

## MANAGEMENT AND WORKING OF THE SERVICE FOR IMPLEMENTATION OF THE SUBVENTION PROGRAM IN THE AGRICULTURE OF TELEORMAN COUNTY

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### Abstract

*The Direction for Agriculture and Rural Development Teleorman is the public, decentralized service of the Minister for Agriculture and Rural Development by which it is implemented the agro-alimentary and of the rural development politics and strategies at the county level.*

*This public institution annually issues and publishes the proposal on the incomes and expenses budget, structured according to the budgetary classification, it is responsible to accomplish the agro-alimentary and of the rural development politics and strategies, for the implementation of the arms and mechanisms specific for the market economy, with the aim to stimulate the agricultural production in concordance with the supplying demands of the population and of the export, as well as for the implementation of the annual development programs.*

*The staff of the Direction of Agriculture and Rural Development Teleorman is compelled to know and to implement the provisions of the regulations; the management board of the departments must annually verify the jobs descriptions making the needed improvements. For each office and department out of the direction framework there are specific tasks to the activity it develops, and this paper refers to the Office for Politics Implementation in the Vegetal and Animal Production.*

*In this paper they are demonstrated the concrete actions of this department concerning the agricultural sector subvention politics, the subventions level and amount in the conditions of the year 2008, in the Teleorman County.*

*It must be specified the agriculture represents an important sector of the county's economy, being present in all the 97 localities the most part of the work force is absorbed by this sector. Characteristic for the county is the vegetal harvest, especially orientated towards the culture of cereals, oleaginous, fodders, and vegetables.*

**Keywords:** rural development, vegetal production, subvention

### 1. INTRODUCTION

Placed in the Romanian Plain only 80 km far from the largest agro-alimentary market of the capital, the Teleorman County enjoys a favorable geographic position for the major development of the agricultural activity. The county's relief is mainly flat with an average altitude of 100 m. The county's soils are mainly chernozem, good for a performance agriculture. The climate is relative favorable for many crops, but the high incidence of the drought years with extreme temperatures it determines a reduced productive potential comparatively with the agricultural potential. The main water supply for irrigations is the Danube River.

The Teleorman County has 499,184 ha of agricultural field, out of which 454,552 ha is arable. In order to know the main accomplishments from the agriculture area, annually, at the end of the autumn campaign they are issued the following statistic papers:

- Balance of the arable surfaces and the inventory of the planted crops in the autumn of 2007;
- Program of the agricultural production for 2008 at the vegetal and livestock production.

The crops structures of the agricultural year 2007-2008 were mainly focused on wheat, corn, sunflower, and rape (table 1).

### 2. MATERIAL AND METHOD

The studies are issued on the strength of the data from the territory, their summarization and processing. In order to get the data concerning the granted subventions according to the legislation in the agriculture area, at the level of Teleorman County they have been accomplished collaborations with the Direction of Agriculture and Rural Development Teleorman. In this sense the absorbed data have been transmitted towards the decentralized institutions by the agency of the

specialty inspectors from the territory, and of the agricultural agents from each locality, all these being processed afterwards.

### 3. OBTAINED RESULTS

The crop where it is registered a significant development in relation to the program is the rape, this is also due to the use at a larger and larger scale of the biofuels. The sowing of more than 60% of the arable surface of the county it was possible due to the direct financial support of the state, in an amount of RON 200 /ha, as well as the diesel fuel acquisition with a low excise.

**Agricultural credit** for the production is an economic-financial instrument of agricultural policy by which they are supported the current activities of agricultural production, priority established by the Minister of Agriculture and Rural Development.

The level of the public funds for 2008 was of 20%, according to the Government Decision 276/2008 for the developed credits in the autumn of 2007 and spring of 2008, and of 30% for the developed in the rest of 2008, according to the Government Decision 1196/2008. This extension has a positive impact for the agricultural growers, the amount of economic agents which asked for this kind of credit being higher than in 2007. So, in 2008 the amount of the applied requests was of 55 by comparison to 47 in 2007, and the credits' value reached RON 13,356,711 at the end of 2008, the agricultural grower getting as subvention the amount of RON 2,662,598. The facilities granted by this law raised to the value of RON 1,766,586 In 2007.

**Diesel-fuel subvention**, in 2008 an amount of 1,177 growers benefit for the spring crops, for a surface of 67.597 ha. For the establishment of the autumn crops, the situation of the financial support was the following (table 2).

For the purchased diesel fuel in the August-December 2008 period and used in agriculture, at the agricultural mechanized works performance in 2008, the excise level was reduces RON 0.65/liter. Beginning on August 19, 2008 the Direction of Agriculture and Rural

Development Teleorman also issued certificates for the diesel fuel with RON 0.65/liter reduced excise that was granted for the whole agricultural surface of the exploitation. So they were issued until the end of 2008 an amount of 5,257 certificates for 1,593 agricultural farmers, for a total quantity of 10,201,345 liters, which covers a surface of 212,542 ha. The payment amount towards the fuel suppliers, performed in 2008, was of RON 6,287,768.

**Subventions for irrigation.** For the Teleorman County the installed agricultural surface for irrigation is of 184,923 ha out of which 96,845 ha of public use. In 2008 activated in the irrigation sector 19 associations of land improvement, with a surface of multiannual contracts of 33,763 ha. Out of this surface, in 2008 they have been irrigated about 6,032 ha out of which 5.991 in the framework of the associations. Per crops the situation displays as it follows::

- Corn grain	3,530 ha;
- Sunflower	1,132 ha;
- Vegetables	250 ha;
- Fodders	530 ha;
- Vineyards and orchards	200 ha;
- Other crops	390 ha.

For the year 2008 the maximum limit was settled to RON 700/ha, and by minister order it was settled the quantum of the anticipated contribution, that was paid in 2008 so:

- 20 % of the afferent annual tariff for the delivery stations;
- 10 % of the water delivery tariff;
- 0 % of the electric power expenses.

The total requested amount in 2008 was of RON 3,793,154 for the water delivery tariff, and RON 403,071 for the electric power.

For 2009 the quantum of the anticipated contribution remained at th level of 2008.

**De minimis help** to establish crops in the autumn of 2008 has been operated by the Minister of Agriculture and Rural Development by the counties direction of agriculture and rural development. According to the de minimus help national legislation, they are eligible to be granted with financial

support, according to the de minimus help diagram, the growers, judicial and natural persons active in the primary production of agricultural products, who exploit the arable land surfaces, individually or in any other associative form provided by the law, are matriculated in the inventory data of the Agency of Payment and Intervention in Agriculture.

It was granted a financial support of RON 200/ha for a surface where they will be planted autumn crops of minimum 1 ha, up to 1020 ha. At the level of Teleorman County from the total of 34,850 eligible farmers registered at the Agency of Payment and Intervention in Agriculture, they came to present the applications in order to access the financial support, 21,409 farmers for a total surface of 114,169 ha. Per crops the situation is as it follows:

- Wheat  
97,046 ha;
- Rape  
6,240 ha;
- Barley + (two) four-row barley  
10,196 ha;
- Other crops  
686 ha.

The total amount of support asked by the 5 centralizers forwarded to the Minister of Agriculture and Rural Development was of RON 22,833.870. Until the end of 2008, the accounts of the Direction of Agriculture and Rural Development were charged with the amount of RON 17,964,300, afferent to the first 3 centralizers, and wholly transferred to 12,772 beneficiaries.

**Subventions for the sector of vegetables-fruits and ecologic agriculture.** They are eligible to be granted with financial support the agricultural growers, active judicial and natural persons in the primary production of agricultural products belonging to the sector of vegetables-fruits and ecologic agriculture. The financial support for the sector of vegetable-fruits was the following:

- RON 1,110 /ha for the natural persons members of the associations or vocational organizations;
  - RON 2,960 /ha for the authorized natural persons, judicial persons and the members of the recognized groups of producers;
  - RON 3,700 /ha for the members of the preliminary recognized group of growers.
- The financial support for the ecologic agriculture sector was the following:
- Retaining of the 50% from the inspection and certification fee paid by the grower to the inspection and certification body with whom he settled the contract. The maximum granted support is of RON 900 for each grower;
  - RON 425 /ha for crops on arable field, grass-lands and permanent meadows being in the conversion period. The support is granted for a surface of maximum 20 ha, for each grower;
  - RON 700 /ha for vineyards and orchards being in the conversion period. The support is granted for a surface of maximum 20 ha, for each grower;
  - RON 75 /bee family, certified in the ecologic agriculture system, up to 50 bee families, for each grower.

In the vegetable fruits sector they were applied 14 requests out of which 13 were granted, and one repulsed on the authorization reason after the issuance of the legal provision. The total value of the requested and granted financial support was of 85,914, afferent to a surface of about 31 ha.

In 2008 for the sector of ecologic agriculture they have been applied 10 requests for supporting of 50% of the inspection and certification fee value with a total amount of RON 7,087. 4 requests out of 10 were also for support of the bee certified family with a total value of RON 15,000. The total amount of requested financial support for the ecologic agriculture was of RON 55,942.

**Table 1. Crop structure in Teleorman County (2007-2008)**

No.	Crop	Surface (ha)	Standard Year
1	Wheat	191,603	2007-2008
2	Barley	16,550	
3	Four-row-barley	4,703	
4	Rapița	30,007	
5	Two-row-barley	4,595	
6	Oats	3,517	
7	Sunflower for consumption	67,451	
8	Corn for consumption	92,765	
9	Soya	194	
10	Medicinal herbs	1,534	
11	Pea	1,283	
12	Vegetable	5,482	
13	Fodders	24,289	
14	Other crops	5,128	
15	Waste land	5,083	

**Table 2. Subvention of the fuel for the autumn crops (2008)**

Amount of applications (requests)	Surface for which the applications are issued (ha)	Amount of issued certificates	Approved quantity of fuel (l)	Value of the financial support
773	155,475	2,427	6,054,027	6,054,027

#### 4. CONCLUSIONS

From the analysis of the shown data it results the following general conclusions:

1. As agricultural surface, the Teleorman County is on the third place in the country with 499,184 ha, the agriculture being an important sector of the county's economy;
2. In the Teleorman County, according to the registered evidences in the data basis of the Direction of Agriculture and Rural Development, they act 28 economic agents that practice the ecologic agriculture in the vegetal sector with a total surface of 3,807 ha, and 5 growers in the stock raising sector which own 491 bee families;
3. The offered easiness by the law of the agricultural credit integrated a value of RON 13,356,711 in 2008;

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