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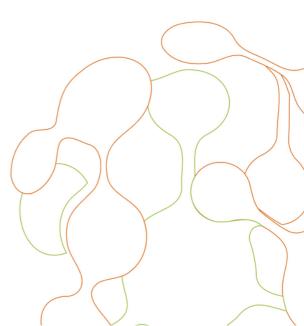
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# **Summary and key messages**

The prosperity of rural economy is considered a determining factor of the attractiveness of rural communities in Argeş, Romania. As small and medium-scale agriculture prevails in Argeş' rural area, there is a need to increase the value added of agricultural and agri-food activities that contribute to rural prosperity.

The main mechanisms to reach this goal should seek to increase sustainable horizontal and vertical integration of local actors in the agri-food chain and support for increasing consumers' confidence.

# 1. Introduction

The Argeș Plarform territory covers the NUTS 3 region (county) with the same name, located in the southern part of Romania. This territory is characterised by various relief units, from plain in the south of the county (160 m altitude), going through a hilly area (the median part of the county), to reach a mountain area (highest altitude 2544 m, Moldoveanu Peak) in the northern part (see Map 1). Even though the economy of Argeș County is well-developed and diversified, with industry playing an important role, the county's rural economy mainly depends on one branch – agriculture (ADR, 2020).

Map 1. Location of Arges county in Romania



In Argeş County, the favourable natural conditions create development possibilities for all agricultural subsectors. The potential of agriculture is unlocked by large plain areas with fertile soils in its southern part, by natural pastures and hayfields in the plateau area and Subcarpathian hills favourable (for the development of fruit and wine growing), and by mountain pastures favourable to livestock raising in the north. The existence of a large number of small-sized farms in parallel with the few large farms reveals a structural imbalance that influences agriculture and its competitiveness (ADR, 22013). Based on these considerations, the topic of the discussions with the Argeş Multi-Actor Platform (MAP) members was identified.

SHERPA supported the gathering of evidence from Argeş County regarding **sustainable integration of farms (small and medium) on agri-food value chain**, showing the directions in which it is most appropriate and feasible to address local needs. Argeş MAP members were invited to discuss the following key questions:

- What are the needs of the area covered by the MAP in relation to sustainable integration on agrifood value chain?
- What are the policy interventions already in place, and what are examples of actions taken by local actors addressing the needs related integration on agri-food value chains?
- Which policy interventions (i.e. instruments, measures) are recommended by MAP members to be implemented at the local, regional, and/or national level? How can the EU support these interventions?
- What are the knowledge gaps, and what research projects are needed?

# 2. Current situation based on background research and evidence

In Arges County, the agri-food sector is generally characterised by fragmentation and non-homogeneous territorial dispersion, both in terms of primary agricultural production and of facilities for processing and marketing agri-food products. Thus, the county's agricultural sector has a series of specific characteristics, with slow modernisation trends, namely:

- Prevalence of small-sized, (semi-)subsistence farms (under 5 ha). Average land area is about 1 ha/farm, accounting for 98% of the total farms and operate about 30% of the county's utilised agricultural area (UAA);
- The declining trend of medium-sized farms (5-50 ha UAA), commercially-oriented, with an decreasing share in the operation of the county's farmland (their share in UAA decreased from 11.7% in 2005 to 9.9% in 2016). The average utilised agricultural area of these farms increased from 7.2 ha to 9.2 ha/farm in the analysed interval;

Table 1. Farm structure by size classes of utilised agricultural area, Argeş county and national total

Structure of the number of holdings						
S	Size classes		under 5 ha	5-50 ha	50-100 ha	over 100 ha
Argos	2005	100	96.31	<i>3.42</i>	0.16	0.12
Arges	2016	100	97.64	2.13	0.05	0.18
Domonio	2005	100	89.91	9.65	0.17	0.27
Romania	2016	100	91.58	7.87	0.18	0.37
	St	ructure of	utilised agricul	tural area, by s	size categories	
Size classes			under 5			
		Total	ha	5-50 ha	50-100 ha	over 100 ha
Argos	2005	100	<i>51.43</i>	11.76	4.98	31.84
Argeș	2016	100	48.85	9.91	1.83	<i>39.41</i>
Domania	2005	100	36.69	23.34	2.42	37.55
Romania	2016	100	28.70	20.17	3.35	47.78

Source: NIS, Farm Structure Survey, 2005, 2016

- There is a positive dynamic of cooperation in agriculture the number of agricultural cooperatives increased from 21 in 2018, to 30 cooperatives in 2020. However, the total number of members of functional cooperatives does not exceed 600 persons, which is an insignificant figure in relation to the total number of farmers in Argeş county (147000 farms in 2016);
- Low valorisation of the organic farming potential, although hilly and mountain areas of Arges
   County provide favourable conditions for implementing organic farming practices with minimum
   conversion efforts. In 2020, there were 113 agricultural producers with organic certifications in Arges
   County, with a total agricultural area of 3000 ha managed under this system (≤ 1% of the county's
   UAA). There is a small number of processing units of organic products serving this market niche in
   Arges county (7 processors);
- Reduced representation capacity of producers' interests in the agri-food chain and in the relation with political/administrative decision-makers – there are three recognised producer groups active in the meat sheep and goat raising sector, in the cereal and oilseed sector respectively.

As regards integration by agri-food chains, the Argeş MAP territory is characterised by slow trends towards economic and social sustainability consolidation, accompanied by contradictory evolutions, which limit the chances of adopting sustainable practices.

- The **positive valorisation of quality schemes** for agri-food products, of nationally recognised certification schemes in particular. The producers in the agri-food sector of Argeş County submitted the necessary documentation and obtained certification for 112 products. It is worth noting that the first Romanian producers who applied for and achieved recognition according to the European quality schemes are found in Argeş County. Thus, even since 2005 "Tuica de Argeş" [Argeş plum brandy] received the Geographical Indication of spirit drinks (GI) certification; in 2011 "Magiun de prune Topoloveni" [Toloveni sugar-free plum jam] was the first Romanian food product that received PGI (Protected Geographical Indication) recognition at European level<sup>1</sup>. The national certification schemes that are mostly accessed by the producers from Argeş are "mountain product" which includes 53 certified products at county level and "traditional product" 40 products. By raw agricultural products used in the preparation of certified food products in Argeş County, most products (46 certified products) are obtained through the processing of fruit and vegetables. Meat (27) and milk products come next (26)<sup>2</sup>;
- Limited access to finance dedicated to the integration of farms in the (short) agri-food chains at the moment when the report was elaborated, 12 projects were submitted for evaluation for sM 16.4 of NRDP 2014-2020 dedicated to cooperation between local actors for marketing agri-food products through short supply chains, but no funded project was registered;
- Limited initiatives regarding cooperation between farmers and actors facilitating their
  access to innovation 2 projects received funding in Argeş county aiming at cooperation between
  farmers, research bodies, universities, consultants, to increase the degree of innovation and adapt
  research results to sectoral needs (sM 16.1 a PNDR 2014-2020);

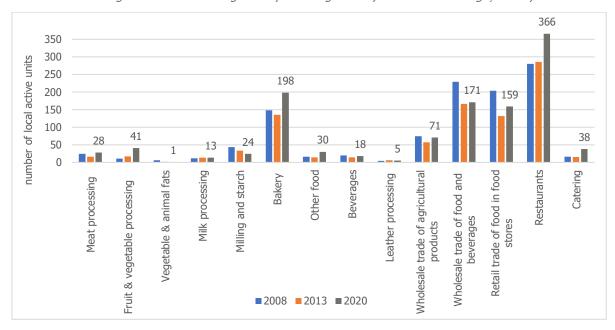


Figure 1. Structure of agri-food processing industry and services in Arges County

Source: NIS, TEMPO on-line database

The increase in the number of agro-processing units results in higher value-added products
delivered to the market. There is a tendency of food industry specialisation in the processing of

<sup>&</sup>lt;sup>1</sup> https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/geographical-indications-register/

<sup>&</sup>lt;sup>2</sup> https://cpac.afir.info/ToateProdusele (accessed on August 23, 2022)

cereals (bakery and bread products), vegetables, fruit and meat. At the same time, other segments of food industry (milling, milk processing, production of beverages, fats and oils, etc.) have a lower presence (even in recession) in the county's economy, although there are plenty of raw products to supply this industry (Figure 1);

- Downward trend of services intended for the marketing of food products the number of
  economic operators providing wholesale and retail trade services for food products has significantly
  declined in the last ten years. This weakens the chances of producer's access to the market (mainly
  in the case of small producers);
- Argeş continues to be a supplier of raw non-processed agricultural products the number
  of economic operators selling wholesale agricultural raw products remained almost constant in Argeş
  county in the period 2008-2020;
- The chances of valorising local products in the local HORECA system are increasing there is a strong upward trend in the number of restaurants and catering units in Arges.

### 3. Position of the Multi-Actor Platform

In Argeş County, the actors upstream and downstream of agriculture mostly prevail in the agri-food chains. The relation between small and medium-sized farmers (representing the majority in the county's farm system) and processors/traders is dominated by the latter, who get a significant part of the value of transacted products. For instance, farmers complain about the position of slaughterhouses that set the price only when the farmer gets to the slaughterhouse with the animal. The livestock farmer is forced to accept any price offered, not to go back home with the animal. Most participants complain about the low price offered to farmers by intermediaries/processors (for milk, fruit, cereals, etc.), mainly for sales that are not covered by contracts. This would not happen if producers got associated, and the cooperative would negotiate a better price for its members.

### 3.1. Identified needs

The main cause that weakens farmers' position in the agri-food chains is **the low adherence to associative systems/low level of cooperation** between farmers and other actors in the value chain. The low participation in (formal and informal) cooperation initiatives leads to farmers' weak bargaining power and to their poor representation in the relation with the input suppliers (generally large transnational companies), the great retailers (of hypermarket type) and processors. The downstream economic operators most often prefer to import agri-food products. At the same time, significant quantities of vegetables, fruit, dairy products produced in Argeş are wasted in improper uses or lost: "milk is used for feeding pigs, in the best case", "apples go down the river (i.e they are thrown away)".

Although the participants in the focus group are aware of the importance of cooperation, they point out a number of limiting factors that restrict cooperation:

- Farmers' lack of trust in associative forms even where such organisations exist, farmers are
  reticent about the decisions made by the cooperative management. The decision-making is left to
  the management of these organisations, while the other members are not interested in participating
  in this process;
- **Formal participation/membership in cooperatives** many producers join the cooperative to get a better score or to meet certain criteria in the projects submitted to access NRDP funds;
- Limited capacity of cooperatives/associations to support their members in selling their products, as a result of the small size of cooperatives and the lack of homogeneity of products. These factors,

together with the poor marketing skills of cooperative staff, lead to a low bargaining power on the market, for cooperatives inclusively;

• Feficient definition of the short chain – according to current rules, a distance of maximum 50 km between the producer and the consumer is considered in defining the short chain, which significantly restricts the marketplace of the members in the short chains from Argeş. For certain products, the main market is Bucharest, located at over 100 km away. Participants from Argeş call for the need to change the definition of the short chain by abandoning the distance principle and including a criterion referring to the number of intermediaries between the primary producer and the final consumer. They said that "it would be appropriate to include the main centres in the definition, for us the main buyer is Bucharest, because what we produce cannot be sold in Piteşti".

To make up for the poor cooperation, participants from Argeş call for **the need for local mechanisms for the collection, storage and distribution of primary agricultural products.** 

At the same time, a better advising of farmers on the benefits of cooperation in agriculture, alongside with examples of good practice, could boost adherence to the cooperative movement.

A second important challenge to the integration of (small and medium-sized) producers/farmers in the value chains is related to the **local availability of quantities and quality of primary production**. Thus, the farm supply is spatially fragmented (small quantities) and non-homogenous in terms of quality.

- The farm system in Arges, where the small-sized farms prevail, which produce *uneven batches* with a great diversity of varieties and quality, cannot ensure continuity of supply on the market (required by the large supermarket chains). Here is the testimony of a cooperative representative, participant in the focus group: "...if I don't have quantity and analyses, I cannot help them at all. They should go to the Public Health Department (DSP) for analyses, and then we can move on. If they show me stocks, I can negotiate, if not, what can I negotiate?" (cooperative representative);
- Small number of warehouses, low possibilities of conditioning, sorting, packaging, as well as of
  processing agricultural products in the fruit &vegetable sector (and not only), generate waste in
  the agri-food chain (in apple production, for instance);
- The working group is aware of the importance of quality certification of products intended for sale on the market by the competent authorities<sup>3</sup>. However, it complains about the *poor functioning of the quality control mechanisms and certification of compliance in the case of small farmers,* which leads to the segmentation of potential clients. Retailers such as supermarkets or food stores request certificates of conformity from producers for the commodities admitted for sale on the market. Consumers' preference for this type of trade can be noticed, motivated by the control of quality. The large producers generally sell their products in the food stores and in supermarkets and have quality certificates. Unlikely, small farmers do not even think about the certificate of conformity, and mainly rely on the direct reaction of consumer, a trust relationship being established between producer and consumer. Here are two suggestive statement: "Small farmers usually do not talk much about quality, but when people buy food, they automatically taste it, and if they don't like it, they won't buy"; "Products must be presented for comparison, at food fairs, and then consumers will decide what they want".

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<sup>&</sup>lt;sup>3</sup> In Romania, in the Agricultural Directorates, there is a specialised department for State Inspection in food industry for the control of compliance with the conditions for manufacturing food products aiming at implementing and complying with all normative acts into effect, of the European Regulations, by the economic operators – maximum exigency in the compliance with regulations in the production, transport, storage and marketing of agri-food products.

**The need for a much more rigorous implementation mechanisms of food safety rules is** signalled out by the members of Argeş MAP, who consider that this would ensure a higher degree of conformity of local products, which would make consumers be attracted by the local market.

**The need to develop storage and processing facilities** at local level is perceived as a stringent issue in Arges County to stop food waste and increase the value added of products.

Another issue on the agenda of debates on the challenges facing the sustainable functioning of agri-food chains in Arges targeted the **poor professional training**, **as well as the precarious information and advisory system**. According to participants, both represent an important obstacle to obtaining large and quality productions and to production valorisation, mainly in the case of small and medium-sized farmers:

- The need for professional training of farmers, in order to develop skills in the production and marketing activities, the learning process needs to be a lifelong process. It follows some statements of participants: "I say that the most important point is consultancy, to inform producers, information in a broad sense, from professional training and continuing with consultancy, direct vocational training that should be institutional, not done by ear, it should be done by authorised consultants or private institutions..."; "I think that we should learn very well to sell our products, to produce them but also to sell them"; ".. to obtain quality you mainly need knowledge, regardless of their size (n.b. of farms), of specialisation...";
- The need to increase the direct interaction between the advisory services and farmers and to ensure the continuity of support (throughout the period of project implementation, for instance) "Someone has to stay close to the farmer, when this needs information to provide it, but not to provide him information from the office, he has to go there to see the problem on the scene, to assist him until he finishes what he has intended to do".
- The development of marketing skills is missing in the curricula of agricultural educational units in Argeş County. This training pathway is insufficiently developed in the vocational training course dedicated to active farmers within the Agricultural Directorate. There is an imperious need for marketing knowledge both for farmers and for the cooperative staff in particular, to increase their chances of market integration;
- The low level of technological knowledge and poor openness to innovative solutions in production, such as modern varieties and new technologies, leads to the perpetuation of farming practices with poor results, both in terms of yields and of high dependence on weather factors: "Our farmer uses traditional production practices, this is all he knows, he has no new knowledge, there is no innovation, no innovation on the small farms". There is a great need for information on innovative technologies and varieties through the organisation of short-term training courses, as well as visits to demonstration plots/farms for farmers in Arges County;
- The need for information on the trends/changes in the preferences of consumers on the
  agri-food market (varieties, organoleptic characteristics or nutritional composition, etc.) was
  considered not covered by the advisory services. This makes producers vulnerable in relation to
  intermediaries/processors that invoke change in preferences to offer lower purchase prices. In this
  context, producers need advice for the reorientation of their productive strategies and the
  technological adaptation imposed by the new varieties and cultivars demanded on the market, etc.

Another relevant challenge for the sustainability of the agri-food chains in Argeş is represented by the **financial and fiscal aspects** of the on-farm activities, mainly in relation to the **implementation of projects with NRDP funding**:

 The bureaucracy associated to accessing and implementing projects with non-reimbursable funds from NRDP results in reluctance to undertake large-scale projects that lead to the increase of the market share of farm and/or the vertical integration of primary production with processing. The **simplification of procedures in accessing NRDP funds and in project implementation** is a need that has been signalled out by the representatives of the Argeş MAP. One of the participants declared that he gave up implementing a project under sM 16.4 (short chain) for the very reason that the reporting documentation would have required hiring an extra person only to deal with the bureaucratic procedures;

- The high co-financing contribution in NRDP (reaching 30% or even 50% of the value of projects focusing on the processing of agricultural raw materials) are reported as obstacles difficult to surmount by small farmers, who lack equity capital and have difficult access to the credit system.
   The need to adapt the co-financing contribution to the size of beneficiary farms is a must in the opinion of participants from Arges;
- Fiscal rules and regulations, as well as their frequent changes are considered burdensome and
  difficult to follow by small farms. The need for simplification and stability of the fiscal
  framework has appeared in the discussion with the representatives of the Arges MAP.

### 3.2. Existing interventions and actions

**The public measures and instruments** aiming at the intervention needs signalled out by the Argeş MAP members are, for the most part, limited to **national programs aiming to support agriculture and rural development** through the Common Agricultural Policy or specific interventions of the Ministry of Agriculture, supported from the national budget. According to the Argeş MAP, there are both positive and negative aspects in the implementation of these interventions.

- **Financing the investments on farms through the NRDP measures** was positively valued, through the beneficial effects on improving the quality and increasing the quantity of products (increase of average farm size, farm modernisation through technical endowment, investments in processing and storage facilities). There were other opinions that valued these interventions negatively, invoking the high co-financing contribution for certain measures that is difficult or even impossible to face by many farmers (small farmers in particular);
- The financing intended for integration in short chains through NRDP (sM16.4), was poorly accessed in Argeș out of two reasons:
  - the legal definition of short chain that does not correspond to the current distribution channels of producers in Argeş. The distance of maximum 50 km between the producer and the final consumer is the criterion for defining the short chain in Measure 16.4. The market for some niche products is in Bucharest, at more than 100 km away from the farms from Argeş County;
  - bureaucracy in project implementation that is time-consuming for the documentation and preparation of reports requested by the program management authority;
- The de minimis program of MARD "Tomato", the purpose of which was to supply the local market with fresh vegetables, at a competitive price, in the off-season, was negatively valued. The Argeş platform members consider that this program did not work, "it lacks substantiation, "it lacks essence", it generates products at non-competitive prices "... to compete with overseas products, you also need an appropriate price";
- Financing the association / cooperation through NRDP has not stimulated the proper functioning of these newly established entities, maintaining the individualistic mentality. For some of the new members, the motivation for joining the cooperative is to obtain a higher score in accessing other PNDR measures (through individual projects). The participants in the focus group claim that cooperative members do not embrace the common principles / values and do not assume

to sell part of their production thorough the cooperative: "...the cooperative members should commit themselves to comply with the statute, that is to sell their products through the cooperative. Each member should be obliged, let's say, to sell 20-30% of their production in associated manner (n.b. through the cooperative), according to certain quality criteria, quality criteria that are established by the board of directors",

- Professional training in the public education units is considered inadequate both in quantitative terms (low number of specialised high schools 3 high schools in agriculture at county level) and in qualitative terms (non-adapted curricula, for example: lack of training in the marketing of agrifood products, training and certification of tractor drivers);
- The activity of the National Rural Development Network dedicated to information and knowledge transfer campaigns (identification, collection, good practice and innovation dissemination and transfer at regional, national and international level, etc; experience and knowledge exchange) is assessed as lacking results, even though significant funds have been allocated in this regard;
- **Subsidies (CAP direct payments)** general consensus of participants regarding the positive impact in supporting farmers' incomes.

**The actions taken by local actors** that address the identified needs most often aim at increasing the economic sustainability and strengthening farmers' position in the agri-food chains.

- The local authorities from 12 municipalities in Argeş County organise weekly markets and fairs where the agri-food producers can sell their products. In the opinion of participants in the focus group, local producers are not prioritised by organisers, and out of this reason, in many cases, they have a peripheral position on the market: "local producers are very few, (they are present) like this, on the sideline";
- Cooperatives require members to certify the production to be sold on the market, yet not many farmers comply with this requirement or they are not willing to do so. As a result, the cooperatives are facing difficulties even from the part of their members in mediating the access of agri-food products to the supermarket by ensuring constant quantities of products at competitive prices: "the supermarket welcomes us, but we must have quantities";
- Cooperation initiatives between local producers to promote products: "we got associated with other two farms for that product promotion platform. The project aims to promote products, processed fruit and products, natural juices, jams and jellies and seeks to promote them in local fairs and markets";
- Actions to increase the degree of confidence in local producers: farm product tasting, farm visits and discussions referring to product quality between producer and potential customers / final consumers (the example of the Initiative "Harvest yourself, pay less" see Table 2), festivals and cultural events where local producers can sell their products: Plum Brandy Festival and Harvest Day (commune Cosesti); Răvăşitul oilor [Descent of shepherds from the mountain and returning the sheep to their owners] (commune Rucăr), StoneBird Festival (commune Corbii de Piatră);
- LAG involvement in information and advisory activities for the rural actors, from the agri-food chain inclusively: "We, in LAG (n.b. LAG FĂGĂRAȘUL DE SUD ȚINUTUL POSADELOR) we began, with our own forces, to apply the multi fund and we created a rural educational, development and advisory centre, to which everyone has free access, when they want, how they want, to meet with students, with potential beneficiaries of advisory services, to come and do training courses, etc. ... we established an association (with a POCU [Operational Program Human Capital] grant) and we are at the third project. ... we help the

young people, in particular, free of charge, to do their own projects, to do their courses. We have a fully equipped facility, in the countryside, and we have a platform with 100 stakeholders" (Table 2);

- **Differentiated strategies for the selection of varieties and hybrids in** relation to the chosen marketing objectives: for example, the cultivation of local (Romanian) strawberry varieties with organoleptic qualities preferred by customers, but with high perishability risk, versus imported varieties with a less intense taste but with greater resistance over time. The choice of local varieties is motivated by consumers' preference and it is seen as a mean to attract customers to purchase other products of the farm. On the other hand, the farmers who decide to specialise in varieties from import justify their choice by being on the market for a longer period of time and by the possibility of accessing markets located at greater distances due to the lower risk of losses caused by perishability;
- Participation in alternative models of integration in agri-food chains: direct sale in fairs and markets, direct selling using online channels (own Facebook pages, dedicated to the marketing of farm products);
- Integration of primary production with processing on the farm through the
  development of processing facilities (artisanal, in most cases) for their own farm products, which
  leads to the increase of the value added of products delivered to the market and responds to
  consumers' preference for home-made products;
- Facilitating access to innovative technologies and practical advice to farmers by
  online publishing, with open access, on the webpage of the Research and Development Institute
  for Fruit Growing Pitești-Mărăcineni, of some good practice guides with concrete technological
  advice, adapted to each fruit tree species and soil conditions, including the zoning of fruit tree
  species for Argeş County (see table 2).

#### Table 2 – Examples of actions taken by local actors

# A. Title: Social economy enterprise "CREDO", Domnești commune, Argeș County (https://credoag.ro/)

CREDO was founded within the" \$E\$ – SOLIDARY for Social Economy" project, financed by the European Social Fund – Human Capital Operational Program (2014-2020).

The general objective of CREDO: to increase the education level, especially the non-formal one, of the inhabitants of rural areas of the Argeş County, but not only, by facilitating the access to professional training programs, decent jobs and financing for entrepreneurial initiatives.

CREDO offers to the population from the rural areas of Argeş County: lectures for professional training, career counselling, business consultancy based on the specific needs of the targeted rural areas. Thus, it responds to the need of counselling for sustainable development of rural businesses.

#### B. Title: Romanian fruits harvest days "Harvest yourself, pay less."

Initiative of the Research and Development Institute for Pomiculture "Pitești-Mărăcineni" whereby consumers (including families with children) are invited to visit the experimental plots of the institute and to harvest themselves the fruits that can be bought at a preferential price. The institute offers casseroles, protection equipment and qualified personnel for guidance.

The initiative contributes, among other things, to the enhancement of the consumers' awareness level regarding the diversity of the local offer of fresh fruits and to the increase of their trust in the quality of products on the local market, that are produced according to the technological recommendations and under the guidance of the institute's specialists.

# C. Title: Guide books for orchardists (https://icdp.ro/servicii-si-consultanta/ghiduri-pentru-pomicultori/)

Initiative of the Research and Development Institute for Pomiculture "Pitești-Mărăcineni" wherethrough consultancy and technical assistance, design/advice for orchards setup services are offered. On the web page of the institute, guide books of good practices, with substantive technological advices, adapted to every fruit tree species and pedo-climatic conditions, including zonation of fruit trees for Argeş County, are available free of charge.

The initiative comes in support of the local producers' need of access to technical information and specialised consultancy, which should be financially and spatially accessible.

### 3.3. Recommendations from the MAP

### 3.3.1. Recommendations for future rural policies

The MAP Arges members formulated a set of recommendations regarding the regulatory, institutional, political, educational framework as well as the concrete activity of actors in the agri-food chains, which together can contribute to the increase of sustainability along the chain.

As regards the **regulatory framework that supports public policies**, the participants' recommendations are the following:

- Amending the legislation on the definition of short supply chains, by changing the definition based on the physical distance expressed in km by a definition that would provide a minimum number of intermediaries between primary production and final consumer;
- Amending the legislation on the operation of cooperatives, in order to clear establish the fields
  of action of different types of cooperatives: "Let's clearly establish which is the commercial
  cooperative mandated to trade the production of its members, which is the cooperative that only
  provides services, as there are such cooperatives",
- Amending the regulations regarding the sale of products in the markets, to facilitate the
  identification of local producers by consumers, thus helping to facilitate a trust-based relationship:
  "The idea is that producers must have their own marketplace, or their own place in the market
  where citizens know that they can buy products from the farmer. These should bear a particular
  mark, some documents displayed, this trust should be built".

Reforming and strengthening the *administrative capacity of specialised institutions*, based on efficiency principles, to enhance their functionality:

- Creation of a single structure/institution for financing the agricultural activities, by merging the
  Agency for Rural Investment Financing (AFIR) and the Agency for Payments and
  Intervention in Agriculture (APIA);
- Co-opting, within specialised institutions (MARD, County Agricultural Directorates) of specialist
  practitioners/researchers in the field of agriculture, who can contribute to the improvement
  of public programs/measures dedicated to this field of activity;
- Strengthening the capacity of local authorities (local councils) to support farming activities
  by completing their organisation chart with specialised staff agronomists/agricultural
  advisors;
- Strengthening the control capacity of the National Sanitary-Veterinary and Food Safety Authority (ANSVSA). The organisation of systematic controls by the authorities in charge

to verify compliance with *food safety rules* would lead to the increase of producers' compliance, as well as of consumers' trust, in small producers inclusively. Thus, this would increase consumer addressability in local markets, short chains;

Creating a local infrastructure for collection, storage and distribution of products, in the
proximity of agricultural cooperatives, would give cooperative members and other local
farmers the possibility to sell their products with minimal effort, at a reasonable cost.

In the field of **consultancy and vocational training**, the following recommendations have been formulated:

- Raising awareness on the benefits of cooperation, especially among young farmers, through
  information actions, visits and exchange of experience and good practices;
- Establishment of private Agricultural Chambers, at farmers' initiative and under their direct subordination, to offer them a better representation of their interests and adequate support for specific local needs;
- **Increasing the involvement of advisory centres in** supporting beneficiaries throughout their productive activity (with technological advice and solutions to current problems on the farm) or in writing and implementing projects (to overcome bureaucratic barriers);
- Expanding the network of agricultural education units and adapting the curricula to farmers' real needs, as well as the re-establishment of local vocational schools to offer qualifications adapted to the needs of rural businesses;
- Introducing modules for the development of marketing skills both in the curricula of agricultural schools and in the training programs provided by the Agricultural Directorate is considered particularly useful by farmers and mainly by the representatives of agricultural cooperatives.

Participants' recommendations on *improving the financing of agricultural activities* focused on facilitating producers' access to grants based on economic size, multi-fund financing and reducing their own co-financing effort:

- Modification of criteria for providing grants to farmers, which should eliminate the "first come, first served" principle and take into consideration the economic size, the volume of activity;
- Regulation of multi-fund financing to provide financing to a greater diversity of activities under the same project;
- Reducing the co-financing contribution for the NRDP projects dedicated to small farms
  could facilitate the access of potential small beneficiaries to non-reimbursable finance, given that
  they have limited access to the bank credit system;
- Reducing energy dependence through the development of projects in the field of green energy that would contribute to the sustainable utilisation of agricultural by-products (straw, cobs, stalks) and reduce farm maintenance costs.

### 3.3.2. Recommendations for future research agendas

- Identification of efficient and functional **cooperation support** mechanisms in agriculture and along the agri-food chains;
- Development of educational curricula for rural high-schools and vocational schools adapted to the true needs of rural businesses;

- Development of vocational training modules for active farmers and cooperatives targeting the development of **marketing skills**;
- **Studies on the change in consumer preferences** and the agri-food market trends that allow farmers to adapt to these trends;
- **Innovative technologies**, crop varieties and animal breeds that allow the adaptation of farm production system to climate changes;
- **Technical solutions to produce energy from renewable sources**, adapted to the resources, needs and size of small farms;
- Mechanisms for promoting and raising the awareness of all rural actors about the sustainability
  in the value chains, beyond the economic aspects and profitability (such as green energy).
- **More production-oriented research activities**, by strengthening the cooperation between the research centres and agrifood value chain actors.

## **Conclusions**

Fragmentation and non-homogeneous territorial dispersion are the general characteristic of the agri-food sector in Argeş County. Integration in agri-food chains is difficult for small and medium-sized farmers looking for alternative solutions to deal with the great players in the upstream and downstream sectors (multinationals – input suppliers and supermarkets).

The most important challenges that farmers are facing in the integration in the agri-food chains, in the opinion of MAP Arges members, are the following:

- **low adherence to associative, cooperative systems** between farmers and other actors in the value chain;
- **difficulties in obtaining a homogenous supply (in terms of quantity and quality)** small quantities, dispersed in the territory and non-homogeneous in terms of quality;
- deficit of skills or advisory services to meet farmers' knowledge and information needs;
- **bureaucratic financial and fiscal aspects** that obstruct the projects targeting farm development and integration in the agri-food chains (of small and medium-sized farms in particular).

The most important recommendations arisen from the discussions with Argeş MAP members can be summarised as follows:

- **amending the regulatory framework in short chains and cooperation** in agriculture, so that this better responds to the purposes for which it was established;
- supporting horizontal cooperation and strengthening the role of cooperatives in marketing the
  production of their members, through the development of collection and storage facilities in the
  proximity of cooperatives;
- supporting small and medium-sized farmers in the access to alternative valorisation channels – direct sale in fairs, markets, local stores, on-line; short chains; integration with agroprocessing on the farm;
- increased rigour in the control of quality standards that should result in consumers' confidence in products sold on local markets;
- developing skills and providing advisory services to farmers for the sustainable market integration through training modules and advisory centers;
- supporting access to innovation through the transfer of knowledge and good practices between farmers and their associative structures;
- facilitating farmers' access to finance for investments dedicated to the increase in the value added of products by reducing the co-financing contribution;
- **increasing farmers' adaptability** through information on changing consumer preferences, innovative technical and technological solutions that respond to climate changes, green energy.

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# Annex 1 Methodology used by the MAP

Responsibility: Facilitator and Monitor

In this section. MAP facilitators and monitors are expected to describe the process followed by the MAP, notably sharing any adaptation or deviation to the methodology, including lessons learned. For instance:

• Which kind of stakeholders/how many participants/groups/facilitators?

The first reunion of the MAP Argeş members was organised in a face-to-face format and hosted by the University of Piteşti. The University of Piteşti is a higher education public institution with more than 50 years of tradition. The University of Piteşti was and is recognised as a pool of human resources for the local, national and international labor market. The University of Piteşti ensures the free and coordinated access to a modern education, focused on the needs and realities of the socio-economic European environment. Within the University, a bachelor study program for horticulture is on-going.

The general objective of the first MAP Argeş members' meeting was to discuss, based on a focus group format, the topic of sustainable integration in the agri-food chains at the level of MAP territory. At this meeting, 17 participants were present (members of MAP Argeş and also other guests interested in the platform's thematic). The structure of participants present at the focus group was as follows: 5 – science, 8 - society, 4 – policy.

The team that ensured the logistic support and moderation of discussions was comprised of:

- 1 moderator
- 3 facilitators

Following the discussions with the MAP members, the SHERPA support team elaborated the draft of the platform's position paper. The first draft of this paper was later sent to the platform's members for consultation and revision.

The second reunion of the MAP Argeş members focused on crystallising and validating the content of the MAP position paper. On the second meeting, organised in a face-to-face format at the University of Piteşti, 18 members of the platform and invited guests attended the meeting, out of which: 8 representatives of the academic environment, 6 representatives of social actors and 4 representatives of the administrative and political decisional spectrum.

• Was there any anticipation in preparation for the MAP meetings (e.g. questionnaires. documents shared)?

Information sheet regarding the SHERPA project and topic of discussions was shared prior to meeting

Invitation for first and second MAP meetings where shared via e-mail and phone calls

The four research questions that address the topic of discussion were transmitted to the participants, by email, a couple of days before the meeting, asking them to reflect on these prior to the reunion.

• Which changes did you implement to the process?

Creating a space (of time /physical) during the reunion where participants can present their own products/services.

What was difficult for facilitators/criticised by members?

The need to engage the less active participants in order to verbally express their opinions, not only to right them down (using post-its).

What was particularly useful/appreciated?

The non-formal framework of discussions and the possibility of exchanging ideas and experiences.

• What kind of reflections were facilitated (or not) by the methods used? Did the MAP address any controversial issues in the exercise?

Introducing the theme and anchoring it in the context of European political debates as well as a short presentation of the main statistical indicators that describe the subject in the area of Argeş platform have facilitated a stronger focus on the consultation's subjects.

Lack of a short summary with the main points of the Discussion Paper represented a drawback for dissemination towards participants, which, in general, are not familiarised with English language.

Ownership of results: is there any take-up of results by MAP members? Were there any follow-ups
to the meetings? If yes, by what members (policy, research, CS) and what kind of follow up (media,
publications, debate started at the gov level/fed into an existing debate, etc)

Exchange of information with the MAP members in order to gather details regarding local initiatives and good practice examples.

The willingness of the platform members that the position paper and its recommendations to be disseminated as widely as possible so that they to be included on the public debate and research agenda, and especially on the agenda of decision-makers

Key learning re. the methodology, if any?

For the face-to-face meetings the facilitator needs to be assisted by a larger team that can ensure the logistic support, set-up and unwinding of the meeting.

Also, it requires a person with good moderating abilities who is, at the same time, familiarised with the subject and the local context.

If you want to provide additional background information, please add an additional annex.



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