

BULGARIA

Restructuring and
developing physical
potential and
promoting innovation

Location

Panagyurishte

Programming period

2007 – 2013

Axis / Priority

Axis 1 - Improving the competitiveness of the agricultural and forestry sector

Measure

M123 - Adding value to agricultural and forestry products

Funding (EUR)

Total budget 20 800
EAFRD 8 325
National/regional 2 081
Private 10 393

Project duration

2012 – 2013

Project promoter

Ina Ltd.

Contact

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Website

<http://www.ina-bulrose.com>

A small essential oils company used EAFRD funds to add organic rose oil to its product range by investing into distillery equipment.

Summary

Rose oil is a traditional and emblematic Bulgarian product that recently has been regaining popularity in the market. 'Ina Ltd.', a small essential oils company in the Panagyurishte region in Bulgaria, used EAFRD funds to add organic rose oil to its product range.

The company invested into distillery equipment through purchasing and installing cohobation (distillation of essential oil) equipment and building a specialised ramp for separating the conventional and the organic rose and lavender flowers and sending them to the corresponding distillation unit. The company could thus address the market demands for both, conventionally and organically produced rose oils.



Results

A total of 6 kg of organic rose oil were produced in 2014 and 9 kg in 2015.

Export turnover has risen from €13 300 in 2012 to €168 000 in 2014.

The project has contributed to almost doubling the company's personnel (seasonal employment) – from four jobs in 2012 and 2013 to seven in 2014.

Lessons & Recommendations

- ❑ Taking small steps in expanding and improving organic oil production has been the main reason this project has been a success. This includes continuous capacity building, annual investments preferably co-funded by European programmes, encouraging suppliers to convert to organic farming and looking for new opportunities in the organic product market.
- ❑ The successful project completion has led to raised interest in organic farming among other farmers in the Panagyurishte region. As of 2015, ten farmers have commenced the 3-year certification process for the organic production of lavender; five for organic production of roses with three farmers having already completed the certification process.

Context

Rose oil is a traditional and emblematic product of Bulgaria. With the expanding interest in natural and organic products, especially in the fields of cosmetics and pharmaceuticals, demand for organic rose oil been increasing.

The company Ina Ltd. was a conventional essential oils producer owning 6.84 hectares of roses and 21.8 hectares of lavender plantations in the region of Panagyurishte since 2000. The company has its own essential oils distillery with an annual capacity of 40 kg of rose oil and 4000 kg of lavender oil. In 2005, the company started organic certification for part of its lavender plantations and in 2009 it began to turn to certified organic production for parts of its rose gardens supported by EAFRD funding. In 2011 the distillery was certified for organic production of lavender oil.

Before the submission of the project the distillery did not have the equipment and technical capacity to produce organic rose oil. The lavender flower production was also insufficient to make full use of the distillery's capacity and to satisfy market demand. During the five year transition period from conventional to certified organic production the rose oil had to be sold as conventional oil, even though for part of that time it was certified as organic rose oil. Thus there was a need for an additional set of equipment to keep the organic and conventional oil production process separate as well as to expand the company's lavender plantations.

Objectives

The long-term goals of the company are to increase the distillery's capacity; maintain and improve the quality of the products: organic rose and lavender oil.

The project aimed to enable the organic rose oil production process to be separated from the conventional process (by the use of a separate set of equipment), which is expected to increase the sales revenue by 30% in 10 years.

Activities

The project was carried out in the period from 2012 to 2013 and allowed the company to buy and install the equipment (a second cohobating system and two water pumps) necessary for separating the organic rose oil

production from the conventional rose oil production, as well as for more effective use of the three existing distillation units.

A pump for thick solutions (rose marcs) has been bought and installed allowing the capacity for rose oil production to be expanded. The residues are later used as fertilisers for the company's own plantations.

A specialised ramp was built for separating the conventional and the organic rose and lavender flowers and sending them to the corresponding distillation unit.

In addition to the project the company itself organised training for their own personnel and for suppliers of the raw materials.

Main results

The project allows for more effective use of the three distillation units, as well as for the production of organic rose oil and organic rose water, which are very popular and sought after by the market. The ramp built as part of the project, allows for separate storage of conventional and organic rose and lavender flowers – a requirement for the organic certification of the distillery.

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Key lessons

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The successful project completion has led to raised interest in organic farming among other farmers in the Panagyurishte region. As of 2015, ten farmers commenced the 3-year certification process for the organic production of lavender; five for organic production of roses with three farmers having already completed the certification process.