Researches Concerning the Dimensioning of an Investment in Pomiculture in Order to Improve the Activity

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ABSTRACT

In Romania, the perspectives of pomiculture are very high due to the special pedological and climate conditions of the Romanian hills which allow the fruits to accumulate specific flavors and a variety of minerals and vitamins. Romanian fruits have an intrinsic quality, meaning both aspect and taste. In years with good yields, profits obtained from pomiculture are very high, only a few years being sufficient in order to recover the costs with the setting up of the plantation and with the maintenance in the early years. However, at this time, the domestic or foreign investments in this domain are insignificant. This paper presents an analysis model of the investments’ dimension in pomiculture under the conditions of co-financing by FEADR. Analysis consists in choosing some economic indicators of performance by which we have established an optimal values interval for the investment. However, with the help of these indicators we can compare investments in pomiculture both with investments in agriculture and with other investments from other branches in the economy. Economic indicators were calculated after a feasibility study for four investment projects in pomiculture. For each feasibility study we determined the related expenses and incomes. Based on these we calculated the indicative budget, cash flow, the profit and loss account and the forecast balance for a period of 5 years extended to 12 years. Also, we determined the economic indicators. Indicators used for analysis were: a) NPV- Net present value; b) ROI - Return on Investment; c) IRR - Internal rate of return. After analyzing the four investments of 500,000 Euro, 1,500,000 Euro, 2,000,000 Euro 3,000,000 Euro it can be concluded that an investment of around 1,500,000 Euros, with a planted area of 120 ha of trees, is the best solution. NPV, IRR and ROI shows that this investment can compete with investments in various fields.

REFERENCES