

### 3. The orientation of agricultural production

The orientation of agricultural production was evaluated in two ways - according to the Classification of economic activities (NACE) and according to the classification of the farm typology. The classification of the orientation of agricultural production according to both categories is set out in Annexes 3 and 4.

#### **The orientation of agricultural production according to the NACE**

The reporting units stated the orientation of their predominant agricultural production according to the NACE in the ZEM 2007 questionnaire. The predominant agricultural production was considered to be that production which represented at least two thirds of the revenues from the reporting unit's agricultural activities. The orientation of the agricultural holdings according to their predominant agricultural production as per the NACE is depicted in Table 3. The table does not include the 1,002 subjects (predominantly natural persons without a Identification Number - IČO) who remained unclassified.

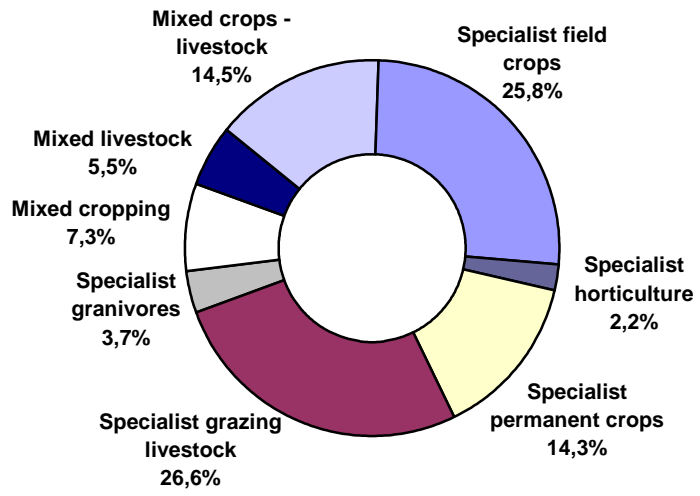
According to the NACE, approximately 40% holdings were involved in crop production, 30% in animal production and 30% in combined crop and animal production in 2007. Less holdings were involved in combined crop and animal production in 2007 than in 2005, when approximately 38% of holdings were involved in it. The numbers of holdings with combined production fell in favour of both crop and animal production. In a more detailed breakdown, approximately 20% of holdings were predominantly involved in crop production and 8% were predominantly involved in animal production in 2007. Apart from that, approximately 20% of the holdings involved in crop production and 22% of the holdings involved in animal production were narrowly specialised. In total, 43% of the holdings of natural persons and 35% of the holdings of legal persons were narrowly specialised in 2007. There are relatively more specialised holdings of natural persons in some specialisations: this involves, for example, the cultivation of fruit and grapes or sheep, goat and horse breeding. The numbers of narrowly specialised holdings did not differ greatly in crop and animal production, but given the different number of holdings involved in crop and animal production, it can be said that there are relatively more holdings specialising in animal production (72.8% of holdings involved in animal production versus 49.9% of narrowly specialised holdings in crop production). Among the narrowly specialised holdings in animal production, the dominant orientation is towards sheep, goat and horse breeding (9.9% of all reporting units and 45.4% of the reporting units narrowly specialised in animal production) and cattle breeding (8.4% of all reporting units and 38.8% of the reporting units narrowly specialised in animal production). Among the units which are narrowly specialised in crop production, most units are specialised in growing fruit, including grapes and nuts (11.5% of all reporting units and 56.4% of the reporting units narrowly specialised in crop production) and in growing cereals and other crops, including hops (5.7% of all reporting units and 27.7% of the reporting units narrowly specialised in crop production). A narrow specialisation is especially typical for viticulturists.

#### **The orientation of agricultural production according to the classification of farm typology**

Whereas the actual revenues of the reporting units are decisive for designating the production orientation according to the NACE classification, the unit is classified according to the farm typology upon the basis of the designated "standard revenues" which it should achieve with its production potential.

The orientation of the agricultural production upon the basis of the classification of the farm typology designates the specialisation of the holdings (the same reporting units as in FSS 2007) by means of a calculation according to the composition of their standard gross margin (SGM). The SGM expresses the economic benefit of the crop and animal production for the unit. It is designated for 1 ha of each type of crop production and one animal in each animal category. Its value corresponds to the standard value of the production from 1 ha of the given crop or 1 animal of the given animal category after the deduction of the specific (variable) costs for the given type of production. The standard gross margins are designated in the individual EU countries for all categories of crops and animal categories according to the real conditions of the given country and they are regularly updated. The standard gross margins and farm typology classification in the Czech Republic are set by the Institute for Agricultural Economics and Information. The orientation of the agricultural production upon the basis of farm typology is shown in graph 3.

**Graph 3 - The orientation of agricultural holdings production according to the classification of farm typology**



**Tab. 3 - Agricultural holdings: by their principal agricultural production of the holding**

Indicator	NACE	RU, total	Natural persons		Legal persons				
			Total	Of which private farmers + agricultural entrepreneur	Total	Of which			
						Business companies & partnerships	Limited liability companies	Joint stock companies	Cooperatives
Number of RU									
Total		38 394	35 454	26 301	2 940	2 293	1 607	651	548
Crop production (CP), total		15 675	14 722	11 198	953	825	680	127	87
Crop production	011	7 847	7 368	5 765	479	401	321	72	55
Specialised production in CP:		7 828	7 354	5 433	474	424	359	55	32
Grow ing of cereals and other crops incl. hop	0111	2 170	1 962	1 723	208	185	155	24	21
Grow ing of vegetables and garden specialities	0112, 01121	475	441	376	34	31	26	5	1
Grow ing of fruits, nuts plants for beverage prod. and plants for seasoning, incl. vine	0113, 01131,01132	4 422	4 262	2 733	160	143	119	21	9
Grow ing and picking of mushrooms	01122	10	7	7	3	3	2	1	-
Grow ing of flow ers and ornamental w oods	01123	751	682	594	69	62	57	4	1
Animal production (AP), total		11 458	10 766	7 876	692	611	460	141	53
Animal production	012	3 117	2 966	1 977	151	118	82	36	30
Specialised production in AP:		8 341	7 800	5 899	541	493	378	105	23
Cattle breeding	0121	3 239	3 037	2 454	202	183	139	36	17
Sheep, goat, horse breeding	0122	3 789	3 657	2 694	132	110	101	8	1
Pig breeding	0123	670	584	382	86	81	49	31	4
Poultry breeding	0124	411	300	214	111	109	81	28	1
Tiny livestock breeding	01251	173	169	106	4	4	3	1	-
Fur animal breeding	01252	55	50	46	5	5	5	-	-
Pet breeding incl. aquarium fish	01253	3	3	3	-	-	-	-	-
Laboratory animals breeding	01255	1	-	-	1	1	-	1	-
Combined production (CP and AP)	013	11 213	9 932	7 195	1 281	845	459	379	408
Aquaculture, fishing	05	48	34	32	14	12	8	4	-
Share (%)									
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Crop production (CP), total		40.8	41.5	42.6	32.4	36.0	42.3	19.5	15.9
Crop production	011	20.4	20.8	21.9	16.3	17.5	20.0	11.1	10.0
Specialised production in CP:		20.4	20.7	20.7	16.1	18.5	22.3	8.4	5.8
Grow ing of cereals and other crops incl. hop	0111	5.7	5.5	6.6	7.1	8.1	9.6	3.7	3.8
Grow ing of vegetables and garden specialities	0112, 01121	1.2	1.2	1.4	1.2	1.4	1.6	0.8	0.2
Grow ing of fruits, nuts plants for beverage prod. and plants for seasoning, incl. vine	0113, 01131,01132	11.5	12.0	10.4	5.4	6.2	7.4	3.2	1.6
Grow ing and picking of mushrooms	01122	0.0	0.0	0.0	0.1	0.1	0.1	0.2	-
Grow ing of flow ers and ornamental w oods	01123	2.0	1.9	2.3	2.3	2.7	3.5	0.6	0.2
Animal production (AP), total		29.8	30.4	29.9	23.5	26.6	28.6	21.7	9.7
Animal production	012	8.1	8.4	7.5	5.1	5.1	5.1	5.5	5.5
Specialised production in AP:		21.7	22.0	22.4	18.4	21.5	23.5	16.1	4.2
Cattle breeding	0121	8.4	8.6	9.3	6.9	8.0	8.6	5.5	3.1
Sheep, goat, horse breeding	0122	9.9	10.3	10.2	4.5	4.8	6.3	1.2	0.2
Pig breeding	0123	1.7	1.6	1.5	2.9	3.5	3.0	4.8	0.7
Poultry breeding	0124	1.1	0.8	0.8	3.8	4.8	5.0	4.3	0.2
Tiny livestock breeding	01251	0.5	0.5	0.4	0.1	0.2	0.2	0.2	-
Fur animal breeding	01252	0.1	0.1	0.2	0.2	0.2	0.3	-	-
Pet breeding incl. aquarium fish	01253	0.0	0.0	0.0	-	-	-	-	-
Laboratory animals breeding	01255	0.0	-	-	0.0	0.0	-	0.2	-
Combined production (CP and AP)	013	29.2	28.0	27.4	43.6	36.9	28.6	58.2	74.5
Aquaculture, fishing	05	0.1	0.1	0.1	0.5	0.5	0.5	0.6	-