

CEREALS MARKET REDESIGN IN ROMANIA IN THE CONTEXT OF EUROPEAN UNION INTEGRATION

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Abstract

Agricultural and food markets represent the meeting and participation place of all producers and consumers, considered being experienced in demand and supply of agricultural goods and foodstuffs. Their interest consists in obtaining the best price that is advantageous for both parties participant to the exchange. Each manufacturer tries to get the best possible price for the good offered for consumption, while each consumer aims buying a product as cheap as possible.

Key words: agricultural, food markets, consumer, cereals.

INTRODUCTION

Agricultural markets are located at the confluence of farms and collection enterprises (cooperative or trader) or manufacturing industry. This type of market is specific to all normal and perishable products that require the effectuation of conditionings in a fast and effective manner to keep intact all the characteristics and properties. After achieving such conditionings, agricultural products become marketable

Final consumer food markets are positioned downstream of the food industry, currently including wholesalers and retailers (great distribution). The entire distribution, distinct from the final consumer, constitutes in fact the main customer of the industry. Processors must display continuous interest not only in terms of consumer perception of products, but also in terms of how to carry out their distribution.

Due to its specific nature, agriculture is not an economic sector which operates under normal conditions in an economic environment dominated only by market laws. Thus we can mention that for a short term the demand for agricultural products is quite rigid being very less elastic in relation to changes that occur in prices level. But for a long term there is a relatively inelastic demand not only in relation to prices but also to consumer income. To bread and bakery product this phenomenon is even more obvious.

An increase in individual consumer income does not imply at the same time an increase in demand for agricultural products, the explanation is due to the limit in which comes under the human biological consumption

potential but also to stiffness of the changes in population and consumption structure.

MATERIAL AND METHOD

Economical studies point out that for garden stuff products is estimated elasticity of demand is around 0.45 in relation to 1,8 to services, which suggests that in case of consumers 10 % revenue growth, demand for services will record an increase of 18 % compared with an increase of only 4.5% for garden stuff products.(Alexandri, C., 2001)

Both supply and demand of agricultural products create instability issues whether we refer to price fluctuations or different structures of consumption. Thus,, on the field'' of agricultural product markets and of the independent behavior exhibited by the consumer, there is a danger that after a period when prices were high, to attend to a supply in a very high quantity. Such a result is a consequence of oversupply or supply in additional quantities which can lead to a chain decrease in prices and automatically of farmers' income . (Efectul King).

In turn demand instability of agricultural products is the result of different causes of subjective and objective nature manifested by the consumer to a particular product or product groups in the sense of giving up some of them or purchase others without any hesitation.

This effect of instability generates structural changes in food consumption and induces growth or declining trends in the supply of agricultural producers and thus of the food industry, as appropriate. Wheat is the main raw material used in the manufacture of bakery products, representing the most important culture inside of vegetal production and an important component of the grain market.(Berca, M, 1998)

We emphasize that our country has had favorable climatic conditions to provide all products needed for a rational alimentation of the entire population, for animal feed, industrial raw materials, export availabilities, in achieving of all these features an extremely important role is held by cereals whose primary economic importance is related to the role they occupy in the Romanian food consumption model. Wheat is the most important cereal and the plant that occupies the largest areas in the world. There is no food that satisfies human requirements so economical in nutritional and active principles as wheat bread. He enjoys special attention due to high wheat berries content in carbohydrates and protein substances and the ratio between these substances. There are multiple possibilities to mechanize culture, which determines achieving profitable productions. This agricultural product can be stored for a long time or transported at long

distances without spoiling. It can grow in most different climatic conditions ensuring satisfactory production.(Swinnen, J, 2009).

For most of the world's population, bread and various products (spaghetti, vermicelli, macaroni, noodles etc) which are made from wheat flour represent the basic food, providing about 40 % of the total necessary calories. Also wheat is the raw material for different industries and an important source of trade. It is used in the manufacturing of starch, glucose, dextrin, alcohol and other products. Bran, as a byproduct from milling, represent a concentrated nutriment and feed wheat is frequently used in the production of compound feed.

Wheat spin-off, chaff and straw are used in animal feed, respectively as bedding and lately, by advanced technologies in cellulose and paper.

Wheat is grown in over 45 countries, feeding 35-40 % of world population. Wheat areal in the world is closely related to the nature of soil, the most favorable being the area with high content of humus chernozem, and less favorable being podzol soils with acid and saline reactions in organic matter.

RESULTS AND DISSCUSIONS

Demographic factors affect in a determinant manner wheat crop expansion especially in developing countries. Population increase in these countries imposed the introduction and expansion of culture in countries referred to.

Wheat was and remains the main crop that ensures food security of the population. Many developing countries, which in the past didn't cultivate wheat or cultivated on limited areas, now dispose of large areas cultivated with wheat, due to simple production technology and its low cost. Globally, has been found that especially since 1980, the surfaces narrow, showing however, significant increases in average production per hectare and also increase of the total production. This trend reveals emphasis of intensification level of wheat culture production on a global scale.

Introducing in the culture of high biological value varieties was designed to amplify this positive phenomenon.(Andrei, L, 2009)

Archeological research highlights that in Romania, wheat is grown for over 3000 years. Over time, areas and production of this culture was under the influence of multiple natural, economic, demographic and social factors, registering however an upward trend in both indicators.

Wheat has a very important place in the strategy to ensure food security, primarily due to high nutritional value, the long term preservation capacity, but also due to specific characteristics and suitability to achieve a wide variety of bakery products. Our country has created and creates a

favorable framework for cultivation of this so important cereal, climatic conditions representing the basis for achieving a satisfactory production, sometimes exceeding the expected production.(Zahiu, L. (coord), 2009)

The role of wheat in food security strategy is determined by low-cost conservation possibilities compared to other food products, without being required refrigeration chains or expensive equipment.

It is to be noted the importance in this context of qualitative criteria, wheat flour quality being given by its gluten content, percentage which must be over 30%. Protein content of wheat is dependent on several factors, most important being: the nitrogen amount in the soil, temperature at the time of vegetation, soil moisture, wheat variety that was chosen, phosphorus and potassium balance in wheat culture technology.

Due to different vegetation conditions, at some varieties can be found a higher protein content compared to others.

Under these conditions if the wheat supply for bread is subject to fluctuations caused by agro-pedo-climatic factors with a certain variability, the demand for bread manufacture wheat displays a reliable growth trend. Another remark concerns the appropriate quality, suitable to autochthon climatic conditions and to Romanian varieties of wheat.

This reality requires that in wheat strategy elaboration in Romania must have regard to quality criteria of the Romanian varieties developed by Research Institute for Cereals and Technical Plants Fundulea and experimental agricultural stations they coordinate. This institute provides Romanian developed varieties for 90 % of the total wheat cultivated area.

In our country's climatic conditions, the yield level and economic efficiency depends on the restoration and bringing into service of irrigation systems and crop rotations introduction and compliance.

Cereals, recognized as part of the Gramineae breed, occupy an important place in human nutrition, being characterized by a chemical composition rich in nutrients, easily assimilated in the body. As the main components of the grain are:(Swinnen, J, 2008)

- ✚ partially complete proteins in form of albumin, globulin, protamine (gliadin in gluten),glutelina with an essential role in the process of fermentation of the dough.
- ✚ glucides represented by starch, cellulose, maltose(especially in shell).
- ✚ fats, are found in wheat embryo and shell, which are very rich in vitamin E. In outerlayers and in embryo are also found vitamins of group B. In addition, the wheat berry contains a number of minerals in the form of phosphorus, potassium, calcium, magnesium. After processing of cereal grains as croups and flour, some existing

components in the outer layers and in embryo are largely lost, leaving mainly carbohydrates in the form of starch and protein, partially complete.

CONCLUSIONS

The cereal production may be correlated with the cultivated surface and this is expressed by the average production (tons per hectare). In Romania, the average yield of wheat is between 1.8 tons / ha (in 1996) and 3.2 tons / ha (in 1990), with an average of 2.5 tons / ha. In contrast, it was found that the production in the European Union is two times higher (5.5 t / ha) than in Romania. The main reason of this discrepancy can only be the lack of organization and implementation of the latest production technology and automation of production processes in agriculture. Another significant difference between Romania and the European Union results from the comparison between the evolution of the average production of cereals in Romania with the evolution of the average production of cereals in the EU. This comparison highlights the fact that the oscillations shown in the case of the average in the EU are at a much smaller scale than in Romania (with a relatively stable character), showing a slight increase over time for all products examined. Compared with the average grain production registered in the European Union, the average cereal production worldwide stands at half of the European production, namely, for wheat, around 2.5 tons / ha, similar to the average production in Romania, presenting a slight increase over the period.

As per capita wheat consumption is double to the EU, due to national consumer model, especially people who have a low income and cannot provide a qualitatively normal structure of the daily ration. Yields are low and there is an instability of the annual production of wheat needed for domestic consumption.

The degree of annual supply limits ranged from 59.7% (in 1996) and 147.2% (in 2001). Annual changes in stocks of wheat and rye are between - 3.467 million tons (1996) and + 2.537 million tons (2001).

The wheat imports reach significant levels in years with poor harvests, because they depend on climatic conditions. The policy support wheat producers had the expected effects, and the export is below our country's potential. The revenues of wheat producers are unsatisfactory due to the excessive parceling of land, low yields per hectare, higher costs due to expensive inputs, major deficiencies in the distribution and storage system, poor quality of wheat produced by economic agents.

As a sector policy, the agricultural policy comprises a set of fundamental objectives in agriculture, actions, tools and mechanisms by which the governments interfere, moderate or eliminate some interventions in order to regulate the relations demand - supply in the alimentary market.

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