

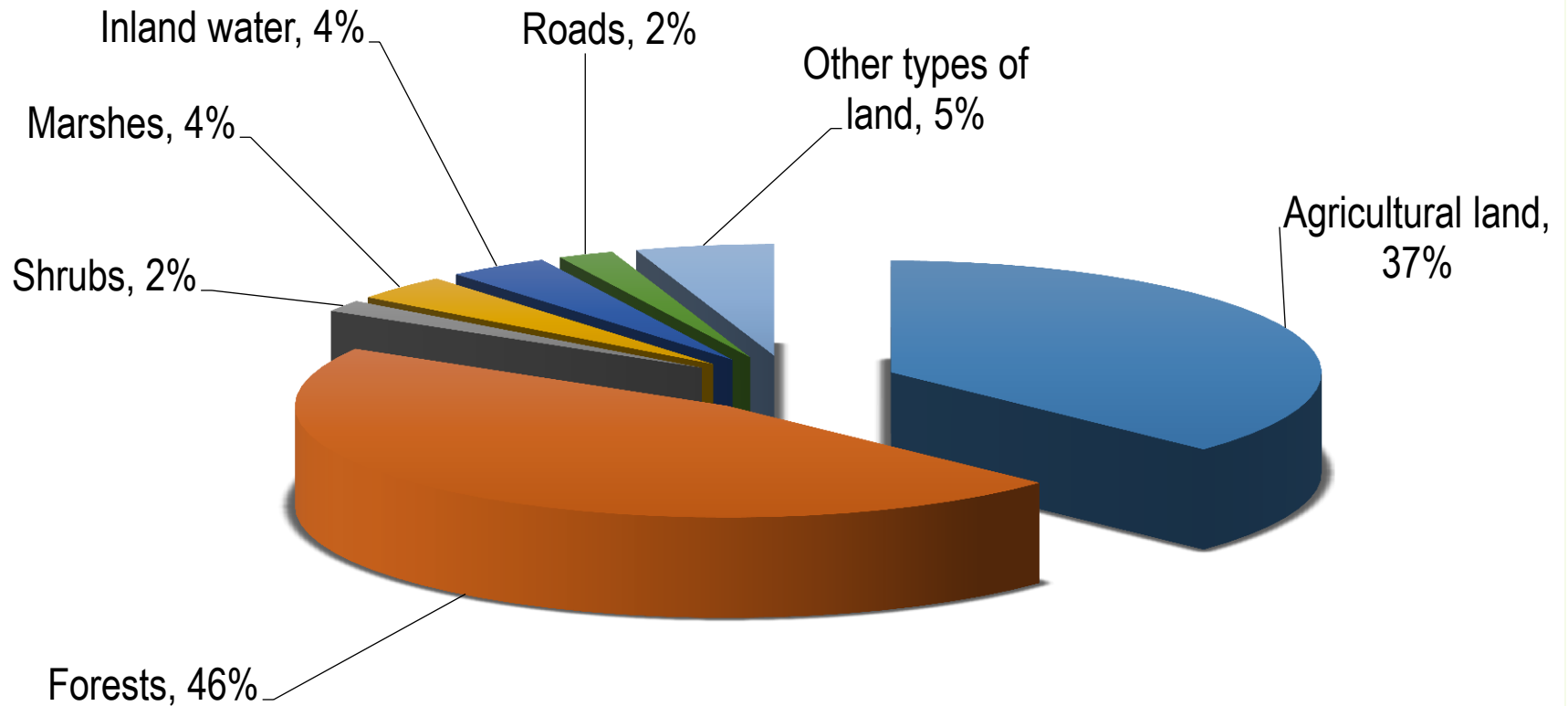
Farm Machinery and Service Farmers Point of View

Maira Dzelzkaleja
Farmers Parliament



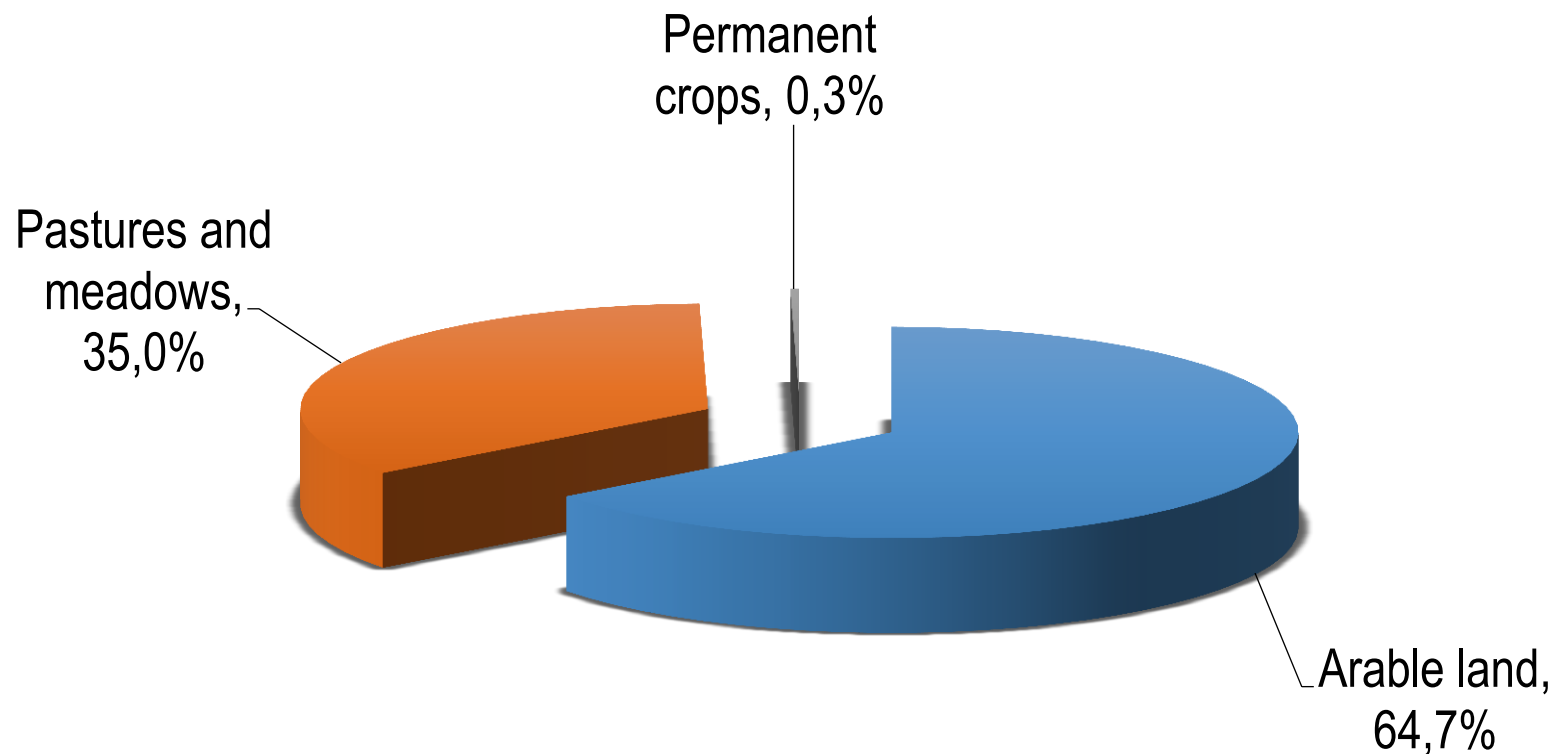
Territorial Structure of Latvia at the Beginning of 2013

Total area 64.6 thsd. km²



Structure of Agricultural Land

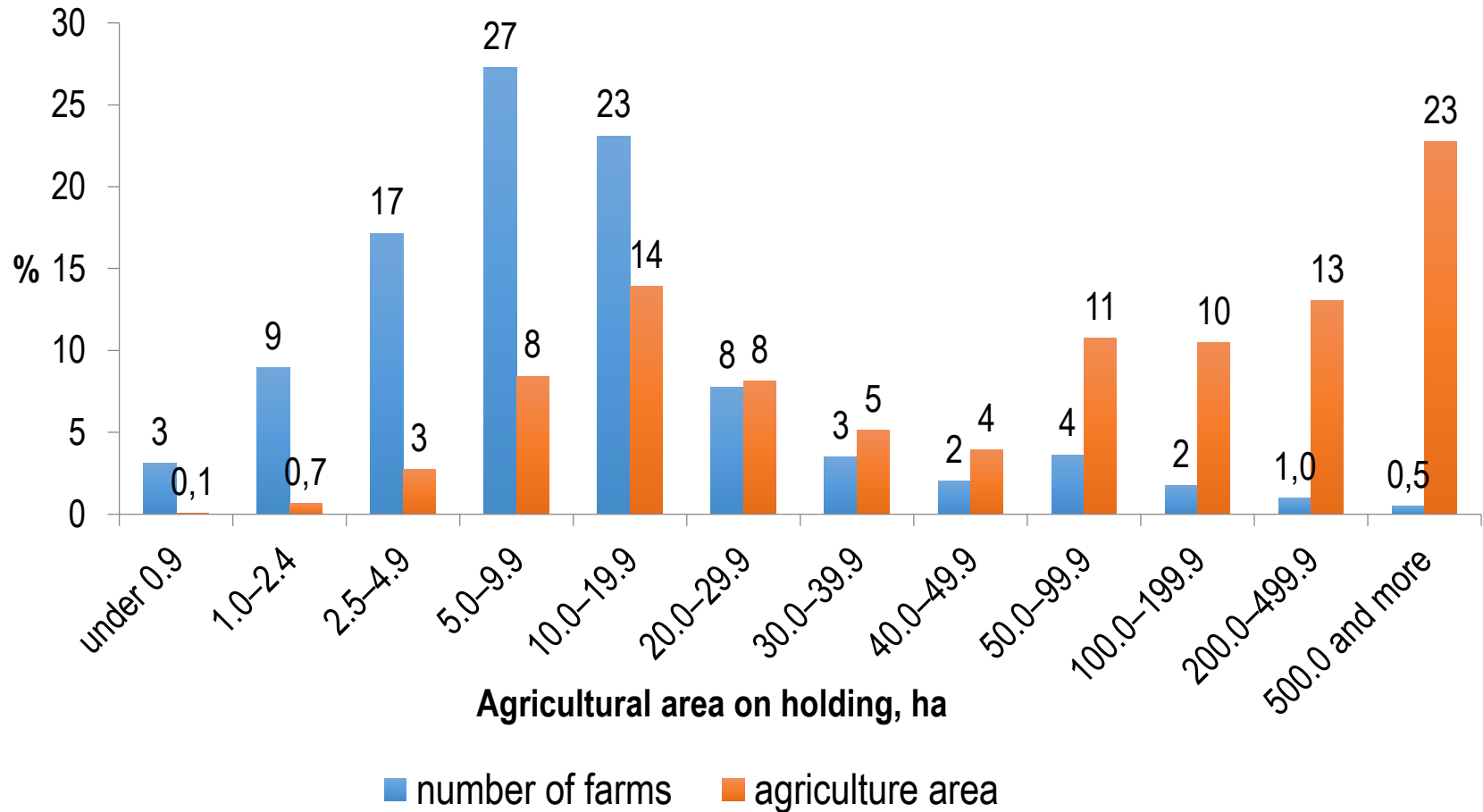
Total area 1868.1 thsd.ha



Source: Central statistical bureau

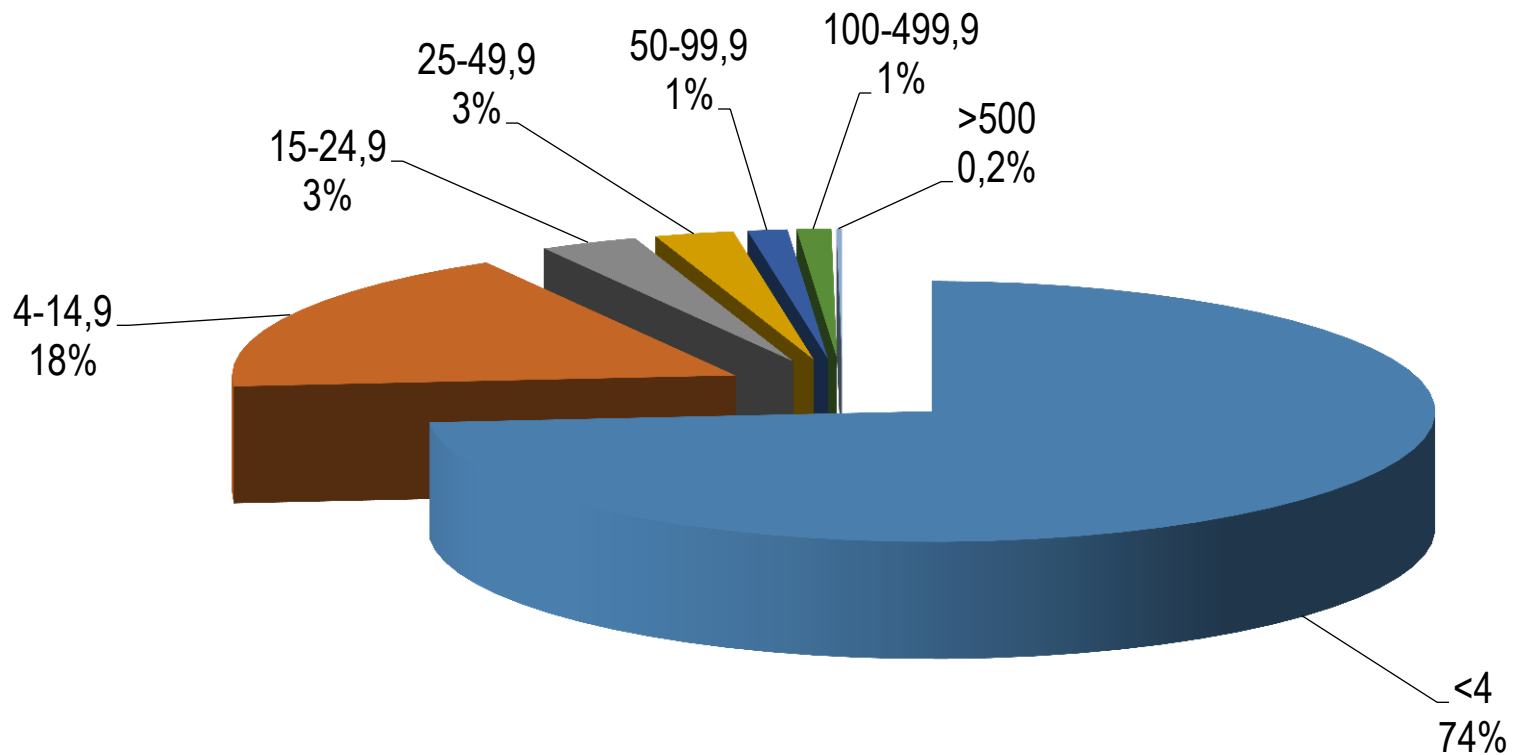
Structure of Farms and Agricultural Land in Farms of Different Size in 2010

Total 83,4 thsd.farms



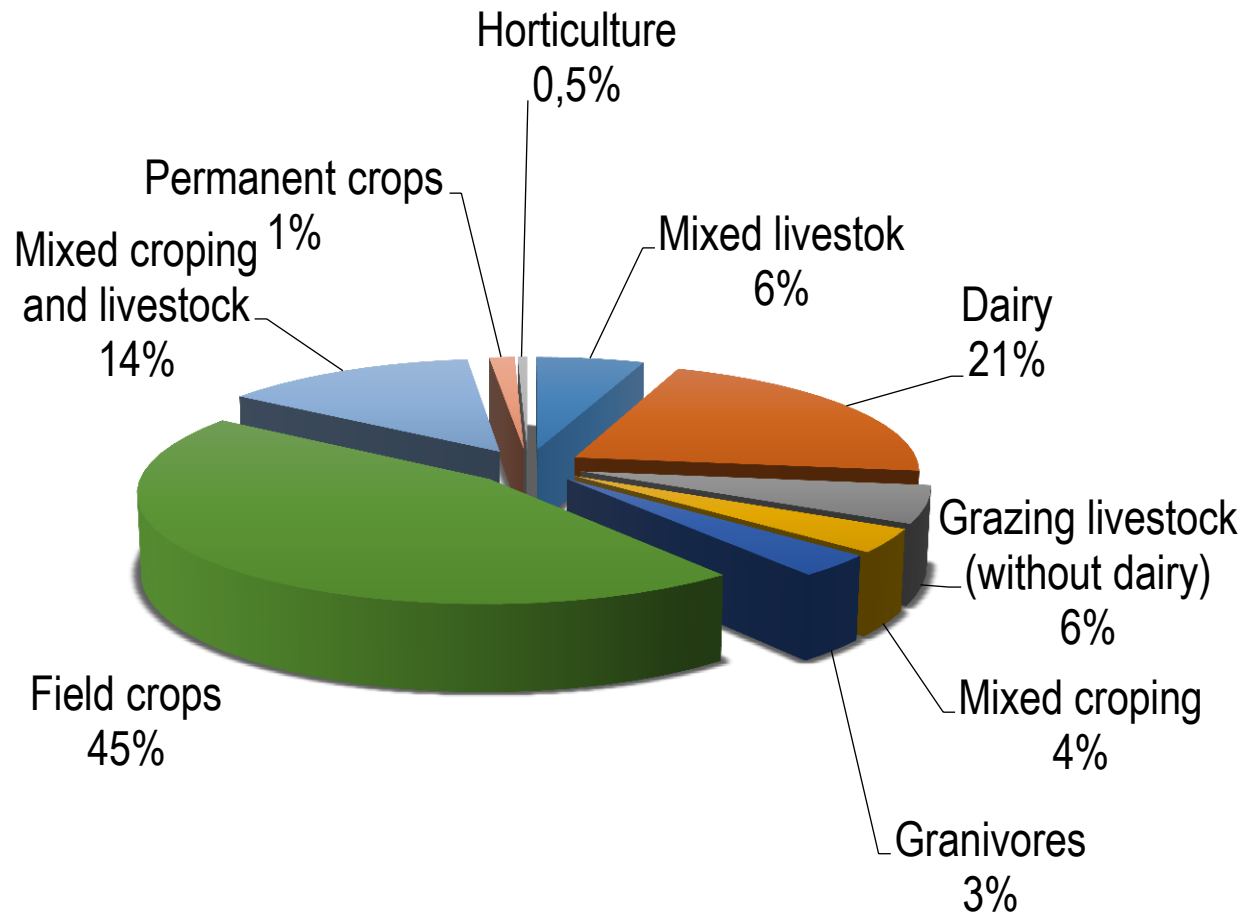
Source: Central statistical bureau

Farms by Economic Size (Standart Output thsd.EUR) in 2010



Source: Central statistical bureau

Farms by Type of Farming in 2010



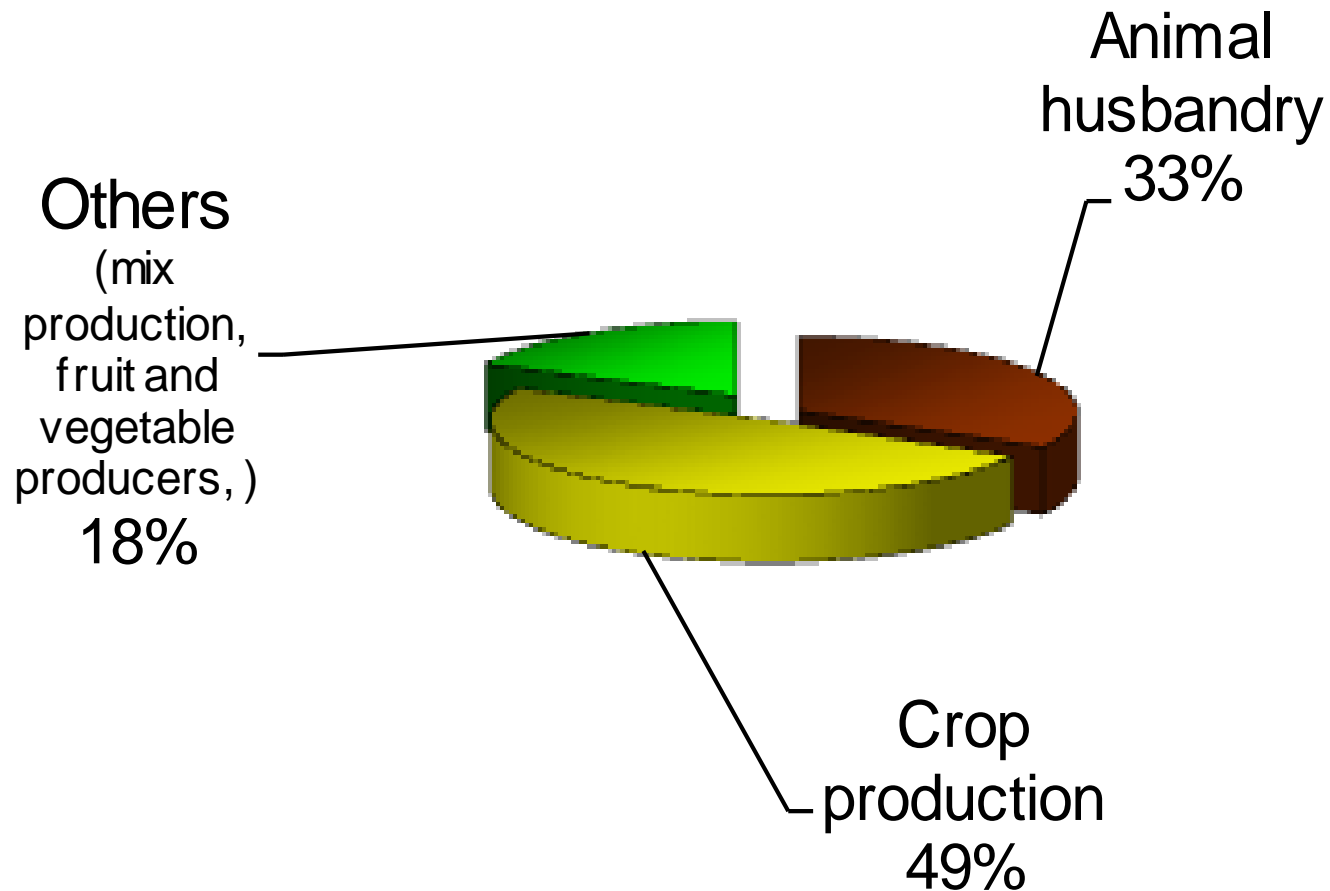
Source: Central statistical bureau

FARMERS PARLIAMENT



- Farmers' union
- Membership - 894 farms and agricultural businesses
- a large part of Latvian commercial farmers
producing all kinds of product
- Cultivate more than 500 000 ha
- Of the total Latvian production members produce
 - 46 % of grain
 - 53% of rapeseed
- Members employ 4000 people
- Mostly family farms

ZSA members specialization



The main fields of the activities for the union:



- Voice of Latvian farming
- Lobbying agriculture sector legislation, both on national and EU level
- Information, dissemination and consultations for farms on agriculture policy
- Networking – gathering and combining capacities from different institutions (i.e. research, other rural NGOs, national and European government institutions) to reach the needs of Latvian country farms

Major tasks for the period 2014-2020

- Increase in income generated by effective production, increasing production of goods with added value and market oriented products
- Support to small and medium farms (cooperation, education, niche products, jobs outside agriculture)
- Land, forest land and Latvia's waters and natural resources are managed with responsibility and used for creating added value in sustainable way
- Latvia's land is farmed by family farms, which are able to earn and provide for their families
- Development of research and training.

Not only farming...



Stimulating factors for investments in new technologies

- Political decisions (i.e. environmental or animal wellbeing requirements like greening, reduction of SEG emissions requirements)
- Decrease of grain, rape and milk prices;
- Rising production costs, i.e. increase of fertilizers prices, fuel, employment costs.
- Intensification of production.

- The application for the new Rural Development Plan 2014-2020 will start till the end of the year.

Challenges for farmers in decision making process on new investments

- Entrepreneur skills;
- Availability of skilled employees;
- Access to resources;
- Lack of knowledge on what to choose in the market (and farmers tend to trust their friend's advice even if it might not be the most relevant option in their particular situation).

Most frequent complaints

- Permanent price increase for both technics and technologies;
- Short guarantee period, lack of services and knowledgeable technical experts;
- Frequent change of dealers;
- Higher profit margin compared with other EU countries (motivation to buy from abroad);

Opportunities of the market

- Independent assessment and comparison of technologies - nice promotion and promises, but challenging reality
- Independent consultations on which technology / technique might be the best choice for the particular farm:
 - Economical evaluation (investment vs gains);
 - Technology evaluation (size of the farm, availability of personnel etc);
- On-site training for farmer and employees on how to use full potential of the new machinery or technology;
- Personnel who could carry out complex repairs.

Some suggestions on how to improve positioning in Latvian market

- Excellent technical services, quality repairs carried out in a timely manner;
- Highly qualified, experienced technical experts;
- Minimum guarantee period for at least 2 years particularly in case of tractors;
- Knowledgeable and experienced sales people with hands-on attitude;
- Experts who could educate farmers on their new technique – how to utilize it up to full extent (how to use GPS, precise farming technologies etc)

Thank you for your attention
and technique we are working
with to achieve our dreams!

I'm looking forward to your
questions.