

## Economic Perspectives for Agriculture and Forestry Owners in Bulgaria

**Authors :** Todor Nickolov Stoyanov

**Abstract :** These factors appear as a reason for difficulties in financing from programs for rural development of the European Union. Credit conditions for commercial banks are difficult to implement, and its interest rate is too high. One of the possibilities for short-term loans at preferential conditions for the small and medium-sized agricultural and forest owners is credit cooperative. After the changes, occurred in the country after 1990, the need to restore credit cooperatives raised. The purpose for the creation of credit cooperatives is to assist private agricultural and forest owners to take care for them, to assist in the expansion and strengthening of their farms, to increase the quality of life and to improve the local economy. It was found that: in Bulgaria there is a legal obstacle for credit cooperatives to expand their business in the deposit and lending sphere; private forest and agricultural owners need small loans to solve a small problem for a certain season; providing such loans is not attractive for banks, but it is extremely necessary for owners of small forests and lands; if a special law on credit cooperatives is adopted, as required by the Cooperatives Act, it will allow more local people to be members of such credit structures and receive the necessary loans. In conclusion, proposals to create conditions for the development of credit cooperatives in the country are made and positive results expected from the creation of credit cooperatives, are summarized.

**Keywords :** cooperatives, credit cooperatives, forestry, forest owners

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