

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: 1/10/2017

GAIN Report Number: RO1701

Romania

Post: Bucharest

New Ministers of Agriculture and Environment appointed in Romania

Report Categories:

Agriculture in the News

Approved By:

Russ Nicely

Prepared By:

Monica Dobrescu

Report Highlights:

Parliamentary elections were held in Romania in December 2016. The winning coalition nominated the new Prime Minister and a new cabinet. On January 4, 2017, the new Romanian Government was sworn in. Petre Daea, a former Minister of Agriculture, will manage the Ministry of Agriculture and Rural Development while Daniel Constantin, another former Minister of Agriculture, will manage the Ministry of Environment.

General Information:

Parliamentary elections held on December 11, 2016 revealed the Social-Democrat Party as the winning political party. The alliance with ALDE (Alliance of Liberals and Democrats) ensures a comfortable majority in the Romanian Parliament, allowing them to nominate the Prime Minister and Ministers. On January 4, 2017, Petre Daea was confirmed as the Minister of Agriculture and Rural Development.

Short biography

Petre Daea, born in 1949, served as Agriculture Minister (AgMinister) for a six month term in 2004 and as Secretary of State during 2002-2004 within the Ministry of Agriculture. He served as a member of Parliament three times: as Senator during 2004-2008 and 2008-2012 and as a Deputy 2012-2016. Considering his background as an agronomist, he was a member of the Committee for Agriculture in all terms. He graduated in 1973 from the Agronomy Faculty based in Timisoara, and later earned the PhD in Agronomy (1982). He began his career as an agronomist and later became the head of a farm. Over time Mr. Daea gained experience in public service, holding various administrative positions, such as the one in the Local County Office for Agriculture and Food Industry.

Upon his nomination, the media recalled Daea as a supporter of biotech crops, quoting a statement he made in favor of these crops in 2007. Upon Parliamentary confirmation, when asked about biotech crops, Petre Daea explained that this theme should be tackled in consultation with producers and researchers in order to identify the interest at the country level, calculate the costs and then adopt a decision.

Governing Program - Highlights of the Agriculture Chapter

The Agriculture chapter of the new Government plan for 2017-2020 is very comprehensive and it includes a large range of measures to be applied to agriculture. According to the plan, the below measures seem to be the priorities of this Government in Agriculture field:

- Timely disbursement of farmers' subsidies;
- Revamping and expanding the irrigation system with a target of 2 million HA to be irrigated (currently less than 0.2 million HA are irrigated);
- Development of a national anti-hail and rain-stimulation system to cover the total arable land area of 9.3 million HA;
- Establish a Credit Fund for farmers with state guarantees as incentives to increase crops, livestock and fishery production;
- Support program for selected products with two products selected per year; tomatoes and pork meat selected for 2017; it is estimated that about 40,000 farmers will benefit from tomato support and about 12,000 farmers from the pork meat support
- Specific support for tomato: U.S. \$ 3,150 /1,000 square meters (sqm) under the conditions that Romanian varieties are cultivated and the yield of at least 2 kg/sqm is produced and delivered to collection centers
- Specific support for pork meat: U.S. \$10,500 /200 fattening pigs under the conditions that at

- least 20 MT of pork meat is produced and delivered;
- Increase EU funds absorption - improve procedures, revise application guidelines, ensure co-financing through credit guarantee funds;
- Support for increasing employment in agriculture, aquaculture and food-industry among young generation;
- Build collection centers for fruits and vegetables;
- Encourage activities in mountainous areas to protect natural resources, seek rational population density in mountain areas, create and preserve employment, create and preserve access infrastructure;
- Research and Development Program - finance the Agriculture and Forestry Science Academy in order to set up research clusters in which Romania has competitive advantages;
- Encourage organic agriculture and traditional products, set up a laboratory for organic and traditional products certification;
- Reform the Ministry of Agriculture - create a Food Industry and Trade Policies division and empower the State Domain Agency to gain a larger role in land consolidation;
- Other measures - revise agricultural land sale legislation, food packaging management legislation, food products traceability, cut the “red-tape” in regard to access to agriculture support.

Considering the new AgMinister’s long experience in the Romanian Parliament, it is expected that he will use this capacity to gain political support to pass and to advance quickly various laws/regulations in order to implement the plan.

Farm and food processing leaders’ expectations

Surveyed by the agricultural media regarding expectations from the new AgMinister, farm and food processing leaders expressed hopes towards finalizing and implementing the mutual funds law, revising the law on agricultural land sales, designing fiscal incentives for small farmers’ associations, revamping the irrigation infrastructure, and reviving the agricultural research.

Changes in the structure of the Ministry of Environment, Waters and Forests in Romania

The current Ministry of Environment, Waters and Forestry will split into two Ministries: Ministry of Environment and Ministry of Waters and Forestry starting with January 2017.

Daniel Constantin, AgMinister during May 2012-November 2015, was selected to be the Deputy Prime Minister and the Minister of Environment. The newly established Ministry of Waters and Forests was assigned to Adriana Petcu, who has until recently managed the Water Regional Office Buzau (south-east of Romania).

End of report.