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# Diagnosis of the small farms sector in Romania

International Conference on  
“The role of small farms in sustainable development  
of the food sector in the countries of Central and Eastern Europe”  
Kaunas, 26-27 September 2019

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# Statistical Data Sources

- Romanian Ministry of Agriculture and Rural Development
- The Romanian National Institute of Statistics
- Food and Agriculture Organization of the United Nations
- Farm Accounting Data Network (Eurostat / europa.eu)
- Eurostat Reports
- Previous scientific researches



# The approach of society to small farms

- **Agricultural land (% of land area)** in Romania was reported at **60.13%** in 2015, according to the World Bank development indicators.
- Romania has a long tradition in family farming, the farm representing **the pillar on which the Romanian society developed.**
- Family farm activities are not limited to agriculture. They also comprise important social **activities for the community and family, preserve traditions and crafts, attract rural tourism and agrotourism, and help to protect the environment** through *extensive agricultural practices*.
- After the First World War, **Romania became one of the largest producing countries of agricultural commodities in Europe**, exporting mostly **maize, wheat and other grains** (Romanian Government, fao.org, 2019).



# 1. Romanian Government approach toward small farms

- “In order to ensure the viability of Romania’s farms and since their majority is small, we had to target our support tools in their direction. We found that by supporting family farms, not only did we solve social issues related to unemployment, but we are also able to connect the people working in production to market tools. Not to mention that they were able to standardize their production so they could sell it on the European (international) market as well. ...
- Great importance was given to the diversification of production, in order to ensure their revenues all year round.”

(Romanian Government, fao.org, 2019)



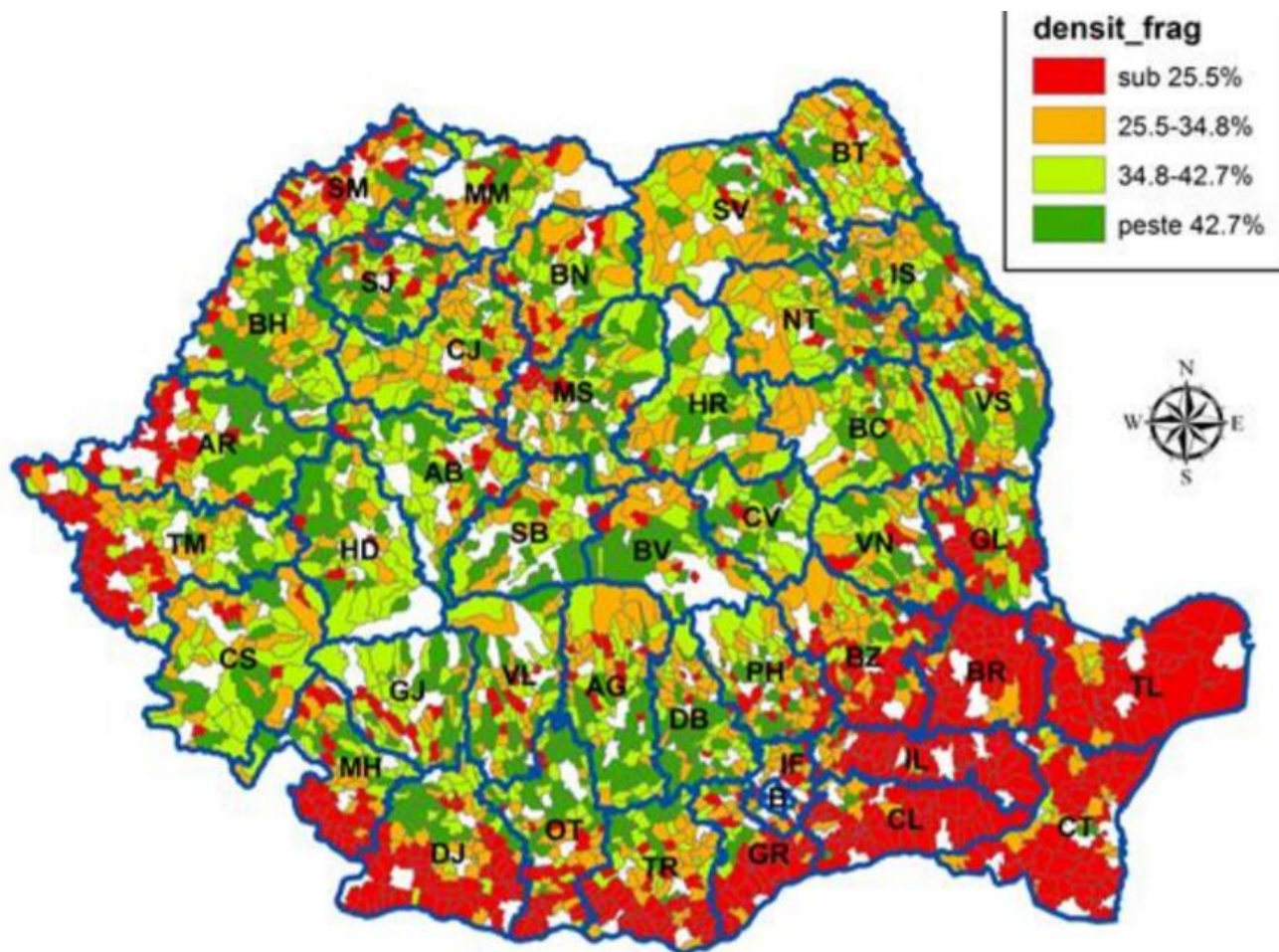
## 2. United Nations approach toward small farms

- “There are an estimated 500 million family farms in the world, representing more than 90 percent of all farms. **They are essential to our way of life**, producing the bulk of our food and serving as the foundation of agriculture and the rural economy. Family farmers hold the key to a more sustainable future.
- Building on the achievements of the International Year of Family Farming 2014, the United Nations declared **2019–2028 to be the Decade of Family Farming**.
- **Support to smallholders and family farms is one of the four regional priorities of FAO in Europe and Central Asia**, where FAO aims to improve policy development, sustainable agricultural production and rural livelihoods while reducing rural poverty.
- Often, **land fragmentation** hampers development of the rural economy. It is a **common problem** of many countries in Europe. Small and scattered agricultural plots should be addressed through integrated efforts at land consolidation while ensuring access to land for smallholders.” (United Nations, fao.org, 2019)



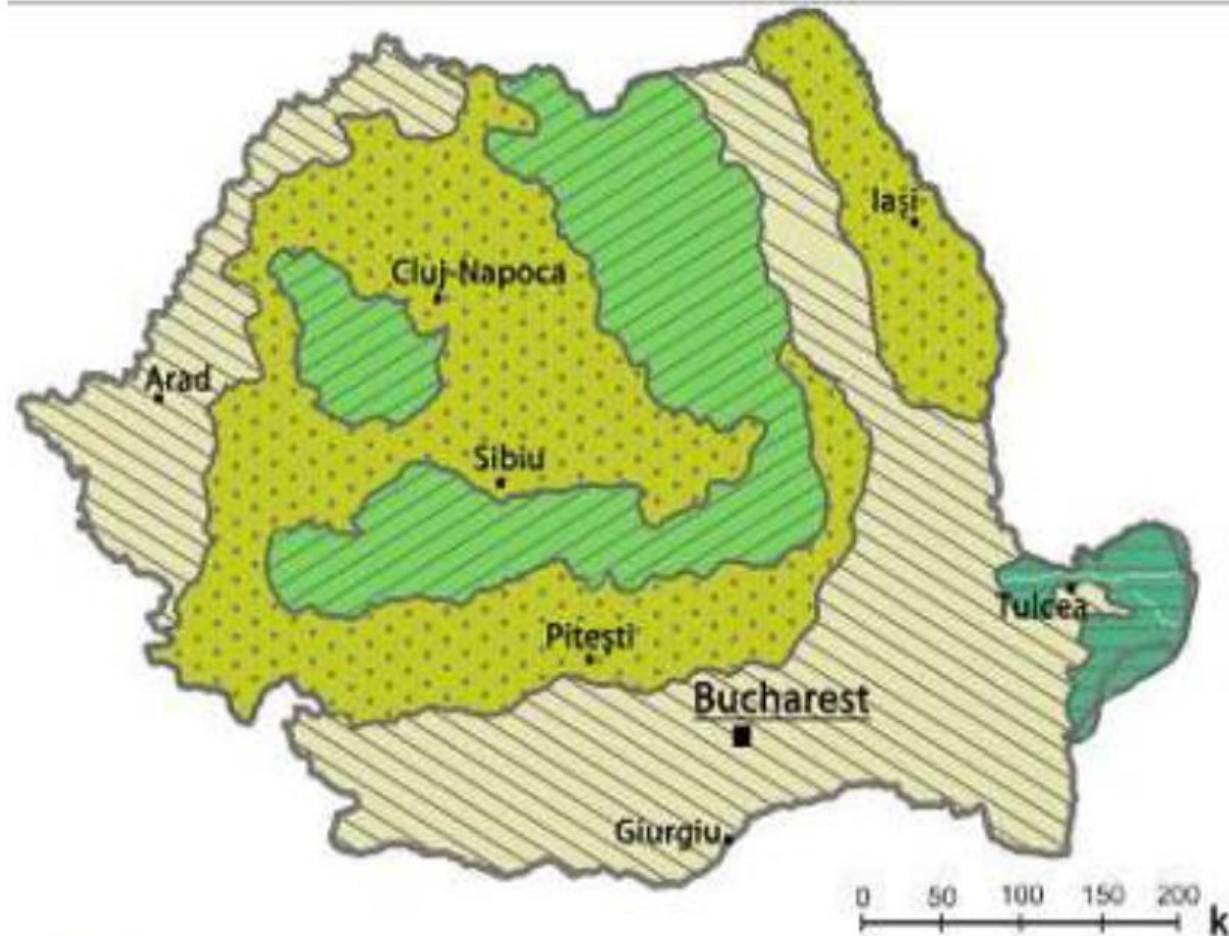
# Density of the land fragmentation in Romania





Studiu potentialul dezvoltarii, madr.ro, 2015





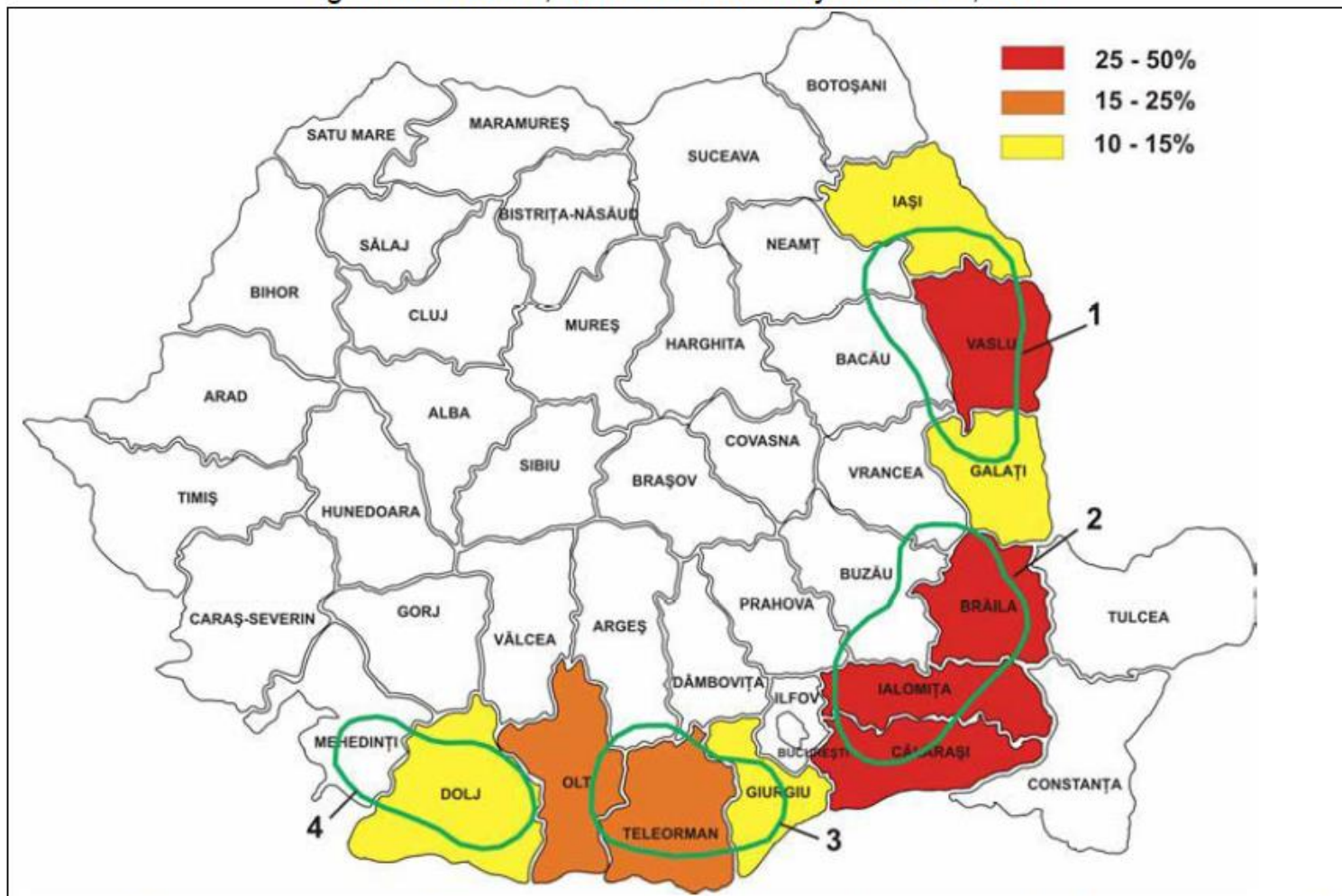
### 3. Different authors approach toward small farms



-  Carpathian and Apuseni Mountains: Mainly forest and extensive grazing systems
-  Sub-Carpathians: Mosaic mixed farming systems including low-intensity haymeadows, pastures, arable land and traditional orchards
-  More intensive mainly arable areas with scattered and isolated HNV
-  Danube Delta: Extensive reed-bed systems

- “...the large number of small-scale holdings is an important source of economic, cultural, social, and natural strength for Romania.
- Romanian farm sizes cover a wide spectrum, influenced by land use. Very large corporate farms are concentrated mostly in South and East. Although family farms are found in great numbers all over Romania, they are found in their highest numbers, and in the most typical traditional small-scale farmed landscapes, in the northern and central parts of Romania.” (Page and Popa, 2013)

**Figure 4:** Map showing correlation between percentage of agricultural land in each county occupied by very large farms, over 2,000 ha, and severe rural poverty. Otiman, P., Romania's present agrarian structure, Romanian Academy Bucharest, 2013



- Percentages represent the percentage of eligible agricultural area of each county occupied by very large farms, over 2,000 ha.
- Numbers 1-4 indicate the severest poverty areas in Romania (1 being most severe).



# Key Romanian Agricultural Statistical Indicators

Farms and farmland			Share of EU-28 total	
Farmland (utilised agricultural area)	2016	12 503	thousand hectares	7.2 %
Farms (agricultural holdings)	2016	3 422 030	number	32.7 %
Very small farms (with < EUR 8 000 of standard output)	2016	94.6 %	share of all farms	-
Family farms (with > 50 % of regular labour from family members)	2016	99.3 %	share of all farms	-

Farmers			EU-28 average	
Employment in agriculture	2016	23.0 %	share of total employment	4.2 %
Persons employed in agriculture	2016	1 960 300	number	-
Young farmers (under 40 years old)	2016	7.4 %	share of all farm managers	10.6 %
Female farmers	2016	33.6 %	share of all farm managers	28.5 %
Farmers with full agricultural training	2016	0.4 %	share of all farm managers	9.1 %

Economic performance of agriculture			Share of EU-28 total	
Contribution of agriculture to Gross Domestic Product	2017	4.1 %	share of GDP	-
Gross value added (at basic prices)	2017	7 845	EUR million	4.2 %
Value of agricultural output (production value at basic prices)	2017	17 480	EUR million	4.0 %
Value of crop output	2017	11 851	EUR million	5.4 %
Value of animal output	2017	4 113	EUR million	2.3 %
Agricultural factor income per annual work unit (Indicator A)	2017	+13.4 %	change 2017/2016	-



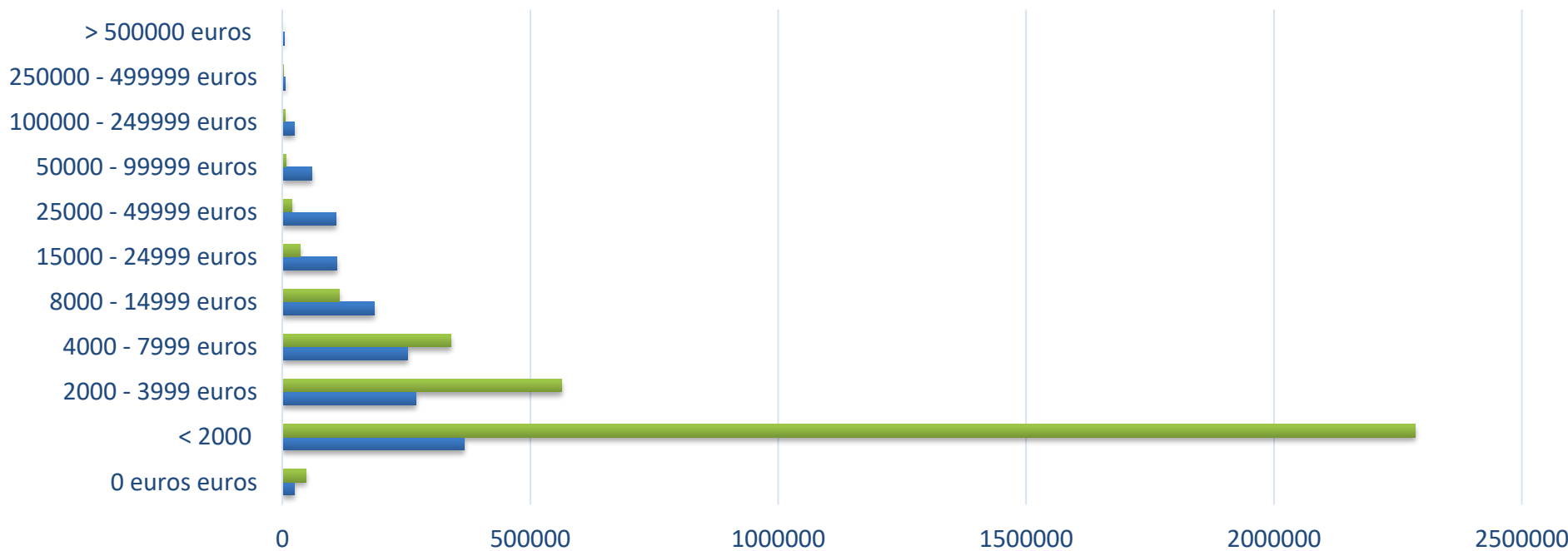
# Key Romanian Agricultural Statistical Indicators

Agricultural production			Share of EU-28 total	
Cereals	2017	27 139	thousand tonnes	8.8 %
Root crops	2017	4 584	thousand tonnes	2.3 %
Permanent crops	2017	2 471	thousand tonnes	3.8 %
Fresh vegetables	2017	2 065	thousand tonnes	3.0 %
Raw milk	2017	4 439	thousand tonnes	2.6 %
Bovine meat	2017	59	thousand tonnes	0.8 %
Pig meat	2017	328	thousand tonnes	1.4 %
Poultry meat	2017	405	thousand tonnes	2.8 %
Forestry			Share of EU-28 total	
Forest and other wooded land	2015	6 951	thousand hectares	3.8 %
Persons employed in forestry and logging	2015	46 690	working units	8.8 %
Gross value added (at basic prices)	2015	641	EUR million	2.5 %
Roundwood (in the rough)	2016	15 117	thousand cubic metres	3.3 %
Fisheries			Share of EU-28 total	
Fishing fleet	2017	1 407	gross tonnage	0.1 %
Persons employed in fishing and aquaculture	2016	2 000	number	1.1 %
Total catches	2017	9 553	tonnes live weight	0.1 %
Total aquaculture production (volume)	2016	12 585	tonnes live weight	0.9 %
Total aquaculture production (value)	2016	35.7	EUR million	0.5 %

Source: Eurostat - Agriculture, forestry and fishery statistics, 2018 edition



# Economic Dimension of Romanian Farms (SO)

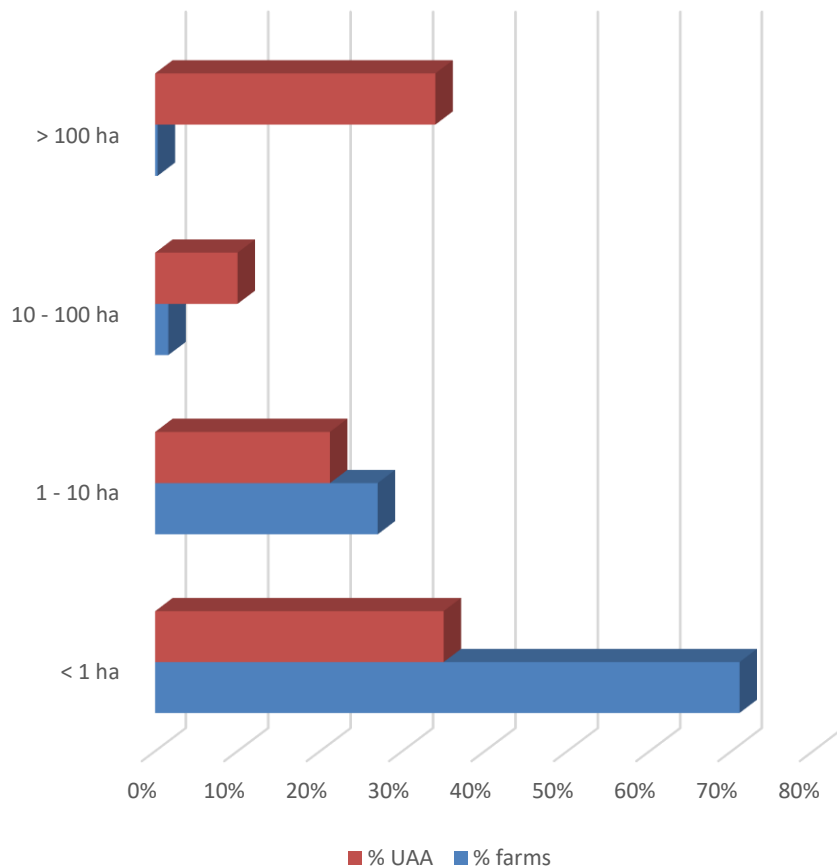


	0 euros euros	< 2000	2000 - 3999 euros	4000 - 7999 euros	8000 - 14999 euros	15000 - 24999 euros	25000 - 49999 euros	50000 - 99999 euros	100000 - 249999 euros	250000 - 499999 euros	> 500000 euros
■ Romania	47400	2285810	562570	340280	114160	35630	19490	7730	5180	2180	1610
■ Poland	24210	367130	269780	252790	184700	110260	109160	58940	24480	5800	3450



# THE SIZE OF ROMANIAN HOLDINGS

Analyse of sizes of Romanian farms

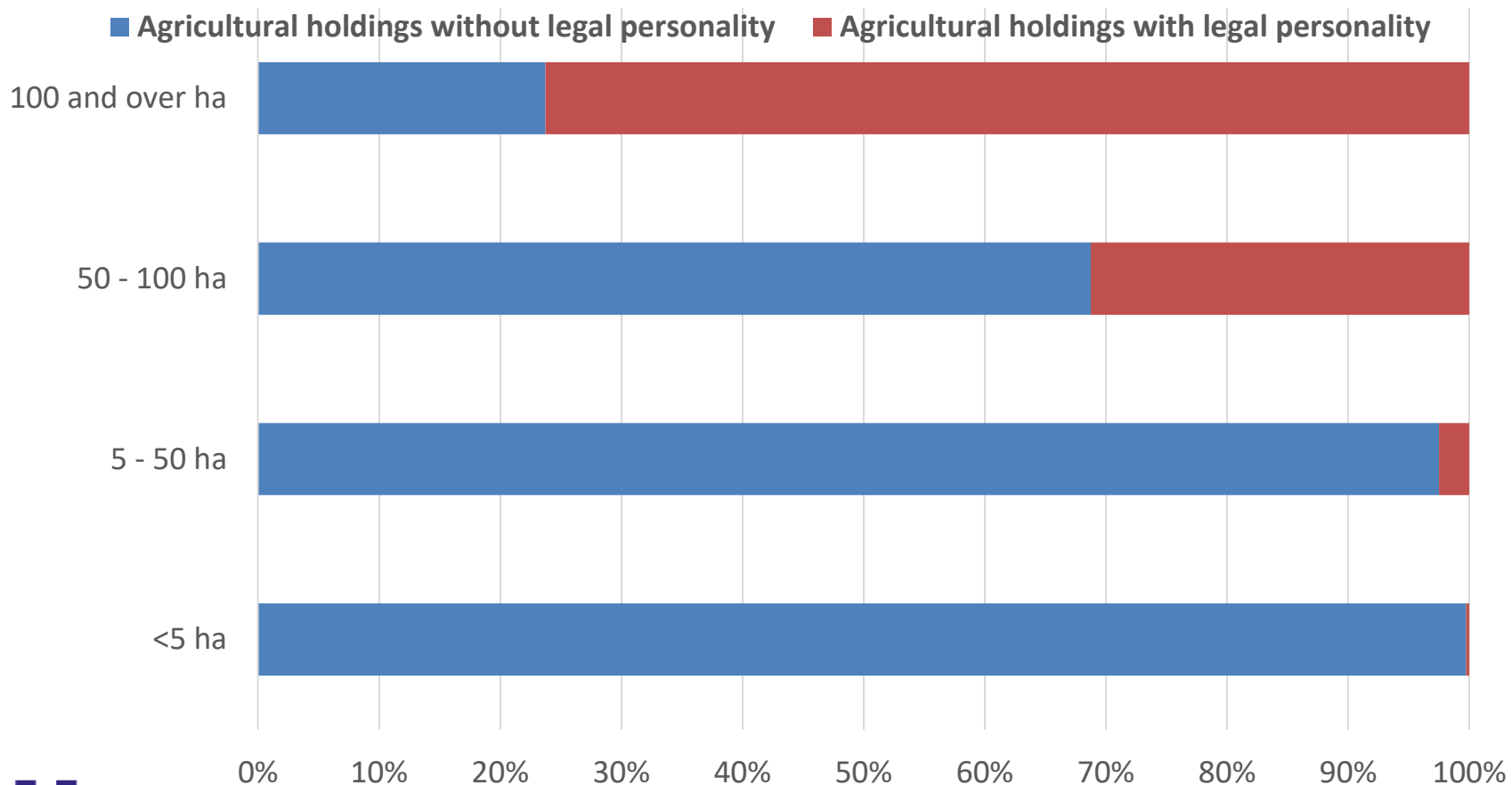


1. **2.8 million holdings (71%)** are under 1 ha in size. They account for 5 m ha, **35% of UAA**.
2. 1.04 million holdings (27%) are between 1-10 ha, regarded as semi-subsistence farms, listed in the Farm Register and eligible for area-based payments. They account for 3.1m ha, 21.2% of UAA, and mostly produce primary products for home consumption. These farms are estimated as producing 25-30% of national food consumption.
3. 60,000 farms (1.6% of Romanian holdings) are between 10-100 ha. They cover 1.49m ha (10% UAA)
4. Only 12,000 farms, **0.3% of holdings**, are commercial operations over 100 ha which cannot be considered too large as family farms: they occupy **34% of UAA**.

(Page and Popa, 2013)



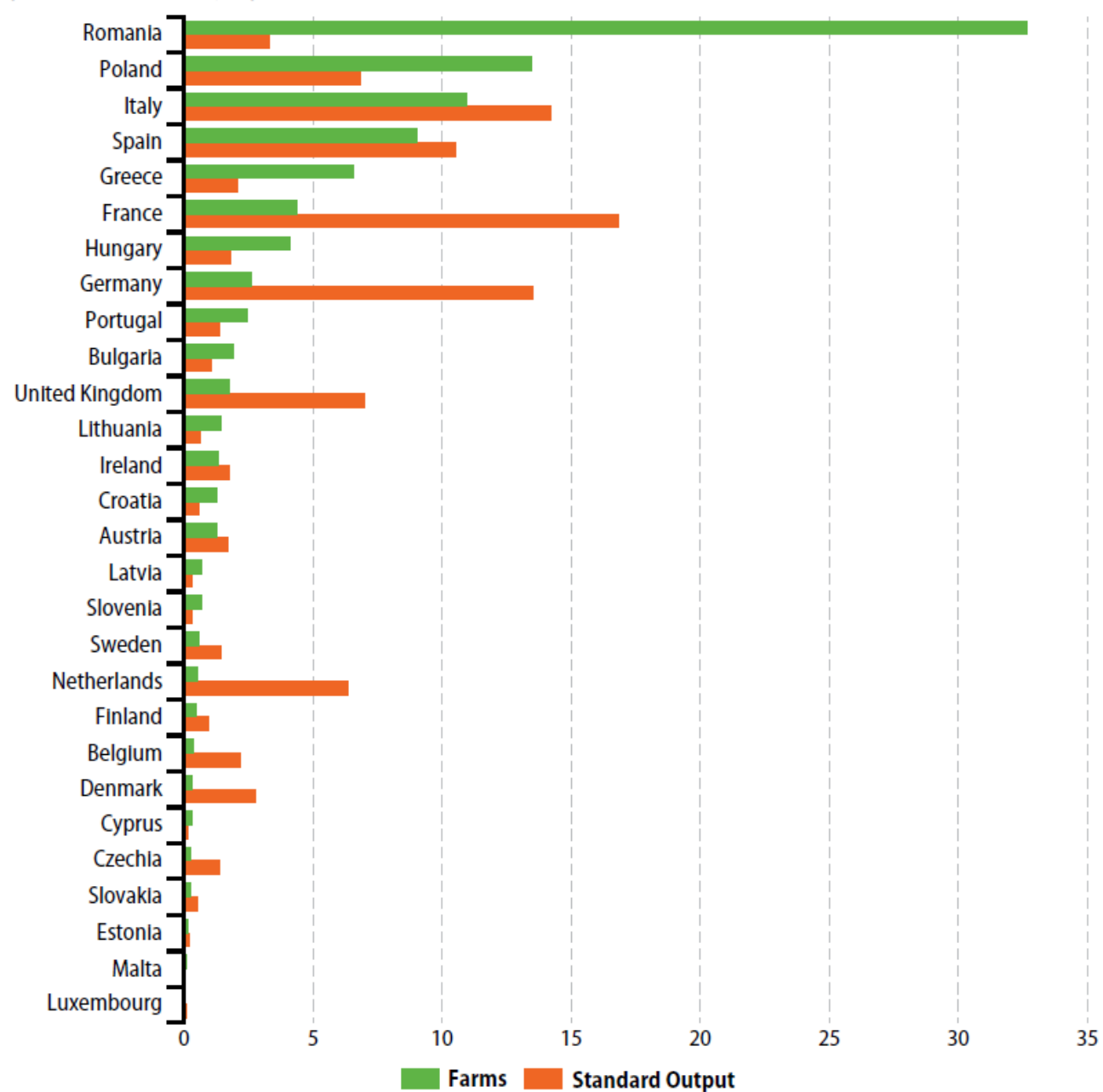
# Type of holdings (with / without legal personality)





**Figure 2.1.2: Farms and standard output, 2016**

(share of EU total, %)

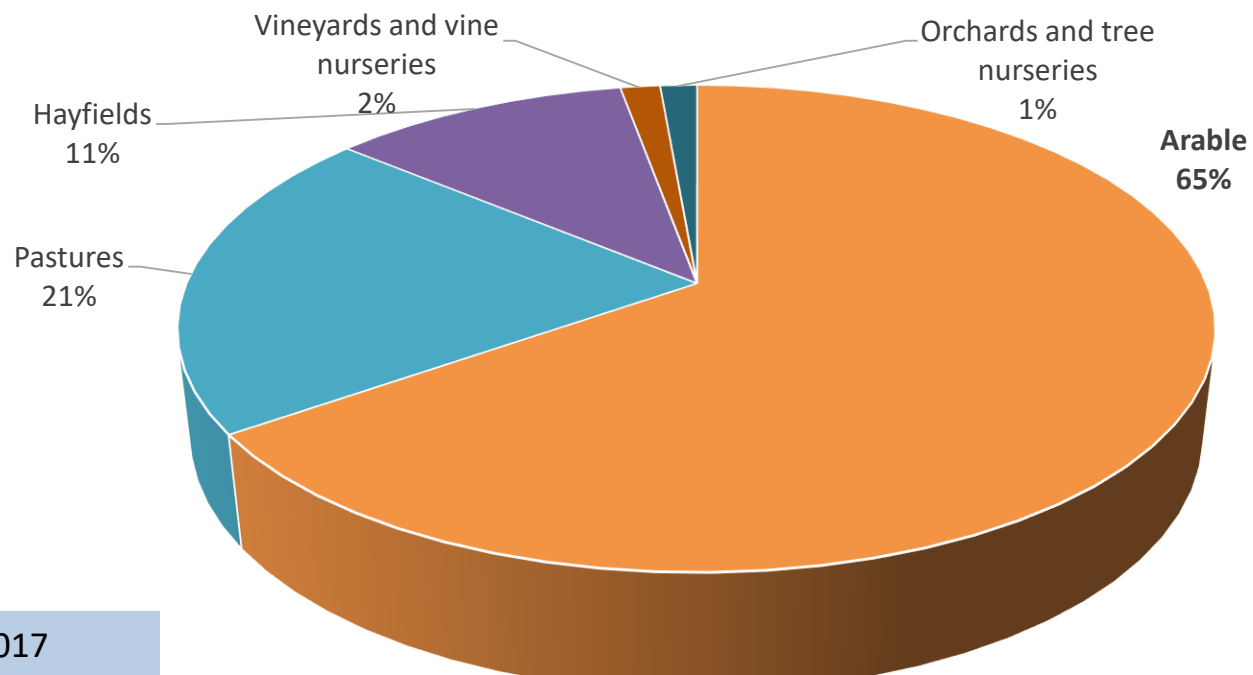


- One third (32.7 %) of the EU's agricultural holdings (here-on termed 'farms') were located in Romania in 2016, much more than any other Member State;
- This distribution pattern was particularly clear in Romania, nine in every ten farms (91.8 % or 3.1 million farms) were smaller than 5 ha, but the 0.5% of farms of 50 ha or more in size farmed one half (51.1 %) of all the UAA in the country.
- Although Romania accounted for about one third of the EU's farms, it accounted for only 3.3 % of the EU's standard output (see Figure 2.1.2).

Source: Eurostat (online data code: ef\_m\_farmleg)

# Agricultural area, by use

Suprafața agricolă (mii ha) <i>Agricultural area (thou ha)</i>		Structura / Structure (%)		
Total	din care: proprietate privată <sup>1)</sup> <i>of which: private ownership<sup>1)</sup></i>	Total	din care: proprietate privată <sup>1)</sup> <i>of which: private ownership<sup>1)</sup></i>	
14630,1	13699,7	100,0	100,0	<i>Total</i>
9395,3	8940,2	64,2	65,2	<i>Arable</i>
3272,2	2852,2	22,4	20,8	<i>Pastures</i>
1556,3	1517,2	10,6	11,1	<i>Hayfields</i>
209,4	202,2	1,4	1,5	<i>Vineyards and vine nurseries</i>
196,9	187,9	1,4	1,4	<i>Orchards and tree nurseries</i>



# Average area per holding (ha)

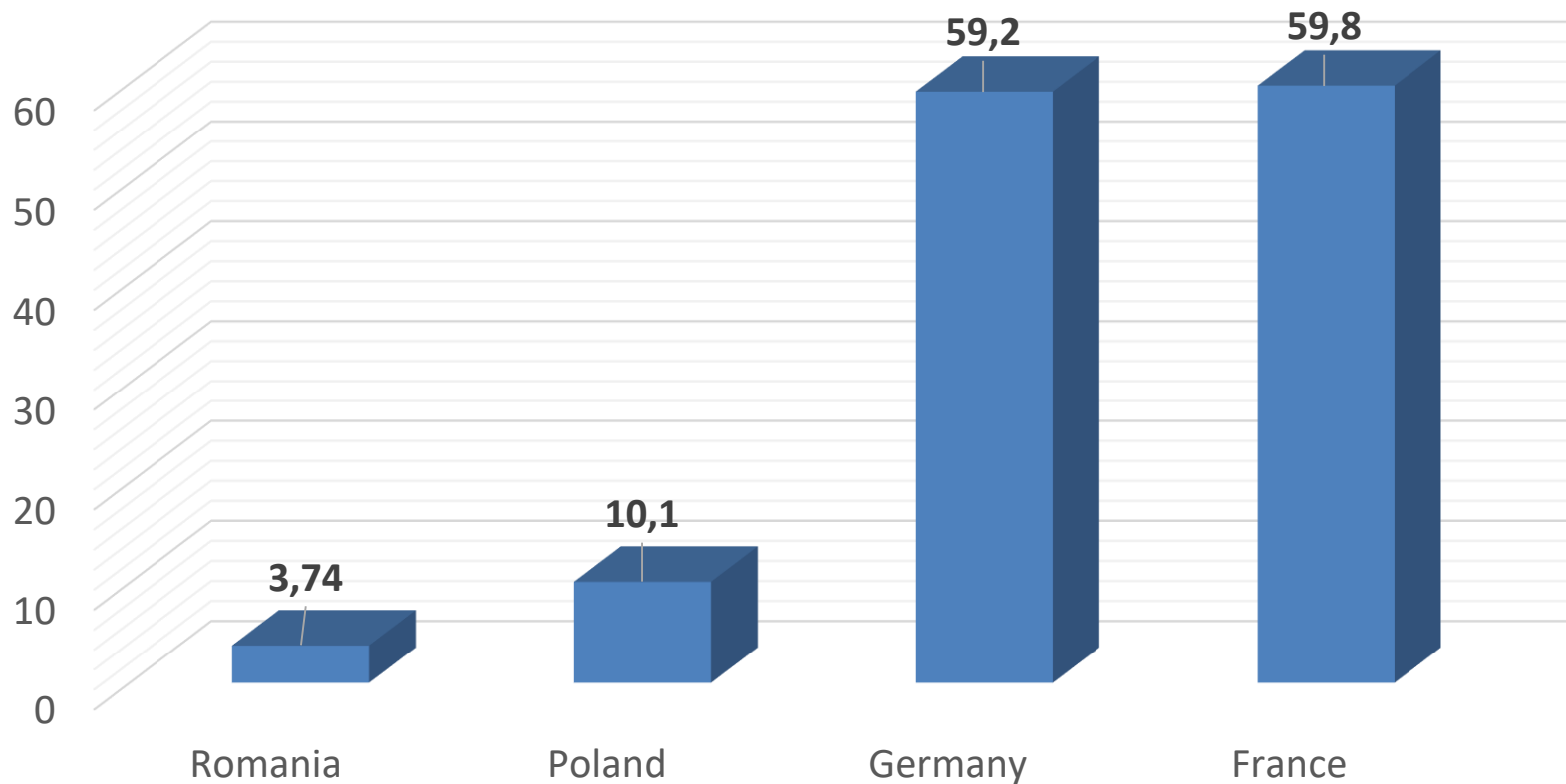
Agricultural holdings, utilised agricultural area and the average of the utilised agricultural area by an agricultural holding, by legal status of the agricultural holdings, 2016

Legal status of agricultural holdings	TOTAL agricultural holdings* (number)	Agricultural holdings that utilised agricultural area (number)	Utilised agricultural area (hectares)	Average of the utilised agricultural area (hectares)	
				by an agricultural holding	by an agricultural holding that utilised agricultural area
Agricultural holdings without legal personality	3395925	3316535	6926256,09	2,04	2,09
Individual agricultural holdings	3379883	3300672	6338678,60	1,88	1,92
Authorised natural persons, individual companies, family companies	16042	15863	587577,49	36,63	37,04
Agricultural holdings with legal personality	26101	25650	5576279,40	213,64	217,40
Autonomous administrations	60	58	15728,42	262,14	271,18
Companies/ agricultural associations	1147	1126	403596,84	351,87	358,43
Commercial companies with private majority capital	13308	12942	3291011,70	247,30	254,29
Commercial companies with state majority capital	50	50	3219,38	64,39	64,39
Institutes/ research stations, agricultural school	163	162	39463,69	242,11	243,60
Townhalls	2854	2853	1489876,60	522,03	522,21
Other public institutions	166	164	14729,60	88,73	89,81
Co-operative units	50	47	4659,71	93,19	99,14
Other types (foundations, religious units, schools etc.)	8303	8248	313993,46	37,82	38,07
TOTAL	3422026	3342185	12502535,49	3,65	3,74

\* Agricultural holdings without utilised agricultural area and without livestock are also included (eg: mushrooms areas).

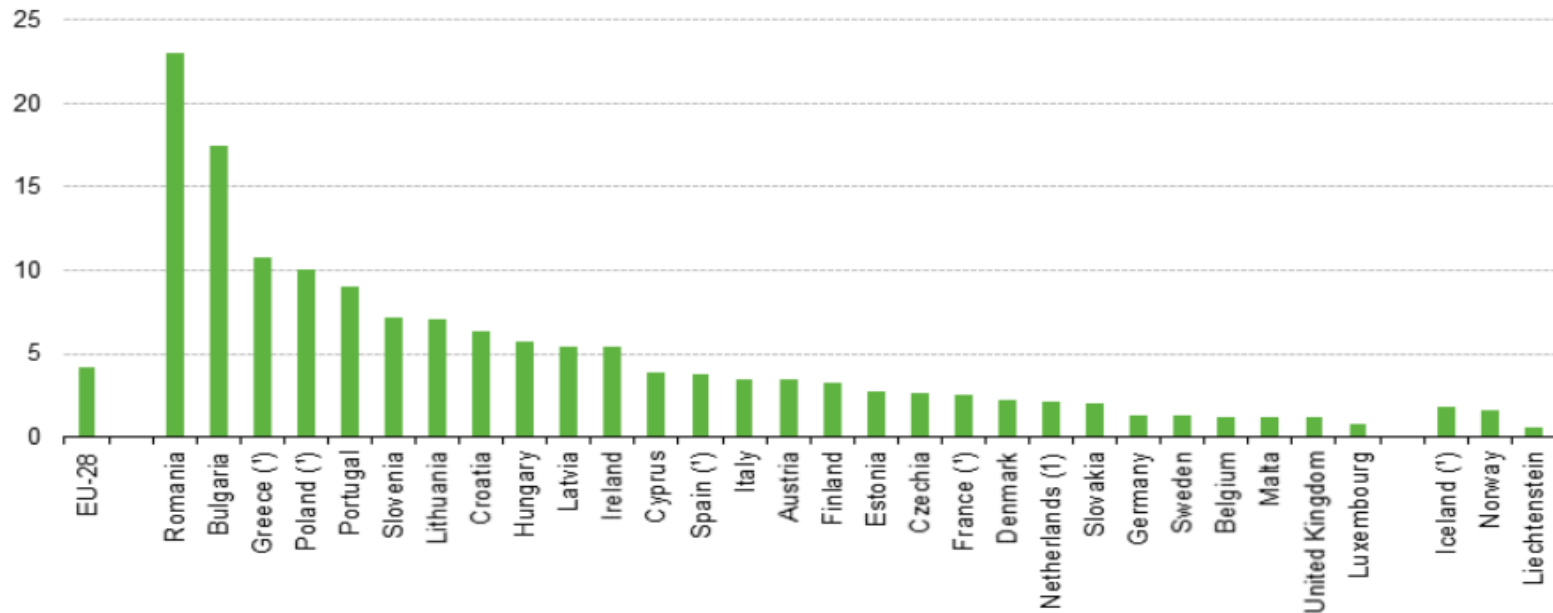


# Average area per farm



# Employment in agriculture

Employment in agriculture, 2016  
(% of total employment)



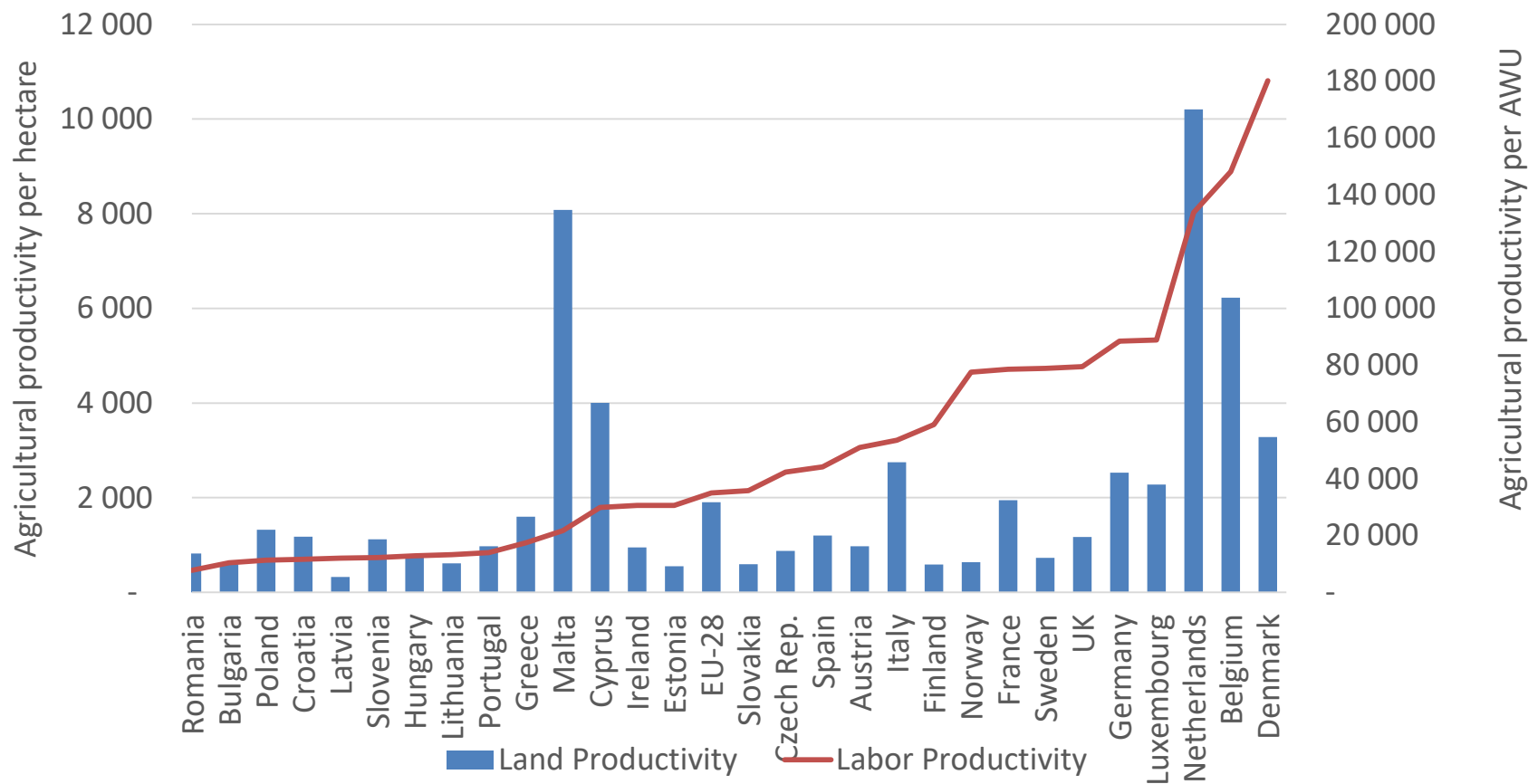
(\*) 2015 data instead of 2016.

Source: Eurostat (online data code: nama\_10\_a64\_e)

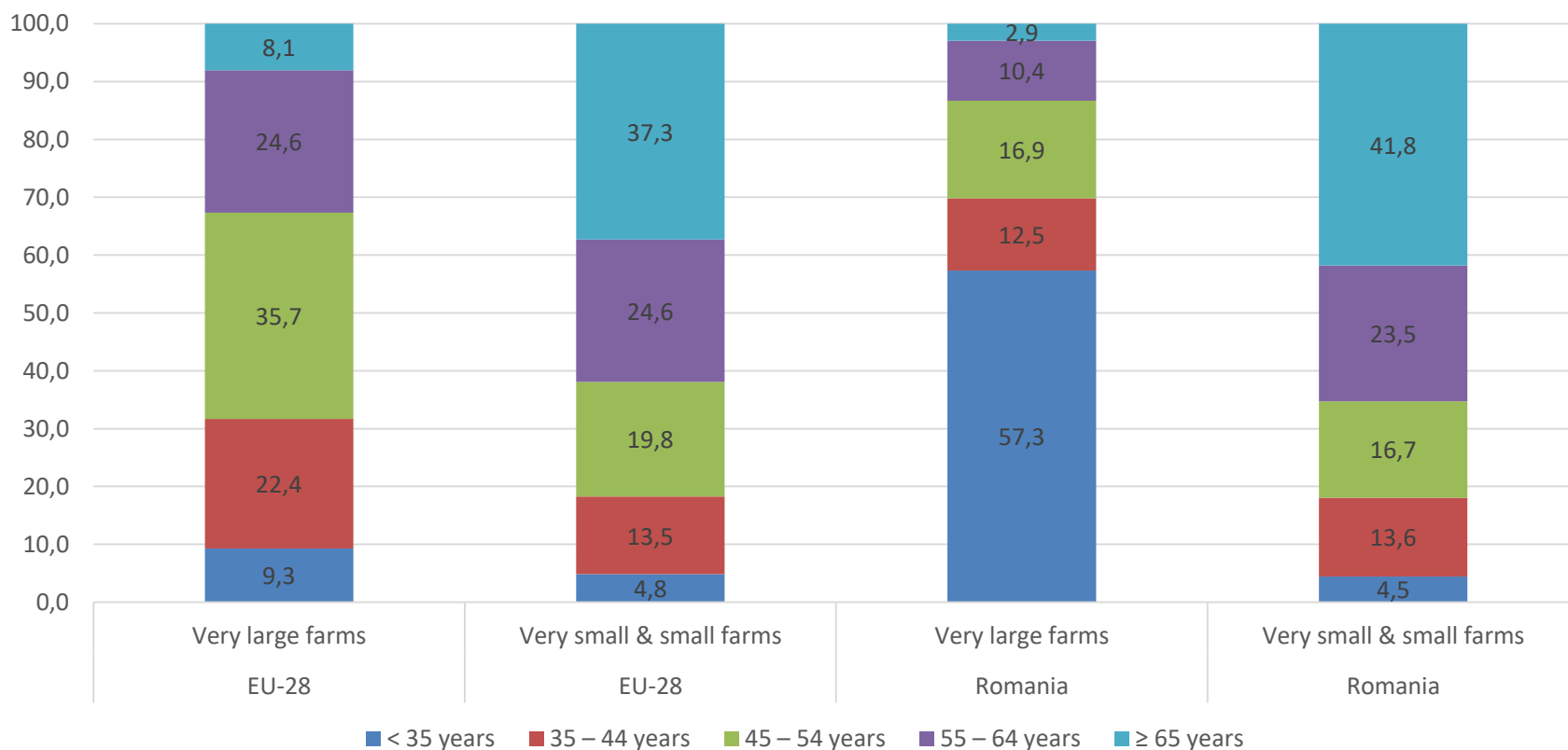




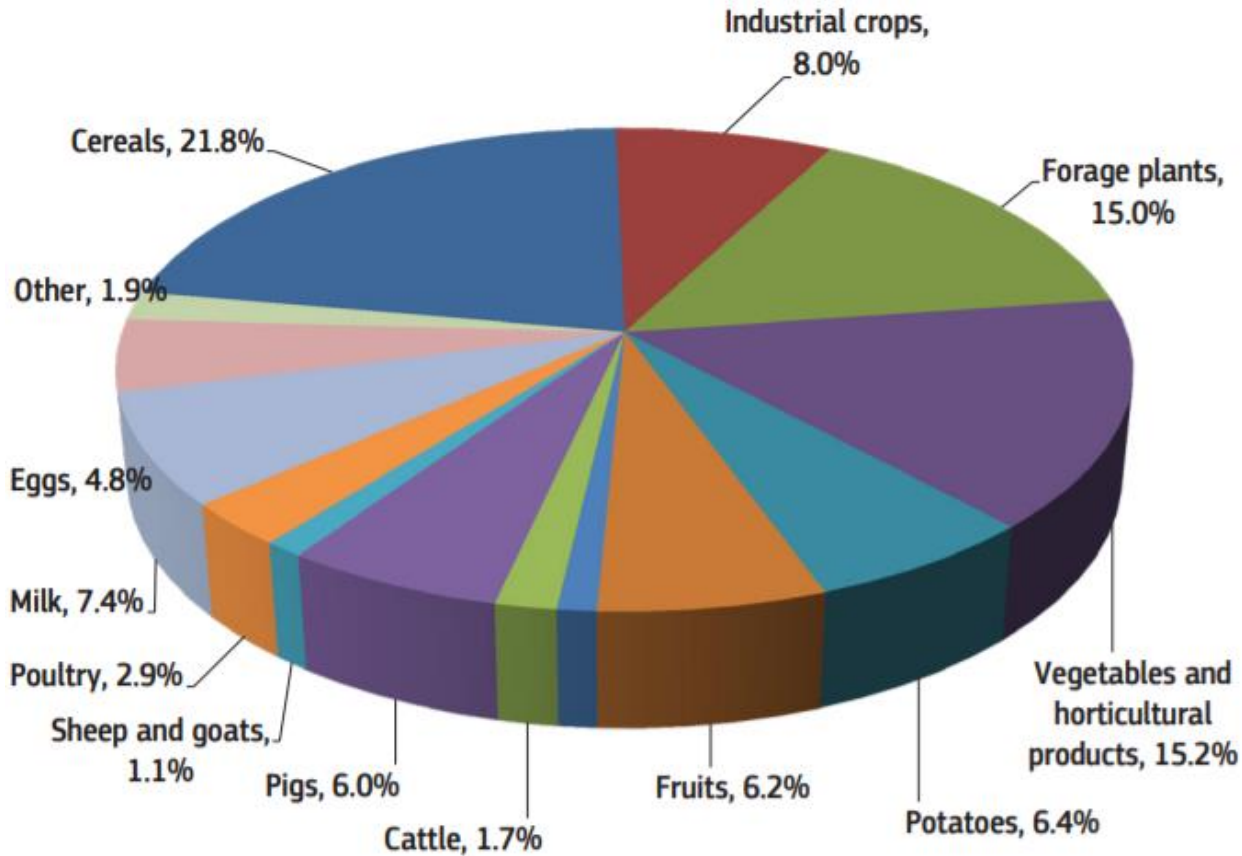
# Labor and land agricultural productivity



# Age of farm managers by farm size, percent



# *A very diversified production*



Output components (2014-2016 average); values at constant producer prices



Thank you for your  
attention!

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