

**RESEARCHES REGARDING THE STAGE OF FINANCING THE
ROMANIAN RURAL ENVIRONMENT THROUGH
NATIONAL RURAL DEVELOPMENT PLAN 2014-2020**

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***Abstract:** European Union has always been interested in implementing a rural development policy. In 1988 he created a special framework dedicated to rural areas. Given the fact that a large share of the population of the Member States of the European Union lives in rural areas, which cover 91% of the territory, rural development policy is an area of crucial importance. The purpose of this paper is to bring in light the issue of supporting rural development, to conduct research on the state of access to funds from the NRDP 2014-2020 program in Romania, by sub-measures, and to highlight the stage of financing the Romanian rural area, by measures and sub-measures.*

***Key words:** financing, Romanian rural area, development*

INTRODUCTION

Increasing the rural welfare is perceived when there are positive effects on economic and social phenomena that have dominated and still dominate the rural, such as: [1,2,5,6,9].

- stopping the migration of the population from the village to the city, by creating alternatives that would motivate its existence and stimulate its initiative to ensure the necessities of life;
- combating poverty;
- stimulating and diversifying services;
- equity of opportunities;
- the right to a better life, the right to health, education and security.

Rural development of communities can be described as a process in which the community is actively involved, in order to mobilize all initiatives to capitalize on their own resources, available, for the social, economic and environmental benefit of the community. In the following we will try to expose, on each plan, the problems that may arise when combining with the other plans [3,6,7,8].

The experience of Member States that have already achieved convergence with the EU shows that success is guaranteed if the role of the state is to focus on developing infrastructure to support the development of economic sectors, depending on the situation of the EU Internal Market and/or the global market. In other words, the state must first of all to create the premises for development for the economic sectors and avoid direct intervention in their development. From this perspective, convergence with the U.E. it can only be provided in the long term and requires the development of the two major categories of infrastructure, the physical and the human, respectively.

In order to ensure the sustainable development of rural areas, it is necessary to focus on the issue of financing [4] a limited number of key priorities for knowledge transfer and innovation in agriculture, forestry and rural areas, the competitiveness of all types of agriculture and the viability of farms, organizing the food chain and risk management in agriculture, restoring, conserving and consolidating agriculture - and forestry-dependent ecosystems, resource efficiency and the transition to a low-carbon economy in the agricultural, food and forestry sectors, and promoting social inclusion,

poverty reduction and economic development of rural areas. To this end, account must be taken of the diversity of situations affecting rural areas with different characteristics or different categories of potential beneficiaries, as well as the cross-cutting objectives of innovation, environmental protection and climate change mitigation and adaptation [12, 10].

For the NRDP 2014-2020, 14 measures were outlined, focused on the development of the rural environment, the value of the financing amounting to 9.333 billion euros (of which 8.013 billion are from EAFRD and 1.347 billion national contributions).

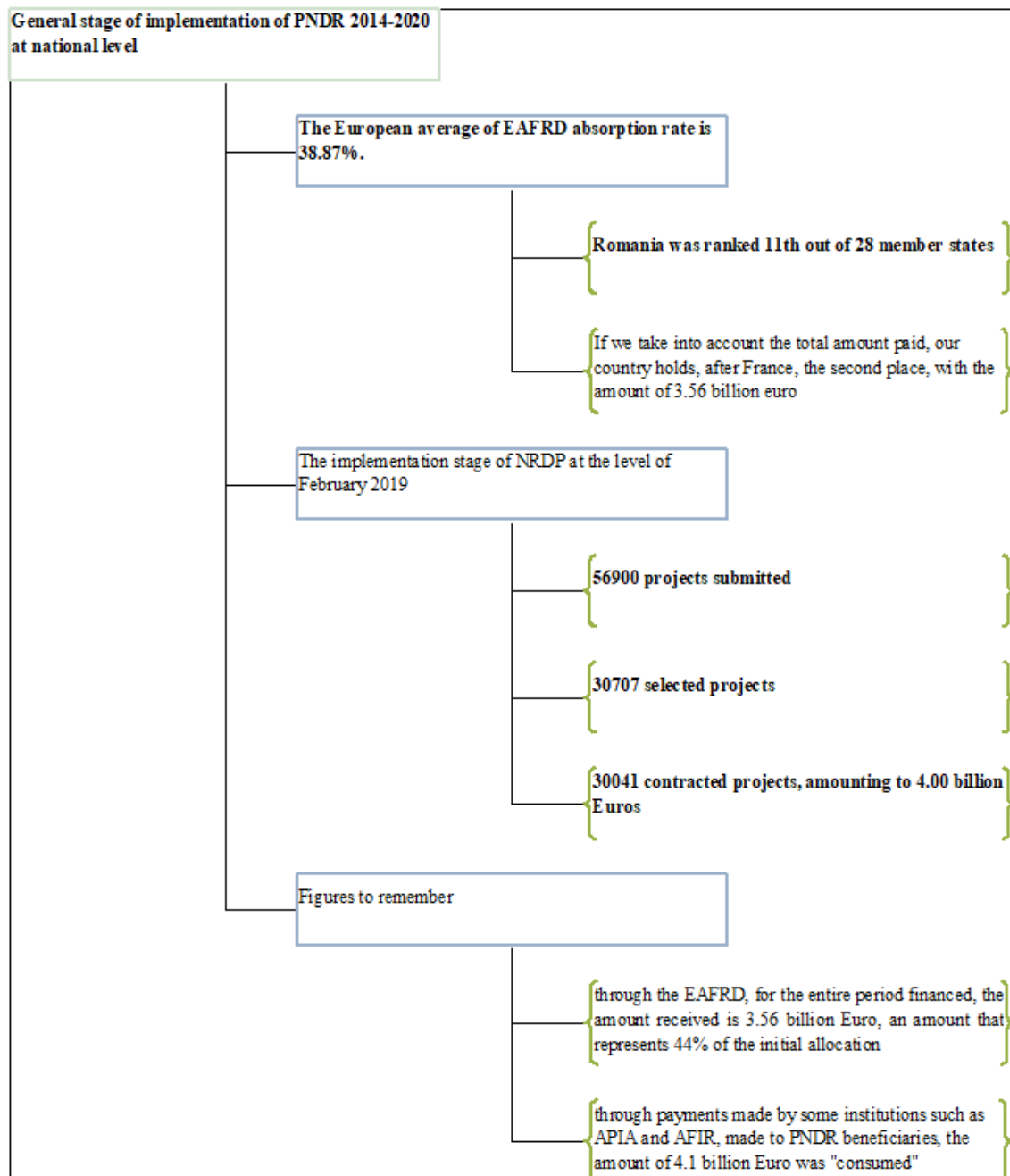


Figure 1. General stage of NRDP 2014-2020 implementation at national level
MATERIALS AND METHODS

The purpose of this paper is to:

- bring into the light the issue of supporting rural development, conducting research on strategic priorities for the development of the rural economy and financing sustainable rural development from European funds;

- conducting research on the development of the rural environment-a necessity of the future period;
- highlighting the stage of accessing the funds from the NRDP 2014-2020 program at the level of the Romanian rural environment, by sub-measures.

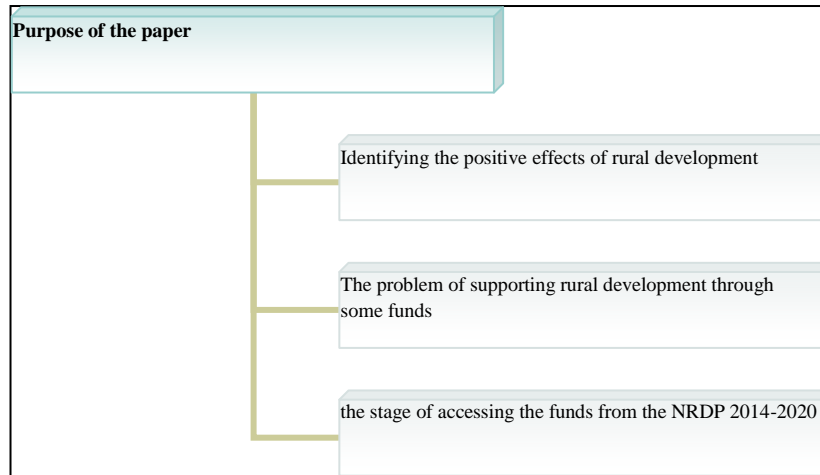


Figure 2. The purpose of the paper

The research stages were:

- General information on the research topic, in this stage carrying out an intense information and documentation.
- Fixing the work schedule, respectively establishing as accurately as possible the initial and final dates of all stages of the project. Here the distinction between the activities carried out in a chronological order and the activities carried out simultaneously was very important.
- Identifying sources of information.
- Information processing used descriptive methods.
- Presentation of the results in the final form.

RESEARCH RESULTS

Taking into account the financial situation of the European Union, regarding to the EAFRD, until 31.01.2019, the payments made by the European Commission from this fund to the member states strengthen the situation of the EAFRD absorption degree of 38.87%, our country being above this average, Romania being positioned on the 11th place. If the total amount paid is taken into account, our country has, after France, the second place, with the amount of 3.56 billion euros, meaning 56900 projects submitted, totaling a value of 8.64 billion Euros, a number of 30041 projects were contracted, totaling a value of 4.00 billion Euros.

Referring strictly to the amounts that highlight the absorption of European funds, through NRDP 2014-2020 there are several aspects to mention:

- through the EAFRD, for the entire period financed, the amount received from the European Commission is 3.56 billion Euros, which represents 44% of the initial allocation;
- through the payments made by some institutions such as APIA and AFIR, made to the beneficiaries of NRDP, the amount of 4.1 billion Euros was "consumed".

The situation is analyzed below. The measure related to "*knowledge transfer*", within the NRDP 2014-2020, is based on two sub-measures: Sub-measure 1.1. and Sub-measure 1.2.

Table 1.

Presentation of the situation related to the measure related to knowledge transfer, by sub-measures

Sub-measure	Public allocation NRDP 2014-2020	Submitted projects		Selected projects		Payments made
		No.	Value	No.	Value	
Sub-measure 1.1	54191022	418	33445462	205	17241396	1805783
Sub-measure 1.2	13414500	49	1479147	6	719227	0

Source: https://portal.afir.info/informatii_generale_pndr_pndr_2014_2020 [15]

For the analyzed measure, a number of 467 projects were submitted on the two component sub-measures, 58 being contracted on sub-measure 1.1, with a value of 4,619,840 euros, a number of 8 projects being completed.

Starting from the high share of the population employed in agriculture, having as a characteristic the low level of training, the need for counseling in the field is one of vital importance, and is implemented in the NRDP 2014-2020 through: Sub-measure 2.1. Counseling services for farmers, young farmers, micro-enterprises and small businesses in rural areas.

A number of 9 projects were contracted for this measure, obtaining a value of only 3,895,642 euros, out of a total of 11,105,086 euros allocated to the measure.

Regarding "investments in fixed assets" there are a number of three sub-measures: Sub-measure 4.1., Sub-measure 4.2., Sub-measure 4.3. To this extent, 5,600 projects were submitted, contracted in 1988, and 19.46% completed, respectively 1090.

Table 2.

Presentation of the situation related to the "investments in fixed assets", from NRDP 2014-2020

Sub-measure	Public allocation NRDP 2014-2020	Submitted projects		Selected projects		Payments made
		No.	Value	No.	Value	
Sub-measure 4.1	844672338	4055	2232224782	1869	1019440120	394957776
Sub-measure 4.2	359883695	745	619493897	373	360133806	53074461
Sub-measure 4.3	433978719	359	358886522	192	189050730	84022533
Sub-measure 4.4	130298233	441	418451214	81	78989370	42188933

Source: https://portal.afir.info/informatii_generale_pndr_pndr_2014_2020 [15]

In the field of "farm and enterprise development" support is provided for:

- the establishment of the enterprise for:
- young farmers;
- non-agricultural activities in rural areas;
- development of small farms.
- investments in the creation and development of non-agricultural activities.

There are a number of 4 sub-measures related to this measure 6: Sub-measure 6.1., Sub-measure 6.2., Sub-measure 6.3., Sub-measure 6.4., Sub-measure 6.5.

Table 3.

Presentation of the situation related to the "farm and enterprise development", from NRDP 2014-2020

Sub-measure	Public allocation NRDP 2014-2020	Submitted projects		Selected projects		Payments made
		No.	Value	No.	Value	
Sub-measure 6.1	426744132	14155	582100000	10078	413750000	339457499
Sub-measure 6.2	106569178	6098	345280000	1892	111320000	80605904
Sub-measure 6.3	246493158	16981	254685000	10878	163170000	95410376
Sub-measure 6.4	166503969	2511	423489020	985	162489275	56436285
Sub-measure 6.5	12333000	21	61813	3	4882	2041

Source: https://portal.afir.info/informatii_generale_pndr_pndr_2014_2020 [15]

We can make the statement, related to this measure, that it was the most popular, this aspect resulting from the high number of submitted projects, respectively 39766, of these contracted being 21535, and completed 5463, respectively 25.36%.

Romanian rural areas have a special importance from an economic and social point of view, therefore the emphasis on basic services and "*village renewal in these rural areas*" is of utmost importance for NRDP 2014-2020, an aspect revealed by measure 7, a measure which in turn it is provided with several sub-measures. At national level, a number of 2832 projects were submitted on this measure, 1752 being contracted, 33 being already completed.

Table 4.

**Presentation of the situation related to the "village renewal in these rural areas",
from NRDP 2014-2020**

Sub-measure	Public allocation NRDP 2014-2020	Submitted projects		Selected projects	
		No.	Value	No.	Value
Sub-measure 7.2 - "water/wastewater infrastructure"	1109058285	501	726335354	335	476597571
Sub-measure 7.2 - "road infrastructure of local interest"		975	1006959285	489	510942432
Sub-measure 7.2 - "educational and social infrastructure"		444	168.742.693	325	121037443
Sub-measure 7.4	13761860	0	0	0	0
Sub-measure 7.6	188010999	912	304396659	661	211735295

Source: https://portal.afir.info/informatii_generale_pndr_pndr_2014_2020 [15]

The priorities taken into account for the next period, regarding rural development, provided in the National Rural Development Plan are [11,13,14,15]:

- working at the competitiveness from agricultural and forestry sector;
- working at the environment and the landscape protection;
- concentration on measures to improve the quality of life in rural area;
- concentration on supporting the diversification of the rural economy.

CONCLUSIONS

Concluding for the measures from NRDP 2014-2020 analyzed, the situation is as follows:

- For measure 1, a number of 467 projects were submitted on the two component sub-measures, 58 being contracted on sub-measure 1.1, with a value of 4,619,840 euros, a number of 8 projects being completed.

- On measure 2, a number of 9 projects were contracted, obtaining a value of only 3,895,642 euros, out of a total of 11,105,086 euros allocated to the measure.

- On measure 4, 5600 projects were submitted, contracted in 1988, and 19.46% completed, respectively 1090.

- Measure 6 was the most popular, this aspect resulting from the high number of submitted projects, respectively 39766, of which 21535 were contracted, and 5463, respectively 25.36% completed.

- At national level, a number of 2832 projects were submitted on measure 7, 1752 being contracted, 33 being already completed.

In formulating future recommendations we start from the conclusions reached and we came up with some proposals such as:

- Knowledge of E.U. principles of using European funds;
- Identifying priority projects, compatible with the objectives of economic policies supported with funds from the E.U. budget;

- Construction of arrangements and financial instruments to allow co-financing;
- Special emphasis on public-private partnership in supporting the development of the rural environment;
- Stimulating farms that practice pluriactivity;
- Establishment of groups of farmers for the joint marketing of agricultural products;
- Information and media coverage on a large scale of topics on how to access European funds;
- Providing free consultancy by local authorities by organizing regular courses, possibly televised, on drafting a funding application, preparing project budgets, how to manage a project;
- Creating a coherent system of communication between public authorities and the business environment, in order to actively involve the private sectors in the development of various European programs;
- Media coverage of the best projects at national level in order to know and assimilate the experience of different regions and disseminate best practices between them.

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