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## Conference Paper Considerations on the functionality of short chains of sale vegetables/fruits

#### Provided in Cooperation with:

The Research Institute for Agriculture Economy and Rural Development (ICEADR), Bucharest

*Suggested Citation:* Chetroiu, Rodica; Iurchevici, Lidia (2018) : Considerations on the functionality of short chains of sale vegetables/fruits, In: Agrarian Economy and Rural Development - Realities and Perspectives for Romania. 9th Edition of the International Symposium, November 2018, Bucharest, The Research Institute for Agricultural Economy and Rural Development (ICEADR), Bucharest, pp. 336-340

This Version is available at: https://hdl.handle.net/10419/205128

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## CONSIDERATIONS ON THE FUNCTIONALITY OF SHORT CHAINS OF SALE VEGETABLES/FRUITS

### CHETROIU RODICA<sup>1</sup>, IURCHEVICI LIDIA<sup>2</sup>

**Abstract:** The paper is part of the research carried out under the ADER Project 16.1.2 - Models of development of the short chains of valorization on primary production-services-storing-processing-marketing pathway, Stage 4 and is based on the results of applying questionnaires to vegetable / fruits producers, in order to identify the degree of functionality of the short chains of capitalization of production, as well as the problems they face. The analyzed problem refers to the context and valorization of production, the belonging of the producers to a form of association, their position regarding the functionality of the short chains, the financial resources necessary for the development of the production processes, accessing the European / national funds for the development of the activity etc.

Keywords: vegetables, fruits, chains of valorization, producers

JEL Clasification: 013, Q23

#### **INTRODUCTION**

The short chains of valorization vegetables / fruits is aimed at selling from one producer to the consumers, by involving as few as possible intermediaries. This concept has great openness in most of the countries of the European Union, and in the last years it has an expansion in Romania, both among producers and consumers. In this way, food systems are created in which the production, processing, marketing and consumption of vegetables / fruits takes place in a relatively small geographical area.

Consumers demand for local products, with known origin, alongside the need for producers to add value to the production and marketing of their own agricultural goods, is a prerequisite for the emergence of short supply chains. Consumption of local vegetables / fruits has the effect of reducing the distances they are transported, which can bring economic, environmental and social benefits such as savings in transport costs, lowering gas emissions, and so on. [4]

Based on the results of the application of questionnaires to vegetable / fruit producers, the present paper is of high relevance and highlights the degree of functionality of short chains in our country, the context and the valorization of production within them, as well as the position of producers towards this type of organizing horticultural activity.

#### MATERIAL AND METHOD

The present study is based on a quantitative research (questionnaire) performed among the producers who hold agricultural holdings with vegetables and / or fruits, which took place in different horticultural areas in Romania.

The questionnaire contained 34 questions, with the possibility to provide multiple answers and was completed by 140 respondents, sampled according to certain criteria, as follows: by gender: 72.8% men, 27.2% women ; age: 10.7% between 18-25 years, 39.3% between 26-40 years, 46.4% between 41-65 years, 3.6% over 65 years; occupation: farmers 64.3%, employees 2.9%, other occupations 32.9%; residence environment: rural area 16.4%, urban environment 83.6%; level of education: gymnasium 8.6%, high school 47.9%, higher education 43.6%.

In order to synthesize the results obtained, the SPSS program (Analyze-Descriptive Statistics-Frequencies) was used.

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#### **RESULTS AND DISCUSSIONS**

Integration of vegetable / fruit production activities within a short chain of valorization means associating operators at the same level of the chain, such as producer cooperation, processor association, etc. [2]

Concerning the belonging to a short chain of valorization of the fruit and vegetable production, 78.6% of the respondents answered negatively and the remaining 21.4% answered affirmatively, which shows that the majority of the producers are not part of a short chain of valorization, but the intention to associate in the future is optimistic, as 82.1% consider taking part in an associative form in the near future and only 17.9% are unwilling to do so.

Regarding the reasons why they did not associate, 29.3% of respondents invoked large taxes and charges; 34.3% - lack of legislation to support small and medium-sized producers; 10% - the difficulty in accessing European funds; 7.9% - lack of loans with preferential interest for farmers; others: 18.6% (Chart 1). It results that the main reasons why they did not join the association are related to the extent to which the legislation supports the vegetable / fruit producers and the high level of taxes and duties in the domain. For other reasons, the respondents mentioned the bureaucracy, the fact that they had no one to associate with, and the lack of confidence.

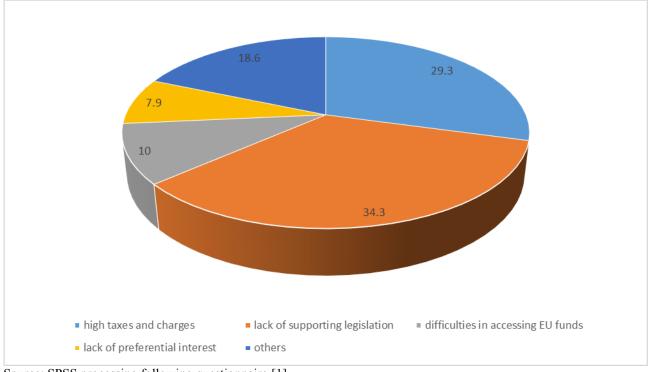


Chart 1 – Distribution of the respondents according to the reasons for not belonging to a form of association

The partnership approaches for strengthening the vegetable / fruit markets have proved to be effective rural development instruments. By association, new ways to sell products in larger quantities and to attract successful projects can be found. At the same time, closer links can be established between the horticultural, tourism and food sectors of a region.

On the question regarding production planning based on previously concluded contracts, 78.6% of the interviewed producers responded negatively and only 21.4% responded positively. Thus, the answer to this question can be correlated with the question of belonging to a short chain of valorization, where the percentages are identical. Therefore, failure to belong to a short chain of valorization has, among other things, a casual selling of production without a contract, which raises the degree of insecurity regarding the marketing of production and affects the resumption of future production cycles.

Source: SPSS processing following questionnaire [1]

Another question in the questionnaire referred to the share of the production of vegetables / fruits marketed. Thus, 31.4% of the respondents said that they managed to sell between 91-100% of the produced quantity and about 26% sell between 81-90%, and 84% of the respondents sell more than half of the production (Chart 2).

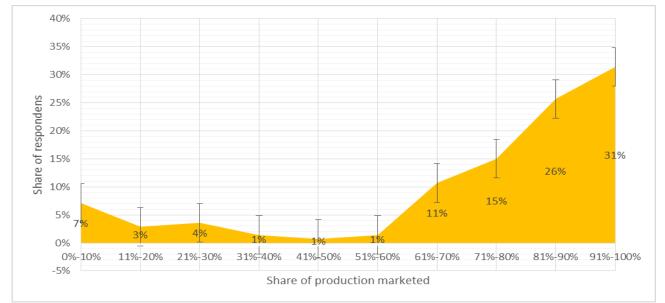


Chart 2 - The share of production marketed

Regarding the location of selling the production obtained, most of respondents use vegetables / fruits on the local market, only 3.6% sell exclusively on the county market, 12.1% exclusively on the national market, and on the external market, 1.4% of the interviewees use half of their production.

The way of marketing of the fruit / vegetable production directly to the consumer was another question in the questionnaire, to which the respondents responded according to Chart 3, as follows: only 20.7% of them sell totally directly to the consumer on the short chain, and 41.4% do not sell directly to the consumer, meaning to an intermediary, adding another stage to the valorization of vegetables / fruit on chain.

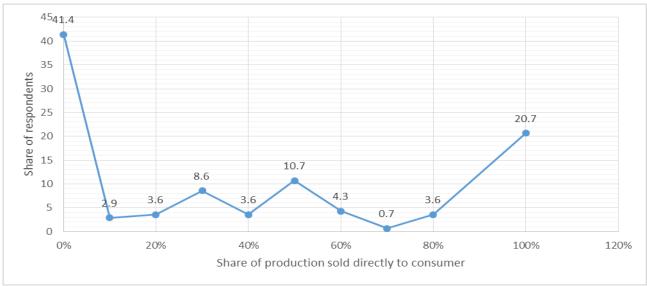


Chart 3 - Selling vegetables / fruits production directly to consumer

Source: SPSS processing following questionnaire

Source: SPSS processing following questionnaire

Consumers have a fundamental right to tasty and healthy vegetables / fruits local produced. The access to fresh products, in a short term, through the marketing of local products, contributes to improving the state of public health, by diversifying food regimes and preserving all organic food qualities (which are reduced by long-term conservation systems).

The short supply chain extension refers to the ability to retain the bulk of benefits for producers. This can be done without any intermediary (direct sale) or with one or more intermediaries, but the relationship between the intermediary and the producer is based on exact information on the origin of the product, the producers and the conditions under which it was processed, thus allows a contact of the consumer with production. [4]

The marketing of the production engross was also another subject of the questionnaire, to which the answers were polarized in the two extremes, namely: 39.3% of the producers do not sell engross at all and 23.6% sell exclusively by using this type of intermediary (Chart 4).

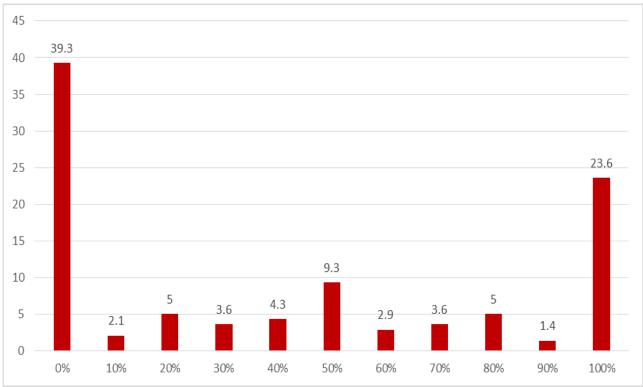


Chart 4 – Selling production engross

Source: SPSS processing following questionnaire

The Romanian producer reaches quite difficult with the production of fruit / vegetables in the big shopping centers, especially because he produces seasonally and its production is low and does not meet the quality requirements imposed by hypermarkets. [3]

To the question about the intention to integrate the farm's activity into a short chain of valorization vegetables / fruits, 32.9% responded negatively and 67.1% responded positively. So, even if in present the expansion of the short chains of valorization is currently limited, in the future, at least at the level of intent, this is a valid option amongst vegetable / fruit growers.

Regarding the perception of functionality, the respondents stated that the short chain has a medium degree of functionality compared to other forms of valorization of the obtained production (according to the SPSS methodology). They also believe that the existence of a single intermediary in the marketing process is beneficial in terms of time and money savings. Most of them appreciate that the optimal choices for their business development are accessing European funds and implementing short chains of capitalizing on production by removing intermediaries.

#### CONCLUSIONS

The short chains of valorization fruit / vegetable support the regional and local economy, processing, marketing and local services. When revenues are spent locally, on short chains, they remain in the region and lead to an increase in community revenue compared to regular business trades. Also, short distribution channels increase mutual interaction, meetings and mutual understanding between consumers and producers. By personal contact with the producers, they allow the establishment of reliable relationships and the immediate traceability of products for consumers.

The short chains are defined by several key features [4]: increased ability to provide information about the producer and the foodstuff; the ability to ensure a fair price (preserving added value to the producer and superior benefits for consumers); the short chain dimension: from a direct relationship to a fewer number of intermediaries.

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