



AGRICULTURAL LAND PRICES AND RENTS IN AGRICULTURE IN THE REPUBLIC OF BULGARIA IN 2015

Price of the agricultural land transactions in the Republic of Bulgaria in 2015

The average price per one decar agricultural land reached BGN 732 in 2015, which was 7.0% higher than this in 2014. In comparison with previous year in 2015 increase was reported in the price of orchards - by 9.1% and in arable land - by 7.5%. Decrease was observed in the price of vineyards - by 24.8%, and in permanent grassland - by 7.7% (Table 1).

1. Average prices of agricultural land transactions by land use categories during the period 2010 - 2015

Categories of land	BGN/dca					
	2010	2011	2012	2013	2014	2015
Agricultural land - total	279	398	547	594	684	732
of which:						
Arable land	279	413	556	621	708	761
Orchards	242	284	412	433	440	480
Vineyards	206	248	262	319	451	339
Permanent grassland	189	207	217	198	246	227

The highest price of agricultural land in 2015 was the in Severoiztochen region - BGN 1 040 per one decar. In comparison to the previous year the highest increase in the land price per one decar was registered in the Yugoiztochen region - by 25.0% (Table 2).

2. Average prices of agricultural land transactions by regions during the period 2010 - 2015

Statistical regions	BGN/dca					
	2010	2011	2012	2013	2014	2015
Total	279	398	547	594	684	732
Severozapaden	249	420	493	598	682	708
Severen tsentralen	295	447	623	708	807	820
Severoiztochen	365	555	860	827	957	1040
Yugoiztochen	230	271	346	480	509	636
Yugozapaden	302	237	463	301	403	415
Yuzhen tsentralen	230	292	364	357	474	442



Prices of rent for agricultural land in the Republic of Bulgaria in 2015

The average rent price per one decar hired/leased agricultural land in 2015 reached BGN 42, which was by 2.4% higher than in 2014. In comparison to the previous year the highest increase was in the price of vineyards - by 50.0%. Amongst the observed land use categories only for orchards decrease by 8.6% was registered (Table 3).

3. Average rent prices of agricultural land by land use categories during the period 2010 - 2015

Categories of land	BGN/dca					
	2010	2011	2012	2013	2014	2015
Agricultural land - total	23	30	34	38	41	42
of which:						
Arable land	24	30	36	39	43	44
Orchards	16	20	29	30	35	32
Vineyards	13	26	21	34	24	36
Permanent grassland	12	13	18	16	17	18

In 2015 the highest price per one decar hired/leased agricultural land was in Severoiztochen region - BGN 63, which was by two times higher than the value in Yugiztochen region. Increasing of rent payment in comparison to the previous year was observed in all statistical regions and highest was in Yugozapaden region - by 11.1% (Table 4).

3. Average rent prices of agricultural land by regions during the period 2010 - 2015

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



Methodological notes

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

Respondents. The survey for 2014 included 1 875 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 Target 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. Five land use categories were observed: arable land, orchards, vineyards, meadows and pastures. These were the main land categories in Bulgaria, which were mentioned in the contracts for land transactions and land rent/lease. To ensure compliance with the Target Methodology of Eurostat the meadows and pastures were summarised in a common category - permanent grassland and average price for this category was and calculated.

Land quality categories. In Bulgaria the land quality categories were ten. For the purposes of survey they were grouped in two groups - from first to fifth and from sixth to tenth category.

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 Target 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).

¹ Target Methodology on Land Prices and Rents, adopted by the Standing Committee for Agricultural Statistics, 17 - 18 May 2010, Eurostat, Luxemburg (doc. ESTAT/CPSA/583).



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).

Calculation of average prices. At municipality and at district level the prices were calculated as average weighted of absolute prices and corresponding areas identified during the study. At national level and at levels NUTS1 (statistical zones) и NUTS2 (statistical regions) the prices were calculated of average weighted prices at lower level and corresponding land use category form 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 (promulgated State Gazette No. 57/25.06.1999, supplemented State Gazette No. 15/15.02.2013, effective 1.01.2014).

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