

## THE POULTRY MEAT SECTOR IN THE IMPLEMENTATION PERIOD OF THE NATIONAL RURAL DEVELOPMENT PROGRAMME 2007-2013

Andrei-Marius SANDU

Academy of Economic Studies of Bucharest, 22, Jean Steriadi, District 3, Bucharest, Phone/Fax: +40722523961, E-mail: sandu\_andrey@yahoo.com

*Corresponding author:* sandu\_andrey@yahoo.com

### Abstract

*The purpose of this paper was to analyze the poultry meat sector in the implementation period of the European funds in Romania through the National Rural Development Programme 2007-2013. The NRDP 2007-2013 benefited from a budget that exceeded 8 billion euro. The study presents relevant data in the poultry meat sector in Romania compared to the other Member States of the European Union and at the same time an analysis of the price and the European measures that had a direct impact on the meat poultry sector.*

**Key words:** European Funds, NRDP 2007-2013, poultry meat, price, production

### INTRODUCTION

By its complex role and scope, in terms of rural area and population, Romania as a Member State of the European Union contributes to the sustainable development of agriculture by its agricultural sector. [5]

The Romanian agriculture was exposed to the challenges of the integration on the European agricultural market. Each sector of the agriculture had to go through a reformation and integration process in order to meet the quite harsh requirements imposed by the European Union in terms of agricultural products market. The situation on the impact of rural development on agriculture and performances in agriculture is still a topic of interest for the researchers and stakeholders in this field.[1]

Poultry farming is more and more important in the world agriculture, including in the EU countries because it provides high value food [9]. At the integration of Romania in the European Union, the poultry meat sector was extremely fragmented, there were very few integrated large units and many individual small producers.[5]

Investments were made in poultry farms. Farm investment refers to that exercise of using some finance of the present to purchase and use production resources in anticipation of recouping it in streams of income or profit

in a future date.[3]

### MATERIALS AND METHODS

The sets of data used within this study analyse directly the poultry meat sector in Romania and the Member States of the European Union. Essential data were used for the programming period 2007-2013.

The information was analysed after a research and a thorough study, using the data published by the Ministry of Agriculture in Romania, the Annual Progress Report of the NRDP 2007-2013 published in 2013, the National Institute of Statistics and Eurostat. Databases were used such as Ebsco si Anelisplus in order to carry out a research that can be used in the future.

By means of the NRDP 2007-2013 the European measures could be analysed that had a direct impact on the poultry meat sector.

### RESULTS AND DISCUSSIONS

This section of the study presents the data of the research carried out in the poultry meat sector.

In order to improve the poultry meat sector, European measures were foreseen within the National Rural Development Programme 2007-2013 that help develop and integrate the poultry meat sector on the European market.

Therefore, within the 4 axes foreseen in the NRDP 2007-2013 there were measures either with non-refundable financing or only 50% non-refundable financing.

Most measures that addressed the poultry meat sector were within Axis 1 – “Improving the competitiveness of agriculture and forestry”. The measures 112, 141, 121 and 123 aimed directly by the applicant's guides for the poultry meat sector. Therefore, within measure 121 at the end of the year 2013, 6.79% of total projects contracted addressed “the poultry” with a total volume of investments of Euro thousand 289,556.09.[2]

In terms of measure 112 regarding “young farmers”, the contracting of 4 projects for poultry with a cumulated value of Euro thousand 240 was finalized. Projects were also contracted on the other measures of Axis 1, but the measure 141 related to *semi subsistence farms* was the most accessed. The beneficiaries of this measure are the small-sized farms. It is known that within these holdings or small-sized farms, farmers rear poultry using traditional methods obtaining automatically an organic production because the agriculture practiced by them is

sustainable, traditional, very searched due to new European requirements. Those who accessed measure 141 benefited from 1500 euro annually for a period of 5 years.[2,6]

Within the Axis 2 of the NRDP 2007-2013 measure 215 – “Animal welfare payments” was essential where the poultry meat sector benefited from package B within measure 215 – poultry welfare payments. Within this measure the number of agricultural holdings that received support was of 26.45% of the target of 315 holdings. An amount of Euro thousand 70,376.24 were used from the allocation of Euro thousand 372,879.98.[2]

Following the accession of the European funds in the period 2007-2013 the production of poultry meat was influenced by them in terms of accession on the European market and the local market. The process was difficult and is still not finalized. “The European market of poultry meat is stable with a total production of 11,5 million tons in 2009” [7]. Nevertheless in the period 2007-2010, in Romania, the consumption of poultry meat decreased by 14.5% compared to the European level [10], as shown in the Eurostat statistics.

Table 1. Poultry meat – thousand tons, at European Union level

	2007	2008	2009	2010	2011	2012	2013	TOTAL
Belgium	:	:	361	404	403	410	388	1967
Bulgaria	116	91	99	96	98	99	95	487
Czech Republic	217	210	194	188	170	153	148	853
Germany	1087	1192	1289	1380	1425	1428	1456	6977
Ireland	122	117	:	:	:	:	:	0
Spain	1328	1375	1317	1349	1374	1384	1343	6767
France	1716	1706	1670	1712	1733	1709	1695	8519
Italy	1029	1116	1143	1180	1220	1259	1223	6025
Hungary	376	388	360	360	383	412	394	1910
Austria	109	109	:	:	:	:	:	0
Poland	1143	1186	1267	1342	1385	1549	1652	7194
Romania	305	343	290	287	294	313	326	1509

Source: Eurostat [4]

As shown in table 1, among the countries analysed, in the period 2007-2013, the highest production is registered in France. It produced

8,519 thousand tons of poultry meat in the 6 years analysed. Unlike France, in the 6 years, Romania produced 1,509 thousand tons, i.e.

82% less than France. Starting from 2010 a constant increase can be noticed in our country in this field. This increase is due to the European funds whose measures had an immediate and positive impact on the poultry meat sector. In terms of European sector the second poultry meat producer was Poland with 7,194 thousand tons, followed by 6,977 thousand tons.

As shown in table 2 the highest price among

the countries analysed is in France. Even if it is the largest poultry meat producer, it does not influence the price which is very high.

The high price is influenced by methods for rearing chickens and processing poultry meat that very closely meet the methods and requirements of the European market, the product obtained is of very good quality. The second price is in Italy with Euro 133.24 followed by Bulgaria.

Table 2. Sale price of chicken meat/100 kg live weight

	2007	2008	2009	2010	2011	2012	2013
Belgium	86	89	82	86	95	94	95
Bulgaria	92	105	95	92	96	101	117
Czech Republic	76	91	78	81	90	92	95
Denmark	57	79	70	74	88	92	98
Germany	78	86	81	83	93	96	:
Ireland	78	85	85	86	99	:	:
Spain	109	102	101	98	115	125	:
France	:	:	:	157	176	182	196
Italy	121	115	110	105	119	122	133
Hungary	79	92	77	78	89	94	98
Austria	82	90	92	92	93	92	108
Poland	:	90	78	80	90	92	92
Romania	112	104	87	92	99	98	113

Source: Euostat [4]

In Romania, the price for 100 kg live meat is of 113,37 Euro in 2013. It is noticed an increase by 12% compared to 2012. As in the case of France it is due to the change of policies and methods of poultry rearing. Compared to the other countries analysed, the price in Romania is very high if we take into account that in the other countries analysed, except Bulgaria, the purchasing power is much higher than in Romania.

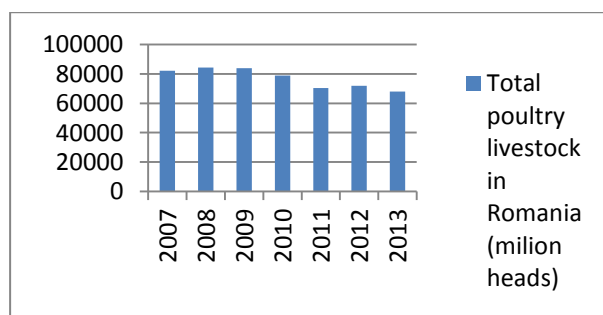


Fig.1. Total poultry livestock in Romania (Million heads) [6]

In the Fig. 1 it is shown the poultry livestock in Romania in the period 2007-2013. If in 2007 Romania had a livestock of 82,036 thousand heads, in 2013 our country registered a decrease by 17.12%.

The integration in the EU led to this decrease, even if Romania benefited from European funds; the requirements on the European market made the livestock decrease due to the barriers imposed by the EU on the poultry meat sector. Nevertheless, these barriers made the producers try to obtain better quality products and decrease the quantity produced. During the 6 years there were increase and decrease fluctuations until 2010 when the barriers were eliminated and the requirements of the European market adopted led to an increase of the livestock registered. The largest livestock registered was in 2008 when Romania had a total poultry livestock of 84,373.

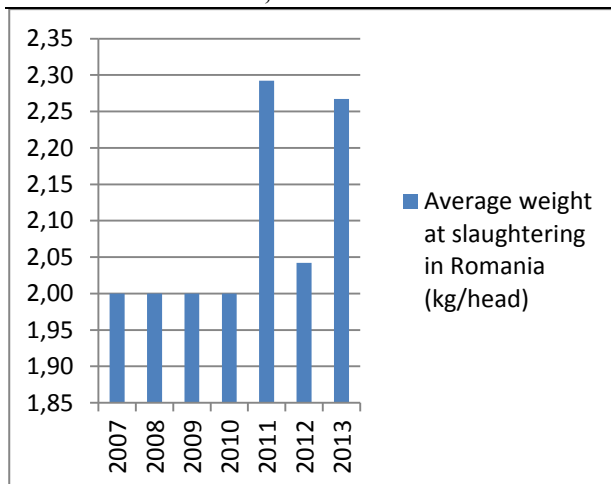


Fig.2 Average weight at slaughtering in Romania (kg/head) [8]

In terms of average weight at slaughtering in Romania it can be noticed a stability in the data analysed.

If in 2007 the average weight at slaughtering was of 2 kg, in 2013 an increase by 13.35% until 2.267 kg was noticed.

This was due to the fodder used in rearing meat poultry.

In order to increase it in weight and to make it of high quality, fodder that was very rich in vitamins and natural was used.

## CONCLUSIONS

In the process of the integration of Romania in the European Union, our country adopted a new approach in terms of the agricultural sector. This approach involved very much the poultry meat sector. By the application and the implementation of the European measures within the NRDP, Romania tried and succeeded in aligning to a large extent to the requirements of the European market. Until the end of 2013, from the data analysed, we can say that the implementation of the European funds had a particular impact on the agricultural sector and especially the animal sector. The analysis carried out proves that the meat poultry sector registered improvements first of all in terms of quality and secondly in terms of quantity. Taking into account the technological performances achieved in our country within the meat poultry sector, at the end of 2013, Romania is on the 6<sup>th</sup> place in

Europe in terms of ratio between quantity and quality.

For an even much more important increase in this sector, measures on the following aspects should to be analysed and implemented:

- The valorisation of the decommissioned structures and their reintroduction in the circuit by projects financed from the European funds.

- Carrying out a rigorous control at the poultry meat for export.

- Modernization of the processing and the marketing for this sector.

- Trial to increase the offer, establishing a new target for the position of Romania at European level on the market in order to assure an increased competitiveness within the sector analysed.

- Investments in research-development for poultry meat sector

## ACKNOWLEDGMENTS

This work was co-financed from the European Social Fund through Sectorial Operational Programme Human Resources Development 2007-2013, project number POSDRU/159/1.5/S/142115 „Performance and excellence in doctoral and postdoctoral research in Romanian economics science domain”.

## REFERENCES

- [1]Alboiu, C., Stirbu, R., 2011, “Agriculture and business development in rural areas: effects of the implementation of National Programme of Rural Development”, Scientific Papers Management, Economic Engineering in Agriculture and Rural Development, 11(3):5-12
- [2]Annual Progress Report of the National Rural Development Programme 2007-2013, published in 2013
- [3]Emerole, C.O., Anyiro, C.O., Osondu, K.C., Nwachukwu A.N, Mbubaegbu, K.K., Ibezim, G.M.C, 2013, “Factors influencing decisions for using outside funds for farm investments and proprietor withdrawals by small-scale farmers in Abia state, Nigeria” Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development,13( 3): 93-102
- [4]Eurostat (ec.europa.eu/eurostat)

[5]Istudor Nicolae,, 2006, Dezvoltarea rurală și regională a României în condițiile integrării în Uniunea Europeană., Editura ASE, Bucharest, 144-281

[6]Ministry of Agriculture and Rural Development of Romania

[7]Moldovan, M., 2011, “Poultry meat market in Romania after the accession to the European Union”, Scientific Papers , University of Agricultural Sciences and Veterinary Medicine of Banat , Timisoara, Series I, Agricultural Management,13(2): 235-242

[8]National Institute for Statistics, 2013

[9]Pirvutoiu, I., Popescu Agatha, 2012, Analysis of Poultry Meat Market in the E.U.-27”, Scientific Papers: Animal Science and Biotechnologies, 45(2):440-447

[10]Sanda, G.S., 2012, Analysis of poultry meat consumption in Romania, Scientific Papers, University of Agricultural Sciences and Veterinary Medicine of Banat, Timisoara, Series I, Agricultural Management 14 (2):171-178

