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Abstract. *The market of organic products in Bulgaria enlarged significantly in the last few years. Although the share of organic food products in general food market in the country is relatively small-less than 5 %, the total area under organic products in Bulgaria/cultivated and wild collected/ is more than 250 thousand ha. The development of organic production is considered for one of the priority for development of the agricultural sector and food market.*

One of the factors considered to an obstacle for development of organic farming are the problems in the supply chain of organic products. The paper will provide a comprehensive overview of current status and prospects for development of organic food chain. It will be based on a research utilized the primary data collected through survey, based on in-dept interviews with a sample of stakeholders involved in organic food supply chain.

The paper will covers the issues of current level of organic food supply chain, it will identifies problems in the supply chain, influence of supply chain on safety and quality of organic products. Particular emphasis will be given to outline the different dimension of factors for successful marketing of organic products and measures for creating of efficient supply chain of organic products in Bulgaria.

Interesting conclusion can be drawn for the general food supply chain from the analyzing the expert opinions for the proper outlets for sales of organic products.

Keywords: supply chain, organic products, food market.

1. Production and markets of organic products in Bulgaria

Production of organic products in Bulgaria is still very small sector in country's agriculture, although it slightly increased in the last years. In fact only 0.003% of cultivated areas are under organic production (corresponding to 0,22 % of the UAA). According to Agrienvironment Department in MAF, in 2003 the organic farming methods were applied to 8 364 ha and in 2007 the area with organic product production reached 9 377 ha from which 6 500 ha are certified and nearly 3 000 ha are in conversion. The certified areas for collection of wild berries, herbs and mushrooms are 242 700 ha. There are 12 green houses for organic production of fruits and vegetables with 206 440 square meters that corresponds to 20,64 ha certified agricultural area. Altogether 77 holdings produce organic plant production (56 are already certified and the rest 21 were in conversion. One of the organic holding is mixed – for plant and animal production. Currently four farms produce organic propagation material and seeds.

Organic livestock farms breed in total more than 3 000 animals - cattle, sheep and goats (722 in 2003). One of these holdings is mixed and in conversion period. It breeds 294 sheep. In 2004 the number of certified apiaries was 258 with 23 508 bee families kept in compliance with organic production requirements. Another 11 apiaries with 375 bee families were in conversion period.

Organic farming processing in Bulgaria currently (2007) includes:

- ✓ Drying of herbs, spices, seeds
- ✓ Processing of organic products, including cultivated herbs and spices, packing of fruit, vegetable and mixed vegetable-fruit foods with low content of sugar
- ✓ Bee honey and honey products processing
- ✓ Processing of cultivated and wild herbs
- ✓ Oil and cosmetic production through processing of essential crops in the distillery
- ✓ Milk processing for production of yoghurt with 2% and 3,6% fats, sour milk with 1,5% fats and condensed cream with 15% and 37% fats
- ✓ Freezing and drying of fruits and vegetables
- ✓ Distillation of essential rose and lavender oils

Over 90% of the certified organic production in Bulgaria is exported, mainly to the West European countries (ethereal and herbal plants, vegetables, berries, honey). Bulgarian organic vegetables and herbs are sold and advertised sporadically on the local market (Biofest, vegetable market in Plovdiv - Agroecological Center and Ecofarm, etc). The country imported a few certified organic products. These include baby food "Hipp" and "Sunval" and coffee "Green Mountain Roaster".

The market of organic products is one of the most dynamic in the world. For Bulgaria it is still new, poorly developed and studied. At this stage of development, the market for organic food in the country is defined as "nascent" (Dzhabarova 2007).

Many reasons can be counted for the underdeveloped Bulgarian domestic market for organic products – relatively low disposable income of the population, highly specialized local organic production and processing which is nearly entirely targeted at foreign markets, etc. But obviously one of the main problem is not well structured supply chain of the organic products in Bulgaria.

National Plan for Development of Organic Farming in Bulgaria describes three prevailing marketing channels. The first one is through farmers' organizations – cooperatives or other legal entities. The union of several farmers allows them to gather sufficient supply quantities from their small-scale production units. The products marketed through this channel are dairy (milk, yoghurt and cream), herbs, spices, honey, jams, dried fruits and mushrooms. Such organizations rarely export directly. The only example for such an export at present is Bio Bulgaria that has managed to export organic mint and other herbs.

Second channel is used by individual producers, normally registered as juridical bodies, who are able to offer sufficient quantities from their own production for export. These are companies that deal with production, processing and export of organic products. The production of each company is certified from different European certifying organizations, most often from the importing country. The technical consultations in the production are also done from the importing company. Normally producers from this group do not advertise their organic activity in Bulgaria. All of them consider that it is still early for offering organic products at the Bulgarian market, due to the economic status of the consumers.

The third channel of marketing the Bulgarian organic products is through organizations that are buying produce from many agricultural producers and forming the necessary quantities in order to export them as a raw material or after processing. Usually most of these companies are specialized in wild berry or herb collection and processing/packing.

Whatever the type of supply chain is, according to National Plan for Development of Organic Farming in Bulgaria, their main weakness is the lack of a developed domestic market. The National plan classifies major problems in the supply chain as follows:

- low variety of organic farming products, due to export orientation of organic farming. At the same time there are insufficient number of processing enterprises for organic farming products. Tax preferences or other supporting measures for organic farming processors are missing
- lack of specialized distribution networks
- insufficient quantity of organic farming production that could not satisfy the demands of large retailers
- usually the processing of the organic farming products takes place outside the production area, even outside the country
- there is no demand for organic farming products caused by lack of promotional strategy on the domestic market. Some quite unprofessional and partial attempts for promotion of organic farming products were made. The national logo for indication of organic farming products is not in use and is not recognizable
- no requests for marketing research or analysis for organic farming products
- information for the size of national market of products is missing
- information and literature about organic farming is insufficient
- low level of information spread among the society on protection of the environment
- no experience in diversification of selling methods like futures deals with organic farming products

2. Metodology

To clarify the real status and the problems in the supply chain of the organic products in Bulgaria a in-depth interview analysis approach was performed in the framework of project VU- 946/31.03.05. The study was used to be identified possible solutions for structuring, management and performance of the supply chain for organic products as well as to clarify it's role for maintaining high quality and safety of organic food in Bulgaria. The interviews were done on a sample of participants and stakeholders in the process of the marketing of organic products. More than 30 people were approached and 24 of them are considered appropriate for the survey. They were divided into groups depending their position in the supply chain. The number of respondents in each group is presented in Table 1.

Table 1. Number of respondents in supply chain's groups

Participants/Stakeholders' category	Number
Producers and/or processors	10
Distributors and/or merchants	5
Experts from government institutions	4
Experts from non-government organizations and consultants	3
Certifying organisations and controlling agencies	2
Consumers	2

The allocation according their position in the supply chain for organic products is presented in Figure 1 (in percent).

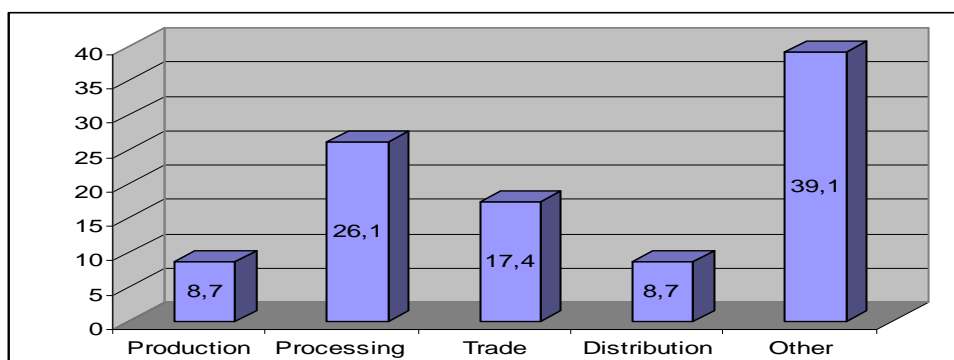


Figure. 1. Stakeholder' s allocation in the supply chain (%)

Activities of the majority of respondents (60.9%) are directly related to production, processing, distribution and marketing of organic products in Bulgaria. Another large group of the respondents - 39.1% is not directly involved in the processes from production to marketing of organic products, but they participate as experts /consultants/ in these processes – experts in certification bodies, in governmental institutions, etc.

3. Results from the survey

3.1.Current state of supply chain of organic products in Bulgaria

Interviewed experts are in the opinion that in the country does not exist specialized supply chains of organic products. They consider that these are still under construction. Concerning the actual situation, the participants in the survey describe the following supply chains:

"Simple" or direct chain: producer or marketing cooperatives and associations of producers offering organic products directly to consumers. Practice is the sale of such products at the farm, on holidays of organic agriculture, on food exhibition in the country and others.

"Complex" chain: producers or marketing cooperatives and associations provide their production for specializing shops for organic products or in supermarkets (chains "Family" and "Elemag" in Sofia and Plovdiv).

Exports: The producers/processors of the organic production directly exported it. They often export the production to large international company which have supported the production/processing in beginning of it's emergence.

Imports: Biological products (limited number - baby foods, coffee, etc..), which are imported in Bulgaria. Next follows the distribution to retailers, who sell the products to Bulgarian consumers.

3.2. Problems as described in the survey

Significant number of aforementioned problems were confirmed by the survey. The described by respondents problems can be classified into three groups. The first group concerns the **problems on production stage**. According to expert opinion, organic products are produced in small quantities and poor products range. Moreover there is a lack of delivery's regularity. These are some of the reasons for comparatively low availability of organic products in large retail chains in the country. As problems on

production stage were mentioned also lack of motivation among producers to increase organic production due to low level of awareness, low demand for organic products and inadequate government support for organic production. Experts see as a problem and the insufficient number of control (certification) bodies and accredited laboratories for analysis of organic food.

The problem of unavailability of the organic products in the country is confirmed in a consumers' survey (Dzhabarova 2007). The survey states that supply of organic products on the domestic market is insufficient. Much of the respondents (31 %) indicated that they will buy other kinds of organic products, if they are available on the market and if they have the necessary quality. Consumers listed as products missing on the market eggs, meat and meat products, dairy products, bread and pasta, fish and fishery products. This result indicates that organic products are not offered at the required level of distribution or they can not reach the majority of users. Over 1/3 of respondents (36.36%) indicated that they will buy from all types of organic food, if they are available on the market.

The second group of problems **occur on distribution and retail stages**. Experts opinion is that commercial organic products are not distinguished and organic produce is offered in the same place with the conventional products together, even with products containing genetically modified ingredients. In many cases this is result from the distributors', wholesalers' and retailers' lack of knowledge for organic produce. All they need additional information and training for the nature of biological production and diversity of products than conventional products. At the same time, they believe that the distribution of organic products in the country is not well developed. Retailers ordered a small quantity which means ineffective logistics and high costs. The same problem is faced by the importer.

The third group are problems **on consumer's level**. Bulgarian consumers are not familiar with organic products and therefore the demand on the market is weak. In this respect, they need more information and training. Similar results show other conducted studies. Dzhabarova (2007) argued that the initial information about organic products is derived mainly from relatives, friends, colleagues (32.86%). The dominant role of mass media and advertising is stressed by 28.57% of the respondents. Like in many countries with a nascent market of organic products, mass advertising and personal contacts in Bulgaria are the best means to disseminate initial information. Others studies (Kozhuharov et al., 2004; Vassileva, Ivanova, 2003) show that the available information is insufficient. More information on the origin (37%), the composition of products (37%), as their advantages and benefits (26 percent) is needed. Production and certification's rules, as well as the benefits of organic products need further clarification and promotion. Some consumers also stressed that they don't find organic products in the shops. They don't believe that there is a difference in quality and they don't have information about the nature of organic products or have doubts about whether the products truly are organic.

As a problem on this stage in the supply chain is defined food culture associated with the use of organic products in Bulgaria. Such a culture is not yet been developed and therefore the consumption of such foods is very small. The most important reason for consumers to buy organic products is associated with health and taste, while aspects of environmental and animal welfare are often secondary motives. All interviewed experts agreed that consumers associate organic products with a healthy lifestyle and nutrition. This indicator is very important (89.5% of respondents) for the implementation of organic foods, regardless of that according the requirements of European legislation is not correct to be stated that organic products are healthier than their conventional equivalents.

Another problem is relatively high prices of organic products. Studies conducted in the EU and Bulgaria, indicated the reasons why consumers do not purchase organic products. The most important reason is that they considered the prices too high. According to the results of the survey (Dzhabarova 2007), presenting the relationship between frequency of purchases and the level of income, the majority of purchases are made by consumers with high incomes. Still few consumers in the country have the financial ability to purchase these products. In countries with developed market for organic products, despite the trend towards a gradual reduction of prices of goods with a organic origin they still exceed the prices of the conventional products. The main reason why organic products are more expensive is that the market is distorted. In the case of conventional agriculture, farmers don't cover the costs of pollution by pesticides, water pollution and health, chemical and environmental damage associated with it. Costs are paid from whole society.

The survey analyzed the opinion of respondents regarding the dependence of the price of organic products and the type of supply chain. Much of the surveyed experts (68.5%) (Figure 2) stated that the relationship between price and supply chain is "very strong" or "strong". In their opinion, the reason is limited and

small quantities in locations, which are distant from major markets. In generally shared view, the difference between production and selling price varies in range between 50% and 100%. This dependence is even stronger for imported products. One of the respondents is in opinion that the price of organic products is high, because of small production volumes, poor range and no competition.

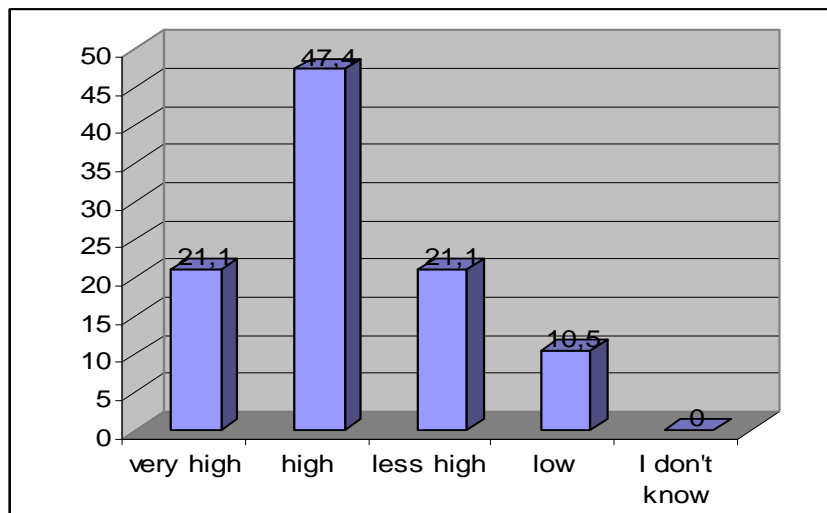


Figure 2. Degree of dependence between the price of organic products and supply chain in Bulgaria, %

Some of the respondents /21, 1 %/ considered that the supply chain does not influence significantly on the price. According 10.5 % of the respondents the relationship between price and supply chain is not strong. They considered that usually long supply chain is associated with high price and low consumption. At the same time some of them stated that the price can be high in a short supply chain due to the lack of distributors.

3.3. Supply chain and quality and safety of organic products in Bulgaria

Organic production is associated with high quality and safety. Respondents were asked how the supply chain could influence quality and safety of organic products in Bulgaria. They identified two major issues associated with the impact of supply chain on quality and safety of organic products in the country. On the first place it is the **responsibility of all interested parties along the chain** – all the participants along the supply chain of organic products have to follow the requirements for safety and quality in production, storage and sales of products. All of them are interested to be informed and to take measures complying with the high standards of safety and quality of the organic product. The second possible point of intersection between supply chain and quality and safety is the **danger of "cross-contamination with conventional products** – when organic products are handled by intermediaries along the supply chain, during the process of distribution, transport, storage and selling it could appear the so-called “cross-contamination” – contamination with conventional products. Organic standards include obligatory requirements for storage, transport and processing of organic products. Danger of replacement with conventional products is minimal by large retail chains that have their own programs to test the quality of products (particularly new suppliers). At the same time it is necessary to exercise strong control and to be ensured traceability along the chain - organic production supposes high level of traceability, which in turn ensure the safety of products. Control along the supply chain of organic food from production and processing to selling plays an important role in maintaining the quality and safety.

3.4. Ranking the outlets for sale of organic food in preferences of survey's respondents

Developed marketing channels for organic products is a crucial factor for the functioning of organic products' market. Most of the respondents believed that outlets as hypermarkets, supermarkets and specialized shops are very appropriate for the sales of organic food in the country. Respectively 50%, 52.2% and 50% of the respondents support this opinion (table 2).

Large chains of stores facilitate consumers through saving time of purchase because the goods are placed in one place. Future development of these shops is dictated by the dynamic way of life in the big cities. In this sense, a good option for sales is a specialized stand in the big shop. On the other hand, the supply of

organic products in hypermarkets is associated with regularity and consistency of delivery, large quantities and appropriate promotions. Supermarkets are appropriate option, because the consumer can obtain further information and advice from sales consultants of the organic product. Such kind of shops are suitable because continuous monitoring is carried out. Moreover they have good storage conditions and are interested in keeping the name and brand of the seller.

Table 2. Experts' opinion about the places for the sale of organic food, suitable for conditions in the country, %

Places for sale	Very appropriate	Appropriate	Less appropriate	It is'nt appropriate	I don't know
Hypermarkets (Billa, Metro)	50	36,4	9,1	4,5	0
Supermarkets (Familly, Fantastiko)	52,2	43,5	4,3	0	0
Specialist Shops	50	31,8	18,2	0	0
District shops	6,7	13,3	53,3	20	6,7
Municipal markets	9,1	31,8	13,6	40,9	4,5
E- trade	6,7	20	20	40	13,3
Direct sales	47,4	26,3	10,5	10,5	5,3

For the majority of experts - 53.3 % - district shops are not suitable for organic products. They don't ensure the proper presentation of such kind of food and organic products' differentiation from other products. Storage conditions are not always appropriate and control is reduced.

According to some experts, specialized shops are particularly suitable for the sales of organic products. These shops have their regular, well motivated and informed customers, who stick to the ideas of healthy nutrition. Another part of the respondents are of the opinion that the specialized shops for organic products, and stands in direct markets are not appropriate at this initial stage of market development.

Municipal markets are very common way of sales, especially for fresh fruit and vegetables. This way of offering the product poses a risk of anonymity and easy replacement of the manufacturer. From this viewpoint experts indicated them as inadequate (40.9 % of respondents) for the supply of organic products. They considered that this problem can be overcome by developing of specialized municipal market for organic products.

In the opinion of the respondents direct sales that are popular in some European countries would be appropriated (47.4%), but they have not yet found its place for the marketing of organic products in Bulgaria. From the viewpoint of the producers direct sales, specialized shops and municipal markets are suitable, but specialized only for organic products. Those outlets give the producers better opportunities to maintain the price of organically produced product. Such a system builds trust and strengthens the relationship "producer - customer", which is in full compliance with the basic ideas of organic farming.

There is also the opinion that organic products should be available in more places (everywhere), so the consumer sees them often and be able to buy them at any time.

Many respondents considered that at this moment, e-trade is not appropriate option (40%) for the sales of organic products. There is no such practice in Bulgaria, even for conventional foods. On the contrary the potential consumers of such products are inclined to use this method of purchase.

4.Improving the supply chain for organic products in Bulgaria

In the survey several questions were asked concerning opinions of the experts for improving the supply chain for the organic products in Bulgaria.

Measures suggested by the interviewees can be summarized as follows:

➤ **stronger horizontal and vertical integration (between producers, processors and traders).**

In their answers respondents offered three main options for integration. First possibility is association of all producers of organic products through contractual arrangements. Generally shared view of experts is that at the moment there are few producers of organic products and they are quite small-scale. Their associations would help them to ensure a more diverse range of organic products in large quantities and as a consequence would stimulate development of organic products' market. Such structures could stimulate

successful joint marketing, advertising and PR strategies, which for the individual producers is nearly impossible. Associating would help small producers to reach the main markets of the cities. The experts stated also that similar associations should defend producers' interests, will organize courses, will provide timely and updated information on prices, demand, etc.

The second possibility is association of producers on territorial principle – the expert's opinion is that association of producers in a region is appropriate considering that they grow crops that are similar because they are selected according to the climatic characteristics of the region. Producers have the same interests, they can use shared storage, packaging stages etc.

Association on branch principle is the third possible opportunity stated by the interviewees. In the view of two-thirds (Table 3) of the respondents grouping of producer on branch principle help them to finance their activities.

Contractual arrangements with processors can provide farmers a number of advantages. Companies might provide farmers with inputs, training, technical assistance and other services, and credit, as well as they might guarantee market for their produce. Some researchers argued that normally farmers, who make contract farming receive higher levels of income than those selling in the traditional way ("Value chain analysis – the changing patterns of agricultural market" www.fao.org).

Table 3. Experts' opinion about the producers groups along supply chain, %

Question	Yes	No	Do not know
Will the groups of organic product's producers on territorial principle develop the market for organic products?	70	25	5
Will the groups of organic product's producers on branch principle develop the market for organic products?	72.7	27.3	0

➤ import of organic products as a factor for the development of Bulgarian organic market

Interviewed experts have different opinions in import's influence on the Bulgarian organic products' market. Nearly 70 % of them considered that import supported the development of the organic products' market (Figure 3). Some of them expressed the opinion that imported organic products will have a higher prices. As a result, there is a danger consumers to associate organic product with high prices. Other respondents shared the view that imports of organic products won't affect the market for these products. Organic products are purchased by a limited numbers of high incomes consumers, regardless of their high price.

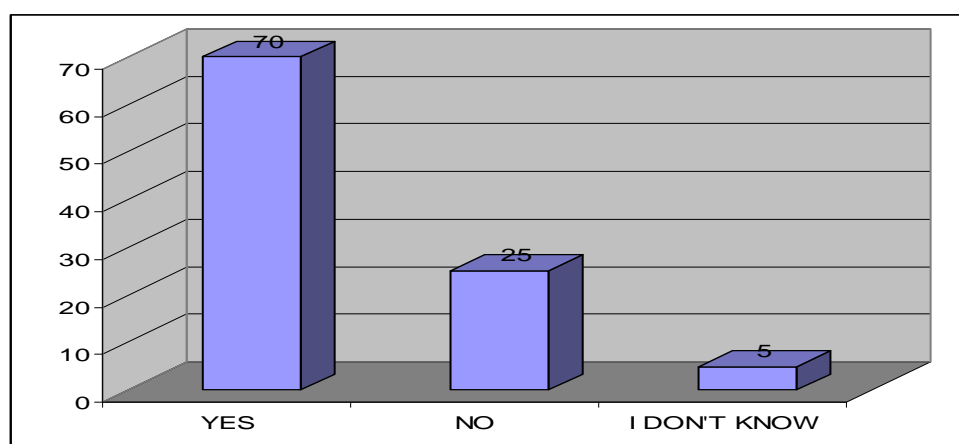


Figure 3. Do the imports have a influence to development of organic product's market?

Some of them expressed a view that import of organic products would have positive influence to the variety of organic products, which will satisfy the needs of consumers. Import helps the appearance of products that are missing on Bulgarian market. This would make much easier recognition of these products and would increase the interest of consumers. Imports would stimulate supplying associated with more additional information and education for consumers about organic products. This would assist and facilitate the recognition of organic products by consumers.

Positive impact of imports is seen also in the increased competition on the market. Imports will give a signal to the consumers that such a product exist and consumers awareness in turn will help the producers to understand that consumers are looking for high quality products and a diverse assortment.

On stage of distribution and retail experts suggested several measures that would stimulate development of organic production and marketing:

➤ **Stimulating consumption of organic products in public institutions - hospitals, schools, nursery schools, army**

The majority of experts (81%,) were in the opinion that the supply of organic products in the state and municipal institutions will support the development, not only of the supply chain but also the production of such products.

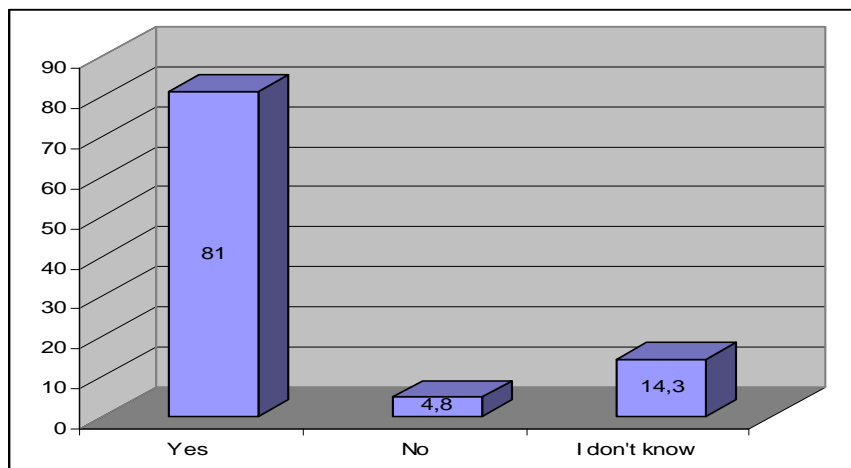


Figure 4. Do the requirements for organic product's supply in the public institutions, hospitals, Schools nursery schools develop the market of such product kinds?

Some respondents (4,8 %) noted that the introduction of such requirements would conflict with the principles of free competition. They expressed opinion that some of these institutions (hospitals, schools, nursery schools) have a limited budget and can not afford organic products.

➤ **Supply of organic products and foods in specialized tourism (rural tourism, ecotourism, etc.)**

Participants in the survey shared the view that it is very important and imperative to realize such kind of activities. This would increase the popularity of organic products and advertise them in their natural environment. In this connection is made a proposal for training through visits to farms, activities for tasting to establish the differences between organic and conventional foods, individual or special lessons in schools to educate the children in this area, etc .

On the consumer level respondents suggested the following measures that could improve efficiency of the supply chain for organic products in Bulgaria:

➤ **State control on prices of organic products to uniform the prices' margins in the chain.**

According to opinion of most experts, the price is still a dominating factor for the marketing of organic products on the Bulgarian market. View of the interviewed respondents is that it will provide a significant influence for purchase of organic products in the small cities where criterias as price and availability are of crucial importance. Experts considered that the development of effective supply chain for organic products in our country could be implemented with the assistance of the state, not only with information strategy, but also with legal and financial measures.

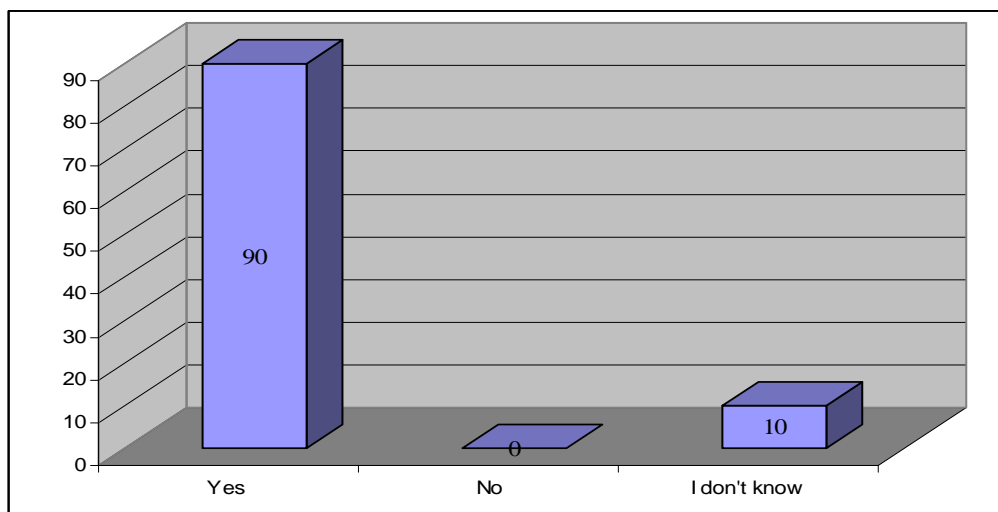


Figure 5. Expert's opinion for organic product's supply in tourism, %

➤ **increase the role of information and advertising campaigns in massmedias**

Such compaignes will increase the level of knowledge and awareness of potential consumers, which is a prerequisite for increasing market share of organic products.

➤ **regulate the use of signs and labels for organic products.**

According to participants in the survey, the successful marketing of organic products is related to the marking and advertising. The market for such products in the country is still underdeveloped and the good knowledge of labeling of organic products would stimulate sales.

Participants in the survey believed that it is necessary to adopt appropriate measures (statutory or voluntary) for maintaining the quality and safety of organic products along the supply chain. They considered that it is necessary to implement good agricultural practices, to be introduced HACCP (Hazard Analysis Critical Control Point) system, ISO 9000 and ISO 14000. Table 4 presented the expressed approval or disapproval of any of the suggested measures.

The adoption of good agricultural, distribution or marketing practices will lead to maintaining the quality and safety of organic products in the supply chain. An important emphasis is put on the training of all stakeholders along the chain connected with accumulation of knowledge about organic products and how to present them to consumers. Some experts drew attention to the fact that not only the adoption but also the strict compliance with the requirements of good practices will ensure the high quality of organic products.

Table 4. Will the adoption of the following measures along the supply chain lead to the maintenance of quality and safety of organic products?

Measure along the supply chain	Yes, %	No, %	Do not know, %
Adoption of good agricultural practices	95,2	4,8	0
Adoption of HACCP system	85,7	9,5	4,8
Implementation of quality management system ISO 9000	77,8	5,6	16,7
Implementation of environment management system ISO 14000	82,4	5,9	11,8

The principles of self-control, which is grounded in the European regulations of the so-called "hygiene package" on food safety and adopted in the Bulgarian legislation apply to primary organic agricultural products and foods. The requirements of the traceability model along the whole supply chain with food products applies to certified organic foods as well.

The adoption of the principles of HACCP in ensuring safety and quality of food products is mandatory in Bulgaria under the Foodstuff Act and applies for processed organic foods. The implementation of the HACCP system along the supply chain will definitely diminish the health risk for consumers of organic products.

The implementation of quality management systems, according to international standards of the ISO 9000 series will create a good organization in the particular production facility. On the other hand possession of a quality system certificate ISO 9000 does not mean that all the requirements for food safety have been fulfilled. The implementation of such systems of management will influence indirectly the quality and safety of organic products by achieving permanent level of quality. The quality management systems ISO 9000 are suitable for big enterprises in the food processing industry with big capacity. For the small producers with which we associate the organic sector in Bulgaria, the quality standards are less popular at the expense of mandatory measures for ensuring quality and safety as well as good production and hygienic practices.

Environmental preservation is directly related to organic farming. Organic production meets the requirements of environmental standards due to taking into account factors that, it does not use chemicals, fertilizers etc. Application of standards ISO 14 000 series is not necessary. It is enough to have met the statutory environmental requirements.

With regard to **places for the sales of organic food** which are suitable for conditions in the country, experts are in the opinion that the large chain stores should be involved in the supply of organic food. They believe that this is a measure that could raise the information for consumers about organic products in the country. Realizing of this measure requires prior training of traders. 95, 2% of respondents believe that it will develop the market for organic products.(Figure 6)

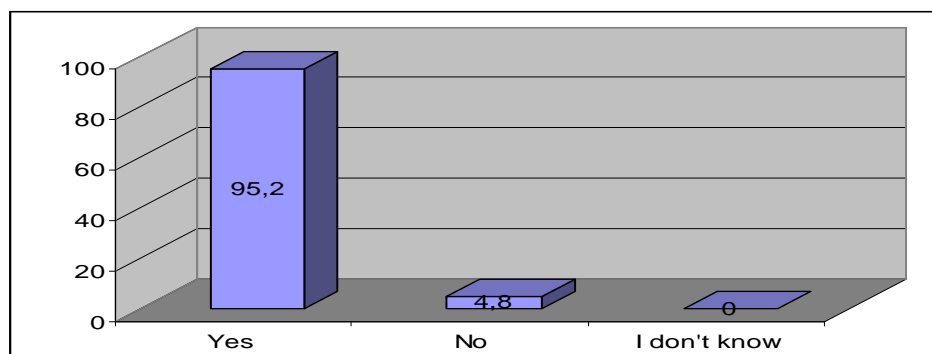


Figure 6. Do large chain stores, which can be involved in the supply of organic product develop the market of these products?

Another measure that could be undertaken with regard to **places for the sales of organic food** is stands on different market places to be offered on a preferential prices to producers of organic products. 90 % of the experts are in a view that this measure will develop the market for organic products in Bulgaria.

5. Conclusion

Market of organic products in Bulgaria is undeveloped. One of the reasons as well as a consequence of the nascent state of organic products' market is unstructured supply chain of the organic products. In-depth interviews with organic supply chain participants reveals the main shortcomings of the existing supply chains in the country and the most important measures stimulating improvement of the status of production, market and supply chain. Some of the measures suggested by the respondents are stronger horizontal and vertical integration, stimulating consumption in public institutions, increased information and promotion campaign, state support for producers of organic products.

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