PUBLIC AND PRIVATE PLAYERS ON THE MARKET OF AGRICULTURAL ADVICE AND EXTENSION IN ROMANIA

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Abstract. Since the decentralization of the Romanian governmental agricultural advisory and extension system in 2010, most of the former network continues to perform as Chambers of Agriculture subordinated to the local public administration of the County Councils. Beyond the inadequate number of professional staff to cover a significant proportion of Romania’s farms, the present usage of the term agricultural chamber does not correspond with its original meaning. Recently, the Ministry of Agriculture and Rural Development has taken important steps towards the provision of the legal frame for independent Chambers as well the organization of the election process for farmers’ representation. The paper provides a short overview of the last decade changes in the advisory and extension system and focuses on the outputs of two joint World Bank and Romanian Ministry of Agriculture and Rural Development projects aiming, among other objectives, to reform, back up and strengthens the Romanian agricultural advisory and extension system. Within the frame of the projects, new actors have emerged on the market: (i) Training and Information Centres (TICs) set up in the main regions in Romania, as knowledge resource bases for improvement and updating the professional capacity of the extension, food safety and research specialists (ii) Integrated Agricultural Offices (designed on the model “one stop shop”) established in 4 pilot areas, that bring together under a single roof, agricultural advisory and administration services and (iii) socio-economic guidance service capacities and mechanisms established in 15 counties, seeking to increase the ability of the agricultural population to sustainably manage its income and assets under consideration of national and EU support programs.

Keywords: chambers of agriculture, training and information centre, socio-economic guidance, one-stop-shop, integrated agricultural office.

INTRODUCTION

Agriculture advice/extension is among the major challenges in rural development and a great opportunity. Along with farmers’ association and agricultural activities taxation, delivery of guidance and advice to farmers is one of the key elements for a successful implementation in Romania of the Common Agricultural Policy post-2013 program. With the EU accession agricultural advice, extension or consultancy cannot remain limited to the traditional tasks of supplying information, knowledge and training to improve farming and farm incomes. Also, specific assistance is required in assuring full compliance with the EC rules and regulations that farmers have to meet to be eligible for subsidies, under the different axis of income generation-investments, environmental measures, rural development-diversification and social and economic measures to ensure livelihoods.

Unlike in many of European countries that use the term advisory services to describe their respective extension programs and activities (Swanson and Rajalahti 2010), most of the Romanian extension agents draw a line between the extend of the research based
knowledge ("top down" approach) and the assistance given to farmers to deal with specific issues; whilst in other EU countries instead of "extension", the use the term of "advisory services" is preferred by many (Davis 2008), in Romania on one hand the extension services are seen to be provided only by the public services, research institutes and input suppliers and on the other, the advice is a matter of responsibility and business for the entire (public or private) system.

The public system consists in Chambers of Agriculture subordinated to the local public administration of the County Councils (and under the technical and methodological coordination of the Ministry of Agriculture and Rural Development). In terms of private agricultural extension and advice, along with the very active input suppliers, there are many independent bodies providing mostly specialized consultancy in more or less narrow fields. On a continuous changing advisory market, there are quite successful stories of some private companies (e.g. RGIC, Romactiv, Romair, etc). Another group of extension providers consist of the qualified staff in the agricultural research institutes but the topics are focused and specialized in the field connected with the research area of each institute and the extension work is carried more as activities scheduled within the frame of research grants and projects (particularly the work packages of training and dissemination), and less on a fee basis at farmers’ request.

A recent assessment of the current supply and demand for advisory services to the agricultural population in some regions in Romania (OSC, IRES 2010), identified three major demanded advice areas such as (i) backing up the farmers to access EU Rural Development Program funds by identifying the issue, writing up the proposal and take care of the bureaucratic procedures of the application’s submission, (ii) technological crop production and livestock keeping advice (carried mostly by the input supply firms) and (iii) consultancy for juridical, cadastre issues, feasibility studies, marketing, management (farm and assets), training etc.

Recognizing the need for high quality agricultural services to facilitate compliance with the obligations of EU membership, the International Bank for Reconstruction and Development (IBRD) was involved in continuation of assisting Romania to set up a modern agricultural knowledge and information system, the aim being not only to establish an EU compliant system, but also to develop national institutional capacity for implementing the new requirements and to improve the flow of information on EU requirements and standards related to production. Specific components of two projects, one recently concluded, “Modernizing the Agricultural Knowledge and Information Systems-MAKIS” (BIRD 4758 – Ro) and the other on ongoing implementation “Complementing EU Support for Agricultural Restructuring” Project-CESAR” (Loan BIRD 4875–Ro), jointly coordinated by the Ministry of Agriculture and Rural Development and the World Bank, had and have, among other objectives, particular tasks in backing up and strengthening the existing advisory system in Romania.

MATERIAL AND METHOD

BRIEF OVERVIEW OF THE FORMER AND PRESENT ROMANIAN PUBLIC AGRICULTURAL ADVISORY SYSTEM

The former Romanian public advisory and extension system was conceived as a centralized system, under the authority of the Ministry of Agriculture and consisted of a National Agency for Agricultural Consulting (ANCA), with headquarters in Bucharest, and
its network of County Centres for Agricultural Consulting (OJCA) established in Romania’s 41 county capitals and Local Centres for Agricultural Consulting (CLCA). The ANCA system was created in 1998 within the framework of an EU-financed project under the PHARE program, with the aim to initiate the provision of agricultural consultancy services to Romanian farmers.

In 2001, the public agriculture extension system was decentralized. Concerning the administrative and financial aspects, the OJCAs and the CLCAs were put under the local authorities of the counties and the local communities. Concerning the technical aspects, the ANCA kept a role of coordination, especially for the information and the training of farmers. Under the changed circumstances, the quality of the advice work for farmers was questionable due to the large-scale use of OJCA and CLCA extension staff to undertake non-extension activities.

In 2004, the system was centralized again and the OJCAs and the CLCAs were re-transferred under the authority of the ANCA and the Ministry of Agriculture. Six years later, in September 2010, the process was reversed once again through the “Law on Decentralization of Selected Institutions under the Sub-Ordination of the Ministry of Agriculture, Forests, and Rural Development through the Reorganization of Agricultural Directorates for Agriculture and Rural Development and Setting-up of Agricultural Chambers”. This Law detached the National Agency for Agricultural Consulting (ANCA) from the OJCAs and CLCAs, the last two being incorporated for the second time under the regional councils (county and local administration). ANCA’s role had thus transferred to a purely technical advisory rather than an operational one and finally the agency was completely dismantled. Few of its former staff is now still working within a small “Compartment of consultancy, extension and training” in the Ministry of Agriculture, under the Department of Agricultural Policies.

Late 2010, the Romanian Parliament adopted the “Law for Agricultural Chambers for agriculture, forestry and rural development” (Law nr. 283/28 December 2010). Due to critics raised by the stakeholders, after more than one year of debates, the Law nr. 283 has been recently modified and improved by the Law nr. 122/6 July 2012, giving green light to the organization of the election process for farmers’ representation. However, when this will be accomplished (to date, the election has been undertaken in two counties only), at the beginning will be difficult for the farmers’ representatives to play coherently their part. It requires a certain period of time to learn to take into account the collective interest, to deal with the politicians and the administration, to manage an agricultural chamber (Szlezak and Mazens 2006). It takes a certain time for these structures to develop sufficiently through organic growth and evolution and to be able to carry out a range of complex executive functions. Forcing this process would carry a major risk of agricultural chambers coming to be controlled and possibly abused by small but economically and politically powerful interest groups instead of representing and serving the interests of Romania’s farmers (Doorman and Eissen 2006).

Most of the former county OJCAs and local level CLCAs network continues to perform as Chambers of Agriculture subordinated to the local public administration of the County Councils, although the present usage of the term agricultural chamber does not correspond with its original meaning and is therefore not in line with common usage in the EU. The county level chambers’ human resources comprise, in all 41 county offices, a number of 360 staff with an average of 7-9 staff/county office. At local (village) level, there are roughly 500 offices with 1 staff/office (most of them known as “the agronomist from the Mayor’s office). The ratio number consultant/beneficiary is 1/4700 (including
subsistence farms) or 1/1764 (taking into account only the farms registered into the National Farm Registry). Quantitatively, it is obvious that the advisory staff is inadequate to cover even a minor proportion of Romania’s farmers. Experience elsewhere in Europe has shown that coverage of between 1 and 1.5 full time equivalents (FTE) of professional expertise is required to adequately serve 100 farmers – i.e., one consultant for between 65 and 100 farmers (Doorman and Eissen 2006).

However, the still equivocal state of the public system has to reach urgently an end. An operative quick survey (146 questionnaires implemented in 11 counties), performed in March 2013 by the Ministry of Agriculture among small commercially oriented farmers has revealed a certain state of confusion pointing a proper source of information and knowledge that farmers need to effectively develop their farms into viable businesses (Ştefănescu 2013). To the question “Whether you need farming technical advice, to whom you apply?” 28% of the respondents answered “The Agricultural Chambers”, 18% indicated newspapers, TV and/or internet, 17% have chosen a private consultant/firm, 16% indicated the agronomist from the Mayor’s office, 10% an input supplier, other 10% a more experienced and skilled neighbor or friend and 1% apply to a close sited agricultural university/college/research station. Aggregate 44% of the respondents are still inclined to apply to the public services (Chambers and Mayor’s office agronomist), whilst 28% have indicated questionable sources (media, internet, neighbors or friends).

RESULTS AND DISCUSSION

![Diagram showing distribution of farmers' answers](image)

Fig. 1. Distribution of the farmers’ answers (%) to the question: “Whether you need farming technical advice, to whom you apply?”

NEW PLAYERS ON THE EXTENSION AND ADVISORY MARKET

Training and Information Centers

The MAKIS Project, through the component “Support for Advisory and Information Systems”, has successfully set up Training and Information Centers (TIC) in the main
regions in Romania (universities embedded), as knowledge resource bases for improvement and updating the professional capacity of the extension, food safety and research specialists to better serve the needs of farmers’ knowledge and technologies related to production, quality control, food safety processing and marketing, in order to permanently know, adapt and meet EU requirements (Ştefănescu et al. 2011).

The TICs are functional, fully integrated to, and hosted by i) the University of Agricultural and Veterinary Sciences-USAMV Bucharest (for the South and part of the South East region of Romania training needs), ii) the University of Agricultural and Veterinary Sciences-USAMV Cluj (North-West Region and the Central Region), iii) the University of Agricultural Sciences Banat-USA Banat Timişoara (West Region, part of the South-West Region and part of the North-West Region) and iv) the University of Agricultural and Veterinary Sciences “Ion Ionescu de la Brad”-USAMV Iaşi (North-East Region and part of the South-East Region). The team of trainers for agricultural consultants was trained by the Danish Agricultural Advisory Service (DAAS) in Horsens, Bygholm College, Denmark. All four TICs have proved good capacity of accommodation and training facilities and qualified training staff and can provide, at the end of each of the training courses, formal Romanian Ministry of Education legally recognized post-university certificates/diplomas for participants, upon successful completion of the training.

The Centers are acting like regional focal points able to serve the need for regular or ad hoc training under continuously updating broad topics of EU requirements. The training activity started in September 2006 in Bucharest, October 2008 in Cluj and Timişoara and February 2010 in Iaşi. Each training session was organized for 20 participants and lasted between 1 (for researchers) to 4 weeks (for consultants). The total number of trainees trained accredited in all four TICs along the entire Project life reached 2080 agricultural consultants, 488 food inspectors and 252 researchers. Another 5328 agro-processors and representants of the privat sector were “spilled over” trained. Once the funding from MAKIS Project ended, the TICs have continued to perform with applications on EU funded projects as well as training to private sector on fee basis.

**Integrated Agricultural Offices**

In 2006, a consulting foreign mission (two experts from Netherlands and Germany), draw a set of proposals for a medium term strategy to better attune Romanian extension to the needs of farmers and the requirements of the EU Common Agricultural Policy. The report noticed the proposals developed to have integrated service supply delivered by to-be-formed Agricultural Chambers (Doorman and Eissen 2006). The concept of integrated service supply was in line with EU policy; however, the use of the term Agricultural Chamber for a service organization diverged at that time from the common EU practice (and still is, since the concept of Agricultural Chambers as used elsewhere in Europe implies farmer-managed organizations, task not accomplished yet in Romania).

The experts proposed separate paths for developing farmer organizations – agricultural chambers and for developing service supply. Developing farmer organizations, including agricultural chambers, was to take place gradually and “organically” in the medium and long term. Service reform was urgent and therefore, short term. However, it should be noted that in spite of these separate paths, public service reform should aim at introducing farmer participation and representation in determining policy and strategy for service supply. The preferred model for the development of agricultural support services
was that of an “one stop shop” for services and overall farmer – state – EC interaction, including consultancy and control functions.

Following the foreign consultants’ proposals, the concept of “Integrated Agricultural Offices” (IAO) was considered by key experts from the Ministry of Agriculture and the World Bank, the most appropriate model for meeting the needs of the farmers in the new EU CAP environment. The MAKIS Project consequently funded the establishment of four pilot IAOs (in Tecuci - Galați, Mediaș-Sibiu, Pucioasa - Dâmbovița and Trușești - Botoșani), representing local “one stop service centers” that bring together, under a single roof, agricultural advisory and administration services. The IAOs became the main service point for the filing of applications for CAP support schemes (with the national agencies administering Pillar 1 and Pillar 2 schemes), and access to relevant information and advice on all aspects of support programs, farm management and technical advice traditionally provided by the former public network. The IAOs notably contribute (through close collaboration of concerned officers/advisers) to a significant reduction of procedural barriers, to expedited administration process, and thus, to a reduction of the related administrative costs. All pilot IAOs have established Consultative Councils with adequate local stakeholder and farmer representation, in order to ensure that all have a voice in determining policy and strategy for service supply chain and facilitate a smooth transition to Agricultural Chambers. Recently (in March 2012), the “Compartment of consultancy, extension and training” in the Ministry of Agriculture, looking for a further expansion of the IAO initiative grafted on the existing public advice and extension system, has started to explore the possibility of the establishment of additional IAOs in other counties, with CESAR Project support.

Socio-Economic Guidance Providers

An entirely new concept on the advisory market in Romania is the socio-economic guidance. One of the CESAR Project components (“Socio - Economic Guidance Services to the Agricultural Population - SEGPs”), seeks to increase the ability of the agricultural population to sustainably manage its income and assets under consideration of national and EU support programs. The socio-economic guidance service capacities and mechanisms established under the project facilitate access to information and advice relevant for the agricultural population to find solutions to problems or adaptation challenges in agricultural production, household, family and social economic relations beyond the farm itself.

An initial “Assessment of Supply and Demand for Rural Advisory Services”, was completed within the frame of the Project in September 2010, providing a baseline of types and quantities of advisory service needs in the project regions. The elaboration of a “Handbook on Socio - Economic Advice” was finalized in June 2011, and its three volumes serves as case and reference guide for Socio - Economic Guidance Providers but may also be provided to interested consultants outside of the project context. The actual provision of socio-economic guidance services to the agricultural population through contracted SEGPs (private advisory companies), has meanwhile started in the counties of Alba, Dolj, Olt, Timiș, Bihor, Argeș, Dâmbovița, Brașov, Călărași, Mureș, Galați, Harghita, Cluj, Suceava and Teleorman.

The agricultural population from the Project’s area will benefit, at request, of an assessment of their current and future financial situation (under various scenarios), and will consequently be offered tailor - made guidance with regard to their economic and social well - being to help them take the most suitable decisions their future activities and to accessing dedicated EU and national support. Such guidance may include: management of
the own produced or inherited assets, inter-generational transfer of assets, develop the farm business plan and investment planning, assessment of insolvency risk for farm, exit from or extend the agricultural activity, signing contracts for services/goods/new employed farm workers and defining suitable options with regard to intentions of social status change (like early retirement, marriage of a farm family member, settlement of the young farmers, start the school education for children etc). Also, the selected SEGPs may either directly support agricultural population to complete applications for EU support (National Rural Development Program eligible socio-economic measures) or guide them towards other public or private advisory services available.

REFERENCES


