

Ministry of Agriculture and Rural Development



# Agricultural Sector in Romania



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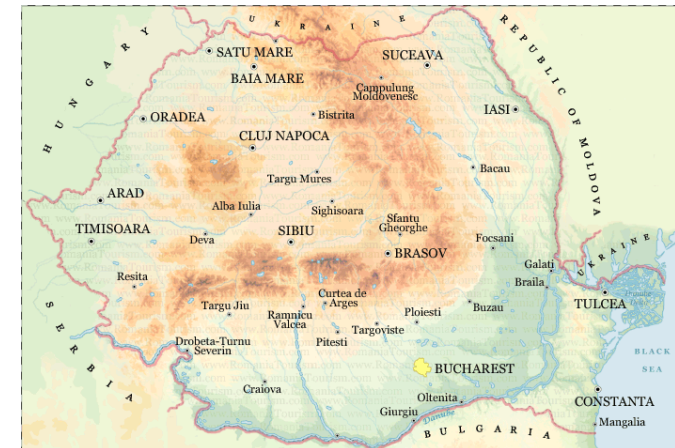
# Topics

- **General data about Romania**
- **Resources used in agriculture**
- **Agricultural sector**
- **Farm structure**
- **Producer support in 2010**
- **Investment opportunities**
- **Romania's advantages**



# Romania – General Data

- **Total area:** 238 391 km<sup>2</sup>
- **Inhabitants:** 21,5 Mil out of which 44.8% *in rural areas*:
- **Unemployment rate:** 7,8 % (dec 2009)
- **GDP growth variation (yby):**
  - **2004:** 108.5%, **2005:** 104.2%; **2006:** 107.9%; **2007:** 106.3%; **2008:** 107,1;
- **Agriculture in GDP (%)**
  - **2004:** 12.6; **2005:** 8.4; **2006:** 7.8; **2007:** 5.8; **2008:** 6.5;



# Resources (1)

- Agricultural area (thou ha):  
14 731
  - Arable: 9 434.6 (64%)
  - Pastures: 3 334.4 (22.6%)
  - Hayfields: 1 524.9 (10.4%)
  - Vineyards and vine nurseries:  
223.7
  - Orchards and tree nurseries:  
213.4
- Forests (thou ha): 6 754.7



## Resources (2)

- Agricultural area irrigated (thou ha): 96.2



- Employment in agriculture: 2 840 341 persons  
(29.7% of total employment)

# Agriculture (1)



## ■ Wheat + Barley

- Cultivated area (thou ha): **2005: 2 497; 2006: 2 056; 2007: 1 946; 2008: 2155**
- Yields (kg/ha): **2005: 2 960; 2006: 2 717; 2007: 1 544; 2008: 3393**

## ■ Maize + Sorghum

- Cultivated area (thou ha): **2005: 2 630; 2006: 2 521; 2007: 2 142; 2008: 2449**
- Yields (kg/ha): **2005: 3 951; 2006: 3 565; 2007: 1 742; 2008: 3312**



# Agriculture (2)



## ■ Sunflower

- **Cultivated area (thou ha): 2005: 971; 2006: 991; 2007: 804; 2008: 813**
- **Yields (kg/ha): 2005: 1 381; 2006: 1 540; 2007: 650; 2008: 1437**

## ■ Rape seeds

- **Cultivated area (thou ha): 2005: 88; 2006: 110; 2007: 349; 2008: 364**
- **Yields (kg/ha): 2005: 1 681; 2006: 1 590; 2007: 998; 2008: 1844**

# Agriculture (3)

## ■ Sugar beat

- Cultivated area (thou ha):  
2005: 25; 2006: 40; 2007:  
27; 2008: 20.4
- Yields (t/ha): 2005: 29;  
2006: 29; 2007: 30; 2008:  
36



## ■ Potatoes

- Cultivated area (thou ha):  
2006: 278; 2007: 283;  
2008: 261
- Yields (t/ha): 2005: 13;  
2006: 14; 2007: 12;



# Agriculture (4)

- **Vegetables (not in greenhouses)**
  - **Cultivated area (thou ha):**  
**2005:267; 2006: 280; 2007:**  
**109; 2008:**
  - **Yields (t/ha): 2005: 14;**  
**2006: 15; 2007: 9; 2008:**
- **Vineyards**
  - **Cultivated area (thou ha):**  
**2005: 190; 2006: 196;**  
**2007: 184; 2008:**
  - **Yields (t/ha): 2005: 2.6;**  
**2006: 5.4; 2007: 4.5; 2008:**



# Agriculture (5)

- **Bovine animals (thou heads)**

- **2005: 2 862; 2006: 2 934;**  
**2007: 2 880; 2008: 2537**

- **Bovine animals for milk (thou heads)**

- **2005: 1 812; 2006: 1 810;**  
**2007: 1 639; 2008: 1635;**

- **Pigs (thou heads)**

- **2005: 6 622; 2006: 6 815;**  
**2007: 6 819; 2008: 4789;**



# Agriculture (6)

## ■ Sheep and goats (thou heads)

- **2005:** 2 862; **2006:** 2 934; **2007:** 2 880; **2008:** 10396



## ■ Poultry (thou heads)

- **2005:** 86 552; **2006:** 84 990; **2007:** 83 228; **2008:** 71823





# Trade

## Imports (mil Euro)

- **2005:** 2 022; **2006:** 2 425; **2007:** 2 272; **2008:** 4190
- Main products imported: pig meat, tobacco and cigarettes, sugar, citric, food products, poultry meat

## Exports (mil Euro)

- **2005:** 673; **2006:** 854; **2007:** 750; **2008:** 2120
- Main products exported: live animals (sheep, goats, horses, donkey, bovine), sunflower seeds and oil,



# Direct Payments

- a. **SAPS: 80 €/ha** –with a total financial envelope of 740 Mil.€
- b. **Separate Sugar Payment – 189 euro/ha** with a total financial envelope of 4.04 M €
- c. **Transitory Vegetable scheme for processing tomatoes – 170 €/ha** - with a total financial envelope of 0,86 M €
- d. **CNDPs for vegetable, bovine and ovine:**  
800 M Euro/year



## Conditions for the SAPS

- **Reference area** for direct payments (area negotiated with European Commission):  
8 716 3700 ha
- **Farm eligible for SAPS and CNDP:**
  - Farm registered in Romania of minimum 1 ha and the plot of at least 0.3 ha,
  - Farm activity in Romania,
  - Specific conditions related to the no of cows and sheep for CNDP for animal
- The farmer should apply for the payments



# Farm structure

IACS DATA - 2008

	Number	area (ha)
0.1 – 1 ha	0	0
1 – 5 ha	1.001.409	2.436.816
5 – 10 ha	159.428	1.058.554
10 – 50 ha	52.273	982.022
50 – 100 ha	5.436	348.073
100 – 1000 ha	10.029	3.013.370
over 1000 ha	790	1.611.170
<b>Total</b>	<b>1.229.365</b>	<b>9.486.005</b>



# **Rural Development Programme 2007 - 2013**

<b>Total public expenditure</b>	<b>9.970.795.600 Euro</b>
Axis 1	3.967.311.581
Axis 2	2.293.413.375
Axis 3	2.473.739.880
Axe 4 – Leader	235.074.871
Technical assistance	376.119.793
Complementary direct payments	625.136.100



# Rural Development Programme

- Active measures Axis I
  - 112 Setting up of young farmers – 337 M Euro
  - 121 Modernization of agricultural holdings – 991 M Euro
  - 123 Adding value to agricultural and forestry products – 1,071 M Euro
  - 141 Supporting semi-subsistence agricultural holdings – 476 M Euro
  - 142 Setting up of producers groups – 138 M Euro



# Rural Development Programme

- Active measures Axis II
  - 211 Support for mountain areas – 608 M Euro
  - 212 Support for Less Favoured Area other than mountain area – 493 M Euro
  - 214 Agri-environment payments – 963 M Euro



# Rural Development Programme

- Active measures Axis III and Leader
  - 312 support for the creation and development of micro-enterprises – 383 M Euro
  - 313 Encouragement of tourism activities – 544 M Euro
  - 322 Rural infrastructure – 1,546 M Euro
  - 431 – 1 Public – private partnership building



# Facilities

- Room for development and investments in the main agricultural sectors: pig, poultry, vegetables and fruits, milk
- Labor force available in rural areas
- Flat rate : 16%
- No taxation for the reinvested profit



## **PAC after 2013**

- Strong budget for
- Pillar II, especially for rural infrastructure investments
- Maintaining of Pillar I
- Equalization of direct payments among Member States