«14 years of support for High Nature Value farming systems in Bulgaria: Lessons learnt about the policy and socio-economic challenges underpinning the loss of cultural landscapes in the Mediterranean region»

14 YEARS OF SUPPORT FOR HIGH NATURE VALUE FARMING SYSTEMS IN BULGARIA:

SYNTHESIS OF LESSONS LEARNT



Yanka Kazakova and Vyara Stefanova

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Abbreviations

AE	Agri-environment
AKIS	Agricultural Knowledge and Innovation System
BG	Bulgaria
BSPB	Bulgarian Society for the Protection of Birds
CAP	Common Agricultural Policy
EAFRD	European Agriculture Fund for Rural Development
EEA	European Environmental Agency
EFNCP	European Forum on Nature Conservation and Pastoralism
EU	European Eunion
GEF	Global Environmental Facility
GIS	Geographic Information System
HNV	High Nature Value
HNV1	Agri-environmental scheme for supporting HNV grasslands
HNV4	Agri-environmental scheme for supporting birds on arable land
JRC	Joint Research Center
LFA	Less Favored Areas
LPIS	Land Parcel Identification System
LU	Livestock Unit
MAF	Ministry of Agriculture and Forestry
MAVA	MAVA Foundation for Nature
N2K	Natura 2000
NAAS	National Agriculture Advisory System
NGO	Non-governmental Organisation
OAP M6	Outcome Action Plan M6 Promoting Sustainable Landuses
PES	Payment for Ecosystem Services
RDP	Rural Development Programme
SAPS	Single Area Payment Scheme
STEP	Society for Territorial and Environmental Prosperity
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme

Background

Bulgaria is among the countries with the highest biodiversity in the European Union (EU). Back in 2007[1], Bulgaria had an estimated share of High Nature Value (HNV) farmlands between 30% (BG RDP 2007-2013) and 37.3% (Paracchini et al., 2008). In 2019, the European Environmental Agency (EEA) reported that Bulgaria was among the EU member states with the highest loss of HNV farmlands due to agricultural intensification and land abandonment. The result is alarming, especially in view of the ambitious HNV public support schemes under the national rural development programmes (RDP) since 2007 and the number of donor-funded support schemes targeting HNV farming systems.

In 2020, STEP assessed the changes that occurred in the utilised agricultural land identified as HNV in 2007 and in 2019 (in print) in the framework of project "Overarching initiative on policy" within MAVA OAP M6. We recorded a significant loss of minus 39% in the area of the 2007 HNV farmland. The majority of it was a result of the loss of permanent grasslands – approximately minus 500 000 ha (HNV type 1) in mountainous and semi-mountainous areas, as well as the loss of mixed land use – approximately minus 100 000 ha (HNV type 2). A significant part of the remaining 2007 HNV farmland has been converted to arable land by 2020.

In 2021, STEP was awarded a MAVA Learning grant[2] (1) to extract and formulate the lessons learnt about the CAP public support, the donor supported project schemes, as well as the accompanying socio-economic challenges for High Nature Value farming systems, and (2) to share them with CAP decision makers at national level and with MAVA OAP M6 partners from the Alliance for Mediterranean Nature and Culture.

The present synthesis report aims at capturing the key results of the analysis. The first section is focused on the CAP public support for the HNV farmland. The experience of the donor supported project schemes is summarized in the second section. The third section presents farmers' opinion on the HNV support and socio-economic challenges. Each of these sections ends with STEP's perspective on the lessons learned about HNV farming support. The final section brings together the key findings and recommendations about the needed support to HNV farming and farmers.

[1] Bulgaria joined the European Union on January 1, 2007.

[2] Grant agreement 21073_21064/11 June 2021

I. Policy support for HNV farming: Lessons learned

1.1. Introduction

High Nature Value farmland is defined as 'those areas in Europe where agriculture is a major (usually the dominant) land use and where that agriculture supports or is associated with either a high species and habitat diversity or the presence of species of European conservation concern or both' (Anderson et al., 2004). The team categorised HNV farmlands in three main types (Figure 1). Type 1 is farmland dominated by semi-natural vegetation. Type 2 is characterised by a mosaic of small-scale parcels, landscape features and semi-natural vegetation. Type 3 is farmland that is important for a small number of rare or threatened species (often birds), but otherwise may be of low nature value, both in terms of species and habitat diversity.

The Ministry of Agriculture identified the potential HNV farmland adapting the EEA/JRC approach in 2007. It used the relevant Corine land cover codes, Natura 2000 sites and other GIS-available biodiversity data and overlaid it with the LPIS physical blocks (MAF, RDP Annex 1, 2007). The results indicated that 951 256 ha grasslands, 359 611 ha arable land, 279 013 ha mixed landuse and 40 155 ha permanent crops were potentially of high nature value.

Figure 1. HNV farmland types in Bulgaria

HNV Type 1	HNV Type 2	HNV Type 3
Semi-natural grasslands	Mosaic landuse	Arable land valuable for species
		
Photo: V.Stefanova	*Photo: Y.Kazakova*	*Photo: Y.Kazakova*

Bulgaria has developed some of the most ambitious RDP measures to support HNV farmland already before its accession to the EU. There were dedicated agri-environmenal schemes for both HNV Type 1 (grasslands) and HNV Type 3 (arable land). Despite the good design of the measures, their implementation has been problematic. The EEA report from 2019 identified Bulgaria among the EU countries with the highest share of the HNV farmland loss.

This section begins with a brief overview of the RDP public support measures in Bulgaria. The official data about their implementation in the two programming periods is summarized next. The analysis of the effects on HNV farmland is based on the official annual LPIS datasets on agricultural land eligible for CAP support. The section ends with formulation of the lessons learned and recommendations for future public support.

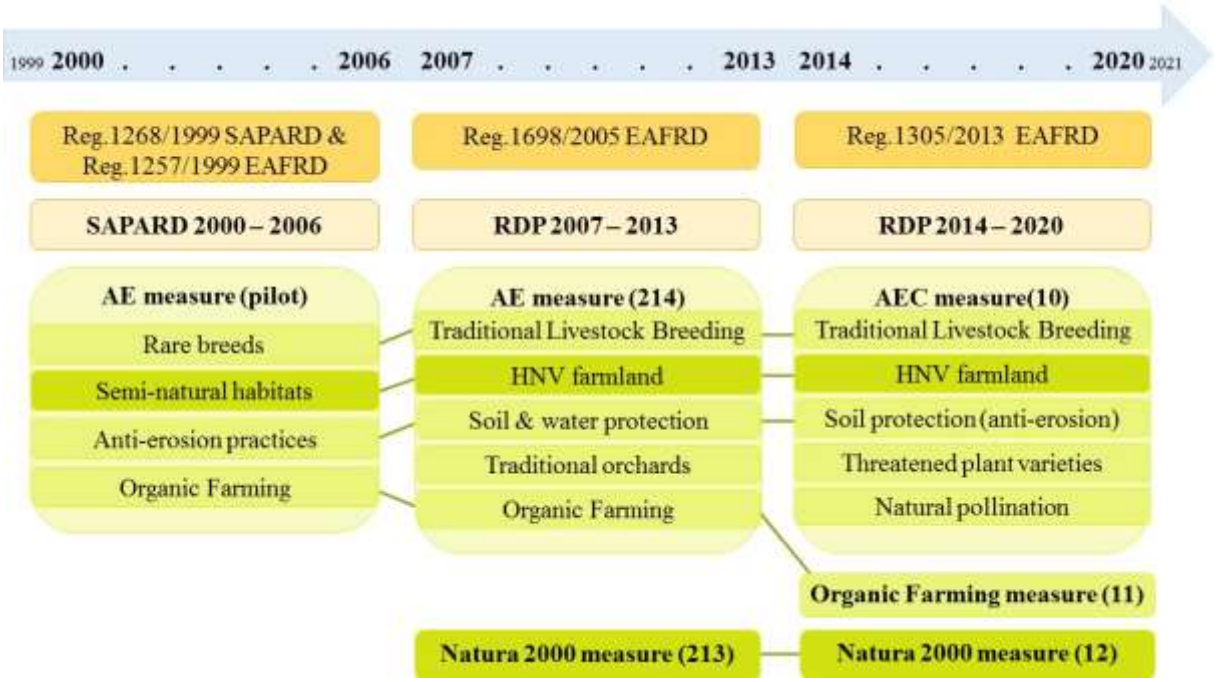
1.2. Public support measures for HNV farming in Bulgaria

The agri-environmental measures designed in Bulgaria always included support to pastures and meadows given their importance for the biodiversity in the country (Figure 2). In the SAPARD 2000-2006 period, the agri-environmental scheme was named "Support to semi-natural habitats". Following the publication of the Anderson report on HNV farmland in Europe in 2004, and the prioritisation of HNV farmland in the RDP Regulation (Reg.1698/2005 EAFRD), the scheme was broadened and named "Support to HNV farmland". It actually covered two agri-environmental schemes on HNV farmland. HNV1 was focused on support to HNV grasslands, while HNV4 was targeted to HNV arable lands important for certain bird species. All farmer's agri-environmental commitments were for minimum 5 years.

The Natura 2000 compensatory payments for restrictions in the use of agricultural land (grasslands, arable land or permanent crops) was introduced in the 2007-2013 RDP and its implementation started in 2011. Farmers' commitments under the Natura 2000 measure were annual.

The agri-environment measures included other schemes that had potential to contribute to the maintenance of the HNV grasslands throughout the country. These are the "Traditional Livestock Breeding" scheme supporting grazing on high mountain pastures for at least 3 month during the year as well as support to threatened local breeds of farm animals or the "Traditional Orchards" scheme supporting the mosaic old orchards. However, they had other key objectives and the information about their actual contribution to HNV farmland is difficult to assess.

Figure 2. Timeline of HNV policy support in Bulgaria's agri-environmental policy



Source: Kazakova-Mateva, Y., 2019

1.2.1. HNV1 Grasslands support scheme

This scheme was initially planned as the main support for HNV farmlands considering the significant territorial coverage of the HNV grasslands in Bulgaria (close to 1 million ha). It was also aimed at supporting grasslands in Natura 2000 areas in the period prior to the official publication of the Natura 2000 designation orders and management plans.

The management requirements were maintained almost unchanged in the two programming periods (Box 1). The main changes related to:

- The maximum grazing density per hectare was reduced from 1.5 LU/ha to 1 LU/ha;
- A requirement to take out the mowed grass from the field was introduced in the 2014-2020 period; and
- The payment level was reduced from 151 EUR/ha to 126.80 EUR/ha for grazing and to 113.51 EUR/ha for mowing.

Box 1. Management requirements for the HNV1 grasslands support scheme

- Each year farmers have to specify if the grasslands will be mowed or grazed
- Use of fertilizers and pesticides is not allowed
- New drainage and ploughing is forbidden

For mowing:

- Free grazing on meadows after the last mowing is allowed (except for meadows in forests)
- Mowing period: 15 June - 15 July for lowlands; 30 June – 15 August for mountainous LFA
- Mowing should be done manually or with a slow grass cutting machine from center to the periphery or from one end to the other
- *The mowed grass should be taken out from the field (in 2014-2020)*

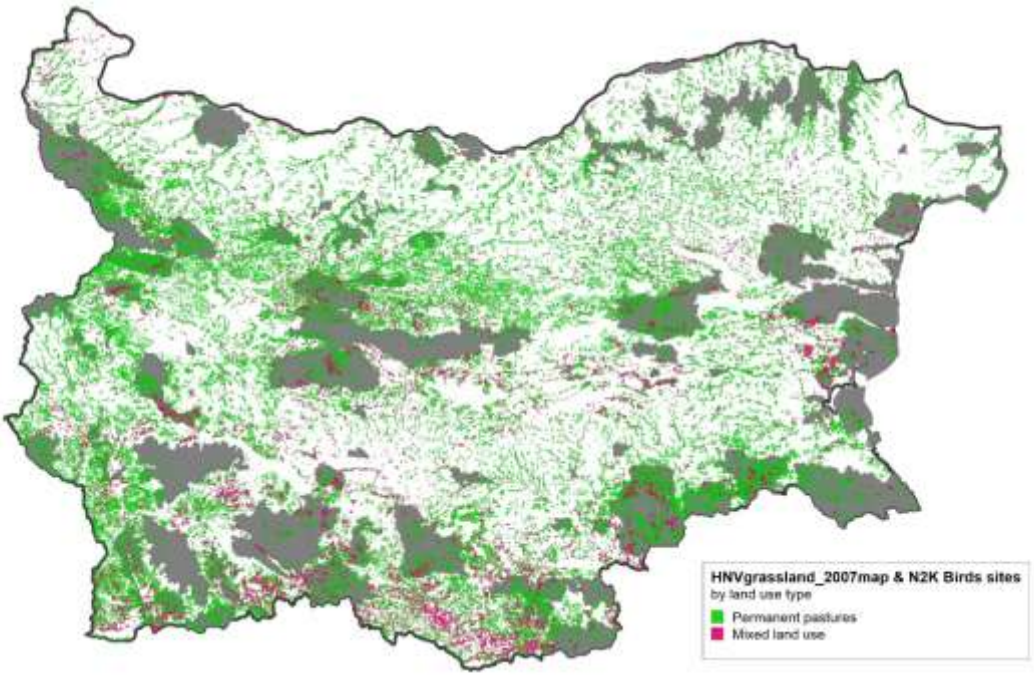
For grazing:

- Livestock density should be between 0.3-1.5 LU/ha (*1 LU in 2014-2020*).
- Livestock density should be maintained on the entire grazing area within the farmers block.

Source: RDP 2007-2013 and RDP 2014-2020

The territorial scope of the HNV1 grasslands support was based on the 2007 HNV farmland map specifically produced for the agri-environmental measure (Figure 3). Any grassland in LPIS (permanent pastures as well as areas under mixed land use) that fell within the boundaries of the 2007 HNV farmland map were eligible for support under the HNV1 scheme. Thus, the potential target areas were over 1 million ha (951 256 ha grasslands and 279 013 ha mixed landuse). The official target areas for support under the entire agri-environmental measure in 2007-2013 was 110 000 ha, and 113 000 ha in 2014-2020, irrespective of the agri-environmental scheme.

Figure 3. Territorial scope of the HNV1 grassland scheme and the Natura 2000 measure



Source: Map by Y.Kazakova

1.2.2. HNV4 Important for birds arable land support scheme

HNV4 was focused on supporting the conservation of birds dependent on arable land as feeding source in Important Birds Areas. The management requirements were thus related to ensuring sufficient feeding base for the target bird species and farmers were able to choose one or more option for implementation (Box 2).

The HNV4 scheme had several significant modifications in both periods – related to the management requirements, to the territorial scope and to the payment levels. The changes made the scheme much simpler to implement (reduced management requirements), more attractive (higher payment levels) and larger target areas (changed territorial scope).

Box 2. Management requirements of HNV4 birds on arable land support scheme

HNV4 in 2007-2013	HNV4 in 2014-2020
Leave small patches (16-25 sq.m) unplowed and not sowed, between the autumn cropped areas (4 patches per hectare) *Retain winter stubbles on fields selected for spring-grown crops;* *Leave uncultivated and unplowed areas ("wildlife-friendly set-a-side") for a period for 2*	Sowing of at least 50 % of the area with autumn cereal crops; Sowing of at least 50 % of the area with autumn cereal crops and 30% with maize in habitats of Red Breasted Geese;

years on a 5 year rotational basis (10 to 20% of the farmers block, but not less than 1 ha); No cereal harvesting before 31st July in areas with nests of Montagu's Harrier (Circus pygargus); *No use of pesticides and mineral fertilizers - other than 'localised-treatment' of invasive weeds;* Agri-environmental activities for the wintering geese. At least 50 % of the farm block is covered by cereal crops; Treatment with herbicides is not permitted in the period October 15 - March 1. Conversion of arable lands that are habitats of European ground squirrel, Imperial eagle and Egyptian vultures into pastures and subsequent extensive management (maximum 1.5 LU / ha).	No cereal harvesting before 31st July in areas with nests of Montagu's Harrier (Circus pygargus); Conversion of arable lands that are habitats of Imperial eagle and Egyptian vultures into pastures.

** 2007-2013 management requirements in italics were discontinued in 2014-2020.*

The changes in the payment levels reflected the activities acceptability to arable farmers. For example, the payment for 'no cereal harvesting before 31 July in areas with nests of Montagu Harrier' increased from 35 EUR/ha to 110 EUR/ha. The activities that arable farmers indicated as unlikely to implement faced reduction in the payment levels, for example 'conversion of arable land into grasslands' was reduced from 324 EUR/ha to 278 EUR/ha.

The initial territorial scope of HNV4 birds on arable land scheme was based on the 2007 HNV farmland map - the arable land in LPIS that intersects with the 2007 HNV farmland map and the habitats of the targeted birds' species were eligible for support. This made the measure highly focused on the birds' needs and on their known habitats. The largest arable farmers did not appreciate this 'complication' in the implementation and the Ministry of Agriculture changed the territorial scope. The new territorial scope (from 2012 onwards) ignored the 2007 HNV farmland map and included the arable land on the entire territory of the land units[3] that intersect with selected birds' habitats – irrespective if the birds habitat was 0.1 ha or the entire land unit. This increased significantly the arable areas eligible for support and had a negative effect on the entire agri-environmental spending in 2007-2013 and in 2014-2020.

[3] Land unit – the area surrounding and belonging to certain settlement (village or town).

1.2.3. Natura 2000 compensatory measure for restrictions on agriculture land use

The Natura 2000 compensatory measure was implemented since 2011. It aimed to compensate farmers for the restrictions imposed on the agriculture land use in the Natura 2000 designation orders. The Natura 2000 measure was planned for both the sites under the Birds and Habitats directives. However, it was implemented only in the Natura 2000 sites under the Birds directive, as the Habitats sites had no designation orders until almost 2020.

The restrictions were general, and according to the land use - arable land, grasslands or permanent crops (Box 3). The payment levels also considered the location of the Natura 2000 site – in the mountains, lowlands or other areas with natural handicaps. The commitments were annual.

Farmers with grasslands in Natura 2000 birds' sites were not allowed to apply under HNV1 grasslands agri-environmental scheme, even if the payment levels were higher in HNV1.

The territorial scope of the Natura 2000 measure covered all agriculture land in LPIS within the boundaries of the Natura 2000 birds' sites with designation orders (Figure 2, areas in grey colour). The official target for supported agricultural areas was 180 000 ha in 2007-2013 and increased to 385 000 ha, following a very high interest from farmers.

Box 3. Agriculture land use restrictions in the Natura 2000 birds' sites

General restrictions:

- No removal of landscape features (borders, standing trees and groups of trees), when using agricultural land as such;
- No use of non-selective pesticides in agriculture;

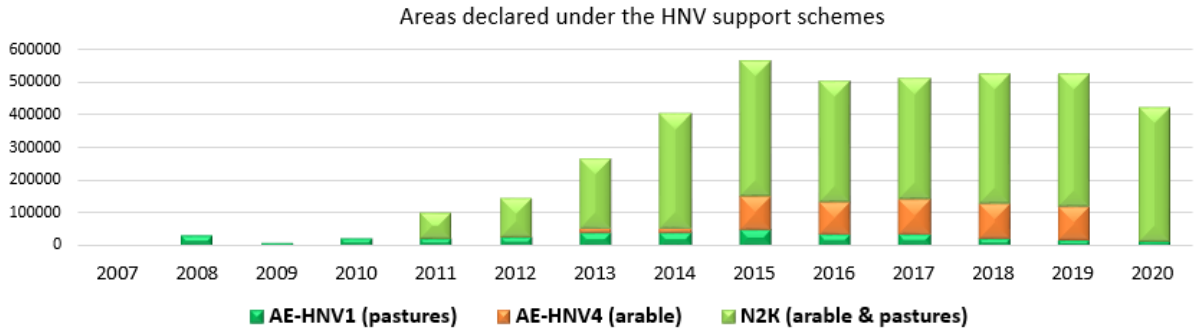
Grasslands restrictions (depending on the location of the Natura 2000 site):

- No mowing of meadows before July 1;
- No mowing of meadows from the periphery to the center, with fast-moving equipment and before July 15;
- No mowing of meadows from the periphery to the center, before June 15;
- No use of pesticides and mineral fertilizers in pastures and meadows.

1.3. Implementation of the HNV support since 2007

The review of the implementation data for the supported HNV area under different RDP measures clearly shows that the Natura 2000 compensatory payments was the most attractive scheme, followed by the targeted HNV4 birds on arable land and then the HNV1 grasslands scheme (Figure 4). The uptake varied in the different years but the highest territorial uptake was in 2015, when both schemes from RDP 2007-2013 and RDP 2014 – 2020 were under implementation.

Figure 4. Areas declared for support under the HNV support schemes



Source: Own calculation based on RDP Monitoring Committee data

The HNV1 grasslands scheme had its largest areas in 2015 when over 50 000 ha of HNV pastures and meadows were supported. The least supported HNV grasslands were in 2009, following the high number of penalised farmers in the first year of HNV1 implementation. In 2008, there were almost 32 000 ha of grasslands declared for support. Unfortunately, some of the farmers were penalised due to technical problems such as missing signatures or lack of copies of supporting documentation. Most of the penalties were due to the large areas of ineligible scrub/tree vegetation on the pastures (Agrotec, 2010). This created huge image problems for the HNV1 scheme and many farmers withdrew their applications and refrained from applying in the following years.

The HNV4 birds' on arable land scheme had almost no uptake before the huge simplification change took place in 2012. After two years of moderate implementation (2013-2014), in 2015 there was a giant leap in the interest of arable farmers in the eligible land units. More than 100 000 ha of arable land were declared in 2015 with 5 years' commitments (2015-2019). This led to closure of the HNV4 scheme for new applicants. Furthermore, the budget commitments for these 100 000 ha were so high that most of the other agri-environmental schemes were also closed for new applications since 2016.

The Natura 2000 compensatory measure had high uptake already from its first year of implementation. Close to 80 000 ha were declared in 2011, and in 2015 there were already 410 000 ha of supported agricultural land in Natura 2000.

An important aspect is the analysis of the planned implementation and the actual implementation of the support schemes (Table 1). The 2007-2013 period was the first for the implementation of this type of support in Bulgaria given that the SAPARD agri-environmental measure was only opened in 2006.

Reviewing the planned targets of 110 000 ha and 10 000 beneficiaries, it is clear that the measure was directed towards small farmers – on average 11 ha per beneficiary. The actually supported beneficiaries had on average 71 ha in 2007-2013 and 83 ha in 2014-2020. This increase was due to the interest from arable farmers who had significantly larger areas.

Table 1. Planned and supported areas under the HNV measures

Measure / period	Target area (ha)	Supported	
		Area (ha)	Beneficiaries (no)
Agri-environment and climate			
2007-2013	110 000	68 500	960
2014-2020	113 000	165 400	1985
2023-2027	25 600	-	-
Natura 2000 compensatory payments on agricultural land			
2007-2013	180 000	335 000	10 220
2014-2020	385 000	410 415	11 820
2023-2027	396 500	-	-

Source: Own calculation based on RDP Monitoring Committee data

Another aspect that deserves attention relates to the ambition of the initially set target areas. The agri-environmental areas were limited to the range of 110 000 – 113 000 ha for all schemes in both programming periods, while only the potential HNV farmlands were well over 1 million ha. The agricultural land in Natura 2000 birds' sites was estimated at below 500 000 ha. The target area was initially set at 180 000 ha and then increased to 385 000 ha given the interest from farmers.

The Natura 2000 measure seems to be preferred both by the planners in the Ministry of Agriculture and by the farmers alike. Some of the often-cited advantages of the Natura 2000 measure include:

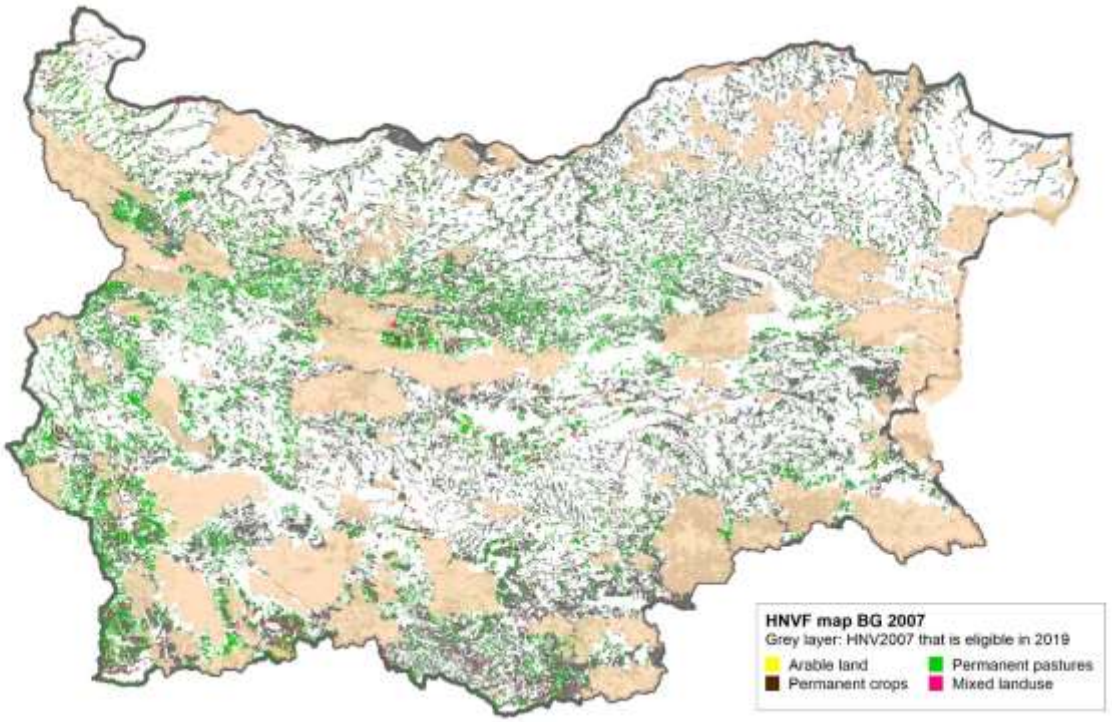
- The annual commitments that allow farmers to change their decision from one year to the next, and pose no issues with securing long-term use of the same parcel of land.
- The requirements for farmers were minimal (Box 3) especially on arable land. It is of no surprise that the highest uptake of the Natura 2000 measure was in the Natura 2000 sites with predominantly arable land (Kazakova-Mateva, 2020).
- The application process was very simple – a tick of a box on the main SAPS application. It required no additional supporting documentation or other efforts by farmers.

1.4. Effects from the CAP support on HNV farmland

The Ministry of Agriculture made no new assessment of the HNV farmlands in the 2014-2020 programming period. When the 2007 HNV farmland map was developed, it was underlined by the working group that it was not ideal and needed to be revised both in terms of appropriateness of the methodology and in field verification. The Ministry of Agriculture did subcontract a re-assessment of the HNV farmland in 2013 but its results were never officially adopted. Since 2013, there was no new attempt to make a proper re-assessment of the HNV farmland in Bulgaria. The 2014-2020 RDP used the 2007 HNV farmland map as a reference. Furthermore, there is no public monitoring of the effects on biodiversity on agricultural land or of the land use changes prompted by the CAP support (Kazakova-Mateva, 2020).

STEP's scoping study on the effects of the CAP support on 2007 HNV farmland in 2019 showed that **close to 500 000 ha are no longer eligible for support in 2019. The majority of these areas are permanent pastures and areas under mixed land use** (Figure 5) **in mountainous and semi-mountainous regions**. Seven administrative districts lost over 50% of the 2007 HNV farmland and other six districts lost between 40 and 50%.

Figure 5. Ineligibility of the 2007 HNV areas in 2019



** The areas in grey are still eligible for support in 2019. The coloured areas (green, pink, etc.) are no longer in the eligible LPIS layer ~ 500 thousand ha.*

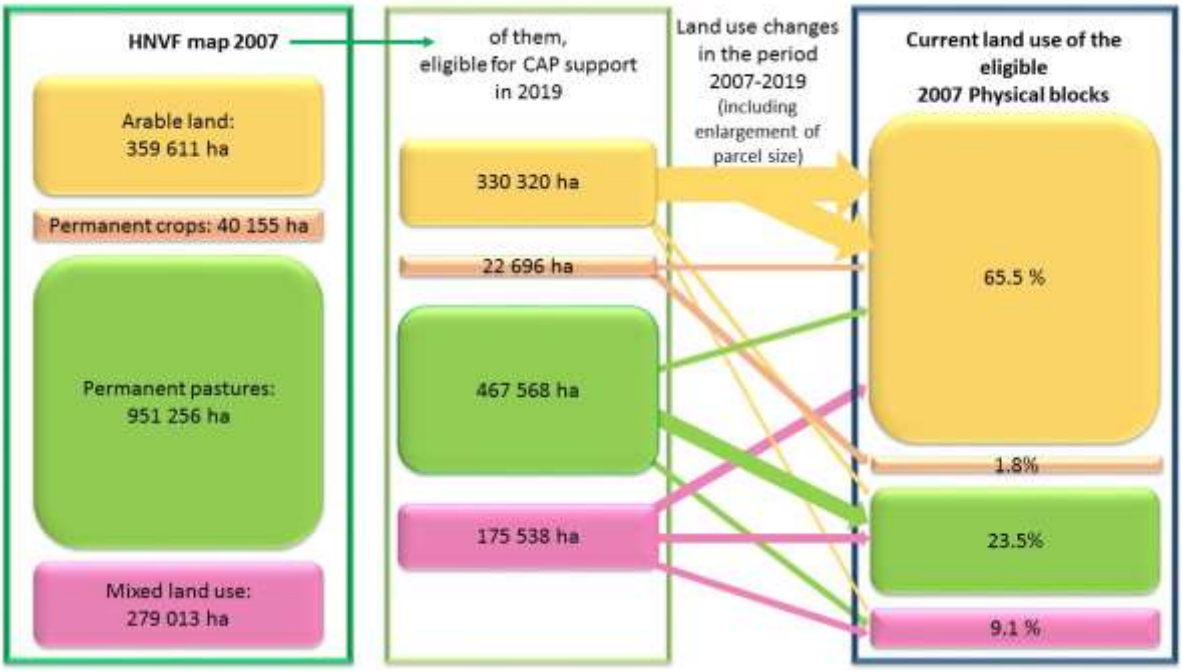
Source: Map by Y.Kazakova

This loss of HNV pastures and mixed land use is due to the CAP Pillar 1 eligibility requirement for less than 50 trees/scrub in 2007-2013, and less than 100 trees/scrub in 2014-2020 (Beaufoy et al., 2011). The decline in the livestock breeding in Bulgaria made it easy for the Ministry of Agriculture to apply the EU guidance of 50-tree on permanent pastures as a rule in 2007-2013. The official mantra was that 'pastures have to be as clean as golf-fields'. This approach was maintained in the 2014-2020 period and no use of the flexibility rules for the definition of permanent pastures was used (Beaufoy et al., 2017).

The lowland 2007 HNV farmland are mostly eligible for support. However, our scoping study indicated **a serious change in the land use of these areas** (Figure 6). The 2007 HNV farmlands that were still eligible for CAP support have become mostly arable land – 65.5% of all. Only 23.3% were still permanent pastures and 9.1% were in mixed land use.

The conversion of permanent pastures to arable land as well as the increase in the land parcel size indicate intensification of the land use in Bulgaria and call for an urgent need for re-assessment of the remaining HNV farmland. This is particularly important in the forthcoming 2023-2027 period, when the available budgets for the HNV support measures are significantly reduced. Any new spending should be well targeted to the areas with highest nature value and most in need of support.

Figure 6. Changes in the land use of the eligible 2007 HNV farmland in 2019



Source: Own calculation based on the map on Figure 5. by Y.Kazakova

1.5. HNV policy support: Lessons learned and Recommendations

The lessons learned from the HNV policy support are structured in six groups:

(1) Identification of HNV farmlands and targeting the support
(2) Communication with the target farmers and PR about the HNV farmland
(3) Advice and training of farmers
(4) Training of the local administration and advisors
(5) Monitoring and evaluation of the implementation effects – on land use, on biodiversity and ecosystems services, on farmlands
(6) Cooperation with NGOs and researchers

Most of them have been repeatedly stated in the official mid-term, ex-ante or ex-post evaluation of the RDPs as well as independent assessments by research bodies and non-governmental organisations.

1.5.1. Identification of HNV farmlands and targeting the support

The need for a proper assessment of the HNV farmlands in Bulgaria was stated already in the conclusions of the official working group adopting the 2007 HNV farmland map. This need was made urgent already by the HNV1 implementation fiasco in 2008, when most of the farmers applying under the HNV1 scheme were penalised due to their pastures ineligibility for support (Kazakova, 2012). There has been little improvement since 2008. On the contrary, the LPIS layer of HNV farmland was continuously changing from year to year but there was no information on what basis.

- **There is a clear and loud need of new assessment of the current HNV farmlands.**

The new assessment needs to have at least three different focuses**.**

The first focus is on the farmland: Which agricultural areas are still of high nature value? Where are they situated? How many of them are eligible for support under the current land eligibility criteria? Which farmlands are used for farming and of high nature value but not eligible for support? What are the reasons for this? What can be done in the new programming period?

The second focus is on the farmers: Who are the farmers that still maintain them? What are their production systems and their farming practices? What are their needs? What is the most effective way to support them?

The third focus is on the high nature value: Which species and habitats, ecosystem services depend on these farmlands, farming practices and farmers? What is needed to maintain or improve these species and/or habitats? Who is best suited to provide support to farmers to ensure the maintenance of the high nature value?

- **The territorial scope of the HNV grasslands support needs to be reconsidered**

The current territorial scope of the HNV1 support is still based on the intersection of the GIS layers, which are result of a desk exercise without field-based verification. Even when the new assessment of HNV farmland is done, it still needs to be revised if support should be provided based on GIS intersection of layers that are not annually updated with field-data verification. It is advisable to consider and reflect on the experience of the "successful" AE/N2K schemes – for example, implementation at the level of land units or at other territorial level with data about the land use intensity on the farm.

- **Adapt the permanent pastures definition and use the EU flexibility options**

The EU requirements and definitions about permanent pastures have changed several times since 2007. The regulations have provided different flexibility options which willing member states could make good use of and justify the eligibility of permanent pastures with even a high share of trees and/or scrub. This has not yet happened in Bulgaria. Despite the serious lack of grazing areas, which burdens livestock breeders in the recent years, the Ministry of Agriculture still showed no willingness to address the issue.

There are at least 500 000 ha which can be made eligible for support and be used by livestock breeders. This will also reduce the pressure on the currently eligible pastures.

1.5.2. Communication with the target farmers and PR about the HNV farmland

Our analysis revealed that there was a significant share of the permanent pastures, which were supported under SAPS but were not supported under the AE/N2K measures (Figure 7). Considering the 2007 HNV farmland approach that all permanent pastures were included in the map, they would be either eligible for the agri-environmental HNV1 scheme or if they fell within Natura 2000 boundaries – for the Natura 2000 compensatory measure. This observation raised a number of issues.

The starting point is that some of them are likely outside the specialised 2007 HNV layer as well as outside Natura 2000 birds' sites. If they are indeed not in the specialised HNV layer, the need for its re-assessment are underlined once again.

However, there were most likely other permanent pastures, which were in the specialised HNV layer but farmers still were unwilling to commit to it. The reasons need to be studied and addressed:

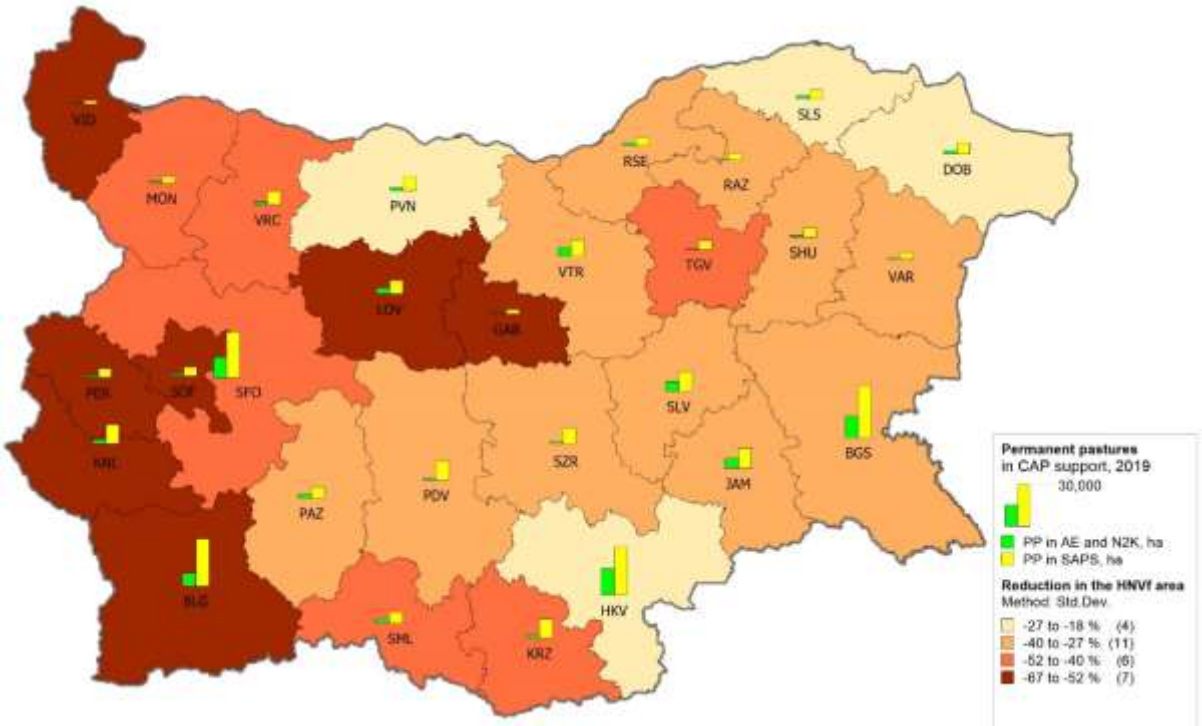
- Was it due to the negative image for high penalties of the HNV1 scheme?

- Was it because farmers had already intensified their land use and were not willing to comply with the management requirements?

- Was it due to the lack of adequate information about the HNV1 scheme?

There is a clear need to improve the communication with farmers in HNV farming area about their needs and priorities as well as to improve the image of HNV focused support.

Figure 7. Permanent pastures supported in the agri-environment HNV1 and HNV4 and Natura 2000 measure per administrative district



Source: Map by Y.Kazakova

1.5.3. Advice and training of farmers

The farmers maintaining HNV farmland are extremely important and valuable partners for the future of biodiversity and ecosystems on agricultural land. Their needs and priorities must to understood better to avoid any further loss of HNV farming. Usually this is due to either abandonment or intensification of land use. Intensification that can be misconceived as a good farming practice (Jones & Poux, 2012). The values and importance of HNV farming especially in the times of global climate and biodiversity crisis need to be in the focus of advice and training to farmers to remedy this misconception.

So far, there is complete lack of specialised and targeted training and advice for HNV farmers, including in Natura 2000 sites. There is some environmental advice and some training but their general statements have a negative effect and demotivate farmers to participate.

Advice and training need to be a lot more focused to the actual needs of the farmers, to be relevant to the regional characteristics and realities. For example:

- Which are the conservation important plant and animal species in my farmland? Why are they important for biodiversity? Do they contribute to the production health of my land and soil?
- How can I identify / monitor them in the long-term myself? Where can I get more detailed and specific information?
- Which farming activities improve them and which deteriorate them?

1.5.4. Training of the local administration and advisors

Farmers systemically point out the municipal agriculture offices are their main source of information on CAP support (Peneva et al., 2020). The other public body is the National Agriculture Advisory Service. It is important that the experts in these administrations have the capacity and the knowledge to provide information not only on the administrative aspects of the application and control process, but also on the specialised aspects of the actual farm implementation of the HNV focused schemes and measures :

- Which are the conservation important plant and animal species in your farmland? Why are they important for biodiversity? Do they contribute to the production health of my land and soil?
- How can you identify / monitor them in the long-term myself?
- Which farming activities improve them and which deteriorate them?
- Where you can get additional, specialised advice.

1.5.5. Monitoring and evaluation of the implementation effects

The lack of monitoring of the implementation effects leads to the lack of proper evaluation of the RDPs support in the last 14 years. All official evaluations of the RDPs have stated that this issue had to be addressed (Agrotect, 2010). The only focus of the monitoring and evaluation of RDPs is the number of supported farmers and the size of the paid subsidy. Even the size and type of the supported area in area-based support is not reported, monitored or evaluated systemically.

There is a need of an integrated monitoring and evaluation system about the CAP support effects and impacts on biodiversity, on land use and on farmers. This is a pre-condition for a “good governance” of public funding and must be established for all public spending.

This is relevant both in Natura 2000 sites and outside them. Is the Natura 2000 compensatory measure really so successful, when we have no information on the effects on species or habitats? We know the number of supported farmers and the money spent, but there is absolutely no information on its main objective – contribution to the favourable conservation status on the birds’ species in the Natura 2000 birds’ sites.

The development of any new support schemes, especially the result-based agri-environmental payment schemes, is high highly dependent on the availability of adequate and comparable data from the monitoring system. The longer a proper monitoring scheme is postponed, the less likely that any innovative support schemes can be established.

1.5.6. Cooperation with NGOs and researchers

Some of the most innovative and integrated approaches for HNV farmland support are developed and implemented by nature conservation NGOs (see Section 2). The experience and capacity gained by NGOs in the development, testing and extraction of recommendations for the national public programmes should not be wasted. Unfortunately, the last years were a bad example of one-sided willingness for collaboration by nature conservation NGOs with the Ministry of Agriculture (BSPB, 2022; STEP, 2022). NGOs were asking for meetings, submitting positions and proposals but were mostly faced by silence.

The knowledge and the research experiences of scientists are not adequately involved for targeted analysis and evaluations of the environmental effects and impacts of CAP support on HNV farmland or in Natura 2000 areas.

Furthermore, the set-up of the new AKIS in Bulgaria relies on the agriculture production research and educational bodies, excluding important environmental and biodiversity as well as economic and social scientific institutes.

It is about time that the public policy on agriculture and farming in Bulgaria becomes more open to the wider society and sciences – the production-only focus is not beneficial or sustainable in the long-term.

II. Donor projects/NGO support to HNV farming

This section captures the lessons from donor support to HNV farming in Bulgaria in the period 2007-2020. It begins with short reviews of the projects supporting HNV farming and a summary of their overall achievements for HNV farming. The lessons learned presented next are extracted from both the project evaluations and the reflections by the NGOs as well as STEP's understanding of their contribution and role for HNV farming.

2.1. Donor projects contributing to HNV farming in the period 2007 – 2020

Nine projects were reviewed in detail in terms of objectives, activities, target groups, results, impacts and achievements as well as policy and socio-economic challenges faced during their implementation. The short reviews of the projects are presented chronologically starting with the earliest to the latest projects. Some organisations have implemented more projects focused on HNV farming (including STEP) thus the list is not exhaustive. The criteria, excluding project was project duration. Only projects implemented for longer than 2 years were included. Nevertheless, the experience of the shorter projects was also considered in the lessons and recommendations.

1] Project name	**High Nature Value farmlands: Recognizing the European Importance of South-East European landscapes**
Donor	BBI-Matra Programme by the Government of the Netherlands
NGOs	European Forum on Nature Conservation and Pastoralism (EFNCP) and WWF Danube-Carpathian Programme
Period	2006 – 2008
Territorial scope	Bulgaria and Romania In Bulgaria, focus on Russenski Lom, Strandja and Western Stara Planina
Objectives related to HNV farming	The project aimed to link the developing concept of HNV farming to the reality of farming and to consider the practicalities of implementing the EU commitments on identifying and supporting HNV farming in different local situations. The findings produced policy recommendations for the national and EU levels.

2] Project name	**Conservation of globally important biodiversity in high nature value semi-natural grasslands through support for the traditional local economy**
Donor	GEF / UNDP
NGOs	Bulgarian Society for the Protection of Birds (BSPB)

Period	2007 - 2012
Territorial scope	Three Natura 2000 birds' sites: Ponor Mountain, Western Stara Planina and Besaparski Hills.
Objectives related to HNV farming	To provide financial support to farmers for encouraging them to adopt more biodiversity friendly land management practices and to comply with the restrictions of the ordinances for the Natura 2000 protected sites, including monitoring and evaluation of the activities aimed at sustainable land management and support to the local traditional economy.

3] Project name	**Promoting Payments for Ecosystem Services (PES) and Related Sustainable Financing Schemes in the Danube Basin**
Donor	GEF / UNEP
NGOs	WWF Danube-Carpathian Programme
Period	2009 – 2014
Territorial scope	Bulgaria, Romania, Serbia, Ukraine In Bulgaria – three nature parks Rusenski Lom, Persina, Bulgarka
Objectives related to HNV farming	To demonstrate and promote Payment for Ecosystem Services (PES) and related financing schemes To introduce the ecosystems services and PES concept in the main policy documents and related legislation at national level; To enhance the protection and maintenance of the aesthetic value and biodiversity wealth through active involvement of the relevant stakeholders (at local level through PES scheme).

4] Project name	**Conservation of the wintering population of the globally threatened Red-breasted Goose**
Donor	Life+
NGOs	Bulgarian Society for the Protection of Birds (BSPB)
Period	2010 – 2015
Territorial scope	The municipalities within the geographical boundaries of Natura 2000 birds' sites "Shabla Lake Complex" and "Durankulak Lake".
Objectives related to HNV farming	To test solutions (agro-environment actions) for friendly management of agricultural land that are crucial for the Red-breasted Goose and achieving sustainability in the end by transposition of these activities in the national agri-environment program in Bulgaria.

5] Project name	**Support for local farmers in High Nature Value Areas – Natura 2000 sites and Green belt**
Donor	EuroNatur
NGOs	Green Balkans
Period	2010 – 2012
Territorial scope	The municipalities of Ivaylovgrad, Svilengrad, Topolovgrad, Elhovo, Bolyarovo, Tundzha, Sredets.
Objectives related to HNV farming	To support different farmers operating in areas with a high level of biodiversity such as Natura 2000 sites and/or territories within the scope of the international initiative European Green Belt.

6] Project name	**ESSEDRA: Environmentally Sustainable Socio-Economic Development of Rural Areas**
Donor	European Commission
NGOs	Slow Food, EFNCP in Bulgaria
Period	2012-2016
Territorial scope	Bulgaria, Romania, Croatia, Albania, Bosnia and Herzegovina, Republic of Macedonia, Serbia, Turkey.
Objectives related to HNV farming	To identify traditional food products and analyse the policy issues which are likely to affect their production. To build capacity building on relevant legislation and policy processes and on advocacy, but also to provide the real world examples that illustrate the regulatory and support issues.

7] Project name	**Linking Nature protection and sustainable rural development**
Donor	Swiss Agency for Development and Cooperation
NGOs	Bulgarian Biodiversity Foundation, Bioselena, WWF, BSPB, Association of Parks in Bulgaria
Period	2012 – 2017
Territorial scope	Western and Central Stara Planina, later in spread to other regions.
Objectives related to HNV farming	To increase local incomes by production and marketing of value-added food from HNV territories thus ensuring long-term local support and securing models for the sustainable and nature friendly uses of HNV areas through introducing and supporting pro-biodiversity business.

8] Project name	**Land for Life**
Donor	Life +
NGOs	Bulgarian Society for the Protection of Birds (BSPB)
Period	2016 - 2020
Territorial scope	Six Natura 2000 birds' sites: "Sakar", "Derventski vazvishenia", "Zapadna Strandzha", "Adata – Tundzha", "Kamenski bair" and "Sinite kamani – Grebenets"
Objectives related to HNV farming	To develop and test models aimed at restoring and sustainably managing pastures with the participation of key stakeholders. To build a sense of community pride in, and support for the conservation of the Imperial Eagle and Natura 2000 areas.

9] Project name	**HNV-Link: High Nature Value Farming: Learning, Innovation and Knowledge**
Donor	Horizon 2020
NGOs	In Bulgaria – Society for Territorial and Environmental Prosperity (STEP). In EU - CIHEAM-IAMM, EFNCP, ICAAM -Evora, USAMV Cluj-Napoca, CAB Dalsland, AScA, IT Sligo, UThessaly, UHelsinki, LAG-5, CEN L-R, Entretantos
Period	2016 - 2019
Territorial scope	In Bulgaria – Western Stara Planina
Objectives related to HNV farming	To create a community of practice and knowledge by linking 10 areas throughout the EU where HNV farming systems are prevalent. These "learning areas" are used to evaluate innovation examples and gaps relevant to HNV systems. Innovation types include technical, commercial, social, institutional, and of policy.

2.2. Main achievements of the HNV farming projects

- Some of the most important achievements from these projects are related to the improvement of the public policy by pilot testing support schemes, delivery and advice mechanisms, as well as monitoring and control approaches. The public measures and schemes that were introduced and/or improved include:
  - The Natura 2000 measure for agricultural land;
  - AE schemes for the conversion of arable land in extensive grasslands and the re-seeding of grasslands with local grassland species;
  - AE schemes for wintering geese and red-breasted geese;
  - AE scheme for the conservation of Imperial eagle and recommendations for pastures and meadows management;
  - Non-productive investments measure;
  - Investment measures and innovation practices and approaches for farm management;
  - Duration and allocation of municipal pastures to livestock breeders.
- Pilot testing of schemes for payments for ecosystem services, which are still not officially introduced in public policy but at least the experience is there and can be used. Furthermore, the technical capacity of key stakeholders, including in public institutions, was increased and the awareness raised.
- The projects also contributed directly to the improvement of over 2000 ha of HNV farmlands and supported over 150 farmers and local entrepreneurs in HNV areas.
- A series of manuals, guidelines, policy recommendations and training materials were produced that are still useful and are used as a reference material.
- The operation of the mobile advisory teams supporting farmers proved to be a very useful and motivating example implemented in several projects. It is only in 2022 that the National Agriculture Advisory System (NAAS) is able to put the concept into practice using RDP 2014-2020 funding. NAAS opens 50 municipal advisory offices that will work as mobile advisors.
- Targeted training of farmers for grasslands management as well as for adding value and diversification of their products and support for participation in farmers' markets, festivals, national and international exhibitions.

2.3. Key lessons from donor projects supporting HNV farming

2.3.1. Lessons learnt: Development of HNV farming schemes and measures

☺ The targeted cooperation between the environmental NGOs and the national authorities led to introduction and implementation of the most successful and innovative measures for HNV farming management and conservation – agri-environmental and Natura 2000.

☺ The engagement and motivation of a wide cross-section of stakeholders at all levels were needed to design and implement a successful biodiversity conservation scheme.

☺ Putting a maximum limit on the eligible area and a ceiling on the payment (maximum payment) per beneficiary were important for including a diversity of farmers in the schemes (small, medium and large farmers) and prevented overspending of the schemes' budgets.

☺ The implementation of the projects' grant schemes clearly demonstrated that biodiversity-friendly support schemes could be very successful when they were

- designed according to the specific regional characteristics and socio-economic conditions and
- implemented in face-to-face consultation with applicants and
- provided clear explanation of their biodiversity conservation goals.

☹ If the schemes were significantly 'crippled' (modified in a negative way – for example, the support for birds on arable land), when they were mainstreamed in the national RDP, the 'crippled' measures created negative attitude in the society and were regarded as measures used for draining the agri-environmental funds.

☹ Additionally, the calculation of support payments even if in short-term grant schemes should best avoid overcompensation for farming activities that do not require significant change of the conventional farming practice.

2.3.2. Lessons Learnt: Implementation of HNV farming schemes and measures

☺ The flexibility in the design of the measures that allowed adaptation of the agri-environmental schemes after their initial launching showed positive results and should be used also in the public schemes.

☺ The farmers are still to a large extent reluctant to undertake 5-year commitments for a certain area. The possibility to rotate the area under commitment (e.g. implement a scheme in an area with same size, but different geographic location) is preferred by the farmers and should be carefully judged against the expected results.

☺ The implementation of the grant schemes proved that farmers needed regular consultation on biodiversity conservation issues and on the relation between their activities and nature conservation.

☺ The whole process of projects' grant schemes implementation was simplified, transparent and efficient and farmers were willing to reapply for support.

☹ The contrast between the grant schemes and the public RDP schemes was significant. The grant schemes delivered payment in a very short period after the application was submitted, whereas the interaction with the Paying Agency involved at best a long wait (more than one year).

2.3.3. Lessons learnt: Types of HNV farming support measures

✓ Agri-environmental schemes requiring changes in the farming practices were more attractive for the farmers when they were linked with the investment support for the changed activities.

✓ A better uptake of non-productive investments that contributed mainly to biodiversity conservation was achieved when they were made complementary or were tied up to productive investments with higher level of support.

✓ HNV farmers found it easier and more affordable to buy used equipment that also led to more efficient use of the grant support.

✓ PES was a very innovative economic instrument for Bulgaria. It was evident from the experience that it could be mainstreamed only with the support and active involvement of public institutions and required an adaptation of the existing legal framework.

✓ Participation in local food events, open days and fairs contributed to adding value to products and increased income. It also increased consumers' appreciation of farmers' role as producers of food and public goods such as traditional landscape, biodiversity, etc. There should be special support for such activities in the public support schemes too.

2.4. Main recommendations from donor/NGO projects on HNV farming

❖ HNV farming support measures, including eligibility conditions and other requirements, should be developed at regional or local level to reflect the specificities of High Nature Value farming.

❖ When implementing the HNV farming measures at national level, the flexible approach used in the various projects should be introduced to allow for the

adaptation of the measures even after their initial implementation. Nevertheless, flexibility and adaptation of the implementation rules and procedures should not be abused to oversimplify and overcompensate unambitious practices that are easy to implement but not contributing to High Nature Value.

- Public authorities should encourage the involvement of nature conservation NGOs in the process of formulating and implementing policies and measures for the protection and management of HNV farming systems and for the monitoring of the measures' impact on the biodiversity.
- Public institutions need to support NGOs in the development and implementation of projects related to the management of and innovations in HNV farming and to get actively involved in them. The longer-term benefits from these projects to public policy are guaranteed – gaining experience of what to do or not to do, what works or not, what needs to be improved, etc.
- Public institutions can also delegate the implementation of the national and regional HNV farming schemes to NGOs working in that field. This will enable a more efficient and result (impact) oriented use of the available resources.

III. The main socio-economic challenges to HNV farming in Bulgaria

3.1. Introduction to the survey among farmers managing HNV farmlands

In our study of the HNV farming support (public and donor/NGO projects), we considered that it was important to ask farmers about their positions and opinions. STEP maintains an ongoing contact with farmers from Western Stara Planina, but we acknowledged that it would be important to have a wider, national perspective for this 14-years overview.

We developed a structured questionnaire targeted at farmers from HNV farming areas. The questionnaire had six sections: basic farm facts, products and marketing, farm support, advice and information on HNV farmland, farm operation and forecast, and demographic data. The survey was run online, although we had several face-to-face interviews with farmers from Western Stara Planina to test the questionnaire. The questionnaire was published on STEP website and Facebook page, and we sent links to partners' organisations to spread to among their contacts. The National Agriculture Advisory Service and their regional office were especially effective at distributing it among their farmer network. The survey was open in May and June 2022, and we received 79 responses.

3.2. Key characteristics of the survey participants

The dominant farm production systems in our respondents' group were the livestock breeding (32 respondents) and mixed livestock and crop production system (36 respondents) (Figure 8). We also had respondents with predominantly permanent crops and arable crops systems.

Most respondents had sheep (27), dairy cattle (23) and suckler cows (22). Some respondents had also goats (8), honeybees (6), horses (6), pigs and poultry (Figure 9). Respondents were able to indicate more than one type of animal. The prevalent combination was dairy cows and suckler cows (7), and sheep and goats (3).

The typical breeding system for grazing animals in Bulgaria is pasture-and-stable, and indeed 85% of respondents with grazing animals indicated it (Figure 10). Entirely pasture based breeding is a novelty in the country, and 11% of the respondents apply it. The more intensive stable only system was used on one farm only.

Permanents pastures were the only farmland in 28 of the respondents' farms and other 22 respondents had over 50% of pastures on their farms. The farms with no pastures at all were 10 (Figure 11).

Figure 8.
The main production system on the farm as self-defined by the respondents.

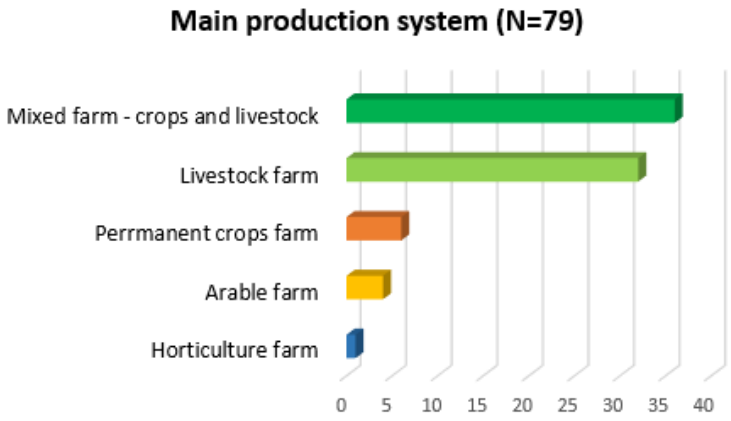


Figure 9.
The type of livestock on the farm, respondents were able to indicate more than one type.

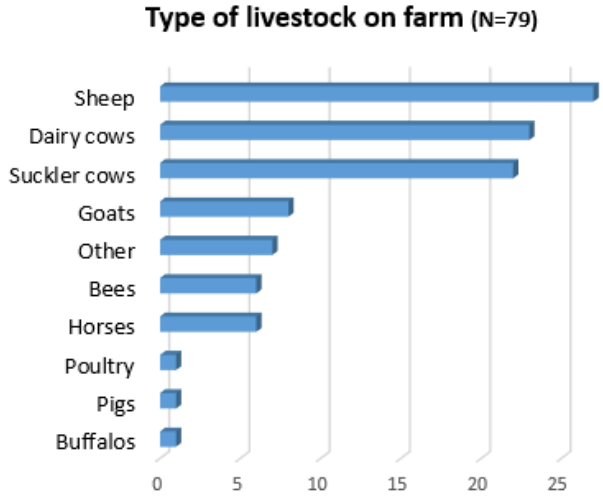


Figure 10.
The grazing livestock breeding system as self-defined by the respondents.

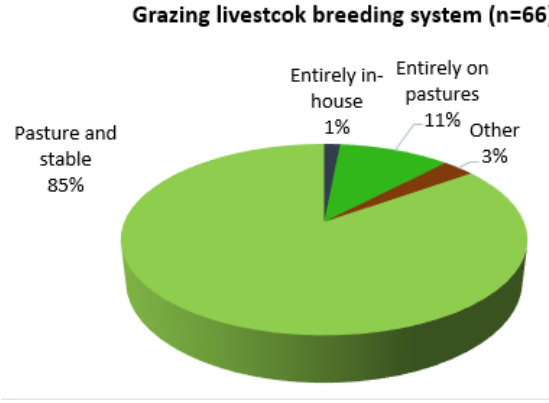
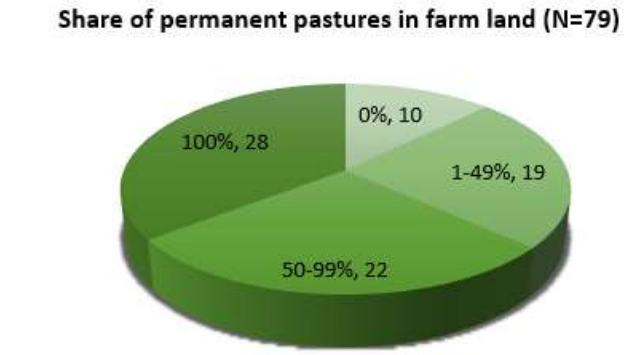


Figure 11.
The share of permanent pastures in the total farm area as self-defined by respondents.



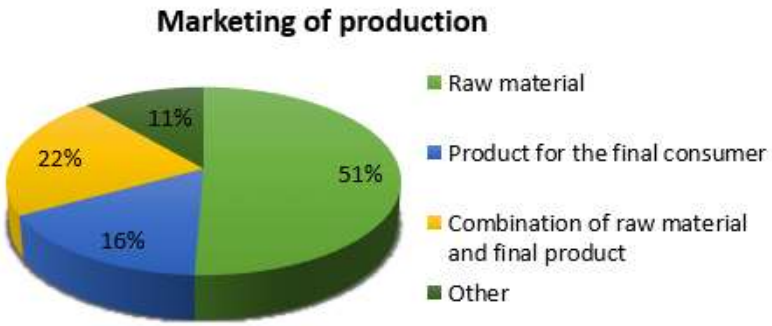
3.3. Farm products and marketing

The surveyed farmers produced mostly raw material (51% of the respondents) and 22% had a combination of raw materials and product ready for the consumers (Figure 12). Their usual form of marketing the farm production was to sell it directly to processors or to intermediaries (Figure 13).

Only 16% were focused on products for the final consumers and adding value to the raw materials produced on the farms. Their preferred form of marketing was direct sales on markets. Only a few individuals relied on sales during festivals, events or fairs. Some have setup their own marketing channels. Online sales still had insignificant role for their marketing.

The survey provided a clear gap in the use of innovative forms of marketing for adding value to farm production and a need for more active work to develop them!

Figure 12. Type of products for marketing



Source: Own survey.

Figure 13. The marketing channels used by respondents

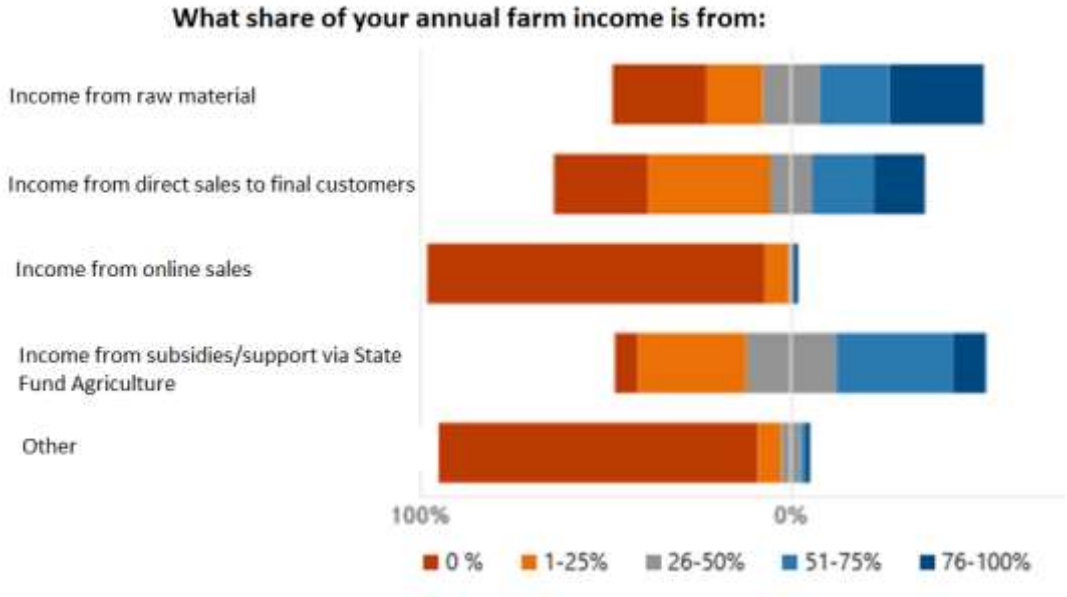


Source: Own survey.

3.4. Farm income and farm support

The annual farm income of surveyed farmers was formed mostly by the sale of raw material and products to final consumers as well as the subsidies under the different support schemes (Figure 14). The importance of farm production and subsidies in annual income was comparable. It has to be noted that in the face-to-face interviews farmers took more pride in the income generated from their production. However, the discussions of the availability and continuation or discontinuity of subsidies revealed their high importance.

Figure 14. Components of farms' annual income



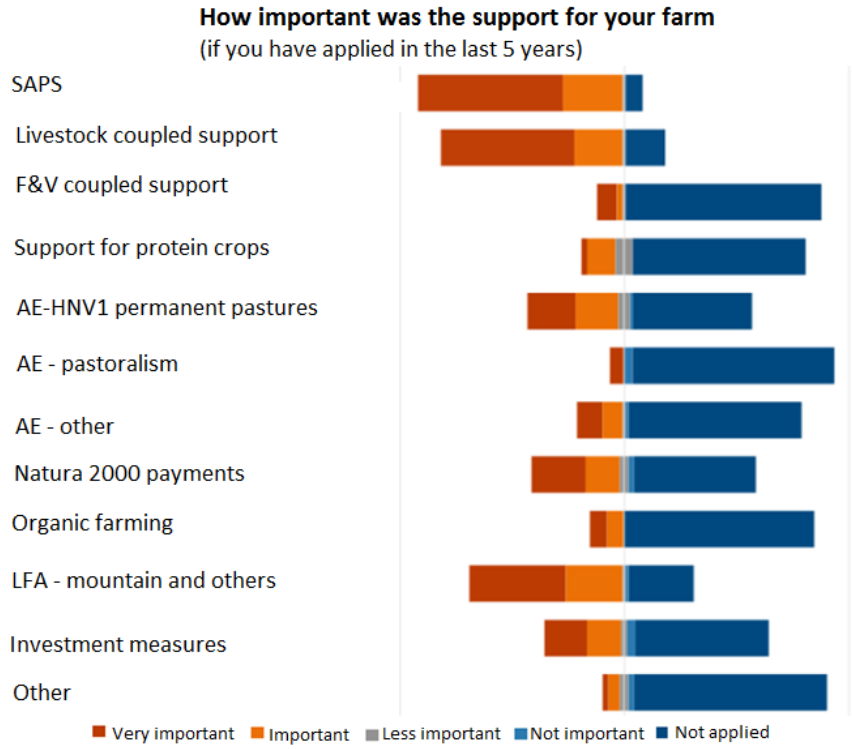
Source: Own survey.

The most common type of subsidies used by almost all survey farmers was the Single Area-based Payment Scheme (SAPS), which was the main type of support under Pillar 1 of the Common Agricultural Policy in Bulgaria (Figure 15). The eligibility of permanent pastures as discussed in Section 1 was set up for it. If the pastures were not eligible for SAPS, farmers would lose their main subsidy support. If farmers declared for support pastures that were assessed as ineligible for support, they would have been penalised for over-declaring land. Over-declaration was considered fraudulent hence the penalties. Therefore, in time farmers became particularly careful not to include in their SAPS applications any pastures that had scrub/trees on them (which led to their abandonment) or to clear cut any scrub/tree on the pastures (which led to intensification of their use and loss of nature value).

The second type of support that was very important for the interviewed farmers were the schemes for coupled support for the grazing animals. There were a number of coupled support schemes paid per animal in the 2014-2020 period. Their introduction was a huge relief for the livestock breeders in the country. The SAPS support only was not sufficiently adequate

for the livestock farmers since most of the pastures are public – either municipal or state. The rule for their allocation set a maximum area per livestock unit to ensure somewhat fair allocation between all users. In practice, this meant that livestock breeders were allocated the minimum necessary grazing area for their animals. This led to less SAPS support, intensified grazing on the pastures and overall tension in the livestock sector. The introduction of the coupled support did not solve the problem with intensified use of the pastures, but at least addressed the issue of fair support to livestock breeders.

Figure 15. Importance of the CAP support schemes for the surveyed farmers



Source: Own survey.

The third in importance was the support to farming in mountainous areas or areas with other natural handicaps under the RDP (Pillar II of the CAP). Its territorial implementation was at the level of the landunits (village land) with the given characteristics. It provided additional argument in the need to reconsider the territorial scope of the HNV1 scheme, when the new assessment of the HNV farmland is made. It seems that the level of landunit provides better opportunity for farmers to reach the provided support than some precise intersection of GIS layers which are not verified on the ground on a regular basis.

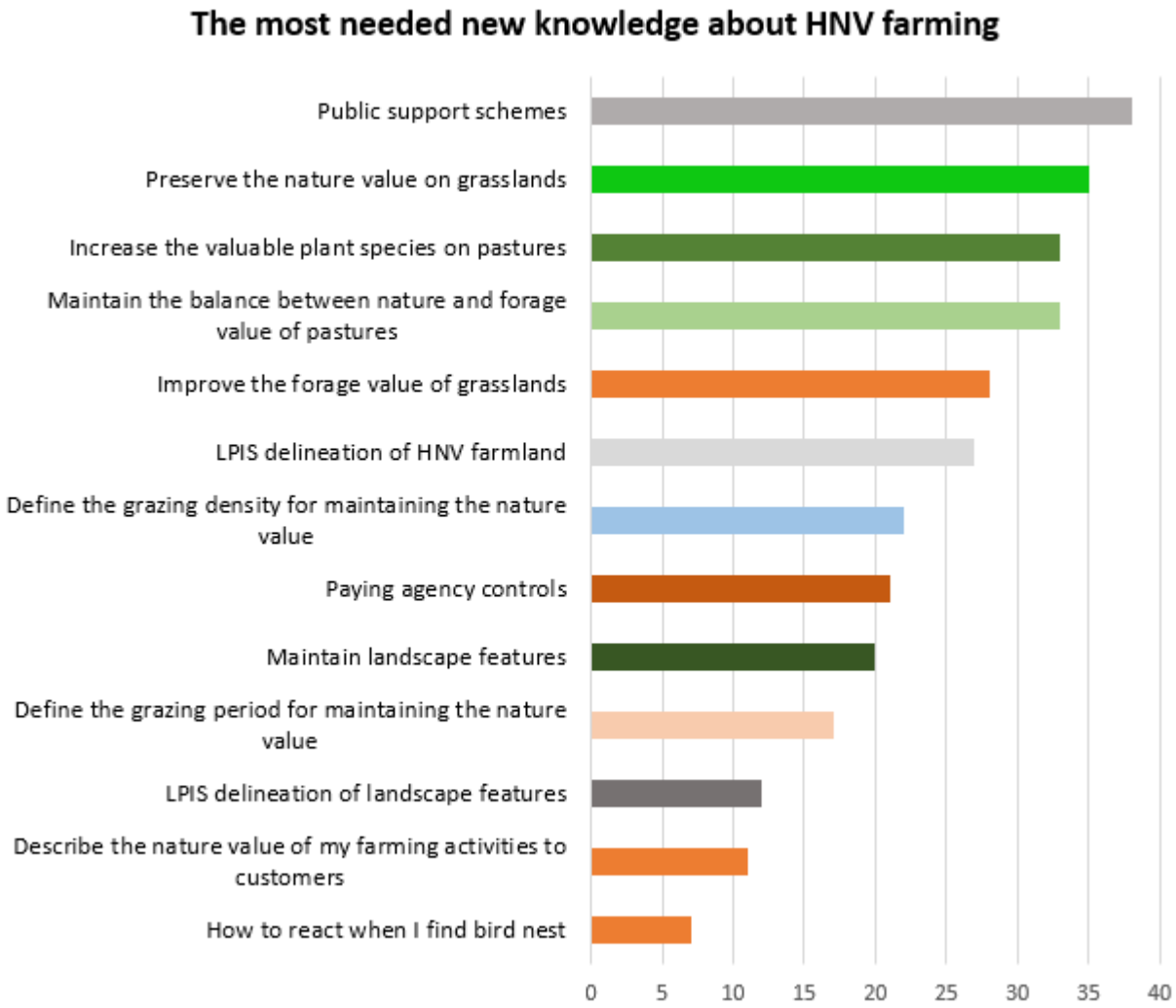
The next two in importance were the Natura 2000 measure and the HNV1 scheme, discussed in detail in Section 1. Despite all the issues in their implementation (especially in the HNV1 scheme), their importance for farmers was very high.

3.5. Knowledge about HNV farmland and the need of information and advice

The farmers participating in the survey were quite knowledgeable on the key characteristics of HNV farmland. They pointed out the need for high share of pastures, the presence of trees, scrub and other landscape features as well as the diversity of wild plant and animal species. They also pointed out that if the farmlands were in Natura 2000 site then it was of High Nature Value. Interestingly, farmers indicated that the farmland needed to be recognised as HNV farmlands by the Ministry of Agriculture. Despite the issue with the lack of proper assessment of the HNV farmlands in the recent years, farmers did believe that this was something that had to be done by the Ministry.

The majority of farmers indicated that they used the services of the municipal agriculture offices and NAAS regional offices for information and advice on farming. Over 85% of the respondents indicated that they would need some additional information about HNV farming. The type of needed information varied between the different respondents (Figure 16) but the dominant needs were about the future public support schemes and the balance of nature values on the pastures.

Figure 16. Needed information about HNV farming

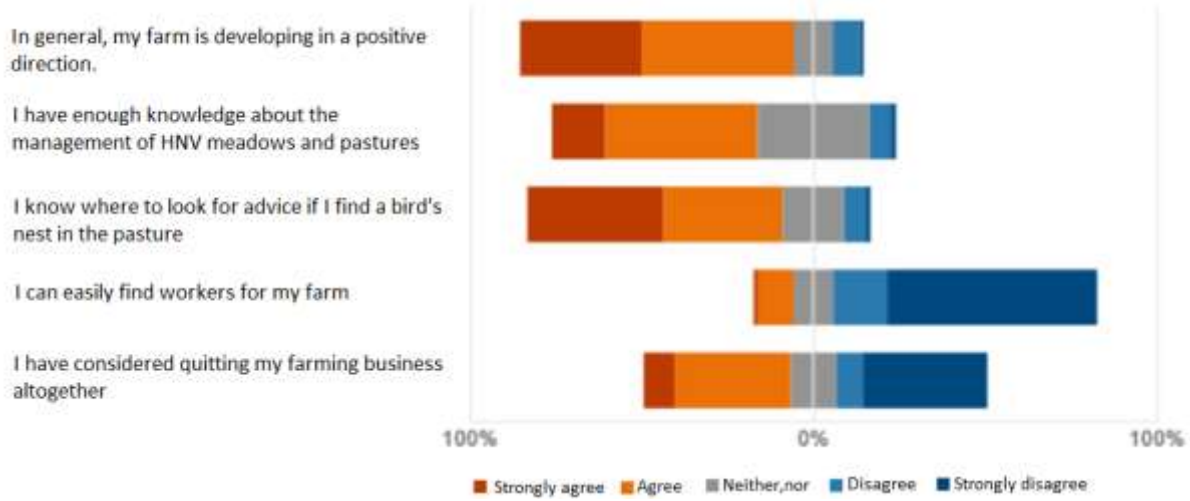


Source: Own survey.

3.6. Farm operation and development

Overall, the responses to the farm operation and development questions provided a somewhat positive picture of the livestock sector. The majority of farmers agreed or strongly agreed that their farms were developing in a positive direction (Figure 17). The share of farmers that have strongly considered quitting farming was significantly smaller than the ones that did not think of it. Nevertheless, there was a strong confirmation of the continuing problem with finding farm workers. It was a serious issue for 77% of the respondents.

Figure 17. Farm operation statements



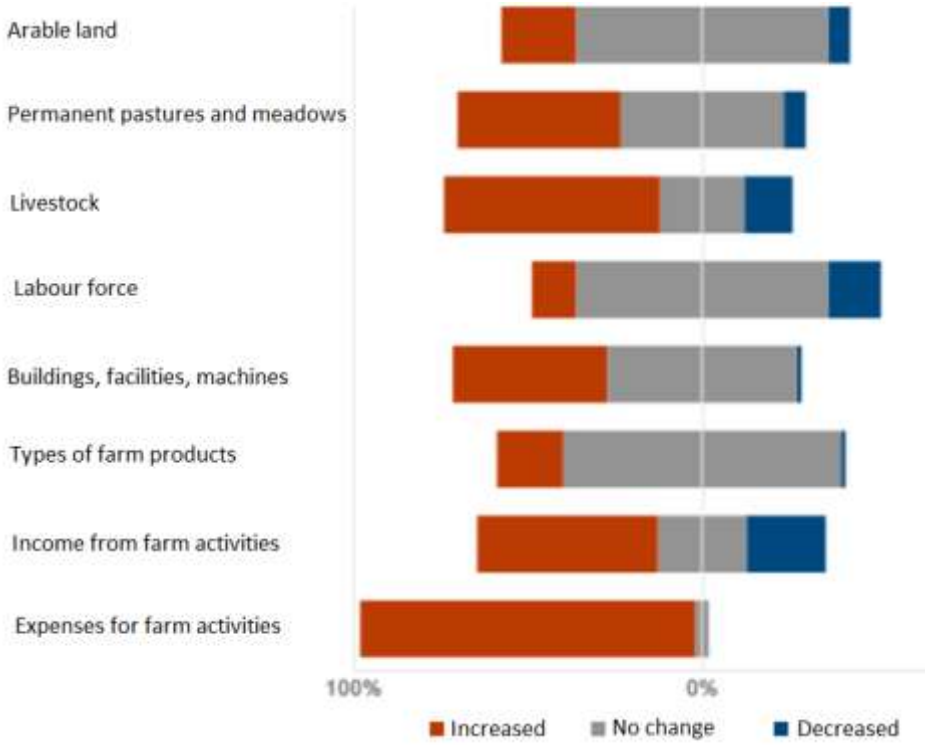
Source: Own survey.

The respondents had to assess the key changes that took place on the farms in terms of farm assets (land, animals, buildings and machinery, farm products), and farms' income and costs (Figure 18). In the farm assets, the highest increase was in the number of animals – 62% of respondents increased them and only 14% decreased them. The next big increase was in the area of permanent pastures – 47% increased them and 47% maintained the same size. The buildings and machinery were increased in 44% of farms and maintained in 54%.

Farm products and farm workers were mostly maintained at the same level (respectively in 80% and 72% of the farms). In fact, farm workers scored the highest decrease – 15% of the farms indicated decrease.

In terms of farm income, 52% of the farms had an increase in the last 5 years, 25% maintained the same level and 23% had a decrease in income. At the same time, 96% of farms recorded increased costs of production, and only 4% have maintained the costs at the same level. The period of the survey, (May-June 2022) definitely had an influence on the response of this question, as the effects of Covid-19 and the war in Ukraine on prices were already widespread.

Figure 18. Farm development statements



Source: Own survey.

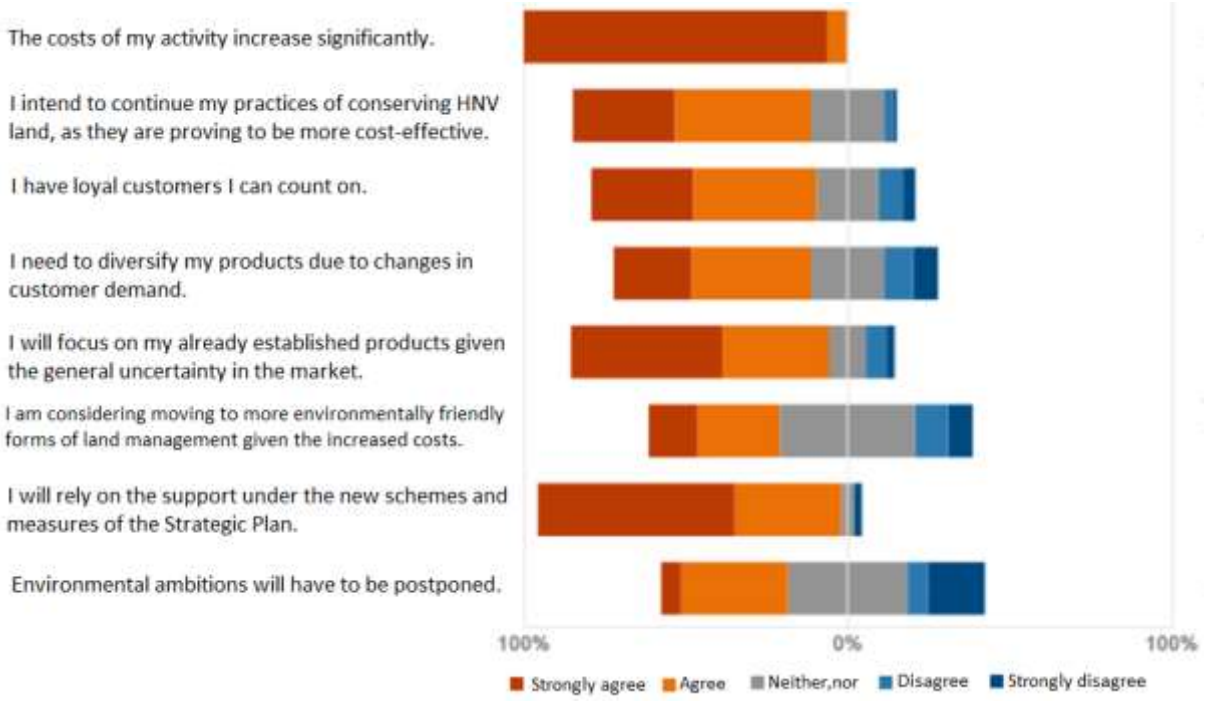
3.7. Future expectations and challenges

Farms' future seemed to be defined by the increasing costs of production. Just as in the previous section, the impact of increasing prices was dominating in the respondents' assessment for the future (Figure 19). All respondents expected significant increase in the costs of production. At the same time, they indicated they would continue to rely on their current main sources of income – the subsidies under the CAP (as unclear as they were at the moment of the survey) and the already established products. Some farmers considered diversifying their products given the changing costumers preference. Some farmers indicated that they had loyal customers they could rely on.

The future of HNV farmland management seemed positive as 73% of respondents planned to continue maintaining them as a more cost-effective option. At the same time, only 40% of respondents considered changing to more environmentally friendly forms of land management. Other 40% agreed that the environmental ambitions of the new CAP would have to be postponed due to the forthcoming economic crisis.

Our assessment of this is that the public policy response to the economic challenges ahead is very important for the future of mainstreaming environmental concerns into daily farming business. A weak step back due to the crises now will have a long-term negative effect on farmers' attitudes towards care for nature and environment.

Figure 19. Expectations about the farm future



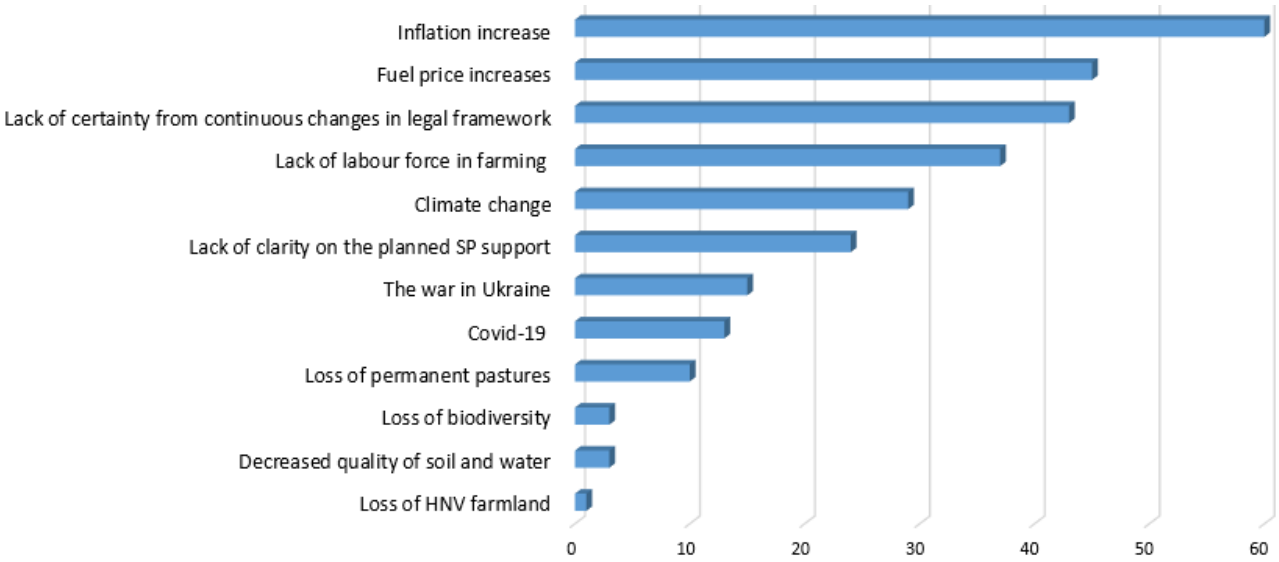
Source: Own survey.

The biggest challenge for the next 5 years for farmers was related to the inflation and the increase in fuel prices (Figure 20). It was expected to have an overall impact on all farming activities.

The lack of certainty from the continuous changes in the legal framework in Bulgaria gained more concerns than the lack of farm labour force and climate change. This indicated the strong impediment created by public administration by ignoring detailed ex-ante analyses of proposed legislation and ex-post evaluation of programmes. The ongoing adaptations and even backdating of some changes have to remain in the past.

Only a small number of respondents indicated the deterioration of natural resources – loss of biodiversity and of HNV farmlands and the decreased quality of soil and water, as a challenge in the coming years. The face-to-face interviews provided an intriguing explanation. Farmers considered that they have a direct influence on these resources on their farms. They felt they had some knowledge how to maintain their quality; hence, this was not an issue for them. They considered as challenges the issues that were out of their immediate influence.

Figure 20. Challenges ahead



Source: Own survey.

3.8. Summary of socio-economic changes and challenges

- The livestock breeding in Bulgaria is still characterised by two production systems – pure livestock breeding and mixed livestock-crop production systems. Each of them has a role for the maintenance of HNV farmlands.
- The dominant grazing livestock breeding system continues to be the combined pasture-and-stable. However, the entirely pasture-based system is also spreading across the country.
- Permanent pastures are very important for livestock farms – some farmers rely entirely on them and for some farmers pastures form the majority of their land. Therefore, the issues of pastures availability and pastures eligibility are critical to the future development of the sector. The more pastures are abandoned and ineligible for support, the more difficult it would be for livestock breeders to sustain their business and the more pressure would be put on the small area of pastures eligible for support.
- Livestock farmers still rely on the conventional system, in which they produce raw material and sell it to processors or to intermediaries.
- Only a small share of livestock farmers has alternative forms of marketing such as participation in fairs, festivals or online sales. This indicates a huge need for supporting more innovative forms of marketing and adding value to increase farm incomes and sustain the farm businesses.
- The consumer demand for local, nature-based products seems to be untapped yet. Livestock farmers are largely not making the link between the nature values of their production system and consumer demand. Another big gap that needs exploring.

- The most important support from farmers' perspective are the schemes of CAP Pillar I – SAPS and coupled support. The rules and eligibility under these schemes will continue to play a major role on the farming activity, including on HNV farming. If they are sympathetic to HNV farming, there will be positive effects. If they ignore HNV farming, the effect would most likely be rather negative.
- The targeted support to HNV farming is important for a significant number of livestock farmers. They need to feel continuity of support in an improved legal and administrative environment. This will free them of thinking about paperwork and focus on actual activities for the maintenance of the High Nature Value on their farms.
- The increased inflation and prices of inputs and fuel will inevitably increase the costs of production for all farmers. So far, farmers rely on the public support and their existing marketing channels and customers. The future will show if the current economic situation will have a more disruptive effect and would force farmers to change their current practices.
- The lack of farm workers will continue to be a significant problem for farmers. This will likely challenge farm development in product diversification and alternative marketing outlets. Innovations to address the issue will be very important. It will be also important to integrate the High Nature Value aspects of the farming system in the innovative approaches. Innovations that exhaust or decrease the nature value of farmland should be discouraged.
- The positive attitude towards the farming business is inspirational. Farmers benefit particularly from participating in various projects, in which they create new and useful contacts, see interesting examples of innovations and farm development ideas and gain new knowledge on farm management, including on environmental and marketing aspects. It is, therefore, important to continue to offer such opportunities to livestock breeders in HNV farming areas.

IV. Key findings and recommendations regarding HNV farming

The importance of High Nature Value farming is grounded in its diverse and multifunctional character: forage land resource, habitat for flora and fauna species, host for a series of ecosystem services, cultural landscape, local traditions, and rural economies. It is in the focus of European policies for close to two decades – both agricultural and environmental.

The 14 years of support to the Bulgarian High Nature Value farmland seem to have brought them a disheartening policy fate. After the glorious start with specific national effort to identify the HNV farmland and to ensure they would be supported, the loss of half a million hectars of pastures and the conversion to arable land of other 230 000 ha does not seem encouraging. Nevertheless, **there is still quite a significant territory of High Nature Value farmland that had sustained the pressure of abandonment and intensification of the last 14 years and that needs to be supported in a wise and considerate manner.** It is already clear that the CAP budget for the next programme in 2023-2027 will be significantly reduced, so any support needs to be well targeted and closely monitored.

Policy makers need to recognise that HNV farming has several distinct aspects that need special attention, promotion and support.

I. HNV farmland.

HNV farmland is decreasing across Europe. However, this should not be used as an excuse to do nothing about it.

Rather, policy makers should insist on good assessments on where the HNV land is; what is the type of land use; how many are eligible for support under the current rules; how many are not eligible for support, but still in agricultural use; what can be done to support them; what are the reasons for being excluded from support – technical? legal definitions? other?

The current regulations at EU level delegate many policy support responsibilities to national governments. It is a matter of willingness and persistence to design, implement, monitor and adapt a good HNV support schemes.

II. HNV farmers.

HNV farmers are critical for the survival and resilience of HNV farming. Losing the people willing to work the land in an extensive way will bring the end of HNV farming. The area may become wilderness site or intensive agriculture but it will lose all these values created by the intersection of farming and nature.

Policy makers needs to have a really good understanding of who are the farmers that still maintain HNV farmland; what are their production systems and their farming practices; what are their needs; what is their level of understanding of high nature value characteristics; what is the most effective way to support them.

They have the option to develop targeted agri-environmental measures or eco-schemes to support the HNV farmland; to promote innovation partnerships aiming to address particular production or marketing issue on HNV farms; to design consultation and advisory scheme for HNV farmers; to support investments in production or marketing of HNV products. The options provided by the EU regulations are many; however, they need to be appropriate to the needs and realities in HNV farms.

III. The High Nature Value.

The High Nature Value of farmland comes from the species and habitats, and ecosystems and ecosystem services that are sustained on it and by it.

Agriculture and environmental policy makers need to understand better the interrelationship between farming and nature – which species, habitats and ecosystems thrive in which farmland uses and farming practices; how they differ in different production regions – lowlands or mountains; what type of support is needed to maintain or improve the conservation status of species and/or habitats and/or ecosystems; who is best suited to provide support to farmers to ensure the maintenance of the high nature value.

Few are the countries/regions that provide such targeted consultations and advisory services. That lack of wide and regular monitoring on the biodiversity and land use effects and changes on agriculture land is another major weakness that needs to be addressed in the coming period.

IV. HNV innovations

Innovations have a very important role to play in preserving and maintaining HNV farming. Innovations can help address the problems with lack of workers, specific technological issues, small quantities and seasonal raw products, etc.

However, innovations can easily trigger intensification that may reduce the farmland nature value in the long term. Therefore, it is important to assess the impact of innovations on the high nature value of farmland. This can be done in specific innovation partnerships and/or in targeted collaboration with academic researchers.

V. HNV partnerships

Collaboration with non-governmental organisations and researchers have proven to be highly beneficial for both policy making and practical support to HNV farming (see Section 2). Some of the most innovative and integrated approaches for HNV farming support are developed and implemented by nature conservation NGOs, for example in pilot testing support schemes, delivery and advisory mechanisms, as well as monitoring and control approaches.

Policy makers need to open up, encourage and get involved in partnerships with farmers, NGOs and researchers of both agricultural and environmental background.

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