

ANALYSIS OF AGRICULTURE FINANCING IN THE NORTHWEST REGION DURING THE POST-ACCESSION PERIOD PILLAR I FUNDINGS - APIA

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Abstract

During post-accession period (2007-2011), the North-West region has seen a growth towards pre-accession period, with a slight decrease in 2009 amid the economic crisis registered nationally and worldwide. In 2011, regional GDP, expressed in nominal terms, had increased compared with 2006 with 64.5%.

Key words: measures, financing, agriculture.

INTRODUCTION

The Agency for Payments and Intervention in Agriculture (APIA) is the institution responsible for the progress and management of: direct payments; market measures; rural development measures delegated from the Payment Agency for Rural Development and Fishing (PARDF); payments representing financial support from the national budget (Borș, 2007).

APIA makes payments under the following support schemes/measures: the single area payment scheme (SAPS); direct complementary national payments (DCNA) (Dona, 2000); separate payment scheme for sugar; transitional payments for tomatoes intended for processing; compensatory payments for rural development measures (Measure 211 – Compensatory payments for less favored mountain areas (Toma et al, 2010); Measure 212 Compensatory payments for specifically and significantly handicapped areas; Measure 214 – Agri-environment payments) (Aprodu, 2006).

MATERIAL AND METHOD

The research were performed between 2010-2012, at the Agronomy Research Laboratories, at Faculty of Management, Economic Engineering in Agriculture and Rural Development, University of Agricultural Sciences and Veterinary Medicine Bucharest.

Aim of this paper is to evaluate the impact on the production of winter wheat and maize, Romania's integration in the European Union, with particular emphasis on developments during the post-accession in the North-

West, using data obtained from the: National Institute of Statistics, General Agricultural Censuses 2005-2010, Ministry of Agriculture and Rural Development departments, Agency for Payments and Intervention in Agriculture, and Paying Agency for Rural Development and Fisheries (www.insse.ro). To accomplish this objective, paper necessitated to establish a set of indicators and a method of analysis, to quantify the influence of CAP mechanisms on the performance of agriculture (Giurcă et al, 2007). The indicators selected for the assessments were structured as follows (Toma et al, 2009):

- indicators for assessing the impact of integration for the whole region - share of gross value added in agriculture in Gross Domestic Product; Gross Domestic Product per habitant;
- impact assessment indicators integration in the of agriculture region - dynamics of agricultural production, dynamics of gross value added in agriculture, gross value added per hectare, work productivity in agriculture, share of agricultural area cultivated / uncultivated arable surface; dynamics and structure of agricultural holdings; structure of agricultural production; dynamics of purchase prices of agricultural products;

RESULTS AND DISSCUSIONS

Direct payments by the SAPS in the North-West situation, in the period 2007-2010 is as follows (Table no. 1.1):

Table 1.1

SAPS Situation 2007-2010 - North West region

County		Unit measure	2007	2008	2009	2010*
Bihor	Farmers	number	41848	37932	38100	27904
	Sum	mii lei	51347,3	68877,9	90640,8	42130,3
Bistrița-Năsăud	Farmers	number	28277	29845	31127	10395
	Sum	mii lei	22841,7	37703,2	50747,2	13376,8
Cluj	Farmers	number	37702	32302	33406	22534
	Sum	mii lei	35139,0	43736,3	56089,2	28209,3
Maramureș	Farmers	number	31093	33600	33517	20661
	Sum	mii lei	20287,6	33051,4	42160,3	15949,0
Satu-Mare	Farmers	number	25876	22387	23523	17542
	Sum	mii lei	34951,9	46531,0	62689,5	39255,9
Sălaj	Farmers	number	24358	22996	23531	8066
	Sum	mii lei	19178,2	26777,6	35226,3	8810,7
Total	Farmers	number	189154,0	179062,0	183204,0	107102,0
	Sum	mii lei	183745,7	256677,4	337553,3	147732,0

Note: 2010 excludes all payments made

Source: Based on data obtained from APIA - MARD [11]

In 2010, payments made by PIAA for market measures were (Table no. 1.2):

Table 1.2

Payments by APIA in 2010 for market measures - Northwest region

	County	Requests	Lei
Financial support milk producers and dairy severely affected by the crisis in the dairy sector	Bihor	307	789738,60
	Bistrița-Năsăud	543	878574,44
	Maramureș	110	139193,00
	Satu-Mare	481	1176903,65
	Sălaj	87	173825,84
Providing community support for supplying milk in schools	Bihor	2	1430824,9
	Bistrița-Năsăud	2	920545,04
	Cluj	2	1326969,63
	Maramureș	110	748722,00
	Satu-Mare	-	156116,96
	Sălaj	2	670396,80
Community financial assistance for the school year 2009/2010, the Fruit in Schools	Bistrița-Năsăud	1	68294,65
	Maramureș	3	16101,00
Reconversion and restructuring vineyards	Bihor	4	71579,72
	Bistrița-Năsăud	6	1597845,50
	Satu-Mare	92	32843156,00
	Sălaj	2	1308747,43
Beekeeping	Bihor	2	156171,18
	Bistrița-Năsăud	1	27765,17
	Cluj	2	235461,24
	Maramureș	2	146956,00
	Satu-Mare		169302,68
	Sălaj	3	716178,82

Source: Based on data obtained from APIA - MARD [11]

Also, in 2010, APIA has provided subsidies from the state budget, were (Tabel 1.3):

Table 1.3

Payments made by APIA in 2010 for grants from the state budget - North-West region

	County	Requests	Lei	Quantity
Reduced excise duty on diesel subsidy	Bihor	280	2541458,46	2187141,869 liters
	Bistrița-Năsăud	91	219077,67	961310 liters
	Cluj	211	825060,82	710797,18 liters
	Maramureș	114	204278,61	175799,15 liters
	Satu-Mare	744	9294844,30	1659636,705 liters
	Sălaj	123	232855.02,00	200391,67 liters
Complementary direct payment schemes in the livestock	Bihor	1105	8913356,00	226548 heads
	Bistrița-Năsăud	2016	8551146,00	215458 heads
	Cluj	1632	12168560,00	304214 heads
	Maramureș	1072	4866276,00	124458 heads
	Sălaj	862	6672360,00	166809 heads
Direct payment schemes complementary to bovine livestock	Bihor	7622	18241720,00	44492 heads
	Bistrița-Năsăud	8845	19518870,00	47607 heads
	Maramureș	13.830	24062490,00	58689 heads
	Sălaj	4078	7777700,00	18970 heads
Organic farming	Bistrița-Năsăud	16	36550 euro	942,66 ha/ 80 familii de albine
	Satu-Mare	7	13400 euro	
State aid for achieving commitments welfare and protection of birds	Maramureș	13	9921828,16	2571093 chickens 175340 laying hens
	Satu-Mare	19	25909805,24	
	Sălaj	5	3553376,55	
State aid commitments to achieve welfare and protection of pigs	Maramureș	11	19488847,00	123595 heads
	Satu-Mare	8	16525624,00	
	Sălaj	6	4975244,40	

Source: Based on data obtained from APIA - MARD [11]

CONCLUSIONS

During post-accession period (2007-2011), the North-West region has seen a growth towards pre-accession period, with a slight decrease in 2009 amid the economic crisis registered nationally and worldwide. In 2011, regional GDP, expressed in nominal terms, had increased compared with 2006 with 64.5%.

The weight of agriculture in the formation of regional GDP declined from 9.7 % in 2006 to 7.4 % in the year 2011. Related to country level, it is to be noted that significance of agricultural sector in the Northwest region from total agriculture dropped by 1.7 percentage points, reaching at 13% in the year 2011.

The weight of VAB in the production value, lower than the one registered at the country level and on the rise in the period under consideration, proves that agriculture in the Northwest region procures a large part of intermediate consumption from the inside of the branch.

Gross domestic product per capita has increased in nominal terms, but having an increasingly reduced level in relation to the recorded values in the country.

Agricultural holdings in the Northwest region accounted for 13.7% of agricultural holdings in the country and held 13.6% of the utilized agricultural area in the year 2010, in accordance with the General Agricultural Census (GAC).

They have followed a more significant decrease during the period 2005-2007 (10.7 %) than in the period 2007-2010 (1% only).

All this shows a general positive development of agriculture in Romania during post-accession period, but also the fact that the identifiable impact of PAC implementation system is only visible in the animal sector.

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