FADN development in Montenegro

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Montenegrin project (FAO - TCP/MNE/3501)

- Limited sources (70 days) - need for results
- Less development - more adaptation
- Total number of farms 48824
  - of which FADN field of observation:
    17055 with 2000 SO, 7953 with 4000 SO

I. Setting up the Institutional framework of FADN

- Proposal for Liaison Agency
- Setting up national FADN Management Committee
- Proposal for FADN legislation
- Vocational training of FADN experts

II. Implementing the data collection and processing framework

- Develop a data entry form in Excel sheet with manual.
- Training the data collectors
- Farm selection plan for 30 farms
- Typology software
- Identify farms for the FADN pilot project
- Running the first data collection.
- Development an IT infrastructure for data quality checks
- Training on RICA-1 checks

Database (Limitation of evaluation)

- Pre-pilot project (preliminary data)
- Sample farms 28 (2 outliers were taken out)
- Accountancy year Montenegro 2016 vs Others 2013
- Representativity is limited
  - Very low number of sample
  - Non-representative selection (extra bias: rural development program, better farms)

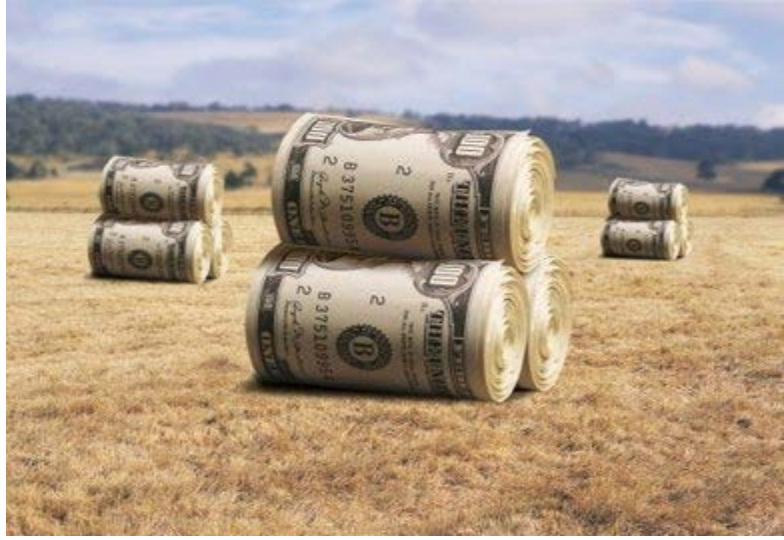
Total – All Farms (euro/farm)

		Montenegro	Kosovo	Croatia	Hungary	EU-28
SYS03	Sample farms	28.0	394.0	1 100.0	1 930.0	81 000.0
SE010	Total labour input	3.4	2.7	1.9	1.6	1.5
SE025	Total Utilised Agricultural Area	17.8	10.0	14.6	45.0	32.8
SE054	Permanent crops	0.7	-	0.5	0.8	1.5
SE080	Total livestock units	21.8	2.0	10.3	17.3	25.9
SE131	Total output	43 309.4	17 509.0	23 200.0	65 507.0	70 346.0
SE270	Total Inputs	31 443.9	6 889.7	21 969.0	64 056.0	63 229.0
SE360	Depreciation	4 568.1	1 967.0	4 224.0	6 063.0	9 161.0
SE605	Total subsidies - excluding on investments	3 506.2	845.8	4 008.0	15 899.0	11 101.0
SE406	Subsidies on investments	3 303.7	263.6	-	790.0	165.0
SE410	Gross Farm Income	25 944.3	13 688.4	11 436.0	34 911.0	37 025.0
SE415	Farm Net Value Added	21 376.2	11 721.4	7 212.0	32 012.0	27 864.0
SE420	Farm Net Income	15 251.7	11 727.2	4 702.0	17 083.0	17 903.0
SE436	Total assets	494 199.6	296 696.3	154 886.0	172 167.0	320 788.0
SE415/ SE010	Farm Net Value Added / AWU	6 335.0	4 277.9	3 877.4	20 520.5	18 093.5
SE420/ SE010	Farm Net Income / AWU	4 520.0	4 280.1	2 528.0	10 950.6	11 625.3

Total – All Farms (euro/ha)

	Montenegro	Kosovo	Croatia	Hungary	EU-28
Sample farms	28.0	394.0	1 100.0	1 930.0	81 000.0
Total labour input	0.2	0.3	0.1	0.0	0.0
Total livestock units	1.2	0.2	0.7	0.4	0.8
Total output	2 436.8	1 755.9	1 590.1	1 455.1	2 147.3
Total Inputs	1 769.2	690.9	1 505.8	1 422.8	1 930.1
Depreciation	257.0	197.3	289.5	134.7	279.6
Total subsidies - excluding on investments	197.3	84.8	274.7	353.2	338.9
Subsidies on investments	185.9	26.4	-	17.5	5.0
Gross Farm Income	1 459.7	1 372.8	783.8	775.5	1 130.2
Farm Net Value Added	1 202.7	1 175.5	494.3	711.1	850.5
Farm Net Income	858.1	1 176.1	322.3	379.5	546.5
Total assets	27 805.9	29 754.6	10 615.9	3 824.2	9 792.1

How much money do farmers earn?



	euro
	Farm Net Value Added per AWU per year
Montenegro	6 335
Kosovo	4 278
Croatia	3 877
Hungary	20 521
EU28	18 094

How much output do farmers produce?

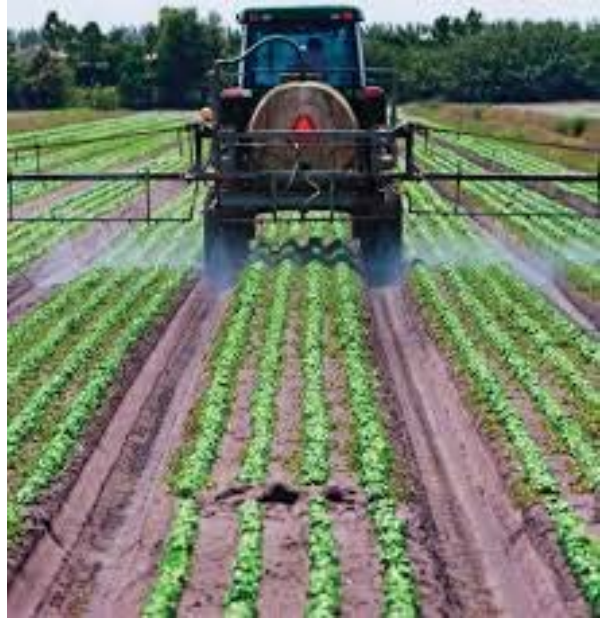
	euro / ha	
	Total Output per hectare	Farm Net Value Added per hectare
Montenegro	2 437	1 203
Kosovo	1 756	1 175
Croatia	1 590	494
Hungary	1 455	711
EU28	2 147	851

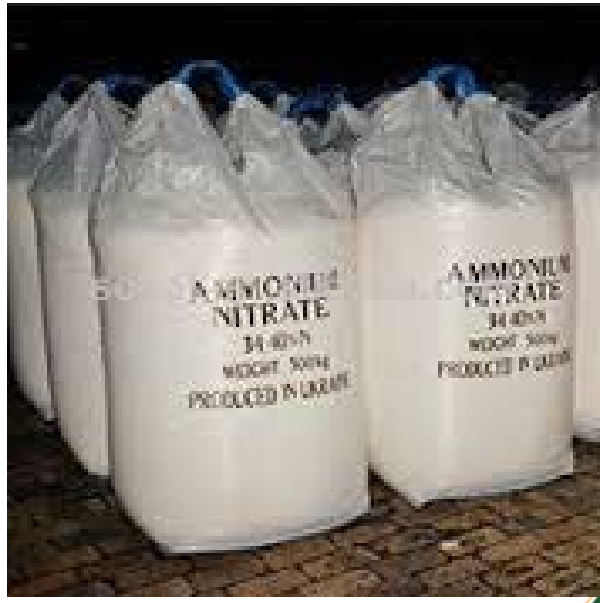
How much subsidies do farmers receive?

		euro / ha
	Total subsidies - excluding on investments	Subsidies on investments
Montenegro	197	186
Kosovo	85	26
Croatia	275	-
Hungary	353	18
EU28	339	5

How much do farmers spend on inputs?

	euro / ha
	Total input per hectare
Montenegro	1 769
Kosovo	691
Croatia	1 506
Hungary	1 423
EU28	1 930





First FADN results

- Better farms are involved (bias on investment subsidy)
  - High level of subsidies
  - Different farm structure of field crop farms
  - Sample farms are more intensive (labour, cost)
- FADN farmers' earnings are pretty fair
- High value of land and other farm assets
- Lower labour productivity
- Direct subsidies for milk production are high -> difficulties after EU accession

Output of the project

- Trained FADN staff
- Data collection forms with instruction
- FADN data for 28 farms organised in an FADN database
- Preliminary open source FADN software with specification

Future

- Uploading the data to the Montenegrin RICA account
- Prepare the ground for a bigger FADN project
- Provide a basis for a comprehensive Terms of Reference

Lessons learnt

- No software development – only adoption
- Using of open source software in initial phase is an advantage
- Local language knowledge facilitates the know-how transfer
- EU harmonised FSS is an advantage
- Examples of other countries arouse the attention of local decision maker

Thank you for your attention!