

THE INFLUENCE OF ROMANIAN AGRICULTURAL PRODUCTION ON THE DEVELOPMENT OF THE NATIONAL ECONOMY

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Abstract: Agriculture is one of the branches of the economy as a whole important, meant to contribute to an overwhelming extent to the relaunch of the country's economic growth. It is necessary to carry out fundamental transformations in the agrarian structure, in the technical-material base, in the organization of the agricultural exploitations, which to ensure the practice of a modern agriculture and its inclusion in the general strategy of the transition of the entire Romanian economy to the market economy.

Keywords: agricultural production, market, productivity, imports, exports

INTRODUCTION

Agriculture today enjoys special attention in all countries of the world, regardless of level economic development. In the contemporary world the most developed countries in economic terms, they are also the largest producers and exporters of agricultural products. [5]

As a basic branch of our national economy, agriculture asserts itself as a field of particularly complex and complicated activity. [8] The complexity of agriculture, as a branch of material production, of the national economy, is determined by the role of agriculture in economic development and its technical peculiarities, economic and social issues, which give general economic legitimacy a specific manifestation in agriculture. [1] The problem of the role of agriculture in economic development appears in most works of economy, but few admit that behind it actually hides the implicit theory of agricultural development. These two issues are far from independent. [10] Thus, when we refer to economic development, implicitly we are talking about the springs of agricultural development, which are in a related connection with other sectors of the economy, especially the industrial one. [2]

Agriculture and the food industry are among the areas of major interest during this period. The governments of European states are concerned both with the continuation of agricultural work, the planting of crops and the optimal conduct of harvesting work, and with the maintenance of supply chains. [11]

Concerning the Romanian agricultural production in the European Union, our country is situated on the first place in the EU for maize grains both in terms of cultivated area and production, the first place in the EU for sunflower both in terms of cultivated area and production, fourth place in wheat both in cultivated area and in production, after France, Germany and Poland. [14]

The development of agriculture is influenced by natural, technical and socio-economic factors.

Among the natural factors, the climate has an essential role, it conditions the spread and structure of agricultural crops through the regime of temperature, humidity and light. The relief influences the distribution of crops by altitude, the exposure of the slopes, the inclination of the slopes. [3] The genetic type of soil contributes through its main feature, fertility, to which is added the ability to drain and retain water. [4]

Technical factors have an important role in increasing production, through mechanization, chemicalization, irrigation, etc. and the socio-economic ones through the

capacity and the degree of training of the labor force and the entire economic context in which this branch of the economy develops. [6] Like any economic activity, agricultural activity aims to meet human needs and the overall progress of the country. [12]

MATERIALS AND METHODS

Analysis and synthesis, analogy are the main research methods used, we have also used tables in order to resemble the research results.

RESEARCH RESULTS

The fruit and vegetable market, one of the most important sectors of the world economy, has always been a field of paradoxes. [7] As paradoxical as it may seem today in the midst of a scientific and technical revolution, which is leading to strong growth and world agricultural production, many countries are facing a food problem that tends to worsen over time. destabilization of international life. [9] There are large gaps between developed and developing countries in terms of food opportunities.

Insufficiently exploited, the fruit and vegetable segment, which is valued at 50 billion euros, with a production of 80 million tons, represents only 18% of the agricultural production of the European Union. Although organic food is heavily promoted, data provided by the World Health Organization show that Europe's continued consumption of fruit and vegetables is below the recommended amount of 400 grams per person per day. The low production, the tax evasion and the lack of some norms have influenced in the last years the vegetable-fruit market of the Romanian economy. The lack of regulations determined the practice of high prices that discourage consumption, and Romanian producers, discouraged by the avalanche of imports, gave up investing and uniting in associations, in order to create a competent market, at European standards. Although this sector is notable for relatively cheap labor, low raw material processing costs and high potential for organic farming, lack of programs to promote vegetables and fruits in third countries and the domestic market, as well as low competitiveness of products impedes the development of this market. Although the product offer is diversified, the added value of the products is small, especially due to the lack of marketing knowledge meant to ensure attractiveness and safety, the lack of technical means of sorting, packaging, labeling, storage and transport of production. Despite the fact that Romania has a very high agricultural potential, being the fifth largest market in the European Union in terms of arable land, Romanian agriculture is characterized by low productivity, which is automatically reflected in a relatively low production of vegetables and fruits.

Table 1

Evolution of area and fruit production

	Unit	2015	2016	2017	2018	2019	2020
Surface	Thousand ha	144,1	140,8	138,5	138,0	139,0	137,3
Entire production	Thousand to	1299,9	1115,2	1224,7	1241,5	1058,5	1813,4

Source: own representation after Eurostat information

In the last years, our country produced on average 3,700,000 tonnes of vegetables and about 1,300,000 tonnes of fruits annually. In 2019, Romania produced 3,472,200 tonnes of vegetables and 1,279,300 tonnes of fruits.

According to data centralized by the Ministry of Agriculture, Romania imported between January and December 2019 about 900,000 tons of vegetables and fruits, totaling

460,262 euros and exported about 140,000 tons of vegetables and fruits. Last year, our country imported 409,718 tons of vegetables and 489,271 tons of fruits. According to the data, 84.32% (345,469 tonnes) of the quantity of imported vegetables and 78.53% of the quantity of fruits (384,229 tonnes) came from the European Union. Vegetables imported from third countries accounted for only 15.68% (64,248 tonnes) of total imports, and fruits 21.47% (105,041 tonnes).

Regarding exports, the number of quantities is significantly lower, in 2013 Romania exporting only 85,146 tons of vegetables and 54,830 tons of fruits.

According to the data, 95.73% of the total vegetables (81,510 tonnes) were exported to EU countries, and 4.27% from third countries (3,636 tonnes). The same is true for fruit, with 87.68% exported to the EU (48,077 tonnes) and only 12.32% (6,752 tonnes) to third countries.

Romania's climate and soil offer favorable conditions for the cultivation of fruit trees and shrubs, species spread, depending on their biological requirements, throughout the country. At present, the fruit heritage is a lot decreased, the total area cultivated with fruit trees in 2019 being 138 thousand ha, representing 1% of the country's agricultural area. Most orchards are older than 25 years, with reduced productive potential, declining or abandoned. According to the culture system, over half of them are exploited in an extensive (classical) system. The competitiveness of a fruit farm depends largely on the ratio between production intended for fresh consumption and that intended for the processing industry.

The Romanian fruit and vegetable sector represented in 2019, 24% of the total value of plant production. Although the product offering is diversified, the added value of the products is small, mainly due to:

- lack of marketing knowledge that involves methods of preparing production in view of marketing (sorting, classification) and presentation (packaging and labeling) designed to ensure the attractiveness and safety of the product the consumer;
- lack of technical means of washing, sorting, packaging, labeling, storage and transport of production to the market;
- the lack of a production planning system and its articulation according to market requirements.

Table 2

Agricultural goods output in Romania, 2019

Agricultural goods output (million EUR) of which:	17641.2
cereals	26.6%
Industrial crops	8.7%
Forage crops	8.8%
Vegetables and horticultural products	16.9%
potatoes	6.7%
fruits	6.1%
wine	1.6%
Olive oil	0.0%

Source: own representation after Eurostat information

Romania is facing increased imports of vegetables and fruits, whose main effect it was felt at the level of the price and implicitly at the level of the producers' incomes. Lack the concentration of supply, especially of producer organizations, did not allow the practice the measure of withdrawal of production and its free distribution.

Among the factors generating crisis in the fruit and vegetable market can be stated:

- chaotic production, unplanned according to market requirements;
- extreme climatic phenomena and various diseases and pests;
- imports from the EU and third countries mainly affecting the vegetable market and fruits;
- poor promotion of vegetables and fruits among consumers

Most of the time, the processing industry was the main outlet for absorption of excess production, caused by the lack of vertical integration of the sector, through establishing permanent contractual relations between producers and processors. From here it we could deduce that the fresh produce chain is much more vulnerable to the factors of crisis, regardless of nature, than the processing industry.

Given the small size of vegetable and fruit farms as well as the lack of farmers' experience in relation to the crop insurance system, the mechanisms of crisis prevention and management play a very important role in safeguarding revenues manufacturers. Given the small number of farmers who take out insurance policies production of fruits or vegetables, we can say that the negative effects caused to crops vegetables and fruit plantations of climate phenomena and the attack of diseases and pests are fully borne by the manufacturer. Exceptions are damages caused by disease and quarantine pests for which affected farmers can obtain financial support.

Table 3

Total expenditure in Romania, 2019

Total expenditure (million EUR) of which:	3031.7
Direct payments (%)	60.9
Market measures (%)	1.4
Rural development (%)	37.7

Source: own representation after Eurostat information

CONCLUSIONS

A fundamental feature of Romanian agriculture consists in the fact that the high natural potential can ensure the internal need for basic food for a much larger population than the existing one at present. Food imports should only be a source of supplementation and diversification of consumption. The negative effects of agricultural reform in its first phase have a temporary negative impact on the level of plant and especially animal production and negative effects propagated on the upstream and downstream agricultural industries. The decentralization of the agri-food sector, the privatization of land, the lack of programs meant to create new agri-food sectors generated the crisis of agriculture and affected the food security of the population.

The EU should financially support farmers and should encourage sustainable and green practices, while investing in rural development.

The EU institutions should work together to ensure optimal food and agriculture policies at all stages: development, implementation, monitoring and evaluation. National and local authorities should also implement the legislation agreed at EU level. Through the EU budget, the funds are made available to the Member States in accordance with the rules established at Union level. The EU also should monitor how legislation is applied and its effectiveness, while coordinating changes.

The agriculture and food industries and services provide thousand jobs in the Romania, including constant employment for people in the agricultural sector. Due to the

varied climate, fertile soils, technical skills of farmers and the quality of its products, Romania is one of the European's leading producers and exporters of agricultural products.

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