

ABSTRACT

The agriculture sector from Romania is presently, dominated, by de-capitalized agricultural producers, with very low financial potential and an inferiority status towards the other economical agents from the agro-alimentary channel, and towards the other competitors from the European Union.

I appreciate that the whole transition process to market economy had a negative character and very bad implications towards the restructuring and modernization process of the agro-alimentary sector from Romania.

A positive aspect manifested itself through the apparition of the agricultural family associations, agricultural companies and agricultural share companies as representatives of the private property.

The agricultural exploitations or the family households were created by the bankruptcy and liquidation of the production agricultural cooperatives and reinforcing the property to the original owners, these exploitation types are presently predominant in the Romanian economy.

I consider that the family exploitations from the Central Moldavian Plateau have small dimensions and do not have the economic character of a capitalist company, because they do not use the agro-alimentary channel as they should in a market economy. Therefore, the medium dimension of these exploitations is small, and they have limited economical possibilities to commerce the final agricultural products. The limited technical achievements, the high rate of manual labor, the traditional methods, less scientifically to cultivate the land and raise animals are other factors which lead to the inefficiency of this type of agricultural exploitation.

Another aspect, which I consider important to present, is the fact that once Romania entered the European Union, the agricultural exploitations are no longer protected by the custom barriers which has the consequence that the Romanian agricultural offer is invaded by the European agro-alimentary offer and an impossibility to cover the losses by raising the prices and therefore a aggravating de-capitalization of those, especially in the drought years.

Also, I appreciate that the low level of farmers income, determine an impossibility to control the main factors of influence of the agricultural production, by type of climatic conditions and the attack of diseases and pests, this fact causes the fluctuation of agricultural production from year to year, the end result being a low production for commerce and low and fluctuating income for farmers.

This causes a vicious circle, which is correlated by the lack of support of farmers from the Romanian governmental organisms and which block farmers to capitalize and improve the present subsisting condition.

The strategic objective of this type of exploitation must be represented by the growth of the dimensions and transformation into ecological type of exploitations, the creation of professional associations and the assurance of using the national and European agro-alimentary channel.

Romania is and will remain a great cereal cultivator, although the productivity evolution is negative.

The structure of the cereal cultivated area present a medium rate of approximately 50% of corn, 3% of oat, 10% of barley and 35% of wheat and rye, the rest to 100% being occupied by rice.

The very high amplitudes registered by the total agricultural production from 1990 to 2006 were caused by the very high dependence which exists towards the environment factors and the lack of capitalization especially in the fields of irrigation, land improvement amelioration and the capitalization with sanitary protection equipments.

The medium wheat production evolution from 1990 to 2006 is very fluctuant reaching a minimum in 2003 when it was registered a value of 1428 kg/ha and a maximum peak in 2004 when it was reached a value of 3394 kg/ha.

The medium corn production evolution from 1990 to 2006 is very fluctuating reaching a minimum in 2000 when it was reached a value of 1603 kg/ha and a maximum peak in 2004 when it was reached a value of 4441 kg/ha.

The low productivity from agriculture can be observed through the comparison between the relative value of the occupied population from this activity in total population, and the relative value of the added value obtained from agriculture in G.D.P. We can observe the decreasing tendency of the relative value of the added value in G.D.P. and the increasing tendency of the relative value of the occupied agriculture population in total occupied population, this fact demonstrate the low labor productivity from the agricultural production

stage of the agro-alimentary channel. From 2001, we can observe a low increase of the labor use efficiency.

The capital of agricultural machines by area unity from Romania is approximately five times lower of the average European Union countries, of agricultural tractors and six times of self-propelled combine harvesters. The evolution of the agricultural machines by area unity had an increasing tendency to tractors, ploughs and seeders and decreasing to combine harvesters, therefore if the degree of capitalization with tractors was 0.85 tractors to 100 ha in 1990, this indicator had the value of 1,19 tractors to 100 ha in 2006.

From the agro-alimentary channel, the processing companies represent the link between the agricultural producers and distributors, or if those dispose by own distribution, between agricultural producers and the final users. The importance of the processing companies from the channel is given by its functions, among whom we can say that the informational feedback is one of the most important.

In the year 2006, from the total expenditures of a household, 83% are money expenditures and the counter value of the agro-alimentary products consumption from own resources is 22.6%.

The cereal, fruits, sugar, wine, meat and fish consumption has a stabilizing tendency, after a decreasing period. The potatoes, vegetables and eggs consumption has an increasing tendency, occupying an important percent from the structure of the alimentary consumption in Romania.

The theoretical forms of integration are: the horizontal integration, the vertical integration and the mixed integration, and the practical forms of integration are: integration through contracts, cooperatives and integration through property.

The main pursued effect by integration and in the most cases is reached the increase of profit. This effect is caused by the improvement of the agro-alimentary channel, through stabilizing the links between agriculture and the other sectors, through the production increase. Other effects are: the increase of economical efficiency of the agriculture production, constant finance of agriculture through financial blockage elimination, increase of the industrialization degree of agriculture, equilibration of the value allocation equity between the agro-alimentary links, etc.

The agro-alimentary system from Romania has the same as in the other countries, three main forms of integration: horizontal, vertical and combined (mixed).

The horizontal integration is made between the companies with the same area of activity (on the same link of the economic chain). On the national level, the horizontal

integration present a specific form of integration through cooperation, which is due to the association of the agricultural producers in cooperatives, which have the objective to common use equipments, or to provide with different materials, final products or to market its own products, etc. The degree of diffusion for this type of integration is still very low in The Central Moldavian Plateau.

The vertical integration consists in the existence of an integrator company and one or more integrated agents. The integrator is a company with a high level of concentration, which integrates under one center of decision, the activity from above and below him.

Generally speaking, the industrial type of managing is put across in the integration by the processing companies or agricultural production commerce of all the activities of the agro-alimentary production-final consumer channel.

The agro-alimentary system from the developed market economy countries have as production system, the agro industrial system which formed due to capitalist industrialization processes and function on its main principles. The rapid industrialization of the agro-alimentary channels, the modernization of the production methods, the developing of the supplementary activities, and the achievement of high labor productivity, and the decrease of the farmers' number created the agro industrial system.

The analyzed area, The Central Moldavian Plateau, contain 67 communes and 3 urban centers (Vaslui, Huși, Negrești) from Vaslui, Iași, Bacău and Neamț districts: 25 communes from Iași, 28 from Vaslui and 7 communes from Neamț and Bacău.

The Central Moldavian Plateau consists in 68 communes concentrated in the 2000-4999 inhabitants interval with a number of 49 communes, and a proportion of 72.1% with a total number of 173095 inhabitants and a proportion of 70.2%.

The total population (rural and urban) of the Central Moldavian Plateau was in 2003 pursuant to the individual pipit of localities of 394758 inhabitants. The populations structure from the Central Moldavian Plateau present a majority in Vaslui district of 54.67% and the minority in Bacău district of 5.72%.

The number of individual agricultural exploitation from the Central Moldavian Plateau is overwhelming (approximately 99%) opposing the number of companies with juridical personality (approximately 1%).

The agricultural companies with juridical personality from the Central Moldavian Plateau will become the nucleus of services specialized cooperatives (mechanization sectors, spare parts, compost, seeds, biologic material, animal drugs, herbicides, pesticides providers) or they will slowly strip off by undifferentiated forms of activities, with low production.

I appreciate that the way to implement the 18/1991 Law conducted to an excessive fragmentation of land, reducing the economical efficiency of the individual agricultural exploitations from the Central Moldavian Plateau.

The arable land is used, with priority for cereal cultivation, which finds good cultivation conditions on the plateaus and on the Prut not floodable lowlands and on the pre-urban areas.

Wheat is especially cultivated on Huși, Vaslui areas and on the east Central Moldavian Plateau areas, and the other cereals: barley, oat, rye occupies much smaller areas.

Technical plants complete the agricultural profile of the area and support the processing industry development. An important place is occupied by oily plants: sunflower, oil flax.

The Central Moldavian Plateau data comparison to the national level reveals that Central Moldavian Plateau has a higher percent of arable and vineyards land than Romania, and pasture, grassland and orchard from Central Moldavian Plateau have smaller areas than Romania.

The cultivation structure from Central Moldavian Plateau reveals a majority percentage for corn culture (an average percentage for Central Moldavian Plateau of 52.2%) followed to a considerable distance by wheat culture (an average percentage for Central Moldavian Plateau of 11.9%)

Total and average production of agricultural companies from Central Moldavian Plateau are relative modest, but close to the national average for analyzed cultures.

The average animal density level for Central Moldavian Plateau is 43.8 UVM/100 and the level of this indicator for total rural area is 55.3 UVM/100 ha, and the average calculated for Romania is 59 UVM/100 ha, fact which prove that the animal density from Central Moldavian Plateau area is lower than the national or rural average area.

The agro-alimentary systems economy from Central Moldavian Plateau is characterized by agro-alimentary systems which are partly integrated, mainly through contracts, but with precarious links between the intermediary links of the systems, also another characteristic of these systems is the price speculation of agricultural and alimentary products.

A positive aspect can be observed to the agro-alimentary systems from the Central Moldavian Plateau is the companies wish to attain projects co-financed by the Payment Agency for Agriculture and Rural Development, organism that implement the 2007-2013 National Rural Development Program in Romania.

The agro-alimentary economical environment from the Central Moldavian Plateau is more dynamic, and the performance request for the agro-alimentary companies is very high. The ordeal to out prove the competitor is a challenge for any economical agent, and one of the solutions is to improve the efficiency of the agriculture exploitations management, solution that can be carried into effect by bettering managing the available resources, coordinately, by an cybernetic system.

Racova Vaslui holding is one of the largest companies from the agro-alimentary field from Moldova region. The holding activity domain is public alimentation, commerce and tourism. The agricultural sector of the holding exploits one of the largest cereal cultivated areas from Europe.

The profit evolution from Racova Holding is fluctuating with a tendency to stabilize on the 0-150000 LEI interval, fact that prove that the company administration try to maintain a constant profit, the expenditures of the five analyzed companies constantly evolve with the total income evolution. The stabilizing tendency of the companies' profit is the consequence of the high companies' investment rate and the modernization and extension implementation expenditure growth and the consequence of total companies' income growth due to the enlargement of the total production market delivered.

The turnover of the analyzed companies from Racova holding was deflated by the annual inflation rate presented by the National Statistics Institute, fact made to compare and present the real turnover evolution of each analyzed company.

Thus, S.C. Comcereal S.A. turnover had an ascending evolution until 2005, but starting 2006 presented a decreasing tendency. S.C. Agrocomplex S.A., S.C. Ulerom S.A. and S.C. Ilvas S.A. had a constant evolution on the analyzed period and S.C. Mopan S.A. had a decreasing evolution from 2004-2006.

The profitability income rate expresses the company product and services capitalization efficiency. This indicator presents on the first year of analysis very different values from company to company but we can notice that S.C. MOPAN S.A. Suceava has a total inefficiency for product marketing. Also we can notice the stabilizing tendency to improve the product market efficiency of the whole group in the 0-5% interval.

The consumed resources profitability rate expresses the analyzed company use resources efficiency. We can notice a consumed resources efficiency stabilizing tendency in the 0-5% interval.

The economic profitability must be at least equal to the minimum profitability economy rate (the average interest rate which presently is approximately 10%) and the

economic and financial risk which was assumed by the share holders and the company creditors. We can observe a stabilizing tendency evolution 0-5%, fact that concludes the much lower profitability rate of the Racova holding towards the average interest rate, aspect that involves the lack of capitalization wish from external holding sources.

The moment for achievement the profitability rate is called dead point and expresses the duration after the income attain expenditures. From the analyzed period this indicator for Racova holding is stabilized on 300-400 interval on the middle area which suggest the fact that the average duration after the income attain expenditures on Racova holding is approximately 350 days. This aspect indicates a high risk of exploitation.

The elasticity coefficient shows the increase of exploitation profit from the increase with 1 unity of the exploitation incomes. The elasticity coefficient, also called the lever exploitation coefficient has an oscillating evolution from the analyzed period, in the 2006 year had a registration of more than 10 values, this fact indicates a low risk of exploitation.

The presented indicators have a relative common tendency of evolution, aspect which is specific to companies from holding, component parts of an integrated system.

The integration advantages from processing companies and agricultural production ones from RACOVA COM-AGRO-PAN VASLUI are following: market stabilization, rapid access to production means, income security, high efficiency, raw materials assurance, the possibility to consolidate the competitive position through bettering the vertical coordination, high adaptability from processing units regarding the final consumers request modifications.

Generally speaking, we can say that the differences towards the rest of the market is generated by the fact that into the holding the security is higher, the stability is assured, the production cost is lowered, and the incomes are equally distributed between the agricultural units and its added value and the processing units and its added value. We can say that into the holding the market channels are more efficient and the quality of products grows.

The contract object between the processing units and the agricultural production ones is the agricultural product, and the obligations are linked to quantity, quality and price, the risk can appear during the implementation of the contract regarding the product deliverance to the specified conditions and the cashing the value of this products. The risk management can be managed by the participants to the agro-alimentary channel unitary. There is a quality risk which the producer cannot always attain for the used raw materials by processing units which can determine the emergence of inadequate quality conflicts. The raw materials quality management attained by the producers is unitary made to holding level.

Another advantage of the integrated system existence is linked to transactional costs holding cutting down, of the costs that appear during the transaction making and which include: the costs that result due to the contract stipulations inadequate information, the cost of choosing the best price, the negotiation cost, the cost with the contract observance etc.