

LOCAL GOVERNMENT AS A PUBLIC INSTITUTION SUPPORTING ORGANIC PRODUCTION IN THE OPINION OF THE PRODUCERS FROM NATURAL VALUABLE AREAS OF THE LUBLIN VOIVODESHIP (POLAND)

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Abstract. Undertaking organic farming is conditioned by carrying out a series of tasks related to, inter alia, the implementation of the new procedures, technologies. This means that for the proper functioning, building regional capacity in this aspect, it is necessary to have support of institutions and organizations. Agricultural production (including organic food production) in this regard needs support not only from the corporate market but state institutions as well, including local government units.

The aim of this paper is to estimate support for organic food production provided by local government units compared to other institutions and organizations. It has been verified whether the local government unit indicated by producers as the most crucial with reference to the support provided for organic producers would be Marshall's Office. Research material for the purpose of the following paper was collected from 43 households producing organic food in 30 communes out of the most valuable areas according to the rate formulated by D. Guzal-Dec as part of studying the ecological value of rural and urban-rural communes of Lublin voivodeship. The research was conducted by means of a diagnostic survey with the use of a questionnaire.

Key words: organic production, valuable natural areas, local government.

JEL code: Q12, Q57, H79

Introduction

Lublin region is a region with a typically agricultural character. Located in the Eastern part of Poland, bordered in the South with Carpathian voivodeship, in the North with Podlaskie voivodeship and, in the West, with Mazovia as well as Swietokrzyskie voivodeships. The Eastern border of Lublin voivodeship is also one of Polish borders and the border of the European Union – a border with Belarus and Ukraine. Lublin voivodeship is the third largest area, just following Mazovia and Greater Poland voivodeships in the country (area 25122 km²).

Lublin voivodeship is one of the least developed voivodships. It is also a region characterized by fragmented agricultural structure. According to the 2010 General Agricultural Census, in Lublin voivodeship, there were 233559 farms engaged in agricultural activities, 233372 of which were private farms, and 66 public sector entities. Agricultural production area amounting to 1359882 ha in 2010 was used by 233372 individual farms engaged in agricultural activities. This area covers 54.1 % of the total area of Lublin voivodeship in 2010. Due to environmental benefits Lublin voivodeship is an area where

ecological agriculture should develop. It is the farming that creates conditions for the exploitation of natural resources providing permanent soil fertility and animal and plant healthiness, such production is based on using natural means of production (Wojcik G., 2012).

Number of organic producers operating in the field of ecological agricultural production Poland, as of 31 December 2013, amounted to 26598. In Lublin voivodeship, there were 2129, representing 8% of those carrying out this type of activity in the country. Another group of entities in the organic sector are enterprises engaged in the processing of organic products and the production of feed and / or yeast. Overall, the number in Poland, as of 31 December 2013, amounted to 407 (in Lublin voivodeship 45) (Agricultural and Food Quality Inspection, 2014).

First changes in the system of public administration in Poland took place in 1990, when the system of public services management changed at the commune level. This was the year of the start of independent local government (Act of 8 March 1990). Another important step in carrying out the reform of local government took place in 1999, when, under the Act on Local

government, full decentralization and the creation of two new types of local government (district and provincial government) took place (Act, 2014). The implementation of the reform was associated with conducting basic territorial division of the state.

Currently, in Poland, there is a three-tier territorial division. As of January 1, 2014, Poland was divided into 16 voivodeships, 314 poviats, 66 towns with poviat rights, 2479 communes (including 305 urban, 1566 rural, 608 urban-rural), 913 cities (including 608 cities in urban-rural communes). The local government reform, since the beginning of its operation, has aroused a number of emotions and discussions. Especially changes introduced on January 1, 1999, mainly related to decreasing the number of voivodeships (from 49 to 16 units at present) sparked a debate on a large scale. So far adjustments have been associated with local government. They relate particularly to the commune level.

Proper functioning of the public administration is associated with the execution of tasks by various local government units. The range of tasks performed by communes in accordance with the Local Government Act includes activities in the area of public affairs of local importance (not defined for other entities). Referring to commune activities associated with farming and organic food production, one should pay special attention to the following tasks involving: "spatial management, real estate, environmental and nature conservation and water management; promotion of the commune; cooperation and activities of non-governmental organizations and entities mentioned in Art. 3 paragraphs 3 of the Act of 24 April 2003 on Public Benefit and Volunteer Work (Journal of Laws of 2010, No 234, item 1536, as amended)" (Act, 2013a).

In the case of another unit of local government, activities include public tasks of the supra-commune level "water management, environmental protection and nature conservation, agriculture, forestry and inland

fisheries, promotion of poviats, cooperation and activities of non-governmental organizations and entities mentioned in Art. 3 paragraph 3 of the Act of 24 April 2003 on Public Benefit and Volunteer Work (Journal of Laws of 2010, No 234, item 1536, as amended)" (Act, 2013b).

Poviat is yet another unit constituting part of the system of local government. According to the Law on Local Governments, it is an entity that defines the strategy of development of the region taking into account the number of objectives, among others: "stimulating economic activity, raising the level of competitiveness and innovation of the region; preserving the cultural and natural environment values, taking into account the needs of future generations; rational use of natural resources and shaping the environment, in accordance with the principle of sustainable development; promotion of values and opportunities for regional development" (Act, 2013c). Other tasks performed by the regional government include modernization of the countryside and the environment (Act, 2013c).

Analyzing individual tasks of all of the elements of local government in relation to the promotion of organic production, it can be observed that there is no such a clear reflection in legislation. In the case of the unit being near farms – commune – the tasks are very vague, cannot concentrate mainly on issues of promotion and possible co-operation with NGOs, which are important in the case of organic producers. Paying attention to the problems of agricultural production is much wider in the case of the tasks assigned to poviats and voivodeship governments. Environmental protection is equally important in all of the case it has been highlighted in the mentioned tasks. Tasks imposed by legislation on voivodeship government indicate the need for modernization of rural areas, and the rational use of natural resources. Organic production carried out on farms is included in the implementation of these tasks by voivodeship governments.

Analyzing the role of local government in supporting organic production, it should be noted that this production is supported both from the national budget and the European Union under the Rural Development Plan (2004-2006), the Rural Development Programme (2007-2013). Institutions at the voivodeship level proved to be significant for the implementation of the aforementioned programmes. Therefore, the main purpose of the paper is to identify how farmers evaluate the support in organic production provided by local government units. Due to the fact that main institutions implementing national plans and programs are voivodeship institutions, the hypothesis has been made that support given by Marshall's Office would obtain the highest ratings from respondents in comparison to other local government units.

Methodology

The overall study area included 40 rural and urban-rural communes of Lublin voivodeship (about 20 % of all municipalities), including 30 of the group of the greater natural value and 10 municipalities of a comparative group of communes with low natural value according to the index developed by D. Guzal-Dec in the study of natural value of rural and urban-rural commune of the Lublin voivodeship (Guzal-Dec D., 2013). The natural valuable communes include: Janow Podlaski, Konstantynow, Jozefow, Lukow, Obsza, Dzwola, Janow Lubelski, Modliborzyce, Janowiec, Kazimierz Dolny, Wawolnica, Krasniczyn, Wilkow, Debowa Kloda, Sosnowica, Stezyca, Lubycza Krolewska, Susiec, Tarnawatka, Tomaszow Lubelski, Rossosz, Slawatycze, Urszulin, Wlodawa, Adamow (zamojski), Krasnobrod, Labunie, Skierbieszow, Stary Zamosc, Zwierzyniec. Comparative communes include: Biala Podlaska, Radzyn Podlaski, Komarowka Podlaska, Tyszowce, Wohyn, Turobin, Kamionka, Niemce, Ryki, Fajslawice.

In the area of research, 200 interviews were carried out, including: 30 large farms with an area of more than 50 ha, 60 conventional farms with an area of over 5 ha, 50 agritourist farms, 60 farms engaged in organic production. Forty-two research studies have been conducted as part of ecological farms from natural valuable areas (30) by means of a diagnostic poll method with the use of a questionnaire

Research results and discussion

The studied farms, practicing organic production, from the area of natural valuable sites of Lublin voivodeship are entities with an average area of 23.48 ha (standard deviation 28.6). Three quarters of them focuses on crop production.

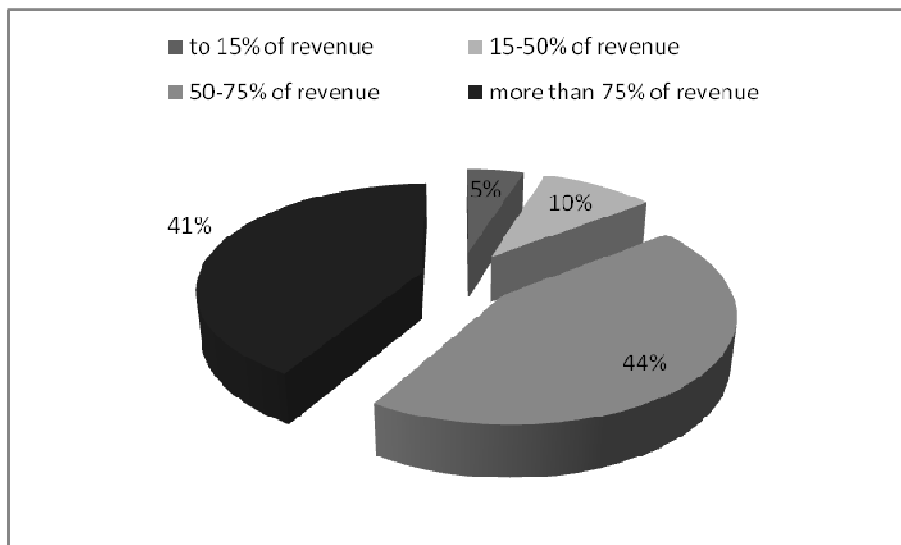
Implementation of agricultural production is associated with making and execution of plans, both short and long-term plans oriented development activities or changes in their profiles. Among the 42 studied farms, pursuing organic production, only one farm owner is considering to cease organic production in the next three years. The vast majority of the surveyed producers consider increasing organic production (15 %), increasing the current level of organic production and introduction of new types of crops (22.5 %), increasing the current level of organic production, while reducing the number of crops (10 %).

The interest in this type of activity in farming in recent years in rural areas in Poland is unabated. What is more, producers who undertake it, try to pursue this type of production gradually. This is due, inter alia, to the level of income derived from such a production. Over 40 % of organic producers pointed that income from this type of production was more than 75 % of household income. An equally important group includes farms in respect of which income from organic production accounts to 50-75 %. Only 15% of subjects included in the study group receives income from the production of organic

food amounting to less than half of total household income.

It is worth noting that almost 30% of the income from the production of organic food represented the total amount of their income in

the household. Economic factor is one of the motives for undertaking organic production, both on microeconomic (regarding individual households) and macroeconomic (as regards national economy) levels (Ciburienne J., 2014).



Source: author's construction

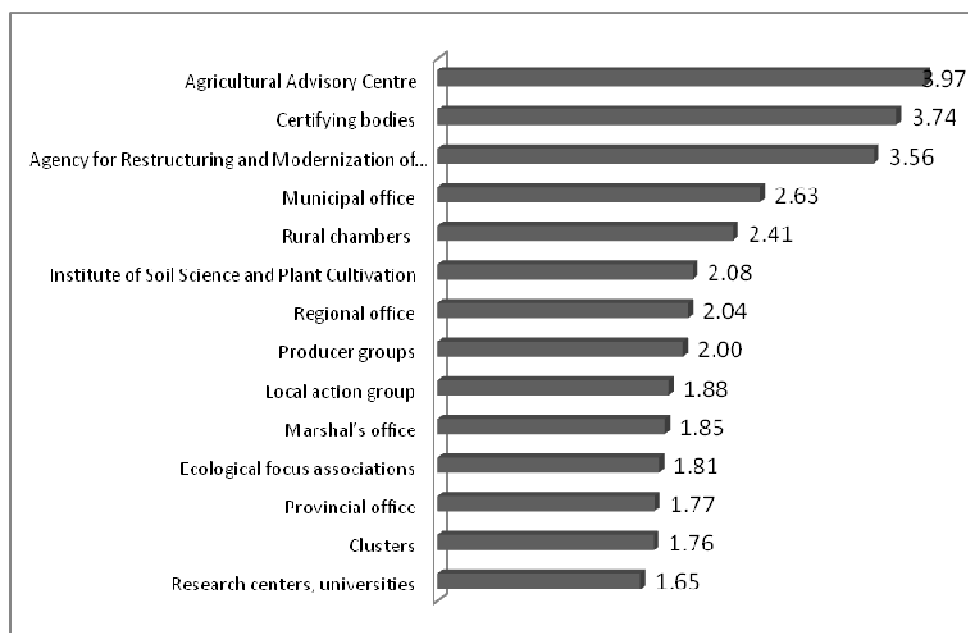
Fig.1. Share of income from organic production in total farm income

A significant portion of the income of the producers of organic food comes from subsidies. Over 80 % of respondents claimed that these amounts were not sufficient, and the level of their income allowed for continued production.

The level of income earned is determined by the level of prices for organic products, which, in the opinion of 77 % of the surveyed producers, should be higher. Whatever way you look at the level of income achieved, an important factor to improve the income of almost 40 % farms producing organic food in the study group was to

change their production profile. Heads of these households pointed that the level of income after the transition from traditional to organic production had increased.

In order to assess the received support, respondents evaluated support from a number of institutions and organizations in the implementation of organic production. The strength of the impact was evaluated on a scale from 1 to 5, where 1 meant the lowest level of support and 5 - the highest level of support.



* rating scale of 1 to 5, wherein the lowest level of support is 1 and 5 is the highest level

Source: author's construction

Fig.2. **Average for the evaluation of support of selected institutions and organizations in the implementation of organic production***

Among all of the tested institutions, respondents rated support by Agricultural Advisory Centres the highest (mean 3.97, standard deviation 1.25), followed by certifying bodies (mean 3.74, SD 1.26) and the Agency for Restructuring and Modernization of Agriculture (mean 3.56; standard deviation 1.42).

Agricultural Advisory Centres are part of the Farm Advisory System (FAS - Farm Advisory System). They are institutions of self-government, they run broadly understood advisory services for both farmers and agricultural entrepreneurs. In Poland, there are 16 AACs, they are subject to Local Government Provincial. Agricultural Advisory Centres implement a number of measures to support both organic production as well as the activities of all agricultural producers (Firlej K., Rydz A., 2012). Producers participating in the study indicated mainly: consulting, training, workshops, assistance in filling in documentation, organization of fairs, festivals and information activities as forms of support to be implemented by entities.

Certification bodies are one of the components of a system of certification and control of "C"

organic products. This system is applicable in four EU countries. In Poland, it consists of the following entities (Ministry of Agriculture and Rural Development, 2011):

- certifying bodies
- the Minister of Agriculture and Rural Development
- the Quality Inspection of Agricultural and Food (IJHARS)
- certification bodies.

Based on the decision of the Minister for Agriculture and Rural Development, ten bodies are authorized to carry out inspections and issue and revoke certificates of compliance for organic farming (Ministry of Agriculture and Rural Development, 2014). Majority of respondents (94 %) indicated a certificate obtained at Ekogwarancja PTRE Ltd., Warsaw. Among the actions that certification bodies implemented the respondents indicated mainly organization of training courses, seminars, advisory control and information activities.

The third unit highly rated by the test group of agricultural producers was the Agency for Restructuring and Modernization of Agriculture.

The Agency was created in 1994. In order to promote the development of agriculture and rural areas. It is the entity responsible for the implementation of direct payments, among other things, the Rural Development Programme 2007-2013. The ARMA also continues the implementation of the assistance from national funds in the form of subsidies to the interest on investment loans.

Assessing the support of local government units in the opinion of the respondents, it should be noted that out of the four respondents (Municipal Office, Office of the Poviát, the Marshall's Office, Provincial Office) support by the municipal office was rated the highest. Average rating of the Municipal Office support in the implementation of organic production among the surveyed producers was at 2.63 (standard deviation 1.18). Support of the Regional Office and the Marshall's Office was rated much lower. Average rating ranged respectively at the level of 1.85 and 1.65 (standard deviation: 1.02, 0.95). Among the activities undertaken by Municipal Offices, respondents mentioned mainly: organization of festivals, fairs and promotional activities. In the case of actions taken by District Offices, educational activities related to the organization of seminars, training and information meetings had been highlighted. Related activities were perceived by respondents in relation to the activity of support granted by the Regional Office and the Marshall's Office. However, it should be noted that only a single respondent drew attention to the role of these institutions in terms of financial support in the form of subsidies and grants. Nevertheless, as indicated by the research conducted by Polish Academy of Sciences Institute of Rural and Agricultural Development, active local government units are an undeniable development potential for both organic production and rural areas in a broader context (Polish Academy of Sciences Institute of Rural and Agricultural Development, 2013). In the context of organic

production development, it is crucial to support producer groups and other forms of farmers' organized activity. The problematic aspects of organic production development should constitute the subject of analysis in many communes and include their developmental strategies. In this way, it might constitute the subject of a lot greater interest as regards implementing various actions undertaken on different levels of government.

Conclusions

Implementation of new solutions, even related to the modernization of agriculture and rural areas is a challenge for both farmers as well as the institutions that support these activities. Particularly large role is to be played by public institutions, which are, among others, representatives of local governments.

The results indicate low assessment of support from local government units in the implementation of organic production, which may be due to lack of action on this issue from their side. However, one should also consider this bad score regarding lack of knowledge on the actions taken by local governments. The latter aspect is especially pointed out by low awareness of respondents in the organization of the process associated with the payment of subsidies, financial assistance. The hypothesis made in the article has not been confirmed. Organic food producers evaluated the support of both Marshall's Office and Governor's Office as much worse than that provided by Communal Office and Poviát Office.

Respondents perceived a significant role of local government units in terms of marketing activities, especially promotion of the organization of various events which allow promoting organic production.

Any action taken by the local government as reflected in the opinions of respondents can be found in the tasks entrusted to them under the legislation. The farmers have not indicated other actions that would be the subject of local

government units activity going beyond the operations imposed on them. It does not mean that such operations are not being implemented

but it may signalize the lack of communication and flow of information between farmers and public institutions.

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