

STUDY ON AGRICULTURAL FARMINGS IN ROMANIA

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Abstract.

The purpose of this study is to objectively analyze the agricultural sector, more precisely the evolution of agricultural holdings in Romania. In 2020, in Romania, there were 2.887 million agricultural holdings using 12.8 million hectares of agricultural land, according to data published by the National Institute of Statistics (INS). Also, within 10 years, the number of agricultural holdings decreased by 972,000, respectively by 25.2%, and the used agricultural area decreased by 543,000 ha, respectively by 4.1%. The decrease in the number of agricultural holdings led to the increase of the average agricultural area per holding by approx. 28% (from 3.45 ha in 2010 to 4.42 ha in 2020). The downward trend in the number of agricultural holdings, especially those of very small sizes, was reflected in the structure of agricultural holdings by reducing the share of holdings with a used agricultural area of less than 0.1 ha from 10.3% in 2010 to 4.3% in 2020 and the increase in the share of those that used areas larger than 10 ha from 2.2% in 2010 to 4.2% in 2020.

Keywords: agricultural holdings, Romania, farmers, agriculture, agricultural area

INTRODUCTION

The agricultural holding represents a single unit, both technically and economically, which has a single management and produces agricultural products. The total area of the holding consists of the agricultural area used by the holding (arable land, kitchen gardens, permanent grassland and permanent crops) and other land. (<https://data.europa.eu/data/datasets/vs4ajcmomcqlyyzj0knqrq?locale=ro>)

According to the Emergency Ordinance no. 108/2001 regarding agricultural holdings, they are defined as follows: "complex forms of property organization through which land, animals and other means of production are valued, interconnected in a unitary system, in order to efficiently obtain agricultural products". (Government Emergency Ordinance no. 108/June 27, 2001)

Taking into account these concepts found in specialized literature, it follows that the scope and delimitation of the notion of "agricultural exploitation" is as follows: (GHERASIMESCU MIHAELA LOREDANA, 2019)

Table 1.

The activities that form the object of the establishment and operation of units, enterprises and agricultural holdings

Types of agricultural activities	Agricultural unit	Agricultural enterprise	Agricultural exploitation
Plant production	Yes	Yes	Yes
Animal production	Yes	Yes	Yes
Primary processing and utilization of production	Yes	Yes	Not
Providing services	Yes	Yes	Not
Scientific, technical assistance, etc.	Yes	Not	Not

Promotion and defense of agricultural interests	Yes	Not	Not
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Source: Author's works according to INS

From table 1, it is clear that the definition of the agricultural holding must include the fact that: it is an economic production unit whose basic activity is the exploitation of land, plants and/or animals, in order to obtain agricultural products.

The different types of agricultural holdings can be grouped according to several criteria: political ideologies and economic doctrines; dimension; profile (production structure); the relationship between agricultural holdings and land ownership as well as the human resource, the level of integration; the destination of the production, as well as according to legal-economic criteria.

The excessive fragmentation of property in agriculture, as well as the lack of forms of association lead to the perpetuation of a duality, represented on the one hand by subsistence and semi-subsistence holdings, and on the other hand by commercial holdings.

MATERIALS AND METHODS

In order to achieve the established objectives, in this article, in addition to a vast specialized literature from the country and abroad, I used the data provided by the INS and the General Agricultural Censuses (2002 and 2010). Also for this purpose, we also used the comparative analysis, used in the comparison of the specific indicators of agricultural holdings, over different periods of time.

RESULTS AND DISCUSSIONS

The evolution of agricultural holdings was and is closely related to the great transformations that took place in Romanian society (the agrarian reform of 1921, the agrarian reform of 1945, the nationalization and collectivization of agriculture 1949-1962 and Law 18/1991). The three major changes made it impossible to carry out a long-term Romanian agricultural project, as the Western European countries did.

Therefore, we can say that, in a fairly short period, Romanian agriculture experienced profound changes in the structure of land ownership, through the disappearance of large agricultural units and the emergence of new types of holdings, individual households, family associations, agricultural societies, radically changing the social-economic organization of agriculture and unfortunately resulting in a very large share of small agricultural areas, which leads to a precarious material condition of rural residents, because a large part of the active population is employed in agriculture. (CIUTACU C., et al., 2002, BREZULEANU, S., 2004)

The current state of agriculture in Romania, in which there is a strong fragmentation of resources on several holdings, low capitalization, very few investments in advanced technologies, many elderly producers, their deficient professional training contradicts the needs to practice management at a stage appropriate to the demands of agriculture, from the perspective of competitiveness on the European economic market, even more so on third markets.

In recent years, extremely strong competition from countries outside the EU, especially Ukraine and Russia, has increasingly made its presence felt, both in terms of quantities offered and dumping prices. Romanian farmers are directly disadvantaged, especially on the grain market, taking into account their location on the border of the European Union, close to these markets. (BERCA, M. 2001, DAVIDESCU, D., et. al., 2002, IMBREA, F., 2011, DOBRE, IULIANA, 2003)

In Romania, the rural population is mainly occupied with semi-subsistence or subsistence farms. Attracting European funds on pillar II, that of rural development, represents the key to the economic and social development of the Romanian village.

In Romania, the agricultural sector has experienced a profound structural change in terms of farm size, as can be seen in the table and graph below.

Table 2.

Distribution of farms according to area in Romania, in the years 2010-2020

Farm category (ha)	Number of farms (thousands)		Exploited area (thousand ha)	
	2010	2020	2010	2020
1-20	837.9	756	3,770.5	3,220.9
20-50	14.9	14.9	446	593.98
50-100	4.5	9.1	312.3	654.9
Over 100	9.4	13.6	4,969.3	5,362.4
Total	866.7	846.6	9,498.1	9,711.2

Source:Adaptation from data provided by Eurostat, 2010, 2020,

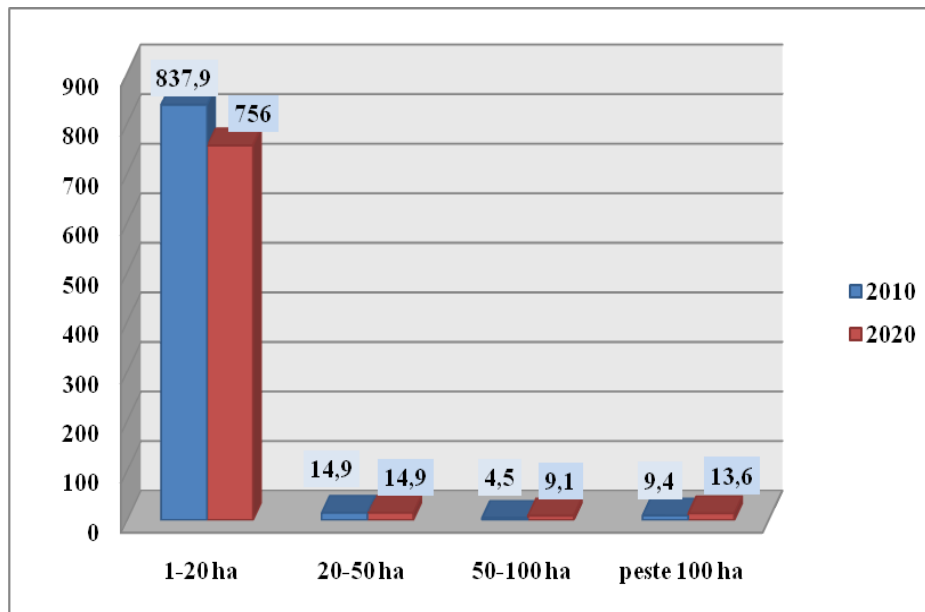


Figure 1. Number of agricultural farms, by size class, existing in Romania, 2010-2020

Analyzing the table and graph above, it can be seen that the largest share of agricultural farms is owned by the category between 1-20 hectares, followed by the category 20-50 hectares, and farms between 50-100 hectares have the smallest share.

Next, we presented the evolution of the distribution of farmers in Romania according to the size of the farm and the cultivated area, in the period 2015-2020.

As can be seen in table 3, during the analyzed period, the evolution of the distribution of farmers in Romania, depending on the size of the farm, fluctuated from one year to another in total.

If we analyze by size categories, a drastic decrease was recorded in the first two categories, those under one hectare and those between 1-50 hectares, and in the following categories a significant increase in the number of farmers can be observed in 2020 compared to 2015.

Table 3.

Distribution of farmers according to the size of the farm, in the period 2015-2020

Intervals (HA)	Number of farmers					
	2015	2016	2017	2018	2019	2020
< 1	7,659	4,507	5,328	4,717	4,801	4,797
1-50 ha	855,145	823,868	809,050	795,923	774,095	760,373
50-100 ha	8,079	8,054	8,458	8,928	9,008	9,165
> 100 ha	12,405	12,167	12,741	13,039	13,426	13,671
Total	924,453	901,335	884,464	866,749	8445.41	831,188

Source: Processing based on statistical data provided by APIA, 2020

Regarding the distribution of cultivated areas, depending on the size of the farm, the situation is similar to that presented in table 3, less so in the first category, where the cultivated area, during the analyzed period, decreased drastically in 2020, compared to 2015.

Table 4.

The distribution of cultivated areas according to the size of the farm, in the period 2015-2020

Intervals (HA)	Exploited surface					
	2015	2016	2017	2018	2019	2020
< 1	4,852.73	2,604.70	3,315.15	2,201.31	1,694.65	1,779.79
1-50 ha	3,700,081.56	3,724,450.93	3,746,946.61	3,854,410.89	3,848,338.48	3,843,175.78
50-100 ha	574,500.06	572,506.3	599,616.89	635,314.47	641,525.38	654,964.61
> 100 ha	5,034,788.77	4,965,377.84	5,097,995.34	5,186,659.15	5,283,001.27	5,362,375.51
Total	9,314,223.12	9,264,939.77	9,447,873.99	9,678,585.82	9,774,559.78	9,862,295.69

Source: Processing based on statistical data provided by APIA, 2020

In 2020, the used agricultural area owned by agricultural holdings without legal personality represented 37.9% of the entire used agricultural area, while for agricultural holdings with legal personality it represented 6.6%.

From the situation presented above, conclusions can easily be drawn regarding the totally inappropriate dispersion of farmers in our country for a performing agriculture. The data confirm, on the one hand, the absolutely imperative need to implement modern management policies and

methods within agricultural holdings, and on the other hand, the extreme difficulty of putting this desire into practice.

Romanian agriculture is undergoing a deep reform, with reference to its essential components: property, types and forms of holdings, production structure, agricultural policy, etc. Of course, under the conditions of agrarian structures in "movement" and, in general, in a business environment in the process of formation, management and entrepreneurial spirit are increasingly difficult to achieve. That is why there is a need to combine the management of agricultural holdings with their exogenous environment, in order to reach organizational forms suitable for an agriculture that must have an upward trend, in accordance with a new type of economy in which Romanian society has entered.

CONCLUSIONS

Some conclusions can be drawn from the information collected based on the discussions with the decision-makers in the agricultural field and on the basis of the vast bibliography studied:

Romanian agriculture is undergoing a deep reform, with reference to its essential components: property, types and forms of holdings, production structure, agricultural policy, etc. Of course, under the conditions of agrarian structures in "movement" and, in general, in a business environment in the process of formation, management and entrepreneurial spirit are more difficult to achieve.

In Romania, the number of small farms (under 5 ha) represents over 92% of the total number of agricultural holdings in our country, increasing compared to 2005 and significantly more than the EU average from the last year of the analysis (66.3%).

Based on the statistical research undertaken by us, individual agricultural holdings predominate with a share of more than 94%, those with legal personality holding a percentage between 1-6%.

It is necessary to improve the competitiveness of holdings, especially those of semi-subsistence, which, through investments, both of the fixed capital type and of the introduction of new technologies and performances, will lead to the transformation of a large number of such farms into economically viable structures.

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