# PERSPECTIVES OF AGRICULTURAL HOLDINGS IN ROMANIA AND MEANS OF ADAPTATION TO EUROPEAN UNION REQUIREMENTS

# PERSPECTIVELE EXPLOATAŢIILOR AGRICOLE DIN ROMÂNIA ŞI MODALITĂŢILE DE ADAPTARE LA CERINŢELE ŞI EXIGENŢELE UNIUNII EUROPENE

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***Abstract:*** *In holding a market economy is the main form of existence, organization and operation of agricultural production. This does not mean that land ownership remains with all rights there under.*
*The main objective pursued by our country when integrated into EU structures is close to the Romanian agricultural structures and compatibility with the EU. The results of the agricultural sector reform will have to be translated into quantitative and qualitative increase agricultural supply to ensure food security and modernization of the Romanian village population.*

***Key words****: holdings, sustainable agriculture, farm size, agrarian structures, agricultural policy.*

## INTRODUCTION

The economic problems of transition and have made their mark on the restructuring of agriculture, which currently can not meet the consumption needs of the population, nor the quality of supply. Production structure is characterized by strong imbalances between sectors and branches, between branches and cultures.

Impairment of technical base, deepening the character of subsistence, the stagnation of investment, destruction of assets (irrigation systems, planting, machinery, livestock) and the existing faults in state-owned asset management and supporting the formation of private

commercial agriculture, is main causes that led to reducing the contribution of agriculture to GDP, low level of labor productivity in agriculture, and a negative balance of agricultural trade balance.

Also, a decisive influence on the current situation in agriculture is a lack of coherent strategy and legislation in the field. Thus, the excessive fragmentation of ownership in agriculture accompanied by their poor combination have led to a duality, represented on one hand the large number of subsistence farms and quasi-subsistence, and on the other hand, the small number of commercial farms, full entrants.

Overcoming this situation involves the conversion of peasant farm family in the type of commercial family farms, modern, able to induce technological progress and enhance the natural resources, labor and material available to our country.

## MATERIALS AND METHODS

Documenting the work was to use data from publications and statistics of Romanian and foreign authors, the European Commission, but the Agency for Payments and Intervention for Agriculture Timis European Council regulations and other sources in the Community, in association with research which formed the basis of their analysis, ideas raised in the paper
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## RESULTS AND DISCUTIONS

It is necessary for agriculture to raise their competitiveness to face tough competition and a higher level of legal training, institutional and economic.

Given the current state of structural reforms in agriculture and especially their predicted behavior can be shaped organizational structure of agricultural holdings, in accordance with family tradition and Romanian agricultural performance requirements, which over time, as the accumulation of quantitative and especially qualitative record the profound structural changes in agricultural trading purposes prevalence commercial family farms and large commercial agricultural farms, the agricultural holding companies.

Peasant agriculture accounts for half of all productive farmland in the system employed, has no capital, facilities, information sufficient to

achieve competitive with European products, producing products for own subsistence.

For the period 2000-2015, the Ministry of Agriculture and Rural Development Strategy based development of agriculture sector is expected that a variant of the evolution of farm structures and dimensions, which provides assessments and estimates of farm typology that, will operate in Romania (table 1).

***Table 1***

**Farm structure in Romania Forecast**

| Farm way | 2002 (existing) | | | | 2015 (estimate) | | | |
|---|---|---|---|---|---|---|---|---|
| | Nr. (Thousands) | Size (hectares) | Agricultural area (thousand hectares) | % | Nr. (Thousands) | Size (hectare) | Agricultural area (thousand hectares) | % |
| Subsistence households | 2800 | 0,5-3 | 4900 | 33,1 | 1100 | 0,5-3 | 2000 | 13,5 |
| Part-time peasant holdings | 510 | 3-10 | 2242 | 15,2 | 250 | 3-10 | 1000 | 6,8 |
| Peasant holdings quasi - commercial | - | - | - | - | 80 | 10-15 | 1012 | 6,9 |
| Commercial family farms | - | - | - | - | 25 | 40-50 | 1000 | 6,8 |
| Family Associations | 15 | 90-250 | 1500 | 10,1 | 15 | 200 | 3000 | 20,3 |
| Agricultural companies with legal personality | 3 | 500-600 | 1740 | 11,8 | 5 | 400 | 3000 | 20,2 |
| **Total private sector** | **3228** | **2,4** | **10380** | **70,2** | **1475** | **7,5** | **11012** | **74,5** |
| **Total state sector of which:** | **-** | **-** | **1800** | **22,2** | **-** | **-** | **1170** | **7,9** |
| Companies | 0,5 | 3510 | 1720 | 11,6 | 0,5 | 2000 | 1090 | 7,4 |
| **Public Sector** | **3,5** | **-** | **2610** | **17,6** | **3,5** | **-** | **2510** | **17,6** |
| The municipalities and communal grazing land | - | - | 2282 | 15,4 | - | - | 2283 | 15,4 |
| **TOTAL** | **3332** | **4,4** | **14792** | **100** | **1479** | **10** | **14792** | **100** |

*Source**: Strategy for development of agriculture, forestry industry and medium and long term, 2000-2010.***

Most studies and estimates made, the conclusion remains that in the next period, individual farm households remains due to the specific situation of Romanian agriculture, agricultural production structure important that during the evolution of structures for performance levels will make or integrate Private family farms with commercial character in family farm agriculture, in agricultural companies, giving these types of commercial farms will be a long time, the structures of agricultural production in Romania.

For the period 2007-2013, Romania has proposed that the main **objective:**

*- Development of agriculture and forestry sector competitive, knowledge-based and private initiative;*

*- Reducing the size of the population employed in agriculture, coupled with the creation of viable economic holdings, the efforts reduce the high degree of fragmentation of farmland and the number of small farms;*

*- Maintaining the quality and diversity of landscape and forestry to achieve a balance between human activities and natural resource conservation.*

Regarding the modernization of farms in 2007-2013, according to Measure 121 of the National Rural Development Program is intended primarily to increase the competitiveness of agriculture and forestry and the general objective is to increase the competitiveness of agriculture through a better use human resources and production factors and performance standards and community standards.

Sustainable agriculture in our country should be seen primarily as a means of ensuring the application of high-quality, healthy food. Sustainable agricultural development objectives should be aligned with the development of the countryside. Developing efficient agricultural structure and creating the necessary competitiveness of farms are objectives of agricultural reform process in Romania.

Realities of agrarian structure created from the application of the Land Law demonstrate that the creation of viable agricultural holdings is a difficult process. Hence the **need for agricultural cooperative association** and by the realities of Romania is Romanian agriculture, namely:

*- The average size of households formed by reconstruction of private property is very low. This does not allow the application of advanced technologies and experience of countries with developed economies shows that land ownership may be concentrated in relatively long time.*

*- The average size of individual farms in the livestock sector advocates of animal breeders association.*

*- After applying the new owners of the Land Law have not had any capital, or the qualifications necessary for the application of advanced technologies.*

*- For farmers the cost of products is unduly enhanced prices of monopoly industries from upstream agriculture.*

In EU countries the agricultural cooperatives has developed and refined through the Common Agricultural Policy and the reforms that he

advocated was aimed at achieving legal and organizational framework to support agriculture and farmers to produce quantity and quality conditions to ensure own consumption, export availabilities in terms of economic efficiency and compliance with environmental requirements.

Farms, regardless of the organizational structure under which they operate, not cover their own expenses for the services they need to carry out agricultural production process. Following is the need for association of farmers in various forms of cooperation.

Agricultural cooperatives are the determining factor favoring the development process in world agriculture, particularly in European Union countries as a result of multiple implications on farmers and agricultural production structures.

Basically, the association and the desire to represent the will of the Romanian farmers are determined to solve their common problems faced on land exploitation, technical equipment, financial resources, production recovery and also solve problems that concern the local authorities or central government and administration.

Agrarian structures of production and representation of farmers must ensure the organizational and technical-economic conditions to reduce the yield differences and gaps that currently exist between the Romanian agriculture and promoted by the European Union. Also, the gaps between Romania and the agriculture of developed countries are high and they depend on the overall level of economic development and differences in agricultural structures: ownership structures, production, economic organization, farm size, structure factors of production consumed, the structure of services for agricultural production, marketing structure and financing of the agriculture support system, etc.

## CONCLUSION

To achieve such commercial operators must ensure their economic growth and power capacity in accordance with the requirements of future competition and the integration of agriculture in the European Union structures. To achieve this objective must be applied to **agricultural policy measures and actions** interrelated as follows:

1. Stimulation of the process of adjusting the size and economic size of holdings, their upward;

2. Moving center weight from traditional factors, from the extensive qualitative economic growth, taking it a decisive role knowledge, managerial training and new technologies, computerization;

3. Rethinking the use of production factors;

4. Progress is conditional on the family farm sources of development enhance the ability to attract exogenous sources and possibilities of support by the public authority;

5. To stimulate investment, including changes in credit policy, to support farmers to capitalize farm;

6. Conversion of existing farm Romanian disadvantages into advantages;

7. Livestock development and increasing its share in agricultural production and the reorientation of agriculture towards products with high added value per unit area (such as the horticultural);

8. Creating alternatives to fill the time available, increasing labor productivity and income of farmers;

9. The development of associations to ensure that increasing concentration of agricultural production.

## REFERENCES

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