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ANALYSIS ON THE SITUATION OF AGRICULTURAL HOLDINGS IN THE CONTEXT OF THE END OF THE FIRST PROGRAMMING PERIOD (2007-2013)

MICU ANA-RUXANDRA ¹, REBEGA DANA², GIMBĂȘANU GABRIELA³

Summary: *One of the main problems of Romania, which appeared immediately after the revolution of 1989 has represented by an excessive fragmentation of agricultural land, accounting and currently an issue that is trying to be remedied by different measures to encourage through the pooling of agricultural exploitations. Farms in Romania, very many are also characterized by the low productivity are concentrated holdings of subsistence and semi-subsistence farmers barely that can provide the necessary products for their own use, so that did not enter into question whether commercialization of products in order to obtain revenue.*

Keywords: *farms, subsistence and semi-subsistence production value standard*

INTRODUCTION

Farms in Romania plays an important role in the lives of people in rural areas where farming is the most widespread. Agricultural activity comes in addition to other activities that are not necessarily related to agriculture, such as tourism, agritourism transformed, becoming a complementary form into incomes in rural areas.

According to the definition submitted by the European Union, the farm is a form of organization made up of assembly units used for agricultural activities and managed by a farmer situated within the same Member State of the European Union.

In order to highlight more accurately reflect the situation of a farm is used S.O (Standard Output), which is the economic dimension determined based on standard production total farm denominated in euro, determined in accordance with Regulation (EC) No. 1242/2008 of the European Commission.

At European level, family farms are considered to be the best performing managed both direct labor and lease and specific farm where the works are carried out mostly by family members.

Currently, the law classifies farms and farms is the law no. 37/2015 wishing to regulate a uniform framework for the implementation of programs financed from the national budget and EU funds.

Farms in Romania are represented by farms which have a size of less than 2 hectares and reduced weight of associative forms of the total utilized agricultural area, as well as associative forms for marketing agricultural products (producer groups and cooperatives).

Under the legislation, farms and agricultural holdings are classified according to economic size, as follows:

- Under 1,999 euros - subsistence farms produce entirely for personal consumption;
- 2000-7999 euro - semi-subsistence farms to ensure their own consumption and a small part of what sells agricultural production;
- 8000-49999 euro - small commercial farms that sell more than 50% of agricultural production that achieved;
- 50000-999999 euro - commercial farms / farm sells its entire medium that it conducts agricultural production;

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- Over 1,000,000 euro - commercial farms / large farms that market their entire agricultural production herself.⁴

MATERIALS AND METHODS

The research is based on information taken from the database of the European Union (Eurostat) and the General Agricultural Census 2013. To analyze the indicators taken into account were used indicator determined based on the economic dimension total standard output of the holding expressed in Euro determined in accordance with Regulation (EC) No. 1242/2008 of 8 December 2008 establishing a Community typology for agricultural holdings;

Total production standard is the standard value of gross production, determined in accordance with Regulation (EC) No. 1242/2008.⁵

RESULTS AND DISCUSSIONS

In the year 2013 France had the largest arable area of European Union countries, with over 18 million hectares, followed by Germany with 11.8 million hectares and 11.2 million hectares Spain.

Table no. 1.

The number of farms in Europe during the period 2005 - 2013

Country	2005	2007	2010	2013
Belgium	51,540	48,010	42,850	37,760
Bulgaria	534,610	493,130	370,490	254,410
Czech Republic	42,250	39,400	22,860	26,250
Denmark	51,680	44,620	42,100	38,830
Germany	389,880	370,480	299,130	285,030
Estonia	27,750	23,340	19,610	19,190
Ireland	132,670	128,240	139,890	139,600
Greece	833,590	860,150	723,060	709,500
Spain	1,079,420	1,043,910	989,800	965,000
France	567,140	527,350	516,100	472,210
Croatia	-	181,250	233,280	157,450
Italy	1,728,530	1,679,440	1,620,880	1,010,330
Cyprus	45,170	40,120	38,860	35,380
Latvia	128,670	107,750	83,390	81,800
Lithuania	252,950	230,270	199,910	171,800
luxembourg	2,450	2,300	2,200	2,080
Hungary	714,790	626,320	576,810	491,330
Malta	11,070	11,020	12,530	9,360
Netherlands	81,830	76,740	72,320	67,480
Austria	170,640	165,420	150,170	140,430
Poland	2,476,470	2,390,960	1,506,620	1,429,010
Portugal	323,920	275,080	305,270	264,420
Romania	4,256,150	3,931,350	3,859,040	3,629,660
Slovenia	77,170	75,340	74,650	72,380
Slovakia	68,490	68,990	24,460	23,570
Finland	70,620	68,230	63,870	54,400
Sweden	75,810	72,610	71,090	67,150
UK	286,750	226,660	186,800	185,190
Iceland	-	-	2,590	-
Norway	53,000	49,940	46,620	43,730
Switzerland	63,630	61,760	59,070	:
Montenegro	-	-	48,870	-

Source: Eurostat database, 2016;

⁴ Law no. 37/2015 concerning the classification of farms and agricultural holdings;

⁵ Law no. 37/2015 concerning the classification of farms and agricultural holdings;

Among the new countries joined the European Union, Poland has made 2013 an arable area of 10.7 million hectares, so that Romania ranks 4 with 8 million hectares, ranking above countries like Italy or UK in terms of agricultural area.

According to Table. no. 1 trend in the number of farms across Europe, tends to decrease counting on their fusion, thus registering an increase S.O's holdings, being able to say that this is a general phenomenon among these countries. For example, in the case of Bulgaria, the country joined the European Union in the same year with Romania, managed to reduce the number of holdings from more than 530,000 farms in 2005 to about 254,000 farms, thus registering a decline in the number their approximately 52% (*Table 1.*).

Also this phenomenon was registered in countries with a tradition of agriculture, like France and Germany which were significant decreases among farms in this country, so that in France decreased number of these holdings was approximately 17% in 2013 compared to 2005, while for Germany decreased had the same 17%, falling from 389 880 in 2005-285030 in 2013 (*Table 1.*).

In Romania, in 2013, the arable land was 8.1 million hectares, down from the previous years, especially from 2005, when the arable land was 8.8 million hectares, the decline of approximately 8% compared to 2005.

Table no. 2.

Classification number of farms by area during 2005 - 2013 in Romania

Specification	2005	2007	2010	2013
The total number of farms in which:	4,256,150	3,931,350	3,859,040	3,629,660
0 ha	886,360	772,460	1,102,130	1,026,420
Sub 1 ha	1,646,840	1,562,670	1,617,120	1,516,290
1-1.9 ha	769,460	716,220	563,770	524,770
2-4.9 ha	739,890	667,840	444,070	425,870
5-9.9 ha	160,570	157,420	85,090	88,020
10-19.9 ha	35,400	34,840	22,350	24,280
20-29.9 ha	5,190	6,000	5,940	5,980
30-79.9 ha	6,240	7,010	8,600	8,320
80-149.9 ha	1,980	2,180	3,390	3,270
peste 150 ha	4,220	4,710	6,590	6,450

Source: Eurostat database, 2016;

Regarding the classification number of farms according to their surface, we can say that the number of farms that have less than 1 hectare is between 1.6 million and 1.5 million farms. Also they have the largest share of total holdings, representing the level of 2013, representing 41% of all farms in Romania. It is noted among farms that have a surface between 1 and 20 hectares a sharp decline in their practically halved the number of them within 8 years, so that farms with a size between 1 and 1.9 ha were reduced from over 760,000 to about 524,000 farms, representing a decrease of approximately 32% compared to 2005 (*Table no. 2.*). Also in the case of holdings which have an area over 150 hectares there is an upward trend, so the number of times these holdings rose over 8 years by about 50% compared with 2005 (*Table no. 2.*).

Table no. 3.

Classification number of farms according to standard production value (S.O.) during 2005-2013 in Romania

Specificare	2005	2007	2010	2013
zero euro	43,280	85,830	99,840	56,270
under 2.000 euro	2,769,710	2,556,660	2,716,620	2,437,160
2.000-3.999 euro	889,260	778,820	602,470	577,640
4.000-7.999 euro	435,640	374,670	313,000	375,280
8.000-14.999 euro	82,240	91,050	78,460	114,280
15.000-24.999 euro	17,560	23,380	22,240	33,830
25.000-49.999 euro	9,520	10,860	13,370	18,820
50.000-99.999 euro	4,200	5,130	6,450	7,830
100.000-249.999 euro	2,900	3,120	4,120	5,000
250.000-499.999 euro	1,110	1,140	1,450	2,100
over 500.000 euro	740	700	1,010	1,470

Source: Eurostat database, 2016;

Regarding the classification of farms according to production value standard (SO) in the period 2005 to 2013 we can see that subsistence farms shows a trend swing, so if those that had a value of production standard 0 euro in 2005 period preceding the entry into the European Union, there were over 43 thousand holdings at the end of 2013 they were about 56 000 holdings, reaching a maximum in 2010 of about 100,000 farms. On the other hand if the farm under 2,000 euros SO, their number ranged from the peak in 2005 of more than 2.7 million holdings and minimum recorded in 2013 the 2.4 million farms (*Table no. 3.*).

For farms that have an economic value of between 25,000 and 500,000 euros trend registered during the period under review, is one ascending so that their number almost doubled for each category of holdings, between 25,000 and 500,000 euros, With reference to 2005 (*Table no. 3.*).

CONCLUSIONS AND RECOMMENDATIONS

Between 2005 - 2013, a period that coincided with the accession of Romania to the European Union (in 2007), was a moment of rethinking Romanian farm size.

According to data analysis, trend it pursues these farms would be to merge, those small, and hence the decrease in numbers, and increase the number of large agricultural holdings.

The decline in 2010 relative to 2007 in the case of holdings analyzed by economic size (especially those that have an economic size of 8,000 euros ie those who sell at least 50% of yields), which besides trend followed by other member countries of the European Union (consolidation) would be able to represent and inability to adapt them to the standards imposed by the European Union, where conditions for the marketing of certain products were more demanding than law existing prior to accession of Romania to the European.

Basically, the money available from the EU budget, both in the Common Agricultural Policy and the National Program for Rural Development (2007 - 2013) were encouraged development of these holdings small and most of the funds assigned They've turned to the medium and large-sized farms.

Currently to qualify for the subsidy Scheme (SAPS) provided by the Agency for Payments and Intervention in Agriculture (APIA), one of the eligibility conditions is the operation of an agricultural area of 1 hectare, so this subsidy can not benefit households that do not have this minimum area.

One of the most accessed measures available in the National Programme for Rural Development 2007-2013 was measure 121 - Modernisation of agricultural holdings, which had as objective as development of new technologies, adaptation of farms to EU standards, increase farm income and who played a important role in the development of farms.

By continuing to increase the economic dimension of agricultural exploitations will lead to enhanced yields obtained and yields. Also not a viable solution actual reduction of farms (farms of subsistence and semi-subsistence) but their development as effects that may occur can be devastating for Romanian rural area.

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