



**Ministry of Agriculture and Environmental
Protection**

**AGRICULTURE IN THE REPUBLIC OF SERBIA
IN 2013**

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A WORD FROM THE MINISTER

Dear Readers,

Agriculture in the Republic of Serbia in 2013 is an analytical report describing the state of the agricultural and food sector in 2013 both from the aspect of market analysis and from the aspect of implemented agricultural policy. This is the first report of this kind published in Serbia. We plan to issue the report annually, each edition examining the state of the sector in the previous calendar year.

The publication of this type of report is common practice in EU Member States, so *Agriculture in the Republic of Serbia in 2013* follows these documents. Furthermore, it will be presented to the European Commission, our partner in the EU accession negotiations, which has already welcomed our initiative to compile the report.

This document provides a unique analysis of the state of markets of agricultural and food products in the previous year and an overview of measures implemented in the framework of agricultural and rural development policies. It is particularly valued by our ministry for its analytical nature since it sums up in one document both analytical overview of the market conditions and agricultural and rural development policies implemented in one year. It has so far been of tremendous help in EU integration process.

Our aim is to show all the actors in the agriculture sector the actual state of Serbian agriculture and rural development in the past year in a comprehensive, clear and exact manner and to pinpoint both competitive and underdeveloped areas in agriculture. At the same time, the report provides an analytical baseline for important future decision-making concerning further harmonisation of Serbian agricultural and rural development policies with the Common Agricultural Policy in the process of European integration.

I hope that this document will help you understand the overall state of Serbian agriculture and will provide you with new information.

Respectfully yours,

Minister
Snežana Bogosavljević Bošković, PhD

ABSTRACT

With the start of the global economic crisis in 2008, positive trends in Serbia's main macroeconomic aggregates were put to a halt for the first time in over a decade. A mild recovery in 2010 and 2011 stopped in 2012, mostly due to a significant drop in agricultural production. In 2013 **there were significant positive trends in the overall macroeconomic climate again**, primarily in GDP growth, reduced unemployment and budgetary deficit, curbed inflation as well as a stable exchange rate of the national currency to the euro.

According to preliminary data of the Statistical Office of the Republic of Serbia (SORS), **the share of agriculture in the gross value added exceeded 11 % in 2013**, which was higher than its share in previous years. 21% of the workforce was still employed in the agricultural sector, whilst there was negligible change in total exports and imports in comparison with the standard average values of these indicators in recent years (23 % in total exports and 8 % in total imports).

The **final results of the Census of Agriculture 2012** were released at the end of 2013. According to the census, the total number of agricultural holdings (farms) in Serbia was 631,552 and the utilised agricultural area was 3.4 million hectares. The average size of 5.4 hectares of utilised agricultural area per holding indicates that Serbia is still dominated by **small farms**, with a significantly smaller average farm size than in most European countries. Farms are predominantly under 5 hectares in size (about 78 %), and utilise around 25 % of the land area. On the other hand, there is less than a half per cent of holdings with over 100 hectares, and these utilise nearly a quarter of the total land area (about 24 %). When it comes to farm structure by livestock unit the ratios are similar. Small farms form the majority, those with fewer than 5 livestock units of making up 80 % of total livestock while breeding 35 % of total livestock.

There are **very deep regional differences in the Serbian farm structure**, indicating a dual agricultural model. The average farm size in AP Vojvodina is around 11 hectares of utilised agricultural area, whilst in Southern and Eastern Serbia it is less than 4 hectares. The average number of livestock units per holding is also much higher in AP Vojvodina (4.6) relative to other regions, especially Southern and Eastern Serbia (2.2).

Thanks to better weather conditions in 2013 **plant production grew considerably (41 %) and, consequently, so did total agricultural production (26 %)** compared to 2012. The much lower production in 2012 was due to the drought that caused poor yields especially of autumn crops. The 3 % growth in livestock production in 2013 relative to 2012 was higher than in previous years.

The agricultural production value was dominated by plant production, with a multiannual average of around 67 % and maize as the most important product (25 % of the total value of agricultural production). The share of livestock production in the agricultural production value averaged around 33 %, with cattle breeding as its most common form (13-17 %).

Cereal production dominated the structure of harvested land areas, remaining relatively stable at around 1.9 million hectares. Land under maize decreased by 6.5 % compared to 2012, whilst land under wheat expanded by some 17 %. Land under industrial crops (all major cultures) also expanded, whilst land under potatoes and vegetables decreased compared to 2012.

There was perceptible growth in overall production compared to 2012, primarily due to better weather conditions. In 2013, the production of cereals amounted to 9.1 million tons, which was 55 % more than in 2012, or some 9 % more than the five-year average for the

period 2008-2012. Industrial crop production was some 11 % higher in 2013 than the previous five-year average due to a record sunflower yield among other things. Fruit production also saw record yields, one quarter higher in 2013 than the previous five-year average. Vegetable production, although higher than in 2012, stagnated in comparison to the 2008-2012 five-year average, whilst grape production was lower (it decreased 7 % relative to the previous five-year period).

In recent years there has been a **mild downward trend in cattle and pig breeding**, while positive trends were recorded in other livestock. In 2013, the number of cattle dropped by 6 %, and the number of dairy cows decreased by as much as 13 % compared to the previous five-year average (2008-2012). The number of pigs dropped in comparison to the previous five-year average by some 8 %. The number of sheep and poultry increased by around 5 and 13 % respectively. Egg and honey production was higher in 2013 than in 2012, whilst milk and poultry meat production dropped. Compared to the 2008-2012 average, growth was recorded only in the production of sheep meat (around 31 %), poultry meat (3 %) and eggs (45 %). The major products of livestock production (milk, beef and pork) recorded negative shifts in production.

In 2013, the prices of agricultural products **dropped** compared to the previous year, but their **level, in real terms, remained above the price level in 2010**. The exceptions are the prices of fruit and viticulture products, which did not exceed 2010 levels, and whose prices were significantly lower in 2013 (by some 15 %). The overall prices of agricultural products were nominally lower in 2013 than in 2012 by 1.3 % (by 9.1 % in real terms). The prices of arable crops were nominally lower by 5.7 % (by 13.5 % in real terms), the prices of fruit and viticulture products by 6.2 % (by 14 % in real terms), while the prices of livestock products increased nominally by 4.6 % (in real terms they dropped by 3.2 %).

Foreign trade in food and agricultural products registered a record surplus of 927 million euros in 2013. The value of foreign trade in 2013 was at the same level as in 2012, amounting to 3.3 billion euros. The value of exports amounted to 2.1 billion euros (1 % lower than in 2012), whilst the value of imports was 1.2 billion euros (4 % lower than in the previous year). The coverage of imports by the exports of food and agricultural products rate was 175 % in 2013.

In 2013, there was a considerable drop in the value of maize exports (71.7 %), Serbia's most important export product. This decrease was due primarily to low yields and poor grain quality in 2012. On the other hand, the export value of wheat increased as much as three-fold, making **wheat the product with the highest export value in 2013** with a share of 7 % in total exports. Imports in 2013 were, as in previous years, dominated by fruit (11.4 %).

Compared to 2012, **budgetary funds allocated to the Ministry of Agriculture, Forestry and Water Management were 9.4 % higher**. In addition to the absolute increase in budgetary funds, the **share of agriculture in Serbia's total budget went up** by 4.3 % in 2013, which is 0.3 percentage points higher than in 2012.

In 2013, 27.5 billion dinars were spent on funding agricultural and rural development subsidies, envisaged under the Regulation and the Law. This constituted a 1.4 billion dinar (5.4 %) increase compared to 2012.

There were no significant changes to the structure of agricultural and rural development subsidies by subsidy type in 2013 (relative to the previous year). **The most common subsidy was direct payment**, on which 25.9 billion dinars were spent in 2013, or 94.4 % of the total funds for agricultural and rural development subsidies. The dominant subsidies in 2013 were direct payment per hectare and direct payment per head, amounting to 16.5 billion dinars and a

share of 63.5 % in total direct payments. The structure of rural development subsidies was dominated by funds aimed at ***agricultural improvement through investment in farms*** (91.3 % of total rural development subsidies). In 2013, 442,1 million dinars (1.6 % of total budget) were spent on special grants. In terms of the structure of these special grants, there was marked concentration of subsidies on expert and consultancy services. Special surveys and activities focusing on food safety were not financed with the funds for subsidies, and remain within the regular activities of organisational units of the Ministry of Agriculture and Environmental Protection (MAEP). They are not included in this report.

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INTRODUCTION

Agriculture in the Republic of Serbia in 2013 presents the results of an analysis of the main macroeconomic indicators, structure, situation in and development of the agriculture sector in Serbia from 2004 to 2013¹. In addition, it describes current Serbian agricultural policy, especially the part concerning budgetary assistance for agriculture. The report highlights the last analysed year, as well as the changes that happened in 2013 relative to 2012 and the 2008-2012 five-year period.

Agriculture in the Republic of Serbia in 2013 is divided into two parts. The first part, *Agriculture in Serbia*, presents the general situation in the sector. This includes: macroeconomic indicators of agriculture, farm structure, production trends and prices. The section regarding foreign trade in food and agricultural products includes an analysis of the volume, dynamics and structure of foreign trade in food and agricultural products (according to the Combined Nomenclature – CN), and an overview of Serbia's trade measures and international trade agreements relevant to agriculture. The chapter dedicated to agricultural policy presents the legal and programming framework of the 2013 policy, as well as the volume and structure of budgetary assistance for agriculture by policy pillar and main subsidy.

The second part of the report, *Overview of the Agricultural Market*, contains a detailed analysis of the most important subsectors of Serbian agriculture, such as cereals, sugar beet and sugar, oilseeds, tobacco, potatoes, fresh vegetables and beans, fruit, grapes and wine, hops, seeds and forage crops, beef, pork, sheep meat and poultry meat, eggs, cows' milk and honey.

The structure of the report reflects on one side the importance of the above sectors in the production structure of the Serbian agriculture, and on the other the available data and other relevant findings concerning certain segments of food chain and product groups. Considering that this is the first annual report on agriculture in Serbia released in this form, it will be built and expanded upon with new features and aspects of analysis in the years to come.

The report is mainly based on data sourced from the Statistical Office of the Republic of Serbia (SORS) and data systematically collected from other sources (MAEP, National Bank of Serbia, Ministry of Finance, Eurostat). Data available from official sources was used in the report, concluding with 01/04/2014. The preliminary data is marked in tables and graphs.

Fifty years overdue, the agricultural census was carried out from 1 October to 15 December 2012, and the results were released in early January 2014. The main characteristics of the farm structure according to the Census of Agriculture 2012 are presented in this report. In the future, the Statistical Office of the Republic of Serbia will use the data obtained in the census to continue to adjust and improve its databases, supplementing the analytical basis for future reports on agriculture with segments that are currently missing (organic farming statistics, economic accounts for agriculture, expenditure and input prices, etc). Furthermore, it is expected that the final data on production and land sown will have an effect on the average yield data, i.e. that the latter should grow significantly. The changes in the statistical systems are also reflected in the data provided in this report. This is stressed clearly in the text (e.g. growing honey production).

¹ *Agriculture in the Republic of Serbia in 2013* covers a period (the year 2013) during which agriculture was the responsibility of the then Ministry of Agriculture, Forestry and Water Management (MAFWM). At the beginning of 2014, when the Law on Ministries was adopted (Official Gazette of RS 44/14), agriculture became the responsibility of the Ministry of Agriculture and Environmental Protection. Bearing these changes in mind, the names of the relevant ministries are used in accordance with the context.

The Draft of Strategy for the Development of Agricultural Statistics in Serbia for the period 2014-2018 envisions greater parity of plant and animal production statistics by 2015. It excludes vineyards and orchards, wine production and balance sheets, for which a longer period of time is envisaged. In addition, farm structure, agricultural accounts and price surveys should be established and synchronised with the Eurostat methodology in the period 2017-2018.

The data on budgetary assistance for agriculture was sourced from internal databases and official MAEP reports. The calculations of the amounts in euros were based on the average annual exchange rate of the National Bank of Serbia.

Printed edition of the *Agriculture in the Republic of Serbia in 2013* contains the first part of the document, which refers to the situation in agriculture in the Republic of Serbia. A complete document, including overview of the agricultural markets, is available on the Ministry of Agriculture and Environmental Protection website www.mpzss.gov.rs.

*The Ministry of Agriculture and Environmental Protection would like to thank the **GIZ project "Support to the EU Integration Process in Serbia"** for supporting the production of *Agriculture in the Republic of Serbia in 2013*, the first report of its kind.*

*We are particularly grateful to the **Statistical Office of the Republic of Serbia** for its assistance in the production of this document.*

1. AGRICULTURE

1.1 The macroeconomic climate and the importance of the food and agriculture sector

Over the last decade Serbia has made significant progress in conducting economic, structural and institutional reforms. Positive trends in the main macroeconomic aggregates (growing GDP, foreign currency reserves and foreign direct investment; falling unemployment, public expenditure and fiscal deficit) came to a halt in 2008-2009, when the global economic crisis started. The falling demand and reduced inflow of foreign capital in particular have affected macroeconomic trends in the last five years.

After a considerable drop in gross domestic product (GDP) in 2009 (-3.5 % compared to 2008), the Serbian economy saw mild recovery in 2010 and 2011. This trend was stopped by a recession in 2012, while in 2013 there was a significant growth in GDP of 2.5 % compared to the year before.

Negative trends were perceived in the labour market as well. The unemployment rate soared from 13.6 % in 2008 to 23.9 % in 2012, falling to 22.1 % in 2013.

Serbia's reduced economic activity (measured in GDP trends) was followed by an increased budgetary and payment balance deficit in 2012, though the situation improved somewhat in 2013. The continued lack of own resources to fund economic growth resulted in growing debts, causing a significant increase in government debt in recent years (in 2013 it was 63.7 % GDP).

The macroeconomic imbalance was reflected in inflationary trends, rising retail prices and foreign exchange rates. The weakening of the Serbian currency was brought to a halt in 2013.

Table 1: Main macroeconomic indicators, 2008-2013

	2008	2009	2010	2011	2012	2013*
GDP growth rate (% changes relative to the previous year)	3.8	-3.5	1.0	1.6	-1.5	2.5
GDP per capita (current prices, EUR)	4,446	3,955	3,836	4,351	4,112	4,453
GDP per capita at purchasing power parity (PPS; EUR)	9,000	8,400	8,500	8,900	9,000	...
GDP per capita at purchasing power parity (PPS; EU28=100 %)	36	36	35	36	36	...
Share of food, beverages and tobacco in total household expenditure (%)	31.5	32.2	31.7	33.6	33,6	...
Unemployment rate (%)	13.6	16.1	19.2	23.0	23.9	22.1
Total exports of goods (EUR mill.)	7,429	5,961	7,393	8,441	8,837	8,973
Total imports of goods (EUR mill.)	16,283	11,327	12,423	14,250	14,782	14,280
Foreign trade balance (EUR mill.)	-8,854	-5,366	-5,030	-5,809	-5,945	-5,307
Current account in the balance of payments (% GDP)	-21.6	-6.6	-6.7	-9.1	-10.7	-5.0
Budget deficit (% GDP)	-1.9	-3.3	-3.5	-4.1	-5.7	-4.8
Public debt (internal and external) (% GDP)	29.2	34.7	44.5	48.2	60.0	63.7
Inflation (annual average, % changes relative to the previous year)	10.9	10.1	8.6	11.0	7.8	7.8
Foreign exchange (annual average, RSD/EUR)	81.44	93.95	103.04	101.95	113.13	113.14

* Preliminary data

Source: SORS, Eurostat, National Bank of Serbia

Agriculture and the food industry play an important role in the Serbian economy. According to the national accounts statistics, the share of gross value added (GVA) of agriculture, forestry, hunting and fishing (A) in Serbia's GVA in recent years has been around 10 % (11.4 % in 2013), or between 15 % and 16 % when combined with food, beverage and tobacco production.

Employment in agricultural sector is falling, both in terms of the number of people employed and in the share of agriculture in total employment. However, the food and agriculture sector still accounts for about one quarter of the total nation's work force, with agriculture and the agro-industry at around 21 % and 4 % respectively.

Table 2: Share of agriculture and the agro-industry in Serbia's GVA, total employment and foreign trade, 2008-2013

	2008	2009	2010	2011	2012	2013*
Share in total GVA (%)						
- Agriculture, forestry, hunting and fishing (A)	10.4	9.3	9.9	10.5	9.7	11.4
Production of food (C 10)	3.6	3.9	3.9	4.1	4.1	...
Production of beverages (C 11)	1.1	1.2	1.1	1.1	1.1	...
Production of tobacco products (C 12)	0.3	0,3	0.3	0.2	0.2	...
Total	15.5	14.6	15.1	16.0	15.1	...
Share in total employment (%)						
- Agriculture, forestry, hunting and fishing (A)	25.0	23.8	22.2	21.2	21.0	21.3
Production of food (C 10)	3.2	3.4	3.5	3.5	4.0	3.6
Production of beverages (C 11)	0.4	0.5	0.4	0.4	0.4	0.5
Production of tobacco products (C 12)	0.1	0.0	0.1	0.1	0.1	0.1
Total	28.8	27.7	26.2	25.2	25.4	25.4
Share in the total exports and imports of goods (%)						
- in exports	18.0	23.4	23.0	23.2	24.1	23.4
- in imports	6.5	8.7	6.6	7.4	8.3	8.2

* Preliminary data

Source: SORS, MAEP

Food and agricultural products play a significant part in Serbia's foreign trade, especially in its exports. Their share in the country's total exports has been stable in recent years, remaining at 23 %. The share of food and agricultural products in total exports is around 8 %.

The high share of the food and agriculture industry in the national macroeconomic indicators may be explained by good weather conditions and rich agricultural resources, as well as by the slower development of other industries.

1.2 Farm structure

The number of holdings and their structure by land use

The Census of Agriculture in 2012 was aligned with Eurostat methodology and FAO recommendations. However, the new methodology and the long period of time since the last agricultural census in 1960 render the data on the number and structure of holdings incomparable with the data collected in previous agricultural censuses.

According to the Census of Agriculture 2012, the total number of holdings in Serbia is 631,552, utilising 3.4 million hectares of agricultural land. The majority are in the Šumadija region and in Western Serbia (42 %), followed by the Southern and Eastern Serbia (30 %), Vojvodina (23 %) and lastly the Belgrade region (some 5 %). Regarding Serbia's utilised agricultural area (UAA), the holdings in Vojvodina led with around 47 %, followed by Šumadija and Western Serbia (around 30 %), Southern and Eastern Serbia (around 20 %) and the Belgrade region (around 4 %) (Table 2 in the Annex). The average UAA per holding is the largest in Vojvodina (10.9 hectares) and the smallest in Southern and Eastern Serbia (3.6 hectares). The average UAA per holding is 5.4 hectares in Serbia.

Framework 1: Farm structure

The instruments, scope, characteristics and definitions used in Census of Agriculture 2012 comply with the 2010 FAO World Programme for the Census of Agriculture and the Eurostat methodology for Farm Structure Surveys and the Survey on Agricultural Production Methods.

The aim of Census of Agriculture 2012 was to:

- *Obtain a comprehensive overview of the structural characteristics of national agriculture,*
- *Create an internationally comparable database built on the key characteristics of agriculture,*
- *Provide the statistics necessary for the development of a sustainable agricultural policy and for the EU accession negotiations*
- *Form a statistical register of agricultural holdings.*

The census covers:

- *Companies, agricultural cooperatives, other organisations with legal person status and entrepreneurs that have registered agriculture as their primary business activity with the Serbian Business Registers Agency,*
- *Companies, agricultural cooperatives, other organisations with legal person status and entrepreneurs that have registered another business activity but have organisational units that handle agricultural production*
- *Family farms.*

An agricultural holding (farm) is defined as a single production unit, in both technical and economic terms, operating under a single management, where a company, agricultural cooperative, institution or another legal person, entrepreneur or family farm undertakes agricultural production either as its primary or secondary activity.

A family farm is any establishment comprised of persons who live together and spend their income jointly to pay for basic needs (including single-person households), whose members (one or more) are engaged in agricultural production either as their primary or secondary activity, with a single management, joint share of production resources (land, machinery, facilities) and of its members' labour, operated by a natural person, and which, in addition:

- *Works (utilises) 50 or more ares of agricultural area where it undertakes agricultural production, regardless of whether the produce is intended for the market, or*
- *Works (utilises) less than 50 ares of agricultural area but is engaged in intensive crop, fruit, grape, vegetable or flower crop farming (includes greenhouse farming), mushroom farming or livestock production, i.e. undertakes an agricultural activity intended for the market;*
- *At 30 September 2012, has at least:*
 - *two head of cattle, or*
 - *one head of cattle and two head of pigs, goats or sheep, or*
 - *five head of sheep, or*
 - *three head of pigs, or*
 - *four head of sheep and pigs combined, or*
 - *50 head of poultry, or*
 - *20 bee colonies.*

Utilised agricultural area (UAA) can consist of agricultural land on a kitchen garden, arable land (including fallow land), perennial crops (orchards, vineyards, nurseries etc.), meadows and pastures worked/utilised by a holding in the agricultural years 2011/2012.

A livestock unit (LSU) is a standard unit of measurement that allows the aggregation of the various species and categories of livestock in order to make them comparable. EU coefficients were used in calculating the LSU.

(SORS, Census of Agriculture 2012, Books 1 and 2, Belgrade 2013)

The results of the Census of Agriculture 2012 indicate a predominance of small farms in ownership structure. Farms up to 2 hectares of UAA in size are the most frequent (48.8 %), followed by farms from 2-5 hectares (28.9 %).

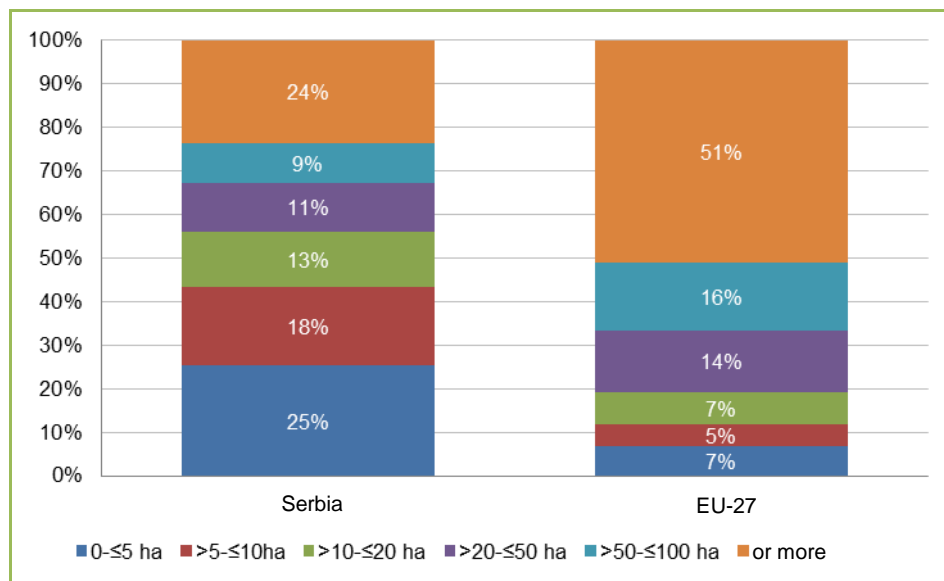
Table 3: Farm structure in Serbia by UAA, 2012

	Holdings		UAA	
	Number	%	Hectares	%
Total	631,552	100.0	3,437,423	100.0
With no land	10,107	1.6		
0-< 2 hectares	298,286	47.2	273,622	8.0
2-<5 hectares	182,489	28.9	596,052	17.3
5-<10 hectares	89,083	14.1	617,281	18.0
10-<20 hectares	32,313	5.1	435,499	12.7
20-<30 hectares	7,677	1.2	185,846	5.4
30-<50 hectares	5,352	0.8	203,666	5.9
50-<100 hectares	4,394	0.7	314,096	9.1
100 hectares or more	1,851	0.3	811,362	23.6

Source: SORS, Census of Agriculture 2012

Holdings working less than 10 hectares of land make up around 92 % of the total number of holdings in Serbia, but work only 43 % of Serbia’s UAA. Conversely, holdings working more than 50 hectares make up only 1 % of the total number of holdings and use about one third of UAA.

Vojvodina is characterised by a lower number of small holdings (< 5 ha) in Serbia’s UAA (around 9 %), while larger holdings in the region (> 50 ha) represent over 56 % of Serbia’s UAA. Other regions have a much lower share of large holdings, both in the total number of holdings and in terms of UAA.



Graph 1: Farm structure by UAA category in Serbia (2012) and in EU-27 (2010)

Source: SORS, Census of Agriculture 2012; Eurostat, Census2010

When compared with the average for EU-27, agricultural holdings in Serbia have a less advantageous ownership structure (Table 3 and Table 4 in the Annex). In Serbia, there is a greater abundance of holdings up to 20 hectares in size, and is even more pronounced in holdings under 10 hectares in size. Holdings working less than 20 hectares utilise 56 % of Serbia’s UAA, whilst in EU-27 they account for only 19 % of UAA. On the other hand, the largest holdings (over 100 hectares) work around 24 % of Serbia’s UAA, while in EU-27 these holdings make up over 50 % of UAA. The average UAA per holding in Serbia is 5.4 hectares, which is around 2.6 times lower than the EU-27 average (14.4 hectares) (Table 5 in the Annex).

In addition to a small average farm size, the limiting factor to a more efficient use of land is plot fragmentation. On average, holdings in Serbia work 6 plots (Table 6 in the Annex).

Farm structure by livestock unit

According to the census, 77.5 % of agricultural holdings in Serbia raise cattle. The Šumadija region and Western Serbia have the highest number of livestock units (approx. 40 %), followed by Vojvodina (approx. 34 %), Southern and Eastern Serbia (approx. 21 %) and the Belgrade region (approx. 5 %) (Table 7 in the Annex).

Table 4: Farm structure in Serbia by livestock unit, 2012

	Holdings		Livestock unit (LU)	
	Number	%	Number	%
Total	631,552	100.0		
With no livestock	142,188	22.5		
With livestock	489,364	100.0	2,019,889	100.0
1-4 LU	391,468	80.0	700,981	34.7
5-9 LU	67,063	13.7	388,149	19.2
10-14 LU	16,169	3.3	174,070	8.6
15-19 LU	5,897	1.2	92,048	4.6
20-49 LU	6,904	1.4	191,061	9.5
50-99 LU	1,200	0.2	79,360	3.9
100-499 LU	522	0.1	94,731	4.7
500 LU or more	141	0.0	299,489	14.8

Source: SORS, Census of Agriculture 2012

The majority of holdings raising cattle – as many as 80 % of them – have up to 5 livestock units. In other words, around 35 % of the total number of livestock units is concentrated on these farms. These are followed by holdings with 5-10 livestock units (with around 14 % share), owning around 19 % of the total number of livestock units in Serbia. Holdings with over 50 livestock units make up only 0.3 % of the total number of holdings, i.e. almost one quarter (23.4 %) of the total number of livestock units. Most of the holdings with a small number of livestock units are in Šumadija and Western Serbia, whilst over a half of holdings in Vojvodina have a large number of livestock units (50 or more).

Holdings raising cattle have an average of 4.1 livestock units, or one-fifth of the EU-27 average (20 head per cattle rearing holding). In EU-27, holdings with over 50 head of cattle make up 8 % of the total number of holdings, and they raise over 78 % of livestock units in the EU-27.

Farm labour force

According to the Census of Agriculture 2012, the Serbian agricultural sector employs 1.4 million people. The farming labour force consists mostly (up to 98 %) of farm owners and members of their households.

Table 5: Agricultural labour force in Serbia, 2012

	People		Work Units (AWU)	
	Number	%	Number	%
Total labour force	1,442,628	100.0	646,283	100.0
Family labour force (holding members)	1,414,564	98.1	587,334	90.9
Farm holders	617,365	42.8	283,552	43.9
Other family members	797,199	55.3	303,782	47.0
Permanently employed labour force on agricultural holdings	28,064	1.9	24,515	3.8
On family holdings	1,785	0.1	1,291	0.2
On legal persons' and entrepreneurs' holdings	26,279	1.8	23,224	3.6
Seasonal labour force on agricultural holdings			33,105	5.1

On family holdings			28,796	4.4
On legal persons' and entrepreneurs' holdings			4,309	0.7
Contractual labour force on agricultural holdings			1329	0.2
On family holdings			633	0.1
On legal persons' and entrepreneurs' holdings			696	0.1
Total on family holdings	1,416,349	98.2	618,054	95.6
Total on legal persons' and entrepreneurs' holdings	26,279	1.8	28,229	4.4

Source: SORS, Census of Agriculture 2012

The total number of annual work units (AWU – corresponds to the work performed by one person working on an agricultural holding on a full-time basis for one year) in 2012 was 646,283. The family labour force accounts for the largest part of AWU, around 91 %. Permanently employed workers make up 3.8 % whilst seasonal and part-time workers account for 5.1 % of total labour expressed in AWU.

The number of annual work units per agricultural holding in Serbia is 1.02, or around 20 % more than the EU-27 average, where an average holding uses 0.81 AWU. The existing agrarian structure is reflected significantly in work productivity, which is lower than the EU-27 average. In EU-27 countries a person employed full-time works 16.7 hectares of farmland, compared to 5.3 hectares in Serbia 5.3.

In regional terms, the best ratio of labour force and UAA is in Vojvodina, where UAA per AWU is around 11 hectares. On the other hand, the lowest work productivity is in Southern and Eastern Serbia (4 hectares of UAA per AWU).

Framework 2: Farm labour force

The farm labour force survey has been riddled with problems because the sector is dominated by family holdings where labour is provided by the holding members and spread unevenly throughout the year. In addition, holding members do not get paid for their work but share the income, which makes it hard to determine the number of working hours and to keep records of working hours spent on part-time activities on the holding. Due to the specific nature and seasonality of agricultural production, many workers are engaged for relatively short periods of time. The fact that seasonal workers in agriculture are often not registered with local authorities renders the records of the total agricultural labour force unreliable. The issue of keeping records of the labour force is additionally complicated by various methodological approaches to defining labour force based on the number of employees, number of working days or hours, or annual work units.

*An **annual work unit** is a unit of measurement for the amount of work performed by one person in an agricultural activity on an agricultural holding. AWU corresponds to the work performed by one person who is occupied on an agricultural holding on a full-time basis for one year, i.e. eight hours a day, 225 working days a year.*

Definitions and explanations of certain agricultural labour force terminology:

- *Holder of a family holding – a natural person who is economically and legally responsible for the operation of the farm, on whose account and in whose name the holding is operated, i.e. a person who takes labour risks.*
- *Manager of the agricultural holding – a natural person who makes the day-to-day decisions and organises the production routines of the holding. This can be a production manager or, where various aspects of agricultural production are managed by more than one manager, a person responsible for the organisation of the entire agricultural production on the holding. There can only be one manager on a holding.*
- *Permanent employees on the agricultural holding – all persons who regularly work on the holding and who receive compensation for their work, either in money or in goods. They are not the sole holder's family members or relatives, regardless of whether the holding pays contributions for their engagement (i.e. whether they are registered with the relevant services or not).*
- *Seasonal workers – persons who are not members or permanent employees on the holding, who are occasionally (seasonally) engaged on it, and who receive monetary or any other compensation*

for their work, or who work for free (e.g. voluntary work, students' work on holdings, prisoners' work, any other form of unpaid labour).

- *Holding Members*– the holder of a farm who performs agricultural activity on the holding, and the sole holder's family members and relatives (spouse or partner, children, parents and family of the holder or of his/her spouse, adopted family members, siblings of the holder and of his/her spouse) who carry out farm work on the holding regardless of whether they live on it, are members of another household, or receive some sort of compensation for their work on the holding.
- *Engaged labour force* – holding members, permanent employees on the holding, seasonal labour force and contractual labour force. Measured in annual work units.
- *Contractual work* – using paid labour force, machinery and equipment of another agricultural holding, i.e. provision of services for other holdings (combine harvesting, ploughing, etc.).

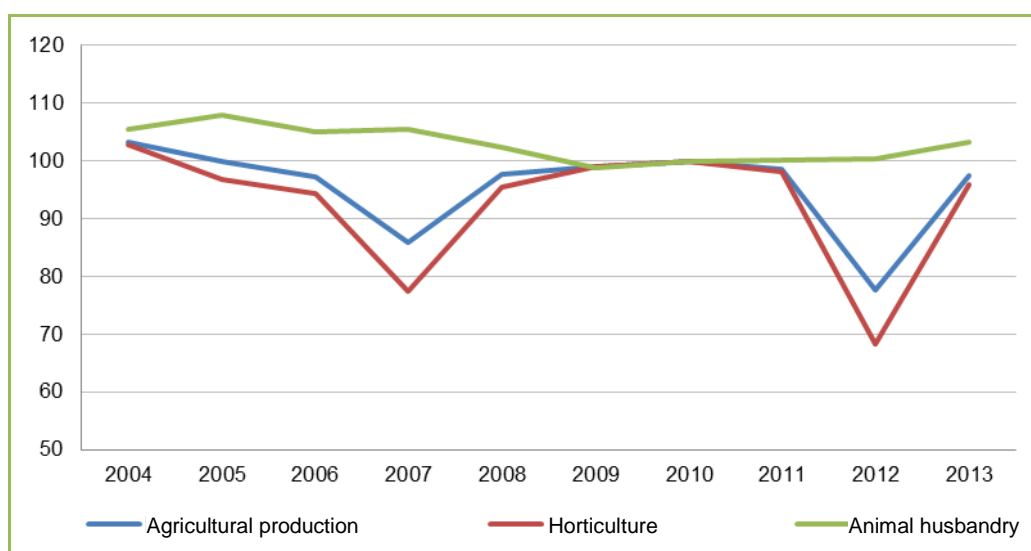
(SORS, Census of Agriculture 2012, Book 2, Belgrade 2013)

1.3 Agricultural production

1.3.1 The volume and structure of agricultural production

Agricultural production has been affected by adverse weather conditions in the past years. Fluctuations were particularly pronounced in plant production. Livestock production kept decreasing until 2009 when it stagnated, and then started to grow again last year.

The decrease in the volume of agricultural production in 2012 compared to 2011 of around 20 % was caused mainly by the decrease in plant production (Table 8 in the Annex). Poor weather conditions in 2012 caused a considerable drop in plant production – as much as 30 % – compared to 2011. Better weather conditions in 2013 aided the significant growth in plant production volume and consequently the growth of total agricultural production compared to 2012. Still, it remained below the level reached in the base year 2010. Livestock production recorded moderate growth, exceeding 2010 levels.



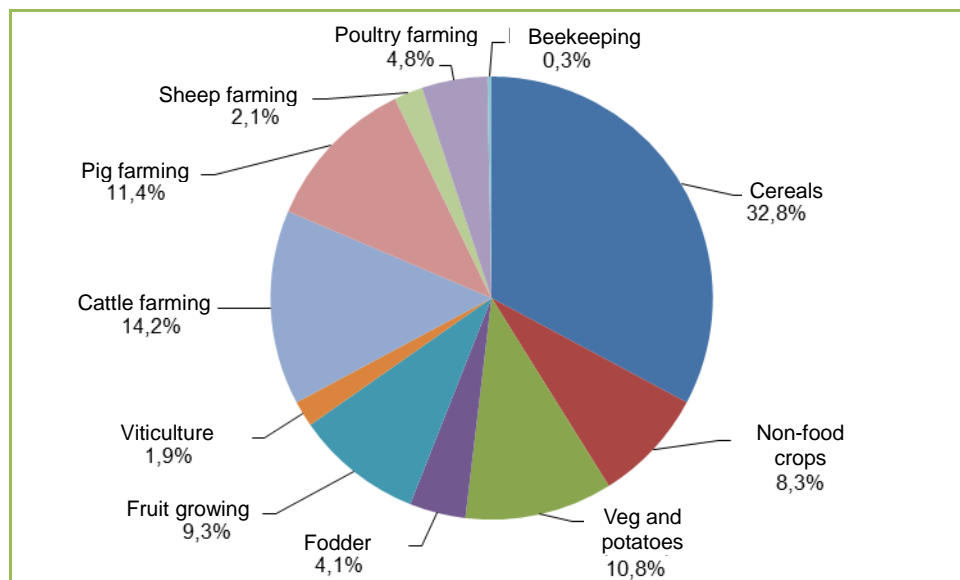
Graph 2: Agricultural production indices (2010=100), 2004-2013

Source: SORS

The value of agricultural production has been led by plant production, with a multiannual average of around 67 % (Table 9 in the Annex). Crop and vegetable production are predominant

in the plant protection structure, accounting for over one half of the value of agricultural production (averaging 56 % in 2008-2012). Fruit production accounts for 8-10 %, and viticulture for some 2 %.

As for arable crops, the highest share in the total value of agricultural production was that of cereals, accounting for around 33 % (maize 25 %, wheat around 7 %). Industrial crops have a considerable share in the total value of agricultural production (averaging 8 % in 2009-2013.). On average, the share of vegetables in recent years has remained around 8 %, whilst potatoes account for around 3 % of the total value of agricultural production.



Graph 3: Value of agricultural production (%), 2009-2013 average

Source: SORS

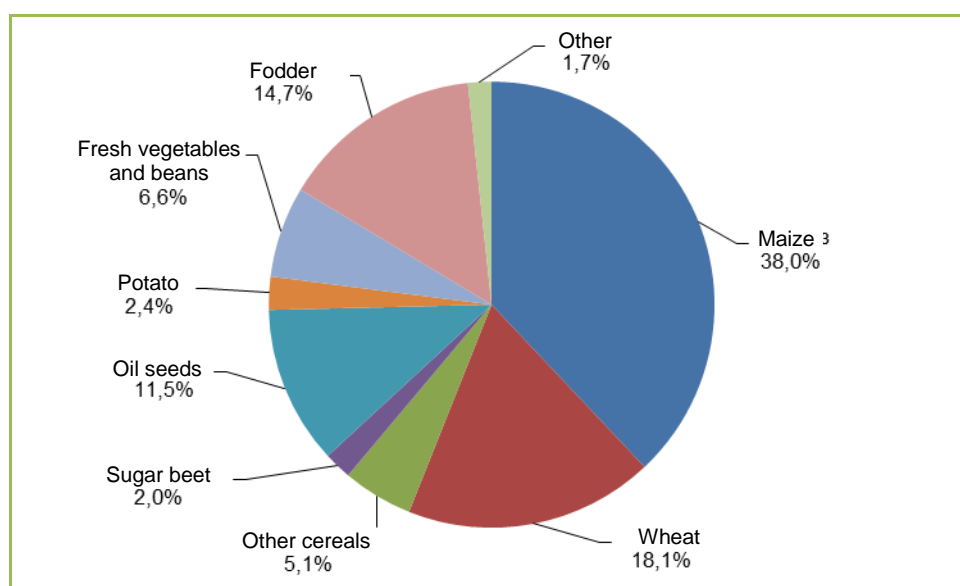
Among the livestock production, which contributes to the total agricultural production with 33 %, cattle breeding has the highest share (13-17 % in the past decade). Milk production constituted a larger percentage in the total value (7-10 %) when compared to meat production (6-8 %). Cattle breeding is followed by pig breeding, which accounted for 12 % of the value of agricultural production. Poultry production (meat and eggs) accounted for nearly 5 % of the value of agricultural production, while other livestock products played a minor role overall.

Plant production

According to regular statistic data, Serbia's total agricultural land area in 2013 was 5.1 million hectares, with no significant changes over the past 10 years. More significant changes were seen in fallow land and unutilised land as they expanded by over 37 % from 2004 to 2013 (Table 10 in the Annex). Arable land make up around 65 % of total agricultural land, permanent grassland 29 %, and land under permanent crops around 6 %.

According to the Census of Agriculture 2012, the utilised agricultural land was around 3.4 million hectares. Its structure was dominated by arable land (73 %), followed by grassland and meadows (21 %) and permanent crops (about 6 %).

Areas used in cereal production had the highest share in the structure of harvested areas (61 % in 2013), with a predominance maize and wheat. Oilseeds had a considerable share (11.5 % in 2013), followed by forage (around 15 %) and fresh vegetables and beans (around 7 %). The share of other crops in terms of area is smaller, around 2 %.



Graph 4: Structure of harvested area (%), 2013

Source: SORS

The area cultivated with cereals (around 1.9 million hectares) has remained relatively unchanged in recent years. Maize decreased in area in 2013 by 6.5 % (to 1.2 million hectares) compared to 2012, while the area under wheat expanded by around 17 % (to around 560 thousand hectares).

In 2013, areas of oilseeds occupied around 360 thousand hectares or around 4 % more than the five-year (2008-2012) average and around 6 % more compared to 2012. Sugar beet was marked by significant fluctuations. In 2013 it occupied 62 thousand hectares, which was around 5 % more than the five-year average, and around 4 % less than in 2012.

In 2013, vegetables were grown on 144 thousand hectares, whilst over 74 thousand hectares were under potatoes. These areas have decreased, with some fluctuations, in recent years. In 2013, the area cultivated with potatoes decreased by some 2 %, while areas of fresh vegetables and beans fell by around 4 % compared to 2012.

Table 6: Areas under major crops (000 hectares), 2008-2013

	2008	2009	2010	2011	2012	2013	Index 2013/12	Index 2013/Ø2008-2012
Cereals	1,930	1,950	1,873	1,904	1,896	1,908	100.6	99.9
Wheat	487	568	484	493	481	563	117.2	112.1
Maize	1,274	1,209	1,230	1,258	1,269	1,187	93.5	95.1
Other cereals	169	173	159	152	147	158	107.6	98.7
Oilseeds	350	320	352	355	338	358	105.8	104.3
Sunflower	188	157	169	174	167	188	112.7	110.0
Soya	144	144	170	165	163	160	98.2	101.6
Oilseeds rape	18	18	12	15	8	10	117.3	67.5
Sugar beet	48	61	66	56	65	62	96.4	105.3
Tobacco	7	6	6	7	6	6	98.6	97.2
Potato	81	78	77	78	75	74	97.6	94.5
Fresh vegetables and beans	161	159	157	154	150	144	96.0	161
Fodder	457	448	450	448	461	436	94.6	96.3
Fruit	271	270	270	268	267	267	100.0	99.2
Grapes	58	57	57	56	54	51	94.4	90.4

Source: SORS

Production of most crops has fluctuated in recent years due to extreme weather conditions. In 2012, draught caused a drastic drop in crop production. Thus, when weather conditions improved in 2013, overall crop production rose considerably compared to the previous year.

Crop production reached 9.1 million tons in 2013, around 55 % more than in 2012 or some 9 % more than the 2008-2012 average. Maize production, which was nearly halved in 2012 compared to 2011, rose by 66 % (to 5.9 million tons) in 2013. However, it is still 1.5 % under the 2008-2012 average. Wheat production of 2.7 million tons in 2013 was around 40 % higher than in 2012, and by nearly as much higher (37.5 %) than the five-year average. The increase in wheat production reflects the record wheat yields of 2013 (Table 14 in the Annex).

The long-term trend of growing oilseed production stopped in 2012, but continued in 2013, reaching 925 thousand tons. Oilseed production increased by over 40 % compared to 2012, or by 11 % compared to the five-year average. The most significant growth in the production of oilseeds was seen with sunflowers. In 2013 production reached 513 thousand tons, the highest it had been in the past decade (40 % higher than in 2012 and nearly 30 % higher than the five-year average). The high growth in sunflower production reflects the record sunflower yields of 2013.

Sugar beet production reached nearly 3 million tons in 2013, which was nearly 30 % more than the extremely poor year 2012 and 10 % more than the five-year average.

Production of fresh vegetables and beans, which dropped in 2012 by nearly 20 %, rose by exactly as much in 2013, attaining the five-year average for the period 2008-2012 (around 1.2 million tons). Potato production has for a long time experienced a downward trend. Although it did rise in 2013 relative to the previous year by around one third, when compared to the 2008-2012 average it was around 6 % lower.

Table 7: Major crop production (000 tons), 2008-2013

	2008	2009	2010	2011	2012	2013	Index 2013/2012	Index 2013/Ø2008-2012
Cereals	8,833	8,982	9,273	9,060	5,914	9,150	154.7	108.8
Wheat	2,095	2,068	1,630	2,076	1,911	2,690	140.8	137.5
Maize	6,158	6,396	7,207	6,480	3,533	5,864	166.0	98.5
Other cereals	580	518	436	504	470	596	126.8	118.8
Oilseeds	857	772	943	918	667	925	138.7	111.3
Sunflower	454	378	378	432	366	513	140.1	127.7
Soya	351	350	541	441	281	385	137.1	98.1
Oilseeds rape	52	44	24	45	20	27	135.0	73.0
Sugar beet	2,300	2,798	3,325	2,822	2,328	2,983	128.1	109.9
Tobacco (dry leaf)	11	10	10	10	9	10	111.1	100.0
Potato (early and late varieties)	843	898	887	891	578	767	132.7	93.6
Fresh vegetables and beans	1,286	1,320	1,327	1,283	1,047	1,274	121.6	101.7
Fodder	2,480	2,675	2,736	2,509	2,148	2,388	111.2	95.2
Fruit	1,299	1,452	1,077	1,337	925	1,533	165.7	125.8
Grapes (total)	373	431	330	325	263	320	121.7	93.0

Source: SORS

Over the past decade there have been significant fluctuations in fruit production. Due to poor weather conditions fruit production fell by nearly 30 % in 2012 compared to 2011. Good weather conditions in 2013 led to record yields in some fruit species – the highest in the past decade (plums, apples) – and increased fruit production by over 65 % relative to 2012. Fruit production in 2013 exceeded the five-year average by one quarter (around 1.2 million tons).

After a significant fall in grape production in 2012, it reached around 320 thousand tons in 2013, which was higher than in 2011 by around 22 %. However, the level of grape production in 2013 was still under the 2008-2012 average (by 7 %).

Livestock production

Annual oscillations in livestock production were more moderate than in plant production. In recent years cattle and pig breeding have shown a mild downward trend, while generally positive trends were seen in other livestock.

Cattle numbers have been falling constantly in recent years. In 2013 there were 913 thousand head of cattle, around 1 % less than the year before and 6 % less than the five-year average (2008-2012). A decline in dairy cow population was also observed as their number dropped to 429 thousand in 2013, 6 % less than the year before and 13 % less than the five-year average.

The falling trend in livestock numbers was observed in pigs as well. In 2013 their number remained at the same level as in 2012 (3.14 million head), which was 8 % lower than the five-year (2008-2012) average.

Sheep counted 1.6 million head, which was approximately the same as the year before (1 % lower). Compared to the 2008-2012 period, the head number had increased by some 5 %.

Despite significant fluctuations, an increase was recorded in poultry too.

Framework 3: Livestock production

Livestock numbers and livestock production data for the 2004-2011 period were obtained from the official annual surveys. These polls were carried out with a relatively small sample size. Since 2012, livestock numbers and livestock production have been estimated and aligned with the data obtained in the Census of Agriculture 2012, which was carried out with the entire population. Thus, due to a much larger scope of survey, the data obtained (since 2012) for some livestock species (goats, beehives) and, consequently, livestock products (honey), are much higher compared to the period until 2011. Data corrections can be expected in the upcoming period.

With practically unchanged numbers in 2013, cattle remained at the 2012 level (161 thousand tons in weight) having fallen by around 6 % compared to the five-year average (2008-2012). Pigs however saw a weight gain of around 4 % relative to 2012 (to 381 thousand tons), but this was still 2 % lower than the five-year average. The downward trend was recorded in cow's milk production too, amounting to 1.42 billion litres in 2013. Compared to 2012, it dropped by 2 %, and compared to the five-year average by around 4 %.

Table 8: Livestock numbers and main livestock production, 2008-2013

	2008	2009	2010	2011	2012	2013	Index 2013/2012	Index 2013/Ø2008-12
Head (as at 1 December, 000)								
Cattle (total)	1,057	1,002	938	937	921	913	99.1	94.0
of which cows	578	548	530	510	480	451	94.0	85.2
of which dairy cows	542	501	482	477	455	429	94.3	87.3
Pigs (total)	3,594	3,631	3,489	3,287	3,139	3,144	100.2	91.7
Sheep	1,605	1,504	1,475	1,460	1,635	1,616	98.8	105.2
Poultry (total)	17,188	22,821	20,156	19,103	24,175	23,450	97.0	113.3
Production								
Live weight gain (000 t)*								
Cattle	187	177	167	165	161	161	100.1	94.0
Pigs	402	386	399	393	368	381	103.6	97.9
Sheep	44	43	44	46	54	61	112.1	131.0

Poultry	106	116	120	140	140	128	91.1	102.6
Cows' milk (mil. litres)	1,534	1,478	1,462	1,434	1,442	1,418	98.3	96.4
Eggs (mil.)	1,204	1,026	1,219	1,219	1,387	1,755	126.6	144.9
Honey (000 t)	2.6	4.6	4.5	4.3	6.7	8.6	127.7	

* Previous data on 2013

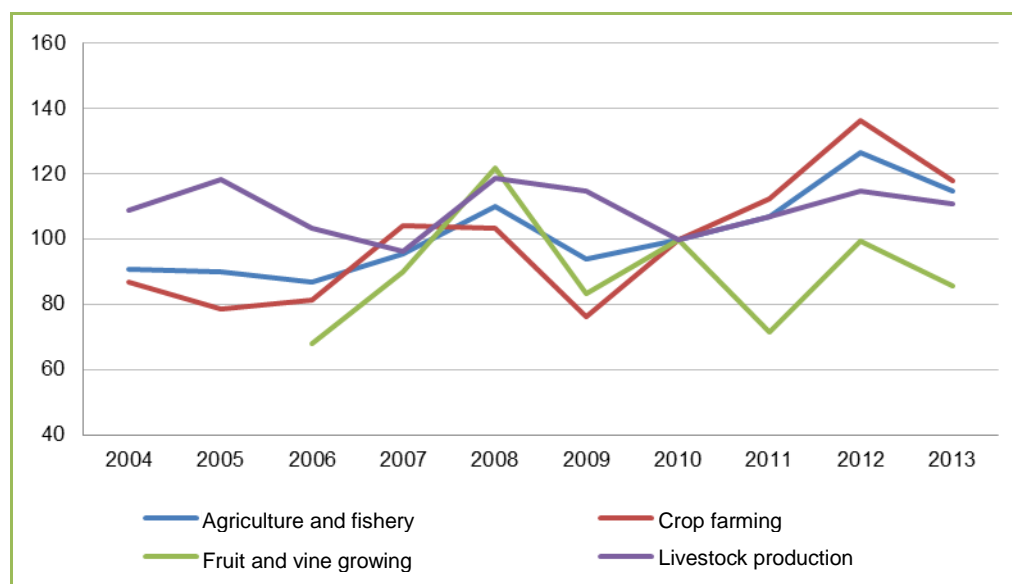
Source: SORS

Weight gain in reached 61 thousand tons in 2013, i.e. which is an increase of around 12 % compared to 2012 and by 31 % compared to the 2008-2012 average. In 2013, weight gain in poultry (128 thousand tons) was 9 % under the 2012 level, but it still remained 3 % above the five-year average (2008-2012). The greatest increase in production in 2013 was recorded in the production of eggs, which reached the highest level it had in 10 years (1.7 billion eggs).

1.3.2 Prices of agricultural products

The prices of agricultural products have fluctuated significantly in Serbia over the past ten years. There were fluctuations in the prices of livestock, fruit and viticulture products, but without a pronounced trend. However, in addition to these fluctuations there has been an upward trend in real prices. Rising prices of arable crops resulted in a mild upward trend in the prices of agricultural products at the aggregate level. In 2013, the prices of agricultural products fell compared to 2012, but in real terms their level remained above the 2010 level. The exceptions were the prices of fruit and viticulture products, which in 2013 not only did not exceed 2010 prices, but were far below them (by around 15 %).

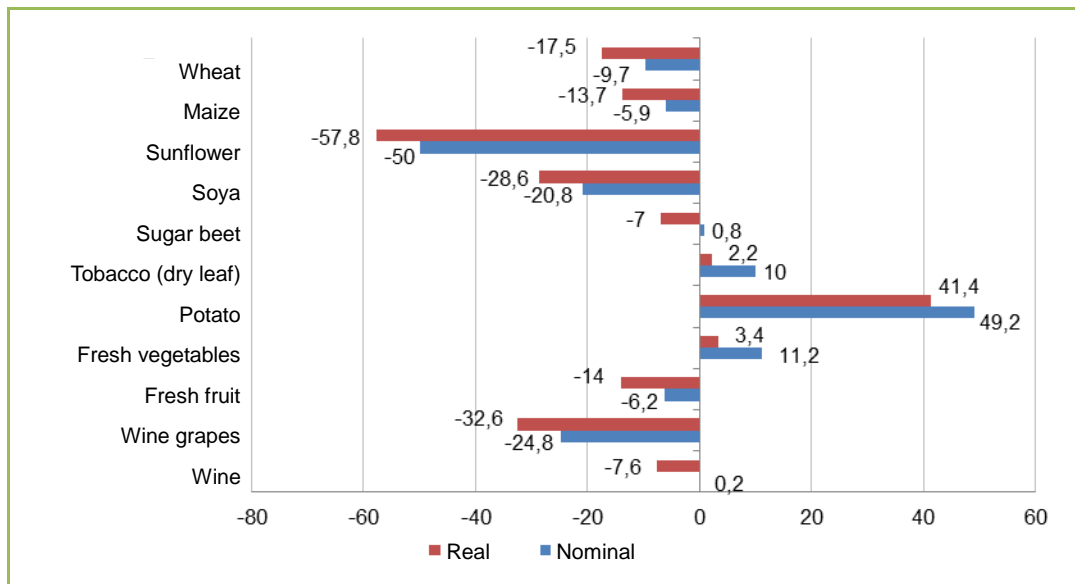
In total, the prices of agricultural products in 2013 were nominally lower by 1.3 % (in real terms by 9.1 %) compared to 2012. Prices of arable crops dropped nominally by 5.7 % (in real terms by 13.5 %), prices of fruit and viticulture products fell by 6.2 % (in real terms by 14 %), whilst prices of livestock products went up by 4.6 % (in real terms they dropped by 3.2 %).



Graph 5: Price indices for agricultural products (in real terms, 2010=100), 2004-2013

Source: SORS

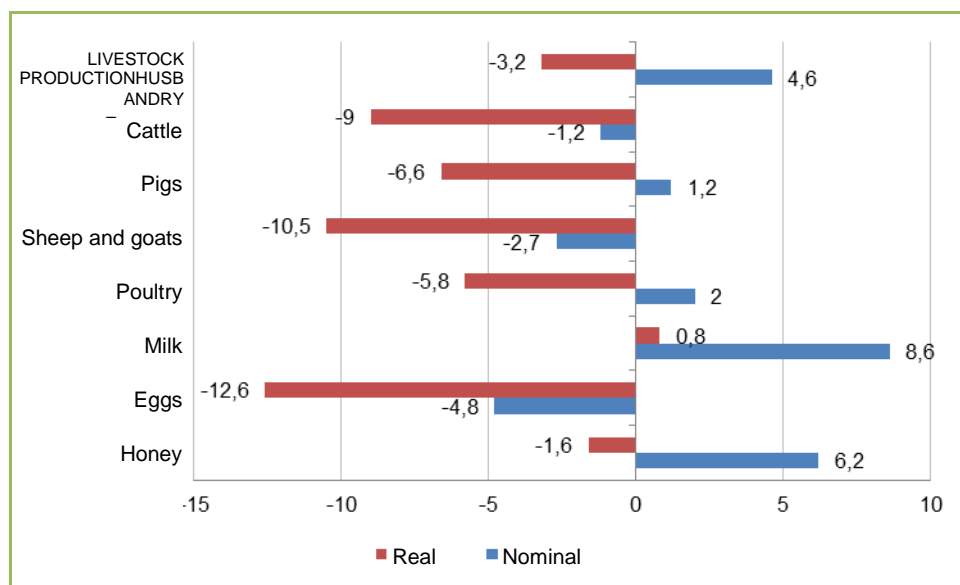
As far as crops are concerned, the most significant price decrease in 2013 compared to 2012 was the decrease in the price of oilseeds (sunflower and soya) and wine grapes, which, incidentally, recorded the highest price growth in 2012. In contrast, the highest price increase in 2013 compared to 2012 was the increase in the price of potatoes.



Graph 6: Changes in crop prices in 2013/2012 (nominally and in real terms, %)

Source: SORS

In the field of livestock production, milk recorded the most significant price increase in 2013 (compared to 2012). In contrast, egg prices, which rose significantly in 2012, fell considerably in 2013.



Graph 7: Changes in livestock product prices 2013/2012 (nominally and in real terms, %)

Source: SORS

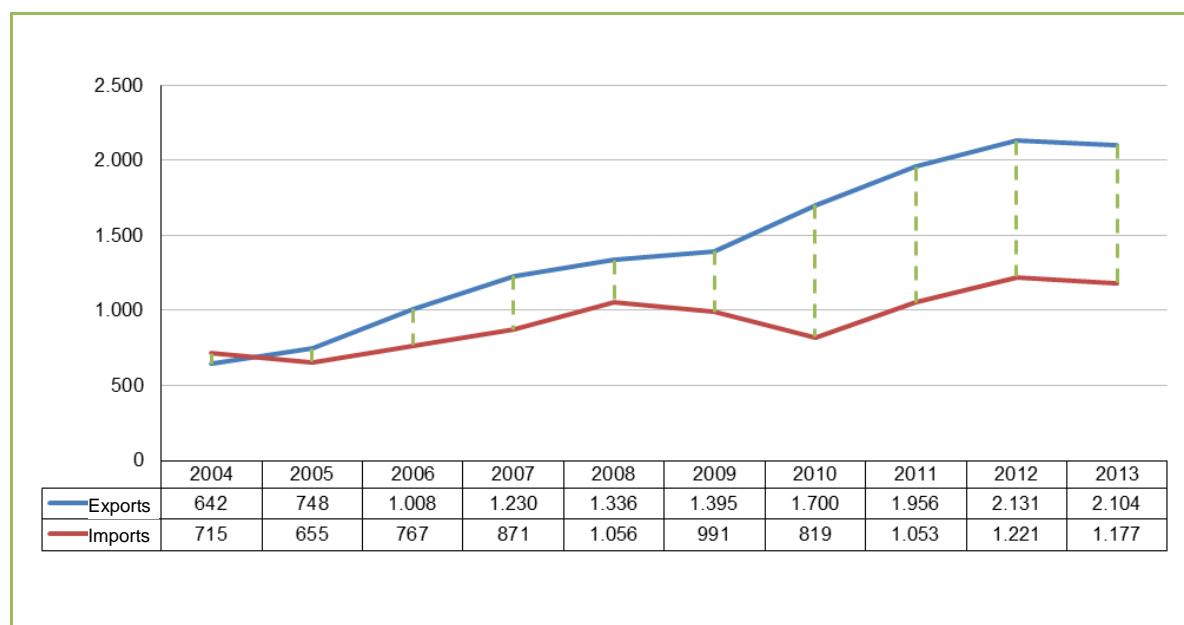
2 FOREIGN TRADE IN FOOD AND AGRICULTURAL PRODUCTS

2.1 Total foreign trade

Foreign trade in food and agricultural products² has been growing constantly. More significant growth in foreign trade was seen in 2006, but it peaked in 2012.

Foreign trade in food and agricultural products in 2013 remained at the 2012 level, amounting to 3.3 billion euros (the value of exports was 2.1 billion euros, whilst the value of imports was 1.2 billion euros). Compared to 2004, the value of exports of food and agricultural products increased 3.3 times, whilst the value of imports increased 1.7 times.

When it comes to food and agricultural products, Serbia has had a positive foreign trade balance since 2005. It peaked in 2013, amounting to 927.1 million euros, which was 2 % higher than the surplus in 2012. The coverage of imports by food and agricultural product exports was 175 % in 2013.



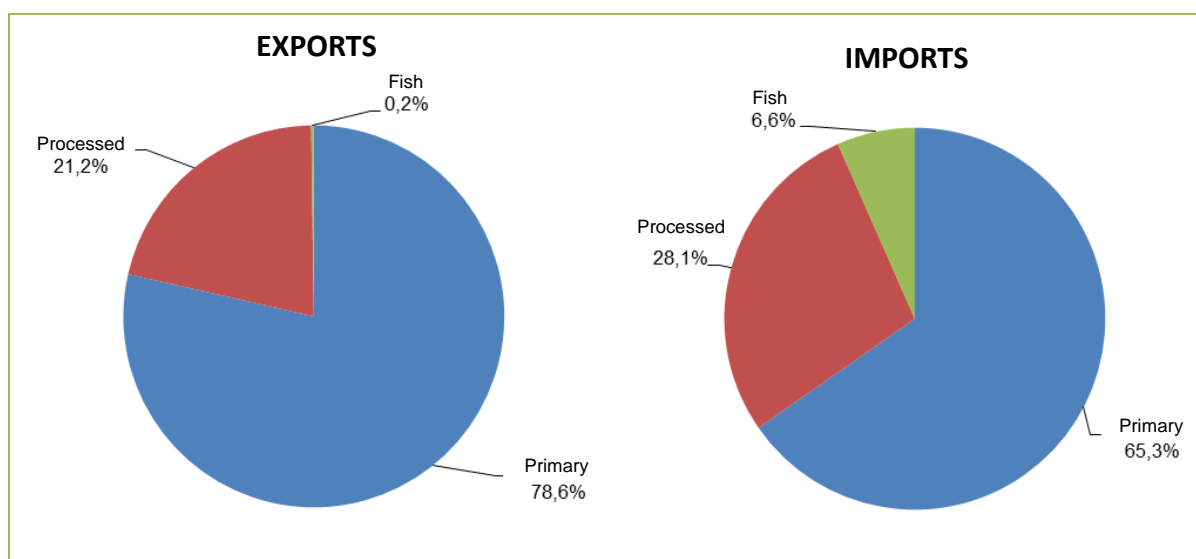
Graph 8: Serbia's foreign trade in agriculture (mil. EUR), 2004-2013

Source: SORS, processed by MAEP

A deficit decrease in agriculture has been present since 2001 and was caused by several factors. The main one was Serbia's preferential status, received from the European Union in November 2000. According to this agreement, exports of Serbian food and agricultural products (with the exception of some fish, wine and cheese varieties) were exempt from all duties when imported into the EU. Another important factor in this was the bilateral free trade agreements that Serbia had signed with the countries in the region (Bosnia and Herzegovina, Macedonia, Croatia, Albania, Moldova, Bulgaria and Romania). In 2006, Serbia replaced existing bilateral agreements with the Central European Free Trade Agreement (CEFTA). Furthermore, Serbia has the rare privilege in the region to enjoy free trade with the Russian Federation. The United States of America approved a general preference system in 2005, allowing Serbian food and agricultural products free access to the US market.

² The data on foreign trade in food and agricultural products are based on product classification according to the Combined Nomenclature (CN).

Trade in agricultural and fishery products is mostly based on trade in primary agricultural products, which account for roughly 79 % of exports and 65 % of imports.



Graph 9: Share of certain product groups in the trade (%), 2009-2013 average

Source: SORS, processed by MAEP

2.2 Top Trading Products

As regards the main groups of food and agricultural products, exports in 2013 were dominated by cereals (17.3 %), followed by fruit (17.1 %), various beverages (7.8 %), animal or vegetable fats and oils (7.1 %), sugars and sugar confectionery (6.9 %), miscellaneous edible preparations (5.1 %), etc. In 2013, the top six tariff headings accounted for 61.2 % of the total value of exports of food and agricultural products.

After being the product with the highest export value in previous years, the value of maize exports plummeted in 2013 (by 71.7 %). This massive drop is attributable to adverse weather conditions in 2012, resulting in significantly lower yields and poorer grain quality. The exports of wheat, however, increased three-fold, making wheat the highest ranking export in 2013 with a 7 % share in total exports. Following closely was refined white sugar (6.1 %), and then maize (5.6 %), frozen raspberries (3.9 %), refined sunflower-seed oil (3.1 %), etc. In 2013, the share of top 10 products by export value in the total value of exports of food and agricultural products was 36.1 %.

Table 9: Overview of top exported products by tariff heading (000 EUR), 2012/2013

Heading	Name	2012		2013	
		Value	Share (%)	Value	Share (%)
10	Cereals	521,934	24.5	364,459	17.3
	Other wheat, wheat and meslin, except of seed quality	39,102	1.8	148,180	7.0
	Maize (corn), except of seed quality	416,665	19.7	117,999	5.6
08	Fruit	289,775	13.6	359,937	17.1
	Frozen raspberries	105,295	4.9	140,981	6.7
	Frozen sour cherries, not containing added sugar	37,759	1.8	36,970	1.8
22	Beverages, spirits and vinegar	167,633	7.9	162,765	7.7
	Non-alcoholic beverages, aerated, without milk or milk fat, other	41,603	2.0	43,516	2.1
	Beer made from malt, in containers holding u10 litres or less	40,784	1.9	38,665	1.8
15	Animal or vegetable fats and oils	159,881	7.5	148,928	7.1
	Edible sunflower-seed oil, other, for other uses	71,316	3.4	65,620	3.1
	Sunflower-seed oil, crude, for other uses	11,264	0.5	42,103	2.0
17	Sugars and sugar confectionary	141,644	6.6	144,402	6.9
	Cane or beet sugar, in solid form	126,370	6.0	128,000	6.1
21	Miscellaneous edible preparations	78,912	3.7	106,461	5.1
	Protein concentrates containing no milk fat	14,654	0.7	21,956	1.1
Total Top 6 Tariff Headings		1,359,779	63.8	1,286,952	61.2
Total Top 10 Products		904,812	42.4	783,990	37.3
Total exports		2,131,454	100.0	2,104,364	100.0

Source: SORS, processed by MAEP

Imports in 2013 were dominated by fruit (11.4 %), miscellaneous edible preparations (8.5 %), tobacco and tobacco products (8 %), fodder (6 %), coffee, tea and spices (5.9 %), etc. In 2013, the top six tariff headings constituted 45.5% of the total value of imports of food and agricultural products.

Table 10: Overview of top imported products by tariff heading (000 EUR); 2012/2013

Heading	Name	2012		2013	
		Value	Share (%)	Value	Share (%)
08	Fruit	136,896	11.2	133,783	11.4
21	Miscellaneous edible preparations	97,841	8.0	100,224	8.5
24	Tobacco and tobacco products	80,199	6.6	95,215	8.1
23	Fodder	46,829	3.8	69,681	5.9
09	Coffee, tea, maté and spices	88,063	7.2	69,359	5.9
18	Chocolate and cocoa	60,939	5.0	67,937	5.8
Total Top 6 Tariff Headings		510,767	41.8	536,199	45.5
Total Imports		1,221,015	100.0	1,177,311	100.0

Source: SORS, processed by MAEP

Such a foreign trade ratio indicates far more diverse imports than exports of agricultural products, as single products have a much smaller share in the imports.

Wheat, fruit, animal or vegetable fats and oils, sugars and sugar confectioneries saw the greatest trade surplus.

The observed indicators point to the fact that the agricultural sector focuses on exporting certain groups of products that have been successful on the international market for a long time, which may be an indicator of their competitiveness in the global market.

On the other hand, imports were dominated by a large number of products, most of which were not manufactured in Serbia.

2.3 Top Trading Partners

Sorted from largest to smallest, Serbia's principal trade destinations (relevant markets) in 2013 were: the European Union³, which receives one half (52.5 %) of the nation's total exports of food and agricultural products; the CEFTA market with 34 %; around 13 % to other markets.

That same year imports from the European Union made up around 60 % of the total imports of food and agricultural products, whilst the share of imports from the CEFTA market was approximately 13 %. Imports from other markets made up 27 % of the total imports of food and agricultural products. The importance of Russia as a trade partner is growing. With the creation of the Russia, Belarus and Kazakhstan Customs Union, this region has gained additional importance.

Due the vicinity of the markets and traditional links between the countries, Southeast Europe (CEFTA countries) is a very important market for Serbian agricultural products. The total value of exports in 2013 was 722.6 million euros – a decrease of 11.5 % compared to 2012, whilst the total value of imports in the same period was around 151.2 million euros or 38.5 % less than in 2012. There was a surplus in the value of foreign trade of around 571.3 million euros, the same as in 2012. This drop in foreign trade with the CEFTA partners was not due to worsened trade relations, but because Croatia had become an EU Member State and left the CEFTA partnership.

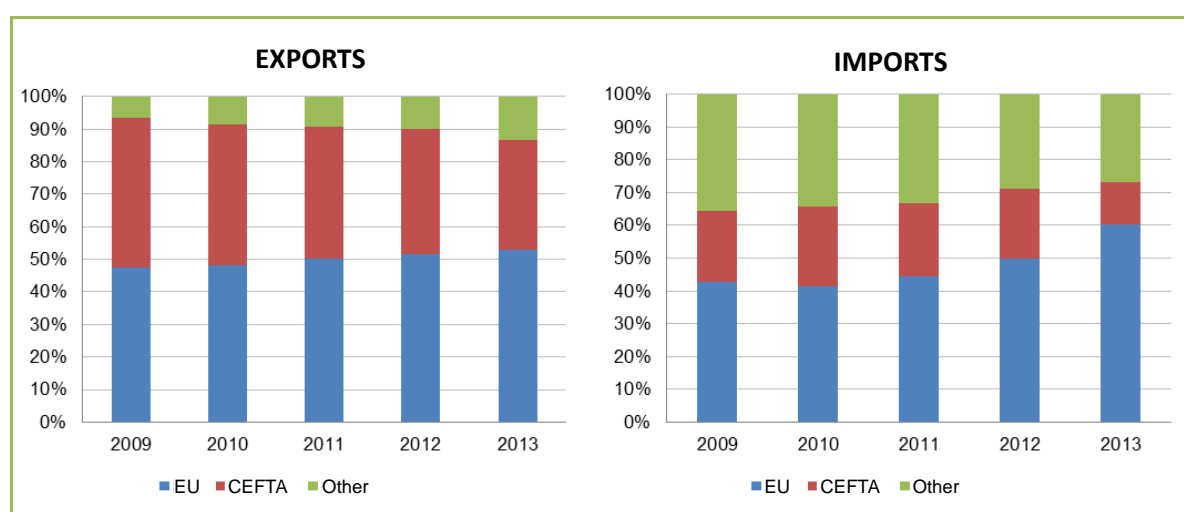
Of the CEFTA countries, Serbia exports most to Bosnia and Herzegovina (around one quarter of the value of exports), followed by Macedonia (around 8 %) and Montenegro.

The most imports came from Macedonia (5.3–7.2 %).

Exports to the European Union saw an upward trend, reaching 1.1 billion euros in 2013 - almost as much as in 2012. Serbia exported most to Romania (maize), Germany, Italy and Greece.

Imports of food and agricultural products from the European Union also peaked in 2013, their value amounting to 704 million euros. This is an increase of 22 % compared to 2012. Serbia imported most from Germany, Italy, Hungary, Greece and Poland.

In terms of food and agricultural products, Serbia has run the greatest foreign trade surplus with Italy, Austria and Greece, and a significant deficit with Poland and the Netherlands.



Graph 10: Shares of some markets in trade (%), 2009-2013 average

³ Having become an EU Member State, Croatia was treated as part of the EU market in the foreign trade data for the entire year 2013.

Source: SORS, processed by MAEP

Serbia's exports of agriculture and fishery products to the European Union are dominated by primary agricultural products (raw materials) – around 94 %. Imports are also dominated by primary agricultural products, but much less than the exports – between 50 % and 60 %. The share of processed agricultural products (as products with great added value) in the imports is around 40 %, whilst their share in the exports is only 6 %.

Among non-EU countries, Serbia's biggest export partner is the Russian Federation, showing increased trade year after year. However, Serbia imported the most from Brazil – around 8 % (unroasted coffee beans), Argentina and Turkey (fresh fruit and vegetables). The value of exports to other markets was 277 million euros, or around 37 % more than in 2012, whilst the value of imports in 2013 was around 322 million euros, the same as in 2012. Trade balance is somewhat better than in previous years, but it is still negative with other countries, primarily because Serbia imports products from countries with which it does not have trade agreements and because it predominantly imports products that are not produced in Serbia (coffee, cocoa, bananas, etc.).

3 TRADE RELATIONS

3.1 Customs protection, trade measures, export subsidies

Customs protection

In the framework of foreign trade liberalisation, Serbia reduced customs tariffs for all types of goods in 2011, including agriculture as a whole. Under the process of liberalisation and de-regulation other important changes were made too. Import and export quotas, permits and other limitations to export and import of agricultural products were abolished.

The following three laws regulate protection of Serbia's imports of food and agricultural products:

- The Customs Tariff Law, whose integral part is the Customs Tariff, prescribes *ad valorem* customs duties for all goods, including food and agricultural products.

- The Customs Law lays down seasonal customs duties for one group of products (flowers, vegetables and fruit). These are *ad valorem* customs duties of 20 % that apply to clearly specified seasons, depending on when a particular product is widely available, and whose purpose is to provide stability for Serbian production and for the markets for these products. They include 51 *erga omnes* based tariff lines. As regards imports from the European Union, they apply to 9 tariff lines as 42 tariff lines were eliminated in the first year of application of the Interim Agreement on Trade and Trade-related Matters.

- The Law on Special Duties on the Imports of Food and Agricultural Products prescribes special customs duties (specific duties) on the imports of certain food and agricultural products. Specific duties are prescribed under a Serbian Government decision. They are determined in the absolute amounts, in dinars per measurement unit. Significant corrections were made to these specific duties in 2003 and since then they have not changed. Specific duties on the imports from the European Union were reduced for certain groups of products as from 2005.

All three forms of customs protection are applied using the Most Favourable Nations (MFN) principle, in accordance with the Customs Tariff Law and with the Harmonised System of Names and Codes.

Trade measures

Preferential tariff quotas, which Serbia applies in accordance with free trade agreements, are mostly applied on a 'first-come, first-served' basis. This method is transparent and does not require any administration. A record is kept of used quotas and they are written off when customs are being collected, referencing the relevant free trade agreement, and automatically updated. This model of quota distribution applies to preferential tariff quotas under all free trade agreements, and to the preferential quota for the imports of wine from the European Union under the Interim Agreement on Trade and Trade-related Matters signed by Serbia and the European Union.

Export subsidies

Annual government regulations on subsidies for the producers of food and agricultural products lay down export subsidies in agriculture. Subsidies by product group went from 5 % to 20 % of the export price, depending on the product. At the request of the Member States of the World Trade Organisation (WTO), and as part of its accession process to the WTO, Serbia abolished export subsidies in agriculture in 2011.

3.2 Free Trade Agreements

3.2.1 Stabilisation and Association Agreement (SAA)

The implementation of the Interim Agreement on Trade and Trade-related Issues between Serbia and the EU was begun unilaterally by Serbia on 29 January 2009. It brought with it the liberalisation of customs duties on imports of food and agricultural products and fish and fishery products, and the use of the EU's preferential tariff quotas for Serbia came into force at the same time. Serbia was given preferential tariff quotas for:

- Beef: 8,700 tons per preferential customs duty (20 % of the customs duties that apply in the EU);
- Sugar: 180,000 tons, duty-free (zero-rated);
- Wine: 63,000 hectolitres, duty-free, on condition that Serbia does not pay export subsidies on this quantity of wine;
- Carp: 60 tons, duty-free;
- Trout: 15 tons, duty-free.

Although the European Union started implementing the Interim Agreement in 2010, 2009 is considered to be the year when implementation of the Agreement commenced on both sides, as the EU had abolished customs duties on the imports from Serbia as long ago as 2000.

During the interim five-year period, trade in food and agricultural products with the European Union was largely liberalized. The last transitional year for primary agricultural products (AGRI) is 2014, whilst for processed agricultural products (PAPs) and concessions for fishery products it was 2013. Average protection for imports from the European Union for agriculture as a whole went down from the initial 23.2 % to only 3 % (approx.) at the end of the transition period. In terms of import volume, 75 % of trade was completely liberalized. Tariffs were reduced to 10-20 % of the current MFN tariffs for some 15 % of the trade, whilst the MFN

tariffs were kept for 12 % of the trade even after the transition period was over (sunflower-seed refined oil, sugar, tobacco and cigarettes). Having been ratified by all EU Member States in 2013, the Stabilization and Association Agreement entered into force on 1 September. Its implementation is one of the criteria for the assessment of Serbia's progress in the EU membership negotiations. When the SAA entered into effect Serbia became an EU-associated country – the closest relationship a non-Member State can have with the European Union.

3.2.2 Central European Free Trade Agreement (CEFTA)

The Central European Free Trade Agreement – CEFTA 2006 was signed in Bucharest by Albania, Bosnia and Herzegovina, Croatia, Macedonia, Moldova, Serbia, Montenegro and UNMIK/Kosovo in December 2006. A set of bilateral agreements was replaced by one multilateral regional free trade agreement, which included Montenegro, a newly established independent state, and UNMIK/Kosovo, a separate customs territory within Serbia. In accordance with the provision of CEFTA's Article 10 paragraph 3, liberalisation of trade in food and agricultural products continued under the CEFTA partnership. Serbia, Moldova and Albania agreed to fully liberalise mutual trade in food and agricultural products. Serbia and Croatia further liberalised existing concessions on food and agricultural products, and it has been implemented since 15 December 2011. On 1 July 2013 Croatia became an EU Member State and as of that date CEFTA provisions stopped applying to it. Since that date, Serbia has enjoyed fully liberalised trade with all CEFTA signatories.

3.2.3 Other bilateral free trade agreements

Free Trade Agreement with Russia

The FTA with Russia was signed in August 2000 and ratified in May 2001. Concessions on agriculture are not reciprocal, benefiting the Russian side. The list of products excluded from the Free Trade Agreement is revised annually. Further liberalisation was arranged in early 2009 and became effective in April 2009. In accordance with this arrangement, the following (groups of) products were exempt from customs: sausages, sugar confectioneries (including white chocolate), chocolate and other foodstuffs containing cocoa, apple juice, beer, and other wines made from fresh grapes. Customs were still to be paid on the following goods from Serbia: poultry meat, starch, inulin, white sugar, glucose syrup, sparkly wines, denatured and undenatured ethanol, rakija, liquors and other spirits (crude distillates, cognac, Armagnac, brandy (*Brandy de Jerez* and liquors)), cigars, cigarillos and cigarettes.

Free Trade Agreement with Belarus

The FTA with Belarus was signed in Minsk in late March 2009, effective as of the date of signature. The National Assembly of the Republic of Serbia ratified it in December 2009. The concessions on agriculture that were mutually approved by each signatory are fully reciprocal. The FTA is accompanied by 'negative lists' too, which means that total trade is liberalised but the trade under tariff lines listed in relevant annexes is not. Only three groups of products are exempt from the free trade regime: sugar, spirits and cigarettes. To make a unified list of exemptions when exporting to the newly-established Eurasian Customs Union (Customs Union of Russia, Belarus and Kazakhstan), Serbia signed an additional protocol which has been in force since August 2011.

Free Trade Agreement with Kazakhstan

The FTA with Kazakhstan was signed with the goal of improving trade conditions between Serbia and the Customs Union of Russia, Belarus and Kazakhstan, and it entered into force on 1

January 2011. The following agricultural products are exempt from the free trade regime (for both parties): certain cheeses, white sugar, denatured and undenatured ethanol, rakija, liquors and other spirits, cigars, cigarillos and cigarettes.

Free Trade Agreement with Turkey

The FTA with Turkey was signed in Istanbul in June 2009, ratified in December 2009 and implemented in October 2010. The liberalisation of trade in food and agricultural products, unlike that of industrial products, is not comprehensive. Turkey and Serbia exchanged mutual concessions for certain products in the form of tariff quotas. The (groups of) products included in trade liberalisation are either fish or of plant origin. Products of animal origin are completely exempt from liberalisation. Concessions on agriculture were approved under preferential tariffs for a total of 68 (groups of) products. The parties started to negotiate further liberalisation in trade in food and agricultural products in early 2012.

European Free Trade Agreement (EFTA)

The FTA was signed with the EFTA states in December 2009. It entered into force in 2010 and 2011, depending on when it was ratified by the parties. As the EFTA states do not have a common agricultural policy, concessions on main agricultural products were negotiated bilaterally, with each country individually. The agreements have two lists of mutually approved concessions on agricultural products.

Unlike concessions on primary agricultural products, concessions on processed agricultural products and fish and fishery products are common for three countries. The best access to the EFTA market is given to agricultural products from the EU. In this regard, Serbia has the same treatment as an EU member. Fish and fishery products from the EU have almost completely free access to the EFTA market (non-reciprocal), and Serbia has given EFTA Member States the same treatment for fish and fishery products as the EU has under the SAA.

The EFTA members do not have a customs union but they do have a free trade zone, so each country has its own MFN tariffs for the third countries. This is why each EFTA member had to give concessions on processed agricultural products from Serbia individually. Concessions given by Serbia to the EFTA Member States correspond to those that the EU has under the SAA for the second or third year of implementation, depending on the product and interests of the parties.

Serbia's accession to the World Trade Organisation

Serbia's accession to the World Trade Organisation will be finalised soon. During the accession process, the entire system customs protection was consolidated, the bound rate at date of accession and final bound rate were determined, with the specific tariffs expressed in EUR/unit of measurement. In this way the customs protection of Serbian agriculture will become predictable and transparent, without the possibility to increase customs tariffs under national laws.

4 AGRICULTURAL POLICY

4.1 Agricultural policy framework

Serbian agricultural policy is based on several laws whose implementation provides smooth application of agricultural and rural development subsidies.

The Law on Subsidies in Agriculture and Rural Development was adopted in early 2013⁴. It created conditions for a consistent and predictable agricultural policy in the long term. The Law defines the types of agricultural and rural development subsidies, subsidy eligibility requirements and use of subsidies, and minimum amounts per subsidy.

The Law on Subsidies in Agriculture and Rural Development is a basis for numerous rulebooks that further define requirements for the realisation of subsidies, the application procedure and the templates for application forms.

The Law also prescribes the adoption of annual regulations on the allocation of subsidies in agriculture and rural development. They would define the amount of the funds, the types of subsidies and maximum amounts per subsidy for the current year.

The Strategy on Agriculture and Rural Development for 2014-2024 has been adopted and came into force. It defines the course of Serbian agricultural and rural development over the next ten-year period. During the drafting of the strategy the European integration process and the need to adjust to the European legislation were taken into consideration, and so was the development course of the EU's Common Agricultural Policy (CAP) in 2014-2020, bearing in mind the specific characteristics of our country and agriculture.

The Strategy on Agriculture and Rural Development for 2014-2024 is a basis for the adoption of the National Programme for Agriculture and Rural Development for 2015-2020. The programme will define the course of mid-term development and specify how the agricultural and rural development subsidies are to be implemented. The document will be aligned with the strategic framework of the EU CAP for 2014-2020.

4.2 National agricultural policy measures

The Law on Subsidies in Agriculture and Rural Development allows for the following subsidies: direct payments, rural development measures and specific subsidies.

Table 11: Subsidies in agriculture and rural development in 2013

DIRECT PAYMENTS	RURAL DEVELOPMENT	SPECIFIC SUBSIDIES
<ol style="list-style-type: none">1. Milk premium2. Basic subsidies on horticulture3. Subsidies on quality breeding stock4. Subsidies on steer/heifer, lamb and pig fattening5. Subsidies on nurse cows6. Subsidies on beehives7. Subsidies on edible fish farming8. Input subsidy on fuel9. Input subsidy on the crop, fruit crop, permanent crop, nursery and animal insurance premiums10. Input subsidy on the cost of	<ol style="list-style-type: none">1. Assistance for investing in agriculture to improve competitiveness and achieve quality standards<ul style="list-style-type: none">- Investing in agricultural production- Investing in agricultural product processing and in marketing2. Assistance for sustainable rural development<ul style="list-style-type: none">- Organic farming- Preservation of plant and animal genetic resources3. Assistance for rural economy diversification to improve economic activities in rural areas	<ol style="list-style-type: none">1. Subsidies for production of planting material, certification and clone selection2. Subsidies for implementation of scientific research, developmental and innovative projects in agriculture<ul style="list-style-type: none">- Measures and actions in agriculture- Improvement of professional knowledge and3. Subsidies for support of

⁴ Official Gazette of RS 10/13

storage in public storages	<ul style="list-style-type: none"> - Non-agricultural activities - Economic activities aimed to add value to agricultural products - Introduction and certification of food safety and food quality, organic products and products with geographical indication 	advisory activities in agriculture 4. Subsidies for implementation of breeding programs, in order to achieve the objectives in livestock production
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Source: Regulation on the allocation of subsidies in agriculture and rural development in 2013

Relevant rulebooks or regulations have been adopted for all the subsidies listed above. They define subsidy eligibility requirements and ways to exercise these rights.

4.2.1 Direct payments

Any legal person, entrepreneur and natural person who is the holder of a family holding is entitled to direct payments.

Milk premium

In 2013, milk premiums⁵ were calculated and paid quarterly for cows', sheep's and goats' raw milk, per litre of milk delivered in the previous quarter. To be eligible for the milk premium, the beneficiary has to deliver a minimum of 3,000 litres of cows' milk per quarter. In regions with difficult working conditions this requirement is lowered to 1,500 litres of cows' milk per quarter. The minimum milk premium in 2013 was 7 dinars per litre. The aim was to help boost milk production, to redirect trade into 'legal' processing streams (dairy farms) and to create conditions for stable production and supply.

Basic subsidies for plant production

In 2013, the minimum subsidy for plant production⁶ was 6,000 dinars per hectare. According to the rulebook, this type of subsidy could be claimed once a year and it applied to all plant species. Exempt from this subsidy were natural meadows and pastures⁷ of up to 100 hectares. The aim was to boost yields in plant production by subsidising compliance with agro technical measures.

Subsidies on quality breeding stock

Subsidies on quality breeding stock⁸ are essentially subsidies on production, calculated and paid per quality head of breeding stock (quality breeding dairy cows, quality breeding sheep and goats, quality breeding sows, parent hens (light and heavy types), parent stock turkeys, and quality female carp and trout. The rulebook prescribed registration of livestock on the agricultural holding under the supervision of legal persons authorised to perform selection (breeders' organisations) in accordance with the Law on livestock production⁹. The livestock would have to be intended for use in milk and meat production, or for reproduction on that person's farm.

In 2013, the subsidy on quality breeding dairy cows was 20,000 dinars/head, on quality breeding sheep and goats 4,000 dinars/head, on parental light type hens 100 dinars/head, on

⁵ Rulebook on the requirements, procedure and form for milk premiums, Official Gazette of RS 28/13, 36/14

⁶ Rulebook on the procedure for exercising the right to subsidies for plant production and on the related application form, Official Gazette of RS 29/13

⁷ Codebook for plant production and other purposes of plots, part of the Rulebook on registering with the Register of Agricultural Holdings and registration renewal, and on the requirements for obtaining passive status for agricultural holding, Official Gazette of RS 17/13

⁸ Rulebook on the procedure for exercising the right to livestock production subsidies on quality breeding stock, Official Gazette of RS 37/13

⁹ Official Gazette of RS 41/2009, 93/2012

parental heavy type hens 60 dinars/head, on parental turkeys 300 dinars/head, on quality female carp 500 dinars/head and on quality female trout 300 dinars/head.

The right to this subsidy on the same head of cattle could be exercised once a year. Subsidies on quality breeding stock and subsidies on nurse cows could not be claimed for the same livestock. The aim was to boost livestock production by stimulating supervised farming of breeding stock intended for further reproduction.

Subsidies on suckler cows

In 2013, subsidies on suckler cows¹⁰ were granted per feeder cow of pure breed (Hereford, Charolais, Limousin, Aberdeen-Angus, Shorthorn, Belgian Blue, Chianina, Romagnolla, Marchigiana and Blonde d'Aquitaine) belonging to a herd intended for calf breeding or for meat production.

Subsidies were to be claimed on suckler cows older than 24 months for a calendar year by 31 January next year. In 2013, the subsidy on suckler cows was 20,000 dinars/head, on condition that the beneficiary did not deliver milk from their farm for further processing for a period of 12 months. The aim was to boost the number of feeder cows, the development of the cow-calf system, and meat production.

Subsidies on cattle, lamb and pig fattening

Subsidies on cattle, lamb and pig fattening¹¹ were calculated and paid per head of cattle in a feedlot. In 2013, the subsidy on cattle fattening was 10,000 dinars/head, for lamb fattening 1,000 dinars/head, and for pig fattening 1,000 dinars/head. The subsidies were granted if the livestock was intended for meat production, regardless of whether it has been delivered to a slaughter house or is intended for export. The subsidies were granted once for the duration of the fattening period. The aim was to boost the production of beef, lamb and pork, and to stabilise the sector.

Subsidies on beehives

Subsidies on beehives¹² were granted with the aim to boost and improve honey production. In 2013, a subsidy per beehive was 500 dinars.

Subsidies on consumable fish production

Subsidies on consumable fish production¹³ were granted per kilogram of consumable fish produced and delivered for further processing. In 2013, the subsidy was 7 dinars per kilogram of delivered fish. The aim was to boost consumable fish production.

Input subsidy on fuel

The input subsidy on fuel¹⁴ granted producers purchasing for production inputs calculated per litre of purchased fuel. Registered farms were entitled to 120 litres of fuel per hectare, at 50

¹⁰ Rulebook on the procedure for exercising the right to subsidies in livestock production on suckler cows, Official Gazette of RS 57/13

¹¹ Rulebook on the procedure for exercising the right to subsidies in livestock production on cattle, pig and lamb fattening, Official Gazette of RS 37/13

¹² Rulebook on the procedure for exercising the right to subsidies in livestock production per beehive, Official Gazette of RS 60/13

¹³ Rulebook on the procedure for exercising the right to subsidies in livestock production on consumable fish production, Official Gazette of RS 61/13

¹⁴ Rulebook on the requirements, procedure and claim form template for input subsidy on fuel, Official Gazette of RS 24/13, 67/13

dinars per litre of fuel (provided they had met legal requirements). The aim was to help reduce the price of products by reducing variable costs. On the one hand, this would enable competitive pricing on the market and increase producers' income on the other.

Input subsidy on the crop, fruit crop, perennial crop, nursery and animal insurance premiums

The total input subsidy on the crop, fruit crop, perennial crop, nursery and animal insurance premiums¹⁵ was 40 % of the paid insurance premium. The aim was to stimulate the insurance market growth in agriculture and to create conditions for reducing the risk of a sudden drop of income in an agricultural holding.

Input subsidies on the cost of storage in public warehouses

Input subsidies on the cost of storage in public warehouses¹⁶ were introduced to allow for the full implementation of the Law on Public Warehouses for Agricultural Products and to allow producers to sell their products at the most convenient moment while incurring the lowest possible costs. The right to input subsidies on the cost of storage in public warehouses was granted for the entire month as of the date of the stock record, or for maximum six months. In 2013, the input was 40 % of storage costs for up to 2,000 tons of stored wheat and/or maize (corn), or for up to 20 tons of stored raspberry and/or blackberry and/or sour cherry.

The aim was to encourage producers to store their products in public warehouses, as this would ensure that the products are not sold immediately after the harvest, when, as a rule, the prices are lower, but when they estimate that the price offered is the best one they can get on the market. In 2013 there was no interest in this subsidy.

4.2.2 Rural development subsidies

Subsidies for investments in agriculture with a view to improving competitiveness and achieving quality standards

The aim of this subsidy was to improve the competitiveness of agricultural producers in primary production and processing.

Subsidies for investments in agricultural production

In 2013, subsidies for investments in agricultural production was achieved through subsidies on new perennial fruit, vine and hop plantations, and through subsidies for improvements in primary agricultural production.

The *subsidies for new perennial fruit, vine and hop plantations*¹⁷ included subsidies on the programmes focusing on new intensive plantations using contemporary fruit-, vine- and hop-growing technology with trellises, and soil preparation for new plantations. The subsidies amounted to 30 % of the investment value, 45 % in areas with difficult farming conditions. The maximum amount a beneficiary could receive was 2 million dinars, with defined minimum amounts relative to cost (procurement of fruit, vine and hop seedlings, procurement of trellises, soil preparation and planting, chemical and mechanical analysis of soil). In addition to the costs,

¹⁵ Rulebook on the requirements, procedure and form for input subsidy on the crop, fruit crop, permanent crop, nursery and animal insurance premiums, Official Gazette of RS 48/13

¹⁶ Rulebook on the requirements, procedure and form for input subsidy on the cost of storage of agricultural products in public warehouses, Official Gazette of RS 61/13

¹⁷ Rulebook on subsidies on investment in agriculture to improve competitiveness and achieve quality standards through assistance for new perennial fruit, vine and hop plantations, Official Gazette of RS 59/13

subsidised land areas were also limited. Berry fruit, vine and hop plantations of 0.3-5 hectares and plantations of pome, stone and nut varieties of 0.5-10 hectares were subsidised.

The *subsidies for investments in primary agricultural production*¹⁸ covered the following: procuring new mechanisation and equipment for primary agricultural production, outfitting livestock production facilities, investing in livestock production that is environmentally friendly and takes care of the welfare of domesticated animals, procuring quality breeding stock and investing in raising the yield and the quality of crops. The subsidies were 30 % of the investment value, 45 % of the investment value in areas with difficult working conditions. The maximum amount per subsidy was 2 million dinars, except when building cold storages (5 million dinars).

Subsidies for investments in agricultural product processing and marketing

In 2013 these subsidies were achieved through subsidies for programmes for improving the quality of wine and rakija¹⁹. This included programs such as: subsidies to wine/rakija producers with the goal of providing a recommendation for quality improvement, subsidies to the associations of wine/rakija producers in establishing a geographical indication for wine/rakija, subsidies to the associations of wine/rakija producers with geographical indication used in internal supervision of wine/rakija.

The maximum cost reimbursement in 2013 was 30 % of real costs. It was 45 % in areas with difficult working conditions.

The *subsidies to wine/rakija producers for wine/rakija testing* were achieved through the reimbursement of the costs of wine/rakija quality testing. It was granted to wine/rakija producers using domestic raw materials. The maximum amounts per beneficiary were:

- 25,000 dinars for producers of wine/rakija without geographical indication, or 50,000 dinars where the principal office and plant where the wine/rakija was produced were located in an area with difficult working conditions;
- 100,000 dinars for producers of wine/rakija with geographical indication.

The *subsidies to the associations of wine/rakija producers for the establishment of a geographical indication for wine/rakija* envisioned the reimbursement of the cost of wine/rakija testing, the cost of soil testing and the cost of production of the technical documentation (report, study) necessary for a wine/rakija geographical indication to be established. Eligible for the assistance was any association of wine producers located in a specific viticulture region or district or zone, formed in order to establish a geographical indication, and any association of rakija producers located in a specific production area, formed with the goal of establishing a geographical indication. As a result of alignment with the EU acquis in recent years, the Ministry of Agriculture is engaged in an intensive reformation of the GI system for wine. This measure helps producers adjust to the new system that is based on a representative group of producers in a specific area. In 2013, the maximum subsidy per beneficiary was 500,000 dinars.

The *subsidies to the associations of producers of wine/rakija with geographical indication* are intended for the associations of producers of wine/rakija with an established geographical origin. The aim was to help the producers hire a production and quality supervisor inside the

¹⁸ Rulebook on subsidies on investment in primary agricultural production, Official Gazette of RS 62/13, 90/13

¹⁹ Rulebook on subsidies on investment in agriculture to improve competitiveness and achieve quality standards through subsidies for improving the quality of wine and rakija, Official Gazette of RS 48/13

association, and to help promote the GI. In 2013, the maximum subsidy per beneficiary was 500,000 dinars.

Subsidies for sustainable rural development

Subsidies for sustainable rural development in 2013 were achieved through subsidies for organic production and on plant and animal genetic resource preservation.

The *subsidies for organic production*²⁰ was paid for organic milk premiums, and it also included basic subsidies in organic plant production, input subsidies on fuel for organic production, and subsidies on organic livestock production (for quality breeding dairy cows, quality breeding sheep and goats, quality breeding sows, parental heavy type hens, parental light type hens, parental turkeys, quality female carp and trout, cattle fattening, lamb fattening, suckler cows and bee-keeping). In 2013, these subsidies were 40 % higher than those for conventional production. They were intended for producers whose production was undergoing conversion, for producers who have finalised conversion and were in the process of certification, and for producers who had certified plant or livestock production.

Entitled to these subsidies was any natural or legal person or entrepreneur engaged in organic production who was party to a service and certification agreement with an authorised supervisory organisation. As an additional requirement, the party must use organic production methods for three years following the year in which they claimed subsidies on organic production, in accordance with the law that governs organic production.

This measure provided support for organic production in systems that are based on ecological practices, a high degree of biological diversity, preservation of natural resources, an application of high animal welfare standards, and production of products with added value. The aim was to expand the organically farmed land area and, simultaneously, the volume of production, to boost the development of the domestic market of organic products, to increase the variety of organic products and to ensure sufficient quantity of products for trade on foreign markets.

The aim of the *subsidies for the preservation of plant and animal genetic resources*²¹ is sustainable rural development.

Subsidies for preserving plant genetic resources included: a programme for the preservation and maintenance of the national *ex situ* seed collection, a programme for the preservation and sustainable use of plant genetic resources and a programme for special projects in the field of plant genetic resources.

In 2013, subsidies for the preservation of animal genetic resources was granted per livestock head for the following species and breeds: a) cattle: Podolian cow, Busha, Serbian buffalo; b) horse and donkey breeds: Serbian mountain pony, Nonius horse, Balkan donkey; c) pig breeds: Mangalitza (Blonde, Swallow-bellied and Red), Moravka and Resavka; d) sheep and goat breeds: Pramenka (Pirrot sheep, Krivi Vir sheep, Bardoka, Lipa sheep, Horn-twisted sheep and Karakachan sheep), Cigaja, Balkan goat, and e) poultry: Sombor Kaporka, Banat Naked-neck and Svrlijig chicken.

²⁰ Rulebook on using organic production subsidies, Official Gazette of RS 38/13; Rulebook on using organic production subsidies on suckler cows, Official Gazette of RS 94/13; Rulebook on using organic livestock production subsidies per beehive, Official Gazette of RS 94/13

²¹ Rulebook on subsidies on animal genetic resource preservation, Official Gazette of RS 83/13; Rulebook on subsidies on plant genetic resource preservation, Official Gazette of RS 85/13

Subsidies for improvement of the rural economy

In 2013, subsidies for improving the rural economy came in the form of support for non-agricultural activities and for economic activities such as adding value to agricultural products, introduction and certification of food safety and food quality systems, organic products and products with geographical indication.

*Subsidies for improving economic activities in rural areas through support for non-agricultural activities*²² was realised through programmes that supported: 1) investment in building, expanding and adaptation of facilities and procurement of equipment for agri tourism, and 2) investment in the procurement of equipment for engaging in certified traditional arts and crafts in accordance with the implementing regulation governing activities regarded as old arts and crafts, i.e. the handicrafts business. In 2013, the maximum assistance was 30% of the investment cost, or 45 % for areas with difficult working conditions.

The aim of the *subsidies for improvement of the rural economy through introduction and certification of systems for food safety and food quality, organic products and products with geographical indication*²³ was to raise competitiveness and increase the volume of production of products with added value.

The subsidies were envisaged as partial reimbursement of the cost of introduction of and certification for internationally accepted standards such as ISO 22000, FSSC 22000, BRC, IFS and GOST-R. The cost of introduction and certification in accordance with the GLOBAL G.A.P. standard and specific standards such as HALAL and KOSHER was also reimbursed. Regarding creating added value for products, the aim was to encourage the certification of food and agricultural products with geographical indication and certification of organic products.

4.2.3 Specific subsidies

Specific subsidies are intended for the establishment and functioning of the institutional framework, i.e. for the establishment of an appropriate environment for successful realisation of direct payments and rural development subsidies, and for other forms of agricultural and rural development support activities.

In 2013, this type of subsidy was granted for advisory and technical services in agriculture, for implementing breeders' programmes, for scientific research, development and innovative projects in agriculture (through agricultural measures and actions, advanced professional training and upgrading human resources), for the production of planting material, and for clonal selection.

Subsidies for support of advisory and extension services in agriculture

In 2013, this form of subsidy was regulated under the *Regulation establishing the annual development programme for advisory services in agriculture for 2013*²⁴. The subsidies supported advisory and extension services in agriculture with a view to improving them.

²² Rulebook on the subsidies for improving economic activities in rural areas through support for non-agricultural activities, Official Gazette of RS 81/13

²³ Rulebook on subsidies for improvement of the rural economy through the introduction and certification of systems for food safety and food quality, organic products and products with geographical indication, Official Gazette of RS 48/13

²⁴ Official Gazette of RS 50/13

Subsidies for the implementation of breeding programmes to achieve breeding objectives in livestock production

In 2013, these subsidies were regulated under the *Regulation establishing the annual programme of measures for the implementation of the breeding programme for 2013*²⁵. These subsidies covered the control of productivity of breeding and quality breeding farm animals, selection and production of breeding and quality breeding farm animals, selection and use of quality male and female farm animals for production, research of the transfer of characteristics from quality breeding farm animals to the offspring, controlled reproduction of farm animals, keeping the main record of farm animals, production and introduction of other breeds and newly-formed breeds and hybrids of farm animals into production, and other breeding and zoo-technical measures. These subsidies had an economic character. Their aim was to improve agricultural production and genetic quality in animal husbandry.

Subsidies for scientific research, development and innovative agricultural projects

In 2013, subsidies for scientific research, development and innovative agricultural projects²⁶ were realised through agricultural measures and actions, improvement of know-how and permanent enhancement of human resources.

Agricultural measures and actions supported promotional and educational activities in agriculture and rural development.

Subsidies for the improvement of know-how and enhancement of human resources supported special programmes for professional advancement of farmers and hiring agricultural advisers' assistants. These special programmes are focused on farm management, sales improvement, rural development, strategic planning and programming at the local community level and upgrading small farms.

Subsidies for planting material production and certification and clonal selection

Subsidies for planting material production and certification and clonal selection²⁷ supported the production of planting material, certification and clonal selection of fruit trees, grapevine and hops. Subsidies for creating mother plantations included:

- Planting material production subsidies for creating mother plantations of basic fruit-tree, grapevine or hop categories for purchased seedlings, including installation of netting on mother plantations of plum, apricot, peach/nectarine and almond and basic sprout categories. The amount was 2 million dinars per beneficiary.

- Certification and clonal selection grants for the procurement of equipment, technical material, plant material, collection maintenance etc. with a view to certifying planting material and clonal selection of fruit-tree, grapevine and hop varieties. In 2013, the grants were 2 million dinars per beneficiary.

Legal persons, entrepreneurs and nursery workers entered in the Farm Register and in the Register of Producers of Planting Material were eligible.

²⁵ Official Gazette of RS 68/13

²⁶ Rulebook on using subsidy for the improvement of know-how and enhancement of human resources, Official Gazette of RS 59/13

²⁷ Rulebook on using subsidies for planting material production, certification and clonal selection, Official Gazette of RS 48/13

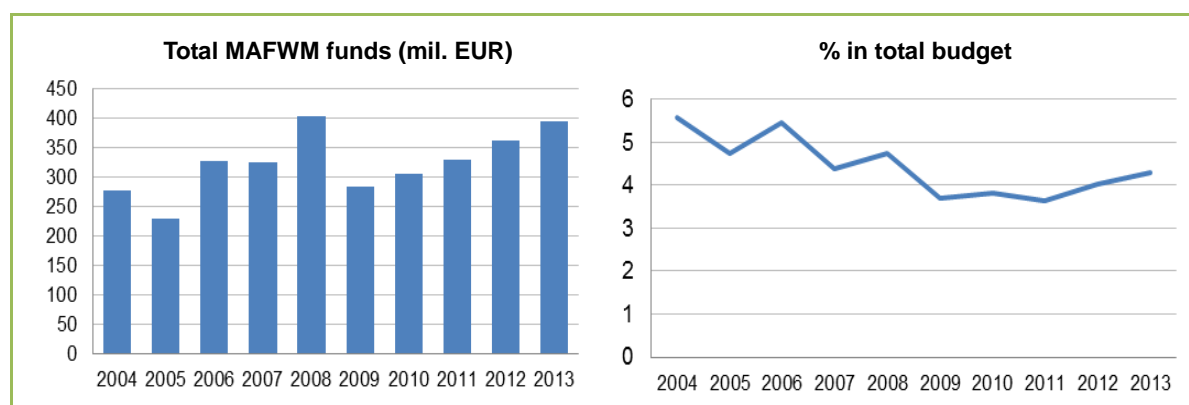
Subsidies for planting material production were awarded for a minimum of 200 basic category seedlings or 2,000 sprouts. The maximum amount depended on the plant species. Mother plantations of plum, apricot, peach/nectarine and almond were required to have nettings.

Subsidies for certification and clonal selection were allocated in a competition of the Directorate for Agrarian Payments. The competition determined the type of equipment, technical material and plant material, maintenance of collections and other activities concerning certification and clonal selection, the criteria for the selection of beneficiaries and the necessary documentation.

4.3 Agricultural and rural development budget

4.3.1 MAFWM budget in 2013

In accordance with the Law on the Budget of the Republic of Serbia in 2013²⁸, Section 23 – The Ministry of Agriculture, Forestry and Water Management (MAFWM) was allocated 44.7 billion dinars. The 2013 budget exceeded the 2012 budget by 9.4 %. In addition to the absolute budget increase, the share of agriculture in Serbia’s total budget also went up. In 2013, it was 4.3 %²⁹, 0.3 percentage points more than in 2012.



Graph 11: MAFWM budget and share in total budget, 2013

Source: Serbian budget laws for relevant years

The total MAFWM budget in 2013 expressed in euros was 395.1 million, the second largest fund since 2001, after the record-high 2008 when the total funds for agriculture were 403.8 million euros.

In accordance with the Law on the Budget of the Republic of Serbia in 2013, funds for financial class 451 – Subsidies for public non-financial enterprises and organisations for MAFWM were 37.7 billion dinars, or 84.4 % of the total MAFWM budget. The biggest portion of these funds (86.1 %) was allocated to the Directorate for Agrarian Payments, i.e. for subsidies to producers.

Table 12: Subsidies for public non-financial enterprises and organisations by MAFWM organisational unit in 2013

Organisational unit	Amount (mil. RSD)	% of total budget
Agriculture, Forestry, Hunting and Fishing	500.0	1.3
Fund for Agricultural Development	330.0	0.9
Veterinary Directorate	2,121.9	5.6

²⁸ Official Gazette of RS 114/12, 59/13

²⁹ For the purpose of the analysis, 'total budget' means total national budget expenses.

Plant Protection Directorate	150.0	0.4
Forestry Directorate	15.8	0.0
Budgetary Fund for Forestry	510.0	1.3
Budgetary Fund for Hunting	110.9	0.3
Directorate for Agrarian Payments	32,477.0	86.1
Directorate of Agricultural Land	1,500.0	4.0
Projects funded under IPA 2010	14.4	0.0
TOTAL	37,730.0	100.0

Source: *The Law on the Budget of the Republic of Serbia in 2013*

The allocation of funds for subsidies for public non-financial enterprises and organisations under Heading 23.0, Function 420 Agriculture, Forestry, Hunting and Fishing, Heading 23.1 Fund for Agricultural Development and Heading 23.10 Directorate for Agrarian Payments, is regulated under the *Regulation on the Allocation of Subsidies in Agriculture and Rural Development in 2013*³⁰. The Regulation defines the volume of funding and the type and maximum amounts for certain subsidies, in accordance with the Law on Subsidies in Agriculture and Rural Development³¹ and the Law on the Budget of the Republic of Serbia in 2013.

4.3.2 The volume and structure of agricultural support in 2013

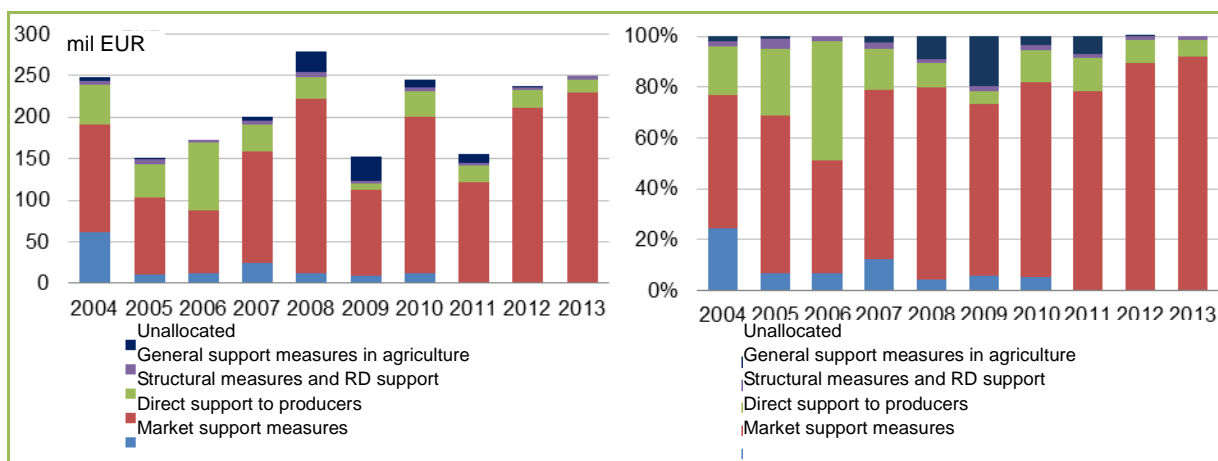
In accordance with the Regulation and the Law, 27.5 billion dinars were spent on agricultural and rural development subsidies in 2013. The amount was higher than in 2012 by 1.4 billion dinars, or 5.4 %. This indicates that the funds for subsidies were also on the rise in 2013. Of the total funds spent, some 18% were funds for outstanding payments from the previous period, which means that producers were paid all that was owed to them in the previous budget year.

As regards the structure of agricultural and rural development subsidies, there were no significant changes in 2013 compared to 2012. Market support measures, which had been excluded from the subsidy system, were not funded in 2013 either. The most common subsidy was direct payments, having amounted to 25.9 billion dinars in 2013, or 94.4% of the total agricultural and rural development subsidies. Compared to 2012, the share of direct payments in total subsidies was higher by 2.9 percentage points.

Rural development subsidies amounted to 1.1 billion dinars in 2013 or 4.0 % of the total funds spent. This does not include funds for rural infrastructure, which was funded from the sub-account of the Directorate of Agricultural Land and the Forestry Directorate (this was not the case in previous years). However, the data show that even with the inclusion of those funds the assistance in this area was still relatively small compared to the previous period.

³⁰ Official Gazette of RS 20/13, 21/13, 63/13, 90/13, 106/13

³¹ Official Gazette of RS 10/13



Graph 12: Volume and structure of agricultural and rural development subsidies, 2004-2013¹⁾²⁾

¹⁾ Incomplete data for 2009

²⁾ Classification of measures according to the APM model

Source: MAEP

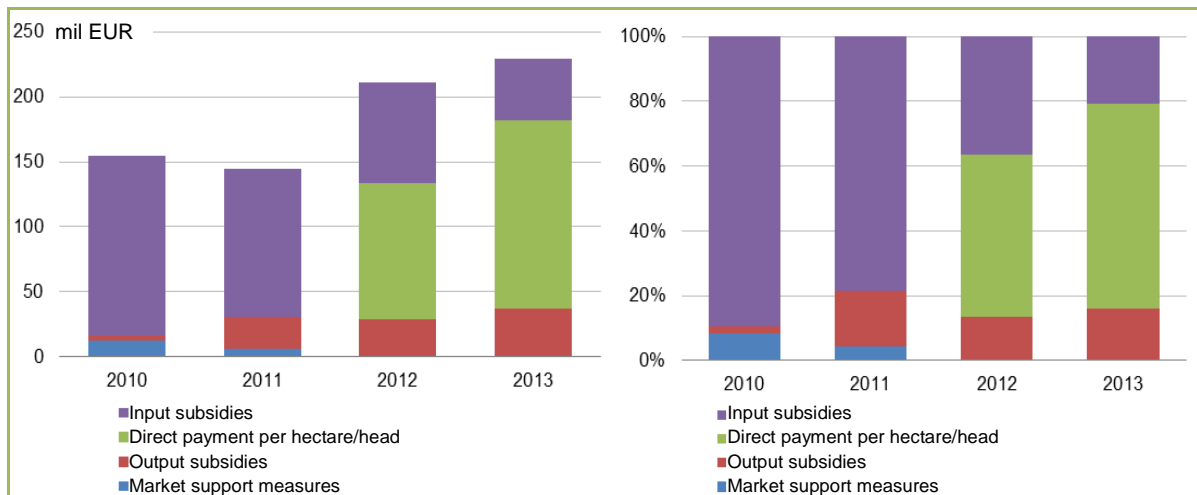
In 2013, specific subsidies included support to advisory and extension services in agriculture and food safety control. These totalled 442.1 million dinars, or 1.6 % of total budget funds for subsidies, which is slightly more than in 2012.

Direct payments

In 2013, direct payments had two forms: output subsidies (price subsidy on milk), payment per hectare, beehive or head of cattle, and input subsidies (including input subsidies on fuel and on insurance premiums). Of the total sum of 25,9 billion dinars spent on direct payments around 16 % were funds for outstanding payments from the previous period.

The output subsidy policy (price subsidies) remained unchanged in 2013 relative to previous years. In 2013, only milk premiums were paid and they were 7 dinars/litre for all producers. Milk premiums (including the funds for outstanding payments in 2012) amounted to 4.2 billion dinars (an increase of 29% compared to 2012), i.e. 16.1 % of the funds for direct payments (3.1 percentage points more than in 2012).

Direct payments per hectare and head dominated in 2013 with 16.5 billion dinars and a share of 63.5 % in total direct payments. Compared to 2012, direct payments per hectare and head (expressed in euros) increased by 33 %. Of the total funds spent on payments per hectare and head nearly 19% were outstanding payments from the previous period.

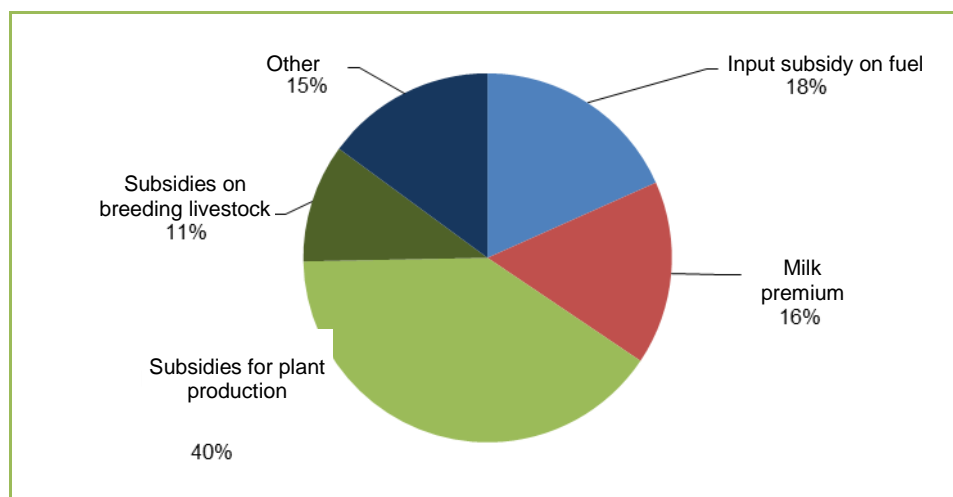


Graph 13: Volume and structure of direct payments by measure types, 2010-2013

Source: MAEP

Input subsidies (including outstanding payments from the previous period) amounted to 5.3 billion dinars, or 20.4% of the total funds for direct subsidies. Compared to 2012, they were 38,6% lower. MAFWM's policy of reducing funds for input subsidies reflects its readiness to accept the European subsidy model, following the example of the European Union in gradually abandoning these measures.

Individually, the most common direct subsidy in 2013 was direct payment per hectare (including outstanding payments from 2012), which was 40 % of the funds for direct payments. Input subsidies on fuel had the highest share (around 18,5 %), followed by subsidies on breeding stock (around 10 %).



Graph 14: Direct payment structure by subsidy in 2013

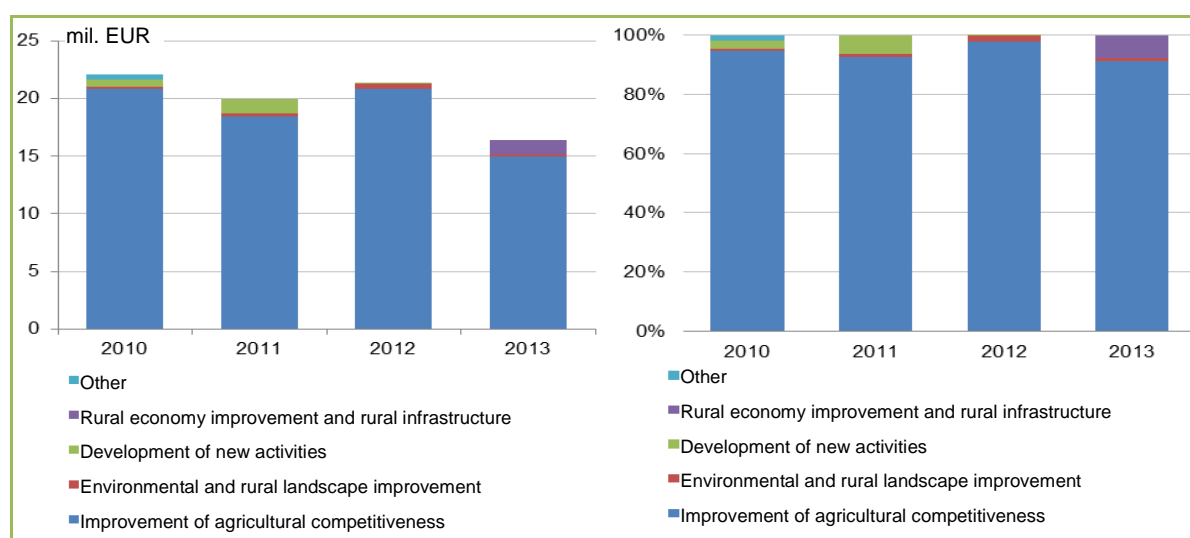
Source: MAEP

Rural development subsidies

Rural development subsidies amounted to 1.1 billion dinars in 2013, or 4% of total agricultural and rural development subsidies. With the inclusion of subsidies for rural infrastructure (of 616.3 million dinars, and 143.8 million dinars for forest roads), the total funds in 2013 amount to around 1.8 billion dinars.

Despite the grouping of measures and funds spent on rural development subsidies, there is no doubt that the funds are decreasing. In other words, the subsidy policy is moving away from the direction it needs to take – increasing rural development funds according to the EU CAP model.

A positive change in comparison with previous years is a clearer grouping of measures within certain subsidy types and their structuring according to the ‘axis’ model. This has been occurring simultaneously with the expansion of subsidy types and eligible beneficiaries to meet various needs of potential beneficiaries. In addition, respecting the heterogeneous nature of production conditions in Serbia, MAFWM passed the *Rulebook on the Areas with Difficult Working Conditions*³² in 2013, which lists the locations where farms were entitled to higher rural development subsidies for a three-year period.

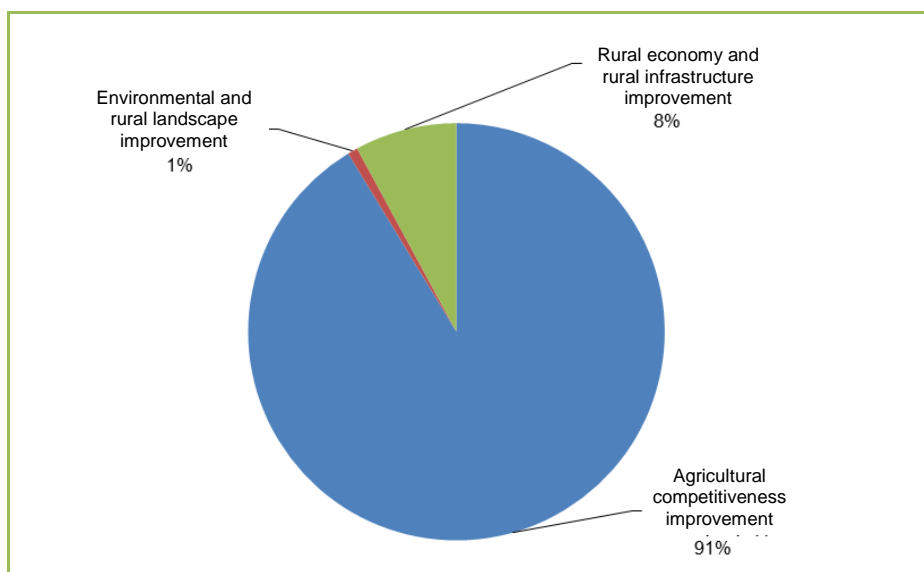


Graph 15: Volume and structure of rural development subsidies, 2010-2013

Source: MAEP

In 2013, rural development subsidies were dominated by funds for improving the competitiveness of agriculture by investing in farms. A total of 1.1 billion dinars were spent on these changes, 91,3% of rural development subsidies. Investment in farms was supported through grants (a percentage of the total investment value) for the renovation and building of facilities, procurement of livestock, equipment and mechanisation, standard improvement, and establishment of perennial plantations.

³² Official Gazette of RS 29/13



Graph 16: Rural development support structure by subsidy in 2013

Source: MAEP

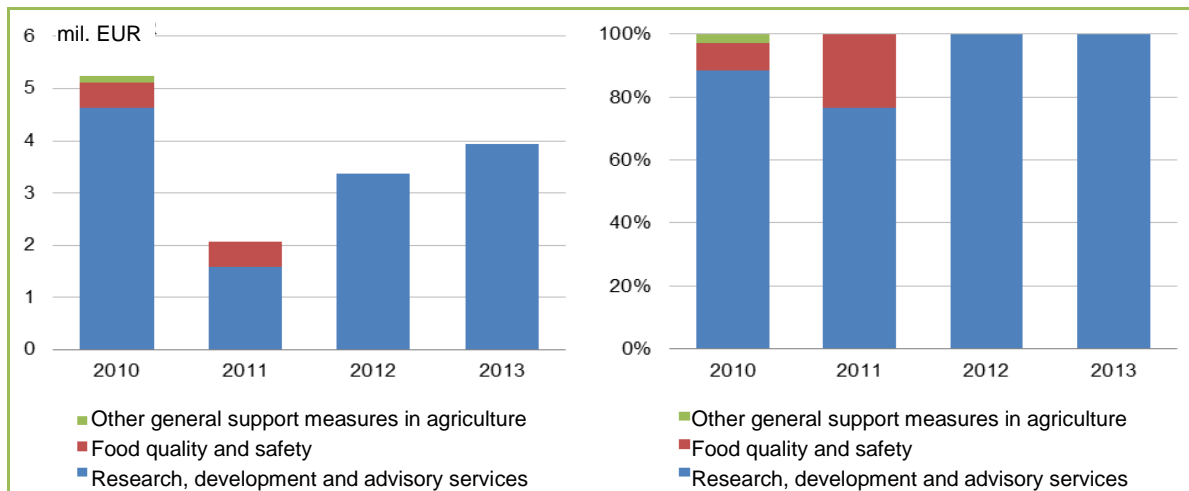
Subsidies for sustainable rural development were focused on support to organic farming and genetic resources. Sustainable rural development traditionally receives the least funding, which was again the case in 2013 with only 14.7 million dinars or 0.8 % of total rural development subsidies. Considering the complexity of environmental protection in Serbia, the significance of this type of support for certain areas and the potential to attract pre-accession funds for these purposes, this segment surely deserves much more attention.

The total funds spent on support for the improvement of the rural economy through support for non-agricultural activities and economic activities to add value to agricultural products, for introduction and certification of the food safety and quality system, organic products and products with geographical indication amounted to 0.7 million dinars in 2013. Together with investment in rural infrastructure, this assistance makes up 7.9% of the total assistance for rural development.

Specific subsidies

Specific subsidies were awarded for research and development activities, establishment and maintenance of registers and databases, etc. This type of assistance is realised by the Ministry's regular services such as the cattle selection service, advisory service, land fertility control, control of plant diseases and vermin, report and forecast service, etc.

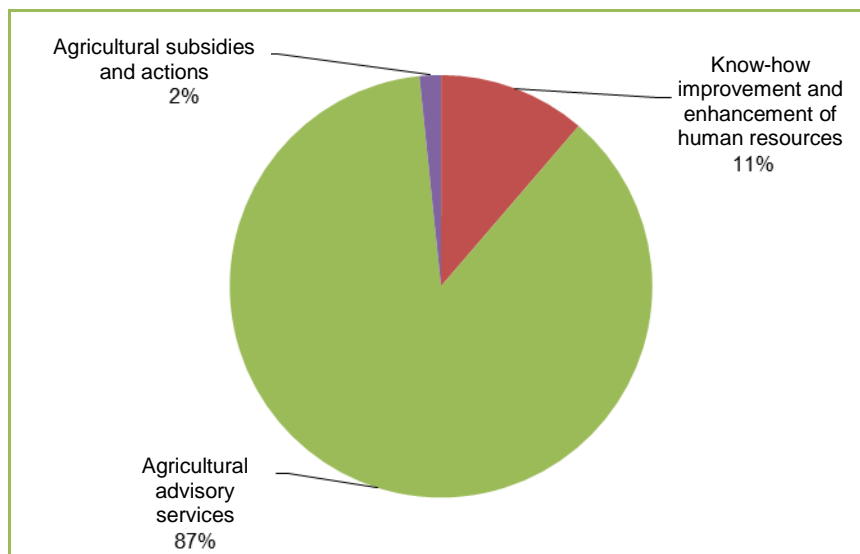
Support in the form of specific subsidies is relatively modest compared with the real needs. The necessary institutional capacity building and updating requires an increase in specific subsidies. However, the fact that part of these activities is financed from the funds for the directorates' regular activities – which keep expanding – indicates that the funding may be bigger than shown. As regards their structure, expert and advisory services dominate. Special research and activities concerning food safety were not funded through specific subsidies in the last two years.



Graph 17: Support volume and structure through specific subsidies, 2010-2013

Source: MAEP

The amount spent on specific subsidies in 2013 was 442.1 million dinars, or 1.6 % of the total budget. Compared to 2012, funds for specific subsidies grew by 16 %. More significant fluctuations in the support volume and structure did not occur as the funds and activities are determined in multi-annual plans and programmes that are changed only in exceptional circumstances.



Graph 18: Structure of specific subsidies in 2013

Source: MAEP

Bearing in mind that this budget analysis does not include funds for subsidies to public non-financial enterprises and organisations financed from the sub-accounts of the Veterinary Directorate, Plant Protection Directorate, Directorate of Agricultural Land, Budgetary Fund for Forestry and Budgetary Fund for Hunting, it is fair to assume that the funds supporting the efficiency of the sector as a whole and the work of institutions for logistic support were greater than shown.

4.4 Subsidies at the provincial and local government levels

In addition to agricultural policy and rural development subsidies at the national level, provincial and local government authorities create and carry out their own subsidy programmes for the implementation of agricultural and rural development policies on the territory of the autonomous province and local governments respectively. These subsidies are regulated under Article 13 of the Law on Subsidies in Agriculture and Rural Development, which prescribes subsidies at lower levels than the national and the obligation of the Ministry of Agriculture and Environmental Protection to approve the programmes proposed by the provincial and local government authorities. In addition, the law stipulates that the provincial and local government authorities have an obligation to report on the realisation of their programmes.

Subsidies that must be excluded from regional and local subsidy programmes for the implementation of agricultural and rural development policy must be defined to balance the support by direct payment at regional/local levels, on the one hand, and to adjust to the basic principles of the EU CAP on the other. In fact, CAP treats direct payment as a compulsory subsidy at the community level (without national co-financing), which means that each Member State should implement it nationally in accordance with CAP rules. However, for most agricultural and rural development subsidies that may be allowed at the Member State and/or regional level (with national/regional co-financing) there exists the possibility to adjust to national/regional needs, provided basic CAP rules are adhered to. Although Serbia is not obliged to apply CAP before it becomes an EU Member State, agricultural and rural development subsidies at all levels must be adjusted to the financing model that corresponds to CAP rules and principles (avoidance of double financing).

Considering that the Law on Subsidies in Agriculture and Rural Development entered into force in early 2013, this was the first year when submission of programme proposals for agricultural and rural development subsidies was compulsory. Also, legal provisions will ensure continuity in monitoring regional and local agricultural and rural development policies, which will be a basis for state aid negotiations.

In 2013, sixty-four municipalities submitted their agricultural and rural development subsidy programmes to the Ministry of Agriculture, Forestry and Water Management for approval. The total amount of funds for agriculture and rural development for the local government units that submitted their proposals to the Ministry was 1.5 billion dinars.

Direct payments by local government units in 2013 covered an input subsidy on artificial insemination, an input subsidy on insurance premiums and various forms of credit support. As regards rural development, the subsidies mostly covered the procurement of irrigation systems and equipment, the procurement of mechanisation, pure-bred livestock and fruit trees, and subsidies for improving organic production, bee keeping, diversification of economic activities and development of local strategies.

Most specific subsidies supported advisory activities and promotion at trade fairs.

AP Vojvodina (Provincial Secretariat for Agriculture, Water Management and Forestry) and AP Kosovo and Metohija (Kosovo and Metohija Office) submitted their agricultural and rural development subsidy programmes for their respective territories, the total value of which (combined) was 203.2 million dinars. These programmes mostly focused on assistance for the reconstruction and outfitting of facilities for agricultural product processing, procurement of quality breeding livestock, introduction of quality standards and certification of organic production, establishment of local action groups, procurement of new equipment and

mechanisation, preservation of traditional events, support to associations of agricultural producers and support for agri tourism.

Based on the submitted provincial and local government programmes, 1.7 billion dinars worth of subsidies were earmarked for 2013.

ANNEXES

Annex 1: Macroeconomic indicators of the share of agriculture and agro-industry in the national economy, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Gross value added in current prices (mil. RSD)	1,174,474	1,424,278	1,673,754	1,933,805	2,289,884	2,333,391	2,476,743	2,779,523	2,889,211	3,023,383
Agriculture, forestry, hunting and fishing (A)	158,931	167,967	184,065	195,385	237,475	218,005	245,128	292,919	279,126	344,320
Production of food (C 10)	47,802.6	55,181.0	64,040.5	69,454.6	83,378.5	90,754.9	95,951.0	114,942.3	118,686.5	...
Production of beverages (C 11)	14,436.7	16,624.1	19,127.0	20,672.9	24,811.0	27,444.6	26,280.5	30,546.2	31,894.0	...
Production of tobacco products (C 12)	4,344.6	4,238.4	8,168.1	6,543.5	7,546.0	6,437.1	6,817.1	6,748.2	6,469.7	...
Share in total GVA (%)	19.2	17.1	16.5	15.1	15.5	14.6	15.1	16.0	15.1	...
Agriculture, forestry, hunting and fishing (A)	13.5	11.8	11.0	10.1	10.4	9.3	9.9	10.5	9.7	11.4
Production of foodstuffs (C 10)	4.1	3.9	3.8	3.6	3.6	3.9	3.9	4.1	4.1	...
Production of beverages (C 11)	1.2	1.2	1.1	1.1	1.1	1.2	1.1	1.1	1.1	...
Production of tobacco products (C 12)	0.4	0.3	0.5	0.3	0.3	0.3	0.3	0.2	0.2	...
Total employment (000 persons)	2,930.8	2,733.4	2,630.7	2,655.7	2,821.7	2,616.4	2,396.2	2,253.2	2,228.3	2310.7
Agriculture, forestry, hunting and fishing (A)	700.4	636.4	537.6	549.8	706.0	622.7	533.0	478.1	467.1	492.0
Production of foodstuffs (C 10)	105.4	81.5	95.1	103.8	91.2	89.6	83.2	79.8	88.1	83.2
Production of beverages (C 11)	17.8	19.7	15.8	10.5	12.6	12.2	10.3	9.1	8.4	10.8
Production of tobacco products (C 12)	5.3	2.6	2.8	2.4	3.1	1.2	1.6	1.3	1.2	1.2
Share in total employment (%)	28.3	28.0	24.8	25.1	28.8	27.7	26.2	25.2	25.4	25.4
Agriculture, forestry, hunting and fishing (A)	23.9	23.3	20.4	20.7	25.0	23.8	22.2	21.2	21.0	21.3
Production of foodstuffs (C 10)	3.6	3.9	3.6	3.9	3.2	3.4	3.5	3.5	4.0	3.6
Production of beverages (C 11)	0.6	0.7	0.6	0.4	0.4	0.5	0.4	0.4	0.4	0.5
Production of tobacco products (C 12)	0.2	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1
Foreign trade (million EUR)										
Total exports of goods	2,832	3,608	5,102	6,433	7,429	5,961	7,393	8,441	8,837	8,973
Exports of food and agricultural products	642	748	1,008	1,231	1,336	1,395	1,700	1,956	2,131	2,104
Share in total exports (%)	22.7	20.7	19.8	19.1	18.0	23.4	23.0	23.2	24.1	23.4
Total exports of goods	8,621	8,434	10,461	13,808	16,283	11,327	12,423	14,250	14,782	14,280
Exports of food and agricultural products	715	655	767	871	1,056	991	819	1,053	1,221	1,177
Share in total imports (%)	8.3	7.8	7.3	6.3	6.5	8.7	6.6	7.4	8.3	8.2

*) preliminary data

Source: SORS, MAEP

Annex 2: Farm structure by UAA in Serbia and in some regions, 2012

	Serbia – Total		Belgrade Region		Vojvodina Region		Šumadija and Western Serbia Region		Southern and Eastern Serbia Region	
	Farms	UAA (hectares)	Farms	UAA (hectares)	Farms	UAA (hectares)	Farms	UAA (hectares)	Farms	UAA (hectares)
Total	631,552	3,437,423	33,244	136,389	147,624	1,608,896	262,940	1,014,210	187,744	677,928
Without land	10,107	0	439	0	6,054	0	1,862	0	1,752	0
> 0-≤ 2 ha	298,286	273,622	17,966	15,555	68,683	48,430	116,326	115,254	95,311	94,384
>2-≤5 ha	182,489	596,052	9,482	30,570	28,269	92,689	86,441	285,569	58,297	187,225
>5-≤10 ha	89,083	617,281	3,799	25,903	18,959	134,766	42,565	294,269	23,760	162,342
>10-≤20 ha	32,313	435,499	1,101	14,776	11,553	161,029	12,977	171,758	6,682	87,935
>20-≤30 ha	7,677	185,846	235	5,602	4,491	109,676	1,860	44,681	1,091	25,887
>30-≤50 ha	5,352	203,666	121	4,464	4,072	156,097	634	23,537	525	19,568
>50-≤100 ha	4,394	314,096	58	3,809	3,912	282,131	210	13,729	214	14,426
>100 ha	1,851	811,362	43	35,710	1,631	624,078	65	65,412	112	86,162

Source: SORS, Census of Agriculture 2012

Annex 3: Farm structure by UAA category in EU-27 (2010) and in Serbia (2012) (%)

	Total farms	≤ 2 hectares	> 2 - ≤ 5 hectares	> 5 - ≤ 10 hectares	> 10 - ≤ 20 hectares	> 20 - ≤ 30 hectares	> 30 - ≤ 50 hectares	> 50 - ≤ 100 hectares	100 hectares or more
Belgium	42,850	2.2	10.0	10.4	12.1	15.9	11.9	16.5	15.8
Bulgaria	370,490	3.5	79.6	8.2	2.9	1.8	0.8	0.8	0.8
Czech Republic	22,860	1.3	8.7	5.5	18.3	17.3	9.0	10.1	10.6
Denmark	42,100	3.8	1.2	2.3	19.1	18.5	10.2	11.6	14.1
Germany	299,130	0.5	4.8	3.9	15.8	21.1	10.4	15.1	17.3
Estonia	19,610	0.8	11.3	21.7	20.8	17.7	7.5	6.0	5.6
Ireland	139,890	0.1	1.6	5.3	11.3	24.0	17.6	21.9	14.8
Greece	723,060	0.9	50.8	25.4	12.1	6.3	2.0	1.5	0.8
Spain	989,800	2.3	27.3	23.5	14.3	11.2	5.4	5.5	5.3
France	516,100	1.8	12.9	12.1	9.0	9.7	6.4	10.7	18.9
Italy	1,620,880	0.3	50.6	22.1	11.5	7.4	2.9	2.5	1.8
Cyprus	38,860	1.3	73.9	14.5	5.2	2.6	1.0	0.7	0.6
Latvia	83,390	0.4	11.5	22.1	27.2	21.0	6.8	4.7	3.3
Lithuania	199,910	0.0	0.2	0.4	0.2	0.1	0.0	0.0	0.0
Luxemburg	2,200	0.9	9.1	7.3	10.0	7.7	5.5	10.9	29.1
Hungary	576,810	7.4	71.6	8.0	4.6	3.4	1.4	1.3	1.1
Malta	12,530	3	86	9	2	0	0	0	...
The Netherlands	72,320	2.4	11.1	15.2	14.2	15.0	10.4	16.2	12.6
Austria	150,170	0.7	10.8	20.1	17.7	21.7	11.4	10.1	5.6
Poland	1,506,620	0.5	23.6	31.1	22.2	14.5	4.0	2.3	1.1
Portugal	305,270	0.5	49.9	25.2	10.9	6.2	2.1	1.7	1.4
Romania	3,859,040	3.5	70.8	18.8	4.7	1.1	0.3	0.2	0.2
Slovenia	74,650	0.3	27.2	33.4	23.4	11.2	2.7	1.3	0.5
Slovakia	24,460	3.0	35.7	25.7	10.9	6.7	3.0	2.9	3.2
Finland	63,870	0.6	2.3	6.8	12.5	20.9	15.2	18.8	17.0
Sweden	71,090	1.0	0.8	10.7	22.3	19.9	10.0	11.3	12.8
Great Britain	186,800	2.2	2.4	4.3	14.4	15.4	9.6	13.1	17.7
EU-27	12,014,760	3.2	2.0	20.1	10.9	7.5	3.1	3.3	3.3
Serbia	631,522	48.8	28.9	14.1	5.1	1.2	0.8	0.7	0.3

Source: Eurostat, 2010 Census; SORS, Census of Agriculture 2012

Annex 4: UAA structure in EU-27 (2010) and in Serbia (2012) (%)

	Total (hectares)	≤ 2 hectares	> 2 - ≤ 5 hectares	> 5 - ≤ 10 hectares	> 10 - ≤ 20 hectares	> 20 - ≤ 30 hectares	> 30 - ≤ 50 hectares	> 50 - ≤ 100 hectares	100 hectares or more
Belgium	1,358,020	0.3	1.1	2.8	7.3	9.2	20.3	34.4	24.6
Bulgaria	4,475,530	3.2	2.0	1.6	2.1	1.6	2.6	4.5	82.4
Czech Republic	3,483,500	0.1	0.1	0.8	1.6	1.4	2.5	4.9	88.6
Denmark	2,646,860	0.0	0.1	2.2	4.2	4.0	7.2	16.1	66.1
Germany	16,704,000	0.1	0.2	2.1	5.7	4.6	10.6	21.7	55.1
Estonia	940,930	0.3	1.5	3.1	5.2	3.8	4.8	8.1	73.2
Ireland	4,991,350	0.1	0.5	2.4	10.0	12.2	23.9	27.8	23.0
Greece	5,177,510	6.0	11.1	11.7	12.0	6.8	7.9	6.9	37.7
Spain	23,752,690	1.3	3.1	4.2	6.6	5.4	8.8	15.5	55.1
France	27,837,290	0.2	0.7	1.2	2.6	2.9	7.9	25.4	59.1
Italy	12,856,050	5.7	8.7	10.1	12.9	8.8	12.1	15.5	26.2
Cyprus	118,400	1.1	1.0	0.8	0.8	0.5	0.6	0.8	1.1
Latvia	1,796,290	0.5	3.5	9.0	13.5	7.6	8.4	10.4	47.0
Lithuania	2,742,560	1.7	9.7	10.1	10.8	5.9	8.3	12.0	41.6
Luxemburg	131,110	0.1	0.4	1.2	1.9	2.3	7.5	36.3	50.4
Hungary	4,686,340	2.9	3.0	3.9	5.7	4.1	6.0	9.5	64.7
Malta	11,450	52.1	28.7	13.4	4.0	1.4	0.0	...	...
The Netherlands	1,872,350	0.5	2.0	4.0	8.4	10.0	24.4	32.5	18.3
Austria	2,878,170	0.7	3.4	6.7	16.4	14.6	20.1	19.8	18.4
Poland	14,447,290	3.3	10.6	16.5	20.8	10.0	9.2	7.9	21.6
Portugal	3,668,150	4.3	6.5	6.3	7.1	4.2	5.5	8.3	57.7
Romania	13,306,130	12.9	16.8	9.1	4.3	1.8	2.4	3.9	48.9
Slovenia	482,650	4.5	17.1	25.3	23.4	10.0	7.5	5.3	6.8
Slovakia	1,895,500	0.5	1.0	1.0	1.2	0.9	1.4	2.9	91.1
Finland	2,290,980	0.0	0.7	2.6	8.6	10.5	20.3	32.6	24.6
Sweden	3,066,320	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.5
Great Britain	16,881,690	0.0	0.2	1.2	2.4	2.6	5.7	14.0	73.9
EU-27	174,499,110	2.4	4.4	5.2	7.3	5.3	8.8	15.7	50.9
Serbia	3,437,423	8.0	17.3	18.0	12.7	5.4	5.9	9.1	23.6

Source: Eurostat, Census 2010; SORS, Census of Agriculture 2012

**Annex 5: Average UAA size in Serbia (2012) and
in EU-27 (2010) (hectares)**

State	Hectares	State	Hectares
Malta	0.9	Belgium	31.7
Cyprus	3.0	Ireland	35.7
Romania	3.4	Finland	35.9
Greece	4.8	Sweden	43.1
Slovenia	6.5	Estonia	48.0
Italy	7.9	France	53.9
Hungary	8.1	Germany	55.8
Poland	9.6	Luxemburg	59.6
Portugal	12.0	Denmark	62.9
Bulgaria	12.1	Slovakia	77.5
Lithuania	13.7	Great Britain	90.4
Austria	19.2	Czech Republic	152.4
Latvia	21.5	EU-27	14.4
Spain	24.0	Serbia	5.4
The Netherlands	25.9		

Source: Eurostat, Census 2010; SORS, Census of Agriculture 2012

Annex 6: Agricultural holdings (AH) in Serbia by the number of separate UAA parts, 2012

	AH in Serbia by the number of separate UAA parts						Separate UAA parts			
	Total	1	2-3	4-5	6-9	10 or more	AH	hectares	Average number of parts per AH	Average size (hectares)
SERBIA	621,445	87,018	200,218	126,309	115,454	92,446	3,496,662	3,437,423	6	1
Belgrade Region	32,805	5,644	12,691	7,178	5,117	2,175	136,221	136,389	4	1
Vojvodina	141,570	38,599	50,942	20,112	15,547	16,370	707,275	1,608,896	5	2
Šumadija and Western Serbia	261,078	32,655	90,445	58,764	49,080	30,134	1,314,043	1,014,210	5	1
Southern and Eastern Serbia	185,992	10,120	46,140	40,255	45,710	43,767	1,339,123	677,928	7	1
Kosovo and Metohija	...	...	...	...	...	...	...	...	...	...

Source: SORS, Census of Agriculture 2012

Annex 7: Farm structure by livestock unit (LU) by region, 2012

Region	Farms	LU – Total	0 head	Farms with livestock by number of LU								
				Total	1-4	5-9	10-14	15-19	20-49	50-99	100-499	500 or more
Serbia	631,552	2,019,889	142,188	489,364	391,468	67,063	16,169	5,897	6,904	1,200	522	141
Belgrade	33,244	110,382	8,307	24,937	20 639	2,927	773	267	254	32	31	14
Vojvodina	147,624	686,386	36,267	111,357	89 012	12,083	4,145	1,898	3,197	654	280	88
Šumadija and Western Serbia	262,940	803,843	55,921	207,019	157 468	35,356	8,208	2,748	2,638	401	177	23
Southern and Eastern Serbia	187,744	418,277	41,693	146,051	124 349	16,697	3,043	984	815	113	34	16
Kosovo and Metohija	...	...	...	...	...	...	...	...	...	...	...	...

Source: SORS, Census of Agriculture 2012

Annex 8: Gross agricultural production indices in Serbia, 2004-2013 (previous year =100)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AGRICULTURAL PRODUCTIN – TOTAL – GROSS	126.0	96.6	97.4	88.3	113.7	101.3	101.1	98.7	78.6	125.6
AGRICULTURAL PRODUCTIN – TOTAL – NET	119.49	94.95	99.71	92.04	108.53	100.95	99.40	100.87	82.31	121.72
Horticulture (1+2+3)	143.9	94.1	97.4	82.2	123.3	103.6	101.1	98.2	69.4	140.6
1. Crop and vegetable growing (a+b+c+d)	156.3	98.4	92.9	76.9	129.8	102.4	105.8	95.4	68.5	141.6
a) Cereals	179.4	98.0	86.6	72.6	144.1	102.1	105.2	95.8	63.7	154.2
Wheat	202.1	72.8	93.4	99.4	112.4	98.7	78.9	127.3	92.0	134.6
Maize	171.9	107.7	84.9	64.9	157.7	103.9	112.7	89.9	54.5	166.0
b) Industrial crops	138.4	100.9	107.9	85.2	112.3	97.0	121.2	93.6	74.9	134.3
Sugar beet	161.9	110.2	102.8	100.6	71.7	121.7	118.9	84.9	82.5	128.1
Sunflower	123.7	80.2	109.8	76.5	154.3	83.1	100.2	114.2	84.8	140.0
c) Vegetable	126.0	96.8	101.6	81.1	112.1	105.3	99.0	97.9	75.1	122.1
Vegetables without potatoes	...	95.8	103.9	81.5	111.6	104.9	99.1	96.8	80.1	116.8
Potato	143.7	99.4	96.0	79.9	113.5	106.5	98.8	100.5	64.9	132.6
d) Forage crops (fodder)	135.7	100.8	95.5	80.7	117.3	105.7	102.5	89.3	76.1	120.2
2. Fruit production	102.8	75.5	126.8	110.7	98.4	108.3	81.1	119.3	71.5	141.4
3. Viticulture	94.3	56.7	149.4	98.3	105.6	115.6	76.5	98.4	88.3	111.7
Livestock production (1+2+3+4+5)	99.6	102.3	97.4	100.4	97.1	96.5	101.1	100.2	100.2	102.9
1. Cattle breeding	99.7	101.3	99.2	99.7	99.6	95.8	96.8	98.5	100.2	99.4
Increment	99.2	101.2	99.4	100.5	100.3	95.1	94.0	99.1	97.7	99.8
Cows' milk	100.2	101.5	99.1	99.0	99.1	96.4	98.9	98.1	102.1	99.1
2. Pig breeding	96.7	103.3	93.1	104.3	92.4	96.0	103.4	98.5	93.7	103.7
3. Sheep breeding	98.1	101.4	102.5	95.0	102.0	95.9	103.4	103.2	117.7	114.3
Increment	97.7	101.6	102.1	95.2	102.0	97.6	104.1	102.9	118.6	112.1
Sheep's milk	106.4	97.6	109.1	91.3	102.4	75.0	92.4	114.3	105.4	158.6
4. Poultry breeding	109.1	102.8	102.3	95.2	100.2	99.0	109.1	109.9	105.6	104.6
Increment	110.1	109.2	105.3	96.4	110.2	109.5	103.1	116.8	100.5	90.9
Eggs	108.1	96.1	98.6	93.7	88.3	85.2	118.8	100.0	113.9	126.5
5. Bee keeping – honey	110.4	102.4	110.5	87.4	72.4	178.6	97.9	82.5	185.7	124.6

Note: The agricultural volume index is a statistical indicator that measures the changes in the volume of agricultural production. The product list includes all economically significant agricultural products. The list does not include the products that have had little economic significance in recent years (meslin, barley, millet, buckwheat, chicory, castor oil plant and lentil), whilst products that largely contribute to the volume of agricultural production are included (raspberry, strawberry, garlic and cucumber). Thus, 56 economically significant agricultural products are on the new list of products. Weighted factors are moving three-year average producer prices. The calculation of the total agricultural volume index is based on the final net production.

Source: SORS

Annex 9: Structure of Agricultural production value in Serbia (%), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Agricultural production - gross	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Plant production	69.08	67.26	66.61	62.02	67.79	69.31	68.91	68.47	61.9	67.4
1. Crop and vegetable production	58.08	59.15	55.38	48.25	56.12	56.69	59.17	57.1	50.67	56.12
a) Cereals	33.95	34.43	30.4	24.99	33.99	34.24	34.9	33.83	27.68	33.39
Maize	24.29	27.08	23.42	17.22	25.9	26.55	28.99	26.36	17.93	23.02
Wheat	8.12	6.12	5.83	6.56	6.67	6.49	5.01	6.45	8.35	8.87
Other cereals	1.54	1.23	1.16	1.22	1.43	1.2	0.9	1.02	1.4	1.5
b) Industrial crops	6.26	6.54	7.14	6.89	6.99	6.69	8.74	8.27	8.72	9.02
c) Vegetables	11	11.02	12.5	11.48	10.71	11.13	11.09	10.98	10.41	10.29
d) Forage crops (fodder)	6.88	7.18	5.34	4.88	4.43	4.62	4.45	4.02	3.85	3.43
2. Fruit production	8.52	6.66	9.07	11.37	9.57	10.23	7.97	9.62	9.21	9.52
3. Viticulture	2.48	1.45	2.15	2.4	2.09	2.39	1.76	1.75	2.03	1.75
Livestock production	30.92	32.74	33.39	37.98	32.21	30.69	31.09	31.53	38.1	32.6
1. Cattle breeding	12.94	13.58	14.89	16.81	14.6	13.81	13.45	13.41	16.58	13.63
Increment	5.91	6.19	6.69	7.62	6.17	5.79	5.72	5.73	6.96	5.72
Cows' milk	7.04	7.39	8.2	9.19	8.44	8.02	7.74	7.68	9.62	7.92
2. Pig breeding	11.71	12.52	11.88	14.04	11.62	11.01	11.37	11.33	12.54	10.93
3. Sheep breeding	1.98	2.08	2.09	2.25	1.75	1.66	1.82	1.9	2.66	2.37
4. Poultry breeding	4.12	4.38	4.38	4.72	4.15	4.05	4.24	4.71	5.91	5.25
Increment	2.1	2.37	2.42	2.65	2.35	2.54	2.51	2.96	3.48	2.81
Eggs	2.02	2.01	1.96	2.08	1.79	1.51	1.73	1.75	2.43	2.44
5. Bee keeping – honey	0.16	0.17	0.16	0.15	0.09	0.15	0.21	0.18	0.4	0.42

Source: SORS

Annex 10: Structure of agricultural land in Serbia, by utilisation (000 hectares), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/12
Agricultural land, total	5,075	5,074	5,066	5,053	5,056	5,058	5,052	5,056	5,053	5,069	100.3
Arable land and gardens	3,344	3,330	3,318	3,299	3,302	3,301	3,295	3,294	3,282	3,298	100.5
of which fallow land and unworked land	176	194	248	200	199	209	226	224	219	242	110.5
Land under perennial crops	310	303	300	299	300	298	297	296	293	289	98.6
of which orchards	244	239	238	240	242	240	240	240	239	238	99.6
vineyards	66	64	62	59	58	58	57	56	54	51	94.4
Permanent grassland	1,421	1,441	1,448	1,455	1,454	1,459	1,460	1,466	1,478	1,482	100.3
of which meadows	598	609	610	620	621	625	624	621	641	653	101.9
pastures	823	832	838	835	833	834	836	845	837	829	99.0

Source: SORS

Annex 11: Structure of harvested areas in Serbia (%), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Harvested land areas	100	100	100	100	100	100	100	100	100	100
Cereals	60.0	59.5	58.2	60.0	60.0	61.1	59.6	60.5	60.6	61.2
Maize	36.0	37.0	36.2	37.3	39.6	37.9	39.1	40.0	40.5	38.0
Wheat	19.1	17.1	16.7	17.4	15.1	17.8	15.4	15.7	15.4	18.1
Other cereals	5.0	5.5	5.2	5.3	5.2	5.4	5.1	4.8	4.7	5.1
Sugar beet	1.8	1.9	2.2	2.5	1.5	1.9	2.1	1.8	2.1	2.0
Oilseeds	9.2	10.0	10.7	9.8	10.9	10.0	11.2	11.3	10.8	11.5
Sunflower	5.7	6.0	5.8	4.8	5.8	4.9	5.4	5.5	5.3	6.0
Soya	3.5	4.0	4.9	4.6	4.5	4.5	5.4	5.2	5.2	5.1
Potatoes	2.7	2.6	2.6	2.5	2.5	2.4	2.4	2.5	2.4	2.4
Fresh vegetables and beans	9.1	8.6	9.0	8.2	8.0	7.7	7.5	7.2	6.9	6.6
Fodder	14.3	14.6	14.7	14.7	14.8	14.7	15.0	14.8	15.4	14.7
Other	2.9	2.8	2.6	2.5	2.4	2.1	2.1	2.0	1.8	1.7

Source: SORS

Annex 12: Areas under major crops in Serbia (000 hectares), 2004-2013

Area	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/2012
Cereals	2,003	1,964	1,879	1,931	1,930	1,950	1,873	1,904	1,896	1,908	100.6
Wheat	636	563	540	559	487	568	484	493	481	563	117.2
Maize	1,200	1,220	1,170	1,202	1,274	1,209	1,230	1,258	1,269	1,187	93.5
Other cereals	166	181	169	170	169	173	159	152	147	158	107.6
Sugar beet	60	64	72	79	48	61	66	56	65	62	96.4
Oilseeds	308	331	347	315	350	320	352	355	338	358	105.8
Sunflower	189	198	186	155	188	157	169	174	167	188	112.7
Soya	117	131	157	147	144	144	170	165	163	160	98.2
Oilseeds	2	2	4	13	18	18	12	15	8	10	117.3
Tobacco – dry leaf	8	7	7	8	7	6	6	7	6	6	98.6
Potato	89	85	84	81	81	78	77	78	75	74	97.6
Fresh vegetables and beans *	163	162	163	162	161	159	157	154	150	144	96
Fruit	269	268	266	269	271	270	270	268	267	267	100
Of which berries	25	29	28	29	29	30	30	28	29	29	100
Grapes	66	64	62	59	58	57	57	56	54	51	94.4
Fodder	452	453	449	450	457	448	450	448	461	436	94.6

*) Areas under beans shown for clean crops. Areas under cabbage and kale shown for main crops.

Source: SORS

Annex 13: Major crop production in Serbia (000 t); 2004-2013

Production	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/2012
Cereals	9,868	9,586	8,349	6,213	8,833	8,982	9,273	9,060	5,914	9,150	154.7
Wheat	2,758	2,007	1,875	1,864	2,095	2,068	1,630	2,076	1,911	2,690	140.8
Maize	6,569	7,085	6,017	3,905	6,158	6,396	7,207	6,480	3,533	5,864	166
Other cereals	541	494	457	444	580	518	436	504	470	596	126.8
Sugar beet	2,814	3,101	3,189	3,206	2,300	2,798	3,325	2,822	2,328	2,983	128.1
Oilseeds	761	722	823	629	857	772	943	918	667	925	138.7
Sunflower	438	351	385	295	454	378	378	432	366	513	140.1
Soya	318	368	430	304	351	350	541	441	281	385	137.1
Oilseeds	5	3	8	30	52	44	24	45	20	27	135
Tobacco – dry leaf	12	11	11	11	11	10	10	10	9	10	111.1
Potatoes	975	969	930	743	843	898	887	891	578	767	132.7
Fresh vegetables and beans*	1349	1289	1348	1128	1277	1309	1314	1275	1040	1266	121.7
Fruit	1,204	873	1,218	1,381	1,299	1,452	1,077	1,337	925	1,533	165.7
of which berries	126	144	145	139	154	157	150	159	123	130	106.3
Grapes (total)	425	241	359	353	373	431	330	325	263	320	121.7
Fodder	2,681	2,705	2,582	2,138	2,480	2,675	2,736	2,509	2,148	2,388	111.2

*) Bean production shown for clean crops and for interim crops combined. Cabbage and kale production shown for main crops and late crops combined.

Source: SORS

Annex 14: Major crop yields in Serbia (t/hectare, tree), 2004-2013

Yields	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/2012
Cereals (t/hectare)											
Wheat	4.33	3.56	3.47	3.33	4.3	3.64	3.37	4.21	3.98	4.94	124.3
Maize	5.47	5.81	5.14	3.25	4.83	5.29	5.86	5.15	2.78	4.78	171.5
Sugar beet	46.56	48.21	44.55	40.58	47.88	45.56	50.04	50.73	35.95	47.8	133
Oilseeds											
Sunflower	2.32	1.77	2.06	1.9	2.42	2.4	2.23	2.48	2.19	2.73	124.3
Soya	2.71	2.81	2.74	2.07	2.44	2.42	3.18	2.67	1.72	2.41	139.8
Oilseeds	2.39	1.93	1.96	2.29	2.88	2.45	2.03	2.9	2.43	2.79	114.6
Tobacco – dry leaf	1.59	1.57	1.58	1.38	1.52	1.61	1.79	1.59	1.36	1.62	119.2
Potato	10.95	11.4	11.02	9.13	10.39	11.49	11.57	11.37	7.66	10.41	135.9
Fresh vegetables and beans											
Tomatoes	8.86	8.28	9.03	7.38	8.69	9.51	9.39	9.82	8.05	9.44	117.3
Peppers (fresh)	7.27	7.92	9.13	7.8	8.04	9.24	8.39	8.12	7.44	8.57	115.2
Beans*	1.16	1.29	1.22	0.95	1.08	1.22	1.19	1.18	0.81	1.11	137.4
Fruit – woody (t/tree)											
Apples	0.012	0.013	0.016	0.016	0.015	0.018	0.015	0.017	0.011	0.018	170.3
Sour cherries	0.013	0.007	0.009	0.012	0.01	0.012	0.008	0.011	0.009	0.012	129.7
Plums	0.013	0.007	0.013	0.016	0.014	0.016	0.01	0.014	0.01	0.019	196.3
Soft fruit (t/hectare)											
Raspberries	5.73	5.47	5.3	5.31	5.74	5.81	5.53	5.84	4.47	4.44	99.3
Strawberries	3.95	3.87	4.2	4.23	4.79	4.52	4.34	4.87	3.75	4.29	114.4
Grapes – total (t/hectare)	6.43	3.75	5.8	5.99	6.43	7.57	5.79	5.8	4.88	6.28	128.8
Fodder (t/hectare)											
Clover	4.52	4.53	4.38	3.54	4.24	4.51	4.54	4.02	3.16	3.76	118.8
Alfalfa	5.88	6	5.81	4.8	5.53	5.86	5.84	5.32	4.03	4.96	123.1
Maize (corn) for feed	20.88	21.1	19.79	16.16	18.14	21.93	22.89	21.14	14.94	20.7	138.6

*) Bean yields per hectare for clean crop.

Crop yields shown as barn yield with normal moisture content, after all the harvest and transport.

Yield per area unit (per hectare) is calculated on the harvested area.

Yield per tree is calculated on fruit-bearing trees.

Source: SORS

Annex 15: Head of cattle in Serbia (000), 2004-2013

Head of livestock (000) ¹⁾	2004	2005	2006	2007	2008	2009	2010	2011	2012 ²⁾	2013	Index 2013/2012
Cattle (total)	1,102	1,079	1,106	1,087	1,057	1,002	938	937	921	913	99.1
of which cows	681	672	622	602	578	548	530	510	480	451	94.0
of which dairy cows	...	...	607	584	542	501	482	477	455	429	94.3
Pigs (total)	3,439	3,165	3,999	3,832	3,594	3,631	3,489	3,287	3,139	3,144	100.2
of which sows	552	522	565	517	467	477	486	450	408	355	87.0
Sheep	1,586	1,576	1,556	1,606	1,605	1,504	1,475	1,460	1,635	1,616	98.8
of which breeding sheep	1,157	1,169	1,167	1,192	1,198	1,149	1,131	1,116	1,247	1,237	99.2
Goats	...	...	...	...	...	....	...	...	232	225	97.0
Poultry (total)	16,280	16,631	16,595	16,422	17,188	22,821	20,156	19,103	24,175	23,450	97.0
of which hens	...	...	13,729	13,524	10,113	14,439	11,615	11,642	13,344	10,274	77.0
Beehives	...	...	...	...	...	...	...	...	654	653	99.8

Note: ¹⁾ As at 15 January for 2004 and 2005. Since 2006, as at 1 December.

²⁾ Data for 2012 were evaluated on the basis of Census of Agriculture 2012 and available results of regular surveys of the Statistical Office of the Republic of Serbia. Data on the number of goats and beehives are not fully comparable for previous years.

Source: SORS

Annex 16: Livestock production in Serbia, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012 ¹⁾	2013	Index 2013/12
Total production (increment/live weight) (000 t) ²⁾											
Cattle	184	186	185	186	187	177	167	165	161	161	100.1
Pigs	433	447	417	435	402	386	399	393	368	381	103.6
Poultry	87	95	100	96	106	116	120	140	140	128	91.1
Sheep	43	44	45	43	44	43	44	46	54	61	112.1
Gross meat production (half/side mass) (000 t) ^{2) 3)}											
Beef	93	90	83	95	99	100	96	81	82	70	84.8
Pork	242	253	255	289	266	252	269	271	252	249	99.0
Poultry	65	67	75	70	76	80	84	103	94	92	98.1
Sheep meat	20	21	20	20	23	24	23	24	22	30	135.8
Milk (mil. litres) ⁴⁾											
Cows' milk	1,579	1,602	1,587	1,549	1,534	1,478	1,462	1,434	1,442	1,418	98.3
Sheep's milk	14	14	15	14	14	10	10	11	11	18	159.7
Goats' milk	...	...	22	19	18	15	15	15	24	29	119.6
Eggs (mil.)	1,536	1,476	1,456	1,364	1,204	1,026	1,219	1,219	1,387	1,755	126.6
Honey (000 t)	3.6	3.7	4	3.5	2.6	4.6	4.5	4.3	6.7	8.6	127.7
Wool (000 t)	2.4	2.5	2.5	2.5	2.6	2.4	2.5	2.4	2.7	2.7	100.8

Note:

- 1) Data for 2012 were evaluated on the basis of Census of Agriculture 2012 and available results of regular surveys of the Statistical Office of the Republic of Serbia
- 2) Previous results
- 3) Total domestic production, with the deduction of raw fats
- 4) Milk used in human consumption or processing

Source: SORS

Annex 17: Indices of agricultural product prices in Serbia (nominal, previous year =100), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Agriculture and fishery	110.2	115.6	109.2	116.7	126.3	95.6	114.9	118.1	125.8	98.7
Agriculture	...	...	...	116.9	126.3	95.5	115.2	118.1	125.5	98.7
Crop production	99.3	107.3	116.1	134.8	110	83.9	139.8	123.5	129.0	94.3
Fruit production and viticulture	...	...	...	139.4	146.6	78.4	128.6	82.4	147.1	93.8
Livestock production	121.3	125.5	100.1	99.8	134.2	106.8	95.7	118.0	114.9	104.6
Domestic processing	...	...	...	112.8	104.1	107.3	101.4	137.4	79.2	106.3
Fishery	...	...	...	99.4	108.1	103.3	93.1	111.6	151.4	105.8
Grains	97.6	97.6	119.5	138.8	113.3	74.2	137.8	130.6	121.5	97.6
Wheat	...	...	...	...	...	...	131.8	139.6	119.6	90.3
Maize	...	...	...	...	...	...	152.7	126.3	122.2	94.1
Industrial crops	104.2	118.9	109.2	132	106.7	93.4	144.3	118.9	145.6	83.9
Sunflower	...	...	...	...	...	...	220.3	86.2	168.0	50.0
Soya	...	...	...	...	...	...	116.6	115.1	179.7	79.2
Sugar beet	...	...	...	...	...	...	94.3	153.2	116.9	100.8
Tobacco (dry leaf )	...	...	...	...	...	...	111.5	99.0	111.5	110.0
Vegetables ¹⁾	95.3	137.9	107	130.5	106.1	104.6	118.5	64.1	109.2	111.2
Potatoes	62.8	92.9	173.7	107.5	106.2	99.1	144.7	104.6	102.9	149.2
Forage crops (fodder)	88.5	89.3	101.7	130.2	94.4	92.7	98.0	115.6	136.8	118.2
Fruit	98.0	95.0	133.4	141.5	155.7	72.0	132.7	80.9	147.4	93.8
Wine grapes	87.6	127.2	107.6	141.3	86.7	126	96.9	134.5	142.3	75.2
Wine	75.5	78.0	100.0	113.4	100.7	109.4	...	...	...	100.2
Livestock for slaughter	...	...	...	90.9	139.0	113.9	90.9	112.5	125.2	...
Cattle	109.7	130.3	109.4	92.4	114.8	114.5	95.9	120.1	112.0	98.8
Calves	103.2	151.9	113.5	91.9	105.7	113.5	108.5	108.6	113.5	100.9
Pigs	134.2	129.8	85.6	90.6	153.4	113.8	86.1	111.1	127.6	101.2
Sheep and goats	105.8	124.4	113.7	93.2	100.8	111.9	105.2	107.5	109.1	97.3
Poultry and eggs	...	...	...	115.6	113.6	108.3	89.1	120.1	...	...
Livestock and poultry	...	...	...	...	...	...	91.1	113.3	123.3	100.7
Milk and dairy products	...	...	...	119.6	128.3	87.8	107.7	122.4	...	...
Livestock products	...	...	...	...	...	...	106.7	122.8	106.5	108.2
Poultry	108.9	92.9	165.9	101.2	80.2	117.6	96.5	119.3	108.7	102.0
Milk	116.1	112.8	108	119.7	128.3	87.7	107.8	122.3	106.3	108.6
Eggs	123.8	120.3	89.0	125.6	136.7	101.8	83.9	123.7	119.3	95.2
Honey	...	...	...	...	...	...	132.8	141.8	99.0	106.2

Note: ¹⁾ Not including potatoes and beans

To calculate producer price indices for agriculture and fishery products we used the value of products sold from legal entities' own production and the value of products bought off from family farms as weights. Weights were calculated for each month individually based on the monthly sale and purchase data.

Source: SORS

Annex 18: Agricultural product price indices in Serbia (real, previous year = 100), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Agriculture and fishery	100.1	99.1	96.5	109.9	115.4	85.5	106.3	107.1	118.0	90.9
Agriculture	...	...	...	110.1	115.4	85.4	106.6	107.1	117.7	90.9
Crop production	89.2	90.8	103.4	128	99.1	73.8	131.2	112.5	121.2	86.5
Fruit production and viticulture	...	...	...	132.6	135.7	68.3	120.0	71.4	139.3	86.0
Livestock production	111.2	109.0	87.4	93.0	123.3	96.7	87.1	107.0	107.1	96.8
Domestic processing	...	...	...	106	93.2	97.2	92.8	126.4	71.4	98.5
Fishery	...	...	...	92.6	97.2	93.2	84.5	100.6	143.6	98.0
Grains	87.5	81.1	106.8	132.0	102.4	64.1	129.2	119.6	113.7	89.8
Wheat	...	...	...	...	...	...	123.2	128.6	111.8	82.5
Maize	...	...	...	...	...	...	144.1	115.3	114.4	86.3
Industrial crops	94.1	102.4	96.5	125.2	95.8	83.3	135.7	107.9	137.8	76.1
Sunflower	...	...	...	...	...	...	211.7	75.2	160.2	42.2
Soya	...	...	...	...	...	...	108.0	104.1	171.9	71.4
Sugar beet	...	...	...	...	...	...	85.7	142.2	109.1	93.0
Tobacco (dry leaf )	...	...	...	...	...	...	102.9	88.0	103.7	102.2
Vegetables ¹⁾	85.2	121.4	94.3	123.7	95.2	94.5	109.9	53.1	101.4	103.4
Potatoes	52.7	76.4	161	100.7	95.3	89.0	136.1	93.6	95.1	141.4
Forage crops (fodder)	78.4	72.8	89.0	123.4	83.5	82.6	89.4	104.6	129.0	110.4
Fruit	87.9	78.5	120.7	134.7	144.8	61.9	124.1	69.9	139.6	86.0
Wine grapes	77.5	110.7	94.9	134.5	75.8	115.9	88.3	123.5	134.5	67.4
Wine	65.4	61.5	87.3	106.6	89.8	99.3	...	...	...	92.4
Livestock for slaughter	...	...	...	84.1	128.1	103.8	82.3	101.5	117.4	...
Cattle	99.6	113.8	96.7	85.6	103.9	104.4	87.3	109.1	104.2	91.0
Calves	93.1	135.4	100.8	85.1	94.8	103.4	99.9	97.6	105.7	93.1
Pigs	124.1	113.3	72.9	83.8	142.5	103.7	77.5	100.1	119.8	93.4
Sheep and goats	95.7	107.9	101.0	86.4	89.9	101.8	96.6	96.5	101.3	89.5
Poultry and eggs	...	...	...	108.8	102.7	98.2	80.5	109.1	...	...
Livestock and poultry	...	...	...	...	...	...	82.5	102.3	115.5	92.9
Milk and dairy products	...	...	...	112.8	117.4	77.7	99.1	111.4	...	...
Livestock products	...	...	...	...	...	...	98.1	111.8	98.7	100.4
Poultry	98.8	76.4	153.2	94.4	69.3	107.5	87.9	108.3	100.9	94.2
Milk	106.0	96.3	95.3	112.9	117.4	77.6	99.2	111.3	98.5	100.8
Eggs	113.7	103.8	76.3	118.8	125.8	91.7	75.3	112.7	111.5	87.4
Honey	...	...	...	...	...	...	124.2	130.8	91.2	98.4

Note: ¹⁾ Not including potatoes and beans

Source: Author's calculation on the basis of the SORS data

Annex 19: Average producers' prices for agricultural products in Serbia (RSD/kg), 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Plant products										
Wheat	7.21	7.61	9.14	11.51	14.95	9.98	12.93	18.05	21.59	17.55
Maize	7.49	6.22	7.54	12.54	9.85	8.85	13.50	17.05	20.82	16.03
Rye	8.40	9.34	9.47	9.30	15.82	18.51	20.24	20.61	27.91	18.23
Barley	7.43	7.76	9.05	12.05	14.76	9.32	12.28	19.36	20.93	17.82
Beer barley	8.20	8.42	9.37	11.83	15.46	9.60	12.51	18.95	22.10	20.18
Oats	8.96	8.97	10.19	13.86	16.94	12.33	13.87	22.77	19.00	23.00
Oilseeds	11.52	13.05	15.56	17.22	29.77	24.81	30.03	39.72	50.56	42.04
Sunflower	11.65	14.44	14.98	25.26	23.50	16.14	35.58	30.66	51.51	24.75
Soya	13.21	16.67	16.15	22.37	25.03	25.93	28.83	33.17	59.62	43.65
Sugar beet	1.90	2.05	2.33	2.39	2.77	2.66	2.52	3.87	4.52	4.56
Tobacco (dry leaf. unfermented)	71.39	88.62	117.71	120.18	118.57	173.44	193.53	191.55	213.52	244.24
Beans	70.05	85.22	88.17	105.38	131.47	105.22	90.69	103.76	135.88	218.79
Potatoes (clean crop)	7.80	7.47	12.22	12.88	11.43	12.96	24.37	24.03	24.93	28.17
Peppers	13.71	17.02	16.45	26.17	27.48	26.83	48.99	40.41	35.16	39.89
Cabbage	5.88	17.81	12.35	16.70	14.90	12.82	19.99	16.48	18.93	14.76
Tomatoes	13.71	32.78	26.31	45.58	42.15	52.33	81.67	24.49	59.95	35.94
Cucumbers	20.26	26.96	25.38	31.02	40.99	41.67	47.82	28.14	31.44	28.29
Carrots	6.02	7.69	10.68	11.93	14.29	29.72	29.89	26.36	27.62	29.27
Onions	7.81	9.67	13.00	16.39	13.37	15.31	23.89	27.60	18.70	23.94
Apples	20.08	22.70	22.85	29.80	31.63	29.03	34.89	41.23	49.61	37.28
Pears (dessert)	10.44	14.85	29.85	37.58	38.58	34.19	74.36	39.27	82.65	48.70
Peaches and nectarines	15.74	17.96	19.66	25.38	21.57	22.16	56.09	43.37	72.36	65.74
Apricots	15.75	21.77	31.56	33.81	37.61	24.66	53.71	40.90	140.63	81.43
Sour cherries	20.72	19.44	25.61	26.33	34.12	19.63	43.46	60.17	110.51	58.34
Plums	15.97	19.54	12.16	17.70	13.82	13.10	28.10	31.87	48.68	30.63
Walnuts (in shell)	95.38	131.17	107.56	128.87	130.06	126.77	149.80	240.30	207.70	228.65
Raspberries	55.78	39.10	57.22	91.34	171.53	113.15	130.25	82.40	124.89	184.23
Table grapes	30.66	43.23	42.08	47.10	46.74	44.67	68.40	62.87	68.63	51.12
Wine grapes	14.74	13.64	18.71	21.94	20.75	20.14	19.85	26.69	37.97	27.27
Livestock products										
Calves	123.63	174.48	210.86	189.03	202.64	231.71	248.28	269.71	302.84	293.47
Steers/heifers	94.22	136.33	123.20	117.13	139.71	162.21	156.97	188.47	213.37	219.05
Pigs (≤ 110 kg)	83.81	105.77	91.33	83.80	125.33	141.01	122.06	135.59	172.94	176.89
Pigs (≥ 110 kg)	72.07	92.87	79.37	70.39	108.77	124.76	109.50	118.13	168.87	169.70
Lambs	123.88	154.28	175.70	162.46	164.01	184.44	197.51	212.31	216.20	224.13
Chickens	67.11	74.52	69.95	78.45	87.25	89.62	90.58	109.27	119.38	133.13
Eggs	3.64	4.41	3.90	4.86	6.64	6.76	5.67	7.01	8.36	7.95
Cows' milk	13.34	14.83	15.95	19.12	24.53	21.64	23.32	28.54	30.33	32.84
Honey	121.98	117.68	129.37	120.58	139.86	141.42	192.21	272.55	269.75	284.19

Source: SORS

Annex 20: Average agricultural product producer prices in Serbia (EUR/t); 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Plant products										
Wheat	99	92	109	144	184	106	125	177	191	155
Maize	103	75	90	157	121	94	131	167	184	142
Rye	116	113	113	116	194	197	196	202	247	161
Barley	102	94	108	151	181	99	119	190	185	157
Beer barley	113	101	111	148	190	102	121	186	195	178
Oats	123	108	121	173	208	131	135	223	168	203
Oilseeds	158	157	185	215	366	264	291	390	447	372
Sunflower	160	174	178	316	289	172	345	301	455	219
Soya	182	201	192	280	307	276	280	325	527	386
Sugar beet	26	25	28	30	34	28	24	38	40	40
Tobacco (dry leaf, unfermented)	982	1,068	1,399	1,503	1,456	1,846	1,878	1,879	1,887	2,159
Beans	964	1,027	1,048	1,318	1,614	1,120	880	1,018	1,201	1,934
Potatoes (clean crop)	107	90	145	161	140	138	237	236	220	249
Peppers	189	205	196	327	337	286	475	396	311	353
Cabbage	81	215	147	209	183	136	194	162	167	130
Tomatoes	189	395	313	570	518	557	793	240	530	318
Cucumbers	279	325	302	388	503	444	464	276	278	250
Carrots	83	93	127	149	175	316	290	259	244	259
Onions	107	117	155	205	164	163	232	271	165	212
Apples	276	274	272	373	388	309	339	404	439	330
Pears (dessert)	144	179	355	470	474	364	722	385	731	430
Peaches and nectarines	217	216	234	317	265	236	544	425	640	581
Apricots	217	262	375	423	462	262	521	401	1,243	720
Sour cherries	285	234	304	329	419	209	422	590	977	516
Plums	220	235	145	221	170	139	273	313	430	271
Walnuts (in shell)	1,312	1,581	1,279	1,612	1,597	1,349	1,454	2,357	1,836	2,021
Raspberries	767	471	680	1,142	2,106	1,204	1,264	808	1,104	1,628
Table grapes	422	521	500	589	574	475	664	617	607	452
Wine grapes	203	164	222	274	255	214	193	262	336	241
Livestock products										
Calves	1,701	2,102	2,507	2,364	2,488	2,466	2,410	2,646	2,677	2,594
Steers/heifers	1,296	1,643	1,465	1,465	1,715	1,727	1,523	1,849	1,886	1,936
Pigs (≤ 110kg)	1,153	1,274	1,086	1,048	1,539	1,501	1,185	1,330	1,529	1,564
Pigs (≥ 110kg)	991	1,119	944	880	1,336	1,328	1,063	1,159	1,493	1,500
Lambs	1,704	1,859	2,089	2,032	2,014	1,963	1,917	2,082	1,911	1,981
Chickens	923	898	832	981	1,071	954	879	1,072	1,055	1,177
Eggs (000)	50	53	46	61	82	72	55	69	74	70
Cows' milk (000 l)	184	179	190	239	301	230	226	280	268	290
Honey	1,678	1,418	1,538	1,508	1,717	1,505	1,865	2,673	2,384	2,512

Source: Author's calculation on the basis of the SORS data

Annex 21: Foreign trade by tariff heading (mil. EUR), 2012/2013

	EXPORTS					IMPORTS				
	Mil. EUR		Index	IN %		Mil. EUR		Index	IN %	
	2012	2013	<u>2013</u> 2012	2012	2013	2012	2013	<u>2013</u> 2012	2012	2013
1 Live animals	46.2	35.8	77.5	2.2	1.7	21.8	25.4	116.5	1.9	2.2
2 Meat and edible meat offal	19.7	17.1	86.8	0.9	0.81	41.3	40.7	98.5	3.6	3.5
3 Fish and crustaceans, molluscs and other aquatic invertebrates	1.1	1.9	172.7	0.1	0.09	42.9	28.4	66.2	3.8	2.4
4 Dairy produce, eggs, natural honey	69.9	60.6	86.7	3.3	2.88	44	38.8	88.2	3.9	3.3
5 Products of animal origin, not elsewhere specified	4.3	6.2	144.2	0.2	0.3	2.2	1.6	72.7	0.2	0.1
6 Live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage	8.7	11.5	132.2	0.4	0.55	11.8	12	101.7	1	1
7 Edible vegetables and certain roots and tubers	49.9	58.2	116.6	2.4	2.76	48.5	53.6	110.5	4.3	4.6
8 Edible fruit and nuts; peel of citrus fruit and melons	289.8	359.9	124.2	13.8	17.1	136.9	133.8	97.7	12	11.4
9 Coffee, tea, maté, spices	12.3	12.3	100	0.6	0.6	88.1	69.4	78.8	7.7	5.9
10 Cereals	521.9	364.5	69.8	24.9	17.3	26.8	28.3	105.6	2.4	2.4
11 Products of the milling industry; malt; starches	59.2	50.2	84.8	2.8	2.4	7.2	3.9	54.2	0.6	0.3
12 Oilseeds and oleaginous fruits	54.8	86.9	158.6	2.6	4.1	76.6	59	77	6.7	5
13 Lac, natural gums, resins, other fruit juices and extracts	0.5	0.5	100	0	0	4.6	4.2	91.3	0.4	0.4
14 Vegetable plaiting materials, vegetable products not elsewhere specified or included	1	1.3	130	0	0.1	1.5	0.1	6.7	0.1	0
15 Animal and plant fats and oils	159.9	148.9	93.1	7.6	7.1	46.3	59.9	129.4	4.1	5.1
16 Preparations of meat	32.9	38.5	117	1.6	1.8	53.9	54.4	100.9	4.7	4.6
17 Sugar and sugar confectionary	141.6	144.4	102	6.8	6.9	37	38.6	104.3	3.3	3.3
18 Cocoa and cocoa preparations	47.4	47.3	99.8	2.3	2.3	60.9	67.9	111.5	5.4	5.8
19 Products of the grains, flour and starches	84.7	89.5	105.7	4	4.3	51.7	59.9	115.9	4.5	5.1
20 Preparations of vegetables, fruit and nuts	82.2	85.9	104.5	3.9	4.1	43.2	39.8	92.1	3.8	3.4
21 Food preparations	78.9	106.5	135	3.8	5.1	97.8	100.2	102.5	8.6	8.5
22 Beverages, spirits and vinegar	167.6	162.8	97.1	8	7.7	65.7	60.5	92.1	5.8	5.1
23 Residues and waste from food industry (fodder)	102.9	94	91.4	4.9	4.5	46.8	69.7	148.9	4.1	5.9
24 Tobacco and tobacco substitutes	56.8	79.7	140.3	2.7	3.8	80.2	95.2	118.7	7	8.1
Total agricultural products (1-24)	2,094.2	2,064.3	98.6	100		1,137.8	1,145.4	100.7	100	
Other agricultural products (tariff headings 29-53)		40.1			1.9		31.9			2.7
Total		2,104.4			100		1,177.30			100

Source: SORS, processed by MAEP

Annex 22: Structure of regional exports of food and agricultural products (mil. EUR), 2004-2013

Groups of countries	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/12
EXPORTS	642	748	1,008	1,231	1,336	1,395	1,700	1,956	2,131	2,104	99.4
EU	352	417	474	535	552	662	821	978	1,095	1,104	101.6
CEFTA	254	283	470	614	691	644	732	797	823	723	88.5
Other	36	48	64	82	93	89	148	180	214	277	129.9
IMPORTS	715	655	767	871	1,056	991	819	1,053	1,221	1,117	102.9
EU	347	323	349	395	482	446	359	493	639	704	121.9
CEFTA	77	88	143	165	212	205	192	227	249	151	61.4
Other	292	244	276	312	362	339	268	332	334	322	97.8
BALANCE	-73	93	241	360	280	404	881	903	910	987	95.3
EU	4	94	125	141	70	216	462	485	456	400	78.7
CEFTA	177	195	327	449	480	439	540	570	574	571	99.5
Other	-256	-196	-211	-230	-270	-250	-120	-152	-120	-44	41.7

Source: SORS, processed by MAEP

Annex 23: Main indicators of foreign trade in food and agricultural products, 2014-2013

Indicator	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Index 2013/12
Exports (mil. EUR)	642	748	1,008	1,231	1,336	1,395	1,700	1,956	2,131	2,104	98.7
Imports (mil. EUR)	715	655	767	871	1,056	991	819	1,053	1,221	1,117	91.4
Balance (mil. EUR)	-72	93	240	360	280	404	881	903	910	927	101.9
Volume (mil. EUR)	1,357	1,402	1,775	2,102	2,391	2,385	2,520	3,009	3,352	3,282	97.9
Coverage of imports by exports (%)	89.9	114.2	131.3	141.3	126.5	140.8	207.6	185.8	174.6	178.7	-
Share in Serbia's total trade (%)	11.9	11.7	11.4	10.4	10.1	13.8	12.7	13.3	14.2	12.4	-
Share of exports in total exports (%)	22.7	20.7	19.8	19.1	18	23.4	23	23.2	24.1	19.2	-
Share of imports in total imports (%)	8.3	7.8	7.3	6.3	6.5	8.7	6.6	7.4	8.3	7.6	-

Source: SORS, processed by MAEP

Annex 24: Budget funds allocated to MAFWM (mil. RSD), 2002-2013

Year	Total budget ¹⁾	Agriculture		Official Gazette of RS
		Total funds	% in total budget	
2002	217,380	5,627	2.59	74/2001, 35/2001, 86/2002
2003	318,692	10,990	3.45	86/2002, 35/2003
2004	362,045	20,144	5.56	33/2004, 115/2004
2005	400,768	18,984	4.74	127/2004, 66/2005 106/2005, 108/2005, 85/2006,
2006	505,821	27,544	5.45	86/2006
2007	595,518	26,096	4.38	58/2007
2008	695,959	32,895	4.73	123/2007, 102/2008
2009	719,854	26,690	3.71	120/2008, 31/2009
2010	825,885	31,578	3.82	107/2009, 91/2010
2011	922,232	33,676	3.65	101/2010, 78/2011
2012	1,018,633	40,877	4.01	101/2011, 93/2012
2013	1,040,014	44,699	4.30	114/2012, 59/2013

Note: ¹⁾ For the purpose of this analysis, total national budget expenses were observed as total budget.

Source: *Laws on the Budget of the Republic of Serbia for relevant years*

Annex 25: Budget funds for direct payments in 2013 (RSD)

APM	Subsidy in the Rulebook	Per unit of measure	Total realised funds
Output subsidies (price support)	Milk premium	7 RSD/l	3,119,890,990
	Milk premium 2012	5 RSD/l	1,057,552,944
	Total		4,177,443,934
Direct payment per hectare/head	Basic subsidies for plant production	6,000 RSD/hectare	10,441,681,348
	Input subsidy on raw materials in crop and vegetable production 2012	6,420 RSD/hectare after advance deduction	225,500
	Subsidies on quality breeding stock	per head, by type of livestock	2,692,298,500
	Subsidies for genetic improvement in livestock production 2012		1,869,334,319
	Subsidies on cattle, lamb and pig fattening	10,000 RSD/head	160,059,000
	Subsidies on cattle fattening		647,971,386
	Subsidies on pig fattening 2012		433,450,000
	Subsidies on beehives	500 RSD/bee hive	64,447,000
	Cereal and potato premium 2012	6,420 RSD after advance deduction	144,525,236
Total		16,453,992,289	
Direct payment			20,631,436,223
Input subsidies	Input subsidy on fuel	50 RSD/l	4,750,319,725
	Input subsidy on diesel fuel for autumn works 2012	D2/Euro diesel	635,397
	Insurance premium subsidy on crops, fruit crops, perennial plantations, nurseries and animals	40 % paid premium	334,559,812
	Input subsidy on agricultural insurance 2012		2,069,783
	Input subsidy on part of interest - loans 2011		34,685,094
	Input subsidy on part of interest – loans 2012		179,524,186
Total		5,301,793,998	
MARKET SUPPORT MEASURES AND DIRECT SUPPORT TO PRODUCERS	DIRECT PAYMENT		25,933,230,221

Source: *MAEP*

Annex 26: Budget funds for rural development subsidies in 2013 (RSD)

APM	Subsidy in the Rulebook	Per unit of measure	Total realised funds
Agricultural competitiveness improvement	Subsidies for investments in agriculture to improve competitiveness and achieve quality standards		
Subsidies for investments in farms	Subsidies for planting new perennial fruit tree plantations, vine and hop		31,618,747
	Investments in production and processing capacities of fruit, sour cherry, plum, strawberry, raspberry and blueberry plantations in five regions in the south of Serbia 2012	30-45 % investment value	8,002,901
	Subsidies for new fruit, vine, hop and lincura plantations 2012		212,005,348
	Investments in production and market placement of fruit, grapes, vegetables, mushrooms and flowers 2012		89,165,200
	Danish competition: support for primary agricultural production improvement	Per investment	72,894,572
	Danish donation 2012		17,700,340
	Subsidies for steer/heifer fattening 2012, in cooperation with local government 50:50		648,250,847
	Support for food safety, organic products and products with geographical indication 2012	Per investment	274,266
	Total		1,079,912,221
Environmental and rural landscape improvement	Subsidies for sustainable rural development		
Agro ecological subsidies	Organic production	8,400 RSD/hectare for plant production and for fuel 70 RSD/l	11,066,371
	Organic production 2012		3,536,141
	Preservation of plant and animal genetic resources	per activity, for animals RSD/head	90,000
	Total		14,692,512
Support for rural economy and rural population	Subsidies on rural economy improvement		
Development of new activities	Economic activities such as adding value to agricultural products, introduction and certification of food safety and food quality systems, organic products and products with geographical indication	% costs (max 350,000 RSD)	712,112
STRUCTURAL AND RURAL DEVELOPMENT SUBSIDIES	RURAL DEVELOPMENT SUBSIDIES		1,095,316,845

Source: MAEP

Annex 27: Budget funds for specific subsidies in 2013 (RSD)

APM	Measure in the Rulebook	Total realised funds
Research, development, advisory and extension services	Improvement of the know-how and constant upgrading of human resources	49,843,968
	Advisory and extension services 2012	92,337,478
	Annexes Advisory and extension – incentives 2012	35,604,566
	Advisory and extension services	256,977,800
	Measures and actions in agriculture	7,232,197
	Subsidies for planting material production and certification and clonal selection	78,578
GENERAL SUPPORT MEASURES IN AGRICULTURE	SPECIAL GRANTS	442,074,586

Source: MAEP

Annex 28: Budget funds for rural infrastructure in 2013 (RSD)

APM	Measure	Total realised funds
Agricultural infrastructure improvement	Building irrigation systems	28,201,841
	Restructuring and revitalisation of country roads	93,790,629
	Restructuring of dual-purpose canal network	444,261,936
	Irrigation equipment	38,112,262
	IPA project	11,959,998
Improvement of agricultural competitiveness	Farmland conservation, restructuring and utilisation*	616,326,666
Rural infrastructure	Building and reconstruction of forest roads**	143,787,000

*Funds of Directorate for Agricultural Land

** Funds of Forestry Directorate

Source: MAEP

Annex 29: Agricultural and rural development subsidies per subsidy type (mil. EUR), 2010-2013

APM	mil. RSD				mil. EUR			
	2010	2011	2012	2013	2010	2011	2012	2013
MARKET SUPPORT MEASURES AND DIRECT SUPPORT TO PRODUCERS	20,618	14,110	23,848	25,933	200.1	138.4	210.8	229.1
Market support measures	1,319	31	0	0	12.8	0.3	0	0
Exports subsidies	1,267	31	0	0	12.3	0.3	0	0
Support for private storage	52	0	0	0	0.5	0	0	0
Direct support to producers	19,310	14,089	23,848	25,933	187.4	138.2	210.8	229.1
Direct payments to producers	371	2,498	15,114	20,631	3.6	24.5	133.6	181.7
Output subsidies	371	2,498	3,236	4,177	3.6	24.5	28.6	36.9
Input subsidies per hectare/head	0	0	11,879	16,454	0	0	105	144.8
Input subsidies	18,928	11,582	8,734	5,302	183.7	113.6	77.2	47.4
STRUCTURAL AND RURAL DEVELOPMENT SUBSIDIES	3,205	2,039	2,410	1,855	31.1	20.0	21.3	16.4
Improving agricultural competitiveness*	3,071	1,886	1,674	1,696	29.8	18.5	14.8	15.0
Improving the environment and rural landscape	21	20	45	15	0.2	0.2	0.4	0.1
Support for rural economy and rural population*	113	133	690	144	1.1	1.3	6.1	1.3
GENERAL SUPPORT MEASURES IN AGRICULTURE	546	214	385	442	5.3	2.1	3.4	3.9
Research, development, advisory and extension services	474	163	385	442	4.6	1.6	3.4	3.9
Food quality and food safety control	52	51	0	0	0.5	0.5	0	0
UNALLOCATED	835	1,142	45	0	8.1	11.2	0.4	0
TOTAL	25,193	17,515	26,687	28,230	244.5	171.8	235.9	249.4

* Including support for agricultural infrastructure (Directorate for Agricultural Land)

** Including support for rural infrastructure (building forest roads – Forestry Directorate)

Source: MAEP