

OPERATIONAL PROGRAM FISHERIES SECTOR DEVELOPMENT
Republic of BULGARIA /2007 – 2013/

**OPERATIONAL PROGRAM
FISHERIES SECTOR DEVELOPMENT
/2007 – 2013/**

STRATEGY AND DESCRIPTION OF PRIORITY AXIS AND MEASURES

REPUBLIC OF BULGARIA

Sofia, 2012



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II. INTRODUCTION AND GEOGRAPHICAL ELIGIBILITY

I. The Republic of Bulgaria (represented by the administration which is responsible for implementing of the Common Fisheries Policy of the European Union – the National Agency for Fisheries and Aquaculture) is working out the Operational Program "Fisheries sector development" in accordance with the requirements of EC Regulation № 1198/2006 for the establishment of the European Fisheries Fund, as well as in accordance with the Regulation of the European Commission № 498/2007 setting detailed rules for the implementation of EC Council Regulation № 1198/2006. Both documents of the Community are the basis for the implementation of the structural policy in fisheries for the financial period 2007-2013. In the current Operational Program, the policies and priorities for development of fisheries sector - fishing and aquaculture, areas that Fisheries groups will operate which have to be funded by the European Fisheries Fund. The Operational Program (as well as the National Strategic Plan) is being elaborated for the Programming period 2007 – 2013.

In the process of elaboration of the strategic documents: National Strategic Plan and Operational programme, a consultation with the stakeholders has taken place. NGOs, representatives of the Fisheries sector, experts from ministries involved in the fisheries, scientific and research institutes as well as scientists, created working groups and had discussion about the strategic development of the Fisheries sector in Bulgaria. The objective of the National Strategic Plan is to present how the Common Fisheries Policy will be implemented in Bulgaria in line with the Community priorities. The Operational Programme describes how the EFF will contribute to the achievement of some of these objectives through the programming and financial allocation of EFF funding among the priority axes.

II. This Operational program will be implemented for the entire territory of the Republic of Bulgaria, which is classified as Convergence objective under the meaning of the Regulation on the Cohesion policy¹.

III. ANALYSIS:

1. GENERAL DESCRIPTION OF THE FISHERIES SECTOR IN THE REPUBLIC OF BULGARIA AND ANALYSIS OF NATIONAL AND LOCAL CIRCUMSTANCES.

The description of the fisheries sector takes into account that the elaboration of the Operational program requires an approach more analytical than the NSP, in order to identify positive and negative trends on which the Programme could have in impact.

The figures and context indicators used in this analysis of the fisheries sector are updated in relation to the figures used in the description of the fisheries sector included in the NSP.

In this Operational programme, the "fisheries sector" describes the sector of the economy, including all activities of production, processing and marketing of fishing and aquaculture products. In the framework of the EFF, inland fishing is also included in the definition of the sector.

The fisheries sector has a specific role in Bulgarian agriculture and in the national economy. The total income from fisheries activities is adding value to the Bulgarian economy of about €14.3 million. The Bulgarian fisheries sector, including fish processing provides a relatively small contribution on the national level (0.38 % of the national workforce), nevertheless it provides vital employment on regional level, especially in some coastal zones, where it makes a significant contribution to local economies as they

¹ Council Regulation (EC) № 1989/2006 of 21 December 2006 amending Annex III to Regulation (EC) № 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) № 1260/1999



tend to be regionally and locally concentrated. There are about 12 260 employees (2003) of which 16 % are women.

1.1. Analysis of national and local circumstances:

1.1.1. Marine fishing

Different public institutions are involved in the control of the fishing in Bulgaria. NAFA, Executive Agency "Maritime administration" within the Ministry of Transport, Information technologies and Communication, "Border Police" Directorate within the Ministry of Interiors, as well as the Ministry of Environment and Waters have significant role in the marine fishing. The coordination between the authorities should be improved, and more effective monitoring over preservation of the fishing resources should be executed.

The Black Sea coastline of Bulgaria is 378 km in length. Territorial sea (up to 12 nautical miles) is 6 506 km², the area of the continental shelf is 10 886 km² and the Exclusive Economic Zone in the Black Sea - about 25 699 km².

The Black Sea has specific characteristics which limit the opportunities for marine fishing. The salinity of the marine water in the Black Sea is two times lower (18 ‰) than the Mediterranean waters and the waters in the World Ocean in which the salinity is about 35 ‰. The low salinity is not appropriate for growing other species different from the ones found today in the Black Sea. The tides are low (3 to 8 cm). Other specific characteristic in the Black Sea is the availability of hydrogen sulphide below 150-200 m in depths, which embraces almost 90 % of the total volume of the Sea. The presence of hydrogen sulphide does not allow the existence of pelagic and bottom species of living marine organisms in that deep level of the Sea. This explains why the species diversity is quite limited as well as the stocks available.

Most of the fishing activities are carried out in territorial waters (up to 12 miles). The main ports used by fishermen for landing catches are in Baltchik, Burgas, Varna, Sozopol and Nessebar. Fishing activities are located along the entire coast, but the central and northern regions are the main location for the production of molluscs.

Fish stocks

There are about 125 fish species in Black Sea (26 of them with economic value). The main fish species represented in the catches are the pelagic ones, which are situated in high seas and also near to the coast.

Some of the Black Sea species have a seasonal and/or migratory character. Other species are non-migratory and can be fished all year-round:

- **Domestic (non-migratory) species:** Sprat (*Sprattus sprattus sulinus*); Turbot (*Psetta maxima maeotica*); Gobies (*Gobiidae*); Grey mullet (*Mugil cephalus*); Whiting/Black Sea (*Merlangius merlangius euxinus*);
- **Migratory species:** Anchovy (*Engraulis encrasicolus ponticus*); Horse mackerel/Black Sea shad (*Trachurus mediterraneus ponticus*); Danube herring (*Alosa pontica pontica*); Black Sea Spiny dogfish (*Squalus acanthias*); Blue fish (*Pomatomus saltatrix*); Bonito (*Sarda sarda*), etc.
- **Molluscs/Crustaceans:** Black mussel (*Mytilus galloprovincialis*) and Rapana/Seasnail (*Rapana venosa*/ *Rapana thomasi*), etc.

The most frequent species caught in the Black Sea are small finfish: sprat, anchovies, horse mackerels and whiting. Other species which are present, but in lower quantities are: mullet, dogfish and turbot. In



addition to these species, Bulgaria has largely developed the exploitation of an invasive seasnail, the Rapana (*Rapana venosa/Rapana thomassiana*). The Rapana is a predator for some other species such as the Black mussel.

The Institute of Oceanology (within the framework of Bulgarian Academy of Sciences) and the Institute of Fish Resources (within the framework of the National Centre for Agrarian Sciences), both located in Varna are executing annually research activities (twice per year for the turbot: in the spring and in autumn) for the determination of quantities of fish stocks in the Black Sea with the support of NAFA². The results show that the total volume of Sprat population in the Bulgarian shelf zone is nearly 30 000 tons and the allowable catches of Sprat from the available resources without having negative impact on its population could reach 10 000 - 15 000 tons per year. It is possible to catch such volume but market demand is not ready to absorb such a large quantity, as it is not a high value or a high quality product.

The fishing of the most valuable fish stock - Turbot (*Psetta maxima maeotica*) is subject to Community restriction – annual quota. The results from the last trawl picture for Turbot showed that the available biomass in the Bulgarian aquatory is 1 780 tons /relevant quantities should be adapted in the Regulation for TAC, issued from the European Commission/.

The recovering and preservation of the threatened stocks, especially Beluga stocks, will be protected by 8 years moratorium of catches for sturgeon species for the whole Black Sea area and the Danube River. The period will be established in coordination with the conservation measures taken by Republic of Romania and in the future by the Community.

Employment

In the marine fishing sub-sector there are 3 430 people employed. Marine fishing is an important source of employment in the coastal areas and in the neighbouring regions. Fishing activities are important in the local economy and, together with the processing industry, form an important source of income in the following Black Sea coastal regions – Primorsko and Bourgas region (16.6 % of jobs in fishing activities), Byala and Varna region (11.9 % of jobs in this activity).

Both regions of Bourgas and Varna have significant number of jobs in fishing (677 and 232 respectively). The total income per fisher (with fishing vessel) in 2005 is estimated at € 1 850 each.

Fishing fleet

From 2 556 registered Bulgarian fishing vessels in 2007, only 67 are more than 15 m in length. From the total number of the vessels - 95 % are less than 12 m. Most of the vessels over 15 m (about 36) are over 20 years old and are inefficient for fishing, due to the lack of equipment and engines appropriate to their tonnage. The situation of the fleet is pretty bad in terms of safety on board, working conditions, hygiene, product quality, energy efficiency, selectivity of the gears and environmental impact. Most of the fleet is based in Balchik, Bourgas, Varna and Sozopol.

Tables № 1 and 2 below show the total number of fishing vessels registered and operating in different Black Sea regions, the segments of the Bulgarian fishing fleet, as well as the distribution of the capacity of the Bulgarian fishing fleet by category of tonnage (GT) and by category of length.

² Bulgarian research and scientific institutes rely on state support and have limited financial resources /due to budget cuts/ for implementation of scientific projects and research. Their opportunities for organisation of scientific projects are connected with additional financing from different European Funds.



Table № 1: Segmentation of Bulgarian fishing fleet in Black Sea by length, in 2007:

Category	Number	Tonnage (GT)	Power (KW)	VCU
< 12 m	2 453	4306.40	47155.17	51255. 57
12 - 15 m	36	564.96	3459. 27	3407.68
15 - 24 m	55	1876. 5	9004.85	9209. 58
> 24 m	12	1 583,00	3 304,76	3 707,73
Total:	2 556	8330. 86	62924. 05	67580. 56

Source: NAFA (2007) /It is used data for registered fishing vessels, according to the Fishing vessel register from National agency for fisheries and aquaculture/

Table № 2: Segmentation of Bulgarian fishing fleet in Black Sea by Gross tonnage (GT), in 2007:

Category	Number	Tonnage (GT)	Power (KW)	VCU
< 10 GT	2436	4069,35	45702,2	49885,75
10 - 25 GT	70	1117,47	7501,41	7191,64
25 - 40 GT	27	925,82	3900,54	4262,53
> 40 GT	23	2208,29	5819,97	6241,08
TOTAL	2556	8320,93	62924,12	67581,00

Source: NAFA (2007) /Registered fishing vessels, according to the Fishing vessel register from National agency for fisheries and aquaculture/

{Vessel Capacity Unit – VCU; VCU = length/m/ X width/m/ + 0, 45 X power /kW/}

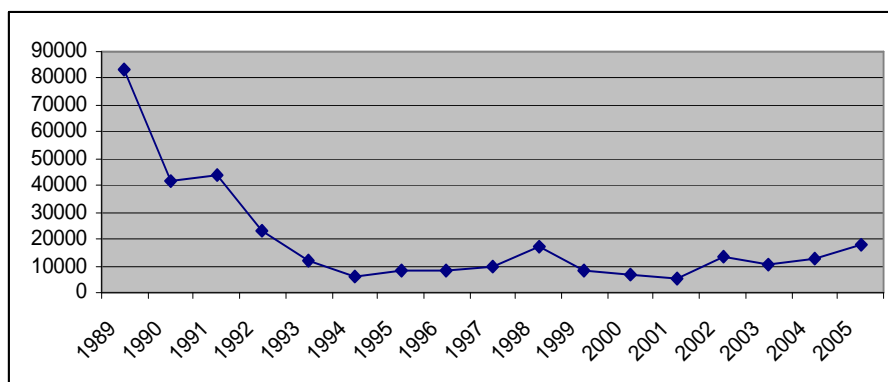
The overall picture of Bulgarian fishing fleet in the Black Sea shows that the number of **small-scale vessels prevails** by far in the fleet. Fishermen operating in the short distance coastal zones use these. The Bulgarian administration intends to develop a specific policy for these smaller boats, taking into account the specific features of this section of the fleet. In particular, most of the smaller-scale fishing fleet boats are not covered by a deck and should be modernised.

Marine fish production

The total catches from commercial fishing in Black Sea are in decrease during the last years and the tendency is clearly shown in Figure 1:



Figure № 1. Marine catches by years:



Source: NAFA Statistics

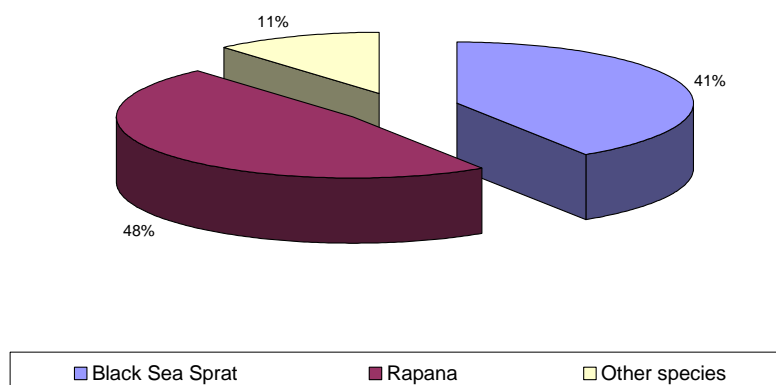
The main drop in the catches in the early 90's is explained by the dismissal of the Bulgarian high sea fleet. The fleet was organised in a state entity called "Okeanski ribolov" and was operating in all of the six main fishing areas of the Atlantic Ocean. It consisted of 30 deep-sea trawlers and 6 - transport refrigerator vessels. The total catch in the middle of 80's varied between 120 000-150 000 tons. After the collapse of the centralised economic system, the Bulgarian Ocean Fleet was subject to privatisation and was sold out to other countries.

The dynamic of the catches of the most important and valuable species in the Bulgarian Black Sea shelf zone indicates an upward trend in recent years. The only species with sustainable stocks are Sprat (of the fish species) and the Sea snail - Rapana (of the molluscs).

Rapana is an invasive species for the Black Sea. Its population spreaded a lot for the last 30 years and some legislation for its restriction will be drawn up after a scientific research for the impact on the biodiversity in the Black Sea.

The catches in the Black Sea account for nearly 90 % of total fish production in Bulgaria and amounted to 17 620 tons in 2005. Sea snail (Rapana) alone accounts for 47.7 % of total catches in Black Sea. Most of the rest of the production comes from catches of sprat, depending on the time of the year (see below Figure 2):

Figure № 2. Proportion of fish catches in Black Sea by species, in 2005:





The most valuable fish species for the Black Sea fishing are Turbot, Dogfish, Bonito, Blue fish, Grey mullet, Sturgeons and Danube shad. The stock of Black Sea sturgeons decreased dramatically during the last 2 decades. Scientific evidence suggests that, with the normal activity of the fishing fleet, the catches in the Black Sea could be increased without putting at risk the existing fishing stocks.

Specific information for *Rapana* and its impact on the environment

Rapana venosa (*Rapana thomasi*) is a member of the Muricidae family, a group of predatory marine snails. It is native to the Sea of Japan and the Yellow Sea. *Rapana* is a prolific, extremely versatile species tolerating low salinities, water pollution and oxygen deficient waters and doesn't have natural enemy. Long distance dispersal is facilitated by ship ballast water, in which the larvae of the snail are found in its plankton phase.

Rapana venosa /*Rapana thomasi*/ was introduced into the Black Sea in the 1940s and its range extended into the northwest Black Sea to the coastlines of Romania, Bulgaria and Turkey from 1959 to 1972.

Rapana is a carnivorous gastropod whose main diet consists of a variety of molluscs. It is an active predator of epifaunal bivalves – preferring Black mussel (*Mytilus galloprovincialis*) and its proliferation is a serious limitation for the cultivated and natural populations of oysters and mussels. *Rapana venosa* /*Rapana thomasi*/ are very voracious predators and *Rapana* is blamed in the Black Sea for the decline of the native, edible bivalve fauna. They have caused significant changes in the ecology of bottom-dwelling organisms and have resulted in their near extinction. Due to its predatory impact, *Rapana venosa* /*Rapana thomasi*/ is considered as one of the most unwelcome invaders worldwide and although scientists are still studying the impacts of *Rapana venosa*, they are very concerned about its potential damage to native species and its population must be restricted.

Fishing gears

There are different types of fishing gears for active and passive fishing that are used in Bulgaria in the marine fishing. The fixed fishing gears include long lines, bottom lines and gillnets. The active fishing gears include seines and pelagic trawlers.

Pound nets

Pound nets are part of the aquatory of the Black Sea, defined under the terms of Bulgarian Fisheries and Aquaculture Act, where a stationary net gear for passive marine fishing is set up in a deepness of 8-12 metres. Via the underwater facilities (nets), the fish is guided to a certain part (house, trap), that is harvested by the fishermen with usually small and open air boats. Target species are migratory species such as Bonito, Horse mackerel, Dogfish and other species. The catches of fish with stationary net gears as are the pound nets is an environmental friendly fishing method without pollution or other negative effects to the bottom of the sea nor to the coastline.

Infrastructure of the ports used by fishermen for landing catches

The Ministry of Transport, Information technologies and Communication undertakes fishing port policy. The fisheries activities inside the main commercial ports are not considered as a priority and are therefore neglected, which explains why there is a need for intervention. The main ports used by fishermen for landing catches are situated in Varna, Bourgas, Sozopol, Balchik, Nesebar and some small landing sites and shelters in LAU I regions - Primorsko, Tzarevo, Ahtopol, Otmanly and Ropotamo. Installations in ports' zones need modernisation for ensuring better safety, working conditions and hygiene and product quality. In particular, ice production, fitting out of sanitary/safe unloading zones, spaces for transport logistics, etc. are investments required for this modernisation.



Taking into account the size of the Bulgarian fishing fleet, it is difficult to ensure the supply of goods, services and auxiliary activities for the fishing fleet in all the ports. A minimum size of the fleet should be attached to these ports ("Minimum Vitalis") in order to ensure the economic viability of the fishery sector.

A number of landing sites existing along the coast should also be modernised in order to provide further good landing facilities.

Conclusions:

Bulgaria should seek to:

- Support conservation measures covering the main fisheries stocks in the Black Sea by different measures, i.e. elaboration of Conservation Plans according to Chapter II of the EC Council Regulation № 2371/2002 in order to improve the management of the fishing effort;
- Restructure of the Black Sea fishing fleet by setting up of "minimum vitalis" level for the Bulgarian Fishing fleet;
- Establish an efficient and sustainable fishing fleet;
- Modernise fishing gears and selectivity and introduce more environmentally friendly fishing methods;
- Modernise the infrastructure of the ports used by fishermen for landing catches, as well as the supporting infrastructure with the adequate capacity installations.

1.1.2. Inland fishing

Sturgeons have very good opportunities for aquaculture. The catch of sturgeons in the Danube River is limited /stopped.

The total water area in Bulgaria covered by freshwaters is 65 000 ha, including natural lakes, fishfarms (earthen ponds, raceways and dams), running waters and the Danube River. The length of Danube River in Bulgarian part is 471 km. Danube River is distinguished as a river with the richest ichthyofauna in Europe. There are 58 species that inhabit Danube River, most of them migratory. Being one of the main water arteries of Europe, a characteristic feature of the Danube River is its high level of pollution. Although during the last years the level of industrial pollution and pollution due to the war in Republic of Serbia of the river has decreased, it still remains a serious threat for the biodiversity, sustainable development of species and fishing opportunities along the river.

The total length of rivers for inland fishing is 20 231 km, with a water surface of 15 000 ha. There are about 80 species that inhabit inland dams, lakes, ponds and other rivers.

There will be scientific exploration of the dynamic of fish populations of the commercially important, valuable and protected endangered species in the dams, lakes and rivers, carried out in the Institute of Zoology, Bulgarian Academy of Sciences (BAS), in the Department of Biology, Sofia University, as well as in the Central Laboratory of Ecology in Sofia. Despite the budget cuts, a good dialogue between the fishermen organisations and the scientific institutes is essential for the implementation of the results of research centres and implementation of the results of pilot and research projects as well as creation of policy for their exploitation.

Inland fish catches

Inland waters fish catches account for about 10.3 % of the total catch, which consists of catches in the Danube River (about 1.8 % of whole inland fish catch) and catches in other rivers and basins (about 8.5 % of whole inland fish catch). Most of the catches executed in artificial basins are the same type as the aquaculture breeding species.

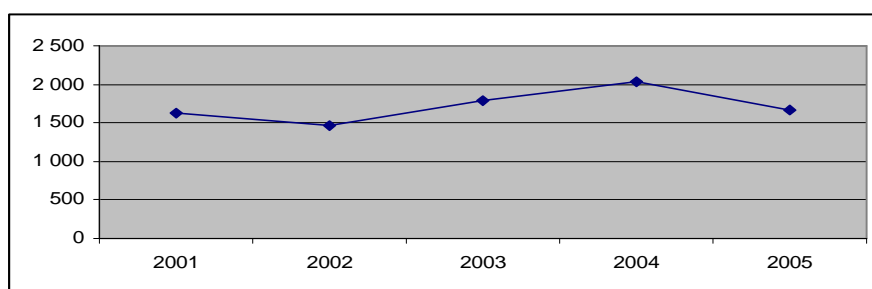


Fishing in inland water basins (excluding Danube River)

Mainly small-scale fishing boats, operating in the dams and in some natural lakes, carry out commercial fishing in inland waters.

The species more important for fishing in inland water basins are: Common carp, Crucian carp, Silver carp and Bighead carp, Grass carp, Bream, European catfish, Pike - perch, etc. The average annual catches vary between 1 500 and 2 000 tons. The average catches in 2005 were 1 663.86 tons, representing approximately 7.3 % of the total fish production.

Figure № 3. Catches in inland water basins, by years:



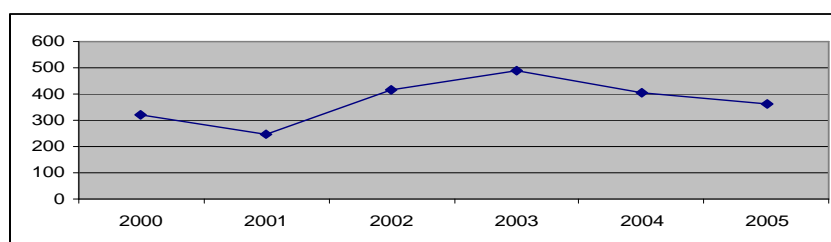
Source: NAFA Statistics

Some commercial fishing still takes place in some big dams. However, this activity is disappearing and the dams are used for angling, aquaculture or for other activities such as fishing tourism and eco-tourism.

Fishing in the Danube River

The total catches in the Danube River during the last few years were between 300 and 500 tons/annually (see Figure 4 below):

Figure № 4. Catches in the Danube River, by years:



Source: NAFA Statistics

There are many fishing communities along the Danube River. Most of the people are depending only on fishing and live in fishing hamlets. In the regions of the country alongside the Danube River, the fishing activity is important for the population as a mean of living and is often the only income opportunity. The commercial fishing in the Danube River is undertaken by 1 126 small-scale fishing boats of a maximum of 10 GT (less than 12 meters in length) most of them old, without engines and with poor equipment. Concentration of fishing activities is based in the regions of Rouse - 300 boats, Silistra - 336 boats, and Vidin and Vratza - 234 boats.

The most important species for the population engaged with fishing activity in the Danube River are: European catfish, Danube bream, Barbel, Common carp and migratory species such as the Danube



herring and Sturgeon species. The populations of the most important and valuable Danube species are not stable, the catches are not guaranteed and it is impossible to plan them in advance. The populations of Sturgeons' species and especially the populations of Beluga are in steady decrease and need special protection measures as foreseen with the moratorium of the catches (see marine fishing section).

Inland fishing also make a significant contribution to the employment at regional level as 1 620 people are employed in inland fishing but most of the activities are seasonal or performed as fishing for personal consumption, which gives explanation for the low added value of the inland fishing.

The level of modernisation of landing sites along the Danube River is poor, which has a negative impact on safety, makes control activities difficult and enables poaching.

Pollution in Danube River could have an impact in the inland fisheries regarding the quality and health of these products. Some reports draw attention on the pollution of heavy metals and organic products in the Danube River. Ministry of Environment and Waters in Bulgaria is closely monitoring the pollution in the Danube River in order to prevent the fisheries communities and the consumers.

Conclusions:

Bulgaria should seek to:

- Improve equipment on board and modernise the fishing boats with the view of improving navigation safety and working conditions. Support the use of more environmentally friendly fishing methods allowing a better protection of the resources;
- Restructure landing site facilities;
- Support strongly the fish resources in the Danube River through complex measures for fish protection and restocking (sturgeon) which Danube River countries will implement after the establishment of 8 years moratorium for sturgeon fishing in Danube River.

1.1.3. Aquaculture

Bulgarian aquaculture has a big potential capacity due to the availability of about 65 000 ha of water surface area. The total water area used for fish farming is at the moment only 9 178 ha. The size of fish farms in Bulgaria is generally small:

- More than 29 % of the farms operate on surface for aquaculture production less than 1 ha.
- The medium ones that have water surface between 1 and 10 ha represent 42 % from the total number of aquaculture farms in the country.
- About 34 aquaculture sites spread on water surfaces of more than 20 ha.

The existence of water basins with unused capacity opportunities for aquaculture is a prerequisite for further development of the sub-sector. Most of these basins are in working order and are owned by the State, represented by different Ministries or owned by municipalities and private persons: out of a total of 5 107 ponds ("dams"), 947 are owned by the State, 4 105 by the municipalities and 55 by the private sector. These public facilities are usually rented to private companies through multi-annual concessions.

Extensive and semi-intensive production methods³ are traditionally used. Many ponds are not economically viable; they need adjustment to new species and new markets, since traditional species are of low value and generate little revenue for producers. However, there is a lack of technology for the

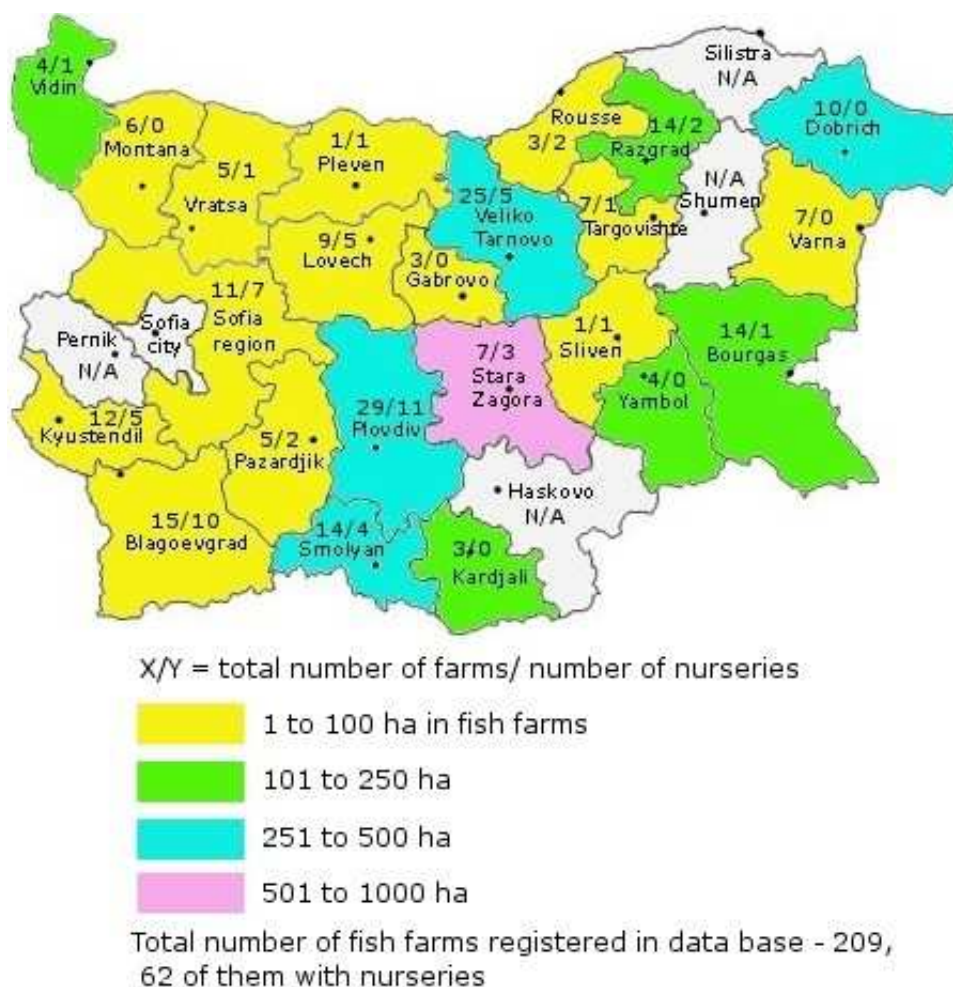
³ Number of installations are considered as intensive for Bulgarian standards, but are not intensive by international standards



production of higher value species, as well as there is lack of ready for introducing methods and technologies for intensification of the working productive installations and for introducing of new for the country and appropriate for the local conditions fish species. This process should be object of projects, worked out and introduced by scientific teams on different concrete production bases.

The using of dams for aquaculture production is very important especially in LAU 1 regions. The employment in fish farming in 2005 was about 5 000 people in carp farming and 250 workers in trout farming. The number of trout workers is comparatively low to other species breeding, due to the specific of net cages breeding. During the same year, the annual income of the workers directly engaged in aquaculture production was € 1 850 – 2 000 per capita.

Figure № 5. Map showing the main aquaculture areas in Bulgaria



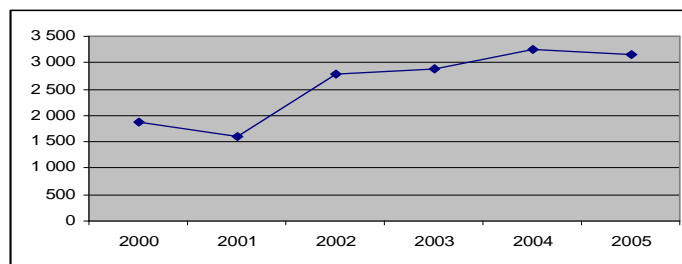
Source: NAFA, 2007

Aquaculture production

Aquaculture production accounts for approximately 13.8 % of total fish production in the country. The total aquaculture production has increased during the last years. (See Figure № 6 below):



Figure № 6. Aquaculture production, by years:



Source: NAFA Statistics

The sector is divided in two sub-sectors: fresh water fish farming and marine farming.

1. Freshwater aquaculture:

Freshwater fish farming is traditionally a well-developed sector but there is a need to intensify the existing material base and to restructure the production and to introduce new species with good market perspectives, which are more valuable than the traditional ones (mostly Carps).

Excellent environmental conditions exist in Bulgaria, and good water quality for growing freshwater species can be found especially in the mountainous rivers and dams. Also there is a good potential for the development of organic aquaculture.

The main fish species reared in Bulgaria in aquaculture are Rainbow trout (36.6 % from the total aquaculture production in 2005) and Common carp (29.5 %). Other species include sturgeon, pike, pike-perch and catfish species.

- **Warm-water aquaculture**

Warm-water fish farms represent 55 % of the farms for aquaculture production. The following species are mainly cultivated in this kind of aquaculture: Common carp (*Cyprinus carpio*); Bighead carp (*Hypophthalmichthys molitrix*) and Silver carp (*Aristichthys nobilis*); Grass Carp (*Ctenopharingodon idella*) and Tench (*Tinca tinca*). The following species are gaining importance as product of warm-water aquaculture: European catfish (*Sillurus glanis*), American /Channel/ catfish (*Ictalurus punctatus*), Pike - perch (*Sander /Stizostedion/ lucioperca*), Pike (*Esox lucius*). Experiments are made for introducing and breeding of Eel (*Anguilla Anguilla*). Crayfish (*Astacus leptodactylus*) is also a warm-water aquaculture product, with a small production of 2.5 t in 2005.

The production from warm-water farms (including sturgeon's production) in 2005 was 1813 t, which represented 57, 7 % of the total aquaculture production in the country.

The **sturgeon species** (which are positioned intermediary regarding the temperature requirements for warm and cold-water aquaculture farms) are reared in specialised freshwater farms for production of caviar, fish for consumption and restocking material. Bulgarian sturgeon farmers have achieved a significant success in farming sturgeons in net cages situated in artificial basins. The main sturgeons' species for aquaculture are the following: Russian sturgeon (*Acipenser gueldenstaedti*), Siberian sturgeon (*Acipenser baeri*) and some hybrids of theirs, Beluga (*Huso huso*) and the Danube sterlet (*Acipenser ruthenus*). The production of sturgeons has been the fastest growing sub-sector in aquaculture during the last 6 - 7 years.

- **Cold-water aquaculture**



The main cold-water aquaculture species in Bulgaria are Trout species - Rainbow trout (*Oncorhynchus mykiss*), Balkan trout (*Salmo trutta fario*) and Brook trout (*Salvelinus fontinalis*).

The production from trout aquaculture farms in 2005 was 1157 tons, which represented 37 % of the total aquaculture production in the country. Rainbow trout production is concentrated mainly in the mountainous and semi-mountainous regions in the country where raceways and net cage production systems are mainly employed. The output value at first sale during 2005 was about € 3.5 millions.

2. Marine aquaculture:

Marine aquaculture at the present moment consists only of molluscs farming and seaweed, and it accounts for less than 1 % of the total production. It has good perspective for future development and needs special measures of support.

The Black Sea coast does not have appropriate gulfs to protect marine aquaculture from the waves, nor fiords for ensuring the proper depth, which is a problem for marine aquaculture in cages. The land based farms on the coast and underwater net cages present an alternative solution for marine aquaculture. Also these conditions determine the use of the long-line technology for the mussel's production rather than the raft technology.

There are 18 farms for marine aquacultures producing Black Sea mussels (16 farms) and Kelp algae (*Cystoseira* sp.) - 2 farms. This represents 9 % of the total number of farms in the country.

The main species raised in marine aquaculture in the Black Sea are mussels (*Mytilus edulis*, *Mytilus galloprovincialis*). The production in 2005 was 170 tons that represented 5.4 % of the total aquaculture production in the country.

During the last 3 years there was a steady tendency for development of marine aquaculture alongside the Bulgarian Black Sea coast. Four new farms for marine aquaculture were registered and the existing ones were extended in 2006.

Conclusions:

Bulgaria should seek to:

- Increase the annual production of aquaculture products;
- Develop the marine aquaculture;
- Ensure sustainable and increased development of the freshwater and marine aquaculture;
- Improve the profitability of the companies operating in the aquaculture sector through intensification of the existing production base via introducing of the modern technologies, methods and means for production and building of new intensive farms including net cages for adequate and efficient usage of the existing dams and water resources;
- Increase the annual production and enhance the species diversity and the range of the supplied to the market fish and fish products through increasing the share of the valuable and delicacy fish species;
- Ensure adaptation and introduction of the modern technologies, methods and equipment in the aquaculture production via implementing of projects based on partnership between science and industry.



1.1.4. Fish processing

Bulgarian processing industry suffered a lot because of the conversion of the Bulgarian economy from centralized to open market system and the disparition of the ex-communist countries market. Main markets were lost with the absence of the Bulgarian large ocean fleet "Okeanski ribolov"; this had as consequence those large processing factories mainly in canning industry stayed shut down. The ban on export of fish products from Bulgaria to the EU countries, due to the non-respect of EU standards contributed to the reduction in fish processing. However, after the removal of the ban for exports to EU countries and thanks to the low cost of labour, Bulgarian processing factories have restarted to export again processed fish products to the EU and to other markets. In most fish processing factories HACCP has been introduced and in the country the legal documents of the EU from the so called "hygiene packet" are implemented, thus ensuring the consumer's health.

The local market has a limited demand. In Bulgaria, most fish is consumed fresh or chilled. The main fishery products are frozen, with a smaller quantity of semi-preserved or canned products. The Sprat catches are important for the processing industry - a large range and volume of different products (salted, marinated, canned) are prepared with this type of catches.

Many of the fish and aquaculture producers have their own processing facilities situated close to the fresh fish production sites, which allows them to improve the quality of the products and to add higher value. All EC requirements in the field of veterinary and sanitary control, quality and safety standards are now applied by the sector, since the fish processing industry was modernised in compliance with the EU standards with the financial aid provided by the EU pre-accession Program SAPARD.

The total number of working processing plants is 26. The processing of Rapana Venosa has become a significant activity, with six companies involved (one in Sozopol, two in Bourgas, two in Varna and one in Balchik). These companies receive live Rapana directly from fishermen and the sales revenue of the Rapana for 2005 was estimated at € 4 200 000.

The total number of persons employed in the fish processing industry in 2005 was 2 230. In the Sozopol region, fish processing accounts for about 1.4 % of total employment. In Burgas (335 jobs) and Varna (320 jobs) the fish processing accounts for 0.2 to 0.3 % of total employment. The total income of employees during 2005 in fish processing was approximately € 2 150 per year. Most of the employees engaged in Rapana processing, (70 % of them) are women. About 70 – 75 % of those employed in Rapana processing are engaged under seasonal full-time contracts, since the work is seasonal and corresponds to the Rapana fishing season.

Conclusions:

Bulgaria should seek to:

- Improve the traceability of the processed products;
- Improve the quality of parceling and labeling;
- Reduce to minimum and treat the waste output;
- Produce new products, applying new technologies and develop innovative production methods;
- Increase its production capacity and improve its technological level and production range;
- Increase the exports oriented production.

1.1.5. Marketing

The poor organisation of the market has consequences on the price of fisheries products (catches and aquaculture and processed products). The Bulgarian companies cannot compete with imported products.



The **consumption of fish** in Bulgaria is traditionally low compared to the levels of consumption in neighbouring countries such as Turkey and Greece, which puts more pressure on price level. This is due to the lack of promotional campaigns and organisation of the market.

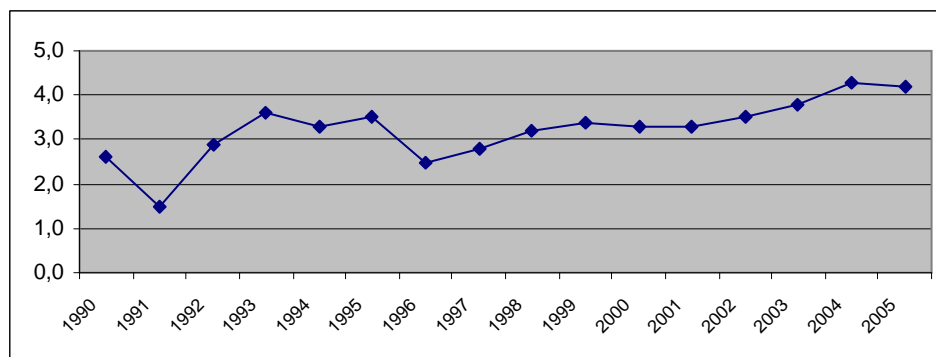
The prices of fish and fish products are relatively high for the Bulgarian customers and the price is going higher each month since the accession of Bulgaria in the European Union. The cheapest products and the most popular as well, are carp species and frozen fillets mainly mackerel. The demand for these products corresponds to establish cooking traditions in Bulgaria. With the establishment of big market chains, the diversification of fish and fish products had increase, which leads to a change of preferences of the customers. In the last few years there was a trend for increase of the consumers' requirements regarding the quality of fish and fish products, and a growth of the market demand for new ready-made fish products.

There is trend for increase of the prices for all types of live, frozen, filleted and chilled fish. The prices on the retail market are high compared to the low wholesale and first sale prices, and the registered buyers and the traders mostly make the profit margin.

Rainbow trout retail prices now are between 3.5 and 4.5 euro per kilogram; carp species (depending from the type) between 0.75 - 2 euro per kilogram and the frozen mackerel is 1.5 - 2 euro per kilogram.

The consumption of fish reached 6 kg/capita annually in the middle of 80s, but in the 90s, it plummeted to 3 kg/capita. In the last few years there is a tendency of a slow increase of fish consumption in Bulgaria (See Figure 7 below).

Figure № 7. Fish consumption



Fish consumption per capita/annually for the period 1990 - 2005

Fish demand is increasing and consumer's preferences have diversified. With a total of 45 000 tons available for national consumption, it is estimated that individual consumption is now over 4 - 4.5 kg per capita. There is a tendency for increasing the variety of fish products on the market due to the improved hygiene conditions in the processing units.

- **Imports**

The total quantity of fish consumed on the Bulgarian market is about 45 000 tons yearly. Half of this (20 000 to 25 000 tones) is imported fish. Some 90 % of the import consists of frozen fish and fillets (mackerel, hake and salmon, and other species), the remaining 10 % being shared between fresh fish (sea bream, sea bass, tuna etc.) and processed products (marinated, salted and canned). Since 2006, low cost imports from Indonesia, China and Vietnam have developed and consist mainly of frozen fillets. Part of the imported fish, processed in Bulgarian factories is re-exported on the European and other markets.

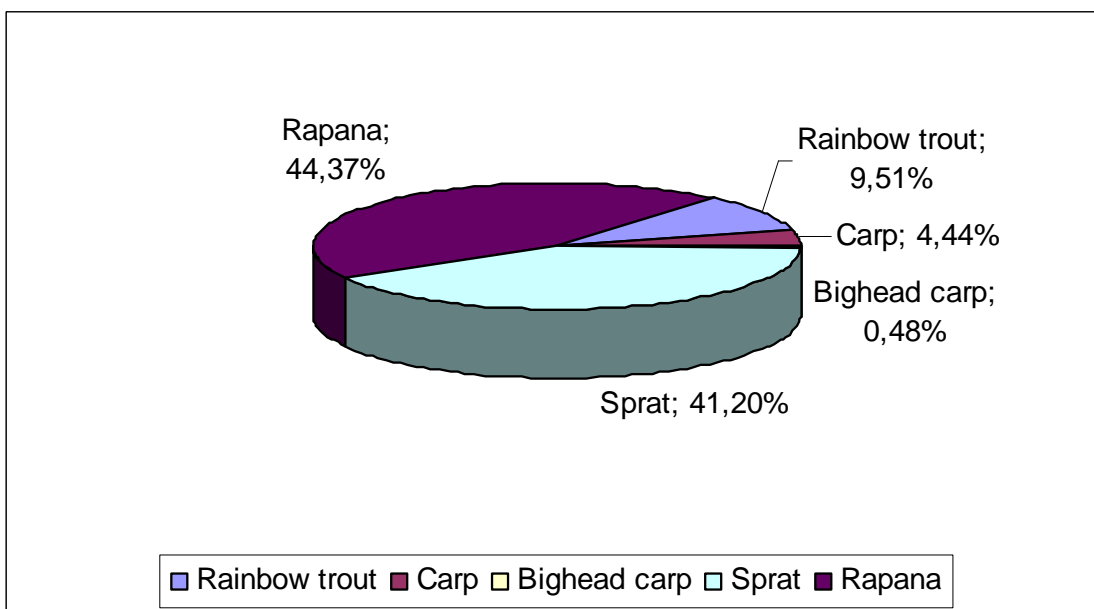
- **Exports**



The total Bulgarian fish production exported is about 1 500 tons per year. More than 50 % of the entire export of fish products is made of molluscs (mussels and Rapana).

- The Rapana is the main export-oriented product of the Black Sea catches with 44.37 % (8 400 t) of total catches. Rapana is a very attractive product and is exported mainly to Japan. The preparation of the product for export engages many workers and processing facilities in the country.
- Aquaculture production is mainly directed to the internal market (about 100 % of the sales from the produced quantities of carp species are marketed in Bulgaria). The frozen fish products represent the biggest part of the exported products. There are small quantities of carp and canned sprat that are exported to Romania, Greece, FYR of Macedonia and Ukraine. There is a tendency for increase of the exports of live Rainbow trout to the Community market, Germany in particular.

Figure № 8. Export of fish in 2005, by species:



The trade balance in the sector is negative – the value of imported fish and fish products is almost 2.5 times higher than the value of exported fish.

Market infrastructure is not developed in Bulgaria yet. There are several mountainous and other rural regions where the distribution of fish and fish products is quite poor and therefore fish consumption in these areas is much lower than the average levels. There is a clear necessity for construction of wholesale fish market and distribution networks for fishing and aquaculture products, as well as setting up of auctions system and support for e-commerce. Inland and marine fish supplies are traded by wholesalers or by registered buyers. These buyers receive fresh fish from coastal wholesalers, frozen sprat from processors and frozen imported fish from importers, and supply the inland retail markets and shops. A small number of Bulgarian fresh fish products and live fish are sold in big market chains.

Conclusions:

Bulgaria should seek to:



- Develop the internal market for fish and fish products via establishing of wholesale market and first-sale markets;
- Improve the marketing of fish and fish products;
- Establish producers' organizations;
- Improve the national and the regional fish market infrastructure via distribution network;
- Formulate marketing strategy including advertisement and promotion campaigns;
- Support the positive trend of consumption by organising fish promotion and advertising campaigns.

1.1.6. Fisheries areas

So far there has been a lack of policy and strategy for sustainable development in the fisheries areas.

Fishing is an important activity for a part of the population, living in the Black Sea coastal regions and the regions along the Danube River, as well as in some inland areas with a high concentration of aquaculture activities. These areas are characterised by a low population density, a significant level of employment in the fisheries sector and the decline of fishing. The population in those regions is less than 150 000 inhabitants each. In the coming years, many people working in the fisheries sector will be affected by the restructuring of that sector.

There are exceptional natural resources as well as historical heritage along the Danube River and the Black Sea coast. Ancient fortresses, Roman villages as well as UNESCO protected towns offer many possibilities for the development of tourist activities, which could bring an increase of jobs opportunities and a better quality of life. Other forms of tourism offering good development potential include bird-watching, scientific, historical and cultural tourism. Adding value to local products could be another source of new opportunities.

Recreational fishing is another activity that represents an opportunity for development in these areas. There are about 150 000 people in Bulgaria who practice fishing as a leisure activity or sport, and this number grows higher every year. There are several anglers' organisations (the biggest ones are the Bulgarian Union of Hunters and Anglers and the Central Fishing Union).

In Bulgaria, there is little experience of projects promoting partnership between the public and the private sector. There was no LEADER programming so far and the process of building capacity will be hard to implement. Expert help for drawing up local strategies and organise the sharing of best practices will be important.

Conclusions:

Bulgaria should seek to:

- Develop fisheries areas, diversify economic activities and create possibilities for the development of integrated strategies and alternative income;
- Identify and develop human potential to contribute to local development in fisheries areas;
- Promote environmentally friendly activities;
- Facilitate access to other financial sources to be used at territorial level for reaching sustainable development of fisheries areas.

1.1.7. Administration involved in the process of implementation of EFF

The **National Agency for Fisheries and Aquaculture** (NAFA) which was established within the framework of the Ministry of Agriculture and Food is responsible for the management of the whole



fisheries sector. The 27 Regional Fisheries Inspectorates of NAFA are responsible for field monitoring and control activities in place. NAFA's administration number is 340 persons, the major part of this figure represent the fisheries surveillance inspectors from the Regional Fisheries Inspectorates.

NAFA is both secretariat and operational co-ordinator of the National Strategic Plan and Operational program together with the Working group, which includes all the stakeholders and was established following the decision on 18.11.2005 of the Coordination Council of the National Development Plan in order to co-ordinate the process of preparation of the programming documents for the participation of Bulgaria in the EFF.

NAFA is the Managing authority of the EFF and because of this a specific "European Fisheries Fund" Directorate was established at central level. The administration of the Directorate will work closely with the Monitoring Committee under the EFF Operational program and will prepare the selection criteria for the projects in line with the criteria for eligibility according to EFF Council Regulation № 1198/2006.

NAFA's administrative capacity is not fully adapted to these new responsibilities.

The Paying Agency within State Fund "Agriculture" will be the administration that will implement EFF financing.

Conclusions:

Bulgaria should seek to:

1. Establish an adequate management and control system for the implementation of the EFF Operational programme;
2. Bulgaria should adopt all the internal procurement aiming to provide the stakeholders and operators in the fisheries sector the necessary regulatory framework;
3. NAFA administrative capacity should be reinforced in order to fulfil the responsibilities of Managing authority for the Operational programme.
4. NAFA should establish the protocols with the other authorities and bodies intervening in the implementation of the EFF Operational programme.

2. MAIN LESSONS LEARNED BY THE PRE-ACCESSION PERIOD

The **PHARE programme** included the fisheries sector among its priorities. There were two successful twinning projects for training of experts from the administration of the National Agency for Fisheries and Aquaculture, as well as information, technical and laboratory equipment has been delivered fewer than two investment contracts. The funds earmarked for this sector have been utilised via the implementation of the following projects:

- **Project BG0101.05 Restructuring of fisheries and aquaculture which includes:**

Twinning project BG01/IB/AG-04 under PHARE Programme of EU for "Institutional building: harmonisation of legislation and strengthening the administrative capacity of NAFA" and its investment component directed to establishing enough material base for the Agency and its Regional Fisheries Inspectorates with aim for more effective carrying out of control functions – delivery of mobile means for control (patrol boats and vehicles); delivery of information and technical equipment and software for the System for satellite monitoring of fishing vessels; delivery of equipment for the National information statistic system in fisheries field, as well as delivery of laboratory equipment including mobile laboratories.



- **Project BG2004/016-711.03.03 Harmonisation and implementation of legislation – mechanisms of CAP and CFP – and strengthening of administrative capacity of Ministry of Agriculture for fulfilling future responsibilities including:**

Twinning project for training the administration of Ministry of Agriculture in whose structure is the National Agency for Fisheries and Aquaculture, as well as investment component comprising of delivery contract for big and small patrol boats and equipment for control and off-road vehicles.

- **Project BG2005/017-353.03.03 Harmonisation and implementation of legislation – mechanisms of CAP and CFP – and strengthening of administrative capacity of MAF for fulfilling future responsibilities:**

This project fiche includes three subcontracts for delivery of laboratory equipment; delivery of equipment for scientific research vessel for determining of fish resources in the Bulgarian aquatoria of the Black Sea; as well as delivery of Information technical equipment and software. The fulfilment of the subcontracts is pending.

Conclusions: The PHARE projects aims were achieved and the funds under the programme have significantly improved the capacity of the National Agency for Fisheries and Aquaculture through the implemented projects for institutional building and delivery for equipment.

Another source of funding during the pre-accession period was the SAPARD programme. There was financial aid of approximately 12 million euro distributed to the fisheries sector for meeting the European requirements in the field of sanitary, hygiene and safety conditions. 14 processing factories and 26 aquaculture farms were contracted for the whole programming period but the funding possibilities of the programme were not very well advertised among the potential beneficiaries. The overall **conclusions** of the programme according to the fisheries sector were following:

Positive:

- Most of the processing factories were modernised and restructured in compliance with the EU standards.
- There was experience gained, from both business and administration, in the utilisation of European funds.
- The rate of financial consumption was high compared to other programmes (100 % of the amounts were contracted and about 60 % of the funds are paid, although the programme is not finished yet).
- New investors and fresh capitals came into the sector.

Negative:

- Heavy administrative procedures and management risk which often led to delay of the delivery of financial aid to the beneficiaries.
- Many overlapping control activities performed by different level of the administration involved.
- Lack of information and publicity for the potential beneficiaries.
- The SAPARD programme covered only a few sections of the aquaculture and processing sub-sectors.

The implementation of EFF Operational Programme will take into account these weaknesses and positive effects of the programme to ensure the most effective and proper allocation of the financial aid.

The last pre-accession fund ISPA programme was not used for Fisheries.



3. KEY CONTEXT INDICATORS FOR THE DESCRIPTION OF FISHERIES SECTOR:

- 1. Gross domestic product - 11 645 183 886 € for the year 2005;**
- 2. Share of the fisheries in the GDP - 14 300 000 and as a percentage 0.14%;**
- 3. Employment figures by sub-sector, male and female:**

Employees engaged in **marine fishing** - 3 430, 0 % women.

Employees engaged in **aquaculture** - 4 980, 0.2 % women.

Employees engaged in **processing** - 2 230, 89 % are women.

Employees engaged in **Inland fisheries** - 1 620, 0.92 % women.

4. Annual income of workers by sub-sectors:

Annual income in the marine fishing industry per worker: 1.850 €.

Annual income in the aquaculture industry per worker: 2 000 €.

Annual income in the fish processing industry per worker: 2.230 €.

Annual income in the inland fisheries per worker: 310 €.

5. Bulgarian Fishing Fleet /September 2007/:

2 556 vessels, 67 over 15 meters, 2 453 under 12 meters;

2 556 vessels, total GT 8 320, 93, total kW 62924.12, total VCU 67581.00;

6. Catches in the Black Sea:

The catches in the Black Sea account for nearly 90 % of total fish production in Bulgaria and amounted to 17 620 tons in 2005;

Sea snail (*Rapana*) alone accounts for 47.7 % of total catches in Black Sea.

7. Catches in inland waters:

The average annual catches vary between 1 500 and 2 000 tons. The catches in 2005 were 1 663.86 tons, representing approximately 7.3 % of the total fish production.

8. Aquaculture:

The total water area used for fish farming is 9 178 ha.

209 fish farms are registered, of which 62 with nurseries.

Production of aquaculture:

The production from warm-water farms (including sturgeon's production) in 2005 was 1 813 t;

The production from trout aquaculture farms in 2005 was 1 157 tons;

The production of marine aquaculture in the Black Sea in 2005 was 170 tons.

9. Processing:



The total number of working processing enterprises is 26.

10. Marketing:

The total quantity of fish consumed on the Bulgarian market is about 45 000 tons yearly. Average individual consumption is estimated at 4 - 4.5 kg per capita.

4. SWOT ANALYSIS AND STRATEGY OF THE OPERATIONAL PROGRAM

Strengths

- Experienced and skilled fishermen
- Underexploited pelagic fish and mollusc resources
- Excellent environmental conditions and water quality for growing freshwater species
- Relatively low cost of labour
- Existence of a skilled workforce
- Exceptional natural resources
- Existence of market potential for fish and fish products
- Big retail stores are presented on the Bulgarian market

Opportunities

- Restructuring and modernisation of the fishing fleet
- Modernisation of fishing ports facilities and landing sites
- Modernisation of landing site infrastructure
- Modernisation of Danube River fishing fleet
- Potential for diversification of aquaculture production towards species with better market value and good demand on the international markets, including organic aquaculture
- Marine aquaculture production potential
- Increase the market demand of processed products and diversity
- Increase of fish and fish products consumption
- Market potential for new species and innovative fish products
- Potential for tourism development

Weaknesses

- Obsolete and non economically viable fishing fleet
- High percentage of inefficient old small-scale fishing vessels
- Insufficient landing infrastructure
- Low diversification of species and outdated installation in aquaculture
- Lack of fiords and gulfs on the Black Sea for marine aquaculture
- Poor and seasonal demand and weak traditions in consuming fish and other aquatic products
- Poor distribution networks
- Low diversification of economic activities in fishing areas
- Difficulty in mobilising the necessary co-funding

Threats

- Deficient control of fisheries
- Pollution of Danube River waters
- High level of poaching



- Difficulties in accessing financial support
- Increased competition on the EU market
- Growing import of high added value products
- Population migration to more economically developed areas
- Lack of cooperation between local partners

5. ENVIRONMENTAL SITUATION

As requested by the European legislation, this Environmental report was discussed with NAFA and with representatives of other ministries and authorities, environmental organisations and the general public.

A. Overview of the situation of the environment in Bulgaria

1. The **Black Sea** is a closed sea with a delicate ecology. The eutrophication of the Black Sea due to the excessive loads of nutrients via the rivers and directly from the coastal countries has led to radical changes in the ecosystem since the 1960s. However, the ecological state of the coastal waters of the Western Black Sea has improved significantly since the late 1980s and early 1990s.
2. The **Black Sea coastline** of Bulgaria is 378 km in length. The main ports used by fishermen for landing catches are in Baltchik, Burgas, Varna, Sozopol and Nessebar. Fishing catch activities are located along the entire coast, but the central and northern regions are the main location for the production of molluscs. The coast is important for fishery, but it is as well an important spa and health zone, where several famous resorts have been developed. Building of seaside resorts and mass tourism has a major impact on the environmental conditions prevailing on the coast, but these have little impact on fishing activities.
3. A country rich in diversity of water resources, Bulgaria has a large number of **rivers** that are divided into several regions depending on their mouth's location. 4 River Basin Management Directorates are established within the structure of the Ministry of Environment and Waters and these are the bodies that implement the water management policy on local level. The environmental situation in those rivers seems rather good, although there is little information available on the situation of the fish stocks.
4. The **main river is the Danube**, forming the border of the country with Romania in the North. The Danube River water quality was assessed in 2003 in the framework of the Trans-National Monitoring Network (TNMN) of the ICDPR. From the water chemistry point of view, the water of the Danube River seems to score rather badly on most of the main determinants. However, more recent information from the MOEW seems to show an improvement in that situation.

Recommendation: Before the launch of the Inland Fisheries measure, NAFA should undertake a specific survey of the quality of the water, its impact on fishing and the possible risks for human consumption of fish from the Danube River. The implementation of the measures 2.5 and 4.1 might be affected by the results of this survey.

5. Very little information is available on the situation of **lakes and ponds** as well as on the situation of the fish stocks in those water bodies.

Recommendation: NAFA should include lakes and ponds in the specific survey mentioned above of the quality of the water and its impact on fishing.

6. The number of **protected areas** in Bulgaria is 858 by the end of 2004, with a total surface of 544 394, 9 ha. The **proposed SPA network** consists of 114 Special Protected Areas, designed to protect 87 breeding birds and 90 migratory species. It covers about 2,601,786 ha, which is 23.6 % of Bulgaria's



territory, and 54,272 ha of marine area. Potential NATURA 2000 sites to be identified according to the **Directive on Habitats** cover territory sums up at 3 425 176,95 ha (including 60 834,75 ha at sea). This area corresponds to 30 % of the country surface.

B. Environmental characteristics of areas likely to be significantly affected by the implementation of the Operational Programme

- 1. Situation of the fish stocks.** Up to 1993, general decrease in fish stocks is detected in the Danube catchments basin, especially in the polluted rivers. One of the main problems for decreasing of the sturgeons in the Danube River until 1993 is the large scale use of the water for irrigation in agriculture.
- 2.** There are about 125 fish species in **Black Sea** (26 of them with economic value). The main fish species represented in the catches are the pelagic ones, which are situated in high sea and also near to the coast. The most frequent species caught in the Black Sea are small finfish: sprat, anchovies, horse mackerels and whiting. Other species which are present, but in lower quantities are: mullet, dogfish and turbot. In addition to these species, Bulgaria has largely developed the exploitation of an invasive Seasnail, the Rapana (*Rapana Venosa*). In the marine fishing sub-sector there are 3 430 people employed.
- 3. Inland waters fish** catches account for about 10.3 % of the total country production and consist of Danube River catches (about 1.8 % in average) and catches in artificial reservoirs (about 8.5 %). The species more important for fishing in inland water basins are: Common carp, Crucian carp, Silver carp and Bighead carp, Grass carp and Black Carp, Bream, European catfish, Pike - perch, etc. The average annual catches vary between 1 500 – 2 000 tons.
- 4.** The total water area used for **fish farming** is at the moment is 9 178 ha. The employment in fish farming in 2005 was about 5 000 in carp farming and 250 workers in trout farming. The production from warm-water farms (including sturgeon's production) in 2005 was 1 813 t, which represented 57, 7 % of the total aquaculture production in the country. The production from trout aquaculture farms in 2005 was 1 157 tons, which represented 37 % of the total aquaculture production in the country. The production from marine aquaculture in 2005 was 170 tons, which represented 5.4 % of the total aquaculture production in the country.

C. Environmental protection objectives

The overall objective of the new **Common Fisheries Policy** is to ensure fisheries management that provides sustainable environmental, economic and social conditions. The FAO Code of Conduct establishes principles for responsible fishing and fisheries activities. Taking these two set of objectives into account, the 5 following objectives have been considered as the most important for fisheries and water management. They were used for the assessment of the Priority axis and measures:

- Biodiversity, fauna and flora
- Water quality
- Population and human health
- Cultural and architectural heritage
- Landscape and water courses

D. Probable significant effects of the Operational programme on the environment

This chapter discusses the likely effect of each Priority Axis and each Measure on the environment. The symbols used (-- to ++, 0 being neutral) summarise the likely impact of the Priority Axis or of the individual Measure on the environment. This assessment is summarised below:



Measures	Impact Scale
Measure 1.1. Public aid for permanent cessation of fishing activities	++
Measure 1.2. Public aid for temporary cessation of fishing activities	
Measure 1.3. Investments on board fishing vessels and selectivity	++
Measure 1.4. Small-scale coastal fishing	+
Measure 1.5. Socio-economic compensation for the management of the Community fishing fleet	+/-
Measure 2.1. Measures for productive investments in aquaculture	++/-
Measure 2.2. Aqua-environmental measures	++
Measure 2.3. Public health measures	0
Measure 2.4. Animal health measures	
Measure 2.5. Inland fishing /Danube River/	+/-
Measure 2.6. Investments in processing and marketing	++
Measure 3.1. Collective actions	+
Measure 3.2. Measures intended to protect and develop aquatic fauna and flora	++
Measure 3.3. Fishing ports, landing sites and shelters	++
Measure 3.4. Development of new markets and promotional campaigns	++
Measure 3.5. Pilot projects	+
Measure 3.6. Modification for reassignment of fishing vessels	0
Measure 4.1. Development of the fisheries areas	?
Measure 5.1. Technical assistance	?

E. Selecting the alternative

The alternative to the implementation of this programme is the "Zero option" in which the OP is not implemented and the 100 Meur of investment does not take place. As the assessment of the Measures presented in the previous section shows, the implementation of the programme should have largely positive impacts on the situation of the environment. In summary:

- Biodiversity will be preserved and even increased
- Human health will benefit from a larger share of fisheries products in the daily diet
- Water should benefit from better infrastructure for waste water treatment
- Heritage and landscape should be enhanced, especially through the implementation of axis 4

F. Recommendations

Several recommendations can be made in order to guarantee a better fit between the EFF OP and the requirements of environmental protection. These include:

- Undertaking a specific survey of the quality of the water and its impact on fishing for the main rivers, especially the Danube River, as well as main lakes and ponds.
- The finalisation of the Conservation plans for Turbot (and possibly Sprat) as soon as possible and an exchange of information with Romania.
- A survey to assess the environmental balance of the catching of *Rapana Venosa* by trawling.



- A survey of aquaculture facilities including an impact analysis of possible modernisation investments.
- The definition of an environmental certification for aquaculture products must take into account the protection on the environment.
- The 8 years moratorium on fishing sturgeon in the Danube River must be actively enforced in cooperation with the Romanian authorities.
- The market study on marketing of fisheries products should assess the interest of the consumers for organic products.
- The targets for protected areas are theoretical and should be revised.
- Two criteria should be included in the selection grid for the fisheries groups under Axis 4: local baseline studies must include an assessment of the main environmental issues and the local actions should take into account their possible impact on the environment.
- A later survey should elaborate the environmental indicators that should be added to the monitoring system.

G. Conclusion

As a conclusion, implementing the OP and the measures foreseen will have an impact on the environment. This impact should in general be positive and the "zero option" should not be recommended. The set of recommendations proposed above should help to minimise the negative impact. The following principles should also contribute to an implementation with a positive environmental impact:

- Part of the projects should have an Environmental Impact Assessment (EIA) before implementation.
- Investments that make use of technological advances and sustainable fishing techniques should be promoted.
- Investments that minimize the consumption of resources, help the conservation of ecosystems and reduce the pressure on the environment should be prioritised.

These suggestions should be integrated in the system that will be set into place for the implementation of the measures. A qualified team in the Managing Authority should check these upon. If necessary, a specific training should be organised in order to increase the capacity of the team in the assessment of the environmental impacts of their work.

6. EQUALITY BETWEEN WOMEN AND MEN:

The national legislation and the Bulgarian Constitution (Art. 6, paragraph 2) confirm the equality of chances between the citizens.

The Community Strategy for the Equality of Chances between men and women has five objectives:

- Economic equality;
- Equal participation at the decision-making process;
- Social equality;
- Civil equality;
- Change of the traditional roles and overcoming gender stereotypes.

The main tools for the achievement of these objectives are:

- Application of plans for the gender equality;
- Mainstreaming of equal opportunities in all Community interventions.



In the fisheries sector there are about 12 260 employees (2003) of which 16 % are women. Fishing seems to be very much a traditional male activity.

Most fishers are male and only 1 % of licences for commercial fishing is issued to women. Women are mostly present in the processing industry and in marketing. More women are engaged in research and education units.

Table № 3 Gender distribution of employment in the fisheries

Sub-sector	Total	Men	Women
Marine fishing	3 430	3 430	0
Aquaculture	4 980	4 970	10
Fish processing	2 230	250	1 980
Inland fisheries	1 620	1 605	15
Total:	12 260	10 255	2 005

Source: NAFA

This table confirms that the biggest number of women work in the processing sector where they represent 88 % of the workforce. They are much less represented in aquaculture, inland fishing sector and practically not presented at all in marine fishing.

The EFF Operational Programme will seek to promote equal opportunities between men and women.

In particular the local partnership implemented under Priority axis 4 will seek to achieve a gender balance among its members. A fair representation of young people will also be targeted.

Outcomes of the analysis

Bulgaria's vision after the accession to the EU is that of a country with a high living standard, based on sustainable socio-economic growth and full integration to the European Union. This will lead to a higher demand for quality, safety and diversity of products. The fishermen should be more responsible for their use of resources and should be better integrated into socio and eco-system.

Key outcomes of the analysis are already presented in the SWOT analysis above. They can be summarised as follows:

Management of the fleet

- Improvement of exploitation of the Black Sea resources, modernising the Bulgarian fleet (on board investments and selectivity) and discarding old vessels or changing their designation due to Fishing Effort Adjustment Plan;
- Support for fishermen population from the Black Sea coastal areas in particular improving small-scale coastal fishing;
- Improvement of fishermen's professional abilities through: investments made with financial aid to fishermen to adapt, improve management and improve global performances through future enhancements of human potential.



Sustainable fisheries sector – tendencies and analysis' conclusions for the fishing and aquaculture sub-sectors:

- Increase the part of the fisheries sector in the Gross Domestic Product.
- Decline of the commercial fishing in the inland water artificial basins and in the rivers, excepted commercial fishing in the Danube River.
- Establishment of Fisheries groups in the areas dependent from fisheries, which will implement integrated local development strategies.
- Increase the income of the people employed in the sector.

Market infrastructure establishment - tendencies and analysis' conclusions:

- Need to improve the quality of the production and to increase the market demand;
- Need to establish market infrastructure for fisheries products;
- Need to increase the variety of fisheries products on the market and to improve hygiene conditions in the processing units;
- Necessity to organise special promotion actions and to carry out advertising project in order to develop aquaculture, fishing and fish processing industry and to promote Bulgarian species on the EU market;
- Increase the share of fish and other aquatic products in the Bulgarian food market.

Strengthening the administrative capacity - tendencies and analysis' conclusions:

- Need of strengthening the administrative capacity in the terms of control and fund distribution;
- Improvement of the number of specialists and workers in the sector with appropriate qualifications.

IV. STRATEGY AT OPERATIONAL PROGRAM LEVEL ACCORDING TO IMPACT AND RESULT INDICATORS. INDICATORS AND OBJECTIVES:

The strategy proposed for the Operational program of Bulgaria has three main directions:

- Support for the objectives of the National Strategic Plan adopted by Council of Ministers of Bulgaria in December 2006;
- Support the achievement of the objectives laid down in Article 4 of the EFF Council Regulation;
- Taking into account the SWOT analysis undertaken by the Managing Authority.

The Ex-ante evaluation presented in Chapter V has verified the coherence between the objectives established at the level of OP with the NSP and the EFF regulations.

National strategic priorities in the NSP are consistent with the strategy proposed regarding the objectives set up by Priority axis as presented in section VIa.

IV.1. Overall objectives of the Operational program: a strategic vision for the Fisheries sector in Bulgaria



As laid down in the National Strategic Plan the **strategic vision** of the sector is aimed at: becoming a competitive, modern and dynamic based on sustainable fisheries, as well as on the improvement of quality of life in the fisheries areas.

The following **impact indicators** can measure the achievement of this strategic vision:

- Increase of the competitiveness of the sector (increased value, increased productivity);
- Jobs created or maintained in the 3 sub-sectors (Black Sea fishing fleet, Aquaculture and Inland fishing), as well as in the processing industry and in the fisheries areas;
- A contribution to the sustainability of the sector (enhanced biodiversity and sustainable fish stocks) through resource management.

The Operational program is the main tool for achieving this vision along with other means which will be used by the Bulgarian authorities, which are not part of the EFF.

The achievement of the strategic vision in the fisheries sector will also be pursued by projects under other instruments. The sections presenting in each Priority Axis, the "demarcation line" with other Community instruments gives a good overview of these other instruments.

Projects undertaken to fulfill the requirements under the Council Regulation № 861/2006 will also contribute to the achievement of this vision. The main non-EFF activities for the accomplishment of the strategic vision of the Bulgarian fisheries sector are as follows:

- Upgrading and maintenance of the Fishing Vessels Monitoring System;
- Purchasing of electronic devices for collecting and transfer of data concerning fishing activities;
- Purchasing of IT equipment for collecting, processing and archiving of data concerning fisheries activities;
- Purchasing of digital PCs for the fisheries surveillance inspectors from NAFA's Regional Fisheries Inspectorates;
- Delivering of e-logbooks services for the vessels from the Fishing Fleet Register;
- Partnership activities with scientific institutes in order to provide scientific information for the fisheries sector;
- Training of experts and fisheries surveillance inspectors from the fisheries administration, as well as of fishermen and of all the stakeholders in the fisheries sector and others.

IV.2. Specific objectives that the Operational program's priorities aim to achieve

For completing the strategic vision, the Operational program has four general objectives connected to eleven specific objectives:

Objective 1: To ensure the competitiveness and sustainability of the fisheries sector;

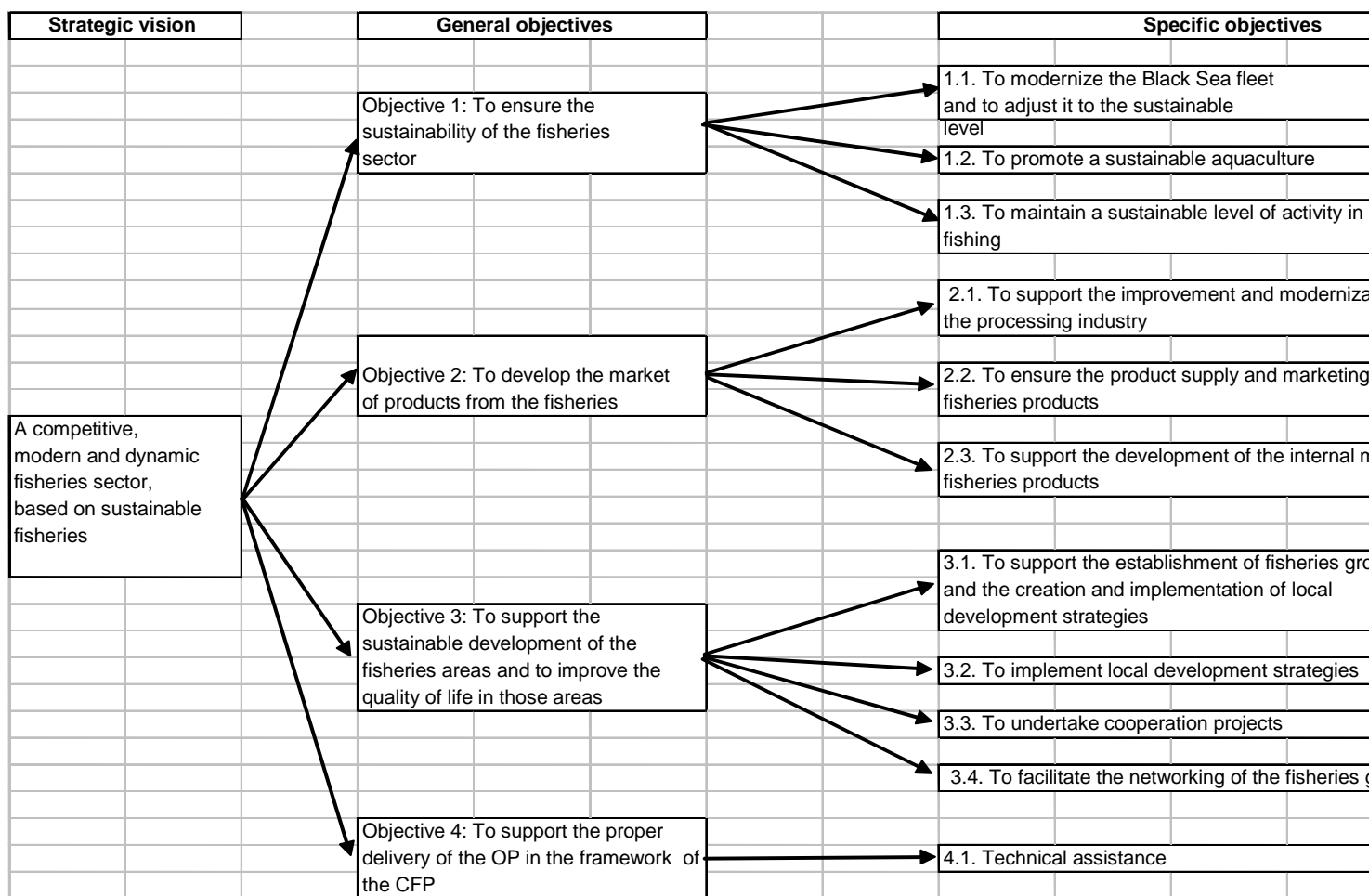
Objective 2: To develop the market of products from the fisheries sector;

Objective 3: To support the sustainable development of the fisheries areas and to improve the quality of life in those areas;

Objective 4: To support the proper implementation of the OP in the framework of the CFP.

Below are shown the connections between general and specific objectives that support them:

Strategic vision, general objectives and specific objectives



General objective 1: To ensure the sustainability of the fisheries sector

The fisheries sector is understood here as the fish production as a primary product, including in some cases a first stage of processing after the catching of fish species. Further processing is included under the support for marketing presented in the next section, as it is mainly aiming at improving the products in order to match the expectations of the market.

Three specific objectives are supporting the achievement of General objective 1:

1.1. To modernise the Black Sea fishing fleet and to adjust it to a sustainable level

The following results are expected:

- Adjustment of the size and modernisation of the fishing fleet
- Setting up of minimum vital level for Bulgarian fishing fleet
- Modernisation of the small-scale fishing vessels
- Improvement of safety and working conditions
- Improvement of professional skills in the fisheries sector and diversification of activities
- Better quality products from marine fleet

Measures contributing to the achievement of the objectives:

Measure 1.1 Public aid for permanent cessation of fishing activities

Measure 1.2 Public aid for temporary cessation of fishing activities



Measure 1.3 Investments on board fishing vessels and selectivity
Measure 1.4 Small-scale coastal fishing
Measure 1.5 Socio-economic compensation for the management of the Community fishing fleet
Measure 3.1 Collective actions
Measure 3.2 Measures intended to protect and develop aquatic fauna and flora
Measure 3.3 Fishing ports, landing sites and shelters
Measure 3.5 Pilot projects
Measure 3.6 Modification for reassignment of fishing vessels

1.2. To promote a sustainable aquaculture

The support for aquaculture sub-sector shall lead to the following results:

- Improvement of quality of the aquaculture products
- Market supplied with species having good market perspectives
- Increase of marine aquaculture in Bulgaria
- Adjustment of the sector to the expectations of the market: types of species, prices, quality control and traceability, etc
- Modernisation of the sector, with more advanced technologies

Measures contributing to the achievement of the objectives:

Measure 2.1 Measures for productive investments in aquaculture
Measure 2.2 Aqua-environmental measures
Measure 2.3 Public health measures
Measure 2.4 Animal health measures
Measure 2.5 Inland fishing
Measure 2.6 Investments in processing and marketing
Measure 3.1 Collective actions
Measure 3.4 Development of new markets and promotional campaigns
Measure 3.5 Pilot projects

1.3. To maintain a sustainable level of activity in inland fishing

The aim will be to modernise the landing facilities for proper deliver on the market of better quality products from inland fishing and to improve the working conditions and safety of the workers involved in the inland fishing sub-sector.

Measures contributing to the achievement of the objectives:

Measure 2.5 Inland fishing

General objective 2: To develop the market of products from the fisheries sector

Developing the market for fisheries products requires interventions focused on the processing of the products and on their marketing. To regain a good market share for the products of the Bulgarian fisheries sector, the quality of the products needs to be improved (distribution of primary products, processing), and a promotion effort must be undertaken.

It is necessary to develop the domestic market by organising fish wholesale markets and first sale centers /auctions/ for better promotion and competitiveness of fresh fish and processed production.



The following results are expected:

- Change in the production structure of aquaculture;
- Increase of the share of valuable and market oriented species;
- Increase of the share of processed products;
- Improvement of the quality of the products – fresh, frozen and processed.

The following specific objectives are supporting the implementation of General objective 2:

2.1. To support the improvement and modernisation of the processing industry

The support for the processing industry shall lead to the following results:

- Modernisation and improvement of the facilities, involved in the fisheries processing;
- Creation of producers' organisations which will represent the interests of the stakeholders.

Measures contributing to the achievement of the objectives:

Measure 3.1 Collective actions

Measure 2.6 Investments in processing and marketing

2.2. To ensure the supply and marketing of fisheries products

The Bulgarian market needs a stronger connection to the demand of the consumers and an improved traceability of the products.

The support for organisation of the market shall lead to the following results:

- Creation and development of wholesale and auction markets;
- Ensuring the traceability of the products and improving their quality.

Measures contributing to the achievement of this objective:

Measure 1.4 Small-scale coastal fishing

Measure 2.6 Investments in processing and marketing

Measure 3.1 Collective actions

Measure 3.4 Development of new markets and promotional campaigns

2.3. To support the development of the internal market for fisheries products

The organisation of promotions for improving the image of the fisheries products must increase the average consumption of fisheries products per person.

The following results are expected:

- Promote the importance of fisheries products for a healthy diet;
- Increase average consumption of fish and fisheries products;
- Introduction of new species and improvement of the image of other, underestimated products.

Measures, contributing to the achievement of the objectives:

Measure 3.4 Development of new markets and promotional campaigns



General objective 3: To support the sustainable development of the fisheries areas and to improve the quality of life in those areas

In Bulgaria there are fisheries areas that suffer from poor quality of life and need solid improvement of working and living conditions. It is of high importance to stimulate diversification of labour activities in those areas, as well as to improve the living conditions and quality of life for the local population.

Specific objectives supporting the implementation of General objective 3:

3.1. To support the establishment of fisheries groups and the elaboration of local development strategies.

The following results are expected:

- Fisheries groups are established in some fisheries areas, following the LEADER approach;
- The fisheries groups develop integrated local development strategies.

Measure contributing to the achievement of the objective:

Measure 5.1 Technical assistance

3.2. To implement the local development strategies

By the implementation of the local development strategies, the following results are expected:

- Improvement of quality of life
- Better use of the fish resources in the areas
- Economical development of the fisheries areas and more added-value created locally
- Diversification of economical activities in the areas

Measure, contributing to the achievement of the objective:

Measure 4.1 Development of fisheries areas

3.3. To undertake cooperation projects

Some fisheries groups might need to join forces with other groups in order to undertake cooperation projects.

This support must lead to the following result:

- Cooperation at national and transnational level is established via joint projects

Measure, contributing to the achievement of the objective:

Measure 4.1 Development of fisheries areas

3.4. To facilitate the networking of the fisheries groups

In order to make the groups more effective, the networking between them is of great importance leading to the following results:



- Promotion and exchange of innovative actions between the groups
- Exchange of ideas and good practices between the groups

Measure, contributing to the achievement of the objective:

Measure 5.1 Technical assistance

General objective 4: To support the proper delivery /implementation/ of the OP in the framework of the CFP

Technical support will be needed in order to implement the Operational program. It will aim at strengthening the administrative capacity of the public bodies involved in this process.

The following results are expected by the Technical assistance:

- Enhanced administrative capacity
- Better governance of the Operational programme
- Full and proper documentation for the implementation of the program

Measure, contributing to the achievement of the objective:

Measure 5.1 Technical assistance

IV.3. Indicators and objectives

The following tables present the objectives established in each of the Priority axis

Priority Axis 1

Result indicators	Baseline - 2007	Objective - 2010	Objective - 2015
Reduction of the fishing effort		0 %	-7%
Reduction of capacity of the fleet by a permanent cessation of activities <ul style="list-style-type: none"> • Tonnage – GT • Power – kW 		According to conservation measures to be adopted	<ul style="list-style-type: none"> • Tonnage GT: 2 300 • Power kW: 9 300
Degree of modernisation of the fishing fleet		At least 50 % of the fishing vessels (up to 55 fishing vessels) At least 30 % of the small-scale fishing fleet (up to 650 fishing vessels)	At least 50% of the fishing vessels (up to 55 fishing vessels) At least 30% of the small-scale fishing fleet (up to 650 fishing vessels)
Power of engines replaced and decrease of power related / kW/	Power kW installed: 62924.12 Kw	10 % of power of engine renewed	10% of the power of the engines, which are replaced by new ones
Number of fishermen trained		Up to 1 000 fishermen	Up to 1 000 fishermen

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Priority Axis 2

Result indicators	Baseline - 2005	Objective - 2010	Objective - 2015
Tonnage produced in aquaculture	3 143 t	+ 50 %	+ 400 %
Tonnage produced in processing	7 185 t	+ 50 %	+ 50 %
Tonnage of fish landed (inland fishing)	400 t	+ 50 %	+ 50%
Percentage of projects with environmental friendly production	0	+ 10 %	+ 20 %
Increase of turnover in aquaculture and processing	Aquaculture: 2 500 000 € Processing: 9 800 000 €	Aquaculture: + 30 % Processing: +10 %	Aquaculture: + 400 % Processing: + 25 %
Added value per an employee in aquaculture and processing	Aquaculture: 500 € Processing: 4 395 €	Aquaculture: + 10 % Processing: + 10 %	In aquaculture: + 20 % In processing: + 20 %
Degree of modernisation of the inland fishing fleet	0	+ 30 %	+ 30 %

Priority Axis 3

Result indicators	Baseline - 2005	Objective - 2010	Objective- 2015
Number of modernised ports	0	2	4
Number of constructed shelters	0	2	Up to 6
Number of modernised landing sites	0	2	Up to 6
Number of Producers' organisations created	0	2	2
Increase of the average fish consumption (kg/year)	3.5 kg/capita per year	5.5 - 6 kg/capita per year	5.5 – 6 kg/capita per year
Increase of the added value of the fish processed and marketed	13.8 million €	+ 10 %	+ 10 %
Number of modified vessels for education in fisheries	0	2	2

Priority Axis 4

Result indicators	Baseline - 2007	Objective - 2010	Objective - 2015
Expected number of fisheries groups established	0	2	6
Territory covered by fisheries groups	0	800 km ²	7 280 km ²
Population of the territory covered by fisheries groups	0	25 000	211 800
Jobs created or maintained inside and outside fisheries sector		300	300



V. SUMMARY OF THE EX-ANTE EVALUATION. JUSTIFICATION AND COHERENCE WITH THE RELEVANT PART OF THE NSP

The general objective of the EFF *ex ante evaluation* is "to ensure the coherence between the guiding principles set out in Article 19, the relevant part of the national strategic plan and the operational programme as well as to optimise the allocation of budgetary resources under the operational programme and to improve programming quality" (EFF Council Regulation, Art. 48). The specific objectives of this evaluation have been established through detailed discussions held with the Bulgarian Managing Authority (National Agency for Fisheries and Aquaculture – NAFA) and the European Commission representatives (DG MARE). They can be summarised, as follows:

- To support the Managing authority in drafting the Operational Programme for Fisheries sector development. This specific objective was carried out in an interactive and iterative manner as requested by the guidelines of the EC. The evaluator has provided the Managing Authority with three successive sets of detailed comments on the full draft Operational programme.
- To provide evaluation and recommendations on the different sections of the programme.
- To verify the SWOT analysis and the strategy formulated on that basis.
- To validate the description of the content given to the different Priority axis and to the associated measures (Chapter 6 of the OP).
- To discuss the financial plan proposed (Chapter 7 of the OP) and the implementation provisions foreseen in Chapter 8.

Socio-economic analysis

There were substantial exchanges about the analysis in the course of the Ex-ante evaluation. In this process, the evaluator contributed his views in particular concerning most important trends and development options. The final results seem now satisfactory as it forms an excellent basis for the SWOT analysis, which in turn forms the basic element on which the strategy has been built.

- The OP analyses the situation of marine fishing accurately and adequately and provides a proper summary of important strengths and weaknesses.
- Despite an important improvement on the information on the situation in inland fishing, a lack of reliable information is still noticeable, especially as far as the environmental situation of inland waters is concerned. The quality of the water in the Danube River is a specific area of concern for the implementation of the OP.
- The aquaculture sub-sector represents by far the largest share of the EFF budget. After several discussions, the situation of the aquaculture sub-sector is now clearly presented and the information considered as sufficient for the elaboration of this important sectoral policy.
- The information presented on fish processing is sufficiently developed and form a good basis for the elaboration of a policy.
- The description of fish marketing is well developed and is sufficient for the elaboration of a policy in this field. The basic indicator is the fish consumption per inhabitant and per year, which is very low. This clearly indicates that there is scope for improving the sale of fisheries products through a good marketing strategy.
- The information basis on the areas that could be potential targets for the setting-up of fisheries groups is rather light. Little is known about the fishing communities in the three main types of areas (coast of the Black Sea, Danube River and inland aquaculture areas) and their needs.
- The Operational programme does not provide a description of the state of the fisheries administration in Bulgaria.



SWOT Analysis at Operational programme level

In an early version of the programme, this section was a compilation of the sectoral SWOT analysis presented in the chapter 3 "Description of the sector". This was considered as insufficient by the ex-ante evaluator and a shorter and more focused version of the SWOT was elaborated. The new version is considered now as providing a good basis for the strategy presented in Chapter 4.

Strategy

The target system is described in Chapter 4 of the OP. It is centred on one Strategic vision, four general objectives and eleven specific objectives. The target system proposed is well connected with the SWOT presented earlier in the programme. The main weaknesses are addressed, whilst the key opportunities are well targeted. The strengths are used to support the programming exercise and the threats are taken into account as far as possible. The internal coherence of the strategy is good and the external coherence of the target system with higher-level objectives and policies is also good. The connection of the objectives with the priorities is made with care and this should facilitate the monitoring of progress towards the targets during the implementation of the OP.

Program's Priority Axis and Measures

Budget allocation: The budget allocation has been established at the level of the Priority Axis in order to keep a good flexibility in the financial implementation of the OP. The allocation has however first been established at the level of each of the individual measures, in order to have a clear vision of the financial requirements. However, the budgetary allocation does not seem optimal and lowering Priority axis 2 should increase the budget for Priority axis 4.

Priority Axis 1 to 5: In this section of the ex-ante evaluation, the content of each Priority axis and of each measure has been assessed. It is not possible to summarise this assessment here.

- At Priority axis level, the coherence with the strategy presented in Chapter IV of the OP has been assessed.
- Each Measure is presented in a summary form (background, description, objective or content), then assessed towards the following criteria:
 - The relevance towards the needs;
 - The internal coherence (content/objectives);
 - The demarcation line with other policies;
 - The expected impact and the quantitative indicators proposed.

Implementation Procedures of EFF Operational program for fisheries sector development

It cannot be the responsibility of the ex-ante evaluator to certify that the implementation procedures presented in this OP are a good guarantee for the proper absorption of the funds. The evaluation has verified that all the information requested by the European Commission is presented in the OP in a clear way.

As far as it could be examined in the context of this evaluation, the implementing provisions presented in Chapter VIII of the OP fully comply with the requirements of the EFF Commission Regulation № 498/2007 for the implementation of the EFF Council Regulation № 1198/2006. All issues required are covered, although a more precise documentation on the consultation of partners would be useful.



VI. PROGRAM'S PRIORITY AXES

VI. A Coherence and justification of the priority axes chosen

(1) Towards relevant parts of the National Strategic Plan

The strategy presented in section 4 requires the implementation of most of the Measures foreseen in the EFF Council Regulation, in order to achieve the "strategic vision" that the Operational Programme has adopted in line with the National Strategic Plan.

1.1. Measures for the adaptation of the Community fishing fleet

The adjustment of the fishing effort in compliance with the principles of the EU Common Fisheries Policy and the Fishing Effort Adjustment Plan, drafted by NAFA is a practical measure for implementation of the national policy for protection and conservation of the living marine resources with the view of establishing adequate conditions for development of sustainable fishing activities in a friendly manner regarding the optimum relations of biomass and the environment. Adequate methods and selective fishing gears for reduction of the by-catches have to be used for the purpose. The marine resources and the fishing effort have to be closely monitored.

Until the beginning of the 90s of the last century, Bulgaria used to be an important force in the ocean fishery. However, the transition to market economy, privatization, significant fuel price rise and a series of other factors resulted in closure of the company "Okeanski ribolov" (Ocean fishing). Bulgarian capacity for catch is under the available resources in Black Sea in the 12 miles zone of the country and recently the fishing activity is at a level that is considered to be significantly less than the allowable catches.

Objectives of Axis 1 Measures for the adaptation of the Community fishing fleet:

Funding will be available for equipment for reducing the impact of fishing on habitats and the sea bottom and on non-commercial species, as well as investment in more selective gears. Another idea is to provide modern equipment for the vessels, for navigation security and for improvement of work conditions, as well as investments in improving fish quality.

Small-scale coastal fishing is deserve attention, with operators who can potentially benefit from more funding and more favourable grant rates for investments on board and in more selective gears. Funds would be payable to fishermen and vessel owners to improve management and control of access conditions, promote the organisation of production, processing and marketing.

Socio-economic measures for fishermen affected by developments in fishing can also be supported, as long as these involve diversification with a view of promoting multiple jobs, training especially for young fishermen and retraining schemes.

Recovery and Management plans will be in details elaborated and presented in the Operational Program in accordance with Council Regulation 2371/2002.

1.2. Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products

The measures under this axis aim at increasing the fish from aquaculture production for supplying the market and thus lessening the fishing pressure over the natural populations of aquatic organisms. The fish farming has to be in compliance with the requirements for environmentally friendly methods and technologies for fish breeding and strictly applied sanitary control. The objective aims at enhancement of the quality of the production and the technological level, application of the good production practices, system for monitoring of quality and the sanitary and hygiene measures.



Objectives of Axis 2 Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products:

Sustainable development of Bulgarian aquaculture with enhancement of the quality of the production and the technological level, application of the good practices, system for monitoring of quality and the sanitary and hygiene measures has the following sub-objectives: support the sustainable development of Bulgarian aquaculture producing wider range of valuable fish species and bigger production for the market and as raw material for processing, as well as re-enforcement the efficiency of the fish processing industry in respect of European Union standards and high quality level of marketing services.

Some practical steps must be made by:

1. Restructuring of aquaculture production aiming at the enhancement of the quality of the fish and other marine organisms and the products thereof. Warm water and cold water aquaculture:

- Application of new technologies;
- Restructuring of production facilities to produce large range of relevant species and production of high quality of fish fingerlings as material for restocking.

2. Restructuring of the aquaculture production aiming at enhancement of the diversification of the export.

There is a good market prospect for breeding of certain fish species. The European and the American catfish species are expected to have a good market realization both for the domestic market and for the international market. The pike and the pike-perch are expected to have a good market realization and there are possibilities also for export.

The sturgeon species form another part of the market and of the export sector. Especially valuable are the Beluga /Huso huso/, Russian sturgeon, Siberian sturgeon and some hybrids.

There is a possibility for introducing (acclimatization) to the country of the species African catfish and Trout-like perch.

- Development of a strategic plan for the priority development of valuable fish species breeding, specific for different regions of the country;
- Development of highly productive genetically pure herds of domestic species;
- Maintain output of carp culture sector by encouraging improvements in efficiency and collaborative marketing;
- Maintenance of genetic fund of highly productive domestic species for restocking;
- Development of a market strategy and advertising campaigns.

3. Development of the marine aquaculture production:

- Development of farms for breeding of restocking material and fish for consumption of the valuable marine aquaculture species.

The implementation of national quotas for catch in connection with the limited resources of valuable species will lead to activation of investments in aquaculture and to the establishment of more aquaculture farms producing mussels, turbot, sturgeons and other species and to increasing of fish product import.

4. Development of the processing industry:

- Improvement of the production conditions for meeting the increased sanitary and hygiene requirements;
- Improvement of the technological basis;



- Improvement of the quality of packing and labeling;
 - Reducing negative impacts on the environment.
5. Improvement of the marketing of fish and fish products
- Producing and/or marketing new products, applying new technologies, or developing innovative production methods.
6. Public health measures
- Improving of co-ordination between the competent state authorities controlling the area of public health and food safety, e.g. central, regional and local bodies of National veterinary service and Ministry of health authorities;
 - Improving of self-control measures in production sites by introducing of a HACCP system, Good production practices etc.
7. Animal health measures
- Programs for monitoring, control and eradication of diseases in aquaculture production farms;
 - Prioritization of prevention measures;
8. Inland fishing /Danube River fishing/
- Investments for the modernization of inland fishing facilities, with a view to improve safety, working conditions, hygiene and product quality;
 - Investments in modernization of the on board equipment of vessels for fishing in Danube River.

1.3. Measures of common interest

Measures of common interest can include initiatives to protect and develop the aquatic environment, initiatives to develop common facilities, pilot projects, promotion and development of new markets and other collective actions with wider benefit. Measures of common interest represent a valuable means of investing in collaborative projects to develop the industry.

The main Objective of Axis 3 Measures of common interest is the development of common interest measures in order to reach the goals of the Common Fisheries Policy and to implement the necessary environment for the development of the enterprises in the fisheries sector by: modernization of fishing ports, landing sites and shelters, development of new markets and promotional campaigns, capacity building and support of common actions for sustainable fishing and aquaculture development and resource management.

Fishing ports, landing sites and shelters

In order to ensure long-term competitiveness, ports with all the necessary facilities (e-services, ice factory, water, fuel etc.) must be modernized from fishing vessels to dock.

Development of new markets and promotional campaigns

A national market study, the creation of an "observatory" of fish consumption and demand, and campaigns of promotion for fish consumption will contribute to the increase of fish consumption. The big cities in the country are the places for potential fish markets, which could be used for the sector development. An electronic fish trade market is necessary in order to cover better market niches. Advertising campaigns for fish and fish products are also necessary. In order to obtain products that are competitive in the EU countries, production must follow the quality standards required by the European market with regard to food safety and traceability.



Producer organizations

Producer organizations must be supported and trained in order to have better management and human performances. Partnerships must be created between the research institutions, administration and producers' organizations, in order to correlate research and the real needs of the producers and have joint programs.

Resource management

The main objectives of resource management improvement refer to the preservation of the biological diversity, sustainable usage of natural habitats, wild flora and fauna, as well as the ecological renewal of degraded systems. Consistent with the natural-historic and socio-economic conditions in the country, the area of protected territories and zones within the National Environmental Network must constitute at least 15 % of the country's territory by the end of 2010. It is also important to stimulate a more active involvement of the public in decision-making for environmental protection, at various levels.

In order for companies and associations to get and select new technical knowledge and use it afterwards, pilot projects should be established. These projects will focus on testing the current conditions of the production sector, environmental researches, develop tests to allow the fishing efforts and establish the fishing areas based on the biological and financial consequences, as well as on testing alternative fishing methods.

1.4. Sustainable development of fisheries areas

There is a lack of policy and strategy for sustainable development in the fisheries areas. At the same time it is quite important to develop such a policy and strategy together with stakeholders in accordance to and in parallel with other state programs for regions and fisheries areas development where the National Strategic Plan, with the support of the EFF, will guarantee indispensable investment in these areas.

According to definition in Axis 4 Bulgaria identified 6 - 7 potential areas to benefit from this measure. Potential areas have a low population density and a significant level of employment in the fisheries sector and decline of fishing. The population in those regions is less than 100,000 inhabitants. The delivery of funding will involve Fisheries groups established for each area, consisting of private and public partners set up to assist the sustainable development of given areas. Fisheries groups would be responsible for executing local development strategies, based on a bottom-up approach.

The main Objective of Axis 4 Sustainable development of fisheries areas is the development of areas with significant level of employment in the fisheries sector via accomplishment of fisheries development actions, based on a bottom-up approach.

The population dependent of fisheries should be engaged with diversification of their economic activities as soon as possible.

Relevant organization of vocational training is a mission of the state authorities responsible for the sector in collaboration with producers' organizations and other stakeholders.

The development strategy drawing-up will start from the existing situation, analysis of the needs and territorial potential, in order to achieve an integrated development of fisheries areas. Putting together, different economic activities will lead to a complex approach to the area, maintaining the population, leading to a living standard improvement.

The strategies' objectives are based on identify and development of:

- human potential to contribute to building-up fisheries dynamics;
- natural and cultural resources;
- diversifying economic activities, taking into account fisheries opportunities;



- Promoting environmental friendly activities.

This strategy will create a link between other financial sources that will be used at territorial level in order to sustainable development of fisheries areas.

1.5. Technical assistance

The objectives of Axis 5 Technical assistance are preparation, implementation, technical and administrative maintenance of requisite evaluations and audit with the aim of applying EFF Council Regulation № 1198/2006.

These measures include:

1. Evaluations, investigations, statistics, tuitions and studies of general nature, related to the functioning of EFF.
2. Measures on giving information to partners, beneficiaries, the general public of the opportunities for applying for EFF financial assistance.
3. Measures on dissemination of information, on setting up of information network, on stimulation of cooperation and exchange of experience within the Community.
4. Introduction and exploitation of information system on management, implemenation, inspection and evaluation of the Operational programme.
5. Improving methods for evaluation and exchange of information for best practices.
6. Setting up /on transnational level and on Community level/ networks of persons as regards sustainable development of fisheries areas with the aim of favouring exchange of experience regarding applying of best practices and stimulating transregional and transnational cooperation and dissemination of information.

(2) Towards the guiding principles of the operational programme (Article 19 of Regulation (EC) No 1198/2006)

The Operational Program "Fisheries sector development" is being elaborated in accordance with one of the main guiding principles of the Community – the principle of partnership and close cooperation of the administration with the regional, local, economical and social partners in the sector (all stakeholders).

As requested by Article 19, the following principles are taken into account in the choice of the Priority Axis:

(a) Consistency with the principles of the Common Fisheries Policy and the national strategic plan in order to achieve, in particular, a stable and enduring balance between fishing capacity and fishing opportunities;

- This is embedded in the first objective of the strategy proposed for the Operational Programme. All the Measures of the Priority Axis 1 will be implemented in order to be consistent with this guiding principle.

(b) Enhancement of a harmonious, balanced and sustainable development of economic activities, jobs and human resources, as well as protection and improvement of the environment;

- This is precisely covered by the strategic vision which this Operational Programme aims to achieve.

(c) An appropriate allocation of the available financial resources between the priority axes and, particularly, where relevant, an appropriate level of financing for operations under Chapter I of Title IV (Priority axis 1: Measures for the adaptation of the Community fishing fleet);



- The allocation of resources has been elaborated with these guiding principles in mind, but also with the wish to allocate the financial resources according to the requirements of each objective of the strategy. The indicative allocation of financial resources is as follows:
 - Axis 1: **7.91 %** from total EFF aid is allocated for the adaptation of the Community fishing fleet. This is justified by the necessity of vessels' modernisations, especially small-scale coastal fishing vessels.
 - Axis 2 receives a budget of **47.45 %** from total EFF aid and includes support measures for: development of small and micro-sized aquaculture farms, development of processing units, modernisation of inland fishing through setting up or modernisation of shelters and vessels, improving the products quality from inland fishing by settlement with ice machine, specific conditions for first sale and other specific facilities which does not exist or are not corresponding to EU standards.
 - Axis 3 represents **18.43 %** from total EFF aid. These measures will help to realise the common policy objectives in fisheries sector. This axis includes measures regarding fishing ports and landing sites modernisation.
 - Axis 4: **20.94 %** is allocated to this Axis, since Bulgaria wishes to experiment integrated local development strategies, which seem very adapted to the needs of fisheries areas.
 - Axis 5: **5.27 %** will be necessary to achieve the objectives of enhancing the administration capacity, including the CFP aspects related to the EFF implementation.

(d) Promotion of the operations contributing to the Lisbon strategy; Operations aiming at promoting a sustainable level of employment in the fisheries sector in particular through enhancing the quality of jobs, providing access to the profession for young people and stimulating innovation throughout the sector shall be encouraged;

- The creation or the maintaining of jobs is a major impact expected from the implementation of the strategy.
- The quality of jobs will be enhanced through the several actions undertaken to improve work and safety conditions in the fisheries sector, including in the processing industry.
- The modernisation of the sector should make it more attractive for young people.
- The improvement of the quality of life in fisheries areas should encourage young people to stay in the fishery sector or in their area, where they will be able to find a job.
- Innovation is a main concern for the programme, which seeks to modernise the fisheries sector, improve the marketing strategies, implement pilot projects and find new answers to local needs via the fisheries groups supported under Axis 4.

(e) Promotion of the operations contributing to the Gothenburg strategy and particularly those enhancing the environmental dimension in the fisheries sector; Operations aiming at reducing the impact of activities in the fisheries sector on the environment and promoting environmentally friendly production methods shall be encouraged;

- The actions undertaken will seek to reduce the environmental impact of activities in the fisheries sector. The ex-ante evaluation underlines the fact that this sector has already a fairly small ecological impact and that no negative impact should be expected from the implementation of this Operational programme. Further, several measures are clearly aiming at promoting more environmental-friendly methods in the sector (fishing, aquaculture, processing, local development).

(f) Improvement of the situation of the human resources in the fisheries sector through operations aiming at upgrading and diversifying professional skills, developing lifelong learning and improving working conditions and safety;



- Several training programmes are foreseen in this Operational programme. They aim at helping the workforce in the sector to adjust to the new conditions created by the modernisation of the sector, promoted by this programme.

(g) Encouragement of operations with high added value through the development of innovative capacities that provide for high quality standards and meet consumer needs for fisheries and aquaculture products; Operations promoting transparency of environmentally friendly production methods to consumers shall be encouraged;

- The strategy has an objective, which is devoted to the adaptation of the products to consumer needs and expectations. This is a condition for the successful modernisation of the fisheries sector in Bulgaria.

(h) Contribution to a better supply to, and to a sustainable development of, the community market of fisheries and aquaculture products;

- The adjustment of the production to the expectations of the market is foreseen in several Measures.

(i) promotion, during the various stages of the implementation of the Operational programme, of gender balance in the fisheries sector through operations aiming, in particular, at reducing gender based segregation in the labour market;

- Women are mostly present in the processing industry, since fishing is traditionally an activity undertaken by men. The improvement of working conditions and safety in all segments of the industry should make it more attractive for women than before. The actions foreseen for the modernisation of the processing industry will directly benefit women as they form the majority of the workforce. A particular attention will be given to the gender balance of the local partnerships supported under Priority Axis 4.

(j) Promotion of an integrated sustainable development of the fisheries areas by fostering their inherent potential and improving quality of life;

- This is precisely the objective established for the setting-up of fisheries groups under Priority Axis 4.

(k) Where relevant, improvement of the institutional and administrative capacities aiming at a good governance of the Common Fisheries Policy and an efficient implementation of the Operational programme.

- This is the objective given to actions of Technical assistance undertaken under Priority Axis 5.

(3) Outcomes of the *Ex ante* evaluation referred to in Article 48 of Regulation (EC) No 1198/2006.

This has been summarised in section 5.

VI. B – Description of each priority axis

B.1. PRIORITY AXIS 1: MEASURES FOR THE ADAPTATION OF THE BULGARIAN FISHING FLEET

The measures for the adaptation of the Bulgarian Fishing Fleet will be implemented in the framework of Fishing Effort Adjustment Plan (s) following the adoption of conservation measures for the fisheries stocks in the Black Sea (sprat, turbot, etc.) and the adoption of National decommissioning scheme.



For the immediate future the implementation of recovery plans are not foreseen. However, around 20 % of the financial allocation of this axis will be earmarked for the implementation of a recovery plan.

NAFA intends to set up a Fishing Effort Adjustment Plan, which will be adopted by the minister of agriculture and food, after consultation with the relevant bodies.

B.1.1. Main objective under priority Axis 1

In compliance with the EFF Council Regulation № 1198/2006 and with the strategy presented in Section 4, the main objectives of Priority Axis 1 will be:

- To adjust the fishing effort according to the available and accessible resources and to adjust the fishing fleet capacity accordingly
- To maintain the competitiveness of the Bulgarian fishing fleet by modernising vessels and boats regarding safety, fishing gears selectivity, improvement of working conditions and places for storage of catches
- To support fishermen affected by the evolution of the fisheries: to improve their qualification level so as to be more competitive and to compensate them for temporary or permanent cessation of fishing activities
- To maintain the activity of the small-scale fishing fleet in the coastal areas

B.1.2. Baseline and quantified targets

The target set for the increase of the catches in the Black Sea is based on the scientific assessment of the stocks of the main caught species and according to Community legislation: Sprat, Rapana, Turbot and other species. The strategy for preservation of a sustainable state of the stocks of the marine resources will be implemented through effective and sustainable management of the fishing fleet.

The target will be the increase up to the quota accorded by the Community for the main species in the Black Sea.

OPERATIONAL PROGRAM "FISHERIES SECTOR DEVELOPMENT 2007 - 2013"
REPUBLIC of BULGARIA



Result indicators	Baseline - 2007	Objective - 2010	Objective - 2015
Reduction of the fishing effort		0 %	-7%
Reduction of capacity of the fleet by a permanent cessation of activities <ul style="list-style-type: none"> • Tonnage – GT • Power – kW 		According to conservation measures to be adopted	<ul style="list-style-type: none"> • Tonnage GT: 2, 300 • Power kW: 9, 300
Degree of modernisation of the fishing fleet		At least 50 % of the fishing vessels (up to 55 fishing vessels) At least 30 % of the small-scale fishing fleet (up to 650 fishing vessels)	At least 50% of the fishing vessels (up to 55 fishing vessels) At least 30% of the small-scale fishing fleet (up to 650 fishing vessels)
Power of engines replaced and decrease of power related / kW/	Power kW installed: 62924.12 Kw	10 % of power of engine renewed	10% of the power of the engines, which are replaced by new ones
№ of fishermen trained		Up to 1 000 fishermen	Up to 1 000 fishermen

B.1.3. Justification of the average rate of co-financing, target groups/sectors/areas and beneficiaries

Republic of Bulgaria is under Convergence objective and weak absorption capacity. Therefore the maximum percentage of Community aid and maximum intensity is systematically applied.

The Fisheries sector will be the only target for this Priority.

The following table presents the main target areas and final beneficiaries for each measure:

Priority axis/measures	Main target areas	Beneficiaries
<i>Priority Axis № 1: Measures for the adaptation of the Community fishing fleet</i>	Black Sea	
Measure 1.1. Public aid for permanent cessation of fishing activities	Black Sea region	Owners of fishing vessels
Measure 1.2. Public aid for temporary cessation of fishing activity	Black Sea region	Owners of fishing vessels and fishermen
Measure 1.3. Investments on board fishing vessels and selectivity	Black Sea region	Owners of fishing vessels
Measure 1.4. Small-scale coastal fishing	Black Sea region	Owners of fishing vessels Fishermen Associations of fishermen and fishing vessels owners
Measure 1.5. Socio-economic compensation for the management of the Community fishing fleet	Black Sea region	Fishermen



B. 1. 4. Description of the main Measures proposed under Priority Axis 1 resulting from the strategy proposed

The programme will retain the five measures proposed by the EFF:

- Measure 1.1 – Public aid for permanent cessation of fishing activities
- Measure 1.2 - Public aid for temporary cessation of fishing activities
- Measure 1.3 – Investments on board fishing vessels and selectivity
- Measure 1.4 – Small-scale coastal fishing
- Measure 1.5 - Socio-economic compensation for the management of Community fishing fleet

Cessation of fishing activities (permanent or temporary)

Bulgaria is seeking to adapt its fishing fleet in order to create a stable and sustainable balance between the fishing capacity and the resources available. An ongoing survey of fishing resources in the Black Sea will allow the Bulgarian authorities to establish the target for catches of different species and to identify the Conservation measures that might be needed in order to protect the fishing stocks in the Black Sea. Bulgaria will draft conservation measures for two of the main species existing in the Bulgarian waters, turbot and possibly sprat.

Fishing Effort Adjustment Plan(s) related with such conservation measure could in this way be adopted by the Bulgarian authorities allowing the grant of premiums to vessels exiting from the fishing fleet.

Investments on board fishing vessels and selectivity

There are 2556 registered Bulgarian fishing vessels in 2007, but about 95 % of the vessels are less than 12 m and only 67 are more than 15 m in length.

As a whole Bulgarian fishing vessels have old equipment and installations that do not offer operating security and do not correspond to the actual performances, maintenance and reliability standards not to the observance of environmental constraints. Several vessels (36) over 15 m are old and inefficient for fishing, due to the lack of equipment and engines appropriate to their tonnage. These vessels are between 11 and 30 years old, but they are in working order.

Contribution from this measure concerns mainly the modernisation of the industrial fishing fleet over 12 meters, especially increased safety and improved working conditions. The measure also foresees the replacement of engines for achieving reduced fuel consumption and lower impact on environment.

The small-scale fishing fleet should also be modernised in order to provide better working conditions and more safety, which will improve the motivation of the fishermen. The modernisation will also cover improvement of hygiene and product quality, changing of engines and investments in selectivity.

The technology of the gears used for fishing in the Black Sea is old (material utilised, construction, arming, selectivity of nets), in comparison with the ones used in the Community. In some case, the gears are hand-made by local persons, although there are also factories that produce fishing gears. Therefore there is a need to improve the selectivity of the fishing gears used by the fishermen.

Small-scale coastal fishing

Small-scale vessels prevails by far in the Black Sea fleet, as 2453 boats smaller than 12 metres are registered and used by fishermen operating in the short distance coastal zones. These are between 6 and 30 years old, and a large proportion of these smaller vessels are not properly maintained.



Beyond the modernisation measures foreseen above, premiums will be made available for focused actions such as training for fishermen, better selectivity of gears, marketing (these vessels are suppliers for local restaurant and important for the tourist industry), safety, etc.

Socio-economic compensation for the management of the Community fishing fleet

This measure concerns the increase of prosperity and opportunities for involvement of young fishermen in the fishing fleet. Fishermen wishing to upgrade their professional skills and to acquire for the first time part or total ownership of a vessel, fishermen affected by the reduction of the fleet could benefit from socio-economic compensations. Early retirement measures are envisaged for fishermen affected by the reduction of the fleet or wishing to withdraw from the sector.

B.1.5. Demarcation with similar activities under other Community funding and measures taken to ensure complementarity

All Measures under Priority Axis 1 will be exclusively funded by the EFF, including the training schemes for fishermen.

B.1.6. Specific information required for each measures

Measure 1.1 – Public aid for permanent cessation of fishing activities

1. Measure description:

The following criteria shall be taken into account for the allocation of a premium:

- the vessel should be at least 10 years old
- It has been registered as an active fishing vessel for more than 2 years
- It has not benefited from another financial support for modernisation in the last 5 years

The cessation of activity of a fishing vessel can take three different forms:

- the scrapping of the fishing vessel;
- the reassignment of the fishing vessel for activities outside fishing, for example for educational purpose;
- The reassignment of the fishing vessel for the purpose of the creation of artificial reefs.

The co-financed actions will be carried out in order to:

- adapt the fishing fleet activities to the available and accessible resources;
- increase qualification level of future professional fishermen by reassignment of fishing vessels for educational purposes;
- Improve the habitats of the species in the bigger depth and the increase the biodiversity by the creation of artificial reefs with reassigned fishing vessels.

2. Beneficiaries of the measure

Beneficiaries of this measure are fishing vessels' owners, registered in the NAFA Fishing vessels register.

3. Financial allocation

Financial support is 100 % public financing.



5. Indicators and objectives

Quantitative targets are added in line with the available budget and the targets set in the Fishing Effort Adjustment Plan:

- Tonnage GT - 2 300
- Power kW – 9 300

5. Specific Information on this Measure:

Criteria used for establishing the level of premium

The level of public support will be established taking into account the best cost-effectiveness ratio based on objective criteria such as the value of the fishing vessel and its licence, its age and its tonnage expressed in GT. The Monitoring Committee will approve a scale of assistance fixing the maximum premium to be granted.

A scientific survey will be undertaken in order to assess the situation of the fisheries stocks and the need to adopt conservation measures.

Fishing Effort Adjustment Plan related with such conservation measure could in this way be adopted by the Bulgarian authorities allowing the grant of premiums to vessels exiting from the fishing fleet.

Measure 1.2 Temporary cessation of fishing activities

1. Measure description:

The following criteria shall be taken into account for the allocation of a premium:

- It has been registered as an active fishing vessel for more than 2 years
- Fishermen employees on board of fishing vessel for at least 2 years

2. Beneficiaries of the measure

Beneficiaries of this measure are fishing vessels owners, registered in the Fishing vessels register and fishermen.

3. Financial contribution of the measure

Financial support is 100 % public financing.

4. Indicators and objectives

This Measure should contribute to the achievement of the objectives set for to Measure 1.1.

5. Specific Information on this Measure:

Criteria used for establishing the level of premium

The Monitoring Committee will establish the level of public support taking into account the best cost-effectiveness ratio based on objective criteria such as:



- The fixed cost incurred by the vessels' owners when the vessel is tied-up in the port (port charges, insurance cost, maintenance costs);
- Whenever appropriate, the financial costs related to loans from financial institutions covering the period of the temporary cessation;
- Part of the loss of revenue incurred by the fishermen on board and the vessels' owners;
- Part of the basic salary currently received by the fishermen.

Concerning fishermen, the criteria to be followed by the Monitoring Committee to establish the premium for fishermen, will be percentage of the basic net income currently received by the fishermen.

Measure 1.3 Investments on board fishing vessels and selectivity

1. Measure description:

This will be one of the main measures, with high financial resources allocated. It covers both industrial and small-scale vessels. There was no financial aid for Bulgarian vessels in the last seventeen years that is why a modernisation of the Black Sea vessels is an urgent measure that will be very attractive for the owners.

The main types of investments will concern:

- Replacement of engines with reduced fuel consumption and a lower impact on the environment
- Equipments that reduce impact on habitats and non-marketed species
- Equipments that reduce fishing impact on ecosystems and sea-bottom
- Equipments for improving working conditions, safety on board and storage facilities
- Investments for improvement of energy efficiency

2. Beneficiaries of the measure

Beneficiaries of this measure are fishing vessels' owners, registered in the Fishing vessels register.

3. Financial contribution of the measure

Intensity of financial contribution from public funds could extend from 20 % to 60 %. See section 5 for more details.

4. Indicators and objectives

Quantitative objectives and indicators are based on the degree of modernisation of the fishing fleet.

5. Specific Information on this Measure:

In view of the small size of the Bulgarian fishing fleet, the reduction of power for the replacement of engines will be applied on the vessel-by-vessel basis.

Criteria used for establishing the maximum amount to be granted to fishing vessel under this article

In accordance with Regulation (EC) 498/2007, art. 6, it is established for "Investments on board fishing vessels and selectivity" a maximum amount for each fishing vessel during the programming period. This maximum value for all eligible investments for one vessel, between 2007 and 2013 is established for each fishing vessel taking into account the vessel age and tonnage in GT and should not exceed the value of



the vessel in accordance with the premium established for permanent cessation of fishing activities for the fishing vessel.

Measure 1.4 Small-scale coastal fishing

Bulgaria wishes to proceed to the restructuration, the reconversion and the modernisation of the fleet (reduction in number, but higher efficiency)

- Measure 1.3 will also apply to the small-scale fishing fleet for the modernisation of the boats.
- Premiums will be made available under measure 1.4 for focused actions such as training for fishermen, better selectivity of gears, marketing, safety, etc.

1. Measure description:

Premiums for fishermen, vessels' owners and associations of fishing vessels owners that are envisaged in order to:

- Improve management and control of access conditions to certain fishing areas
- Promote the organisation of the production, processing and marketing chain of fisheries products
- Encourage voluntary steps to reduce fishing effort for the conservation of resources
- Encourage the use of technological innovations

The level of the premiums under Article 26 (3) will be the same level envisaged under Socio-economic measures for the fishing fleet.

The level of the premiums under Article 26 (4) will be fixed by the Managing Authority on the case by case basis taking into account the number of fishermen, vessels' owners, associations etc. participating in the implementation of the project and the benefits of the projects. MA will inform yearly the Monitoring Committee for the projects adopted and the criteria followed to fix the premiums.

2. Beneficiaries of the measure

Beneficiaries of this measure are:

- Fishing vessels owners, registered in the Fishing vessels register
- Fishermen
- Associations of fishermen and fishing vessels' owners

3. Financial contribution of the measure

Intensity of financial contribution from public funds could extend from 40 % to 100 % in case of premium

4. Indicators and objectives

Quantitative objectives and indicators are based on the degree of modernisation of the fishing fleet.

Measure 1.5 Socio-economic compensation for the management of the Community fishing fleet

1. Measure description:

The measure will be implemented mainly in order to:

- Facilitate the activity of the fishermen
- Support a stable labour force in the Black Sea coast



Socio-economic compensations will be accorded to the fishermen, including small-scale coastal fishing for:

- Compensations for loss of earnings related to permanent or temporary cessation of fishing activities.
- Compensations for early departure from the fisheries sector, including early retirement.
- Improve professional skills and safety training;
- Diversification of activities.

Two more objectives are:

- Acquisition for the first time part or total ownership of a fishing vessel by fishermen younger than 40 years.
- Training courses for adoption of new fishing methods and gears and upgrading of professional skills in particular for young fishermen.

The **training needs** of fishing communities will be assessed by a specialised study undertaken with funding from Priority Axis 5 Technical assistance.

2. Beneficiaries of the measure

Beneficiaries of this measure are workers from the fisheries sector who have worked on a fishing vessel or coastal fishing boat for at least 12 months as fishermen and professional fishermen embarked on vessels that ceased their activity or whose designation was changed. For early retirement, the fishermen must still have 10 or less than 10 years of active life until definitive retirement.

3. Financial contribution of the measure

Financial support is 100 % public financing.

4. Indicators and objectives

Number of fishermen trained - 1 000.

5. Specific information on this Measure:

Permanent cessation of fishing activities: Non-renewable compensation for fishermen as result of permanent cessation of a vessel represents part of the medium salary from fishing activities, for a period of 12 months.

For the fishermen who acquire for the first time part or total ownership of a fishing vessel less than 24 metres: The premium will be 15 % of the cost of acquisition of ownership and not exceed the amount of 50 000 EUR.

The Monitoring Committee will fix the level of the premiums regarding the other Socio-economic compensations under Article 27 (1). The level of this compensation will not exceed the amount of 25 000 EUR.

For early retirement: The compensation represents part of the medium salary from fishing activities, until the official retirement age.



B.2. PRIORITY AXIS 2: AQUACULTURE, INLAND FISHING, PROCESSING AND MARKETING OF FISHERY AND AQUACULTURE PRODUCTS

B.2.1. Main objective under priority Axis 2

In compliance with the EFF Council Regulation № 1198/2006 and with the strategy presented in Section 4 above, the main objectives of Priority Axis 2 will be to help Bulgaria to:

- Modernise the aquaculture sector and adjust it to market prospects and expectations in a sustainable way
- To maintain a sustainable level of activity in inland fisheries
- To improve the processing and marketing of products of the fisheries sector

B. 2. 2. Baseline and quantified targets

Result indicators	Baseline - 2005	Objective - 2010	Objective - 2015
Tonnage produced in aquaculture	3 143 t	+ 50 %	+ 400 %
Tonnage produced in processing	7 185 t	+ 50 %	+ 50 %
Tonnage of fish landed (inland fishing)	400 t	+ 50 %	+ 50%
Percentage of projects with environmental friendly production	0	+ 10 %	+ 20 %
Increase of turnover in aquaculture and processing	Aquaculture: 2 500 000 € Processing: 9 800 000 €	Aquaculture:+ 30 % Processing: +10 %	Aquaculture:+ 400 % Processing: + 25 %
Added value per an employee in aquaculture and processing	Aquaculture: 500 € Processing: 4 395 €	Aquaculture: + 10 % Processing: + 10 %	In aquaculture: + 20 % In processing: + 20 %
Degree of modernisation of the inland fishing fleet	0	+ 30 %	+ 30 %

B.2.3. Justification of the average rate of co-financing, target groups/sectors/areas and beneficiaries

Republic of Bulgaria is under Convergence objective and weak absorption capacity. Therefore the maximum percentage of Community aid and maximum intensity is systematically applied.

The intensity of aid to the companies will be 60 % of public funding for investment and 100 % of public funding for premiums, according to the nature of the Measure and the type of beneficiary. Further indications on rates applied to specific Measures will be indicated in the summary on each Measure.



Priority axis/measures	Main targeted areas	Beneficiaries
<i>Priority Axis 2: Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products</i>	<i>Danube River Black Sea Whole territory of Bulgaria</i>	
Measure 2.1. Measures for productive investments in aquaculture	Whole territory of Bulgaria	Private companies; Public or semi-public bodies; Organisations or associations of producers; Sole proprietors;
Measure 2.2. Aqua-environmental measures	Whole territory of Bulgaria	Legal entities and sole proprietors, registered under the Commercial act or the Cooperatives Act; Legal entities, registered under the Non-profit Legal Persons Act;
Measure 2.3. Public health measures	Whole territory of Bulgaria	Private and public companies, operating in the aquaculture sector; Sole proprietors;
Measure 2.4. Animal health measures	Whole territory of Bulgaria	Private and public companies operating in the aquaculture sector; Sole proprietors; Competent authority in the field of veterinary activity;
Measure 2.5. Inland fishing	Danube River	Municipalities; Legal entities and sole proprietors, registered under the Commercial act or the Cooperatives Act; Legal entities registered under the Non-Profit Legal Persons Act, including organizations and associations of producers in the fishery sector;
Measure 2.6. Investments in processing and marketing	Whole territory of Bulgaria	Private companies; Public or semi-public bodies; Organisations or associations of producers; Sole proprietors;

B.2.4. Description of the main Measures under Priority Axis 2 resulting from the strategy of the sector

The following measures will be supported under Priority Axis 2:

- Measure 2.1 Measures for productive investments in aquaculture
- Measure 2.2 Aqua-environmental measures
- Measure 2.3 Public health measures
- Measure 2.4 Animal health measures
- Measure 2.5 Inland fishing /in the Danube River/
- Measure 2.6 Investments in processing and marketing

Aquaculture

The main objective of Priority Axis 2 is the modernisation of the aquaculture sector in Bulgaria in order to find a balance between the traditional aquaculture and intensive aquaculture production. This will be achieved via support for market demand and enhancement of the production of new and market oriented species.

It is envisaged to establish farms with new technologies for high value species such as Trout, Sturgeons, Turbot, Crayfish, European catfish, American catfish, Sander and Black mussels), fish farms for organic aquaculture, as well as farms for raising freshwater prawns.



Carp species investments may also be supported where their technical and economical viability of the project is ensured.

A market analysis survey for assuring the perspectives of the species will be executed.

The high cost of modernisation of the degraded aquaculture infrastructure suggests that this modernisation should be focused on operations where the market potential is good. Therefore, pond rehabilitation should be limited to cases where are good conditions in terms of water supply, quality of the environment, ect.

A market observatory will be set up to monitor closely the development of the market at the latest of the mid 2009 year.

Aqua-environmental measures

The objective of the measure is granting compensation for the use of aquaculture production methods helping to protect and improve the environment and to conserve nature. The Monitoring Committee will decide on the use of certification standard for environmental-friendly production practices in accordance with the regulatory framework after a consultation with the stakeholders.

Public health measures and Animal health measures

Taking into account the small dimension of this sector, the Bulgarian authorities do not intend at the moment to implement these Measures. If the development of this sector justifies the implementation of this measure, the Monitoring Committee will take the decision.

Inland fishing

The measure includes investments for modernisation of inland fishing and landing sites. Traceability, hygiene and product quality are essential for investments in landing sites **along the Danube River**. The Danube boats are currently small, made from wood and without sufficient equipment so this measure will target investments in the vessels with a view to improve safety and working conditions, hygiene and product quality. Facilities on the landing sites (storage, safety, etc.) will also be improved.

Processing and marketing

As the processing industry is well developed in Bulgaria for the time being, a priority will be given to marketing of fish and aquaculture products. The implementation of the measure will ensure the development of marketing of fishery and aquaculture products through producing and/or marketing of new products, applying new technologies, or developing innovative production methods.

B.2.5. Demarcation with similar activities under other Community funding and measures taken to ensure complementarily

Aquaculture:

Any investment in aquaculture productive installations will be supported by EFF. In case of projects of polyculture, the support for investments will be decided on a case by case basis by the Managing Authority.

Aqua-environmental measures:

Support for aqua-environmental measures will be granted by the EFF only and may be granted only for the use of aquaculture production methods in aquaculture farms and is not intended for the improvement of environment outside these farms.



Inland fishing:

The investments in infrastructure supported by the EFF will be for landing sites, facilities and modernisation.

Processing and Marketing:

Support for investments in processing and marketing of fisheries products will be supported by the EFF only

Vocational training:

The investments in vocational training and education on fishing activity will be supported by the EFF.

The EFF will support education and training for fishermen and workers in the fisheries sector, provided it is restricted to their field of activity. The ESF will support them for training aiming at their reconversion in another activity.

B.2.6. Specific information required for each measure

Measure 2.1 Measures for productive investments in aquaculture

1. Measure description

This measure covers an important strategic objective of the Operational Programme. Substantial resources will be allocated to this set of actions.

The aims of this measure are:

- To increase and diversify the production of aquaculture with new species with good market prospects;
- To enhance the quality and the support for traditional aquaculture concerning social and environmental aspects;
- To apply the good production practices system for the monitoring of quality and the sanitary and hygiene requirements.

Actions funded under this measure will include the construction of new farms and hatcheries, the extension or modernisation of existing farms and the improvement of working and safety conditions. Investments related to the improvement of quality will be targeted, as well as equipment for prevention of wild predators.

2. Beneficiaries of the measure

Private companies;
Public or semi-public bodies;
Organisations or associations of producers;
Sole proprietors.

3. Financial contribution of the measure:

Public contribution will be limited to 60 % of total eligible investments



4. Indicators and objectives

The Programme set targets for the increase of aquaculture production compared to the baseline in 2005. This increase is also related to the capacities supported under SAPARD programme and by the improved statistical coverage of production:

- Increase of aquaculture production in the supported farms (construction of new and extension of existing ones) – 400%;
- Increase of the turnover from aquaculture - the production increase prior to the start of the programme, or the expected increase in turnover is 400%;
- Added value per an employee in aquaculture and processing is expected to be 20%;

5. Specific information

A priority on micro and small enterprises will be enforced in the selection process. 50 % of funding will be earmarked for viable projects coming from this type of enterprises. The Monitoring Committee in the light of the actual demands by the sector may revise this percentage.

Measure 2.2 Aqua-environmental measures

1. Measure description

The aims of this measure are as follows:

- To support the shift of aquaculture production towards more environmental-friendly practices
- To help some producers to obtain the environmental certification that will help them to market better their products
- To initiate a production of organic fisheries products in the country
- To support the implementation of the Natura 2000 regulation in fisheries areas

This measure concerns the introduction of new environmentally friendly methods for aquaculture production decreasing the pressure on environment, compared to the conventional aquaculture practices. Funding by the EFF will allow compensating the farmers for the higher cost of these methods, instead of having to rely on an increase of the final price.

The measure can offer premiums for:

- Compensations representing a maximum amount per hectare in aquaculture farms in which aqua-environmental obligations are applied going beyond the regulatory framework
- Preparatory works for applying eco-management and audit schemes
- Compensation for maximum 2 years for farms that turn into organic production of aquaculture
- Compensations for maximum 2 years subsequent to the date of decision regarding protected areas according to NATURA 2000, only for aquaculture units that developed their activity prior to the decision, calculated on the basis of the loss of revenue incurred or the specific disadvantages or investment costs for units, located inside or near NATURA 2000 areas.

2. Beneficiaries of the measure

Legal entities and sole proprietors, registered under the Commercial act or the Cooperatives Act; Legal entities, registered under the Non-profit Legal Persons Act.

3. Financial contribution of the measure



Premiums will be paid 100% from public aid

4. Indicators and objectives

Percentage of projects with environmental friendly production - 20%;

5. Specific information

Calculation of premium for investment cost, application of standard schemes, loss of income and premium will be done according to criteria to be defined in the Monitoring Committee. These criteria will be based on the following elements:

- Priority will be given to small ponds
- Participation in EMAS will be supported if relevant
- Bulgaria will define a national standard for organic aquaculture based on existing international standards
- Support under Natura 2000 will only be eligible inside the designated areas and in their direct surrounding as identified in the ordinances for proclaiming and/or management plans for these areas.

Possible overlapping with Rural Development Programme will be avoided by the creation of Register for the aqua-environmental operations.

Measure 2.3 Public health measures

1. Measure description

The aim of this measure is to compensate mollusc farmers for temporary cessation of harvesting due to toxin and bio-toxin pollution, regarding public health.

2. Beneficiaries of the measure

Private and public companies, operating in the aquaculture sector

3. Financial contribution of the measure

In case of toxin diseases, premiums will be paid 100 % by public contribution.

4. Indicators and objectives

Not applicable.

5. Specific information

This measure will only be implemented following a decision of the Monitoring Committee taken if required by the sanitary situation.

Measure 2.4 Animal health measures

1. Measure description



In case of fish and molluscs diseases, support shall be provided for eradication and compensation to the aquaculture farmers

2. Beneficiaries of the measure

Private and public companies, operating in the aquaculture sector
Sole proprietors
Competent authority in the field of veterinary activity

3. Financial contribution of the measure

In case of animal diseases premiums will be paid 100 % by public contribution.

4. Indicators and objectives

Not applicable.

5. Specific information

This measure will only be implemented following a decision of the Monitoring Committee taken if required by the sanitary situation.

Measure 2.5 Inland Fishing

1. Measure description

The aim of this measure is to maintain and modernise the fleet in the Danube River and the relative infrastructure. Ensuring the sustainability of resources in the Danube River should do the modernisation.

Eligible activities:

- Investments in fishing fleet in the Danube River that improve safety on board, working conditions, hygiene and quality of products aiming to modernise the boats.
- Modernisation of fishing facilities in the Danube River including investments in landing sites and shelters. Modernisation will cover investments related to the working conditions, storage facilities and warehouses, hygiene and product quality.

2. Beneficiaries of the measure

Municipalities; Legal entities and sole proprietors, registered under the Commercial act or the Cooperatives Act; Legal entities registered under the Non-Profit Legal Persons Act, including organizations and associations of producers in the fishery sector.

3. Financial contribution of the measure

The amount of the public contribution is up to 100% for municipalities and legal entities, registered under the Non-Profit Legal Persons Act, including organizations and associations of producers in the fishery sector, realizing projects to the public benefit.

The amount of the public contribution is up to 60% for sole proprietors and legal entities, registered under the Commercial Act or the Cooperatives Act and legal entities, registered under the Non-Profit Legal Persons Act, realizing projects to a private benefit.



Exceptions:

1. Investments in replacement of main engine/s of the fishing vessel, in which case the public contribution is 20%.
2. Investments on fishing vessels of an overall length of more than 12 metres, in which case the public contribution is up to 40%.

4. Indicators and objectives

- Tonnage of fish landed (inland fishing) - no increase of the potential beneficiaries' interest is expected – 50%;
- Degree of modernisation of the inland fishing fleets (the Danube River) – no increase of the potential beneficiaries' interest is expected or 30%.

5. Specific information on this measure

All the boats, which will receive financial support under Article 33 of Regulation (EC) 1198/2006, should be registered in the Fishing vessels register for inland fishing as operating in inland waters. They will continue to operate exclusively in inland waters, as they will receive license only for inland waters fishing /Danube River/.

Managing Authority will ensure a close monitoring of the situation of the stocks and of the fishing effort exerted by the inland fishing fleet in the inland waters and will inform the Monitoring Committee on a regular base.

Bulgarian authorities will ensure that the vessels registered in the Fishing vessels register for inland fishing will not be allowed to fish in marine waters.

Measure 2.6 Investments in processing and marketing

1. Measure description

a. Processing

The aim of this measure is to increase and diversify the processing of fishery and aquaculture products, by increasing their added value and their quality. Special attention shall be given to product waste treatment.

The following actions will be supported in priority:

- Increase in processing capacity by construction of new small units mainly for primary aquaculture products processing
- Extension and modernisation of existing processing units
- Treatment of waste - usage of waste of processed aquaculture for by-products production (fish flour and/or others) aiming at avoiding pollution caused by them
- Equipment aiming at improving quality, safety, storage capacity and traceability of products
- Equipment for the improvement of working conditions and safety

b. Marketing

The development of market structures and its organisation of market are high priorities of the Operational program. Marketing aims will be achieved via construction of new market establishments, modernisation of existing market establishments and establishment of distribution network.



The following actions will be supported in priority:

- Construction of new market facilities for the establishment of a wholesale markets and an electronic auction place.
- Reconstruction of existing market establishments.

2. Beneficiary of the measure

Private companies;
Public or semi-public bodies;
Organisations or associations of producers;
Sole proprietors.

3. Financial contribution of the measure

Intensity of aid will be 60 % public contribution to 40 % private contribution.

4. Indicators and objectives

- Tonnage produced in processing - because of the reduced financial capacity of the potential beneficiaries due to the stagnated economic situation, no considerable increase is expected to the end of the programming period – 50%;
- Increase of turnover in processing – 25%;
- Percentage of projects with environmental friendly production – 20%.

5. Specific information on this Measure

A priority on micro and small enterprises will be enforced in the selection process. 50 % of funding will be earmarked for viable projects coming from this type of enterprise. The Monitoring Committee in the light of the actual demands may revise this percentage.

Measure 2.7 Financial engineering scheme

1. Description of the measure

This measure is based on the provisions of the Article 55, paragraph 8, of EFF Council Regulation № 1198/2006 and Article 34 and 35 of the EFF Commission Regulation № 498/2007 and aims to create a financial engineering scheme, and in particular a guarantee scheme, for potential beneficiaries to access bank loans necessary for the implementation of projects funded under EFF.

2. Beneficiaries of the measure

The beneficiaries of this measure will be the applicants who need loans from the banks in order to co-finance or pre-finance investments selected for EFF support in particular under one of the following OP axis/measures:

Measure 1.3 Investments on board fishing vessels and selectivity
Measure 2.1 Measures for productive investments in aquaculture
Measure 2.5 Inland fishing
Measure 2.6 Investments in processing and marketing
Measure 3.3 Fishing ports, landing sites and shelters



Axis 4 Sustainable development of fisheries areas

3. Financial allocation

The amount allocated for the financial engineering scheme measure is being financed through public funds, in a percentage of 75 % from the EFF OP and 25 % from national contribution.

The intermediary body for the implementation of this measure will be the National Guarantee Fund within the Bulgarian Development Bank.

The detailed methodology for the implementation of the financial engineering instruments and the relation between NAFA and the intermediary body for the implementation of this measure, as well as the terms and implementing conditions of the financial engineering measure will be regulated in a financing convention to be concluded according to the provisions of Article 35 of the Regulation № 498/2007.

4. Indicators and objectives

Not Applicable.

B.3 PRIORITY AXIS 3: MEASURES OF COMMON INTEREST

B.3.1 Main objectives under priority Axis 3

In compliance with the EC Regulation № 1198/2006 and according to the strategy presented in Chapter 4 the main objectives of the Priority Axis 3 will be:

- The reinforcement of the port facilities and supporting infrastructure in order to ensure a profitable and competitive fishing industry in the long-term
- The enhancement of the organisation of the sector, especially of the market, but also of the professional skills and of innovation in the fisheries sector
- To ensure sustainability regarding the natural resources
- To disseminate newly acquired knowledge concerning the fisheries sector
- To promote fisheries products

These will be achieved via the modernisation of existing ports used by fishermen for landing catches and landing sites, and the promotion of fish and fisheries products.

Support under priority axis 3 of the EFF covers measures of 'common interest'. NAFA will encourage the implementation of these measures among the producer's organisations and associations, in order to promote undertaking of projects from the private sector to be executed and to meet the objectives of Common Fisheries Policy.



B.3.2. Baseline and quantified targets

Result indicators	Baseline	Intermediary objective 2010	Objective 2015
Number of modernised fishing ports	0	2	4
Number of modernised landing sites	0	2	Up to 6
Number of constructed shelters	0	2	Up to 6
Number of Producers' organizations created	0	2	2
Increase of the average fish consumption	3.5 kg/capita per year	5.5 - 6 kg/capita per year	5.5 – 6 kg/capita per year
Increase of the added value of the fish processed and marketed	13.8 mln. €	+ 10 %	+ 10 %
Number of modified vessels for education in fisheries	0	2	2

B.3.3. Justification of the average rate of co-financing, target groups/sectors/areas and beneficiaries

Republic of Bulgaria is under Convergence objective and weak absorption capacity. Therefore the maximum percentage of Community aid and maximum intensity should be systematically applied according to the provisions about the financial considerations, set up in the Annex II of the EFF Council Regulation № 1198/2006. Decision of the Monitoring Committee will be taken according the applicable criteria for financial determination.

Target areas and beneficiaries are presented below

Priority axis/measures	Main target areas	Beneficiaries
<i>Priority Axis № 3: Measures of common interest</i>	<i>Black Sea region Whole territory of Bulgaria</i>	
Measure 3.1. Collective actions	Whole territory of Bulgaria	Municipalities, state institutions, legal entities, registered under the Non-Profit Legal Persons Act; Organisations, recognised by the Minister of Agriculture and Food as producers' organisations in the fisheries sector under European legislation; Legal entities and sole proprietors, registered under the Commercial Act or the Cooperatives Act; Scientific and educational organizations, Organizers of producers' markets.
Measure 3.2. Measures intended to protect and develop aquatic fauna and flora	Whole territory of Bulgaria	Public bodies; scientific organisations; environmental organisations; local authorities (municipalities); other public bodies; Public-private partnership within

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Priority axis/measures	Main target areas	Beneficiaries
		the Ministry of Agriculture and Food
Measure 3.3. Fishing ports, landing sites and shelters	Black Sea region	Legal entities or sole proprietors, registered under the Commercial act or the Cooperatives act; municipalities and government institutions; legal entities, registered under the Non-profit Legal Persons Act, including recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector;
Measure 3.4. Development of new markets and promotional campaigns	Whole territory of Bulgaria	Legal entities or sole proprietors, registered under the Commercial act of the Cooperatives act; municipalities and government institutions; legal persons, registered under the Non-profit Legal Persons Act, including recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector;
Measure 3.5. Pilot projects	Whole territory of Bulgaria	Legal entities and sole proprietors, registered under the Commercial Act or the Cooperatives Act; legal entities, registered under the Non-Profit Legal Persons Act; recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector; scientific and technical bodies as partners to the beneficiaries.
Measure 3.6. Modification for reassignment of fishing vessels	Whole territory of Bulgaria	Public bodies or educational and scientific organizations.



B.3.4. Description of the main measures proposed under Priority Axis 3 based on the drawn strategy:

The general approach intended by the measures under Priority Axis 3 is to support the implementation of the Priority Axis 1 and 2 by:

- Better structuring of the fisheries sector
- Modernisation and reconstruction of common facilities for fishing activities
- Supporting the organisation of the sector via the development of the market and actions of collective interest

The measures to be undertaken by this Priority Axis are:

Measure 3.1. Collective actions;

Measure 3.2. Protection and development of aquatic fauna and flora;

Measure 3.3. Fishing ports, landing sites and shelters;

Measure 3.4. Development of new markets and promotional campaigns;

Measure 3.5. Pilot projects;

Measure 3.6. Modification for reassignment of fishing vessels

Collective actions:

Currently in Bulgaria there are two main associations concerning the producers in the fisheries sector. This number is not enough to ensure the interests of the producers. This shows the need for creation of new large organizations, which can represent the common interests of the producers in order to improve the implementation of common policy for development of the sector.

The objective of this measure aims at fostering the organisation and implementation of collective projects through an action plan. The communication and partnership between the fisheries sector, the scientific organisations and the administration should be encouraged in order to develop joint programs connecting the scientific results and the needs of the sector.

Other measures of common interest, such as training, investments related to the traceability, improvement of working conditions, and studies etc. may also be supported by the EFF

Protection and development of aquatic fauna and flora

The main objective of this measure is:

- The construction of artificial reefs foreseen in compliance with EU legislation applicable and with the Protocol on the protection of the Black Sea Marine Environment against Pollution by Dumping.

The R&D institutes undertaking the projects should ensure the scientific follow-up.

Investments in reconstruction and modernisation of fishing ports, landing sites and shelters

The ports used by fishermen for landing catches in Bulgaria are part of existing commercial ports. All of them are in working order, but there is an old-fashioned equipment and lack of infrastructure. It is envisaged the modernisation of four ports and dedicated to services for the fishing vessels.

The ports used by fishermen for landing catches facilities form a key-element in the chain from the catching of the fish to the final product. The aim of this measure is to modernise Bulgarian ports for landing of fish so as to provide efficient, safe and hygienic facilities for landing and handling of fish.



The "minimum vitalis" of the fleet is linked to the number of port facilities available, with maintenance and auxiliary services.

The main types of improvements for fishing ports are intended to be:

- Improvement of the loading logistics jetties, quays for loading and unloading of vessels, etc.)
- Improvement of quays and servicing facilities for primary marketing and storage of catches
- Improvement of the facilities for fishing vessels (water, electricity, etc.)
- Compliance with the MARPOL Convention requirements
- Limitation of sewage water in the fishing ports
- Improvement of storage and chilling facilities

Development of new markets and promotional campaigns

The recent level of the fish consumption in Bulgaria shows the urgent need for promotion of fisheries products in order to improve the average consumption of fisheries products. Market studies will be undertaken using technical assistance under Axis 5 to identify the needs and expectations of the market.

The objective of this measure is to find and promote new market outlets for fisheries products (catches and aquaculture) and to promote an increased consumption on the home market, as well as an increase of exports. By promoting the quality of the products this measure intends to make Bulgarian products competitive with imported ones. Traceability of the fisheries products (catches and aquaculture) should be ensured as well as quality standardisation.

Promotion and consumer information measures are planned to encourage consumption of available species. Annual promotional campaigns will be undertaken for high-quality carp products and new species. The measure will also support the active participation of the Bulgarian fisheries sector by both administration and associations in national and international exhibitions for fisheries products

Pilot projects

The aim is to acquire know-how and technologies in the Bulgarian fisheries sector. The private sector, the associations and the administration should establish pilot projects in order to obtain new technical knowledge for the use of the companies from the fisheries sector. These projects should intend to:

- Conduct innovative and experimental activities in the fisheries sector
- Test alternative fishing methods
- Test new technologies in aquaculture production

Experimental researches should be held in conditions close to the normal situation for the companies.

Modification for reassignment of fishing vessels

The aim of the measure is to adapt fishing vessels exiting from the fleet to other activities related to research, scientific purposes or training. The measure could lead to a decrease of fishing effort in certain zones.

More particularly, supported actions shall concern the modification of fishing vessels and their reassignment for the purposes of fishing education. Universities and professional schools may be the beneficiaries.



B.3.5. Demarcation with similar activities under the other Community funding and measures taken to ensure complementarities

- The EFF will take in charge the co-funding of modernisation and repair of existing ports facilities connected to fisheries.
- The construction of small fishing shelters shall be eligible under EFF.
- Experimental fishing will be subject of investments only under EFF.

B.3.6. Specific information required for each measure

Measure 3.1 Collective actions

1. Description of the measure

The EFF will assist measures of common interest aiming at a better structuring of the fisheries sector. The Bulgarian administration intends to implement all the measures of common, interest foreseen in the EFF Council Regulation 1198/2006. In particular, producers' organisations will be supported.

The main types of investments will be:

- **Creation of producer organisations**, according to EC Council Regulation № 104/2000 and other organizations, recognised by the Bulgarian authorities,
- **Improvement of professional skills**, networking and exchange of experience and best practice among organisations – organisation of trainings, seminars, practice exchange programs and conferences
- **Enhancement of the structure of the sector**
- **Promotion of partnership between scientists and operators in the fisheries sector**
- **Promotion of selective fishing methods** or gears and reduction of by-catches and promotion for improvement of working conditions and safety
- **Studies that reflect to the situation and exploitation of the stocks**

2. Beneficiaries of the measure

The following beneficiaries are foreseen:

Municipalities, state institutions, legal entities, registered under the Non-Profit Legal Persons Act; Organisations, recognised by the Minister of Agriculture and Food as producers' organisations in the fisheries sector under European legislation; Legal entities and sole proprietors, registered under the Commercial Act or the Cooperatives Act; Scientific and educational organizations, Organizers of producers' markets.

3. Financial contribution of the measure

- For candidates who are created for public benefit or represent the interests of a wide range of people – 100 % financial contribution;
- For candidates who are created for private benefit or commercial purposes, the subsidy should be lower – 80 % financial contribution;

4. Indicators and objectives

Creation of at least two Producers' organizations.



Measure 3.2. Measures intended to protect and develop aquatic fauna and flora

1. Description of the measure

The aims of the measure is to be created up to 4 artificial reefs for ensuring favourable environment for reproduction of the aquatic fauna and flora in the Black Sea. For this aim the construction of artificial reefs may be accomplished with utilization of vessels withdrawn from the Bulgarian fishing fleet to comply both EU legislation and the Protocol on the protection of the Black Sea Marine Environment against Pollution by Dumping.

The main types of investments will be the construction and installation of facilities intended for protection of marine fauna and flora.

2. Beneficiaries of the measure

Public bodies; scientific organisations; environmental organisations; local authorities (municipalities); other public bodies; Public-private partnership within the Ministry of Agriculture and Food.

3. Financial contribution of the measure

The public contribution will be up to 100 % of the total investment

4. Indicators and objectives

Not Applicable.

5. Specific information on the measure

None

Measure 3.3 Fishing ports, landing sites and shelters:

1. Description of the measure

The fishing port facilities form a key element in the chain from the catching of the fish to the final product. The aim of this measure is to modernise Bulgarian ports used by fishermen for landing catches so as to provide efficient, safe and hygienic facilities for landing and handling of fish and to improve working conditions.

The main types of investments will be:

- Improvement of the loading logistics jetties, floating quays for landing of catches and loading of vessels (fuel supply etc.)
- Improvement of mooring quays and servicing facilities for primary marketing and storage of catches
- Improvement of the facilities for fishing vessels (water, electricity, etc.)
- Limitation of sewage water in the fishing ports
- Improvement of storage and chilling facilities

Three different sub-measures will be carried out:

a) **Investments in ports where fishermen land their catches** -The funding is intended to restructure and improve services and infrastructure. The improvement of at least 4 ports facilities and services are foreseen, in order to meet better the needs of professional fishing and fish hygiene requirements. It should also remedy the shortcomings of organisation, distribution and safety in ports and landing sites areas;



b) Investments in construction and/or modernisation of landing sites: of up to 10 landing sites in order to complement the existing fishing ports network;

c) Investments related to safety through the building or/and modernization of up to 6 to 8 **small fishing shelters**. These shelters are aimed at improving the safety of workers from the fisheries sector and will not have any of the specific facilities foreseen for the landing sites.

2. Beneficiaries of the measure

Legal entities or sole proprietors, registered under the Commercial act or the Cooperatives Act; municipalities and government institutions; legal entities, registered under the Non-profit Legal Persons Act, including recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector;

3. Financial contribution of the measure

- For legal entities or sole proprietors, registered under the Commercial act or the Cooperatives Act - 80% financial contribution;
- For municipalities and government institutions; legal entities, registered under the Non-profit Legal Persons Act, including recognized organisations and associations in the fisheries sector and/or recognized organizations of producers of fish and other aquatic organisms in the fisheries sector - 100% financial contribution.

4. Indicators and objectives

- Number of modernised ports – 4;
- Reconstruction or/and modernisation of up to 6 landing sites;
- Construction/modernization of up to 6 shelters.

5. Specific information on the measure

None

Measure 3.4 Development of new markets and promotional campaigns

1. Description of the measure

The objective of this measure is to identify and promote new market outlets for fisheries products (catches, aquaculture and processed fish) and to promote an increased consumption on the home market, as well as an increase of exports. Promotion and consumer information measures are planned to encourage consumption of available species.

The following actions may be co-financed:

- Market promotion for reared fish and development of marketing channels
- Organisation of and participation in trade fairs, study missions and exhibitions on internal and external markets for fisheries and aquaculture products
- Organisation of study and sales visits
- Sales advice and other services provided to wholesalers and retailers
- Seminars and information briefings
- Market prospecting programmes and inward buyer programmes and others



The operations related to market promotion and improvement of quality of fisheries products will have a priority.

The measures will be carried out in order to:

- Increase the transparency of the first sale markets and the competitiveness of markets for live, fresh, frozen, filleted and processed fishery and aquaculture products
- Strengthen the capacity of the producers' organisations to fulfill their obligations towards the markets
- Increase the consumption of fish products
- Implement quality policy measures for the promotion and enhancement of products

2. Beneficiaries of the measure

Legal entities or sole proprietors, registered under the Commercial act of the Cooperatives act; municipalities and government institutions; legal persons, registered under the Non-profit Legal Persons Act, including recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector;.

3. Financial contribution of the measure

- For candidates who are created for public benefit or represent the interests of a wide range of people – 100 % financial contribution;
- For candidates who are created for private benefit or commercial purposes, the subsidy should be lower – 60 % financial contribution;

4. Indicators and objectives

- Increase of the average fish consumption – 5.5 – 6 kg/capita per year;
- Increase of the added value of the fish processed and marketed – 10%;

5. Specific information on the measure

None

Measure 3.5 Pilot projects

1. Description of the measure

The EFF will help the companies in Bulgaria to acquire the technical know-how and test them in conditions close to reality. These pilot projects will concern in particular the testing of technologies for aquaculture and processing. The projects should not be of direct commercial nature for the period of the investment.

The main types of actions will be:

- Testing innovative technology;
- Developing and testing of methods to improve gear selectivity;
- Testing of alternative types of fishing management techniques;

2. Beneficiaries of the measure

Legal entities and sole proprietors, registered under the Commercial Act or the Cooperatives Act; legal entities, registered under the Non-Profit Legal Persons Act; recognized organisations and associations in the fisheries sector and/or recognized organisations of producers of fish and other aquatic organisms in the fisheries sector; scientific and technical bodies as partners to the beneficiaries.



3. Financial contribution of the measure

- For candidates who are created for public benefit or represent the interests of a wide range of people – 100 % financial contribution;
- For candidates who are created for private benefit or commercial purposes, the subsidy should be lower – 80 % financial contribution.

4. Indicators and objectives

Not Applicable.

5. Specific information on the measure

Demarcation line: Pilot projects in the Fisheries sector will be funded only by the EFF.

Pilot projects supported by the EFF must be truly innovative. Small technical improvements of well known technologies in EU are not sufficient to qualify for support under Article 41 of the EFF. Pilot projects should also have limited cost and duration.

Measure 3.6 Modification for reassignment of fishing vessels

1. Description of the measure

The aim of the measure is to create an opportunity for the reassignment of fishing vessels in activities outside fishing. The fishing vessels exiting from the fleet will be adapted to other activities, related to research or training. The measure may contribute to improve the research or educational capacities.

2. Beneficiaries of the measure

Public bodies or educational and scientific organizations.

3. Financial contribution of the measure

- For candidates who are created for public benefit or represent the interests of a wide range of people – 100 % financial contribution;
- For candidates who are created for private benefit or commercial purposes, the subsidy should be lower – 60 % financial contribution;

4. Indicators and objectives

Two modified fishing vessels for education in fisheries.

B.4. PRIORITY AXIS 4: SUSTAINABLE DEVELOPMENT OF FISHERIES AREAS

B.4.1. Main objective under priority Axis 4

The main objective of Axis 4 is the sustainable development of fisheries areas. The main target is to improve the quality of life in existing fishing communities, which are affected by the development of Common Fisheries Policy objectives. For this purpose, Bulgaria needs to build up capacity among local stakeholders, which could participate in the processes of development of fisheries areas as well as increase the cooperation between public authorities and the people engaged in the fisheries sector.

Financial support will include:



- Support for the implementation of local development strategies, including operation costs for the functioning of the groups
- Help for these fisheries groups to undertake cooperation projects

B.4.2. Baseline and quantified targets

Output indicators	Baseline	Objective - 2010	Objective - 2015
Number of fisheries groups established	0	2	6
Territory covered by fisheries groups (km ²)	0	800 km ²	7 280 km ²
Population of the territory covered by fisheries groups	0	25 000	211 800
Jobs created or maintained inside and outside fisheries sector		300	500

B.4.3. Justification of the average rate of co-financing, target groups/sectors/areas and beneficiaries

Bulgaria is under Convergence objective and weak absorption capacity. Therefore the maximum percentage of Community aid and the maximum intensity is systematically applied.

Target areas:

Areas that can be selected will be located along the coastline of the Black Sea, the Danube River and in inland areas with a high concentration of aquaculture activities.

Map showing the potential areas for the implementation of Fisheries groups

Potential areas are indicated in red:



Source: NAFA



Fisheries groups will be located in areas corresponding to the following criteria:

- Areas along the Black Sea, excepted big cities, not going further 15 km from the sea and inland fishing areas where fishing activities are important.
- Territory covered by the groups must be at least 400 km² for ensuring adequate financial, administrative and technical capacity, and less than 5 000 km² maximum for ensuring the bottom up approach.
- Population of the areas should comprise between 10 000 and 50 000 habitats. Towns with population more than 50 000 people must be excluded from the territory covered by the Fisheries groups.
- The dependency of the area on fisheries will be taken into account in the selection of the areas.

Beneficiaries

Priority axis/measures	Areas	Beneficiaries
<i>Priority Axis № 4: Development of fisheries areas</i>	<i>Fisheries areas</i>	<i>Fisheries groups</i>
Measure 4.1.A Support for implementing the local development strategies and running costs	<i>Fisheries areas</i>	Fisheries groups
Measure 4.1.B Support for undertaken cooperation actions	<i>Fisheries areas</i>	Fisheries groups

B.4.4. Description of the main Measures proposed under Priority Axis 4 resulting from the strategy proposed

Only one measure is presented under Priority Axis 4: Measure 4.1 Development of fisheries areas.

It is divided in two sub-measures:

- Support for implementing the local development strategies and running cost of the groups
- Support for undertaking cooperation actions

Support for implementing the local development strategies and running costs.

This support will only be accessible to fisheries groups selected through the competitive tendering process presented below.

It will support two types of actions:

- Support for the organisation and functioning of fisheries groups.
- Support for local development actions presented by local actors or undertaken by the group itself. The group will be responsible for the choice of actions to be supported.

Support for undertaking cooperation actions

The fisheries groups might wish to seek support for actions that are undertaken in cooperation with another fisheries group benefiting from funding under the Axis 4 of the EFF. These cooperation projects can be undertaken with one or several other Bulgarian fisheries group(s) or with one or several group(s) from another Member State. Undertaking cooperation projects is not an obligation for the groups. It will be implemented after a certain time when the strategy is already consolidated locally and when the need for cooperation has emerged.



B.4.5. Demarcation with similar activities under other Community funding and measures taken to ensure complementarity

As regards Fisheries groups supported under Priority Axis 4 of EFF OP and Leader LAGS supported under Axis 4 of the RDP, an overlapping of the territory of fisheries areas with areas selected under the Leader axis of the RDP is possible. Where this occurs, it is possible for a common implementing structure to be used. The groups will have to develop a separate development strategy for Leader actions (under EFARD) and those to be supported by EFF. The strategies will be approved by the respective Managing Authorities. Separate projects Selection committees and accounting systems will be required for the two strategies. Common running costs for the local group will be shared between the two Funds on a pro rata basis

Fishing tourism will be supported by the EFF only.

B.4.5. Specific information required for each measure

Measure 4.1 Development of the fisheries areas

4. 1. a. Support for implementing the local development strategies and running costs

1. Description of the measure

This section includes two sub-sections:

- A description of the procedure utilised for the selection of the groups
- A description of the procedure for the implementation of the local development strategies by the groups

Selection of the groups

The Managing Authority will proceed to an open call for proposals by local areas in a transparent manner (press, site of the Ministry of Agriculture and Food information events), including the presentation of the selection criteria and procedure. At least 2 calls for proposals will be launched over the period, the last groups having to be in operation no later than four years from the date of the approval of the operational programme. The Managing Authority intends to launch the first call of proposal for the Fisheries Groups selection after the approval of the OP, at the beginning of 2008, and the following call of proposals will be launch up to 2011.

The selection procedure will cover at the same time the areas and the fisheries groups, since these two components are closely connected. An evaluation of the proposals will be made using a grid including a set of criteria established in the three following categories (details on the criteria are provided in Section 5: specific information on the Measure):

- Composition of the fisheries group
- Quality of the local development strategy
- Capacity to implement the strategy

A **Selection Committee** will be established, based on the Monitoring Committee, but extended to representatives of local authorities and regional governors.

The actions foreseen in the local development strategy will be presented in a **Business plan covering the programming period** with annual expenditures.



The group will have full responsibility for the choice of the actions to be implemented. The **implementation of the financial allocation** will be done according to the following table and will include the following elements:

- Verification of the eligibility of the expenses foreseen;
- Certification of the expenditure
- Payment of the final beneficiaries

The description of administrative and financial circuit for Fisheries groups

The following table describes the administrative and financial circuit to be applied at the start of the programme. It is envisaged to transfer more responsibilities to the fisheries groups themselves in a second stage, provided they have a proven ability to administer public funds.

Fisheries groups selection	
<i>Registration the Local Plan</i>	MA
<i>Fisheries Groups selection</i>	Selection Committee
The eligibility and the selection of the projects	
<i>Registration of the projects</i>	FG
<i>Opportunity check: Verifying if the project is in line with the strategy</i>	FG
<i>Eligibility check</i>	MA
<i>Projects selection</i>	FG Partner's Council
Financial implementation	
<i>Application for payment</i>	PA
<i>Checking of the done service</i>	PA
<i>Checking on the spot</i>	PA/MA
<i>Checking reports</i>	PA/MA
<i>Payment</i>	PA
<i>Accounting records</i>	PA
<i>Monitoring of the project</i>	MA

MA Managing Authority

FG: Fisheries groups

Partner's council: the assembly of all the organisations represented in the local partnership, representatives from the Managing Authority and Paying Agency

PA: Paying Agency

2. Beneficiaries of the measure

Fisheries groups selected according to the transparent procedure presented above.

See: EFF Council Regulation № 1198/2006, Art. 44 for limitations on the final beneficiaries of the actions selected by the fisheries groups.



3. Financial allocation

The running costs of the groups will be funded at 100 %, but with a limitation to 10 % of the total budget allocated to the group.

4. Indicators and objectives

Number of fisheries groups established – 6;
Territory, covered by fisheries groups (km²) – 7 280;
Population of the territory covered by fisheries groups – 211 800;
Jobs created or maintained inside and outside fisheries sector – 500.

5. Specific information on the criteria proposed for the selection of the groups:

The Monitoring Committee for the Operational Program has to approve the selection criteria for the selection of the Fisheries groups. A proposal is included in the Ex-ante evaluation report.

The Board of the Fisheries group will in turn establish selection criteria for each type of project. These criteria will be presented in a transparent manner in the different calls for proposals launched at local level by the groups.

4.1. b. Support for undertaking cooperation actions

1. Description of the measure

Certain actions should be undertaken in partnership between several areas benefiting from funding from the Axis 4 of the EFF. These actions will seek to create a **critical mass** for certain actions where a single group would not be big enough. They should include the implementation of a joint project and not consist simply of an exchange of experiences.

Cooperation actions are eligible between groups benefiting from funding under Axis 4 from Bulgaria or from other Member States.

2. Beneficiaries of the measure

This Measure is only accessible to the fisheries groups selected under the procedure described above.

3. Financial allocation

This type of project will receive supplementary funding following a simple selection procedure. Only expenditure for the joint action, for running the common structure and for preparatory technical support is eligible for support.

Public funding will be 80 to 100 %.

4. Indicators and objectives

Cooperation actions will be implemented after a certain time of implementation of the local strategies; it is impossible at this stage to define a relevant number.

B.5. PRIORITY AXIS 5: TECHNICAL ASSISTANCE



B.5.1. Main objective under priority Axis 5

Technical assistance is a very important instrument for Bulgaria, as it does not have experience in implementing of the community structural instruments yet. Experience under SAPARD and PHARE have not included the same range of responsibilities as the full implementation of Structural Funds and the amounts concerned by these are much more important.

The Bulgarian administration needs to improve its administrative capacity at all levels. In particular, the administrative capacity of NAFA should be improved in order to efficiently implement the EFF and meet the requirement for the implementation of the CFP.

Objectives of the measure:

The main objectives of the technical assistance under Priority Axis 5 are:

- To provide support for the implementation of the Operational program
- To improve the administrative capacity in regional and central levels;
- To elaborate all necessary documents for the preparation and implementation of the EFF

The Technical assistance will include all actions deemed necessary for the sound implementation of the Measures included in this OP:

- Preparatory measures
- Administrative and technical support
- Monitoring and control of the realisation of the different Measures
- Information, dissemination and communication
- Evaluations foreseen in the EFF Regulation
- Audit measures needed for a good accountability of the systems in place

Justification of the average rate of co-financing, target groups /sectors/ areas and beneficiaries:

The intensity aid of the projects under this priority axis is 100 % public financing.

Content of the Measure 5.1 Technical assistance

Under the Priority Axis 5, the EFF will finance in particular the following actions:

The basic aim of this axis is to reinforce the administrative capacity of NAFA in order to fulfill its obligations related to the implementation of EFF Operational programme as well as the implementation of the Common Fisheries Policy in Bulgaria. In this respect a certain number of specific measures will be undertaken.

- a) **Preparatory studies** to prepare implementation of the different axis: terms of reference for assessment of fishing resources in the Black Sea, assessment of the training needs of fishermen communities, market study on the potential for fish consumption, master plan for Aquaculture, communication strategy for the Operational programme, etc.
- b) **Communications actions**. These actions may include:



- Information towards potential beneficiaries of the possibilities for funding offered by the different Measures of this Operational programme, according to the specification of Article 51 of the EFF Council Regulation № 1198/2006.
 - Communication towards the general public on the role played by the Community in the Operational Programme and the results obtained.
- c) **Expenditures for the management of the EFF**, including operational costs covering the functioning of the management, monitoring and control systems under the responsibility of the Managing Authority. Furthermore, it is intended to provide adequate offices and equipment for the Managing Authority.

In order to attract high-quality experts and avoid persistent turnover of personnel, the EFF may co-finance the individual gross salary of the permanent personnel engaged in tasks directly associated with the management, monitoring, evaluation and control of the EFF.

As of 1 January 2014, the EFF may co-finance up to half of the individual gross salary of the permanent personnel engaged in tasks directly associated with the management, monitoring, evaluation and control of the EFF.

Permanent personnel engaged in tasks directly associated with the management, monitoring, evaluation and control of the EFF shall also be eligible for a top-up payment which may not exceed 80% of the basic monthly salary on the basis of results achieved. The later will be assessed by the head of the administration or authorised person and measured via mechanism drawn up in compliance with the principles of transparency.

All payments shall be supported by appropriate accounting documents and shall be limited to the duration of the EFF implementation. Only personnel devoting more than 50% of their time to EFF implementation are eligible for payment and if staff is not allocated at 100% to the OP, reasonable and verifiable evidence on the time allocation and the proportional calculation for charging the correct amount to the EFF should be provided (ex. time sheets).

- d) The setting-up and the running costs for a permanent **Observatory** in order to monitor the prices of the market for aquaculture products and to assess tendencies in the market.
- e) **Evaluation** and other horizontal studies as required by the EFF Council Regulation:
- The Interim evaluation will be organised in time for the "Strategic Debate" that will be organised by the Commission on the implementation of the National Strategic Plan foreseen for 2011;
 - The other studies identified so far have been presented in the relevant sections of this Operational Programme. Other studies might need to be undertaken in the life of the Operational programme.

f) Support the **establishment of the fisheries groups** in their pre-development stage, via the provision of training, the setting-up of a database of experts and the organisation of information sessions on the opportunities offered by Axis 4. This task will be taken over under the Technical assistance provided by the network once this body will be into place.

g) The establishment of a **national network** of fisheries groups benefiting from the Axis 4 of the EFF as foreseen by the Regulation (Art. 45, 5) will be funded under this Priority Axis 5. The aims of this network are to:

- Support the establishment of the fisheries groups in their pre-development stage, via the provision of training, the setting-up of a database of experts and the organisation of information sessions on the opportunities offered by the Axis 4.



- Disseminate information on:
 - The activities of the fisheries groups,
 - Important news related to the implementation of the EFF,
 - Other funding procedures that can be of interest to the fisheries groups,
 - Collect, analyse and disseminate information at national level on good practice which is transferable,
 - Encourage the exchange of best practices through information, databases and exchange activities such as thematic seminars.

The Bulgarian Fisheries areas network will be implemented via a call for tender for the provision of networking services. The terms of references will be drafted in complementarity with the missions foreseen for the European network that will be established by the European Commission. A consultation mechanism will be set-up in order to assess the exact requirements of the fisheries groups.

VII. FINANCIAL PROVISIONS. INDICATIVE FINANCIAL PLAN FOR THE EFF OPERATIONAL PROGRAM

Table I. EFF contribution financial annual plan for the period 2007-2013 (in EUR)

YEAR	EFF PUBLIC CONTRIBUTION
2007	5 818 765€
2008	8 517 922€
2009	7 465 175€
2010	12 221 422€
2011	13 084 212€
2012	13 951 819€
2013	14 817 432€
TOTAL: EFF	75 876 747€

Table II. Financial plan by priority axes for the period 2007-2013 (in EUR)

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Priority axes	Total public aid - (a=b+c)	EFF contribution	National contribution	Percent of EFF co-financing (d=(b/a)*100)
	a	b	c	d
Priority axis 1	8 000 000	6 000 000	2 000 000	75
Priority axis 2	48 000 000	36 000 000	12 000 000	75
Priority axis 3	18 650 708	13 988 031	4 662 677	75
Priority axis 4	21 184 955	15 888 716	5 296 239	75
Priority axis 5	5 333 333	4 000 000	1 333 333	75
Total	101 168 996	75 876 747	25 292 249	75

VIII. IMPLEMENTING PROVISIONS FOR THE IMPLEMENTATION OF THE OPERATIONAL PROGRAM "FISHERIES SECTOR DEVELOPMENT" – MANAGEMENT, MONITORING AND CONTROL SYSTEM

The general framework of the Operational program "Fisheries sector development" for the period of 2007-2013 consists of the following bodies that will perform its management.

1. **Managing Authority** functions will be performed by the **National Agency for Fisheries and Aquaculture** to the Minister of Agriculture and Food in Bulgaria. NAFA will be responsible for ensuring the effectiveness and management as well as implementation of the EFF Operational programme, according to the EU Regulations and National legislation. According to the article 58, p. 2 of Council Regulation 1198/2006 some of the functions of Managing Authority will be delegated to the Paying Agency within the State Fund "Agriculture" in the meaning of Intermediate Body.

2. **Certifying Authority** functions will be performed by the **State Fund "Agriculture" /SFA/** and will be responsible for drawing up and sending to the European Commission the certified statements of expenditures and applications for payment according to the provisions of Article 60 of Council Regulation 1198/2006.

3. **Audit Authority** functions for the EFF Operational program according to Article 58 from the Council Regulation 1198/2006 will be performed by the **Executive Agency "Audit of EU funds"** to the Minister of Finance.

4. **Intermediate body** designated to receive payments from the Commission and make payments to the beneficiaries will be the **Paying Agency**, which is established within the framework of State Fund "Agriculture" according to the national regulatory framework.

5. **Beneficiaries** for the EFF Operational program according to the article 3 of Council Regulation 1198/2006 can be natural or legal persons initiating and implementing projects for funding and receiving public aid.

1. DESIGNATION OF AUTHORITIES ACCORDING TO ARTICLE 58 OF REGULATION (EC) № 1198/2006:



Managing Authority for the EFF Operational program in Bulgaria will be **National Agency for Fisheries and Aquaculture (NAFA)** within the framework of Ministry of Agriculture and Food. NAFA has 27 Regional Fisheries Inspectorates allocated in the respective regions in the country that will execute decentralized activities from the MA functions.

MA functions according to Article 59 of the EFF Council Regulation will be as follows:

- Preparation of the Operational program, in compliance with the priorities set up in the National Strategic Plan.
- Implementation of the Operational program according to EU Regulations, Community principles and policies, recommendations of the Monitoring Committee in the observance of fisheries legislation, competition and public procurement rules, environmental protection and gender equality.
- Setting up of the Monitoring Committee for the Operational program in principle of partnership.
- Implementation of the measures of the Operational program according to achieve principles laid down in Common Fisheries Policy and other Community policies.
- Elaborate implementation procedures for the measures.
- Preparation of the appraisal and selection criteria for the projects and its approval by the Monitoring Committee which will include particularly the following:
 1. Eligibility checks of the beneficiary and expenditures.
 2. Elaboration of the proposal for the selection of the projects
 3. Chairs the Monitoring Committee
 4. Signing of the agreement between the beneficiaries and the administration

In addition, the following functions will be performed by the Managing Authority:

- Coordinate the administration of the structures involved in the execution of the Operational program and develop and strengthen the administrative capacity for assuring implementation of the Program.
- Develop and promote partnership at the central, regional and local level including public-private partnership.
- Monitor the results and impact of the measures applied in the Operational program.
- Analyze and propose amendments to the Operational program as well as proposals for re-allocations of the European Fisheries Fund to the Monitoring Committee.
- Responsible for the sound management of the European Fisheries Fund, according to the objectives set up in the Operational program.
- Ensures the Publicity and dissemination of information to potential beneficiaries for the implementation of EFF and the role of European Union.
- Budget allocation among the measures and submission to the Commission an annual forecast.
- Participate in the annual meetings of the European Commission for the implementation of EFF.
- Monitoring of the projects.
- Perform on-the-spot checks.

According to article 58, p. 2 of Council Regulation №1198/2006 for the European Fisheries Fund and in compliance with article 38, p.1 of Commission Regulation 498/2007 for determination of detailed rules for the implementation of Council Regulation № 1198/2006, the Managing Authority will elaborate written agreement with the **Paying Agency** within the meaning of **Intermediate body** for the EFF Operational programme, with which it will delegate to the Intermediate body part of the MA functions related to the Implementation of the Program – procedure check for eligibility of expenditures, as well as verification of expenditures done by the beneficiaries and verifications on the spot following the submission of claim for payment. The exact duties, delegated tasks and responsibilities will be precisely set down in the agreement.



Certifying Authority for the Operational program regarding the management of funds from the European Fisheries Fund will be executed from the **State Fund "Agriculture"**. The drawing up and sending to the **European Commission of the certified statements of expenditure** and applications for payment according to the article 60 of the Council Regulation № 1198/2006 are the responsibility of the Certifying Authority and require that State Fund "Agriculture":

- Certify to the European Commission in a computerized form that the expenditures are accurate and are resulting from a reliable accounting system based on a verifiable additional documents;
- Certify that the expenditures are in compliance with Community rules, national legislation and criteria laid down in the Operational Program.

Audit Authority for the EFF Operational Program /according to article 58 of the Council Regulation № 1198/2006/ will be the **Executive Agency "Audit of EU funds"** to the Minister of Finance.

Its functions will be as follows:

- Elaboration of Audit Strategy;
- Execution of the system for final audits;
- Sample checks and on-the-spot checks;
- Annual reports of the system for management and control and preparation of the reports;
- Expenditures check on a sample basis;
- Elaboration of final declarations for termination of the program;
- Check for the correct usage of the funding of national contribution of the Operational Program;
- Assessment of the management and control system;
- Audit other authorities/bodies involved in the implementation of the Operational Programme.

The functions of the **Intermediate body** responsible for receiving payment from the Commission and making payments to the beneficiary will be performed by the **Paying Agency** within SFA with the following responsibilities:

1.Receiving of Reimbursement from the Commission:

- Receiving from the European Commission of the EFF fundings as pre-financing, interim and final payment.
- On the responsibility of the Managing Authority the recoveries or unused budget resulting from the non-eligible expenditures in the payment process.

2. Execution of payments to the beneficiaries:

- Execution of payments to the beneficiaries of the Operational Programme and to the co-finances funding.

SFA - Paying Agency is structured in a way that assures clear separation of responsibilities of all operational levels and separation of the main three functions.

- **Control and approval of the payments** – verification that the amount that should be paid to the beneficiaries is applicable to the Community rules and national legislation and which is expressed in administrative and physical control;
- **Execution of payments** – payments of public aid to the beneficiary;



- **Accounting of the payments** – accounting of all payments to the SFA-Paying Agency in separate bookkeepings for European Fisheries Fund, creation of information system for periodical sum of the expenditures and execution of reports for the Commission.

"Fisheries and Aquaculture" department is a structural unit of the SFA-Paying Agency fully responsible for the proper evaluation of the expenditures executed in the process of implementation of the measures of the Operational Program in compliance with the EC regulations as well as with the requirements of the national law with the purpose for guarantee the financial interest of the Community.

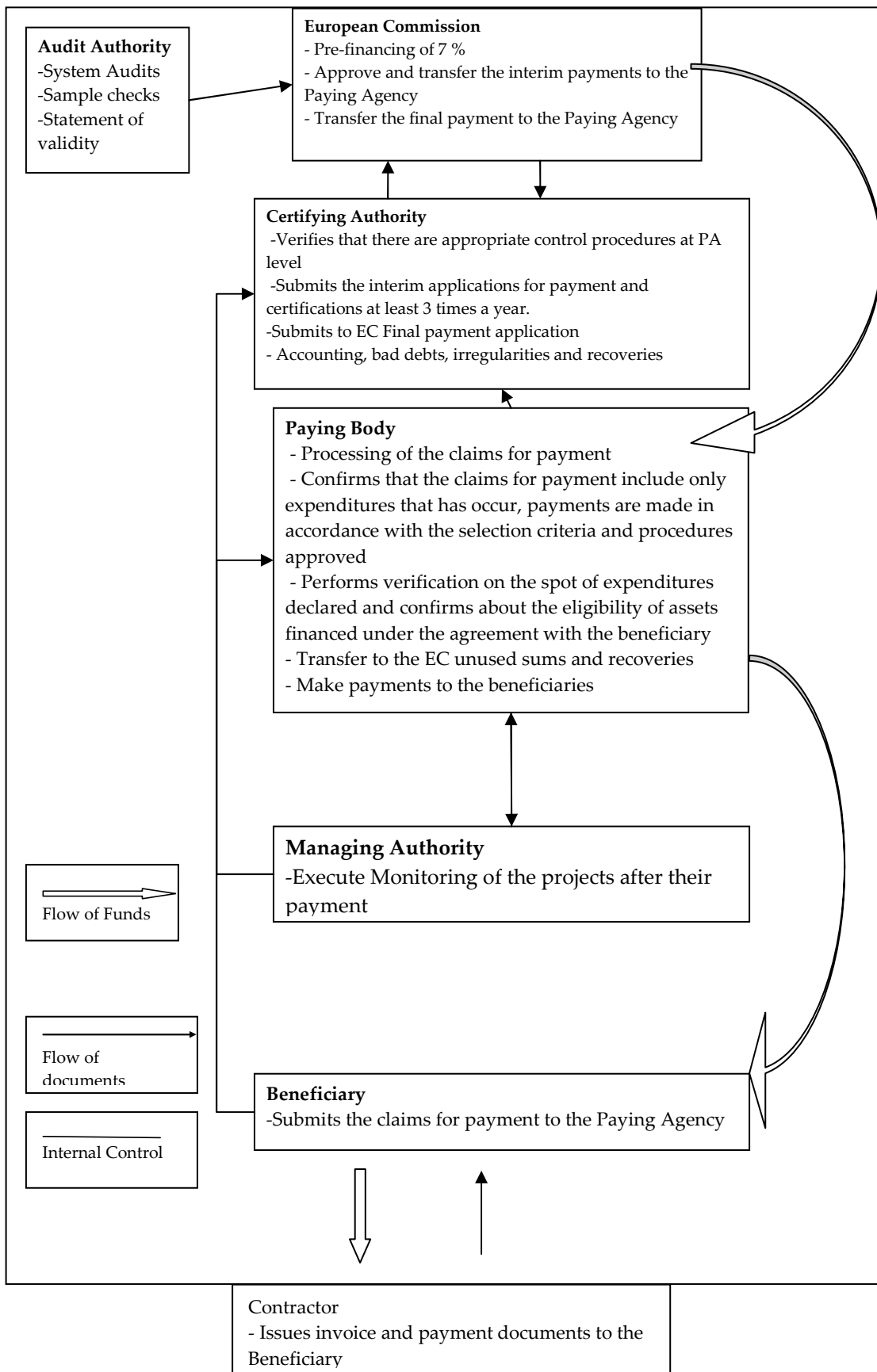
In the process of approval of the projects, the SFA-Paying Agency will execute quality check of expenditures.

In the process of verification of the payments, the eligibility of expenditures includes:

- Acceptance of the claims for payment of the beneficiary in one of the eleventh Regional Paying Agencies;
- Completeness and legitimacy check for the claims for payment;
- Bad debts check;
- Compliance with the financial criteria check of the claims for payment;
- Verification on the spot of the projects, executed by the "Technical inspectorate" Department
- Check of the expenditure limits;
- Accounting of the payments.

2. DESCRIPTION OF PROCEDURE FOR MOBILIZATION AND CIRCULATION OF FINANCIAL FLOWS

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Projects, programmes and plans which fall within NATURA 2000 areas, before their approval by the Managing authority of OP "Fisheries sector development" should be checked for compliance with the provisions of the Biodiversity Act and the corresponding secondary legislation for its implementation.

- **Description of the Monitoring and evaluation system as well as the composition of Monitoring Committee**

1. Role and composition of the Monitoring Committee /MC/

MC is the main decision making principal of the EFF Operational Program. It is responsible for the effectiveness and monitoring of the Operational Program. The Committee will be set up within the three months from the approval of the Operational program and will draw up its own rules of procedure.

Monitoring Committee will be responsible for:

- It considers and approves the criteria for selection of the projects within six months of the approval of the Operational program.
- Approve any revision of the selection criteria.
- Review of the progress made by the indicators based on the documents submitted by the Managing Authority.
- It examines the results of implementation of each of the priority axes and the evaluation of the Operational Program.
- It considers and approves the annual and final reports on the EFF Operational program.
- It is informed of the comments and statements of the European Commission from the reports submitted.
- It may propose to the Managing Authority revision or examination of the EFF Operational program.
- It considers and approves any proposal to amend decision on the contribution of the funds allocated by measures.

Composition of the Monitoring Committee:

The MC shall be chaired by a Deputy Minister of Agriculture and Food or its representative in its capacity of Managing Authority of the OP.

The MC shall comprise the following members:

1. State representatives:

- Council of Ministers
- Ministry of Agriculture and Food
- Ministry of Environment and Waters
- Ministry of Finance

2. Representatives of the authorities engaged in the management, payment, certification and audit of the OP:

- NAFA
- State Fund "Agriculture"
- Executive Agency "Audit of EU funds" under the Ministry of Finance

3. Representatives of the local authorities.

4. Representatives of all OPs co-funded by EU funds in Bulgaria.

5. Representatives of the private sector:



- Recognized organizations and associations from the catching, processing and aquaculture sectors
- Environmental NGOs

6. Representatives from DG MARE, European Commission.

All representatives in the Monitoring Committee are with voting rights except of those referred to in paragraph 6 and those from Executive Agency "Audit of EU funds" under the Ministry of Finance, who participate as observers.

Detailed rules of procedure of the Monitoring Committee shall be adopted in agreement with the Managing Authority.

In the principles of **transparency** the chairman will keep the media informed about the work of the Monitoring Committee, as well as public access to of the conclusions from the meetings. Duties concerning dissemination of information will be performed by the Secretariat of the Monitoring Committee. The list of main beneficiaries will be published on the web site in a standard format.

Evaluation

The evaluation of the Operational program is described in Articles 47 to 49 of the EFF Council Regulation 1198/2006 there are three main types of evaluation:

- Ex-ante evaluation
- Interim evaluation
- Ex-post evaluation

All evaluations will be managed and considered by NAFA as well as their implementation in the Operational Program.

Concerning **Ex-ante** evaluation - is done by external experts who deal also with Strategic environmental assessment, done according to the requirements in SEA Directive for assessment of effects of certain plans and programs on the environment.

The **Interim** evaluation will take place in the end of year 2011 and it aims to improve the quality of implementation of the Operational Program. It aims mainly to give some solutions to the problems that occur during the operational process.

Ex-post evaluation shall be carried out by the Commission according to Article 50 of the EFF Council Regulation № 1198/2006, in close cooperation with the Member state and Managing Authority. During the period of evaluations, EC may carry out strategic evaluations and evaluations linked to the monitoring of the Operational program.

In case of proposals for revision of the Operational program, or not reaching the initial targets set up, an Ad-hoc evaluation will be carried out, under the responsibility of the Managing Authority, and according to **evaluation plan**. It will consist of financial and human resources for each of the evaluation activity that will be performed by the experts, as well as methodological working papers issued by the Commission.

3. EXCHANGE THE DATA BETWEEN THE EC AND BULGARIA THROUGH THE COMMUNITY INFORMATION SYSTEM SFC 2007

For administrative, operational and financial management of the funds from the European Fisheries Fund /as well as from the Structural Funds, the Cohesion Fund and the Agriculture Fund for Rural Development/ for the Programming period 2007 – 2013, it should be used the Electronic data exchange system of the European Commission, called SFC 2007. In order to operate in SFC 2007 system domain, Republic of Bulgaria designated for the European Fisheries Fund own proper **MS Liaison**.



Integrated computerised system of NAFA, for the process of projects as well as communication with the European Commission will be set up in the Managing Authority that will be compatible with ISAC system of the Paying Agency and MIS system for the management of the Structural Funds.

The principles for **availability** of documents, **confidentiality** for personal data, **separation** of functions for the authorized experts, **audit traceability**, **permanent monitoring** of the projects, are basic for the system.

4. PARTNERSHIP

One of the main Community principles is the principle of partnership and close cooperation of the administration with the regional, local, economic and social partners, i.e. all stakeholders in the sector.

Partnerships are created between the administration, research institutions and associations, in order to correlate research and the real needs of the producers and implement joint programs and implement them in the Operational programme. Public discussion and inquiries were provided by the Managing Authority for the drawing up of the strategy of the Operational programme and the measures proposed as well as financial allocation of the measures. As a result the opinions expressed are taken in consideration and take part of the EFF Operational Programme in Bulgaria

Several meetings with the fisheries sector associations and small-scale fishermen took place in different towns along the seacoast as Ahtopol, Sozopol and Tzarevo. As well as inquiry questionnaire to the fishermen and fish producers distributed through the Regional Fisheries Inspectorates provided adequate information about the needs of the branch, the necessary investments and the rate of public co-financing. A wide range of stakeholders are involved in the working groups established for elaboration of the ordinances for implementing the measures of the Operational programme under each priority axis. The Operational programme has also been worked out in compliance with the remarks and recommendations of the environmental NGOs and the experts of the Ministry of Environment and Waters from the "Waters" Directorate, "Preventive activity" Directorate and National Service for Nature Protection. A partner in the discussion about the strategic development of the Fisheries sector in Bulgaria is also the Scientific and Technical Council on Fisheries and Aquaculture to the Minister of Agriculture and Food.

In the scientific and research domain partnership, the National Agency of Fisheries and Aquaculture established National Program for Scientific Researches with the involvement of all research institutes and organization in fisheries and aquaculture sector – Institute of Oceanology, Institute of Zoology, Central Laboratory of Ecology, Laboratory of molecular biology within the structure of the Bulgarian Academy of Sciences, as well as Institute of Fish Resources, Agrobiointitute, Institute of Fisheries and Aquaculture within the National Center for Agriculture sciences. Relevant organization of vocational training is a mission of the state authorities responsible for the sector in collaboration with associations and other stakeholders.

It is established a cooperation in fisheries between Romania and Bulgaria in exchanging and sharing good practices, developing activities of interest to the fisheries groups, as well as of topics or activities developed that might have broader national and European policy impact in Danube River area.

List of stakeholders, associations, NGO's and administrative bodies consulted during the process of elaboration and negotiation of the Operational programme.

Institution/Organization

Food control and technological safety, Ministry of Agriculture and Food



National Veterinary Service [NVS]
State Fund "Agriculture"
Executive Agency "Maritime Administration" [EAMA] Ministry of Transport
Executive Agency "Port Administration" [EAPA] Ministry of Transport
Ministry of Finances – Agency for Economic Analysis and Forecasts
Ministry of Environment and Waters
Ministry of Regional Development
Agency "Customs" – Ministry of Finances
National Statistics Institute
Ministry of Foreign Affairs
Council of Ministers
Ministry of Economy and Energy [MEE]
Agromarket Information System
Institute on Fisheries and Aquaculture, town of Plovdiv
Institute on Fish Resources, town of Varna
Institute of Oceanology, town of Varna
Association of producers of fish products – BG FISH; HQ in Sofia
National Association of Fisheries and Aquaculture (NARibA – BG); HQ in Plovdiv
Bulgarian Association of Bird Protection
Bulgarian Federation "Biodiversity"
Bulgarian Association "Green Balkans"

5. INFORMATION AND PUBLICITY OF THE OPERATIONAL PROGRAM

1. Objectives of the information activities

Republic of Bulgaria shall provide information on and publicize the Operational programme and operations and the Community contribution. The information shall be addressed to the general public. It shall aim to highlight the role of the Community and ensure the transparency of assistance from the EFF.

2. Target groups

The information activities shall ensure transparency and shall inform the groups, listed below of the possibilities, offered by the Operational program:

Potential beneficiaries,
Economic and social partners,
Sector and business organisations,
Regional, local and public authorities,
Professional organisations,
General public

3. Information activities:

Detailed Ordinances shall be published about each axis in the State Gazette. These shall be the documents to regulate implementation of the specific measure, eligible expenditures, financial conditions, and selectivity criteria for applicants, application procedures and payment procedures, including all documents required. By these publications, the ordinances shall be disseminated to all concerned parties.

Information shall be submitted also in the form of seminars, courses, and discussion forums for NAFA and its Regional Fisheries Inspectorates, which shall assist the potential applicants. Training shall include detailed description of all appropriate investments/activities under the measures, information about the investments/activities, and the possibilities for use of the financial support, criteria for support, as well as all application documents.



Seminars and discussion forums shall be organized also for the members of NGOs, producers' organizations and other partners, representing the potential beneficiaries under the Program. Training shall include detailed description of all eligible activities/investments under the measures, selectivity criteria for applicants and the necessary application documents.

Campaigns of seminars for the potential beneficiaries shall also be conducted, covering the territory of the country.

The Managing Authority shall arrange publishing of different technical materials, leaflets, brochures and other printed materials, aimed to facilitate implementation of the Program and to promote the results thereof. Experts of the Managing Authority shall participate in programs of the electronic media and shall submit information for publishing in the press.

The Managing Authority shall ensure information to the contact persons at national, regional and local level, who will be obliged to submit information about the Operational program.

Complete and easy accessible information about the Programme shall be uploaded to the Internet page of NAFA and the Ministry of Agriculture and Food. Full texts of the National Strategic Plan and the Operational program shall be published on the websites of all municipalities, together with the required application documents, the ordinances on the axes and all other documents, informing and assisting the potential beneficiaries. Detailed information on the implementation progress of the Program, including list of the operations approved, shall also be published on the website.

The Managing Authority shall arrange all the information activities in compliance with Article 51 of EFF Council Regulation № 1198/2006 and Articles 28 to 33 of the EFF Commission Regulation № 498/2007.

The Managing Authority shall be responsible for submission of information to the potential beneficiaries, organisations involved in the fisheries sector, professional organisations, economic and social partners, the organisations involved in promoting equality between men and women, and the professional organizations concerned, including organisations on conservation of environment, about the National Strategic Plan and the possibilities, offered by the Program, as well as the rules and procedures, regulating the access to financing. It shall inform the beneficiaries about the amount of the Community contribution, and shall inform the general public about the role played by the Community in the operational program and the results thereof.

By 30 June each year, and for the first time in 2008, the Managing Authority shall send the Commission an Annual report, and by 31 March 2017 a final report, on the implementation of the Operational programme.

In order to obtain a clear view of the implementation of the Operational programme, the reports to the Commission shall include the following information:

- (a) The progress made in implementing the Operational programme and priority axes in relation to their specific, verifiable targets, with a quantification, wherever and whenever they lend themselves to quantification, using the indicators at the level of the priority axis;
- (b) The financial implementation of the Operational programme for each priority axis:
 - (i) The expenditure paid out by the beneficiaries included in the applications for payment sent to the Managing Authority and the corresponding public contribution;
 - (ii) The total payments received from the Commission and quantification of the financial indicators;
- And
- (iii) The expenditure paid out by the body responsible for making payments to the beneficiaries;



(c) The steps taken by the Managing Authority and the Monitoring Committee to ensure the quality and effectiveness of implementation, in particular:

- (i) Monitoring and evaluation measures, including data collection arrangements;
- (ii) Summary of any significant problems encountered in implementing the Operational programme and any measures taken, including the response to comments made by the Commission;
- (iii) The use made of Technical assistance;
- (d) The measures taken to ensure information and publicity for the Operational programme;
- (e) Significant problems relating to compliance with Community law which have been encountered in the implementation of the Operational programme and the measures taken to deal with them.

The scope of information transmitted to the Commission shall be proportional to the total amount of public expenditure of the Operational program concerned. Where appropriate, such information may be provided in summary form.

The Operational program should include at least the following elements regarding ensure of its publicity:

- a) Administrative divisions or bodies, responsible for implementation of the information and publicity measures;
- b) Reporting the evaluation of the information and publicity measures in view of the transparency and information about the Operational program and the role of the Community.

The Managing Authority should inform the beneficiaries about publishing of their names, the operations supported and the amounts of public funding to the operations.

The Managing Authority shall involve in information and publicity measures in accordance with national laws and practices, at least one of the following bodies that can widely disseminate information about the rules and procedures on application for a project and the approval criteria, such as:

- (a) National, regional and local authorities and development agencies;
- (b) Trade and professional organisations;
- (c) Economic and social partners;
- (d) Non-governmental organisations;
- (e) Organisations representing business;
- (f) Information centres on Europe and Commission representatives in the Member States;
- (g) Educational institutions.

The Managing Authority shall ensure that the information and publicity measures for the public are implemented aiming at the widest possible media coverage and using suitable forms and methods of communication at the appropriate territorial level. The Managing Authority shall be responsible for organizing at least the following information and publicity measures:

- (a) A major information activity publicizing the launch of the Operational programme;

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(b) At least one major information activity a year, presenting the achievements of the Operational programme;

Concerning Priority axis 5, the strategy for informing of fishery and aquaculture producers is based on the development of Information system in the structure of NAFA.

Detailed strategy on information measures during the period 2007-2013 shall be drawn up by the Managing Authority and shall be considered and approved at the first meeting of the Monitoring Committee. The Monitoring Committee shall control the implementation of the strategy.

ANNEX II

FINANCING PLAN FOR THE OPERATIONAL PROGRAMME

CCI: 2007BG14FPO001

Table I. Annual financing plan of EFF contribution for the period 2007-2013 (in EUR)

Year	EFF
2007	5.818.765
2008	8.517.922
2009	7.465.175
2010	12.221.422
2011	13.084.212
2012	13.951.819
2013	14.817.432
Total EFF	75.876.747

Table II: Financing plan by priority axis for the period 2007-2013 (in EUR)

Priority axes	Total Public a=(b+c)	EFF Contribution (b)	National Contribution (c)	EFF co-financing rate(d)=(b)/(a)*100
Priority axis 1	8.000.000	6.000.000	2.000.000	75%
Priority axis 2	48.000.000	36.000.000	12.000.000	75%
Priority axis 3	18.650.708	13.988.031	4.662.677	75%
Priority axis 4	21.184.955	15.888.716	5.296.239	75%
Priority axis 5	5.333.333	4.000.000	1.333.333	75%
Total	101.168.996	75.876.747	25.292.249	75%

ПРИЛОЖЕНИЕ II**ПЛАН ЗА ФИНАНСИРАНЕ НА ОПЕРАТИВНАТА ПРОГРАМА**

CCI: 2007BG14FPO001

Таблица I: Годишен план за финансиране във връзка с вноските от ЕФР за периода 2007—2013 г. (в EUR)

Година	ЕФР
2007	5 818 765
2008	8 517 922
2009	7 465 175
2010	12 221 422
2011	13 084 212
2012	13 951 819
2013	14 817 432
Общо ЕФР	75 876 747

Таблица II: План за финансиране по приоритетни оси за периода 2007—2013 г. (в EUR)

Приоритетни оси	Общо публична помощ а=(б+в)	Вноска от ЕФР б)	Национална вноска в)	ЕФР Процент на съфинансиране от ЕФР $(r)=(б)/(а)*100$
Приоритетна ос 1	8 000 000	6 000 000	2 000 000	75 %
Приоритетна ос 2	48 000 000	36 000 000	12 000 000	75 %
Приоритетна ос 3	18 650 708	13 988 031	4 662 677	75 %
Приоритетна ос 4	21 184 955	15 888 716	5 296 239	75 %
Приоритетна ос 5	5 333 333	4 000 000	1 333 333	75 %
Общо	101 168 996	75 876 747	25 292 249	75 %