The impact of EU-accession on farming and agricultural employment in Cluj County

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Abstract

This paper reveals some consequences of Romania's accession to the EU on farming and agricultural employment in Cluj County. EU15 countries have a different farm structure and a higher agricultural labour productivity than Romania and the Common Agricultural Policy in its present form responds primarily to their needs. Based on the interviews carried out in 2005 and in 2009 with farmers and experts from Cluj County, the paper presents the expectations towards EU accession as well as its short-term effects. Results of the interviews suggest that, in Cluj County, EU-accession leads to the disappearance of semi-subsistence farms and to the decrease of the number of agricultural workers. Farmers are still not sufficiently informed about CAP and the complexity of the administrative procedures, and the lack of professionalism of agency staff and the delays of payments caused many disappointments in the first two years after EU accession.

Key words: EU-accession of Romania, Common Agricultural Policy, rural employment, agricultural employment

JEL classification: O18, Q18, Q10, E2

1. Introduction

This paper reveals some consequences of Romania's accession to the EU on farming and agricultural employment in Cluj County. The paper has both a theoretical and an empirical contribution to the literature. In the first part, the main characteristics of Romanian agriculture and rural employment are presented, based on an extensive literature review and on statistical data. The second part of the paper presents the expectations and opinions of farmers and experts in agriculture regarding the changes in farming methods and the evolution of agricultural employment two years before and two years after the

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EU-accession of Romania. Comparisons are made and conclusions are drawn with regard to the possible evolution of farming and rural employment.

The main findings are that, in Cluj County, EU-accession is a threat for semi-subsistence farms and an opportunity for commercial farms and that the overall number of agricultural workers will decrease. Two years after accession farmers are still not sufficiently informed about CAP, but they have already faced some of the challenges of the EU-accession. Many farms did not qualify for SAPS; constraints and strict rules are perceived negatively by the farmers. Excessive bureaucracy, the complexity (and often inconsistency) of administrative procedures, the lack of professionalism of agency staff and delays of payments caused disappointments in the first two years of EU membership.

2. Agriculture and rural employment in Romania

The importance of the employment goal has been recognized by the key economic organizations of the international system for a long time, as employment is widely seen as a way out of poverty. Literature review unveil**s** a series of issues, which lead to the necessity of tackling separately rural employment from urban employment, one of them being the importance of agriculture for the rural areas, particularly in Eastern and Southern Europe. (Bertolini et al., 2008; EC, 2009a)

In Romania, 46% of the active population lives in the rural area and about 60% of the rural population are employed in agriculture, thus the evolution of agricultural employment has a special social and economic importance. Romania has become a EU member country on the 1st of January 2007, but the process of European integration has not finished yet. The developments of the past 20 years in Romania demonstrate that there is a close link between economic growth and employment (the level of employment decreased in the period of economic decline, while in the period of economic growth it increased), but also that rural employment benefited in a lesser degree from the overall economic growth (Kerekes, 2010).

Romania has significant agricultural potential: agricultural land covers 61.8% of the country's total territory (14,730,956 ha), most of it (64.05%) being arable land (INS, 2008). Romanian agriculture did not experience such a dramatic collapse of output after 1989, as it happened in many of the neighbouring countries, instead between 1990-2000 a dual rural economy has been created: strong commercial farms on the one side and a large number of semi-subsistence farms (which use both land and labour below their economic potential) on the other side. Thus, despite its great potential, labour productivity, crop yields, fodder livestock conversion rate and overall competitiveness of Romanian agriculture is low by EU standards (Dumitru et. al., 2004; Florian et al., 2003; Vincze, 2005).

Even though according to Zahiu and Lazăr (2000) food self-sufficiency should have been achieved before EU integration, in 2006, the Romanian trade balance of agrifood products was negative, while around 16% of arable land was not cultivated (Davidovici et al., 2008). The increase of import has a negative influence on Romanian agriculture, as some cultures are abandoned (Istudor, 2006).

The fragmented structure of agricultural holdings is considered by several authors the main obstacle to the increase of the competitiveness of Romanian agriculture, as excessive land fragmentation does not allow viable farming. (Istudor, 2006; Gavrilă, 2008; GUV, 2008; Zahiu and Lazăr, 2000; Vincze, 2005; Gavrilescu and Giurcă, 2000; Dumitru et. al., 2004; Chițea, 2007)

Subsistence farms mainly produce for own consumption and only marginally supply to the market. The low level of mechanization, the lack of tools and equipment also hinder the development of peasant households. Subsistence farms will never have the financial capacity to invest in modern machinery. (Vincze, 2000; Dumitru et. al., 2004; Dona, 2000)

The markets of agricultural inputs and products are not functioning satisfactorily. The links between agriculture, food industry and trade were broken, as well as between agricultural services and their upstream sectors (Zahiu and Lazăr, 2000; Istudor, 2006). The economic environment is unstable and unpredictable; the competitive environment is favouring traders and distributors of agricultural inputs and disfavouring agricultural producers (Otiman, 2007; Dobroteanu, 2008; Râmniceanu, 2004).

Another important barrier to the development of individual exploitations is the lack of capital, the high cost of capital and the extremely limited access to bank loans. There is a low capacity of saving and capital formation in the agricultural enterprises, and individual holdings totally lack savings (Davidovici and Davidovici, 2008; Gavrilă, 2008; Istudor, 2006; Otiman, 2007).

The main problem of rural employment in Romania is its primarily and overwhelmingly agricultural character. After 1990, agriculture became a „last instance employer" and had absorbed an important share of labour made redundant by urban industries (Dumitru et al., 2004) and the share of agricultural employment in the rural area reached 74.5% in 2000, most of them being self-employed or contributing family workers (Kerekes, 2008). Even though by 2008 the share of agricultural employment in the rural areas decreased to 60.2% (and to 28.8% in average), this is still too high compared to the contribution of agriculture to the total GVA, which was 8.6% (INS, 2009, p. 46). It is expected that restructuring of the activities at the farms' level and the capital intensification for commercial farms will lead to the decrease of the agricultural workforce, which will have a negative impact if the non-agricultural sectors will not be able to absorb the labour force resulted from agriculture (Dumitru et al., 2004; GUV, 2008; Zahiu and Lazăr, 2000).

The share of employees among the employed population is low: 45.0% of the population lives in the rural areas, but only 23.1% of the total employees can be found there (Florian et al., 2003). Agriculture accounts for only 3.2% in the total number of the employees in the economy (GUV, 2008).

Underemployment, directly related to the viability and economic size of holdings, is an important problem in the rural area because of the excessive number of workers on small family farms. The effective working time of a Romanian agricultural worker is around 30-35% of a full-worker potential. The seasonality of agriculture also causes underemployment in certain periods of the year. (Dumitru et al., 2004; GUV, 2008; Manoleli et al. 2004; Mărginean, 2005; Otiman, 1999; Sandu, 2005; Vincze, 2005)

Rural areas also include an important share of discouraged workers, those who are out of work, but are no longer looking for jobs because they believe there are no vacancies (Dumitru et al., 2004). Rural women have lower activity rates than urban women and are mostly employed in public administration, health, social work, education and trade, where salaries are lower but jobs are more secure (Chițea, 2007; ANES, 2008).

Another major problem of Romanian rural employment is represented by the weaknesses in skills and human capital, which set the limits to the extent of exploiting the rural labour force reservoir in other sectors of the economy (Vincze, 2007; Alexandri, 2008; BNR, 2008).

EU15 countries have a different farm structure and a higher agricultural labour productivity than Romania and the Common Agricultural Policy in its present form responds primarily to their needs, thus the introduction of CAP has a great impact on Romanian rural areas.

3. The opinions of farmers and agricultural experts on EU integration

3.1. Research methodology

In July-August 2005, eleven farmers and four experts from Cluj County were interviewed, with the aim to present a range of different opinions regarding the impact of EU-accession on farming and agricultural employment.[1] Communes included in the field research were selected by taking into account their geographical position and level of development, approximated with the value of a synthetic indicator called Complex Development Coefficient (CDC)[2]. The farmers have been selected according to the location, size and specialisation of their farms:

[1] This survey has been carried out within the framework of the project *Study on Employment in Rural Areas*, financed by the EC DG for Agriculture, contract no. 30-CE-0009640/00-32 (SERA, 2006; Vincze et al., 2005).

[2] For the method of calculation of the CDC see Kerekes, 2005.

Two interviewees were women and nine were men;

- All selected farmers are recognised as "representative" or "active" farmers;
- Diversity of the farms legal status: nine individual farms, one association established according to Law 1991/36 and one commercial company;
- Time spent with farming: seven full-time farmers, two part-time farmers and two pensioners;
- Specialisation of the farm: three farms were specialized in field crops, three were milk producers, one was an animal farm and four were mixed farms;
- The size of the farms: one farm works 885 ha, three between 100-200 ha, two between 40-50 ha and five between 4-8 ha;
- Land-ownership: nine farmers use both own land and rented land, one farmer works exclusively his own land and one farmer only rents land;
- The number of workers on the farm: one farm with three part-time family members, three farms with one full-time employee and one part-time family member, three farms with three full-time employees and one part-time family member, one farm with four full-time family members, two farms with six full-time employees and one farm with 12 full-time employees; all farms employ seasonal workers, their number varies from three to five;
- Gender: ten farm managers were men and one woman;
- The age of the farmer: one below 35 years, four between 35-44 years, three between 45-54 years and two over 65 years of age;

The experts interviewed were specialists in agriculture with important positions within county level public institutions and authorities: the deputy director responsible for rural development, Department of Agriculture and Rural Development of Cluj County; a councillor of the SAPARD Office within the Department for Agriculture and Rural Development of Cluj County; the director of the Cluj County Office for Agricultural Consultancy; and the president of the Commission for Agriculture within the Cluj County Council. Three of the experts were men and one was a woman.

Two years after the EU accession of Romania, in January–February 2009, another survey was carried out among farmers and experts, to study the impact of EU accession, the CAP and the measures of the National Rural Development Plan on farming and rural employment. Five experts (consultants of the Cluj County Office for Agricultural Consultancy, working in different parts of the county) and 43 farmers (from 27 villages) were interviewed.

Farmers were randomly selected from those who showed up for information and advice at the Cluj County Office for Agricultural Consultancy. In this period several measures of the National Rural Development Programme

were launched (measures 1.1.2. Installation of farmers, 1.4.1. Support for semi-subsistence farms, and 1.4.2. Establishment of producer groups), and also requests for direct payments were received at the neighbouring office of the Agricultural Payment and Intervention Agency. The sample has the following structure:

- Most of the respondents (37) were men and only six were women; the low share of women representing the farm reflects the general belief that farm management is the task of the men. The age structure of the respondents was balanced, the youngest was 25 years old and the oldest was 62 years old.
- The level of education of respondents was higher than the average in rural areas, three were university graduates, 12 of them graduated high school, 12 vocational school**s**, seven had completed 10 years of education and nine had eight years or less of education.
- Regarding the legal form of the farm, almost all of the farmers interviewed (39 out of 43) were owners of individual or family holdings, three of them were registered as family associations and one was a registered trade company. Half of the respondents (21) were members of some kind of farmers' associations (such as cattle breeders association, pasture and forest owners' association), and 22 were not involved in any associations.
- Six respondents owned no land and 12 rented land (mostly besides their own property).
- Farm size varied from 0.01 ha to 38 hectares, five farmers worked more than 30 ha of land, three 10-15 ha, 14 farmers over 5 ha, 13 farmers between 2 to 5 ha of land. Seven respondents who worked less than 1 ha of land were bee-keepers.
- 48.8% of the farms were of mixed profile (crop production and animal breeding), four farms were specialised in crop production, one farm in potatoes, four farms in milk production, three farms in cattle, sheep or goat breeding, three farms in pigs and poultry and seven in bee-keeping.
- For the majority of respondents (24 persons) farming was the only economic activity; 11 respondents were working as employees (seven of them worked in the same locality and four of them were commuting), five were entrepreneurs (in agro-tourism, retail, and forestry), five were unemployed and six were retired.
- Agriculture was the only source of income for 12 households out of the 43, and 15 had over 50-95% of their income from agriculture; only in eight households salaries formed more than 50% of the income.
- About 24 respondents use to sell more than 50% of their agricultural production, ten sell between 25-50%, five sell below 255 and two only produce for own consumption. Vegetable markets from the city are the

most preferred place for the sale of the agricultural products, followed by the local peasant markets. Only six out of the 43 farmers sell their products to food processing companies.

The questionnaire used for the interviews with farmers included a series of closed, multiple-choice and open-ended questions about their farm, their future plans regarding farming and about the way EU accession and the introduction of CAP affect other sources of income and employment. Experts were asked to reflect on the general situation in Cluj County as regards the impact of EU accession and the introduction of CAP on farming and agricultural employment. Both in 2005 and in 2009 respondents were asked to reflect on the same issues: in 2005 the answers reflected their expectations towards EU accession, while in 2009 their experiences of the first two years of EU membership.

3.2. Expected impact of EU accession on agriculture

The general opinion of the respondents in 2005 was that farmers in Cluj County are not well informed about the EU accession and the Common Agricultural Policy (CAP), although some information gets through television or is transmitted informally.

Everyone agreed that accession to the EU and introduction of the CAP would bring big changes. Most of the farmers interviewed considered EU-accession a threat for their area, even though some considered it an opportunity for their own farm. Adherence to the EU legislation was expected to provide more stability (stable market, with guaranteed prices and reliable contracts) and to guarantee property rights.

It was also expected that a modern agricultural system would be introduced. The levels of technology, prices and production have to catch up with the EU levels. EU quality standards would force farmers to pay more attention to the quality of the products and new technologies would have to be applied. Small individual farmers were afraid that they would not be allowed to sell on the market the surplus of agricultural products (left after household use), and thus they would be left without any income from agriculture. Respondents considered that many small subsistence farms would disappear and only large farms would use the opportunities offered by EU accession.

Farmers felt they could not compete with the EU agricultural products on the short term. Local products will be restricted because of the EU standards and the gap created will be filled by the EU agricultural products which will invade Romania. Farmers have to orientate towards cultivating products where Romania has an established quota, especially sugar beet, for which the production does not reach the quota level.

Access to loans with low interest rates was considered to be a condition for performance in agriculture. Farmers knew about the SAPARD grants for

investments. In the opinion of the respondents, direct payments would be mostly used for investments in machinery or buildings, on the second place would be investments in inputs (fertilizers, pesticides, and seeds); only the last option is to use direct payments for private consumption. One expert mentioned that because land-use registration is not accurate farmers will receive direct payments with delay.

The capacity for cooperation of small farmers is low. Most farmers understand the importance of associations, but they have no trust in each other and the past experiences regarding cooperatives are negative. There were some functional associations for irrigation, cattle breeding, etc. Experts consider that it would be necessary to associate in order to increase production or for processing the agricultural products.

In 2005, most of the interviewed farmers considered that market prices and subventions given for specific crops have the main impact on the decision of the farmers to increase or decrease production.[3] The opinion of the experts was that, on the short term, after accession, quite big areas would be rented out or remain uncultivated because of the high number of farms smaller than 1 ha, which do not qualify for EU support. The area cultivated with cereals, oilseeds and protein crops was expected to decrease and the production of vegetables and potatoes was expected to stay at the same level.

A general decrease of the livestock was foreseen both by farmers and experts. Poultry and sheep might have a small increase (the EU norms regarding these species were considered simpler). The number of crops and types of livestock on each farm will decrease, farms will be more specialised.

The share of marketed production was expected to increase, but farms will continue to produce for own consumption, direct exchange and for sale on peasant markets. Both farmers and experts considered the consolidation of farms and modernisation of farming methods as a direct consequence of the EU-accession.

The area of land rented out was expected to increase; most of the owners prefer not to sell, but rent out their land.

3.3. Expected impact of EU accession on agricultural employment

The overall number of agricultural workers in Cluj County was expected to decrease (Table 1). The number of young people employed in agriculture was also expected to decrease, because the level of income in agriculture is low and one also needs passion and a strong family background (land, equipment) to build up a farm. Only few young people choose to enter agricultural education in order to build up a performing farm, they prefer to go abroad to earn money.

[3] This opinion shows the lack of information about the new reform of CAP.

Table 1. Forecast of Agricultural Employment Change for Cluj County

Employment type	Expected change	Explanation	Impact of CAP
Full time workers in commercial companies	weak increase	The number of commercial farms will increase and will increase the dimension too; but will be more mechanized and better equipped, so fewer workers will be needed per ha and per animal.	Strong impact
Full time workers in agricultural associations	decrease	The number of agricultural associations will decrease. The economic pressure on the cut of the cost will increase in agricultural associations, too.	Strong impact
Part-time workers	no change	It is a way for people to complete their income, so some will continue to work in their family farm more for self-sufficiency.	Weak impact
Seasonal workers	decrease	Due to mechanization less people will be needed for labour intensive activities; there will be also fewer people without a permanent job (due to the general economic progress and also because the migration of workers abroad). Family farms where the farmer is old or is an urban resident will continue to use seasonal workers.	Weak impact
Family workers	decrease	The number of subsistence family farms will decrease; the elderly will quit and the young members of the family will not overtake the farm. The unique market restriction will contribute to decrease the number of small farms.	Strong impact

Source: Vincze et al., 2005:282

The advantages offered by the introduction of the CAP was ranked on the first place among driving forces by the interviewed experts, but mentioned as a key driving force by only one third of the farmers. In the farmers' opinion, the main drivers of agricultural employment are the level of incomes and output prices.

Family income from off-farm jobs was expected to increase; agro-tourism has a potential to develop and traditional handicrafts are practiced in a number of villages.

Even though the amounts given are considered unsatisfactory, the use of the retirement schemes was expected to increase, because the elderly will not be able to pay the taxes, if taxes on land will be introduced.

3.4. Farmers' strategies and opinions two years after EU accession

Farmers interviewed in 2009 were all aware of the existence of EU support for agriculture and rural development. One respondent had benefited from SAPARD funding, for a project establishing a bee farm. Direct payments and other subventions were received by 83.3% of the respondents; the amounts

received were used for investment in equipment and buildings by 15 farmers, in purchase of intermediary inputs by 17 farmers, for consumption by eight, and two farmers invested in developing non-agricultural activities on the farm.

The land market has not been very dynamic in the rural areas of Cluj County, only one respondent declared to have sold agricultural land and 23 purchased some agricultural land in the last ten years; the size of land purchased was generally small. Farmers' opinions differ regarding the evolution of agricultural land purchase since 2007, the year of the EU accession of Romania, the general trend seems to be of small increase, but there are great variations over areas. Local people and urban dwellers are almost equally represented among those who buy land and six respondents considered that agricultural land is mostly bought by foreigners. The price of agricultural land increased in the last two years, most respondents appreciated that the increase of price was below 50%, but in some areas the price of land doubled.

All except one of the respondents plan to stay in agriculture and all those who continue farming have some investment plans: 22 want to buy equipment, 19 would like to extend buildings and infrastructure, seven want to purchase land and 15 want to invest in livestock breeding. The reasons to stay in agriculture are diverse: eight respondents do it because they like farming, four respondents said they had "nothing else to do", other three consider farming a source of "secure income", one said he had a business idea and another one wanted to make use of the land and equipment the family owned. One respondent thinks of agriculture as of a good occupation for the period of retirement and one practices agriculture to complete the income of the household.

When asked about possible improvements of the system of agricultural support, most respondents had a proposal to make. "Less bureaucracy" was the wish expressed most frequently (nine farmers); administrative burden on project implementation should also be simplified (four respondents), "promises made should be kept" and payments should be timely (two respondents). The need for more information and counselling was also expressed by four respondents; two farmers complained of the fact that they have to travel long distances to the agency (they would prefer local administration) and one complained of the quality and professionalism of the agency staff. Entering modifications in the land register was also considered very complicated, and an obstacle to access EU funding.

Farmers are not satisfied with the amounts received, more subventions would be needed for machinery and for inputs (fertilizers, pesticides, and seeds), for milk collection and ecological products. Infrastructural investments in the rural area were also considered necessary. Two farmers mentioned that subventions are helpful, and other two said that direct payments should be kept; one considered subsistence agriculture important to be supported. One of the

respondents considered that no subventions would be needed if the correct price would be paid on the market for the agricultural products.

Four farmers pointed out the need for the development of larger farms, the land should be concentrated and unused agricultural land should be cultivated.

3.5. Developments in agriculture and rural employment in Cluj County

The most important aspects of EU accession in the opinion of experts interviewed in 2009 were the free movement of persons and goods and the financial support (access to direct payments, and the Structural Funds). Two experts pointed out that many farmers do not like the constraints and strict rules introduced as the result of EU accession.

Some experts considered that the majority of farmers are well informed; others said that farmers are not sufficiently informed; the least informed are subsistence farmers from isolated villages, and the conservative, ignorant old farmers.

All experts agreed that EU-accession is a threat for self-subsistence farms, they will not be able to survive and to meet the requirements of the EU; harsh competition and difficult access to funding will force them to cease their existence. On the other hand, EU-accession is an opportunity for commercial farms in the opinion of three experts, one believes it is neither an opportunity, nor a threat and one did not answer. Homogenisation and loss of national identity was mentioned as a consequence by one of the experts.

In 2007 around 40,000 farms benefited from the Single Area Payment Scheme and around 30-35,000 are below the SAPS limits. In the opinion of the experts, land concentration has increased since 2007 and a small increase of land sale was reported; land is purchased both by locals and foreigners.

Regarding the trends in agricultural production, it is expected that the number of cows will slightly increase, while the number of cattle will stagnate. The number of sheep is expected to increase, because there is a long tradition in it and the large areas of pastures allow extensive breeding. A small increase in the number of pigs is expected, as demand for pork meat is also increasing. Opinions differ regarding poultry; two experts expect big increase, while one expects small decrease because of the high costs involved. The number of goats is expected to increase because there is a growing demand for goat milk. The areas cultivated with fodder crops will increase, on the expense of areas cultivated with cereals; energy plants will also be cultivated on larger areas. The quantity of vegetables grown in greenhouses will increase in a small degree, and potatoes will also be produced in larger quantities in the areas where potato-growing is suitable. A small increase is expected in fruit production; the area is suitable for it, but investment costs to establish orchards are high. As regards organic farming, some of the experts expect a small increase (because of the growing demand and the higher prices of the products), others expect no change

(because of the difficulties in the management of organic farms, which are not compensated sufficiently by the level of prices). Afforestation of eroded areas will intensify and thus, the areas covered by forests will increase.

The total number of farms was expected to decrease; consequently the size of farms and farming productivity will increase. All experts considered that farmers will mainly invest in machinery and pure-bred animals, as these are necessary to increase productivity and to fulfil EU norms. Investments in inputs (quality seeds, fertilizers, pesticides) will also increase and more land will be rented than bought. Experts expected that buildings and infrastructure will only be developed by those who access EU funding, as these investments are very expensive.

There is a certain interest from the side of successors to overtake the farm from the old generation, and the EU support measures could stimulate this interest if accessing funds would become simpler. Some experts say that young people will not continue farming, but sell or rent the land. The number of young people graduating agricultural education follows a downward trend; the interest is low because agricultural incomes are not attractive.

Availability of non-farm jobs, the number of young people interested in agriculture, the differences between agricultural and non-agricultural incomes, the reputation of farmers, the ability to diversify farm activities, the price of agricultural products, CAP support measures, grants for investments and the retirement system were considered almost equally important factors influencing agricultural employment.

The experts' opinions regarding demographic and employment tendencies in the rural area until 2013 are quite divergent and thus difficult to summarize; they are presented in Table 2.

Table 2. Demographic and employment tendencies in the rural area until 2013

	Big increase	**Small increase**	**No change**	**Small decrease**	**Big decrease**
Demographic tendencies					
Aging	4			1	
Urban-rural migration of the elderly		4	1		
Settling of young and middle aged families in rural areas		2	3		
Rural-urban migration of young people		3		2	
Migration of young people abroad		1	1		3
Employment tendencies					
Agricultural employment		3		2	

	Big increase	**Small increase**	**No change**	**Small decrease**	**Big decrease**
Local employment in processing agricultural products		4	1		
Public employment			3	2	
Local employment in agricultural services (inputs, machinery, marketing, consultancy)	1	3	1		
Local employment in services to the population	2	2	1		
Local employment in retail		3	2		
Local employment in tourism	3	2			
Local employment in industry		3	1	1	
Local employment in handicraft		3	1	1	
Commuting to urban workplaces	2		2	1	
Seasonal migration abroad	1		1	3	
SME establishment		4	1		

Source: own research

The number of full time employed in agriculture will slightly decrease because of technological changes; seasonal workers will also decrease, excepting peak periods, no change. Part time workers will continue to practice agriculture to complete their income. The number of employees will decrease, as family members are usually enough to carry out farming activities.

4. Conclusions

The Romanian rural economy is poorly diversified; it depends upon agriculture, dominated by subsistence farms which mainly produce for own consumption and only marginally supply to the market. The main problem is that rural employment in Romania is primarily and overwhelmingly agricultural and because the overstaffing and the low level of mechanization, productivity of agricultural labour force is very low.

Field research revealed in 2005 that farmers in Cluj County were not well informed about the EU-accession and the Common Agricultural Policy (CAP), although farmers who practiced agriculture at a higher level made efforts to get informed; less informed were the elderly, people living in remote areas and those practicing subsistence farming. Two years after EU-accession the situation improved, but farmers were still not sufficiently well informed.

EU-accession was considered a threat for self-subsistence farms in 2005 as well as in 2009, because self-subsistence farms are not able to meet the requirements of the EC; difficult access to funding will force them to cease their existence. On the other hand, EU-accession was seen as an opportunity for commercial farms.

Both farmers and experts considered (in 2005, as well as in 2009) that EU-accession will lead to the consolidation of farms and modernisation of farming methods. Due to the expected consolidation of the farms, the area of land rented out will largely increase; the ownership of the land will change in a smaller degree, as most of the owners are very conservative and prefer not to sell their land, but rent it out.

According to the opinions expressed in 2005, direct payments would be mostly used for investments in machinery or buildings, on the second place would be investments in inputs (fertilizers, pesticides, and seeds). Outcomes of the survey from 2009 suggest that direct payments were used primarily for the purchase of intermediary inputs, followed by the development of non-agricultural investments and own consumption; buildings and machinery were ranked on the last place, because the amounts received were considered insufficient for such investments.

The overall number of agricultural workers in Cluj County was expected to decrease by the respondents interviewed in 2005, as well as by those interviewed in 2009, because many semi-subsistence farmers would quit agriculture and the big exploitations would replace labour-intensive activities with machinery. Part-time workers were expected to continue working in agriculture to complement the income of the family (in-kind income). Seasonal employment was considered not to be influenced by the CAP because elderly farmers and urban land owners would continue to use them anyway. The number of young people employed in agriculture was expected to decrease, because the level of income in agriculture is low and one also needs passion and a strong family background (land, equipment) to build up a farm.

Opinions expressed during the interviews (in 2005 as well as in 2009) demonstrate that there is a clear differentiation of tasks according to gender. Managing is considered exclusively the task of men, as well as herd management, machinery maintenance and cultivation (ploughing, fertilising, harvesting). On the other hand, accounting, secretarial tasks, fruit picking, sorting, harvesting potatoes, horticulture, flowers and poultry-breeding were seen to be done exclusively by women. Most respondents considered that milking, feeding of the animals and calves rearing could be done both by men and women.

Family income from off-farm jobs was expected to increase; processing of agricultural products, agricultural services (providing inputs and machinery, marketing services and consultancy), services to the population and tourism were considered the economic activities capable of creating more jobs in the rural areas. The number of SMEs was expected to slightly increase.

Two years after accession, farmers have already faced some of the challenges of EU accession. Many farms did not qualify the EU support measures because of the farm size and structure, or because the property over

land could not be demonstrated. Constraints and strict rules introduced as the result of EU accession are perceived negatively by the farmers, as well as the centralization of the procedures (they would prefer local administration to save travel time and cost), the excessive bureaucracy and administrative burden on project implementation. The first two years caused many disappointments because of the inconsistencies in procedures, lack of professionalism of the agency staff and delays of payments.

Land concentration and modernization of farms has hardly begun and the evolution land market is unpredictable; the location of land is the main factor which influences the price and the category of buyers (locals, urban dwellers and foreigners).

Four categories of farmers were identified:

1. farmers who practice agriculture because they like it (have a passion for it);
2. farmers who consider agriculture a profitable business, ensuring a secure income;
3. farmers who have no other alternative (nothing else to do);
4. farmers who practice agriculture to complement their income (retired people, persons who have a non-agricultural job).

Agriculture is the only economic activity for many farmers' households from the first three groups, thus they are highly dependent on the agricultural incomes. However, CAP impacts differently on these groups. The increase of competition and the restrictions for eligibility for direct payments, together with the cease of national support measures will lead to the reduction of the number of subsistence farms from groups 2 and 3, but would not impact groups 1 and 4. The growth of agricultural income through direct payments could stimulate farms from group 3 and 4 and this can be an obstacle in the way of semi-subsistence farms' restructuring, but, at the moment, farmers are not satisfied with the amounts received as direct payments, therefore, it seems that it does not increase agricultural employment. The EARDF measures would mostly have a positive impact on farms from groups 1 and 2, especially if procedures would be simplified and programme implementation would become more predictable; these are the most likely to develop competitive commercial farms.

The aging of the rural population will intensify until 2013, enforced by the increasing urban-rural migration of the elderly. The migration patterns of young people are more difficult to foresee, but it can be expected that the rural area will lose young population by 2013.

The current economic crisis will lead to the increase of rural unemployment, and it is an obstacle for the creation of non-agricultural jobs. Agricultural employment would follow a decreasing trend; the effects of economic recession can not make from agriculture a "buffer for unemployment", as it happened in the 1990's. Commuting to urban workplaces will most

probably increase, but it is highly influenced by the length and severity of the economic crisis.

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