

**FAO/EAAP Cattle Commission and CEEC Working Group  
Symposium, 30.08.2012, Bratislava**

**Efficiency, competitiveness and structure of  
ruminant husbandry in Eastern Europe and  
Western Balkan**

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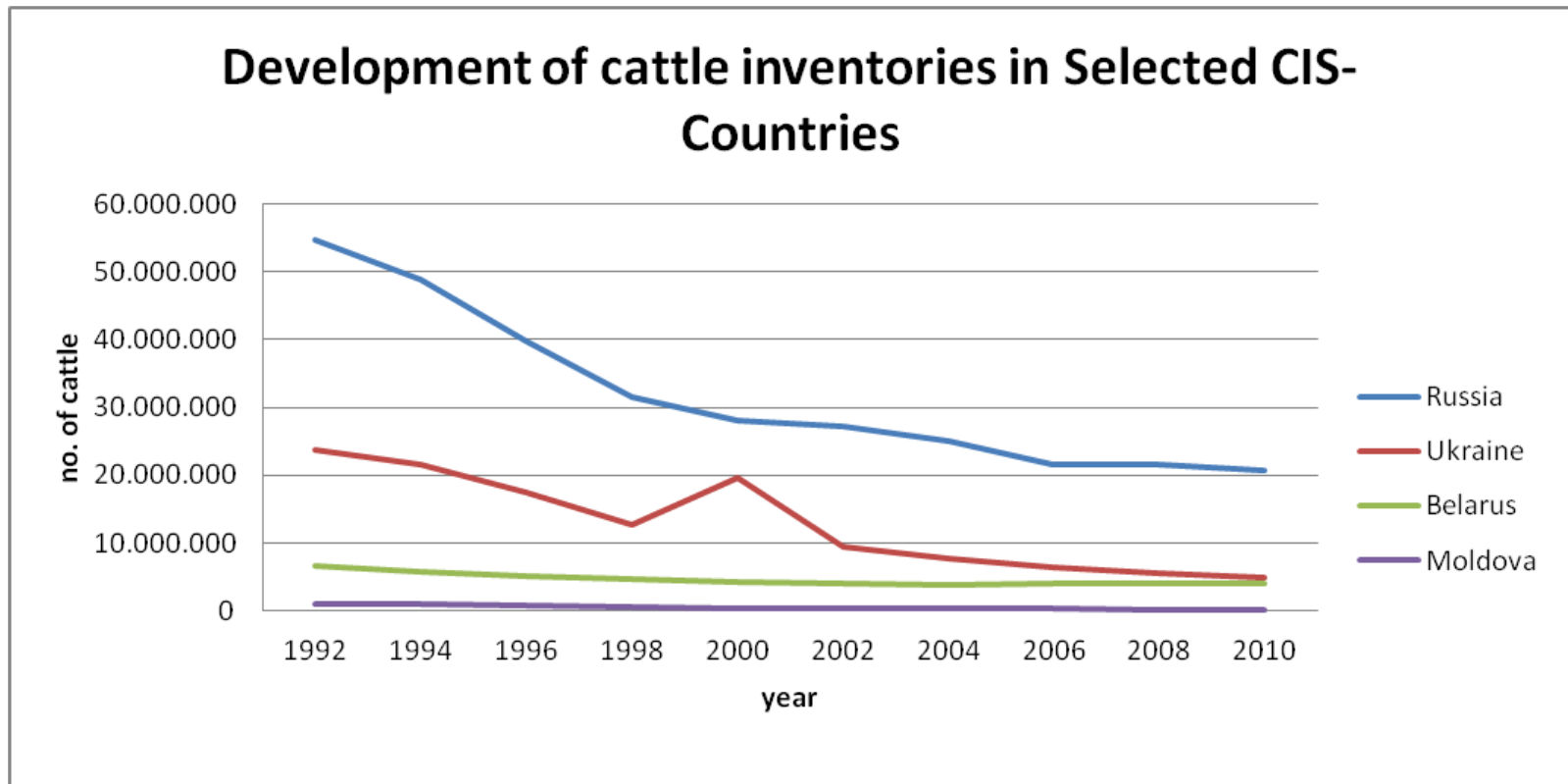


# Topics

1. Structure of ruminant husbandry in the target regions
2. Recent development trends and observations
3. Efficiency, competitiveness and production parameters
4. Constraints, challenges and opportunities

## 1. Structure of ruminant husbandry in the target regions

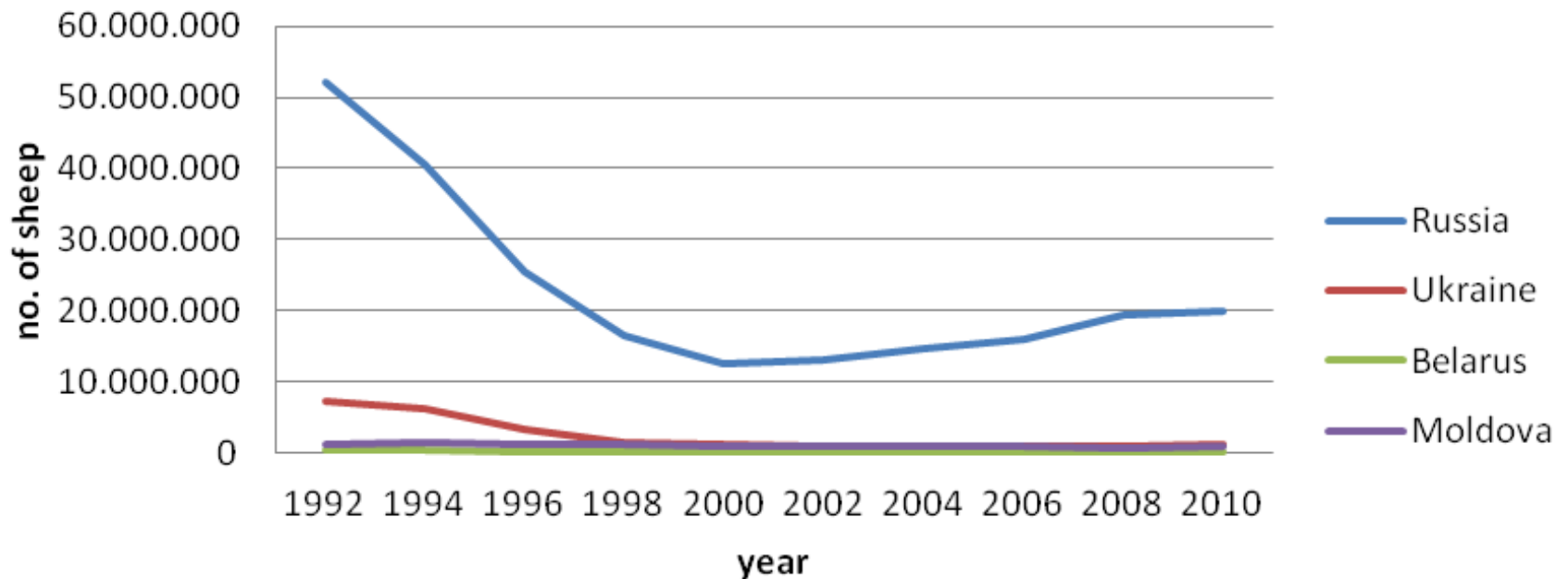
# Ruminant husbandry in Belarus, Russian Federation, Ukraine and Moldova



Source: FAOSTAT 2012

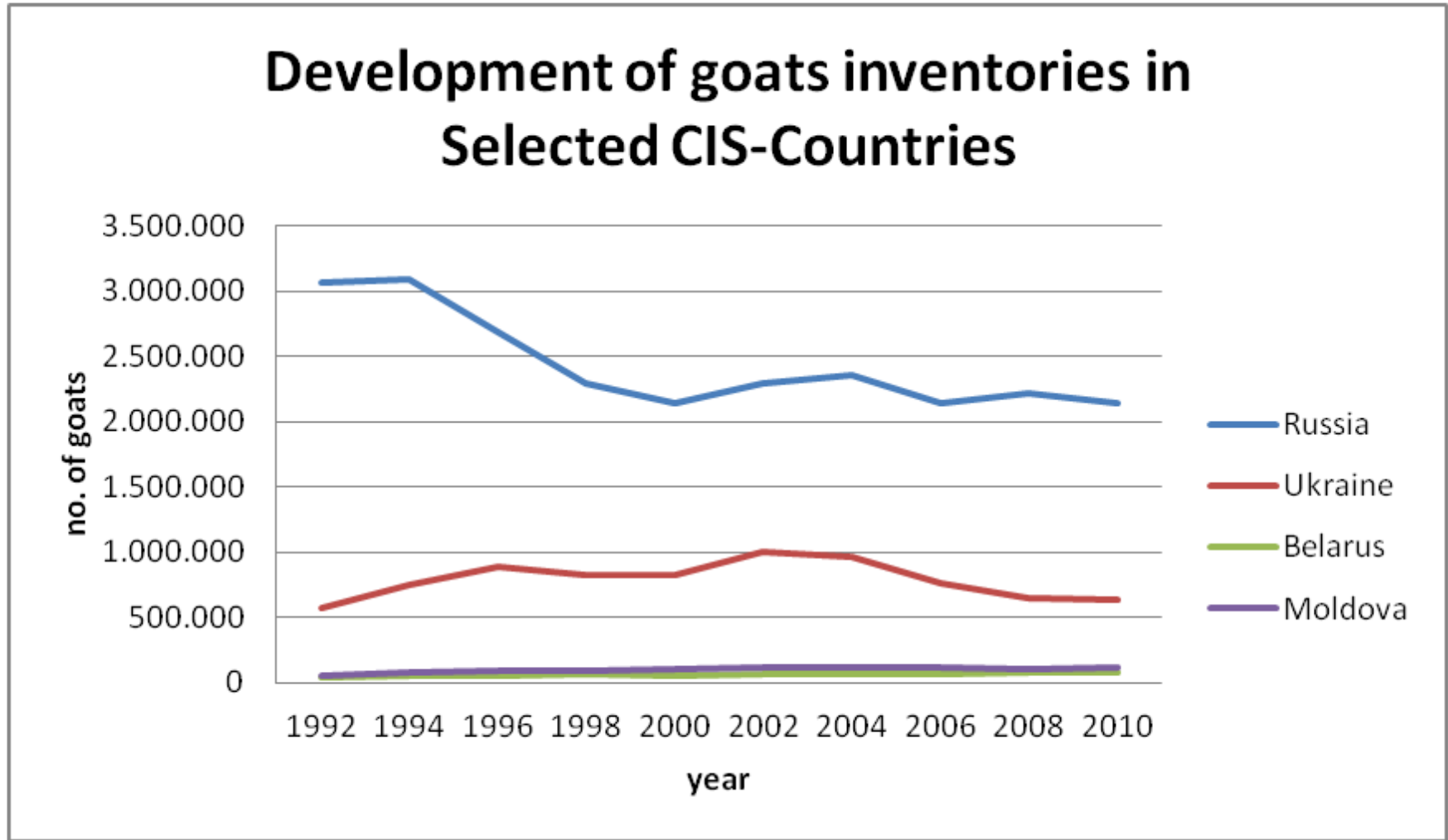
## 1. Structure of ruminant husbandry in the target regions

### Development of sheep inventories in Selected CIS-Countries



Source: FAOSTAT 2012

## 1. Structure of ruminant husbandry in the target regions



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# 1. Structure of ruminant husbandry in the target regions

## Changes in meat and milk production structure – (example RF)

Share of Meat Production in different Organization Forms of the Total Meat Production (Russia)

(incl. Poultry)

Type of Farming	Year	2006	2011
Peasant farms		2.8%	3.4%
Household meat production		50.3%	36.2%
Animal production in corporate farms		46.9%	60.4%

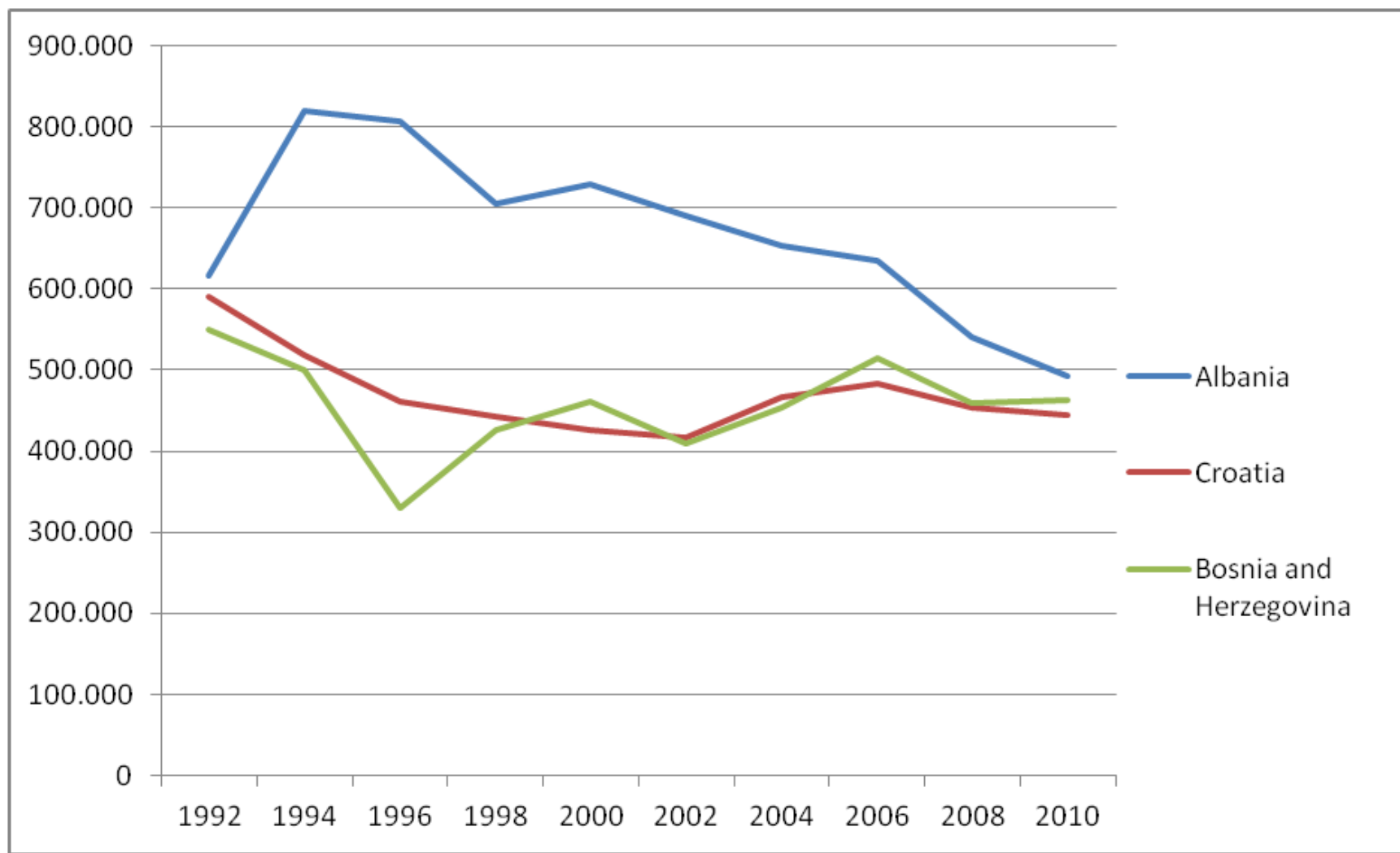
Share of Milk Production in different Organization Forms of the Total Milk Production (Russia)

Type of Dairy Farming	Year	2006	2011
Peasant farms		3.6%	4.8%
Household milk production		51.3%	49.7%
Milk production in corporate farms		45.1%	45.5%

Source: ROSSTAT

# 1. Structure of ruminant husbandry in the target regions

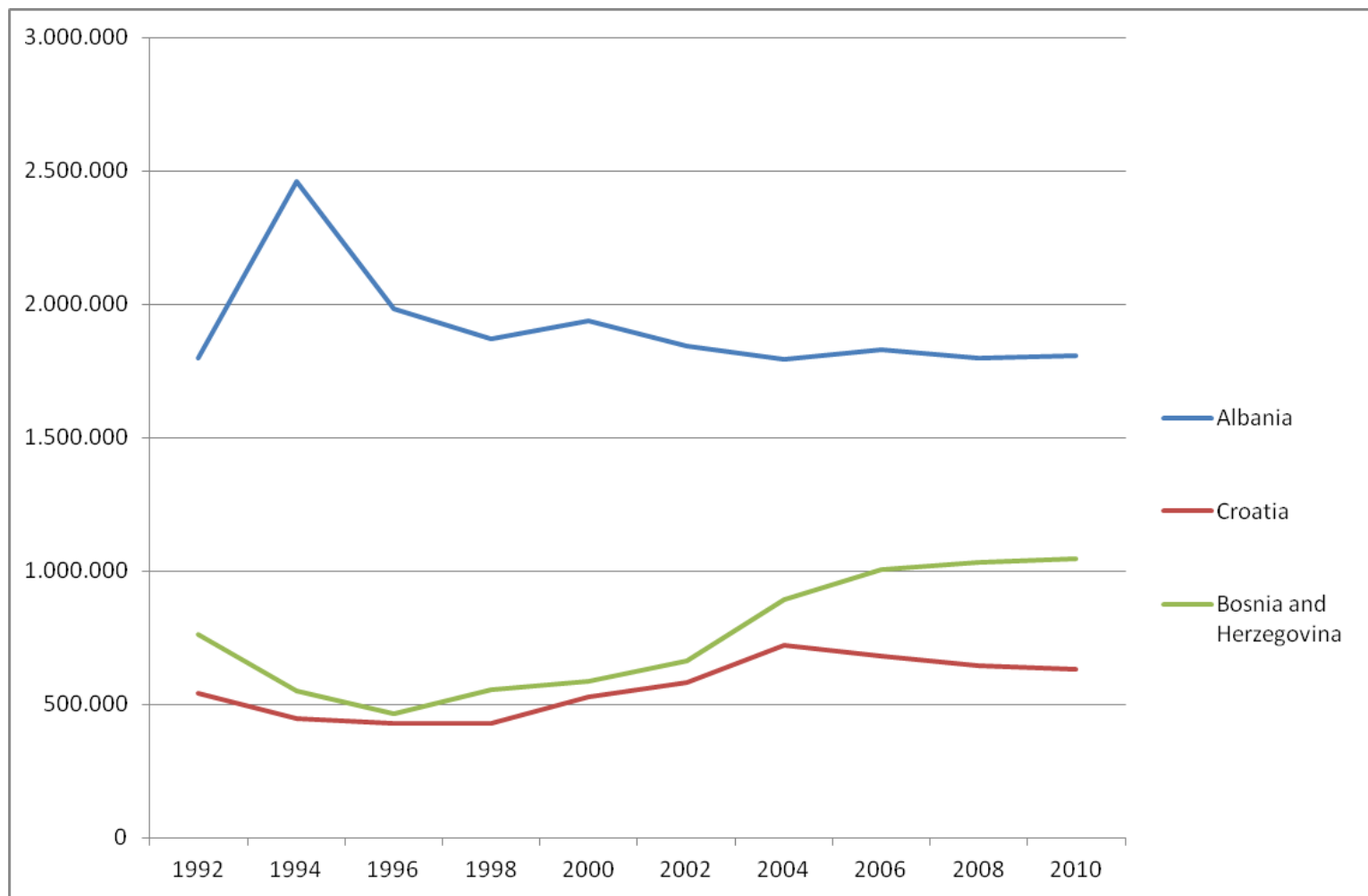
## Development of cattle inventories in selected Western Balkan countries



Source: FAOSTAT 2012

# 1. Structure of ruminant husbandry in the target regions

## Development of sheep inventories in selected Western Balkan countries

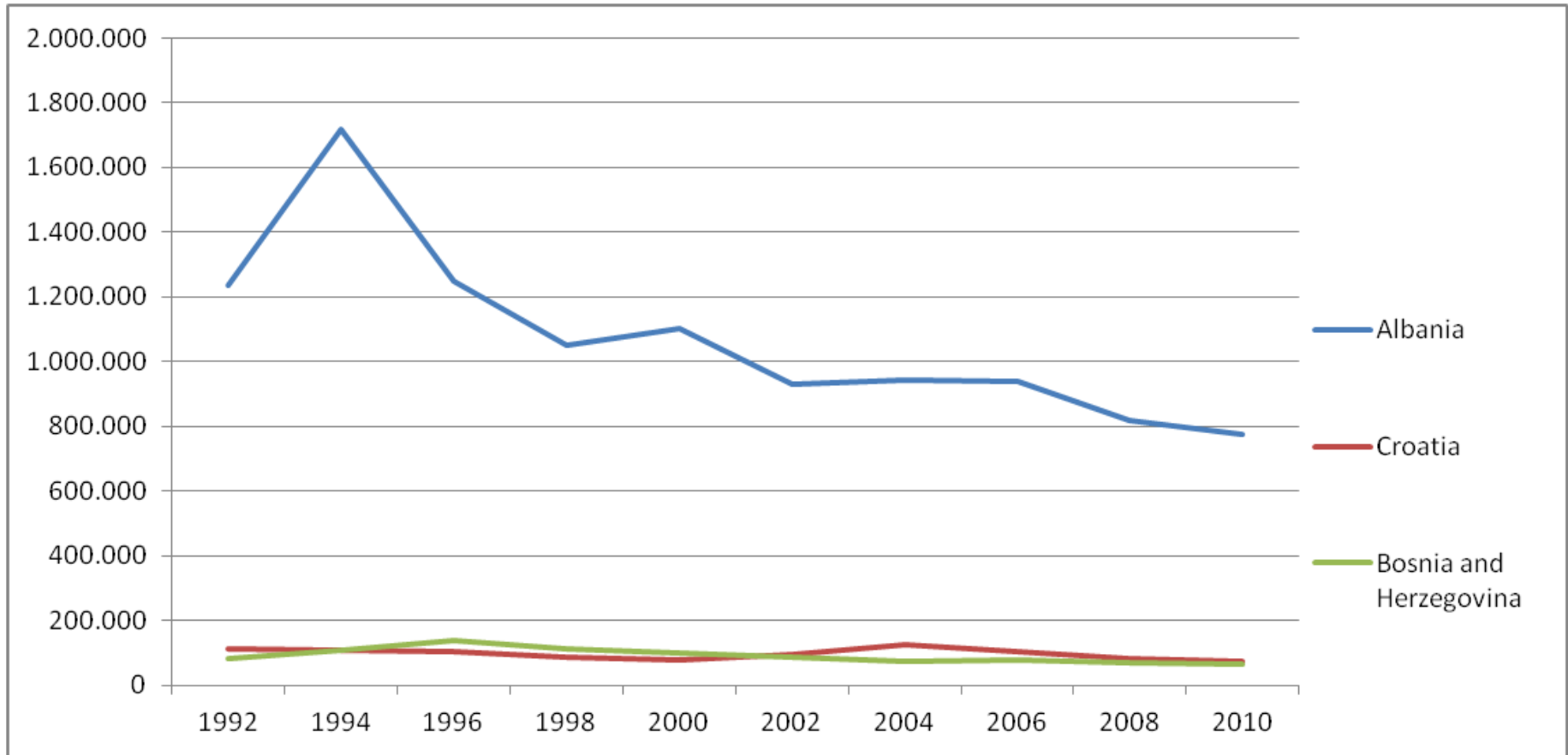


Source: FAOSTAT 2012



# 1. Structure of ruminant husbandry in the target regions

## Development of goats inventories in selected Western Balkan countries



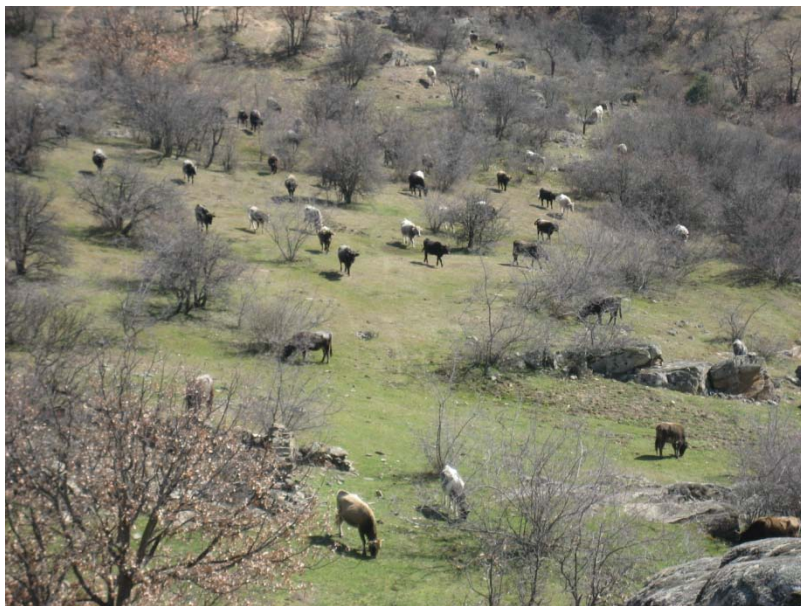
Source: FAOSTAT 2012

# Pictures from ruminant farming in Western Balkan Countries





# Pictures from ruminant farming in Western Balkan Countries



### Selected CIS-countries

- **Since a couple of years significant investments in modernization of animal production in Russia und Ukraine (Belarus started earlier) and with regard to ruminants particularly in cattle (milk and beef)**
- **Several large milk complexes established** (new or reconstruction, often free stall barns with modern milking parlor, dairy units of 400 – 5,000 cows/farm)
- **However still > 85% of dairy cows in RF are kept in old buildings** (tie-stalls, simple milking pipelines or hand milking in households)
- **Local population with high income are demanding more and more high quality milk and meat products and broad variety** (-> product diversification, raw milk quality and quality of slaughter animals become more important)
- **Ruminant husbandry is still very important for many rural families to survive with low pensions and salaries**
- **Stabilization of ruminant inventories can be observed** (Russia, Ukraine...)

### Selected CIS-countries

- **Stabilization of farm gate prices for milk and meat**
- **Daily (milk) production quantity and quality have significant impact on farm gate prices due to relative high milk collection costs** (long distance to processors in rural areas, little alternatives to sell products close to the farm location)
- **Slightly improvement of forage production management, fodder quality and feeding management in farms with good management**
- **Still high potential to improve production efficiency through better farm management**
- **New WTO members** (Moldova 2001, Ukraine 2008, Russia 2012)
- **New Customer (Trade) Union** (RF, KAZ, BR)



## 2. Recent development trends and observations

Pictures of some modern dairy farms in Russia and Ukraine





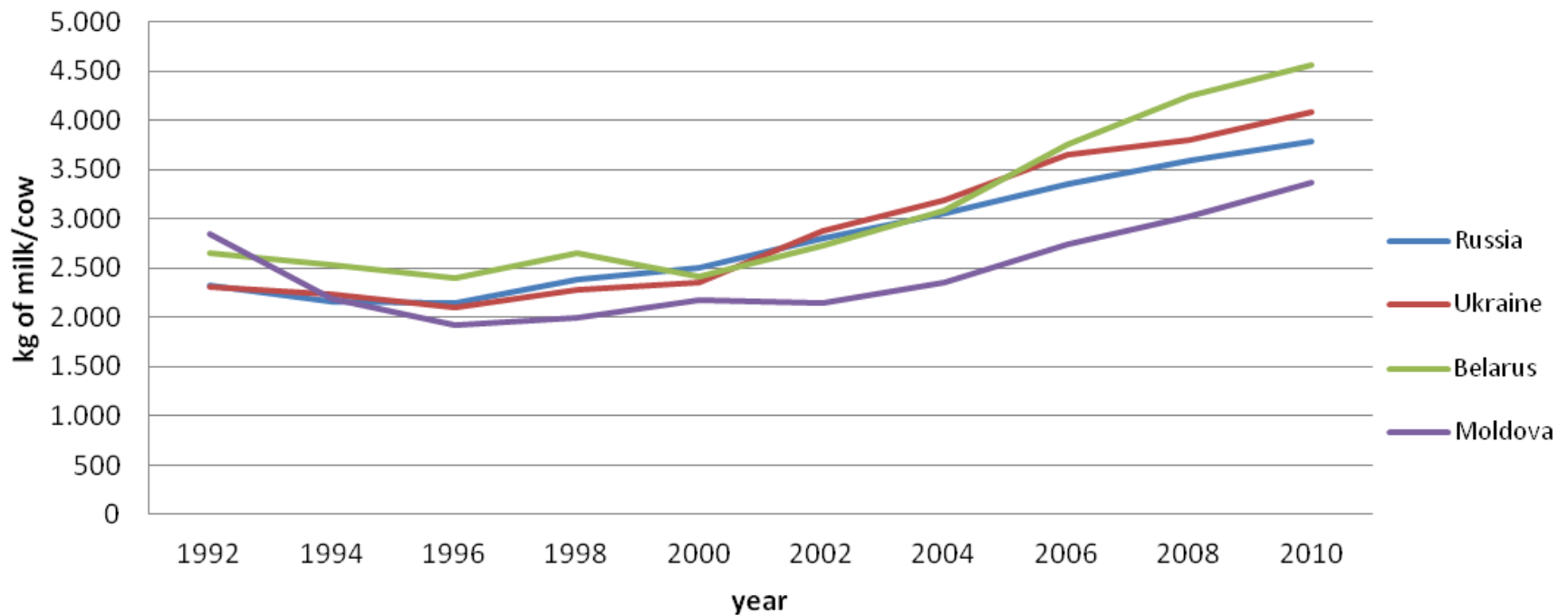
## 2. Recent development trends and observations

### Pictures of some modernized dairy farms in Russia



### 3. Efficiency, competitiveness and production parameters

#### Development of milk yield per cow/year (kg) in selected CIS-Countries

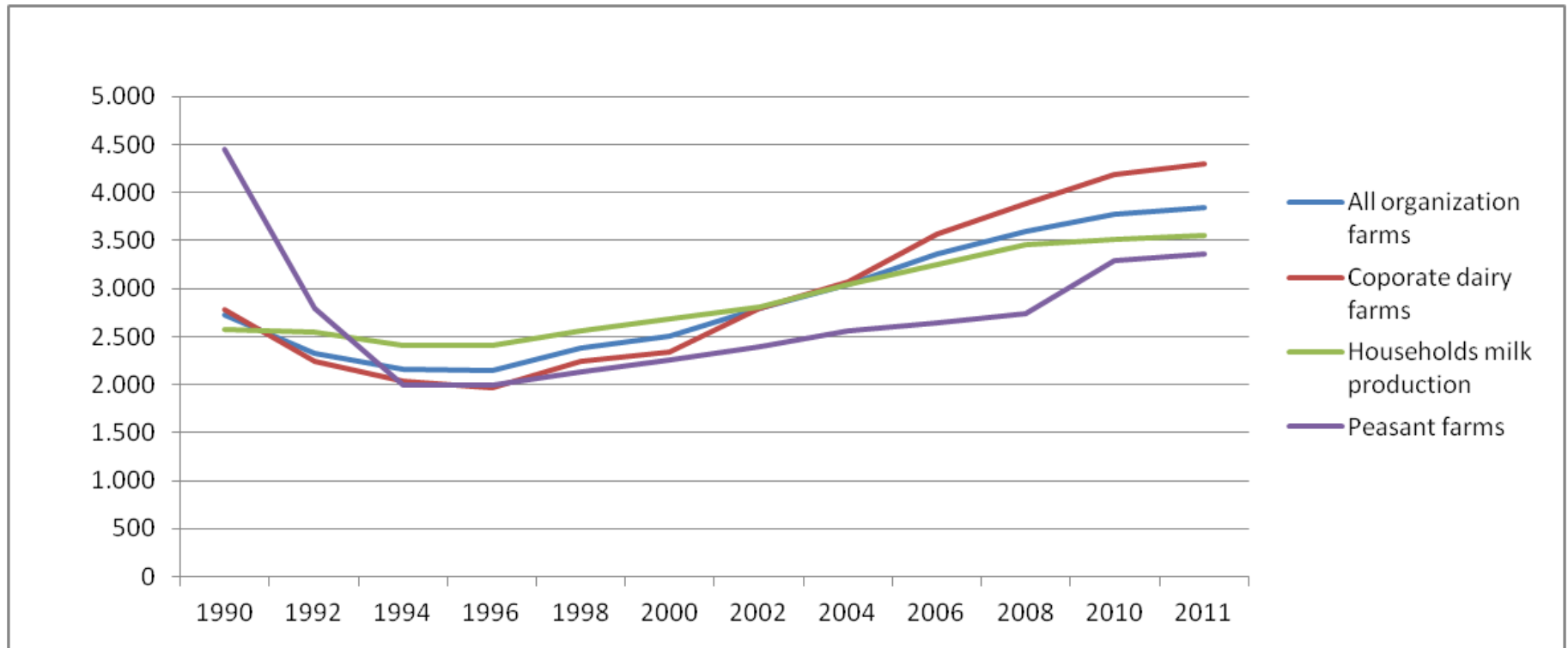


Source: FAOSTAT 2012



### 3. Efficiency, competitiveness and production parameters

## Development of milk yield per cow/year by organization form of dairy farming in Russia



Source: ROSSTAT 2012

### 3. Efficiency, competitiveness and production parameters

- **Important parameters with impact on competitiveness are:**
  - Annual yield per animal (long winter period requires solid barns in many locations of the Northern CIS-countries)
  - Quality and costs of forage, pasture and other feeding stuff
  - Conversion of feed energy for milk or meat production
  - Animal health situation and reproduction parameters
  - Overall farm organization and management (i.e. staff/100 animals)
  - Labour costs and costs for buildings and equipment (per unit marketed milk, meat or wool)
  - Product quality and product prices (quantity, market access)
- **General observations:**
  - Significant differences between livestock farms, even at the same location

### ➤ **Constrains and challenges in selected CIS-countries**

- Large corporate farms have often problems to keep qualified staff who are willing to live in (remote) rural areas with good natural conditions for ruminants
- Overall infrastructure and service structure for livestock farms is sub-optimal, in particular for peasant farms
- Professional education and vocational training system for practical agriculture/ livestock farm management is more or less absent
- Training and information centers and livestock advisory services are rare

### ➤ **Opportunities**

- General good natural conditions for milk production
- Large areas with pasture
- Domestic markets demanding milk and meat
- Support programmes in Russia for investments in livestock sector

### ➤ **Constraints and challenges in Western Balkan Countries**

- Structure: many small farms and small plots
- Strong decline during last years in cattle, sheep and goats population
- Milk and meat processing industry are in several locations not very well developed which has impact on farm gate prices (low capacities of processors)
- Livestock farmer organizations and services need further development

### ➤ **Opportunities**

- Livestock sector has long tradition, particularly rearing of ruminants
- EU accession perspective / IPARD / Agri-Environmental Measures
- Programmes to preserve traditional animal breeds
- Domestic and export markets for products from ruminants
- Serbia and Croatia beef production with maize



**Thank you for your  
attention!**

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