

2018 ITLUS Summer Tour Romania



June 25th - July 1st
Stephen Robb
Tillage Reporter IFJ

This Morning...

1. Rundown of the key stats of Romania
2. Main highlights of the seven day trip
3. Main take home thoughts

Romania

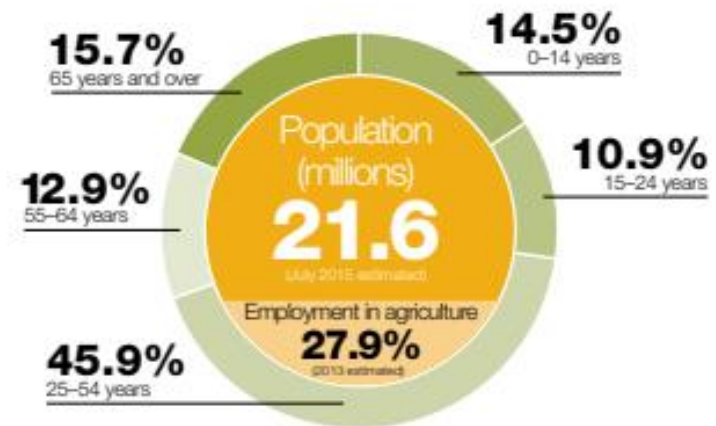
- **Total area:** 238,391 km² (2.8 times the size of Ireland)
 - 61% of this is used for agriculture (14.7 m ha)
- **Borders:** Hungary, Ukraine, Moldova and has access to the Black Sea



**17th largest in the European Union
by total GDP**

GDP composition by sector:

- Industry 33.2%
- Services 64.4%
- Agriculture 4.2%



Romanian Agriculture

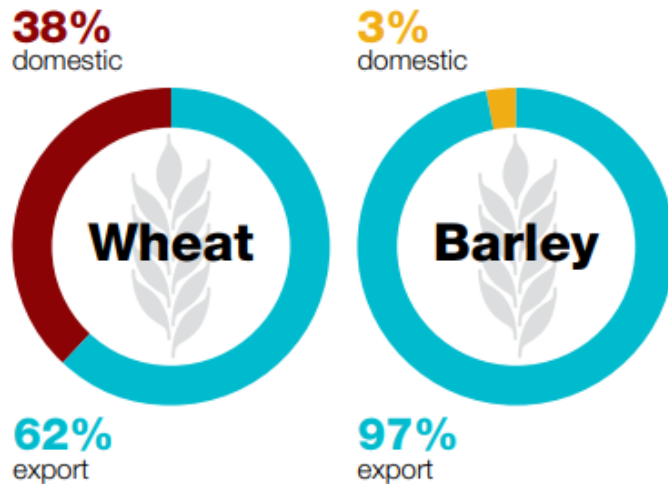
- Average farm size is just 2.3ha
 - Collapse of communism, land given to the people
 - 3.5 million land owners
 - Strip agriculture



- Small, medium and large producers

Cropping Scene

- **Land:** 9.4m ha (64%) is classed as arable, but only 7.5m ha currently in production



- **Climate:** Continental with rainfall of between 400mm - 600mm per annum

Crop type	Cultivated area 2017 ('000ha)	Production 2017 ('000t)
Wheat	2,027	9,877
Barley	443	1,857
Oats	166	408
Maize	2,581	14,326
Total cereals	5,217	26,468
Dried pulses	116	291
Sunflowers	986	2,913
Rapeseed	598	1,672
Soya	151	365
Oilseed crops	1,735	4,950
Sugar beet	27	1,115
Potato	168	3,129
Vegetables	224	3,631
Vineyards	178	1,074
Orchards	138	500

The Tour



Key locations

June 25th - July 1st

- Bucharest
 - Danube port facilities
 - Various farms
- Braila
 - KC Agro
 - Insula Mare
 - Panifcom near Valdeni
- Botosani
 - Jim McCarthy
- Budereasca
 - Vineyard
 - Alex Stefan
- Brasov

Day 1 Irish Embassy

- Irish Embassy in Bucharest: reception hosted by the Irish Ambassador, Derek Feely
- Junior Minister in the Ministry of Agriculture
- Hugh Beirne from Avalon Comp



Day 2- ALCEDO SRL

- Gabriela Rizescu, who is the director of marketing with ALCEDO SRL, an input company – Oltenita
 - 2017 was a great year
 - 2018 had been much more difficult
 - Drought!
- Inputs are sold on the basis of payment at harvest, without interest
- Grain bins on the banks of the Danube
- Barges carry 800 to 2,000 tonnes capacity and they can travel up or down the river



Local Seed Producer

- Jonel Gheorghe farms 600ha
- He began farming with 12 owned hectares in 2004 and he now owns 150ha
- €7,000/ha to €12,000/ha depending on soil and irrigation
 - Land rental €250/ha on a 10-year lease
 - Entitlements of €200/ha



Crops and Machinery

- **Wheat:** 9.6 t/ha
 - 12.3%
 - 79-80KPH
 - Seed, cleaned and dressed- €490
 - Feed, €150/t
- **Maize:** 11-12 t/ha
- Spraying was done at night time
- **Key disease and pests:** Septoria, rusts and fusarium and brome grasses
- **Grants:** Up to 70% for machinery purchase and other infrastructure



Day 3 KC AGRO

- Ianca-based KC Agro
 - Farm manager Ricardo Luis
- 3,000ha of crops including cereals, oilseeds, beet, maize and sunflowers



Rain welcomed and benefitted:

- Soya bean, sugar beet, maize and sunflowers crops
- Too late for wheat and OSR

Harvest Info

Wheat:

- Grain moistures off the combine came in at 13% with an estimated protein content of between 13% and 15%.



Sugar beet:

- 35t/ha to 40t/ha, down from an average yield of 70t/ha.

Sunflowers:

- Expected to take a yield hit with anticipated yield in the region of 2t/ha



Market Rewards



13,000t

The farm has storage capacity of almost 13,000t

- 2017 what was sold for €140/t to €150/t
- Sugar beet is grown on contract to a sugar factory in Moldova, over 300km away
 - Factory carries out the harvesting and transport operations
- Receives a minimum of €20/t for beet but crops with higher sugar content can receive up to €32/t

Support

- €160/ha basic payment under CAP
- Yield of over 55t/ha of beet, eligible to receive an additional €700/ha

Crop Insurance

- Around 60% to 70% of the farm's crops are insured
- Crops on his farm are insured against:
 - Heavy rain
 - Hail
 - Fire
 - Frost and a number of other risks
- Average premiums range from €12/ha to €15/ha
- Indemnities are paid only when the yield penalty incurred is greater than 10%
- Claim may be made in three out of 10 years



Labour Issues

- Challenge of finding good staff to work on the farm



€550/month

Average wages for a general operative on the farm is
€550/month

Day 3 Insula Mare a Brailei

- The EU's largest farm with all its land in a single block
- In the Danube River, just south of the town of Braila
- 79,000ha island, 67,000ha of which is arable



57,600ha

Insula Mare is said to be the biggest joined-up farm in the EU

- Land leased from the State on a 20-year contract
- Operated by a Romanian company called Agricos- recently sold



Crops and People



20,000ha

Farm produces around 20,000ha of wheat annually



5,000 ha



12,000ha

Along with 12,000ha of maize (corn)



500 ha



5,000ha

It also produces around 5,000ha of sunflowers



900 Staff
(150
Agronomists)

Irrigation

- Rainfall in the area is 450-500mm per annum
 - In Soviet days, irrigation was commonplace and publicly supported
 - Nine major channels on the island to supply water for irrigation
- Water table is high
 - Most of the land is only 2m above river level, with the highest point on the island being 19m
- Many of the machines that work on the land are on tracks



Machinery

- 30 big tractors from 400 to 650hp, plus 40 at 180hp and 35 at 150hp
- Some are owned, others are leased and John Deere and Challenger are the main brands
- There are also more than 40 combines on the farm, with others hired in at harvest time
- Most are fitted with precision farming technology and auto steer



Transport and Storage



- Only accessible by a barge
- Predominantly dirt roads
- The farm has four large grain storage bins located at its ferry port on the banks of the Danube
- About 70% of its grains are sold around harvest and loaded directly on to ships to the Black Sea
- The remaining 30% of farm output is stored for subsequent sale.



Day 4 Panifcom Farms and Dairy

- 4,000ha arable, dairy and pig farm operated by Panifcom SRL in Vladini
- Owner Liviu Balanici and his farm manager Catalin Parii
- Each farm operates a separate business
- About 90% of the land area rented
 - 2,000 rental agreements in place



Dairy

- 1,400- indoor cow dairy farm
 - Over 650 milking at a time
- Milking takes place three times daily, 365
 - Five hours per day milking
- Milk price was **€0.31/l** and this increases to **€0.36/l** during winter
- Calving takes place all year round
 - Number of lactations per cow was **3.7**
 - Cows calving every day and about **80** calves per month
 - Sold at **three weeks** of age and go to the Netherlands
 - They also use about **3,000t** of straw for bedding



Grain



- Pig and dairy slurry are put through a separation unit with the solids spread and the liquid used for irrigation
 - Slurry sold to grain farms
- Crops grown include maize (for grain and silage), soya beans, alfalfa, wheat, barley and triticale
- Irrigation had big effects on yields
- Breakeven yield for maize at 9t/ha with 7t/ha for wheat and 3.5 t/ha for soya beans

Day 5 Southern Harvest Romania



- Jim and Liam McCarthy
- Argentina to in Botosani, Romania - Southern Harvest Romania (SHR)
- Currently farming around 9,600ha with ambitions to double in size
 - Driven by global investors
- Ferried around by staff during the day



The Land

- Team of people to acquiring land
 - 11,000 separate pieces of land owned or rented
 - Averaging about 1.25ha each.
 - Fields vary in size from 2ha to 205ha
- Purchase requires a team of specialised legal people and surveyors
- The process of talking to owners of adjoining or new lands or farms, with the intention of expansion, is referred to as '**compacting**'
- The average cost of land in this region is put at around €3,000/ha



Farms and Crops

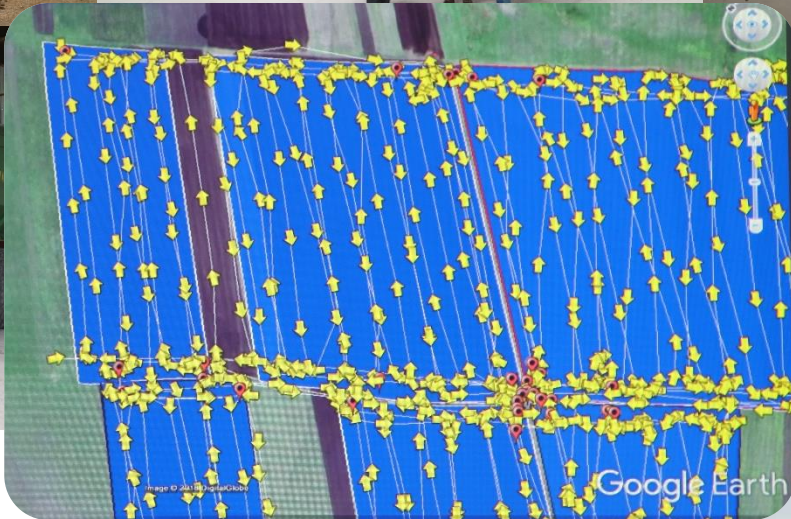
- Five farms - one organic and four conventional
- Organic farm (1,702ha)
- Produce sold to the German market
 - Wheat (280ha)
 - Maize (172ha)
 - Sunflower (229ha)
 - Sugar beet (70ha)
 - Oats (12ha)
 - Linseed (225ha)
 - Buck wheat (38ha)
 - Pumpkin (109ha)
 - Peas (143ha)
 - Soya beans (334ha)



Farms and Crops

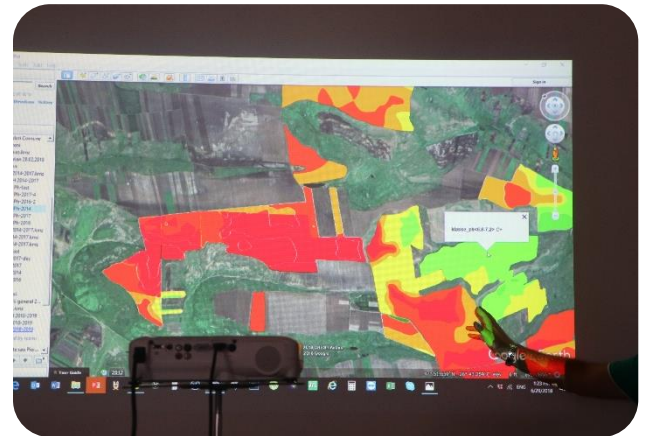
- Conventional
 - Wheat (1,863ha)
 - Soya beans (622ha)
 - Sugar beet (545ha)
 - Sunflower (1,673ha)
 - Grain maize (3,105ha)
 - Rotation and matching crops to land
- Machinery used is pooled
 - Except for organic
 - Combines do about 1,000 engine hours
 - Work 24/7 during harvest





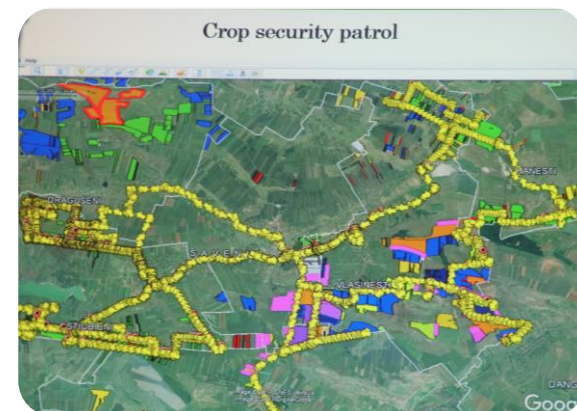
Soil type and Sampling

- Range of soil types, heavy to light
- Low soil pH and low soil P
- Soil sampling on a 2ha grid basis to help add precision to input use
- Targeting a pH level of 6.2 and spread about 7,000t of lime in 2018 alone
- Processed lime waste
- 60kgP/ha across the farms to try and rise soil levels



Security

- Claudiu Cojucaru is the security manager
- Trespassing, diesel theft and theft of cobs from maize crops
- Claudiu manages a team:
 - CCTV
 - Electronic number plate recognition
 - GPS trackers on vehicles
 - Motion detection cameras
 - Electronic fuel control plus keys
 - Manual recording registers to provide a check on electronic registers
 - Vehicle patrols.
- Combination of enforcement and education to help tackle the problem
- Important to have locals on your side and tradition is still a driver of current practices

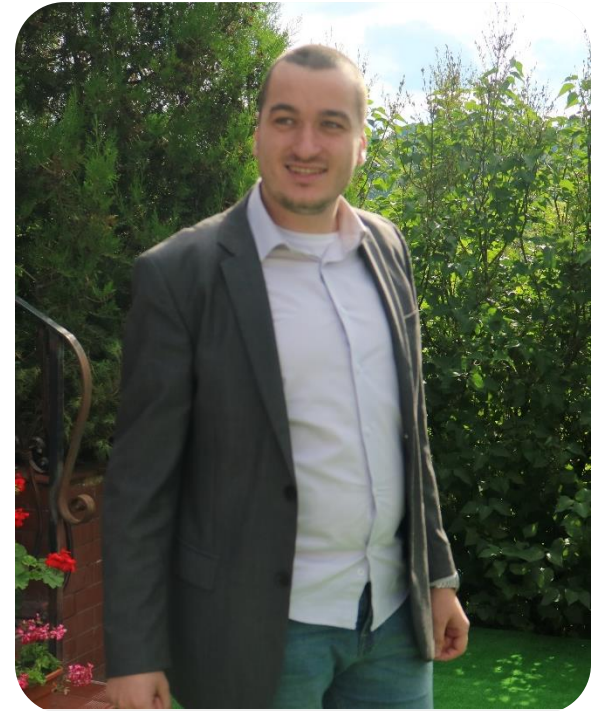


Travel



Day 6 - Alex Stefan

- Alex Stefan and Vasile Todosia
- Came to Ireland and purchased a number of Suffolk from Roscrea
- Irish Suffolks was to formally cross them with native breeds to produce a new meat-producing breed
- Suffolk ram progeny produced more twins and showed higher growth rates than the local breed



In Conclusion..

- A country with enormous potential
- Farmers are innovative
- Fragile politically, lacking in investment
- A challenge to farm in but big rewards

Next trip...

Thank you