final 2014

8.2. Farming intensity indicator

8.2.1. EU framework

Indicator 33 is on farming intensity, including: Areas of extensive grazing - UAA utilised for extensive grazing (UAA with cattle/sheep/goats density < 1 LU/ha of forage area, defined as *forage crops, permanent pastures and meadows and common land*).

8.2.2. Implementation

The data used in the Bulgarian RDP context indicator is from 2007 and 2010. It represents the percentage of the grasslands in the UAA in Bulgaria and not the area under extensive grazing. Thus, the data provided in the RDP does not reflect the requirement of the indicator and is misleading.

An indirectly related issue is that the Ministry of Agriculture has developed new implementation rules (in mid-2015) for the allocation of state and municipal pastures and meri (common land) to CAP area payments claimants. This initiative is a response to the issue of the so called “subsidy farmers” but it is also likely to have an effect on land use intensity. As of 2016, common pastures will be allocated at a rate of 1ha per LU in the case of good quality grasslands and 2ha per LU in the case of lower quality pastures. There is no differentiation if the pastures lie within Natura 2000 or HNV areas. These rules are expected to drive further intensification of the actual use of common pastures. After the stocking rate needs of livestock farmers are met, any remaining area is offered for tender – for this land there is no stocking requirement, thus making subsidy farming possible.

8.3. Implications for pastures

The conservation status of 94% of grassland habitats in Natura 2000 areas is reported as being unfavourable-unsatisfactory. At the same time, the review of existing documents and requirements for the new CAP greening and agri-environment/Natura 2000 payment reveal that very little to nothing is being done to address this problem. The definition of permanent grassland has no regional differentiation; a large proportion of grasslands with scrub continue to be outside the Pillar 1 eligibility layer, thus continuing the pressure to clear-cut or even plough these grasslands; the Ministry of Agriculture makes no real efforts even to properly calculate the new CAP context indicators on grasslands and farming intensity; and the Ministry of Environment has not raised objections to these issues.

9. Conclusions

Overall, the impression from the 2014-2020 implementation approach is that the trend for intensified and unsustainable use of grasslands which was observed in the previous programming period will continue. The effects of the new policy and new rules remain to be monitored and analysed in the coming two years, with a proposed main focus on:

- Eligibility of grasslands and ESG (grasslands in Natura 2000 sites in the Bulgarian case) and their inclusion in the permanent grasslands layer;
- The potential usefulness of regional grassland definitions and associated dates for management requirements;
- Minimum activity definition and the possibility of introducing differentiated support (for grasslands managed by livestock farmers and those managed only by cutting of the grass) both in Pillar 1 and Pillar 2;
- Introduction of lower grazing density in Natura 2000, both as a management criterion and as a basis for allocating the municipal grasslands to farmers (currently the grazing density criteria the same within and outside Natura 2000 zones);

- Analysis of the distribution of Natura 2000 grasslands habitats, the share of habitats supported by Natura 2000 measure and/or by HNV scheme of the Agri-environment measure and the effects on their favourable conservation status.

Documents used

Rural Development Programme 2014-2020, 2014, Ministry of Agriculture

Ordinance 2 – 17.02.2015 on the eligibility criteria of agricultural land for the area-based support schemes and measures, Ministry of Agriculture

Ordinance 3 – 17.02.2015 on the conditions and procedure for the direct payments schemes, Ministry of Agriculture

Ordinance 5 – 27.02.2009 on the conditions and procedures for the application for direct payments support schemes and measures, Ministry of Agriculture

Priority Action Framework, final, 2014, Ministry of Environment and Water