

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY  
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT  
POLICY

Voluntary  Public

**Date:** 9/10/2010

**GAIN Report Number:** RO0009

## Romania

**Post:** Bucharest

### Romania has a new Minister of Agriculture

**Report Categories:**

Agricultural Situation

Policy and Program Announcements

**Approved By:**

HOA VAN HUYNH

**Prepared By:**

MONICA DOBRESU

**Report Highlights:**

Valeriu Tabara, President of the Agriculture Committee of Chamber of Deputies was recently appointed as Minister of Agriculture in Romania. Former Minister, Mihail Dumitru, was assigned as Head of the Presidential Committee on Agriculture, an Advisory body to the President. State aid forms approved this year were viewed by farmers as insufficient.

## **General Information:**

Recent political turmoil resulted in a Government reshuffle on September 2, 2010. The Agricultural Minister (AgMinister), Mihail Dumitru, was among the six ministries who left their portfolio. Mihail Dumitru was perceived as an expert in EU agriculture and rural development policies, considering his vast experience of working within EU agricultural entities. The newly appointed minister is Valeriu Tabara, a prominent political figure with extended experience in agricultural field and a great reputation among the members of agricultural community.

## **Agriculture Minister's Biography**

Valeriu Tabara graduated as agronomist in 1973 from the Agronomic Institute Timisoara. Upon graduation, Tabara performed research activities as a member of the research team within the Plant Research Station at Lovrin in Timis County (west of Romania) until 1977, when he became Assistant to Professor. In 1984 he was awarded the PhD title in Agronomy. Twelve years later (1996), after successfully passing all hierarchy faculty stages, Valeriu Tabara became University Professor. AgMinister is a full member of the Romanian Academy of Agricultural Science and Forestry, being elected in 2009 as Vice-president of this academic institution.

Apart from his active political involvement, Valeriu Tabara continued the academic and research activities, being both University Professor and researcher at Research Station in Lovrin-Timis county. Tabara is a member of several scientific bodies, publishing over time more than 220 scientific papers and several books, either as single author or part of a group. AgMinister received over time numerous awards and distinctions for his contribution and dedication to research in Agriculture.

Valeriu Tabara has been a member of the Democrat-Liberal Party since 2002, but his political activity started in 1991 as a member of the nationalist party PUNR. During 1996-2000 and 2004-2008, Tabara held the position of Vice-president of the Committee for Agriculture, Chamber of Deputies, while in 2008 he was elected as president of that Committee. Valeriu Tabara served as Agriculture Minister during 1994-1996.

Agricultural associations expressed their satisfaction for this appointment, as Tabara is viewed as a politician with extended experience in agriculture. Unlike his predecessor who was a technocrat, Tabara is considered to have the political support of his party to advance proposals for funding agricultural sector.

Following the assignment, Tabara stated that reducing the fiscal evasion in agriculture, diminishing the import volume and the uncultivated area are among his priorities.

Tabara takes over the agriculture portfolio the middle of the restructuring process commenced in July by his predecessor. This process will result in a 25% personnel reduction, at both central and county level, from 13,302 employees to 9,759 employees.

The day the new minister was endorsed by the Romanian President Traian Basescu, the former AgMinister, Mihail Dumitru, was assigned as Head of the Presidential Committee on Agriculture, an Advisory body to the President.

## **Agricultural support**

The day of reshuffling, September 2, coincided with the day several hundreds of farmers protested against the lack of support for agriculture, calling for resignation of the AgMinister, Mihail Dumitru. Various slogans such as "we want to produce, not import", "Romanian potato, on the verge of desperation", "Lack subsidies for sugar beet will result in a double price for sugar" could be read. Farmers accompanied by machinery and other agricultural equipment protested in front of the county-level Government representative, in some cases by pouring the milk on the street.

It is worth to note that upon accession, Romania was allowed to use for three years (2007-2009) several forms of state aid in

agriculture and food industry. These forms specifically referred to production of sugar cane, rice, hemp, flax, soybean, tobacco, poultry meat, pork meat, eggs; subsidies for fuel used in agriculture; vegetables production in greenhouses; subsidies for improving milk quality; and financing the sale of bull frozen semen to be used for artificial insemination on cows.

During 2010, several support measures were adopted by the Romanian Government, in an attempt to replace the previous ones, but they were considered by farmers groups insufficient. Below we listed the new forms of state aid:

- Animal welfare for poultry and hog farms specifically for animal welfare requirements for the following 5 years, for a maximum amount of 500 EURO/LU/year (livestock unit)
- Reimbursable percentage of the farm insurance depending on the risks insured
- Full reimbursement for animal waste rendering activity, based on the contracts signed with the rendering companies
- Excise reduction for fuel used in agriculture from the standard level of 293 EURO/1,000 l to 21 EURO/1,000 l
- Subsidized interest rate for farmers.

In addition to the above measures, legislative framework was approved for measures funded by European Union through European Agricultural Guarantee Fund (EAGF), some of them co-financed from the national budget:

- Support for increasing fruits consumption among school children – 13,405,814 million EURO, of which 9,659,220 EURO financed by EAGF and 3,746,594 EURO from the national budget
- Support for conversion to organic agriculture – 3,098,000 EURO (EAGF)
- Support for dairy farm located in less-favored areas – 22,447,205 EURO (EAGF)
- Support for dairy farms affected by crisis – 5 million EURO (EAGF)
- Support for tomatoes for processing – 869,000 EURO (EAGF)