

ASPECTS OF PRODUCTION AND ECONOMICAL - FINANCIAL RESULTS OF GALATI COUNTY AGRICULTURE

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Abstract

Romania's accession to the European Union marked a new stage in our country's agriculture. Thus, Romania has to adapt to the European model of agriculture that is based on competitiveness, market orientation, environmental protection, integration of agriculture with the environment and forestry, etc.

In Galati County economy, agriculture occupies an important place because of existing arable and agricultural land, livestock, poultry, land improvement and the availability of tractors and agricultural machinery. In Galati County, the largest percentage of agricultural area holds the arable land (approx. 88.74 %).

On average, crops with the highest share of arable land in the county of Galati are cereals grain (67 %) and oil plants (23 %). Other cultures have lower rates, not exceeding 3 %. The main animal species are: cattle (average 45,502 heads), pigs (average 71,839 heads), sheep (averaging 243,556 heads), birds (average 9,010,264 heads), etc.

Increase economic efficiency in the plant and animal sector, can be achieved by increasing average yields, improve the product quality, expansion of storage facilities (it can be capitalized the products at a higher price), increasing the investments in agriculture and animal husbandry by accessing funds grants, bank loans, etc.

Competitiveness in agriculture also can be achieved by forming multi activity farms, market-oriented, by their association and cooperation, accessing grant funds for necessary investments in farms or processing units, etc.

Key words: economic performance, productions, agriculture.

Romania's agricultural area has decreased slightly from year to year. Transfer of land areas by forestry and construction was the main cause of reduction in agricultural surface in the last twenty years. Reduction of land areas through their inclusion in urban areas is a phenomenon found in areas with higher productivity, while changing agricultural land use category in the forest appears, particularly in disadvantaged areas.

In Romania, animal husbandry is a basic sub-branch of agriculture, which in the past two decades has had an oscillating trend, driven by the negative influence of some factors that occurred after 1990.

Negative phenomena have led to radical changes in development and productions of herd animals, which in most species have resulted in reduced number and lower obtained yields.

Abolition or privatization of agricultural production cooperatives and state farms resulted in the emergence of significant structural changes. Livestock have declined to units that have subsequently emerged. Can not use spaces and technical facilities in the former intensive production units, small farmers have relied mainly on farming for own consumption (National Strategic Plan for Rural Development 2007-2013).

Both worldwide and in Romania agricultural products and food demand is growing, as determined by several factors:

- increasing number of population;
- increased incomes;
- modifying the structure of consumption of agricultural products and food;
- ensure national reserves of agricultural.

MATERIAL AND METHOD

The research was conducted in Galati county and covered the period 2006 - 2009, targeting mainly the analyze of the main results of production, financial and economic in agriculture.

For carrying out the research was using a system of economic indicators, which included: area under cultivation, production, unit cost, selling price, profitability of the main products.

Indicators were analyzed in dynamic and compared on crops or livestock.

RESULTS AND DISCUSSIONS

In Galati County, the largest percentage of agricultural area is holding the arable land (approx. 88.74%), followed by vineyards and vine nurseries, fodder plants, orchards and orchards nurseries. Analyzing the categories of land use for

years, is seen as arable and fodder plants showed increases in area, unlike vineyards and orchards whose area decreased (fig. 1).

Majority of private sector owns most of the surface, approx. 99.67%, the public sector, holding about one percent 0.33 %.

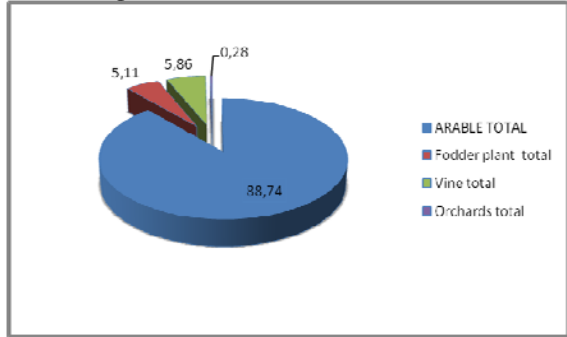


Figure 1 The land on use categories in Galati County, the average period 2006-2009 (%)

On average, crops with the highest share of arable land in the county of Galati are cereals grain (67 %) and oil plants (23 %). Other cultures have lower rates, not exceeding 3 % (fig. 2).

The large grain cereals held by the structure of arable land that is justified, by the fact that Galati County is found in a favorable area for cereal cultivation.

Of the main crop groups, the largest average yields recorded in fodder plants (42.71 tons / ha),

vegetables (26.37 tons / ha), melons (24.76 tons / ha) and potatoes (14.03 tons / ha) (table 1).

In the considered period of time, the highest production occurred in 2006 and 2008.

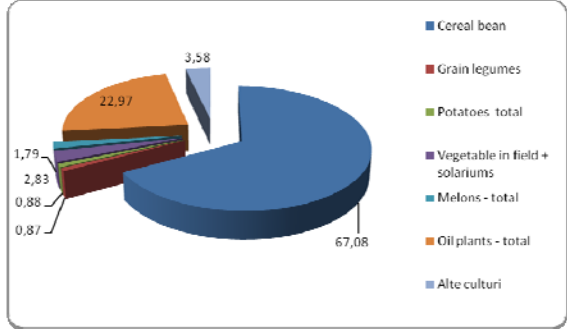


Figure 2 The structure of arable land in the county of Galati, the average of period 2006-2009

Effects caused by prolonged drought, excessively high temperatures, beyond the biological resistance of plants, leading to extensive areas of damaged land in 2007 and 2009.

Crop year 2007 was one of the worst since 1990 because of drought disasters that damaged crop cultivation, livestock farmers has problems with expensive feed and increased prices for basic foods such as bread, milk, oil and vegetables.

With regard to wine production, the drought has had positive effects in 2007. Although the wine forecast for 2007 was lower than the year before, but the quality was superior.

Table 1

The average production for the main crops during 2006-2009 (tonnes / ha)												
Year	Specification	Cereal grain	Grain legumes	Potatoes total	Vegetable in field + solariums	Melons - total	Oil plants - total	Other plants for industrialization	Medicinal and aromatic plants - total	Fodder plant total	Vine - total	Fruits - total
2006	Total county	3.08	1.62	15.93	45.03	22.64	1.40	24.77	0.58	57.95	6.31	1.33
2007	Total county	0.85	0.64	13.37	18.26	21.34	0.75	2.41	1.00	27.37	4.92	0.11
2008	Total county	2.91	1.64	13.20	21.16	27.47	1.42	16.65	0.66	50.21	4.23	1.25
2009	Total county	1.87	1.04	13.62	21.02	27.58	1.13	0.50	0.58	35.32	4.42	0.57
Average on total county (2006-2009)		2.18	1.24	14.03	26.37	24.76	1.17	11.08	0.71	42.71	4.97	0.81

The main species of animals in the county of Galati are: cattle (average 45,502 head), pigs (average 71,839 head), sheep (averaging 243,556 head), birds (average 9,010,264 head), etc.

UVM processed, on average, most of the livestock are cattle, sheep, poultry and horses (fig.3).

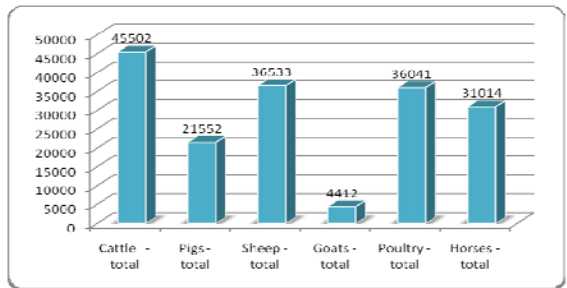


Figure 3 The main livestock species in Galati county - the average period 2006-2009 (UVM)

The highest growth sector is the bird with an increase of 774% in 2009 compared with 2006, followed by goats (182%), pigs (136%) etc.

Significant reductions of livestock were recorded in the cattle and horses in 2009 recorded 80% and 79% of the herd in 2006.

The majority state-owned sector is poorly represented in the animal health industry in the county (fig. 4).

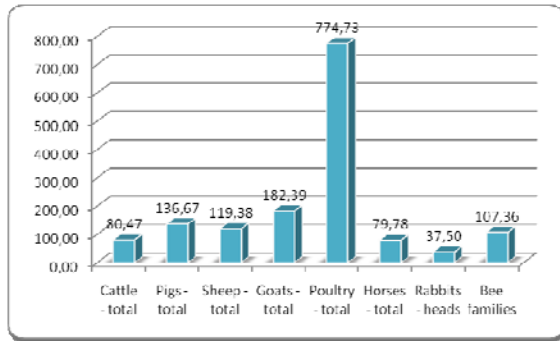


Figure 4 Livestock dynamics in the period 2006-2009 (%)

The pork meat sector still face high domestic costs, despite relatively abundant corn production and cheap labor. In addition, the quality of pig meat processing industry provided an issue that must be solved. Most of the pig are in private households, the feeding and breeding practices have been weak and genetic material is generally of poor quality (National Strategic Plan for Rural Development from 2007 to 2013).

The milk production sector, there are a number of priorities, such as improved feeding practices at farm level, milk production for specialized breeds, adoption of advanced breeding techniques, etc.

Total meat production in the county of Galati, increased by approx. 10% during the analysis from 2006 to 2009.

Total meat production in cattle decreased by 83% and increased by 9% in sheep, 114% in goat meat, 18% in pork meat and 37% in poultry meat in 2009 compared with 2006.

Total production of cow's milk decreased aprox. 10% during the analysis, due to lower existing cow herd in 2006.

Unlike cow's milk, total production for sheep milk increased by 34%, growth generated by increased sheep.

Average yield fell to pig meat and eggs for consumption at 89.71 % and 91.84 % in 2009 compared with the first year of analysis, 2006 (fig.5).

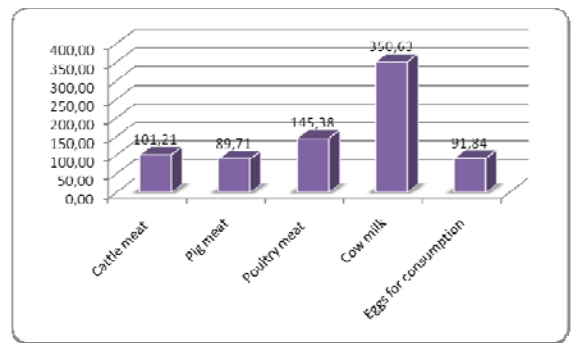


Figure 5 - Dynamics of average yields of main animal products in the period 2006-2009 (%)

Highest average output growth was recorded in milk from cows, 250.63%, followed by poultry (45.38 %). Average beef production has not been recorded great changes in 2009 compared with 2006.

In Galati County, sales prices of agricultural products had changes from year to year depending on the outputs achieved, costs incurred, the expected profit, etc. (fig. 6).

Revenues for the main agricultural products in Galati county, were calculated taking into account the average prices and average yields achieved in 2006-2009.

In the vegetal sector, on average, the highest income were obtained from wine grapes and field tomatoes of 4397.33 lei / ha, respectively 29450.77 lei/ha. The lowest incomes were recorded in sunflower, of 1036.26 lei / ha.

In the meat production sector, the largest revenue occurred in pig meat of 4.90 lei/kg, followed by poultry, which recorded average revenues of 3.61 lei / kg.

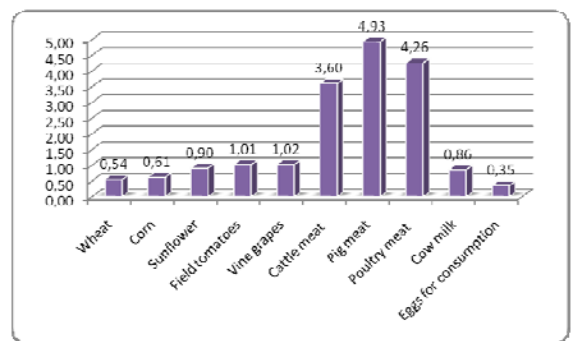


Figure 6 Average prices of main agricultural products (lei/kg, l, pieces)

Cow's milk were obtained on average of 0.91 lei per liter, and eggs for consumption at 0.35 lei / pcs.

The highest expenditure per unit area were recorded in field tomatoes, to 16,092.25 lei per hectare, as this crop requires irrigation, expensive

treatments and higher wage costs. The lower expenditure was registered in sunflower, 987.37 lei/ ha.

In the vegetal sector, wheat had the lowest production cost (0.59 lei/ kg), the highest production costs recorded in sunflower (0.96 lei / kg) and wine grapes (0.75 lei/ kg).

The profit rate was negative in 2007 and 2009 in some agricultural products due to bad weather conditions recorded in these periods.

Of crops, field tomatoes had the highest profit rate, averaging 89.07% and grapes for wine (44.82%). The lowest rates of profit were made from sunflower (5.77%) and wheat (7.17%). In the livestock sector, the highest rate of profit had been at the poultry meat of 51.49% (*fig. 7*).

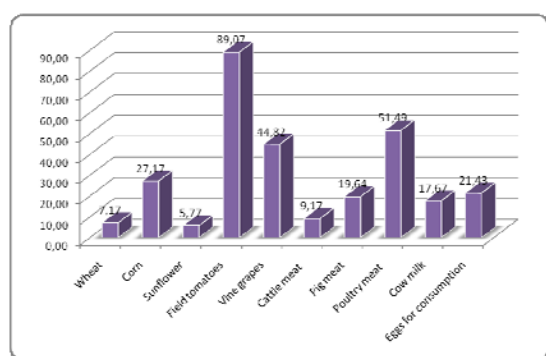


Figure 7 The profit rate for the main agricultural products, the average of the years 2006-2009 (%)

CONCLUSIONS

To increase profitability is recommended the integration process of agricultural production with upstream and downstream activities (integration of crop production and animal primary processing).

The increase of economic efficiency in the plant and animal sector, can be achieved by increasing average yields, improve product quality, expansion of storage facilities, increasing investment in agriculture and animal husbandry by accessing grants, bank loans etc.

Competitiveness in agriculture can be achieved by training farms of pluriactivitate oriented to market, through their association and cooperation, access grant funds for necessary investments in farms or processing units etc.

To increase competitiveness, it is also recommended: the use of renewable energies for electricity cost efficiency, increasing the supply of traditional products of high quality, ecological, development of markets for traditional agricultural products, production of biofuels from agriculture, livestock farms adapt to european standards, use of varieties and hybrids adapted to extreme climatic conditions (drought, frost) to ensure high yields per hectare, improved feeding practices at farm level, adoption of advanced breeding techniques etc.

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