

ANALYSIS OF AGRICULTURE FINANCING IN THE NORTHWEST REGION DURING THE POST-ACCESSION PERIOD PILLAR II FUNDINGS - APDRP

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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%. We can see that at the region level, between 2009 and 2011, a number of 1010 projects were submitted on this measure, totaling 17.9 % of the total projects submitted under the measure 112 at national level (the highest weighted as compared with the other regions of development).

Key words: Measure 112, financing, agriculture, project.

INTRODUCTION

Measure 112, "Setting-up of young farmers", comes under Axis I – "Improving competitiveness of agriculture and forestry" and has as objectives (Toma E, 2010):

- improvement and increasing the competitiveness of agriculture by promoting installation of young farmers and supporting of the process of modernization and compliance with the requirements for the protection of the environment, hygiene and animal welfare, safety in the workplace;
- improvement in the management of farms by their superiors generation renewal, without increasing the agricultural labor force;
- increasing revenue of farms run by young farmers;
- increasing number of young farmers beginning for the first time a farming activity as heads of farms and encouraging the young farmers to make investments (Dona, 2000).

The total funds reserved to Measure 112 by European Agricultural Fund for Rural Development (EAFRD) are 337,221.5 thousand Euros out of which: the contribution of the Romanian government - 20% (67,444.3 thousand Euros) and the contribution of the European Union - 80% (269,777.2 thousand Euros).

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.

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

We can see that at the region level, between 2009 and 2011, a number of 1010 projects were submitted on this measure, totaling 17.9 % of the total projects submitted under the measure 112 at national level (the highest weighted as compared with the other regions of development) (Table 1.1).

Cumulative value of these projects amounted to 21,046 thousand Euros, representing over 17% of the total value of the projects at the national level for this measure (Bors, 2007). The amounts paid amounted to 13,507 thousand Euros (17.9 % of the sums paid out at national level and 64.2 % of the amounts contracted) (Aprodu, 2006).

We can see that the county with the most projects was Bihor county, with almost 34% (worth 7,436 Euros), followed by Satu Mare (19.5 %) and Cluj (18.4 %). The last on this list is Maramureş county, with 72 projects, worth 1,299 thousand Euros (www.insse.ro).

Table 1.1

Projects submitted and the eligible amount, for the 112 measure, at national, regional and county levels - 2009-2011

National/Regional / county levels	2009	2010	2011	Cumulative 2009-2011	Structure %
Projects submitted – number					
National	504	2571	2561	5636	100,0
<i>North-West region</i>	104	477	429	1010	17,9
Bihor	38	156	149	343	34,0
Bistrița Năsăud	6	38	46	90	8,9
Cluj	8	130	48	186	18,4
Maramureş	6	35	31	72	7,1
Sălaj	24	41	57	122	12,1
Satu Mare	22	77	98	197	19,5
Contracted - thousand euros					
National	10126	54582	50834	115542	100,0
<i>North-West region</i>	2172	10501	8373	21046	18,2
Bihor	843	3523	3070	7436	35,3
Bistrița Năsăud	149	939	1077	2165	10,3
Cluj	187	3063	1053	4303	20,4
Maramureş	98	744	457	1299	6,2
Sălaj	477	740	1058	2275	10,8
Satu Mare	418	1492	1658	3568	17,0
Paid - thousand euros					
National	6084	29459	39834	75377	100,0
<i>North-West region</i>	1301	6421	5785	13507	17,9
Bihor	504	2147	2031	4682	34,7
Bistrița Năsăud	89	583	784	1456	10,8
Cluj	112	1848	760	2720	20,1
Maramureş	59	450	378	887	6,6
Sălaj	286	477	708	1471	10,9
Satu Mare	251	915	1124	2290	17,0

Source: Based on data obtained from APIA - MARD [10]

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%.

Average prices of main agricultural products purchased by economic operators have been increasing both in nominal and real terms.

The largest increase was recorded in plant products, in particular wheat and sunflower, on the background of developments in international prices.

Reported to the acquisition prices of agricultural products recorded at the whole country level, it was found that for some products the prices within the Northwest region have been much higher than the country average.

All this show 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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