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Supply scale and demand for agricultural advisory services in Kosovo

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Abstract

The aim of the poster is to present the main findings of the research study on the supply scale and the demand of advisory services in the sector of agriculture in Kosovo. The study area covers ten municipalities and 120 farms coming from different sectors of agriculture. The data analyses show the supply scale of advisory services from 2007-2013; advisory sources, the importance of advisory services for farmers, and also identifies the methods and fields where these services should be focused in the future. Research findings show that almost half of the interviewed farmers did not receive advisory services and an interesting finding is that ten of the farmers did not hear at all about these services. Farmers were drawing agricultural advices and services from different sources, where the highest percentage of offering advices for farmers was from private sector, specifically from different international organizations. The advisory services received from agriculture experts from public sector were significantly lower compared to the other sources. The derived results show that the advisory services were needed on all processes that accompany a farmer in agricultural production. In this regard the supply of advisory services in the future needs to be oriented mainly at pre-production phase, production, protection, processing, and marketing. Whereas, most favorable methods stressed by the farmers in receiving advisory services were oral advices, respectively experimental plots.

Key words: advisory services, farmers, agriculture, Kosovo

1. Introduction

Agriculture sector itself handle some fundamental problems like ensuring adequate food supply, economic growth, balance of payments, developing rural areas and protecting environment. Recognizing the importance of country's specific need and country's strategic objectives as well as strategic directions of the EU for agriculture and rural development, Ministry of Agriculture Forestry and Rural Development (MAFRD) prepared strategic programs for agriculture and rural development. The vision statement for agriculture and rural development in Kosovo is to "make a balanced contribution to the economic, environmental, social and cultural well-being of rural areas, and Kosovo as a whole, through effective and profitable partnerships between the private sector, central/local government and local communities within the European context" (MAFRD, Agriculture and Rural Development Plan 2007-2013, 2010). The stated vision of the Agriculture and Rural Development Plan (ARDP) 2007-2013 was interpreted into the following main objectives: additional income for farmers and rural dwellers; improving competitiveness and efficiency of primary agricultural production; improving processing and marketing of agricultural and forestry products; improving on-farm/in-factory quality and hygiene standards; sustainable rural development; rural diversification and alignment of Kosovo's agriculture and policy with that of the EU".

The agriculture sector in Kosovo is characterized by small farms, low productivity and efficiency, poor infrastructure, improper land use, limited land consolidation, and incomplete social land privatization with unclear property and land use rights (MAFRD, 2013). According to the latest statistics, the total agricultural land of Kosovo amounts at 277,364 ha of which 253,563 ha is arable land, 7,071 ha land under permanent crops (orchards and vineyards), and 97,114 ha land under permanent grassland (meadows and pastures). The total farm land is used by 185,765 farms out of which 185,424 (99%) are small farms (MAFRD, Green Report Kosovo 2013, 2013). Kosovo has unfavorable farm structure, with an average Utilized Agricultural Area (UAA) per holding of 1.5 ha, fragmented into 7 plots. The average share of the agriculture, forestry, hunting and fishery sector in Gross Value Added (GVA) for the period of time 2006-2011 was 15.6%. The agriculture share in total employment rate in 2012 was estimated to be is 4.6%.

In 2012 the budget allocation for agriculture and rural development was only 1.6% of the total public expenditures. The ARDP 2007-2013 with the supported measures was mostly implemented based on annual budget allocation for agriculture sector. Due to budgetary constrains the allocation of the total MAFRD budget to the various measures of the ARDP 2007-2013 followed only partly the general agricultural and rural development objectives (Ortner, 2012). Increase of the agriculture competitiveness should be accompanied with an increase of the budget allocated for agriculture and rural development. Competitive agriculture requires updated knowledge, information and management services. Further training, advice in technical and farm/business management subjects and information on the agricultural market in accordance with the country specific needs are prerequisite for production growth of agricultural outputs and increase of the sector's efficiency and competitiveness. Promotion of agricultural research will help development of sustainable production systems, particularly in view of the new challenges such as climate change, biodiversity, rising food prices and bio-fuels.

Nowadays, agricultural development is also dependent on how quickly information is obtained or distributed and how the information is used. Due to the need for change, there is a gap between farmers' willingness responding and adjusting to the changes and the insufficient capacities of advisory services to effectively support changes (Knickel K., 2009). Small-scale farmers generally lack basic education. Due to growing food demands, in many countries are occurring soil nutrient depletion, land degradation, desertification, as well as poor water-use, fertilizers and pesticides management practices by most of the farmers (Swanson, 2008). Therefore, advisory services can play an important role in providing technical and management skills to the farmers by improving product quality and increasing productivity, protect their animals and plants, introduce innovations and the emergence of new products, easier market access, improve networking of the farmers. In countries with low educated farmers, there is an urgent need to allocate more human and capital resources for public extension and advisory services in providing management practices and educating farmers on how to use natural resources in a sustainable way and cope with the impact of climate change (Swanson, 2008). According to the study carried out by Alston an overall mean internal rate of return was estimated to be 81.3% and median of 44.3%; the study samples includes 292 studies that reported a total of 1,852 estimates of rates of return to agricultural research and development calculated from 292 studies (Alston, 2010).

The measure on development of vocational training to meet rural needs has been implemented since 2008 by MAFRD. The aim of this measure was to introduce new agricultural production technology, environmental friendly production, and setting up network and cooperation between the farmers. Training courses were delivered by contracted private companies in close cooperation with Municipal Agricultural Office (MAO). From 2008 to 2012, 19,000 farmers participated in the training courses and 900 farmers were part of the different study visits of best practice examples. In 2012, the expended budget for vocational training was by 65% higher than in 2011, while compared with the year 2008 it is about five times higher. According to the Mid-Term Evaluation report vocational training measure contributed to an increased agricultural production, more efficient use of farm inputs, and more specialized farm activities.

2. Methodological approach

The aim of the research was to find out the supply scale and the demand of advisory services provided to agriculture sector in Kosovo. In order to achieve the objective of the study, questions as below were asked:

- How important are advisory services for your farm?
- At what stage do you think advisory services are necessary?
- Have you heard of advisory services and have you received advisory services?
- From whom did you receive advisory services?
- Where do you think advisory services should be focused?
- What methods of promoting agricultural advices are mostly preferred for you?

Research was generally focused on municipalities with more intensive agriculture and significantly greater number of registered agricultural farms. Departments of Agriculture at

municipality level were contacted for handling the list of representative farmers and leader farmers for each branch of the agriculture sector. The research study was carried out in ten different municipalities such as Prishtina, Podujeva, Rahovec, Mamusha, Gjilan, Gjakova, Dragash, Istog, Skenderaj and Drenas. Structured questionnaire was used for data collection and interviews with farmers were realized in the location of the farms. A significant number of farmers were part of the research, 120 farmers in total and the selection of the sample was made based on the lists provided by the Departments of Agriculture. However, an effort was done to cover villages where farmers were mostly concentrated and having at least 2 ha of arable land. The survey covered various branch of agriculture sector and interviewed farmers coming from orcharding, vegetables, livestock, arable crops, vineyards, beekeeping and others.

3. Results and discussion

Transfer of information and knowledge to small farm households located in the remote areas with a very low level of education is one of the most challenging tasks. The ways of transferring information and knowledge in Kosovo are mainly based on advisory services at municipality level, non-governmental agencies, local development agencies and school teachers'. Based on the research findings, the education level of the farmers varies across different branches within the agriculture sector. If we compare the education level, the farmers from orchard and arable crops have the highest level of education compared with the other branches, where farmers from vineyards and beekeeping sector have the lowest level of education, with an average of 10 years. In terms of the number of employees, livestock farms have the highest average number of employees, while the beekeeping sector has the lowest average number of employees. In terms of working experience, beekeepers followed by vineyards had the highest average of the working experience.

Table 1: Farm characteristics according to the education, employment and the working experience

Variable	N	Min	Max	Mean	Standard error	SD
Education in years	87	4	16	12.06	0.294	2.738
No. of employees in the farm	87	1	30	5.63	0.483	4.509
No. of the working experience	87	1	40	14.82	1.092	10.186

Note: Out of 120 completed questionnaires, 33 were excluded from the data base due to missing relevant information and extreme values.

Concerning the question of whether the farmers have knowledge of the existence of advisory services, 90.8% stated that they are informed about these services. Participation in various training activities was stated as the main source and has enabled farmers to listen for advisory services and this represents 53% of all sources. Study results show that from 120 interviewed farmers, majority 65% have received advisory services. Considering the importance of provision of the advisory services by the public sector, surprisingly study results show that only 22% of the interviewed farmers have recently received advices from the experts of the municipalities and MAFRD. The highest percentage (28%) of the farmers declared for receiving requested advices from different other sources as FAO, USAID/NOA, Inter-cooperation, and Mercy Corps, associations of farmers, agricultural cooperatives, study visits abroad, agricultural pharmacies, and MAFRD trainings in cooperation with international organizations. In regard to the social capital and willingness to cooperate, more than 90% fo the farmers declared that they would like to work with others in order to achieve their goals. Considerable percentage, more than 40% of the farm households stated that they are willing to accept help from others (advisers, friends).

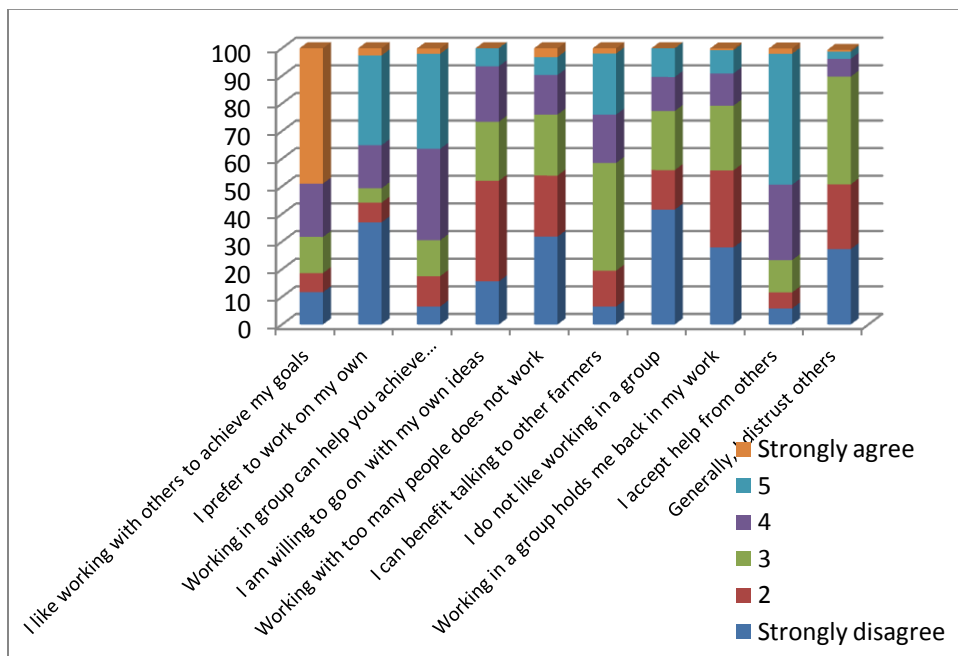


Figure 1: Statement of the farmers' willingness to cooperate/social capital

Majority of the farmers (52.5%) would like advisory services to be focused on all areas. However, if we compare the obtained results between different branches we see that the type of need for advisory services differ among the branches. Livestock and beekeeper branch see as needed more advisory services on marketing of their products, vineyard branch on production and farmers producing arable crops think that extension services should be focused on plant protection. Considerable number of the farmers think that advisory services in the future should also think of how attract young farmers in getting involved and start market oriented business in

agriculture. More than 60% of the farmers would prefer oral advices in the field, followed by experimental plots and organizing trainings for the farmers in a school village.

4. Conclusions

Agricultural advices were offered in various forms, mainly through trainings provided by public sector and concrete farm visits from the private sector. According to the farmers opinion these forms of offering advisory services were not reliable, have not been well organized and were not permanent. The research findings reflect that farmers were advised by various sources, where private sector was the most active, respectively international organizations were the main source with the highest percentage of giving advices to farmers. Therefore, taking into account the results of the research, in the future various opportunities to offer advisory services should be reviewed and not only consider the possibility of providing advices by public sector. Extension programs should include both sides, as the public sector, the Ministry of Agriculture and municipalities, as well as the private sector with private companies, farmers associations and NGOs.

A major challenge of advisory services is to be able to offer advices that suit the different needs of the farmers in exceptional circumstances. Farmers consider that these services should focus on all areas, depending on the sector and the needs of farmers in relevant sectors. Regarding application forms, research findings indicate that the most appropriate form for offer advices are oral advices, followed by experimental plots and organizing trainings for farmers in a school village. Provision of advisory services to farmers through farm demonstrations, or use of an experimental field can be a very favorable form for applying advices. In such conditions also farmers can provide advices, sharing "**success stories**" or telling good models of the production practices.

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