



AGRICULTURAL LAND PRICES AND RENTS IN AGRICULTURE IN THE REPUBLIC OF BULGARIA IN 2017

Price of the agricultural land transactions in the Republic of Bulgaria in 2017

The average price per one decar agricultural land reached BGN 872 in 2017, which was 14.6% higher than in 2016. In comparison with previous year in 2017 an increase was reported in the price of arable land - by 13.0%. In permanent grassland the price decreased by 3.4% (Table 1).

1. Average prices of agricultural land transactions by land use categories during the period 2010 - 2017

Land use categories	BGN/dca							
	2010	2011	2012	2013	2014	2015	2016	2017
Agricultural land - total	279	398	547	594	684	732	761	872
of which:								
Arable land	279	413	556	621	708	761	770	870
Orchards	242	284	412	433	440	480	534	.
Vineyards	206	248	262	319	451	339	370	.
Permanent grassland	189	207	217	198	246	227	271	262

‘.’ - no data.

The highest price of agricultural land in 2017 was in Severoiztochen region - BGN 1 1401 per one decar. The biggest increase in the price per one decar agricultural land in comparison with previous year was reported in the Yugozapaden region - by 83.4%. In 2017 decrease was observed in the price per one decar agricultural land in Severen tsentralen region - by 13.0%, where the highest increase in the land price per one decar was registered as well, by 11.3% (Table 2).

2. Average prices of agricultural land transactions by statistical regions during the period 2010 - 2017

Statistical regions	BGN/dca							
	2010	2011	2012	2013	2014	2015	2016	2017
Total	279	398	547	594	684	732	761	872
Severozapaden	249	420	493	598	682	708	735	910
Severen tsentralen	295	447	623	708	807	820	895	779
Severoiztochen	365	555	860	827	957	1040	1157	1401
Yugoiztochen	230	271	346	480	509	636	707	796
Yugozapaden	302	237	463	301	403	415	221	406
Yuzhen tsentralen	230	292	364	357	474	442	412	538



Prices of rent for agricultural land in the Republic of Bulgaria in 2017

The average rent price per one decar hired/leased agricultural land in 2017 reached BGN 46, which was by 4.5% higher than in 2016. In comparison to the previous year, the increase in the price of arable land was by 6.8%, while the increase in permanent grassland was by 6.7% (Table 3).

3. Average rent prices of agricultural land by land use categories during the period 2010 - 2017

Land use categories	BGN/dca							
	2010	2011	2012	2013	2014	2015	2016	2017
Agricultural land - total	23	30	34	38	41	42	44	46
of which:								
Arable land	24	30	36	39	43	44	44	47
Orchards	16	20	29	30	35	32	41	.
Vineyards	13	26	21	34	24	36	31	.
Permanent grassland	12	13	18	16	17	18	15	16

‘.’ - no data.

In 2017 the highest price per one decar hired/leased agricultural land was in Severoiztochen region - BGN 67. An increase of rent payment in comparison to the previous year was observed in all statistical regions (Table 4).

4. Average rent prices of agricultural land by statistical regions during the period 2010 - 2017

Statistical regions	BGN/dca							
	2010	2011	2012	2013	2014	2015	2016	2017
Total	23	30	34	38	41	42	44	46
Severozapaden	19	22	29	34	38	40	42	44
Severen tsentralen	25	33	41	46	50	52	53	57
Severoiztochen	40	50	53	58	61	63	64	67
Yugoiztochen	15	22	28	29	31	31	32	34
Yugozapaden	13	15	15	16	18	20	22	27
Yuzhen tsentralen	13	20	22	24	26	27	26	31



Methodological notes

The survey about the agricultural land prices and rents was carried out in compliance with the Common Methodology¹ of Eurostat taking into account the national features in the agricultural land market development and rents relations Bulgaria.

Respondents. The survey for 2017 included 2 246 respondents (agricultural holdings, societies dealing with agricultural land operations and real estate agencies). Three sources for selection of respondents were used: Annual Report of non-financial enterprises (with stable economic activity ‘agriculture’), Annual Report of specialized investment societies (investments in land) - expenditures for acquisition of tangible fixed assets and Annual Report of Agricultural Holdings. As criteria for the selection of respondents the value of costs incurred for acquisition of agricultural land and for paid rents was used. It was applied threshold above which all units were observed exhaustively.

Geographical coverage. The survey covered all national territory.

Referent period. According to the Common Methodology of Eurostat the referent period was calendar year. As usual, the contracts for rent/lease of agricultural land were signed for crop year. In compliance with the Methodology into the scope of the survey were included all contracts in force during calendar year, without to which crop year they referred and when the payments will be made up. Contracts for rent of agricultural land continued for one year and for the lease of land - at least four years.

Land use categories. Three land use categories were observed: arable land, meadows and pastures. To ensure compliance with the Common Methodology of Eurostat the meadows and pastures were summarised in a common category - permanent grassland and average price for this category was and calculated.

Unit for measurement. According to the practice for agricultural land transactions and land rent/lease in Bulgaria data were collected in BGN per one decar agricultural land.

Price of agricultural land transactions. According to Common Methodology of Eurostat collected information referred to land transaction and rent/lease of agricultural land, which was used only for agricultural production, i.e. its further use was not changed.

The price of agricultural land transactions was the price paid by the owner on the free market, including taxes and leaves (without VAT) paid per one decar. The price did not included, amounts paid for the rights to use, the monetary compensations, received by the land owner for the sale or acquisition of land, the value of buildings on the land, paid inheritance and received subsidies (if there were).

Price of rents for hired/leased agricultural land. The value of rent/lease of agricultural land was the value paid to land owner per one decar as return for supplying its assets to the land user. The value included also all payments in kind evaluated at the prices of current year and as well as the taxes and leaves paid. The value did not included amounts paid for the rights to use, value of buildings or dwellings, situated on the rented/leased land, as well as the costs related to other assets (current costs of building maintenance, insurance and depreciation of buildings and others).

¹ Common Methodology on Land Prices and Rents, adopted by the Agricultural Accounts and Prices Working Group, 15 February 2017, Eurostat, Luxembourg.



Calculation of average prices. At municipality, district and at statistical region level the prices were calculated as average weighted of absolute prices and corresponding areas identified during the study. At national and at NUTS 1 level (statistical zones) the prices were calculated as average weighted with corresponding land use area/area of leased agricultural land from the Farm Structure Survey, carried out by the Ministry of Agriculture and Food in 2013.

Data confidentiality. The data confidentiality was ensured in compliance with paragraphs 25 to 27 of the Law on Statistics.

Information about the methodology and data collected within the survey on the land market and rents in agriculture in Bulgaria was published on the NSI website: www.nsi.bg/en/content/11615/agricultural-land-market-and-rent.