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**SOME ASPECTS AND PROBLEMS OF PROPERTY OF AGRICULTURAL LAND IN THE
REPUBLIC OF BULGARIA**

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ABSTARCT

Ownership of agricultural land in the Republic of Bulgaria is regulated in detail in the legislation, through regulations and norms that reflect different aspects of ownership.

Owners of agricultural land can be different entities, but the use of agricultural land, the scale of agricultural activity, are directly related to the amount of ownership.

The possession, use and management of agricultural land is accompanied by some problems that affect agricultural policy and its results to varying degrees.

Keywords: agricultural land, property, Republic of Bulgaria, European Union, aspects, problems, strategy, agricultural sector, user, regulation.

Introduction

Ownership of agricultural land in the Republic of Bulgaria is an important condition for the sustainable development of the agricultural sector.

Agricultural land is a major object of land ownership. The land, in particular, as an object of land ownership, has some specific characteristics (Boyanov, G., 2014, p.162), namely:

- the land is a peculiar real estate;
- the earth is an indivisible thing;
- land is an irreplaceable property - it cannot be replaced by any other means of production;
- the land is not destroyed at first use.

Ownership of agricultural land has its own specific content (Boyanov, G., 2014, p.164), as this content is expressed in:

- the power of the owner to directly influence the property;
- the right of the owner to own, use and dispose of the land.

Possession as an exercise of factual power is a prerequisite for the owner to exercise his other powers (Boyanov, G., 2014, p.164).

The article deals with some legal, territorial and economic aspects of the ownership of agricultural land in the Republic of Bulgaria and the problems related to the exercise of the property right. For the purposes of the study, the method of regulatory analysis was applied, statistical data of the Ministry of Agriculture, Food and Forests of the Republic of Bulgaria and related literature sources were used.

1. Some aspects of land ownership

1.1. Legal and regulatory aspects

In the texts of Art. 3 and Article 3c of the Law on Ownership and Use of Agricultural Land (www.ciela.bg) are listed the entities that cannot and can be owners of agricultural land on the territory of the Republic of Bulgaria.

Ownership of agricultural land may be acquired by:

- Bulgarian citizens, the state itself, the municipalities as the main structures of local government and legal entities; According to the provision of Article 25, Para 1 of the Law on Ownership and Use of Agricultural Land, agricultural land that does not belong to citizens, legal entities or the state is municipal property;

- foreign nationals and foreign legal entities; Foreigners or foreign legal persons may acquire ownership of agricultural land under the terms of a ratified international treaty, promulgated and entered into force, in accordance with the procedure laid down in Article 22, para. 1 of the Constitution of the Republic of Bulgaria (www.ciela.bg), and foreigners - in case of inheritance by law;

- Legal entities from Member States of the European Union or from States Parties to the Agreement on the European Economic Area may also acquire ownership of agricultural land; Natural or legal persons who have resided or have been established in the Republic of Bulgaria for more than 5 years may acquire ownership of agricultural land;

- Legal entities with registration under Bulgarian law of less than 5 years may also acquire, under the above conditions, ownership of agricultural land;

- Citizens of the Member States of the European Union and of the States Parties to the Agreement on the European Economic Area may acquire ownership of agricultural land after the expiry of the period laid down in the Treaty of Accession of the Republic of Bulgaria to the European Union.

Which entities, according to the legislation of the Republic of Bulgaria, cannot have ownership of agricultural land? These are:

- political parties and organizations, movements and coalitions for political purposes;

- commercial companies in which the partners or shareholders are directly or indirectly companies incorporated in preferential tax jurisdictions;

- commercial companies in which partners or shareholders are foreigners or foreign legal entities, as well as sole proprietorships incorporated by such natural or legal persons;

- joint stock companies which have issued bearer shares;

- foreign countries.

According to the wording of secti 30 of the Property Law (www.ciela.net), property rights may also belong in total to two or more persons - the state, the municipalities and other legal or natural persons in their capacity as co-owners. Co-owners parts are considered equal until proven otherwise.

Each co-owner participates in the benefits and burdens of the common property in proportion to its share. Agricultural land managed by more than one entity is no exception in this respect.

In view of whether the units of the co-owners are determined, ownership is of two types:

- ownership of units;

- no partitions.

In the case of equity co-ownership, the parts of each co-owner are determined at its occurrence, either by agreement, either by will or by court. In the case of dispossessed property, none of the co-owners has a specific share of the common property right, that is, the share has not been determined, but it is identifiable (Boyanov, G., 2014, p.191).

The Law on the Ownership and Use of Agricultural Land regulates in detail the ownership and the procedure for the use of agricultural land, but also regulates some special rules regarding the acquisition of preservation of agricultural land. In this sense, it can be argued that the provisions of the Law on Ownership and Use of Agricultural Land for Acquisition of Agricultural Land Limitations are in relation to special to general norms with Article 79 of the Property Act (Naydenov, B., 2019, p. 34).

1.2. Territorial and spatial aspects

According to the text of Art. 72 of the Law on Inheritance (www.ciela.net), when compiling the parcels of agricultural land, it is not allowed to divide the levels into parts less than 3 decares, into meadows into parts less than 2 decares, and of vineyards and orchards in parts smaller than 1 decare.

Division of real estate is an institute of civil, substantive and procedural law (Gerov, Al., Shaldupova, B., Ilova, St., Zlatinova, El., 2010, p.57).

According to the wording of Article 201 of the Law on Spatial Planning (www.lex.bg), in the court division of regulated landed property for the purpose of forming new regulated landed properties, the court requires an opinion from the municipal (district) administration on the division of the property.

Regulated landed properties are indivisible when it is not possible to draw up a project for splitting them into two or more parts without creating legally unacceptable disposition of existing buildings or permitted constructions and without creating regulated landed properties with a face and surface below the

minimum statutory requirements for the nature and manner of development determined by the development plan for the divided property.

When the regulated land is shared, the Chief Architect of the municipality (region), with a reasoned instruction, instructs the parties to submit a draft amendment to the current regulation plan. The order to amend the regulatory plan enters into force and is enforced upon the entry into force of the judgment of division.

When the regulated land is indivisible, the Chief Architect submits his opinion to the court within 14 days from the receipt in the municipality at the request of the court. The court considers the opinion of the Chief Architect.

When it considers that the opinion is unfounded and there are no obstacles to the separation of the regulated landed property, the court by definition issues binding instructions to amend the regulation plan.

Ownership and co-ownership are legitimized by an act of ownership, not by entries in cadastral maps and cadastral registers, they have only declaratory effect. The absence or presence of a record or entries in the cadastral register may not have probative value or legitimate effect greater than those of title deeds (Bakalova, V., 2019, p. 37).

The Bulgarian legislation, through specific legal norms included in the transitional and final provisions of the Law on Ownership and Use of Agricultural Land (from paragra 4 to 4k) regulates the status and procedures for the creation of new properties formed on the basis of properties granted under the power of earlier normative acts of citizens.

For these lands, ancillary plans and plans for the newly created properties are being developed.

The plan for newly constructed properties establishes the boundaries of the properties, the right of ownership on which they are acquired, respectively restored, and that it contains the boundaries and numbers of the newly created properties, buildings, existing and newly designed streets and roads, the existing objects of the technical infrastructure, terrain relief.

It is envisaged that the data on the ownership of the newly created properties will be recorded in the real estate register, which is an integral part of the plan, and that it is made graphically and digitally. The requirements have been introduced for the plan of the newly formed properties to be designed with a view to the proper arrangement of the territory, providing access to a street or road for each property (Muleshkov, G., 2019, p. 39).

Another specific focus in the ownership of agricultural land is the formation and acquisition of the so-called 'residual land fund'. The residual land fund is formed by private property, citizens and legal entities.

The municipality acquires them after the entry into force of the land division plan and the approved map of existing and recoverable old real borders, respectively the approval of the plan of the newly created properties in accordance with paragraph 4k, paragraph 6 of the transitional and final provisions of the Property Act and

use of agricultural land, by the Regional Governor (Kurteva, Art. 2019, p. 41).

1.3. Economic aspects of ownership

From the data in the Agrarian Report - 2019 of the Ministry of Agriculture, Food and Forests

(www.mzh.government.bg), for the employment of the agricultural lands in the Republic of Bulgaria, (Tabl. №1), there is a favorable tendency for increased employment of the agricultural lands.

Tabl. 1

Arable land, utilized agricultural area and agricultural area for the period 2014 - 2018, hectares

EMPLO	2014	2015	2016	2017	2018
ARABLE LAND: hectares	3 469 388	3 493 688	3 480 991	3 473 825	3 463 370
Used agricultural area	4 976 815	5 011 494	5 021 412	5 029 529	5 030 276
non cultivate land	216 125	191 258	193 228	194 873	195 918
AREA: with AGRICULTURAL PURPOSE	5 192 940	5 202 752	5 214 640	5 224 402	5 226 194

Area for agricultural use in 2018 is 5 226 194 hectares, which represents about 47% of the country's territory. This area has been increased compared to 2017 with 1792 hectares. There is also an increase in arable land of 1045 hectares. The utilized agricultural area is formed by arable land, permanent crops, nurseries, permanent grassland and family gardens.

In 2018 it amounts to 5 030 276 hectares or 45% of the territory of the country, with no significant change compared to the previous year. The arable land includes areas under which crop rotation is applied, temporary meadows with cereals and legumes, fallow land and greenhouses. In 2018 it decreased slightly (by 0.3%) compared to the previous year, to 3 463 370 hectares, representing 68.9% of the utilized agricultural area.

The arable land includes both abandoned permanent crops and arable land that have not been used for agricultural production for more than two years, but their operational recovery is possible with minimal resources. In 2018 the arable land amounts to 195,918 hectares and occupies about 1.8% of the country's area.

Trends in the change in the amount of arable land are manifested by the extensive indicator "per capita security of land" in individual countries, but this indicator reflects only the quantitative change in arable land, since it does not provide information on the level of agriculture and the processes of its intensification (Naydenov, N., Miteva, Al., Madjarova, St., Stoyanova, Z. 2009, p. 141).

Ownership of agricultural land provides different economic opportunities for owners. For example, under the regulation of Article 8 of the Law on the Ownership and Use of Agricultural Land, citizens can be united in

cooperatives or companies for joint processing of agricultural land. In these cases, they retain ownership of their land within real limits.

The other economic and legal option, regulated by Article 37c of the Law on the ownership and use of agricultural land is: to create by agreement between the owners of agricultural land, collectives for collective use and cultivation for one business year.

The arrays of use are qualified in the text of paragraph 2g of the additional provisions of the Law on Ownership and Use of Agricultural Land as continuous agricultural area, limited by permanent elements existing on the ground, according to the map of the restored property or cadastral map and / or digital ortho photo card with the same durability.

Where necessary, the current use of the digital ortho photo card is duly taken into account. In the Republic of Bulgaria, the business year in the agricultural sector starts from the first of October.

The owners of agricultural land voluntarily choose a specific cooperative organizational form in which to unite. The nature of the cooperative organizational form is determined both by the type and purpose of ownership and by the specifics of the subject of activity (Nikolova, M., 2018, p.34).

The owners of agricultural land, in addition, as registered farmers are a major subject in another legal matter - state aid to farmers, which is regulated in the Law on Support to Farmers (www.lex.bg).

The data from the Agrarian Report-2019 cited above show a decrease in the number of registered farmers (Tabl. 2), which can generally be interpreted as the consolidation of ownership and the increasing provision of arable land to farmers.

Tabl. 2

Farmers registered under the ordinance of Ordinance No 3/1999.

	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019
total number of farmers	76 340	76 408	97 266	98 303	96 476	93 023	87 128

The register of farmers according to Ordinance No. 3 of 1999 (www.lex.bg) serves to gather information about farmers and their activities, with the aim of supporting agriculture and rural development.

The activity of maintaining a register of farmers involves the registration of new farmers, re-registration and updating of data on already registered farmers and the cancellation of farmers upon termination of their activities.

In the economic year 2017/2018 the total number of farmers registered in the register under Ordinance No. 3/1999 is 93 023, and in the 2018/2019 business year (as of July 2019) - 87 128.

According to the provision of Article 2 of the Farmers Aid Act, state aid aims at:

a / development of efficient agricultural and forestry and a competitive food industry;

b / development of agricultural production in areas with poor socio-economic characteristics;

c / conservation and improvement of soil fertility and genetic resources;

d / organic farming development;

e / development of a stable internal market and expansion of foreign markets for Bulgarian agricultural products;

f / improvement of the production infrastructure of the agricultural regions;

g / creating conditions for raising farmers' incomes from the sale of agricultural produce;

h / creating conditions and stimulating the activity of young specialists in agriculture;

j / rural and mountainous development;

k / promoting the local production of high quality unprocessed and processed agricultural produce and compliance with veterinary, phytosanitary and hygiene requirements;

l / promoting the use of agricultural land and the development of agricultural production in less-favored areas and Natura 2000 sites, and reducing the level of depopulation in those areas.

The status of landowners provides the economic opportunity for them to actively participate in the agricultural land market. The agricultural land market in the Republic of Bulgaria can be viewed on two levels - primary and secondary.

The primary market is determined by direct sales by owners or heirs of agricultural land. The secondary market is determined by large companies that trade in agricultural land and purchase agricultural land for future resale. At this stage, the agricultural land market is relatively stable - there is more demand and more limited supply (Nikolova, M., 2019, p.267-268).

2. Problems of ownership of agricultural land

The agricultural sector in the Republic of Bulgaria, at this stage, is emerging as a very

heterogeneous one, consisting of two different groups of farms: large farms that are close in nature to typical farms and small farms (Nikolova, M., 2018, p.33).

The Republic of Bulgaria is emerging as the country with the highest concentration of agricultural land - in a small number of companies (1.5%) are large holdings that cultivate more than 1000 acres of agricultural land. These farms virtually control 82.4% of the agricultural land in the Republic of Bulgaria.

On the other hand, in comparison with the other members of the European Union, the Republic of Bulgaria is the country with the most fragmented ownership of land (Nikolova, M., 2019, p. 270).

Eurostat data show that Bulgarian agriculture is bipolar - 5490 farmers manage most of the land and cultivate an average of 672 ha and approximately 220,000 owners are involved with the rest. This bipolarity is a serious problem for the development of the agricultural sector.

Another negative issue is the promotion of a monocultural model of agriculture, in which a small number of large owners prefer the cultivation of five crops to be subsidized by the European Structural Funds.

The five cereals and oilseeds (wheat, barley, maize, sunflower and rapeseed) give the impression that the entire agriculture of the Republic of Bulgaria is very modern and efficient. Concentrating on growing mainly cereals and oilseeds and significantly reducing livestock production, vegetable production, fruit and tobacco production and withdrawal from soybean, cotton, sugar beet, flax, hemp, flowers and more was largely dictated by how the subsidy is distributed per unit area.

According to Eurostat, the Republic of Bulgaria is one of the countries where subsidies do not have a positive impact on the gross value added produced by the agricultural sector.

Therefore, during the period in which the Republic of Bulgaria is a member of the EU, theoretically with the model of super-hydro, monocultural agriculture in comparison with the model of traditional Bulgarian production, the country lost about BGN 10 billion of added value and about 500,000 jobs).

Another problem related to the ownership of agricultural land is the decrease in market transactions with agricultural land and the lack of investor interest from outside investors, which explains the low prices of agricultural land.

Conclusion

Despite the increase in the utilized agricultural area and the enlargement of the farms, the Gross value added created by agriculture has decreased by almost 19% for the period 2000 - 2012.

Notwithstanding the EU subsidies of 2007 the share of the agricultural sector in the economy has shrunk by almost half - from 9.6% to below 5.0%.

The analysis made requires that the following questions be answered and resolved:

a / how will the two types of agriculture be reconciled under the conditions of the new common agricultural policy for the period 2021-2027?

b / the state, together with the large successful farmers, will be able to find ways in the appropriate dialogue in order to be able to engage them in other types of production, or to start a new Bulgarian type of cooperatives (special type of clusters - the example of Denmark or France)?

By finding answers to the questions raised, solving the problems considered, and using the various aspects of ownership of agricultural land, the polarization of Bulgarian agriculture - a small number of large tenant farmers that differ in profitable farming - will emerge, and a large number of small farmers with a losing and declining agriculture.

The National Strategy for the Sustainable Development of Agriculture in Bulgaria in the Period 2014-2020 it was essentially not used.

All this necessitates the need to update the strategy for sustainable development of agriculture in Bulgaria. It must lead to a rapid transformation of the current agriculture into a modern, powerful and dynamic sector of the Bulgarian economy, based on scientific progress and innovation.

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