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Reference Budgets: A Case of Bulgarian Food Basket

Abstract. Reference budgets are considered to be an instrument to build consensus in society about what is an adequate income. The predominant notion states that they should show the private minimum costs of adequate baskets of goods and services, so that after tax household incomes can be compared to the budgets to assess adequacy. The author presents the development of Bulgarian food basket for three clearly defined hypothetical households, namely a single person at active age, a single parent with two children and a couple with two children. All households are assumed to live in the capital city of Bulgaria. The context of the food basket is characterized by widely diverging eating patterns in Europe, a general lack of comparable data on food consumption and limited common guidelines regarding what constitutes a healthy diet. Secondary sources of information are used to develop a rough framework. Three focus groups are conducted in Sofia to create the food basket. The basket is priced based on price checks. As a result, a food basket (healthy and unhealthy) and kitchen equipment basket are developed for abovementioned three types of households.

Keywords: food basket, reference budgets, consumptions

Introduction

During the past three decades the European Commission and the European Parliament have emphasized the importance of adequate minimum income support for ensuring a decent life to all citizens (European Commission, 2008, 2013;

European Parliament, 2009, 2010; European Council, 2010). A variety of social indicators and other measurement instruments (e.g. EU-SILC)¹ are used to support social inclusion policies at European level. In order to support the efforts of European governments to design an efficient and adequate income support, different tools are applied across the EU Member States, such as reference budgets, minimum income standard (MIS), standard budgets, budget standards, and self-sufficiency standards. It should be taken into account that each tool requires a specific methodology for its development and implementation which undermines the comparability between them and hampers the development of common European policies in this field. The Minimum Income Standard is the income that people need in order to reach a minimum socially acceptable standard of living in the United Kingdom today,² based on what members of the public think. It is calculated by specifying baskets of goods and services required by different types of household in order to meet these needs and to participate in society. The most widely used term describing the incomes which are necessary to satisfy these needs is the “adequate incomes”. Shopping basket costs (budget) methods are traditional among some researchers, but if the contents of the adequate basket are to reflect the views of the public and not just experts dictating the budget, then they must be based on intensive small-scale discussion groups (sometimes known as focus groups) validly representing all sectors of the whole population and working with the experts in such matters as nutrition and health, until agreement is reached on what is just adequate for households of varying size and composition, before it is costed.³ The social science methods give reliable figures for what households of varying sizes and compositions need for adequate levels of living under normal long-term conditions, whatever the sources of their incomes (Warnaar, Luten, 2009).

¹ The EU statistics on income and living conditions (EU-SILC), [http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:EU_statistics_on_income_and_living_conditions_\(EU-SILC\)](http://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:EU_statistics_on_income_and_living_conditions_(EU-SILC)).

² The Minimum Income Standard for the UK can be found on the following link: <https://www.jrf.org.uk/report/minimum-income-standard-uk-2016> (19.11.2016).

³ <http://www.Staff.Ncl.Ac.Uk/J.Veit-Wilson/> John Veit-Wilson's Papers on Concepts, Definitions and Measures of Poverty, on Income Adequacy and on Minimum Income Standards. Publication data: Chapter 14 in Strelitz, Lister (2008), p. 125–132.

1. Reference budgets and baskets

Reference budgets⁴ are patterns of expenditure for different types of households to live at a designated level of well-being. They could be defined as baskets of goods and services considered necessary to reach an acceptable standard of living for an individual household within a given country, region or city. According to Bradshaw (1993, p. 1, in: Goedeme et al., 2015, p. 13), reference budgets⁵ are illustrative priced baskets of goods and services, that represent a certain living standard. Reference budgets could be used as an instrument to build consensus about what should be an adequate minimum income in society (Goedeme et al., 2015, p. 37). That is why they should reflect the latest state of knowledge about the amount of financial resources that people need at a minimum to adequately participate in society.

In most applications of the budgets a type of minimum standard of living is used. According to the MIS, a minimum is about more than survival alone. It covers needs (not wants) and necessities but not luxuries. In identifying things that everyone should be able to afford, it does not attempt to specify extra requirements for particular individuals and groups. So not everybody who has more than the minimum income can be guaranteed to achieve an acceptable living standard. However, someone falling below the minimum is unlikely to achieve such a standard. Other authors and institutions⁶ use terms such as “basic needs” or “modest but adequate needs” or “a decent standard of dwelling, food, clothing, security, information and communication”.

Public views of adequate incomes can be surveyed objectively in several ways. One is to ask the public directly about the household income levels at which they can just get by or make ends meet. Another, indirect, method is to survey what the population thinks are the goods, services and experiences that

⁴ The European Reference Budget Network is a project financed by the European Commission that aims to develop cross-country comparable reference budgets in all EU Member States. More information about the project as well as the complete country reports can be found on the website of the European Commission: <http://ec.europa.eu/social/main.jsp?catId=1092&int-PageId=2312&langId=en>.

⁵ According to the methodology used in this paper, the targeted living standard corresponds to the minimum financial resources required for adequate social participation.

⁶ <http://www.humanrights.is/en/human-rights-education-project/human-rights-concepts-ideas-and-fora/substantive-human-rights/the-right-to-an-adequate-standard-of-living> (27.08.2016).

nobody should be without, and then discover statistically the income levels at which on average people do not suffer an enforced lack of, say, three or more of the socially defined necessities (Warnaar, Luten, 2009). Such statistical methods can also be used to analyse the average levels of household income at which the population as a whole actually achieves national standards, for example of consumption of recommended nutrients, or of health or education. Shopping basket costs (budget) methods are traditional among some researchers, but if the contents of the adequate basket are to reflect the views of the public and not just of experts dictating the budget, then they must be based on intensive small-scale discussion groups (sometimes known as focus groups) validly representing all sectors of the whole population and working with the experts in such matters as nutrition and health, until agreement is reached on what is just adequate for households of varying size and composition, before it is costed.

The advantages of reference budgets are grounded in their transparency (because everybody can see the items and their prices), flexibility (reference budgets can be easily modified, i.e. items can be included and excluded as well as prices can be updated), and consensuality (reference budgets provide an opportunity for reaching a consensus among different stakeholders on some highly subjective issues). The critical element of the process of composition of reference budgets (RBs) is the classification of expenses (Table 1).

Table 1. Classification of expenses for the purposes of RBs

Group	Characteristics
Fixed expenditures	they tend to be arranged on a contractual basis, such as rent, a mortgage, subscriptions and so on; the payment of these expenses is often made according to fixed terms, whether annually or once a month etc.
Reservation expenditures	they are made on irregular time intervals; some of this spending is significant, such as on a car or new furniture; often, a household has to save for a long time to be able to buy these items; in one particular month or year these sums can be zero, whereas in another they may be hundreds or thousands of euros
Daily costs	daily costs include daily and weekly expenditure on matters such as food and personal care; they tend to be rather flexible

Source: Adapted by Warnaar and Luten (2009), pp. 28–29.

Composing baskets for RBs for a minimum income is a highly subjective task. The basic basket can be composed by:

- experts,

- consumers,
- experts and consumers (Table 2).

Table 2. Basic methods for baskets construction

Type of construction	Shortcomings	Suitability for debt advice
On empirical data (e.g. budget surveys)	tend to reflect “reality”, but often reveal deficits for households with a low income	not suitable especially where balanced budgets are needed
By budget experts	subjective by their nature	suitable if the process of their development is detailed and transparent

Source: own work.

Basic basket includes essential or “inevitable” expenses for households of a particular composition. It should guarantee a minimum level of well being for that type of household given the current social and economic conditions in the particular country. Augmented basket includes so called free or optional expenditure. Such expenditure is either cost-free or determined individually, meaning that it is difficult to establish a minimum amount. The advantage of the basic basket approach is that in most cases there is often an amount of money left to spend on either the items marked with an asterisk or on more expensive versions of the products in the basket.

Focus group methodology is widely used for composing the baskets (Figure 1).

In both the UK and Ireland, the stages whereby each phase of groups has to check the results of the previous phase involved different groups of people, with the exception of the final phase, where it is found to be useful to include people who have contributed at earlier stages and are therefore fully conversant with the approach and aims of the project. This is quite a time-consuming process because of the number of groups involved and the very detailed nature of the discussions. However, by including different people in 33 out of the 36 groups, a wider consensus could be achieved. In the Netherlands (Warnaar, Luten, 2009) all of the stages are completed by the same group. With this approach there were no changes of opinion over the course of the three phases.

Figure 1. Focus group methodology implemented by The Vincentian Partnership for Social Justice

Source: Adapted by the author based on the following sources: <http://www.justice.ie/en/JELR/The%20Vincentian%20Partnership%20for%20Social%20JusticeFINAL.pdf/Files/The%20Vincentian%20Partnership%20for%20Social%20JusticeFINAL.pdf>; ec.europa.eu/social/BlobServlet?docId=9255&langId=en; and <http://justicematters.ie/publications/minimum-essential-budget-1.html>.

If reference budgets are made using baskets, the items must be priced. There are different types of prices that can be used, such as: 1) fixed tariffs or prices in case of nationally or legally fixed prices; 2) weighted average prices in case of a few suppliers and a consequent narrow range of prices; and 3) micro data from the price index surveys combined with the first-quartile concept are used in case of a wide variety of prices and varying quality.

RBs are used for diverse purposes, the key of them being poverty measurement, budget information and debt counseling, credit scores, rent norms, purchasing power calculations, and political implications. While social inclusion and social protection policies usually have a strong focus on income, the realistic consideration of expenditure patterns, need and costs is often lacking. This is also true when it comes to the data available about this issue. The promotion of the development and utilization of reference budgets contributes to the tackling of over-indebtedness and financial and social exclusion on an individual (household) level. They are also a useful instrument with which on can provide advice about debts and debt prevention as well as information about budgeting. At the same time, they produce relevant data which could be used in social policy

development. The use of reference budgets can help to ensure that the real-life circumstances and needs of those who are experiencing poverty and reside in low income households are properly taken into account.

2. Methodology for food basket construction

Present research aims at reference budgets that correspond to the minimum financial resources needed to adequately participate in social and economic life in Bulgaria.⁷ Reference budgets can only be developed for a limited number of clearly defined hypothetical households (or so-called “model families”) to which households in real living situations can be compared (Goedeme et al., 2015, p. 38). Present research includes the following four types of households: single, couples without children, single with children, and couples with children). The main limitation is the geographical scope of the research which includes only the capital city (Sofia).

The field work started with a test group in town of Varna two weeks before the focus group interviews in Sofia.⁸ The organization and discussion scenario were followed as provided by (Goedeme et al., 2015, pp. 38–62). Seven participants took part in this preliminary discussion. Several modifications in the composition of the food basket and kitchen equipment have been made based on the results of the discussion. These modifications reflected some typical Bulgarian cultural habits and peculiarities. Three following focus group (FG) discussions have been conducted in Sofia:⁹ 1) FG1: 11 February 2015, from 5 p.m. to 7 p.m.; 2) FG2: 11 February 2015, from 7 p.m. to 9 p.m.; and 3) FG3: 12 February 2015, from 6 p.m. to 8 p.m.

The recruitment of focus group participants has been done by a specialized marketing research agency located in Sofia following the requirements of the script for orientation focus groups. The participants profile has been checked during the recruitment process. Every participant filled in the questionnaire for

⁷ This research was part of the Pilot project for the development of a common methodology on reference budgets in Europe, Contract no. VC/2013/0554, Brussels: European Commission.

⁸ According to the common methodology framework Goedeme et al. (2015), pp. 38–62 the focus group discussions should be held in the capital city.

⁹ Capital of Bulgaria.

recruitment. These questionnaires are filed in the project dossier. The consent forms were signed by the participants upon their arrival before the start of the focus group discussion. The FG discussions were videotaped and analyzed afterwards. The composition of each focus group and the main characteristics of the participants are summarized in Table 3.

Table 3. Focus group composition and number of participants by demographic characteristics

	Number of participants	Socio-economic Background			Family situation				Gender		Location
		high	medium	low	single	couple	single with children	couple with children	male	female	
FG1	10	2	5	3	2		5	3	4	6	Sofia
FG2	10	2	4	4	6		2	2	3	7	Sofia
FG3	10	3	4	3	2		3	5	3	7	Sofia
Total	30	7	13	10	10		10	10	10	20	

Source: own work.

Bulgarian Food Based Dietary Guidelines posed the main problem during the implementation of the methodology because the norms are presented as the minimum quantity of proteins, carbohydrates, vitamins, etc. that are needed by different age groups instead of certain products and their recommended quantities. That is why it was decided to use the Mediterranean diet guidelines as a background for the food basket construction (Figure 2) and the dietary guidelines for the Greek population since both countries have cultural and historical similarities, common diet and geographical location.

A list of products grouped in categories was developed based on experts' opinion, secondary sources of information, and the results from the preliminary FG interview. During the first focus group in Sofia participants were asked to provide their opinion about the necessity to include the particular item in the basket as well as to evaluate the importance of the item as a part of the basket.¹⁰ A sample of the collected data is provided in Table 4.

¹⁰ On a scale from 1 – Unimportant to 5 – Extremely important.

Figure 2. Mediterranean diet

Source: Dietary guidelines... (1999).

Table 4. “Fine-tuning” of food basket composition

Category	Products	To be included			Importance		Daily	Weekly
		no	yes	no, %	mean	median		
1	2	3	4	5	6	7	8	9
Water	Water	0	10	0	5.00	5.00	4.250 l	
	Herbal tea	3	7	30	2.67	3.00	0.500 l	
Alcaloid beverages	Coffee	1	9	10	3.00	3.00	0.400 l	
	Tea (black, green)	4	6	40	1.22	1.00	0.300 l	
Grain and grain products	Bread	1	9	10	4.11	5.00	0.250 kg	
	Flour	3	7	30	3.11	4.00		1.350 kg
	Rice	1	9	10	3.22	3.00		0.900 kg
	Spaghetti	3	7	30	2.00	3.00		0.750 kg

1	2	3	4	5	6	7	8	9
Legumen	Lentils	2	8	20	2.78	3.00		0.500 kg
	Beans	2	8	20	3.44	4.00		0.950 kg
Vegetables	Fresh salad	2	8	20	3.78	5.00		1.350 kg
	Fresh vegetables	0	10	0	4.67	5.00		1.950 kg
	Frozen vegetables	7	3	70	1.22	1.00		0.500 kg
	Canned vegetables	6	4	60	1.44	1.00		0.300 kg
Fruit and nuts	Fresh fruit	0	10	0	5.00	5.00		3.750 kg
	Canned fruit	5	5	50	1.11	1.00		0.300 kg
	Fruit puree	4	6	40	1.78	2.00		
	Packaged fruit juices	7	3	70	1.25	0.00		2.000 l
	Dried fruit	3	7	30	2.00	3.00		0.250 kg
	Raw nuts	1	9	10	3.11	4.00		0.300 kg

Source: own work.

Several modifications were done in the composition of both healthy and unhealthy food basket.¹¹ The same procedure was followed for the kitchen equipment. The basket was priced following the procedure developed by Goedeme et al. (2015, pp. 46–47).

3. The Bulgarian food basket

The Bulgarian food basket indicates the monthly budget needed for adequate food intake by three reference households¹² (consisting of children and people of working age, in good health, without disabilities and living in the capital city). The basket includes a budget for food and for the kitchen equipment needed to prepare, consume, serve and preserve this food. Furthermore, it takes into account the necessary budget for physical activity and for other functions of food (e.g. social, leisure). The food basket has been developed in accordance with nutritionist recommendations and national dietary guidelines and takes into account the cultural specificities of the Bulgarian eating habits. The feasibility and acceptability of the basket have been verified through focus group discussions involving citizens with different socio-economic backgrounds.

¹¹ Due to limited paper length, the composition of modified healthy and unhealthy food baskets are not provided here but are available from the author under request.

¹² A single person at active age, a single parent with two children and a couple with two children.

National specificities of Bulgarian food basket

The cost needed in Bulgaria for a healthy diet reaches a monthly amount of 169 euro for a single person and 635 for a family composed of two adults and two children. If one takes into consideration also the other functions of food (e.g. eating out, holidays, etc.), the total food budget respectively amounts to 196 and 690 euro.

Figure 3. The Bulgarian Food Budget, monthly amounts in euro,¹³ Sofia, March 2015

Source: own work.

The Bulgarian food basket takes the following nation-specific factors into account as a background:

- dietary habits

Researches on the dietary habits of the Bulgarian population during the last 15 years have shown that Bulgarians tend to consume too much fat, meat and dairy products and not enough fish, wholegrain bread and fruit and vegetables, especially during winter and spring. Obesity and overweight rates have increased significantly between 1997 and 2011. Salt intake over the recommended amounts and high alcohol consumption among some population groups are other negative trends revealed by the study of Bulgarian eating habits. An integrated national program has been launched by the Ministry of Health to tackle the challenges related to unhealthy nutrition.

¹³ 1 EUR = 1.95583 BGN (official exchange rate of the National Central Bank).

- national food guidelines

The exact composition of the healthy food basket has been developed in accordance with the national food guidelines. The Ministry of Health has elaborated a National Nutrition Action Plan and charged the National Centre of Public Health Protection to develop recommendations for a healthy way of eating. However, as the dietary guidelines present norms in terms of minimum intake of nutrients (vitamins, proteins, carbohydrates, etc.), it was difficult to translate the information into actual products and recommended quantities. Therefore, Greece and Bulgaria have cultural and historical similarities, the Mediterranean diet and the Greek food based dietary guidelines were used as a basis to determine the composition of the healthy food basket. They indicate recommended daily, weekly and monthly amounts of food products.

- the pricing of the basket

The pricing of the food basket was carried out in March 2015 in well accessible shops that offer food products of acceptable quality. Despite difficult living conditions for a large majority of Bulgarian households, there is a certain quality level below which Bulgarians do not consider as acceptable to buy. Three popular discounter retail chains were selected, as they are well-spread in the capital as well as across Bulgaria. The pricing of the kitchen equipment was performed in several of the most popular chains of stores for household appliances.

- physical activity

Besides the budget needed for a healthy diet, the food basket also includes a minimum budget for physical activity, as it is generally presented in the national guidelines for a healthy life style. However, in accordance with the Bulgarian Food Based dietary guidelines, only free activities, such as walking, working in the garden or hiking, are included the Bulgarian food basket.

- other functions of food

The food basket also integrates social, cultural and religious functions of food that have been identified as necessary for an adequate participation in Bulgarian society. Cooking traditional dishes for important holidays and celebrations (Christmas and Easter), eating out once in a while, inviting friends and family at home, etc. are seen as constitutive functions of food. Similarly, food is seen as a cultural signifier and as a way to preserve Bulgarian cultural identity.

Results from the focus group discussions

– social participation and social needs

The concepts of social role and social participation were difficult to understand for the participants, especially for those who were less educated. These concepts seemed quite vague and theoretical to them. “Work” was the first association of the FG participants according to their social roles. They perceived themselves predominantly as workers and employees. The prevalent association of participants with children was their role as parents. As a whole, participants felt frustrated because of the various roles which they perform during their everyday life. There was an expression that they feel stuck with responsibilities (like in a sandwich): taking care of their parents and their children without any spare time for themselves. Participants considered it the most important issue in their social roles to provide a safe and “healthy” environment for their children. Unfortunately, they shared the notion that the quality of social services in Bulgaria is quite low and that they, as parents, have to seize the social functions from the state and to pay additionally for private lessons, sport activities etc. as well as for the transport of their kids to school. Participants from single households (especially divorced male participants) with lower socio-economic background were focused mainly on their survival and it was quite difficult to stimulate them to think and to discuss on something else. As a whole, participants were so very focused on their work, obligations and duties that it was almost impossible to turn the topic of the discussion into the direction of changing social roles under different assumptions for changed status. Single participants who were young, educated and who enjoyed their work, reacted differently – actively and quite more positively.

– human needs and satisfiers

During the brainstorm session several activities and broad categories of goods and services were mentioned, such as: spare time; time for holidays, travel and trips; time to relax in order to cope with the stress and tension; free transport to schools; free textbooks and supplementary materials, healthy food for the kids in school; safe environment; after-class activities; quality education. These activities and broad categories of goods and services could be classified into three groups. The first group includes person-related activities, such as spare time, time to relax, time to travel. Time could be pointed out to be the key factor for these activities to happen. The second group includes family-related activities

that are pretty much the same as for the first group but time is devoted to the whole family and shared with the family members. Spending time together could be said to be the key point here. The third group consists of children-related activities and broad categories of goods and services aimed at children. Participants were concerned with the issues such as children safety, quality of education and quality of social services as a whole. The predominant notion was that these services should be provided by the state/municipality for free and at good quality level.

The predominant notion among participants was that people can deal with their personal needs and the needs of their households but they feel as an additional burden the necessity to perform some social activities that are an obligation of social institutions. A statement was made that in Bulgaria there is a lack of socially responsible institutions and socially responsible persons within those institutions. Providing quality education to children until they reach 18 years of age was considered especially important. Another critical issue raised by respondents was children's safety. Participants suggested that state or municipality should provide decent social services to children, such as after-class activities (sport, art, etc.).

– the healthy food basket

There was a general acceptability of the food basket and a general agreement toward the content of the healthy food basket. A disagreement between participants toward milk and dairy products as healthy products for adults was observed. Spirits provoked another disagreement. Approximately 2/3 of the participants suggested that spirits should be included in the basket (small quantities of them), because they are part of Bulgarian national identity. Bread was also an arguable issue. There was a suggestion that bread should be included in the healthy basket only if it is of a high quality, e.g. if it is prepared at home. Few participants insisted that bread should be excluded from the healthy basket.

Participants associate food not only with good health but also see it as a part of their social life, e.g. meeting friends and relatives, enjoying spare time with friends and children. It was mentioned that visiting restaurants to dine together with friends and family members is not the only opportunity to socialize. Visiting each other for special occasions is perceived as a part of social life. Gastronomic meaning of food was considered essential but only for the typical Bulgarian food. Relation between food and cultural identity was considered important as well. An acceptable minimum according to the participants is one traditional meal per

day, even a traditional salad. The religious meaning of food was associated by participants only with Christmas and Easter holidays.

Despite participants saying that they mostly prepare their food at home, the acceptability of assumption that people cook daily at home and always healthy was considered to be fault. Participants commented that it is not possible. There was a general agreement that people are doing their best to cook at home, usually a balanced meal with a lot of fruit and vegetables and less meat. Households with children are trying to minimize the consumption of ready-made food. Participants from single households said that they prefer to buy ready-made food from food counters.

– purchasing patterns

According to the recently published report by A.T. Kearney (2012, p. 11) about consumer wealth and spending, Bulgaria falls into the so called “The Escalating Consumer” income group. Research results show that spending patterns are stable in these markets. The consumption pattern indicates that consumers focus less on the basics, with fairly balanced spending on personal care, entertainment, and leisure items. A spike in telecom spending is observed, while healthcare spending is low because many countries in this group have nationalized services.

Two spending patterns comprise “the Escalating Consumer” income group, namely “Emerging wealthy” and “New rich”. The “emerging wealthy” primarily includes developing Eastern European countries. They were previously “getting by on state services”, but now they are earning higher salaries and thus have more discretionary money to spend. The nations in this pattern are: Argentina, Bosnia-Herzegovina, Bulgaria, Croatia, Estonia, Guatemala, Hungary, Iran, Latvia, Lithuania, Macedonia, Mexico, Poland, Romania, Serbia, Slovakia, Turkey, and Uruguay. “New rich” includes consumers in Russia and Turkmenistan who have proven unafraid to spend on luxuries: cars, stereos, vacation packages, personal-care items, jewelry, and state-of-the-art phones. They spend very little on magazines, newspapers, hotels, financial services, or healthcare.

The Euromonitor report, “The Consumer Lifestyles in Bulgaria” for 2014, pointed out that with their disposable income consistently shrinking, many Bulgarian households have entered into “survival mode”, concentrating their discretionary spending on obtaining basic goods and postponing expenditure on larger items and household durables. Spending on the main weekly shop has become increasingly price-sensitive, boosting demand for discounts and special offers,

giving precedence to more “responsive” retailers. In a tough employment market, consumers have been less willing to enter into long-term lending schemes to obtain a new home, a car or to carry out the long delayed furniture overhaul. Households that are able to save have continued putting money away in their savings accounts, generating considerable pent-up demand. On the other hand, many have exhausted their savings, with a growing number of households falling into a spiral of debt, increasingly unable to meet their borrowing obligations.

Participants agreed that the information which was provided above is realistic for all people living in the circumstances like the reference family.

– choice of shops

The most commonly frequented types of retail stores in Bulgaria in 2014 are hypermarkets (“big box” retailers)¹⁴ followed by supermarkets. Basically there was an agreement on secondary data which were provided for discussion. The predominant notion was that the choice of store depends on location. It was mentioned that in Sofia it is difficult to purchase in hypermarkets if you do not have a car. Kaufland, Lidl, Tmarket, Fantastico, Billa, Piccadilly, Carrefour, and CBA were mentioned as the most frequently visited shops. Some participants commented that they do not like big stores because the quality (especially freshness) of products might vary. Thus they prefer local and/or specialized shops, especially when a smaller quantities of food were needed.

Bulgarian food basket

Based on the results from focus group interviews the food amounts in the basket were calculated (Table 5).

Total food budget (Table 6) was obtained by multiplying the food amounts by the prices collected through precise pricing procedure. A special coefficient was used for the kitchen equipment depending on the average life span of the products.

¹⁴ Based on research provided by Statista Research Agency (<http://www.statista.com/statistics/374373/recent-retail-purchase-locations-bulgaria>).

Table 5. Sample of Bulgarian food basket, food amounts

Item	Number of portions per week	unit	WOMAN Portion amount	MAN portion amount	BOY 10y-old Portion amount	GIRL 14y-old Portion amount	WOMAN net quantity per day	MAN net quantity per day	BOY 10y-old net quantity per day	GIRL 14y-old net quantity per day
Liquids										
Tap water	7.00	ml	1,050	1,050	1,050	1,050	1,047.12	1,047.12	1,047.12	1,047.12
Wine	3.00	ml	100	200	0	0	42.74	85.48	0	0
Beer	3.00	ml	200	500	0	0	85.48	213.70	0	0
Coffee	7.00	g	6.00	6.00	0	0	5.98	5.98	0	0
Tea	5.00	g	2.50	2.50	0	0	1.78	1.78	0	0
Light soft drinks	2.00	ml	250	250	200	200	71.23	71.23	56.99	56.99
Spirits (whiskey, rakia)	3.00	ml	50	100	0	0	21.37	42.74	0	0
Herbal tea	3.00	g	2.50	2.50	2.50	2.50	1.07	1.07	1.07	1.07
Liquid total							1,276.78	1,469.11	1,105.18	1,105.18
Bread, grains, legumes and potatoes										
Bread, wholegrain(main dish meal)	2.00	g	60.00	80.00	60.00	60.00	17.10	22.79	17.10	17.10
Bread, wholegrain(day: breakfast, snack, side dish)	7.00	g	40.00	60.00	60.00	60.00	39.89	59.84	59.84	59.84
Bread white	2.00	g	0.00	60.00	60.00	60.00	0.00	17.10	17.10	17.10
Toast/English bread	7.00	g	40.00	60.00	60.00	60.00	39.89	59.84	59.84	59.84
Breakfast cereals, not sweetened	7.00	g	0	0	30.00	30.00	0	0	29.92	29.92
Potatoes	3.00	g	150.00	200.00	200.00	200.00	64.11	85.48	85.48	85.48
Rice	3.00	g	60.00	80.00	80.00	80.00	25.64	34.19	34.19	34.19
Pasta	3.00	g	60.00	80.00	80.00	80.00	25.64	34.19	34.19	34.19
Legumes	3.00	g	60.00	80.00	60.00	60.00	25.64	34.19	25.64	25.64
Flour	0.00	g	60.00	60.00	60.00	60.00	0	0	0	0
Total Bread, grains, legumes and potatoes							237.92	347.62	363.29	363.29

Continuation of Table 5

Item	WOMAN total quantity per day	MAN total quantity per day	BOY 10y-old total quantity per day	GIRL 14y-old total quantity per day	WOMAN total quantity per day	MAN total quantity per day	COUPLE total quantity per day	SINGLE WOMAN + 2 CHILDREN (boy 10y-old & girl 14y-old)	SINGLE MAN + 2 CHILDREN (boy 10y-old & girl 14y-old)	COUPLE + 2 CHILDREN (boy 10y-old & girl 14y-old)
Liquids										
Tap water	1,047.12	1,047.12	1,047.12	1,047.12	1,047.12	1,047.12	2,094.25	3,141.37	3,141.37	4,188.49
Wine	42.74	85.48	0	0	42.74	85.48	128.22	42.74	85.48	128.22
Beer	85.48	213.70	0	0	85.48	213.70	299.18	85.48	213.70	299.18
Coffee	5.98	5.98	0	0	5.98	5.98	11.97	5.98	5.98	11.97
Tea	1.78	1.78	0	0	1.78	1.78	3.56	1.78	1.78	3.56
Light soft drinks	71.23	71.23	56.99	56.99	71.23	71.23	142.47	185.21	185.21	256.44
Spirits (whiskey, rakia)	21.37	0	0	0	0	0	0	0	0	0
Herbal tea	1.07	1.07	1.07	1.07	1.07	1.07	2.14	3.21	3.21	4.27
Liquid total	1,276.78	1,426.37	1,105.18	1,105.18	1,276.78	1,426.37	2,703.15	3,487.13	3,636.72	4,913.50
Bread, grains, legumes and potatoes										
Bread, wholegrain (main dish meal)	17.10	22.79	17.10	17.10	17.10	22.79	39.89	51.29	56.99	74.08
Bread, wholegrain (day: breakfast, snack, side dish)	39.89	59.84	59.84	59.84	39.89	59.84	99.73	159.56	179.51	219.40
Bread white	0.00	17.10	17.10	17.10	0	17.10	17.10	34.19	51.29	51.29
Toast/English bread	39.89	59.84	59.84	59.84	39.89	59.84	99.73	159.56	179.51	219.40
Breakfast cereals, not sweetened	0	0	29.92	29.92	0	0	0	59.84	59.84	59.84
Potatoes	71.23	94.98	94.98	94.98	71.23	94.98	166.21	261.19	284.93	356.16
Rice	25.64	34.19	34.19	34.19	25.64	34.19	59.84	94.03	102.58	128.22
Pasta	25.64	34.19	34.19	34.19	25.64	34.19	59.84	94.03	102.58	128.22
Legumes	25.64	34.19	25.64	25.64	25.64	34.19	59.84	76.93	85.48	111.12
Flour	0	0	0	0	0	0	0	0	0	0
Total Bread, grains, legumes and potatoes	245.04	357.11	372.79	372.79	245.04	357.11	602.16	990.61	1,102.68	1,347.73

Source: own work.

Table 6. Bulgarian total food budget, per month (in euro)

	Woman	Man	Couple	Single woman + 2 children	Single man + 2 children	Couple + 2 children
Healthy food basket						
Liquids	6.40	10.59	16.99	8.49	12.68	19.08
Grain	5.76	8.39	14.16	24.25	26.87	32.64
Vegetables	10.74	14.33	25.07	39.40	42.98	53.72
Fruit	14.99	20.41	35.40	49.03	54.45	69.44
Diary	26.33	32.69	59.02	77.54	83.91	110.23
Meat, fish & eggs	44.09	54.60	98.69	145.37	155.87	199.97
Fatt	13.22	14.10	27.32	39.35	40.23	53.45
Rest	14.84	14.84	29.68	55.52	55.52	70.36
Total healthy food	136.38	169.95	306.34	438.94	472.51	608.89
Kitchen equipment	15.45	15.45	18.22	19.57	19.57	25.77
Total healthy food basket	151.83	185.40	324.55	458.51	492.08	634.66
Other functions of food						
Invite people at home	15.34	15.34	15.36	15.47	15.47	15.49
Extra budget for take away per month	0.70	0.43	1.13	1.77	1.49	2.20
Extra budget for eating out per month	3.09	2.82	5.91	7.76	7.49	10.58
Extra budget holiday and day trips	0.68	0.74	0.99	2.27	2.33	3.34
Extra budget celebrations	1.49	1.86	4.20	7.22	7.77	11.68
Cultural function of food	4.04	8.08	12.12	4.04	8.08	12.12
Total budget other functions of food	25.35	29.27	39.71	38.52	42.62	55.40
Total food budget	177.18	214.67	364.27	497.03	534.70	690.07

Source: own work.

Conclusion

The importance of social inclusion policies and adequate income support will continue to affect the economic well-being of the nations and individual citizens. Broadly defined as “baskets of goods and services that represent a given living standard”, reference budgets are widespread in Europe and are becoming more popular since they serve many purposes. There is a variety of methods that can be applied to construct reference budgets but a comparative methodology is needed at European level to support European social policies. Despite the successful implementation of reference budgets in the UK, Ireland, the Netherlands, Sweden, and other (mainly in northern Europe) countries one widely recognized and accepted, methodology in this field is still missing despite the efforts of the

researchers and practitioners. Reference budgets are largely developed in isolation from each other using different theoretical concepts and methodological frameworks. Comparable construction of reference budgets aimed at the same purpose (poverty measurement, budget information and debt counseling, credit scores, rent norms, purchasing power calculations, or political implications) in a few countries could contribute to development of a common methodology for reference budgets.

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Budżety referencyjne: przypadek bułgarskiego koszyka żywności

Streszczenie. Budżety referencyjne są uznawane za instrument budowania konsensusu w społeczeństwie w sprawie odpowiedniego dochodu. Główne pojęcie stanowi, że budżet gospodarstwa domowego powinien pokazywać prywatne minimalne koszty odpowiednich koszyków towarów i usług, tak aby po opodatkowaniu dochodów gospodarstw domowych można porównać do budżetów w celu oceny adekwatności. Autor prezentuje rozwój bułgarskiego koszyka produktów żywnościowych dla trzech jasno określonych hipotetycznych gospodarstw domowych, a mianowicie osoby samotnej w wieku produkcyjnym, samotnego rodzica z dwojgiem dzieci i pary z dwojgiem dzieci. Zakłada się, że wszystkie gospodarstwa domowe zamieszkują w stolicy Bułgarii. Kontekst koszyka dóbr żywnościowych charakteryzuje się szeroką rozbieżnością w zakresie wzorca odżywiania w Europie, ogólnym brakiem porównywalnych danych dotyczących spożycia