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Biotechnology Update

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Approved by:

Susan Reid
U.S. Embassy

Prepared by:

Mila Boshnakova

Report Highlights:

Over the last three months, the Bulgarian government took three important decisions on biotechnology, and two of them were very politicized and extremely restrictive. The first one was to support the Hungarian moratorium on biotech corn. The second decision was to freeze all local legislative work aimed to harmonization of the current laws with the European ones.

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Summary

Over the last three months, the Bulgarian government took three important decisions on biotechnology. Two of these decisions were very politicized and extremely restrictive. The first one was to support the Hungarian moratorium on biotech corn. The second decision was to freeze all local legislative work aimed to harmonization of the current laws with the European ones. The third decision was Bulgaria's vote to allow EU use and imports of a biotech sugar beet.

Voting positions

In February, the Ministry of Environment took a negative political decision on biotech policy: to support Hungarian moratorium on already approved by the EC Monsanto MON10 corn. This decision was rather shocking for observers, mainly because Bulgaria voted against the EC at a time when the government was and is trying to avoid friction with Brussels due to shaky early membership issues.

In April, Bulgaria had to vote again on a biotech issue. The Ministries of Agriculture and Health were leading for the second vote, and preferred to follow EFSA recommendations and supported use and imports of biotech sugar beet.

Current political disagreement on biotech, although very discreet, between the Ministry of Environment, on one hand, and the two other Ministries, on the other, often leads to a vacuum, inconsistency, unpredictability and delays in implementation of biotech regulations.

Legislation

In late 2006, the Ministry of Environment began a project with Dutch, Austrian and German partners, government and private experts, with the goal to determine if Bulgarian biotech legislation is fully harmonized with the EU rules. The local working group included 25 experts from three ministries, of environment, agriculture and health, as well as leading scientists and green non-government organizations (NGOs). The result of the project was a comprehensive revision of the current law in a form of a new draft law which was in line with EU biotech legislation.

The new draft eliminated all unnecessary and not science based restrictions in the old law such as prohibited field testing, production and commercialization of tobacco, grapevines, wheat, cotton, damask rose, vegetables and perennial fruits, and animals; prohibited lab research on a damask rose, grapevines and tobacco; unreasonable requirements for large buffer zones from conventional crops and around protected territories. It introduced the scientific risk analysis as a basis for all biotech related decisions. In early March, the draft was submitted for an interagency approval process with the idea to be ready for the Parliament revision by May.

However, the Minister of Environment fiercely reacted to the draft law. Per the Minister's personal order, all biotech work at the Ministry has been frozen. Reportedly, this reaction was caused by political considerations.

The Bulgarian Biotechnology Association (a joint research and industry body) submitted a complaint to several General Directorates in the EC about the Minister of Environment actions. Unquestionably, only serious external pressure, combined with well managed industry approach, will lead to successful results. As of late April, no EC response was delivered to the industry or to the GOB.

Biotechnology and/or organic production

While local biotechnology policy has suffered tremendously from a political pressure, organic production policies enjoy a very positive attention by politicians though not always well justified. The political interpretation of biotech and organic policies is that the country should choose either one or the other and that co-existence of both is not possible. Currently, Bulgaria has no co-existence legislation.

In late March, the GOB approved a National Strategic Organic Program for 2007-2013. The program put an ambitious target of 8 percent of agricultural land in Bulgaria to be under organic production by 2013. Some local estimates show that up to 80 percent of land can be potentially certified as appropriate for organic production. Currently, less than 1.0 percent of agricultural land is devoted to organic production. The 3 year EU budget under the program is roughly equal to 40 percent of total rural development allocation of 780 million Euro, or 312 million Euro. The pre-accession EU-SAPARD investment program financed mainly smaller projects - 114 projects for 3.5 million Euro.

Currently, Bulgaria has two national organic certification bodies, "Balkan Biosert" and "QC&I (Quality, Certification, Inspection) International Services" which were listed in the Official Journal. Another two are in the process of being licensed.

Since early 2007, the authorities registered 150 organic producers, 23 processors and 8 traders. Certified organic area is 3,000 HA with the largest share of medical and essential oil crops (700 HA), followed by orchards (520 HA), grains (220 HA) and vegetables (95 HA). Wild berries and herbs account for an additional 110,000 HA. Organic crops are grown mainly in Southern Bulgaria, around towns of Plovdiv, Pazardjik, Karlovo, Kalofer, Kazanluk and Stara Zagora.

Local organic production is destined mainly for exports – to Germany (honey, herbs, spices, rose oil, vegetables), Switzerland (honey), Holland (spices and herbs) and the U.S (spices, herbs, rose oil).

Organic products on the local market have limited presence, below one percent, due to still-low consumer demand and lack of awareness. According to the GOB program, organics market share should be 3 percent by 2013. As of today, consumers have to choose amongst very few local organic products (see the tables below). Imports are limited to baby foods (Hipp/Croatia) and some types of musli. Organic products are sold in several supermarkets and specialized stores (Billa, Familia, Elemag, Frodo, 345). A local company (Tandem) invested about 2 million Euro in the first livestock farm (cattle) in 2007 and first organic meat is planned to be on the market by 2008.

Table: Organic products on the local market

Local organic products, producers and sales		
Product	Producer	Sales
Yogurt	Produced by the only certified dairy Rima which receives certified milk from the two certified farms (near Troyan),	Estimated monthly sales- 14,000 packages, at 50 retails outlets. Reportedly, annual sales have increased 400 percent;
Herbal tea	Balkan Bio herb, Ira Eco, Bio Bulgaria	NA
Mushrooms	Ira Eco	NA
Spices	Ira Eco	NA
Honey	Gerada	NA
Jam	Biostart	NA
Vegetables	Ecofarm, Gimel	NA
Vegetable cans	Nash Dom	NA
Source: As of April, 2007. Trade sources and media, estimates. The list is not comprehensive and is a subject of updating.		

Environmental groups

Over the past several years, a number of green/environmental groups have been established in Bulgaria. Only a few of them, however, have a professional approach and implement responsible policies in public interest. Most are supported by commercial interests or exist as a cover for absorption of various project funds in this area. It is a rare case for regular Bulgarians to see some environmental work done by these organizations. On the other hand, these organizations have been very active lately in political or economic debates such as Natura 2000 or on biotech issues.

Some green non-government organizations (NGOs), especially those who were involved in drafting the new biotech law, had a balanced approach towards biotech. They appealed for co-existence legislation and science based approach. Their concept is that Bulgaria can not ban biotech organisms or products which have been already approved by EFSA and the EC.

Another group of NGOs, however, prefer to use a different approach. Their major concept is that organic and biotech farming are the extreme opposites, and Bulgaria has to choose which way to go: either to develop organic farming, to enjoy "growing European organic market" and use various EU investment/funds for organic production; or to choose biotech farming which means lost exports; low and declining sales on the common market, and "numerous harmful effects" on human health. Some of these green groups maneuver and show different faces before international organizations (more science and technology oriented), and before local media where they "protect regular people from devastating foreign commercial interests".

The usual outreach tool for the green NGOs are seminars or meetings in the countryside, organized together with organic organizations. In other cases, the environmentalists work with local municipalities, research units or MinAg extension service offices offering lectures on how to grow organics.

The concept organics vs. biotech is often supported by certain politicians, especially those who oppose new technology and science development and appeal for a preservation of

"natural, traditional living and production methods". Older generation researchers, mainly from the pre-democratic times, often deprived from previous rewards and public respect, prefer to either take the greens' side or to not express any comments.

The green theory works very well at small, rural places with higher unemployment, where large farms are not existent. Another green fortress is mountain villages, which rely on agrarian tourism. Small vegetable, fruit and herb growers are the best target green audience. As a result of green activities, already 5 municipalities announced their territories as free of GMOs, although no formal notification has been made to the EC (Satovcha village, Blagoevgrad region, Banite village, near Smolian, Ivailovgrad, Kurdgali, and Zlataritz, near Veliko Turnovo. Reportedly, the small town of Elena will also be in this list.