SURFACE DISTRIBUTION OF ROMANIAN AGRICULTURE COMPARED TO OTHER STATES OF EUROPEAN UNION

DISTRIBUTIA SUPRAFETELOR AGRICOLE DIN ROMANIA COMPARATIV CU ALTE STATE ALE UE

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Abstract: *If in Romania we notice an underdevelopment of the middle sector (20-100 ha) and a cluster on the 10.2 hectares sector, countries like Poland rely heavily on medium farms. In France, arable land is divided almost equally between medium farms of 20-100 hectares and very large ones over 100 hectares, while in Denmark, a heavily industrialized country, with a small percentage of the population employed in agriculture (3%), production is performed on very large farms of over 100 hectares.*

Key words*: national economy, agricultural area, farm, agricultural holding*

INTRODUCTION

Agriculture has always been the main branch of the national economy for Romania, whose results depend on the quality of life of about 45-50% of the population. It is true that with the overall economic and social development the importance of agriculture is gradually decreasing. Equally, the share of agricultural production in GDP structure decreases. From this point of view Romania is still on the way of its overall development of economy.

Currently, agricultural production difficulties occur not only in the technological sector, but also in the turning into profit of the agricultural production. It often happens that the Romanian farmer is not able to capitalize the goods he produced, waiting for periods with better prices, which often have so much delay that the farmer remains with his

merchandise in stock, without the possibility of financially materializing it and having the necessary funds to resume production (ZAHIU, LETITIA, 2006). Shortcomings caused by lack or insufficient financial funds do not need to be proven.

Studies in the field led us to the conclusion that farmers in the western area of the country, as well as all farmers across the country, lack of marketing knowledge required to provide a healthy perception of the agricultural products market, the rules by which this takes place and the manner in which this structure can influence agricultural production, efficiency and profitability, ultimately the life quality of the Romanian farmer.

MATERIALS AND METHODS

As for Romania, agriculture plays an extremely important part inside the economic and political framework of the Member States. Thus, the need to modernize agriculture and European integration are key elements to be considered in the coming years, which should be given the necessary priority.

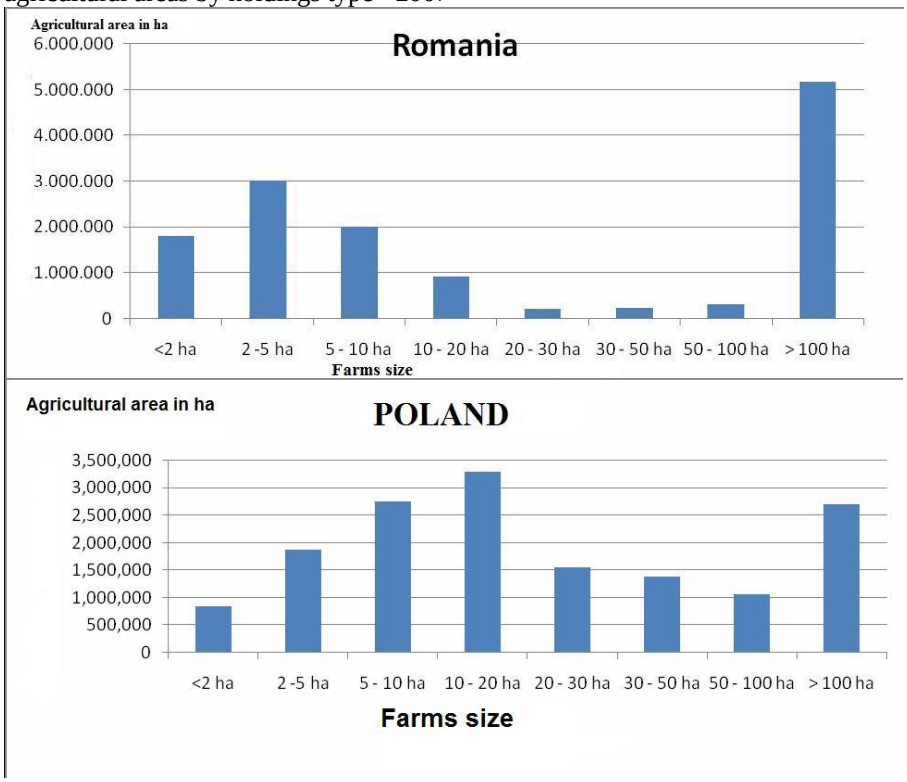
In this respect, the reform measures in Agenda 2000 have provided three main actions: modernization of the ”European agricultural model”, aimed at promoting sustainable agriculture and increasing competitiveness for market liberalization, economic disparities between European regions by distributing funds to economies that need restoring the most and ensuring a better management of budgetary resources required, establishing and rigorously following priorities (DONA, I., 2000).

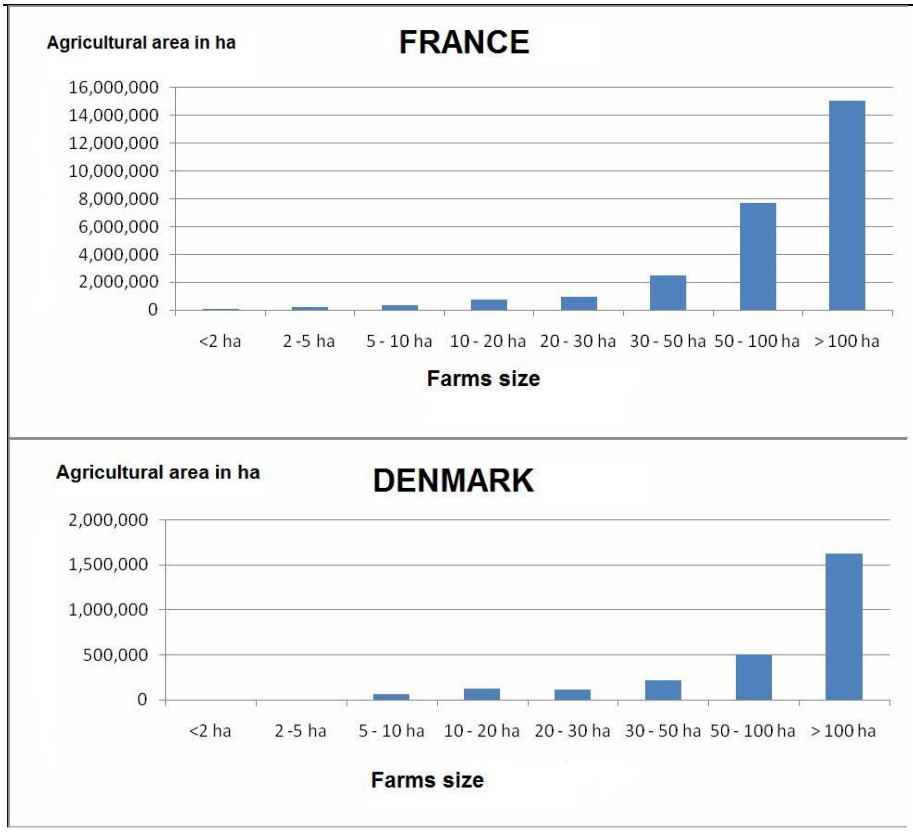
RESULTS AND DISCUTIONS

An analysis of EU agriculture in terms of how to distribute agricultural area by holdings types highlights differences between Romania and representative countries for the variation of agriculture(ZAHRNT, V., 2009). If in Romania we notice an underdevelopment of the middle sector (20-100 ha) and a cluster on the 10.2 hectares sector, countries like Poland rely heavily on medium farms. In France, arable land is divided almost equally between medium farms of 20-100 hectares and very large ones over 100 hectares, while in Denmark, a heavily industrialized country, with a

small percentage of the population employed in agriculture (3%), production is performed on very large farms of over 100 hectares.

Figure no. 1: Romania's position compared to other EU countries in terms of distributing agricultural areas by holdings type - 2007





Source: Eurostat data, 2007

In the EU, the CAP is designed as a unified policy, regardless of farm size. Therefore, Romania has to analyze how policy affects the common European agricultural structure. Currently, CAP means for Romania subsidies for producers and rural development money. The difference from Western countries is how funds are allocated, respectively in allocating more money for rural development in relation to farm subsidies (LUCA, L., 2009).

Due to successive reforms of the CAP, EU farmers receive annual fixed amounts that take into account historical criteria. Eastern European countries joined EU after the scheme had already been reformed so their subsidy payments to farmers were done according to the area owned, the eastern subsidies having to gradually adjust to those from the

West. Romania opted during negotiations for a minimum area for farms receiving subsidies of 1 hectare. Although CAP has initially tended to protect family sized farms, subsidies tend to focus on the largest ones. In Romania, the separation between subsistence agriculture and large farms leads to unequal distribution across the EU.

Table no. 1: Grants / area received by main beneficiaries in 2008

	Beneficiaries	**Grants**	**in**	**2008**
	No. of holdings	**Share from overall holdings (%)**	**Area in ha (subsidies payed on ha)**	**Share from total funds (%)**
1-5 ha	912,245	81	2,234,984.79	23.59
5-10 ha	145,400	12.91	977,066.80	10.31
10-50 ha	51,547	4.58	995,337.22	10.50
50-100 ha	5,802	0.52	414,682.72	4.38
100-500 ha	8,704	0.77	1,957,369.76	20.66
500-1000 ha	1,718	**0.15**	1,189,953.39	**12.56**
1000-5000 ha	822	**0.07**	1,355,287.79	**14.30**
5000-10000 ha	23	**0.002**	179,334.15	**1.89**
over 10000 ha	8	**0.001**	172,114.63	**1.82**
TOTAL	**1,126,269**		**9,476,131.25**	

Source: APIA

By analyzing the above table, we observe a strong concentration of payments to very large farms. Thus, 0.2% of holdings (over 500 ha) received 30% of CAP subsidies allocated to Romania. If we also include the farms from 100-500 ha category, we may conclude that 0.9% of farms received 51% of subsidies.

CONCLUSIONS

Human resources in Romanian agriculture have totally unfavorable peculiarities for agricultural production: feminization, aging, having residence in other places than where the agricultural land is, having occupations other than farmer, and those self-named farmers are young and did not have the opportunity for an agricultural qualification. During cooperative period the human resources were used as raw labor force, without active participation in terms of qualification in agricultural

production processes. Today, older people are completely disqualified and younger people are simply unqualified to the needs imposed by the necessity to advanced systems of agriculture.

The question is: what to do in this situation? There is no standard solution to solve this issue. Romanian agricultural production must find the way for revival itself, to welfare and rural area empowerment.

Small subsistence farms have to move forward, to the characteristics of commercial farms. This journey involves, above all, increasing farm size, size expressed in number of available production units: hectare in plant production and number of animals in livestock production. Increased size means attracting new agricultural land either by lease or by purchase or by other means.

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