

THE MARKET OF VEGETABLES FROM ROMANIA

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Abstract

The market of the Romanian agriculture products is chaotic, at the disposal of occasional merchants who speculate the possibilities of negotiation. This is the belief of the agricultural farmers of Romania. There are also speculated the lack of information as well as of the market advice. The lack of a legislation regarding the market of the agricultural products harms the farmers and encourages the illicit transactions. The farmers need possibilities of storing the production for negotiating the terms of marketing, the appearance of an organism for settling the relationship between request and offer for getting possibilities of capitalisation the production, as well as the future request of the market, for structuring their activity.

Key words: Offer, vegetable request, agricultural production, selling price by detail, physiological consumption of vegetables.

INTRODUCTION

An important market, determined for the future of agriculture, but also for ensuring the necessary food of the people at the national level, is represented by a quick development of the food sector. For the national economy, it is extremely important to offer the external market products of meat and milk, instead of basic agricultural products, to offer the internal market Romanian products with accessible prices and to develop the offering of work places in the rural area.

1. THE ANALYSIS OF REQUEST, OFFER, PRICE AND COMPETITION ON THE VEGETABLE MARKET OF ROMANIA

As regarding the organisation and the functioning of the market, the embracing of such an act must take into account the present requests of the internal and the external market, the establishing of the relationship between the farmers and the potential beneficiaries: merchants, storing people, a superior quality of the agricultural products

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and of the products resulted from the processing². No organised market can function correctly, without a concentrated offer, well preserved and capable to speculate the good moments for capitalisation. At present, a great part of the agricultural production is capitalised from the field, more or less legally, but certainly at an offered price and often under the limit of the production cost. The extant stores, former of state and private now, became private monopoly, extremely expensive, especially because of lack of performance or of the urgent necessity for storing the agricultural products. The European programs for investments in this field create modest facilities to a small group of farmers, who can allow such investments, but they can be profitable only for the big farmers. In conclusion, the most efficient solution for covering the necessary to the majority of farmers, is the building of the store – houses in the farms, and for the groups of producers or cooperatives in the area, structured on groups of products, it needs a great contribution of co financing from the state budget.

1.1. The offer of vegetables

In the agricultural production of Romania, vegetable growing represents a branch with a great importance, with major implications in the national economy and, especially, in the people's food. Its place and role are given by the following elements:

- the importance of vegetables for the human consumption;
- an important request on the town markets;
- the favourable climate for many species of vegetables;
- the high natural fruitfulness of soils;
- the ability and the traditions of the farmers.

On the market of vegetables, the offer is made up of the internal production, the initial stock and the importation of such products. The increasing requests of people for vegetables determined the continues increasing of production in the world, but the volume of production is very different and it is determined by the climate extant conditions and by the economical potential of every country.

After 1989, a great part of the vegetables basins of Romania remain without the work object. The formers state societies became the object of transactions, either real, or for selling at old iron of the agricultural equipments from patrimony. A part of the old exploitation was assumed by the private enterprises, some of them had success, and others have not. In the last period, the majority of producers from the vegetable field complained of the negative influence of the weather, but also of different diseases. The official data contradict these assertions. The information of the National Institute of Statistics shows that at about equal surfaces, the productivity increased. The data shows that in 2008 the production of vegetables was of 3820 thousand tones, comparatively with 2000 when was a production of 338, 1 thousand tones (table 1).

From the point of view of the achieved productions, according to the statistical

2 Rahoveanu T. Adrian and co- workers, 2009, The Analysis of the vegetable – fruit field in Romania, Ars Academica Publishing House, Bucharest, pag.219

data offered by the United Nations Organisation for Food and Agriculture (FAO), comparatively with the countries from Europe, Romania was placed on the place³:

- the ninth, for potato production, after Russia, Ukraine, Germany, Poland, Belarus, The Netherlands and Great Britain;
- the eighth, for vegetable production, after Russia, Italy, Spain, Ukraine, France Poland and The Netherlands.

Table 1: The production of the main agricultural products, on inhabitant Kg

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| Potatoes | 112,7 | 128,4 | 131,4 | 154,5 | 195,2 | 172,9 | 186,1 | 172,4 | 169,7 | 186,5 | 150 |
| | | | | | | | | | | | |
| vegetables | 58,0 | 60,4 | 43,7 | 96,1 | 220,3 | 167,6 | 191,8 | 144,7 | 177,6 | 181,7 | 230 |

Source: MADR

Although there were reported increasing for more vegetable crops as for example for tomatoes, cucumbers and pepper, there were also diminutions at the production of carrots and at the hot house vegetables. Although the harvested surfaces were bigger in 2009 then in the previous year, it is expected that the vegetable production to be significantly more reduced in the future. A comparison with the efficiency got for vegetables in the countries of the European Union shows that the production potential of our country is not totally used, that in Romania the technologies are not at the level of those used in the European Union, where the vegetable works are mechanised, chemicalised and irrigated. This aspect places the vegetables got in the agricultural exploitations of our country in the range of the ecological vegetables. The big disparities between the efficiencies got in our country and those got in the European Union, disparities that arrived for some species up to four times, are caused by the modern technologies used in the community countries. The disadvantages of some reduced productions are compensated by the quality of our products, in the sense of lacking chemical substances or their reduced use. The ecological alternative for getting vegetables must be included into a modern system, based on the increasing of efficiency for ecological vegetables, tending to use fertilizers, the use of water for irrigation in good conditions, the maintaining of the traditions concerning the association of the crops.

1.2 The request for vegetables

The request represents the quality of products which can be bought al a special price, in a period of time. The request varies according to the price, sex, preferences, consumer’s traditions and the specific of food used by the people of different areas. The level of consumption increased constantly up to 2004, then it was a diminution in

3 Food and Agriculture Organization of the United Nations, <http://faostat.fao.org/site/342/default.aspx>

2005, following a small increasing in 2006-2007, arriving at 156 kg/ inhabitant in 2007. In this way, the production vegetables on inhabitant arrived in 2004 at 180 kg, and in 2005 this was of 167,7 kg/inhabitant, registering a constant increase comparatively with 2000, when it was of 112 kg/inhabitant (Table 2).

Table 2: Consumption vegetable on inhabitant kg

| Year | 2000 | 2004 | 2005 | 2007 | 2009 | 2010 |
|-------------------------------|------|------|-------|------|------|------|
| Consumption vegetables | 112 | 180 | 167,7 | 156 | 110 | 120 |

Source: MADR

The total quantities of vegetables, dedicated to the internal consumption depended on the obtained productions, whose level was determined by the climate conditions. In 2004, 2005 and 2007 it was an increase of the internal consumption both because of the increase of the human consumption and of the production losses recorded, which in 2006 and 2007 doubled because of the unfavourable conditions (flood and drought).

1.3 The price and the competition on the vegetable market

The price of the vegetables plays a role of regulating the request and the offer and it is formed freely by negotiating between suppliers and beneficiaries. During the season, in summer and in autumn the price of the vegetables is reduced comparatively with winter and spring, i.e. not in season, when the price increases. For each sort of vegetables, the prices vary from a region to another one according to the natural conditions and the culture possibilities of these.

The farmers are menaced by the big hyper-markets but also by the massive importations. On one hand, the great ranges of shops refused to buy the goods at a correct price, and on the other hand, the importations compete the internal production. About 60 per cent from the Romania vegetable production is marketed in the peasant markets which are organised in towns and at the gate of the farm. Although the prices have an increasing tendency, even when the farmers signed commercial contracts, the beneficiaries don't take the goods unless the prices diminished. Excepting July and August, when the local production of vegetable reaches a yearly maximum level, all the rest of the year the importations are those which have the supremacy. Nevertheless, the supermarkets and the hyper-markets can't be totally accused of this situation, because they need a sail which is ensured by firm contracts and in adequate volumes, so that the eventual risks being able to be minimized in a great extent. Combining the forces of the local producers in associations is very important for their future, because the competitions of the countries of the European Union will remain high.

CONCLUSIONS

The studies showed an increase of the use of vegetables and fruits in the daily diet of the people. However, the total consumption of the vegetables remains inferior to the nutritionists' advice with all their benefits upon the health, being an important source of vitamins, minerals and a factor for avoiding fatness by reducing the energy of the food. The specialists recommended a rational consumption of vegetables with a diverse structure during all the year.

Given the recommended consumption of vegetables for some sorts is much more reduced than the necessary. The most important socio-economical factors associated with the vegetable consumption are the age and the people's income. The young people and the people with small incomes consume reduced quantities of vegetables. It is established that it is an important part of the people for which the vegetable consumption is not a priority. Unfortunately, the variety of the fruit and vegetable offer doesn't imply automatically an increase of consumption.

The appearance of the big shops, the change of the consumers' preferences towards the sorted, packed and labelled products which obey (respect) the quality and the food certainty principles continue to reduce the percentage from the marketed production at the firm gate in the favour of the organised markets. This percentage is also diminishing as a result of the trade intensifying by means of intermediaries. A decisive role has in this sense the producers' organisations whose main purpose is to concentrate the offer. The most supermarkets, hyper-markets or malls prefer to sell imported products with quick access. In these conditions, the rigidities met in establishing the prices of the food products on the local market will diminish, while the local production of agricultural products will continue to find hardly the way to the final consumer.

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