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RESEARCH ON THE ASSOCIATION BENEFITS FOR THE AGRICULTURAL PRODUCER MARKET MANIFESTATIONS

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Abstract

At the current stage, agricultural producers joining in association forms opens up new opportunities for economic development by attracting local, local or regional advantages and using collective power to increase prosperity of members, their families and communities to which they belong. The work is part of the rural development priorities of CAP reform 2014-2020 on the competitiveness of agriculture and farm viability. The new concept of rural development includes actions relating to: a) facilitating restructuring of farms facing major structural problems, particularly farms with low market participation and farms that need agricultural diversification; b) facilitating generations renewal in agriculture. The paper aims to identify the benefits of agricultural association through a survey conducted in 10 counties of Romania in several representative beekeeping cooperatives.

Keywords Advantages, cooperation, association, producers group

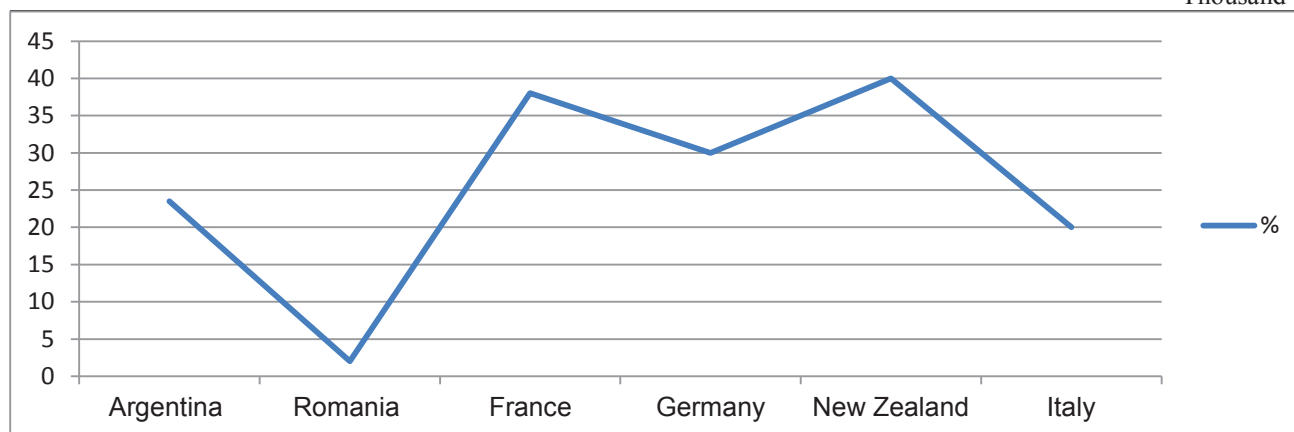
INTRODUCTION

Global, the cooperatives activities demonstrated the functionality both inside them and in the community. Statistics recorded by the International Cooperative Alliance show that they provide over 100 millions jobs worldwide, 20% more than multinational companies.

Figure 1

Cooperative members share in total population in 2008

-Thousand-



Source: www.ica.coop.com

In **Argentina** 23.5% of the population work in cooperative, in Quebec region 70% of the population is a member of the cooperative. Cooperatives producing maple sugar in **Canada** hold 35% of the world production.

38% of the **French** population are members of cooperatives. 75% of farmers are members of a cooperative.

30% of the **German** population are members of cooperatives, 8106 cooperatives exercise their activity here.

In **New Zealand**, 40% of the adult population is a member of the cooperative and mutuality. Cooperatives produce 22% of GDP, holding 95% of the dairy market, 70% of the meat market, 62% of the grocery market, 75% of the pharmaceutical market, 70% of the agricultural fertilizer.

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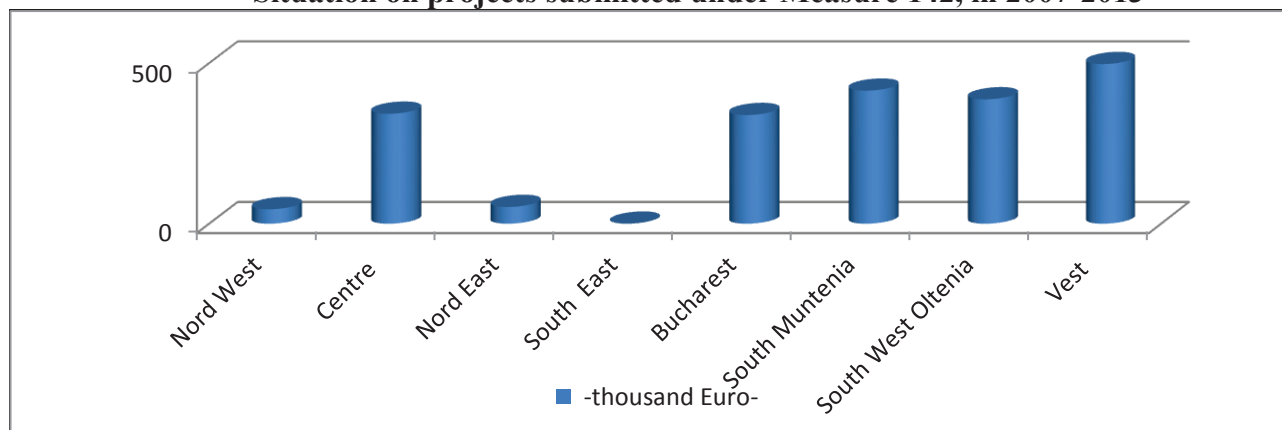
Spain has 15% of the population as member in cooperatives (in 2008). In 2007 the cooperative has provided jobs for 21.6% of employment.

Italy had employed persons in 2005 about 1 million individuals in 70,400 cooperative societies

In 2007, **Romania**, of the total number of 4,256,152 agricultural holdings, 90.96% were of subsistence, 7.55% of semi-subsistence and only 1.49% of commercial, situation that shows the lack of awareness on the benefits of cooperation and association in agriculture.

Figure 1

Situation on projects submitted under Measure 142, in 2007-2013



Source: www.rndr.ro- Present and future in the rural development policy in Romania Dr. Vincze Maria, Professor Emeritus, University Babes-Bolyai University, Cluj-Napoca

In 2007-2013 the total value of contracted projects for setting up producer groups was 2.074 thousand Euro, representing only 8.4% of the funds for the measure. Number of projects submitted for the measure 142, in 2012 was 45 of which 40 selected for funding and only 34 accepted for payment. This situation shows the little interest and even reluctance for associative forms. They come from poor awareness and lack of information to farmers regarding benefits from association. Another cause could be caused by the different degree of training of persons involved in implementing associative forms, different understandings of the purposes and principles of their operation, but also mentality on compulsory association linked to the old CAPs.

MATERIAL AND METHODS

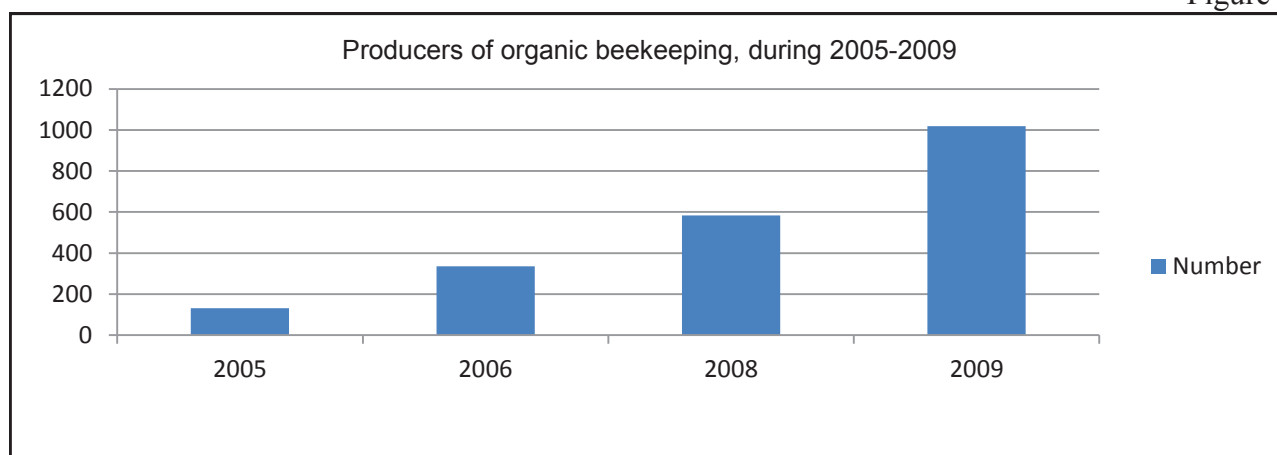
The study is conducted among bee farmers, processors of honey and bee products organized in associations, cooperatives, producers groups formed under the laws.

We aim to identify the advantages and disadvantages of association, starting from the favourable development of the sector (Figure 1). In 2011, Romania had 39,000 beekeepers enrolled in association forms and 5346 beekeepers which requested financial support from the National Beekeeping Programme. Thus, in 2005 there were 132 producers certified for organic beekeeping, and in 2009 the number of organic beekeepers increased to 1018. In 2009 in Romania were registered eight exporters of honey and bee products (Figure 2).

Research technique used: the questionnaire survey and structured interviews. The questionnaire consisted of 31 questions, most of which were closed questions (with answers). The sample is represented by cooperative members aged between 35 and 65 years in 10 counties. Period in which the survey was conducted: 16 June 2012 - 31 July 2012.

Members were asked questions about the establishment way, organization and associative group size. Also included a few questions about the group associative relationship with the external environment and with the community to which it belongs and how it engages in local development processes.

Figure 2



Source: www.madr.ro

RESULTS AND DISCUSSION

In support of the association and agricultural cooperation the work is based on the following assumptions:

- Romania, currently in a position to adapt to new EU regulations, has an agriculture in which approximately 37% of the population develop their activity, with about 3 millions parcels whose average area is 1.5 ha, which requires organizing farmers in association forms, in order to modernize this important economic sector.
- Currently, only 7% of farmers up to 40 years are owners of farms under 2 EDU and benefited from SAPS. Thus, the young farmers are considered guarantors of the future of agriculture, in that they can bring new energy and new ideas to this sector.
- Small farms have a special contribution to the diversification of products, habitats conservation, etc.
- Mountain areas provide special products and attractive ecosystems. However, the mountainous areas may face special challenges, related to climate and isolation;
- Short supply chains can bring economic, social and environmental benefits (by providing a greater share of added value for farmers, by reducing carbon footprint, by promoting food distribution and fostering face-to-face contact between producers and buyers). It may be helpful to bridge the gap from producer to consumer.

The survey results are summarized in two dimensions (physical and economic) and provide an initial assessment of their size and their economic and social impact in the territory:

- average size of the associative structures under study is 30 members, aged between 45-48 years. Women presence in beekeeping associations is quite low, less than 5%. The level of training of members is secondary school.
- from an economic perspective, the results of the study show that high costs of equipment and biological material needed to start a beekeeping business may not be supported by one beekeeper. A hive costs about 800 lei, a family of bees on 10 frames, 650 lei, an extractor 3.5 thousands lei, a bee pavilion 50-60 thousands lei. Under such conditions it is difficult to initiate a bee business alone. Working organized and not random. This leads to time saving, increase productivity and profitability. There are created conditions for the work division, releasing the bee farm family of some functions, resulting in simplification of production structure.
- following discussions with members of beekeeping associations, pastoral beekeeping is profitable only for large numbers of bee colonies. If organizing collective apiary many costs can be shared. The rapid dissemination of information and technologies.

- associations provide optimal conditions for beginner beekeeping practice and improve job performance. In current conditions, to practice an intensive and profitable modern beekeeping, is mandatory the continuous training and information both for beginners and professionals. Honey is obtained in big parties allowing it ranking on quality and creates easy market possibilities and for good prices both on domestic and foreign markets, by removing intermediate links.
- the large farms creates diversifying conditions of beekeeping production, the products higher processing generates the exchange of relationships and intern and extern values.
- thus beekeeping association and cooperation is a means of avoiding bankruptcy, maintaining as profitable apiary keeping on its market segment. In associative conditions is easier to cope with risk factors, and can be effective the marketing of apiculture products.
- beekeeping associations have a discipline regarding treatment technologies used for bees, quantity and quality of delivered products, standards etc.
- the practice of beekeeping association also provides social benefits. There are possibilities of collaboration between professional and amateur scientists. Beekeeping profession collectively offer a friendly environment to relax and avoid stress. Finally, working in nature, possibility to benefit from organic products are positive factors for physical and psychological health. Cooperatives provide social stability, favourable conditions for preserving and developing job, develop a healthier behaviour of young generation on working.

CONCLUSIONS

The survey results showed that advantages in beekeeping association can be summarized as follows:

- The most important advantage for a member of an associative group is production costs reducing. For example, the group may purchase machinery and equipment to be shared by all members.
- Ability to plan and modify production, in accordance with the quantitative and qualitative demand on market.
- Obtain better selling prices, due to bigger quantities negotiated and documents on demand;
- Selling a centralized production, optimizing transportation costs during acquisitions;
- Getting input at producer prices, for group members;
- Acquisition of group equipment used by all group members is an advantage in financial terms;
- Easier access to EU funds and bank borrowing.
- Facilitate communication between farmers, such as between their representatives and government institutions, the association representing a forum for discussion.
- Increasing the capacity of negotiation, in order to obtain better prices, both the inputs and market products on domestic or foreign markets.

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