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COMMON AGRICULTURAL POLICY REFORM. PERCEPTIONS AND OPINIONS – A CASE STUDY¹

ABSTRACT

After one decade of structural, legislative and institutional reforms, of economic and social restructuring for accession preparation, the Romanian agricultural sector has to face again a significantly changed situation in the context of the Common Agricultural Policy future Health Check. This paper catches the perceptions and opinions of the Romanian specialists regarding this subject. A survey was implemented in the period 12–18 November 2007. Most of the specialists' opinions and perceptions who answered the survey questionnaire converge to the idea that Romania does not have its own agricultural policy and the undertaken actions are circumscribed to and almost fully dependent on CAP. The suggestions made are in the direction of adopting an agrarian and rural development policy where the CAP-related objectives are only a part of it. The difficulty resides in the fact that the problems of the Romanian agriculture and rural area are so many and deep.

Key words: Common Agricultural Policy, Health Check, Romania

JEL Classification: A19, O50, Y80

In more than 50 years of existence, the Common Agricultural Policy (CAP) experienced a continuous change and adjustment process. Nowadays, at less than four years since its latest reform, under the pressure of changes on the world agricultural markets as well as of the new political framework as a result of EU enlargement, CAP is again facing an adjustment/improvement process, this action being called “Health Check” (CAP–HC). Thus, after one decade of structural, legislative and institutional reforms, of economic and social restructuring for accession preparation, the Romanian agricultural sector has to face a significantly changed context, with increased interdependencies, calling for rational and efficient actions.

The research on the stakeholders' opinion and perception in the direction of CAP reforming represents a constant concern both at European Union (EU) level and at the level of certain EU Member States, the proof being the many articles, books, conferences and web pages on this subject. In this context, it was considered opportune and useful to implement an opinion poll among the specialists who work

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in agriculture and rural development to see their opinions and estimations with regard to CAP, the changes that are expected on the medium and longer term in this field and which are the influences upon Romania.

1. METHODOLOGY

A survey was implemented in the period 12–18 November 2007. The questionnaire was applied via electronic mail. The questionnaire was used that comprised a set of closed questions that alternated with a set of open questions. The questionnaire of special type, addressing only one theme (the CAP), was adapted to the investigated players. Its structure included: contact data, general information about CAP, direct payment scheme, market mechanisms, rural development and future challenges regarding CAP. The participation rate was 62%: 66 questionnaires were delivered and 41 completed questionnaires were returned. The activity field of respondents was the following: research – 32%; administration (MAFRD², DARD³, ANCA⁴) – 27%; education – 27%; private companies – 10%; other fields – 4%.

2. CAP UNDER THE IMPERATIVE OF CHANGE

At priority objective level, CAP reform of 2003 tried to ensure a better convergence between the expectations of farmers, consumers, public authorities on one hand, and the economic, social results and environment protection, on the other hand. Let us see what is the specialists' opinion who answered the questionnaire on this subject.

Most interviewed subjects (58%) consider that this reform was a moderate one, because: it maintained the intervention forms on the market; it favored the perpetuation of public inferences in the market mechanism; it did not succeed in eliminating the lack of efficiency of the sector; in budgetary terms the share of Pillar 2 remained modest; the socio-political aspects were placed first and the New Member States were provided certain facilities.

“...the socio-political aspects were placed before those targeting the increase in competitiveness of European agriculture. A moderate reform was obtained, yet largely useless. The competitiveness gap compared to US agriculture was maintained, in fact widened, under the conditions of the bureaucratic increase of the policy management costs.” (K.C., UB⁵, Bucharest).

² Ministry of Agriculture, Forests and Rural Development.

³ Directorate for Agriculture and Rural Development.

⁴ National Agency for Consultancy in Agriculture.

⁵ University of Bucharest.

The effort was obvious in the direction of a greater orientation of producers to market, with a greater focus on environment protection and rural development.

A significant part (42%) of the interviewed subjects considers that the CAP reform of 2003 was a radical one. The arguments in favor of this opinion are mostly related to the modality in which reference is made to the Central and Eastern European Countries (CEECs).

"...it was radical for the CEECs, which have an agriculture that is structured in such a way that makes it different from other economic business."(A.C., IAE⁶, Bucharest);

"For Romania it was a much too radical reform as this benefited from financial support to rural development (SAPARD) only for a short time. At the same time, the financial support to farmers is conditioned by the quality, ecologic and food safety standards. Yet reaching these standards needs time and significant investments. Under the conditions of insufficient own capital for co-financing these investments, Romania needs time and measures for farm capitalization. Many mechanisms are necessary for facilitating young people's access to credits... otherwise these young people will leave Romania for other countries." (I.F., DARD, Vaslui).

Considering the long-term objectives that can be targeted through CAP, 6 in 10 respondents consider that rural area sustainable development can be the only way by which balance can be reached between the social, economic and environmental requirements (Figure 1). Most supporters of this objective consider that only "rural area sustainable development can include the other two".

There is also a high share, *i.e.* 56%, advocating the competitiveness of agro-food products. These estimate that at present, under the conditions of an increased globalization trend, competitiveness should represent a priority objective of CAP.

"It is difficult to decide among the three objectives; yet I believe that among the long-term objectives, competitiveness has priority under the globalization conditions." (V.M., UBB⁷, Cluj-Napoca).

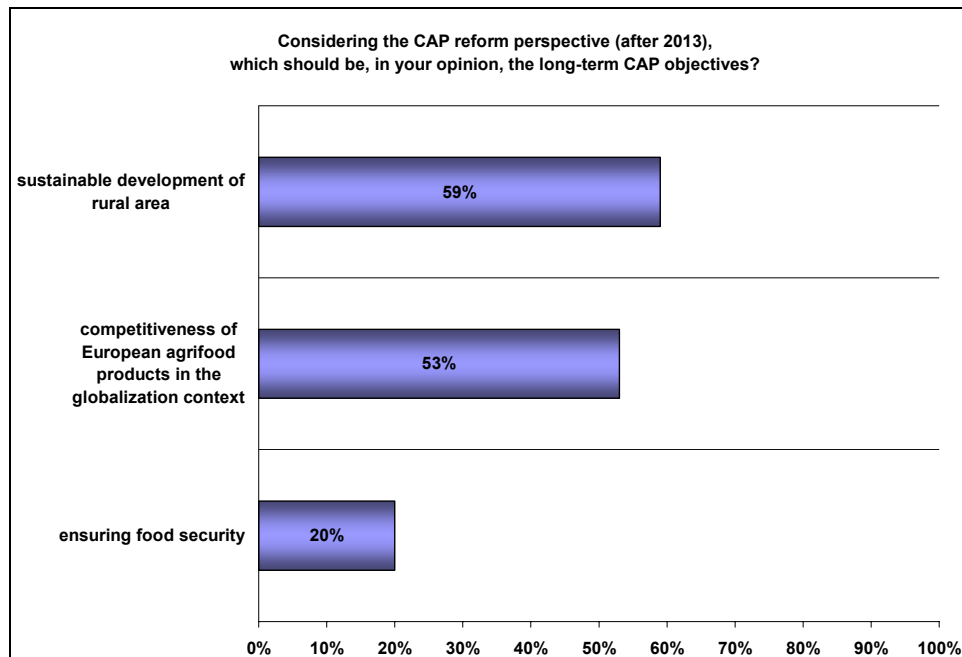
"In the context of globalization, the efforts should be firstly directed upon the competitiveness of agri-food products, in which the European Union has quite a bad situation, and Romania even worse" (C.L., IEA, Bucharest).

A great number of respondents opt for the simultaneous existence of two main objectives that should be targeted by CAP, namely the competitiveness of agro-food products together with the sustainable development of rural areas.

"...the sustainable development of rural areas could lead to the diversification of economic activities and to environment protection and the increase of agri-food products competitiveness could determine the decrease of dependence upon the common agricultural policy."(B.B.,CR, Berlin).

⁶ Institute of Agricultural Economics.

⁷ Babes-Bolyai University.



(the question with multiple answers)

Figure 1. Opinions on the long-term CAP objectives.

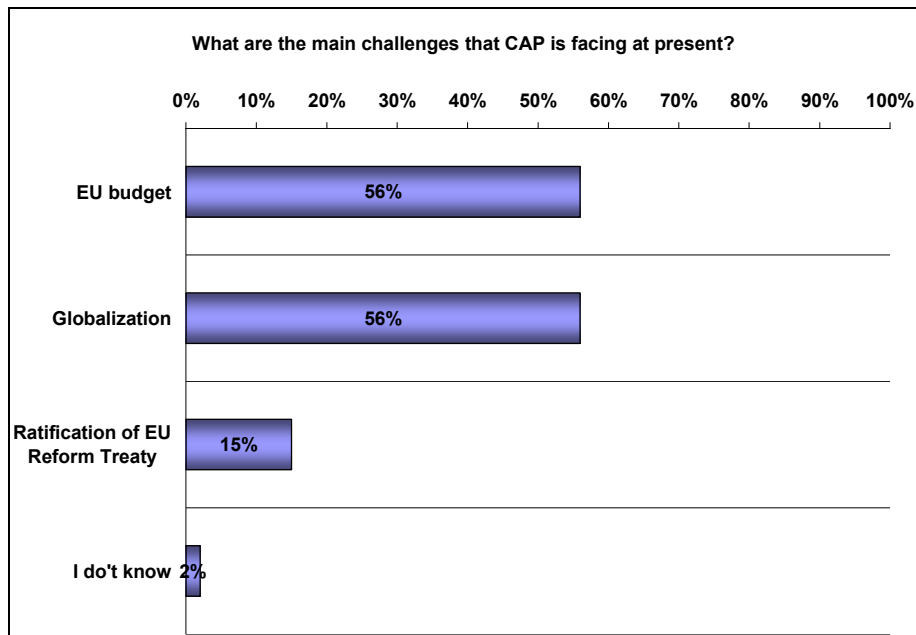
Almost 60% of subjects consider globalization as the most important pressure upon CAP because this policy is not fully connected to the world economy yet (Figure 2).

“Although the current system connected the European farmer to the market signals, it is still based upon a protection level and domestic support measures that protect him from the world market pressures and the previous multilateral agreements within WTO are almost over. The number of commercial partners from WTO increased, and important partners such as China, Russia and Ukraine begin to play an important role on the world market, and the US agricultural policy evolves to other support forms.” (D.M., EC, Brussels).

There are also points of view according to which the future can no longer be based upon agriculture, even though in agriculture the environmental and animal health standards are respected, it remains a sector lacking performance.

“The European farmers are used to subsidies, they are less competitive, and out of this reason giving up the subsidies, even their decoupling and conditioning upon the respect of environmental standards, make the farmer move away from the technological and commercial problems to bureaucratic problems/actions.” (D.T.A., USAMV⁸, Bucharest).

⁸ University of Agricultural Science and Veterinary Medicine.



(the question with multiple answers)

Figure 2. Perception of challenges upon CAP.

The debates on the approval of EU budget are perceived as having the same importance as the globalization for the European agriculture (56%). The different interests, mainly between the net contributors and the net beneficiaries as well as between the Old and the New Member States will lead to “*confrontations for different interests*” (T.F., IEA, Bucharest).

Starting from the long-term objectives, a natural question is related to how CAP should look like in the future. There is a variety of aspects considered by the 32 specialists (78%) who answered this question.

- 31% think that CAP should be more flexible: to respond very fast to the challenges and pressures that appear, to give the Member States the possibility to transfer the funds between the two pillars depending on the national needs;
- 31% hope that the future CAP will be more equitable: to eliminate the discriminating treatment between the different categories of agricultural producers; to eliminate the discriminating treatment between the agricultural producers and other players in the rural area; to provide a fair treatment between the countries (old and new member states);
- 28% would like an efficient agricultural policy: to have clear objectives; to allocate the financial resources in agreement with the priority objectives;

- 28% expect more environment-friendly measures;
- 25% rely on CAP simplification, which presupposes a policy easier to apply, less bureaucratic and easier to administrate.

In the category “other opinions”, the option to change the name of CAP was expressed in the first place: *“CAP should no longer be named CAP. The term agriculture should be eluded; to have a structure based upon rural economy...”* (F.V., IEA, Bucharest).

3. OPINIONS AND PERCEPTIONS REGARDING THE CAP–HC

Direct payment scheme

Even though at one year from the accession, Romania’s experience in the implementation of direct payment system is practically non-existing, 9 out of 10 respondents consider that this system is beneficial for Romania (Figure 3).

Yet, it is recognized, more or less explicitly, that these payments would not support competitiveness, and for most small-sized farms from Romania, they would rather have a social role.

“In the absence of a market of agricultural products, any direct payment turns into social support for farmers. Finally they lead to the improvement of a critical situation of a certain social category.” (K.C., UB, Bucharest).

“The direct payments represent an important financial measure with minimum economic effects, yet socially important.” (F.V., IEA, Bucharest).

“...the direct payments?... these are in fact, payments for the Romanian farmers’ psychological comfort.” (L.M., MAFRD, Bucharest).

It is revealed that besides its social role, this system of payments has the role to educate and make the Romanian farmers knowledgeable with regard to the respect of environmental and animal health standards in order to receive subsidies. The introduction of these payments, as it was seen, represents a genuine challenge from the institutional point of view.

“The direct payment system will change the existing subsidizing pattern, will introduce for the first time a transparent and credible administration and control system and will get the farmers more responsible of the sustainable use of resources.” (D.M., EC, Brussels).

Those who do not believe in the importance of this scheme (8%) bring as arguments its lack of efficiency *“the scheme is not efficient under its present form: for the small farms it is an inefficient type social protection, while the large farms do not need this support.”* (D.C.,TNC⁹, Bucharest) and the fact that the present

⁹ Terra Nostra Consulting LTD.

level of payments is low “*compared to what is allocated in the EU Old Member States*”(Z.L., ASAS¹⁰, Bucharest).

As regard the option for a certain support scheme, the opinions largely converge to SAPS (40%) (Table 1). This option is supported by the following reasons: it is a simple, easier to apply scheme by an administration that is less experimented in the application of EU norms; although expensive as regards its application, the largest part of implementation and administration expenses have already been made.

On the other hand, the SPS supporters (29%) think that this implies less bureaucracy and it is a scheme that encourages farmers’ competitiveness. Yet, there are worries that the scheme administration and mainly the respect of standards will raise serious problems, and Romania will not be prepared for the implementation until 2011.

“If we opt for competitiveness increase as agricultural policy objective, SPS will lead us to this objective.” (V.M., UBB, Cluj-Napoca).

Table 1
Options on the direct payment scheme that Romania should adopt

Which of the following schemes should be applied in Romania after 2011?	Share of respondents (%)
SAPS	40
SPS	29
Other scheme	25
Do not know/Do not answer	6

There are also opinions (25%) according to which the present schemes are not suitable for Romania’s agricultural structure and it is estimated that new support schemes are needed, simpler schemes that imply lower costs and target higher efficiency.

The introduction of upper and lower limits as eligibility conditions for the direct payments seem to be a measure agreed upon by 70% of the specialists who participated to the survey. Out of the investigated subjects, 18% consider that they do not agree on this measure and support their statement with the argument that *“it is not the physical farm size that matters, but rather its economic size, and it is the latter that should be taken into consideration. The stratification should be made according to the profit obtained and not according to the area”* (K.C., UB, Bucharest).

There is an important category of specialists who plead for establishing certain limits that encourage the establishment of commercial family farms (22% consider as lower limit 5 ha and 18% the upper limit 50 ha).

¹⁰ Academy of Agricultural and Forestry Sciences.

The supporters of imposing a lower limit, with a higher value than the existing one, consider that this measure would be necessary for stimulating land consolidation, as “on small areas the performant technologies cannot be applied”. Setting a minimum limit would also significantly reduce the budgetary and administrative effort associated to the direct payments.

Market measures

The technical simplification of the market organizations is perceived as a measure with a positive effect upon the administration by 78% of the interviewed subjects, as this would lead to the simplification and decrease of implementation costs and “any simplification of the bureaucratic practices is welcome” (Table 2).

Table 2
Perception of the technical simplification proposal for the market organizations

Effect of technical simplification of the market organizations upon the administration	Share of respondents (%)
Positive	78
Negative	5
Do not know/Do not answer	17

The updating and aggregation of numerous legal provisions could make it possible for all the stakeholders to work with a simpler legislation and the administrative and management mechanisms could be reduced at minimum costs. The adoption of such a measure, which has in view in the first place the creation of a more flexible administrative mechanism, more easily to maintain and cheaper, make some interviewed subjects worry about the fact that the measure “might lead to staff rationalization in the case of local administrations”.

Giving up the intervention on the grain market will negatively affect Romania, almost three quarters of the interviewed subjects consider, because: “the Romanian sector lacks competitiveness”, “the grain production costs are higher than in the EU, the yields and productivity are lower”, and the “*application of the public intervention system could correct the structural disequilibria that still exist on the market of basic agricultural products in Romania.*” (D.M., EC, Brussels) (Figure 3).

“As Romania cultivates grains on large areas, by giving up the intervention, important financial resources could be lost” (M.V., ASE¹¹, Bucharest).

There are also different approaches to this position, *i.e.* “*giving up the intervention on short term would negatively affect Romania. Considering the current situation of the grain sector, a transitory system would be more adequate, in which the intervention should be gradually reduced*” (C.M., IEA, Bucharest).

¹¹ Academy of Economic Sciences.

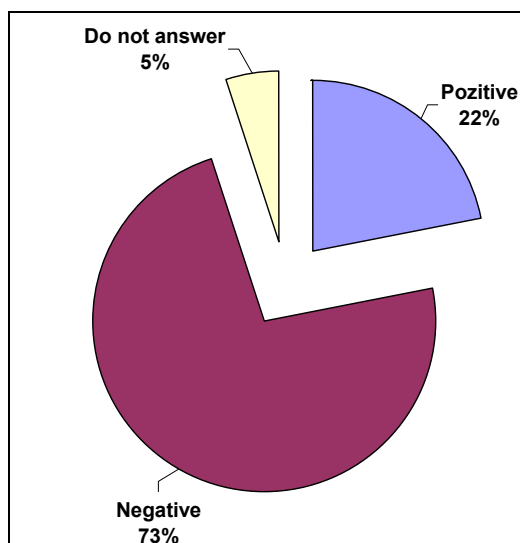


Figure 3. Perception of the measure giving up intervention on the grain market.

More optimistic opinions on this measure were also expressed, which take into consideration the grain market in Romania on long term: *“the measure will have a negative effect on the short term. On medium and long term, Romania can use its competitive advantages for grains and oilseeds.”* (C.C., Monsanto, Bucharest).

On the other hand, 22% of the interviewed subjects consider that this measure will produce positive effects, as *“the demand and supply rule will act in Romania as well”*.

Referring to the liberalization of trade with agro-food products, there is an equal distribution of the opinions: 48% think that the influence will be negative and 42% that this will be positive.

In the first category, there are worries that Romania will not be able to face competition due to its lack of competitiveness.

“The Romanian (non-subsidized) products will prove to be non-competitive compared to the products of other countries that have been financially supported years for years. The farmers from other countries improved their productivity, succeeding in producing at lower costs, as a result of the financial support they received”. (T.M., USAMV, Iași).

“We only lose from the present agricultural structure. The agricultural policies in Romania are incompatible with the global market. The fact that we have mechanically applied certain measures does not mean that we have a reformed agricultural sector.” (K.C., UB, Bucharest).

On the other hand, the supporters of the positive effects think that it would be normal “...for a selection to take place...so that only the viable farms remain in activity”.

“...any liberalization will determine the market operators to be concerned with competitiveness and performance, rather than with protection by public measures”. (D.M., EC, Brussels).

“On one hand, Romania’s agriculture will not be affected to the same degree as the agriculture of the EU Old Member States, as the support to agriculture in our country is lower. On the other hand, the free market rules will decide which products are more competitive on the world market...” (M.V., ASE, Bucharest).

About half of the interviewed specialists (Table 3) consider giving up the temporary set-aside measure. These consider that this is a stimulating measure as “a good part of the agricultural land in Romania has remained uncultivated”, however “giving up the measure must be completed with the support to energy crops” or “associated to measures fostering competitiveness increase”.

“Giving up the temporary set-aside measure would contribute to the competitiveness increase objective.” (V.M., UBB, Cluj-Napoca).

Table 3
Perception of the giving up the temporary set-aside measure

Do you consider that giving up the measure of temporary set-aside is favourable for Romania?	Share of respondents (%)
Yes	53
No	38
Undecided	8
Do not know/Do not answer	1

Almost 40% of the subjects consider that the introduction of this measure will generate negative effects in Romania’s case, as many soils will not be allowed to “have a rest” and thus will get worse from the environmental point of view.

The measure regarding giving up the milk quota, which is expected to be implemented beginning with 2015, is perceived as a positive measure by half of the specialists who answered the questionnaire (Figure 4). The arguments brought in favor of this opinion are various *e.g.*: “the measure will determine farm consolidation, increase of dairy cow herds and production on farm, and thus economically viable farms will appear”; “due to the investments in the milk processing industry, a transformation of the market for this product is possible”; “...it is positive because the production capacity exceeds the quota by far”.

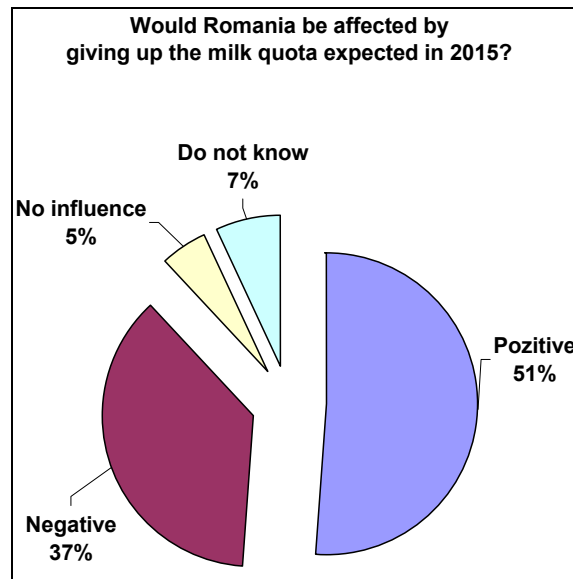


Figure 4. Opinions on giving up the milk quota measure.

New challenges in the Common Agricultural Policy

In a vital area as providing food for the population, 71% of the interviewed subjects consider that the introduction of a risk and crisis management mechanism at EU level is a “vital action”. The areas targeted by this mechanism are generally identified as the natural disasters (flooding, drought) as well as the “measures for the surplus production or under production cases”. Proposals are also expressed for the “establishment of an agricultural compensation bank” or “establishment of solidarity funds”.

“A unitary intervention system could significantly reduce the negative effects through the high decision power, concentration of resources as well as through the experience of the team.” (F.A., USAMV, Cluj Napoca).

One third of the interviewed subjects consider that the introduction of such a system is not necessary: “maybe at national level, but not at European level in any case” as “it is not the case, there are sufficient risk management means on the free market, so that no centralized/administered system is needed” (M.D., EC, Brussels).

Although the proposal referring to the increase of obligatory modulation does not refer to Romania for the moment (that in the quality of New Member State is exempted from the transfer of funds from Pillar 1 to Pillar 2), the question was raised from the perspective of the year 2013 when it is estimated that Pillar 2 will grow stronger.

The supporters of the existence of a stronger Pillar 2 of the Common Agricultural Policy are most numerous (49%) and their arguments are that the rural problems are very many and serious and the national financial resources for solving up these problems are low (Figure 5).

“It is beneficial because the rural economy development needs are very great and the national budgetary possibilities are limited and their multiplying effect is much more important upon the economy.” (D.M., EC, Brussels).

“The redistribution of financial resources from Pillar 1 to Pillar 2 is an action taking place in conformity with the multifunctional agriculture principle. Thus, the mistakes of the Old Member States can be avoided with regard to the intensive support to agriculture, mainly in the case of the large farms, the rural out migration, natural landscape degradation, etc...” (M.V., ASE, Bucharest).

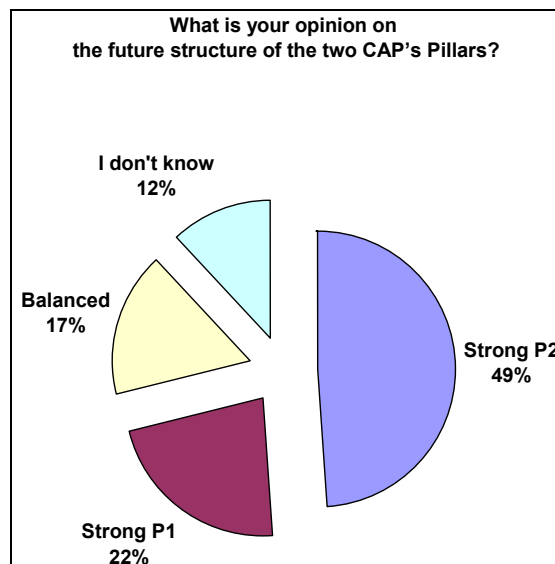


Figure 5. Opinions on the balance between the two CAP Pillars.

A series of doubts are still manifested with regard to the “mentality changes and practical actions for orienting the rural development measures to the population’s needs” and to the fact that this consolidation of Pillar 2 will be beneficial only in the case when “the young people will be motivated and supported to remain in the rural areas”.

“At the time being, modulation would be against Romania’s interests. Many small or medium-sized farms need financial support until they reach an optimum size from the economic point of view for the accumulation of the necessary capital for investments. The level of the subsidies received is very low, compared to that of the European competitors. The growth rate on a 10-year period will not make us

bridge up the gap and we will not be able to make the necessary investments for rural development. At the same time, rural population's re-orientation towards non-agricultural activities requires time for information and vocational training" (I.F., DARD, Vaslui).

In opposition to this group, another one considers that, at least on the short and medium term, Romania should militate in favor of a strong Pillar 1.

"Romania needs substantial support for increasing competitiveness in agriculture – the Romanian farmers have not reached the level of technical and technological endowment of the Old Member States... only after the agricultural sector develops the funds can be transferred to rural development". (T.M., IEA, Bucharest)

"At present the measure is not favorable for Romania: half of the agricultural land from Romania is operated by large farms...and this part of agriculture could become competitive, hence it will lose from modulation. At the moment the farms need direct payments for modernization, development of processing activities, etc. On the other hand, the rural areas do not have the capacity to absorb the EU funds. In the future, the situation could change." (V.M., UBB, Cluj Napoca)

The present distribution of the rural development funds under the four axes is considered well-balanced by most interviewed subjects (61%) and furthermore, *"the regulation establishes minimum obligatory thresholds by axes and the maximum allocation is established by each state depending on its concrete situation."*(D.M., EC, Brussels).

Almost one third of the specialists who answered the questionnaire thinks that Romania has not established its priority areas for an adequate allocation of the rural development funds and neither has it evaluated the absorption capacity it has and this led to an imbalanced distribution of funds under the four axes: *"...this distribution favors agriculture"*; *"the financial allocations under Axis 3 are not sufficient under the conditions in which infrastructure development is an urgent requirement that needs significant investments"*; *"for the development of the organizational abilities of the rural communities, having in view the design and implementation of local development strategies, the allocations under Axis 4 are not sufficient"*.

The new problems recently brought to the attention of the public opinion, *i.e.* the prevention of the climate changes effects, water management and biofuels should be under the umbrella of Pillar 2, in the opinion of 83% of the investigated subjects, as *"rural development should also include measures dedicated to the diminution of the anthropic pressure upon the environment"* (Table 4).

There is also the opinion, expressed by 15% of the interviewed subjects, that other mechanisms should be designed to solve up these problems, e.g. the creation of a new Pillar under CAP.

“This support should be independent, as the new problems do not refer only to agriculture; they are problems of community safety, each with its specificity and need their own political and workable approaches.”(V.F., IEA, Bucharest).

Table 4
Opinions on the introduction of the new challenges under Pillar 2

Do you consider that the new challenge* should be included under the Pillar 2 of CAP?	Share of respondents (%)
Yes	83
No	15
Do not know/Do not answer	2

** prevention of climate changes effects, water management and biofuels*

Through the mechanisms it has at its disposal, CAP should contribute to the attenuation of the effects produced by the climate changes in order “to avoid future crises”, as 95% of the interviewed subjects consider. These consider that a series of measures would be necessary under Pillar 2: support at farm level with regard to drought control (irrigation systems), drought resistant seeds and planting stock; encouraging the protection measures and enlargement of forested areas, etc.

Other opinions that are expressed also refer to the involvement of other European policies in solving up the new themes, taking into consideration the fact that the effects produced by climate changes are transnational and difficult to control only with unisectoral or even national resources.

In the field of biofuels, most of the expressed opinions converge to the support of this sector. It is estimated that the development of biofuels in the future will affect the agricultural production sector (88%), the prices of agricultural products (55%) and the energy market to a lesser extent (40%). For this type of products, an evolution of prices will inevitably take place and the production sector will be modified depending on the processing capacities, and certain changes will also take place on the energy market, but not very soon.

Financial aspects

The question related to the possibility of CAP budget diminution determined taking up positions with pros and cons. Thus, 66% of the interviewed subjects consider that this must not be reduced “now when Romania must also benefit from it”. For Romania, it would be a measure with negative effects “as there are significant gaps compared to the other Member States ...and for us as well as for other New Member States, the support to agriculture and rural area needs a significant financial effort”.

“After 1992, the EU budget decreased while the number of the Member States increased. This budget is not sufficient for the New Member States in comparison with the support provided to the Old Member States before the 1992 reform.” (Z.L., ASAS, Bucharest).

The supporters of budget decrease (28%) consider that “the funds are sufficient, but they should be used more efficiently” and that the diminution should affect only the EU Old Member States “that have already accumulated capital”. *“Yes, too much support has been provided for an area with such a modest dynamics. It is true that the social implications of this decrease are difficult to measure, but we cannot continue in this way”.* (K.C., UB, Bucharest).

There are also opinions considering that “it is not the value of support that matters, but rather the way in which this support is used”. In this context, the main objectives should be established first and the budget should be negotiated afterwards.

The possibility that the Romanian state provides co-financing for Pillar 1 is a measure that is provided extremely strong support (83%) (Figure 6) as this decision should permit promoting certain national agricultural policy objectives. The funds that are allocated in this way could lead to “solving up certain problems that are not supported through CAP” of “for other national priorities”; *“...yes... in this way Romania would feel that it has a national agricultural policy.”* (D.M, ICEADR¹², Bucharest).

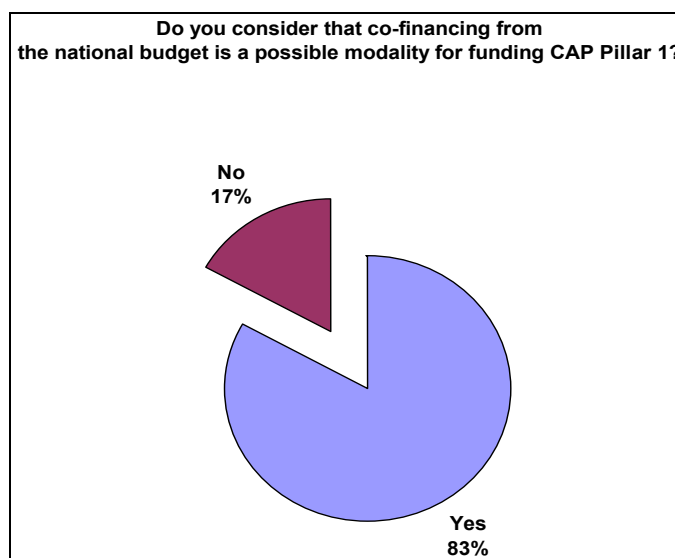


Figure 6. Opinions on the opportunity of co-financing Pillar 1.

¹² Institute of Agriculture and Rural Development Research.

The worries refer to continuing to support the social objectives, the small farmers, “when in fact the support should be directed to commercial agriculture”.

Those who oppose this measure (17%) argument their option by the fact that on one hand, this co-financing could generate serious problems to the national budget that is already under pressure, and on the other hand, they think that the governmental action on the agro-food markets should be significantly limited in the future.

Another worry is related to the fact that the rich countries will provide a much more consistent support to the farmers from their countries: “...*this measure would mean CAP “re-nationalization” and a competition between the countries with a rich budget and those with a limited budget and many farmers, which is the case of Romania.*” (D.M, EC, Brussels).

4. CONCLUSION – THE TRAP OF A NON-DIFFERENTIATED APPROACH TO PROBLEMS

An overall picture of the opinions and perceptions expressed by the specialists who answered the questionnaire referring to CAP and the modifications expected both on medium term and on long term can be briefly presented as follows:

Area	Measure	Support*
Long-term CAP objectives	Sustainable development of rural areas	★★★
	Competitiveness of agro-food products	★★★
Direct payments	Maintaining the direct payment scheme	★★★★★
	SAPS support	★★★
	Introducing eligibility limits for receiving direct payments	★★★★★
	Direct payments depending on the respect of cross-compliance principle	★★★★★
Market measures	Giving up intervention on the grain market	★★
	Giving up the set-aside	★★★
	Giving up the milk quota	★★★
	Simplification of market organizations	★★★★
New challenges of CAP	Introducing a risk and crisis management mechanism at national level	★★★★★
	Obligatory modulation (Pillar 2 versus Pillar 1)	★★★
	Equilibration of axes under Pillar 2	★★★★★
	Introducing the climate changes, biofuels and water management under the umbrella of Pillar 2	★★★★★
Financial aspects	CAP budget decrease	★★
	Opportunity of national co-financing of Pillar 1	★★★★★

*The answers received were ordered by five percentage classes and each class was assigned a score and a number of stars, namely: under 20% – ★ very low support; 21–40% – ★★ low support; 41–60 % – ★★★ medium support; 61–80% – ★★★★ strong support; over 81% – ★★★★★ very strong support

At a first look on this summarizing table, the following conclusions can be drawn:

- a very low support is found in the case of measures that regard the decrease of intervention on the grain market and CAP budget diminution;
- a medium support exists in the case of SAPS continuation after 2011, of giving up set-aside, of giving up the milk quota and obligatory modulation introduction;
- there is a strong support in favor of establishing eligibility limits for receiving direct payments and mainly minimum limits, for the simplification of the market organizations and for the introduction of a risk and crisis management mechanism at community level;
- a very strong support is manifested in the case of the following measures: maintaining the direct payment system; complying with the cross-compliance principle, under a simplified form; equilibration of axes under Pillar 2; possibility of co-financing Pillar 1; new challenges of CAP under the Pillar 2.

A more detailed/more careful analysis of the distribution of the supporters of long term objectives and on the share of the two CAP Pillars reveals an interesting aspect, namely that a stronger or weaker support is manifested in favor of the measures proposed by the Commission in relation to these two parameters.

A. A first group is represented by those in favor of the sustainable development of rural areas and of the concentration of CAP funds under a single Pillar, namely Pillar 2. They think that the name CAP should be replaced by common rural policy. They are supporters of the direct payment system, but the payments should be provided in conformity with the respect of certain environment protection conditions; they militate for introducing high eligibility limits in the case of large farms and low eligibility limits in the case of smaller-sized farms. In the case of market measures, they opt for a more progressive approach that should reduce the shocks of changes. They consider that a stronger support is necessary to the objectives under axes 3 and 4 and are in favor of “eliminating the discriminating treatment between the farmers and the other rural players”. They consider that the sustainable development of rural areas can be the “only possibility to ensure equilibrium between the social, economic and environmental dimensions”.

B. The second group considers that the main objective of CAP should be the support to the competitiveness of agro-food products and would like this policy to rely on a strong Pillar 1, as the “rural communities do not have the capacity to absorb the EU funds... at least not now”. They are in favor of a SPS, considered “a scheme encouraging competitiveness”. They are against supporting the small-sized farms, which “should be helped by social measures” and against the establishment of physical farm size limits, as “it is only the economic size that matters”. As regards the cross-compliance principle, they consider it important; yet, given

the fact that the system is much too complicated, it often “makes farmers move away from the technological and commercial issues”. They are in favor of fully decoupling the support to agriculture. As regards the market measures, they consider that the simplification of market organizations is beneficial; they unconditionally support the removal of intervention on the cereal market, of the milk quota and set-aside measure. They are not in favor of introducing the risk and crisis management mechanisms at Community level, or of introducing the new challenges under the umbrella of CAP, considering that these “can and should be solved up under other umbrellas”. They think that the CAP budget must be reduced and the allocated funds should be used with greater efficiency, and the possibility of co-financing Pillar 1 is beneficial.

C. There is also a moderate group, the least numerous, that believes in “a liberal policy in the sphere of the markets and with budgetary support for rural development”.

Most of the specialists’ opinions and perceptions who answered the survey questionnaire converge to the idea that Romania does not have its own agricultural policy and the undertaken actions are circumscribed to and almost fully dependent on CAP. The suggestions made are in the direction of adopting an agrarian and rural development policy where the CAP-related objectives are only a part of it. The difficulty resides in the fact that the problems of the Romanian agriculture and rural area are so many and deep that “in the absence of setting clear objectives and without establishing a hierarchy of priorities “all the struggle will be more or less in vain – we shall try to fix up things here and things will get worse in other parts”.

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