

THE MOUNTAIN PRODUCT IN THE EQUATION OF THE LOCAL ECONOMIES

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Abstract

Taking into account their specificity (being characterised by physical and by structural disadvantages), the mountains need adapted policies, as a consequence of the social, economic and environmental changes. The mountain areas need innovative solutions in order to diversify their economies and to care for their precious environmental and cultural resources. For the development of the mountain area the current challenges in social, economic and environmental challenges should be considered. The mountain area is known for a low degree of pollution, which adds value to the foods produced in this region, a phenomenon already perceived by the market. The mountain products, traditional, ecological and of high quality, have great capacity to contribute to the developments of the local communities, from an economic and social point of view, and raising the awareness of the farmers and the general public on their economic potential, as well as the importance of maintaining the biodiversity and the traditional agricultural practices, represents the starting point for the economic development of the mountain area. The use of the optional quality term "mountain product" by the local producers of agri-food products could encourage consumers, by gaining their trust and by offering them the guarantee for consumption. This will have positive effects on the development and will increase the competitiveness of the farms and the farmers' income, thus ensuring the technical progress of the mountain area. The mountain products have a large capacity to contribute to the development of the local communities, from an economic and social point of view, and raising the awareness of the farmers and the general public on their economic potential and on the importance of maintaining the biodiversity and the traditional agricultural practices, represents the starting point for the sustainable development of the mountain areas.

Key words: mountain area, local economic development, policies, local community, mountain product

The development of human society, the demographic growth and the necessity of an ever higher agricultural production have determined the advanced states of the world to implement agricultural policies that will increase the efficiency of the plant farming and animal breeding.

The agricultural development is extremely diverse at worldwide level and it varies from subsistence agriculture on the African and Asian continents, to the one in the advanced countries such as the U.S.A., Canada, the European Union.

Thereby, in the underdeveloped countries, the percentage of agriculture-involved population is extremely high, in some of the countries as high as 90% (Nepal, for instance), while in the developed countries the workforce employed in agriculture is around 5% of total. For instance, the U.S.A., through the scientific techniques

employed, represents the largest agricultural producer in the world.

For a better use of the agricultural areas and higher productions, the solutions found have been mechanising the agriculture, using complex irrigation systems, land improvements, using herbicides and other technical works, the workforce has been replaced by machinery and the results of the research done by the large agri-industrial companies that invest large amounts in research are being extensively used.

This approach change and the emergence of industrialized agriculture and animal husbandry, dominated by machinery, research in the improvement of the plants and livestock, intensive exploitation of the agricultural land, has led to changes in the economical vision all across the world. The efficiency of the agriculture, mainly the plant farming and animal breeding, cannot be compared with the efficiency and profitability of

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the industrial goods. However, the food demand of the human population is increasingly higher all over the world, directly linked to the demographic growth.

According to a study issued by the European Commission, the mountain area has 19.7% of the agricultural land, 18.5% of the workforce directly involved in agriculture, 17.6% of the total number of farms and 19.5% of the livestock.

Romania is part of the Convention for durable development and Carpathian protection (The Carpathian Convention), a strategical document of high importance for the countries this mountain range is crossing through. The Carpathians are an important ecological, economic, cultural, recreational and vital environment in the heart of Europe.

Approximately 54% of the Carpathian range is within Romanian territory. The studies have shown that the most socio-economically underdeveloped areas are within the Carathian range (figure 1).

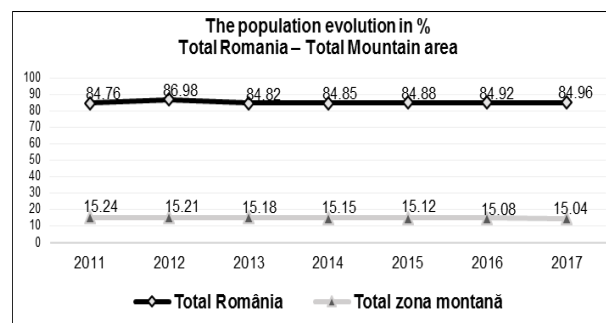


Figure 1 The Romanian mountain map

Based mostly on private property, the economy of the Romanian mountain area has been marked by half of century of marginalization, captive at a traditional system level, with a low degree of technology, reduced efficiency, and a low level of agricultural knowledge of the rural population.

The agricultural land in the mountain area are the most exposed to the abandon, pastoralism being a traditional activity of extensive agriculture, practiced particularly in these areas, which valorizes them. This allows for the development of the livestock breeding in the agricultural areas of low value, difficult to access, poorly mechanized, with importance in the preservation of the mountain landscapes, in maintaining biodiversity and prevention of the mountain pastures degradation.

In the last few years, there has been a decrease in the mountain area population, a problem factor in the mountain economy. The youth migration in a fairly high percentage, leaving in the mountain area an aged population, that cannot keep the pace with the new requirements of the mountain agriculture, shows the necessity of rapid action to support the inhabitants by applying strategic measures to prevent the abandon of the mountain areas, to stabilize the population, the young population in particular (figure 2).



Figures 2 The population evolution in % Total Romania – Total Mountain area
Source: data processing SNI

MATERIAL AND METHOD

The research methods employed in this work are: the method of statistical indicators analysis, the method of comparative analysis and the method of bibliographic analysis. The analysis material is part of specialty publications, national statistics and specialty websites.

RESULTS AND DISCUSSIONS

According to mountain area delineation in the National Program for Rural Development 2014-2020, Romania's mountain area is a special territory, of national interest, with a huge economical, socio-cultural and environmental potential. It comprises 658 ATUs, representing 20% of the total number of ATUs in Romania, with a total area of 71,381.48 km², 29.94% of national territory respectively (238,391 km²). The mountain area is inhabited by 15.04 % of the country's population.

The land fund totals approximately 7.3 mil. ha, of which approximately 4.0 mil. ha forestry fund, 2.09 mil. ha agricultural land, representing 15.44 % of Romania's total agricultural land (14.6 mil. ha). The arable land in the mountain area are approximately 0.52 mil. ha, representing 5.62 % of the total arable land in the country. The pastures in the mountain area are approximately 1.2 mil. ha,

representing 37.66% of the total pasture area in the country. Grasslands in the mountain area add up to approximately 0.9 mil. ha, representing 59.79% of the total meadows area in the country (figure 3). The decrease in livestock numbers has a major negative impact on the quality of the pastures and

grasslands, because of the low animal load and implicitly the decrease in the organic fertilizers volume, or because of the pastures neglect, but also on the village population and the best household practices, which are at a risk of disappearance in a very short time, leading to the area depopulation.

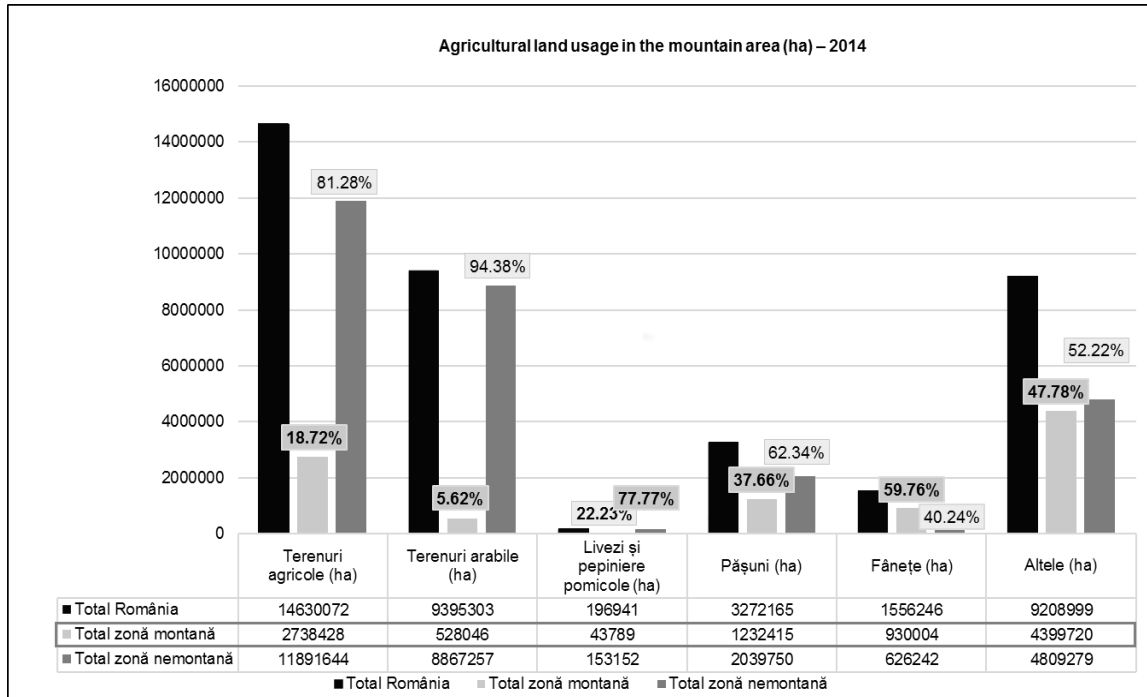


Figure 3 Agricultural land usage in the mountain area (ha) – 2014
Source: data processing SNI

It is a well-known fact that animal breeding is the main economic activity in this area, and the

pastures and grasslands have the highest value natural flora.

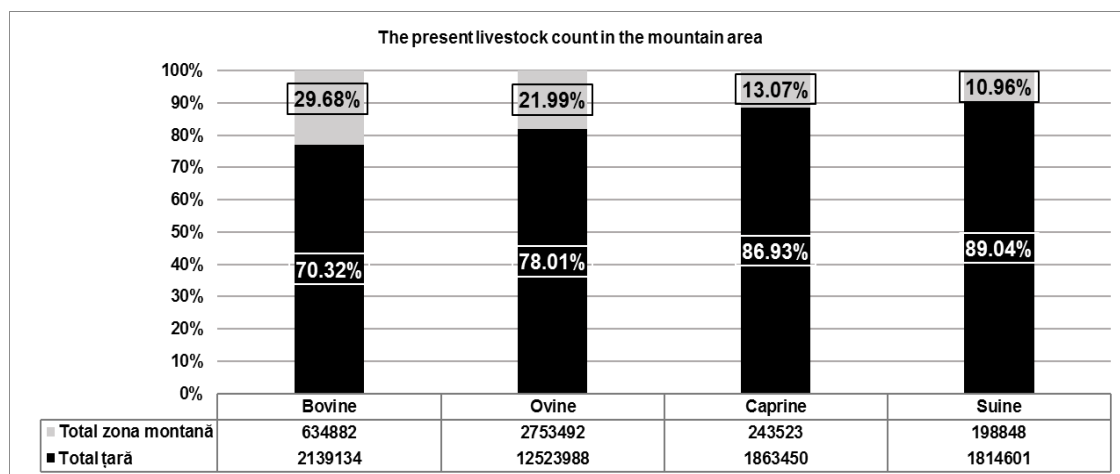


Figure 4 The present livestock count in the mountain area
Source: data processing SVSANA

According to the latest statistical data, the rural area of the Romanian mountains is experiencing a sharp increase in the abandon of

the agricultural activities, of the rural demographic area especially by the youth, resulting in ever more depopulated villages. As a

consequence of the youth abandonment of the mountain area, of the disinterest of the ones remaining to invest in agriculture because of the low profitability of animal breeding as a principal

agricultural activity, caused by very low prices, there has been a major decrease in the livestock numbers (figure 4).

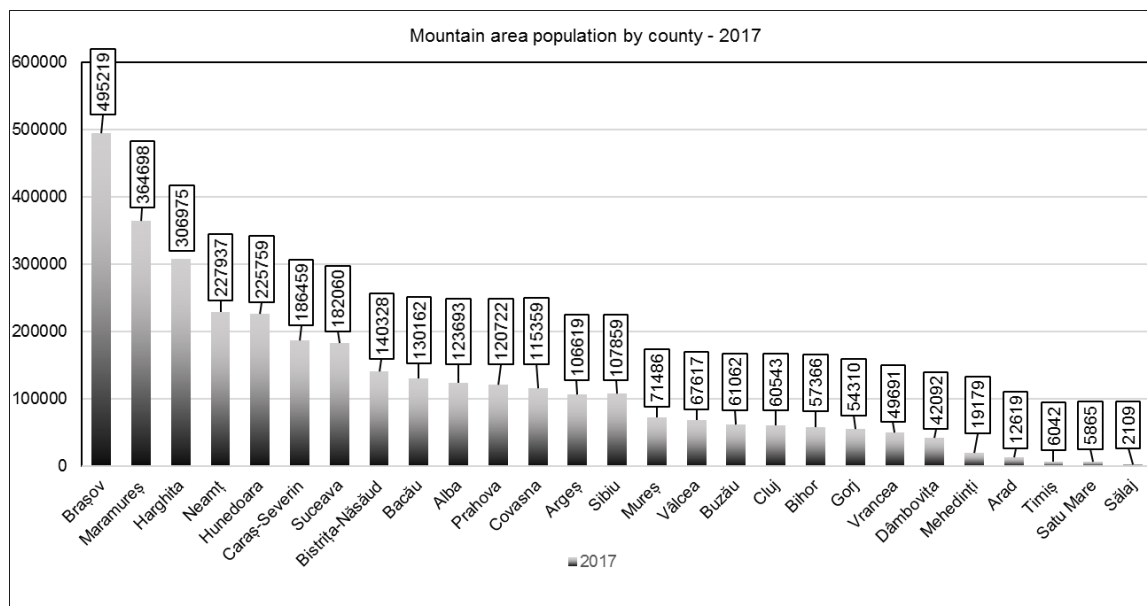


Figure 5 Mountain area population by county – 2017
Source: data processing SNI

The agricultural production is experiencing difficulties due to farm dispersion, a precarious infrastructure, low prices for the farmers, the lack of markets, the lack of collection centers, slaughtering units and low capacity processing units for raw materials: milk, meat, fruit and berries, wool, hides etc. Resolving these issues of the mountain area will also solve, in time, multiple social problems: create new jobs, stabilize the population in the mountain area etc.

According to the statistical information, the mountain agriculture is practiced in small and very small farms (under 2 ha), with the main activity animal breeding (cattle, sheep, goats) for dairy and meat.

The mountain area is known for a low pollution, which adds value to the foods produced in this region, a phenomenon already perceived by the market.

For a sustainable economy and economic growth, the social factor - the humans, must be involved (motivated and determined) to bring its input to the socio-economical balance, for a socio-economic development in the rural mountain areas. The economic diversity needs the input of multiple development fields, relevant for the mountain, such as: tourism, agriculture, culture, education etc.

The small and medium-sized farms represent an important percentage of the total of existing exploitations in the mountain area, highlighting a significant typology of the agricultural

exploitation. The majority of these are the family farms, that have as main activity animal breeding (cattle, sheep, goats), and the productive activity blends with the family life.

Maintaining a sustainable agriculture (as an economic, social and ecological approach) with consistent, healthy, superior quality productions, in sufficient quantities, at accessible prices, prices that will ensure stability and decent living for the mountain farmers, will provide a guarantee of continuity and safety for the producers and animal breeders.

The mountain products, traditional, ecological, of high quality, have a great capacity to contribute to the development of the local communities from a social and economic point of view, and raising the awareness of the farmers and the general public on their economic potential and on the importance of maintaining the biodiversity and the traditional agricultural practices, represents the starting point for the sustainable development of the mountain areas.

Combining the sectors: tourism (through agri-tourism, eco-tourism, and rural tourism) and the mountain agri-food sector, can revitalise the mountain area economy. A higher consideration for the mountain agriculture is imperative, through encouragement and support for the farmers and young farmers, thus preventing the abandon of this vector of the mountain economy of high value, raising the awareness for the importance of

associative forms for them, to cope with the market demands, especially for the agri-food products and also to maintain the culture and tradition in processing the products in the same area where they originate.

We can speak, today, of a policy of the „mountain product”. The main resource for the socio-economic development of the mountain area is the product made „in the mountains”.

At present, Romania’s mountain area benefits from a solid specific institutional framework, through the founding of the Mountain Area Agency in 2015, as a central public institution, directly subordinated to the Ministry for Agriculture and Rural Development, institution that is in charge of the elaboration and implementation of the strategies and policies concerning the development and protection of the mountain areas in Romania. All of this respecting the principles of sustainable development, precaution and prevention, partnership, programmatic approach, maintaining the ecological balance of the ecosystems, preserving biodiversity and natural habitats, equal chances for all the inhabitants for a decent living.

The Mountain Area Agency has gone through all necessary procedures in order to establish the right of the producers of agri-foods in the mountain area to use the optional quality term „mountain product”. Thereby, the Order 52/2017 of the Minister for Agriculture and Rural

Development has been issued, instituting the stages necessary to complete in order to obtain the right to use the optional term, order that implements the provisions of Regulation (EU) No. 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs and Commission Delegated Regulation (EU) No 665/2014 of 11 March 2014 supplementing Regulation (EU) No 1151/2012 of the European Parliament and of the Council with regard to conditions of use of the optional quality term ‘mountain product’.

In February this year, the Order no. 31/2018 of the Minister for Agriculture and Rural Development has been issued, to amend the Order no. 52/2017 for the approval of the Procedure for the verification of the conformity of the data in the task book for the granting of the right to use the optional quality term ”mountain product” and the verification of the compliance with the European and national legislation by the economical operators that have obtained the right to use the optional term, published in the Official Monitor of Romania, Part I, nr. 133 of 12.02.2018. This order amends art. 8 line (1) and (2) of the Order 52/2017, following which the Mountain Area Agency will issue the decisions to grant the right to use the optional quality term ”mountain product” (figure 6).

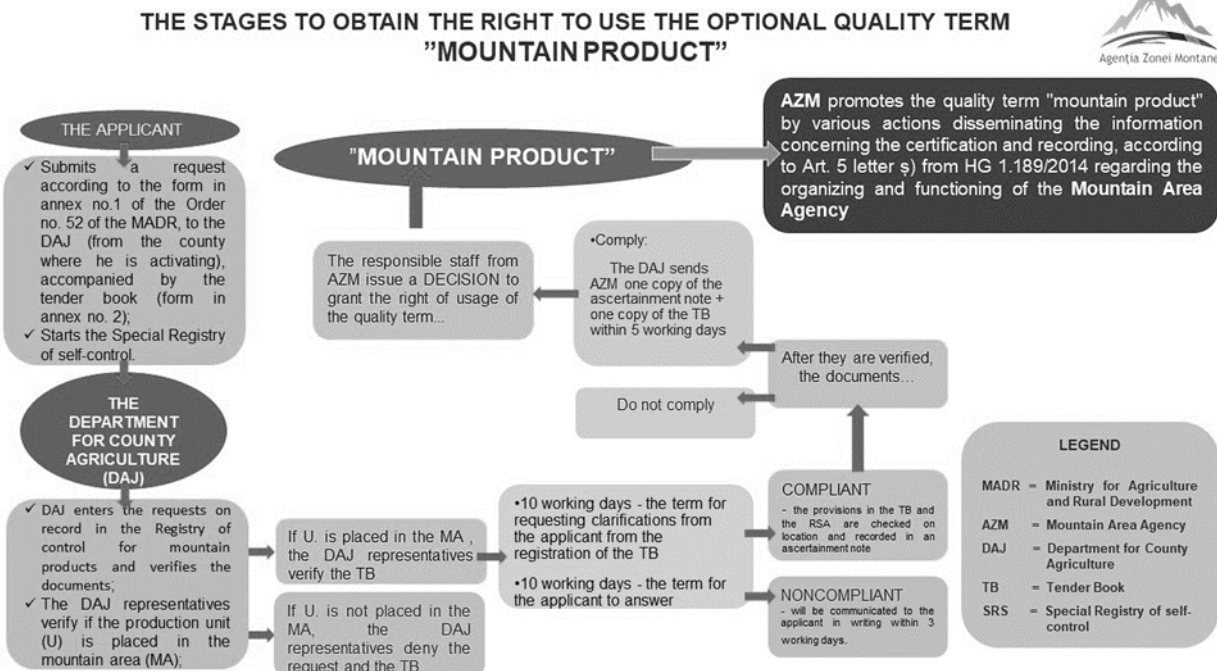


Figure 6 The stages to obtain the right to use the optional quality term ”mountain product”
Source: The Mountain Area Agency

The use of the optional quality term "mountain product", could encourage the producers to certify their products with it, but also encourage the consumers, gain their trust and offer them the guarantee for consumption (according to Regulation (EU) No. 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs and Commission Delegated Regulation (EU) No 665/2014 of 11 March 2014).

The mountain legislation's purpose is the sustainable valorisation of the mountain resources, the preservation of the landscape and biodiversity, as well as the developments of the activities specific to this area.

The ways to an intelligent, sustainable and inclusive development of the mountain area are regulated taking into account:

- a) Valorising the material and human resources;
- b) Increasing the standard of living;
- c) Stabilising the population;
- d) Preserving the cultural identity and protecting the cultural heritage of the mountain area;
- e) Increasing the economic power at local and national level, while preserving the ecological balance and protecting the environment.

The Mountain Law no. 197/30.07.2018 brings a series of solutions to the socio-economic and environmental problems in the mountain area. The Mountain Law approves the Program of encouragement of the activities in the mountain area, program for which 1 billion euro is allocated over a period of 10 years, from the state budget, through the budget of the Ministry for Agriculture and Rural Development.

The mountain area needs specific policies in order to:

- to maintain the mountains' attributes for living threatened by the migration, climate change, ecological imbalances, caused by the inappropriate exploitation of the resources and by deficitary urban planning;
- to take into consideration the demographic disparities and the diversity of the territories and to encourage the economic development of the mountain area, by supporting the agricultural and non-agricultural activities;
- to support the compensation for additional costs and loss of income that the mountain area farmers have to bear, following measures for extensive management, preservation of biodiversity, protection of the water and soil, or because of natural and specific constraints in the areas with influence on the agricultural production, for a continuous use of the land in the areas with

agricultural potential limited by unfavorable conditions induced by natural factors.

These socio-economical and environmental issues demand solutions to support the mountain farmers.

We mention here, out of the solutions for the sustainable development of the mountain area: accessing funds for investments from NPRD (through AFIR) for submeasures with distinct allocation for the mountain area: 4.1, 4.2, 6.1, 6.3, 7.2, 7.6, payments granted from European funds FEAGA+FEADR (through APIA), subsidies granted from the state budget (through APIA), The Program for encouragement of the mountain area activities, by establishing investments such as: Dairy collection and processing units, Mountain sheep folds, Slaughter centers and meat processing units, Fruit, berries and medicinal plants processing units, Wool collection and processing units, and the NPLD as the principal funding source for local infrastructure by providing public services from the fields of: health, education, water/sewage, thermal energy, transport/roads, waste disposal, culture, habitation and sport.

The perspectives of socio-economic development of the mountain area must be seen in the context of local population stability, of superior valorisation of the raw materials, cultural identity, environment protection, prerequisites for a favorable evolution of the mountain communities.

Why is it necessary to use the optional quality term "mountain product"? The advantages of using the label "Mountain product":

- a. It can stimulate the development of the mountains, thanks to the agricultural products and, guaranteed, it will bring more value in the mountain areas, due to the superior quality of the agri-food products, providing continuity to the agricultural activities in the mountain areas;
- b. For a correct information for the consumer, avoiding any misleading through the abusive use of the term „mountain”, in order to remedy the misconceptions in the market caused by the sale of products named „mountain products” that are not produced in the mountain area;
- c. To increase the competitiveness of the traditional agricultural mountain systems;
- d. To protect the immaterial cultural heritage (local gastronomy, local agri-food products etc.) of the mountain area.

The history of the syntagma "mountain product":

In the year 2000 it has taken place in Trento, Italy, the Convention of the European mountain areas - Euromontana (the European association for cooperation in the mountain areas, centered on the promotion of the sustainable agricultural and rural

development), at the Exhibition of Mountain Quality Products, which concluded with the Final Statement, that included the recognition of the specificity and the promotion of the foodstuffs from the mountain areas.

In December 2005 - Euromontana has issued the European Chart of Mountain Agri-food products, introduced to the European Parliament and signed, initially, by 69 members from 12 European countries. The members from Romania include: Ministry for Agriculture and Rural Development (MADR), the Center for Innovation and Formation in the Carpathians (CEFIDEC – structure that currently activates as a Department in the AZM), the Center for Instruction in Agriculture - AgromRo, the Institute for Research and Development in Montanology – Cristian, Sibiu.

Specific legislation

Following Euro Montana's activities, on 21 November 2012, the European Parliament and the European Union Council have adopted a new Regulation: Regulation (EU) No. 1151/2012 of the European Parliament and of the Council on quality schemes for agricultural products and foodstuffs, and on 11 March 2014, the European Commission has adopted the Commission Delegated Regulation (EU) No 665/2014 of 11 March 2014 supplementing Regulation (EU) No 1151/2012 of the European Parliament and of the Council with regard to conditions of use of the optional quality term „mountain product”.

In Romania, the legislative mainframe concerning the use of the quality optional term „mountain product” is ensured by:

- The Decision no. 506 of 20 July 2016 for the institutional framework and measures to apply the Commission Delegated Regulation (EU) No 665/2014 of 11 March 2014 supplementing Regulation (EU) No 1151/2012 of the European Parliament and of the Council with regard to conditions of use of the optional quality term „mountain product”, which regulates the framework for certification, verification and control;

- The order of the Minister for Agriculture and Rural Development no. 52/2017 for the approval of the verification procedure for the conformity of the data in the task book for the granting of the right to use the optional quality term „mountain product” and the verification of the compliance with the European and national legislation by the economical operators that have obtained the right to use the optional quality term, amended by the Order no. 321 of 28 September 2017.

Conditions for the use of the optional quality term” mountain product”

The optional quality term "mountain product" is addressed to products for human consumption, in which: the raw materials, but also the fodder for farm animals, originates mainly from mountain areas, and in the case of processed products, the processing is also done in the mountain area.

CONCLUSIONS

The mountain area products, according to the specialists, are healthier and far superior to what is now available on the market, due to the fact that, in this area, the fodder for the animals, from pastures and grasslands, has a wide range of plants with a high nutritional value, among which there are also medicinal plants.

The prices for these products will be higher: this is justified by the special conditions the animals are being bred in, and by the quality of their food.

The mountain products will be easily recognizable by the consumers of valuable food products, of superior quality, consumers that want to have the certainty that these follow the standards. The consumers will be informed on the importance of the biological quality and of the sanitary guarantees of the food originating from the mountain area, which will determine a raise in the demand for such products.

At present, there are 67 agro-food products in Romania that have obtained the right to use the optional quality term “mountain product” and more producers are interested in registering their products under this term.

As to what concerns the markets, we would like to stress the fact that solutions must be found to stabilise the short supply chains (the sale from a mountain farmer to the consumer through as few intermediaries as possible), thus ensuring stability and decent living for the mountain agriculturalists.

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