

SMALL SCALE FARMING IN THE BALTIC STATES

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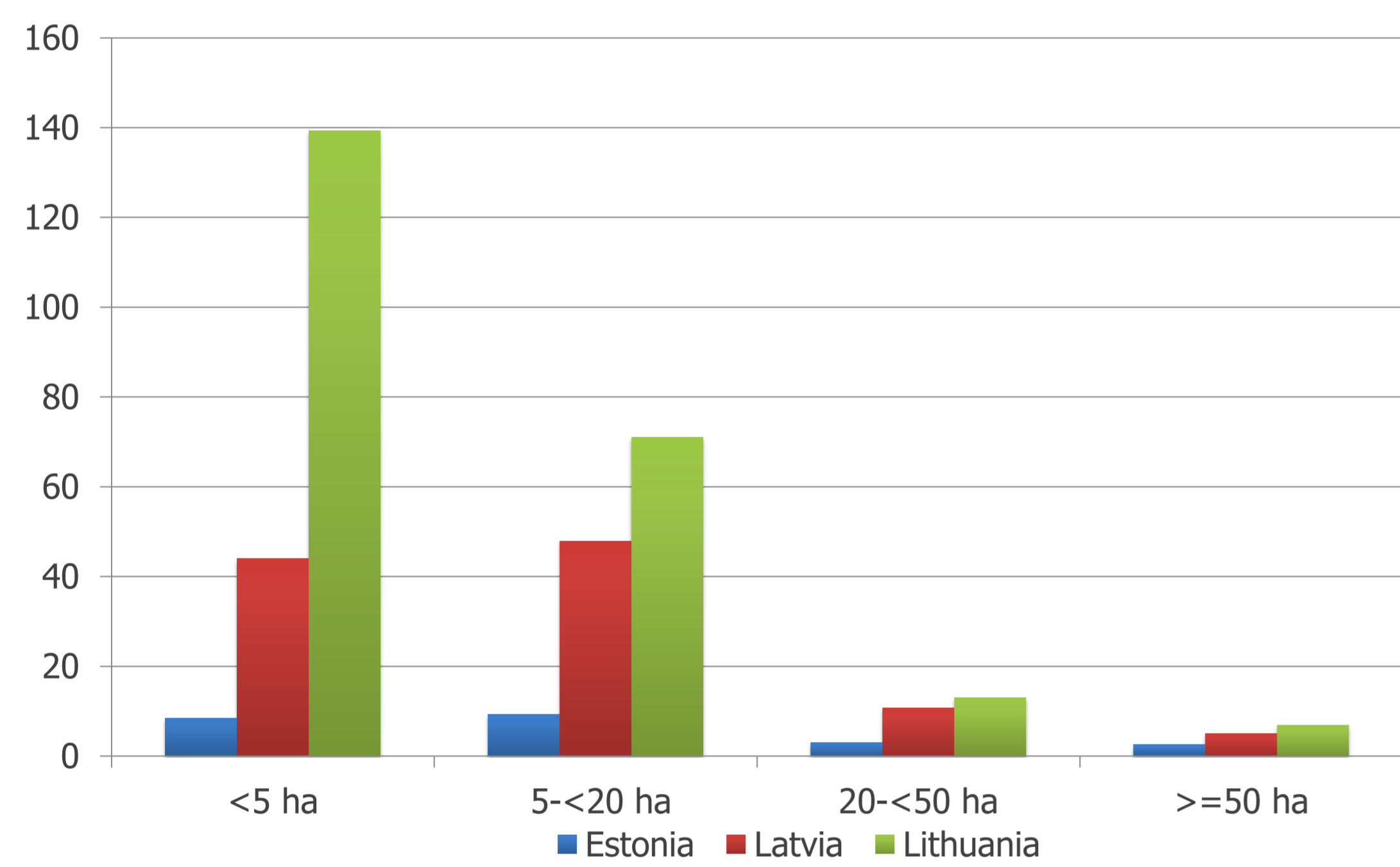
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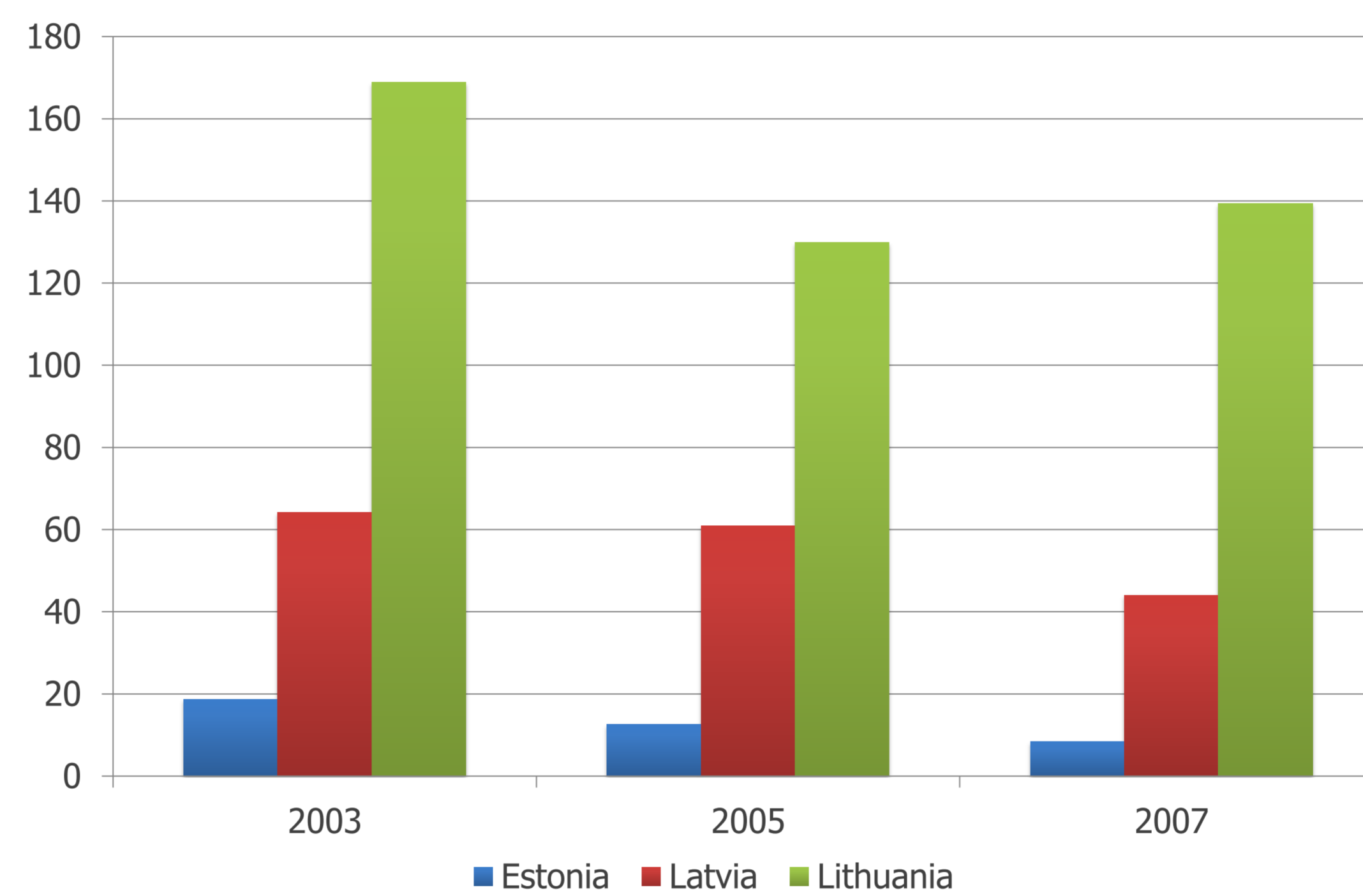
Small family farms is the largest type of farming in the world and in the EU - worldwide, farms of less than 1 hectare account for 72% of all farms and 94% farms with the land till 5 hectares (FAO, 2014). Across the EU there is a lot of variation and big contrasts in farm structures across: a large number (6 million) of very small farms (less than 2 ha in size) that farmed 2.5 % of the total land area used for farming and a small number (2.7 % of all holdings) of large farms (over 100 ha) that farmed 50.2 % of the farmland (European Parliamentary Research Service, 2014). In the Baltic states small scale farming (till 10 ha of UAA) accounts for 73% in Lithuania, 61% in Latvia and 52% in Estonia. Many of these farms also owns a forest.

As it is recognized by the European Commission, small farms have always been a cornerstone of agriculture in the EU. They play a significant role in supporting rural employment, contributing to territorial development. They are important for production, particularly in the form of local specialist products and provide important social, cultural and environmental services (European Parliamentary Research Service, 2014). In a contrast to many highly intensified farms in the old EU states, small, family and semi-subsistence farms are largely represented in the new member states.

There are several indicators that are used to define small farms, mostly used are – utilized agriculture area (UAA) by the farm, number of livestock and also standard output of the farm. In this research UAA and standard output was used to define the farm size.

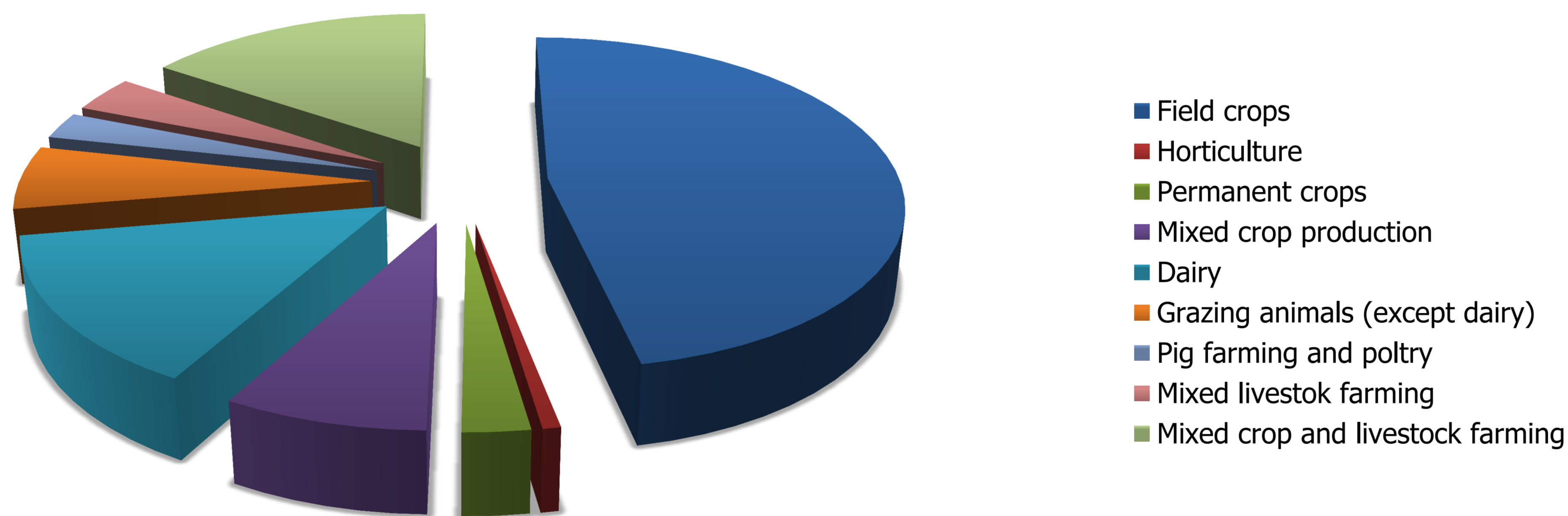


Picture 1. Agriculture holdings by size in the Baltic states, thous, 2007



Picture 2. Small agriculture holdings (<5 ha) in the Baltic states, thous, 2003 - 2007

The comparison of all three Baltic states showed that the highest number of agriculture enterprises are located in Lithuania, also a highest number of small farms (till < 5 ha) – 139 thous. small farms in 2007 that is 3 times more as in Latvia (44 thous.) and 17 times more as in Estonia (8 thous). In contrary to the farm size structure in Lithuania, where most of the farms are small, in Estonia and Latvia the largest group is farms from 5 < 20 ha. The dynamics of number of small farms (< 5 ha) show that the number of farms decreases gradually – from 2003 till 2007 it has decreased in all three Baltic states.



Picture 3. Farming sector in the small farms in Latvia, standard output till 25 000 euros, 2013



All photos above are taken during the interviews with small farmers in 2014, author S.Zēverte-Rivža

In Latvia most of the small farms are engaged in production of field crops and also mixed crop and livestock farming which is traditional to this region, considerably less farmers are working in horticulture although it could be especially cost-effective for farms with a small UAA. During 2014 the author of this research was carrying out interviews with small farmers in one of the regions in Latvia within a project Rethinking the links between farm modernisation, rural development and resilience in a world of increasing demands and finite resources (RETHINK, 2015), this allowed to conclude that the highest prosperity and satisfaction with the household include is in the farms that are working with innovative farming approaches as goat farming, organic farming etc., seeking for various distribution channels (direct sales, direct sales groups, local markets). The interviews also showed evidence that several farmers have had good results in the procession of produced products and creating creative and innovative ready-to use consumption products from their primary production. The author would wish to conclude that generally speaking the number of small farms is decreasing but ones who remain their farming activities increasingly seek for new ways of producing and delivering their production to customers thus increasing their profitability.

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