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## **Bulgaria**

### **Dairy, Livestock and Poultry**

#### **New Trade Regime**

**1999**

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#### **Report Highlights:**

**Overall, the 1999 trade regime will not favor increased U.S. meat and poultry products' exports. The "duty free quota" for pork products has increased from 15% to 25%. For frozen chicken products (cuts, offal), CEFTA product can be imported at a lower duty - 28% while the duty for U.S. product remains at 74%. The duty for U.S. frozen turkey also remains at 25%. Beef product from all countries have better access to the market via duty free/reduced duty import quotas. However, high quality U.S. beef still remains only a niche market in Bulgaria due to the decline in local beef prices and relatively low consumer income.**

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## **Executive Summary**

Beginning January 1999, the average Bulgarian import tariffs were reduced significantly except for some areas including agricultural products. That is, the GOB continues to protect the local livestock industry mostly poultry producers followed by the swine sector. The basic import duties for beef and poultry products have not changed nor the duty-free/reduced-duty import tariff quotas and the regime for EU countries. The unlimited import tariff quota for pork products was increased to 25% or a min 392 ECU/MT compared to 15% or a min 235 ECU/MT in 1998.

The CEFTA agreement which Bulgaria became a member will likely increase competition for U.S. products such as frozen chicken/turkey cuts and offal especially from Poland, Hungary and Slovenia.

## **New Trade Regime**

### **Summary of Preferences - CEFTA Countries**

#### **Poultry**

- lower duty for imports of 0207 12 (whole frozen chickens) should not affect trade significantly since this product is mostly produced locally and is usually not imported.
- lower duty for imports of 0207 14 (frozen cuts and offal) which will likely reduce imports from non CEFTA countries since these products are traditionally imported and account for 60% to 80% of total poultry imports (the rest is turkey). Imports of products from Poland are limited via tariff rate quotas. Hungary will likely benefit the most.
- lower import duty for frozen turkey products for Czech and Slovak Republics (total 200 MT), Hungary (500 MT), Poland (200 MT). These quotas are not expected to displace U.S. product significantly since the total only 900 MT.

#### **Pork**

- the duty is 25% which is slightly better than the duty under the import tariff quota which is 25% or min 382 ECU/MT. The largest potential exporter of pork to Bulgaria (Slovenia) is limited within a quota. Poland and Hungary should benefit the most.

#### **Beef**

- reduced duty quotas under different categories is 19,800 MT which is about 90% of traditional annual imports. As in 1998, some preferences are given to the EU within this quota. CEFTA duties are higher than those under the quotas and are not expected to affect trade.

## Poultry Basic Import Duties

0207	meat and offal from poultry, fresh, chilled or frozen	
	from cocks and hens (chicken)	
020711	whole, grest and chilled	74% or min.300 ECU/MT
020112	whole, frozen	74% or min.300 ECU/MT
020713	cuts and offal, fresh or chilled	
	cuts	35%
	offal	25%
020714	<b>cuts and offal, frozen</b>	
	cuts	74%
	offal	25%
	from turkey	
020724	whole, fresh or chilled	25% or min. 100 ECU/MT
020725	whole, frozen	25%
020716	cuts and offal, fresh and chilled	
	cuts	25%
	offal	25%
020727	<b>cuts and offal, frozen</b>	
	cuts	25%
	offal	25%

Other poultry such as ducks, geese etc., whole, cuts, offal in fresh, chilled or frozen form have 25% import duty.

## Poultry Tariff Rate Quotas

0207 12 10, 0207 12 90 Chicken meat, whole, frozen - 200 MT at 55% or minimum 650 US\$/MT

0207 14 - 1,300 MT at 55% or minimum 650 US\$/MT.

There are no preferences such as quotas or lower duties specifically for the EU countries.

The following are the maximum import duties applied amongst CEFTA countries upon imports of commodities originating from CEFTA countries:

0207 12 - 28%; 0207 14 - 28%

This reduction is valid for all CEFTA countries. The exception is Poland as the above products imported from Poland to Bulgaria and exported from Bulgaria to Poland are traded at 28% import duty only within the limits of the following quotas:

0207 12 - no quota restrictions

0207 14 - 240 MT for 1999 and 280 MT for the year 2000.

Import duties applied upon imports from Czech and Slovak Republics to Bulgaria:

0207 11 - 25%

0207 13 - 25%

0207 24 - 18%

0207 25 - 18% within the quotas of 100 MT for Czech Republic and 100 MT for Slovak Republic

0207 26 - 18%

0207 27 - 18% within the quotas of 100 MT for Czech Republic and 100 MT for Slovak Republic

Import duties applied upon imports from Hungary to Bulgaria:

0207 13 - 15%

0207 24 - 15%

0207 25 - 15%

0207 26 - 15%

0207 27 - 15%

This import duty is within a total quota for all above HS numbers of 500 MT.

Import duties applied upon imports from Poland to Bulgaria:

0207 24; 0207 25, 0207 26, 0207 27 - total 200 MT quota at 50% reduction of the basic duty.

Import duties applied upon imports from Romania and Slovenia to Bulgaria: nothing about poultry.

Import duties applied upon imports from Turkey to Bulgaria (FTZ agreement):

0207 24 and 0207 25 - 100 MT total as 0207 24 is imported at 12.5% or minimum 50 ECU/MT and 0207 25 is imported at 12.5%.

**Pork Basic Import Duties**

0203	meat from swine, fresh, chilled or frozen	
	fresh and chilled	
020311	whole or half carcasses	25% or min.664 ECU/MT
020312	shoulders, picnincs, boston butt and cuts from them, bone-in	25% or min. 664 ECU/MT
020319	other (it includes boneless cuts, loin, belly, ham, trimmings)	25% or min. 664 ECU/MT
	frozen	
0203 21	whole or half carcasses	40% or min. 622 ECU/MT
0203 22	shoulders, picnics, bostons butt and cuts from them, bone -in	40% or min. 622 ECU/MT
0203 29	other (it includes boneless cuts, loin, belly, ham, trimmings)	40% or min. 622 ECU/MT

**Pork Tariff Rate Quotas**

There is unlimited import quota at reduced import duty for all pork products for 1999 at 25% or minimum 392 ECU/MT.

There are no preferences such as quotas or lower duties specifically for the EU countries.

The following are the maximum import duties applied amongst CEFTA countries upon imports of commodities originating from CEFTA countries:

0203 - 25%

This duty has an exception in trade with Slovenia. Pork exported from Slovenia to Bulgaria and from Bulgaria to Slovenia is traded at 25% import duty only within the limit of following quotas:

0203 - 40 MT for 1999 and 25 MT for the year 2000.

There are no other specific preferences in imports of pork from Czech and Slovak Republics, Hungary, Poland, Romania and Slovenia to Bulgaria.

### Beef Basic Import Duties

0201	meat from bovine animals, fresh or chilled	
	whole, in cuts, bone-in and boneless	5% plus 244 ECU/MT (general duty) 3% plus 170 ECU/MT (preferential duty)
0202	meat from bovine animals	
	frozen	
0202 10	whole or half carcasses	5% plus 244 ECU/MT 3% plus 170 ECU/MT
0202 20 30 0202 20 50	other bone-in cuts (fore and hind quarters)	5% plus 244 ECU/MT 3% plus 170 ECU/MT
0202 20 90	other	5% plus 102 ECU/MT 3% plus 70 ECU/MT
0202 30	Boneless	
0202 30 10 0202 30 50	fore and hind quarters	5% plus 97 ECU/MT 3% plus 68 ECU/MT
0202 30 90	other	5% plus 97 ECU/MT 3% plus 68 ECU/MT

### Beef Tariff Rate Quotas

0202 - High quality meat from bovine animals - 1,000 MT at 0%  
 0201 30; 0202 30 10; 0202 30 50; 0202 30 90 Other high quality boneless cuts, fresh, chilled or frozen - 500 MT at 10% duty  
 0201 10; 0201 20 20; 0201 20 30; 0201 20 50; 0201 20 90; 0201 30 Fresh or chilled bone-in or boneless meat - 1,000 MT at 10%  
 0202 10 Frozen bone-in whole and half carcasses - 2,000 MT at 10%  
 0202 20 30; 0202 20 50 Bone-in frozen cuts - 10,200 MT at 85.% of which 8,149 MT is for the EU and 2,051 MT for non-EU  
 0202 20 30; 0202 20 50 Bone-in frozen cuts - 1,000 MT at 0%

0202 30 Boneless frozen cuts - 4,100 MT at 10%

The following are the maximum import duties applied amongst CEFTA countries upon imports of commodities originating from CEFTA countries:

0201 - 25%; 0202 - 25%

These duties are valid for all CEFTA countries with the exception of Poland and Slovenia for which the above duty is valid within the following quotas:

Poland - for beef exported from Bulgaria to Poland and imported from Poland to Bulgaria - 0201 and 0202 - 120 MT at 25% in 1999 and 140 MT for the year 2000 at 25%;

Slovenia - for beef exported from Bulgaria to Slovenia and imported from Slovenia to Bulgaria - 0201 and 0202 - 20 MT at 25% for 1999.

There are no other specific preferences in imports of beef from Czech and Slovak Republics, Hungary, Poland, Romania and Slovenia to Bulgaria.