

NAWA Project “The role of small farms in the sustainable development of agri-food sector in the countries of Central and Eastern Europe”

Task 2:

*Diagnosis of functioning of agricultural sector in the context of sustainable development, including especially small farms **from Serbia***

PROPOSAL FOR THE DEFINITION OF SMALL FARMS:

Based on the available databases from the Agricultural Census 2012 and other databases from the Statistical Office of the Republic of Serbia, the Republic Geodetic Authority and the Administration for Agricultural Land of The Ministry of Agriculture, Forestry and Water Economy of the Republic of Serbia, the literature and legislation, and the experience of managing farms as inherited natural resources, two types of farms can be identified: family farms and farms of legal entities and entrepreneurs.

According to the latest census in the Republic of Serbia in 2012, the average economic size of a farm values 5,939 euros, and according to the organizational-legal form of agricultural holdings, the indicator is 4,990 euros in the sector of family farms (small farms).

Conclusion:

The concept of a small farm in the Republic of Serbia is considered to be a family farm of up to 5 ha, with an average economic size of agricultural holding amounting to 4,990 euros.

Basic features of small farms in Serbia

- The importance of farms

The number of small family farms is decreasing (due to aging of villages, migration, globalization, strengthening of the concentration of capital in agriculture, etc.), but these farms have immense importance in the local market, from the aspect of food production (contribution to self-sufficiency ratio and food security), as well as from the aspect of preserving resources and rural environment.

Development limits

The most noticeable developmental limits for small farms are the following: lack of their own capital (money), favourable loans, markets, and low prices of agricultural products.

Additional development limits of these farms:

- *Human resources*
- *Physical resources*
- *Social capital*
- *The absence of vertical integration of farmers*

- Extensive agriculture
- Low marketability
- Low specialization
- Rural poverty and underdeveloped rural environment

- The average economic size of a farm values 5.939 €.
- The average economic size of a family farms values 4.990 €.
- The average economic size of legal entities and entrepreneurship 204.755 €.

- Total number of agricultural holdings 631.552.
- Average land size 5.4 ha
- 288.559 (45.7%) holdings have an economic value lower than 2.000 €.
- 1.902 (0.3 %) holdings have an economic value higher than 100.000 €.
- 429.455 (68%) holdings have an economic value from 0 to 2.000 € and from 2.000 to 3.999 €.
- 99.5% (628.394) of family farms in the total number

Average economic size of agricultural holdings in Serbia by region

- Serbia in total 5.939 €
- Belgrade region 6.038 €
- Vojvodina 12.032 €
- Sumadija and Western Serbia 4.309 €
- Southern and Eastern Serbia 3.414 €

Structure of agricultural households by classes of economic size

- 0-1.999 € , 45.7%, 288.559 farms
- 2.000-3.999 €, 22.3%, 140.836 farms
- 4.000-7.999 €, 17.9%, 113.042 farms
- 8.000-14.999 €, 8.4%, 53.050 farms
- 15.000-24.999 €, 2.9%, 18.315 farms
- 25.000-49.999 €, 1.8%, 11.367 farms
- 50.000-99.999 €, 0.8%, 5.052 farms
- 100.000 €, 0.3%, 1.902 farms

Average economic size of agricultural holdings in Serbia by type of agricultural production

- In total 5.939 €
- Cropping 8.382 €
- Vegetables and flowers 10.828 €
- Vines and fruits 2.359 €
- Cattle, sheep, goats breeding 5.972 €
- Pigs and poultry breeding 6.430 €
- Mixed plant production 3.363 €
- Mixed livestock production 5.954 €
- Animal and plant production 5.565 €

Number of family farms (land area up to 5 ha) under different crops

- Crops on arable land and gardens-426.624
- Barley-406.805
- Cereals-396.277
- Flower and ornamental plants-2.006
- Industrial plants-48.861
- Potato-116.931
- Corn for fodder-10.929
- Sugar beet-1.147

- Vegetables, strawberry, water melon-102.051
- Wheat-283.086
- Fruits and berries-293.206
- Permanent plantations-319.356
- Vineyard-79.981
- Crops in protected production-15.451
- Meadows and pastures-246.148
- Fodder plants-628.492

Thank you!