

AGRICULTURAL LAND PRICES AND RENTS IN AGRICULTURE IN THE REPUBLIC OF BULGARIA IN 2022

In 2022, the average price of transactions with arable land in Bulgaria reaches 1 428, which was 21.6% higher than in 2021.

In 2022, the average price for rent/lease of one decare of arable land reached BGN 63, which was 21.2% higher than in 2021.

Compared to the previous year, there was an increase in the price of arable land transactions and in the price paid for rent/lease of one decare in all six statistical regions of the country.

Price of the agricultural land transactions in the Republic of Bulgaria in 2022

The average price of transactions with arable land in Bulgaria reaches in 2022 BGN 1 428, which was 21.6% higher than in 2021. The average price of transactions with permanent grassland (meadows and pastures) in 2022 reached BGN 369 and increased compared to the previous year by 15.0% (Table 1).

1. Average prices of agricultural land transactions by land use categories in the period 2015 - 2022

Land use categories	(BGN/dca)							
	2015	2016	2017	2018	2019	2020	2021	2022
Arable land	761	770	870	980	1053	1033	1174	1428
Orchards	480	534	#	#	#	#	#	#
Vineyards	339	370	#	#	#	#	#	#
Permanent grassland	227	271	262	218	300	264	321	369

- break in time series.

In 2022 the highest price of arable land transaction was in Severoiztochen region - BGN 2 043 per one decare, which was 32.1% higher compared to the previous year. In 2022 compared to the previous year there was an increase in the price of arable land transactions in all six statistical regions (Table 2). In Severozapaden region the price reached BGN 1 525 per one decare (by 18.8%), in Severen tsentralen region - BGN 1 575 per one decare (by 23.5%), in Yugoiztochen region - BGN 1 096 per one decare (by 17.0%), in Yuzhen tsentralen region - BGN 643 per one decare (by 3.0%), and in Yugozapaden region - BGN 705 per one decare (by 0.7%).

2. Average prices of arable land transactions by statistical regions in the period 2015 - 2022

Statistical regions	(BGN/dca)							
	2015	2016	2017	2018	2019	2020	2021	2022
Total	761	770	870	980	1053	1033	1174	1428
Severozapaden	718	753	920	884	967	987	1284	1525
Severen tsentralen	832	908	789	1098	1138	1146	1275	1575
Severoiztochen	1057	1175	1401	1357	1462	1467	1546	2043
Yugoiztochen	653	721	804	809	861	887	937	1096
Yugozapaden	357	228	303	199	818	352	624	643
Yuzhen tsentralen	445	426	539	681	706	637	700	705

Prices of rent for arable land in the Republic of Bulgaria in 2022

The average price for rent/lease of one decare of arable land reached in 2022 BGN 63, which was 21.2% higher than in 2021. The average price for rent/lease of one decare of permanent grassland was BGN 26 and is the same as in the previous year (Table 3).

3. Average rent prices of agricultural land by land use categories in the period 2015 - 2022

Land use categories	(BGN/dca)							
	2015	2016	2017	2018	2019	2020	2021	2022
Arable land	44	44	47	50	49	44	52	63
Orchard	32	41	#	#	#	#	#	#
Vineyards	36	31	#	#	#	#	#	#
Permanent grassland	18	15	16	16	23	21	26	26

'#' - break in time series.

In 2022, the highest price paid for rent/lease of one decare of arable land was in Severoiztochen region - BGN 93, which was 16.3% higher compared to the previous year. In 2022 compared to the previous year there was an increase in the price paid for rent/lease of one decare in all six statistical regions, respectively, in Yugoiztochen region - by 30.0%, in Severozapaden region and in Yugoiztochen region - by 16.7%, in Severen tsentralen region - by 17.2%, and in Yuzhen tsentralen region - by 33.3%, (Table 4).



**4. Average rent prices of arable land by statistical regions
in the period 2015 - 2022**

(BGN/dca)

Statistical regions	2015	2016	2017	2018	2019	2020	2021	2022
Total	44	44	47	50	49	44	52	63
Severozapaden	41	42	45	48	50	49	54	63
Severen tsentralen	53	54	57	59	60	58	64	75
Severoiztochen	64	65	68	70	69	53	80	93
Yugoiztochen	31	32	34	35	37	35	40	52
Yugozapaden	21	23	28	30	30	30	30	35
Yuzhen tsentralen	28	27	31	32	32	31	33	44



Methodological notes

The Survey on 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 in Bulgaria.

Respondents. The respondents were selected amongst three group of entities: agricultural holdings, societies dealing with agricultural land operations and real estate agencies. Three data sources for this 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. By reason of using threshold, it was possible any administrative units (districts) in which the respondents did not meet the requirements of the defined threshold, to be excluded from the scope of the survey. Normally these were districts in which the number of land transactions and hiring of agricultural land were limited. Because of this, data for them often were classified as confidential and according to the requirements of the Law on Statistics they should not be disseminated.

Referent period. According to the Common Methodology of Eurostat, the referent period was a calendar year. As usual, the contracts for rent/lease of agricultural land were signed for a crop year. In compliance with the Methodology into the scope of the survey were included all contracts in force during the calendar year, regardless of the crop year to which 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 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 decare agricultural land.

Price of agricultural land transactions. According to the Common Methodology of Eurostat collected information referred to the land transaction and rent/lease of agricultural land, which was used only for agricultural production, i.e. its further use will not be 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 decare. The price did not include amounts paid for the rights to use, the monetary compensations, received by the landowner for the sale or acquisition of land, the value of buildings on the land, paid inheritance and received subsidies (if there were).

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



Price of rents for hired/leased agricultural land. The value of rent/lease of agricultural land was the value paid to the landowner per one decare as a return for supplying its assets to the land user. The value included also all payments in kind evaluated at the prices of the current year and as well as the taxes and leaves paid. The value did not include amounts paid for the rights to use, the 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 level (LAU2) the average price of land transactions/rented areas for the respective land use category was calculated as average arithmetical mean from the prices, reported by the respondents. At NUTS3 level (district), NUTS2 level (statistical region), NUTS1 level (statistical zone) and NUTS0 (national level) the average price for the respective land use category was calculated as average weighted value. For the land transactions the area of arable land and permanent grassland were used, while for the rent prices the hired/leased land was used. The size of areas (weights) is regularly updated once the data from the last Farm Structure Survey² were released.

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 agricultural land prices and rents in Bulgaria was published on the NSI website: www.nsi.bg/en/content/11615/agricultural-land-market-and-rent.

² Farm structure surveys in Bulgaria are conducted by the Ministry of Agriculture and Food. In the years ending in 0, exhaustive surveys (Censuses) are conducted, and sample surveys in the years ending in 3 and 6 (between the two censuses).