

TRENDS AND POSSIBLE PERSPECTIVES OF MOLDAVIAN'S FARMS

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Abstract: Agriculture is an integral part of the world food system. Because of the rapid growth in world population, increasing food output will receive greater attention in future years. The dilemma involves the entire food sector, from farm supply to farming and ranching to food processing and distribution. Republic Moldova's agriculture accounts for approximately 35% of the GDP and with food processing industry added, as much as 46%. 42% of active labor force is involved in the agriculture sector. In the given work the author studies the land resources use of farms from Republic of Moldova.

INTRODUCTION

In the order to achieve the durable goal of economic growth Republic of Moldova trace a period of adjustment of activity farms to the exigencies of country from European Union. In the conditions of the market relations, competition and functioning of the whole economic system, the manager's actions can not be exactly calculated.

Agriculture it is imposing to be regarded as a prior economic sector and not as a "backed» one. Like an economical branch, the agriculture is very different from other branches not only by its role and functions, but also by its particularities. This thing generates the necessity to take them in consideration to the study and research of the economical efficiency of the agriculture production. In the conditions of the economy concurrence, the objectives of the enterprises activities are oriented in order to obtain profit from the production selling, which satisfy the human needs.

In such conditions, the average returns of agricultural people are still under their fellow's countrymen from others economic sectors (e.g. construction, financial – banking system etc.). The solution of this problem consists through normalization of returns and not through arbitrary increasing of prices [2].

MATERIALS AND METHODS

In the complexity of the real farming activity the author has elaborated a series of measures referring to the economic instruments, statistical prognosis, monographic method, the systems of farming consolidation through the policy based on foreign investments obtaining.

RESULTS AND DISCUSIONS

On the basis of 50 farms units from the North Region of Republic of Moldova the author researched how the land surface and fix means influence on the agricultural production efficiency (tab. 1, 2, 3).

Table 1

The land surface influence on the farms' agricultural production efficiency from the North Region of Republic of Moldova, on the average of 2004 - 2006 years

Indicators	Farms groups after land surface, ha				
	I < 100	II 101-200	III 201-300	IV > 300	V Total, average
Farms number on the group, units	10	18	6	14	48
Percentage, %	20,8	37,5	12,5	29,2	100
Land surface on average per farm, ha	58	154	256	462	237
The value of vegetable and livestock production (lei), calculated at:					
1 ha land surface	4300	2538	1832	3618	3148
1 leu production consumptions	809	957	960	1048	1001
Profit per 1 ha land surface, lei	472	434	240	632	522
The level of profitability, %	15,4	14,6	10,5	21,0	18,08

Source: The author calculation in accordance with the specialized formulary concerning the activity of the farms on territory plan

The data from tab. 1 shows that in the researched farms the most efficient are those which have more than 300 ha. In the IVth group the labor force is high; the profit consists from 632 lei, which is more than on the rest of groups with 33%, 45% and 2,6 times.

The level of profitability is high with 21% in comparison with low level of I-III groups.

Interpretation graphic of this data is illustrate bellow (graph. 1) .

Level of profitability, %

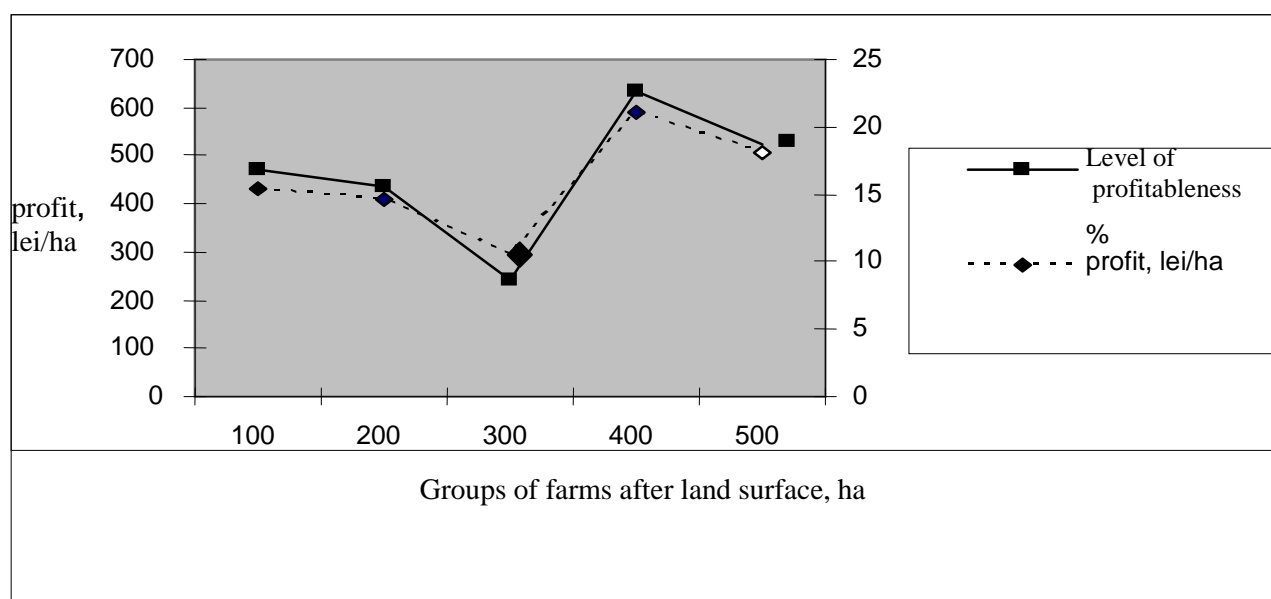


Table 2

The influence of the fix means on the agricultural production efficiency in the farms on the North region from the Republic of Moldova for the 2004-2006 years

Indicators	Farms groups after land surface, ha			
	I < 1000	II 1000-2500	IV > 2500	V On the average
Farms number on the group, units	7	8	8	-
The average value of fix means to 1 ha of agricultural land, lei	502	1337	4778,9	2319
Production consumptions to 1 ha of agricultural land, lei	2345	3172	5298	3692
Returns from sales, calculated to:				
1 ha of agricultural land	2422	3231	5715	3882
1 worker medium annual	48551	38005	62895	50212
Obtained profit from the agricultural production selling, lei, calculated to:				
1 ha of agricultural land	553	652	919	719
1 worker medium annual	7670	10124	11092	9301
Profitableness, %	19,18	25,28	29,61	22,73

Source: The author calculation in accordance with the specialized formulary concerning the activity of the farms on territory plan

The analyzed data show that not all of farms have the capacity to be assured with fix means (from the total number of 45 units, 23 units or 51 % are assured with fix means).¹ The twice increase with fix means, from the 2345 lei to 3692 lei, contribute to the increasing of the economic efficiency of the rest of indicators.

Table 3

The influence of the material consumptions on the agricultural production efficiency in the farms on the North region from the Republic of Moldova for the 2004-2006 years

Indicators	Consumptions calculated to 1 ha of agricultural land, lei				
	I < 2000	II 2000-3000	III 3000-4000	IV > 4000	V On the average
Farms number on the group, units	16	18	4	7	-
Production consumptions, lei	1609	2402	3566	5966	2970
The value of fix means to 1 ha of agricultural land, lei	824	393	2715	3252	1297
The output of material consumptions, lei	0,91	0,93	1,07	1,108	1,031
Returns from sales, lei	1765	2302	3117	5908	2950
The level of profitableness, %	10,07	17,17	21,72	27,34	20,02

Source: The author calculation in accordance with the specialized formulary concerning the activity of the farms on territory plan

The calculations made in tab. 3 demonstrate the fact that materials consumptions increasing generate in the same time a high level of both value of fix means to 1 ha of

¹ The farms from this groups are homogeneous

agricultural land and output of material consumptions (from 0,91 to 1,108 lei). This situation is considered positive because materials consumptions increasing (from 824 lei to 3252 lei per ha) generate high level of returns from sales (from 1765 to 5908 lei) – by 3 times.

We are considering that the optimum level of consumptions is 5966 lei because at this level profitableness is the most higher, about 27,34%.

For most of the farms, a problem of extreme importance is the availability of buildings and intensive mechanization instruments, therefore they rely on hand work, often fieldwork can not be done on time and therefore the farmers are confronted with major transportation problems. Another problem of the farms is the lack of financial resources to use pesticides, fertilizers and so on.

On the basis of both author researches and farms surveys there are emphasizes the main hindrance ways which farm are face to (tab. 4).

Table 4

The main hindrance causes which influence the farms' perspectives

Internal causes	External causes
· The lack of state subventions	· The lack of labor force
· Inflation and high rate of credits	· Difficulties in production sale on the both internal and external markets
· The lack of financial resources	· Low quality of production
· Legislation instability [1]	· Loses of production during harvesting and transportation
· The lack of contemporaries equipments	· The lack of economic studies and own experience
· The lack of prices parity between agricultural and industrial productions	· The lack of fertilizes
· The influence of risk factors, etc.	· Distrust in own capacities, etc.

Source: author researches

The management of the farm's functioning presupposes the enterprising spirit, capacity of risks' acceptance, skill to systematize the creative preoccupations and to adopt an adequate strategy, all of them oriented to profit, to economic efficiency increase.

CONCLUSIONS

The results of the trends and possible perspectives of Moldavian's farms afford to us to make the conclusion that the actual situation of the agriculture in the Republic of Moldova is characterized by a low efficiency. In the author opinion the main causes are:

- The agriculture proved to be not ready in order to pass to the new economical conditions. It was not created in time the necessary structural systems (financial and organizational) adequate to the changes that take place and which assure the effective agriculture development.
- The low efficiency of the production;
- The low output (efficiency) from the following reasons:
 - The brusque reduction of the doze of fertilizers;
 - The reducing of the arias with cultures cultivated in conformity with intensive technologies.

In conclusion we can say that the essence of the possible perspectives of the farms consists in the formation of complex of requirements and conditions necessary for the assurance of the large reproduction, that will permit to the branch not only to satisfy the

necessities of the society about the alimentary products, but also to development itself in harmony in the conditions of the working of some unions and economical relations, organizational, judicial, social, moral and not in last thing in the conditions of assurance of a durable agriculture.

REFERENCES

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