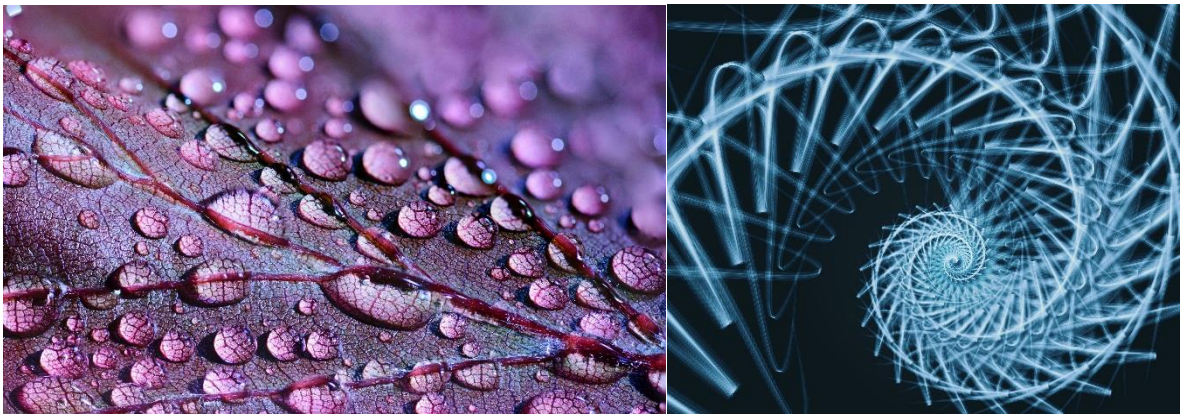
JBM
Research and Innovate

JOURNAL OF BIO-BASED MARKETING



VOL.3.2, 2020

The Journal of Bio based Marketing©

Research and innovate

The Journal of Bio based Marketing (JBM) provides a forum for academics, researchers, entrepreneurs, young experts, professionals, educators to analyze global aspects of bio-based marketing as a theoretical idea and real business model in value chain of bio-based products. Covering all aspects of knowledge regulation and order including organizational issues, technology support, knowledge representation, transfer of knowledge and knowledge valorization. JBM focus on the following topics:

- Bio-based technologies;
- Bio-based marketing strategies;
- Technology transfer and new business models;
- Policy and regulation of bio-based products
- E-marketing and sales

JBM is indexing in OpenAire.

Adress: Osvobojdenie str. 33 Entr. A, Plovdiv, Bulgaria, 4000
E-mail: journalbiobasedmarketing@gmail.com
Phone number: +35932894627260
www.journalbbm.wordpress.com

Publishing house
Belloprint, Pazardjik
Konstantin Velichkov str. 97
Phone number: +35934441694

ISSN 2683-0825

CONTENT

MARKET ANALYSIS OF HONEY PRODUCTION - BEFORE AND AFTER THE ACCESSION OF BULGARIA TO THE EU

Haik Garabedian[1]
[1]E-mail: haik.t.garabedian@gmail.com, Agricultural University of Plovdiv, bul. "Mendeleev" 12, 4000 Trakiya, Plovdiv, Bulgaria

Abstract

Thanks to the influence of the CAP in recent years, Bulgaria has become a leader in the production and export of natural honey as a member of the EU (Koprivlenski, Dirimanova, and Agapieva, 2015). This proves that the favorable natural and climatic conditions are only a prerequisite for successful development of the sector. In order to achieve lasting market advantages, it is necessary to implement an adequate policy to promote the development of the sector (Lyubenov, 2018). The industry is defined as one of the few in which there is a large number of young entrepreneurs and start-ups. The purpose of the article is to analyze the market situation of the industry before and after the country's accession to the EU. Through numerous comparisons of individual indicators, we seek to establish the role of the Common Agricultural Policy (CAP) in shaping the market orientation of Bulgarian beekeeping. The market analysis of the industry covers the following stages: (1) analysis of honey production; (2) analysis of trade in honey and (3) analysis of market positions. Thanks to the skillful use of natural and climatic conditions as well as the accumulated experience of the participants in the chain-value in this type of activity, Bulgaria remains one of the dominant participants in the European market of bee products. The production expansion caused by the industry's contribution to the financial assistance provided under the CAP is valorised, achieving market positions in markets where honey is traded at higher market prices.

Keywords: market analysis, honey production, competitive advantages

Abstrakt

Dank des Einflusses der GAP in den letzten Jahren ist Bulgarien als Mitglied der EU führend in der Produktion und im Export von Naturhonig geworden (Koprivlenski, Dirimanova und Agapieva, 2015). Dies beweist, dass die günstigen natürlichen und klimatischen Bedingungen nur eine Voraussetzung für eine erfolgreiche Entwicklung des Sektors sind. Um dauerhafte Marktvorteile zu erzielen, ist es notwendig, eine angemessene Politik zur Förderung der Entwicklung des Sektors umzusetzen (Lyubenov, 2018). Die Branche wird als eine der wenigen definiert, in der es eine große Zahl von Jungunternehmern und Start-ups gibt. Ziel des Artikels ist es, die Marktsituation der Branche vor und nach dem EU-Beitritt des Landes zu analysieren. Durch zahlreiche Vergleiche einzelner Indikatoren wird versucht, die Rolle der Gemeinsamen Agrarpolitik (GAP) bei der Gestaltung der Marktorientierung der bulgarischen Bienenzucht zu ermitteln. Die Marktanalyse der Branche umfasst die folgenden Phasen: (1) Analyse der Honigproduktion; (2) Analyse des Handels mit Honig und (3) Analyse der Marktpositionen. Dank der geschickten Nutzung der natürlichen und klimatischen Bedingungen sowie der gesammelten Erfahrung der Teilnehmer an der Wertschöpfungskette in dieser Art von Tätigkeit bleibt Bulgarien einer der dominierenden Teilnehmer auf dem europäischen Markt für Bienenprodukte. Die Produktionsausweitung, die durch den Beitrag der Industrie zur finanziellen Unterstützung im Rahmen der GAP verursacht wird, wird valorisiert und erreicht Marktpositionen auf Märkten, auf denen Honig zu höheren Marktpreisen gehandelt wird.

Stichworte: marktanalyse, honigproduktion, wettbewerbsvorteile

Résumé

Grâce à l'influence de la PAC ces dernières années, la Bulgarie est devenue un leader dans la production et l'exportation de miel naturel en tant que membre de l'UE (Koprivlenski, Dirimanova et Agapieva, 2015). Cela prouve que les conditions naturelles et climatiques favorables ne sont qu'une condition préalable à un développement réussi du secteur. Afin d'obtenir des avantages durables sur le marché, il est nécessaire de mettre en œuvre une politique adéquate pour promouvoir le développement du secteur (Lyubenov, 2018). L'industrie est définie comme l'une des rares à compter un grand nombre de jeunes entrepreneurs et de start-ups. L'objectif de l'article est d'analyser la situation du marché de l'industrie avant et après l'adhésion du pays à l'UE. Par le biais de nombreuses comparaisons d'indicateurs individuels, nous cherchons à établir le rôle de la politique agricole commune (PAC) dans l'orientation du marché de l'apiculture bulgare. L'analyse du marché de l'industrie apicole couvre les étapes suivantes : (1) analyse de la production de miel ; (2) analyse du commerce du miel et (3) analyse des positions sur le marché. Grâce à l'utilisation habile des conditions naturelles et climatiques ainsi qu'à l'expérience accumulée par les participants à la chaîne de valeur dans ce type d'activité, la Bulgarie reste l'un des participants dominants sur le marché européen des produits apicoles. L'expansion de la production provoquée par la contribution du secteur à l'aide financière fournie dans le cadre de la PAC est valorisée, ce qui permet d'atteindre des positions sur des marchés où le miel est commercialisé à des prix plus élevés.

Mots clés: analyse du marché, production de miel, avantages concurrentiels

ntroduction

Bulgaria has a long tradition in the production of honey and bee products, a prerequisite for which are the diverse and rich honey vegetation of the Balkan Peninsula, creating excellent conditions for beekeeping. The appropriate natural, climatic and ecological conditions also have a favorable influence, which contribute to the gradual increase of the yield of these products over the years (Simova, 2007).

Favorable natural and climatic conditions are one of the important factors for achieving competitiveness of the sector (Bachvarova, Zhelev, 2008). (Borisov, Radev, Nikolov, 2019). A significant part of the financial support of the measure "Young Farmer" from the Rural Development Program as well as the specialized financial instrument - National Beekeeping Program supported the development of beekeeping in Bulgaria (Nikolov, Borisov, Radev, 2014). That is why intervention in the sector is considered mandatory in the future.

The purpose of the article is to analyze the market situation of the industry before and after the country's accession to the EU. Through numerous comparisons of individual indicators, we seek to establish the role of the Common Agricultural Policy (CAP) in shaping the market orientation of Bulgarian beekeeping. As a full member of the EU, Bulgaria in recent years has access to the financial instruments of the Common Agricultural Policy of the EU for the development of beekeeping. On the one hand, access to this financial assistance is one of the main conditions for the development of the industry, but on the other hand it is not a sufficient condition for the formation of competitive market positions of Bulgarian bee products. Market positions depend on the degree of absorption of financial aid, the transformation of this aid into competitive factors, farmers' strategies to increase the economic stability of their bee farms, etc. (Borisov, Marinov, 2013). The present study traces the development of the market orientation

of the industry by analyzing the main product that is formed by this industry – natural honey. This product is a structural determinant in production and export. In 2018, Bulgaria is defined as a leading EU member state in the production and export of honey.

The market analysis of the industry covers the following stages: (1) analysis of honey production; (2) analysis of trade in honey and (3) analysis of market positions.

The main indicators used to perform market analysis are: production, imports, exports, trade balance, prices and consumption of honey. When calculating the indicators, the method of graphical analysis is applied to diagnose the state of the sector in perspective.

The analysis of the market positions of the industry on the global market is carried out using the indicators - (1) comparative index of export advantages (RXA), also known as the Balasa index; (2) comparative index of import advantages (RIA) and (3) index of relative trade advantages (RTA), developed by (Borisov, Radev, Dimitrova, 2014). The indicators are calculated as follows:

(1) RXA = (Xdi / Xd) / (Xwi / Xw)

Xdi - the value of honey exports from the country;

Xd - the value of the total exports of the agricultural sector of the country;

Xwi - the value of honey exports of the leading honey producers;

Xw - the value of total exports of the agricultural sector of the leading honey producers.

(2) RIA = (Xdi / Xd) / (Xwi / Xw)

Xdi - the value of imports of honey from the country;

Xd - the value of the total imports of the agricultural sector of the country;

Xwi - the value of imports of honey from the leading countries producing honey;

Xw - the value of the total imports of the agricultural sector of the leading countries producing honey.

(3) RTA = RXA - RIA

By covering a longer period of time (an 18-year period was studied), we aim to trace the market orientation of beekeeping before and after its contact with CAP financial assistance.

Results

Production analysis. There are two clear stages in the dynamics of honey production during the study period (see Figure 1). In the first stage, covering the period 2000-2007, sharp fluctuations in production are observed. In 2000, honey production amounted to 5,337 tons per year. In the period 2001 - 2006 there was a sharp increase in the quantities of honey produced, and the peak at this stage was realized in 2005 (production reached 11,221 tons). There is a sharp decline in production just before the country becomes a full member of the EU - in 2007 the quantities of honey produced were only 6,139 tons. The sharp changes in the production volumes during this stage of the development of beekeeping are determined by a number of factors such as - outflow of labor from the industry, start of a process of market restructuring of the products,

At the year when the country joined the EU marks is the beginning of the second stage of development of the industry. In 2008 the production of honey increased sharply and it reached the level of 11 378 tons per year. In the period 2008 - 2018 there is a clear trend of stabilization of the beekeeping sector, referring to the dynamics of production. The fluctuations of the indicator are within 9 529 tons - 11 807 tons per year for the period 2008 - 2018. In these last 10 years the stabilization of production is due to the completed process of market restructuring of the industry. Through the financial framework of the CAP, farmers are given the opportunity to calmly plan their production needs and smoothly follow their business development strategies.

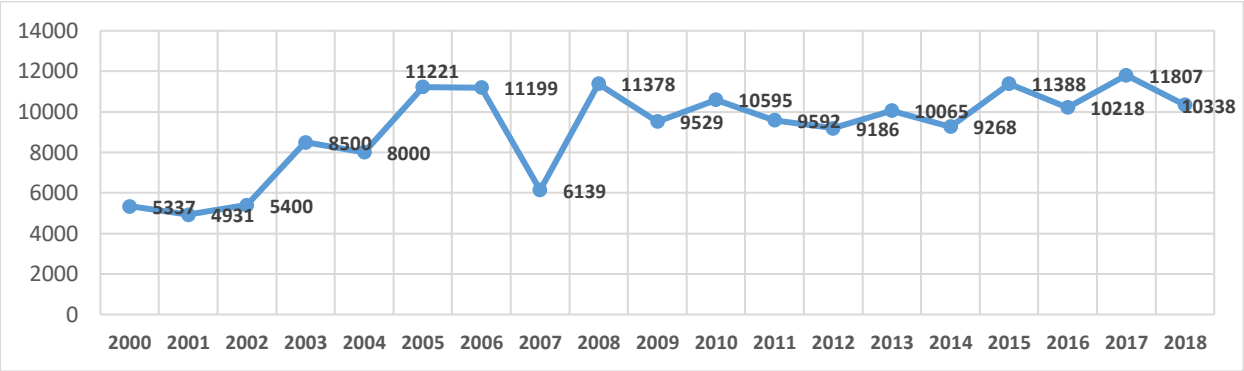


Figure 1. Dynamics of honey production. Source: Own database of FAOSTAT, 2000 - 20018.

Analysis of honey trade. Figure 2 shows the dynamics of imports, exports and trade balance in trade in honey for the period 2000 - 2018. Within the study period significantly increases the import of honey in the country, expressed in value - thousands of US dollars. In 2000, Bulgaria imported only USD 63,000 honey per year, and in 2018 the import reaches 3 441 thousand USD. Along with the increase and stabilization of production, an expansion of the value of imports can be seen. Given the large-scale expansion of honey exports from the country, it can be concluded that Bulgaria is improving its market position in the global market, relying on re-exports and stabilization of domestic production of honey. The country manages to add value to the production and export of honey and to derive net benefits from trade in this product. Applying the single index method, the trend of a sharp increase in honey imports in the country is clearly outlined (see Figure 3). The data in Figure 3 show that in recent years exports have increased by thresholds every 3 years, followed by a decline. Despite the realized peaks and troughs, cumulative imports increased significantly (almost 7 times) during the study period. Reasons for the sharp fluctuations in imports can be found in the market orientation of the country in the trade of honey on the global market. The honey market is determined by intense competition, without significant barriers to entry or exit. The data show that the country relies on re-exports, which defines imports as a derivative factor of re-exports. Honey exports during the study period as well as the trade balance increased significantly.

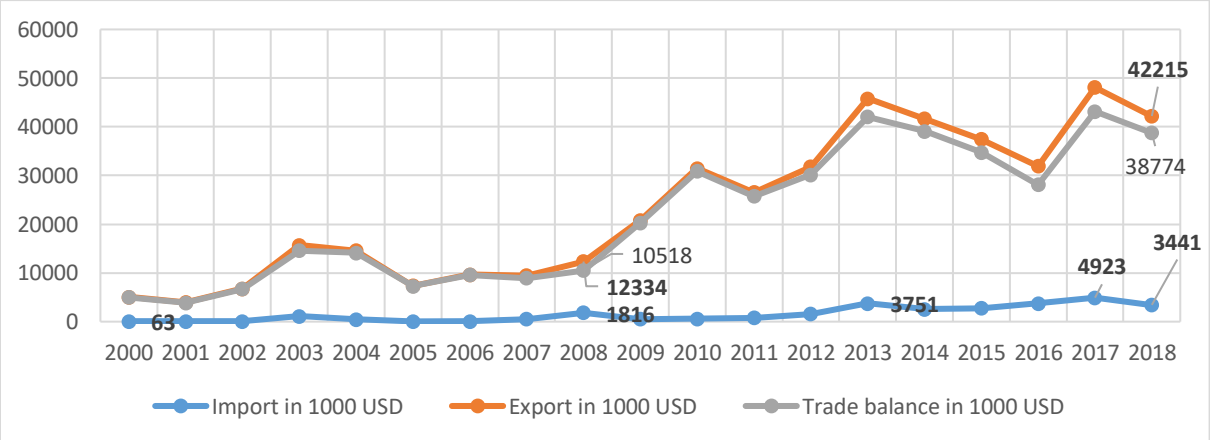


Figure 2. Dynamics of import, export and trade balance - thousand USD. Source: Own calculations based on FAOSTAT database, 2000 - 2018.

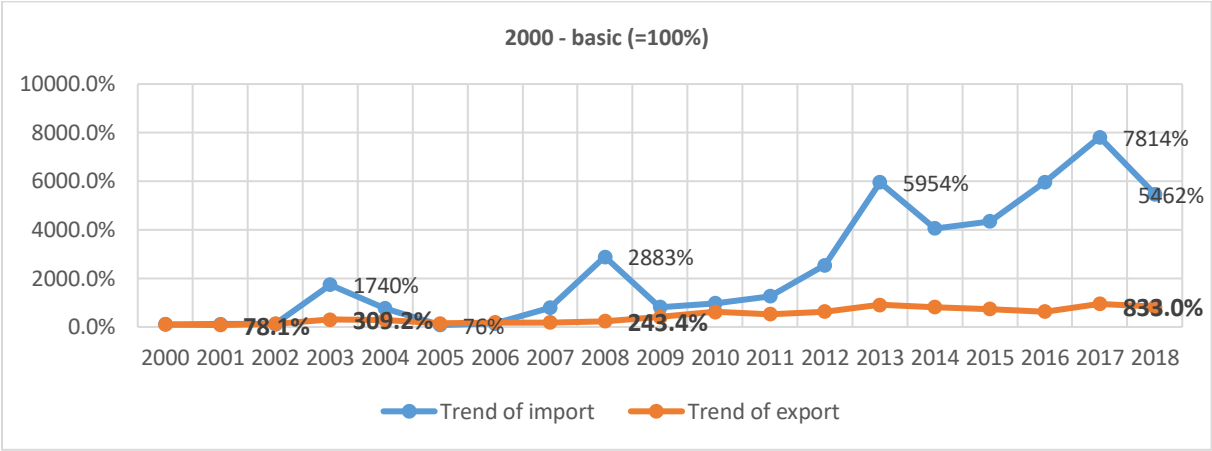


Figure 3. Dynamics of import, export and trade balance - relative change in the database realized in 2000. Source: Own calculations on the basis of FAOSTAT database, 2000 - 2018.

The dynamics of exports show that, unlike imports, there are no sharp fluctuations in value in exports, and it increases smoothly and significantly upwards (see Figure 3). The graphical analysis of the data shows that Bulgaria stands out as a country - an expanding producer of honey, which has significantly increased its activity on the world market of honey over the years. Bulgaria is defined as one of the leading EU member states in the production and trade of honey, thanks to its resources and production conditions as well as the experience of farmers in developing their business.

Over the years, there has been a restructuring of the market orientation of the sales of Bulgarian honey on the world market. Prior to the country's accession to the EU, typical markets for Bulgarian honey were the countries - Germany (with annual imports of honey in the amount of USD 5 003 thousand), Poland (with annual imports of honey in the amount of USD 811 thousand).), Great Britain (with annual imports of Bulgarian honey in the amount of USD 649 thousand), Austria (with annual imports of honey in the amount of USD 438 thousand), the Netherlands (with annual imports of honey in the amount of USD 427 thousand) and Italy (with annual imports of honey amounting to USD 425 thousand). After Bulgaria's accession to the EU, the main importers of Bulgarian honey are the following countries - Germany (with annual imports of Bulgarian honey amounting to USD 18,013 thousand), Greece (with annual imports of Bulgarian honey amounting to USD 7,181), Poland (with annual imports of Bulgarian honey amounting to USD 5,656 thousand) and France (with annual imports of Bulgarian honey amounting to USD 2,460 thousand). From the data presented in Figure 4 it is clear that Bulgarian honey is beginning to rank well on the EU market. Exports are being restructured from third countries to EU member states. The volume of exports is many times higher in the new market (EU market) compared to those sold in the old market (non EU market). Of course, the leading factors for this are the expansion of domestic production, the increase in re-exports based on the expansion of honey imports from other countries, the expansion of investment in the industry, the trigger of which is the financial assistance of the CAP. That Bulgarian honey is starting to be well quoted on the EU market. Exports are being restructured from third countries to EU member states.

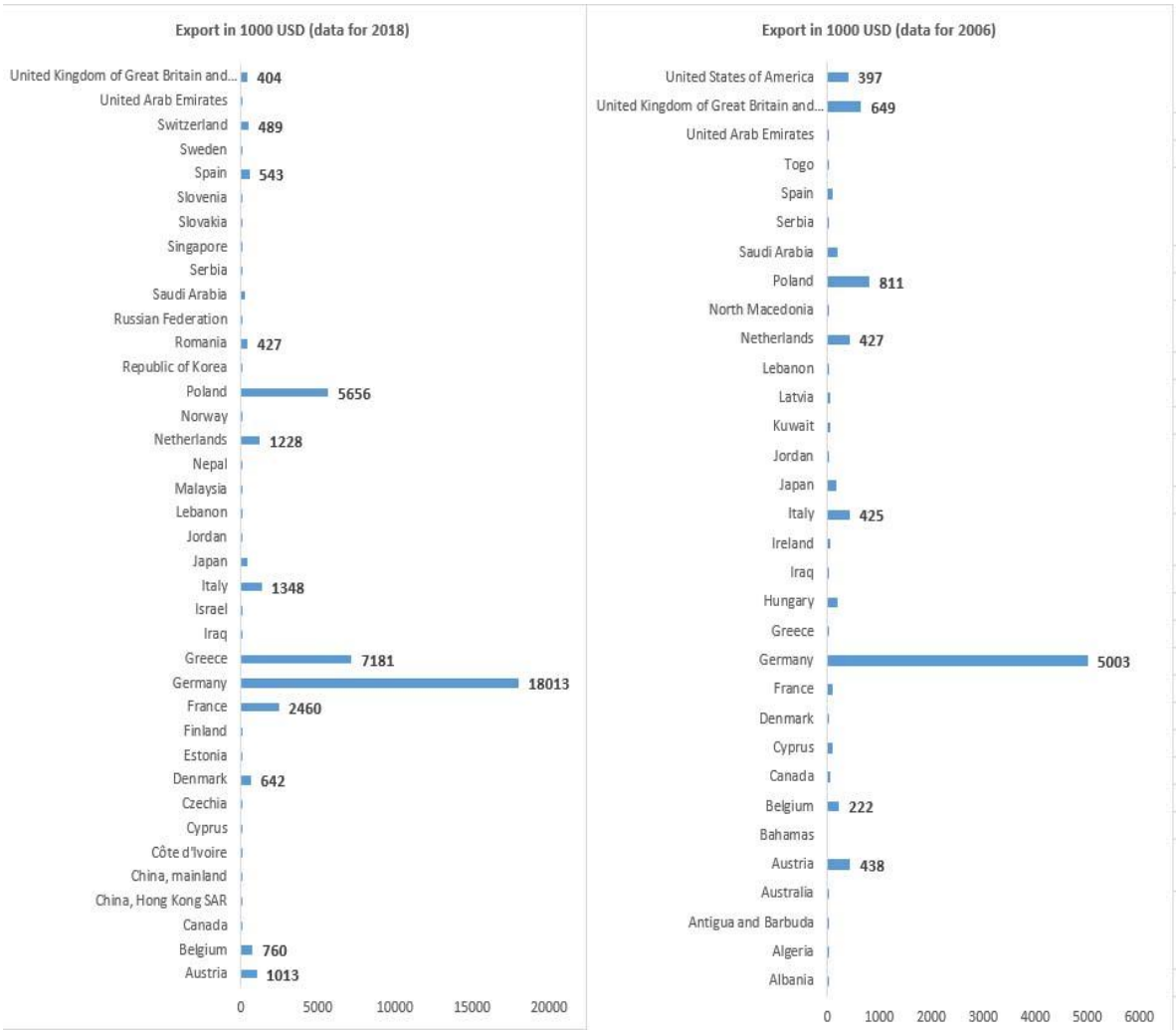


Figure 4. Market orientation of honey exports. Comparative analysis of data in 2006 and 2018. Source: own calculations based on FAOSTAT database.

The restructuring of imports is also an important feature of the market orientation of the industry. Figure 5 shows information on the change in honey imports. Traditional competitors on the domestic market of honey before the country became part of the EU are the following countries - China (imports from this country amounted to 1 211 thousand USD), Poland (imports from this country is 931 thousand USD), Ukraine (imports from this country are 795 thousand USD) and Serbia (imports from this country amount toUSD 384 thousand). All these countries are outside the EU and it is normal for customs tariffs and other formal restrictions of the Union to import honey to Bulgaria (which as of 2006 is not yet part of the EU). After Bulgaria's accession to the EU, imports from these countries were suspended. The main factors behind this market trend are the formal restrictions that the EU imposes on trade with third countries. The main importers of bee honey on the Bulgarian market are beginning to be EU member states, such as Italy with imports of USD 15 thousand, France - 11 thousand USD. It is noted that imports from these countries remain insignificant in size over the years.

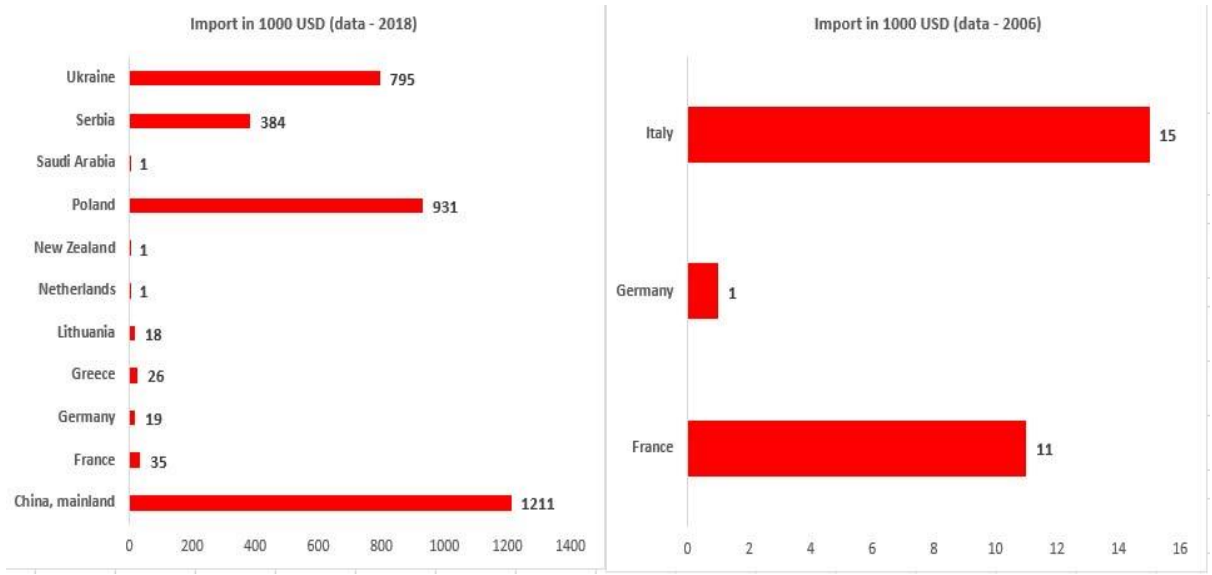


Figure 5. Market orientation of honey imports. Comparative analysis of data in 2006 and 2018. Source: own calculations based on FAOSTAT database.

Analysis of market positions. Using the indicators for analysis of the comparative advantages, interesting information is obtained about the market positions that our country occupies on the world market of honey during the studied period of time. The graphical analysis of the data presented in Figure 6 shows that two phases can be distinguished in the development of the comparative advantages in the export of products produced by the studied industry. The first phase covers the period from 2000 to 2011. In this period the dynamics of the comparative advantages in the export of Bulgarian honey shows stability - the values of the studied indicator vary in the range from 0.02 to 0.012. The second separate phase covers the period from 2011 to 2018. During this phase there is a sharp increase in the comparative advantages in the export of honey. The value of the comparative advantages at export from 0.012 increases to 0.018, as this increase shows stability over the years. This shows that Bulgaria has stabilized its market position on the European market and more precisely on the following markets - Germany (which is the main consumer of Bulgarian honey), Greece and Poland (see Figure 4).

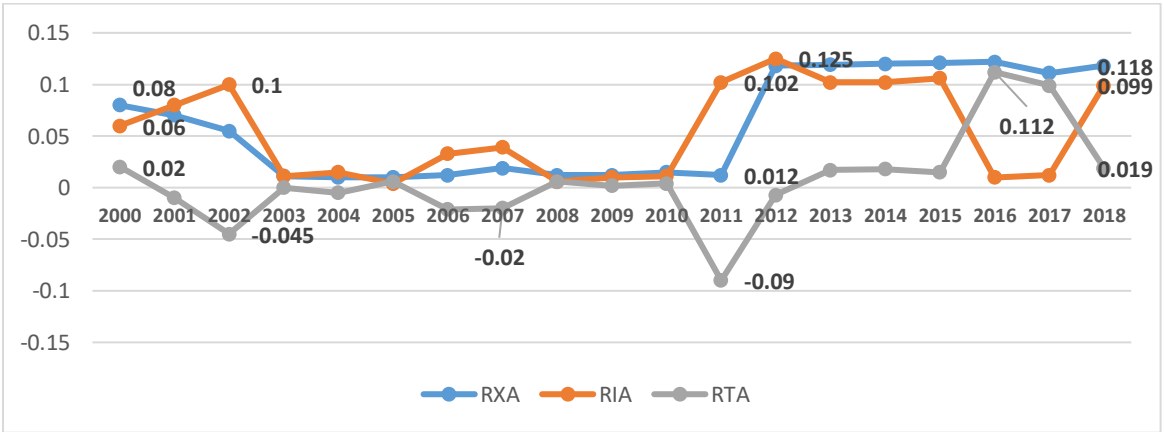


Figure 6. Comparative advantages in export, import and trade in honey of Bulgaria for the period 2000 - 2018. Source: own calculations based on FAOSTAT database.

The graphical analysis of the comparative advantages of honey imports also shows two phases of import development. The first phase covers the period 2000 - 2010. In this phase there are sharp fluctuations in the values of the studied indicator. The value of the comparative advantages at import from 0.06 decreased to 0.012 (in 2008). The sharp fluctuations are due to the restructuring of exports to typical for Bulgaria countries exporting honey, such as China, Ukraine and Serbia. These countries are converting their exports to other countries, fearing that Bulgaria will soon become a full member of the EU (as is the case in 2008). After 2008, the second phase in the dynamics of the comparative advantages in the import of honey begins. The country began to sharply increase its import advantages as the value of the indicator was maximized in 2012, reaching a value of 0.125. Then there is a gradual decrease in the comparative advantages in imports until 2015. In the period 2015-2016, Bu lgaria sharply lost (reduced) its comparative advantages in imports of honey. The indicator - comparative advantages of trade advantages, shows to what extent the state retains or loses, comparative advantages in trade with a product on the world market. Figure 6 shows the values of the studied indicator. The dynamics of the indicator is a mirror of the dynamics of the indicator - comparative advantages in imports. The graphic analysis shows that in three moments of the studied time period Bulgaria loses significant comparative advantages in the trade in honey. The first moment is in the period 2001 - 2002. During this period the value of the indicator is - 0.045, which determines that Bulgaria has lost a significant comparative advantage in the world market of honey. The next moment of significant loss of comparative advantages in the trade in honey was in 2005. - 2008, when the value of the indicator becomes negative again - 0.02. And the third moment of tangible loss of comparative advantages is in 2010 - 2012, the value of the indicator is - 0.09. Going through these three critical moments in the market development of Bulgarian beekeeping comes a moment of expansion of trade advantages. In the period from 2012 to 2016, the trade advantages significantly increased as the indicator was maximized in 2016, reaching a value of 0.012.

The dynamics of the prices for sale of honey is shown in Figure 7. The data show that in the period 2000 - 2007 the prices gradually increase from the level of 1420.USD / ton reached 1878 USD / ton (in 2007). Immediately after the country's accession to the EU, a threshold increase in the price of Bulgarian honey was observed. In 2011 the realization price was maximized, respectively it was 3 652 USD / ton. After reaching this price peak, the price began to gradually decrease and reached in 2018 a level of 2,767 USD / ton. The reasons for the increase in the sale price is the increased demand on both the domestic and foreign markets. During this period, the export of bee honey to EU member states, whose markets have higher prices, significantly increased and thus the country realized higher added value from the trade in honey. Market restructuring and the orientation of the industry towards the European market lead to higher revenues and profits for the participants in the value chain. The favorable trend of rising market prices leads to attracting more investment in the industry and the inclusion of more "new players" in this type of activity. Another factor favoring the production expansion in the industry is the increase in the consumption of honey by Bulgarian households. As can be seen from the data in Figure 7, consumption has increased nearly 2.3-fold in 18 years. The graphic analysis of the consumption of honey in the country outlines two peaks in the quantities of honey consumed - the first is in the period 2004 - 2006, when the annual consumption reaches 990 tons per thousand people. The next peak is happening right now, when Bulgaria became part of the EU in 2008, honey consumption reached 1,180 tons per 1,000 people. After 2009, the consumption of honey in the country has stabilized, varying slightly between 440 - 490 tons per thousand people. In the same period (after the accession of Bulgaria to the EU) there is a threshold change

in the price of honey, which together with the stabilization of honey consumption led to a steady increase in revenues from the activities of participants in the value chain.

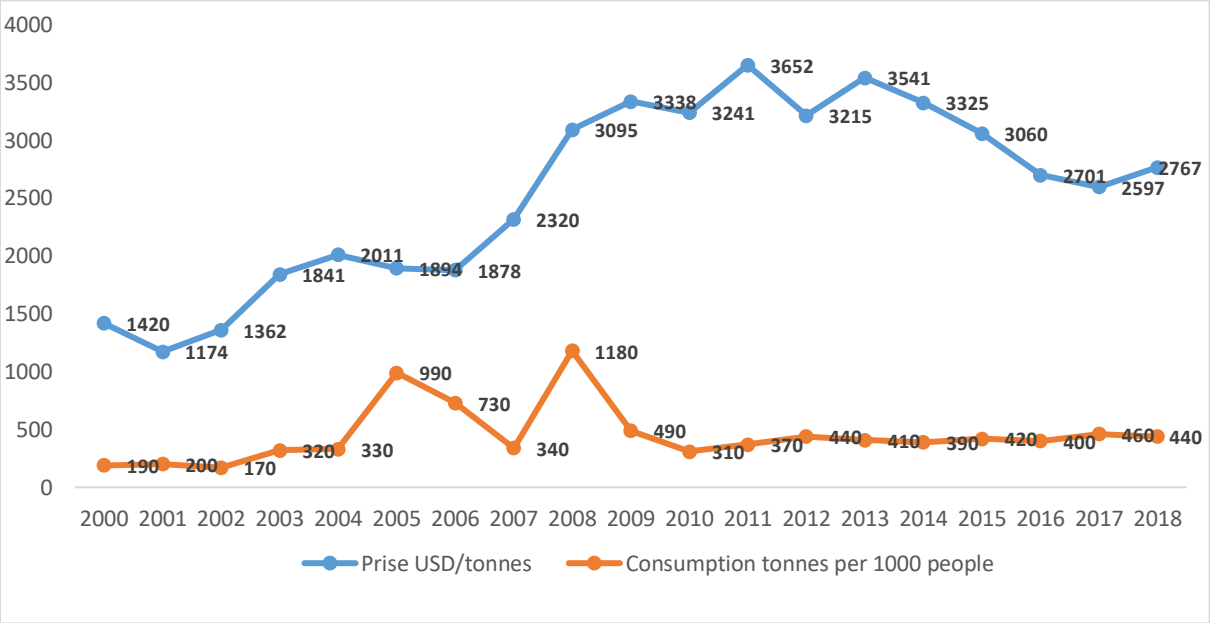


Figure 7. Dynamics of price and consumption of honey in Bulgaria. Source: National statistical institute, bulletin 2000-2018 and FAOSTAT.

Conclusion

As a result of the analysis, several strokes in the market orientation of Bulgarian beekeeping can be summarized:

- Thanks to the skillful use of natural and climatic conditions as well as the accumulated experience of the participants in the chain in this type of activity, Bulgaria remains one of the dominant participants in the European market of bee products. The production expansion caused by the industry's contribution to the financial assistance provided under the CAP is valorised, achieving market positions in markets where honey is traded at higher market prices.
- Thanks to the financial instruments of the CAP, the market orientation of beekeeping has been significantly restructured within the last 18 years and this restructuring leads to higher added value of Bulgarian honey. In addition to using domestic production capacity, Bulgaria, thanks to its market position in the European market, manages to re-export by deriving additional benefits from trade in bee products. This is evidenced by the growing value of imports, exports and trade balance in trade in honey.
- Bulgaria's accession to the EU leads to an increase in the income of Bulgarian households, which in turn leads to an increase in the consumption of honey, and hence in market prices. These factors favor the investment process in the industry by creating conditions for a greater return on investment in this type of business activity.

References

Bachvarova, S., Zhelev, K. (2008). Strategy for the development of animal husbandry in the Republic of Bulgaria in the period 2008-2013. Sofia, 2008 pp.96-97.

Borisov, P., P. Marinov (2013). Evaluation of competitive advantages of wine cluster. Scientific works of the Agricultural University - Plovdiv, Volume LVII, pp. 151-158.

Borisov, P., T. Radev, D. Dimitrova (2014). Comparative advantages of EU Member States in Trade with Wine. Economics and Management of Agriculture, no. 4/2014, Sofia, pp. 59-65.

Borisov, P., T. Radev, D. Nikolov (2019). Young Farmers and New Entrants in Bulgarian Agriculture - Profiling their Challenges and Needs. Economics and Management of Agriculture, Sofia, issue 2/2019 pp. 60-71.

Koprivlenski, V., Dirimanova, V., Agapieva, V. (2015). Economic analysis of state and development of beekeeping in Bulgaria. Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development Vol. 15, Issue 2, 2015 PRINT ISSN 2284-7995, E-ISSN 2285-3952

Lyubenov, L. (2018). SWOT analysis of the Bulgarian beekeeping. Journal of Mountain Agriculture on the Balkans, 2018, 21 (4), 50-72 ISSN 1311-0489 (Print). Research Institute of Mountain Stockbreeding and Agriculture, Troyan ISSN 2367-8364 (Online)

Nikolov, D., P. Borisov, T. Radev (2014). Challenges and perspectives of Bulgarian small farms. "Achievements and challenges in the food sector and rural areas during the 10 years after EU enlargement", Warsaw, Poland, №123.1, pp. 69-84.

Simova, A. (2007). Honey production in Bulgaria - state and perspectives for development. Economics and management of agriculture. Vol. 52/5, 2007, 33-41.

www.fao.org - FAOSTAT

AUTONOMY, THE NECESSARY "SMALL STEP" FOR FORMATION OF NEW STATES IN EUROPE

Petar Marinov[1]
[1]E-mail: tea4er@mail.bg, Instiute of Agrarian Economics, Address: Sofia 1113, 125 Tsarigradsko Shosse Str., Block 1, Bulgaria

Abstract

The process of creating a new state dates back thousands of years to the time when, with the emergence of the first civilizations in the world. Freedom and independence are the engines of history, they have drawn new border areas and changed maps, they are the basis of dozens of revolutions and liberation wars, striving over the centuries to achieve independence of a particular ethnic group or territory. The conquest of freedom has not yet subsided, it is manifesting itself violently, furiously, and there is only one goal - to break away and achieve independence from the sovereign. At the beginning of the XXI century, the formation of a “new” state, in a peaceful and humane way is quite possible, the examples after the 90s of the XX century on the territory of Europe are not many, but quite indicative. Freedom and independence are the right of every ethnic group on the entire planet Earth.

Keywords: Europe, autonomy, region and country.

Abstrakt

Der Prozess der Schaffung eines neuen Staates geht Tausende von Jahren zurück, bis zu der Zeit, als mit dem Entstehen der ersten Zivilisationen in der Welt. Freiheit und Unabhängigkeit sind die Motoren der Geschichte, sie haben neue Grenzgebiete gezogen und Karten verändert, sie sind die Grundlage für Dutzende von Revolutionen und Befreiungskriegen, die im Laufe der Jahrhunderte die Unabhängigkeit einer bestimmten ethnischen Gruppe oder eines bestimmten Territoriums anstrebten. Die Eroberung der Freiheit hat noch nicht nachgelassen, sie manifestiert sich gewaltsam, wütend, und es gibt nur ein Ziel - sich loszureißen und die Unabhängigkeit vom Souverän zu erreichen. Zu Beginn des XXI. Jahrhunderts ist die Bildung eines "neuen" Staates auf friedliche und humane Weise durchaus möglich, die Beispiele nach den 90er Jahren des XX. Freiheit und Unabhängigkeit sind das Recht jeder ethnischen Gruppe auf dem gesamten Planeten Erde.

Schlüsselwörter: Europa, Autonomie, Region und Land

Résumé

Le processus de création d'un nouvel État remonte à des milliers d'années, à l'époque où, avec l'émergence des premières civilisations dans le monde. La liberté et l'indépendance sont les moteurs de l'histoire, elles ont dessiné de nouvelles zones frontalières et changé les cartes, elles sont à la base de dizaines de révolutions et de guerres de libération, s'efforçant au fil des siècles d'obtenir l'indépendance d'un groupe ethnique ou d'un territoire particulier. La conquête de la liberté ne s'est pas encore apaisée, elle se manifeste avec violence, furieusement, et il n'y a qu'un seul but: se détacher et obtenir l'indépendance du souverain. Au début du XXIe siècle, la formation d'un "nouvel" État, de manière pacifique et humaine est tout à fait possible, les exemples après les années 90 du XXe siècle sur le territoire

de l'Europe ne sont pas nombreux, mais tout à fait indicatifs. La liberté et l'indépendance sont le droit de chaque groupe ethnique sur toute la planète Terre.

Mots-clés: Europe, autonomie, région et pays.

ntroduction

Each ethnic group inhabiting a certain territory, attached to the structures of the mother state, has its own history, and in most cases, it does not correspond to the official doctrine, and at any convenient historical moment, the desire for separation is awakened. At the beginning of the 20th century, an armed uprising broke out in Ireland to overthrow British rule, led by the IRA (Irish Republican Army).

At the end of the 1990s, an agreement was reached and military action was stopped on both sides. In the middle of the same century, the Basques demanded independence and their own territory, which resulted in decades of terrorist attacks in Spain and France by ETA (Euskadi Ta Askatasuna - Basque homeland and freedom). These are some examples of how local wars of independence have been fought in the last hundred years on the Old Continent. Globally, there are dozens of them that arise or continue in Palestine, Chechnya, the Republic of China-Taiwan and other regions. All these areas mentioned in the development as autonomous territories at the beginning of the XXI century, in past historical periods of their existence, were independent and non-independent geographical areas with their own way of governing and living. Going through the centuries of its development, these same areas, in one way or another, have been the subject of invasion by the stronger states in socio-economic and political terms. The conquest of new “autonomous” territories is a success for the occupiers on the one hand, but on the other hand, suffering for the population in the “new” spaces. From that moment until today, the pursuit of freedom and independence has always smoldered and is genetically embedded in the ethnic groups of these autonomies.

In all regions of Europe (countries) there is a possibility for the formation of autonomous territories, and the aim of the present study is to trace a part of these formed areas as “independent” units.

The development of topics of this kind related to the state system, zoning as a process and the formation and analysis of new areas in vertical and horizontal development, work a number of scientists in these current and constantly on the agenda (McEvedy, 1978), (Yankov, 1997), (Dermendzhiev, 2008), (Petrov, 2010), (Patarchanov, 2014, 2015), (Patarchanova, 2014), (Marinov, 2019), (Borisov, Marinov, 2013).

Astronomically, the continent of Europe is located entirely in the Northern Hemisphere, between 35° and 71° north latitudes, with most of it in the temperate zone. In relation to the Greenwich meridian, the continent is located in the two hemispheres - East and West, most of which is in the East. Towards the equator it is located entirely in the Northern Hemisphere. The area of the continent is 10 180 000 km² and the village of Purnushkes 54°54’ north latitude is considered to be the geographical center of Europe. and 25°17’ east latitudes, located 25,5 km, north of Vilnius in Lithuania. Considering only the continental endpoints in the north-south direction, the distance is 4 900 km, and between the island endpoints is 5 200 km, compared to the east-west directions, the endpoints is 6 800 km.

There are 50 independent states in Europe, 7 unrecognized or partially recognized, 5 federal (Austria, Germany, Russia, Belgium and Bosnia and Herzegovina), 1 confederation (Switzerland), 38 republics and 12 monarchies (Andorra, England, Belgium, Denmark, Spain, Liechtenstein, Luxembourg, Monaco, Norway, the Netherlands, Sweden and the Vatican as a theocratic state). Kosovo is the last partially recognized territory by European countries. On February 17, 2008, it declared its independence as still an autonomous part of the territory of Serbia. Since 1999, Serbian governments and authorities have had no administrative, political, military or police presence in Kosovo. In the 21st century, it is possible to form new states on the territory of Europe on the principle of separation, referendum or declaration of independence. Clearly, the spirit of human freedom has immeasurable limits to the pursuit of independence.

Autonomous territory in Greek (autonomos from αὐτο-auto- "self" + νόμος nomos, "law" - independent). This area in which the rights of citizens and administrative services may vary depending on the central government (parent state), what policy it applies in such situations, explicitly enshrined in the Constitution of the country and the autonomous country. On the Old Continent, a part of this type of country are the so-called "dwarf countries" within the larger country. Vatican, a theocratic state within Italy, as well as the Order of Malta. Monaco, a kingdom in an absolute Republic. Mount Athos monastery on the border of the Hellenic Republic. The Autonomous Communities in Spain are 17 in number with different administrative status, size and economic status. The Autonomous Territory is part of the mother country, regardless of its rights and freedoms. It is always dependent and treated as a space that has no "first word".

Results

Catalonia or Catalonia in Catalan: Catalunya is an autonomous region within the Kingdom of Spain, the territory coinciding for the most part with the county of Barcelona. The area of Catalonia is 32 114 km² with a population of 7 448 332 people in 2016, the official languages are three - Castilian Spanish, Catalan and Aranian. Catalonia has always been an independent territory of the Iberian Peninsula in the modern history of the Kingdom of Spain. Over the centuries, Catalans have always upheld their freedom and principles of independence, regardless of the ruling regime of the peninsula. In 1150, a wedding took place between Petronilla of Aragon, Queen of Aragon, and Ramon Berenger IV, Count of Barcelona. They created a dynasty whose heirs to inherit all the territories associated with Aragon and Catalonia. This hegemony lasted until the reign of King Philip V. The War of the Spanish Succession (1701-1714) led to the fall of Valencia in 1707, Catalonia in 1714 and the islands in 1715. As a result, the modern Kingdom of Spain was formed. In the following centuries, many monarchs tried to break the Catalan spirit of freedom, but no one succeeded. Generalissimo Francisco Franco (1892-1975) for a short period of time dealt with the resistance of the ethnos. In 1931, the local population rebuilt Palau de la Generalitat (the national government of Catalonia). In 1977, Catalonia adopted the Spanish Constitution of 1978. According to which the district receives political and cultural autonomy, like the other territories. On October 1, 2017, the government of Catalonia held a referendum. The question asked in the referendum is: Do you want Catalonia to become an independent state in the form of a republic? Over 91,96% answered "Yes" and approximately 177 000 answered "No". Following the referendum, the Parliament proclaimed the Republic of Catalonia on 27.10.2017. Immediate action (mostly by force) on the part of the Spanish

government followed. The referendum was declared invalid by the Crown, the Catalan government and in particular Carles Puigdemon (emigrated to Belgium) were accused of betraying the 1978 Spanish constitution, recognized by Catalonia.

The reasons why the district wants full independence are probably many, largely socio-economic. Historically, they have the right to seek full political, economic and cultural independence in their field. I will not make an economic analysis of Catalonia, but it is the region with the highest GDP per capita of all 17 autonomous territories. At this stage, there is a lull on both sides of the barricade, Catalonia and the Kingdom of Spain, but soon the fight will resume. The spirit of Catalonia will rise again, and probably this time, fate may be on their side.

The Basque Country, or the Basque Autonomous Community (Spanish: País Vasco, Basque: Euskal Autonomia Erkidegoa) and Euskadi (Basque: Euskadi), has been an autonomous region in the Kingdom of Spain since 1979. The terms Euskadi and Basque Country (according to the Statute for Autonomy of the Basque Country - Euskadi and Euskal Herria, in Basque) are the official names of the Basque Autonomous Community. Geographically, the region is divided into two parts, the first includes the southern part (Basque: Hegoalde), the provinces in Spain south of the Pyrenees - Araba, Guipúzcoa, Navarre and Biscay. The second covers the northern part (Basque Iparralde) of the provinces in France north of the Pyrenees - Lower Navarre, Labour and Suberoa. The southern province of Spain, the Basque Autonomous Community has a partial autonomy with a population as of 2011, 2 185 393 people. Despite the independence gained within the country, the conflict between ETA and the Spanish government has not yet subsided. Here, too, the reasons for independence lie in the depths of historical events that took place in the distant past.

The formation of a new state uniting the Basques from Spain and France is very likely to happen, the political and cultural ties between the people of this ethnic group are very strong, their fighting aspirations are unlikely to fade, despite the fact that they have achieved autonomy guaranteeing their political and cultural values.

Northern Ireland (Irish: Tuaisceart Éireann) is part of the United Kingdom. This is the only land border in Britain. The capital Belfast, is the largest city in population is 267 500 inhabitants, as of 2016 (with an agglomeration of over 500 000 people) with an area of 14 300 km². For decades, there has been controversy in this part of the United Kingdom and independence struggles. The reasons for this long antagonism arise in the early twentieth century. The introduction of partial autonomy and the granting of certain free political and economic action to Ireland by the United Kingdom in 1912 led to the division of the population into Ulster volunteers and nationalists - Irish volunteers. The first armed conflict between Ireland and Great Britain began on April 24, 2016, and the so-called “Easter Uprising” was suppressed by the British authorities. The purpose of the revolt was to secede from the country and declare an independent state of Ireland. This action by the Crown caused popular discontent, and in 1918 “Sinn Fein” won the election and began the War of Independence, waged by the Irish Republican Army (IRA). There was an expansion of violence, guerrilla and civil war, politicians, government officials, police and the military were attacked, and violence spread throughout the island. The Crown was unable to cope with the anarchy and an agreement was reached, the Anglo-Irish Treaty of 1921. Who gave the island independence, as Northern Ireland retains the opportunity to voluntarily leave the new state formation? Northern Ireland remains within the borders of Great Britain, as the fourth physical-geographical area.

The main reason is the greater number of Protestants living in the area, unlike Catholics, who are in favor of unification with Ireland. According to religious beliefs, the population of Northern Ireland is divided into 53,1% Protestants, 43,8% Catholics, 0,4% non-Christians and 2,7% non-religious. In 1937, a new constitution was passed announcing the creation of Ireland, called the Eire by the Irish. In 1949, complete independence and separation from the Crown was achieved. There is also internal controversy within the IRA over the division of Ireland into two parts (northern and southern), but the struggle for independence continues. In 1969, riots and repression began, and anarchy prevailed, forcing the British security forces to terminate the powers of parliament and seize power through direct rule, which lasted until 1999. During this period, Belfast became a battlefield of rival groups supporting both sides of the conflict. In August 1994, the IRA declared a "complete cessation of hostilities," an end to the war. The Crown agreed to begin negotiations to return power to a legitimate Irish government. Elections for the first Northern Ireland Assembly were held on 25 June 1998. For the first time, powers were given to the Assembly and the Executive Body on 2.12.1999. Negotiations continue and this gives the opportunity to accept full power from the Executive Bodies on 8.05.2007.

Probably on a "book" the conflict is over, but the spirit of unification and independence for the homeland of Ireland is hardly over. The domino effect is quite possible scenarios, the difference in the ratio between Protestants and Catholics is not large. In the next "shaking" of the classical state formations (the monarchy), the probability of unification of the two parts of the island is very likely to occur.

Scotland - Scotland in Celtic Alba, located in the northern parts of the British Isles. The area is 78 772 km², with a population of approximately 5 535 000 inhabitants as of 2011, or an average of 65 inhabitants/km². The Kingdom of Scotland lasted from 843 to 1707 or 864, the Scots having their independence. In 1707, the Act of Unification was adopted, resulting in the formation of the Kingdom with Great Britain. In 1715, two major Jacobite uprisings arose in Northern Scotland, claiming the throne, preserving Scottish tradition and culture, but the Hanoverian dynasty resisted. Their popularity is among the mountainous and northeastern areas of the country, where there are still clans. The first attempts to restore Scottish independence in the twentieth century date back to 1930, when the Scottish National Party (SNP) was formed. Initially, the demands were for greater autonomy within Britain under the 1707 treaty. The Scottish Parliament elections were held in 1999, and the establishment was established by the Scottish Act in 1998. In 2007, the SNP won the parliamentary elections and its leader announced that there would be a referendum on Scottish independence in 2010, but there was not enough support in the local parliament.

In the 2011 elections, the SNP won by an absolute majority of over 60% and kept its promise to its voters by scheduling an independence referendum. It took place on 18 September 2014, with 44,7% of those voting in favor and 55,33% against voting for the secession of Scotland from the United Kingdom. Whether the citizens' vote was exactly like that is probably known by few, but they are unlikely to announce the actual result. In a next referendum, there will probably be a new country in Europe, Scotland, but it depends on the population whether it still preserves the ancient spirit of freedom and independence of Sir William Wallace.

Kingdom of Belgium - Federal State and Democratic Constitutional Parliamentary Monarchy, in Dutch: België; French: Belgique; German: Belgien. The country is located in northwestern Europe, bordering the Netherlands, France, Germany and Luxembourg. The area is 30 528 km² with a population

of 11 358 357 inhabitants for 2018, the capital Brussels. The country is home to some of the EU's most important institutions, as well as NATO's headquarters for Europe. The small Belgium is located between two large countries on the continent, which has always dictated the politics, economy and cultural traditions of Europe - Germany and France. We must also mention the Netherlands as the "hidden locomotive" of the continent. The three countries have a huge influence on the country, through languages, culture, way of life, religion, economy and politics. And here, between the various influences, a conflict arises between the two large communities in Belgium, the Flemings and the Walloons. Flanders in Dutch: Vlaanderen, located in the northern part of the country, bordering the Netherlands, where the Dutch language is predominantly spoken and a similar type of culture is followed. Wallonia in French Wallonie is the second region in the south of Belgium where French is spoken. The third region of the country is the capital Brussels, and the Flemish Community and the Flemish Region are connected and have a common government. Belgium is among the European countries with the most established liberal democracy, and the country is governed democratically without interruption from its independence. The country's constitution is an example to follow and democratic precision. Catholicism is leading in the country, with more than 75% Christians, 5% Muslims and 22% non-religious. The main languages are three: Dutch, French and German. Dutch speakers are about 6,23 million people, concentrated in the northern region, while French speakers are 3,32 million people in the south and 870 thousand people speak German. The country is divided into two communities in the north mainly spoken, written in Dutch, and in the south in the same way in French. French is spoken in the capital, Brussels, but Dutch is the main language in the suburbs and smaller towns. Neither community wants to back down and recognize the other as the leader. Language and ethnic differences are the main issues that divide Belgian society. In 1830, in Great Britain, the French politician Charles Maurice de Talleyrand (1754-1838) proposed a plan to divide Belgium into two parts, according to ethnic and religious principles. Under pressure from Belgian nationalists, the Great Powers were forced to recognize the state and abandon the partition plan. Probably, indirectly, this unadopted strategy has left a mark in the history of Belgium, the conflict between the two large communities was set back then and continues.

At the beginning of the XXI century, differences will continue to manifest themselves in full force in the socio-economic and political life of Belgium. Probably the built high cultural value and tolerance between the population of this country, maintain peace and understanding. In the coming decades, there is a very high probability that, based on ethnic differences, the country will split. In all likelihood, the "divorce" will proceed peacefully. It all depends on the will and desire of the population whether they want to have one flag, one anthem and one king.

…" I take this as an almost absurd thought …", German Chancellor Angela Merkel's spokeswoman Stefan Zeibert told reporters about the growing idea of **Bavaria** seceding as an independent state". Germany is a federal state divided into 16 federal states, with Bavaria (German: Freistaat Bayern) being one of these territories. Area 70 551 km², population over 12 million people, with an average density of 177,5 p/km², the capital of the province is the city of Munich. It is located in southeastern Germany, bordering the states of Baden-Württemberg, Hesse, Thuringia and Saxony. The state border coincides with those of the Czech Republic and Austria. Two large rivers flow through the province - the Danube and the Main. Bavaria was a kingdom in the period 1806-1918. On November 7, 1918, King Ludwig III released the civil servants from their oath of allegiance and abdicated in Austria, Bavaria ceased to be a

monarchy. Bavaria accounts for 20% of Germany's GDP, or approximately 521,9 billion euros, with the richest province demanding a halt to financial aid to the capital and lagging economic regions. This is the most developed economic region not only in Germany but also in Europe. Unemployment in the countryside does not exceed 3,8%, averaging 7,1% for Germany. Almost a third of the citizens want to secede from Germany and create a new state of Bavaria. This shows a commissioned poll conducted by the high-circulation Bild newspaper. The data show that 32 percent of respondents have declared support for an independent state. In none of the other federal states is there such an intensified campaign for secession from Germany.

- Why does the population of the richest province want secession?

Probably the only correct answer to this question can be given by the people of Bavaria. But whatever it is, time and events will point the way for Bavaria's political and socio-economic development. It is very likely that they will follow the model of Catalonia or Ireland. The idea of independence has already been sown, there is no way to eradicate it, it is only a matter of time before it happens and how it will happen.

Königsberg, in Prussian - Kunnegsgarbs, in Polish Królewie or since 1945, Kaliningrad is part of the westernmost part of the Russian Federation. This territory is a small exclave with an area of 13 614 km² (Kaliningrad region) with a population as of January 1, 2017 of 994 708 people. The city was founded on the right bank of the Pregel River on the site of the Prussian settlement of Tvangste on September 1, 1255 as a castle for the Grand Master of the Teutonic Order, Popo von Ostern. In 1260, during the Great Prussian Uprising, the castle was surrounded by several Prussian tribes who made repeated attempts to capture it. The fortress remained intact even after the siege of the tribes. In the following decades, many repeated attempts were made to capture the castle by the Prussian tribes, but the attempts remained unsuccessful. In the following years, German colonists began to arrive in the conquered lands, gradually mingling with the local Prussian population, who later forgot their language and culture and almost completely assimilated. In the 16th century, Prussians still made up about 20% of Koenigsberg's population. At the end of WWII, the city was annexed by Soviet troops, and the Allies at the Potsdam Conference in July-August 1945 agreed to keep the territory under Soviet influence until a final solution was reached in peacetime. At the conference, the Allies agreed in principle to the proposal of the Soviet government, the transfer of the city and adjacent areas to the Soviet side, and the renaming of the city from Koenigsberg to Kaliningrad. On June 4, 1946, the Soviet authorities carried out the act, forcing the surviving German population to leave the city, settling it with Soviet citizens. Of the 400 000 German citizens, only 20 000 remain in the city, the rest are deported to Germany. The territory was rebuilt by the war, Kaliningrad became a strategic center during the Cold War. The city was a closed territory for this reason, until the beginning of the changes in the 90s of the XX century. The ethnic composition is diverse - Russians are 82%, Belarusians 5,30%, Ukrainians 5%, Germans, Tatars, Poles, Armenians and other ethnic groups make up the remaining 7,7%.

Since the treaty concluded in 1945, the status of the area has not yet been clarified. The Königsberg agreement itself was concluded in case of force majeure, as a result of hostilities. The territory was occupied by Soviet troops, and Germany declared capitulation. The rest of the German population in Königsberg had no chance of fighting the Soviet occupation forces. Nowadays, the revision of the treaties from the Potsdam conference and the consultation of the citizens, through a Referendum on the status

of the territory, is very likely to separate the territory from the Russian Federation. The occupied territories have never been part of the real state, they always remain conflict zones and their retention is a matter of geopolitics, a typical example is the above-mentioned area.

Conclusion

Freedom for independence is a fundamental right of every ethnic group and individual on the planet Earth. Each of the above territories has its arguments - geographically and historically, to claim and fight for their independence. From the examples given in the development, each territory has its arguments. In the last decades of the twentieth century and the first of the twenty-first century, the socio-economic face of these autonomies has emerged, with many of them having natural resources and anthropogenic potential exceeding that of the "mother state". Hence the existential question of the people living in these autonomies:

- Why not create our own state, independent and free?

The question asked, in the coming years, will develop in one direction or another. This is how man is arranged by the Creator, seeking himself throughout the path of his development, passing on the will for an independent and free spirit to each succeeding generation. The peoples and ethnic groups of the Old Continent - Europe, have proven it over the millennia of their development, passing through the thorny path of liberation struggles, revolutions and wars.

References

Borisov, P., P. Marinov (2013). Evaluation of competitive advantages of the wine cluster. Scientific works of the Agricultural University - Plovdiv, Volume LVII, pp. 151-158.

Colin McEvedy and Richard Jones, (1978), Atlas of World Population History, Facts on File, New York, ISBN 0-7139-1031-3.

Doikov, V., and Dermendzhiev, A., Europe-Economic Geography, ed. Kovagev, 2008, ISBN: 978-954-8775-76-2.

Marinov, P. (2019), Changing Europe, Plovdiv, ed., Fast Print Books, ISBN 978-619-236-104-4

Patarchanov, Pl. end Em. Patarchanova, (2014) Contemporary Theoretical and Methodological Aspects of the Studies and Development Models of Peripheral Areas. The 6-th Edition of the International Conference "Rural Space and Local Development", "Peripheral Rural Areas between Certain Existence and Uncertain Development", July 23-27, Cluj-Napoca, Romania, 2014, pp. 95-100.

Patarchanov, Pl., (2015), Problems of local development of small municipalities and settlements, GSU, book 2 - Geography, T. 108, Sofia, pp. 275-286.

Petrov, K., (2010), Urbanistika i gradsko planirane, ed., Avangard Prima.

Slaveykov, P., and Yankov, R., Geography of the population and settlements in the world, ed. Faber, Veliko Tarnovo, 1997.

PERSPECTIVES FOR DEVELOPMENT OF THE BULGARIAN VEGETABLE PRODUCTION

Tihomira Radeva[1]

[1]E-mail: tiha789@abv.bg, Agricultural University of Plovdiv, bul. "Mendeleev" 12, 4000 Trakiya, Plovdiv, Bulgaria

Abstract

Farm management is a complex activity. Managers have the task of performing many activities that are diverse in nature. These activities are related to management decisions.

Management decisions are aimed at the development of agricultural holdings in the long run. The prospects for development are determined as follows: the potential for development of vegetable production in Bulgaria is related to the difficult access to the market and the limited production resources; when adding value in vegetable production the main means are agrotechnics and agrotechnical measures; the application of value-added principles creates expectations among vegetable growers to get a better price for their products; to add value to their products, vegetable producers need administrative support and stimulation of joint marketing activities; vegetable growers expect state support for market provision, financial support and administrative support.

Key words: management, decisions, development, business conditions

Abstrakt

Die Betriebsführung ist eine komplexe Tätigkeit. Die Betriebsleiter haben die Aufgabe, viele Tätigkeiten auszuführen, die von unterschiedlicher Natur sind. Diese Tätigkeiten sind mit Managemententscheidungen verbunden.

Managemententscheidungen zielen auf die langfristige Entwicklung landwirtschaftlicher Betriebe ab. Die Entwicklungsperspektiven werden wie folgt bestimmt: Das Entwicklungspotential der Gemüseproduktion in Bulgarien hängt mit dem schwierigen Marktzugang und den begrenzten Produktionsressourcen zusammen; bei der Wertschöpfung in der Gemüseproduktion sind die wichtigsten Mittel die Agrotechnik und agrotechnische Maßnahmen; die Anwendung von Wertschöpfungsprinzipien weckt bei den Gemüsebauern die Erwartung, einen besseren Preis für ihre Produkte zu erzielen; um den Wert ihrer Produkte zu steigern, benötigen die Gemüseproduzenten administrative Unterstützung und die Förderung gemeinsamer Marketingaktivitäten; die Gemüsebauern erwarten staatliche Unterstützung bei der Marktversorgung, finanzielle Unterstützung und administrative Unterstützung.

Schlüsselwörter: management, entscheidungen, entwicklung, geschäftsbedingungen

Résumé

La gestion des exploitations agricoles est une activité complexe. Les gestionnaires ont la tâche d'effectuer de nombreuses activités de nature diverse. Ces activités sont liées aux décisions de gestion.

Les décisions de gestion visent le développement des exploitations agricoles à long terme. Les perspectives de développement sont déterminées comme suit : le potentiel de développement de la production de légumes en Bulgarie est lié à l'accès difficile au marché et aux ressources de production limitées ; lorsqu'il s'agit d'ajouter de la valeur à la production de légumes, les principaux moyens sont les mesures agrotechniques et agrotechniques ; l'application des principes de valeur ajoutée crée des attentes chez les producteurs de légumes qui souhaitent obtenir un meilleur prix pour leurs produits ; pour ajouter de la valeur à leurs produits, les producteurs de légumes ont besoin d'un soutien administratif et d'une stimulation des activités de commercialisation communes ; les producteurs de légumes attendent une aide de l'État pour l'approvisionnement du marché, un soutien financier et un soutien administratif.

Mots clés : gestion, décisions, développement, conditions commerciale

ntroduction

Today, vegetable producers in Bulgaria face many problems (Anastasova-Chopeva, 2020), the solution of which requires the use of the most modern economic principles and management tools. The need to apply the principles of strategic thinking and market-oriented management approach is determined by the specifics of the sector requires many resources that are difficult to provide in modern socio-economic conditions.

The modern business environment is characterized by a high degree of uncertainty, turbulence. According to Boevsky (2020), in order for vegetable producers to cope in such a dynamic environment, higher requirements are placed on the management of production and sales of finished products, as - the organization is considered as an "open" system, where the main Factors for its success are not sought inside, but outside the organization, and its success is related to how well it adapts to the business environment. ”

Nowadays the vegetable market in Bulgaria is distinguished by some very important characteristics (Stoeva, Valcheva**,,** 2016):

- Competition is intensifying - supply not only exceeds demand, but also increases the number of producers and importers.

- Heterogeneous needs - the increased standard of living causes a demand for products with high nutritional qualities.

- The role of the state and the European community in regulating this market is growing. The problems that exist on the market and the importance of the sector for Bulgaria stimulate public institutions to seek funds and approaches for storage and development of vegetable production in our country.

The purpose of this article is to determine the prospects for the development of agricultural holdings consuming vegetables.

This publication is supported by the National Scientific Program "Healthy Foods for a Strong Bioeconomy and Quality of Life" of the Ministry of Education and Science, approved by the RMC № 577 / 17.08.2018.

Farm management is a complex activity. Managers have the task of performing many activities that are diverse in nature. These activities may involve the following decisions:

- Technical - planning of the production process, provision of machinery and equipment, maintenance of assets, storage of products;
- Commercial - purchase of raw materials, sale of finished products;
- Psychological - motivating employees, contacts with business partners;
- Financial - cash flow management, sources of funding;
- Administrative - implementation of administrative regulations and requirements, contacts with administrative structures.

This variety of activities requires managers to have a solid training of knowledge and skills to apply in a dynamic market, which is characteristic of the current stage of socio-economic development. Decision-making by managers in agricultural holdings is also influenced by the specifics of the sector. The agribusiness has some important characteristics, such as:

- Business units of different sizes - Bulgarian agriculture has a dual structure. In the sector, there are both very large business units that can realize economies of scale and on this basis to form competitive advantages, and small farms that have limited resources and find it difficult to withstand competitive pressure.
- Family nature of the business - the majority of agricultural holdings are family-run and rely mainly on household resources. Attracting external resources is often limited and hinders business expansion.
- Agribusiness has a conservative character - this arises from the family nature of the business - family traditions, experience and interpersonal relationships determine the decisions related to the production process. On the other hand, the specific natural and climatic conditions of each territory determine its suitability for growing certain crops and industries.
- A large number of producers - agricultural business can be started relatively easily, which explains the large number of production structures. This, in turn, determines the impossibility of influencing the market and creating monopoly structures.
- Seasonal nature of production - the production cycle depends on biological processes, which create periods of intensive work. They require the attraction of additional resources and complicate the entire management process (especially in crop production).

- Long chain of sales - the farmer and the end user are remote and more intermediaries are needed to move the product from its place of production to its place of consumption. This remoteness does not only have a territorial dimension, but can also be interpreted as marketing. It is understood that consumers are looking for products with high added value, the achievement of which requires activities such as sorting, packaging, processing.
- Strong state intervention - the importance of the sector ranks agricultural policy among the main policies at national and inter-community level. On the one hand, the requirements for the sector are increasing in order to protect natural resources and ensure the health of consumers. On the other hand, the sector relies on significant financial support (The total indicative budget for all admissions for 2019 is € 125,683,798)

All these features of the agrarian business put farmers in front of additional challenges that they have to deal with in the process of managing their activities. According to Dirimanova, Radev (2017) the peculiarities of the agrarian business have the following connection with the managerial activity (see Table 1).

Table 1. Relationships between characteristics of the agricultural holding and the peculiarities of the agricultural sector. Source: Dirimanova, Radev

	Features of agricultural business						
	Different sized business units / Various scale of business units	Family nature of business / Family nature of the business	Agribusiness has a conservative nature / Agribusiness is a conservative nature	Large number of manufacturers / Many producers	Seasonal nature of production / Seasonal nature of production	Long chain in the realization of the production / Long supply chain	Strong state intervention / Strong state intervention
Goals	strong dependence	strong dependence	strong dependence	average dependence / average relation	average dependence / average relation	average dependence / average relation	no relation
Resources	strong dependence	average dependence / average relation	average dependence / average relation	strong dependence	strong dependence	strong dependence	strong dependence
Strategy	strong dependence	average dependence / average relation	average dependence / average relation	strong dependence	strong dependence	strong dependence	average dependence / average relation
Production	no relation	strong dependence	strong dependence	average dependence	strong dependence	no relation	strong dependence

Planning	strong dependence	strong dependence	no relation	strong dependence	strong dependence	average dependence / average relation	average dependence / average relation
Motivation	average dependence	strong dependence	average dependence / average relation	no relation	no relation	no relation	average dependence / average relation
Style of management	strong dependence	average dependence	no relation	no relation	no relation	no relation	no relation
Structure	average dependence	average dependence	no relation	no relation	strong dependence	strong dependence	no relation
Control	strong dependence	strong dependence	no relation	no relation	average dependence / average relation	average dependence / average relation	no relation
Life cycle	no relation	strong dependence	no relation	no relation	no relation	no relation	no relation

The successful operation of the business is possible by applying different approaches in the management of agricultural holdings and taking into account the understanding that management is not a passive response to reality, but is an active intervention in the process to achieve certain goals (Nikolov, Boevsky, Borisov , Radev, 2020). This intervention is carried out through management decisions that have a strong impact on the organizational behavior of the business organization. On the other hand, the decisions themselves can be subject to influence and their decision-making is a result of the specifics of the organization.

Agricultural holdings are created to achieve certain goals, for the achievement of which it is necessary to perform certain functions and specific activities (Nikolov, Radev, Borisov, 2014). Providing them requires building a structure that has the appropriate potential and develops it over time. An important feature of the structure is its autonomy. Agricultural holdings are the most diverse in type and have a high degree of autonomy, ie. they set their own goals (Yovchevska, 2015). Their organizational nature determines the boundaries of the management process, which is defined as the formation of certain behavior in relation to the market environment.

The analysis is based on a survey of 92 vegetable growers operating in the South Central region of the Republic of Bulgaria. The respondents are owners of agricultural holdings. The questionnaire contains 47 questions grouped in 3 sections - general characteristics of the agricultural holding, prospects for development of the agricultural holding and marketing activity of the agricultural holding.

The analysis of the results of the survey is performed in two main directions - the distribution of the answers received for each question and the relationship between the company's strategic marketing activities and the indicators characterizing the individual farms.

The analysis conducted on the distribution of the received answers aims to present the state, problems and prospects for development of the sector as a whole, revealing the general, typical between the agricultural holdings.

Results

General characteristics of the studied objects. The general characteristics of the surveyed holdings are presented through 8 criteria, which aim to describe the profile of the agricultural holdings producing vegetables. The first criterion is the area on which vegetables are grown. The agricultural holdings that grow vegetables on an area of up to 5 decares are 54 in number, and the farms that grow vegetables on larger areas are 38 in number. An area of vegetables of 5 decares is accepted as a border that divides vegetable producers into two groups - small and large. The results show a priority share of small farms, which is typical for this type of intensive production. According to their production specialization, all farms grow fruit vegetables (tomatoes, cucumbers, peppers) and tubers and onions (carrots, radishes, onions). The agricultural activity of the farms is highly specialized and is in accordance with the appropriate soil and climatic conditions in the regions in which they are located. The personal characteristics of vegetable growers are represented by their age and education. The largest share belongs to persons up to 40 years of age (slightly over 50%), followed by those aged between 41 and 60 years (1/3 of the respondents), and the lowest are over 60 years of age (17%). Thus, we consider that the sample includes persons who can be expected to continue their production activities in the future. The education of the surveyed farmers shows a main part with secondary education (see Fig. 1), as the total share of persons with agricultural education is low (27%). The personal characteristics of vegetable growers are represented by their age and education. The largest share belongs to persons up to 40 years of age (slightly over 50%), followed by those aged between 41 and 60 years (1/3 of the respondents), and the lowest are over 60 years of age (17%). Thus, we consider that the sample includes persons who can be expected to continue their production activities in the future. The education of the surveyed farmers shows a main part with secondary education (see Fig. 1), as the total share of persons with agricultural education is low (27%). The personal characteristics of vegetable growers are represented by their age and education. The largest share belongs to persons up to 40 years of age (slightly over 50%), followed by those aged between 41 and 60 years (1/3 of the respondents), and the lowest are over 60 years of age (17%). Thus, we consider that the sample includes persons who can be expected to continue their production activities in the future. The education of the surveyed farmers shows a main part with secondary education (see Fig. 1), as the total share of persons with agricultural education is low (27%). from whom an interest can be expected to continue their production activity in the future. The education of the surveyed farmers shows a main part with secondary education (see Fig. 1), as the total share of persons with agricultural education is low (27%). who can be expected to continue their production activities in the future. The education of

the surveyed farmers shows a main part with secondary education (see Fig. 1), as the total share of persons with agricultural education is low (27%).

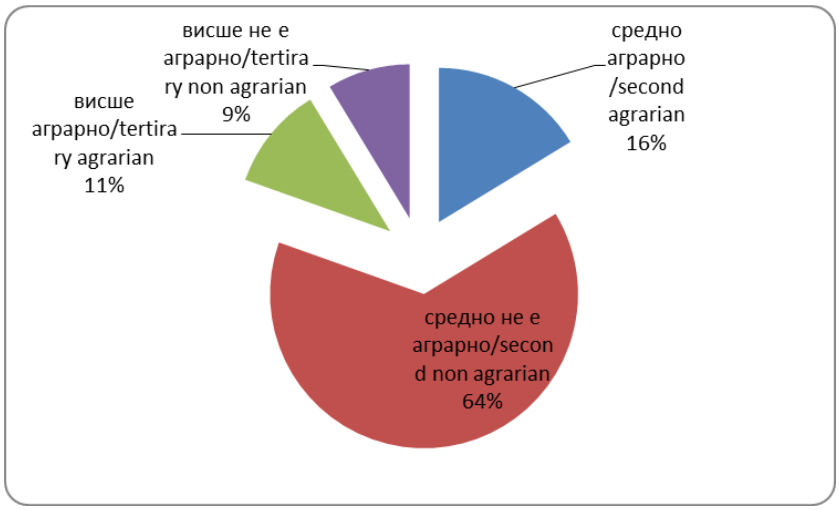


Figure 1. Distribution of the respondents by degree and field of education. Source: own survey

The commitment of farmers to their activities is related to the share of income generated by agriculture. People whose income is formed entirely from one source definitely have a stronger incentive to develop their business and look for new opportunities. Vegetable growers often rely on other sources of income, which is why respondents are divided approximately equally into two groups. For 51% the vegetable production is not the main source of income, and for the remaining 49% they form the income mainly from this production. The study also included 16 people (17%) for whom this agricultural production is the only source of income (Fig. 2). We consider that this sample structure represents the producers in a suitable way for the needs of the present study.

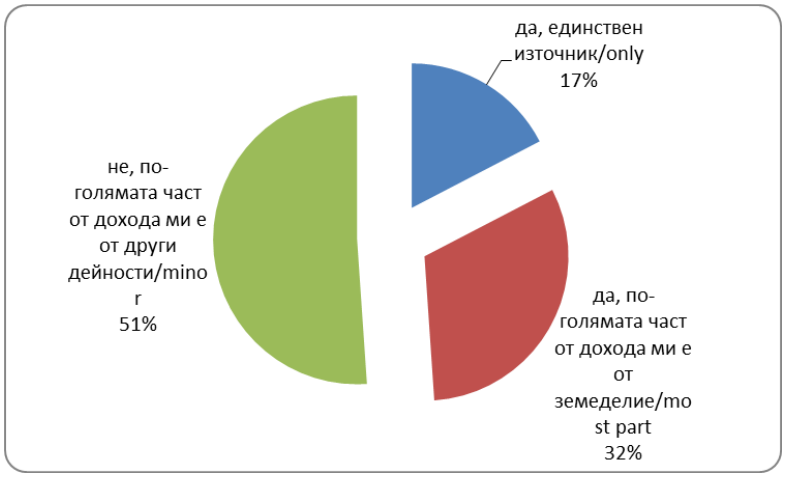


Figure 2. Distribution of farmers by income from vegetable production. Source: own survey

The agricultural business is carried out in an extremely dynamic and unpredictable environment, which requires its support. Farmers themselves are also looking for opportunities for interaction and mutual assistance to facilitate the management of their business and its functioning. Associating in professional associations is a way to make this happen in practice. Among the 92 vegetable growers surveyed, only 22 are members of a professional association.

Supporting the agricultural sector through the measures of the Rural Development Program provides an opportunity to implement a variety of business ideas. In the Program, vegetable production is defined as a priority production, but the specifics of agricultural farms often do not allow them to apply for financial support. The surveyed farmers who participated under the measures of the RDP are in a ratio of 2: 1 compared to those who have not participated so far.

Business experience is an important feature when discussing its condition and its prospects for development. Three groups were identified in the study sample (see Table 2). The first group is the new farms, those that have been established in the last 5 years. The second group includes farms that have already established themselves in this business, they operate between 6 and 10 years. The third group includes those farms that have more than 11 years of experience in vegetable production. The structure of the sample according to the years of operation of the agricultural holding is balanced, with the predominance of the holdings with more experience in vegetable production. This gives us reason to expect a good knowledge of the specifics of the business and the attitude to continue the business.

Table 2. Number of agricultural holdings surveyed by year of experience. Source: own survey

1-5 years of experience	6-10 years of experience	more than 11 years of experience
22 farms	38 farms	32 farms

The attitude to continue vegetable production is an important part of the vision for the development of agricultural business. Among the respondents, 65 farmers expressed a desire to engage in vegetable production in the future. However, the share of those who feel discouraged to continue their activities is not small - 29%. This distribution of respondents implies that the results of the analysis be relevant in terms of investment in vegetable production, but also the introduction of new management practices in agricultural holdings.

Prospects for the development of agricultural holdings consuming vegetables. To study the prospects for the development of reindeer production in Bulgaria, the questionnaire provides 13 questions that address the main advantages and limitations in applying the principles of value added. The principles of adding value to business are at the heart of the marketing concept of business management and can find an important place for the development of vegetable production.

Vegetable growers work in a highly dynamic market, and many factors determine its development. The survey took into account the opinion of producers about their strength of influence. For this purpose, 7 factors were evaluated on a scale from 1 to 10 (with 10 means the strongest influence). The estimates are presented in fig. 3. and 4 groups of factors stand out according to the respondents. Three factors - market access, limited resources and climate change - are assessed with a very high degree of influence, which is why we determine that they will be critical for vegetable production in the future. The application of new technologies was highly appreciated. It should address the search for a response to overcoming resource constraints and mitigating the effects of climate change. The third group of factors has a medium degree of influence and farmers indicate the development of new products and the introduction of new varieties. These activities have a marketing character and are important from the point of view of the prospects for development of agricultural holdings. Through them, farms can secure access to the market, ie. to overcome the factor that is rated the highest. The factor that is assessed with the lowest degree of influence is organic farming. Obviously, this way of farming is not recognized by vegetable growers as promising and can not be expected to switch to it. Summarizing the data in the assessment of the potential for development of vegetable production in Bulgaria, it makes an impression that the respondents give more weight to the difficulties faced by their production, and in the lower evaluate the possible means to address the challenges of the environment. This gives us reason to expect that vegetable growers will implement adaptation strategies rather than active marketing strategies.

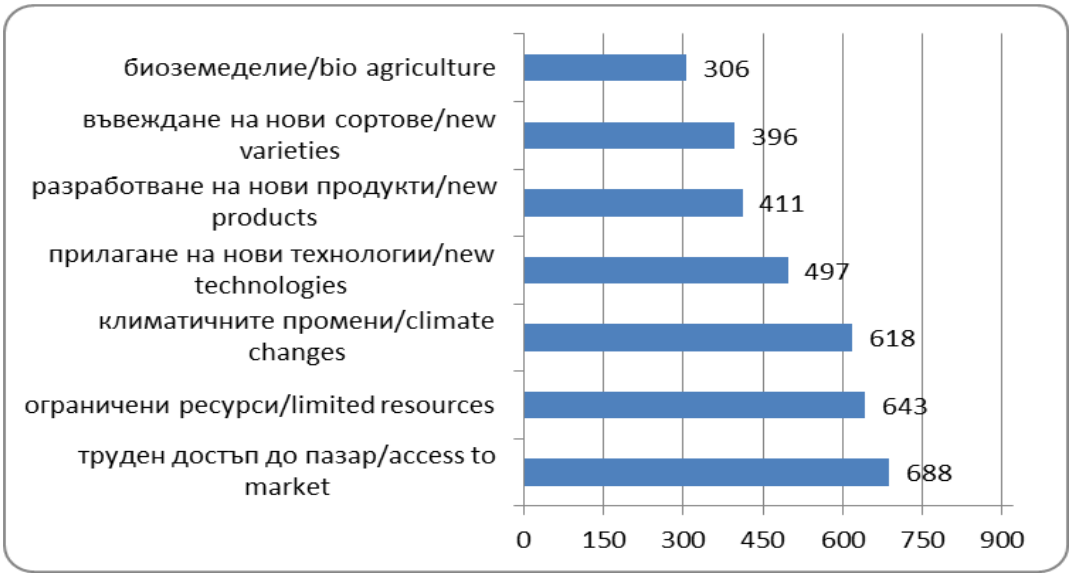


Figure 3. Potential for vegetable development in Bulgaria. Source: own survey, 2019

When asked if they think that adding value is an important concept for the development of vegetable production, respondents are distributed approximately equally in their opinion, with a slight predominance of those who answered positively (52%). This result is indicative of the attitudes of farmers to their activities, as many of them believe that their task is only to produce products without thinking

about how to add value to the customer. This is confirmed by identifying activities through which vegetable growers could add value. Figure 4 shows that priority is given to internal factors (production technology, machinery used, plant protection and fertilization), and those that are directed directly to the customer (transport, work with suppliers and intermediaries,

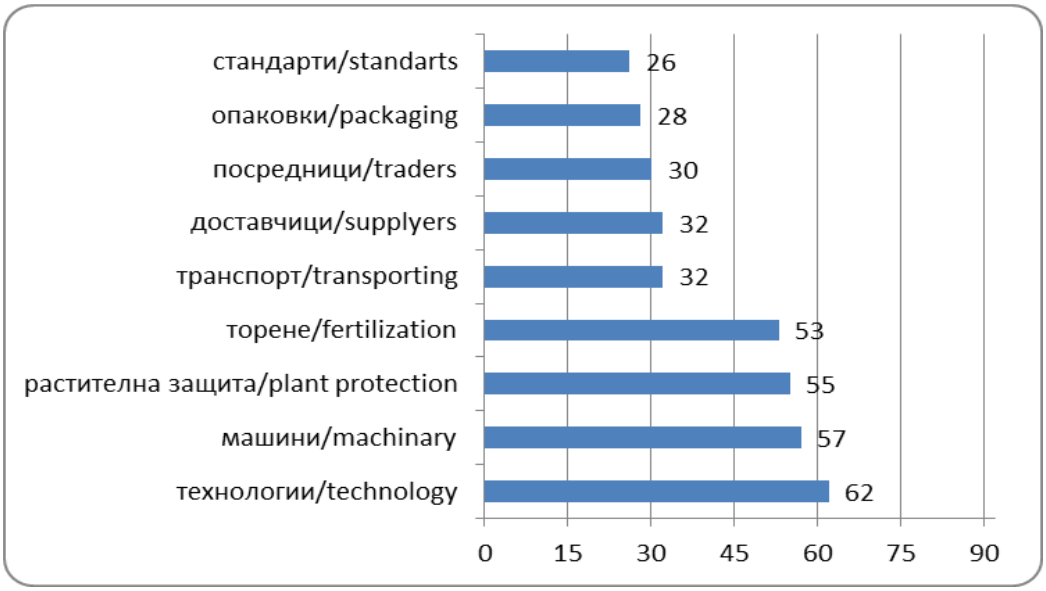


Figure 4. Value adding activities in vegetable production. Source: own survey

The application of the principles of added value can lead to benefits for vegetable growers (Fig. 5). The largest number of 69 people in the survey said they expect to receive a better (higher) price for their products. Improving the market image of the farm and the products produced is a benefit of 37 respondents, and the lowest expectations are for optimizing the use of available resources. Although we share the opinion that the three benefits have a very high degree of interrelation, it is noteworthy that vegetable producers identify the price as a major problem in their business and their expectations are related to achieving better results in this area.

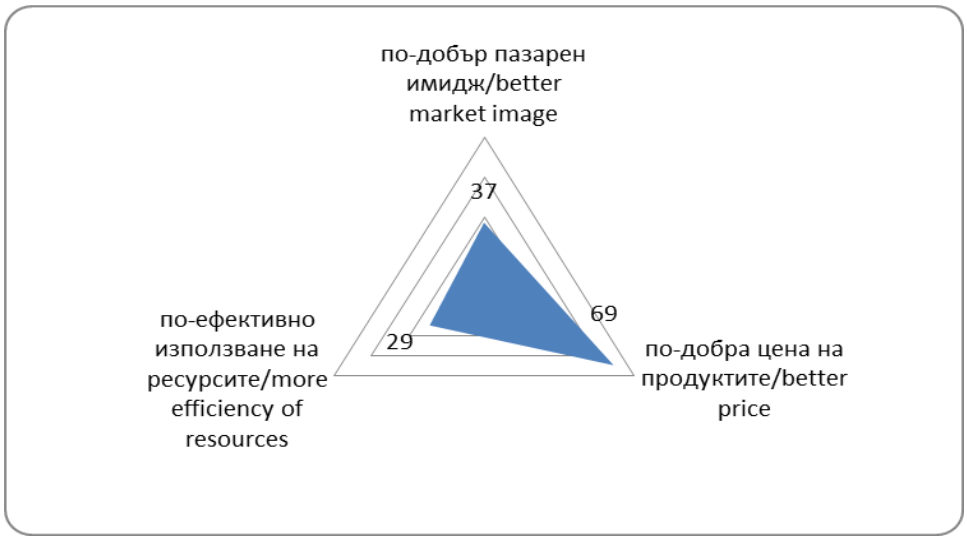


Figure 5. Benefits of applying the principles of value added. Source: own survey, 2019

In order to adequately apply the principles of added value, vegetable growers need support (Fig. 6). 62 producers need administrative support, mostly through the regulations concerning direct sales, in second place is the support for the implementation of joint marketing activities, which was requested by 56 people. Also, the promotion of work with intermediaries and building profitable bilateral relations are an important prerequisite for 48 manufacturers.

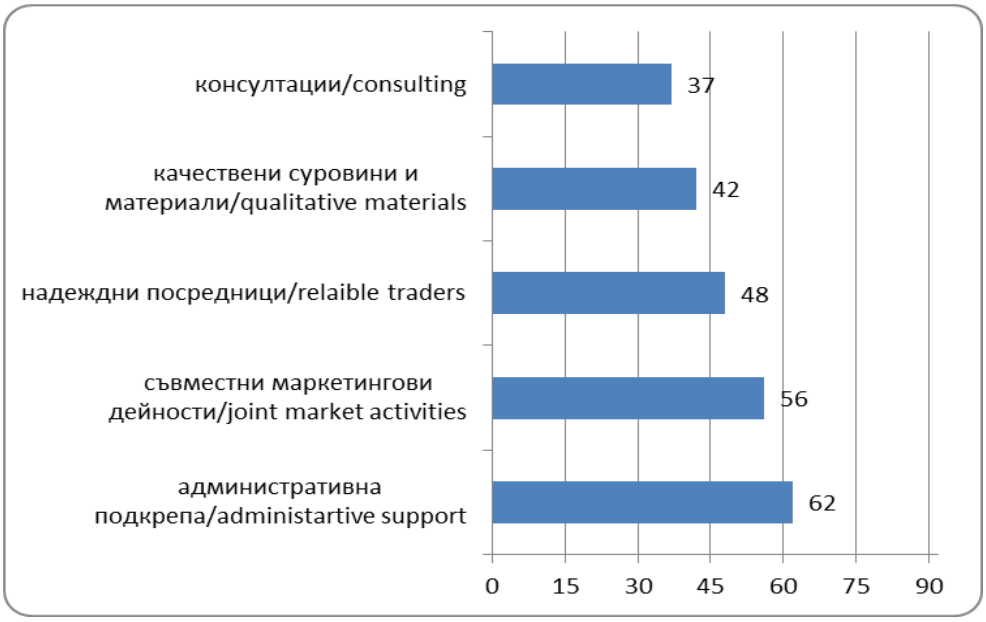


Figure 6. Needs of vegetable growers to add value. Source: own survey, 2019.

The addition of value by vegetable producers to the supply chain is poorly recognized as an important part of economic activity. This is evident from the answers presented in Figure 7. All possible

means of adding value are used by less than half of the surveyed farmers. Which shows that vegetable producers find it difficult to determine their place and contribution to the entire supply chain of vegetables in Bulgaria.

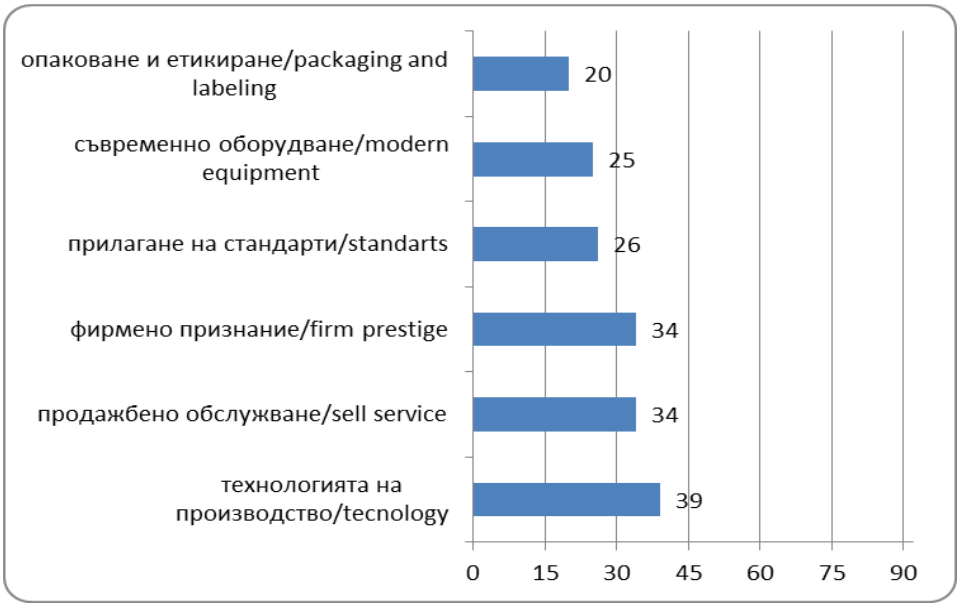


Figure 7. Addition of value in supply chains by vegetable growers. Source: own survey

Obviously, vegetable growers need certain incentives to state their place in the supply chain more clearly by adding value throughout the process. Respondents were asked to rank (prioritize) 5 incentives. In the first place, the financial incentives and the actions of the competitors are most often mentioned (see Table 3). Market signals have also been identified as an important incentive for the introduction of a new technological solution. Intermediaries and administrative regulations have the least impact. This is evident from the summary assessment of each stimulus.

Table 3. Hierarchy of incentives to adopt a new technological solution to add value. Source: own survey, 2019

	1 place / 1 place	2nd place / 2 place	3rd place / 3 place	4th place / 4 place	5th place / 5 place	generalized assessment / total score
financial incentives	29	22	27	14	0	342
competitors competitor /	24	20	26	15	7	315
market signals / market siganls	14	18	28	22	10	280
intermediaries	14	16	9	28	25	242
administrative provisions	11	16	2	31	32	219

In the process of adding value, vegetable growers experience many limitations that make them uncertain about the benefits they could receive (Fig. 8). The lack of resources in the sense of lack of staff with competencies in the field and the great market power of intermediaries are defined as the strongest restrictive conditions for vegetable producers. There are also financial constraints related to possible investments for the implementation of activities necessary for adding value.

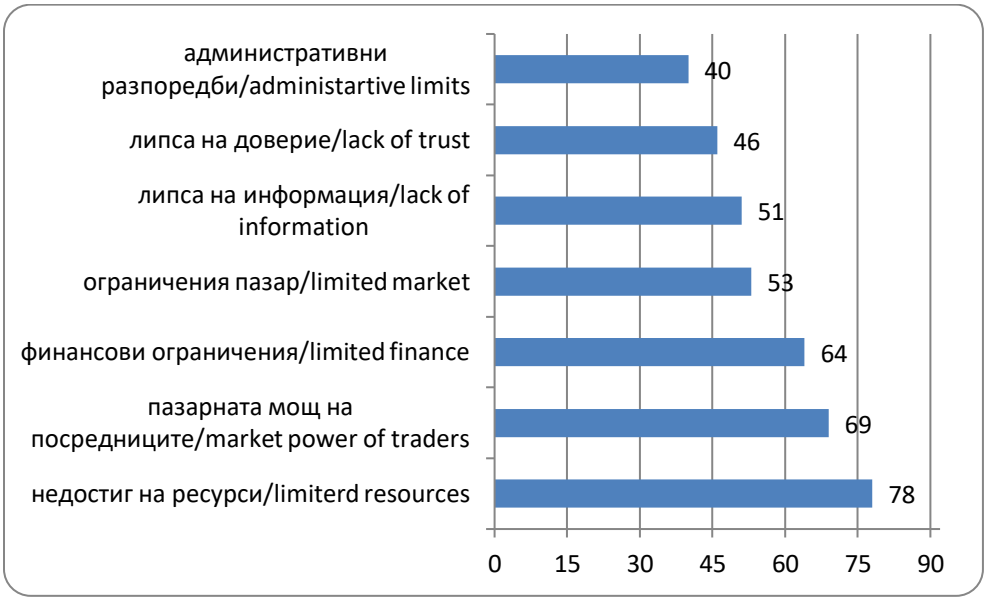


Figure 8. Constraints in the process of adding value. Source: own survey, 2019

Overcoming the identified constraints can be achieved through measured public support. Vegetable growers expect support from public authorities in the first place for access to a secure market, financial support for activities and market regulation through administrative means (Fig. 9).

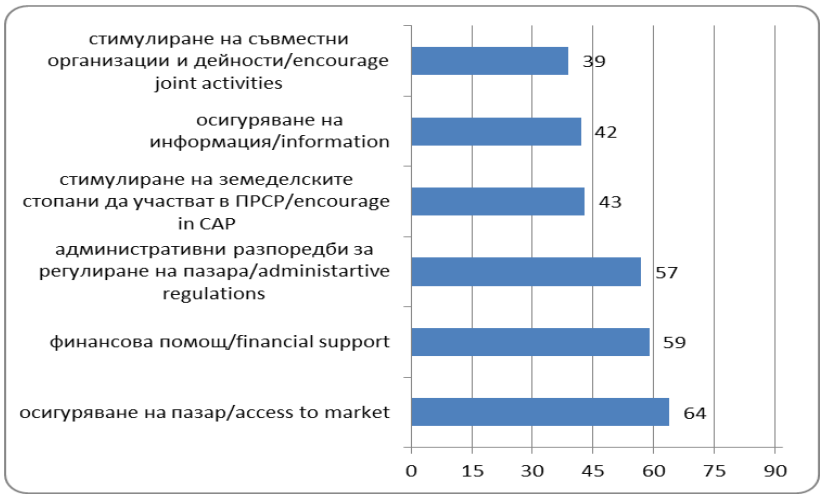


Figure 9. State support measures for vegetable growers. Source: own survey, 2019

In this way, we believe that producers will be able to cope with the main challenges related to the future development of vegetable production in Bulgaria. The practical implementation of such measures requires an analysis of the interests of other economic operators, which requires a systematic approach involving all stakeholders. For example, guaranteeing access to retail chains for local producers is a good example in this regard.

The application of the principles of value added has an impact on the overall economic activity. For the surveyed vegetable producers this expansion of production and supply of new products (Fig. 10). The two impacts are directly related as the introduction of new products leads to an increase in supply which strengthens the market position of the farm. A similar impact could be expected for the entry of new markets, but apparently the current markets still have potential and work is underway to absorb it.

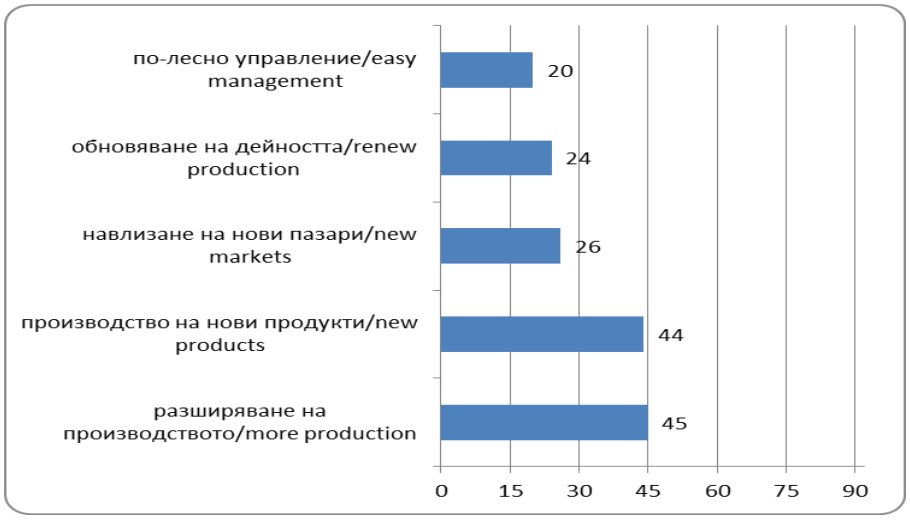


Figure 10. Impact on business. Source: own survey, 2019.

Conclusion

Vegetable producers face many problems to solve, which in the diversity of their origin imply the development of complex solutions with a view to solving them in unity and creating conditions for the development of agricultural holdings in the long run. The main conclusions of the study can be summarized as follows:

- The potential for development of vegetable production in Bulgaria is related to the difficult access to the market and the limited production resources;
- When adding value in vegetable production the main means are agrotechnics and agrotechnical measures;
- The application of value-added principles creates expectations among vegetable growers to get a better price for their products;
- To add value to their products, vegetable growers need administrative support and stimulation of joint marketing activities;

- Vegetable growers expect state support for market provision, financial assistance and administrative support;
- The economic activity in the sector will develop in the direction of increasing the production and offering new products.

The aspiration of farmers for market orientation of their business is an important part of the prospects for development of vegetable farms. Some of them develop and implement successful management strategies, but in others there are problem areas in this direction.

The formulation and implementation of an adequate management strategy supports the absorption of opportunities for the development of vegetable production in Bulgaria. In its development, each vegetable producer needs to take into account the following important points:

First, the farm should be considered as an "open" system, supporting many internal and external links. These interactions are subject to management and coordination aimed at achieving the goals of the agricultural holding.

Second, the external business environment is the starting point of the business's existence and it is necessary to comply with the meanings of its parameters with those of the agricultural holding, ie. the conditions for business to be transformed into an adequate company response. The elaboration of an adequate response by the farmers presupposes management of the production factors in accordance with the external factors, which at the same time to establish a balance in the interests of the different economic subjects (intermediaries, distributors, consumers, etc.).

Third, the construction and management of agricultural holdings, based on the application of a marketing strategy, expresses to the highest degree its compliance with the external business environment. In this sense, the marketing strategy can be considered in particular as a way to establish a strategic correspondence between the internal factors of the farm and the dynamic changes in its environment, ie. through it the company turns the influences of the environment into an adequate response to them.

References

Anastasova-Chopeva, M. (2020). Problems of Young Farmers with Access to Agricultural Land in Bulgaria and Investment Problems Activity in Land Resources. Bulgarian journal of agricultural economics and management. Vol.65, No 3Boevsky, I. (2020). The role of stakeholder management for the development of Bulgarian credit cooperatives. Bulgarian journal of agricultural economics and management. Vol.65, No 1

Dirimanova, V., T. Radev. (2017). The Knowledge Transfer in the Agricultural Sector in South-central Region of Bulgaria. Bulgarian Journal of Agricultural Science, Vol. 23 (No 3)

Nikolov, D., I. Boevsky, P. Borisov, T. Radev. (2020) Opportunities for joint marketing of farmers from the region of Smolyan. Bulgarian journal of agricultural economics and management. Vol.65, No 1, pp. 70-77.

Nikolov, D., P. Borisov, T. Radev (2014). Challenges and perspectives of Bulgarian small farms. “Achievements and challenges in the food sector and rural areas during the 10 years after EU enlargement”, Warsaw, Poland, №123.1, pp. 69-84.

Stoeva, T., Valcheva E.,(2016). Regional characteristics and trends in the development of agriculture in the South Central region, Collection of Perspectives for the Development of Education and Science, Plovdiv.

Yovchevska, Pl. (2015). Vulnerable sectors in Bulgarian agriculture: CAP 2007-2013 impact. Bulgarian journal of agricultural economics and management. Vol.60, No 3

EFFECTS OF THE APPLICATION OF THE CAP ON THE DEVELOPMENT OF BEE FARMS AND PROFILING OF THEIR NEEDS IN THE FUTURE

Petar Borisov[1], Haik Garabedian[1]
[1]E-mail: peterborisov@gmail.com,Agricultural University of Plovdiv, bul. "Mendeleev" 12, 4000 Trakiya, Plovdiv, Bulgaria

Abstract

Beekeeping in Bulgaria is one of the main (and sometimes the only) sources for income generation in mountainous areas (Koprivlenski, Dirimanova, and Agapieva, 2015). This sector also plays an important social role, creating employment conditions in regions where large-scale industrial projects have operated in the past, providing livelihoods for the local community, but they have intensively polluted the environment and consumed significant natural resources. One of the approaches for adapting the beekeeping business to changes in the business environment is to create conditions for effective management of production resources. The effectiveness of management is expressed in the use of "new" technologies to replace the current resource-intensive technological solutions applied in the beekeeping sector and related sectors.

The purpose of this article is to measure and evaluate the effects of the application of the instruments under the CAP on the development of beekeeping and, on this basis, to determine the future needs of farms in the sector. It can be summarized that the future development of beekeeping cannot take place without the active financial support of the state and the CAP. This support is necessary due to the fact that these farms are the backbone of the economic development of the mountainous regions of the country. Farmers have a strong motivation to develop their farms, which is determined by the desire to ensure a better way of life. In the present study, the realization of these opportunities is based on the strengths of bee farms. However, it is appropriate to point out that the imposition of its own brand, the conversion of production into organic are business activities that require large investments, which are accompanied by high risk. The weak influence of beekeepers on the purchase price, high production costs, determined by the rapid growth of resource prices and the reluctance to cooperate among these circles make significant organic for the future development of beekeeping.

Key words: beekeeping, CAP, competitiveness, small farms

Abstrakt

Die Imkerei in Bulgarien ist eine der wichtigsten (und manchmal die einzige) Quelle für die Einkommensgenerierung in Bergregionen (Koprivlenski, Dirimanova und Agapieva, 2015). Dieser Sektor spielt auch eine wichtige soziale Rolle, indem er Beschäftigungsbedingungen in Regionen schafft, in denen in der Vergangenheit industrielle Großprojekte betrieben wurden, die der lokalen Bevölkerung eine Lebensgrundlage boten, aber die Umwelt intensiv verschmutzt und erhebliche natürliche Ressourcen verbraucht haben. Einer der Ansätze für die Anpassung des Imkereibetriebs an die Veränderungen in der Geschäftsumgebung ist die Schaffung von Bedingungen für ein effektives Management der Produktionsressourcen. Die Effektivität des Managements drückt sich in der Anwendung "neuer" Technologien aus, die die gegenwärtigen ressourcenintensiven technologischen Lösungen ersetzen, die im Bienenzuchtsektor und verwandten Sektoren angewendet werden.

Das Ziel dieses Artikels ist es, die Auswirkungen der Anwendung der Instrumente im Rahmen der GAP auf die Entwicklung der Bienenzucht zu messen und zu bewerten und auf dieser Grundlage die zukünftigen Bedürfnisse der Betriebe in diesem Sektor zu bestimmen. Es kann zusammengefasst werden, dass die zukünftige Entwicklung der Bienenzucht ohne aktive finanzielle Unterstützung des Staates und der GAP nicht stattfinden kann. Diese Unterstützung ist notwendig, da diese Betriebe das Rückgrat der wirtschaftlichen Entwicklung in den Bergregionen des Landes sind. Die Landwirte haben eine starke Motivation, ihre Höfe zu entwickeln, die von dem Wunsch bestimmt wird, eine bessere Lebensweise zu gewährleisten. In der vorliegenden Studie wird bei der Realisierung dieser Möglichkeiten auf die Stärken der Bienenfarmen gesetzt. Es ist jedoch angebracht, darauf hinzuweisen, dass die Einführung der eigenen Marke, die Umstellung der Produktion auf biologischen Anbau Geschäftstätigkeiten sind, die große Investitionen erfordern, die mit einem hohen Risiko verbunden sind. Der schwache Einfluss der Imker auf den Einkaufspreis, die hohen Produktionskosten, die durch das rasche Wachstum der Rohstoffpreise bestimmt werden, und die geringe Bereitschaft zur Zusammenarbeit zwischen diesen Kreisen stellen einen bedeutenden Faktor für die zukünftige Entwicklung der Imkerei dar.
Schlüsselwörter: imkerei, CAP, Wettbewerbsfähigkeit, kleine Betriebe

Résumé

L'apiculture en Bulgarie est l'une des principales (et parfois la seule) sources de revenus dans les zones montagneuses (Koprivlenski, Dirimanova et Agapieva, 2015). Ce secteur joue également un rôle social important, en créant des conditions d'emploi dans des régions où des projets industriels de grande envergure ont fonctionné dans le passé, fournissant des moyens de subsistance à la communauté locale, mais ils ont pollué l'environnement de manière intensive et consommé d'importantes ressources naturelles. L'une des approches permettant d'adapter l'apiculture aux changements de l'environnement des entreprises consiste à créer les conditions d'une gestion efficace des ressources de production. L'efficacité de la gestion s'exprime par l'utilisation de "nouvelles" technologies pour remplacer les solutions technologiques actuelles à forte intensité de ressources appliquées dans le secteur de l'apiculture et les secteurs connexes.

L'objectif de cet article est de mesurer et d'évaluer les effets de l'application des instruments de la PAC sur le développement de l'apiculture et, sur cette base, de déterminer les besoins futurs des exploitations du secteur. On peut résumer que le développement futur de l'apiculture ne peut avoir lieu sans le soutien financier actif de l'État et de la PAC. Ce soutien est nécessaire en raison du fait que ces exploitations sont l'épine dorsale du développement économique des régions montagneuses du pays. Les agriculteurs ont une forte motivation pour développer leurs exploitations, qui est déterminée par le désir d'assurer un meilleur mode de vie. Dans la présente étude, la réalisation de ces opportunités est basée sur les points forts des exploitations apicoles. Toutefois, il convient de souligner que l'imposition de sa propre marque, la conversion de la production en produits biologiques sont des activités commerciales qui nécessitent de gros investissements, lesquels s'accompagnent de risques élevés. La faible influence des apiculteurs sur le prix d'achat, les coûts de production élevés, déterminés par la croissance rapide des prix des ressources et la réticence à coopérer entre ces milieux font du biologique un secteur important pour le développement futur de l'apiculture.
Mots clés: apiculture, PAC, compétitivité, petites exploitations

Introduction

Financial assistance for the adaptation of Bulgarian beekeeping to the changing business environment is provided through the use of two approaches (intervention ladder) within the CAP. The financial instruments that are set for impact aim to set a framework for the development of the sector, which will ensure the protection of the environment and increase the efficiency of the production resources invested in the sector. Beekeeping in Bulgaria is one of the main (and sometimes the only) sources for income generation in mountainous areas (Koprivlenski, Dirimanova, and Agapieva, 2015). This sector also plays an important social role, creating employment conditions in regions where large-scale industrial projects have operated in the past, providing livelihoods for the local community, but they have intensively polluted the environment and consumed significant natural resources (Borisov and Marinov, 2013). One of the approaches for adapting the beekeeping business to changes in the business environment is to create conditions for effective management of production resources. The effectiveness of management is expressed in the use of "new" technologies to replace the current resource-intensive technological solutions applied in the beekeeping sector and related sectors (Borisov, Radev and Nikolov, 2014)

The purpose of this article is to measure and evaluate the effects of the application of the instruments under the CAP on the development of beekeeping and, on this basis, to determine the future needs of farms in the sector.

In order to gather the necessary information, the focus group method is used to identify the effects as well as the needs of the bee farms operating under the conditions of the CAP (Borisov, Radev and Nikolov, 2014). Within the study, two focus groups were organized, covering 78 beekeepers in the districts - Plovdiv and Sliven (see Table 1.)

Table 1. Number of focus groups and study participants. Field research, 2019

Focus group 1 (Plovdiv)	48	14.07-17.07.2019
Focus group 2 (Sliven)	30	14.08-17.08.2019
Total	78	

Through focus groups of farmers are discussed and determine what are the effects of the application of the CAP in the industry and what needs are formed in the future development of bee farms. The register of agricultural producers was used as a source for forming the sample. Group discussions (focus groups) are used as a method in the research, which allows in-depth study of the research topic, while using the advantages of the group effect. During the discussions, through spontaneous thorough discussion of a predetermined range of issues in small groups of people, it is clearly formulated what are the strengths and weaknesses of small farms and what opportunities and threats the external environment provides for their future development. Discussions are organized and directed by the moderator.

Results

*Application of the CAP in the beekeeping industry.*The first CAP approach focuses on the efficient management of production resources in the sector through the implementation of a direct area payment scheme. The second approach (pillar) is the use of financial schemes to encourage investment activity in the sector, for the introduction of "new" production technologies.

The first pillar of the CAP sets out the following financial mechanisms to support the beekeeping sector: (1) Direct payments per unit area, national supplements to direct payments and specific support, and (2) Market support mechanisms. These financial mechanisms form about 30% of the CAP budget, which finances the development of agriculture and in particular the beekeeping sector. The first pillar includes all schemes for financial support of bee farms (which are tied or not tied to production) as well as measures - M10, M11, M12 and M13 of the RDP 2014-2020. There is an exceptional interest on the part of beekeepers to Measure 11 "Organic beekeeping". This measure includes two sub-measures for the distribution of financial assistance within the budget of measure 11. These are sub-measure 11. 2 Maintenance payments for organic beekeeping and sub-measure 11.1 Payments for transition to organic beekeeping. Under measure 11, the largest financial resource was utilized under sub-measure 11.1 "Payments for the passage of organic beekeeping" - BGN 1,192.2 thousand (for the period 2014-2020). This sub-measure has the largest contribution to the absorption of financial resources in the conversion of bee farms from traditional to those using organic production methods.

Market support mechanisms.The common organization of the EU's agricultural markets aims to stabilize them, ensure a better standard of living for the population employed in the agricultural sector and offer quality and safe food at affordable prices. It covers market support measures, regulatory measures related to the quality control of agricultural products, recognition of producer organizations, issuance of import and export licenses, etc. Market measures are key instruments of the CAP and play the role of a "safety net" in the face of market instability. Market instability poses a threat to the sustainable development of bee farms, which may hinder the process of introducing "new technologies" in the sector to achieve efficient management of production resources. Market support mechanisms are aimed at influencing 5 (five) strategically important agricultural sectors, such as the Beekeeping sector. The financial instrument aims to support the marketing of beekeeping products. This financial instrument finances business activities aimed at building competitive advantages of Bulgarian bee products on the international market. The main instrument for financial support of beekeeping presented as a financial mechanism for market support is the National Program for the Development of Beekeeping (NPP). This program has been prepared in cooperation with beekeeping organizations, in accordance with the requirements of EU Regulation 1308 / 2013.94. The main goal of the Program is to improve the conditions for production and trade in honey and bee products, increasing the efficiency of production, quality and competitiveness of Bulgarian bee honey and bee products, protection and sustainable development of the bee population, ensuring better employment and higher incomes of beekeepers. Financial assistance is provided for investments, costs or projects in the following areas - measures: (1) technical assistance for beekeepers and beekeepers' associations; (2) fight against varroasis; (3) measures to support laboratories performing physico-chemical analysis of honey; (4) measures to support the renewal of beehives in the Community; (5) cooperation with specialized bodies for the practical implementation of applied research programs in the field of beekeeping and bee products. the quality and competitiveness

of the Bulgarian bee honey and bee products, protection and sustainable development of the bee population, ensuring better employment and higher incomes of the beekeepers. Financial assistance is provided for investments, costs or projects in the following areas - measures: (1) technical assistance for beekeepers and beekeepers' associations; (2) fight against varroasis; (3) measures to support laboratories performing physico-chemical analysis of honey; (4) measures to support the renewal of beehives in the Community; (5) cooperation with specialized bodies for the practical implementation of applied research programs in the field of beekeeping and bee products. the quality and competitiveness of the Bulgarian bee honey and bee products, protection and sustainable development of the bee population, ensuring better employment and higher incomes of the beekeepers.

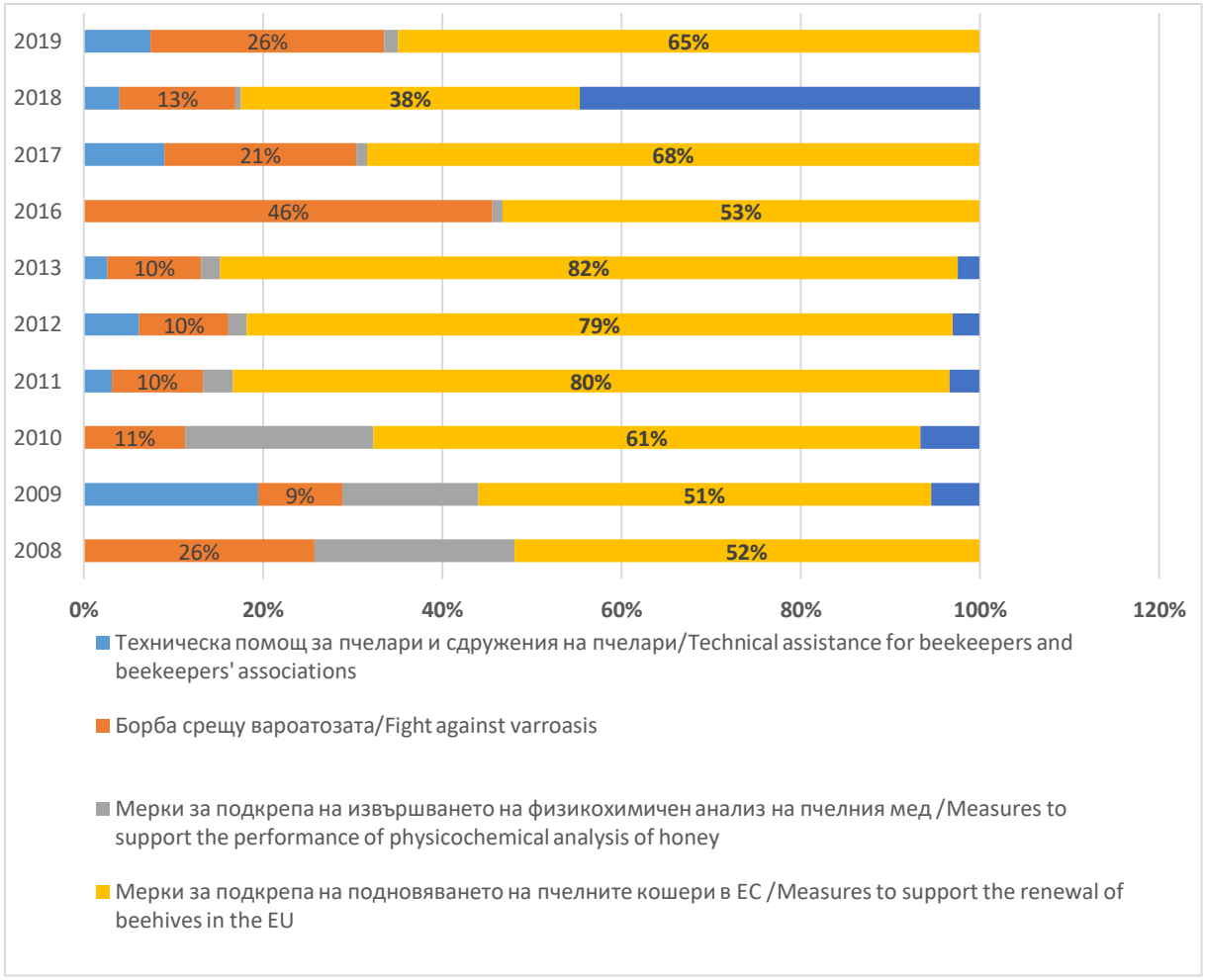


Figure 1. Structure of the financial aid within the National program for the development of beekeeping by years (in the period 2008 - 2020). Source: own calculations based on data from the published reports of the State Fund for Agriculture - 2010, 2012, 2014, 2018, 2020.

Financial assistance is provided for investments, costs or projects in the following areas - measures: (1) technical assistance for beekeepers and beekeepers' associations; (2) fight against varroasis; (3) measures to support laboratories performing physico-chemical analysis of honey; (4) measures to support the renewal of beehives in the Community; (5) cooperation with specialized bodies

for the practical implementation of applied research programs in the field of beekeeping and bee products. Financial assistance is provided for investments, costs or projects in the following areas - measures: (1) technical assistance for beekeepers and beekeepers' associations; (2) fight against varroasis; (3) measures to support laboratories performing physico-chemical analysis of honey; (4) measures to support the renewal of beehives in the Community; (5) cooperation with specialized bodies for the practical implementation of applied research programs in the field of beekeeping and bee products. Financial assistance is provided for investments, costs or projects in the following areas - measures: (1) technical assistance for beekeepers and beekeepers' associations; (2) fight against varroasis; (3) measures to support laboratories performing physico-chemical analysis of honey; (4) measures to support the renewal of beehives in the Community; (5) cooperation with specialized bodies for the practical implementation of applied research programs in the field of beekeeping and bee products.

Within the framework of the National Program for the Development of Beekeeping from 2008 to the present, a total of over BGN 52 million in financial assistance has been provided to beekeepers. Figure 1 shows the structure of financial assistance under the Program in the period 2008 - 2020. The data show that the largest share of the planned funds is directed to the construction and renovation of apiaries by subsidizing the purchase costs of new beehives. Over the years, the Program provides funds to cover investments - from 38% to 82% of the total budget of this financial instrument. A large share of financial assistance is intended to promote effective control of bee enemies such as varroasis (this share varies from 9% to 26% of the total available financial resources over the years).

Figure 2 shows information on the available and utilized financial assistance intended for the development of the sector over the years. The data show that the available financial assistance of BGN 2.37 million in 2008 increased significantly and reached a maximum of BGN 8.57 million in 2018. This proves that the country recognizes the beekeeping sector as strategically important for the development of agriculture and over the years seeks to attract more investment in the sector by increasing almost 3 times the available financial assistance. The level of absorption of financial assistance over the years also increased and from BGN 1.3 million in 2008 reached a maximum value of BGN 6.86 million in 2018. The National Program for the Development of Beekeeping over the years has become one of the most successful financial mechanisms for supporting Bulgarian agriculture, beekeeping is given as a successful example of attracting young and new entrepreneurs in the agricultural sector. However, the levels of absorption of financial assistance are not satisfactory. Figure 3 provides information on the degree of absorption of the planned financial assistance under the Program.

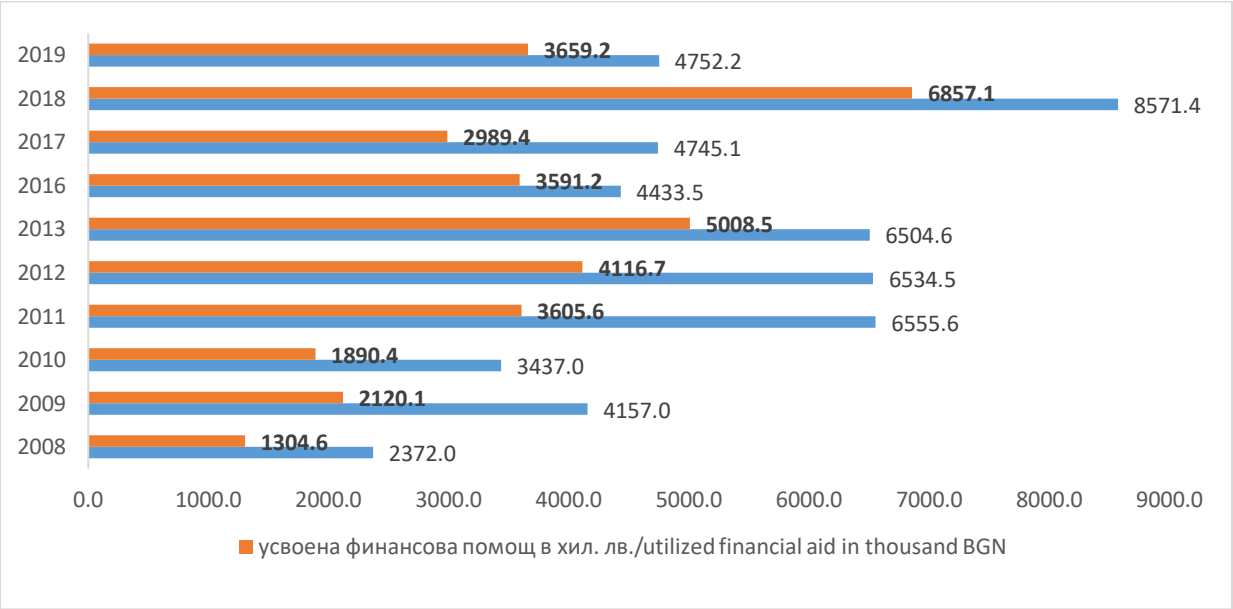


Figure 2. Available and utilized financial assistance within the National Program for the Development of Beekeeping by years (in the period 2008 - 2020). Source: own calculations based on data from the published reports of the State Agriculture Fund - 2010, 2012, 2014, 2018, 2020 and data of the Beekeeping Development Program - 2008-2010, 2011 - 2013, 2017 - 2019.

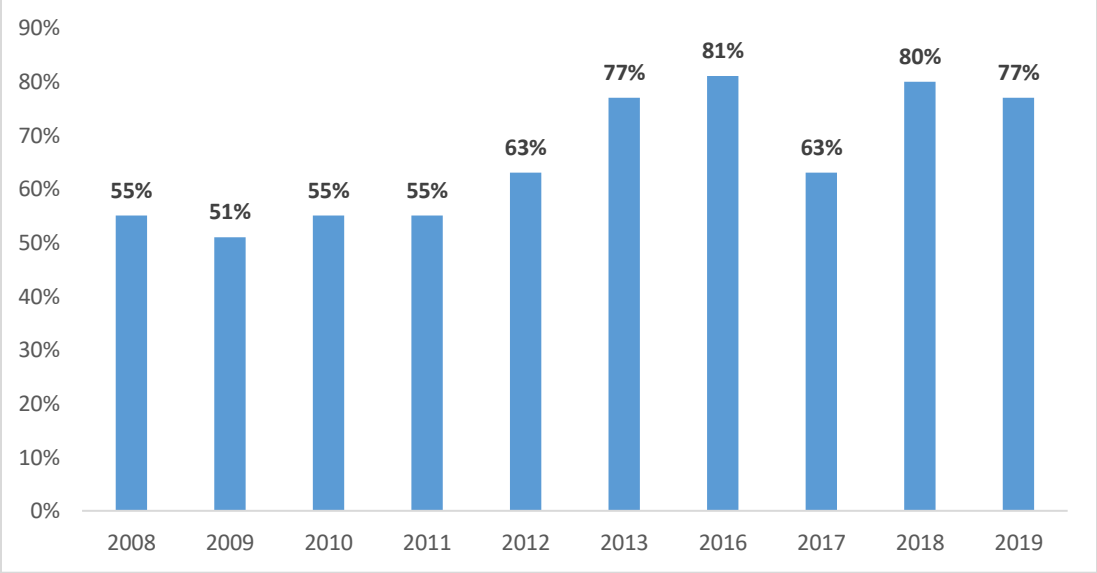


Figure 3. Level of absorption of the financial assistance provided within the National Program for the Development of Beekeeping by years (in the period 2008 - 2020). Source: own calculations based on data from the published reports of the State Agriculture Fund - 2010, 2012, 2014, 2018, 2020 and data of the Beekeeping Development Program - 2008-2010, 2011 - 2013, 2017 - 2019.

The data show that the rate of absorption of financial assistance varies from 51% in 2009 to 81% in 2016. In the period 2012-2016The main reasons (barriers) for increasing the absorption of financial

assistance are initially the unpopularity of the Program among farmers, the low confidence in this financial instrument, and later the small amount of the advance payment as well as the impossibility of the beekeepers to secure the co-financing of their business projects.

Figure 4 shows information on the absorption of financial assistance under the individual measures of the Program.

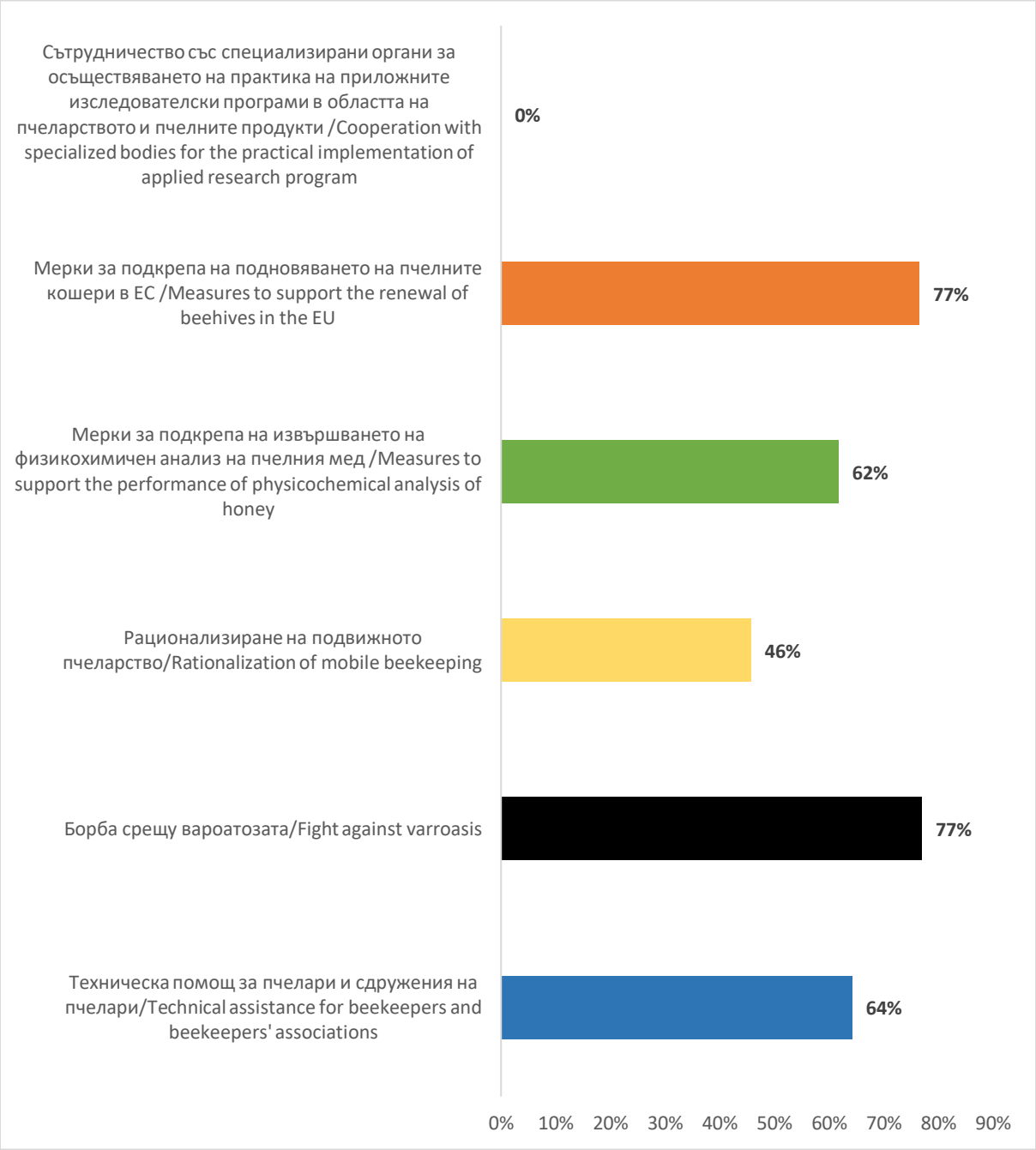


Figure 4. Degree of absorption of the financial aid, by separate measures of the National program for the development of beekeeping (% of the total amount of the available aid on average for the period 2016-

2019). Source: own calculations based on data from the published reports of the State Fund for Agriculture - 2016-2019 and data of the Beekeeping Development Program - 2016-2019.

The measures have the highest share of utilized funds - (1) Measures to support the renewal of beehives and (2) fight against varroasis. Under these two measures, the utilized funds are 77% of their total available budget. The first measure has the most significant financial resource of the measures included in the Program - about 2/3 of its budget (see Figure 1). This measure aims to create and renovate beehives as a basis for successful business development of farms in the industry. One of the main problems in beekeeping remains the effective fight against pests and mainly with bee disease - varroasis. For prevention and treatment the measure "Fight against varroasis" is provided, which covers about 26% of the available financial resources of the Program.

It is noteworthy that no funds have been used under the measure "Cooperation with specialized bodies for the practical implementation of applied research programs in the field of beekeeping and bee products." This is the main financial instrument of the Program for Promotion of Technology Transfer and Innovation in the Beekeeping Sector.

Figure 5 shows information on the funds used for the individual activities included in the measures to support the renewal of beehives. It can be seen that mainly the financial aid under this measure has been used for the purchase of new hives in the period 2016 - 2019.

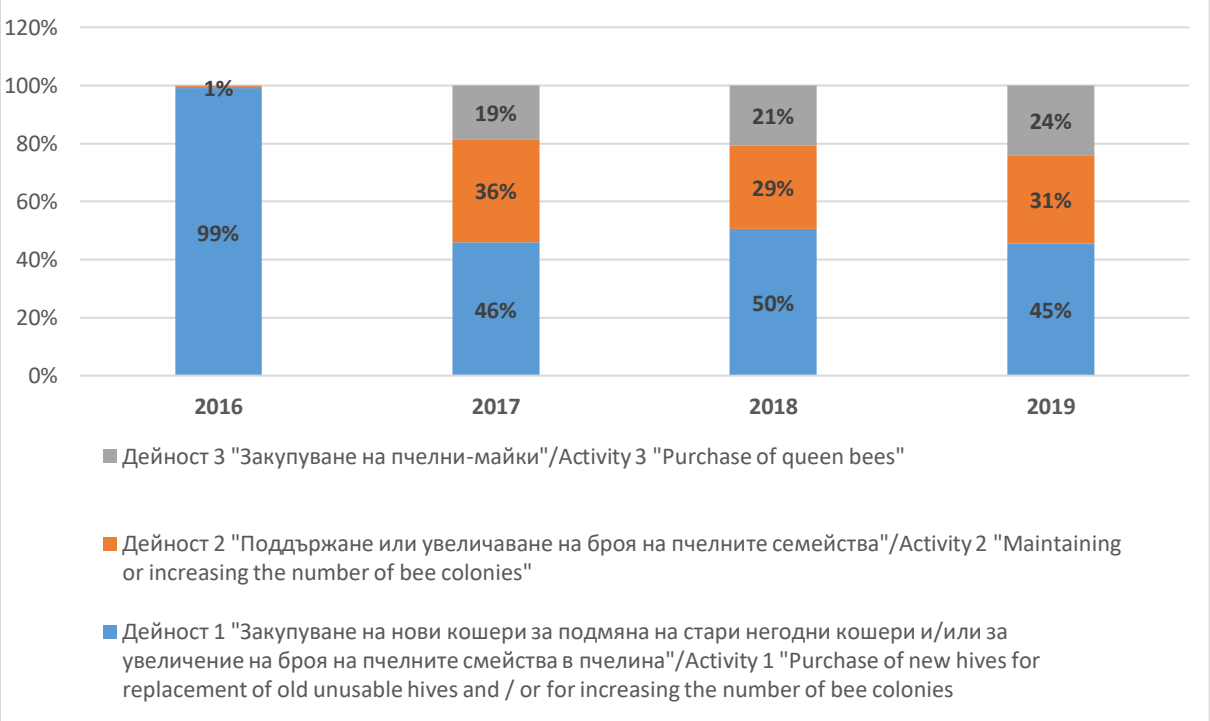


Figure 5. Level of absorption of the financial aid, by individual activities covered by the measure “Measures to support the renewal of beehives” of the National Program for the Development of Beekeeping (% of the total amount of available aid). Source: own calculations based on data from the published reports of the State Fund "Agriculture" - 2016-2019 and data of the Program for the development of beekeeping - 2016-2019.

*Effects of the CAP on the competitiveness of the industry.*In the current conditions of the CAP, the bee farms in our country identify the following obstacles to increase the competitiveness of the industry - organic access to certain production resources and high production costs; insufficient working capital; limited market access; competitive imports of bee products from China, as well as frequently changing regulations; the lack of sufficient experience in the management of the projects financed under the individual measures of the Program. One of the main factors for increasing competitiveness and better access to the market is the increase of the production capacity of bee farms as well as the acceleration of the process of diversification towards production and sale of bee products with higher added value.
The main limiting factor in increasing the size of the bee farm is the access to credit resources and the low market price of honey. Farmers point out that production costs have increased significantly and even with the help of individual measures that support them, they cannot achieve a satisfactory return on investment. This discourages them from investing in expanding the size of the farm. The other limiting factor is the difficult access to credit. The banking sector has high requirements for securing investment loans and thus limit farmers' access to credit. This is the other main reason why beekeeping does not invest in expanding production capacity or adding value to the honey they produce. Another critical factor for the successful development of bee farms is the low market price of honey. Beekeepers say that this market is extremely dominated by resellers, who set low levels of purchase prices, so these actors in the value chain derive higher added value without sharing the natural risk. Another factor that determines lower purchase prices is competitive imports of honey from China. The low levels of income, as well as the achievement of financial stability with exclusively own funds objectively limit the available finances of the bee farms, necessary for investments and structural development. which set low levels of purchase prices in this way, these actors in the value chain derive higher added value without sharing the natural risk. Another factor that determines lower purchase prices is competitive imports of honey from China. The low levels of income, as well as the achievement of financial stability with exclusively own funds objectively limit the available finances of the bee farms, necessary for investments and structural development. which set low levels of purchase prices in this way, these actors in the value chain derive higher added value without sharing the natural risk. Another factor that determines lower purchase prices is competitive imports of honey from China. The low levels of income, as well as the achievement of financial stability with exclusively own funds objectively limit the available finances of the bee farms, necessary for investments and structural development.

*Effects of the CAP on specialization and productivity.*As a result of the utilized financial aid, the bee farms for the most part have specialized in the production of honey. This is evidenced by the fact that in recent years Bulgaria is defined as a major producer and exporter of bee honey on the European market. The main product that the country imposes on the international market in polyfloral honey, which has low added value and is traded in low price segments. A limiting factor in the specialization of bee farms is access to the market. Farmers also point out that the consumption of honey in the domestic market is very low and highly competitive in terms of price. The added value to bee products requires additional funds, which they are not able to do at this stage. The specialization is not in line with market requirements, due to ignorance of the marketing approach in beekeeping management. Farmers do not think that marketing activities are important in the overall management of the farm, but on the other hand they point out that other actors in the value chain unfairly benefit more.

The productivity of bee farms has doubled in the last 10 years (according to FAOSTAT data), thanks to intensive production factors - new hives, new technologies for raising bee colonies and the use of better veterinary practices to control the enemies of the apiaries. The main factors that limit the productivity of bee farms are - the treatment of bee pasture with harmful to the honey bee plant-protective ferns; the quality of the medicines used to treat the diseased apiaries; insufficient knowledge of good manufacturing practices. The use of plant protection products, which are poisonous to the honey bee, is a major problem that beekeepers most often encounter. This practice, which is applied by other agricultural holdings, leads to the extinction of entire colonies of bee colonies and endangers not only the productivity of the apiary, but also significantly reduces the profitability of bee farms. Most honey producers do not trust the quality of medical referrals offered by traders. The low efficiency of these preparations leads to their more frequent use, and this reflects on the production costs. Traders often cheat and refuse to issue invoices to manufacturers, who then cannot declare these costs. The majority of beekeepers point out that they need information on good production practices as well as the need for training to enhance the special skills needed to manage their farms. As a result of the conducted focus groups, the following needs can be summarized:

Innovation needs. The main needs of beekeeping in the field of innovation are: the need for up-to-date market information; providing more access to new technologies and knowledge. Beekeepers are interested in organic production. The transition from conventional to organic production is limited by the high costs of certification, the location of the farm, the costs of labeling and packaging of the bee product, which are mandatory to use in this type of production, as well as low awareness of market trends. Another limiting factor is the lack of experience and knowledge in the construction of organic production. Another need of bee farms is to innovate in the prevention of the appearance of enemies in apiaries.

- subsidizing the costs of certification of organic production in small farms;
- building a system for up-to-date market information and its popularization among honey producers as an information source;
- promoting the technological transfer from scientific organizations to bee farms, through the structures of the National Agricultural Advisory Service, which can be the link between science and industry;
- encouraging the creation of local structures between research institutes and bee farms for the creation and testing of new bee products and technologies;
- Promotion of organic production as a successful form of business in the industry;

Marketing application needs. Beekeepers practically do not perform marketing functions. This function is reduced to searching for effective ways to market the product in the shortest possible time. The reason for this is the ignorance of the marketing approach as an effective approach to farm management, as well as the inability to make marketing expenses. The main obstacles in performing the marketing functions are: the complexity of the management of the farm; the small volume of production, which does not presuppose marketing functions, but more commercial skills in the placement of production; the lack of actually functioning agricultural markets nearby; the presence of a gray sector; impossibility to standardize the produced production.

The main measures that need to be taken to promote the marketing of bee farms are:

- promoting beekeeping cooperation in beekeeping;

- the creation of local agricultural markets;
- creation of standard contracts for the sale of bee products with mandatory elements such as delivery times, production quantities and purchase prices;
- introduction of quality standards for the produced bee products;
- introduction of short food chains and vertical integration with processing companies.

*Business risk management needs.*The main sources of risk for bee farms are natural disasters, unstable market prices, financial risk and theft of products. In general, honey producers do not give priority to risk management in the management of the overall activity of the farm, but take into account its importance. The use of insurance organizations in sharing these risks from agricultural activity is not a popular measure. The reasons for this are: the low trust of farmers in the activities of these organizations, the high insurance costs and the low interest of insurance organizations to impose their insurance products in the industry. In risk management, the following support actions need to be taken:

- higher levels of insurance premium subsidies;
- higher activity on the part of insurance organizations in sharing the risk in agricultural activity;
- to create mutual guarantee and insurance funds with the active participation of the state;
- promoting cooperation among farmers in the marketing of products;
- creation of joint structures among the local population for protection of bee farms;
- a clear calendar deadline for the payment of subsidies by the state (until the end of March). In this way, the farmer will better plan his financial needs during the year.

The needs of the bee farms identified above require the following important decisions to be taken by the state:

- effective state control over the activity of the suppliers of resources, providing the activity of the bee farms;
- working state guarantees for granting credit for the needs of small bee farms, as well as the creation of conditions for the establishment of mutual credit, guarantee and insurance funds;
- to have more advance payments under the individual measures of the Program and to increase the amount of these payments;
- clearer presentation of the rules for applying for the individual measures, the necessary documents and requirements to be specified in advance;
- state support for hiring additional labor on farms;
- to remove the age limit of 60, which is required if the person wants to apply for financial assistance under the individual measures;
- more flexible regulations. In the case of beekeeping, the obligatory requirement for the agricultural producer to cultivate at least 10 decares of land should be abolished;
- encouraging the establishment of local agricultural markets, where only registered agricultural producers in the region have the right to sell agricultural products;

- encouraging local processing companies as well as tourist sites to work with local raw materials produced by beekeeping;
- to increase the capacity of the National Agricultural Advisory Service with a view to promoting the transfer of knowledge from science to practice and thus increasing the innovation of beekeeping and the industry.

Conclusion

It can be summarized that the future development of beekeeping cannot take place without the active financial support of the state and the CAP. This support is necessary due to the fact that these farms are the backbone of the economic development of the mountainous regions of the country. Farmers have a strong motivation to develop their farms, which is determined by the desire to ensure a better way of life. In the present study, the realization of these opportunities is based on the strengths of bee farms. However, it is appropriate to point out that the imposition of its own brand, the conversion of production into organic are business activities that require large investments, which are accompanied by high risk. The weak influence of beekeepers on the purchase price, high production costs, determined by the rapid growth of resource prices and the reluctance to cooperate among these circles make significant organic for the future development of beekeeping. Therefore, we predict that the number of these farms will decrease in the future and it will be difficult to make decisions about their survival. One of the opportunities for development in beekeeping in the field of organic production is the so-called joint investments, which are provided for in the new program for rural development. Under this program, conditions will be created for the promotion of joint investments for the needs of bee farms, and the implementation of investment decisions does not require the prior establishment of associations and cooperatives.

References

Agricultural report - 2019.

Annual report on the activities of the State Fund "Agriculture" and the Paying Agency for 2019.

Borisov, P., T. Radev, D. Nikolov, (2014). Analysis of strategic factors for small farms development in Bulgaria, Journal of Economics and Management of Agriculture, issue 59 / №2-2014, 33-43.

Borisov, P., P. Marinov (2013). Evaluation of competitive advantages of the wine cluster. Scientific works of the Agricultural University - Plovdiv, Volume LVII, pp. 151-158.

FAOSTAT - www.fao.org

Koprivlenski, V., V. Dirimanova, V. Agapieva. (2015). Economic analysis of state and development of beekeeping in Bulgaria. Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development Vol. 15, Issue 2, 2015 PRINT ISSN 2284-7995, E-ISSN 2285-3952

National beekeeping program for the period 2017 - 2019.

GEO-ECONOMICS IN LIGHT OF THE REGIONAL DEVELOPMENT IN THE CONTEXT OF A CORONAVIRUS PANDEMIC IN THE 21ST CENTURY

Kamen Petrov[1]
[1]E-mail: petrovk@abv.bg, University of National and World Economy, ul. "8-mi dekemvri", 1700 Studentski Kompleks, Sofia, Bulgaria

Abstract

The focuses of the article are the geo-economic problems regarding to the enforcement the tools of new economic geography. Series of problems are related to the dynamics of geo-economic and urban development in terms of the global spatial variations and the imposition of new methodological approach to the study of the territory and coronavirus pandemic. The proposed structure is unconventional and requires a new approach to study the problems of the geo-economics in theoretical and applied aspects. The Presented analysis is essential for the assessment of the development in spatial territorial systems and allows us new laws in geo-economics and regional development in the context of a coronavirus pandemic.

Keywords: geo-economics, geography, space, ideology, law, economics, development and modeling

Abstrakt

Die Schwerpunkte des Artikels sind die geoökonomischen Probleme in Bezug auf die Durchsetzung der Werkzeuge der neuen Wirtschaftsgeographie. Eine Reihe von Problemen bezieht sich auf die Dynamik der geoökonomischen und städtischen Entwicklung in Bezug auf die globalen räumlichen Variationen und die Einführung eines neuen methodischen Ansatzes zur Untersuchung des Territoriums und der Coronavirus-Pandemie. Die vorgeschlagene Struktur ist unkonventionell und erfordert einen neuen Ansatz zur Untersuchung der Probleme der Geoökonomie in theoretischen und angewandten Aspekten. Die vorgestellte Analyse ist wesentlich für die Beurteilung der Entwicklung in räumlichen territorialen Systemen und ermöglicht uns neue Gesetze in der Geoökonomie und der regionalen Entwicklung im Zusammenhang mit einer Coronavirus-Pandemie.

Schlüsselwörter: Geo-Ökonomie, geographie, raum, ideologie, recht, wirtschaft, entwicklung und modellierung

Résumé

L'article se concentre sur les problèmes géoéconomiques concernant l'application des outils de la nouvelle géographie économique. Des séries de problèmes sont liés à la dynamique du développement géoéconomique et urbain en termes de variations spatiales globales et à l'imposition d'une nouvelle approche méthodologique pour l'étude du territoire et de la pandémie de coronavirus. La structure proposée est non conventionnelle et nécessite une nouvelle approche pour étudier les problèmes de la géoéconomie dans ses aspects théoriques et appliqués. L'analyse présentée est essentielle pour l'évaluation du développement dans les systèmes territoriaux spatiaux et nous permet de nouvelles lois en matière de géoéconomie et de développement régional dans le contexte d'une pandémie de coronavirus.

Mots clés: géoéconomie, géographie, espace, idéologie, droit, économie, développement et modélisation

Introduction

In today's world comparative study of economic systems has been of fundamental practical and political significance for the modern economic thought. This creates the geo-economic model of global development by Edward Luttwak and later Pascal Lorot. In practice, putting forward the geo-economic paradigm becomes possible as a counterpoint to the debate on economic calculation, referring to the assurance of Ludwig von Mises that a system of central planning cannot work because the information gathered by the price system is never completely available to planners. In response to that appear the partial protection and application of systems of market socialism. With the fall of communism interest changed to the problems of economies in transition. Albeit with some exceptions, most existing systems today are capitalist oriented, although the primary economic role of the state supports the alternative of a mixed economy, which is developing as a dominant form of economic organization. This largely allows us to bring upfront the geo-economic paradigm as fundamental in structuring new knowledge in economic geography. In practice, this article will try to deduce those postulates of geo-economics that can find their interpretation in the contours of the new economic geography. This gives us the reason and the need to define our research field. First we need to define the modern national economy as a meso-level of geo-economics. That is because even without substantial difference between countries, today, comparative study of geo-economic systems in terms of allocation of resources is of significant importance to illustrate various alternative methods of allocation, including markets, households, centralized distribution, etc. On these matters, many authors are doing considerable research; among them are (Karastoyanov, 2008), (Stoychev, 2010, 2012), (Boyadzhiev, 2004, 2006), (Dimov, 2002, 2006, 2010), (Georgiev, 2006), (Rusev, 2008) and others. If we accept the assumption that the geoeconomic system has a number of special qualities that distinguish it from other social relations, then we're supposed to deduce its specificity. In practice, it will be expressed primarily in the fact that the system as a whole gives rise to effects which cannot be achieved if it ceases to exist. This gives us grounds to assume that the geo-economics system refers to the category of socio-economic systems, which is its other feature. Secondly, its movement and its development can be understood only when taking into account regularities in the development of human society or the society as a whole. This creates a different feature of this system, which in practice is distinguished by great complexity, referring both to the system and its structure. Thirdly, the geo-economic system is a universal system but unlike other universal systems, it is such not only in terms of space but also in terms of functionality - it is important for all aspects of the existence of mankind. Moreover, comparative geo-economic systems are the field in economics that deals with the comparative study of different systems of economic organization, such as its functional characteristics and spatial patterns of individual-based territorial communities with a specific charge of stability or change.

COVID-19 is a disease caused by a new type of coronavirus first identified in December 2019 in the Chinese municipality of Wuhan. From January 2020, they began to appear cases of spread in Europe as well. By the end of February 2020, it was marked a significant increase in the incidence of COVID-19 in northern Italy, where the virus is from began to spread to many other European countries. It was March 8, 2020 the first case of coronavirus in Bulgaria was registered. Due to the dynamics of the situation, the forecasts for the impact of COVID-19 on the world economy and the development of individual countries and cities are constantly changing. The rapid informed and coordinated response from the international community is from key to tackling the pandemic. The impact is strongest in countries where the pandemic has been most severe and where much reliance is placed on world trade, tourism, exports and external financing. Although the degree of collapse will vary from region to region, all emerging markets and emerging economies that are already vulnerable will increase their vulnerability to external shocks.

Moreover, the suspension of classes and interruptions in access to basic medical care are likely to have a lasting impact on the development of human capital. The emergence of this pandemic has largely posed new challenges to the geo-economy for the first time since the collapse of the bipolar model in the early 1990s. In practice, in order to bring out the right solutions to the emerging geo-economics problems in the 21st century, we undoubtedly need to learn from geo-economics during the Cold War, when the world functioned in conditions of constraints and deficits.

Without urgent socio-eco-nomic responses, global suffering will escalate, jeopardizing lives and livelihoods for years to come. Immediate development responses in this crisis must be undertaken with an eye to the future. Development trajectories in the long-term will be affected by the choices coun-tries make now and the support they receive. From here comparative geo-economics consists mainly of analysis of comparative economic systems based before 1990, which then switched its efforts mainly on comparing the geo-economic effects from the experience of transition from socialism to capitalism, as posed by the dynamics of emerging regions and markets. All this gives us a reason to look for geo-economic instruments in the field of change and its perception in spatial and territorial aspect (Petrov, 2014). Proper understanding of the geo-economic science is related to the knowledge of its history. Its appearance is the result of a long process of accumulation and systematization of knowledge about the laws of economic life of society and territorial changes of space. Therefore, geo-economics and new economic geography have more overlapping knowledge than differences. Everything is developing in a specific way, but everything went wrong when the coronavirus pandemic began in early 2020. Emerging market and developing economies will be buffeted by economic headwinds from multiple quarters: pressure on weak health care systems, loss of trade and tourism, dwindling remittances, subdued capital flows, and tight financial conditions amid mounting debt. as a result of the coronavirus crisis

Results

Geo-economic models and the change in research tools. The theme of geo-economics in regional science seemingly impresses with two things. In a sense it is provocative in practical terms. Relative to geographical knowledge, the idea of geo-economics raises the question - why and to what extent what is inherent in the relationship between the people themselves could be valid for relations between countries and applicable to them in the relation nature – society. If we look chronologically at the term "economy", which deals with the laws (Nomos) of domestic and national economy (oikos) in this direction, when we add " geo " (earth) it further defines the focus on active human activities in space and territorial aspect. Despite that clarity most economic geographers explore the issue of borders and manifestations of possible humanization of geography. This requires conceptualizing the geographic aspect of geo-economics. This aspect involves conceptualizing geo-economics at levels where many of its dimensions are related to the evaluation of the dichotomy developing processes between space and territory. In practice in the field of study, according to Dimov (2010) provocative here is the objective role of geography in particular speaking of geo-economics not as a requirement, which stems from understanding to preserve and defend the regional science itself. In socio-economic sense geo-economic changes in life lead to dimensional change in development. At least, because if you look at that in the traditional theory of geo-economics it suggests that countries have different situations and they focused their trade in goods in which they have competitive advantages - Portugal has exported wine and Britain - clothes, according to the classic example of David Ricardo. The most direct implication of this logic is that trade flows should flow between countries that differ most - for example between industrialized countries and developing countries. But the reality is not quite so. In this way the theory of Krugman explains why global trade is

actually dominated by countries which not only have similar characteristics, but also deal with similar products - such as Sweden both producing and importing cars. Moreover, the model of Krugman where in free trade large companies exposed to the global market and increased production, thereby reduce the cost of each unit produced. This yields an oligopoly, because very few companies have the ability to reach high enough economies of scale to compete successfully. However, users prefer the variety, allowing individual countries to continue to export similar products. A consequence of the theory that trade is largely determined by the effect of the scale, the regions with the highest production would be more profitable and therefore will attract more investors. So, rather than spread evenly around the world it is concentrated in a few countries, regions or cities- places where the low-cost production is concentrated (Petrov, 2014). In this way regional development seems like a doomed cause. Moreover, the modern nation-state is becoming increasingly dependent on established national and metropolitan markets. Then to have a steady development a relatively strong protectionism is necessary to develop national and regional economic space within the country. This is related to the definition of the need to ensure the economic interests of the states. According to most scientists every advanced economic like American or other western advanced economics has well profiled places with different specifications and well positioning. The necessity of geo-economics and the huge meaning of well positioning began with manufacturing in western world. Nowadays we can see development and such strategy in China. Such is the model of Japan in the 70s of the 20-th century, when closed local market allows companies to easily leverage the effect and to enter the global market. This is a fact, although the imbalances created by this policy are given as an example of economic difficulties occurring on the island nation.

A significant part of the leading analysts writings that free trade is not obsolete, but economists can not ignore the fact that the traditional mantra does not always lead to successful results. Another implication of Krugman's theories is that international trade practice does not harm the interests of lower-skilled workers. As trade occurs anyway, mainly between industrialized countries, competition from developing countries has very little impact on wages in developed countries. In 1995, Krugman believes that newly industrialized countries will gradually begin to compete in the same markets as the developed and thus lose the advantages of its cheap labor. However, this does not happen, as he himself admitted last year. South Korea or Taiwan really follow the pattern, but China simply does not fall within the scheme. The reason, according to Krugman is the new business processes that enable a high-tech product to be crushed by the simpler activities exported outside. This is already hitting lower-skilled workers in developed countries who lose their jobs. In methodological terms geo-economics is called to study the basic scientific approaches to the analysis and classification of economic development. The origin, formation and development of geo-economic processes on micro and macro level are another important aspect of knowledge, which requires putting the regional factor as an essential element in the development of the national economy. This in turn defines the necessity of putting the economic growth in the long term perspective as the most important problem of the modern nation-state. In this regard geo-economics and new economic geography ask the need of acquiring new knowledge to clarify the factors and drivers of growth. Based on comparative analysis they reach the scientific idea of why some countries are rich and others poor and how economic activity is moved and withdrawn from some areas to others. The practical activities in this respect aim at reporting geo-economic factors on the causes of economic growth based on real economic-statistical material and space consisting of geo-demographic factor in it.

Geo-economic knowledge and its transformation. Geo-economic reality is very complex, diverse, constantly changing, so it is impossible to reflect all details. For this purpose, we use performance

statistics, mathematics, cybernetics and other sciences through Quito to recruit economic data, numerical index, price index and economic variables in spatial and territorial aspect. In practice geo-economics use nominal and real variables. Nominal variable is presented in absolute value (average wage in lev), while the real variable is received after the nominal adjusted by the inflation rate is measured by the consumer price index or otherwise. Feature " nominal " or " real" can be used in any economic variable - such as nominal and real GDP, nominal and real interest rate, nominal and real average wage. In this direction the mentioned indicators, data and variables support for qualitative study of the location, distribution and spatial organization of geo-economic activities in spatial and territorial aspect. On the other hand, the "new economic geography" is based on the concept of "economies of accumulation," or other words for savings resulting from the reduction of transport costs, increasing profits (revenue of scale and factor mobility), in an attempt to explain the concentration of clusters of companies, labor and consumers. In this direction (Stoychev, 2008) assumes that European integration projects for international corridors, including bridges, highways, tunnels, ports and other elements of infrastructure aimed exactly at this- companies located in the EU countries to trade with each other on negligibly low transport costs, which is realized in the integration market areas due to the awareness of the need for implementation of geo-economic knowledge into practice. It assumes that improving infrastructure is changing the ratio of space-time and competitiveness of companies in a given region and their commercial area. This in turn allows us to assume that the term " infrastructure " is part of the geo-economic toolbox.

Geo-economics has been fundamental to the development of society. It is associated with many aspects of our existence and the world which runs our lives. People constantly face its challenges, so we can say that geo-economics excites everyone and everyone defines it in terms of the things we know. Generally, geo-economics is a science that analyzes the world as a system that converts resources into production, specific system of behavior of people to choose between different alternatives in terms of scarcity of resources. Geo-economics challenges arising from the scarcity of resources. Society faces a choice: what goods to produce to satisfy human needs and preferred needs or how to properly structure the social development of the trinity "population-resource-holding" in territorial and spatial aspect. Moreover, geo-economics does not stop to study the relationships between people in the production, distribution, exchange and consumption of material goods and their spatial variations and opportunities for sustainable development, such views are shared by Dimov (2006), which develop in order some theoretical problems of sustainable development. On the other hand, the characteristics that define the geo-economic theory as science are few. First - it is a social science and in particular the science of geo-economic choices and economic behavior in territorial respect. Second - it is analytical and applied science that reveals and compare different geo-economic alternatives facing society and individuals, assessing the costs and effects of management decisions and thirdly - it is a theory attempting to estimate the potential of the economy and its consumer nature, insofar it exists only in economic diversity of spatial possibilities of options for solutions and freedom of choice between them. Although given various definitions of the subject of geo-economics we can assume that geo-economics is the science of how people and societies choose to use scarce resources to produce various commodities and distribute them among different individuals or groups and a more natural way to structure effective in territorial aspect lifestyle and vision of development. This suggests that geo-economics in local and spatial aspect has a fundamental character because it involved a system of theoretical concepts to develop geo-economics in global, national, regional and local aspect. It reveals alternative views on the functioning of the geo-economic system, form the principles of rational economic behavior, for economization and streamlining of business activities and processes of public governance within the nation state. To a large extent the deficits of geoeconomics

are in relative and theoretical character, however, it has a pragmatic focus. So in recent times geo-economics is called upon to find management solutions for better or rational use of resources in production, distribution, exchange and consumption of tangibles or intangibles in society in territorial aspect. The main issues dealt with are: the rational and efficient use of resources, choice in meeting the needs, structuring of production facilities, adoption of rules and regulations by which conditions are created for development of the regional economy. In unison with this ideology (Karastoyanov, 1998, 2010) has seen in a systematic way the problems of regional development from a behavioral point of view. In practice behaviorists approach is essential in the design of modern markets and regions worldwide. First, countries that can contain the spread of coronavirus have stood out. They are likely to form trade and investment corridors with other peers that have similarly handled the virus effectively. So-called "travel bubbles" are in the works, whereby low-infections countries may open up mutual airspaces. In the recent past, some of these pacts were known as bilateral trade agreements. Now they may become more like bilateral travel agreements. Either way, they are fundamentally discriminatory and preferential, further undermining global economic integration and globalisation. But necessity from health concerns will necessitate these two-way travel flows and business activities between them. Second, countries with low infection numbers that may have had problematic ties prior to Covid-19 may end up working together. The worldometers coronavirus tracker table holds clues as to which countries might partner with each other because their healthcare systems are similarly effective. Even though they are both in Asean, Thailand and Vietnam, for example, could start a travel flow because their virus infections and deaths are relatively low. In a similar vein, Japan and South Korea, with prickly relations prior to Covid-19, may be compelled to make mutual accommodation and allow a travel bubble. Third, economies with critical mass and size will have an advantage. As much of the world economy slows or shuts down completely, various countries will need to look within for answers. The domestic territory becomes the main market. China, with its 1.4 billion population and considerable per capita income, will be able to focus on domestic demand and local business activities to persevere as virus cases have stabilised. The US is a large and rich market but its infections are not yet under control. India is a huge market with an alarming rate of infections and low consumer purchasing power. Countries that are export-dependent but smaller in size, such as New Zealand, will face a major dilemma. Keeping the virus away means virtually having to shut out visitors from outside. Yet New Zealand's 4.8 million market is not large enough to stimulate economic activities without travel bubbles with select countries. Somehow countries in this category may need to make trade-offs between putting up with manageable case infections and restarting trade and other economic activities in a limited fashion.

Application of geo-economics in management. Recently leading analysts assumed that in the coming decades robust growth will be rare. "There will be no growth miracles" - he wrote and argued with the specifics of industrialization, which he said is the basis of any economic miracle. Roughly speaking, countries that manage to transform farmers into factory workers, achieve economic progress. The other pillar of accelerated growth, according to most analysts is human capital: the knowledge and skills of workers. However, the geo-economic development of the world has a significant role in emerging economies. The growing importance of economies in emerging markets and developing economies ("emerging markets") is impressive both in demographic and economic terms, on macroeconomic and microeconomic level. Over 80% of the world population lives in emerging economies. Also, due to current profound economic changes, many emerging economies are facing rapid urbanization and mass migration from rural areas to cities. In particular, strong growth in these economies is increasing demand for a number of goods and services where the regions have comparative advantages. Competition in emerging

markets also strengthens the incentives for further progress on structural reforms in the geo-economic systems that are undoubtedly necessary in the temporal plan. At the end of 2015 and beginning of 2016 the conditions for geo-economic development of the world seem promising mostly by the good condition of the emerging economies and the future - even more favorable. It is expected that China, the Philippines, Kenya and Indonesia, which together form 16 percent of global gross domestic product (GDP), will register an increase of over 5 percent of GDP. At the same time forecasts predict the US and Britain, which together generate about a quarter of global growth will increase respectively by 3.1 percent and 2.6 percent. Expectations for the Eurozone countries are considerably more modest - growth of 1.2 percent. The long-term prognosis growth based on demographic trends and patterns of accumulation of capital and productivity suggest that emerging economies are likely to have even greater role in the global economy. In his work "Social Geography" (Rusev, 2008) is taking a view at the problems of the modern interpretation of geo-economics by classifying a number of laws. In this regard, several studies have reached surprising conclusions about the growth prospects of emerging economies. In some of these studies by 2025 Brazil, Russia, India and China together will account for more than half the size of the current six largest industrialized economies and in less than 40 years it is possible to surpass them. Although these economies are already large, they continue to grow at a good pace. The pace of growth in emerging economies and their increased resistance to economic and financial shocks are a positive aspect of the global economy, much more than before it could be relied upon the dynamism of these economies. People from countries with such economies benefit from the advantages of this rapid pace of development that leads to a higher standard of living. At the same time geo-economic aspect is observed in the fact that integration and cooperation among developing countries occupy an important place in the overall development of their external economic relations. Despite differences in applied schemes and mechanisms of integration, uniting developing countries currently present over 45 economic groups promoting trade and cooperation between developing countries with one main goal - to mobilize internal resources and capabilities as the basis of the common efforts to achieve the necessary progress in socio - economic development. In practice, these increase their geo-economic focus mainly by their efforts towards the formation of regional and sub-regional markets in the various groups and pooling raw material and financial resources for the implementation of joint projects in different fields and industries are important areas of integration and cooperation between developing countries in different regions and territorial communities. In geo-economic order current development of integration groupings shows that integration and cooperation among developing countries in all regions of the world is an objective reality, based on both the need to develop the productive forces in developing countries, and the general process of internationalization of economic life in the world economy. However, they often need new management solutions and flexible management, which requires in geo-economic plan to apply the methods of management sciences. This is necessitated by the fact that the biggest risks for the world economy are related to emerging markets where private companies have accumulated substantial debts amid the fifth year of slow growth from 2011 onwards. In emerging markets there is up to $ 3 trillion over lending which carries a possible risk of turmoil of bankruptcies in the private sector in the developing world, which can be affect the global financial markets. On the other hand, the stronger economic growth in the US and Europe in 2015 has strengthened the financial stability in these regions, but in other parts of the world risks have increased. Despite improvements in advanced economies vulnerability of emerging markets remains high appetite for risk and the danger of market liquidity is high. This requires geo-economic approach based on the effective management of the state. In this direction should be developed mechanisms for analyzing the effectiveness of current policies in this area with a view toward taking more

effective policy decisions for the future. The transition to an export-oriented policy in terms of innovation, building the reputation of the country and finding partners becomes a priority for the future development of modern geo-economic systems. In the new geo-economic realities for the practical application of geo-economic knowledge is necessary to achieve efficiency which will ensure the successful development of nation-states in the direction of improving the public policy environment and business potential, improve infrastructure, improve education, mobilization of financial and human resources and branding and promotion of modern national economies in the global market. Currently the contemporary nation-state should thoroughly reconsider its innovation system by which to carry out the transfer of innovation and new knowledge. This objective can be achieved through the combined use of the opportunities offered by international trade and research programs using geo-economic achievements of science and new economic geography. New economic geography is based on the number of fundamental elements. They are: increasing returns, monopolistic competition, transport costs.

Everywhere in the world monopoly companies uses different lobbies. If we see threw eyes of geo-economics the important is “what is the price of earning and how this earning can help different countries of finding their place in modern world”. Power of economics soon or late will be power in the field of geo-economics. There are lot examples: beginning of industry revolution in China and its place now; building a modern market economy and modern capital markets in Russia and its economic power today- many authors said that Russia will default but it is still strong, and the outbreak of the COVID-19 epidemic. The COVID-19 pandemic is a global challenge and requires a global response. Some countries have strong economic advantages over others. For example, USA built financial order after World War II and gains money and influence over other countries. Using “finical skeleton” they can have information witch money goes somewhere and what will be purpose for that money. No matter how long the coronavirus pandemic lasts and no matter how many people die from the disease, it is safe to say that the world will no longer be the same. COVID-19 is a disease caused by a new type of coronavirus (SARS-CoV-2). It was first established in China in December 2019. Watching the news about the spread of coronavirus, you cannot help but think of some unreality of what is happening. EU countries, so proud of the lack of borders between them, are tightly closing those borders. Cafes and restaurants cease to operate, concerts, sporting events and even worship services are canceled. Public transport stops. Trains do not travel; planes do not fly. Entire cities and regions are under quarantine. The streets are empty; people are afraid to shake hands. Regional and local leaders are at the forefront of the fight against the pandemic. They urgently need better coordination at all levels of government, a better supply of vital equipment, quick and easy-to-use funding to meet pressing needs and find pragmatic solutions to adapt to local and regional needs. The consequences caused by COVID-19 are defined in society as the "new normal", a slogan that has entered the verbal tools of the media and experts and is used instead of a mantra against common resignation. The forthcoming mass impoverishment, the health and economic consequences for millions around the world and hundreds of thousands of Bulgarians, the economic instability, the bankruptcies of small companies and large companies, the rising unemployment, the postponed health problems of the chronically ill, the psychosomatic pandemic, the mass neurosis cannot be normal. and panic disorders. The creation of strong economic and fair capital and banking market are subject of another investigation. The authors think that strong economic is one of the ways for geopolitical leadership and tackling the pandemic. The world will be different geoeconomically, even more so it will be different and consumer. Transport costs: transport costs are important because they are miracle of weather the agglomeration or business structure or town is well positioning or not. Well positioning will make transport costs lower and the revenue of the firm will increase.

As it will provide new opportunities for overcoming the spatial boundaries between countries and dealing with the requirements of trade. The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades. The June 2020 **Global Economic Prospects** describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights—the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages. This effectively means that geo-economics of the 21-st century are needed national policies on growth. So the new geo-economics of this century will be both global and dependent on national economies and the pace of urban development related to the modification of human capital as a sustainable workforce for the economy of the 21-st century. The crisis highlights the need for urgent action to cushion the pandemic's health and economic consequences, protect vulnerable populations, and set the stage for a lasting recovery. For emerging market and developing countries, many of which face daunting vulnerabilities, it is critical to strengthen public health systems, address the challenges posed by informality, and implement reforms that will support strong and sustainable growth once the health crisis abates. The longer the coronavirus pandemic wends its way around the world, the more it takes on permanent features. As case infections still persist virulently, especially in the US, Brazil, Russia and India, states, societies and individuals are being forced to make adjustments. There will be winners and losers in the geoeconomic competition for market shares and supply chains. Those with more effective public health systems will stand in good stead with opportunities to re-emerge less scathed and better positioned to carry on, whereas others with less adequate health infrastructure will face more risks and disadvantages. For the first time in generations, health security has become the main determinant in the fate of nations and peoples. The onset of COVID-19 has exposed grave vulnerabilities in the international political and economic order, which is unable to adequately meet the multidimensional challenges resulting from this severe public health crisis and intensifying geopolitical competition between global leaders

Conclusion

From a practical point of view in the modern world geo-economic risks of fragmentation of international trade rules are obvious enough. A system from which everyone wins, can quite quickly become a zero-sum game, carrying the unfortunate shade of geo-economic rivalry between the West and the rest of the world. In today's global games geopolitics gives way to geo-economics. Geo-economics of the 21-st century should outline the contours of a post-Western world, to restore the balance between the developed and the emerging power countries and to determine the place of China in the world. Geo-economics mandates a choice between open global agreements and economic order based on competitive units. This of course does not deny the hypothesis that at different temporal moments there will be a geo-economic power or states which will dominate. For such a hypothesis we can deduce based on focusing our attention on trade and global consumption. In practice, the construction of the Trans - Pacific Partnership (TPP) will strengthen economic integration of the United States with much of East Asia.

A parallel agreement for Transatlantic Trade and Investment Partnership (TTIP) will bring back unity in relations between Washington and Europe. Along with these regional pacts, the European Union is looking for a way to India and even Japan. To complete this mess, the US and the EU have a leading role in the negotiations between more than 20 developed and emerging economies to liberalize the services sector. What will be the role of countries such as India, Brazil, Mexico, Indonesia and others? In conclusion, we can distinguish at least two geo-economic development trends of the modern world. The first is the need to globally make happen a " classical" economic miracle, but not all countries have adequately trained human capital and technological preparation for extensive development and modernization. The second is the revival and development of the green economy " alternative" to the changing planet. As far as the green economy being the only possible way for wider welfare of the modern world at the moment is debatable. In a geo-economic sense green growth is not a brake on economic development, but an economic model that seeks and finds markets thanks to preserved natural environment and complete communities. Minimum requirement in the green economy growth is that it does not damage nature and does not disrupt society; it is advisable to help overcome poverty and improve the living environment. The issue of the two geo-economic paths is mainly related structures of necessity. But depending on the socio-economic development of the world does not exclude other trends and patterns of geo-economic development of the world. Tradition says that only rich economy cares about social development and nature conservation. But today the coin turns and it turns out that in fact precisely the conservation of nature and social development are the main factors for earnings in the economy. The pandemic is expected to plunge most countries into recession in 2020, with per capita income contracting in the largest fraction of countries globally since 1870. Advanced economies are projected to shrink 7 percent. That weakness will spill over to the outlook for emerging market and developing economies, who are forecast to contract by 2.5 percent as they cope with their own domestic outbreaks of the virus. This would represent the weakest showing by this group of economies in at least sixty years. At issue will be how long a course the pandemic will run and what happens thereafter. If a vaccine is found in the near term or public health responses, such as physical distancing, travel restrictions and heightened hygiene, become more successful in minimising infections and deaths while the pandemic subsides, then conditions prior to Covid-19 like crowd gathering and travel movements may return in fuller force and faster than we think.

References

Boyadzhiev, V. (2006). Regional Development and Local Government, Economic aspects of regional policy. Q: The economy of Bulgaria and the European Union. Catching economic develop- strategy and Realities, 2006

Dimov, N. (2000). Theoretical perspectives of geography, CITYU pt. 89

Dimov, N. (2006). Problems of self-organization and synergy in regional development in Bulgaria, WB: Bulgarian society to join the European Union, the " Fr. Ebert " - Institute of Sociology, BAS, Ed. " East-West " S.

Dimov, N. (2007). Regional Sustainable Development of Bulgaria: advantages, limitations and synergistic effect Coll: Integration and Sustainable Development Foundation " Fr.Ebert " - Institute of Sociology, BAS, Ed . " East- West" S.

Dimov, N. (2009), Geography and Theory: Evolution of basic algorithms. - CITYU, vol. 2 - Geography, ie. 102

Geshev, D. (2007). The geographic area - an investment for the twenty-first century. Q: Coll. Geographic space - an investment for the twenty-first century. Ed. Geographical Institute at BAS, S., 2007

Karastoyanov, St. (2010). Political geography, geopolitics and geostrategy. Ed. "St. Kl. Ohridski".

Kolev, B. (2008). National Geographic space of the Republic of Bulgaria, use and conservation, S.

Patarchanov, P. (2005). Theoretical and methodological foundations and development of regional geographic research. - CITYU, Book 2 - Geography, ie. 97

Petrov, K. (2009). Urban planning. Ed. Avangard Prima

Rusev, M. (2005). Ranking and typology of regions and municipalities in Bulgaria in terms of sustainable development. - Yr. Sofia University "St. Kl. Ohridski ", Book 2 - Geography, ie . 97

Rusev, M. (2008). Public geography. Ed. "St. Kl. Ohridski"

Stoychev K. (2008). Regional balance of industrial production: structure and optimization, Ph.D., Sofia, 2008. (Abstract)

REGIONAL DEVELOPMENT AND ELECTRONIC GOVERNANCE FOR IMPROVING EMPLOYMENT IN SMALL AND MEDIUM ENTERPRISES IN DOBRICH REGION

Mihaela Georgieva[1]

[1]E-mail: miha@abv.bg, Sofia University, "St. Kliment Ohridski" , bul. "Tsar Osvoboditel" 15, 1504 Sofia Center, Sofia, Bulgaria

Abstract

This report is dedicated to the regional development and modernization of e-government to improve employment in small and medium enterprises in Dobrich region. The main focus of the exhibition is the need for the development of electronic technologies to improve the information environment, as well as the need of small and medium enterprises to introduce e-government in order to adapt to new requirements, reduce administrative burdens and optimize management processes. . It is proposed to create an electronic system at district levels, which will set the possibility for providing a number of electronic services for economically active people, in order to improve connectivity and socio-economic processes in Dobrich region.

Key words: e - government, region, small and medium enterprises, employment, adaptability, development, modeling, systems.

Abstrakt

Dieser Bericht ist der regionalen Entwicklung und Modernisierung von E-Government zur Verbesserung der Beschäftigung in kleinen und mittleren Unternehmen in der Region Dobrich gewidmet. Im Mittelpunkt steht die Notwendigkeit der Entwicklung elektronischer Technologien zur Verbesserung der Informationsumgebung sowie die Notwendigkeit der Einführung von E-Government in kleinen und mittleren Unternehmen, um sich an neue Anforderungen anzupassen, den Verwaltungsaufwand zu reduzieren und die Managementprozesse zu optimieren. . Es wird vorgeschlagen, ein elektronisches System auf Kreisebene zu schaffen, das die Möglichkeit bietet, eine Reihe von elektronischen Dienstleistungen für wirtschaftlich aktive Menschen anzubieten, um die Konnektivität und die sozioökonomischen Prozesse in der Region Dobrich zu verbessern.

Schlüsselwörter: e - Regierung, Region, kleine und mittlere Unternehmen, Beschäftigung, Anpassungsfähigkeit, Entwicklung, Modellierung, Systeme.

Résumé

Ce rapport est consacré au développement régional et à la modernisation de l'administration en ligne afin d'améliorer l'emploi dans les petites et moyennes entreprises de la région de Dobrich. Il porte principalement sur la nécessité de développer les technologies électroniques pour améliorer l'environnement de l'information, ainsi que sur la nécessité pour les petites et moyennes entreprises d'introduire l'administration en ligne afin de s'adapter aux nouvelles exigences, de réduire les charges administratives et d'optimiser les processus de gestion. . Il est proposé de créer un système électronique

au niveau des districts, qui permettra de fournir un certain nombre de services électroniques aux personnes économiquement actives, afin d'améliorer la connectivité et les processus socio-économiques dans la région de Dobrich.

Mots clés: e - gouvernement, région, petites et moyennes entreprises, emploi, adaptabilité, développement, modélisation, systèmes.

ntroduction

The main problems in the spatial development of the regions in Bulgaria are to be in terms of overcoming the socio-economic backwardness and generating high levels of employment. In this direction, small and medium-sized enterprises can have an important element in improving regional development. They can be the backbone of the pulling development of the districts in Bulgaria. In this direction, our goal is to bring out those features of regional development and e-government that create conditions for improving employment in small and medium enterprises. Thus, the main attention will be paid to the demographic and territorial characteristics, as basic in terms of determining the need for the establishment and operation of small and medium enterprises (SMEs). In fact, they are the backbone of the European economy. They provide two thirds of all private sector jobs in the EU and 85% of new jobs. SMEs and entrepreneurship are key factors for achieving economic growth, innovation, job creation and social integration in the EU. In this direction, by improving e-government, an information environment can be created to support the attractive development of small and medium-sized enterprises at the regional level and to improve their competitiveness at the national and international level. Moreover, the development of SMEs offers in particular many employment opportunities, which can help reduce unemployment and meet the demographic challenges of a rapidly growing population (Kolaj, Kolaj, Borisov, Osmani, Skunka, 2018). In addition, the development of the SME sector can help to strengthen competition and productivity and therefore stimulate the growth of regional income and per capita income in Dobrich region. This development will also spur structural change, as a well-functioning SME sector is linked to innovation and to raising the level of technology and introducing an effective information environment to develop the foundations of e-government. The electronic government (e-government) is the management in an electronic environment of regulatory relationships, administrative processes and servicing the interaction with users using information, statistical and mathematical models and methods of data processing, information and knowledge that provide much higher level of management efficiency. The relevance of cultural landscape has grown considerably in the last 30 years, an interesting fact that growth mentioned in a famous study, was that even the ordinary buildings can become part of a cultural built heritage, because they express the in teraction between the population and the place where they are living in. Thereby, a built landscape acquires a specific traditional feature when is related to a group that has a well-defined cultural identity. This identity is much better outlined when, in a relatively small area as Dobrudja, are living peacefully for centuries about minorities who shared to each other some of their singular identity.

Results

In spatial and territorial development it is very important, in the conditions of Bulgaria's membership in the European Union, to develop the regional business and the processes of improved

information environment. Thus, an important goal for the sustainable development of Dobrich region is the promotion of investments and territorial units, in order to more equitably distribute investments, jobs / employment and wealth, against the background of increasing competition. E-government is a tool for comprehensively increasing the efficiency of processes in the administration, as well as facilitating the processes of interaction between administration, employees, citizens, business, through the use of e-services. Territorially, Dobrich district is located in northeastern Bulgaria and occupies most of southern Dobrudja. It falls in the easternmost part of the Danube hilly plain. Dobrich District is one of the largest producers of agricultural products in the country. District of Dobrich is situated in the eastern part of the Danube Plain. It borders the districts of Varna, Shumen and Silistra. District of Dobrich consists of 8 municipalities – Balchik, General Toshevo, Dobrich, Dobrich-village (Dobrichka), Kavarna, Krushari, Tervel, Shabla. The population in the area is about 189 677 people. The region has a rich variety of natural and archaeological sites – Shabla and Durankulak lakes, Kaliakra, sea resorts, museums with rich archaeological and ethnographic exhibitions and many others. The area is also known for lavender cultivation. The areas with lavender in the District of Dobrich are about 25 thousand decares. In recent years, Bulgaria has been the world leader in lavender growing and lavender oil production. The natural conditions here are extremely favorable for the development of crop production - for growing cereals, technical and fodder crops. The share of arable land in agricultural areas is the highest compared to other districts in the country - 98.8% compared to an average of 90.9% for the country. In this respect, the district is a leader in the food industry, accounting for 48% of industrial production. The milling industry has a capacity of over 200 tons per day. A well-developed industry is the production of bread and bakery products.

Table 1. Small and medium enterprises in Dobrich district by years. Source: RSO Dobrich

Years	Total number of companies / non-financial sector/	Number of small and medium enterprises	Total number / employees + employees /
2007	5783	595	38023
2008	6441	624	39314
2009	8942	704	38268
2010	8720	659	34712
2011	8895	633	34496
2013	8923	675	35345
2016	9032	687	36543
2017	9056	696	36657

Over 35% of the pasta in the country is produced in Dobrich district. The oil industry has a capacity of 200 tons per day. The Dobrich region produces cheese, yellow cheese, yoghurt, milk butter, milk powder and ice cream. There is a large poultry slaughterhouse in the district, as well as the largest egg production enterprise in the country. The strong positions of the district, as a producer of food products,

are determined primarily by the established traditions, the availability of skilled labor, the great opportunities of local agriculture and the good interaction of these industries. The region also develops the footwear, tailoring, leather and fur, chemical industries, metallurgy and mechanical engineering, textile and knitwear, wood and wood processing, electronic and electrical industries, construction materials and more. All this creates conditions for the region to have a development profile of small and medium-sized enterprises in the processing industry. These enterprises are the backbone of the district's economy in terms of employment and operating income. In general, the characteristics of this group of business units by years in Table 1 show that small and medium-sized enterprises employ more than 30 thousand people, which is a serious potential for employment levels in Dobrich district.

The analysis of the data shows that the peak year in terms of the number of small and medium-sized enterprises is 2009, after which their number decreases. This is explained by the ongoing economic crisis. At present they make up 7.11% of all companies in the district. The number of employees in these enterprises peaked in 2008 and then decreased to reach 34,500 in 2011, which is 47.3% of all employees in the three economic sectors.

In practice, in the period after 2011 there is an increase in the share of small and medium enterprises, but at a slow pace. Given the declining population and limited labor force, data from 2017 show that the district is close to 2009 levels, but has not yet surpassed them. It is important to note that the socio-economic development of Dobrich district directly corresponds to the increase of employment in small and medium class enterprises. This also means looking for opportunities for the development of these economically active people in the Dobrich region. Similar views are enshrined in the Regional Strategy for Development of Dobrich for the period 2014-2020, where goals are set to increase the potential of human resources, increase employment, income and achieve social integration of disadvantaged groups. In practice, this presupposes the creation of conditions for increasing the competitiveness for achieving dynamic development of the district, while reducing the differences both within it and in relation to the neighboring districts. By supporting the economically active persons at the district level, the stimulation of the balanced territorial development can be achieved by establishing adequate models of territorial organization, improving the ecological conditions, effective use of the mechanisms for cross-border and interregional cooperation. In this direction at the district level it is necessary to proceed to improve e-government.

It is necessary to introduce in the district of Dobrich the application of a unified information model in the administrations and the building of an opportunity for e-services for the business (Petrov, 2019). This means that at the regional level, the digitalization of administrations to cover a series of actions related to the introduction and use of databases, transition to fully electronic registers and register production, modeling of information exchange processes, formation of complex electronic administrative services, reaching to the ultimate goal - "connected administration".This means that all data and unstructured electronic documents are subject to administrative document flow, as well as all data that are required by law to be translated and processed in digital form (Valkov, 2012). To facilitate the administrations at the level of municipalities in Dobrich district, to develop information systems for data modeling. This means following the policy of each administration being a primary administrator. This means introducing an electronic register and the corresponding electronic register services. These registers must be connected to the central e-government infrastructure. Thus, each administration will

be able to receive the necessary official information from the primary administrator electronically. In this way the principle of one-time collection and multiple use of information will be realized. Thus, municipal administrations will be able to model the processes of their administrative services in order to move to their provision electronically. This will make it easier for users of their services. Thus, information profiles for access to the local administration will have to be developed for small and medium enterprises. This means that the established information connections between the business of the administrations should be logically connected, according to the processes for providing the complex administrative services. The integration environment should be improved by creating a process management system for providing complex administrative services electronically. In this way, a fully automated electronic document flow between administrations will be gradually achieved. This will create conditions for a technological model based on open standards, guaranteeing scalability and flexibility if necessary (Vladev, 2015), (Marinov, 2018).

The technologies and approaches used will allow for rapid change and implementation of new business processes - rapid deployment of business applications, optimizing their use, according to the ever-changing needs of consumers - citizens, business organizations and administration. In this way, small and medium-sized enterprises will be able to become part of information systems so that they are from e-government by operating on the principles of service-oriented architectures (AOs). This means at the regional level to implement the technological framework of e-government in the Republic of Bulgaria, by using modern solutions to optimize information and communication resources, through remote access to shared resources, including data centers. In this direction, at the district level, a regional centralized integration system of e-government with guaranteed and duplicated high-speed communication connectivity with gradual connection of all administrations and small and medium enterprises must be built in Dobrich.

This will create a new role of the district administration to coordinate, manage and develop communication infrastructure in order to achieve sustainability, quality of services and minimize public spending. In this order of work, a major problem for building e-government is the ability to implement new and active measures in the labor market by employers and on the other hand regulation of standards by public administration (Petrov, K. 2017). This directly corresponds to the structural interventions, which will be aimed at expanding the scope and quality of labor market policies, to overcome the significant lag in the level of employment in the region and especially in some of its municipalities. When building and implementing a new system, the parts of it concerning interfaces with other systems and provision of services must be registered in an appropriate format in repositories for future use / reuse. The registration regime should be free as far as the standard format of the information is required.

A major reserve for attracting staff for small and medium-sized enterprises is the support of the groups with the lowest opportunity for inclusion in the labor market, such as young people, disadvantaged groups and the long-term unemployed. The maximum benefits for Dobrich district from labor market policies and employment programs, including integrated alternative employment schemes, should be sought. Priority in the implementation of these activities should be given to the promotion of local employment initiatives in the backward areas for targeted support and strengthening the social integration of disadvantaged people.

This means that the approach and development of small and medium-sized enterprises at regional and local level can help to improve employment levels and improve the living environment. Thus, although local and regional authorities have a crucial role to play in promoting the development of SMEs in the early stages of their activities, the success of these enterprises leads to them becoming an engine for the regional development of the Dobrich region. Through these processes, successful local and regional development contributes to strengthening social cohesion by creating employment and improving the quality of public administration (Petrov, 2015). Despite the important role of local and regional authorities, most initiatives in the interest of SME development are based on implementation at national level, neglecting the role of regional and local authorities. In addition, even when there are local and regional initiatives, their effectiveness is reduced by limited administrative capacity in terms of both funding and human resources. Therefore, it is necessary to give greater importance to the actions of local and regional authorities, to stimulate entrepreneurship and the creation of small and medium-sized enterprises. At the same time, the tools needed to create a favorable environment for small and medium-sized enterprises must be provided. In this regard, it is necessary, through e-government, to create opportunities for project implementation in order to strengthen the interaction between educational and administrative institutions and business and involve employers and labor market institutions in the development and implementation of qualification programs in order to increase of entrepreneurial skills and employability. In the direction of improving the information environment, it is necessary to implement a system for forecasting the needs of the labor market for labor, providing conditions for productive and quality employment of able-bodied persons. Creating an information environment for the implementation of programs for flexible systems of qualification and retraining, according to the needs of the labor market (Atanasov and Naydenov, 2016).

Another important problem facing small and medium-sized enterprises is access to finance, especially in their early stages of development. The European Commission has launched the European Fund for Strategic Investments to improve the investment environment for businesses, including SMEs in Europe. This means improving the information environment in order to implement more projects by small and medium enterprises, which will improve the state of staffing, improve skills and introduce new industries. This means supporting the process of these small and medium-sized enterprises, which are growth-oriented and for start-ups. In the district of Dobrich, the creation of e-government and a database of possible financing is the largest source of external institutional and economic support for start-ups. Thus, information security is becoming increasingly important in providing capital financing, as well as in supporting economic growth and technological progress.

The maturity of the investment market in the early stages of enterprise development could also be described through the development of supply and demand. In terms of demand, the quality of proposals for investment opportunities from entrepreneurs is crucial. The investment readiness of an SME or entrepreneur seeking financing is the ability to understand the specific needs of investors and meet those needs by providing an appropriate structure and relevant information. It helps the entrepreneur to be convincing and inspire confidence. On the other hand, the investment capacity represents the maximum amount of funds that an investor is willing to invest in an SME or start-up for a certain period of time. Depending on the type of investor and the type of investment, different modes of action will be used. In most cases, it is unlikely that the entire investment will be made directly by a single person. In

addition, issues related to investment readiness and investment capacity need to be addressed in order to encourage investment.Last but not least, the introduction of standardization in terms of delivery, development and maintenance of software solutions is important. In the district of Dobrich, a systematic approach must be introduced, guaranteeing the high quality of the information solutions and regulating the minimum requirements in each phase, when performing delivery or software development. Standardization is a key prerequisite for the repeated use of available technologies, solutions and knowledge (infrastructure, applications, solutions, licenses and technological means). This will increase the stability and maturity of existing solutions, will reduce the time and resources to develop new ones, will reduce maintenance and service costs. As mentioned before, the aim of the present research is to examine the attitudes of different representative group members involved, who have been involved or are intending to get involved in local tourism activities, regardless their age, born in the rural areas of Dobrudja or currently settled in, towards two aspects: the continuous changes in a rural (touristic) area and the economic potential of its domestic cultural heritage. As prior studies have shown, we have decided to start from the assumption that the happening demographic changes will influence many aspects concerning the conservation and economic development of the vernacular assets.

Conclusion

In the modern information society, information and communication technologies are the core around which the most successful organizations and administrations build their businesses and management systems. E-government, e-government and e-services are inherent in the most developed economic and political countries. In this respect, it is important for regional development that areas can adapt to these new needs of the information society. The introduction of new technologies and the application of innovations is the surest way to increase the competitiveness of Dobrich district. This type of public intervention has a proven sustainability and ability to attract desired investments, leading to the creation of attractive jobs, retention of human capital and generation of regional growth. The functioning enterprises on the territory of the district, as well as those in the more backward parts of the district, should make efforts to maintain their positions and advantages through the possibility for restructuring, diversification and development of the provided services. To this end, activities related to the implementation of new and high-tech solutions and promoting the implementation of market-oriented projects will be supported. The development of e-government is a guarantee for the strong regional development of Dobrich district and for strengthening the innovation policy to the main challenges facing the society, such as climate change, efficient use of energy and resources, health and demographic changes. For some unfavorable areas of the country, the government has promised dedicated programs that will increase the percentage of young population into the rural area, and will assure financial support in order to revitalize the local economy, mostly to capitalize the historical and cultural values of the rural landscape and its historical built heritage. At the same time, in areas like the northern Dobrudja, socio-demographic changes have been ongoing, due to financial support offered to locals and potential new residents who are willing to be established in rural settlements in order to create small businesses, and thus converting the local demographic structure and the pattern of demand for services and goods.

References

Atanasov, M., Kl. Naydenov (2016). Obezlyudyavaneto v R Bulgariya i tselenasochenite investitsionni programi – bulgarskiya opit i praktika. str. 240-248

Capello R., P. Nijkamp (Eds.) (2009). Handbook of regional growth and development theories, Edward Elgar

Kolaj, D., R. Kolaj, P. Borisov, A. Osmani, D. Skunka (2018). Beyond the Metropolis: Farmers' empowering as a challenge of Peri-urban areas. European Journal of Economics and Management Sciences. Vol 3/2018.

Marinov, P., (2018). Natural Resource Potential in the Rural Areas of the South Central Region, Plovdiv, Fast Print Books, pp. 103-106

Patarchanov, P, Em. Patarchanova, V. Zarkov (2018). The need for a new logic in the regionalization of the national space. Proceedings of the International scientific and practical conference "Bulgaria of regions'2018". University of agribusiness and rural development, Plovdiv 19 – 21 October, 2018. 91-104

Patarchanova, Em. (2012). Socio - Economic Patterns and Trends in Rural Development in EU, Journal of Settlements and Spatial Planning, vol. 3, No. 2, 2012, Cluj University Press, Cluj-Napoca, Romania, p. 151-155

Petrov, K. (2015). Dopirni tochki i razlichiya v geoikonomikata i yelektronnoto upravleniye,2015

Petrov, K. (2017). Opportunities for improving the regional development in south central planning planning through egovernance". VII -th International scientific conference "E-Governance and E-Communications" ISBN 978-619-167-368-1,

Petrov, K. (2019). Theoretical approaches to regional development and electronic management in a territorial aspect. Selected and extended papers from X -th International scientific conference "E-Governance and E-Communications" ISBN 978-619-167-368-1, 2019

Strategiya za razvitie na elektronnoto upravlenie v Republika Balgariya 2014 – 2020

Strategiya za razvitiye na yelektronnoto upravleniye v Republika Bulgariya 2014 – 2020 g.

Valkov, Vl. (2012). Institutsionalna sistema na sotsialnoto osiguryavane. - Mezhdunarodna nauchna konferentsiya na tema: „Regionalnoto razvitiye v Bulgariya: Tendentsii i perspektivi", 30-31.05.2012 g., Izdatelski kompleks – UNSS., s. 143-145.

Vladev, I. (2015). Trends in spatial distribution and population density of the following Bulgarian socio-economic territorial systems: Shumen, Novi pazar, Kaspichan, and Veliki Preslav. //Proceedings of the XIII Conference „Natural Sciences'2015"

NEW BUSINESS MODELS – A WAY FOR SUSTAINABLE DEVELOPMENT OF SMALL FARMS

Bozhura Fidanska[1]

[1]E-mail: bojura_fidanska@abv.bg, Instiute of Agrarian Economics, Address: Sofia 1113, 125 Tsarigradsko Shosse Str., Block 1, Bulgaria

Abstract

Since Bulgaria's accession to the EU in 2007, the number of small farms has been steadily decreasing, with a decrease of 50% in recent years. As a result, rural areas, and especially mountain areas, are losing their economic viability, and problems with the demographic crisis and the lack of labor are deepening and valuable local resources are being lost.

The study examines and explores a relatively new topic on the introduction and use of new business models in starting up a farming business, which is the main path preferred by EU rural development policy. The purpose of the article is to identify and propose business models that will contribute to the optimal use of resources, enhancing the economic level of small farms.

The advantages of small farms, their needs and the difficulties they face for starting a family business are outlined. The results of the study strongly indicate that small farms need to be transformed through greater market integration, higher production efficiency (new technologies and the introduction of digital services), the integration of economic alternative economic activities, including the addition of value to local products and more.

Keywords: small farms, business models, entrepreneurship, rural areas

Abstrakt

Seit dem EU-Beitritt Bulgariens im Jahr 2007 geht die Zahl der kleinen landwirtschaftlichen Betriebe stetig zurück, in den letzten Jahren um 50 %. Infolgedessen verlieren ländliche Gebiete, insbesondere Berggebiete, ihre wirtschaftliche Lebensfähigkeit, und die Probleme mit der demografischen Krise und dem Mangel an Arbeitskräften vertiefen sich und wertvolle lokale Ressourcen gehen verloren.

Die Studie untersucht und erforscht ein relativ neues Thema zur Einführung und Nutzung neuer Geschäftsmodelle bei der Gründung eines landwirtschaftlichen Betriebes, was der von der EU-Politik zur Entwicklung des ländlichen Raums bevorzugte Weg ist.

Ziel des Artikels ist es, Geschäftsmodelle zu identifizieren und vorzuschlagen, die zu einer optimalen Nutzung von Ressourcen beitragen und das wirtschaftliche Niveau von kleinen landwirtschaftlichen Betrieben erhöhen.

Die Vorteile von Kleinbetrieben, ihre Bedürfnisse und die Schwierigkeiten, die sie bei der Gründung eines Familienunternehmens haben, werden skizziert. Die Ergebnisse der Studie deuten stark darauf hin, dass kleine Bauernhöfe durch eine stärkere Marktintegration, eine höhere

Produktionseffizienz (neue Technologien und die Einführung digitaler Dienstleistungen), die Integration wirtschaftlicher alternativer Wirtschaftsaktivitäten, einschließlich der Wertschöpfung lokaler Produkte und mehr, transformiert werden müssen.

Schlüsselwörter: kleine Bauernhöfe, Geschäftsmodelle, Unternehmertum, ländliche Gebiete

Résumé

Depuis l'adhésion de la Bulgarie à l'UE en 2007, le nombre de petites exploitations agricoles n'a cessé de diminuer, avec une baisse de 50 % ces dernières années. En conséquence, les zones rurales, et en particulier les zones de montagne, perdent leur viabilité économique, et les problèmes liés à la crise démographique et au manque de main-d'œuvre s'aggravent, entraînant la perte de précieuses ressources locales.

L'étude examine et explore un sujet relativement nouveau sur l'introduction et l'utilisation de nouveaux modèles d'entreprise dans la création d'une entreprise agricole, qui est la principale voie privilégiée par la politique de développement rural de l'UE.

L'objectif de l'article est d'identifier et de proposer des modèles d'entreprise qui contribueront à l'utilisation optimale des ressources, en améliorant le niveau économique des petites exploitations.

Les avantages des petites exploitations agricoles, leurs besoins et les difficultés qu'elles rencontrent pour créer une entreprise familiale sont exposés. Les résultats de l'étude indiquent clairement que les petites exploitations agricoles doivent être transformées par une plus grande intégration du marché, une plus grande efficacité de la production (nouvelles technologies et introduction de services numériques), l'intégration d'activités économiques alternatives, y compris l'ajout de valeur aux produits locaux, etc.

Mots clés: petites exploitations agricoles, modèles d'entreprise, esprit d'entreprise, zones rurales

Introduction

Food markets are constantly evolving. They are undergoing rapid but uneven modernization based on the retail revolution. Market modernization offers increased economic opportunities for small farms. At the same time, there is a risk of isolating small farms from supermarkets or complying with costly market entry requirements. The development of these farms can follow two main paths. First, it is the transformation of small family / market farms through greater market integration, with higher production efficiency (eg new technologies) and higher farm sales. The second way includes continuation of small-scale production through diversification with inclusion / exclusion - economic alternative economic activities, including adding value to local products, (Nikolov, Borisov and Radev, 2014). Both opportunities can take full advantage of a wide range of innovative activities to support the commercialization of small-scale production and / or diversification of household incomes (D. Nikolov, Boevski I., Kostenarov K.).

The study examines and explores a relatively new topic for the introduction and use of new business models in starting an agricultural business, which is the main path preferred by EU rural development policy.

The aim of the article is to identify and propose business models that will contribute to the optimal use of resources, increase the economic level of small farms.

The advantages of small farms, their needs and the difficulties they face in starting a family business are outlined. The results of the study clearly show that small farms should be transformed through greater market integration, with higher production efficiency (eg new technologies and introduction of digital

services), inclusion of economic alternative economic activities, including adding value. to local products, etc.

In accordance with the set goal, the main methods included in the research approach are systematic and comparative analysis, descriptive analysis, method of statistical groupings, expert evaluation. The main sources and materials on which the survey is based - the Farm Accountancy Data Network (FADN), Agrostatistics Department, Ministry of Agriculture and Food, Eurostat, as well as data from surveys under the Newbie project under Horizon 2020 and the SWOT analysis for agriculture of the Institute of Agricultural Economics.

Results

After Bulgaria's accession to the EU in 2007, the number of small farms has been steadily declining, with a decrease of 50% in recent years. As a result, rural areas and especially mountainous areas are losing their economic viability, the problems of the demographic crisis and labor shortages are deepening and valuable local resources are being lost. As can be seen from the data given in table. 1, the period 2007-2016 is characterized by dynamic structural changes in agricultural holdings. There is a lasting tendency to reduce their number by nearly 60% from 493 133 in 2007 to 201 014 for 2016. The reduction processes are most dynamic in the holdings with UAA size up to 2 ha and the reduction is by 65%. To a lesser extent, a decrease was also reported for farms with a size of 2-10 ha by 40%. The most dynamic changes in the direction of decrease is in small farms, whose number for the analyzed period decreased about 2 times and in 2016 were 104,898. The next group of farms with an economic size of 2,000-8,000 euros SP are the so-called. small farms with a reduction of 41%.

Table 1. Dynamics in the number and size of agricultural holdings. Source: Agrostatistics, MAFF

	2007	2010	2013	2016	Изменение 2016/2007 г., %
Стопанства, хил. бр.	**493,1**	**370,2**	**254,1**	**201,0**	**-60**
0 - < 2 ха	417,4	308,1	193,1	146,5	-65
2 - < 10 ха	49,3	41,1	38,7	29,7	-40
10 - < 50 ха	9,1	12,8	13,4	15,3	+68
>=50 ха	6,2	8,2	8,9	9,5	+53
ИЗП, хил. ха	**3 050,7**	**3 617,0**	**3 794,9**	**3 795,5**	**24**
0 - < 2 ха	191,1	144,2	100,9	69,5	-64
2 - < 10 ха	182,1	163,1	156,2	129,1	-30
10 - < 50 ха	179,9	278,6	299,6	362,5	+102
>= 50 ха	2 497,7	3 031,0	3 238,2	3 234,4	+29

What is the situation with regard to starting a business in agriculture?

A case study between the countries participating in the Newbie project for the study of new entrants in the Agriculture sector, implemented under the Horizon 2020 project, in which Bulgaria is represented by Gotse Delchev Business Incubator, led by Rositsa Dzhambazova, found the following:

• 90% from the cases in Bulgaria, those entering and starting a business in agriculture inherit this business from their parents, grandparents, etc .;

• The majority of new entrants completely change the concept of agricultural business development, such as the integration of new technologies and practices, change of crops and animals and diversification of services offered;

• 2/3 of the respondents in the survey received support for starting a new business in agriculture, in Bulgaria these are most often under measures 6.1 and 6.3 of the RDP 2014-2020, respectively for young and small farmers;

• The average size of the newcomers surveyed under the project is quite large (> 100 ha), the reason for this size are the surveyed two large farms in Bulgaria, with an area of 3000 ha each and the United Kingdom. But they usually start with small areas under 5 ha;

• Some of the new participants interviewed are located in mountainous areas with large pastures, as well as in areas with high nature value lands, Natura 2000;

• In some countries (Ireland) the majority of farms are livestock mainly with pastures and meadows, while in countries such as Belgium, Bulgaria and Germany cultivated plants play a major role. The Netherlands is represented by a farm with large areas of greenhouse vegetable production;

• About three quarters of the surveyed farms own part (or all) of the cultivated agricultural land. About half of them rent land in the long term (> 5 years) and more than a third in the short term (<5 years).

With regard to those employed in agriculture, Eurostat data for the last 10 years (2007-2016) show that the reduction of the labor force in the sector is typical for almost all European countries, but the pace and reasons for this phenomenon in individual countries is different. In Bulgaria it is almost 2.4 times higher than the average rate for the EU 27 and is one of the highest in Europe. The reduction of the labor force in the Bulgarian sector is expressed by the reduction of employment measured in annual labor units (AWU). Despite the decrease in the number of employees measured as AWU, it turns out that in our country a very large part of the population continues to have contact and partial (seasonal, temporary, family or other) involvement in agriculture. Between 2007-2017, there was almost no change, with about 19% of all those employed in the economy working in agriculture. Bulgaria is among the countries in the EU where this percentage is the highest, which shows that there is a relationship between the relatively large number of farms per capita in Bulgaria and the significant share of those engaged in agricultural labor in GRE reduced by more than half.

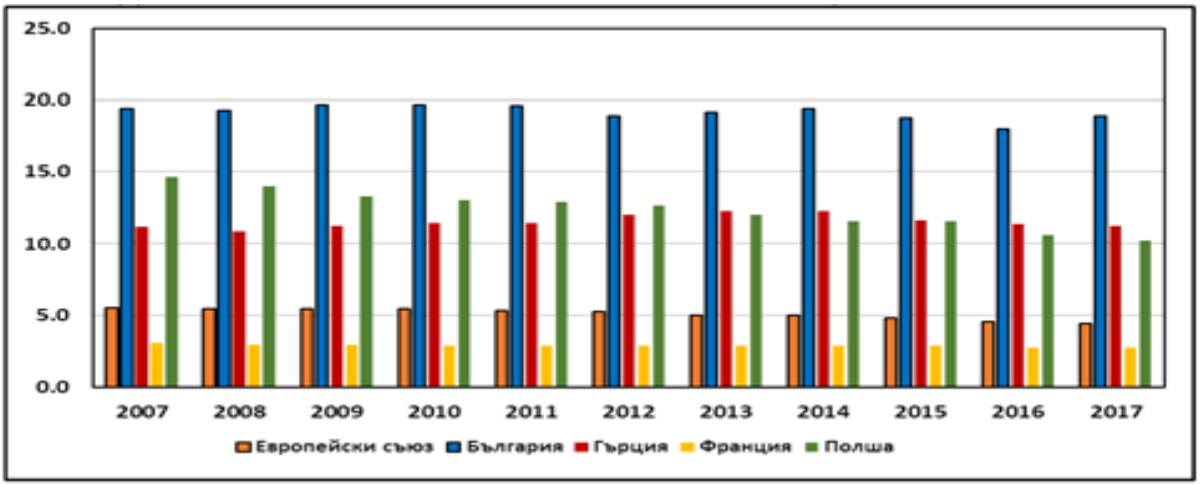


Figure 1. Share of those engaged in agriculture in total employment,%. Source: Eurostat

Regarding the duration of employment of new entrants and / or start-ups in agriculture, a study was conducted between the partner countries in the Newbie project. From the data shown in fig. 2 shows that full-time farmers indicate an average workload of about 60 hours per week, and part-time farmers indicate approximately 30 overtime hours. Newcomers are most intensively employed in Belgium, the Netherlands and Ireland, which shows that agriculture is their main business and they rely on the income from this activity. Bulgaria also has good indicators, as newcomers and / or starting their business in agriculture are employed 55 hours a week. The lowest values are for the part-time and part-time indicators in France, followed by the Netherlands, Germany and Bulgaria.

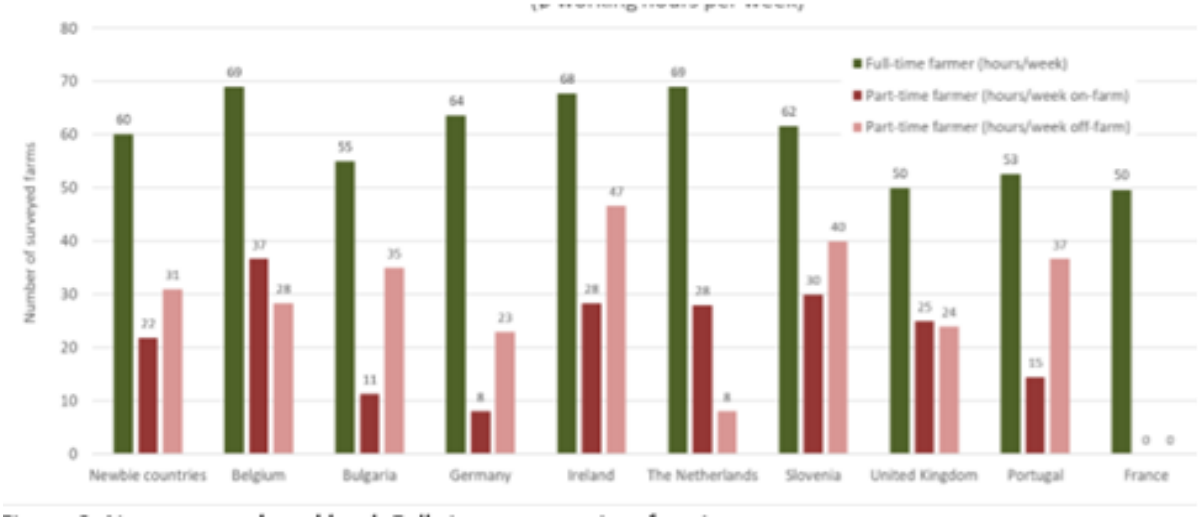


Figure 2. The labor force of new entrants to agriculture (working hours per week in full and part time). Source: Research, project Newbie, Horizont 2020

What is the situation regarding the quality of employees in agriculture. The following two components are directly related to the quality of labor resources: their age structure and educational level. The analysis of the data for the age composition fig. 3 ,. shows the following trends: The share of people in the highest group (over 65) decreased from 45% in 2007 to 36.4% in 2016, but it still remains higher than the average

for European countries. At the same time, the share of the youngest age group (under 39) increased from 7.8% to 14%. This indicator is ahead of the European level. In the period 2009-2016, one of the main priorities set under the individual measures of the RDP is to stimulate the development and entry of young farmers under the age of 40, including continuity between generations. Through the RDP, young farmers are given the opportunity to support entering the sector, as well as to modernize the production process on their farms.

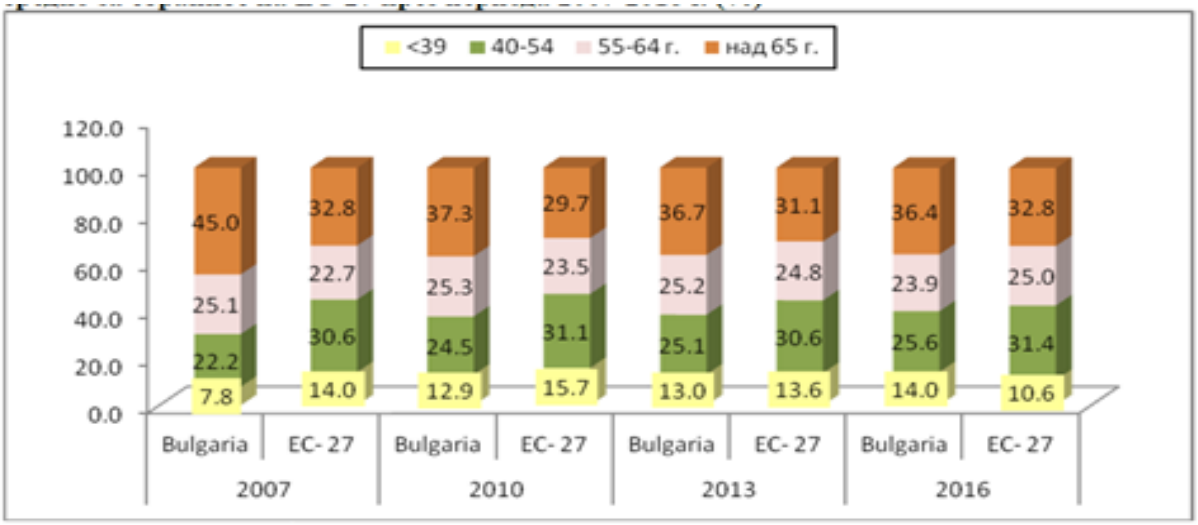


Figure 3. Relative share of employed in agriculture by age groups in Bulgaria and on average for the EU-27 countries,%. Sourse: Analysis of the state of agriculture, IAI

What exactly is a business model?

Business models or entrepreneurial models describe the rationale for how the organization creates, delivers and captures value, presents the design of organizational structures to provide commercial opportunity, and explains how value is created for customers and how value is attracted to the company and its stakeholders. Individual business models are often focused on one or a combination of business strategies such as "low cost production", "differentiation" or "diversification". In fig. 4 illustrates what a business model is, it is primarily dynamic, ie. unlike a business plan, it can be easily and flexibly changed depending on the circumstances that have arisen by providing test hypotheses; gives a description of the participants in the business and their roles; it is designed to exploit new discoveries and lead to the success of start-ups if used properly; uses the specifics of the product, service and information flows.

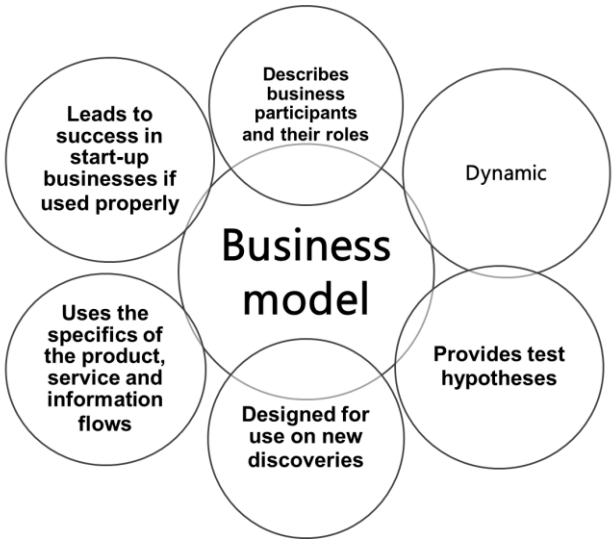


Figure 4. Business model. Source: Own research

According to the definitions used in the Horizon 2020 Newbie project, new models are defined as approaches, methods and / or tools that can help overcome barriers to accessing resources for new entrants to agriculture. These can be, for example, new forms of cooperation, partnerships, contract agriculture, access to land. The new entry models can specifically address the issue of access to "key resources" and the legal aspects of the new business and are a very important and crucial part of the new economy's business model.

A new entrant is defined as anyone who starts a new business in agriculture or joins an existing farming business. Includes a wide range of ages, agricultural experience and access to resources. Newcomers or heirs to such a business can enter agriculture at any stage of their working life. The barriers they face are: access to land, labor, capital, housing, markets, knowledge and networks needed to acquire these resources.

The basis of innovative business models for the inclusion of small farms in food chains are farmers' organizations in order to reduce the costs faced by buyers (processors or wholesalers and retailers). By communicating with producer organizations, buyers can overcome the problems associated with a large number of producers, economies of scale, poor access to information, technology and finance, lack of traceability and risk management. Small farms can be organized by the producers themselves, by the buyers of agricultural products or by an intermediary such as a non-governmental organization.

The business models of modern processors and retailers are built through cooperation, joint investment and exchange of knowledge between producers, suppliers, processors and retailers in order to achieve quality, safety and security of consumers, reliability of supply, lower prices and sustainability.

*Types of business models***.** The considered business models are:

1. Business model "Marketing Cooperatives", in its implementation provides for the use of an Internet platform to improve the productive consumption of their members - supply them mainly with fertilizers, seeds, preparations, compound feed, food additives and machinery, and carry out general sales of their production, which does not go directly for processing. The following definition

can be used - "the provision of interconnected solutions in the field of entry and exit of agricultural holdings and risk management, aimed at creating a sustainable competitive advantage in certain markets and consisting of four interrelated elements, which together create and deliver value ". The elements of the business model are:

- Value proposition;
- International process/skills;
- Market power;
- Profit formula.

The alternatives for this business model are: (A) cost reduction - increase in gross margin by 15%; (B) - increase in sales prices - increase in gross margin by 25%; (C) - a combination of A and B - a 40%

2. Consumer-oriented business model. The innovation in this model is related to the use of an Internet platform for direct sales to business customers. The business model is aimed at introducing new products to the market in order to add value aimed at the customer. The definition of a "consumer-oriented" model is "technological characteristics and potential resources become customers and markets into economic resources. The business model is designed as a focus tool that mediates between development and technology and the creation of economic value. " The elements of this model are:

- Value proposition;
- Customer;
- Cost and profit;
- Value network;
- Competitive;
- Novelty.

Accordingly, its alternatives are: (A) - product innovation - increase in gross margin by 10%; (B) - mass market segment - increase of the gross margin by 15%; (C) - a combination of A and B - a 25% increase in gross margin.

3. Business model "Short circuits". The innovation in the model is based on the use of e-commerce in order to reduce and eliminate resellers, who usually make agricultural products more expensive without improving their quality. The definition of the business model related to short circuits is as follows: "A system that solves the problem by identifying who is (or are) the customer (s) committed to their needs, providing satisfaction and gaining value, and how the business delivers value to a set of customers with attractive profits ". The elements of the business model are:

- Customer;
- Customer engagement;
- Value delivery and linkages
- Customer value;
- Profit formula;
- Capabilities.

The alternatives for this model are: (A) - without intermediaries - increase of the gross margin by 25%; (B) - with 1 intermediary - increase of the gross margin by 20%; (C) - with 2 intermediaries - increase of the gross margin by 20%.

4. Business model "Diversification of agricultural activities". The innovation in the model is based on the introduction of new activities in order to diversify the activities in a farm in order to meet more needs of consumers and thus increase its sustainability. The definition of the business model related to the diversification of activities is as follows: "A system that solves the problem of introducing the production of different and additional types of products, providing variety of products, the business adds value to a range of products and increases its profits." The elements of the business model are:

- Value proposition;
- Customer;
- Cost and profit;
- Capabilities.

The alternatives for this model are: (A) - with the addition of 1 product - increase of the gross margin by 15%; (B) - by adding 2 products - increase of the gross margin by 20%; (C) - with diversification to non-agricultural activity - increase of the gross margin by 25%.

5. New Product Business Model. In this business model, innovation is focused on creating a new product in order to increase competitiveness. The definition of this business model is as follows: "Establishment of a system of quantitative and economic indicators for measuring and reporting values in the presentation of a new product (good and / or service)". The elements of the business model are:

- Value proposition;
- Customer;
- Cost and profit;
- Value delivery and linkages
- Novelty.

The alternatives for this model are: (A) - new process - increase of the gross margin by 10%; (B) - new technology - increase of the gross margin by 10%; (C) - new product - increase in gross margin by 15%.

From the study conducted under the Newbie project after interviews of new entrants and start-ups in agriculture, several introductory models for starting a business are derived:

Introductory model "Family Heritage" - the heirs become owners of the land / farm. There are also cases in which older farmers transfer the activity to young people, willing to engage in agriculture.

Introductory model "Starting your own business" - people employed in other sectors of the economy for various reasons are oriented towards starting an agricultural business.

Introductory model "Cooperation" - participation in organizations and groups of producers, cooperatives that offer relief in the use of resources such as access to land, loans, etc.

In all of these models, the provision of advisory and advisory services is important for their good implementation, and the French model is cited as a good example. Several organizations work in cooperation and a network of business incubators has been established, which provide consulting services and access to assets (land, equipment, malt for collection of products, accounting services). Training organizations provide specialized training.

Conclusion

Small farms are of important socio-economic importance and are the primary source of many incoming and start-up businesses in agriculture and rural areas of Bulgaria. They play a significant role,

acting as a social safety net that provides a livelihood for many people and complements household incomes. They also play an important role in land management, environmental protection, biodiversity and landscape.

The main identified socio-economic problems when starting a business in agriculture are grouped in the following areas:

• Access to land - complex procedures for purchase and lease. One of the main problems for newcomers to agriculture or starting an agricultural business is difficult access to land. In cases where there is a lack of hereditary land, it is extremely difficult for newcomers to agriculture to find one to buy or rent. The inefficient land reform carried out after 1991 and the lack of an adequate state policy for the management of agricultural land in Bulgaria lead to a large part of the owners not to seek and / or abandon their ownership of agricultural land. At the same time, the procedures for purchasing such land and / or renting it make it impossible for new entrants to acquire rights to cultivate these lands. Fragmentation, as well as the presence of a large number of heirs, some of whom no longer even live in Bulgaria, are at the heart of these complex procedures for buying and / or renting land.

• Access to labor - lower wages and incomes in agriculture than other sectors are the reason why many Bulgarians find seasonal work on farms in Western Europe. According to data provided by employers' unions, LC Podkrepa the main reason for the lack of Bulgarians wishing to work in Bulgarian agriculture and animal husbandry is the inability of employers in the sector and especially those in the production of fruits and vegetables, essential oils and nuts, and the livestock industry to create conditions for sustainable and well-paid employment. Compensation of employees as a share of gross domestic product averages 47.6% for the EU (2019), in Bulgaria this share is 43.8%. In agriculture this indicator is traditionally lower, about 34-35% of the factor income in the sector on average for the EU, and in Bulgaria it is only 25% - ten percentage points less. The difficulties for newcomers to agriculture to hire seasonal labor create preconditions for the unsustainable development of their business.

• Access to markets - underdeveloped market, markets and many intermediaries. High transaction costs for the acquisition of factors of production and sales, weak cooperation, lack of integration between agriculture and the processing sector, underdeveloped system of trade in local products and short supply chains are serious barriers for both newcomers to agriculture and small producers. Small batches and the inconsistent quality of production, lack of skills and knowledge for market research, poor awareness of market conditions worsen the market position of small farms, incl. newcomers to agriculture. Also a serious problem is the lack of long-term contracts with processors and traders, the reasons being the instability of market prices, the risk of non-fulfillment of contractual obligations by farms and the insufficient legal force of contracts. Agricultural markets and exchanges are still not active enough.

• Severe administrative procedures and lack of knowledge and skills of those working in state institutions and managing European funds. Many small farmers and all new entrants to agriculture share that cumbersome administrative procedures for applying for the various measures financed by European funds, registration, maintenance and implementation of Community standards are the main obstacles to creating and developing sustainable business. and agriculture. The large number of documents required for the functioning of a farm, regulations issued by various services and agencies, secondary spending units at the Ministry of Agriculture, Food and Forestry takes time and a lot of money for small farms and new entrants to agriculture. The lack of practical skills of the employees in the state administration creates

a real danger from the adoption of normative acts, which create misunderstandings and difficulties in their implementation, is an additional obstacle for starting a business in agriculture.

• Lack of information, credit policies, lack of internet access and deteriorating infrastructure in rural areas. A problem in ensuring equal access of small farms to information and advice in agriculture is the insufficient capacity of the National Agricultural Advisory Service / NAAS / and the lack of offices at a lower, local level to serve the more inaccessible mountain, semi-mountain and border areas. The delay in the adoption of measures for the transfer of knowledge and technology in the current programming period 2014-2020 limits small farms and new entrants to the realization of the benefits of applying new digital technologies for the development of their business. The lack of policies for lending to small farms and start-ups in agriculture leads to a lack of financial resources and difficulties in making investments in the purchase of land, equipment, creation of permanent crops, diversification into new activities. Another major problem for the development of rural areas and, accordingly, of those living in them is the extremely poor infrastructure. The lack of basic social services and internet access in them makes them unattractive for the development of sustainable business.

In conclusion, the results of the study clearly show that small farms should be transformed through greater market integration, with higher production efficiency (eg new technologies and introduction of digital services), inclusion of economic alternative economic activities, including adding value to local products, etc.

References

Author's team, IAI, SAA (2020). Analysis of the state of agriculture and the food industry

Helms Ch., Bernd Polling, Wolf Lorleberg, (2019). Inventory of new entrant case studies, Project Newbie, Horizon 2020 reasearch and innovation program under grant agreement No 772835

Koteva N., B. Fidanska (2018), Development and support of small agricultural holdings in Bulgaria, Economics and Management of Agriculture, issue 63

Nikolov D., I. Boevski, K. Kostenarov (2019). Innovative business models in food chains for small farms. Scientific project "Innovative models for management of agricultural holdings in mountainous areas", IAI, SAA, pp. 77-87;

Nikolov, D., P. Borisov, T. Radev. (2014) Integrated Landscape Analysis: Consumers' Preferences Aproach for Defining the Competitive Landscape Composition. A Case of Wine Tourism in Pazardjik District, Bulgaria. Bulgarian Journal of Agricultural Science, 20 (No 4) 2014, pp 761-766.

The Journal of Bio-based Marketing is not – profit organization situated in town of Plovdiv, Bulgaria.

The prime goal of the journal is to support the publishing activity and career development of young professionals in the field of bio-based marketing. The target are young experts, advisory agents, students and academic staff who is involved in the marketing process of bio-based products.

Adress: Osvobojdenie str. 33 Entr. A, Plovdiv, Bulgaria, 4000
E-mail: journalbiobasedmarketing@gmail.com
Phone number: +35932894627260
www.journalbbm.wordpress.com