

**2nd International Workshop on Land  
Consolidation and Land Banking**



**POLICY OPTIONS  
TO STIMULATE LAND USE  
AND LAND CONSOLIDATION  
in Romania**

**Daniela Giurca  
MARD - Romania**

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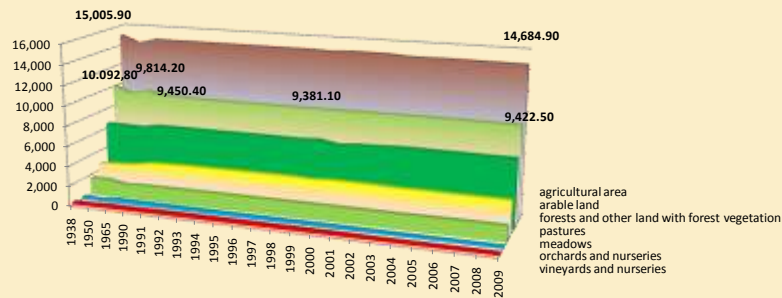
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**The main topics :**

- **Farmland - dynamics and "status quo"**
- **Policy Options (document in progress):**  
*to encourage land use*  
*to encourage consolidation*

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## Structure and dynamics of farmland – thousands ha

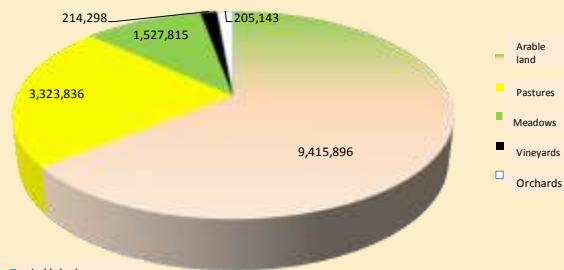
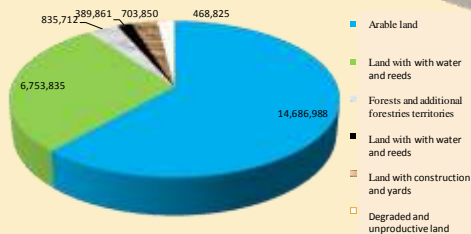


Source: 1938-1965 , RSR Statistical Breviary, National Institute of Statistics (1990-2009)

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## Structure and dynamics of farmland (2009 data) thousands ha MARD data

Arable land (ha)	14,686,988
Forests and additional forestries territories (ha)	6,753,835
Land with with water and reeds (ha)	835,712
Land with roads and railway communication (ha)	389,861
Land with construction and yards (ha)	703,850
Degraded and unproductive land (ha)	468,825



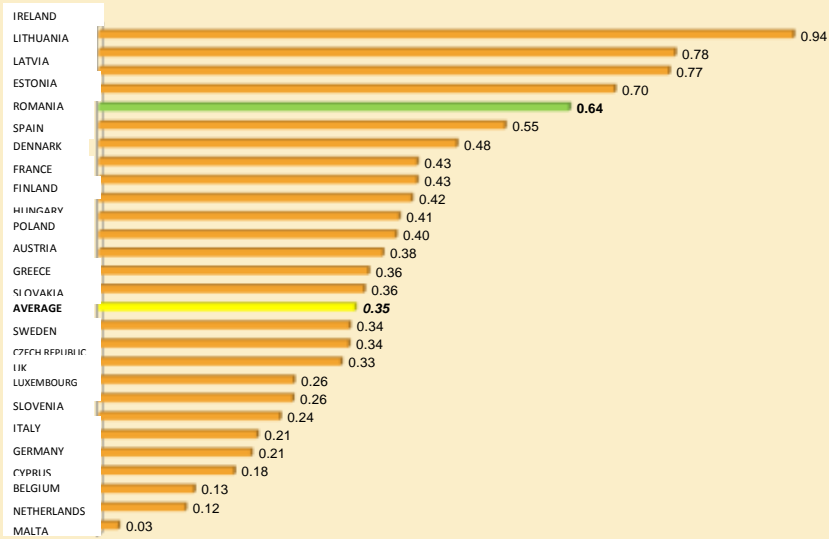
Structure of the agricultural land 2009

Arable land (ha)	9,415,896
Pastures (ha)	3,323,836
Meadows (ha)	1,527,815
Vineyards (ha)	214,298
Orchards (ha)	205,143

Out of the 23.8 million ha representing the total surface of Romania, the agricultural area amounts to 61%. Romania is on the 6th place among EU countries as agricultural area used (after France, Spain, Germany, Britain and Poland).

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## AGRICULTURAL AREA UTILIZED ha/capita

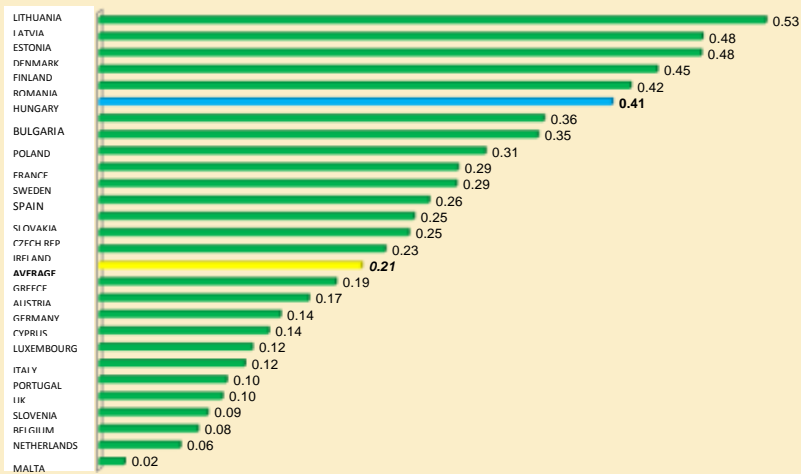


Source: Eurostat Yearbook 2010, date 2007

Romania ranks the 5th among EU countries regarding agricultural area utilized as per capita (after Ireland, Lithuania, Latvia and Estonia), the average of EU 27 is around 0.35 ha per capita

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## ARABLE AREA ha/capita



Source: Eurostat Yearbook 2010, 2007 data

Romania ranks the 6th regarding arable land utilized as per capita among EU countries (as Lithuania, Latvia and Estonia, Denmark and Finland), EU 27 average of around 0.21 ha per capita

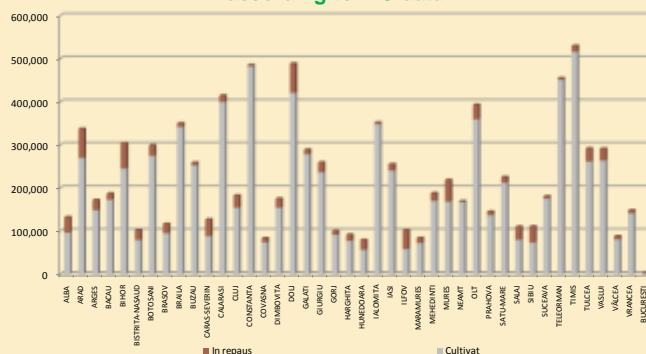
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## Dynamics of fallow land ha

R (EC) NO. 1200/2009 of 30 November 2009 implementing Regulation No. 1166/2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Data source
Fallow land	865.956	466.901	375.377	497.850	387.230	517.432	1.055.455	898.063	922.636	904.832	na.	NIS
Fallow land	na.	na.	na.	na.	na.	496.268	1.046.700	1.006.076	951.178	980.221	1.025.947	MARD-Agra_2005-2010

The structure and volume of fallow land per counties in 2009 according to NIS data



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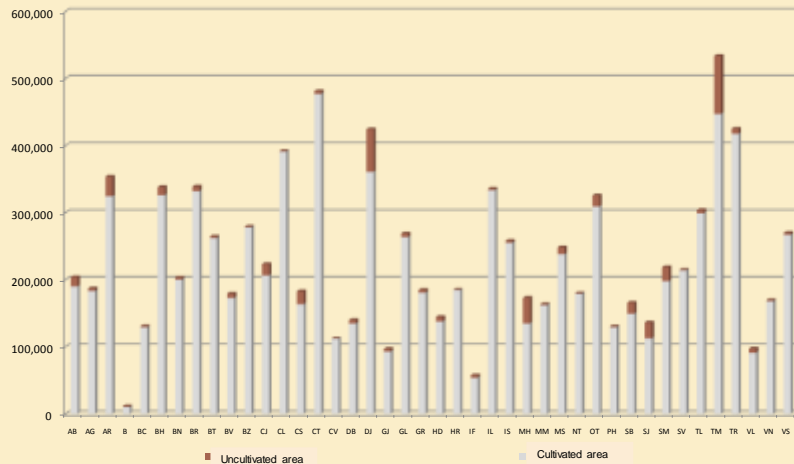
## Definitions (1)

R (EC) NO. 1200/2009 of 30 November 2009 implementing Regulation No. 1166/2008 of the European Parliament and the Council on farm structure surveys and the survey on agricultural production methods, as regards livestock unit coefficients and definitions (characteristics RGA 2010)

- **Fallow land** (*field and land left unseeded less than five years*). This land has not been used throughout the period of agricultural year, being left to recover. This land can be left - without being cultivated - with natural spontaneous vegetation, which can be used as animal feed – seeded exclusively for the production of green fertilizer.
- In this category are included:
  - a) without subsidies (code 45) - the remaining field and land left unseeded less than five years - land at rest for which it is not granted any financial aid / subsidy;
  - b) with subsidies (code 46) - arable land for which the holding is entitled to subsidies. This section includes all arable land surfaces that receive subsidies not only for having been allowed at rest, but also because they are maintained in good agricultural and environmental conditions. This field can be – without being cultivated - with natural spontaneous vegetation, which can be used as animal feed. "

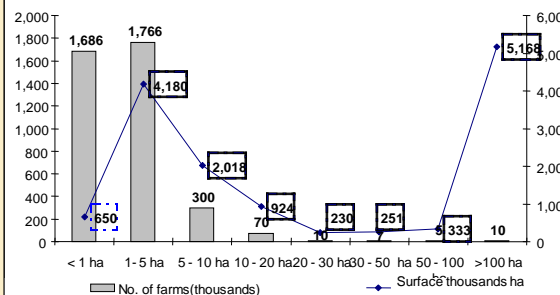
### The area for which support (direct payments) has been requested from PIAA

Out of the **9,276,094 ha**, an area of **455,948 ha** has been declared as “uncultivated” being distributed per county as follows:



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### Farms structure



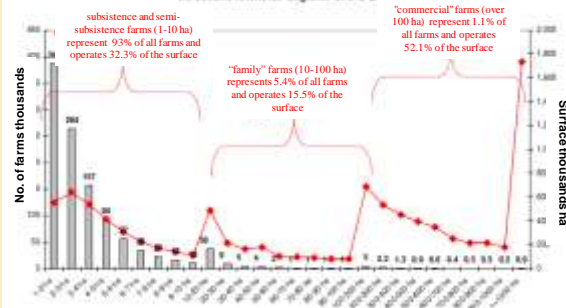
Source—after data processing of Farm Structure Survey - 2007, NIS

According to data from Farm Structure Survey in 2007, NIS:  
**13.8 million ha of agricultural area of the country are cultivated by 3.8 million farmers** (10% less than in 2002).

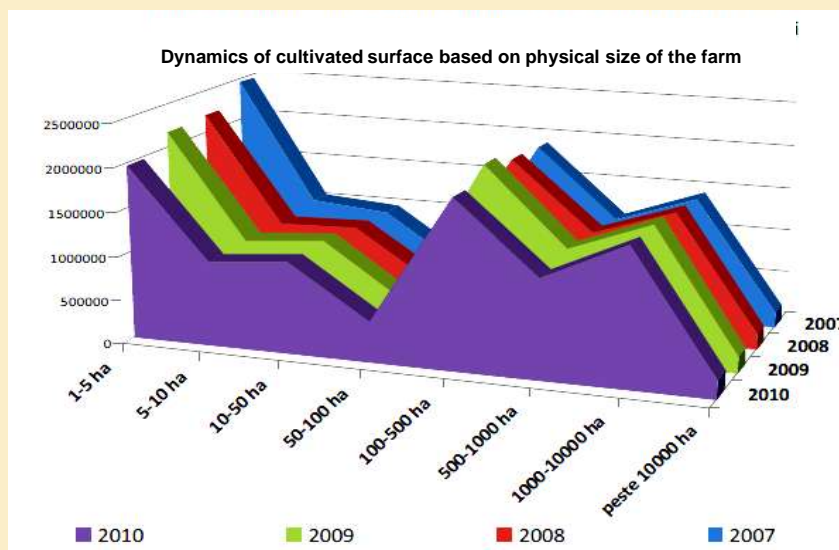
According to PIAA data:

- **Large farms (1000 ha) - 1.1% of the total farms work efficiently around 52% of the total area eligible for payments**
- **Small farms between 1-10 ha (around 1 million) - 93.5% of the total farms practice an extensive farming on 32% of the area eligible for support**

Structura fermelor editabile SAPS 2010



Source: processing of General Directorate of Agricultural Policy - MARD, according to data provided by PIAA

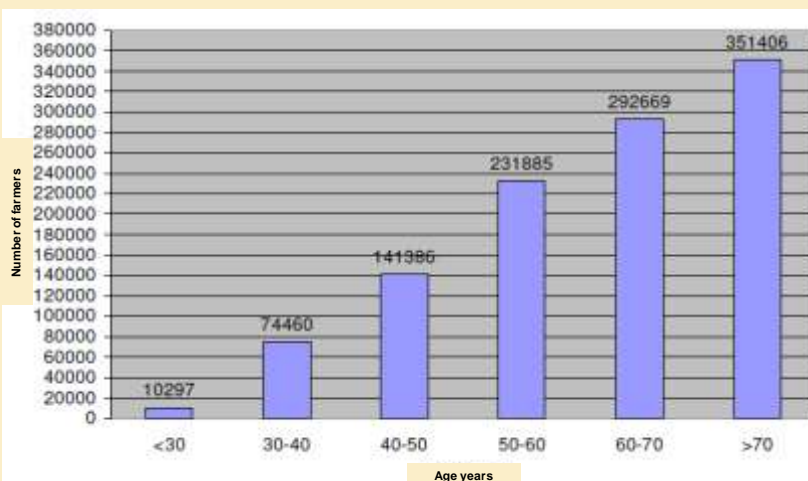


Source: processing of General Directorate of Agricultural Policy, MARD, according to data provided by PIAA

In 2007-2010, from the data processed by PIAA, there is a slight decrease in the number of small farms between 1-5 ha and a growth in the number of farms between 100-1000 ha

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#### NUMBER OF FARMERS RECEIVING AREA PAYMENT BASED ON AGE

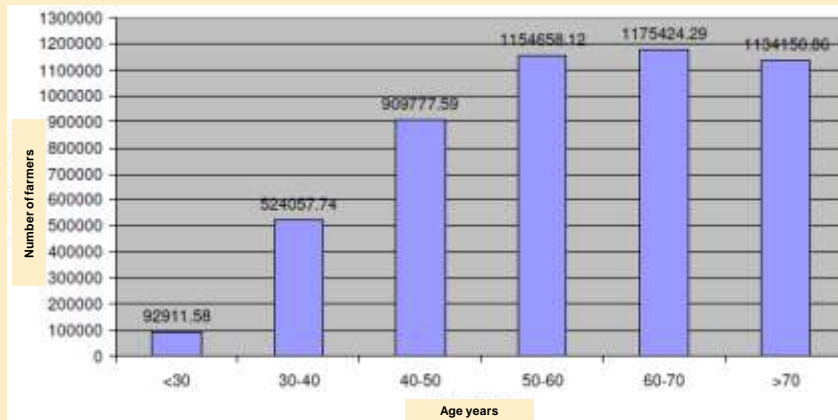


Source: Processing General Directorate for Agricultural Policy, by PIAA data

About 60 % of the farmers eligible for the area payment scheme are older than 60

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### SURFACE OWNED BY FARMERS, BASED ON AGE, WHO RECEIVE AREA PAYMENT



Source: Processing General Directorate for Agricultural Policy, by PIAA data

Farmers elder than 60 own about 25 % of the eligible surface for area payment scheme

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## Policy options:

- to encourage the use of land
  - draft law for measures to be taken in order to extend the land worked
- to encourage the consolidation of agricultural land
  - *draft law for measures to be taken in order to encourage consolidation of agricultural land*

## LAW on certain measures in order to extend the land worked - draft (1)

### Some definitions:

- *the total land area having an agricultural destination from the Land Fund of Romania represents the "national agricultural Fund"*
- "agricultural activity" – the production, rearing or growing of agricultural products including harvesting, milking, breeding animals and keeping animals for farming purposes, or maintaining the land in good agricultural and environmental condition as established;
- "farmer" – means a natural or legal person, or a group of natural or legal persons, whatever legal status is granted to the group and its members by national law, whose holding is situated within Community territory and who exercises an agricultural activity;
- "agricultural year" – the period from sowing or planting up to harvesting;
- "land owners" – property owners, of other real rights or those who, according to the civil law, have the quality of possessors or holders without a legal title;

## LAW on certain measures in order to extend the land worked - draft (2)

- "agricultural holding" – any surface of agricultural land with the following category of use: arable land, permanent pastures, permanent crops;
- "unutilized agricultural surface" – any surface of arable land, permanent pastures or permanent crops with agricultural destination, which has been utilized before as agricultural surface, but which, during the reference year for investigation (year in which a control is performed), is not worked, does not respect the crop rotation rule or is not maintained in good agricultural and environment conditions;
- "land worked" – surfaces of land plowed, cultivated as per different technical methods, mowed regularly, grazed.



## LAW on certain measures in order to extend the land worked - draft (3)

### Other provisions:

- To establish the obligations of land owners;
- To establish the delegated persons to verify the compliance or non compliance with the obligations of land owners;
- To establish the level of sanctions applied to land owners in case of non-compliance.

### Obligations:

- Land owners, whether they have the status of farmer or not, have the obligation to work the land or to perform agricultural activities regardless the type of right to hold, considering the following standards:
  - Maintaining the permanent pastures by ensuring a minimum level of grazing or by mowing them at least once a year;
  - Avoiding to let undesired vegetation grow on agricultural land, including the land not destined for production.In case of non-compliance with these obligations, the land owners will be fined.

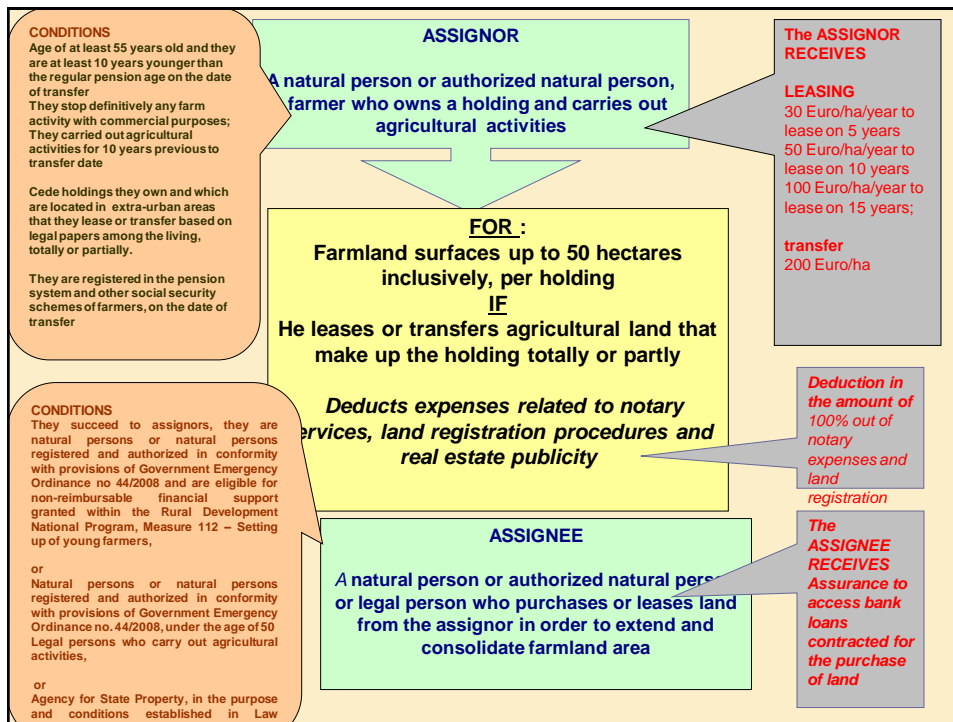
## Romania's Obligations regarding Cross-compliance (1)

- **Respect the Good Agricultural and Environmental Conditions (GAECs) from 2007 onwards**, (*MO 30/2010 regarding the approval of the Good Agricultural and Environmental Conditions for Romania*);
- **Respect the Statutory Management Requirements (SMRs) from 2012 onwards**, (*common project regulated by Ministry Order of MARD, NSVAFS, regarding the approval of legal requirements for environmental management and for the identification and registration of animals, regarding direct support schemes and measures for farmers in Romania/under approval within MARD*)

## Romania's Obligations regarding Cross-compliance (2)

- **Cross-compliance is an instrument of Common Agricultural Policy** that creates a link between area payments granted to farmers and the improvement of agricultural environment by keeping all agricultural lands, especially land not used for agricultural purpose, in good agricultural and environmental conditions, as well as compliance with the statutory management requirements (SMR's).
- Article 23 (1) of Reg. (EC) 73/2009, provides a system for reduction of payments or exclusion from payments of farmers that do not comply with the cross-compliance rules.
- **The entry into force, starting with 2012, of the provisions regarding reduction of payments or exclusion from payments of farmers that do not comply with the cross-compliance rules, will result in avoiding land abandonment and ensuring their good agricultural and environmental conditions at the moment at least for the SAPS**

## Law regarding some measures to stimulate farmland consolidation



## Elements of opportunity on the measure:

- Area owned by farmers eligible for direct payments, aged between 50-60 years: 2,330,083 ha in 2010 according to PIAA.
- To evaluate the amount of the support that could be accessed, a certain pace to access the support has been established based on tendencies of structural evolution in the last years at an optimistic margin.
- The accession of the support scheme is carried out between 2011 and 2013 included, if there is a possibility to adopt the legislation in 2011. Since at the moment this is unlikely to happen, it is possible that the scheme may cover only the period between 2012 and 2013.

Thank you !

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