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E STUDIES AND RESEARCH TO IDENTIFY MAJOR OPPORTUNITIES AND PROBLEMS FACED BY THE ORGANIC ROMANIAN FARMERS

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Keyvords: organic agriculture, financial situation, certification process, management methods

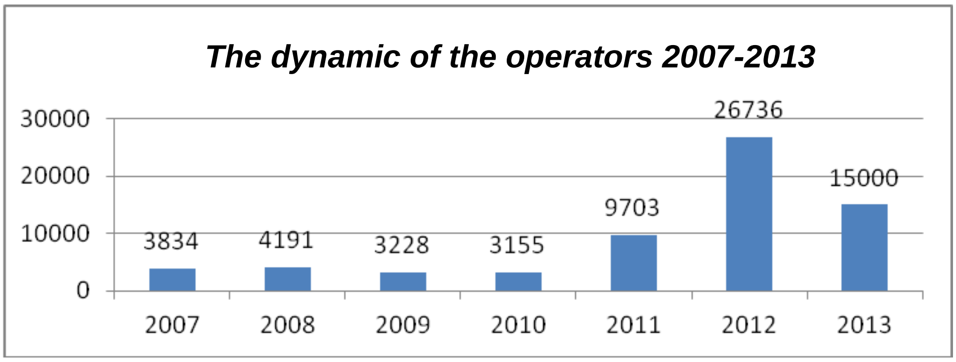
ABSTRACT

The oscilatory evolution of the number of operators registered in the field of organic agriculture during the latest years, as well as the general trend of organical breading and of increase in cultivated areas, were prerequisites for an exploratory research among manufacturers. The present studyis prezents a collection of information based on the depth controlled interview, aiming at identifying the main challenges and opportunities faced by the organic Romanian farmers. We had in mind a number of main objectives related to the economic environment, the market of organic products, the financial situation and the investment value, the certification process, etc. The result of the study highlighted the importance of the development of organic production, using appropriate technologies and management methods.

INTRODUCTION

Since 2007, the year of Romania's accession to the EU, the organic farming sector in our country has experienced an oscillating evolution. Although the tendency is one of growth, it ands on a number of issues that deserve more careful analysis. If in the period 2007-2010 the number of operators in organic farming and of the recorded surfaces in the system have small variations, remaining at a constant level, between 2010 and 2012 they have seen a spectacular sequence evolution.

Thus, in 2007 were registered 3834 organic farming operators, and by 2010 their number has seen a slight decrease to 3155, and over the next two years it was recorded a major increase, to 9703 operators in 2011, respectively 26700 operators in 2012. Increasing the number of farmers grew both plant and animal production in organic systems.



Source: MADR

Chart 1. The dynamic of the operators 2007-2013

The year 2013 has registered a spectacular drop of registered operators in organic farming, according to the data obtained from the certification bodies in august with just 15,000 organic farmers (a statistic of cultivated areas and livestock is not available for 2013).

Although the accelerated growth of the ecological agricultural sector since 2010 is generally due to the expense governmental conversion, we tried to do a more careful research of the phenomenon, which help to understand the deeper causes that gave rise to this evolution, as well as the prospects of the development of organic farming in the next few years in Romania.

MATERIAL AND METHOD

The research took place from July to August 2013 and was based, as method for collecting information, on the depth semicontrolled interview. The purpose of the research was to identify the major opportunities and problems faced by the Romania organic farmers. We had in mind a number of main objectives related to the economic environment, the market of organic products, the financial situation and investment value, the certification process, etc.

The research was attended by 20 respondents from all geographical areas of the country. It was tried as the sample to include, as much as possible, manufacturers of vegetable and livestock sector. The representation of small farmers is higher (about 70%), in accordance with their share in the total organic farming operators, being represented farms located in the lowlands, hills and mountains. The data were analyzed by the content analysis method, although the research is essentially exploratory, a series of quantifiable results where obtained. They presented the reasons for those initially working in the conventional system were and now chosing to go into the conversion process.

RESULTS AND DISCUSSION

During the research some administrators of comercial companies that operate in the field of organic agriculture, authorized natural persons and individual manufacturers were interviewed as follows:

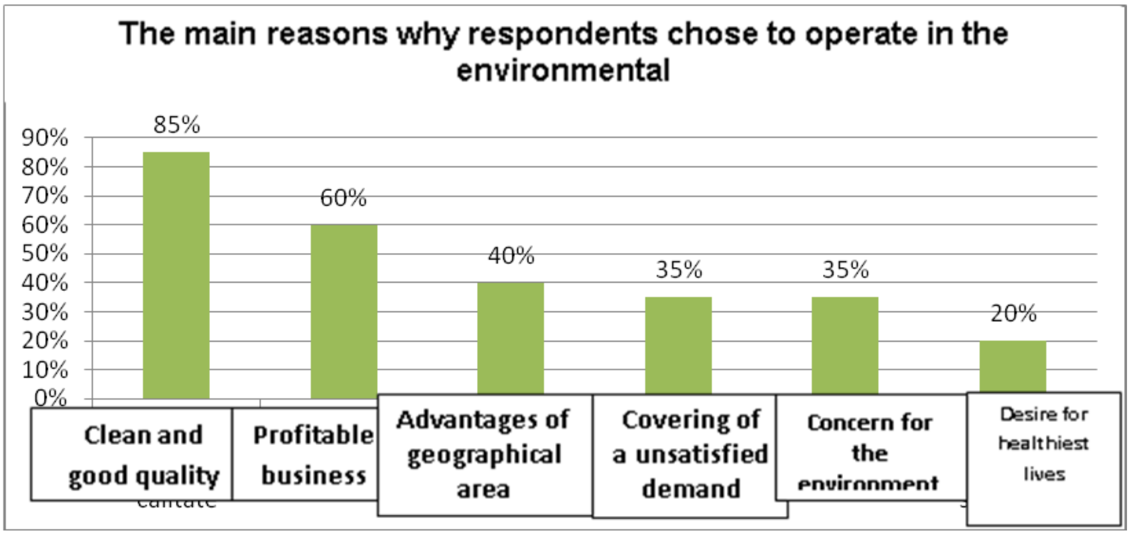


Chart. 2. The main reasons why respondents chose to operate in the environmental

-15% have an experience of more than 10 years in the ecological field;
-20% have an experience of 5 to 10 years;
-65% having an experience less than 5 years in the field of ecology;
-20% of respondents represent holdings which are still in the last year of conversion;
-70% of the respondents claim that they practiced conventional agriculture before moving on to organic farming;
-30% of them have started directly in organic agriculture.

In terms of the motivation for which operators have chosen the practice of organic agriculture, we can analyze two distinct cases:

a) Those who worked initially in the conventional system, now they have chosen to go into the conversion process.

b) Among of those who have started directly in the field of organic agriculture, 80% were mentioned as the prime reason the opportunity to achieve a profitable business, and for 20% the main motivation was to ensure a healthier and qualitative life.

Regarding the main problems encountered in the process of organic production, livestock breeders seem to encounter more difficulties than those involved in vegetable culture, where 90% of them have experienced reduced availability for obtaining organic feed and for their high price, resulting in a lower yield with a production of 7-12 percent smaller than in conventional agriculture compared to an average of 30-40 per cent less than in the vegetable sector.

Also, organic vegetable production is influenced by the climatic conditions in greater measure than the one obtained in a conventional system. The vulnerability to pests, the low efficiency of organic treatments and the difficult control of big crops. have been mentioned by all respondents.

The producers from the vegetable sector declare themselves satisfied with the subsidies provided by the State for field crops, while stockyard brands advertise the absence of significant aid from the State.

In terms of market research, resulted 3 important categories of producers:

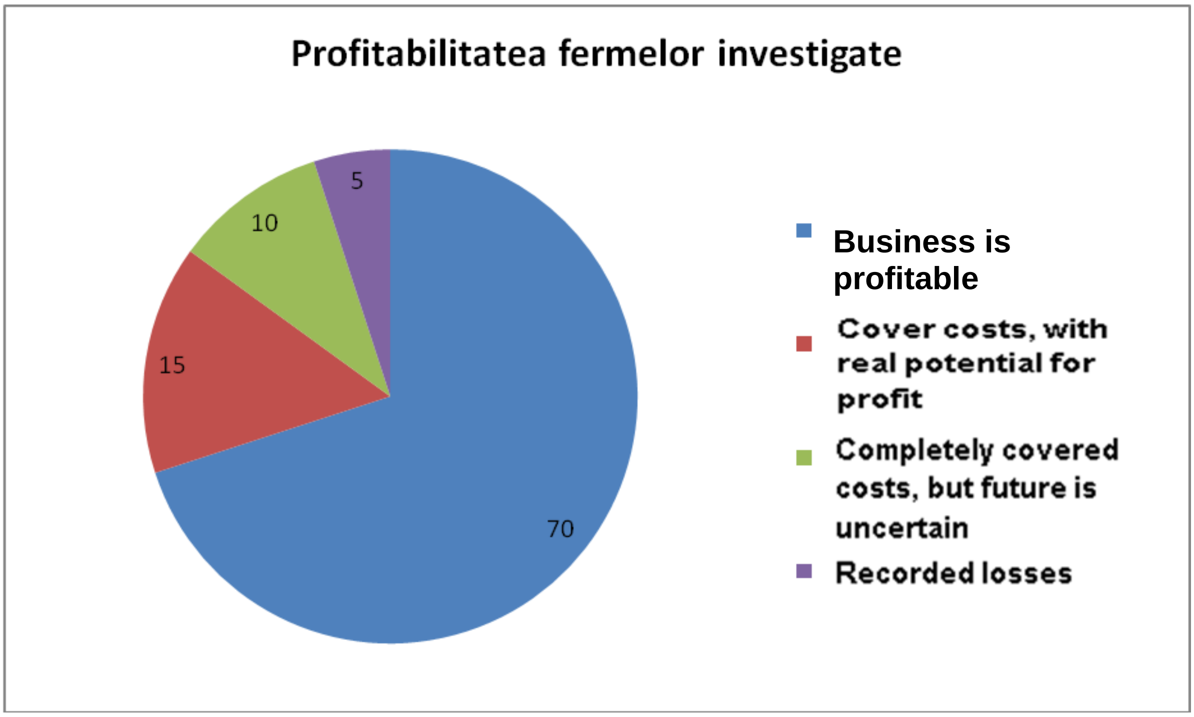
a) The very small agricultural producers, who own mixed or vegetables farms. They produced for personal consumption than for capitalization. Their market square is made up mainly of relatives and acquaintances. In some cases, these delivered reduced quantities of merchandise to specialized shops in the vicinity of the farm. The main problem of these manufacturers is the very low production as well as the lack of materials to expand their business.

b) The agricultural producers oriented towards business to business market . They are mainly the grain manufacturers for variable areas (generally greater than 60 ha) and they sell their entire production to the cattle breeders, bread factories, pharmaceutical industry, etc. Such manufacturers could be met in the sectors of bee-keepers or sheep breeders. Usually they have a small circle of clients (1-3 clients for the large manufacturers) for developing partnership relations and for saling the entire production en-gross.

c) The agricultural producers or companies with a turnover of hundreds of thousands of RON per year, or more, which, through its own distribution network, ensuring the disposal of the great network of supermarkets. In this situation, the Romanian market, I interviewed some dairy and organic eggs market operators. They have their own brands (such as Country eggs or Klevec, in the case of eggs or La Dorna Bio, in the dairy sector) and guide themselves after the rules of modern marketing and management (to a variable extent, from one case to another) in carrying out the activity.

Din punct de vedere al profitabilitatii, 70% dintre cei intervievati declara ca afacerea lor este profitabila, 15% spun ca reusesc sa-si acopere costurile cu dificultate, dar afacerea ar putea deveni profitabila in viitor, iar 10% reusesc sa acopere costurile la limita si nu stiu ce perspective de dezvoltare are afacerea lor. 5% (1 singur caz) sustine ca inregistreaza pierderi din momentul deschiderii afacerii pana in prezent.

In terms of profitability, 70% of those surveyed stated that their business is profitable, 15% say they barely cover the costs, but the business could become profitable in the future, and 10% to cover the cost to the limit and they do not know their business development would be, 5% (single case) of them register losses since the opening of the business.



The certification process is considered natural by the respondents, and the organic certification costs are rated as being low or moderate, even by the operators of the subsistence farms.

One of the limits of the research is constituted by the fact that they could not be contacted the registered operators in organic farming and those who have not obtained the certificate in the last year. There was contacted a large number of operators enrolled in agricultural chambers in 2013 as working in the organic agriculture field and who either did not want to answer or said by telephone that currently do not actually produce anything.

CONCLUSIONS

The result of the study has highlighted the importance of the development of organic production, by using appropriate technologies and management methods.

In terms of the market, although they did not have the results of marketing research, the majority of those surveyed consider it has a positive evolution and the tendency is one of growth.

The organic agricultural production seems significantly more profitable than the conventional one, but the issues are larger for the livestock sector.

The results of the study shows that the crop production has achieved real success in any doubt about customer ecological culture that it is considered profitable, although it is influenced by climatic conditions, vulnerability to pests, the low efficiency of organic treatments and control difficult of the cultures.

The heavier problems which are to be solved exist in the livestock sector where the availability of organic feed, the high price of it lead to low productivity. The result of the research carried out shows that the success of the business in the field of organic production depends, to a great extent, on farm management and applied technologies, and in lesser extent on the size of exploitation.

Although they faced plenty of specific problems compared to conventional farming, the organic producers practice higher prices, which managed in most cases to cover costs and to bring significant profit margins.

In terms of the market, although they did not have the results of marketing research, the majority of those surveyed consider it a positive evolution, the tendency is one of growth.

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