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FINANCIAL RESOURCES FROM EUROPEAN UNION PROGRAMS IN THE OPINION OF THE SURVEYED FARMERS OF THE POMERANIAN VOIVODESHIP

Key words: European Union funds, agriculture, farms, investments, procedures

ABSTRACT. The aim of the research was to find out about farmers' opinions on financial support from the European Union. The development of rural areas and agriculture in Poland significantly accelerated after Poland became a member of the European Union on May 1, 2004. Pre-accession programs made it possible to prepare the agricultural sector for future EU membership, and the subsequent financial perspectives brought a number of programs allowing for the financing and development of the agribusiness sphere, including individual farms. The article presents the results of the research carried out by the survey method using the survey technique carried out in May 2021 among 60 farmers running farms in the Pomeranian Voivodeship. The surveys were collected using the Microsoft Forms available to respondents via social media (Facebook, Instagram, YouTube). The research has shown that European Union funds had a significant impact on the development of farms in the voivodship under study. The financial support was obtained mainly by farms larger than 10 ha, in most cases for purchasing agricultural machines and tractors, and the value of investments usually exceeded 100,000 PLN. It was found that the complexity of the procedures made it difficult to access financial resources, which was why farmers often used the services of agricultural advisors.

INTRODUCTION

The development of rural areas and agriculture in Poland significantly accelerated after Poland became a member of the European Union on May 1, 2004. Pre-accession programs made it possible to prepare the agricultural sector for future EU membership, and the subsequent financial perspectives brought a number of programs allowing for financing and development of the agribusiness sphere, including individual farms in the country [Kiełbasa, Bogusz 2014, Roman et al. 2020]. The obtained funds significantly

influenced the process of introducing innovations. In many cases, they were an important factor in accelerating changes, including the processes of adapting to changes in the market [Kielbasa 2013]. Thanks to the financial resources, farms receive funding for their current business activities and funds for further development of their production potential [Łuczka, Kalinowski 2020]. Thanks to this, the production of many agricultural products can be maintained at a level ensuring economic profitability and competitiveness, and agricultural producers can introduce solutions allowing to meet the growing quality requirements in the processes related to production technology, storage and transport, which is necessary due to the increasing competition among enterprises from the agribusiness sector [Drelichowski, Sikora 2012]. Considering the still significant fragmentation of farms in Poland and their limited economic potential, funds from the EU programs are the only chance to ensure the financial stability of farm families. In addition, the available funds from the EU programs have influenced and still have an impact on the attractiveness of the countryside as a place to live, improving the quality of life in the countryside, giving the opportunity to work or run a business [Uglis, Kozera-Kowalska 2019]. High quality of life is of particular importance in local territorial systems, and the increase in the quality of life is the main goal of sustainable development [Drozdowski, Dziekański 2022]. In addition, these funds became an incentive to multifunctional development of rural areas by launching new non-agricultural functions [Uglis 2011]. Farmers are undoubtedly the social group that benefits from the available EU funds. The aim of the research was to find out about farmers' opinions on financial support from the European Union.

MATERIAL AND THE RESEARCH METHODS

Among the farmers operating in the Pomeranian Voivodeship, surveys were carried out using the survey method (the questionnaire technique). The surveys were collected using the Microsoft Forms available to respondents via social media (Facebook, Instagram, YouTube). The research was conducted in May 2021. The questionnaire consisted of 16 closed questions, of which 13 were single-choice questions and 3 multiple-choice questions. The questionnaire also included 5 metric questions in order to characterize the respondents. Farmers running a farm in the Pomeranian Voivodeship participated in the research. The selection of the group was randomly obtained thanks to an Internet survey. Sixty respondents took part in the research, among whom 13.3% were women and 86.7% men. Among the respondents, 33.3% were people aged up to 29, 36.7% aged 30 to 39, 21.7% aged 40 to 49 and 8.3% of those aged 50-59 years. People over the age of 60 did not participate in the survey. Most of the respondents were people with secondary education (51.7%), then 33.3% with higher education, while 15.0% of the respondents had vocational education. None of the respondents had primary education. The questionnaire included

a question about the length of running a farm. One fifth of respondents run a farm for up to 5 years, 25.0% of respondents declare the length of running a farm between 6 and 10 years, 31.7% of respondents run a farm for 11 to 20 years, 15.0% for a period from 31 to 40 years, while 1.7% of the respondents run a farm for a period of 41 to 50 years. People running a farm for more than 50 years did not apply for the research. When asked about the size of farms run by the respondents, 6.7% of the respondents answered that they run a farm with an area not exceeding 10 ha, 16.7% a farm between 10.1 and 20 ha, 10.0% from 20.1 to 30 ha, 28.3% declared running a farm with an area between 30.1 and 50 ha, 21.7% from 50.1 to 100 ha, while 16.7% run a farm with an area of more than 100 ha.

RESEARCH RESULTS

The conducted research showed that farmers most often used the support under the “Modernization of farms” (areas a-e), as 40.0% of the respondents declared that they used this measure. Another measure that was popular among farmers was the bonus for young farmers, which could be obtained by persons starting their own farm arrangement. The use of this type of support was indicated by 28.3% of the respondents. One fifth of people participating in the study benefited from the bonus for the restructuring of small farms (measure 6.3), 16.7% of respondents made an investment using the support under measure 4.1.1 “Modernization of farms in Natura 2000 areas”. One tenth of respondents benefited from co-financing for water protection against nitrate pollution from agricultural sources (Figure 1).

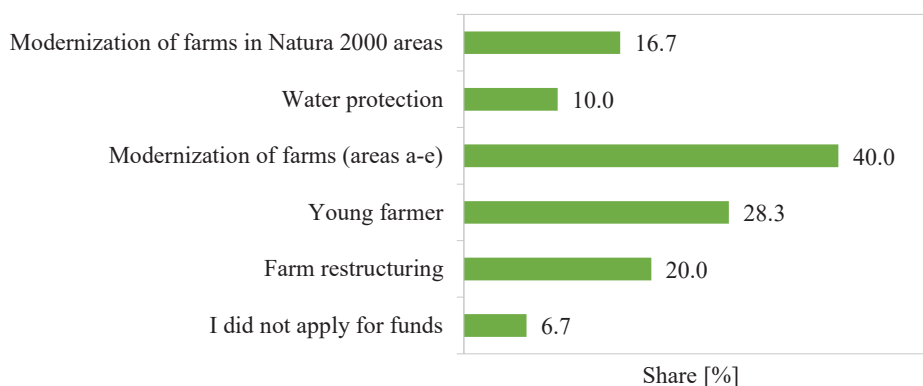


Figure 1. Percentage share of financial sources selected by respondents (respondents could choose more than one answer)

Source: own research

Out of 10 respondents implementing investments under the measure Modernization of farms in Natura 2000 areas, 40.0% run farms with an area of 20.1-30 ha and 50.1-60 ha, while 60.0% were people managing an area of in the ranges of 30.1-40.1 and over 100 ha. No person answering the questions, running a farm of up to 20 ha, benefited from support under this measure. Respondents who benefited from support under the measure aimed at protecting waters against pollution by nitrates from agricultural sources (4.1.2), mostly (50.0% of respondents) run farms with an area of 50.1-100 ha. One third of the respondents farmed an area of more than 100 ha, and 16.7% between 30.1 and 40 ha.

The largest group of beneficiaries of support under the Measure 4.1.3 “Modernization of farms” (areas a, b, c, d, e) were respondents who run a farm with an area of 50.1 to 100 ha – 37.5% of the respondents. Subsequently, 25.0% of the respondents were people who farmed on the area between 30.1 and 40 ha and those who owned farms of more than 100 ha. This measure was also used by research participants whose farm area does not exceed 10 ha – they constituted 8.3% of the group of people who financed investments on the farm under the Measure 4.1.3. The smallest group were people who run farms with an area of 20.1-30 ha – only 4.2% of people who used this measure.

In the surveyed population, 41.2% of those benefiting from the bonus for young farmers ran farms with an area of 30.1 to 50 ha, while 17.6% of respondents from this group were people whose farms exceeded the area of 100 ha, the same percentage of people were respondents managing between 10.1 and 20 ha and 50.1 and 100 ha. The smallest group that benefited from this measure were respondents whose farms are between 20.1 and 30 ha. Among those benefiting from the bonus for the restructuring of small farms, the largest group (50.0% of respondents) were those whose farms area was between 10.1 and 20 ha. One-fourth of the respondents carried out restructuring on farms with an area of up to 10 ha, 16.7% were farms between 20.1 and 30 ha, and 8.3% with a size of 30.1 to 50 ha.

The results have shown that the funds obtained were most often spent on the purchase of agricultural machinery (61.7%), the purchase of tractors (36.7%) and investments in buildings (25.0%). The surveyed farmers rarely decided to buy land (11.7%) or animals (8.3%) (Figure 2).

The majority of the survey participants indicated that without the use of the European Union funds it would be impossible to carry out investments on their farms. 73.3% of respondents to the question: “In your opinion, could the investment be carried out without the participation of the European Union funds?” indicated the answer “No”, while 20.0% said that it was possible to carry out the investment without these funds – selecting the answer “Yes”. The question was not obligatory for those who answered in the first question of the survey: “I have not applied for funds under any of the above”. Similar results were obtained by Magdalena Śmiglak-Krajewska [2019] in her research conducted among farmers running a farm in the Greater Poland Voivodeship. The respondents indicated that thanks to the use of the EU subsidies, they could make investments in their farms.

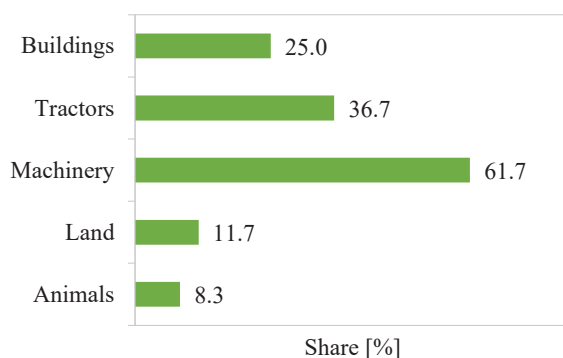


Figure 2. Percentage share of investments financed by the respondents from the RDP (respondents could choose more than one answer)

Source: own research

A great number of farmers participating in the survey (21.7%) indicated that the investment costs ranged from 100.1 thousand PLN to 150 thousand PLN. One fifth of the survey participants stated the amount in excess of 400 thousand PLN. The same percentage of the respondents indicated the range between 50.1 thousand and 100 thousand PLN. Another 10.0% of the respondents stated the investment costs at the level of 200.1-250 thousand PLN, 6.7% at the level from 150.1 thousand to 200 thousand PLN, the same number of the respondents indicated the range of 300.1-350 thousand PLN. The least percentage of the respondents indicated the range up to 50 thousand PLN and between 250.1 and 300 thousand PLN. In both cases, such an answer was indicated by 1.7% of the study participants. This question was not compulsory for those who answered “I have not applied for funds under any of the above” in the first question (Figure 3).

As many as 71.7% of the respondents considered that the European Union funds had a rather large or very large impact on the development of their farm. Only 11.6% of the respondents were of the opposite opinion. 16.7% of the respondents answered “Hard to say” (Figure 4). It is worth mentioning here that the use of the EU funds is not always so popular. An example may be farmers providing agritourism services in the province of Lublin, among which the use of such funds in order to start agritourism services was very small – only 6.7% of respondents used it [Zawadka 2010a, 2010b].

The vast majority of farmers participating in the study used the help of specialists when preparing their applications for funding. Those who applied for funds on their own accounted for 13.3% of the respondents. This question was not obligatory for those who answered in the first question of the survey: “I have not applied for assistance under any of the above”.

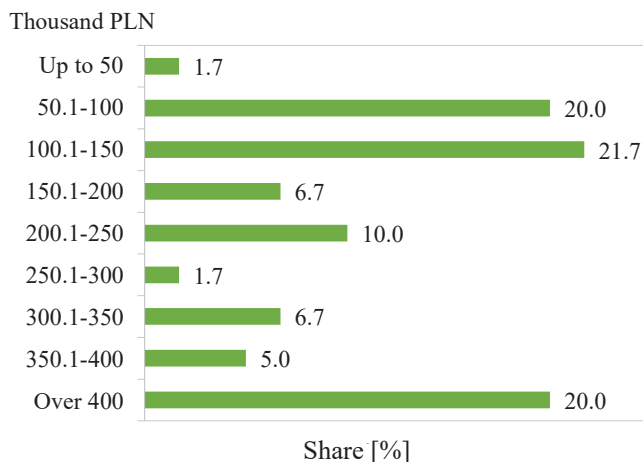


Figure 3. Percentage share of answers to the question “What was the value of eligible costs (net) that were co-financed by the European Union?”

Source: own research

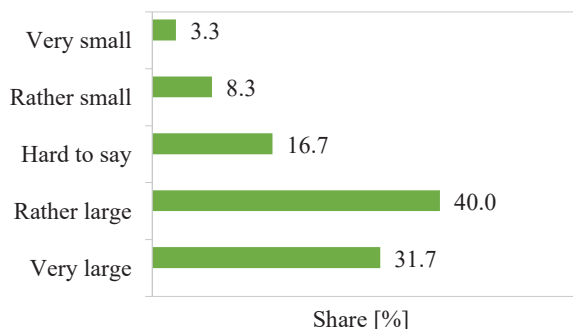


Figure 4. Percentage breakdown of answers to the question “How do you evaluate the impact of European Union funds on the development of your farm?”

Source: own research

The largest number of people participating in the survey decided to use the services offered by private agricultural advisors – 48.3% of the respondents chose this answer. Then, 31.7% were respondents who filled in the application with the help of advisers employed in state Agricultural Advisory Centers. A small percentage of the respondents used the help of the Agricultural Chambers, the commune offices and the family – 6.7%, 5.0% and 3.3% respectively. When answering this question, the respondents could select more than one answer (Figure 5).

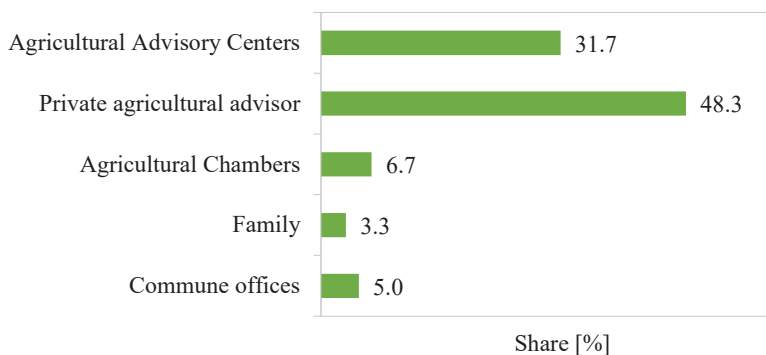


Figure 5. Whose help was chosen by the farmers participating in the study

Source: own research

In the opinion of 56.7% of the respondents, difficulties related to the preparation of an application for financial support rather had or definitely had an impact on access to the European Union funds. These results were confirmed by previous research, showing the importance of formal and legal problems for running agricultural activity [Koreleska 2017a, 2017b]. The opposite opinion was expressed by 28.3% of the respondents, while 15.0% believed that they did not matter. Among the respondents, 40.0% believed that the costs of preparing the application and attachments to the application were average, 35.0% said that they were high, 3.3% – very high, and 5.0% of the respondents considered the costs of preparing the application and attachments rather low or very low. Answering this question was not compulsory for respondents who in the previous question of the survey answered: “I did not apply for assistance under any of the above”.

A significant group of respondents (46.7%) believed that the time spent by the Agency for Restructuring and Modernization of Agriculture for evaluating the application was long or very long. 40.0% of the respondents believed that the length was average, while 5.0% described the time as short. 1.7% of respondents did not have an opinion on this subject. The question was not obligatory if the answer “I did not apply for assistance under any of the above” was selected in the first questionnaire question.

The contacts with the Agency for Restructuring and Modernization of Agriculture employee assessing the application were described by 5.0% of the respondents as definitely negative or rather negative. 15.0% of people answering the questions chose the answer “Average”, while 73.3% of the respondents replied that contacts with an Agency for Restructuring and Modernization of Agriculture employee were rather positive or definitely positive.

CONCLUSIONS

The conducted survey showed that almost all of the respondents using the European Union funds when carrying out investments on their farms ran farms with an area of more than 10 ha. This confirms the hypothesis that it is mostly farms above 10 ha that decide to benefit from the EU support. Moreover, it was found that most of the researched farms with an area of up to 20 ha most often used the funds obtained under Measure 6.3 “Restructuring of Small Farms”. This is probably due to the requirement of the economic size, which is directly dependent on the size of the farm, and which is of great importance in the process of applying for financial support. The remaining measures define the minimum economic size that farms must have in order to apply for aid. In the measure Restructuring of Small Farms, the maximum amount entitling a farmer to benefit from this aid was specified. The obtained research results confirmed that the European Union funds contribute to the development of farms in the Pomeranian Voivodeship. Most of the surveyed farmers considered that it would be impossible to carry out the investment if they did not receive financial support.

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ŚRODKI FINANSOWE Z PROGRAMÓW UNII EUROPEJSKIEJ W OPINII BADANYCH ROLNIKÓW WOJEWÓDZTWA POMORSKIEGO

Słowa kluczowe: fundusze unijne, rolnictwo, gospodarstwa rolne, inwestycje, procedury

ABSTRAKT

Celem przeprowadzonych badań było poznanie opinii rolników na temat wsparcia finansowego z Unii Europejskiej. Rozwój wsi i rolnictwa w Polsce znacznie przyspieszył po uzyskaniu członkostwa w Unii Europejskiej 1 maja 2004 roku. Programy przedakcesyjne pozwoliły na przygotowanie sektora rolniczego na przyszłe członkostwo w UE, a kolejne perspektywy finansowe przyniosły wiele programów pozwalających na dofinansowanie i rozwój sfery agrobiznesu, w tym indywidualnych gospodarstw rolnych. Badania wykonano w maju 2021 roku metodą sondażową z wykorzystaniem techniki ankiety wśród 60 rolników prowadzących gospodarstwa w województwie pomorskim. Ankiety zebrano za pomocą formularza Microsoft Forms, udostępnionego respondentom za pośrednictwem mediów społecznościowych (Facebook, Instagram, Youtube). Z badań wynika, że fundusze Unii Europejskiej mają znaczący wpływ na rozwój gospodarstw w badanym województwie. Pomoc uzyskiwana była przede wszystkim przez gospodarstwa większe niż 10 ha na maszyny oraz ciągniki rolnicze, a wartość inwestycji najczęściej przekracza 100 tysięcy złotych. Stwierdzono, że złożoność procedur utrudnia dostęp do środków finansowych, dlatego rolnicy często korzystają z usług doradców rolniczych.

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