CONSULTING AGRICULTURAL SERVICES IN ROMANIA

SERVICIILE DE CONSULTANTA AGRICOLA DIN ROMANIA

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Abstract.*The purpose of this paper is to analyze existing agricultural advisory services in Romania and their contribution to accessing European funds for rural development. Highlighting this aspect was made by analyzing the forms of consulting services, objectives and results of their activity in 2010.*

Keywords*: consulting, agriculture, Romania.*

INTRODUCTION

Romanian agriculture has a significant potential, having an agricultural area of 14.7 million hectares, of which 9.4 million hectares of arable land (63.9%). Depending on the qualities and geographical location of agricultural land have been structured and developed various sectors of agriculture.

Share of agriculture in gross value added is significant in Romania (7.5%) compared with EU-27 average of 1.9%.

Consulting is "a process by which aid is granted on the content, conduct or structure of activity or of a series of activities, action in which the consultant does not respond in reality to enforcement, but help those who have this responsibility" (Greiner, L.E. et colab., 1983).

Consulting like professional specialized service means: "performing of a counseling service for which interested organizations sign a contract with persons specially trained and qualified in this area, people who help the beneficiary organization in an objective and independent to identify and analyze their problems, recommending solutions and helping when they are asked, at their implementation " (Steele,F., 1982).

The dynamics of this sector in Romania is a positive one. In 2008, in Romania, were recorded a growing of consulting sector by 30%, EU

average being by 8%. (source: feaco.com)

The areas in which is offering advises are: computer science, legal activities, accounting and economic activities, advertising, job placement, architectural activities and consulting activities for business and management.

MATERIAL AND METHOD

To highlight this agricultural advisory services and their role for agriculture we analyzed the units which offer advises both public and private, statistical data highlighting the materialization of elaborated projects by them.

RESULTS AND DISCUSSION

Agricultural consulting is included in consulting activities in business and management, there are two types of consulting services: public consulting and private consulting.

In Romania public agricultural consulting services are offered by the Chambers of Agriculture, universities with agricultural profile, research centers and NGOs. In most cases the customers of public establishments providing consulting are small and medium enterprises.

Agricultural Chambers are autonomous public bodies with legal personality, which has consultation function, advice and by representation of interest in agricultural areas, forestry and other close sectors [2].

Agricultural Chambers are building in base of Law no. 283/2010 law and their underlying principles are: professional character, universality, representativeness, autonomy, decentralization, uniformity, neutrality, incompatibility between representation and commercial activities.

Establishment of Agricultural Chambers aims to promote sustainable agriculture, modern and competitive, through developing of agricultural holdings, family farms and the best practices in field, as well as the exploitation of local agricultural potential [1].

The main agricultural activities of Agricultural Chambers are: consulting, information and popularization.

Agricultural Chambers have following objectives:

-adaptation of rural workforce to the market economy,

-improving and developing the necessary skills for the persons who are or will be involved in agricultural activities,

-organization of authorized courses to reduce teaching time for those interested in obtaining a certificate, necessary condition for accessing EU funds,

-diversification of professional training activities based on local needs, to increase the attractiveness in rural areas and quality of life.

Over time consulting services offered by public institutions have diversified, covering a wide range of consulting activities at national, regional, county and local. Close the Agricultural Chambers there are and other institutions subordinated to the Ministry of Agriculture, which besides of specific activities, providing and agricultural consulting services [3]. Of these, are the Agency for Payments and Intervention in Agriculture (APIA) and the Payment Agency for Rural Development and Fishing (APDRP).

APIA through its activities:

-supporting the farmers to improve environmental quality and rural areas,

-support sustainable development of rural areas,

-provide information to farmers through informative guides, information sessions and statistical material,

-participating at meetings work`s with professional organizations and branch, farmers, representatives of warehouses, wholesalers,

-grant the assistance for accessing agricultural payments.

APDRP- helps improve agro-industrial processing, to supporting the development of semi-subsistence farming, development and modernization of rural infrastructure and generally Romanian village.

Universities performing agricultural consulting by organizing training courses, work-shops and by disseminating the results obtained by the research centers.

Regional Development Agency (RDA) - is the public institution that provides management of regional development funds, provide information at regional level for rural development projects and organizes regional partnerships.

County development agencies are institutions that offer:

- consulting for projects of county interest,

- consultancy in cross border cooperation,
- assistance for enterprises (in management, market research, etc.).

Local Association Groups (GAL) has information activities and support the submission of projects, organizes review and decision process the projects submitted, and their monitoring.

Non-Governmental Organizations (NGOs) are represented by associations, federations and unions of producers who:

-represent the farmers and their general interests in relations with central government structures, the executive, legislative and judiciary, with other bodies and federations, at national and international level;

-contribute to finding ways to access of the partially reimbursable funds, or grants, for further improving both for member associations, as well as economic activities of farmers;

-organizing conferences, debates, exchanges, symposia, scientific sessions, internal and international;

Private agricultural consulting is usually provided by companies which are offering consulting services in many areas, not only in agriculture, there are also companies specialized only for access European funds. The customers of companies who offer private advices are usually large firms.

Besides to companies specializing in consultancy services exist different companies of input, who together with marketed packages provides information on how to use them and other information.

Private consulting contribute with public consulting to improving and promoting development of rural area and of agriculture. The main factors that stimulate the consultancy market in Romania, were:

-structural programs and the demand to the public authorities,
-sustainable rural development and environmental protection,
-economic growth,
-macroeconomic stability,
-foreign investment in Romania,
-infrastructure projects,
-need to optimize the processes,
-intent to penetration on new market,
-desire to approach new innovative ideas in a company,
-demand by services for programs funded by the EU.

The main priorities of consultants are consistent with customer priorities and targets:

- reduce costs,
- risk-management,
-accessing of new markets,
- Increased competition,
- increase and innovation,
- managing the customers and suppliers,
-implementation of new IT and communication systems.

National Rural Development Programme (PNDR) is organized in 6 axes, in 2010 being attracted by the program funds amounting to 1,005,792,956.08 euro, the total funds available under this program for agriculture are 9,970,795.60 euro, an amount that can be accessed period 2007-2013. Projects for access these funds were elaborated by both public and private companies.

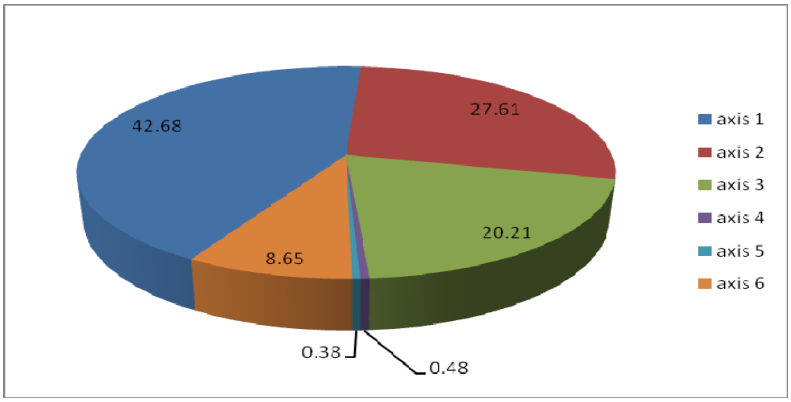


Figure 1. Funds accessed under the PNDR axes in 2010 (%)

According to Figure 1 the most funds (42.68%) are found on Axis 1 - Improving the competitiveness of agriculture and forestry, the axis that runs on eight measures.

Compared with the average of the years 2007-2010, in 2010 was accessed the most funds.

Problems faced by farm advisory services are insufficient human resources, lack of improvement forms for consultants, lack of a body to

monitor public investment and poor awareness of the beneficiaries about the subsequent implications to accessing the European funds.

CONCLUSIONS

The role of agricultural advisory units is to raise the level of knowledge of farmers to be able to make decisions in order to increase the productive performance.

Agricultural advisory units must always be in step with the demands of farmers and to find the best solutions so they can prioritize their needs.

Most units who offering public agricultural advisory services have customers among small and medium farmers and private units who offering agricultural services are generally among large enterprise customers.

The structural programs and demand from public authorities is one of the most important factors that have stimulated agricultural consultancy market in Romania.

The significant value of European funds available not attracted yet and simplification of procedures for them obtaining is a reason more for collaboration between farmers and consultants, in order to reduce economic and social differences between regions, in purpose of achieving economic and social cohesion.

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