



Estonian farmers' view on CAP and the investment needs in agriculture

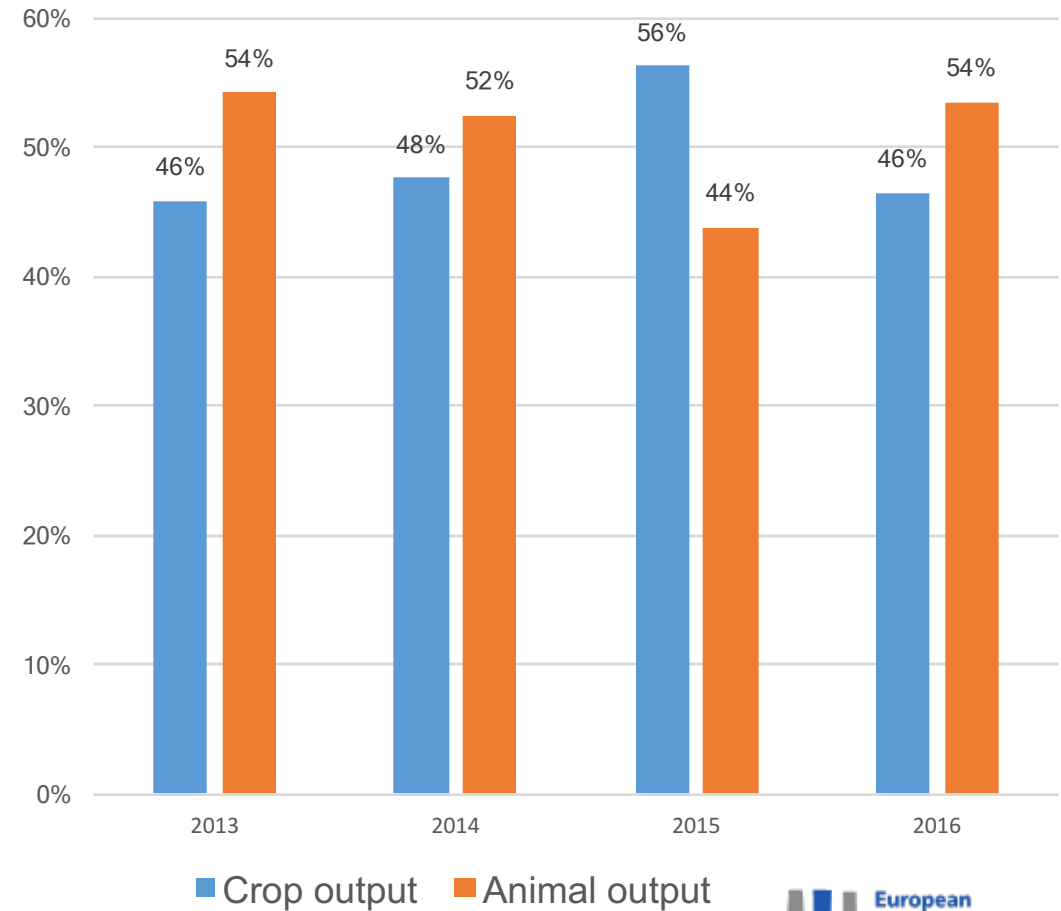
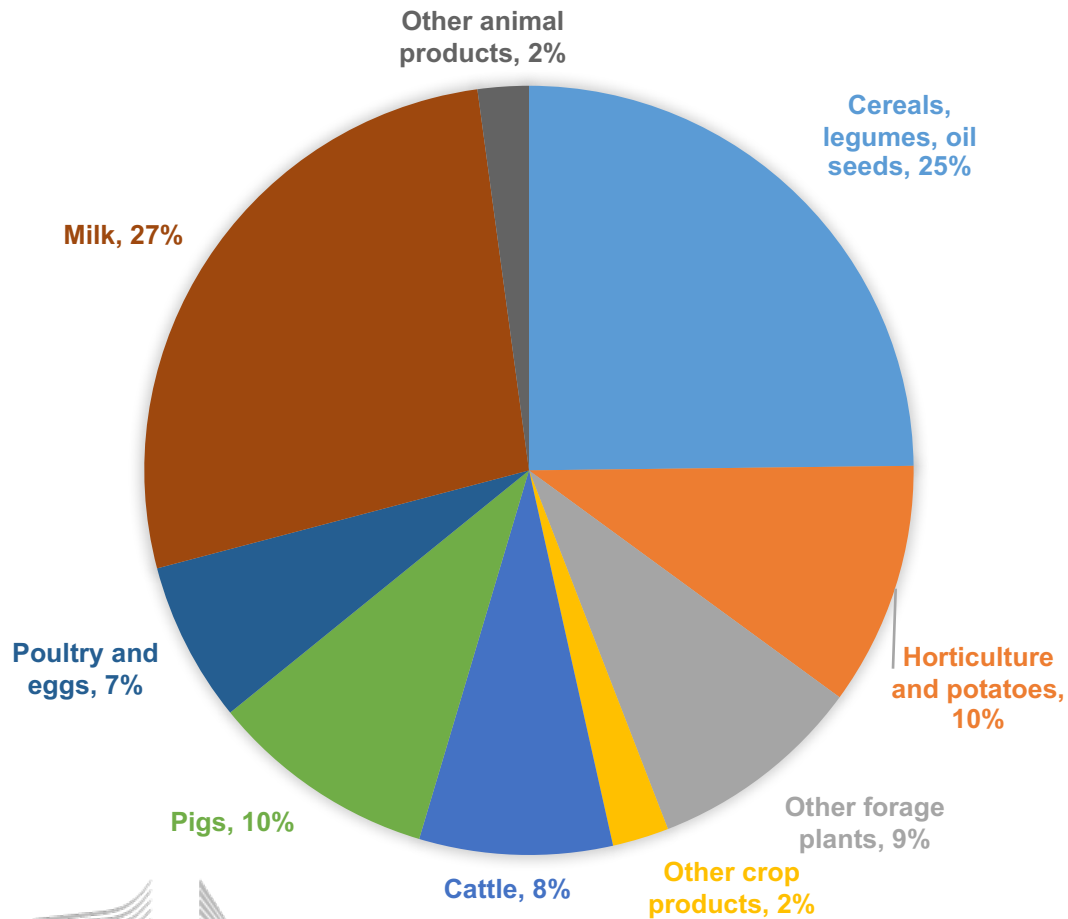
Mr Roomet Sõrmus, Chairman of the Board,
Estonian Chamber of Agriculture and Commerce



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Agricultural output by sectors in Estonia (2016)



Source: own calculations based on Statistics of Estonia

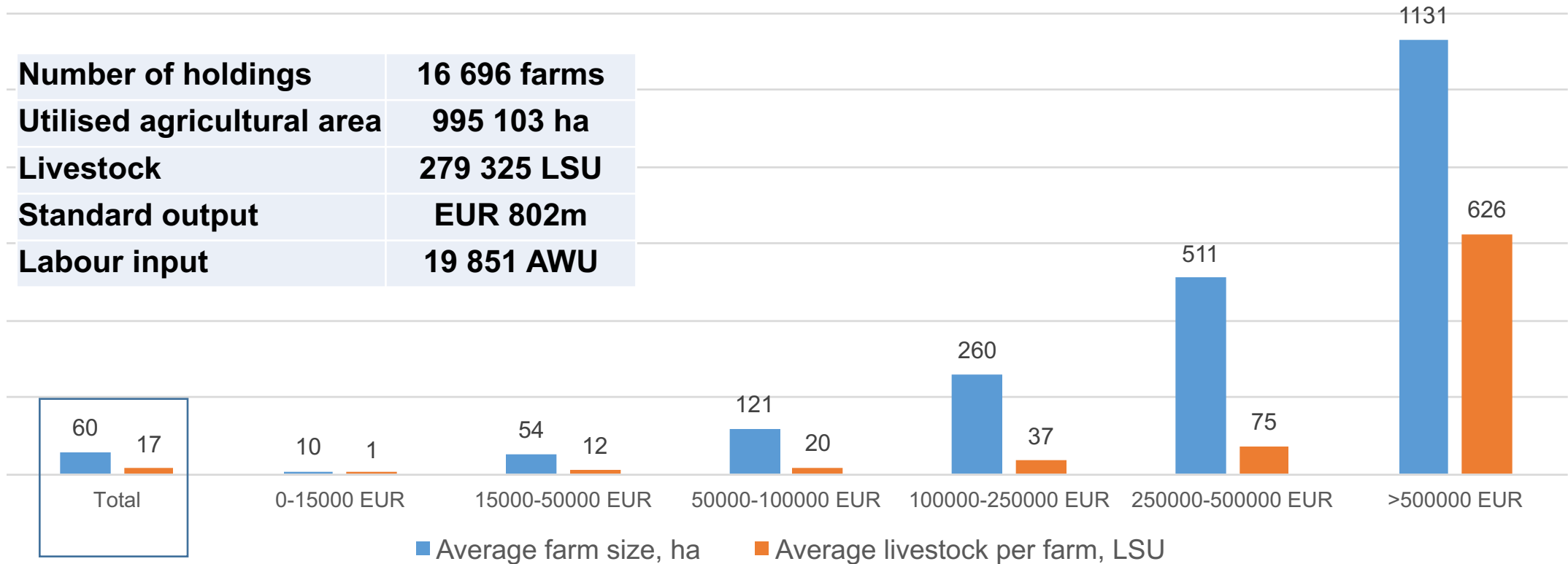
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Characteristics of Estonian agriculture (2016)



Number of holdings	16 696 farms
Utilised agricultural area	995 103 ha
Livestock	279 325 LSU
Standard output	EUR 802m
Labour input	19 851 AWU



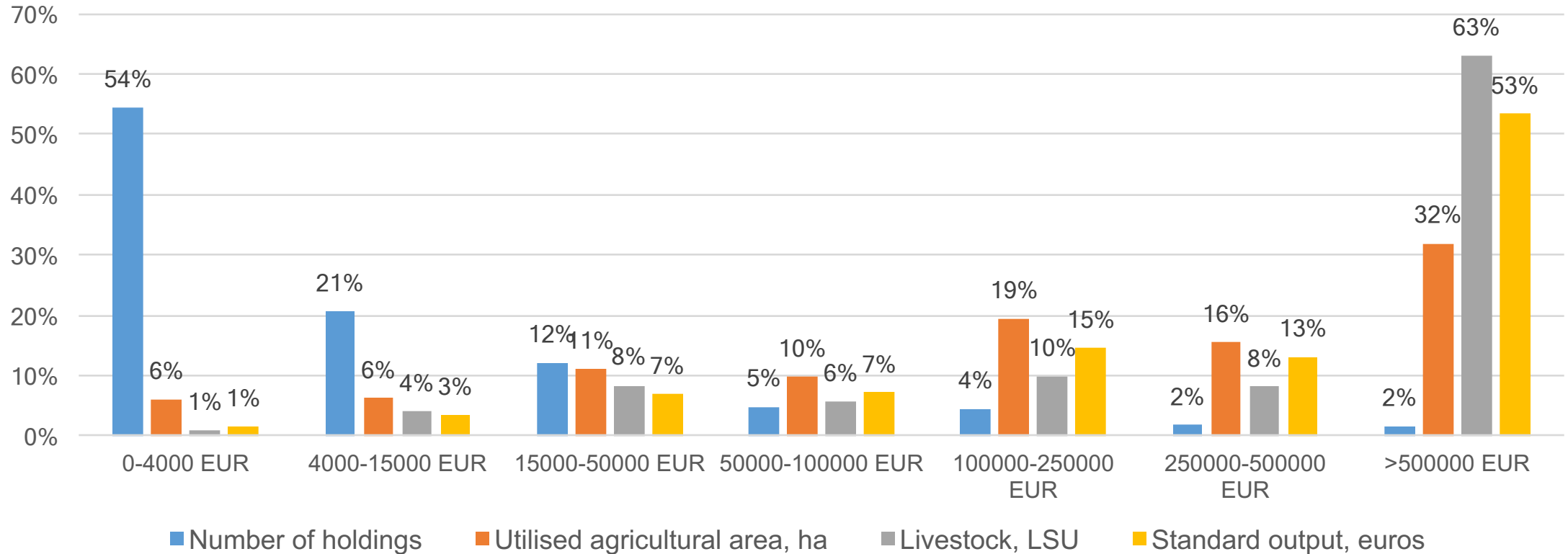
Source: own calculations based on Statistics of Estonia



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Dual farm structure of Estonian agriculture (2016)



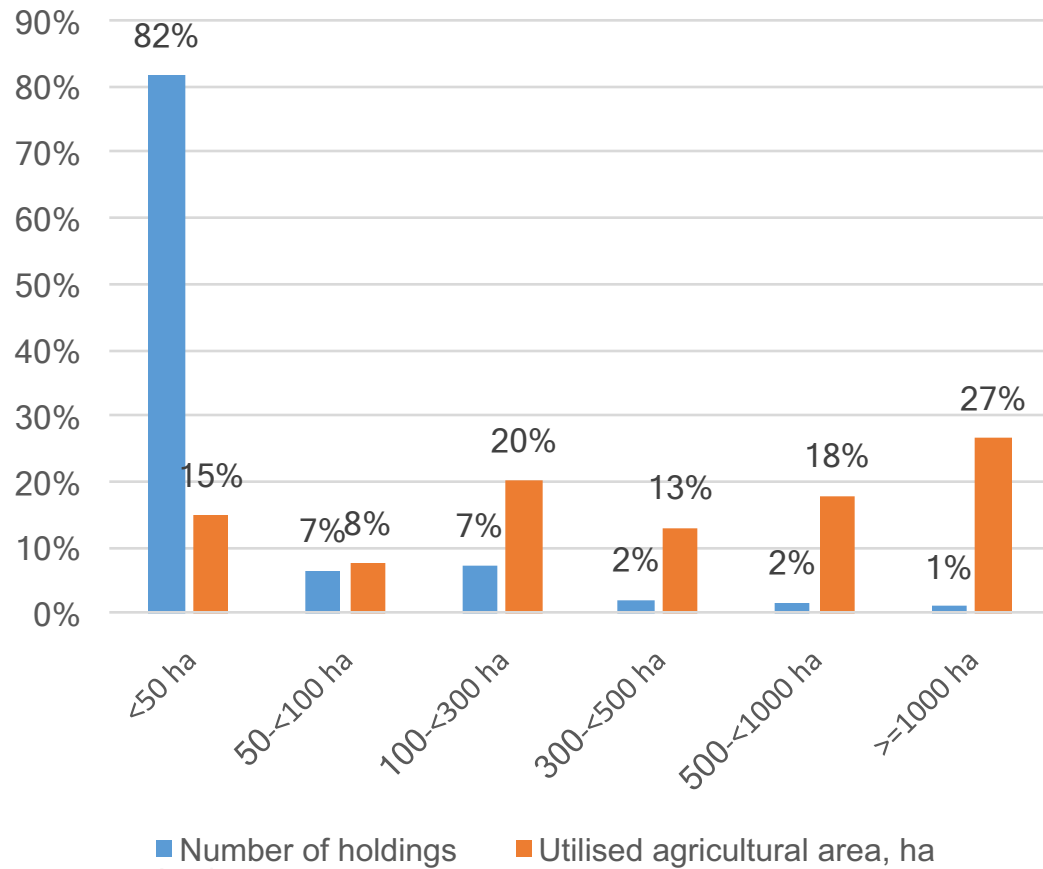
Source: own calculations based on Statistics of Estonia



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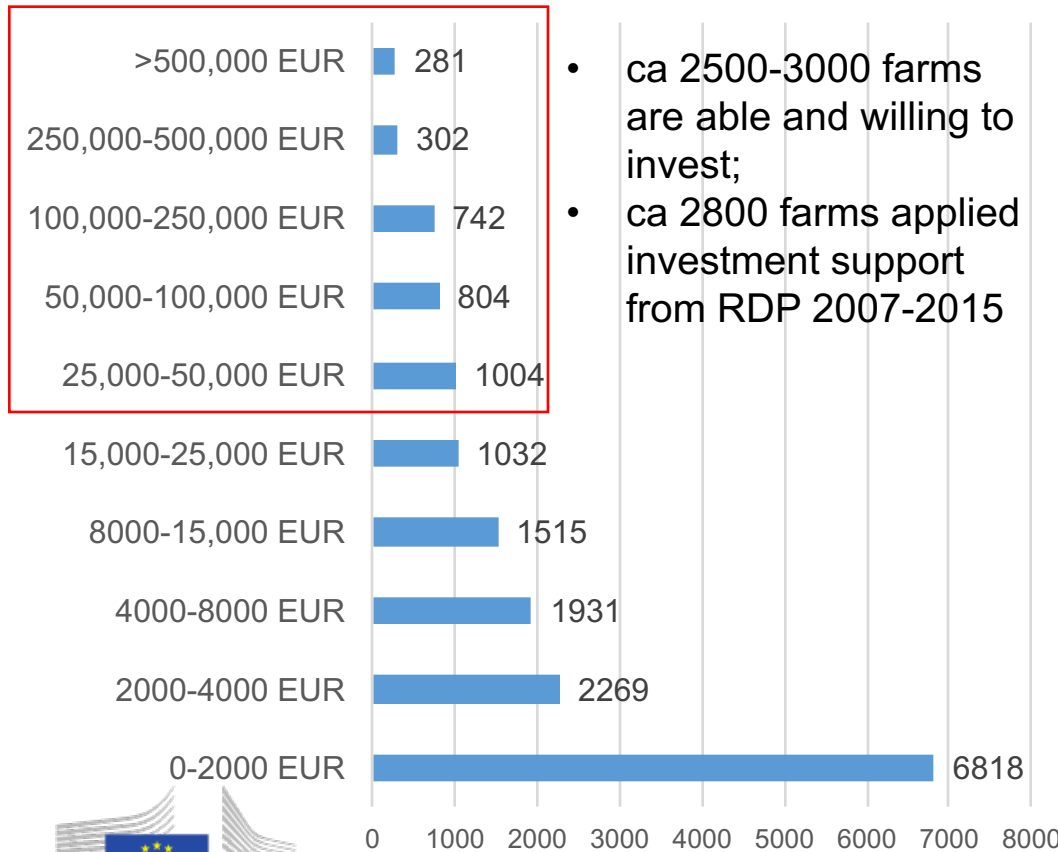
Land use by farm size in Estonia (2016)



Invest-capable farms and investment support



Number of holdings



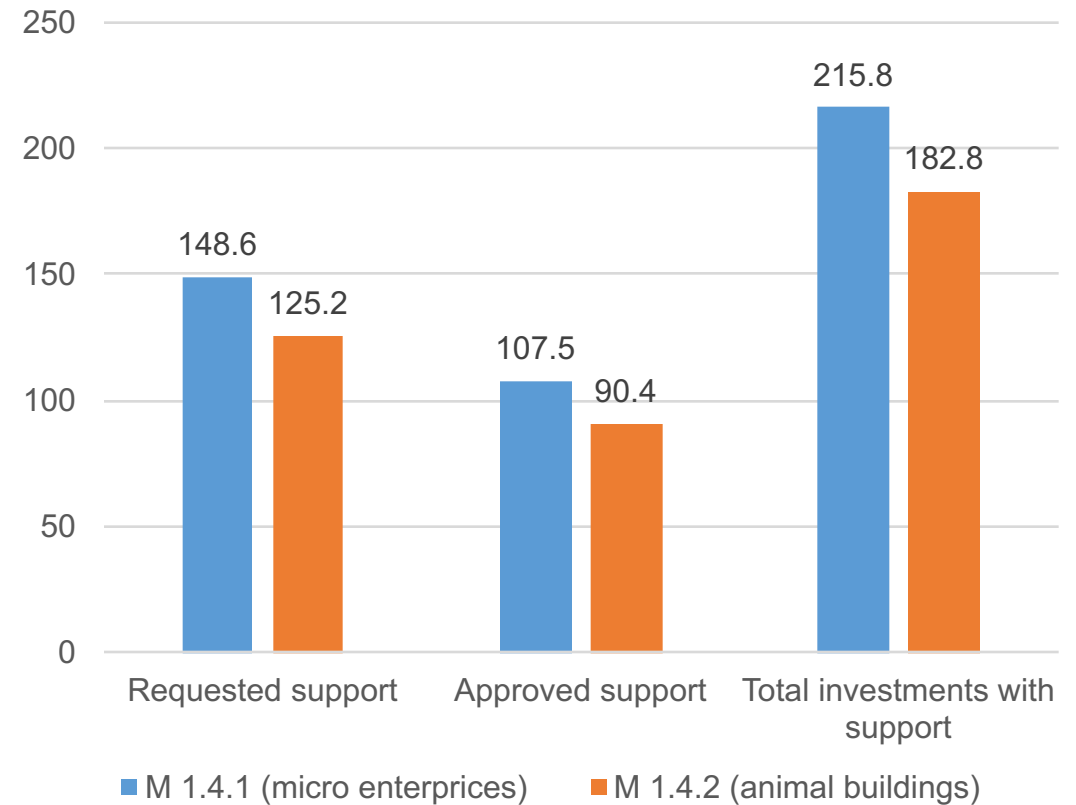
- ca 2500-3000 farms are able and willing to invest;
- ca 2800 farms applied investment support from RDP 2007-2015



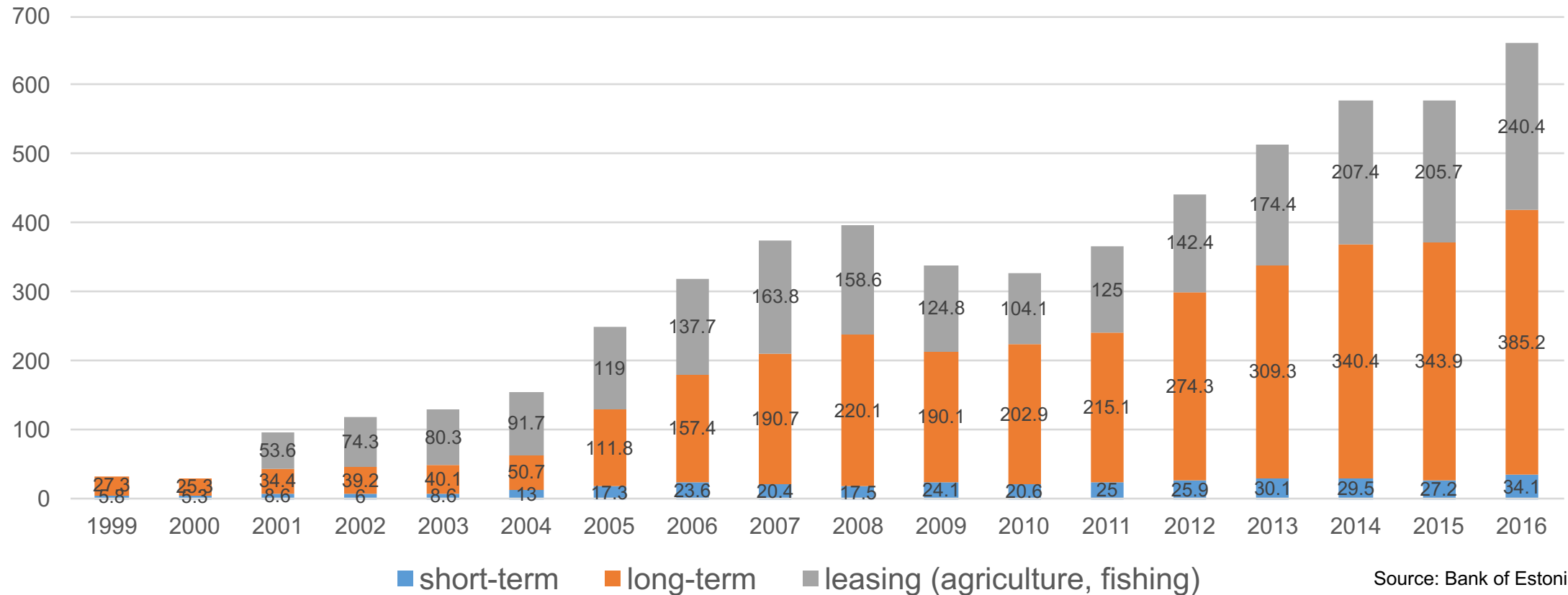
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Source: Statistics of Estonia, Ministry of Rural Life

Investment support RDP 2007-2015, Mio EUR



Stock of loans in agriculture, forestry, fishing and leasing, Mio EUR



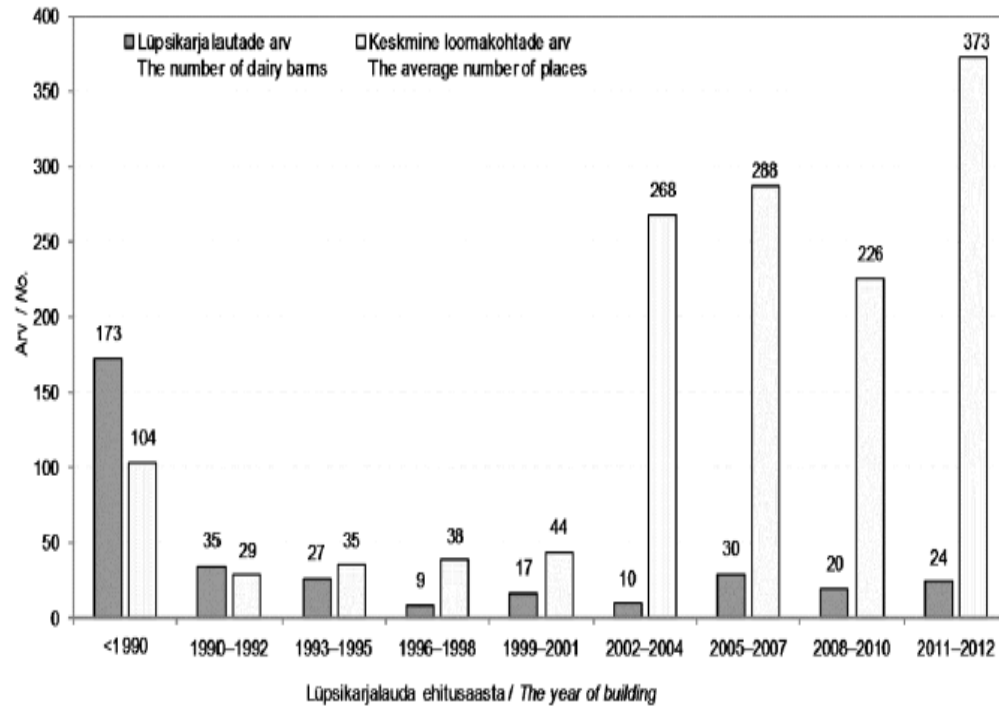
Source: Bank of Estonia



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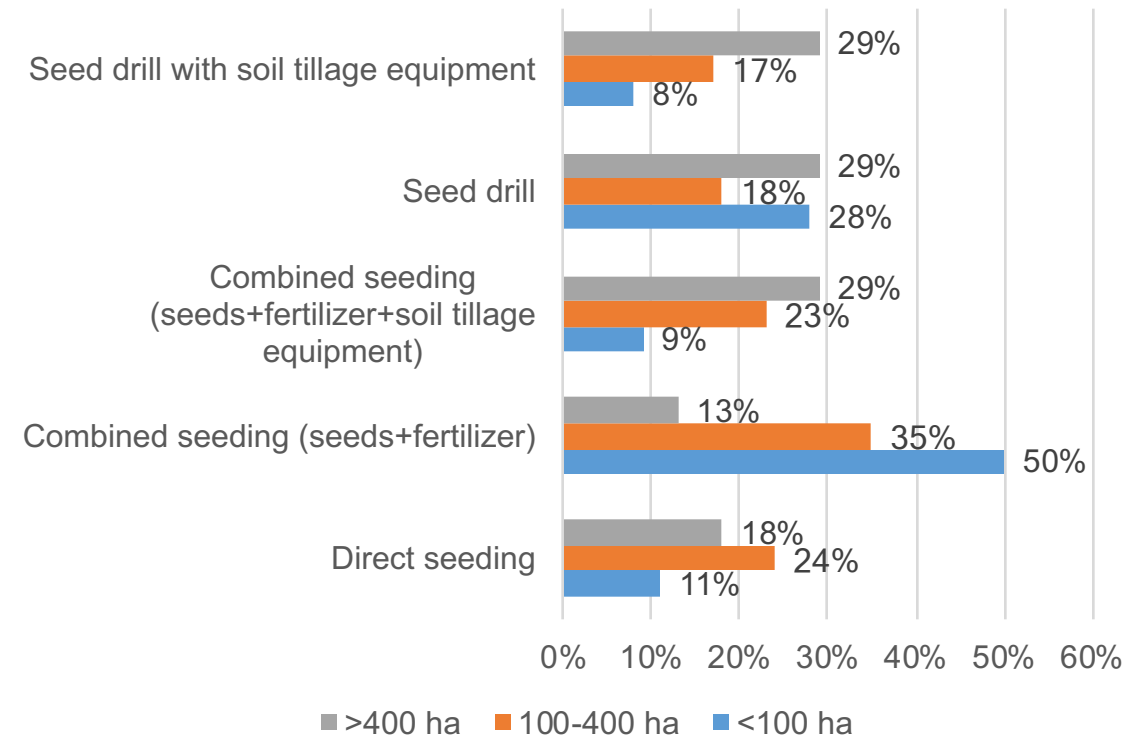
Investment needs – some examples from dairy and grain sectors



Joonis 4. Ehitatud lüpsikarjalautade arv ja keskmine loomakohtade arv laudas vastavalt hoone ehitusaastale (n = 345)
Figure 4. The number of dairy barns and the average number of places for dairy cows in the barn according to the year of barn construction (n = 345)

Source: Luik, Viira, Estonian University of Life Sciences (2016), based on 2012 survey

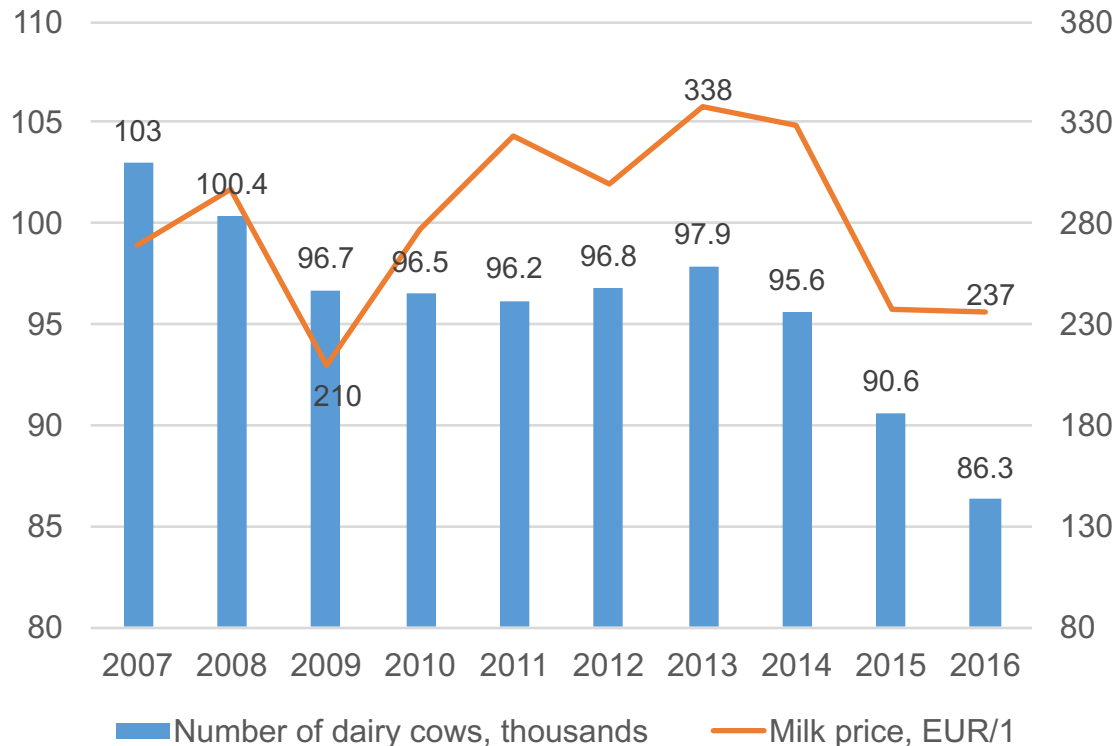
Seeding technologies by farm size



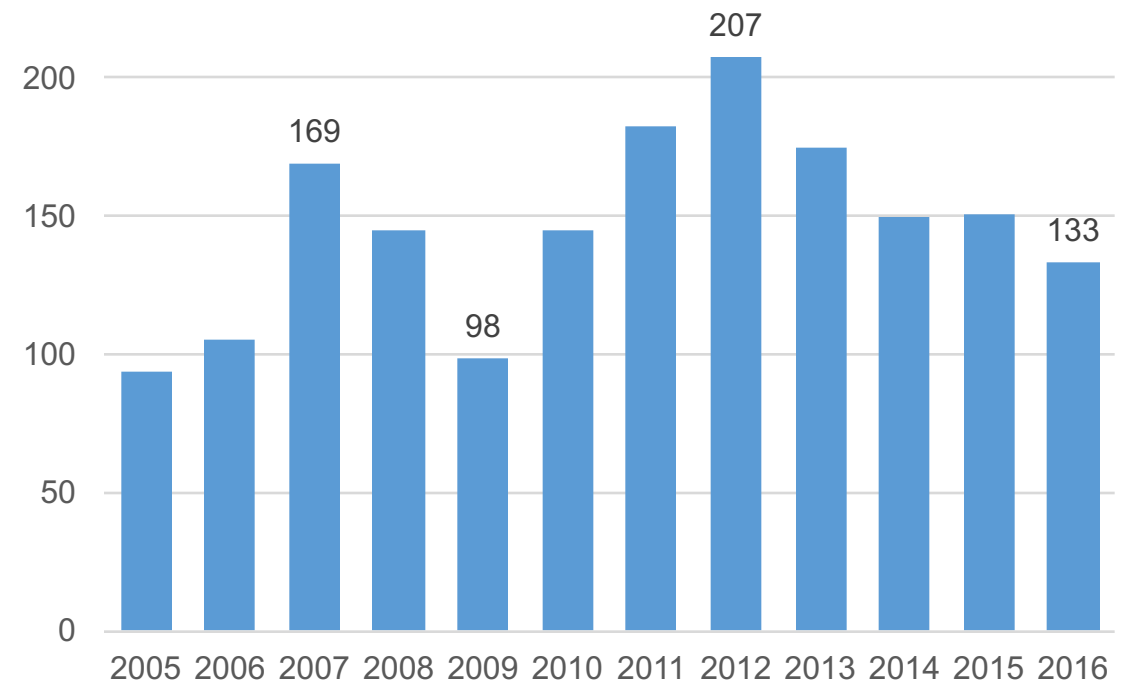
Extreme volatility of markets: need for stabilisation to protect investments



Volatility of milk price and number of dairy cows



Average price of grain, EUR/t



Source: Statistics of Estonia

Recommendations for the future

- Dual structure of Estonian farms – targeting very important
- Support for investments related to environmental protection and bioenergy
- Investment support should focus on long-term investments
- Support for innovative investments in agriculture (precision farming)
- Greater emphasis on joint investments to improve the position of farmers in value chain
- Financial instruments particularly important to stabilise problems related to market volatility



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Thank you for your attention!



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