

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Agricultural Situation

Report Categories:

Agricultural Situation

Agriculture in the Economy

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Report Highlights:

Since EU accession in 2004 Slovakia's agricultural production has steadily declined. From a net exporter of some commodities, e.g. pork, Slovakia became a net importer. Slovakia's agriculture strategy for the 2014 and 2020 period is to increase self-sufficiency for key agricultural commodities to 80 percent of domestic requirements, to ensure sustainable forestry development and rural development with increased employment of rural area population.

General Information: Agricultural Policy

Currently Slovak farmers are supported through two pillars of the European Common Agricultural Policy (CAP): Pillar 1 covers direct payments (single area payments and special commodity support) and Pillar 2 provides funding for rural development.

For 2014 Slovakia has budgeted 377 million Euros for Pillar 1 and 271 million Euros for Pillar 2. The goals of the Ministry of Agriculture in Slovakia for 2014-2020 are: the increase of self-sufficiency in key agricultural commodities production to 80 percent of domestic consumption, sustainable forestry development and rural area development with increased employment of rural area population. According to Milan Semancik, head of Slovak Agriculture and Food Chamber, the new CAP payment is financially favorable for Slovakia and Slovak farmers.

The target of 80 percent self-sufficiency in production of key agricultural commodities will prove a challenge as the share of Slovak agricultural products on the market has dropped by nearly 50 percent over the past ten years. The only commodity that currently meets this is beer.

Share of Slovak products on the market in percent	2002	2011
Dairy	90.7	52.9
Meat	85.4	42.3
Poultry	86.9	35.2
Milling	86.2	50.7
Bakery and confectionary	59.3	43.3
Malting and brewing	91.7	79.5
Spirits	69.3	10.6
Starch	92.7	64.7
Fats	47.7	19.1
Beverages	75.2	51.2
Wine	75.9	43.4
Frozen products	52.3	17.8

Since 2002 employment in the agricultural sector has declined by 50 percent, from 109 thousand to 52 thousand, as a result of significant reduction of agricultural production. In 1994, 10.2 percent of all employed population worked in agriculture. Now only 2.2 percent are employed in the sector. Agriculture's share of GDP is 3.6 percent, on total export six percent and on total import seven percent.

Food Industry

A similar situation has overtaken the food industry. Between 2002 and 2011 employment dropped by 25 percent, from 66 thousand to 50 thousand employees as a result of increasing volumes of export of raw commodities and rising imports of finished products.

2011 Per Capita Consumption of Key Agricultural Commodities in kg:

Beef and veal	3.54
Pork	31.6
Poultry	19.3
Sheep meat	0.11
Goat meat	0.05
Milk and dairy products	158.8
Eggs	12.6
Sugar	34.3
Wheat, milling	92.24
Rice	6.11
Fats and oils	17.4
Potatoes	47.6
Vegetables	101.5
Fruits	51.9

Food Industry

Commodity	Unit	Production Capacity	Production	Use of capacity in %
Milk production	1,000 MT	1,228	643	52.3
Dried milk	1,000 MT	13	4	32.1
Poultry products	1,000 MT	11	8	76.7
Meat	1,000 MT	120	64	52.9
Bread	1,000 MT	210	84	40
Beer	1,000 HL	6,660	3,124	46.9
Grape production	1,000 HL	1,050	446	42.5
Non-alcoholic beverages	1,000 HL	8,942	5,006	56
Confectionary	1,000 MT	35	25	70.5
Canned fruit	1,000 MT	5	2	37.8
Canned vegetable	1,000 MT	30	15	52.3
Spirits	1,000 HL	38,643	1,4452	37.4

Animal Production

Between 2002 and 2010 animal production dropped by 26 percent. Farm-animal breeding intensity in Slovakia compared to other EU member states is significantly lower.

Beef and calf production is over 22,000 MT, while total consumption is 18,640 MT. Approximately 68 percent of the production is exported, of which 87 percent is consumed by the EU market.

Pork production totals 88,000 MT per annum which does not meet domestic demand of 152,000 MT. Slovakia imports 105,000 MT of pork meat and 13,000 MT of live animals while it exports 35,000 MT of live animals and 22,000 MT of pork meat.

Poultry production totals 72,000 MT per annum which covers 70 percent of domestic demand,

estimated at around 104,000 MT.

Milk and Dairy

Domestic production totals 928,000 MT which exceeds demand which amounts to 864,000 MT. When the milk quota program expires in 2015, milk production is expected to decline below the 80 percent self-sufficiency target. Fluid milk (75 percent) and finished products (25 percent), such as cheese, curd, and butter compose the export structure. Slovakia imports almost 50 percent of finished dairy products, which shows low domestic production of dairy products. Average yield per cow increased from 5,045 liters in 2002 to 5,946 liters in 2011; however, it remains one of the lowest in the region. The number of dairy cows dropped from 237,000 in 2002 to 156,000 MT.

Plant Production

Sugar production, limited to the EU quota of 112,320 MT, covers 63 percent of domestic demand.

Wheat production is relatively stable showing only a marginal increased from 1.5 million MT in MY 2002/2003 to 1.6 million MT in MY 2011/2012. Harvested area declined from 406 million Ha in 2002/2003 to 363 million Ha in 2011/2012, while yield/Ha increased from 3.83 in 2002/2003 to 4.5 in 2011/2012.

Oilseeds commodities are rapeseed and sunflower. Between 2002 and 2011, the food industry's consumption of rapeseed dropped by almost 82 percent while rapeseed use in biofuels increased 15 times. Since 2002 food use of sunflower dropped by 53 percent.

	Rapeseed		Sunflower	
	2002	2011	2002	2011
Area in 1,000 Ha	124	144	62	89
Production in 1,000 MT	257	332	117	201
Food use in 1,000 MT	163	30	53	25
Industrial use in 1,000 MT	11	210	0.5	0

Potatoes area declined from 26,000 Ha in 2002 to 10,400 Ha in 2011. Production of potatoes dropped similarly from 484,000 MT to 217,000 MT.