# SUSTAINABLE DEVELOPMENT THROUGH AGRO-TOURISM FOR THE CONSOLIDATION OF AGRICULTURE AND THE ENVIRONMENT

## VIOLETA GRIGORE, MIHAELA PIRVULESCU, NINA SAVA, DANA CONSTANTINESCU

Bioterra University of Bucharest, Gârlei Street, no 81, District 1, Bucharest, Romania; Email: grigorevioleta07@yahoo.com

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#### **ABSTRACT**

Designed as a necessary association between people and nature, as a new way of development that can support the human progress in time, sustainable development can be seen as a harmonization of interests between present and future generations.

Therefore, in order to respond to present needs without compromising the capacity of future generations to meet their own needs, sustainable development planning must be understood as a process unfolding at three different levels: economical - by increasing the exploration and the exploitation of resources, environmental - by avoiding environmental degradation, and social - through jobs growth, traditional crafts, agro-tourism and by strengthening the cultural identity of local communities.

These levels are closely linked with the different problems agriculture and environmental are facing; so, in order to have a proper development/performance, a sound management and suitable solutions, we need a national legislative framework that is harmonized with international rules; this condition must be regarded as the first/prerequisite step to be taken-for a sustainable development in the future.

#### **INTRODUCTION**

Designed as a constructive association between man and nature, as a new way of development that can support human progress in time, sustainable development can be regarded as a harmonization of interests between present and future generations.

Therefore, in order to respond to present needs without compromising the capacity of future generations to meet their own needs, sustainable development planning must be understood as a process unfolding at three different levels: **economical** - by increasing the exploration and the exploitation of resources, **environmental** - by avoiding environmental degradation, and **social** - through jobs growth, traditional crafts, agrotourism and by strengthening the cultural identity of local communities. Those levels can be related with different problems such as the agriculture and environmental problems.

As environmental issues are more and more discussed at different levels by specialized institutions and organizations, agriculture developed as an important issue within these debates. The European model of agriculture represents a catalyst for the European integration process, a tandem evolution process between the European society and the rules of sustainable development. The evidence of this workable/functional tandem can be traced in the past CAP reform objectives, as well as in the present ones. Keeping the balance of this model's evolution tendencies makes European agriculture more expensive as compared to its competition and places the European farmers in a slightly disadvantaged position.

The bases of the European model of agriculture are the two CAP pillars. The first one represents a **pillar of stability** supporting farmer's incomes and softens market shocks determined by price volatility. The **second pillar** takes the stabilization process one step farther by promoting development, restructuration and diversification of activities, as a genuine promoter of investments and of sustainable farming methods. The way the

two pillars objectives interact represents an essential element for the sustainable development of the rural economy. Although there is not just one definition for the process of sustainable development, it is often described through its objectives - job creation and welfare, improving life standards in rural areas<sup>1</sup>. Development can be more sustainable when at central or local level real-growth and revitalization opportunities are found, which, in time should guarantee certain degree of self-sufficiency for rural communities.

Romanian rurality must be seen as an authentic development path. From this perspective, sustainability understood as a process intended to reduce the gaps between urban and rural should contribute in raising the living standards of the villagers without invading the picturesque and traditional character of the rural areas through uninspired modernization. As such, rural tourism should promote countryside in the true sense of the word, not only develop rural guesthouses, disruptive for the environment. Highly important for the rural areas stays the further development of utilities - water, sewer, electricity, gas - thus providing a rural infrastructure capable to support a friendly development of nature, within a multifunctional rural agro-food sector. The development of the infrastructure and of the basic services in the rural areas - including recreational and cultural activities, the revive of villages and of those activities intended to rebuild and improve the cultural and natural patrimony/heritage of the countryside, represent essential elements of an effort to fully capitalizing the growth potential of the rural areas, as well as their sustainability. Therefore, support should be provided for operations/activities developed for this purpose, including those regarding access to information and communication technologies and the development of fast and ultrafast broadband connection. According to these objectives, the development of services and infrastructure that leads to social inclusion, determine reverse trends of the economic and social decline or even stop the depopulation of rural areas<sup>2</sup> should be encouraged.

Income increasing activities must be designed and promoted in order to raise the living standards of the people who live in rural areas. A first such activity could be the development of rural tourism in those areas that benefited from programs encouraging touristic activities. In practical terms, the revive and the development of rural areas will determine a new form of tourism, an alternative to traditional tourism - agro tourism.

Therefore, agro-tourism can provide tourists with accommodation, meals, entertainment and other complementary activities taking place in the peasant's household. As such, the tourist enjoys a clean/unpolluted and picturesque environment full of natural attractions, cultural-historical values, traditions and customs specific for rural areas. Through their various components, rural areas address a wide range of demands: rest and recreation, knowledge, culture, sports, clean air or spa, hunting and fishing. This explains why agro tourism has the possibility to cover a large area of leisure opportunities for tourists.

Agro tourism includes organized activities run by local people closely related to the natural environment. Agro tourism has/possess a high level of complexity, including touristic activity (accommodation, services, sports, entertainment, etc.) as well as economic activity, usually of agricultural nature, like production, processing and trading agricultural products.

As such, agro-tourism represents an integral recovery of the rural environment, with its agricultural, tourism, human, technical and economic potential. Agro-tourism capitalizes rural, natural resources, cultural traditions and historical agricultural products, trademark/regional identity and ethnographic and cultural specificity. A consequence of the post-industrial civilization, agro-tourism offers tourists the chance to rediscover nature.

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<sup>&</sup>lt;sup>1</sup>According to the PNDR 2014-2020 definition

<sup>&</sup>lt;sup>2</sup>The European Parliament and Council Regulation concerning support for rural development from the EAFRD http://www.madr.ro/pages/afaceri-europene/propunere-regulament-ce-627.pdf

Therefore, natural environment plays the leading role, as the main theatre where recreational activities are supposed to take place. A special role in keeping a sound natural environment must be taken by the inhabitants of the rural areas, through a proper usage of their agricultural land and the application of methods of production compatible with environment protection, including biodiversity, water, soil and landscape protection.

In order to consolidate both the agricultural sector and the environment, a number of normative acts were implemented over time, at national and European level. Such acts count as premise for a long term sustainable development process.

Unfortunately, the elaboration and implementation of legislative acts intended to stimulate the Romanian rural tourism was very slow in the years after the fall of Communism. Government Ordinance no. 62 of 24th August 1994, approved by Law no. 145/1994 established the definitions for **tourism pensions** and **agro-touristic farm** for tourist accommodation. Thereafter, the National Tourism Authority Order no. 61/1999 (published in Official Monitor no. 242 bis/1999) updated the concepts, as well as their content with **rural tourism pension** and **agro-tourism pension**.

These two types of accommodation as well as food services are also redefined and merged into a single concept – the **rural tourism guesthouse**, by Government Decision 1328/2001 and OMT no. 510/2002 (M.O. 582 encore / 2002). Compared to rural tourism guesthouses, agro-tourism guesthouses (meaning agro-tourism farms) can cover some of the tourists meals from their own production, without any service obligations (this definition has a restriction). Agro-tourism guesthouses do not provide accommodation services. However agro-tourism is more restrictive in terms of the holiday spending; in addition it takes into consideration the economic impact over rural households and rural communities as a whole.

Agro tourism involves spending time in the farmers household - a farm or a guesthouse etc. - consuming agricultural products (sometimes a given proportion - at least 20% is mentioned) and participating, more or less, at the agricultural activities - "peasantry farm"). Its equivalent is often used to designate the participation of those peasant houses that lost their agricultural function or that are part-time used/ inhabited by their owners as active farmers. In spite of losing the directed connection with the farming activity, "farm tourism" is an important and real form of rural tourism, with a considerable contribution to the local economy.

The National Rural Development Program 2014-2020 was elaborated and implement ding accordance with EC Regulation 1305/2013 of 17 December 2013 and Council Regulation on support for rural development by the European Agricultural Fund for Rural Development (EAFRD). Nationally, the Program is coordinated by the Ministry of Agriculture and Rural Development, and foresees financial support for agro-touristic activities, both from European non-refundable funds, but from the national budget for various common measures aiming rural development policy. Based on these measures, the rural development policy for 2014-2020 focused on three themes (known as "thematic axes"). These are:

- ✓ improving the competitiveness of agriculture and forestry;
- ✓ improving the environment and rural areas;
- ✓ improving quality of life in rural areas and encouraging diversification of the rural economy.

The following measures are of real interest for a sustainable development through agro-tourism: Measure 10/ 2014-2020 - "Agro-environment payments" and Measure 313 - "Encouragement of tourism activities".

Payments for agro-environment play an essential role and contribute to the sustainable development of the rural areas by satisfying growing demand of the society for environmental services. They should also continue to encourage farmers and other land

managers to exercise a real function for the benefit of the entire society, by introducing or maintaining agricultural production methods compatible with the protection of the environment, landscapes and their characteristics, of the natural resources, the soil and of genetic diversity. In this respect, we should pay special attention to the conservation of the genetic resources in agriculture.

According to the annual report NPRD 2016 the number of holdings that benefited from support was 251,337, and also includes farmers who, by the end of 2016, received at least one type of support for applications submitted in the campaigns from 2014 – 2020. The physical area for which payments were made is of 1,528,725.81 hectares. According to data registered in the quarterly statements of expenditure, adjusted with the annual statements submitted to the Commission when clearing of accounts for the previous financial year, the total payments made for supporting these areas amounts 651.927,435 Euros. Out of this sum, 327.242,645 thousand Euros were paid in 2016, representing 33% of the measures total allocated sum. The financial execution rate (payments) is 65%, representing which is 651,927.44 thousand Euros out of the allocation of 996,408.187 thousand Euros.

The general objective of this measure is to encourage the development of tourism activities in the rural areas that contribute to reduce the unemployment, to create alternative income possibilities and increase the attractiveness of the rural areas. Support under this measure aim investments in rural areas, namely: tourist accommodation infrastructure, recreational activities, small-scale investments in infrastructure and information centres, developing tourism signs and symbols, etc., development and/or marketing of tourism services related to rural tourism.

As mentioned in the previous paragraphs, agro-tourism is regarded as a form of rural tourism that offers accommodation and dining services only within touristic and agro-touristic guesthouses allocated in an unpolluted and picturesque environment, with natural tourist attractions and cultural-historical values, as well as traditions and customs of the rural areas. This type of tourist activities supports the development of rural areas capable to address a wide range of activities: rest and recreation, knowledge, culture, sports, clean air and spa, hunting and fishing. As such, agro-tourism represents both a promotion and a capitalization opportunity of the rural areas, especially when taking into consideration their agricultural, touristic, human, technical and economic potential.

Typical agro-tourism costumers are person usually residing in urban areas. The beneficiaries of this form of tourism, can also be, in specific situations, persons that have relatives or even secondary residences at the countryside, but also people who have different kind of interests (e.g. economic) in rural agriculture.

Agro-tourism can be mountainous, hilly and lowland. It can be organized by individual households (licensed and certified) or at the local level - through subcontracting accommodation spaces.

As stated in the annual report NPRD 2016, 589 projects were contracted in the reference period (the number reflects contracts that remained in the system after operating rescinded contracts), a number representing 6.65% of the 7665 projects NPRD target. The total volume of investment is 172,805.75 thousands Euros, representing 17.64% of the 837,265.81 thousand Euros target, with payments of 14,970.07 thousand Euros, representing 3.9% of the allocation out of which 11,976.05 thousand Euro represent EAFRD contribution.

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Figure 1. Number of projects submitted and selected per sessions

Source: Data from NPRD Annual Report 2016

Until 31.12.2016, six projects submission sessions were conducted under this measure; within this sessions 1697 projects were submitted, summing up a total eligible value of 284,242.695 thousand Euros. Out of the 1,697 projects submitted, 1292 projects were declared eligible by the Selection Committee and only 1028 were contracted projects (the number reflects the contracts remaining in the system operation after operating rescinded contracts). The total investment volume was of 398,605.184 thousand Euros, with a non-refundable eligible value of 170,554.734 thousand Euros.

### Regional distribution of approved projects

Table 1.

Region	Number of projects	Non-refundable eligible
	Approved	projects - thousand Euros
1.Nord-East lasi	148	20832,771
2.South East Constanta	80	14169,905
3.South MunteniaTargoviste	115	20305,642
4.SouthWest Olentia Craiova	74	12739,212
5.West Timisoara	173	28897,46
6.North-West Satu Mare	200	33060,507
7.Centre - Alba Iulia	235	40036,114
8.Bucuresti Ilfov	3	513,123
Total	1028	170554,734

Source: Data from NPRD Annual Report 2016

In terms of regional distribution, Region 7 Centre - Alba Iulia has the largest share, respectively 22.86% of total projects approved under this measure, followed by Region 6 North-West Satu Mare with a share of about 19.46 % of total approved projects. The lowest rate, 0.29% respectively of the total projects approved under this measure is held by Bucharest Ilfov Region 8.

In order to have a truly functional Romanian agro-tourism and in the context of sustainable development, more attention should be given to rural areas rich in traditions, with a particular natural environment, with local people more involved in this type of

activity, with customer oriented services (accommodation, meals, local attractions), and the existence of infrastructure (access roads, transport, accessible and acceptable facilities), as well as national and international legislation capable to regulate and stimulate the development in this field of activity.

#### CONCLUSIONS

As environmental issues are more and more discussed at different levels by specialized institutions and organizations, agriculture developed as an important issue within these debates. The European model of agriculture represents a catalyst for the European integration process, a tandem evolution process between the European society and the rules of sustainable development.

Designed as a constructive association between man and nature, as a new way of development that can support human progress in time, sustainable development can be regarded as a harmonization of interests between present and future generations.

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