Elena SIMA

Institute of Agricultural Economics, Romanian Academy elena.sima2008@yahoo.com

IMPACT OF ORGANIC FARMING PROMOTION UPON THE SUSTAINABLE RURAL DEVELOPMENT

ABSTRACT

The obvious impact of farming activities upon the environment quality determined an increasingly rigorous concern of compatibilization between the two terms of the equation. These orientations reflect the new evolutions of the sustainable development process in the rural areas and an ecologic approach to agriculture. In Romania, the organic farming is a dynamic sector that has experienced an increasing trend in recent years, both in the crop production and livestock sector. The state and private organizations carry out farmers' information and training actions with regard to organic farming, while the specialized higher education institutions are concerned with the training of specialists in this field. The direct expression of this phenomenon is represented by the main contribution of producers from this sector to sustainable development through the increase of biodiversity, environment protection and soil fertility, as well as by the development and promotion of the Romanian organic products on the domestic and world food markets.

Key words: organic farming, sustainable rural development, natural resources.

JEL Classification: Q 57, Q01, Q34.

1 INTRODUCTION

Under the new conditions created by globalization and by the environmental standards, sustainable development became a main concern of the governmental action, of scientists and of the civil society. As a result, the multiple connections that exist between economy and the natural environment have been and still are largely debated. In this context, the sustainable development of the rural environment involves, among others, agriculture development, which should focus upon efficiency and rational use of the natural resources.

In the European Union space, agriculture and the rural areas are the pillars of the future economic development. While focusing upon maintaining the high competititiveness of the farm products on the world market and upon the products quality, the new orientation of the Common Agricultural policy targets an increased contribution of agriculture and rural areas to the improvement of the general state of the environment and of the population living standard as well as the diversification of job supply, of the supply of goods, products and services, significantly contributing to the implementation of the sustainable development requirements at European level.

Agricultural Economics and Rural Development, New Series, Year VI, no. 2, p. 217-233, 2009

2. STATE OF KNOWLEDGE

The sustainable development aproaches the life quality concept in all its complexity, from the economc, social and environmental point of view, promoting the idea of balance between the economic development, the social equity, the efficient use and preservation of the environment. The essence of the sustainable development process is the reconciliation between the promotion of the integrated process of designing the development strategies and maintaining the environment quality and the decision making for their application, both at global and regional, national or local level.

The sustainable development strategie highlight the interdependence between the local and global issues, between the developed and developing countries, underlying the need for cooperation within and between the economic, social and environment sectors.

In the European Union space, the rural development policy is an important issue, given the fact that more than 60% of the population of the 27 Member States is living in the rural areas, which cover 90% of the territory. Agriculture and forestry are the main users of land in the rural areas and, as a result, they play an important role for the rural communities; they represent the foundation of a strong social structure and economic viability, as well as of the management of natural resources and landscape. From the numerous opinion polls conducted in the 27 Member States, it clearly results that a sustainable rural area is of great importance for the European citizens.

In this context, the present Common Agricultural Policy focuses on:

- the promotion of the role played by the communities of farmers in the management of the local natural resources (soil, water, forests, wild flora and fauna etc.) and of the natural landscape, mainly through a greater orientation of the financial aid directly granted to the farmers who apply the recommended measures for the good agro-environmental practices;

- the diversification and integration of the agro-forestry-pastoral and aquaculture activities on the basis of a rational putting into value of the natural resources potential, as wll as of the local traditional knowledge and skills, thus creating opportunities for new jobs and new income sources for the rural population, together with the diminution of pressure upon the agricultural land;

- the harmonious development of the agricultural areas and of the rural settlements, through a judicious planning, organization and management of the rural territory; this should take into consideration the economic, social, ecological and cultural-historical consequences of the different regions and consolidate the potential and multi functional role of the rural areas and settlements from the economic, social, ecologic and also cultural-spiritual point of view, while ensuring the protection and the preservation of the natural resources, through the

maintenance and creation of a natural framework favourable to leisure activities and attractive for tourism, in order to create the necessary conditions for a decent living, at acceptable standards, for all the rural communities.

The rural development policy was consolidated in order to help the rural areas to face the economic, political and ecological challanges of the 21st century. The new legal framework and the European Agricultural Fund for Rural Development highlights the need to stimulate the creation of new jobs in these areas for the improvement of the sustainable development in conformity with the Lisbon Strategy and the Göteborg Council.

In the "Rural Development Regulation", mainly those measures are taken into consideration that ensure the diversification and improvement of the income sources for the local communities through the sustainable putting into value of the local natural resources, the development of services and infrastructure necessary in the rural settlements and areas, reaching the acceptible welfare standards for the rural people.

In this context, for the period 2007-2013, the rural development policy is based upon three core objectives, in conformity with the three axes defined in the new regulation on rural development: improving the competitiveness of the farm and forestry sector; improving the environment and the countryside through support for land management; improving the quality of life in rural areas and encouraging diversification of economic activity. A fourth axis, the "Leader", inspired from the experience of the community initiative, aims at putting into practice some local rural development strategies based on local partnerships between the juridical and the private sector. The number of available resources for the rural development will grow after the reduction of direct payments to farms and the transfer of these funds to the rural development measures ("modulation").

The measures and instruments stimulating the "green jobs", on which all the EU sectoral policies focus, have in view both the sustainable use of the existing natural resources and ecological reconstruction works, which target not only the rehabilitation but also the consolidation of the economic, social and ecological potential of agriculture and rural areas.

Known also under the name of agro-environmental practices, the crop and livestock production systems complying with the organic farming requirements are yielding economic, social and ecological benefits on long term. The farmers are willing to apply the good agro-environmental practices, which feature high diversity, depending on the area characteristics; the governments are obliged to apply the necessary measures to stimulate their expansion. Countries like Austria, Sweden and Finland are mentioned as an example, which have largely implemented such programs, very appreciated in Europe, in the period of accession preparation.

3. MATERIAL AND METHOD

The farming activity based upon the application of the measures recommended for the good agro-environmental practices, named organic farming, has a visible impact upon sustainable rural development, which is noticed in the economic, social, ecological and historic-cultural plan, both at local and national level.

The whole information volume in this article was obtained through specific methods for the selective research, respecting all its stages from the methodological point of view: identification of the researched issue, research framework delimitation, information collection, data processing, analysis and interpretation drawing up the conclusions. The office research also played an important role in the article, which consisted, on one hand, in the identification of other studies and articles on the same subject, and in the processing of some statistic data, on the other hand. Hence, the information sources used can be classified into governmental sources (statistic, ministerial and from research institutes), and into non-governmental sources (independent publications). As the statistical data on organic farming and its impact upon the economy, environment and human society are very few, the research results are based on a series of mainly qualitative analyses, on the one hand, and on a series of logical rationales, on the other hand.

4. RESULTS AND DISCUSSIONS

Europe is known for the diversity of crops and agricultural products, resulting from the natural environment and methods of cultivation that have been improved throughout the centuries. Both the European and world consumers show an increasing interest in the agri-food products quality.

In the European Union, in conformity with the *European Council (EEC) Regulation no. 2092/1991*, of June 24 and its amendments, the following terms are used, with the same meaning: organic agriculture (in Great Britain), biological agriculture (in Greece, France, Italy, Netherlands and Portugal), ecological agriculture (in Denmark, Germany and Spain).

Most specialists agree upon the fact that *organic, biological, or ecological agriculture* is a component of the sustainable agriculture system, as well as an alternative to *intensive, industrial, conventional farming*, which increasingly proves its limits and drawbacks with regard to the quality of the obtained products and the negative impact upon the environment, through the use of significant amounts of chemicals (chemical fertilizers and substances for the control of pests and diseases).

The agri-food organic production is in favour of the use of renewable resources, the recycling and return into the soil of the nutrients found in waste. It avoids the use of synthetic chemical products and of the Genetically Modified Organisms (as crops/organisms to which certain genes (with undesired features) are

221

transferred through modern genetic engineering methods (called bio-technologies), by reproduction and/or recombination. In the organic production, only the crops/organisms obtained by conjugation, transduction and hybridation are used.

The organic, biological or "bio" agri-food products are obtained in smaller amounts, they are much more expensive than the agri-food products resulting from conventional farming, but they are very appreciated by consumers as they are quality products, healthy and tasty, especially when they are consumed under fresh or less processed form.

The organic or bio agri-food production is obtained on the basis of some regulations, governing both the process of raw material obtaining and the processing, product labelling and sale, as well as the imports and exports of organic agri-food products from third countries, whose organic production and control criteria have been acknowledged by the habilitated international bodies. Besides these regulations, the farmers must respect some basic environmental standards, some of them based on agro-environmental premia, others without financial compensation, in which the "polluter pays" principle is applied.

As a result, by its own nature, the organic agriculture protects the next generations, the farmers' health, the nature, by reducing the soil erosion phenomena, preserving the water quality and the biodiversity, saving energy and reducing the effect of the climate disasters; it redefines the farmer profession and provides development opportunities for family business development, is adjusts the social and economic benchmarks in the rural area, supports the real economy development, etc.

4.1. Adjustment of the social and economic benchmarks in the rural areas

Organic farming contributes to a higher involvement of the rural communities in environment protection. This is achieved by:

- the creation of more attractive natural landscapes focusing on: planting of hedges and pastures, preservation of the native flora and fauna, the protection and improvement of water and soil resources, the use of the domestic species of plants and animals and of the local resources;

the increase of overall attractiveness of rural areas, making them more capable of attracting and maintaining the inhabitants in a period when the rural populations are migrating on the EU territory.

The complex nature of the practices involved in organic farming and agroprocessing creates a strong connection between the rural and the urban areas, bringing financial and social benefits to the members of these communities.

The growing economic viability of the organic farming activity has increased the opportunities for the rural communities at a moment when many of them were trying to maintain themselves as attractive places and jobs and to reduce the local population migration. A sustainable community appreciates and promotes healthy ecosystems, efficiently uses the resources, develops and ensures a viable local economy. The sustainable community has a development vision supported and promoted by all the community sectors, civic associations, local authorities, religious organizations, young people, etc.

A sustainable community is that which has the control upon the development process, upon the decisions it makes and adopts, ensuring the sustainability at local level. This sustainable community has an active social structure – players, groups, associations and institutions able to get involved in long-term joint actions and to assume responsibility for this development process.

The sustainable communities are flourishing because the population is working under collaboration and partnership basis for improving the life quality. The sustainable community is using its own resources in order to meet the present generations' needs, while ensuring the resources necessary for the next generations. It uses its own capacities in order to ensure quality health services, a high living standard for all its residents, by limiting waste, by pollution prevention, by maximizing the conservation of resources by the development of the local resources and by their efficient use for the local economy revival.

The Institute for Sustainable Communities identified the following components of a sustainable community in the year 2000:

1. The ecological integrity characterized by:

- satisfying the basic human needs for air and fresh water, nutritious, uncontaminated food

- protection and development of the local and regional eco-systems and of the biological diversity;

- the water, soil, energy and non-renewable resources preservation, including the maximum use of wastes;

- application of the prevention strategies and of modern pollution minimizing technologies;

- use of the renewable resources in conformity with the renewal rate;

2. The economic security supported by:

- a diverse and financially viable economic basis;

- the re-investment of resources in local economy development;

- the active participation of the local business in economy development;

- employment opportunities for citizens;

- necessary education and training for the adjustment to the employment requirements in the future;

3. The responsibility and empowering necessary for:

- equal opportunities for all persons to participate to and influence the decisions that affect their lives;

– access to the information available to the public;

– a viable NGO sector;

- respect and tollerance for different points of view, values and traditions;

– political stability;

- encouraging people of all ages, genders, nationalities, religions and physical abilities in assuming their own responsibilities in the community development process;

- non-compromising the sustainable development of other communities;

4. the social welfare characterized by:

- relevant health services, safe and sound dwellings, quality education institutions for all the community members;

- security;

- stimulation of the creative expression through arts;
- the protection and ensurance of public spaces and historical resources;
- a healthy activity environment;

- adaptation to external changes and challenges.

As a result, the main purpose of community sustainable development is poverty eradication at local level, focusing on local resources, which could be classified into: natural resources (soil, air, water, forest plantations), human resources (knowledge, skills, capacities, creativity, adaptation strategies), physical resources (buildings, roads, natural capital: soil, water, forest plantations), social resources (governance and decision-making structures, community, culture).

The organing farming practice, generating economic, social and ecological benefits on the long term, means the knowledge and application of certain agroenvironmental practices, which feature great diversity depending on the characteristics of the area where they are applied. These agro-environmental practices are regarded as crop and livestock production systems that focus mainly on the measures that ensure the diversification and improvement of the income sources for the local communities by the sustainable use of local resources, the development of services and necessary infrastructure.

At present, in the conditions in which the "bio" or "eco" foodstuffs are sold at higher prices than the conventional foodstuffs, the prices of conventional food do not reflect the hidden expenses, generated by the tax payers, as well as other hidden costs related to regulating and testing the pesticides, the storage and disposal of hazardous waste and the damages to the environment.

The organic farming practice has an important role in the improvement of the environmental conditions, soil preservation, the improvement of water quality, biodiversification and nature protection. Being a type of sustainable agriculture, its goal can be expressed by a mini-max type of function: the production maximization and the minimization of the negative side effects of the agricultural activities.

The competitiveness of the organic products largely depends on the rational formation and allocation of resources, on the conservation and improvement in time of the defining characteristics and of the efficiency of the agricultural growth determinants, such as: land, physical capital and type of production inputs, the human capital, the condition and dynamics of the environment, the technical and technological progress, the organizational process defined by the competitiveness of the economic agents, the governmental management based upon agricultural policies and strategies, the management of the agricultural units, etc.

The economic impact of crop and livestock production in the conditions of respecting the organic farming specific rules, as well as the processing and sale of resulting products is a complex issue, with many factors of influence.

The economic aspects of the organic farming are closely connected to the market. It is the market that validates a product from economic point of view. If the demand exists for the respective product, the supply (i.e. organic crop or livestock production) is of interest for farmers, and these improve their cropping or livestock raising technologies, rationalizing the costs and consequently optimizing their profit. As a result, the farmer must supply the consumers with clean and healthy products, at low prices.

The organic farming legislative pressure, the emergence of eco-taxes (the ecological tax), of the norms and technical standards with ecologic limitations for products led to the change in the behaviour of firms producing goods and services, in the direction of their ecologization. The products and services are not accepted on the market if they do not comply with the conditions imposed by the environmental standards.

In this context, the firms producing ecological goods and services understood that it is desirable to focus upon the ecological training of their employees, to stimulate their creativity in order to find solutions to problems such as the efficient use of energy and raw materials, waste recycling, pollution minimization "at source", rather than paying increased eco-taxes. In this way, the money saved can become resources for the future development of the respective firm (company). Thus, they combine the economic efficiency with the ecologic efficiency.

In December 2000, the European Council decided to grant community financial assistance for the measures of information and promotion of agricultural and agrifood products on the internal market of the EU. Mariann Fischer Boel -European Commissioner for agriculture and rural development motivated this funding decision in the following way: "The agricultural products in the European Union are unique through their qualities and diversity. But, on a global market under full expansion, we have to double our efforts to put them under the eyes of consumers. It is not enough to produce foods and beverages of excellent quality. We must also use well-designed marketing instruments in order to promote them. Such projects can significantly support the domestic producers in an increasingly competitive world". The measures in view include public relations and promotion and advertising actions, designed to highlight the advantages of products in terms of quality, hygiene, security, nutritional values, packaging, non-polluting production techinques etc. The information campaigns on the European quality standards are also eligible. The European Union is funding 50% of the budget of these projects, and the rest represents the contribution of the professional organizations that initiate the projects or of the Member States through their internal budgets.

The rural communities in Romania are confronted with many problems of economic and social order. These have to find new solutions to their problems, which is quite difficult in the conditions of continuous change of values, in the absence of the necessary capacities and abilities in a free society and market economy. Things are even more difficult, in the case of a local infrastructure that is almost destroyed or needs renovation. The inhabitants' apathy and lack of interest in the present and future of their community contribute to many problems remaining unsolved. There are also examples of success – communities which actively respond to the challanges and the problems they are facing, which are encouraging the free innitiative and the actions with positive results. The success of these communities resides in the mobilization of the local efforts and resources, in encouraging the active participation of population to the community life, in assuming full responsibility for the locality destiny, for the present generations' and next generations' destiny.

4.2. The adjustment of the ecologic benchmarks in the rural area

The idea of sustainable development characterized by a special care for the environment for its preservation for the next generations has in view the change of mentality at individual level (equally for producers and consumers) in the relation with the environment. The children are four times more exposed than the adults to the effect of at least eight pesticides commonly used in agriculture, causing cancer, and the choice of foodstuffs made by the consumers now will have impact on their children in the future.

Many pesticides approved for use by the Environment Protection Agency were registered before research was made on the relation between the emergence of cancer and of other diseases and the use of these pesticides. At present, EPA considers that 60% of herbicides, 90% of fungicides, and 30% of insecticides produce cancer. A report of the World Health Organization in 1987 estimated that pesticides can cause 1.4 million cases of with the Americans. Pesticides are designed to destry living organisms, being also dangerous to people. Besides the fact that they could cause cancer, pesticides contribute to the emergence of birth defects, nerve problems and genetical mutations.

The new consumption patterns due to the change of values with regard to the environment, ethics and health are gaining new consumers every day. This is a good reason for many cooks to use organic, ecologic or "bio" foodstuffs in their recipes, which have a better taste and are healthier.

The obtaining of these products starts with soil nutrition, which contributes to plant feeding. The plants (crops), in their turn, contribute to the feeding of animals and people, and the plants and the develop our food tastes.

A study on the cancer disease stated that the farmers who use herbicides are six times more exposed to the risk of having cancer than the others. In California, the poisoning effect of pesticides upon the farmers has grown by 14% each year on the average, starting with 1973, and doubled in the period 1975-1985. The workers in the fields are subject to highest rate of occupational diseases in the USA.

Farmers' health is a serious problem in the developing countries, where the pesticides are incorrectly used. Approximately one million people are adversely affected by pesticides each year. Several pesticides that are banned in the USA are however produced and exported to other countries.

The organic products are different from the industrial ones by the fact that no chemical fertilizers are used for their production, only natural fertilizers. At the same time, no pesticides or herbicides are used the concentration of which exceeds the 5% limit, which could affect the product properties.

The organic farming practices are non-polluting, and the people who live in an unpolluted environment are healthier. The organic farming targets the harmonization of dynamic interactions between soil, plants, animals, people or, in other words, between the economic, ecological and social side of the agroecosystems and the people's food, clothes and dwelling needs.

There is a strong mutual influence between agriculture and nature. Throughout the centuries, agriculture contributed to the creation and maintenance of a variety of valuable semi-natural habitats. At present, these are shaping most landscapes on the whole EU territory and host a multitude of wild species. In this context, the organic farming provides security in front of natural disasters, soil erosion prevention, water quality protection, energy saving, bio-diversity promotion.

The land areas under organic farming are more resistent to weather disasaters (drought and heavy rainfalls). In 1999, in Pennsylvania, a group of researchers thoroughly investigated the extreme stress situation created by an extremely dry summer followed by a month of September with heavy rainfalls. The study had in view the detrmination of biomass, of soil coverage and surface and in-depth water dynamics. The results revealed that on the parcels on which short and/or long ecological crop rotations were applied, the yields were higher compared to those obtained on the parcels with conventional rotations (with application of chemicals).

The soil represents the basis of the ecologic, biological, or organic food production. The specialists' assessments indicate that soil is the first victim of intensive agricultural technologies. In the USA every year, over three million of tons of high quality soils are the victim of erosion. As a result, the American farms suffer from the greatest soil erosion in the history.

Two-thirds of the human body consist of water. 70.8% of the area of the globe is covered by oceans and seas. Drinking water comes from the ground water that feeds the surface running waters. In spite of being so important, water is another victim of pesticides. The pesticides are polluting the surface waters in 38 states, affecting more than half of the inhabitants of each state.

During the last three generations, the American agriculture shifted from the small family household farms based on human energy to the large-sized industrial

farms, based on the use of fossil fuels. The modern farms are using more petroleum than any other industry, consuming 12% of the total energy source of the USA. More energy is used in the production of chemical fertilizers than for the cultivation and harvesting of all crops in the USA. The organic farming is mainly uesed on practices that need more manual work, as for example weeding, application or natural fertilizers, harvesting etc. The "bio" or "eco" products also travel a much shorter distance from the farm to the consumer table, as they are being preferred fresh or un-processed.

The monoculture means the same crop being planted on the same same land, the same field several years on end. There are some crops, maize for example, which could be cultivated on the same area for several years, without decreasing yields, on the condition strict fertilization and pest and disease control measures are applied. In the period 1950–1970, maize production of the USA increased three times, due to the use of larger amounts of fertilizers, pesticides for pest and disease control. The use of a larger energy amount in the cultivation technology seriously affected the natural diversity of plants.

4.3. Redefining the farmer job

Organic farming enables the application of a new production management, by which farmers contribute to the maintenance of ecosystems and to pollution diminution; at the same time, only a limited number of additives and technological auxiliaries are used in the organic processing of agri-food products.

The practices involved in the organic farming and agro-processing are extremely complex and specialized, which creates a special level of *professionalism*. The operators from organic farming and the chain of related activities have skills in the production and delivery of organic products and they get permanently trained for the improvement of the necessary skills and knowledge.

In the first, and most important place, the restrictions in the use of pesticides, of chemical fertilizers, of antibiotics for the animals, of the food additives and of other additional substances in the processing of the agricultural products, make it compulsory for farmers to be highly qualified and have a good knowledge, in order to ensure a good health and nutrition level for crops and livestock, while efficiently using the farm resources.

In the organic farming system, prevention is the key to success, because the farmers who practice this type of agriculture must use all their knowledge and managerial skills so as to prevent the occurrence of such problems, as they cannot rely on the "fast solving" of problems in case they appear.

The same approach is also valid in the agro-processing sector. The organic agri-food products are found in a wide range of forms, from fruits and vegetables supplied under fresh form directly from the farm, to wines, and old refined cheese.

As a result, the specific organic farming practices impose the following:

- crop rotation as premises to the efficient use of farm resources;

- very strict limits to the use of chemical pesticides and of chemical fertilizers, of antibiotics for animals, of food additives and other complementary substances used in the agro- processing industry;

- banning the use of genetical modified organisms (GMOs);

- the use of present resources on the spot, the use of manure from the livestock and fodder produced on the farm as fertilizers;

- choice of crop and animal species that are resistant to pests and diseases, adapted to local conditions;

- raising the animals in freedom conditions, in open sheds fed on organic fodder;

- use of certain animal raising practices adapted to each breed in part;

The authenticity of the organic agricultural and food products, regardless of the place where they are produced, as well as their accurate labelling is guaranteed and ensured through a series of norms, instruments, legal, institutional, administrative, commercial, financial structures and procedures. In the law, the use of the word "organic" and of its equivalents in any other language, for the classification of the food products, is exclusively reserved to the organic agricultural products. This exclusive use represents for consumers a guarantee for the quality and fiability of the organic products they buy.

The ecologic logo of the EU was made available to the farmers and producers of organic food products in order to be used on a voluntary basis; the meabning of the logo is the following: at least 95% of the product ingredients were obtained by ecologic methods; the product respects the norms of the official control system; the product bears the name of the producer, processor or seller, as well as the name or code of the control body.

At present, more and more farms are shifting to organic, ecologic, biological practices. Most of them are small family farms, which means that the organic farming provides development opportunities to the family business.

The organic farming development represents a challenge and priority at the same time, as the EU Common Agricultural Policy provides mechanisms for the support of the agricultural producers, applying the rules of the good agricultural and environmental conditions.

Among the forms of support provided to farmers and other beneficiaries from the rural areas are those regarding the "agro-environmental measures for the environment improvement". The agro-environmental systems have been supported by the European Union ever since their introduction through the CAP reform of 1992. They encourage the farmers to supply environment services that go beyond the ordinary farming practices. The farmers who commit themselves on a voluntary basis to reach the agro-environmental objectives on a period of five years can benefit from aids. Longer periods can be established for certain types of commitments, depending on their effects upon the environment.

The organic farming practice, generating long-term economic, social and ecological benefits, means the knowledge and application of agro-environmental practices, which feature high diversity depending on the zone where they are applied. These agro-environmental practices are regarded as systems of crop and livestock production that mainly have in view the measures targeting the diversification and improvement of the income sources for the local communities through sustainable use of the local resources, development of services and necessary infrastructure.

The competitiveness of the organic products largely depends on:

- the creation of a production, processing, and sale system for the organic products, meant to satisfy the requirements of the national and international market;

- the professional training of all those involved in the chain of organic products: activities related to organic with ecological character: trainers, producers, inspectors, processors, experts from the Ministry, importers, exporters etc;

- setting up the producers' groups for the commercialization of the Romanian organic products;

- the promotion of the Romanian organic products on the international market;

- the coverage of the market niches existing in the uncovered specific fields also by the development of the specific organic agriculture research.

The organic farming responds to the various concerns of the contemporary world; yet it is facing difficultires in its development. The main advantages and opportunities are coming from:

- the use of natural resources in a sustainable and renewable way;

- the use of the traditional technologies that are benefitting the developing countries and are an important premise for ensuring the food security at local level;

- production of foodstuffs with high nutritive qualities, safe for the consumers;

- higher incomes for the farmers, because the prices of the organic products are higher;

- the employment of labour in the rural area for a greater number of days per year;

- demand for organic products, which created new export opportunities for the developing countries.

The disadvantages and constraints of organic farming could be due to:

- price difference between the organic and conventional products resulting in low incomes, these having the tendency to increase in time, as the supply of organic products tends to equal the demand;

- the different quality standards that create difficulties in ensuring a fair trade with organic products, in some situations the importing country being able to refuse the products, this procedure thus becoming a technical (non tariff) barrier; - the lack of firm guarantees for long-term land operation by the lessor farmers, who are investing in the conversion to organic farming.

From the analysis of the value chain and of the consumers' requirements at world level, the identified critical success factors are the following: the price, the assortment range, the packaging, the image of the product and the availability. The approach to these critical success factors is hindered by the existence, at the level of each link or important activity in the value chain, of some constrains affecting competitiveness.

The constraints that appeared at producer level in the organic farming system refer to:

- the lack of producers' information on the benefits of applying the organic production practice;

- the poor development of the input sector specific to organic farming (seeds and planting stock, fertilizers and amendments, substances for the control of pests and diseases);

- the poorly developed research in the field of organic agri-food production;

- low number of producers' associations and/ or marketing associations;

-a crop insurance system that is weakly developed and non-attractive to producers;

The financial constraints at farmer level refer to:

- high expenses due to a period of conversion of 2-3 years, while the products cannot benefit from price premia specific for the certified organic products, to which the certification costs are added;

- high price of the specific inputs necessary for the organic production, which are imported at present;

- non-functional export subsidies and minimum subsidy for the conversion period and for the certified products;

- lack of fiscal policy measures and of financial support for tax exemption;

- indequate operation of the agricultural credit system or of the agricultural credit guarrantee fund;

- limited presence of foreign investors.

The processing sector of the organic agricultural products is still poorly developed and the constraints at processor level are due to the following:

- lack of coherence in supplying the processors with primary products and inputs (additives, ingredients, etc);

- use of obsolete machinery and technologies on the farms and processing SMEs, which do not comply with the organic farming standard;

- low investment rate in the organic processing sector, for the modernization of the existing production facilities or for the development of new ones.

At the level of the domestic market of organic agri-food products, the operators are confronted with the following constraints:

– existence of a low number of production and processing units in the field of organic farming;

231

- existence of a low number of importers of organic agri-food products;

- a low purchasing power at consumer level;

– lack of a promotion programme for products and of consumers' awarenes.

At the level of foreign market for organic agri-food products, the operators are facing the following constraints:

- absence of a commercial representation network on the market of the countries interested in organic products;

- poor development of the specialized networks that provide information to exporters (market studies, quality standards, tariff and non-tariff barriers);

- insufficient and unefficient cooperation between the public and private sectors with regard to Romania's presence in international fairs and exhibitions;

- bureaucracy at the central administration institutions and at the level of the customs points.

At institutional level, the manifested constraints are related to:

- lack of accurate information on the benefits of organic farming practices;

- lack of an action plan for the organic farming development (on short, medium and long term);

- the ownership titles have not been granted intotality, delayed privatization of the former state farms and confusion in the concessioning of plantations;

- fiscal instability;

- quasi-general not understanding the new competitional context and the implications of the accession at top management level;

- the low rate of legislation implementation mainly as regards the control system through the non-existence of the control on activity of inspection and certification bodies acknowledged by the Accrediting Commision within the Ministry of Agriculture;

- the low level of producers' association and of economic efficiency at producers' level implicitly for complying with the specific requirements on the foreign markets;

- the non materialization of the public-private partnership in promoting the organic farming concept.

The numerous farms of relatively low size with family labour force, which are obliged to give up the application of chemicals also create favourable premises for the adoption of alternative agricultural systems in Romania. Organic farming encourages the integration of complementary activities on the agricultural holding, it favours interesting poly-cultural systems, both from the perspective of environment protection and landscape preservation. The constraints to chemical fertilization and use of phyto-sanitary substances is a guarantee to obtaining healthy products and, at the same time, they eliminate the risk of contaminating the environment, either at soil level or at ground water level. At macroeconomic level, the beneficial effects of the organic farming practice can be materialized into better employment. Thus, organic agriculture can contribute to the promotion of a viable rural economy by the development of economic activities with significant value added and with a great intensity of population employment in the rural areas and with great contributions to the increase of the interest in the rural area.

CONCLUSIONS

Sustainable development differs according to space, time, values and available resources. The development process of the rural communities from the sustainability perspective first implies the awareness of the development planning need, of the correct assessment of strengths and weaknesses of the rural communities, of existing or potential opportunities and risks, which will determine the priority actions on short and long term.

A sustainable rural community is based on active citizens who take part in the development of the initiative spirit and responsibility related to the harmonious development of the agricultural areas and rural settlements, through the rural territory planning and organization, which should take into consideration the economic, social, ecological and cultural-historical consequences of the different regions, consolidate the potential and multifunctional role of the rural areas and settings under economic, social, ecological, cultural-spiritual aspect, ensure the protection and preservation of natural resources by the maintenance and creation of a natural environment favorable to a decent living, at acceptable standards.

A production management system is applied in the organic farming that promotes and improves the health of agro-systems, protects biodiversity, the biological cycles and the soil micro-biological activity, obtaining high quality and healthy agricultural products, which can be sold at much higher prices than the conventional products. This has a multitude of benefits, both for farmers and for consumers. At the same time it prevents soil erosion, it protects water quality, it promotes biodiversity, saves energy, reduces the effect of the climate disasters, it supports real economy development, it adjusts the social and economic benchmarks in the ruralarea, it redefines the farmer's profession, it protects the next generations, removes the chemicals from food, it develops the "good taste for food", it also protects farmers' health and provides opportunities for family business development.

Owing to its characteristics, the organic farming ensures:

- the long-term protection of soil fertility, by maintaining and increasing the organic matter content, by encouraging the biological activity and careful mechanical interventions;

- the indirect supply of nutrients to crops, that reach the crops through the action of the soil microorganisms;

- ensuring the necessary nitrogen from the leguminous crops and the biological nitrogen fixation, as well as the efficient recycling of the organic matter from natural resources;

233

- the control of weeds, diseases and pests, mainly based on the use of predators, organic fertilization, resistant plant varieties and (preferably) thermal, biological intervention, yet limited chemical intervention;

- extensive livestock management, with focus on their evolutive adaptation, on the animal behavioural needs and animal welfare, nutrition, shelters, their raising in the most natural conditions possible;

- above all, the contribution to the increase of food and feed quality, to the increase of the food safety for the population;

- it focuses on the impact of the agricultural system upon the environment and the preservation of the wildlife and natural habitats.

To sum up, the organic farming practice, generating long-term economic, social and ecological benefits, means the knowledge and application of certain agro-environmental practices, which feature high diversity depending on the characteristics of the zone where they are applied, but which have to ensure the diversification and improvement of income sources for the local communities through the sustainable use of local resources, the development of services and necessary infrastructure.

REFERENCES

- 1. Bănacu, C. S., (2004), Analiza pe ciclul de viață (ACV) economic-ecologic al produselor între utilitate și necesitate, Management/Economia, nr.1, Editura ASE, București.
- 2. Dachin, Anca și Popescu, C., (2003), *Creștere economică și dezvoltare durabilă*, capitol al volumului Economie, Ediția a șasea, Editura Economică, București.
- 3. Gavrilescu, D. (coord.), (2006), Agricultura și spațiul rural românesc din perspectiva dezvoltării durabile, CIDE, Bucuresti.
- 4. Otiman, P.I. (coord.), (2006), Dezvoltarea rurală durabilă în România, Editura Academiei Române, București.

5. Papacostea, P.P., (1991), Agricultura biologică, Editura CERES, București.

- 6. Sima, Elena, (2002), *Agricultura ecologică și percepția schimbării de la cantitate la calitate*, Volumul 6, Seria probleme economice, CIDE, București.
- 7. *** (2000), *A Guide to Implementing Local Environmental Action Programs*, Regional Environmental Centre for Central and Eastern Europe.
- 8. *** (2006), Tendințe Sociale, INS, București.
- 9. *** (2008), National Strategy Plan 2007-2013, MAFRD, Bucharest.
- 10. *** (2006), National Rural Development Plan, MAFRD, Bucharest.
- 11. http://www.mapam.ro.
- 11. http://www.naturaland.ro.