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SIZE OF DAIRY FARMS IN SERBIA AND ITS INFLUENCE ON THEIR ECONOMIC EFFICIENCY

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- According to census 2012. there were 631,552 farms in Serbia.
- Approximately 450,000 are registered.
- Accounting for family farms is not compulsory in Serbia.
- The only possible way to analyze results of farms is FADN.
- Only 203,000 farms have economic size more than 4,000 EUR.
- Only 32% out of total number of farms could be involved in FADN. More than 400,000 farms are too small to be involved in FADN.

- According to census average farm size is 5.4ha UAA per farm.
- 78% of farms has less than 5ha UAA.
- Livestock production participates in value of total agricultural production 27%.
- According to census 177,252 farms perform cattle production, while 90% of them possess less than 10 cows.





In official statistics	2008	2017
Number of cows (000)	562	430
Milk production per cow (l)	2.778	3.505

IN FADN SAMPLE	Number of cows	Milk production per cow (l/cow)
Republic of Serbia	12.93	4,430
EU	31.1	6,891

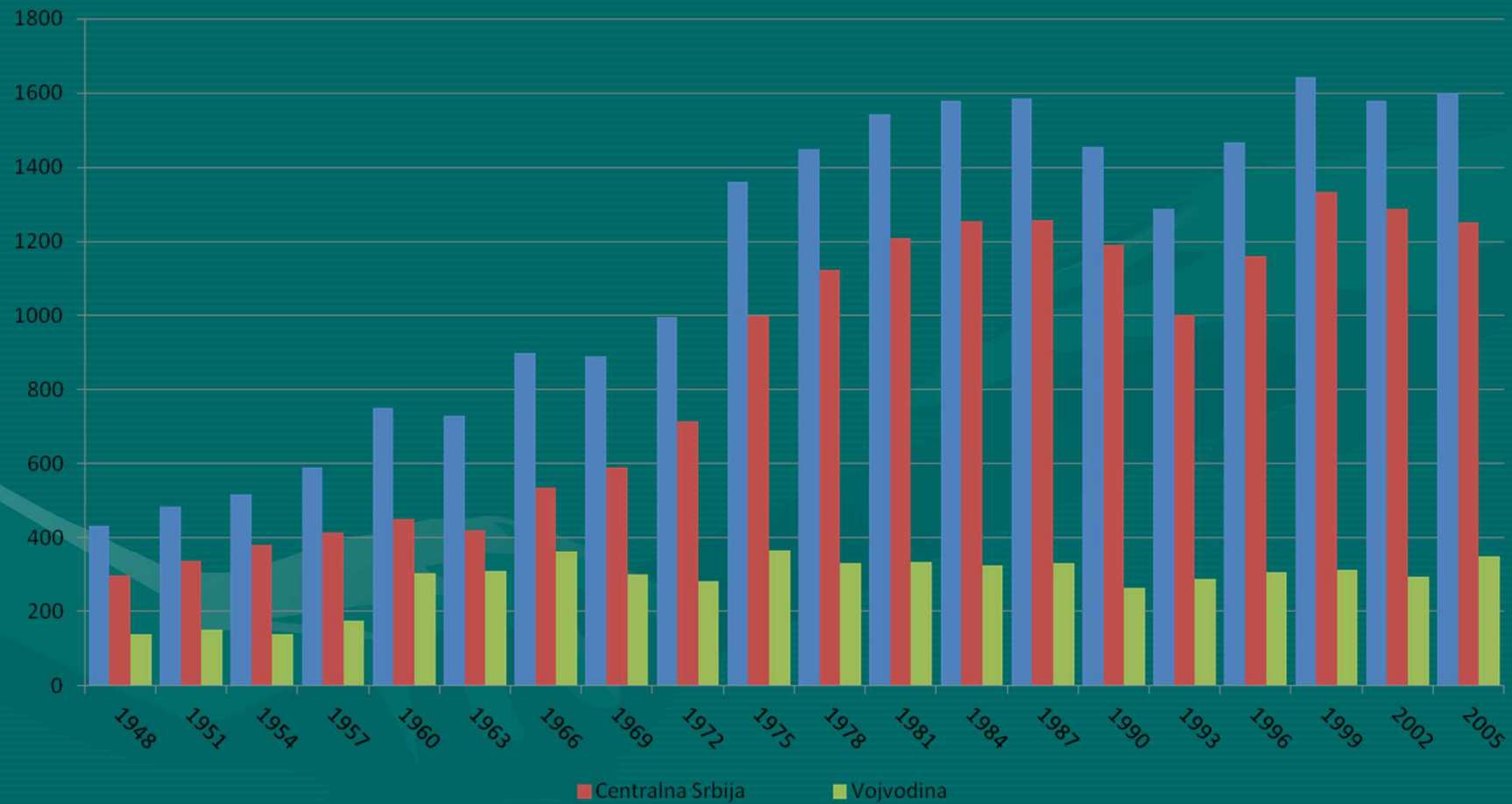


■ Number of farms in FADN sample

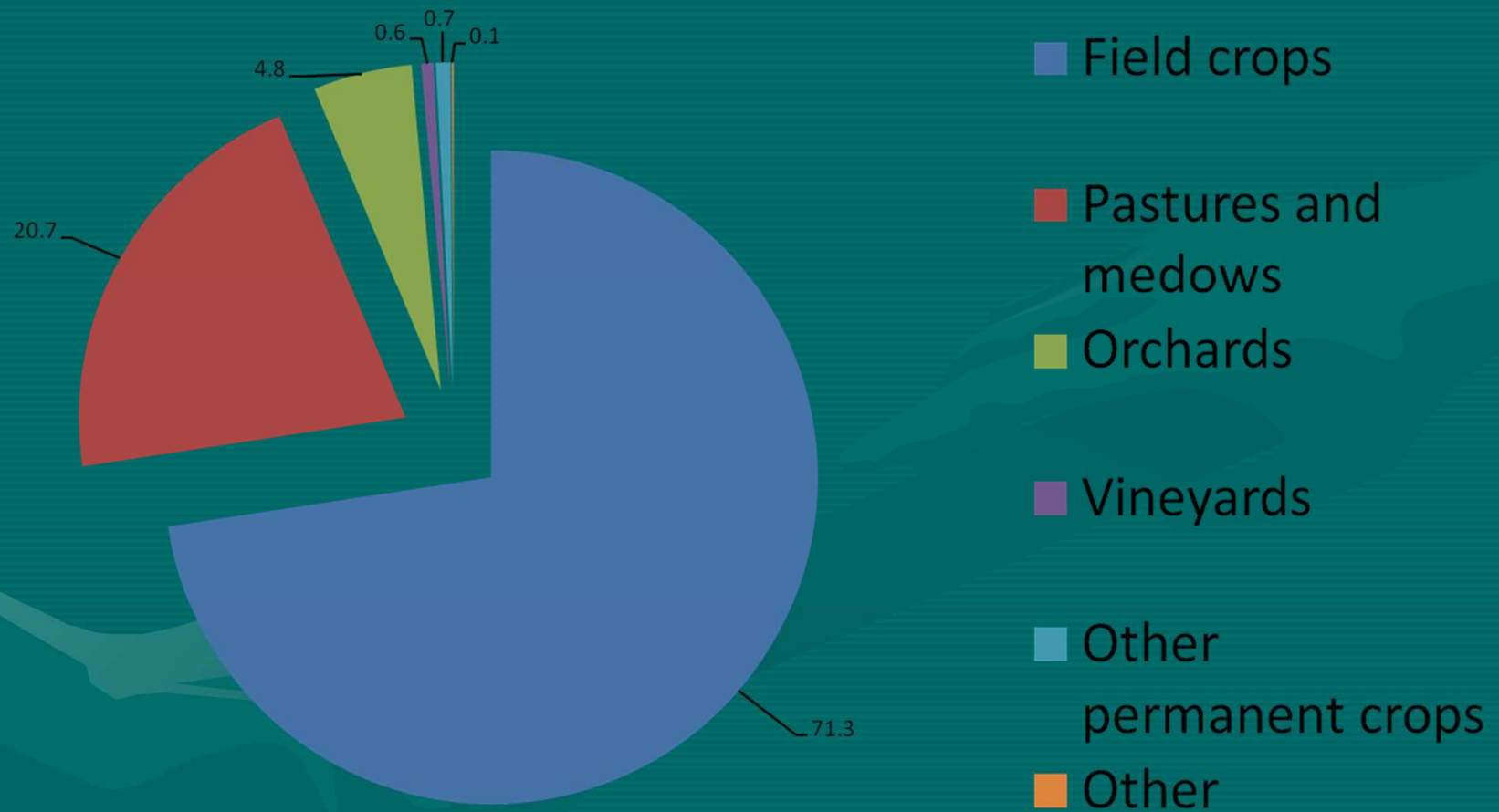
Production types	Farms represented
Field crops	47.383
Horticulture	4.608
Permanent crops	5.473
Milk	37.317
Other grazing livestock	22.730
Swine	3.422
Poultry	1.363
Mixed production	78.599

Ind.	Number of cows				Total
	<5	5 -10	10 - 20	20 <	
Farms represented	21.046	11.195	3.731	1.345	37.317
Sample farms	52	74	56	34	216

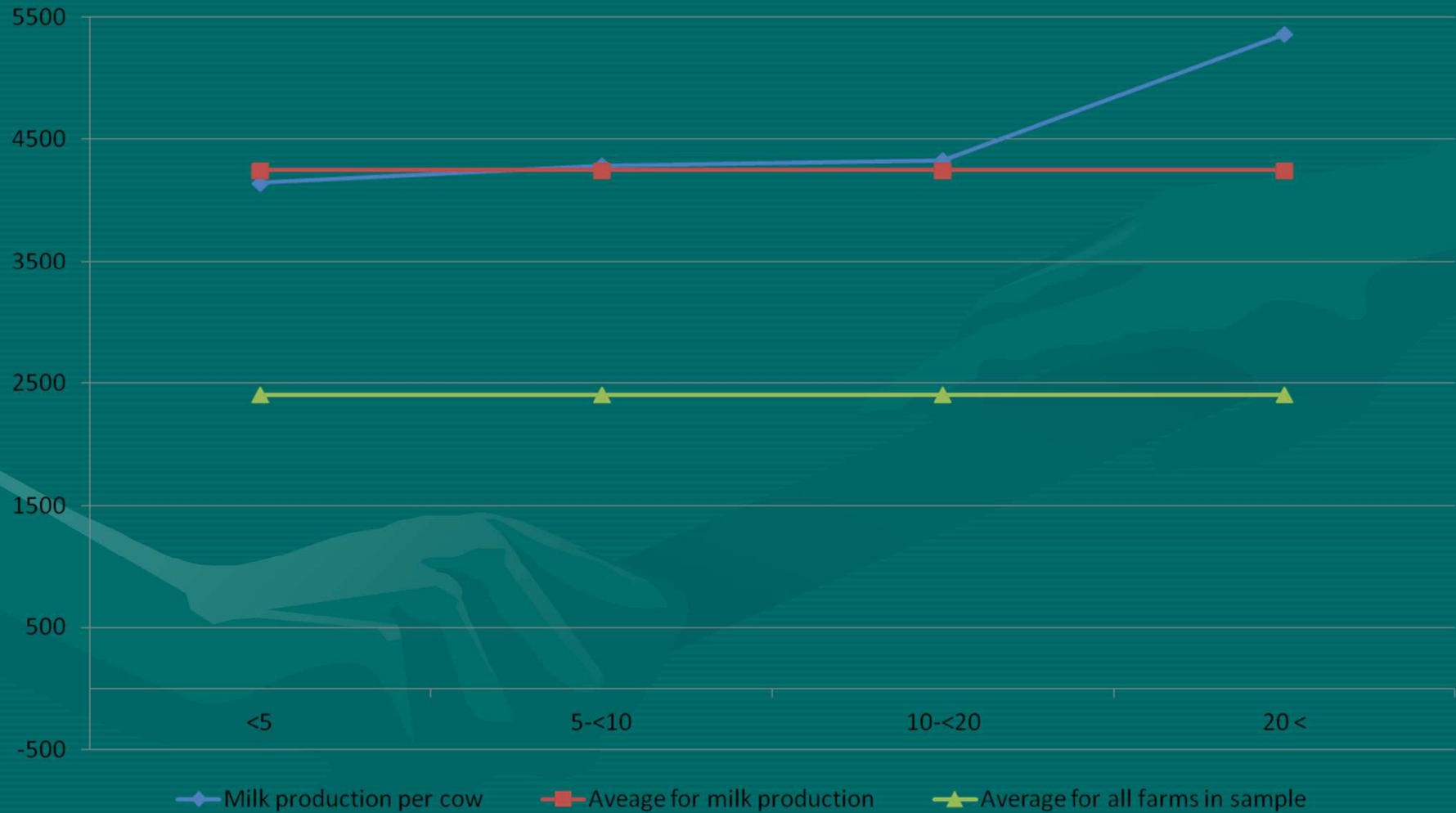
Volume of milk production in Serbia



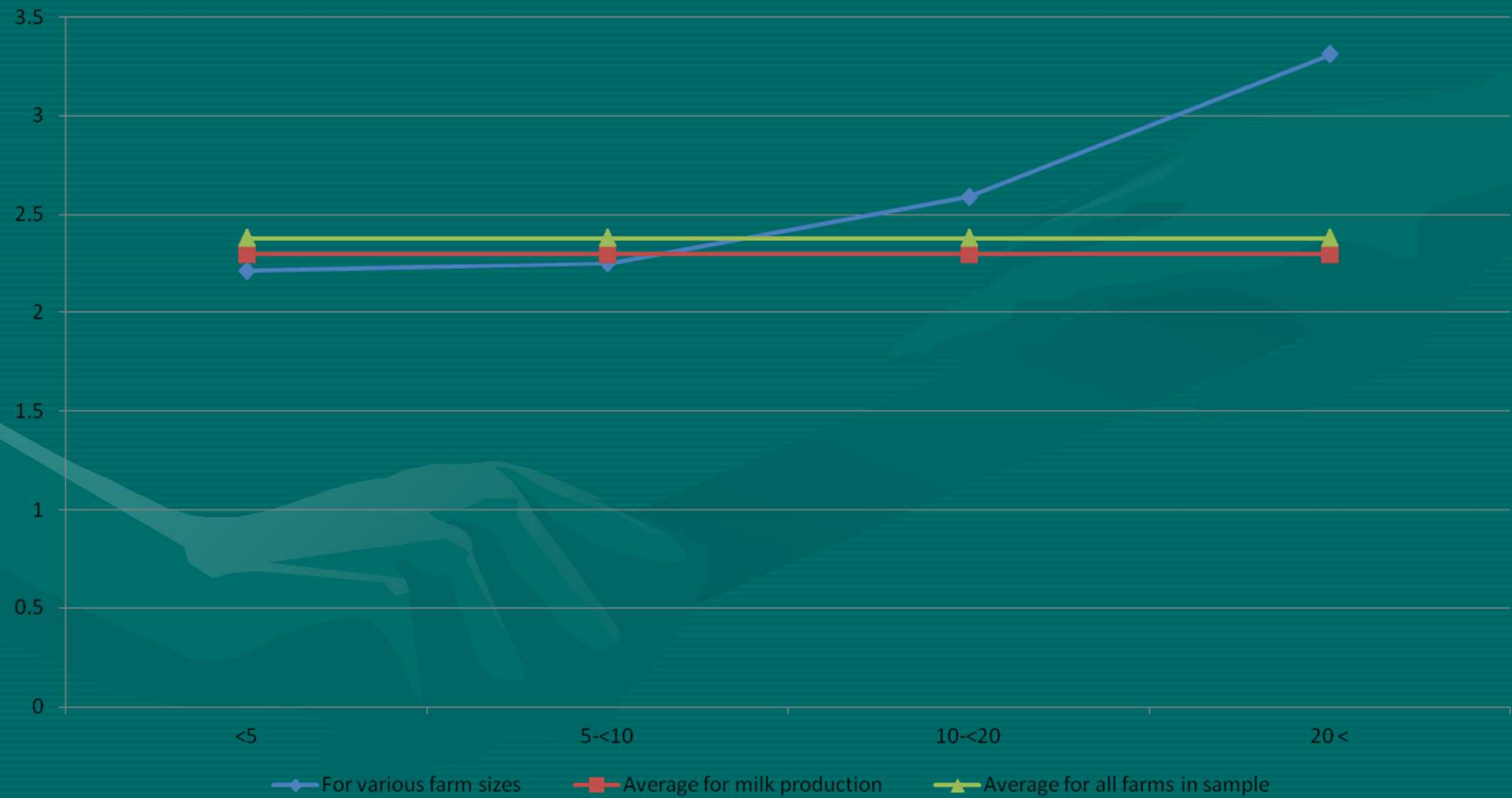
Used agricultural area



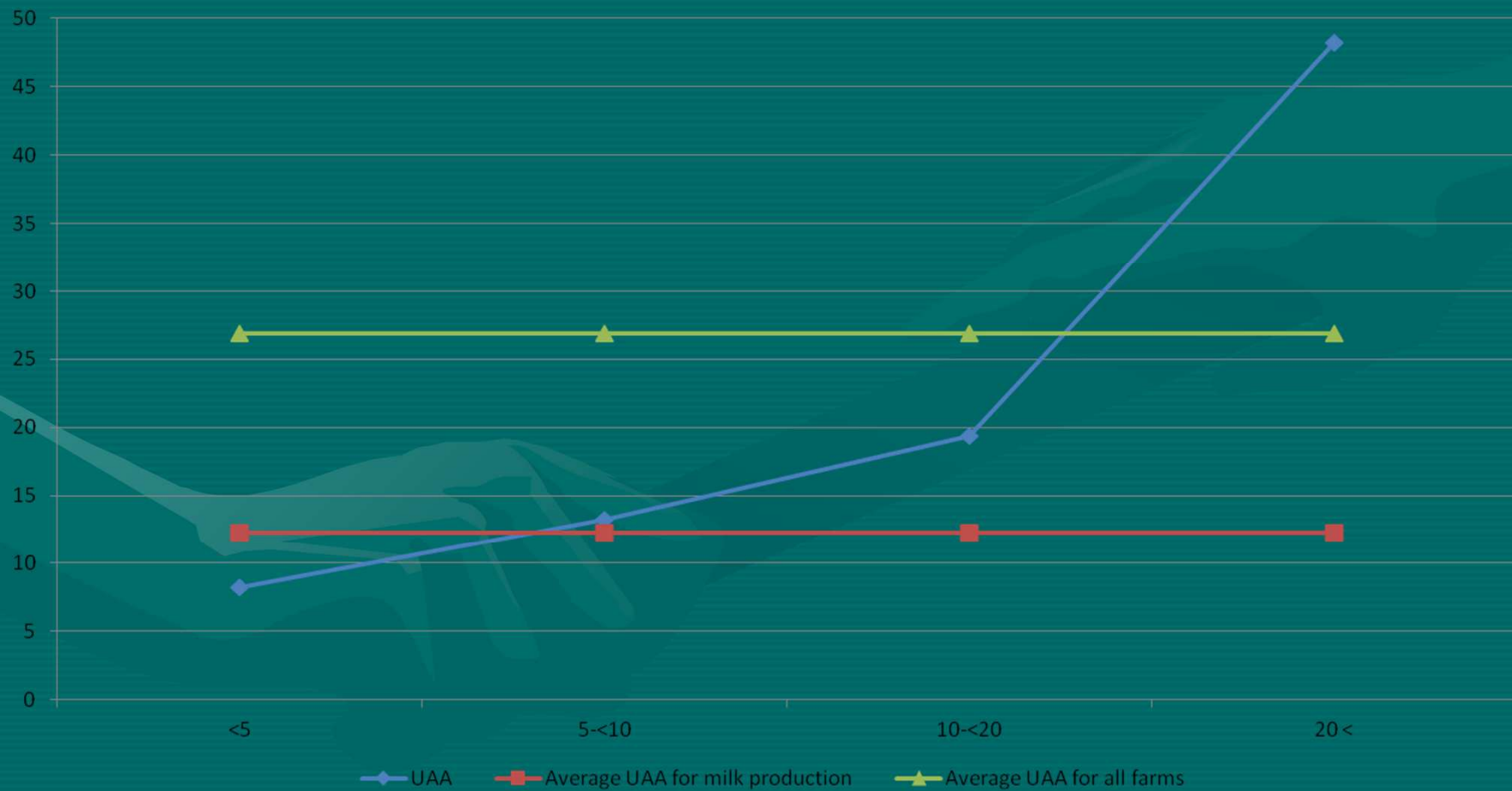
Milk production per cow depending on farm size



Labour (AWU)



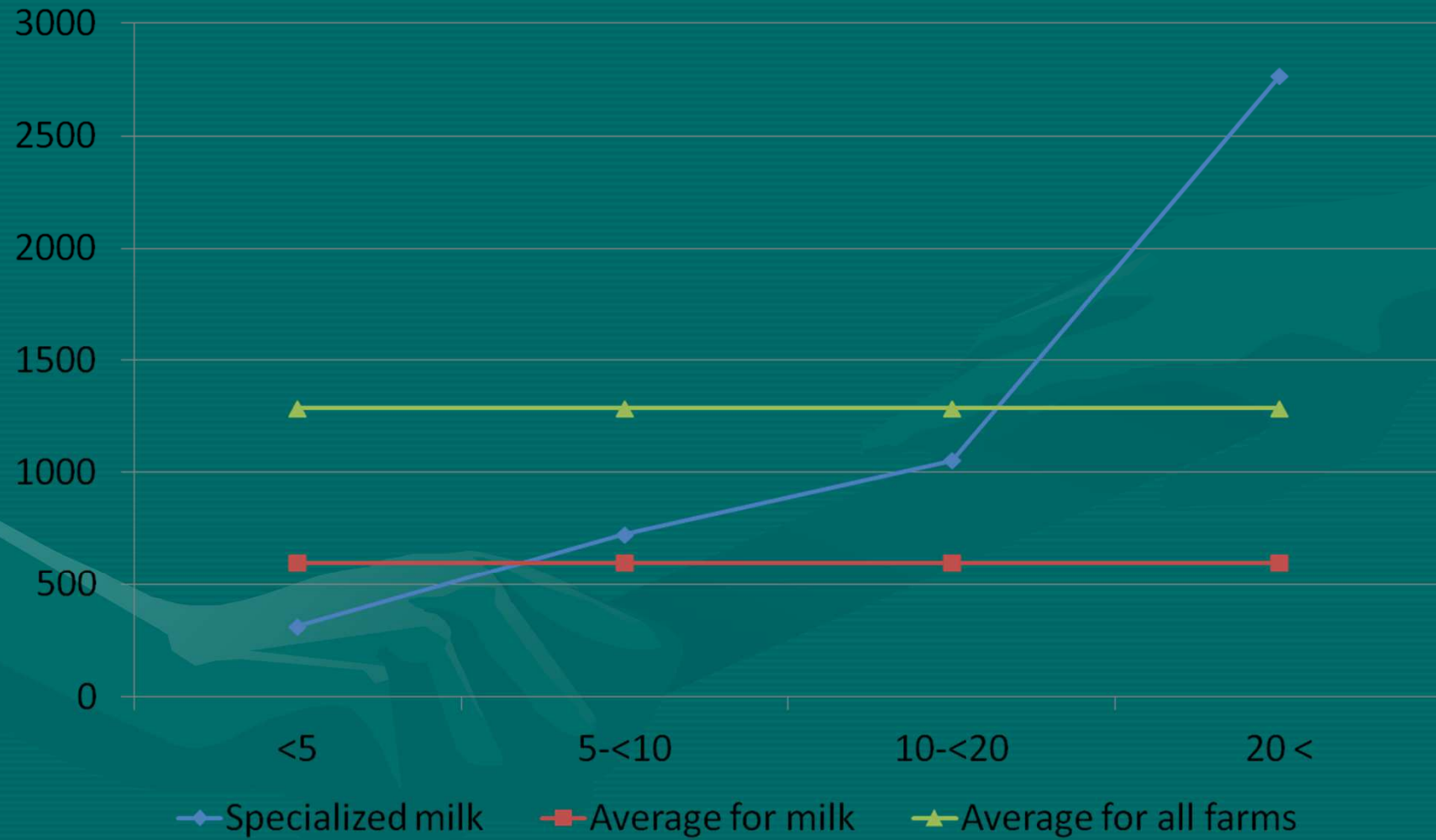
UAA for various farm sizes



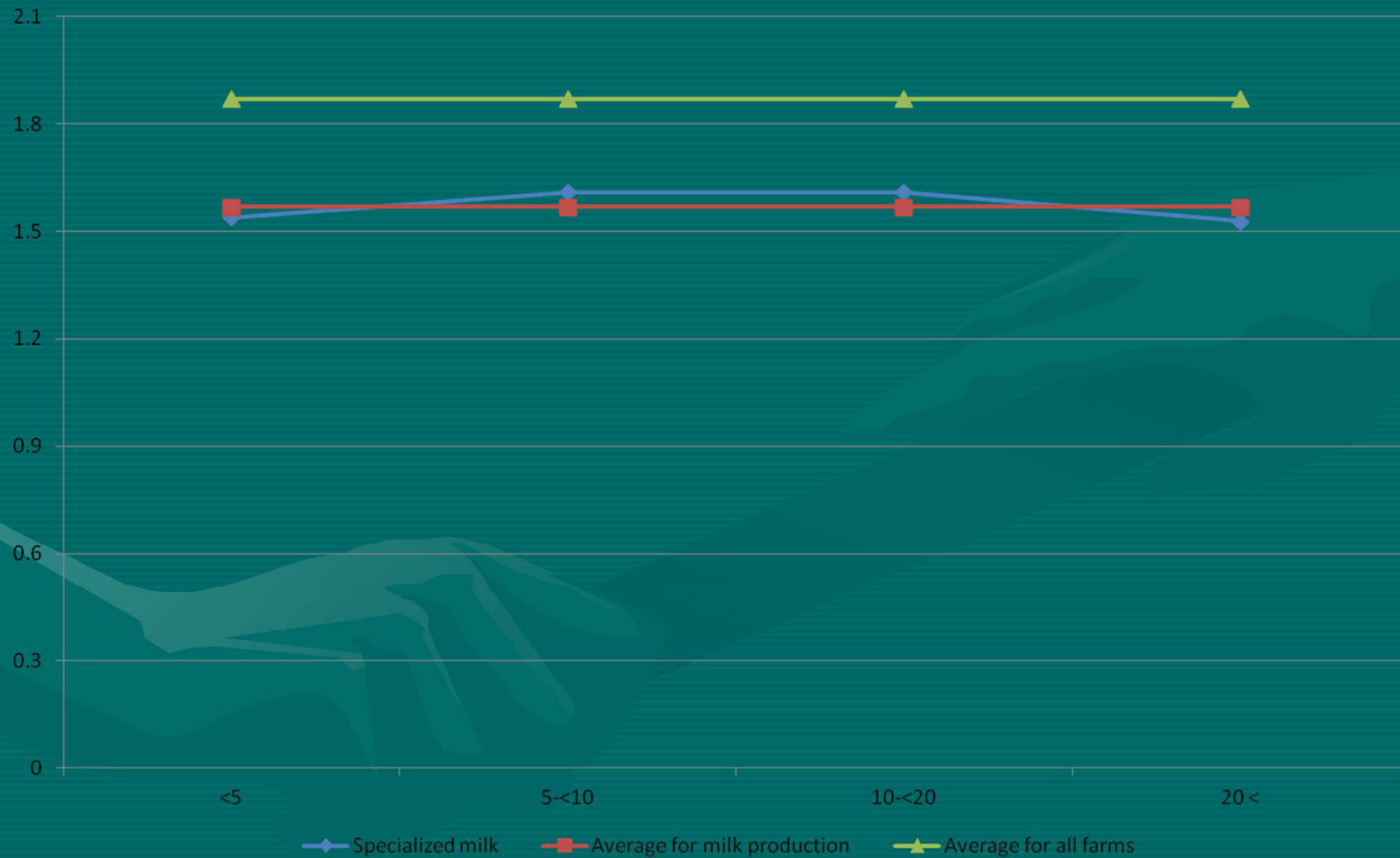
Structure of total assets

	Number of cows				Average
	<5	5 - 10	10 - 20	20 <	
Participation of fixed assets	92.75	89.11	89.57	83.61	90.21
Participation of working assets	7.25	10.89	10.43	16.39	9.79

FNVA / AWU



Total input / Total output



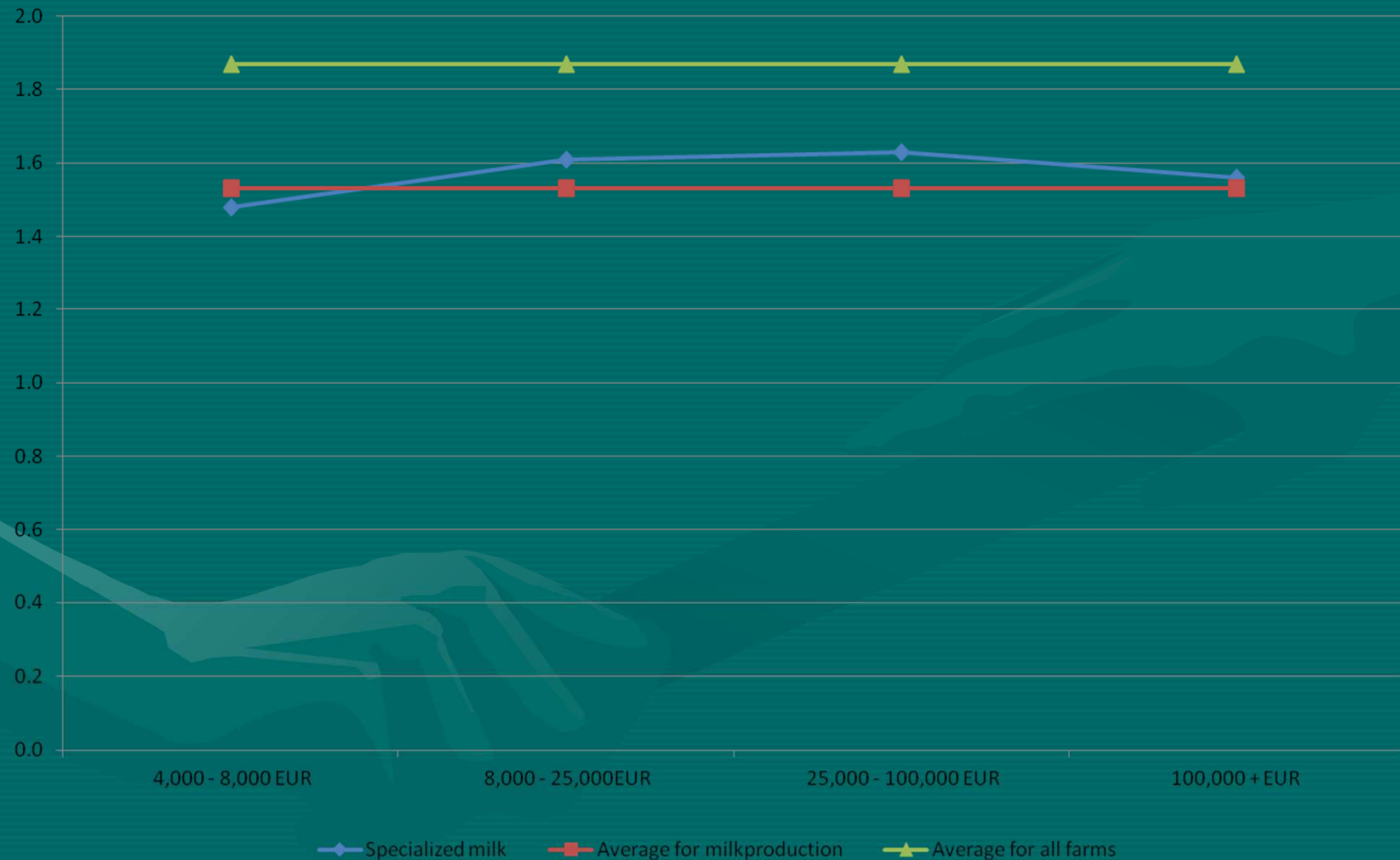
Economic size

- Farms divided into 4 groups:
 - 4-8,000 EUR
 - 8-25,000 EUR
 - 25-100,000 EUR
 - 100,000 + EUR

FNVA / AWU



Total input / Total output



Why Serbian dairy farms do not grow?

- Unpredictable EU accession,
- Low subsidies,
- Land policy...



Conclusion

- There are farms having more than 20 cows and applying modern technical and technological solutions.
- They have better results than small farms.
- At the same time they are exposed to high level of risk.
- The biggest problem for farm enlargement is business environment.



THANK YOU