

Lithuanian agriculture and pig production overview

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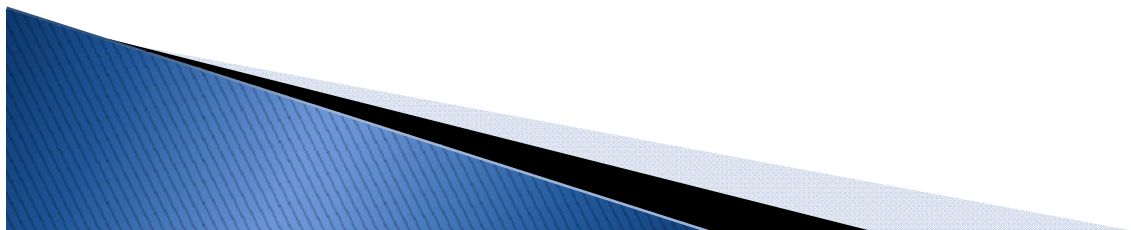


Lithuanian pig producers association

- ▶ Established in 1993
- ▶ Joins 55 members
- ▶ 13 board members
- ▶ 2 people in administration



- ▶ Main tasks:
- ▶ standing for interests of the members;
- ▶ participating in creation of legislative regulations;
- ▶ keeping information network among members;
- ▶ organizing of seminars and other common events;
- ▶ publication of the information related to pig production;
- ▶ collaboration with similar organizations abroad .



Structure of presentation

- ▶ Overview of Lithuanian agriculture
- ▶ Current situation in pig production and trade
- ▶ Pig meat consumption, production and trade
- ▶ Issues, chances and challenges for pig production

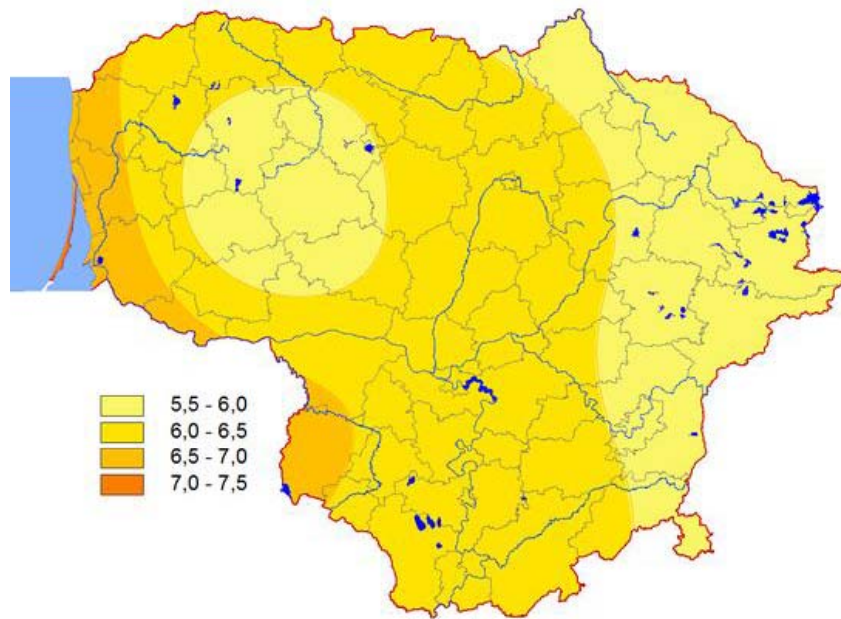
Basic data about Lithuania



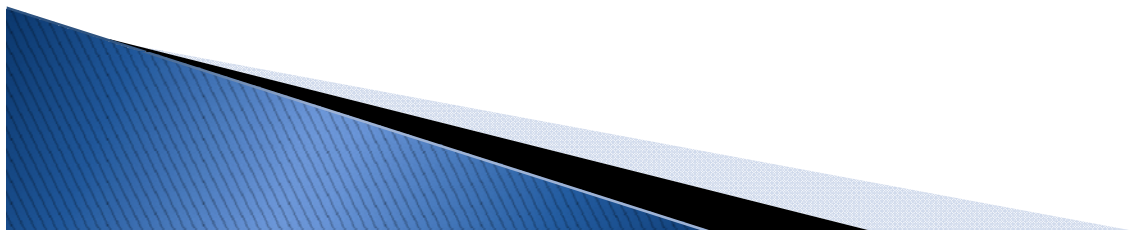
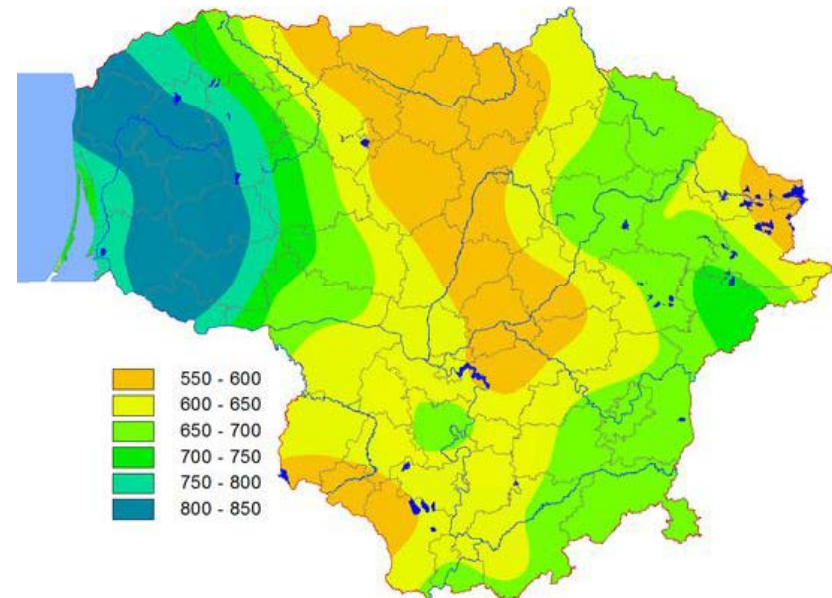
- ▶ Total area – 6,53 mio.ha
- ▶ Population – 3,28 mio.
 - ▶ Urban areas – 2,20 mio.
 - ▶ Rural areas – 1,08 mio.
- ▶ Employed in agriculture – 120,8 thous. (9 % from whole labor force)
- ▶ Unemployment rate: 17 %
 - ▶ Urban areas – 16 %
 - ▶ Rural areas – 22 %
- ▶ Bruto wage average – 591 €/month
- ▶ Neto wage average – 460 € /month

Climate in Lithuania

Average temperatures °C

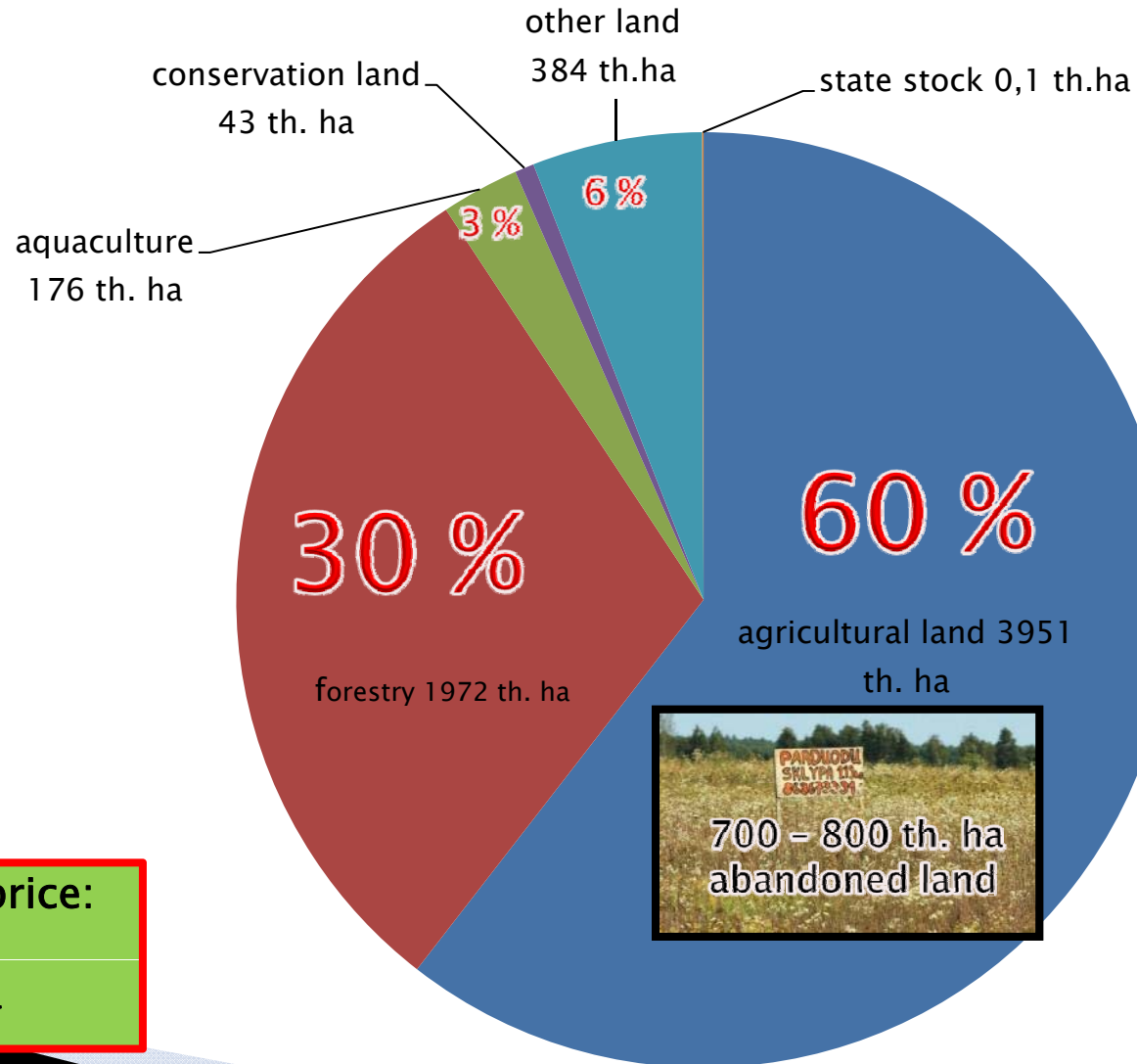


Average rainfall



Total land area by land category

1-st January 2011



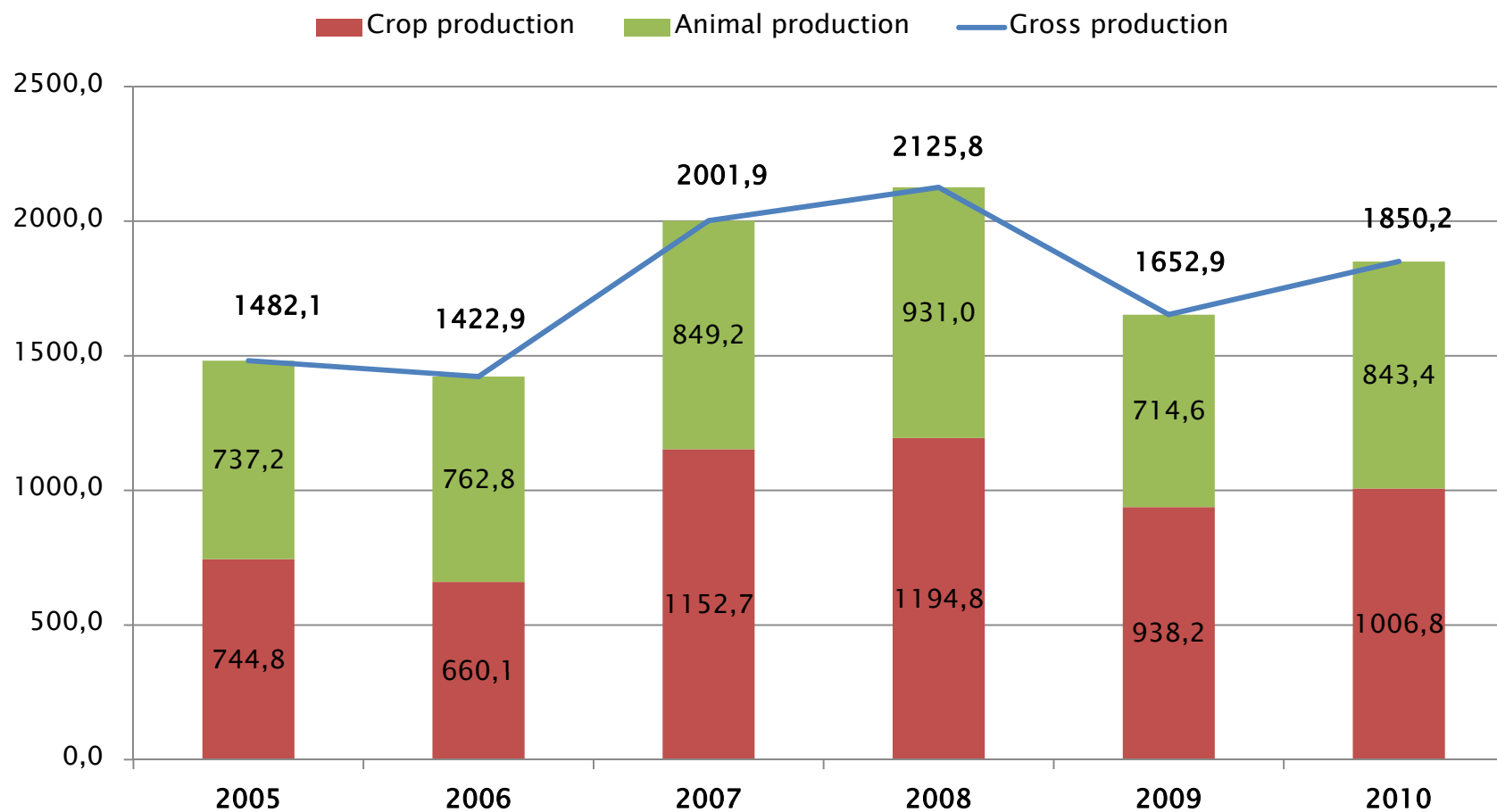
Agricultural land price:
2000 - 5000 €/ha



Gross agricultural production,

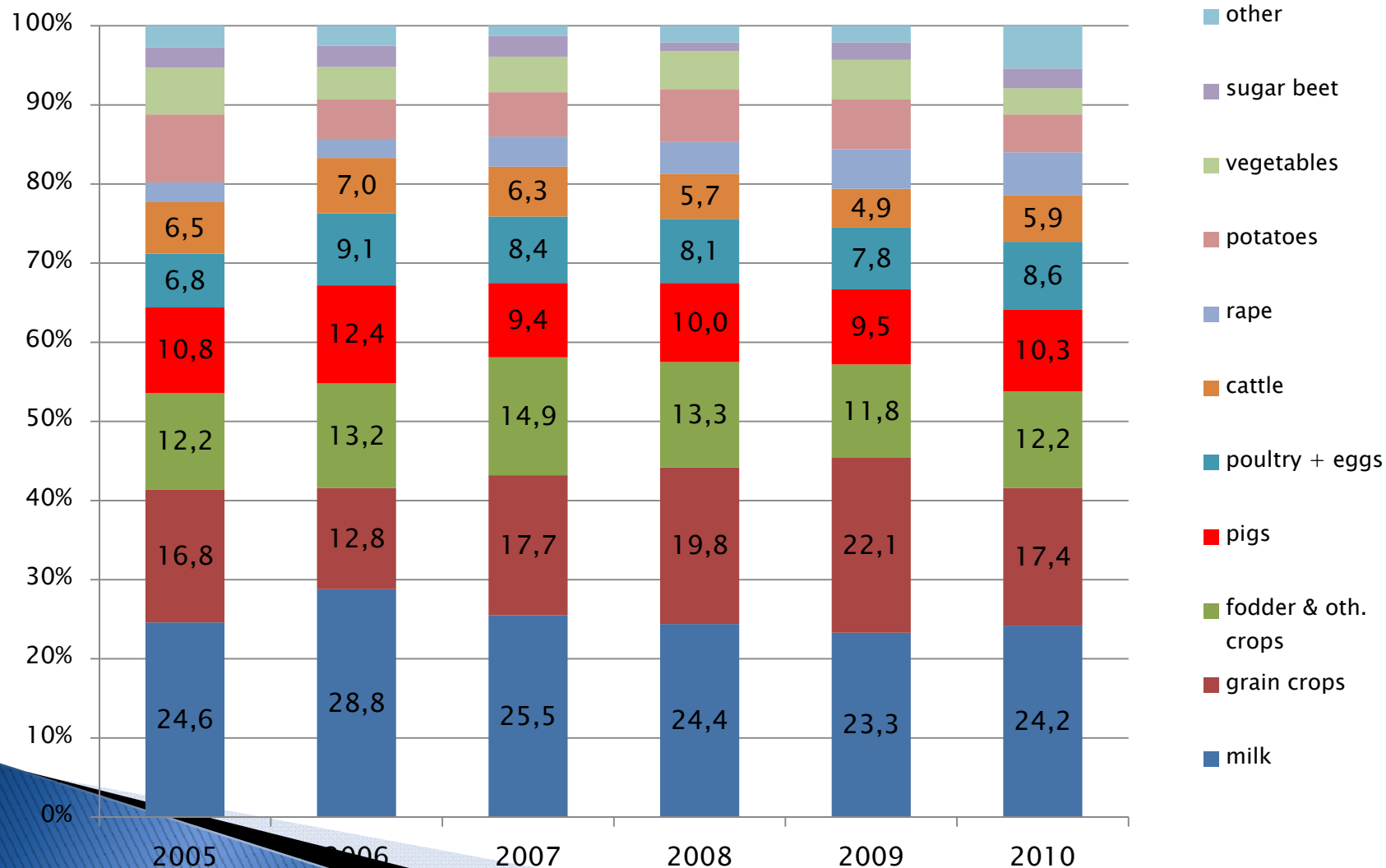
Current producer prices, million €

Source:LSD



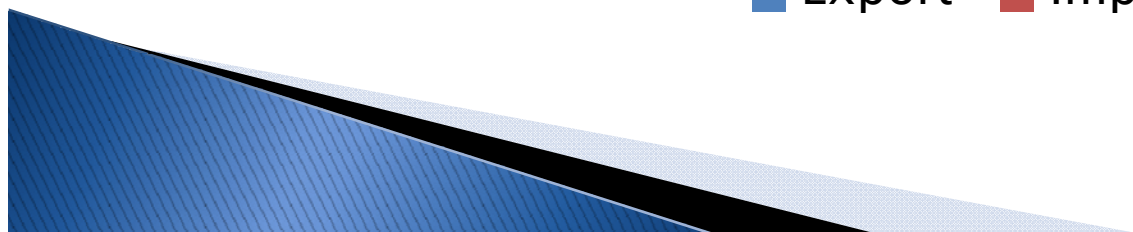
Structure of gross agricultural production

Per cent, total production = 100 %



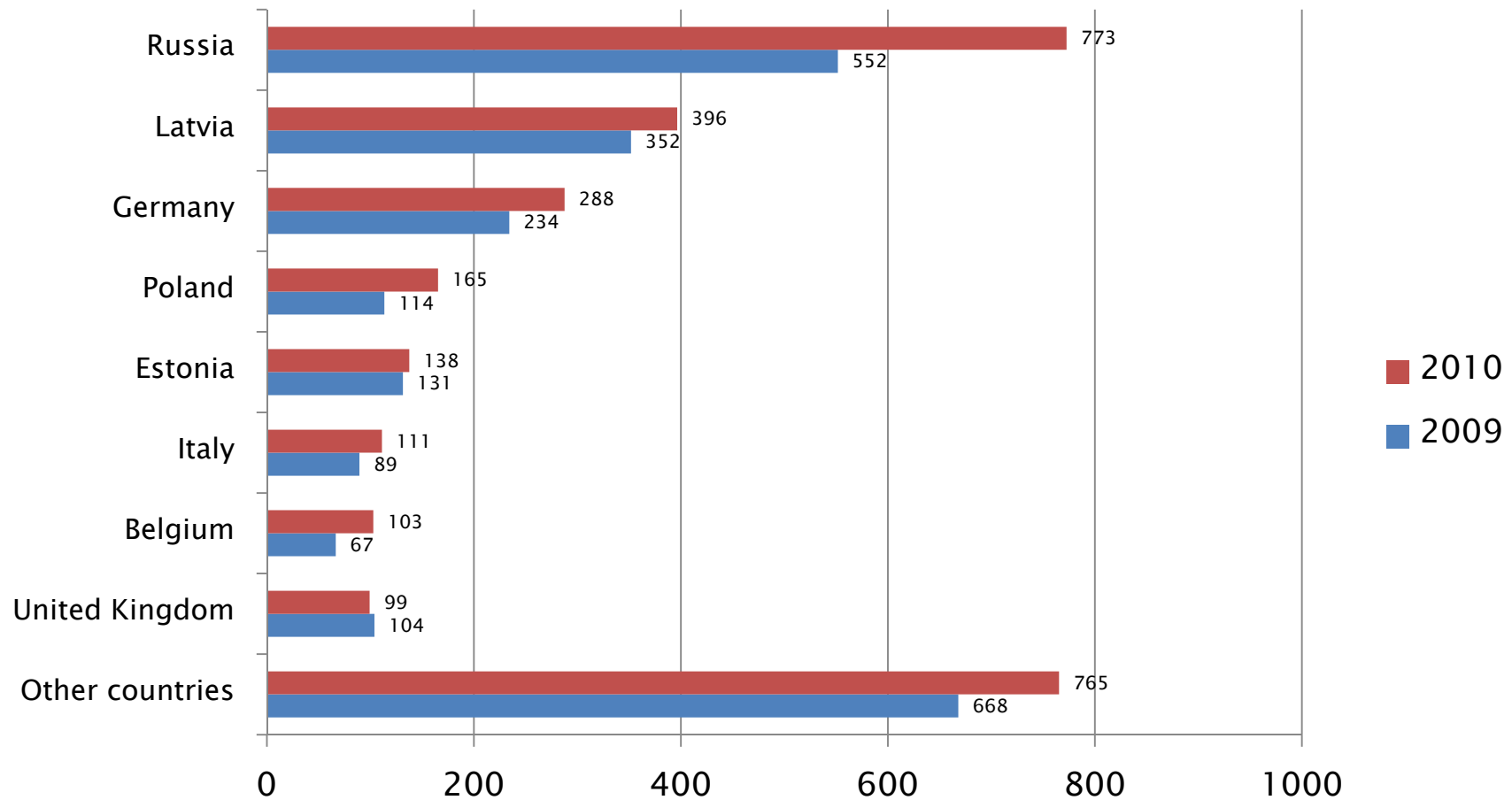
Export and import of agricultural and food products in 2006–2010, mln. €

Source:LSD



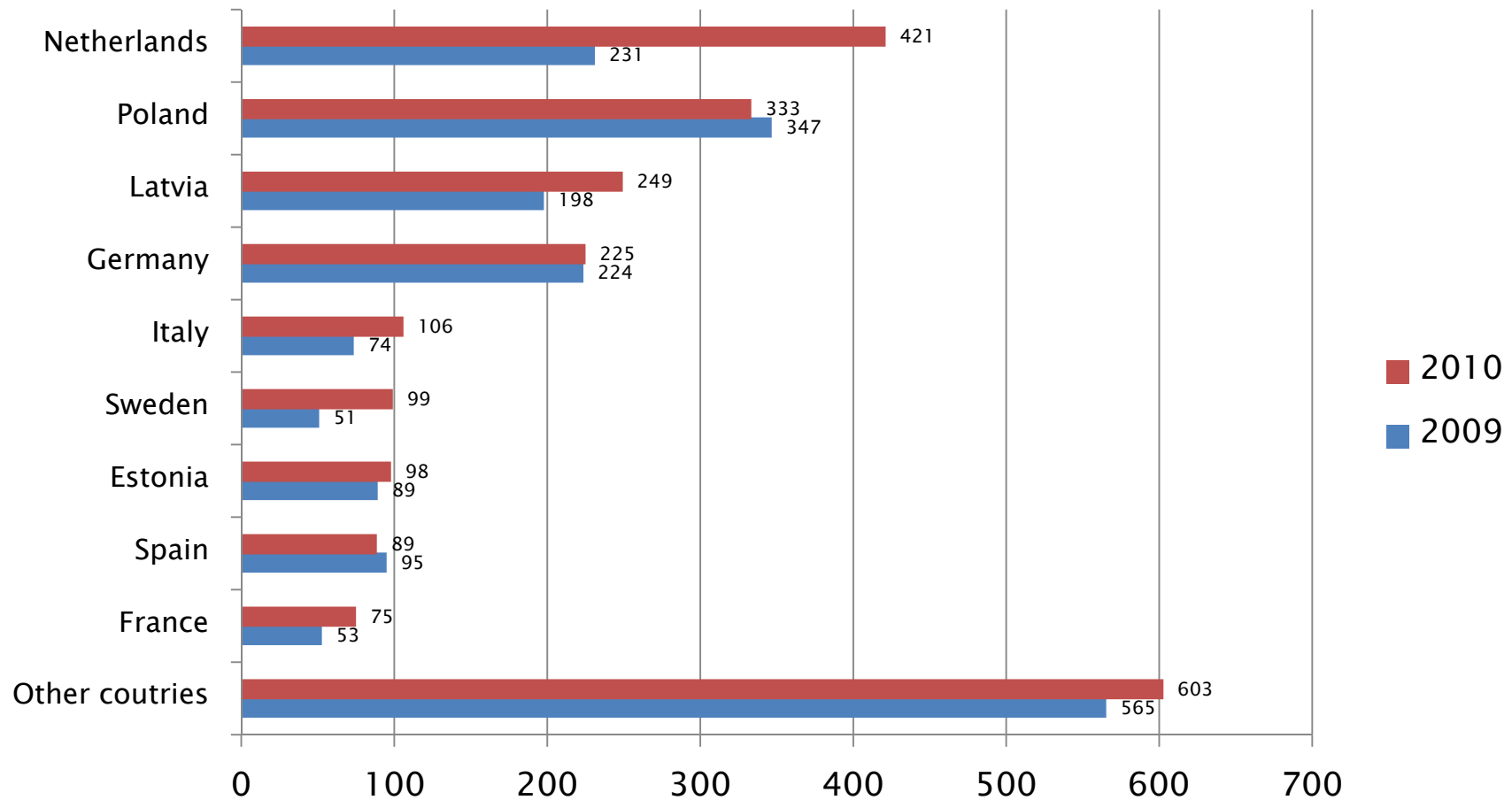
Export of agricultural and food products by country in 2009–2010, mill. €

Source:LSD



Import of agricultural and food products by country in 2009–2010, mill. €

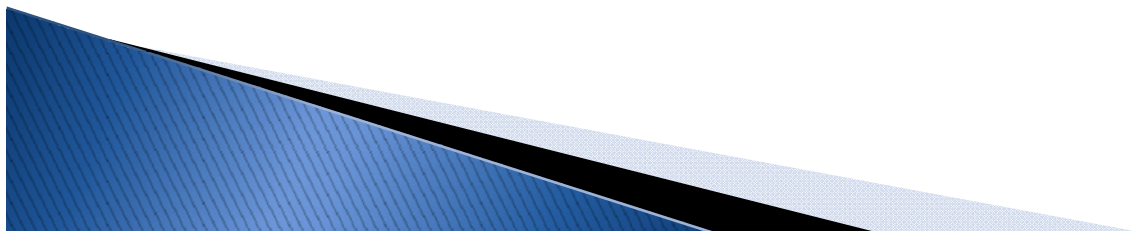
Source:LSD



Number of agricultural entities in Lithuania in 2010

Source: ŽŪIKVC

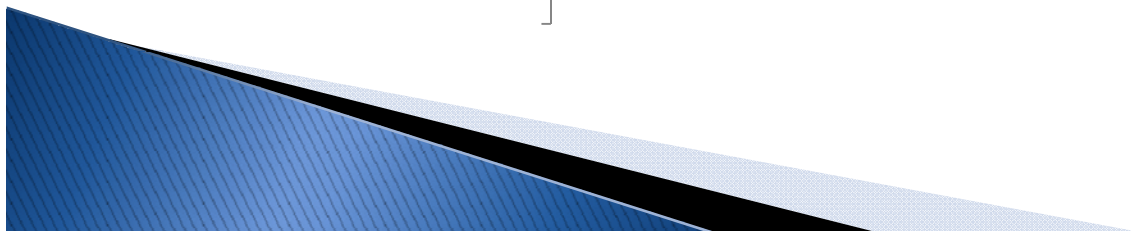
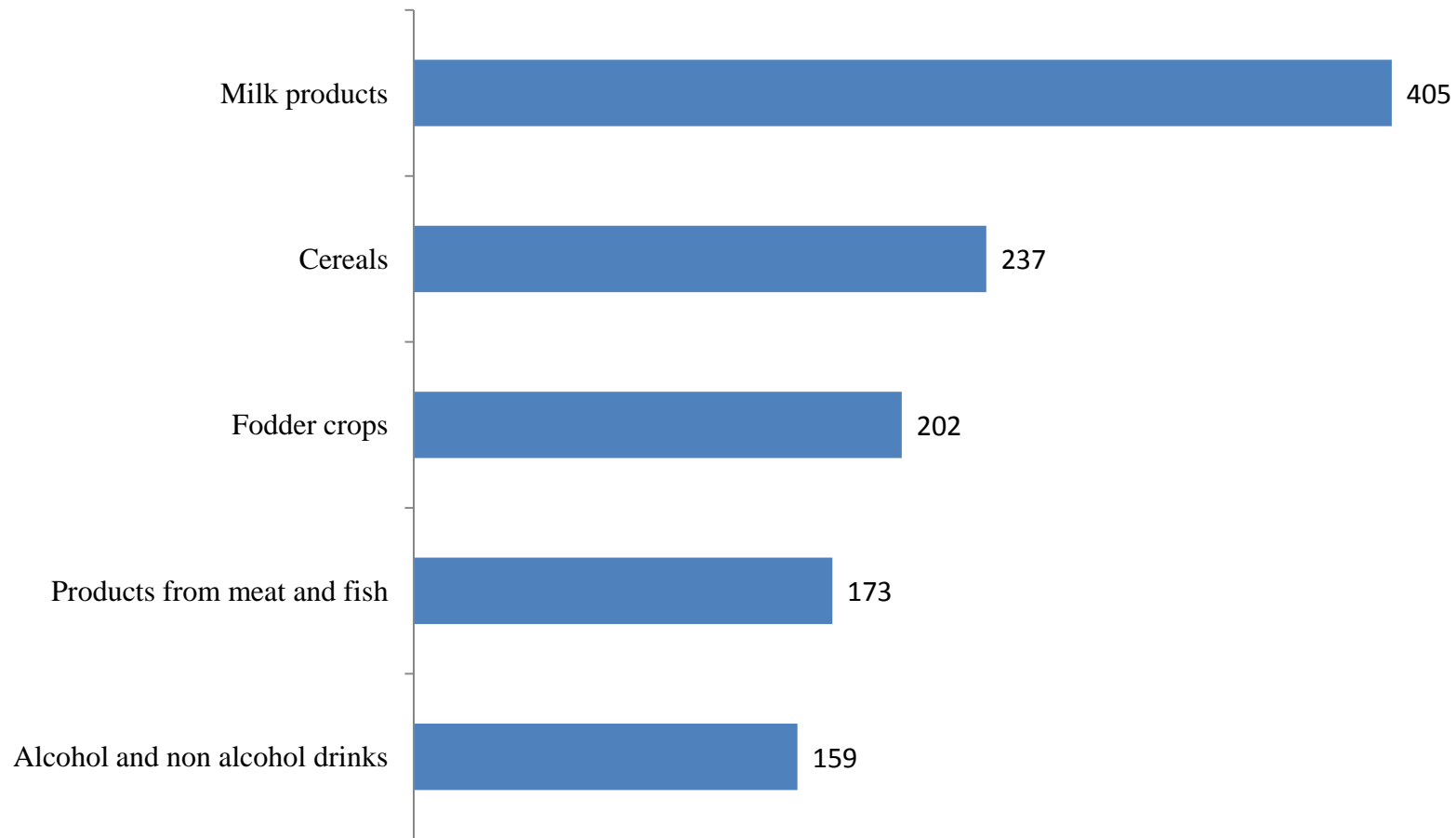
- ▶ 108,7 thous. farmer farms
- ▶ 662 agricultural companies and enterprises
- ▶ 99,2 thous. households



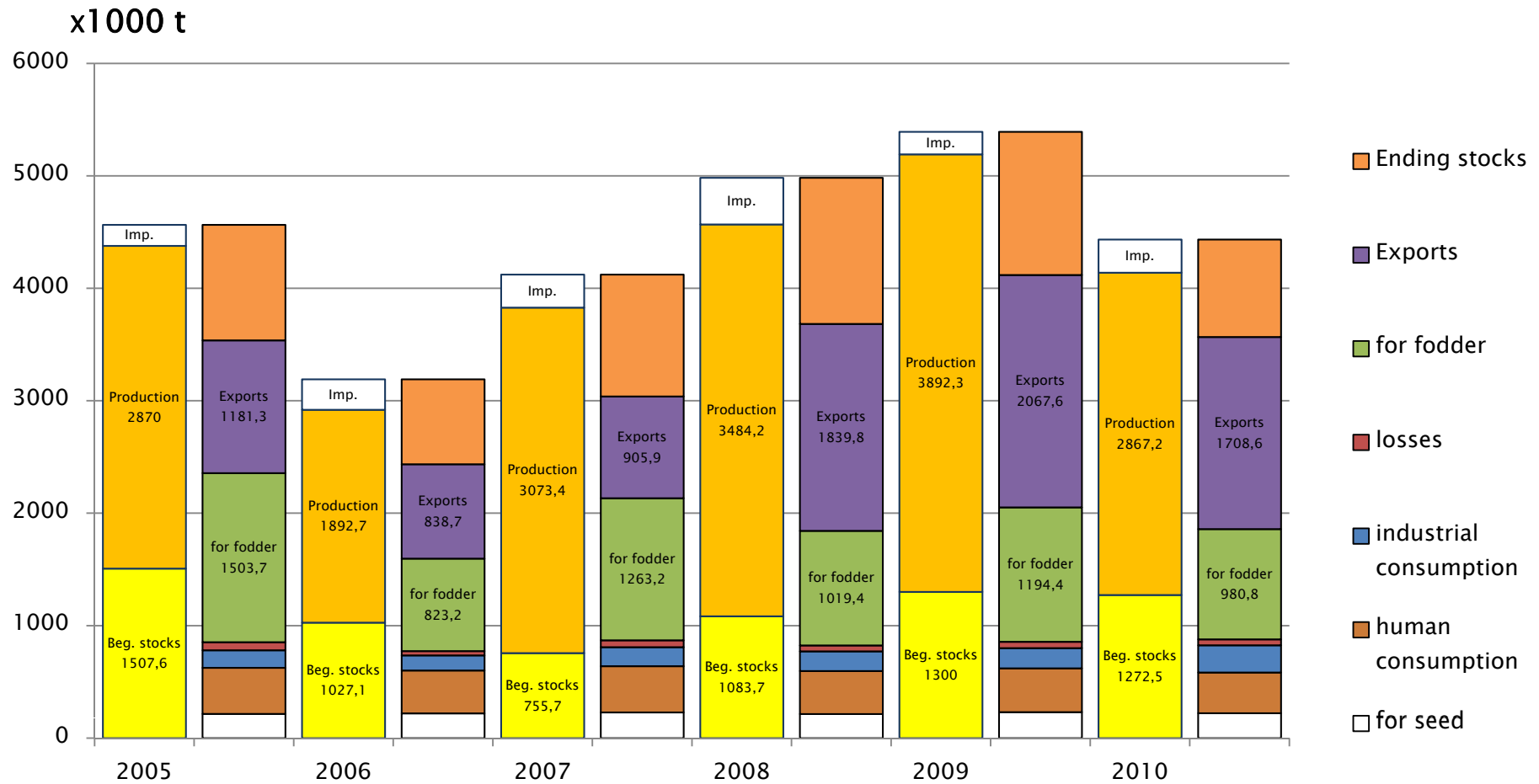
Structure of farms by declared agricultural area in 2010, Source: ŽŪIKVC

<i>Farm size, ha</i>	<i>number, thou.</i>	<i>share, %</i>
<5	92,1	53,6
5,1-10	37,4	21,7
10,1-20	20,9	12,2
20,1-50	12,6	7,4
50,1-100	4,9	2,9
100,1- 500	3,4	2,0
>500	0,4	0,3
All farms	171,8	100
Average farm size: 15,6 ha		

Export of main agricultural and food products 2010, million €

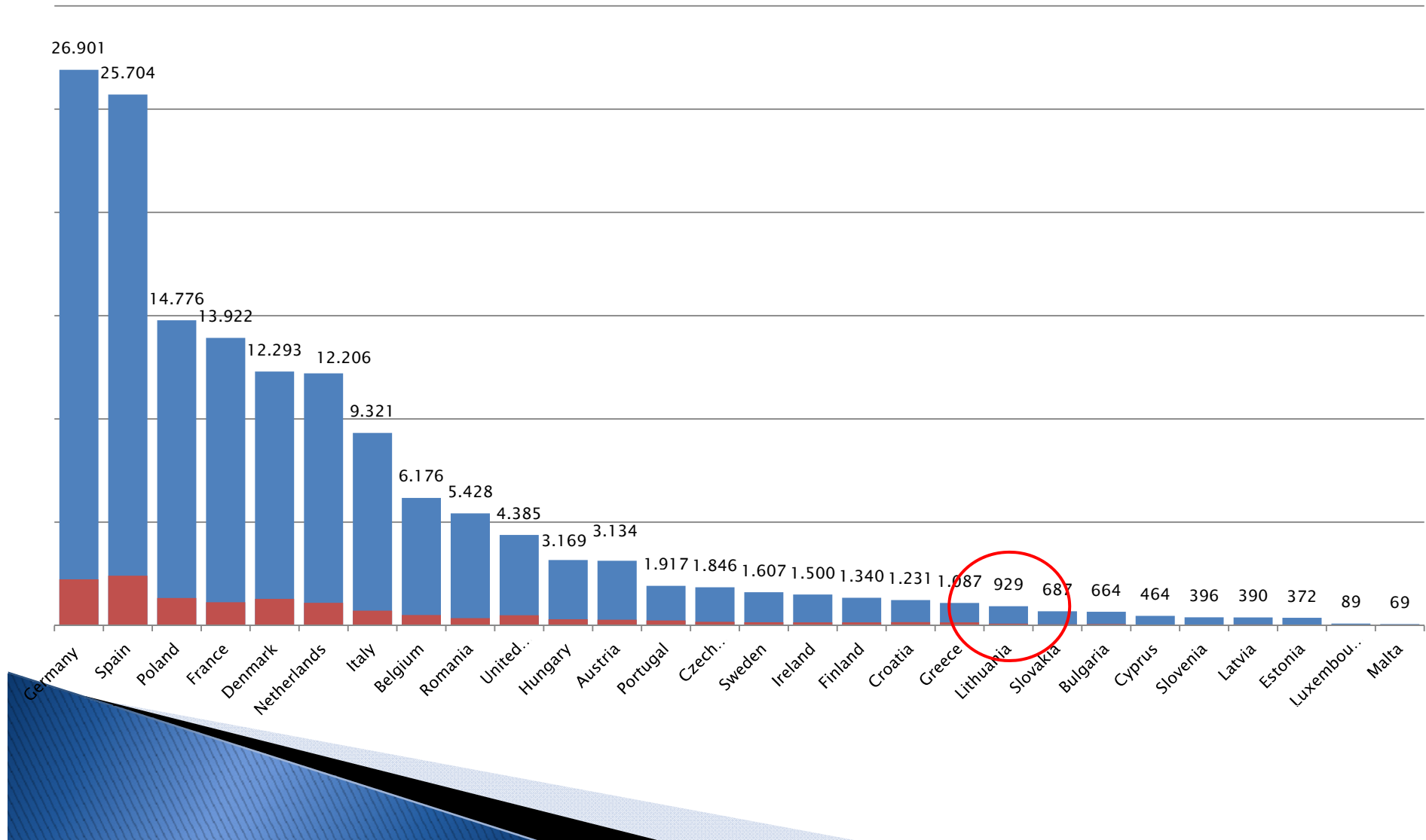


Grain balance

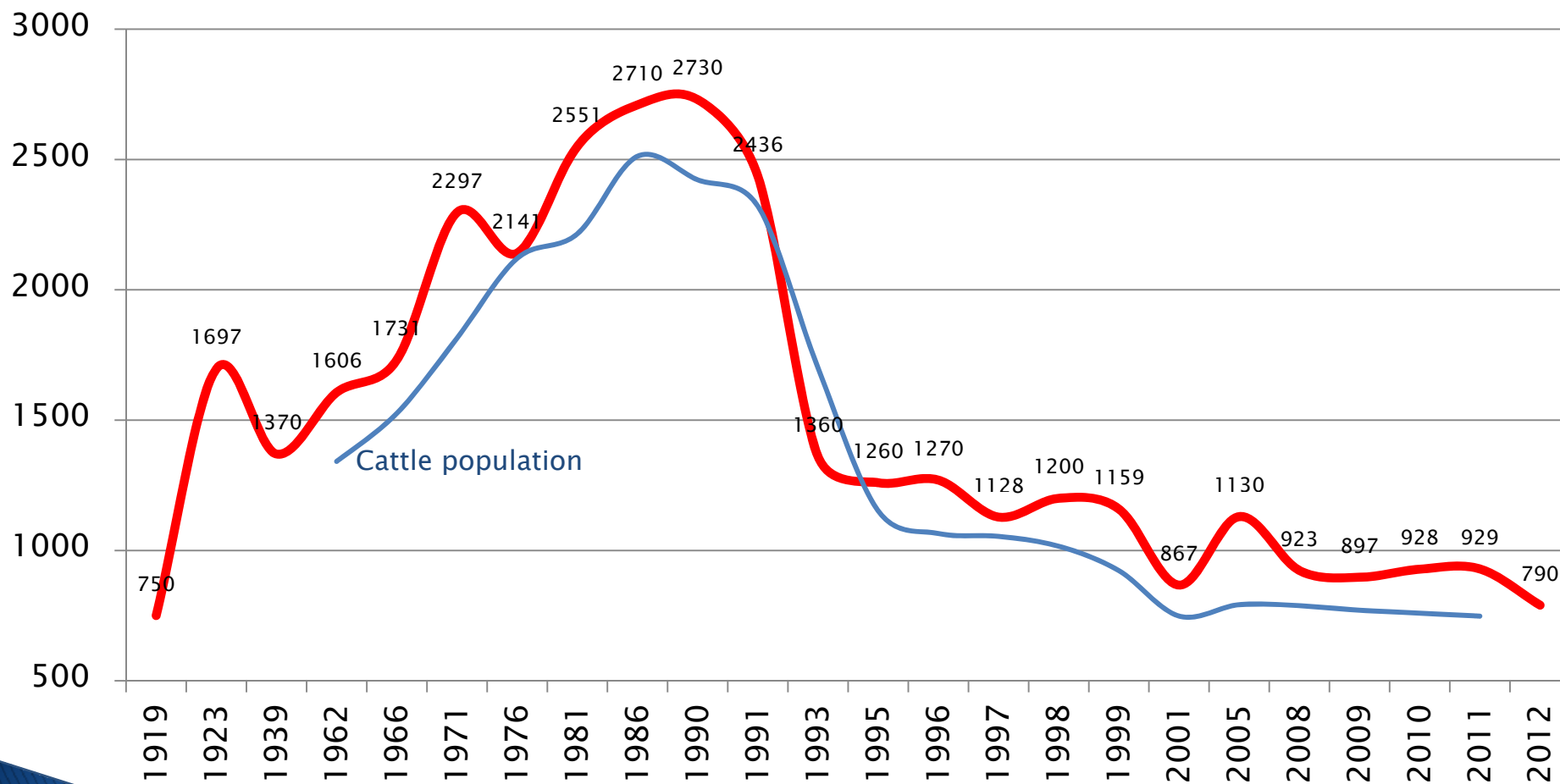


Pig population in EU countries 2010

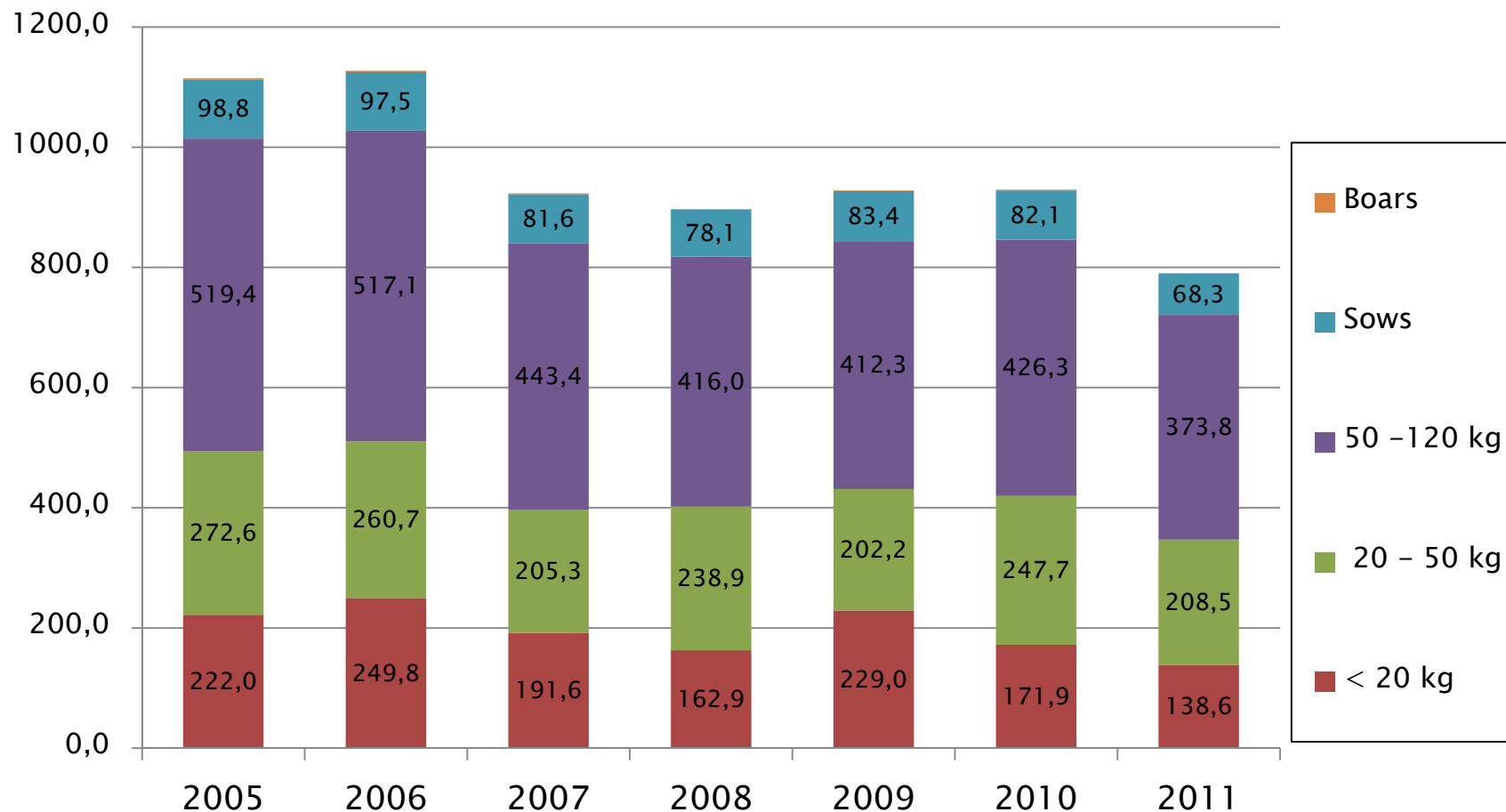
Source: Eurostat

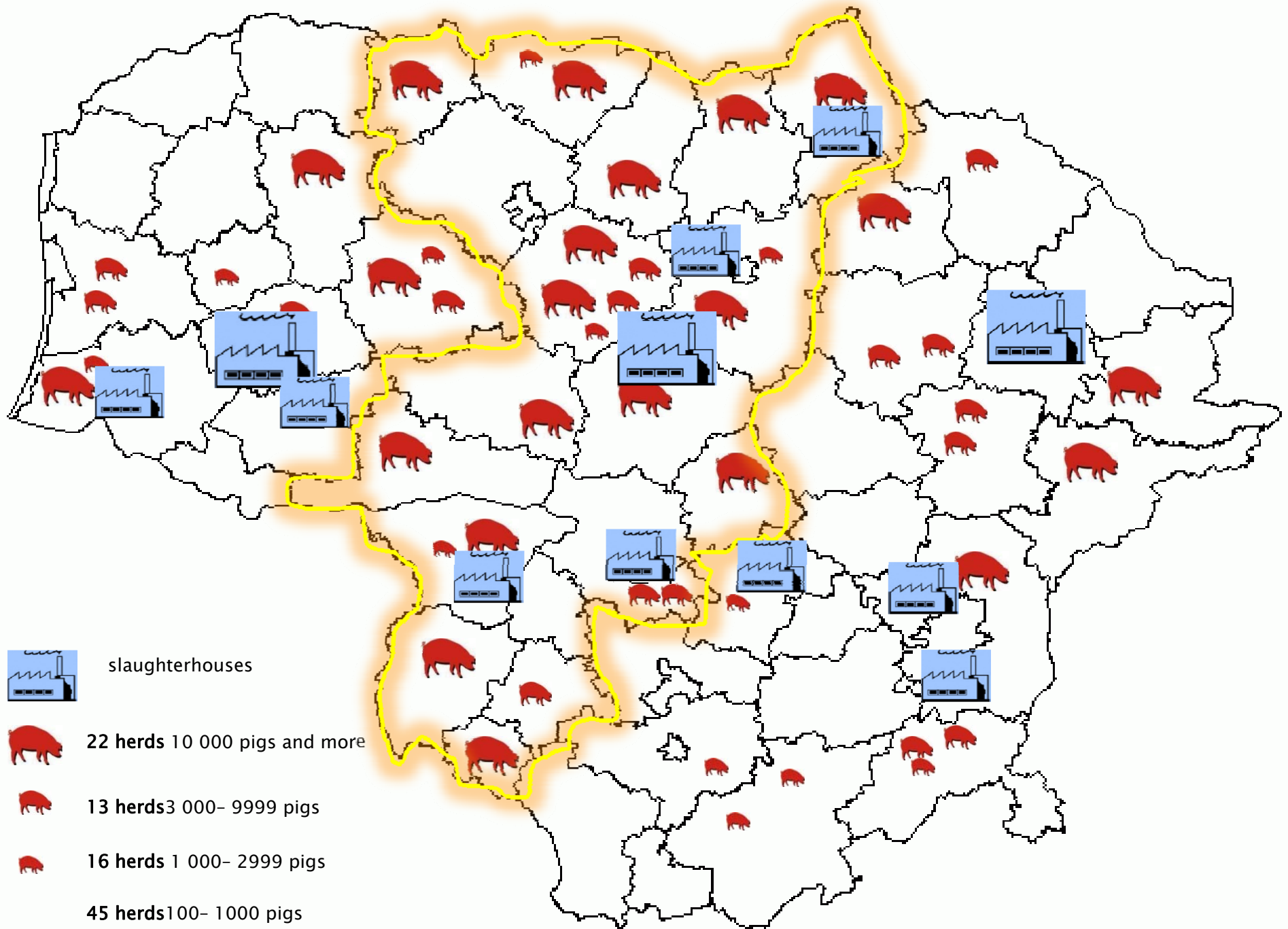


Development of pig population in Lithuania



Development of Lithuanian pig herd structure 2005–2011 (Source: Eurostat)









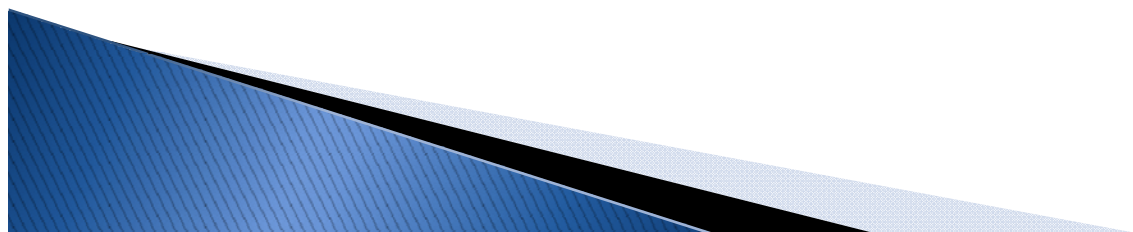
Production of meat and meat products

Source: www.laei.lt , LSD

	2006	2007	2008	2009	2010
Number of enterprises	226	193	182	170	182
Number of employees	10980	10512	10421	10355	9103
Sales in domestic market, mill. €	348,9	388,4	455,0	353,9	333,5
Export value, mill. €	80,1	110,6	121,7	101,7	118,1

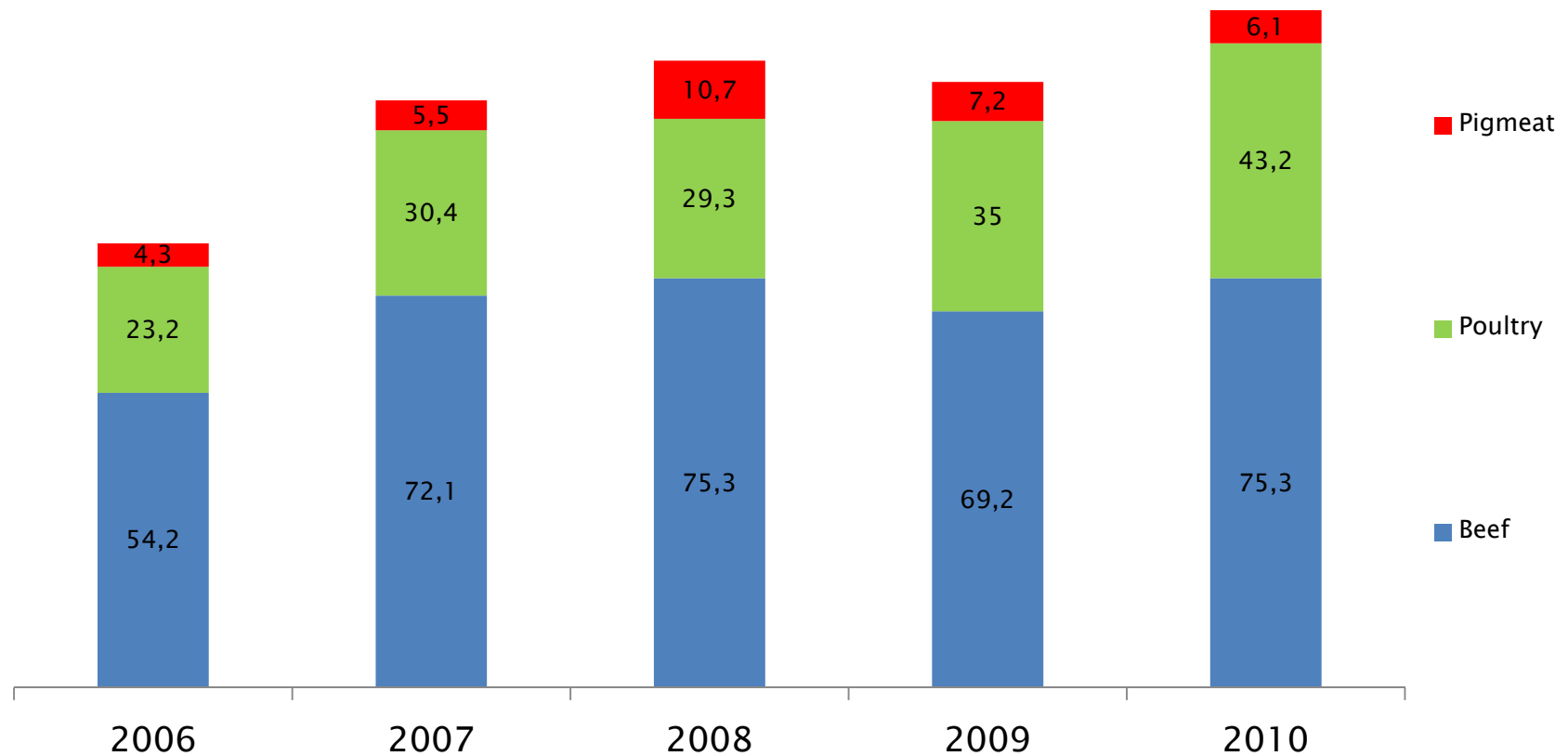
Number of pig slaughterhouses & pig meat processing places– 76

10 biggest slaughterhouses slaughter about 70 % of all pigs

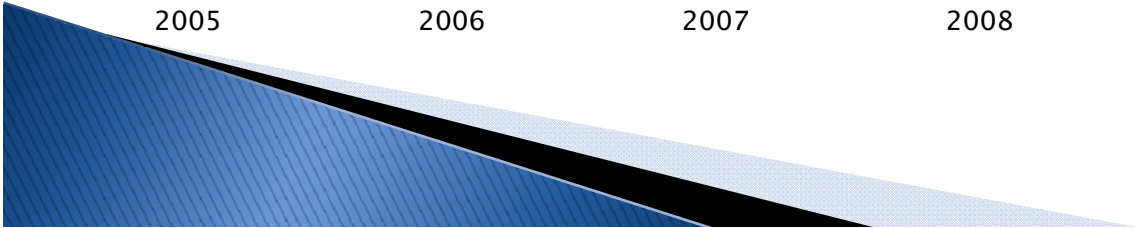
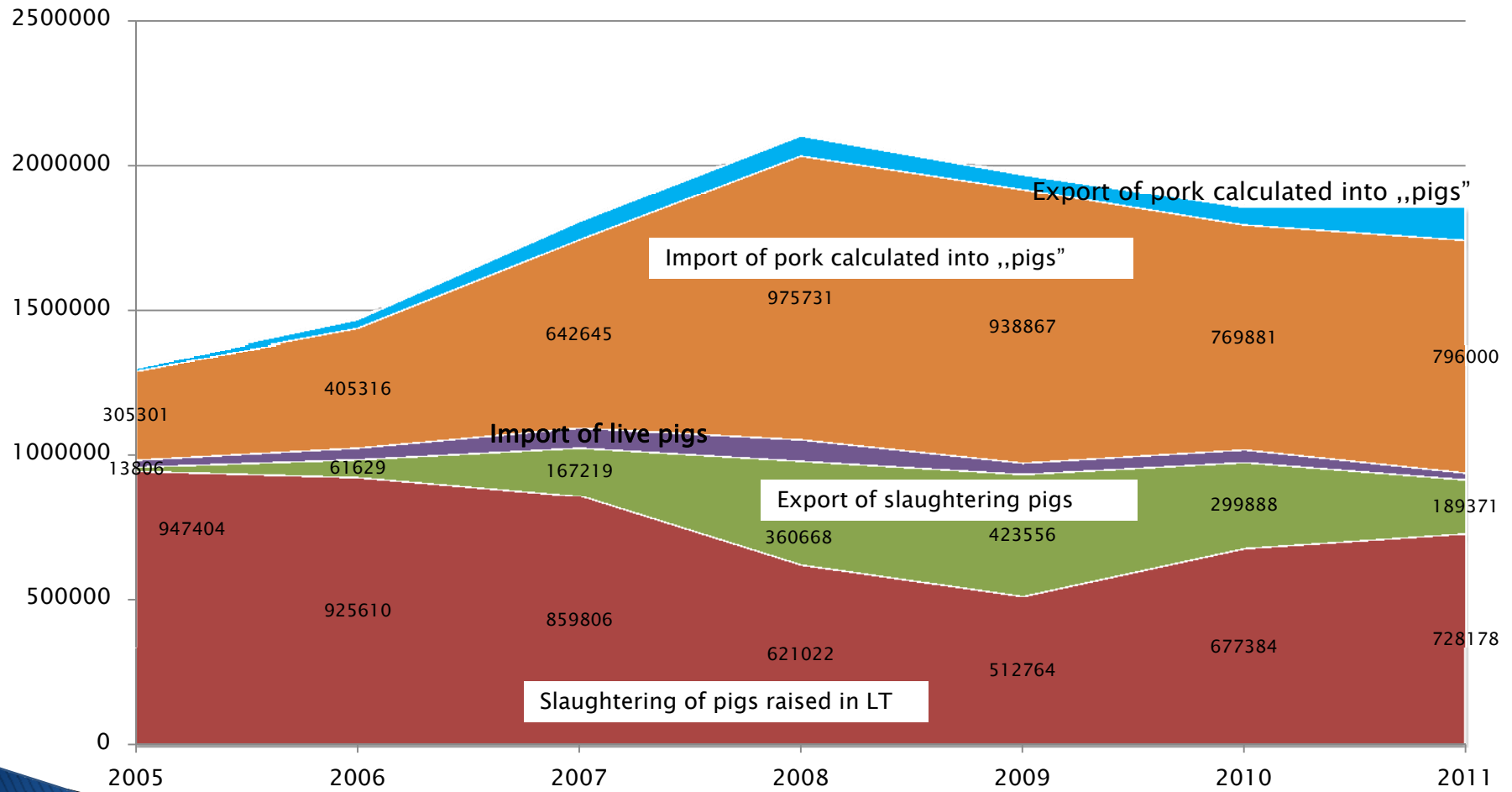


Export of Lithuanian origin meat and meat products in 2006–2010, mill. €

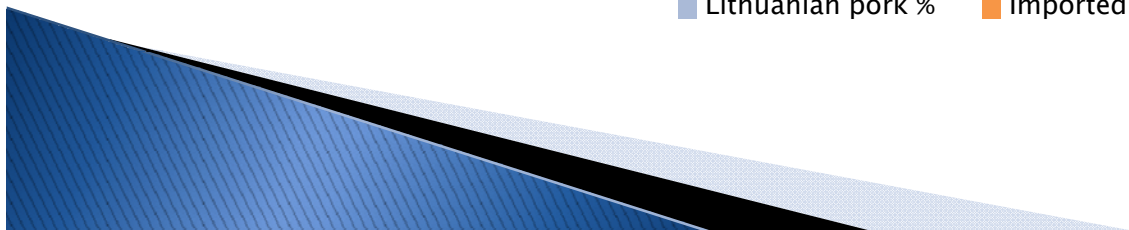
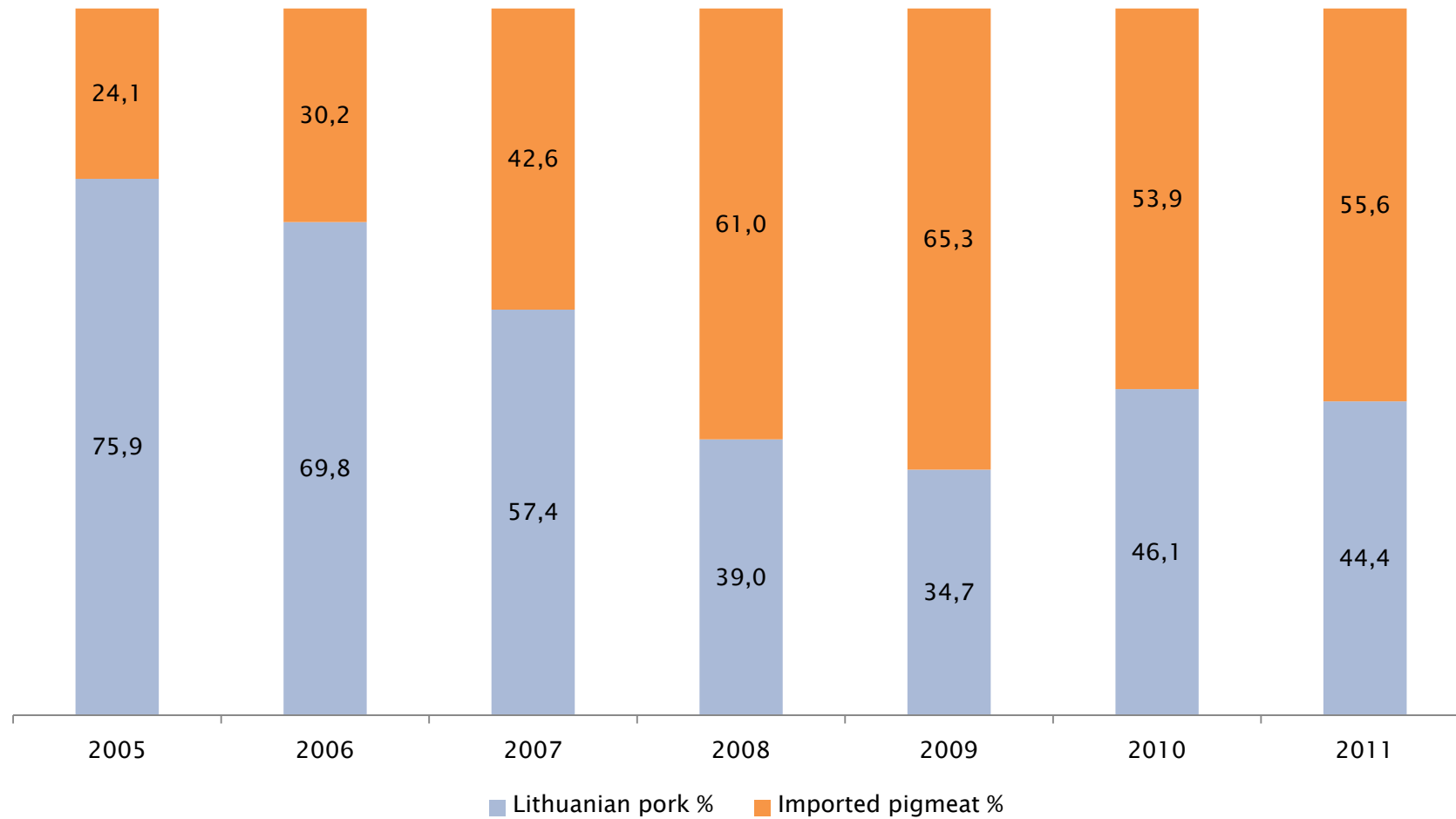
Source: www.laei.lt, LSD



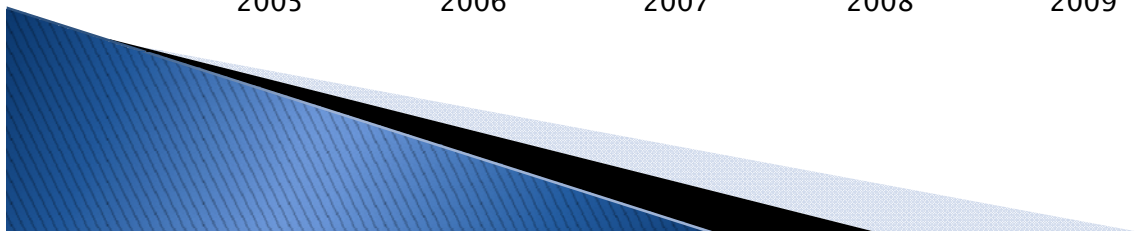
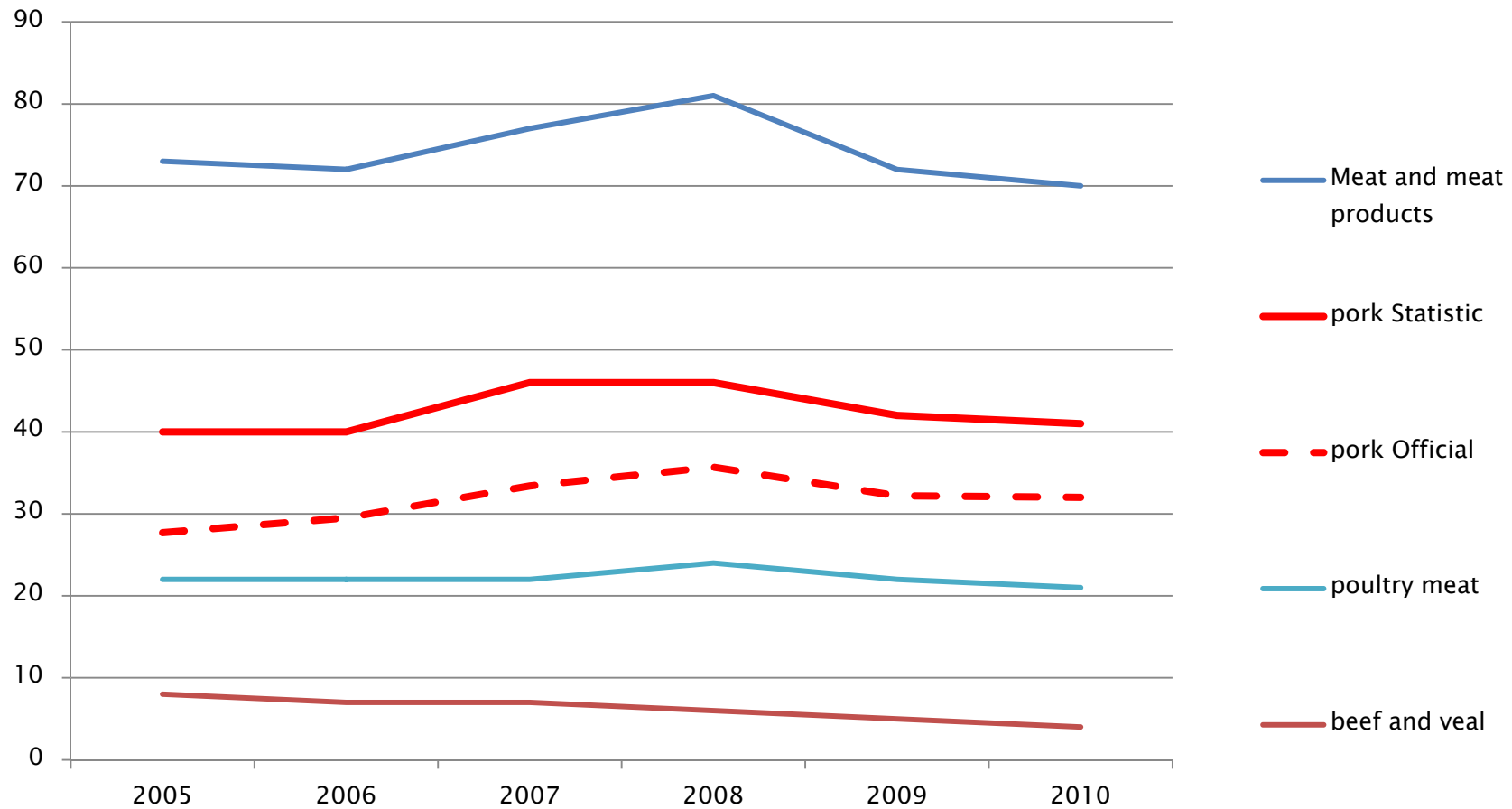
Pig production and trade



Pig meat origin on Lithuanian market, %



Consumption of meat, kg/capita



Pork at „farmers” market



Cash registers since May/2011

VAT Poland – 5 %

VAT Lithuania – 21 %

VAT Latvia – 22 %

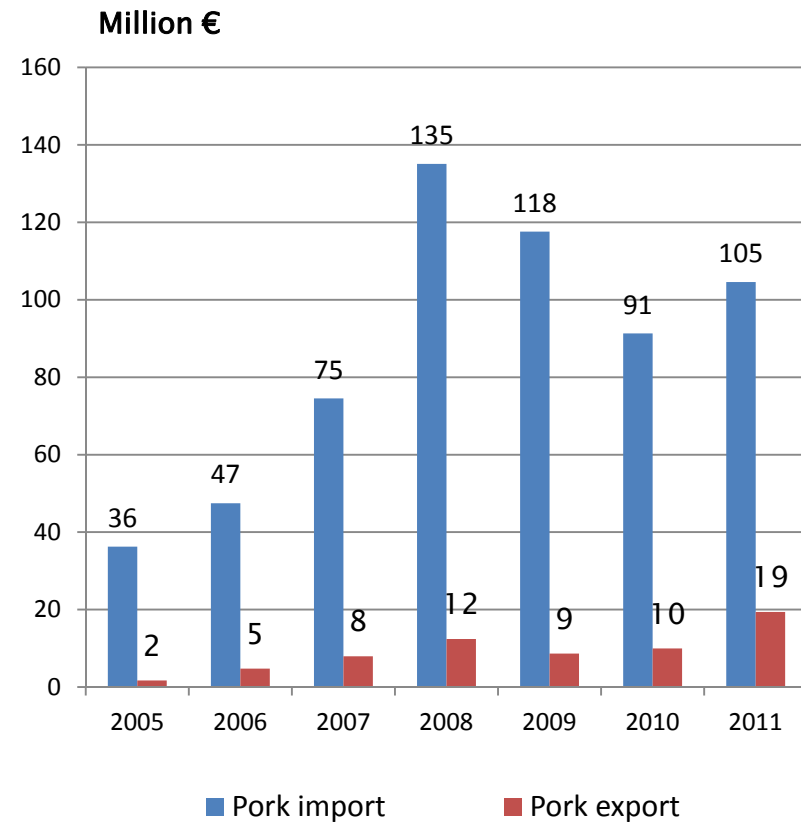
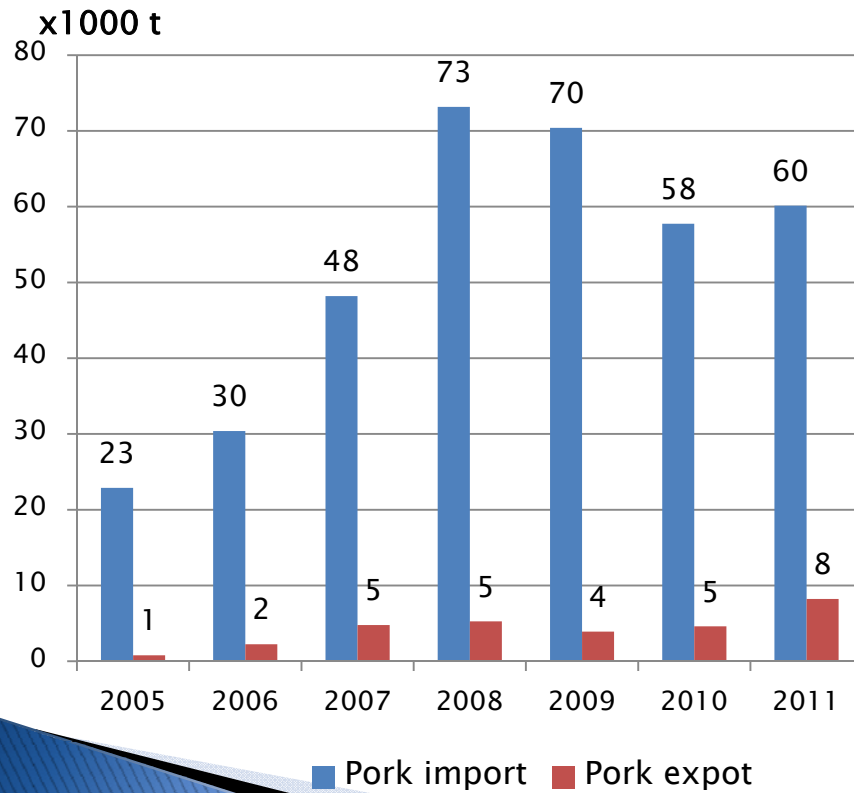


Meat consumers

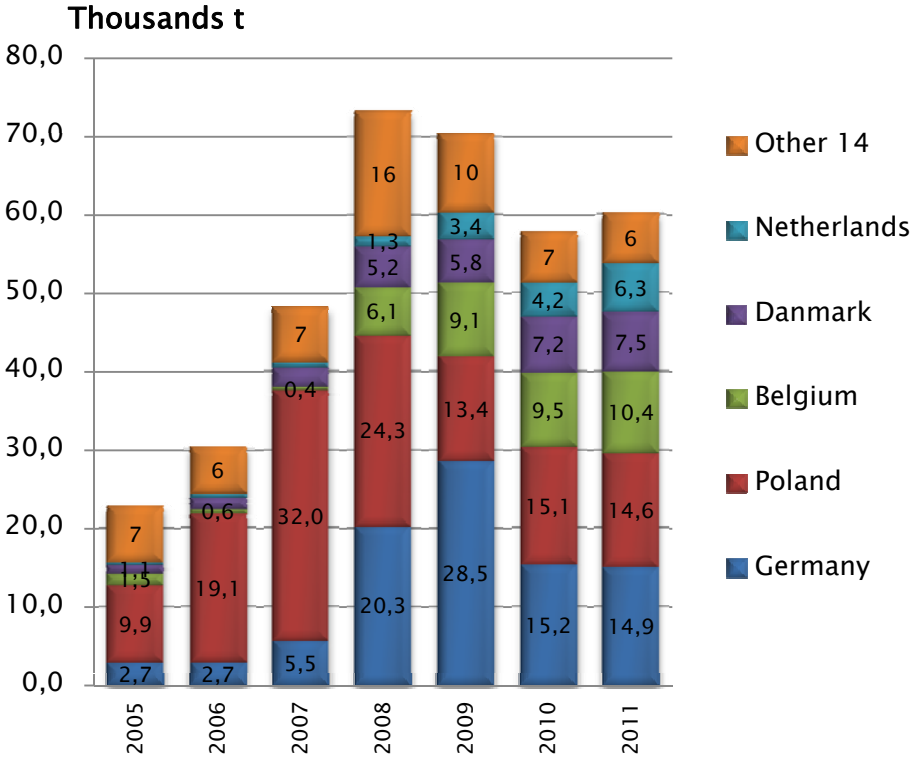
- ▶ Misguided by mass media
- ▶ Don't trust industrial meat production
- ▶ Believe, that big farms are feeding wrong feed
- ▶ Are convinced, that pigs grow up too fast
- ▶ Blame supermarkets for high prices
- ▶ Prefer „backyard farmers” production and buy at „farmers market”



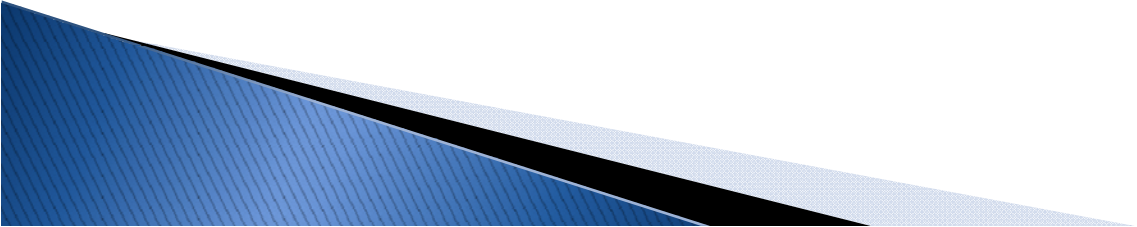
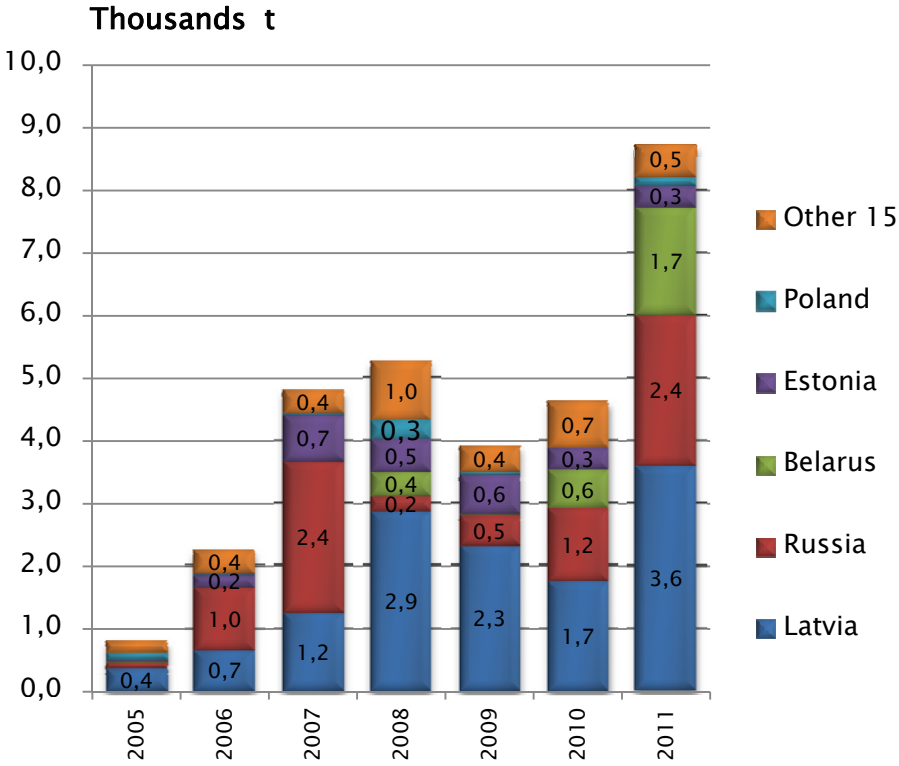
Dynamics of pork import & export 2005–2011



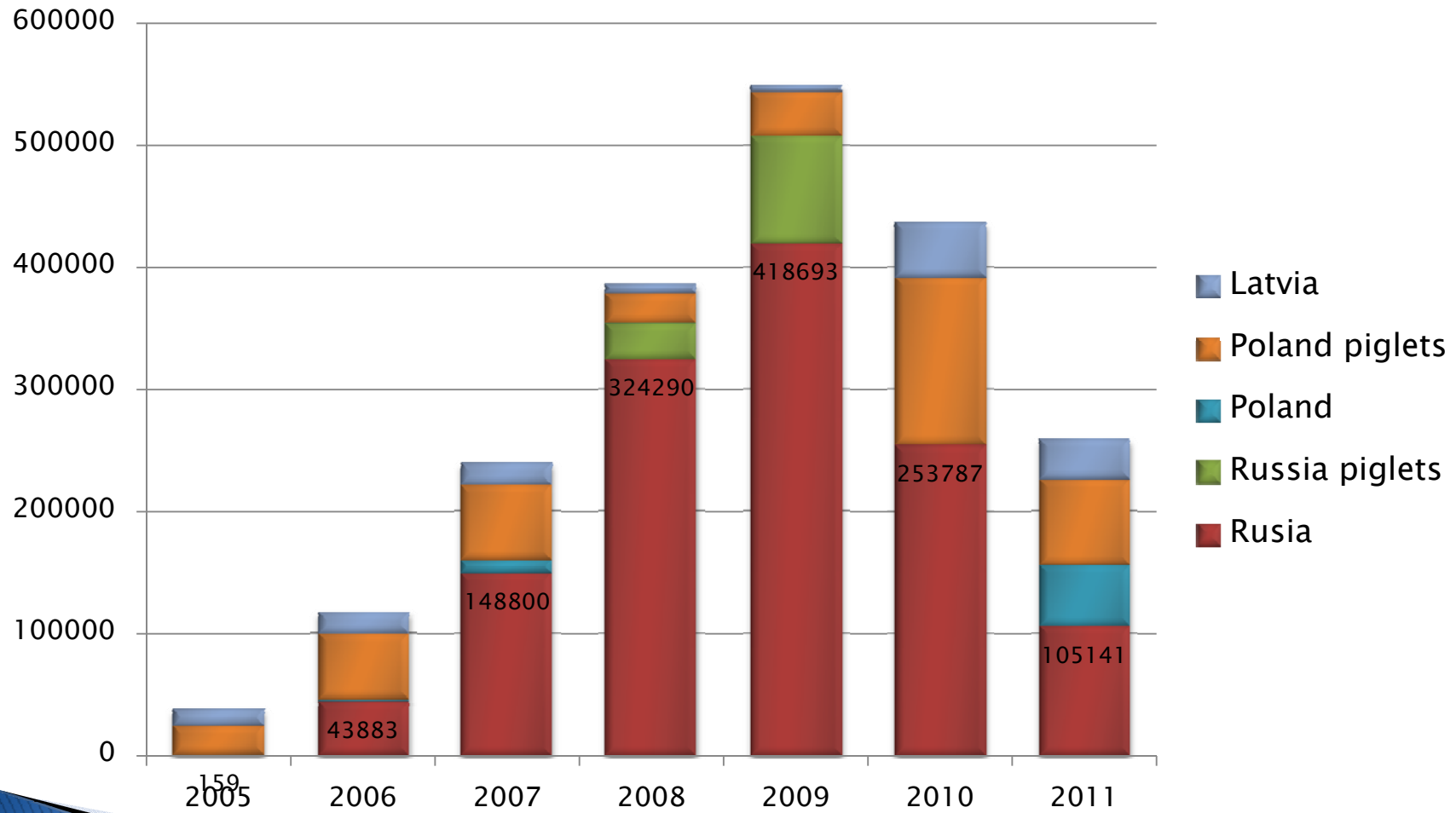
Origin of imported pigmeat



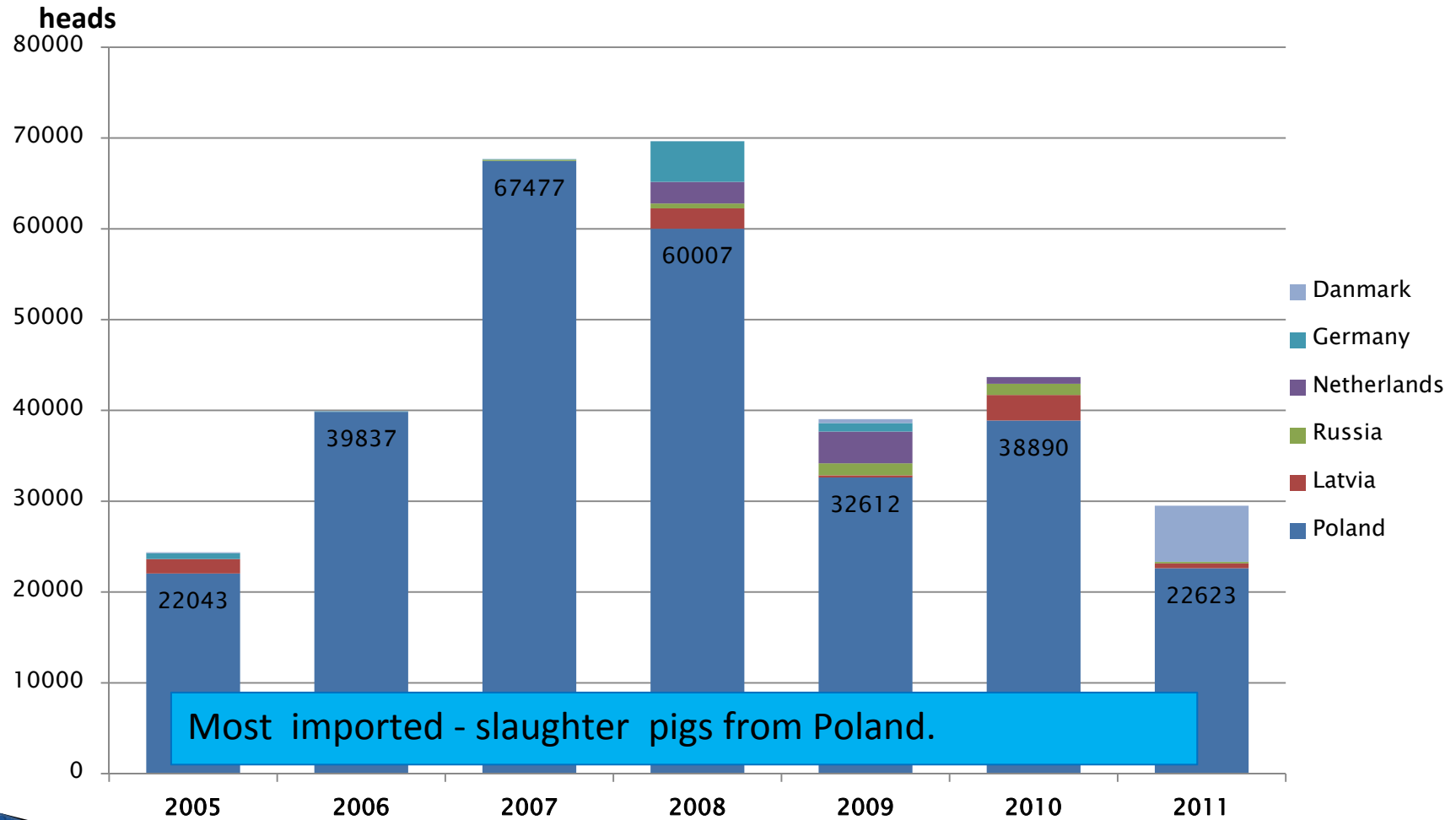
Pigmeat export destinations



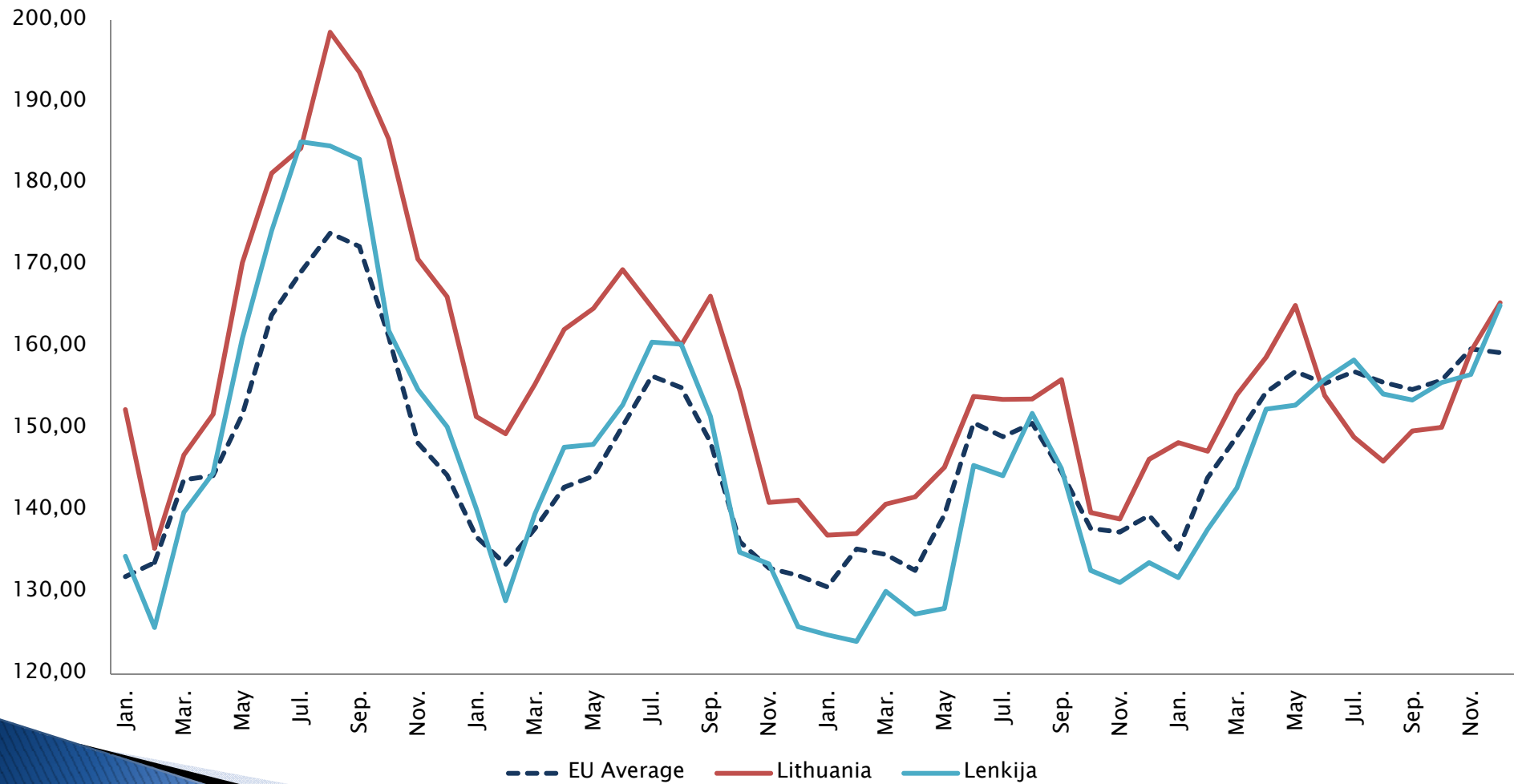
Main live pig export destinations



Live pig imports



Monthly market prices for pig carcass grade E, € / 100kg

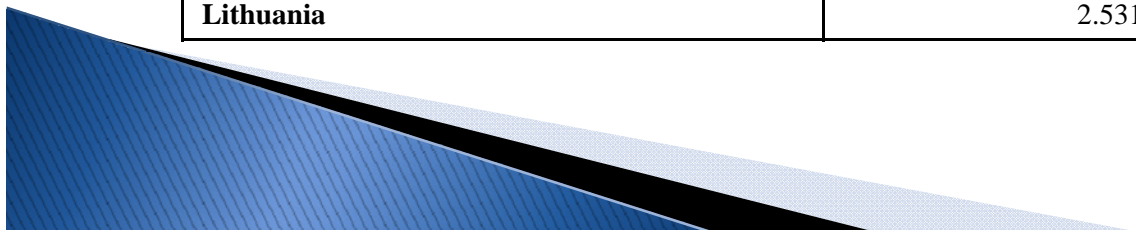


Protests against pig producers



Pig density in EU countries

	2004		Pigs/ha agricultural land
	Agricultural area, ha	Number of pigs	
Netherlands	1.924	10.766	5,6
Denmark	2.641	12.969	4,9
Belgium	1.392	6.366	4,6
Germany	17.008	26.495	1,6
Portugal	3.745	4.812	1,3
Spain	25.270	24.053	1,0
Austria	3.374	2.249	0,7
Sweden	3.129	2.006	0,6
Finland	2.246	1.394	0,6
Italy	15.097	9.157	0,6
France	29.430	15.251	0,5
Ireland	4.370	1.732	0,4
UK	16.352	4.812	0,3
Greece	3.897	948	0,2
Total average	130.004	123.010	0,9
Lithuania	2.531	1.061	0,4

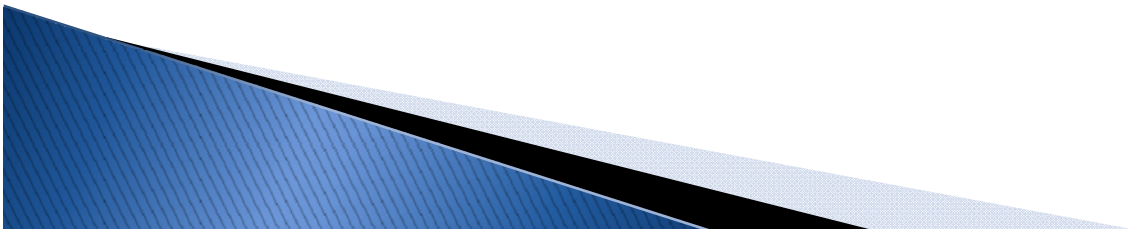


Reactions after protests:

- ▶ Many negative articles in mass media about large pig farms, especially danish investors, and pigmeat;
- ▶ Visits of Parliament members to the farms' neighbourhood settlements with political promisses „to make an order”;
- ▶ Parliament project – to oblige pig farms with more than 12 000 fattening places to build biogas plants from 2014;
- ▶ Strengthened controlls from Regional environment protection departments;
- ▶ Two times in the same year renewed permissions of integrated pollution prevention and control ;
- ▶ More frequent complaints on the farms;
- ▶ New rules for „Bad smells”;
- ▶ Revision of rules for manure treatment;
- ▶ Revision of the Rules on sanitary zones for livestock farms;
- ▶ State geological service:
 - started to require to make measurements on the underground water quality in the territory of the farm (10– 20 monitor places/farm);
 - still alive ideas to oblige pig farms to monitor underground water's quality in fields fertilized with manure;
- ▶ Ministry of Environment plans to oblige farms to monitor air quality near the pig farms 12 times/year;
- ▶ Ideas from Human health surveillance service to oblige pig farms to monitor health status of people living near the farms;

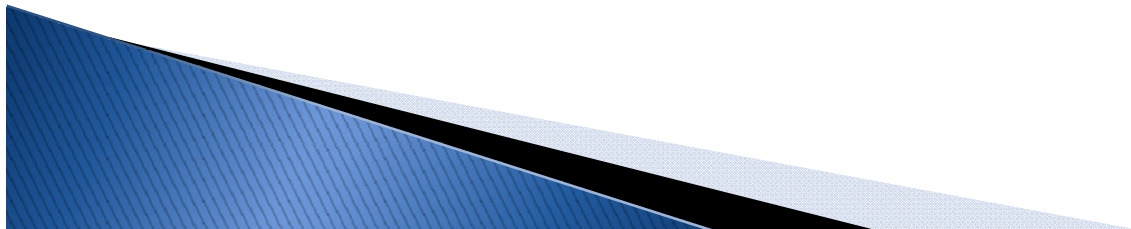
Other important issues for Lithuanian pig producers

- ▶ Disease situation: ASF in Russia, CSF in Lithuania;
- ▶ Restoring of live pigs export to RF;
- ▶ Adoption of animal welfare standards for farms;
- ▶ VAT reduction for pigmeat to 5 %



State and municipality control

1. Environmental Protection Agency;
2. Regional environment protection departments;
3. Municipality ecologists;
4. State food and veterinary service;
5. State territorial planning and construction inspectorate;
6. Civil protection service;
7. State Energy Inspectorate;
8. State Labour Inspectorate;
9. Lithuanian Labour Exchange;
10. State tax inspectorate;
11. State plant protection service;
12. State metrology service;
13. State animal breeding supervision service;
14. National paying agency;
15. State Fire and Rescue Service ;
16. State Social Insurance Fund Board;



Chances:

- ▶ Increase self-sufficiency rate up to 100 %
- ▶ since Russian accession to WTO restart export of live pigs;
- ▶ To use structural support from 2014 to 2020 for pig farm modernization and new farm building;
- ▶ To use more grain for animal feeding;
- ▶ There is enough land to fertilize soil;
- ▶ enough labor to work at farms;

Challenges:

- ▶ To reduce bureaucracy and not necessary requirements for farmers;
- ▶ to get positive outlook for pig production ;
- ▶ to attract young farmers;
- ▶ to increase investments;
- ▶ to build new farms;
- ▶ to use more land for fodder production;

Thank you for your attention !

