

**ACCESS ANALYSIS OF SUBMEASURE 6.1 YOUNG FARMER INSTALLATION
RELATED TO NRDP 2014-2020. CASE STUDY - MOUNTAIN AREA, BIHOR
COUNTY**

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***Abstract:** The installation of the young farmer was one of the sub-measures in very high demand in all the seven project submission sessions held in the period 2015-2021, this being demonstrated by the 15 143 funding applications submitted and the 10 736 contracts concluded. Until now, about 93% of the contracted projects have been completed and 0.63% have been terminated. It is important to specify that the mountain area of the country benefited from separate funds in order to repopulate these areas. In the work, the selection reports of the projects that requested funding under sub-measure 6.1, related to the mountain area at the national level, namely Bihor County, were analysed precisely in order to highlight the interest of the population in view of the development of the mountain area.*

Key words: young farmer, application for financing, mountain area, support, Bihor county

INTRODUCTION

Romania needs a renewal of the generations of farmers at the level of the whole country, precisely because of the depopulation process of the rural area. The rural area, in its entirety, although it occupies the largest part of the country as a surface, is not particularly attractive for young people, who, even though sometimes with higher education in the field of agriculture with all its branches, do not want to return or settle in rural environment. This, over the years, has led to the depopulation of rural areas, and the mountainous rural areas have experienced an even greater demographic decline compared to the rest of the areas.

The demographic problem, of which we talk too little about but whose effects are profound, has a direct impact on ensuring generational change in agriculture and more [1]. There is the need to rejuvenate generations of farmers in all sectors of Romanian agriculture in order to improve farm management and to increase productivity [2].

By joining the European Union, Romania met new challenges and opportunities related to the rural areas, and the rural development policy became a priority one [3]. Thus, during the two financial years 2007-2013, 2014-2020, within the National Rural Development Program (PNDR), Romania benefited from support for the installation of young farmers, through Measure 112 (PNDR 2007-2013), respectively Sub measure 6.1 (PNDR 2014-2020).

Regarding sub-measure 6.1 (NRDP 2013-2020), the farmer must meet a number of requirements quite similar to those of measure 112, with small differences represented by the fact that the young farmer, according to Regulation (EU) no. 1305/2013 is defined as "a person up to 40 years of age at the time of filing the application who possesses the professional skills and qualifications and who is first established on an agricultural holding as head of that holding" [4]. Opportunities for generational change in agriculture by supporting investments from European funds for young farmers are a beneficial way to set up and develop their own farms [5].

Sub-measure 6.1 "Support for setting-up young farmers" within the NRDP 2014-2020 had the greatest impact in supporting young farmers [6]. The purpose of the investments supported under this sub-measure is to support the initial of young farmers as sole heads/leaders of an agricultural holding [7].

Romania benefited from distinct support for the installation of the young farmer in the mountainous area, precisely to support those who wish either to remain in the mountainous rural area, or to return to the places they came from. This support was of interest at the country level, as evidenced by the number of funding applications submitted throughout the country. This work wants to highlight the interest of young people in order to access the sub measure 6.1 Installation of the young farm in the mountain area, in response to the need to repopulate the mountain areas as well. The analysis was carried out at the level of the entire country, and then at the level of Bihor County. According to Order no. 97/1332 of 2019, The mountainous area is characterized by natural limitations of agricultural productivity, which lead to reduced agricultural productions, due to climatic and biophysical conditions unfavourable for carrying out agricultural activities in optimal conditions [8]. These are in fact in line with a series of decades old studies that underlined the specificities of the mountain areas in relationship with the rural development. This is hindered first of all by the particular constraints related to the geographic situation and the difficulties in building the necessary infrastructure as well as the lack of economic incentives to invest in them [9].

Similar research done at EU level shows that also other mountainous areas in Europe are affected and share similar problems, the key issue being that of sustainability, as well as Contrasting realities and territorial imbalances [10].

The value allocated for mountain areas in the sessions analysed in this study related to sub measure 6.1 Installation of the young farmer for the years 2015-2021 was 120,362,967 euros [11].

MATERIALS AND METHODS

In order to achieve the purpose of this paper, the specialized literature was analysed, which served as a support for the introductory part of the paper. A literature review was done concerning the specialty literature on the topic. Approached with the mention that it is a theme analysed at the level of the country, respectively of the EU from the perspective of the exchange of generations in agriculture.

Official documents and reports available on the website of the Agency for the Financing of Rural Investments (AFIR) were also analysed in order to highlight the interest of young farmers in accessing non-refundable European funds for their installation in the rural area, especially in the mountainous rural area. The aim of the study was Highlighting the special interest of farmers from Romania in order to access the Sub-measure 6.1 Installing the Young Farmer. Thus, was done, the analysing the situation of the projects financed within of this sub-measure at the level of Romania (2014-2020), with an emphasis on projects in the Mountain Areas, regarding the projects in the Mountain area of the county Bihor.

As indicators used in the study, we mention indicators such as, but not limited to:

- Funding applications submitted – No
- Selected funding applications (no)
- Contracted projects (no)
- Completed projects (no)
- Discontinued projects (no)

But also, indicators such as the value of requests for funding submitted, the amount of funding requests contracted, the amount of payments made, the value terminated projects.

RESEARCH RESULTS

Sub-measure 6. 1 Installation of the young farmer, was one of the measures financed under the PNDR 2014-2020 with very high demand from the potential beneficiaries, being an important support for the renewal of generations of farmers in the rural area, respectively in the mountainous rural area.

Sub-measure 6.1 had as main objectives [12]:

- Increasing the number of young farmers who start an agricultural activity for the first time as farm heads/managers, being encouraged to become competitive, to associate, to participate in integrated food chains;
- Improving management, increasing the competitiveness of the agricultural sector and supporting the modernization process and compliance with the requirements for environmental protection, hygiene and animal welfare and workplace safety;
- Creating the possibility for young resident farmers, with a minimum of basic knowledge, with a view to installation as heads/leaders of the agricultural holding.
- Encouraging rural youth and families to settle in rural areas, which will create a positive effect on the national economy in general (Sub-measure 6.1., 2021, AFIR)

The beneficiaries of the investments related to sub-measure 6.1 were:

- Young farmers, up to and including 40 years old (until at most one day before a 41 years of age) and suitable qualifications, who are installing themselves as sole heads for the first time of the agricultural holding.
- Legal entities with several shareholders, where a young farmer settles and exercises effective long-term control over management decisions, to the benefits and financial risks related to the exploitation.

Public allocation NRDP 2014-2020 v.15.0 (following the approval of EU Reg. no. 2220/2020 establishing certain transitional provisions regarding the support granted to the EAFRD in the years 2021 and 2022) - 466,721,858 euros.(table 1)

Table 1.

Sub measure 6.1 Installation of young farmers. Value indicators PNDR 2014-2020

No. Crt.	Indicator	Valoare euro
1	Public allocation PNDR 2014-2020 v.15.0 (following the approval of EU Reg. no. 2220/2020 establishing certain transitional provisions regarding the support granted to the EAFRD in the years 2021 and 2022)	466.721.858
2	The amount of funding applications submitted	622.560.000
3	Amount of Funding Requests - Allocated Amount	155.838.142
4	The value of the selected funding applications	446.420.000
5	Value of funded projects (completed and ongoing)	440.510.000
6	Amount of payments made	409.470.000
7	Value of terminated projects	2.690.000
8	The value of the financed projects - the value of the payments made	31.040.000

Source: Own processing according to PNDR 2014-2020 implementation stage as of 09.06.2022
<https://www.pndr.ro/situatia-proiectelor-depuse-2014-2020.html>

It is noted that the value actually paid in the middle of 2022 was 409,470,000 euros, which represents more than 90% of the total contracted value, which demonstrates the seriousness of the beneficiaries in implementing the elements assumed in the funding requests and business plans approved.

Table 2.

Quantitative indicators Sub measure 6.1 Installation of the Young Farmer

No.	Indicator	Number (2015-2021)	%
1	Funding applications submitted - No	15.143	
2	Selected funding applications (no)	10.878	71,84
4	Contracted projects (no)	10.736	98,69
5	Completed projects	9.975	92,91
6	Terminated projects	66	0,61
7	Contracted projects - completed projects - completed projects	9.843	91,68

Source: Own processing according to PNDR 2014-2020 implementation stage on 27.10.2022
<https://www.madr.ro/pndr-2014-2020/implementare-pndr-2014-2020/situatia-proiectelor-depuse-2014-2020.html>

The interest of the potential beneficiaries was increased in order to access sub measure 6.1, it can be observed the high number of funding requests submitted, and the fact that only 71.84% (table 2) of their number were selected for financing, the allocated funds covering only the value of the requests of selected funding.

The top 10 counties have: Dâmbovița - 10.97%, Bihor - 8.71%, Dolj - 8.06%, Bistrița-Năsăud -7.58%, Timiș - 6.82%, Olt - 5.35%, Tulcea - 4.63%, Giurgiu - 4.43%, Cluj - 4.23% and Hunedoara - 4.16% [6]. It is thus observed that Bihor County was in second place as regards the number of financing contracts related to the analysed sub-measure.

The second part of the study refers to the financing of projects in the mountainous area of Romania with the realization of a quantitative analysis at the level of Bihor County. The financial allocation for the projects in the mountain area was distinct from the rest of the areas, precisely to encourage and support young farmers to settle in these areas, without competing on the allocation side with the rest of the country, as a necessity to stop the depopulation of these areas especially beautiful.

It is thus observed that Bihor County was in second place in terms of the number of financing contracts related to the analysed sub-measure.



Figure 1. Map of Bihor County with the highlighting of mountain areas

Source: own processing of the Bihor County map [13] respectively according to the List of mountain areas [14] (2022)

According to Order no. 97/1332 of 2019, regarding the approval of the inclusion criteria and the list of localities in the mountain area - there are 36 localities in Bihor County. According to the PNDR 2014-2020, only 19 localities in Bihor County (of which 3 towns – Aleșd, Nucet, Vașcău) fall under the category of mountain areas and were eligible for financing under Sub-measure 6.1 Young Farmer Installation.

In order to repopulate the mountainous area, an important role could be played by sub measure 6.1 „Young Farmers Set-up Grant”, having this exact objective, of encouraging youth to either remain or start up a life in rural areas [15].

Table 3.

**Situation of sub-measure projects 6.1 National Mountain area,
Bihor mountain area 2015-2020**

Session no. M6.1 - 01/15 - 25.03.2015	
Allocated value (euro)	33.362.967
No. selected projects	325
No. Bihor projects	23
% Bihor projects/total	7
Session no. M6.1 - 01/16 - 28.04.2016	
Allocated value (euro)	33.000.000
No. selected projects	730
No. Bihor projects	63
% Bihor projects/total	9
Session no. M6.1 - 01/17 - 03.05.2017	
Allocated value (euro)	34.000.000
No. selected projects	878
No. Bihor projects	123
% Bihor projects/total	14
Session no. M6.1 - 01/21 - 23.12.2020	
Allocated value (euro)	20.000.000
No. selected projects	10
No. Bihor projects	4
% Bihor projects/total	40

Source: Own processing based on the 2015-2020 Selection Reports, available online on the website www.afir.info

After analysing the monthly and final selection reports for the four project submission sessions from 2015, 2016, 2017, 2020, the following can be observed (table 3):

- The interest for the investments of the young people from the mountain areas in terms of their installation was raised in the submission sessions of 2016 and 2017;
- Regarding Bihor County, a high interest was observed for 2017, when a number of 123 projects related to the mountain area were selected, representing 14% of the total of selected projects;
- The 2020 session did not represent interest for young farmers with a view to their installation in the mountainous rural area, this being also due to the uncertainty caused by the SARS Cov 2 pandemic, which also had implications in the development of projects financed under the NRDP;

Table 4.

Situation centralizer projects sub measure 6.1 Installation of the young farmer, mountain area, 2015-2020

Submeasure 6.1 PNDR 2014-2020	
Allocated value (euro)	120.362.967
No. selected projects	1943
No. Bihor projects	213
% Bihor projects/total	10,96

Source: Own processing based on the 2015-2020 Selection Reports, available online on the website www.afir.info

For the analysed period, during the four project submission sessions, it was found, following the analysis carried out for the mountainous area, that 1,943 projects were selected for financing, of which 213 Young Farmer Installation projects are related to the mountainous area of the county Bihor, in the 19 localities that fall into this classification. 10.96% of the projects selected at national level are related to Bihor County, with the mention that not all counties of the country have territories that include mountainous areas. The interest for the sub-measure 6.1 Installation of the young farmer in the mountain area was high in Bihor County, a fact that is also found in the other areas of the county.

CONCLUSIONS

The sub-measure 6.1 YOUNG FARMER INSTALLATION is very important for the renewal of the generations, and the financing of this support measure will continue in the new National Strategic Plan (2023-2027.)

There is a high demand for the sub-measure. Usually as a rule the funds are used up in the first 5 days after the opening of the session.

The financial allocation for the projects in the mountain area was distinct from the rest of the areas, precisely to encourage and support young farmers to settle in these areas. Bihor county leads the way in that field. The mountain area is a distinct allocation precisely to increase the attractiveness of these areas for young farmers.

For the four project submission sessions from 2015, 2016, 2017, 2020 we have had a total of 213 projects from Bihor County, respectively 10,96% of the projects selected at national level.

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