

THE COMPETITIVENESS OF BULGARIAN ANIMAL HUSBANDRY AND THE HUMANE ATTITUDE TO ANIMALS

Nadka Kostadinova

Department of Management, Trakia University, Stara Zagora, Bulgaria
nadya_kostadinova@yahoo.com

In economic terms compatibility reflects the possibility for a product to be sold at a lower or equal price compared to the one offered by the competition and reveals the compatible market potential of the company or the production. In this respect, Bulgarian animal husbandry is faced with the challenge of offering animal products on the market, whose quality and price correspond to the European standards and consumer requirements. Consumers tend to prioritize issues related to the improvement of living conditions and the humane treatment of animals. The objective of the following paper is the study of the compatibility of Bulgarian animal husbandry and the humane treatment of animals. The aim is to be accomplished through the following tasks: analysis of the conditions and factors influencing the compatibility of the animal husbandry and the humane treatment of animals; outline of the existing opportunities and perspectives for improving compatibility and animal welfare. The methods applied for completing the tasks are: analysis and synthesis, historical, systematic and structural approach. The expected outcome of the research is the revealing of opportunities for increasing animal farm compatibility in relation to the countries membership in EU. The application of the Common Agricultural Policy will have a positive impact on stabilizing and raising incomes in the sector, improving market orientation and animal welfare.

Key words: factors; opportunities; tendencies; animal farms; animal welfare

КОНКУРЕНТНОСТ НА БУГАРСКОТО СТОЧАРСТВО И ХУМАН ОДНОС СПРЕМА ЖИВОТНИТЕ

Економски, конкурентноста ја одразува можноста еден производ да биде продаден по пониска или иста цена во споредба со тој што е понуден од конкурентите и го открива потенцијалот за конкурентност на пазарот за компанијата или производството. Со оглед на ова, бугарското сточарство се соочува со предизвикот за понуда на животински производи на пазарот, чиј квалитет и цена одговараат на европските стандарди и барања на потрошувачите. Потрошувачите им даваат приоритет на проблемите поврзани со подобрување на условите за живеење на животните и хуманиот однос спрема нив. Целта на ова истражување е да се проучи конкурентноста на бугарското сточарство и хуманиот однос спрема животните. Целта треба да се исполни преку следниве задачи: анализа на факторите и условите кои влијаат на конкурентноста на сточарството и хуманиот однос спрема животните, нагласување на постојните можности и перспективи за подобрување на конкурентноста и благосостојбата на животните. Методите кои се применети за исполнување на задачите се: анализа и синтеза, историски, систематски и структурален пристап. Очекуваниот резултат од истражувањето ги открива можностите за зголемување на кокурентноста на фармата во однос на членството на државата во ЕУ. Примената на заедничката земјоделска политика ќе има позитивно влијание врз стабилизацијата и зголемувањето на приходите во секторот, подобрување на пазарната ориентација и благосостојбата на животните.

Клучни зборови: фактори; можности; тенденции; сточарски фарми; благосостојба на животните

1. INTRODUCTION

The stable economic development of each firm is a branch which directly depends on the

process of trade liberalization on a world scale. The competitiveness is expressed by the ability of the enterprises to satisfy the consumer demand of each customer, to produce quality goods and ser-

vices with high added consumer value which have to be sold on the domestic and foreign market.

In the economic aspect the competitiveness reflects the possibility of a particular product to be sold at a lower or equal price than the competitors' one and reveals the competitive market potential of the enterprise or the production. Consumers pay considerable attention to the improvement in animal breeding and the humane attitude to animals.

The aim of the present study is to examine the condition of Bulgarian animal husbandry competitiveness and the humane attitude to animals.

2. MATERIAL AND METHODS

The following tasks are solved to reach the aim of analyzing the conditions and factors influencing the animal husbandry competitiveness and the humane attitude to the animals, revealing the possibilities and prospects for increasing the competitiveness and animal welfare.

The methods used for the task solution are analysis and synthesis, historical, systemic and structural approach.

The analysis of the conditions and possibilities of stable and competitive development requires an assessment of the animal breeding condition according to some main indices such as animal number, production – which reveal the influence of certain factors on competitiveness. During the last years a sustainable tendency for the animal number reduction and for the decrease in the productivity has been observed in Bulgaria and, respectively, decrease in the production obtained.

3. RESULTS AND DISCUSSION

Animal husbandry is a principal source of meat, milk, eggs. An important index and factor for its competitiveness is the dynamics of animal number and the volume of production. In Table 1 data about animal number in Bulgaria according to species for the 2005–2008 periods are shown.

The European market requirements, connected with the production of quality and safe animal products have led to consolidation, modernization and restructuration of animal farms. According to data of the Agro statistics department at the Ministry of Agriculture for 2007 a considerable decrease in the farm number has been ob-

served – 10.8% while the average number of animals raised has increased in all sectors and this tendency is continuing in 2008, too. The cattle farms have decreased by 13.1%, the sheep farms have decreased by 12.3%, and the pig ones by 13.8%. The number of all animals in 2007 decreased compared with 2006 – the cattle by 4.2%, the sheep by 6.7%, the pigs by 12.2%, and the poultry by 7.2%, but for 2008 a minimum increase is foreseen as a result from the EU subsidies. The decrease in animal number influences the animal production – the total production of meat and milk is decreasing with the exception of the poultry meat and the eggs. In Table 2 data about the animal production according to species for the 2005–2007 period are classified.

Table 1

Farm animals according to species, in thousands

Animal species	2005	2006	2007	1.11.2008*
Cattle	621.8	628.2	602.1	655
Incl. cows	359.3	361.2	349.9	350
Swine	943.0	1012.7	888.6	900
Sheep	1602.3	1635.4	1526.4	1600
Incl. ewes	1314.4	1296.1	1233.4	1290
Poultry – total	19514.9	20157.0	18700.0	19000
Incl. layer hens	9548.6	10419.0	9252.0	9400

Source: MAF, Agro statistics; * Prognostics

Table 2

Production of animal products according to species

Production type	2005	2006	2007
Milk total, thousand liters	1463.7	1471.4	1288.5
incl. cows	1249.4	1260.9	1114.9
sheeps	101.5	104.2	82
Meat total, thousand tons	228	230	235.7
incl. beef and veal	30	23	21.7
pork	75	75	-
chicken	98.8	105.5	115
Eggs, million pieces	1535	1585	1630

Source: MAF and NSI

In 2007, 12.4% less milk than that in 2006 was produced in Bulgaria. The production of all milk types has decreased as a result of the animal number decrease and because of the unfavorable

climatic conditions in our country which have made animal feeding difficult and have led to the decrease in the average milk productivity. Since April the 1st 2007 a quota system has been introduced in the milk sector for the market stabilization. Its aim is to reach the balance between offer and demand, to secure a better life standard for the farmers and to improve the milk products competitiveness.

The total meat production in the country for 2007 was 235.7 thousand tons which is by 1.7% more than 2006 and the chicken increase is the biggest one – by 9%. Since 2007 the prices of the qualified and classified pork and beef in Bulgaria have been collected and reported according to the (S) EUROPE scale. The qualification and classification serve as a basis for determining the meat price and as a stimulus for the producers to be paid according to the quality.

Along with the animal number decrease the resources of raw materials for internal realization are limited and the meat import is becoming more important for compensating the increasing deficiency. The foreign trade with animal products has a considerable influence on the animal husbandry development. The import and export dynamics and structure of these products are an important indicator of Bulgarian animal husbandry competitiveness. They are determined by the market demand, the production possibilities, goods interchangeability and the economic profit from the import. Data about the dynamics and structure of the meat import and export for the 2005-2007 period are presented in Table 3.

Table 3

Import and export of meat according to species in tons

Meat from:	2005		2006		2007	
	Import	Export	Import	Export	Import	Export
Cattle	50509	126	63567	215	15367	3147
Sheep and goats	135	8264	29	8187	92	7245
Pigs	16563	129	18655	113	57799	549
Poultry	44059	8481	42109	8054	47753	17117

Source: MAF and NSI

Bulgaria is a traditional producer of meat from sheep and goats but this meat import has increased threefold for 2007, the pork import has also risen that much, the chicken import has in-

creased by 13%. The import of meat from cattle has decreased 4 times compared with that in 2006 as a result of the very high import duties imposed by the big contractors Argentina and Brazil.

In 2007 the total meat export increased compared to that in 2006 as a result of the export limitations elimination after Bulgaria had become a member of EU and the access of Bulgarian products to the European market had increased. The chicken meat is at the top of the export structure – above 17 thousand tons.

With the exception of the meat from sheep and goats Bulgaria imports many times more meat of the other types than it exports. This tendency shows that the European countries broaden their market share because their possibilities to offer more various, high quality and more subsidized products are bigger. The tendency established shows that the cattle, pig and poultry breeding are incapable to satisfy the needs of the domestic market which is an indicator of considerably decreased competitiveness and market orientation of Bulgarian animal husbandry. The main reasons for this condition are the decreased animal productivity, the low labor productivity, the old necessary equipment, the poor mechanization and innovation, the insufficient breeding activities and the sanitary veterinary control.

Reaching the competitive prices of animal products is in direct connection with the humane attitude to animals. The fact that production methods, which could have unfavorable influence on the animal welfare and health may be used to lower the prices, is significant and important from moral point of view. The interrelation between the care for animals and the production results is complex and contradictory because the care itself is complex. The improvement of the conditions for animal breeding – for example enlarging the area for their raising – increases the animal husbandmen's expenses. The bigger expenses can be covered by higher income by means of price premia for products from animals, raised in better conditions (Fisher and Bowles, 2002).

The improvements in animal breeding and their welfare enhancement can be achieved by a small raising of the price, paid by the consumers (McInerney, 1998). But they continue expecting and looking for low prices. As a result of this each raising of the production expenses will reflect on the producers and they will suffer losses or lower profit, at least in a short term plan. These short

term effects can be prevented by granting subsidies.

4. CONCLUSIONS

As a result of the research done the following opportunities for enhancing the Bulgarian animal husbandry competitiveness and the animal welfare can be indicated:

- Maximum grant assimilation within the frame of the EU Common agricultural policy;
- Effective spending of budget means;
- Offering free consultancy services to farmers;
- Purposeful support to the milk sector both with regard to the current production expenses and the investments;
- Support to the animal husbandry in the mountain and semi-mountain areas by means of the grants on the basis of the meadows and pastures used as well as through investments for the construction of small manufacturing units;
- Farm modernization by means of improvement of their necessary equipment, mechanization enhancement and innovation activities;
- Renovation of original Bulgarian breeds, technologies and products which reflect to the greatest extent specific natural conditions in different regions of our country;
- Organization of a broader information campaign about farmers' opportunities to take advantage of the European structural funds for the realization of investments which will increase the production efficiency and the animal welfare.

A big part of animal farms are not acquainted quite well the Common agricultural policy mechanisms for the support of the agricultural farms. The improvement of the information environment, the training of husbandmen and the advice for them will be of essential importance for the enhancement of their access to social support and, along with that, for the improvement of their adaptation abilities, the competitiveness and the humane attitude to animals.

REFERENCES

- Koteva N., Competitiveness of agricultural farms on the accession of Bulgaria to the EU, *Economics and management of agriculture journal*, **51**, Issue 5, S., p. 31 (2006).
- Popov R., B. Ivanov, Effect from the application of the EU Common agricultural policy on the agriculture and rural areas, *Economics and management of agriculture journal*, **54**, Issue 3, S., p. 99.102, 104 (2009).
- Slavova Y. et al., Competitiveness of the agrarian products on the domestic and international markets, *IAI*, S., p. 26–32 (2006).
- Stoyanov N., The agriculture in the period of European integration, *NCAC, IAE*, S., p. 4, 57–60 (2008).
- Agrarian report (2005 – 2007).
- Statistical handbook*, 2008 NSI, S.
- European Commission, *European Economy: Annual economic report* (1993).
- Fisher C., D. Bowles, *Hard-Boiled Reality: Animal Welfare-Friendly Egg Production in a Global Market*. Royal Society for the Protection of Animals, Horsham, U.K. (2002).
- McInerney J. P., The economics of welfare. Pages 115–132 in: *Ethics, Welfare, Law and Market Forces: The veterinary Interface*, A. R. Michele and R. Ewbank, ed. Univ. Fed. for Anim. Welfare, Wheathampstead, U.K. (1998).