Adjustment of cattle and sheep production in Croatia to the actual economic and market environment

1 Ivanković A., 2 Štoković I., 3 Barač Z.

1 Dep. for animal production and technology; Faculty of Agriculture, Zagreb, Croatia
2 Dep. for animal production; Faculty of Veterinary Medicine, Heinzelova bb, Zagreb, Croatia
3 Croatian Agricultural Agency; Ilica 101, Zagreb, Croatia
cattle and sheep production in Croatia has a long tradition

to the nineties of the twentieth century animal production was largely covered with needs of food industry and domestic consumption
- part of production was exported to foreign markets (example Baby beef to Italy)
during the last two decades, we observe significant changes in primary animal production, processing and animal product markets
- transition changes in **Primary production** resulted in specialization and intensification of production, improving of active technologies, enlargement of production units, …
- transition changes in **Processing** we can observed through new quality standard, liberalization of market, …
- transition changes in **Market** we can observed through creating recognizable trademarks, traceability, …
Introduction
General about the cattle and sheep production in Croatia

- Liberalization of the food product market increased demand for competitiveness and distinctiveness of national animal production.

- Consumers’ attitudes have changed significantly during the last two decades, and today, hygienic safety, traceability and origin of the product has become essential criteria when purchasing food products.

- During the last decade, some animal producers tried to raise their competitiveness by creating recognizable trademarks, according to the designation of origin characteristics, traditionalism or geographical origin.

- Apart from strengthening competitiveness of primary production, this also enriched the supply of animal products, preserved the traditional heritage and genetic resources, and strengthened the capacity of rural areas.
Introduction
General about the cattle and sheep production in Croatia

Cattle and sheep production in 2011

Cattle population
- **444 000**; 206 000 under control; 110 000 in milk recording
- milk production **624 mil. kg**
  - 17.400 producers of milk
  - 36 050 kg / producers
  - 140 kg / capita
- beef production **53 800 t**
  - 12.12 kg / capita

Sheep population
- **630 000** heads
- milk production **2.79 mil. kg**
  - 6 100 kg / producers
  - 0.63 kg / capita
- sheep meat production (lamb and sheep meat) **10 070 t**
  - 2.27 kg / capita

* estimated
Changes are noticeable in the primary processing of animal products.

- Cow's milk is processed in 42 dairies
  - 7 of them take 84% of supplied milk
  - Part of their needs are met by importing milk

- Sheep milk is processed in 16 dairies
  - 5 of them take 94.5% of supplied milk
Introduction
General about processing and consumption

- Consumption
  - of cow's milk: 77.4 kg + 24.3 kg of milk products
  - of beef meat: 8.7 kg per capita
    - pork meat, 19.8 kg per capita
    - poultry meat, 19.1 kg per capita
  - of sheep milk - no real information
  - of sheep meat - 1.0 kg per capita
I part: cattle production

Cattle population

- cattle population in 2011 - 444 000 heads
  - 206 000 under control, 110 000 under milk recording
    - 626 mil. kg of raw milk
  - 246 000 beef carcasses classified in 2011 year (54 000 t beef meat)
    - own calf production 208 200 + 37 800 imported calf for fattening

Source: Annual Reports of the Croatian Agricultural Agency (1980 – 2011)
I part: cattle production
Cattle population

Reason for change

1. war
2. liberalization of market, trade with genetic material
3. depopulation of rural area, loss of interest for animal production
4. change of organizational structure of the farm
5. relationship between prices input (fuel, feed) : output (milk)

Source: Annual Reports of the Croatian Agricultural Agency (1980 – 2011)
I part: cattle production
Cattle population

Adjustment to the actual economic and market environment
- development of farmers competitiveness
- increase the size of cattle population
- increase interest in livestock production
- help in market relations managing (production: processing: market)
I part: cattle production
Cattle breeds

Breed structure:

- Simmental  65%
- Holstein    25%
- Brown Swiss 3,07%
- Busha, Istrian cattle, Slavonian-Syrmian Podolian cattle
- Salers, Blonde d’Aquitane, Highland cattle, Limousin, Angus, Hereford, Aubrac, Charolais

Source: Annual Reports of the Croatian Agricultural Agency (2000 – 2011)
I part: cattle production
Cattle breeds

Beef breeds

- dominant breed in beef production:
  - Simmental – very good in traditional model of beef production
- rising interest to new beef breeds
  - beef breeds imported during the last two decades
  - Charolais, Hereford, Limousin, Angus, Salers, Blonde d’Aquitane, Highland cattle, Aubrac, …

- deficiency of calves in beef production

Source: Annual Reports of the Croatian Agricultural Agency (2000 – 2011; http://www.hpa.hr/)

Graph showing beef production from 2005 to 2011.
I part: cattle production

Cattle breeds

Autochthonous breeds

- Busha, 308 cows and 33 bulls; 66 breeders
- Istrian cattle, 627 cows and 36 bulls; 161 breeders
- Slavonian-Syrmian Podolian cattle 145 cows and 9 bulls; 20 breeders

Source: Annual Reports of the Croatian Agricultural Agency (1995 – 2011; http://www.hpa.hr/)
I part: cattle production
Production predispositions

in most of the population are higher than achieved results

- specialized genotypes achieve greater production income
- larger farms have better production results per production unit (milk cows)

*Milk production of Simmental and Holstein cows in standard lactation (kg)*

Source: Annual Reports of the Croatian Agricultural Agency (2000 – 2011; http://www.hpa.hr/)
I part: cattle production
Cattle breeds and production

Adjustment to the actual economic and market environment

- optimize the level of production per animal
- increase production through the use of elite bulls in reproduction
- introduction of new breeds in production
- adjustment of production technology to genotype
- use of specific crossing models in the production
- monitoring new control method for calculating productivity and breeding values
- maintaining of native breeds through recognizable marketable brands
I part: cattle production
Size of production unit

Size of farm

- Average size of farm
  - 2000: 98.71% small farm, 1.29% >16 cows
  - 2010: 92.24% small farm, 7.76% >16 cows

Share of cattle farms by number of cows per farm (%)

Source: Annual Reports of the Croatian Agricultural Agency (2000 – 2011; http://www.hpa.hr/)
I part: cattle production
Production system

- **Traditional system of milk production**
  - traditional technology, low investment, low production <2 500 kg
  - produce milk and meat mainly for their own purposes and are sometimes supplies market surplus.

- **Modernized traditional system of milk production**
  - improved technology, medium level of investment, production per lactation 2500-4000 kg
  - modernized traditional system involves small dairy farms, up to 15 cows.

- **System of small conventional dairy farms**
  - harmonized technology, medium to high levels of investment, production per lactation 4000-7000 kg, with 15-60 dairy cows, a market-oriented commodity production.
  - mainly use dairy genotypes.

- **Specialized system of large dairy farms**
  - larger herds, modern technology, high investment, production >7000 kg lactation
  - Holstein, Brown Swiss
  - competitive milk production.
  - milking, feeding and other working operations are automated.
I part: cattle production
Milk production - quantity indicators

2011
626 mil kg milk
17 366 milk suppliers
36 500 kg/ milk suppliers

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of milk suppliers</th>
<th>Delivered milk (mil. kg)</th>
<th>Delivered milk per milk suppliers ('000 kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>65.000</td>
<td>514</td>
<td>7.91</td>
</tr>
<tr>
<td>2004</td>
<td>50.814</td>
<td>549</td>
<td>10.80</td>
</tr>
<tr>
<td>2006</td>
<td>38.145</td>
<td>651</td>
<td>17.07</td>
</tr>
<tr>
<td>2008</td>
<td>27.452</td>
<td>658</td>
<td>23.97</td>
</tr>
<tr>
<td>2010</td>
<td>19.937</td>
<td>624</td>
<td>31.30</td>
</tr>
<tr>
<td>2011</td>
<td>17.366</td>
<td>626</td>
<td>36.05</td>
</tr>
</tbody>
</table>

Quantitative classes

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2009</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 20 000 kg milk/year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of suppliers</td>
<td>7 763</td>
<td>7 197</td>
<td>5 889</td>
</tr>
<tr>
<td>Total delivered quantity mil. kg</td>
<td>503.29</td>
<td>555.27</td>
<td>540.16</td>
</tr>
<tr>
<td>&lt; 20 000 kg milk/year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of suppliers</td>
<td>24 223</td>
<td>16 469</td>
<td>11 477</td>
</tr>
<tr>
<td>Total delivered quantity mil. kg</td>
<td>170.18</td>
<td>120.02</td>
<td>82.25</td>
</tr>
</tbody>
</table>
I part: cattle production
Milk production - quality indicators

- 2003 - Establishment of the Central laboratory for milk quality control
- Significantly increased milk quality
  - EU milk 2003 → 2011 22.7 to 91.9%

Share of the 1st class (EU quality) and "other" milk per year

Source: Annual Reports of the Croatian Agricultural Agency (2011; http://www.hpa.hr/)
Control classification at abattoirs

- carcass classification does not affect its price

2011
- 29,400 bulls
- average weight of classified beef carcasses 298 kg

The share of each class and the fatness within the category young bulls aged up to 24 months

<table>
<thead>
<tr>
<th>Class</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>0.14</td>
<td>4.79</td>
<td>7.70</td>
<td>0.81</td>
<td>0.02</td>
<td>13.46</td>
</tr>
<tr>
<td>U</td>
<td>0.18</td>
<td>17.36</td>
<td>19.41</td>
<td>1.07</td>
<td>0.01</td>
<td>38.03</td>
</tr>
<tr>
<td>R</td>
<td>0.72</td>
<td>22.07</td>
<td>14.81</td>
<td>0.42</td>
<td>0.01</td>
<td>37.83</td>
</tr>
<tr>
<td>O</td>
<td>1.49</td>
<td>6.90</td>
<td>1.20</td>
<td>0.01</td>
<td>0.00</td>
<td>9.60</td>
</tr>
<tr>
<td>P</td>
<td>0.70</td>
<td>0.30</td>
<td>0.04</td>
<td>0.00</td>
<td>0.00</td>
<td>1.05</td>
</tr>
<tr>
<td>Total</td>
<td>3.24</td>
<td>51.42</td>
<td>42.95</td>
<td>2.32</td>
<td>0.03</td>
<td></td>
</tr>
</tbody>
</table>

Source: Annual Reports of the Croatian Agricultural Agency (2011; http://www.hpa.hr/)
I part: cattle production

The goals of the Action plan are:

○ increase the overall production of cow's milk and beef production to a level that covers the needs of consumption.
  - increase the total milk production in order to achieve better positions in the negotiations with the EU (*higher milk quotas*).

○ improve the existing production technology in order to increase competitiveness.

○ increase the employment of the population in rural areas

○ actual consumption of milk (181 L / capita) and meat (10.89 kg / capita) increased to 200 L / capita and 14 kg / capita

○ increase the amount of supplied raw milk to 900 million kg

○ balance the import and export of milk and meat, volume of milk production and farm structure
## Milk production

The planned volume of milk production and farm structure

<table>
<thead>
<tr>
<th>Category of farms</th>
<th>No. of farms</th>
<th>No. of cows</th>
<th>Milk production (L)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small farm (to 4 cows)</td>
<td>42 300</td>
<td>169 200</td>
<td>2 500</td>
</tr>
<tr>
<td>Adapated farm (15 cows)</td>
<td>6 000</td>
<td>90 000</td>
<td>4 500</td>
</tr>
<tr>
<td>Specialised farms (40 cows)</td>
<td>1 200</td>
<td>48 000</td>
<td>6 000</td>
</tr>
<tr>
<td>Specialised big farms (600 cows)</td>
<td>20</td>
<td>12 000</td>
<td>7 000</td>
</tr>
<tr>
<td>Total</td>
<td>49 520</td>
<td>319 200</td>
<td>3 759</td>
</tr>
</tbody>
</table>

Participation the new/adapted farm in total milk production

<table>
<thead>
<tr>
<th></th>
<th>No. of farms</th>
<th>No. of cows</th>
<th>Milk production (L)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Average per cows</td>
</tr>
<tr>
<td>Total</td>
<td>49 520</td>
<td>319 200</td>
<td>3 759</td>
</tr>
<tr>
<td>From Programm</td>
<td>7 220</td>
<td>150 000</td>
<td>5 180</td>
</tr>
<tr>
<td>%</td>
<td>14.60</td>
<td>47.00</td>
<td>-</td>
</tr>
</tbody>
</table>
I part: cattle production

Beef production
- 208 600 calves for fattening
  - 49 200 t young beef meat
  - 18 900 t meat of culled cows produce.
  - 68 000 beef meat
- increased No. of Simmental and Holstein in dairy cattle farms (crossing with meat breeds)
- cow-calf farm
  - 14 100 cows

The planned volume of beef production and farm structure

<table>
<thead>
<tr>
<th>Type of farms</th>
<th>No. of cows</th>
<th>No. of calf</th>
<th>Baby beef (t)</th>
<th>Number of culled cows</th>
<th>Beef meat (cows; t)</th>
<th>Beef meat – total (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk farm</td>
<td>319 200</td>
<td>199 300</td>
<td>46 890</td>
<td>63 800</td>
<td>18 200</td>
<td>65 080</td>
</tr>
<tr>
<td>Cow-calf farm</td>
<td>14 100</td>
<td>9 300</td>
<td>2 370</td>
<td>2 400</td>
<td>700</td>
<td>3 070</td>
</tr>
<tr>
<td>Total</td>
<td>333 300</td>
<td>208 600</td>
<td>49 260</td>
<td>66 200</td>
<td>18 900</td>
<td>68 150</td>
</tr>
</tbody>
</table>
I part: cattle production

Way of supporting of Action plan

- in the period from 2004 to 2009 should be:
  - 1200 new dairy farms with an average capacity of 40 cows (20 to 100 cows)
  - 6000 adapted farms with an average capacity of 15 cows
  - 228 new cow-calf farms with an average capacity of 60 cows

- significantly, major investments in small production units are not provided because they were not justified (age producers, size of property, mixed economy).
  - some of these farms went to the cow-calf system,
  - part of these farm remain in the milk production.

- Action plan do not include large farm complexes because it was anticipated with the question of available capital and business plan.
  - this farm will give contribution to the development of cattle production
I part: cattle production

Way supporting of Action plan

- For the implementation of this program was planned about 330 million euro.
  - Construction of facilities and equipment was planned about 200 million euro
  - For cattle (heifers) about 130 million euro.

- Funds for the implementation:
  - Bank loan funds (primarily the Croatian Bank for Reconstruction and Development; CBRD);
  - Pre-accession funds
  - Budget funds were not provided
  - Credit funds on 10 years; delayed of loan repayment 2 years, the interest rate of 4%

- Maximum loan to investment was 460 000 euro / farm
  - The investor has the right to return of investment up to 25%, but not more than 66 000 euro
I part: cattle production

Criteria for participation in the Action plan

- available agricultural lands
- available mechanization
- practical experience in animal production
- readiness to additional training

In selection of the projects were included:

- Croatian Agricultural Agency
- Veterinary Service
- County office for urban planning
- Croatian Agricultural Advisory Service

- establishment of production - Croatian Agricultural Advisory Service supervised farm production in the first three years
Results:

- by 2008 from the available CBRD funds was spent only 42.5 million euro
- in this period, 743 farms have been built or renovated and only 183 farm from Action plan (CBRD) funds

<table>
<thead>
<tr>
<th>REALIZED</th>
<th>PLANED</th>
</tr>
</thead>
<tbody>
<tr>
<td>170 new farm</td>
<td>1 200</td>
</tr>
<tr>
<td>10 farms was adapted</td>
<td>6 000</td>
</tr>
<tr>
<td>3 farm cow-calf system</td>
<td>228</td>
</tr>
</tbody>
</table>
I part: cattle production
Action plans for development of cattle production (2004 – 2009)

Reasons – main problems:

- problem of non-sufficient agricultural areas
- problem of documents collecting
- strict urban plans - significantly increases the price of new farms
- absence of specialized building companies to build the farm
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2008 - Action plans was modified</td>
<td></td>
</tr>
<tr>
<td>- for implementation of this updated Action plans was planned about 162 million euros</td>
<td></td>
</tr>
<tr>
<td>- maximum loan to investment up to 1.46 million euro / farm</td>
<td></td>
</tr>
<tr>
<td>- earlier investment to 460 000 euro/ farm</td>
<td></td>
</tr>
<tr>
<td>- credit funds on 15 years loan repayment delayed for 2 years, the interest rate to 4%</td>
<td></td>
</tr>
<tr>
<td>- earlier: credit funds on 10 years</td>
<td></td>
</tr>
<tr>
<td>- guarantee repayment of loans: 50% of farmers (investor) and 50% CASB (Croatian Agency for Small Business).</td>
<td></td>
</tr>
<tr>
<td>- the investor has the right to return the investment up to 50%, but not more than 465 000 euro</td>
<td></td>
</tr>
<tr>
<td>- earlier: not more than 66 000 euro</td>
<td></td>
</tr>
</tbody>
</table>
## I part: cattle production

Action plans for development of cattle production (2004 – 2009)

### 2008 - modifications of Action plans

<table>
<thead>
<tr>
<th>Category of farms</th>
<th>Size of farm</th>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2008</td>
<td>2009</td>
</tr>
<tr>
<td>New farm</td>
<td>100 (20 – 200)</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>Adapted farm</td>
<td>20 (10 – 30)</td>
<td>50</td>
<td>150</td>
</tr>
<tr>
<td>Cow-calf farm</td>
<td>75 (20 – 150)</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>Fattening farm</td>
<td>150 (50 – 250)</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Adapted fattening farm</td>
<td>150 (50 – 250)</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Other buildings</td>
<td></td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>158</td>
<td>338</td>
</tr>
</tbody>
</table>
II part: sheep production

Population

- sheep population - 630 000 animals
  - 93% sheep for meat production
  - 7% sheep for milk production
Il part: sheep production

Breed structure

<table>
<thead>
<tr>
<th>Autochthonous breeds (70%)</th>
<th>Allochthonous breeds (30%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>○ Dalmatian pramenka</td>
<td>○ Merinolandschaf</td>
</tr>
<tr>
<td>○ Lika pramenka</td>
<td>○ Suffolk</td>
</tr>
<tr>
<td>○ Istrian sheep</td>
<td>○ Romanovska sheep</td>
</tr>
<tr>
<td>○ Krk island sheep</td>
<td>○ East Friesian sheep</td>
</tr>
<tr>
<td>○ Cres Island sheep</td>
<td>○ Solčavsko-jezerska sheep</td>
</tr>
<tr>
<td>○ Pag island sheep</td>
<td>○ Ille de France</td>
</tr>
<tr>
<td>○ Dubrovačka ruda sheep</td>
<td>○ Travnicka pramenka sheep</td>
</tr>
<tr>
<td>○ Rapska sheep</td>
<td></td>
</tr>
<tr>
<td>○ Tsigai</td>
<td></td>
</tr>
</tbody>
</table>
Il part: sheep production

Breed structure

Milk production in 2011 kg

- Pag Island sheep: 126 kg
- Istrian sheep: 194 kg
- East Friesian sheep: 283 kg
Il part: sheep production

Breed structure
II part: sheep production
Meat production

Estimation

- 630,000 sheep
- 682,000 lambs
  - average weight of carcass - 12 kg
  - 8,180 t of lamb meat
  - 1.81 kg per capita
- 94,500 older animals
  - average weight of carcass - 20 kg
  - 1,890 t of sheep meat
- Total 10,070 t
  - 2.31 kg per capita
## II part: sheep production

### Milk production

The number of milk suppliers and delivered quantities of sheep's milk

<table>
<thead>
<tr>
<th>Year</th>
<th>Delivered milk (mil kg)</th>
<th>Number of milk suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>2.65</td>
<td>462</td>
</tr>
<tr>
<td>2008</td>
<td>2.75</td>
<td>458</td>
</tr>
<tr>
<td>2009</td>
<td>2.75</td>
<td>457</td>
</tr>
<tr>
<td>2010</td>
<td>2.78</td>
<td>436</td>
</tr>
<tr>
<td>2011</td>
<td><strong>2.79</strong></td>
<td><strong>457</strong></td>
</tr>
</tbody>
</table>

Average annual quality of sheep milk

<table>
<thead>
<tr>
<th>Year</th>
<th>% fat</th>
<th>% prot.</th>
<th>Somatic cells</th>
<th>Microorganisms (CFU/ml)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>6,87</td>
<td>5,57</td>
<td>650.256</td>
<td>212.265</td>
</tr>
<tr>
<td>2004</td>
<td>6,83</td>
<td>5,61</td>
<td>473.519</td>
<td>44.336</td>
</tr>
<tr>
<td>2005</td>
<td>7,32</td>
<td>5,74</td>
<td>533.058</td>
<td>153.356</td>
</tr>
<tr>
<td>2006</td>
<td>7,33</td>
<td>5,65</td>
<td>582.710</td>
<td>146.589</td>
</tr>
<tr>
<td>2007</td>
<td>7,34</td>
<td>5,74</td>
<td>635.321</td>
<td>110.725</td>
</tr>
<tr>
<td>2008</td>
<td>7,39</td>
<td>5,76</td>
<td>669.479</td>
<td>141.941</td>
</tr>
<tr>
<td>2009</td>
<td>7,22</td>
<td>5,74</td>
<td>683.991</td>
<td>145.866</td>
</tr>
<tr>
<td>2010</td>
<td>7,34</td>
<td>5,83</td>
<td>742.090</td>
<td>150.277</td>
</tr>
<tr>
<td>2011</td>
<td>7,05</td>
<td>5,72</td>
<td>688.359</td>
<td>104.905</td>
</tr>
</tbody>
</table>
II part: sheep production
Technologies

- traditional technologies
  - in Mediterranean and mountain part of Croatia
  - dominant technologies
  - mainly use autochthonous breeds
  - less investment in the production process

- intensive production technologies
  - in the continental part of Croatia
  - mainly use allochthonous breeds
  - higher investments in the production process
II part: sheep production
Action plan for development of sheep production in Croatia 2009 – 2013

- The goals of the Action plan are:
  - to increase the number of animals per farm
  - higher production per animal
  - specialization of farms (milk or meat)

- Aims: in the period 2009 - 2013
  - to increase sheep population - 142 000
  - to increase dairy sheep population - 20 000
  - to increase total milk production up to 5,500,000 kg
  - to increase total sheep meat production up to 12,400 t
  - consumption of sheep meat up to 3.1 kg / capita
II part: sheep production

Action plan for development of sheep production in Croatia 2009 – 2013

- The plan is:
  - adapting 890 existing farm - from 50 to 100 sheep / farm
  - building 600 new farm - from 100 to 300 sheep / farm

Required capacity for the planned increasing of sheep population (2009 – 2013)

<table>
<thead>
<tr>
<th></th>
<th>Size of farm</th>
<th>Farm for meat production</th>
<th>Farm for milk production</th>
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<tbody>
<tr>
<td>Adapted farm</td>
<td>50</td>
<td>180</td>
<td>9 000</td>
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<tr>
<td></td>
<td>100</td>
<td>400</td>
<td>40 000</td>
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<tr>
<td>New farm</td>
<td>100</td>
<td>150</td>
<td>15 000</td>
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<tr>
<td></td>
<td>200</td>
<td>140</td>
<td>28 000</td>
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<tr>
<td></td>
<td>300</td>
<td>100</td>
<td>30 000</td>
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<tr>
<td>Total</td>
<td></td>
<td>970</td>
<td>122 000</td>
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<tbody>
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<td>240</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>20 000</td>
</tr>
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</table>
II part: sheep production
Adjustment to the actual economic and market environment

- to increase the size of total population
- to improve traditional technologies (*keep their recognizability*)
- to increase the population for milk production
- to increase the production of sheep milk and meat
- to improve current genetic status of sheep breeds
- maintain of native breeds as recognizable marketable brands
cattle production is adjusting through production unit’s enlargement, by introducing of modern technologies and genotypes, efficiency rising and benefit maximising

decrease of dairy cattle number had no significant effect on produced milk quantity, while had negative effect on quality and the number of calf for fattening
CONCLUSION

- sheep production suffers inconsiderable structural changes, local breeds are enhanced in breeding sense and traditional production technologies are being standardized.

- sheep milk is processed in quality cheeses, and as valued-added products are placed on the market.
standard models of sheep and beef meat production are recognisable on national level, but they need to undergo quality standardization due to appropriate market approach
Thank you for your attention!